



2024

SIX
MONTHLY
REPORT

Brembo N.V.

Registered offices: Amsterdam (NL)

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

Share capital: €7,007,202.04

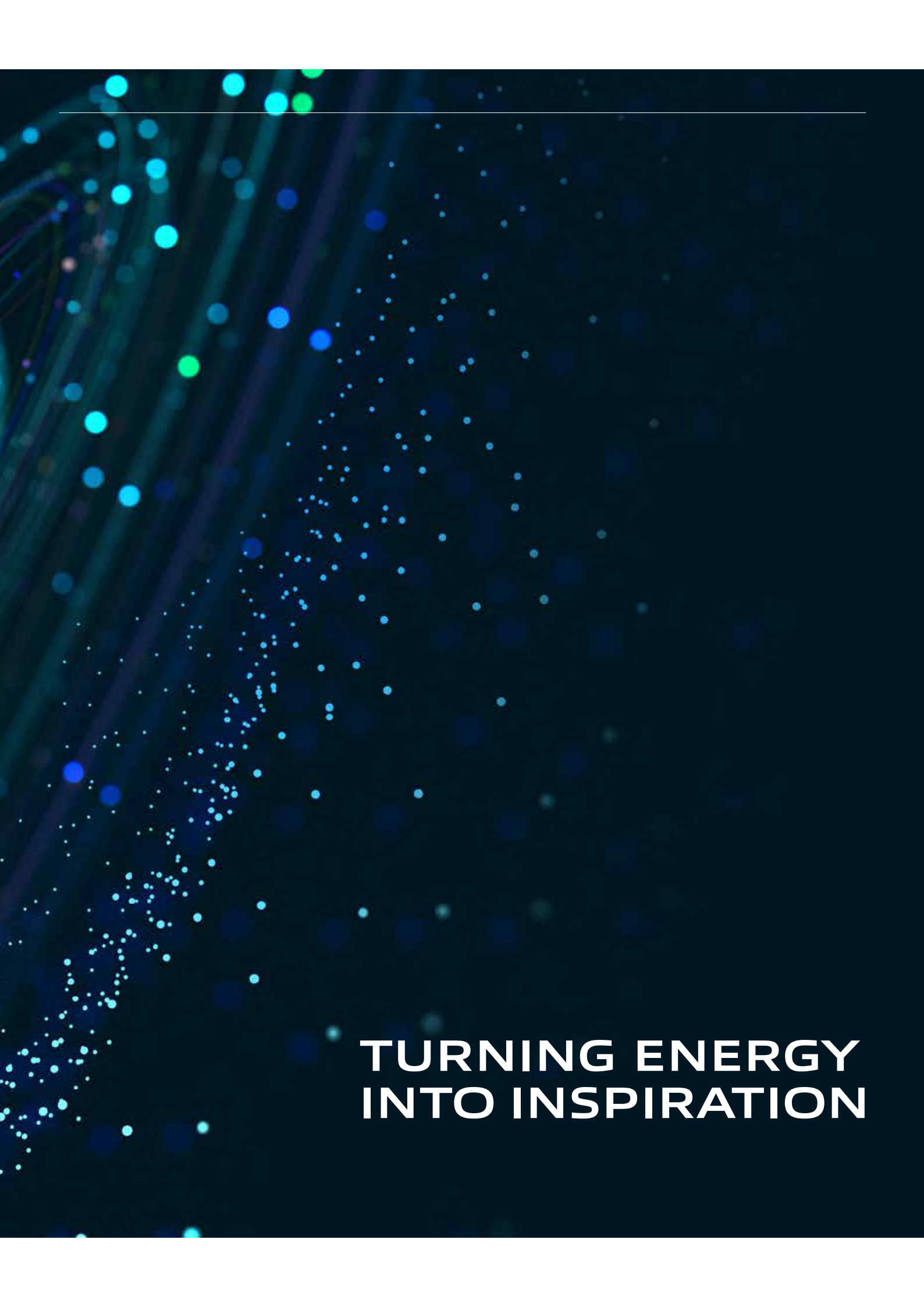
Bergamo Register of Companies

Tax code and VAT Code No. 00222620163

**SIX
MONTHLY
REPORT
2024**







**TURNING ENERGY
INTO INSPIRATION**



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COMPANY OFFICERS ⁽¹⁾

Chairman Emeritus ⁽²⁾

Alberto Bombassei

Board of Directors ⁽³⁾

EXECUTIVE CHAIRMAN

Matteo Tiraboschi ⁽⁸⁾

CHIEF EXECUTIVE OFFICER

Daniele Schillaci ⁽⁸⁾

DIRECTORS

Cristina Bombassei ^{(5) (8)}

Giancarlo Dallera ⁽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 Accountants B.V. ⁽¹⁰⁾

