

TURNING ENERGY INTO INSPIRATION

THIRD QUARTER
REPORT 2024



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COMPANY OFFICERS ⁽¹⁾

Chairman Emeritus ⁽²⁾

Alberto Bombassei

Board of Directors ⁽³⁾

**EXECUTIVE CHAIRMAN
CHIEF EXECUTIVE OFFICER
DIRECTORS**

Matteo Tiraboschi ⁽⁸⁾
Daniele Schillaci ⁽⁸⁾
Cristina Bombassei ^{(5) (8)}
Giancarlo Dallerà ⁽⁴⁾
Elisabetta Magistretti ⁽⁴⁾
Umberto Nicodano ⁽⁷⁾
Elizabeth M. Robinson ⁽⁴⁾
Gianfelice Rocca ⁽⁴⁾
Michela Schizzi ^{(4) (6)}
Manuela Soffientini ^{(4) (9)}
Roberto Vavassori ⁽⁸⁾

Independent Auditors

Deloitte & Touche N.V. ⁽¹⁰⁾

Committees

AUDIT, RISK & SUSTAINABILITY COMMITTEE ⁽¹¹⁾

Elisabetta Magistretti (Chairwoman)
Michela Schizzi
Manuela Soffientini

REMUNERATION & APPOINTMENTS COMMITTEE

Giancarlo Dallerà (Chairman)
Elizabeth M. Robinson
Manuela Soffientini

SUPERVISORY COMMITTEE

Giovanni Canavotto (Chairman) ⁽¹²⁾
Elisabetta Magistretti
Matteo Tradii ⁽¹³⁾

(1) Upon the entering into effect of the cross-border conversion, Brembo adopted a one-tier board management and control system pursuant to the Dutch Civil Code that does not provide for a Board of Statutory Auditors or any control body separate from the Board of Directors. Accordingly, the term of Brembo's Board of Statutory Auditors ended on the effective date of the transaction (24 April 2024). The control function will therefore be carried out by the Non-executive Directors, who, in compliance with the Dutch Corporate Governance Code, make up the majority of the members of the Board of Directors. The Dutch law does not provide for the position of the Manager in Charge of the Company's Financial Reports. Therefore, on that same date, Brembo's Manager in Charge of the Company's Financial Reports ceased his position, without prejudice to the Company's capability to ensure an adequate internal control and risk management system, suitable administrative and accounting procedures for preparing the Consolidated and Separate Financial Statements and any other financial disclosure.

(2) Appointed for an indefinite period.

(3) In office until the Shareholders' Meeting called to approve the Financial Statements for the year ending 31 December 2025.

(4) Non-executive and Independent Directors.

(5) The Director also holds the position of Executive Director in charge of the Internal Control and Risk Management System, as well as of Chief CSR Officer.

(6) Director elected from a minority list.

(7) Non-executive Director.

(8) Executive Director.

(9) This Director also holds the position of Lead Independent Director.

(10) As of the Transaction Effective Date the Cross-Border Conversion (24 April, 2024), the statutory audit of the accounts has been carried out by the auditing firm belonging to the Deloitte network based in Amsterdam (i.e., Deloitte Accountants B.V.), since in accordance with Dutch law, the statutory audit of the accounts of the Company must be carried out by an auditing firm based in the Netherlands.

(11) This Committee also acts as the Related Party Transactions Committee.

(12) Independent Expert.

(13) Chief Internal Audit Officer.

Brembo N.V.

Registered offices: Amsterdam (NL)

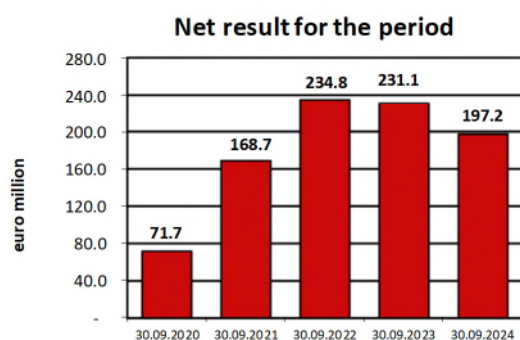
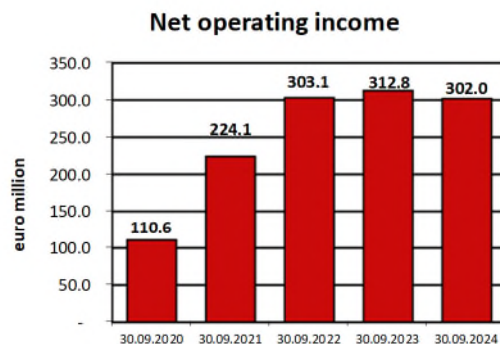
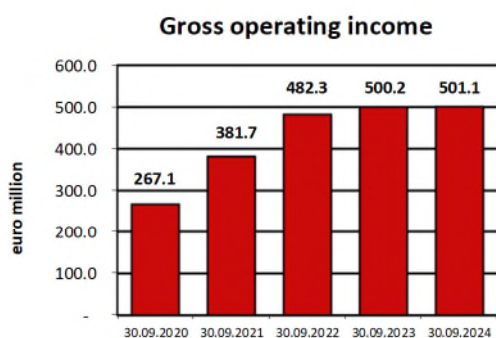
Business and Corporate Address: Via Stezzano 87 – 24126 Bergamo – Italy

Share capital: €7,007,202.04

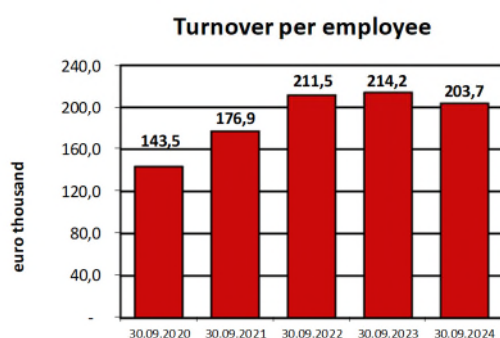
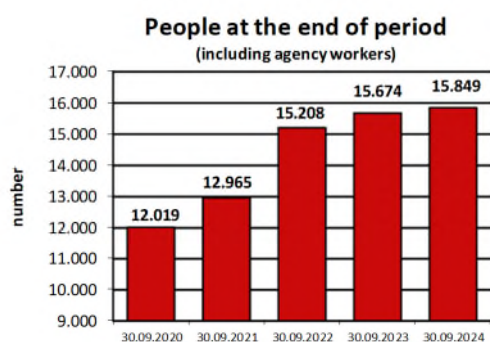
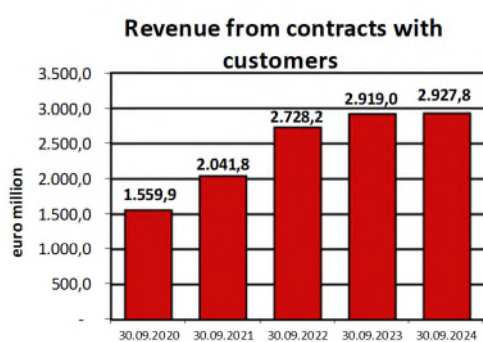
Bergamo Register of Companies

Tax Code and VAT Code no. 00222620163

Summary of Group Results

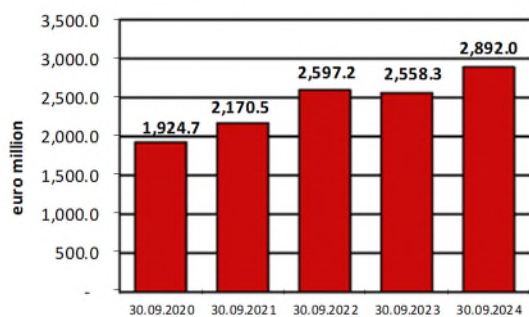


ECONOMIC RESULTS (euro million)	30.09.2020	30.09.2021	30.09.2022	30.09.2023	30.09.2024	% 2024/2023
Revenue from contracts with customers	1,559.9	2,041.8	2,728.2	2,919.0	2,927.8	0.3%
Gross operating income	267.1	381.7	482.3	500.2	501.1	0.2%
<i>% of revenue from contracts with customers</i>	17.1%	18.7%	17.7%	17.1%	17.1%	
Net operating income	110.6	224.1	303.1	312.8	302.0	-3.5%
<i>% of revenue from contracts with customers</i>	7.1%	11.0%	11.1%	10.7%	10.3%	
Result before taxes	92.5	223.5	312.4	310.1	276.0	-11.0%
<i>% of revenue from contracts with customers</i>	5.9%	10.9%	11.4%	10.6%	9.4%	
Net result for the period	71.7	168.7	234.8	231.1	197.2	-14.7%
<i>% of revenue from contracts with customers</i>	4.6%	8.3%	8.6%	7.9%	6.7%	

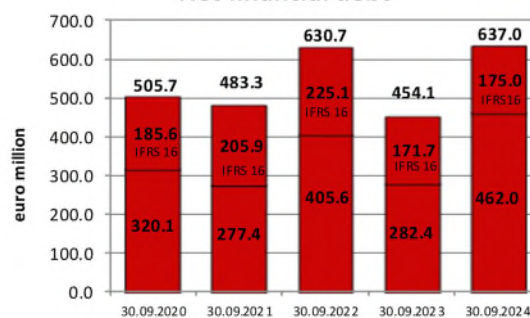


FINANCIAL RESULTS (euro million)	30.09.2020	30.09.2021	30.09.2022	30.09.2023	30.09.2024	% 2024/2023
Net invested capital	1,924.7	2,170.5	2,597.2	2,558.3	2,892.0	13.0%
Equity	1,394.8	1,665.3	1,943.6	2,073.7	2,213.1	6.7%
Net financial debt	505.7	483.3	630.7	454.1	637.0	40.3%
EMPLOYEES AND INVESTMENTS						
Employees at end of period (number)	10,869	11,539	12,897	13,630	14,371	5.4%
Turnover per employee (euro thousand)	143.5	176.9	211.5	214.2	203.7	-4.9%
Net investments (euro million)	105.2	140.2	201.0	237.8	247.5	4.1%
Increases in leased assets (euro million)	6.8	11.8	9.8	14.6	21.2	45.3%

Net invested capital



Net financial debt



MAIN RATIOS	30.09.2020	30.09.2021	30.09.2022	30.09.2023	30.09.2024
Net operating income/Revenue from contracts with customers	7.1%	11.0%	11.1%	10.7%	10.3%
Result before taxes/Revenue from contracts with customers	5.9%	10.9%	11.4%	10.6%	9.4%
Net investments(*)/Revenue from contracts with customers	6.7%	6.9%	7.4%	8.1%	8.5%
Net financial debt/Equity	36.3%	29.0%	32.4%	21.9%	28.8%
Adjusted net interest expense (**)/Revenue from contracts with customers	0.7%	0.4%	0.4%	0.5%	0.7%
Adjusted net interest expense (**)/Net operating income	9.3%	3.6%	3.2%	4.8%	7.1%
ROI	9.3%	13.6%	14.2%	15.3%	13.9%
ROE	9.2%	14.1%	14.5%	14.0%	12.4%

Notes:

ROI: Net operating income (rolling 12 months)/Net invested capital.

ROE: Net income (loss) before minority interests (rolling 12 months) (net of Result from discontinued operations)/Equity.

(*) Net investments in property, plant, equipment and intangible assets, calculated as the sum total of increases (net of decreases) of property, plant and equipment and intangible assets.

(**) This item does not include exchange gains and losses.

Consolidated Financial Statements

Consolidated Statement of Financial Position

<i>(euro thousand)</i>	30.09.2024	31.12.2023	Change
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and other equipment	1,411,591	1,353,548	58,043
Right-of-use assets	169,337	169,331	6
Development costs	105,886	104,423	1,463
Goodwill and other indefinite useful life assets	119,689	119,579	110
Other intangible assets	76,520	76,730	(210)
Shareholdings valued using the equity method	59,931	60,187	(256)
Investments in other companies	307,766	280,132	27,634
Financial derivatives	11,531	20,385	(8,854)
Other non-current financial assets	2,421	2,911	(490)
Receivables and other non-current assets	46,618	41,743	4,875
Deferred tax assets	108,493	97,661	10,832
TOTAL NON -CURRENT ASSETS	2,419,783	2,326,630	93,153
CURRENT ASSETS			
Inventories	657,056	621,697	35,359
Trade receivables	682,743	604,877	77,866
Other receivables and current assets	124,511	94,539	29,972
Financial derivatives	9,704	12,949	(3,245)
Other current financial assets	3,038	3,097	(59)
Cash and cash equivalents	484,859	510,058	(25,199)
TOTAL CURRENT ASSETS	1,961,911	1,847,217	114,694
ASSETS FROM DISCONTINUED OPERATIONS	0	21	(21)
TOTAL ASSETS	4,381,694	4,173,868	207,826
EQUITY AND LIABILITIES			
GROUP EQUITY			
Share capital	7,007	34,728	(27,721)
Other reserves	60,046	48,184	11,862
Retained earnings/(losses)	1,915,511	1,679,844	235,667
Net result for the period	197,178	305,039	(107,861)
TOTAL GROUP EQUITY	2,179,742	2,067,795	111,947
MINORITY INTERESTS	33,349	31,624	1,725
TOTAL EQUITY	2,213,091	2,099,419	113,672
NON-CURRENT LIABILITIES			
Non-current payables to banks	499,528	487,615	11,913
Long-term lease liabilities	153,170	149,785	3,385
Financial derivatives	4,401	0	4,401
Other non-current financial payables	285	680	(395)
Other non-current liabilities	2,432	3,887	(1,455)
Non-current provisions	20,311	24,180	(3,869)
Employee benefits	41,983	36,445	5,538
Deferred tax liabilities	27,833	30,956	(3,123)
TOTAL NON -CURRENT LIABILITIES	749,943	733,548	16,395
CURRENT LIABILITIES			
Current payables to banks	465,360	272,269	193,091
Short-term lease liabilities	21,783	21,455	328
Financial derivatives	209	160	49
Other current financial payables	541	58,005	(57,464)
Trade payables	681,198	742,099	(60,901)
Tax payables	16,834	11,560	5,274
Current provisions	6,085	9,638	(3,553)
Contract liabilities	69,801	75,461	(5,660)
Other current liabilities	156,849	150,254	6,595
TOTAL CURRENT LIABILITIES	1,418,660	1,340,901	77,759
TOTAL LIABILITIES	2,168,603	2,074,449	94,154
TOTAL EQUITY AND LIABILITIES	4,381,694	4,173,868	207,826