Committees

AUDIT, RISK & SUSTAINABILITY COMMITTEE ⁽¹¹⁾

Elisabetta Magistretti (Chairwoman)

Michela Schizzi

Manuela Soffientini

REMUNERATION & APPOINTMENTS COMMITTEE

Giancarlo Dallera (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.

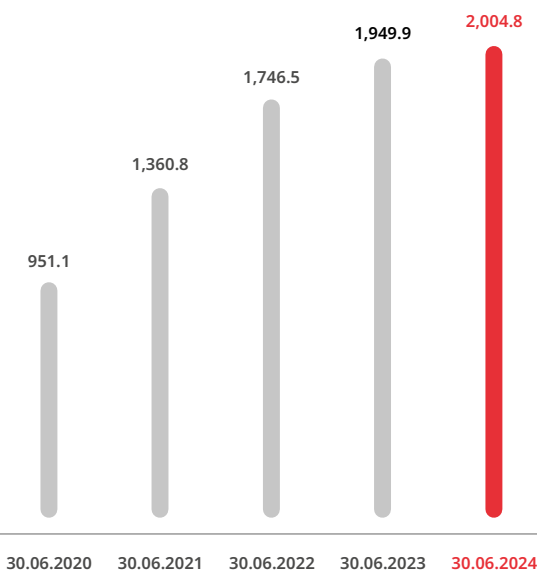
(12) Independent Expert.

(13) Chief Internal Audit Officer.

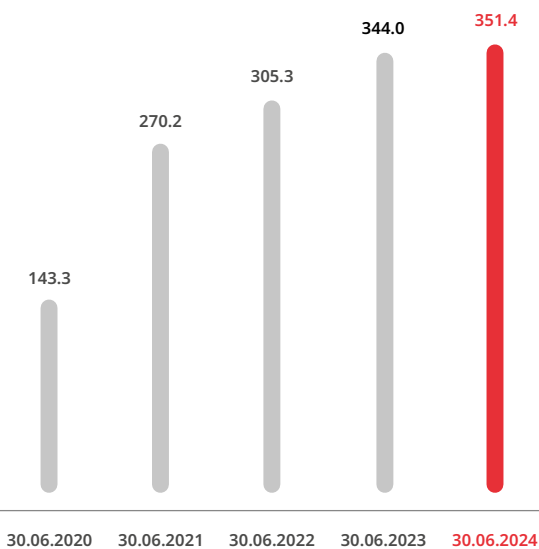


SUMMARY OF GROUP RESULTS

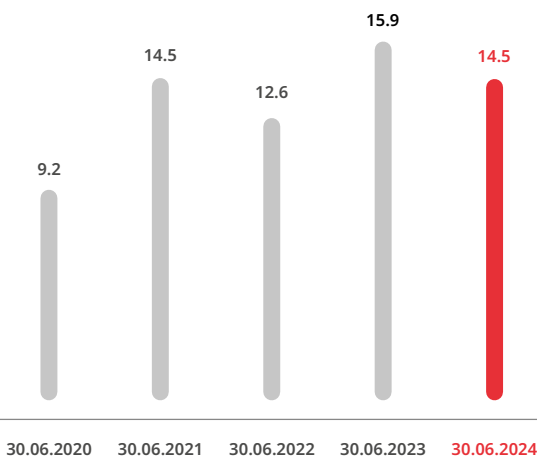
REVENUE FROM CONTRACTS WITH CUSTOMERS
(euro million)