Consolidated Statement of Income

<i>(euro thousand)</i>	30.09.2024	30.09.2023	Change	%
Revenue from contracts with customers	2,927,798	2,918,991	8,807	0.3%
Other revenues and income	28,903	23,089	5,814	25.2%
Costs for capitalised internal works	21,617	18,383	3,234	17.6%
Raw materials, consumables and goods	(1,343,184)	(1,382,639)	39,455	-2.9%
Income (expense) from non-financial investments	12,045	12,854	(809)	-6.3%
Other operating costs	(599,967)	(589,357)	(10,610)	1.8%
Personnel expenses	(546,130)	(501,137)	(44,993)	9.0%
GROSS OPERATING INCOME	501,082	500,184	898	0.2%
<i>% of revenue from contracts with customers</i>	<i>17.1%</i>	<i>17.1%</i>		
Depreciation, amortisation and impairment losses	(199,103)	(187,413)	(11,690)	6.2%
NET OPERATING INCOME	301,979	312,771	(10,792)	-3.5%
<i>% of revenue from contracts with customers</i>	<i>10.3%</i>	<i>10.7%</i>		
Net interest income (expense)	(37,092)	(14,751)	(22,341)	151.5%
Interest income (expense) from investments	11,075	12,074	(999)	-8.3%
RESULT BEFORE TAXES	275,962	310,094	(34,132)	-11.0%
<i>% of revenue from contracts with customers</i>	<i>9.4%</i>	<i>10.6%</i>		
Taxes	(76,092)	(77,206)	1,114	-1.4%
Result from discontinued operations	0	(59)	59	-100.0%
RESULT BEFORE MINORITY INTERESTS	199,870	232,829	(32,959)	-14.2%
<i>% of revenue from contracts with customers</i>	<i>6.8%</i>	<i>8.0%</i>		
Minority interests	(2,692)	(1,750)	(942)	53.8%
NET RESULT FOR THE PERIOD	197,178	231,079	(33,901)	-14.7%
<i>% of revenue from contracts with customers</i>	<i>6.7%</i>	<i>7.9%</i>		
BASIC/DILUTED EARNINGS PER SHARE (Euro)	0.62	0.71		

Consolidated Statement of Comprehensive Income

<i>(euro thousand)</i>	30.09.2024	30.09.2023	Change
RESULT BEFORE MINORITY INTERESTS	199,870	232,829	(32,959)
<i>Other comprehensive income/(losses) that will not be subsequently reclassified to income/(loss) for the period:</i>			
Effect of actuarial gain (loss) on defined-benefit plans	1,172	(982)	2,154
Tax effect	(290)	243	(533)
Effect of actuarial gain (loss) on defined-benefit plans regarding companies valued using the equity method	0	4	(4)
Fair value measurement of investments	25,801	31,081	(5,280)
Tax effect	(310)	(373)	63
Total other comprehensive income/(losses) that will not be subsequently reclassified to income/(loss) for the period	26,373	29,973	(3,600)
<i>Other comprehensive income/(losses) that will be subsequently reclassified to income/(loss) for the period:</i>			
Effect of hedge accounting (cash flow hedge) of derivatives	(17,416)	(32,259)	14,843
Tax effect	3,683	6,382	(2,699)
Change in translation adjustment reserve	(2,133)	(10,590)	8,457
Total other comprehensive income/(losses) that will be subsequently reclassified to income/(loss) for the period	(15,866)	(36,467)	20,601
COMPREHENSIVE RESULT FOR THE PERIOD	210,377	226,335	(15,958)
Of which attributable to:			
– Minority Interests	2,685	417	2,268
– the Group	207,692	225,918	(18,226)

Consolidated Statement of Cash Flows

<i>(euro thousand)</i>	30.09.2024	30.09.2023
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	345,867	254,013
Result before taxes	275,962	310,094
Depreciation, amortisation/Impairment losses	199,103	187,413
Capital gains/losses	(282)	(575)
Income/expense from investments, net of dividends received	2,928	(2,712)
Financial portion of provisions for defined benefits and payables for personnel	910	451
Long-term provisions for employee benefits	11,562	8,640
Other provisions net of utilisations	17,086	9,589
Result from discontinued operations	0	(59)
Cash flows generated by operating activities	507,269	512,841
Current taxes paid	(82,024)	(65,881)
Uses of long-term provisions for employee benefits	(5,049)	(3,796)
<i>(Increase) reduction in current assets:</i>		
inventories	(51,426)	(31,104)
financial assets	95	(47)
trade receivables	(80,318)	(105,755)
receivables from others and other assets	(32,859)	20,669
<i>Increase (reduction) in current liabilities:</i>		
trade payables	(60,901)	75,696
payables to others and other liabilities	6,715	17,131
Translation differences on net working capital	1,523	586
Net cash flows from/(for) operating activities	203,025	420,340
<i>Investments in:</i>		
property, plant and equipment	(218,177)	(208,655)
intangible assets	(31,092)	(29,751)
financial assets (shareholdings)	(4,566)	(3,321)
Price for disposal or reimbursement value of fixed assets	2,015	1,194
Net cash flows from/(for) investing activities	(251,820)	(240,533)
Dividends paid in the period	(95,614)	(90,753)
Acquisition of own shares	(57,456)	(8,164)
Dividends paid to minority shareholders in the period	(960)	(800)
Change in fair value of derivatives	(707)	(3,974)
Reimbursement of lease liabilities	(20,875)	(88,055)
Loans and financing granted by banks and other financial institutions in the period	100,000	0
Repayment of long-term loans and other financing	(52,124)	(48,395)
Net cash flows from/(for) financing activities	(127,736)	(240,141)
Total cash flows	(176,531)	(60,334)
Translation differences on cash and cash equivalents	1,410	(2,194)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	170,746	191,485

Consolidated Net Financial Debt

<i>(euro thousand)</i>	30.09.2024	31.12.2023
A Cash	484,859	510,058
B Cash equivalents	0	0
C Other current financial assets	12,742	16,046
D Liquidity (A + B + C)	497,601	526,104
E Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	336,646	243,811
F Current portion of non-current financial debt	151,247	108,078
G Current financial debt (E + F)	487,893	351,889
H Net current financial debt (G - D)	(9,708)	(174,215)
I Non-current financial debt (excluding current portion and debt instruments)	646,663	628,983
J Debt instruments	0	0
K Trade payables and other non-current payables	0	0
L Non-current financial debt (I + J + K)	646,663	628,983
M Total financial debt (H + L)	636,955	454,768

Consolidated Statement of Changes in Equity

	Share capital	Other Reserves	Retained earnings (losses)	Net result for the period	Group Equity	Equity of Minority Interests	Equity
<i>(euro thousand)</i>							
Balance at 1 January 2023	34,728	158,690	1,427,630	292,833	1,913,881	33,132	1,947,013
Allocation of profit for the previous year			202,145	(202,145)	0	0	0
Payment of dividends				(90,688)	(90,688)	(800)	(91,488)
Buy-back of own shares		(8,164)			(8,164)	0	(8,164)
<i>Components of comprehensive income:</i>							
Effect of actuarial income/(loss) on defined benefit plans			(739)		(739)	0	(739)
Effect of actuarial income/(loss) on defined benefit plans, for companies valued using the equity method			4		4	0	4
Fair value measurement of investments			30,708		30,708	0	30,708
Effect of hedge accounting (cash flow hedge) of derivatives		(25,877)			(25,877)	0	(25,877)
Change in translation adjustment reserve		(9,257)			(9,257)	(1,333)	(10,590)
Net result for the period				231,079	231,079	1,750	232,829
Balance at 30 September 2023	34,728	115,392	1,659,748	231,079	2,040,947	32,749	2,073,696
Balance at 1 January 2024	34,728	48,184	1,679,844	305,039	2,067,795	31,624	2,099,419
Allocation of profit for the previous year			209,378	(209,378)	0	0	0
Payment of dividends				(95,661)	(95,661)	(960)	(96,621)
Acquisition of own shares			(5)		(5)	0	(5)
Other changes			(79)		(79)	0	(79)
Reclassification	(27,721)	27,721			0	0	0
<i>Components of comprehensive income:</i>							
Effect of actuarial income/(loss) on defined benefit plans			882		882	0	882
Fair value measurement of investments			25,491		25,491	0	25,491
Effect of hedge accounting (cash flow hedge) of derivatives		(13,733)			(13,733)	0	(13,733)
Change in translation adjustment reserve		(2,126)			(2,126)	(7)	(2,133)
Net result for the period				197,178	197,178	2,692	199,870
Balance at 30 September 2024	7,007	60,046	1,915,511	197,178	2,179,742	33,349	2,213,091

Explanatory Notes to the Financial Statements

Accounting Standards and Basis of Preparation

The Interim Report at 30 September 2024, which includes the Consolidated Statement of Financial Position, the Consolidated Statement of Income, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and brief related Explanatory Notes, has been prepared in compliance with recognition and measurement criteria provided for by the IFRS endorsed by the European Union, and has been voluntarily made available to the public. For information about the content, timing and methods of additional periodic financial disclosures, reference should be made to the Company's website (<https://www.brembo.com/en/investors/calendar>).

Reference is made to the 2023 Financial Statements for the relevant international accounting standards and criteria adopted by the Group when preparing the above-mentioned Financial Statements. The preparation of the Interim Report requires management to make estimates and assumptions that have an effect on the amounts of recognised revenues, costs, assets and liabilities, and the disclosure of contingent assets and liabilities as of the reporting date. Should in the future such estimates and assumptions, which are based upon management's best assessment, diverge from actual circumstances, they will be modified accordingly during the period in which such circumstances change.

It should also be noted that certain measurement processes, particularly the most complex ones such as the determination of any impairment of non-current assets, are typically carried out in full only during preparation of the Annual Financial Statements, when all necessary information is available, unless impairment indicators require immediate analysis. Actuarial valuations necessary to determine employee benefits are typically performed during preparation of the Annual Financial Statements. This Interim Report has not been audited.

Consolidation Area

The Financial Statements at 30 September 2024 include the Financial Statements of the Parent Brembo N.V. and the Financial Statements of the companies that Brembo N.V. controls as per IFRS 10. Compared to 30 September 2023, the new company Brembo Thailand Ltd., fully owned by Brembo N.V., was established. The new site, which will become operational in the first quarter of 2025, will manufacture braking systems for motorbike manufacturers in Thailand, starting with European and American producers.

Notes on the Most Significant Changes in Items of the Consolidated Financial Statements

The Group's **net sales** in the first nine months of 2024 amounted to €2,927,798 thousand, with a 0.3% increase compared to the first nine months of 2023.

The car applications sector, which accounted for 74.3% of the Group's sales, closed the first nine months of 2024 with a +2.0% increase compared to the same period of the previous year. All other applications recorded a negative trend: applications for commercial vehicles closed at -9.4% , racing applications at -1.6% and motorbike applications at -1.7%.

At geographical level, and with specific reference to Europe, Germany grew by 0.6% compared to the first nine months of 2023. Nearly all other European countries reported positive results, with the United Kingdom up by 17.5% and France up by 2.4%, whereas Italy decreased by 5.8%. Sales declined by 3.8% in North America and by 3.9% in South America. In the Far East, China grew by 8.4%, India by 13.2% and Japan by 33.7%.

At 30 September 2024, the **cost of sales** and **other net operating costs** amounted to €1,892,631 thousand, with a 64.6% ratio to sales, down compared to 66.1% for the same period of the previous year. Within this item, **costs for capitalised internal works** included in intangible assets amounted to €21,617 thousand compared to €18,383 thousand for the same period of 2023.

Income (expense) from non-financial investments totalled €12,045 thousand (€12,854 thousand in 2023) and was attributable to the effects of valuing the investment in associated companies.

Personnel expenses amounted to €546,130 thousand, with an 18.7% ratio to sales, increasing compared to the same period of the previous year (17.2% ratio to sales). At 30 September 2024, people numbered 15,849 (15,653 at 31 December 2023 and 15,674 at 30 September 2023), including agency workers amounting to 1,478 (1,999 at 31 December 2023 and 2,044 at 30 September 2023).

Gross operating income was €501,082 thousand (17.1% of sales) compared to €500,184 thousand in 2023 (17.1% of sales).

Net operating income amounted to €301,979 thousand (10.3% of sales) compared to €312,771 thousand in 2023 (10.7% of sales), after depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets of €199,103 thousand, compared to depreciation, amortisation and impairment losses amounting to €187,413 thousand for the same period of 2023.

Net interest expense amounted to €37,092 thousand (€14,751 thousand in 2023) and consisted of net exchange losses of €15,510 thousand (net exchange gains of €300 thousand in 2023) and interest expense of €21,582 thousand (€15,051 thousand for the same period of the previous year).

Net interest income from investments, which amounted to €11,075 thousand (€12,074 thousand in 2023), was attributable to the effects of valuing investments in associates using the equity method and dividends received from investees not included in the consolidation area.