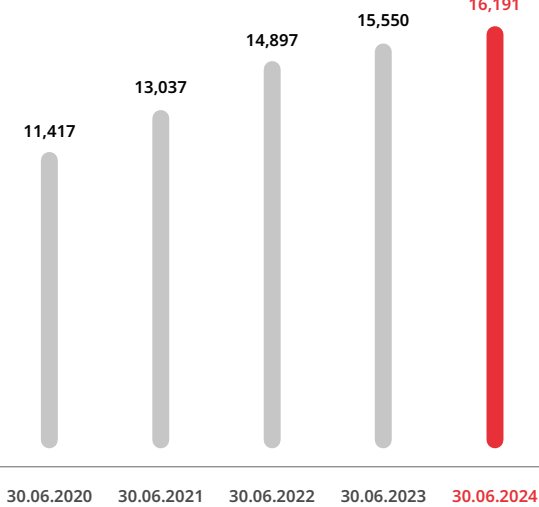
GROSS OPERATING INCOME
(euro million)



ROI
(percentage)



PEOPLE AT END OF PERIOD
(number, including agency workers)



ECONOMIC RESULTS

(EURO THOUSAND)	30.06.2020	30.06.2021	30.06.2022	30.06.2023	30.06.2024	% 2024/2023
Revenue from contracts with customers	951,113	1,360,789	1,746,471	1,949,875	2,004,835	2.8%
Gross operating income	143,291	270,215	305,338	344,037	351,420	2.1%
% of revenue from contracts with customers	15.1%	19.9%	17.5%	17.6%	17.5%	
Net operating income	38,791	165,797	187,512	217,913	218,826	0.4%
% of revenue from contracts with customers	4.1%	12.2%	10.7%	11.2%	10.9%	
Result before taxes	24,678	168,237	198,249	223,423	211,914	-5.2%
% of revenue from contracts with customers	2.6%	12.4%	11.4%	11.5%	10.6%	
Net result for the period	19,958	126,938	148,928	167,773	156,293	-6.8%
% of revenue from contracts with customers	2.1%	9.3%	8.5%	8.6%	7.8%	

FINANCIAL RESULTS

(EURO THOUSAND)	30.06.2020	30.06.2021	30.06.2022	30.06.2023	30.06.2024	% 2024/2023
Net invested capital	1,994,850	2,120,187	2,454,268	2,606,373	2,864,072	9.9%
Equity	1,373,132	1,601,244	1,837,958	2,015,517	2,210,463	9.7%
Net financial debt	597,499	496,936	595,101	562,288	613,593	9.1%

EMPLOYEES AND INVESTMENTS

(EURO THOUSAND)	30.06.2020	30.06.2021	30.06.2022	30.06.2023	30.06.2024	% 2024/2023
Employees at end of period (number)	10,731	11,402	12,797	13,533	14,268	5.4%
Turnover per employee	88.6	119.3	136.5	144.1	140.5	-2.5%
Net investments	68,841	92,213	112,758	154,292	167,749	8.7%
Increases in leased assets	4,533	7,690	8,794	10,931	18,760	71.6%

MAIN RATIOS

	30.06.2020	30.06.2021	30.06.2022	30.06.2023	30.06.2024
Net operating income/Revenue from contracts with customers	4.1%	12.2%	10.7%	11.2%	10.9%
Result before taxes/Revenue from contracts with customers	2.6%	12.4%	11.4%	11.5%	10.6%
Net investments ^(*) /Revenue from contracts with customers	7.2%	6.8%	6.5%	7.9%	8.4%
Net financial debt/Equity	43.5%	31.0%	32.4%	27.9%	27.8%
Adjusted net interest expense ^(**) /Revenue from contracts with customers	0.7%	0.4%	0.3%	0.5%	0.7%
Adjusted net interest expense ^(**) /Net operating income	17.0%	3.2%	3.2%	4.6%	6.0%
ROI	9.2%	14.5%	12.6%	15.9%	14.5%
ROE	9.4%	15.3%	13.0%	15.5%	13.4%

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.





DIRECTORS' REPORT ON OPERATIONS



1. DIRECTORS' REPORT ON OPERATIONS

BREMBO AND THE MARKET

MACROECONOMIC CONTEXT

A proper assessment of Brembo's performance during the first half of 2024 cannot neglect an overview of the current worldwide macroeconomic scenario.