Result before taxes was positive at €275,962 thousand (9.4% of sales) compared to €310,094 thousand (10.6% of sales) in 2023. Based on tax rates applicable for the year under current tax regulations, estimated **taxation** amounted

to €76,092 thousand (€77,206 thousand in 2023). Tax rate was 27.6% compared to 24.9% for the first nine months of 2023.

The **Group's net result** at 30 September 2024 amounted to €197,178 thousand (6.7% of sales), compared to €231,079 thousand in 2023 (7.9% of sales).

Net Invested Capital at the end of the period amounted to €2,892,029 thousand, up by €301,418 thousand compared to €2,590,611 thousand at 31 December 2023.

Net financial debt at 30 September 2024 was €636,955 thousand compared to €454,768 thousand at 31 December 2023. The €182,187 thousand increase for the period was mainly attributable to the combined effect of the following factors:

- the positive effect of gross operating income of €501,082 thousand, with a €237,664 thousand decrease in working capital;
- net investments totalling €247,536 thousand, of which €21,300 thousand (8.6%) for development costs; they were focused in North America (30.7%), Poland (27.8%), Italy (22.8%) and China (7.1%); increase in leased assets for €21,174 thousand;
- payment of taxes totalling €82,024 thousand;
- the Parent's payment of the approved dividends in the amount of €95,614 thousand;
- dividends received from associates totalling €15,000 thousand and from investees not included in the consolidation area amounting to €11,048 thousand.

Sales Breakdown by Geographical Area and Application

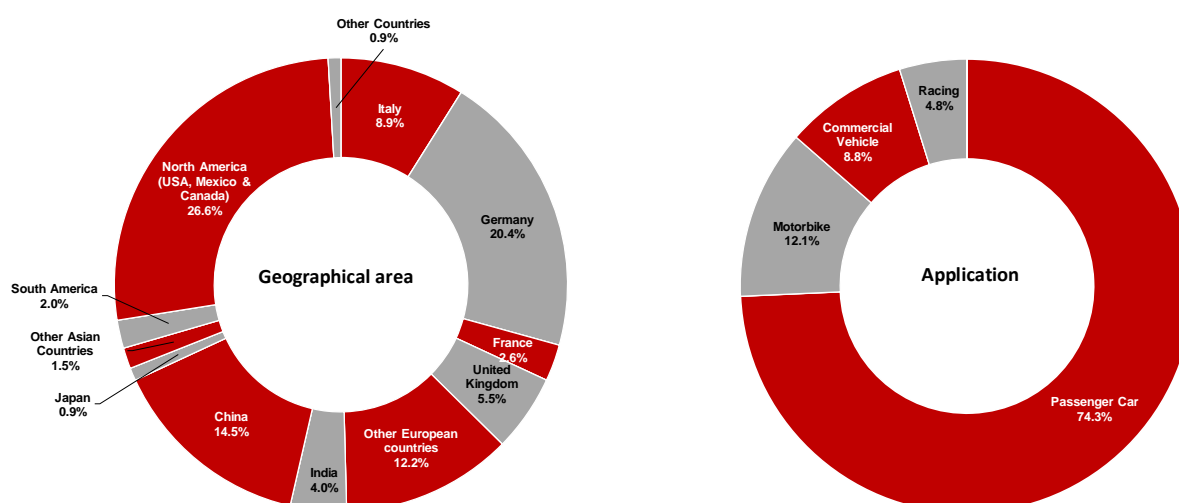
The following tables show net sales at 30 September 2024, broken down by geographical area and application.

<i>(euro thousand)</i>	30.09.2024	%	30.09.2023	%	Change
GEOGRAPHICAL AREA					
Italy	260,967	8.9%	276,962	9.5%	(15,995)
Germany	597,061	20.4%	593,611	20.3%	3,450
France	76,488	2.6%	74,702	2.6%	1,786
United Kingdom	159,888	5.5%	136,123	4.7%	23,765
Other European countries	355,931	12.2%	387,627	13.3%	(31,696)
India	117,054	4.0%	103,360	3.5%	13,694
China	428,532	14.5%	395,369	13.5%	33,163
Japan	25,273	0.9%	18,896	0.6%	6,377
Other Asian Countries	42,461	1.5%	34,958	1.2%	7,503
South America (Argentina and Brazil)	59,236	2.0%	61,623	2.1%	(2,387)
North America (USA, Mexico & Canada)	780,005	26.6%	810,753	27.8%	(30,748)
Other Countries	24,902	0.9%	25,007	0.9%	(105)
Total	2,927,798	100.0%	2,918,991	100.0%	8,807

<i>(euro thousand)</i>	30.09.2024	%	30.09.2023	%	Change
APPLICATION					
Passenger Car	2,174,079	74.3%	2,130,897	73.1%	43,182
Motorbike	352,886	12.1%	358,937	12.3%	(6,051)
Commercial Vehicle	257,913	8.8%	284,598	9.7%	(26,685)
Racing	141,923	4.8%	144,288	4.9%	(2,365)
Miscellaneous	997	0.0%	271	0.0%	726
Total	2,927,798	100.0%	2,918,991	100.0%	8,807

Following an in-depth analysis, data at 30 September 2023 have been restated.

RATIO TO SALES



Foreseeable Evolution

Although the geopolitical scenario and the current automotive market at global level are not showing signs of improvement, Brembo expects to close 2024 with revenues in line with the previous year and an EBITDA margin at 17%. With regard to its net financial position, the Group expects to reach €300 million at year-end, with net investments of €400 million.

Directors' Report on Operations and Significant Events

Macroeconomic Context

A proper assessment of Brembo's performance for the first three quarters of 2024 cannot neglect an overview of the current global macroeconomic scenario.

According to the most recent estimates from S&P Global Market Intelligence, global economic outlook remains resilient with real GDP growth forecast at 2.7% for 2024. Global GDP growth forecast for 2025 is 2.8% (+0.1 vs. the previous forecast). Regarding inflation, a gradual downward trend is expected over the next few years, driven by easing underlying price pressures. Specifically, the Consumer Price Index (CPI) is expected to be 4.5% in 2024 (-0.1 vs. the previous forecast) and 3.2% in 2025 (-0.1 vs. the previous forecast), down from 5.7% in 2023. The 2025 forecast was revised lower in the most recent update, due to downward adjustments in North America.

As for the Eurozone, the latest estimates indicate a projected GDP growth of 0.7% in 2024 (-0.1 vs. the previous forecast) and of 1.2% in 2025 (-0.1 vs. the previous forecast). The Eurozone exited its recession in the first quarter of 2024, and modest growth is expected throughout the rest of the year. Inflation is projected to decline, falling to 2.3% in 2024 (-0.1 vs. the previous forecast) and to 1.9% in 2025 (-0.2 vs. the previous forecast), down from 5.4% in 2023. Falling energy prices were the main driver behind the significant inflation decline, which offset the modest increase in food prices. The ECB cut its interest rates by 25bps at its October meeting and further cuts are expected in December.

Estimates indicate that Germany will end the year with a 0.1% contraction (-0.1 vs. the previous forecast) in GDP, thus entering a technical recession. In 2025, it will grow by 0.6% (-0.4 vs. previous forecast). Inflation is expected to continue to decline, reaching 2.4% in 2024 and 1.7% in 2025 (-0.1 vs. previous forecast). A sustained recovery will only emerge in 2025, as consumers' rising real purchasing power diminishes cost-of-living worries. Ongoing investment retrenchment — caused by war-related uncertainty and still tight financial conditions — will continue to restrain economic activity until at least year-end 2024. Exports are unlikely to spur an economic recovery in the current unsettled geopolitical environment.

In France, economic activity will likely decelerate following a strong third quarter, boosted by the Olympic Games held in early August. French GDP is expected to grow by 1.1% (-0.1 vs. the previous forecast), slowing to 1.0% in 2025. Inflation, influenced by the decrease in energy prices, is anticipated to gradually decline from 2.4% in 2024 (-0.1 vs. previous forecast) to 2.0% in 2025. Easing inflation and the revalorization of pensions and other benefits are improving households' budgets, which are expected to be the main growth driver in the second half of 2024. However, heightened political uncertainty and soft external demand will limit the rebound.

As regards Spain, the latest business surveys showed solid results suggesting that the economy continued to grow in Q3 2024. This has triggered an upward revision to full-year growth projections to 2.9% (+0.2 vs. previous forecast). The solid 2024 growth outlook partly reflects the expansion of Spain's services and international tourism sectors, which have constantly buffered the country from the Eurozone-wide industrial downturn. In 2025, GDP is forecast to stand at 1.7%. Inflation is projected to decrease to 2.8% in 2024 from 3.4% in 2023, and further decline to 2.0% in 2025.

Italian GDP growth is expected to slow to 0.6% in 2024 (-0.2 vs. the previous forecast), before moderately rising to 0.9% in 2025. The country is facing a challenging outlook in the near term, primarily due to the ongoing recession in the industrial sector, tighter financial conditions, and a decline in household income and purchasing power.

Consumer price inflation is expected to accelerate moderately in 2025 to 1.8%, with annual averages for 2024 remaining modest at 1.2% due to energy-related base effects. Price pressures will be mainly driven by services and a sticky underlying inflation. A resilient labour market and wage outflows also pose an upside risk.

In the United Kingdom, the economy is expected to grow by 1.0% in 2024 (-0.2 vs. the previous forecast) and by 1.3% in 2025. The immediate outlook is increasingly clouded by the UK government's warning of a fiscal black hole of £20 billion, which will be addressed in the forthcoming autumn 2024 budget. Consumer confidence has been damaged by stark warnings of tough decisions on tax, spending and welfare. Inflation is expected to average 2.6% in 2024 and to fall to 2.2% in 2025, due to the effect of normalising food and service inflation.

In the United States, the latest estimates show GDP growth of 2.7% in 2024 (+0.1 vs. the previous forecast) and of 2.1% in 2025 (+0.3 vs. the previous forecast). The upward revision of growth for 2025 primarily reflects a stronger than previously expected growth in the second half of 2024 and more supportive financial conditions. Also the inflation picture is looking brighter: inflation will decline to 2.8% in 2024 (-0.1 vs. the previous forecast) from 4.1% in 2023, to then further decrease to 2.0% in 2025 (-0.1 vs. the previous forecast). The US economy is transitioning from a period of above-trend growth to a period of below-trend growth, which is expected to extend the unemployment rate rising trend, with a peak of 4.6% in 2026.

In Mainland China, GDP is predicted to reach 4.9% in 2024 and 4.6% in 2025, down from 5.2% in 2023. The recent stimulus package should reverse the growth slowdown and help the economy ward off deflationary risks. Additional fiscal stimuli are expected to support industrial production growth in 2024, but projections continue to call for a slowdown in 2025 due to a diminishing contribution from equipment upgrades and a weaker export outlook. Export resilience will continue to mitigate demand-side risks, although a weaker trend is forecast for 2025, due to rising trade tensions. Consumer prices will gradually rise from their lows in 2024 (0.4%) to a moderate inflation in 2025 (1.5%) as supply and demand imbalances improve.

India's economy remains on track to achieve a projected GDP growth of 6.8% in 2024 and 6.6% in 2025 (+0.1 vs. the previous forecast), supported by the recovery in private consumption and business investments. Consumer price inflation started to moderate in July. While food-price volatility remains, a normal monsoon should stabilise food prices in the second half of the year. Inflation is forecast at 4.7% both in 2024 (+0.2 vs. the previous forecast) and in 2025, down from 5.7% in 2023. The larger-than-projected policy rate cut by the US Federal Reserve in September, combined with easing inflation and a strengthening rupee, has increased the chances of a repo rate cut by the RBI in October. However, the first rate cut is still predicted in December 2024.

The Japanese economy is expected to stagnate in 2024 due to the severe weather disruption on business and personal activities in August and September, offsetting the boost driven by the resumption of production and restoration works. The 1.2% forecast for 2025 remains unchanged. The resumption of automotive production, restoration works and an ongoing uptrend in inbound tourism will likely drive economic activities over the short term. Japan's consumer price inflation is projected to moderate from 2.6% in 2024 (+0.1 vs. the previous forecast) to 2.2% in 2025. Stickier services prices and higher wage increases amid intensified labour shortages will underpin sustained inflation. The yen is likely to remain volatile due to uncertainties over the US monetary policy and geopolitical risks, but narrowing US-Japan interest rate differentials in line with the monetary policy rate cuts by the US Federal Reserve will drive yen appreciation for the rest of 2024 and beyond.

Brazil's GDP experienced significant growth in the second quarter following a robust performance in the first one. As a result, the forecast was adjusted upward to 3.0% in 2024 (+0.2 vs. the previous forecast). Private consumption remained resilient driven by rising employment levels and credit expansion. Solid growth is also expected in 2025, with GDP projected to reach 2.5% (+0.2 vs. the previous forecast). To ensure fiscal stability, public finances need to

shift back towards consolidation, resulting in diminished support from government spending for the economy. Moreover, as the labour market tightens, job creation in 2025 will be less vigorous than in prior years, which will likely constrain growth in private consumption. Inflation will continue its downward trend going from 4.0% in 2024 to 3.8% in 2025 (+0.1 vs. the previous forecast).

As for Russia, its economic activity is expected to remain resilient as its war effort continues. GDP will likely expand by 4.0% (+0.2 vs. the previous forecast) thanks to strong domestic demand led by government spending. However, permanent productivity losses appear unavoidable and GDP is estimated to slow to 2.5% in 2025 (+0.1 vs. the previous forecast). Financial-sector sanctions, combined with the ban on all Russian-affiliated shipping, shipping insurance and exports of steel, oil and diamonds will likely undercut exports in the near term. Moreover, the loss of the EU energy market is already altering the Russian external trade structure. The annual average inflation rate will remain well above the Central Bank of Russia's target reaching 8.5% in 2024 (+0.3 vs. the previous forecast) and 6.9% in 2025 (+0.7 vs. the previous forecast). Supply-side shortages will continue due to the Western sanctions, contributing to price increases that will be however partially offset by the rerouting of trade to Asia.

Global non-energy commodity prices are forecast to remain flat in the fourth quarter of 2024, before increasing slightly throughout 2025. Steel market weakness is the main downward influence, while industrial metal markets, which reacted positively to September's large initial policy rate cut in the US, are the key source of upward price pressure. Regarding energy prices, geopolitical risks, particularly in the Middle East, remain a significant factor that could introduce further volatility in the oil market. Natural gas prices have been trending downward, supported by robust supplies and softer demand. Strong inventories, coupled with weak manufacturing activity and the bloc's push for energy efficiency and renewable adoption, are expected to continue easing price pressures. The average annual price of Dated Brent crude oil is projected to be \$81 per barrel in 2024 and \$75 per barrel in 2025. The downward price revision reflects a significant reduction in the assumption for global oil demand growth, partly due to weaker expectations for mainland China. Given rising OPEC+ and non-OPEC+ crude production, a surplus is forecast in 2025.

Currency Markets

The **US dollar** began the reporting period depreciating to about 1.10. The currency then strongly appreciated until mid-February. Afterwards, it depreciated until mid-March and then appreciated again reaching the low for the period of 1.10632 (22 April). Near the end of the half-year period, the US dollar depreciated to about 1.09 to then appreciate once again. In the last months of the reporting period, the currency depreciated sharply and closed the first nine months reaching its high for the period of 1.1196 (30 September), above the nine-month average rate of 1.0870.

The **Chinese yuan/renminbi** began the period by appreciating, reaching its low for the period of 7.6995 (16 April). The currency then entered a steady depreciation trend that lasted throughout the period, reaching the high for the period of 7.9547 (27 August) to then close at 7.8511, above the nine-month average rate of 7.8240.

The **Polish zloty** opened the period appreciating slightly. Afterwards, it depreciated reaching its high for the period of 4.3993 (17 January). Subsequently, the currency began to constantly appreciate until mid-April to about 4.26. The currency then reached its low for the period of 4.2483 (28 May), to then depreciate again to about 4.37 and close at 4.2788, below the nine-month average rate of 4.3056.

Regarding the currencies of the main markets in which Brembo operates at an industrial and commercial level, the table below shows the average, minimum and maximum closing values for the first nine months of 2024.

	Exchange rate 2024	Average exchange rate 2024	Low for the period	High for the period
U.S. Dollar	1.1196	1.0870	1.0632	1.1196
Japanese Yen	159.8200	164.2549	155.6600	175.3900
Swedish Krona	11.3000	11.4088	11.1545	11.7740
Danish Krone	7.4560	7.4589	7.4536	7.4628
Polish Zloty	4.2788	4.3056	4.2483	4.3993
Czech Koruna	25.1840	25.0769	24.4880	25.4600
Mexican Peso	21.9842	19.2877	17.5982	22.2790
Pound Sterling	0.8354	0.8514	0.8322	0.8665
Brazilian Real	6.0504	5.6939	5.3069	6.3759
Indian Rupee	93.8130	90.6695	88.6280	93.8130
Chinese Renminbi	7.8511	7.8240	7.6995	7.9547
Russian Rouble	105.2582	97.9628	89.7376	105.2582
Swiss franc	0.9439	0.9581	0.9304	0.9924
Thai Baht	36.1070	38.8157	36.1070	39.9480

Operating Structure and Reference Markets

In the first nine months of 2024, Brembo's consolidated net sales amounted to €2,927,798 thousand, up 0.3% compared to €2,918,991 thousand for the same period of 2023.

Information on the performance of the individual applications and their related markets — as available to the Company at the reporting date — is provided under the following headings.

Passenger Cars

In the first nine months of 2024, the global light vehicle market showed a 1.6% increase in sales compared to the same period of 2023. The Western European market (EU14 + EFTA + UK) closed the first nine months of 2024 with a +3.4% rise in car registrations compared to the same period of 2023. Nearly all key markets closed the first nine months on a positive note, with an increase in Italy (+2.8%), Spain (+8.5%), Germany (+9.1%) and the UK (+4.2%), whereas France declined (-0.5%).

Eastern Europe (EU 12) also reported a positive trend in car registrations, up 8.3% compared to the first nine months of 2023. Light vehicle registrations grew in Russia as well, closing the first nine months of 2024 with a 14.3% increase, compared to the same period of the previous year.

In the United States, light vehicle sales grew by 1.0% overall in the first nine months of 2024 compared to the same period of 2023. In the same period, sales also rose in Brazil by 14.1%.

In Asian markets, China closed the first nine months of 2024 on a positive note with light vehicle sales up +2.9% compared to the first nine months of 2023. Japan instead closed the reporting period negatively, with an 8.2% decrease in sales.

Regarding the aftermarket, the global units in operation (UIO) are forecast to reach €1.6 billion in 2024, increasing by 2.1% compared to 2023. All regions are expected to show positive growth in terms of UIO compared to 2023: Europe (+1.0%), Greater China (+4.5%), North America (+1.2%), South America (+1.6%), South Asia (+3.7%), and Japan/Korea (+0.7%).

Within this context, Brembo's net sales of car applications at 30 September 2024 amounted to €2,174,079 thousand, accounting for 74.3% of the Group's turnover, up 2.0% compared to the first nine months of 2023.

Motorbikes

Europe, the United States and Japan are Brembo's most important markets in the motorbike sector.

In Europe — where the top markets in terms of motorbike registrations are Italy, Germany, France, Spain and the United Kingdom — registrations increased by 1.9% in the first nine months of 2024 compared to the same period of 2023, while sales of motorbikes over 500cc alone fell by more than 7%.

In the United States, registrations of motorbikes, scooters and ATVs (All Terrain Vehicles, quadricycles for recreation and work) declined by 5.7% in the first nine months of 2024 compared to the same period of 2023. ATVs alone decreased by 3.7%, while motorbikes and scooters together fell by 6.2%.

In the first nine months of 2024, the Japanese market showed a 26.6% decrease, considering displacements over 50cc overall, whereas motorbikes with displacements over 125cc alone declined by -29.7%.

The Indian market (motorbikes and scooters) increased by 19.4% in the first nine months of 2024, whereas Brazil reported a 19.0% growth in registrations.

In the first nine months of 2024, Brembo's net sales of motorbike applications amounted to €352,886 thousand, down 1.7% compared the same period of 2023.

Commercial and Industrial Vehicles

In the first nine months of 2024, the European commercial vehicles market (EU+EFTA+UK) showed a 4.3% increase in registrations compared to the same period of 2023.

In detail, sales of light commercial vehicles (up to 3.5 tonnes) increased overall by 7.0% in Europe, while production volumes for the same segment declined by 3.3% compared to the same period of the previous year, with West Europe in particular down by 9.6%.

The segment of medium and heavy commercial vehicles (over 3.5 tonnes) decreased in Europe in the first nine months of 2024, closing at -5.3% compared to the same period of the previous year. Among the main European markets by sales volume, decreases were recorded in Germany (-3.2%), the UK (-4.4%) and Italy (-4.6%), whereas Spain and France grew by 4.2% and 0.1% respectively.

At 30 September 2024, Brembo's net sales of applications in this segment amounted to €257,913 thousand, down 9.4% compared to 30 September 2023.

Racing

In the racing sector, where Brembo has maintained undisputed supremacy for years, the Group operates through three leading brands: Brembo Racing (braking systems for race cars and motorbikes), AP Racing (braking systems and clutches for race cars), Marchesini (magnesium and aluminium wheels for racing motorbikes).

In the first nine months of 2024, Brembo's net sales of racing applications amounted to €141,923 thousand, down 1.6% compared the same period of 2023.

Significant Events During the Reporting Period

With regard to the Company's cross-border conversion effective 24 April 2024:

- on 12 January 2024, the Company proceeded with the Share Capital Decrease, from €34,727,914.00 to €3,339,222.50, instrumental to the Transaction, without cancellation of shares and without any reimbursement of capital to shareholders, through recognition to the Company's equity of a reserve of an equal amount. Therefore, this decrease had no impact on Brembo Shareholders' capital and administrative rights;
- the notarial deed of conversion, also amending the Articles of Association drafted pursuant to Dutch law, was executed on 25 January 2024, with effectiveness deferred to the day following the date of the Shareholders' Meeting of Brembo held on 23 April 2024 that approved, *inter alia*, the Company's Financial Statements for the year ended 31 December 2023;
- the payment of the liquidation value to those who had validly exercised the withdrawal right was effected on 31 January 2024. The Company thus acquired 4,387,303 unopted shares, equal to €57,456,120.09, accounting for 1.31387% of the share capital. Accordingly, as at the date of the approval of this Report, the Company holds 15,051,860 own shares representing 4.51% of share capital (2.93% of voting rights).
- on 24 April 2024, the transfer of the Company's registered office to Amsterdam (The Netherlands), with the ensuing conversion into a naamloze vennootschap (N.V.), under the laws of the Netherlands, became effective. On the same date, the Company also established a secondary office, with permanent representation, in Italy pursuant to Article 2508 of the Italian Civil Code, and requested the related registration with the Companies' Register of Bergamo.

Brembo shares continue to be listed on Euronext Milan, organised and managed by Borsa Italiana S.p.A., under the new ISIN code: NL0015001KT6 as from 24 April 2024. A mechanism is also envisaged to allot Special Voting Shares to Brembo's shareholders. For information on this mechanism, reference should be made to the Company's website (www.brembo.com, section "Investors", "For Shareholders", "Registered Office Relocation").

The General Shareholders' Meeting of the Parent Brembo S.p.A. held on 23 April 2024 approved the Financial Statements for the financial year ended 31 December 2023, allocating net income for the year amounting to €139,265,254.39 as follows:

- to the Shareholders, a gross ordinary dividend of €0.30 per ordinary share outstanding, excluding own shares;
- the remaining amount carried forward.

On 10 July 2024, Brembo acquired a stake in Spoke Safety, a U.S. startup specializing in the development of digital communication technologies between vehicles and the road ecosystem. The company was founded in Denver, Colorado, in 2020 and its solutions are based on Vehicle to-Everything (V2X) technology, a communication system that connects vehicles in real-time with other vehicles, road users including cyclists, and smart city infrastructures such as traffic lights, with the goal of improving the driving experience and promoting greater road safety. Spoke Safety joins the portfolio of Brembo Ventures, the Company's venture capital unit that invests globally in top technological startups to support Brembo's innovation and accelerate the development of new mobility solutions for tomorrow.

Opt-out from the Obligations to Publish Disclosure Documents

The Company has adopted the opt-out system envisaged by Article 70, paragraph 8, and Article 71, paragraph 1-*bis*, of the Rules for Issuers (Board's Resolution dated 17 December 2012), thus opting out from the obligation to publish the required disclosure documents in the case of significant mergers, de-mergers, capital increase by way of contributions in kind, acquisitions and disposals.

Buy-back and Sale of Own Shares

The General Shareholders' Meeting held on 20 April 2023 passed a new plan for the buy-back and sale of own shares with the following objectives:

- undertaking any investments, directly or through intermediaries, including aimed at containing abnormal movements in stock prices, stabilising stock trading and prices, supporting the liquidity of the Company's stock on the market, so as to foster the regular conduct of trading beyond normal fluctuations related to market performance, without prejudice in any case to compliance with applicable statutory provisions;
- carrying out, in accordance with the Company's strategic guidelines, share capital transactions or other transactions which make it necessary or appropriate to swap or transfer share packages through exchange, contribution, or any other methods;
- buying back own shares as a medium-/long-term investment.

The plan envisages that the Board of Directors may purchase, in one or more tranches, up to a maximum of 8,000,000 ordinary shares, for a minimum price not lower than the closing price of the shares during the trading session on the day before each transaction is undertaken, reduced by 10%, and for a maximum price not higher than the closing price of the shares during the trading session on the day before each transaction is undertaken, increased by 10%.

The authorisation is requested for a period of 18 months from the date of the resolution by the General Shareholders' Meeting and for a maximum purchasing amount of €144,000,000, which is adequately covered by the available net reserves recognised in the Statement of Financial Position.

In the first nine months of 2024, Brembo bought back 4,387,303 own shares (€57,456 thousand), which, together with the 10,664,557 own shares already held, brought total own shares to 15,051,860, representing 4.51% of the Company's share capital.

Significant Events After 30 September 2024

On 2 October 2024, Brembo N.V. (the "Selling Shareholder") sold its entire stake of ordinary shares of Pirelli & C. S.p.A. ("Pirelli" or the "Company") through an accelerated bookbuilding offering (the "Placement"). The Selling Shareholder placed 55,800,000 Pirelli ordinary shares to institutional investors, equal to approximately 5.58% of the Company's issued share capital, at a price of € 5.07 per share. The gross proceeds of the Placement amounted to approximately € 282.9 million. The settlement of the Placement took place on 4 October 2024.

On 11 October 2024 Brembo signed an agreement with Tenneco, a portfolio company of funds managed by affiliates of Apollo Global Management Inc., for the acquisition of a 100% stake in Öhlins Racing, the leading manufacturer of premium, high-performance suspension technology for motorcycles and cars in the Original Equipment, Motorsport, and Aftermarket segments. The purchase price is \$405 million on a cash free/debt free basis, subject to customary price adjustment mechanisms. The acquisition, that will be paid using available cash, is subject to customary regulatory approvals and is expected to close in early 2025.

No other significant events occurred after the end of the first nine months of 2024 and until 7 November 2024.