According to the most recent estimates from S&P Global Market Intelligence, global economic conditions remain resilient with the real GDP growth predicted to be 2.7% in 2024 (+0.1 vs. the previous forecast). The forecast for global growth in 2025 predicts that the GDP will be equal to 2.8% (+0.1 vs. the previous forecast). Regarding inflation, the forecasts project a gradual downward trend over the next few years, driven by a moderation in underlying price pressures. Specifically, the Consumer Price Index (CPI) is expected to be 4.6% in 2024 (-0.2 vs. the previous forecast) and 3.4% in 2025 (+0.2 vs. the previous forecast), down from 5.7% in 2023. The 2025 forecast was revised due to underlying risks such as higher-than-expected crude oil prices in the event of Middle East conflict escalation, shipping-related disruptions, swings in food prices due to climate-related factors, and stubbornly high services inflation. Despite the FED's inaction, monetary easing has become more widespread: the ECB and the Bank of Canada delivered 25-basis-point cuts in their key interest rates in June.

As for the **Eurozone**, the latest estimates indicate a projected GDP growth of 0.8% in 2024 (+0.2 vs. the previous forecast) and 1.5% in 2025 (+0.1 vs. the previous forecast). It exited its recession during the first quarter of 2024, and modest growth is expected during the rest of the year. Inflation is projected to decline, falling to 2.5% in 2024 and 2.1% in 2025 (+0.1 vs. the previous forecast), down from 5.4% in 2023. Easing inflation and still-solid labor market conditions will help support activity, but the recovery will be limited by the lagged effects of tighter monetary policy. The ECB cut interest rates by 25bps in June, and further cuts by a cumulative 50bps are expected during the second half of the year.

In **Germany**, after stagnating in 2023, the economy is expected to grow by 0.3% in 2024 (+0.2 vs. the previous forecast) and 1.3% in 2025. GDP rebounded modestly

by 0.2% during the first quarter of 2024, and private consumption is expected to increasingly benefit from rising real purchasing power from the second quarter onward. However, concerns about energy security and generally uncertain political times, both at home and abroad, will restrain consumer confidence well into 2024. Inflation is expected to continue to decline during 2024, falling from 6% in 2023 to 2.6% in 2024 and reaching 2.1% in 2025 (+0.1 vs. the previous forecast for both years). This decline will be driven by continued wage growth. Concurrently, real household income will continue to recover.

Economic activity in **France** is expected to remain subdued during the second quarter of 2024 before gaining some momentum during the second half of the year. French GDP is expected to slow to 0.8% (+0.2 vs. the previous forecast), down from 1.1% in 2023 (+0.2 compared to the previous forecast), before recovering to 1.2% in 2025. Domestic demand has been boosted by a rise in household consumption and gross fixed capital formation (GFCF). Inflation, influenced by the decrease in energy and commodity prices, is anticipated to fall more gradually than in other Eurozone economies, decreasing from 5.7% in 2023 to 2.6% in 2024, and remaining above the ECB target. By 2025 it is expected to be 2.1% (+0.3 vs. the previous forecast).

After solid growth in 2023, there are heightened concerns about the **Spanish** economy in 2024. Specifically, GDP growth is expected to shift down to 1.9% in 2024 (+0.5 vs. the previous forecast) due to very restrictive monetary policy conditions alongside a diminishing contribution from international tourism. In 2025, GDP is forecasted to stand at 1.6% (+0.2 vs. the previous forecast). Inflation is projected to decrease to 2.8% in 2024 from 3.4% in 2023 and further decline to 1.9% in 2025 (-0.1 vs. the previous forecast).

Italian GDP growth is expected to slow to 0.7% in 2024 (+0.3 vs. the previous forecast), before moderately rising to 0.9% in 2025. The country faces a challenging immediate outlook, primarily due to the ongoing recession in the industrial sector, tighter financial conditions, and a decline in household income purchasing power. The industrial sector has been hindered by uncertain domestic conditions, alongside a fragile global economic environment. Inflation is projected to average 1.5% in 2024 (-0.3 vs. the previous forecast) and rise to 2% in 2025, down from 5.9% in 2023. Elevated inflation and higher borrowing costs pose persistent threats to consumer confidence and spending intentions.

In the **United Kingdom**, the economy is expected to grow by 0.6% in 2024 (+0.4 vs. the previous forecast) and by 1.2% in 2025 (+0.1 vs. the previous forecast). The post-pandemic recovery has stalled due to persistent headwinds such as rampant inflation and rising borrowing costs, which have squeezed household budgets and their spending intentions. Consumer demand will revive in 2025 in line with falling energy prices, normalized food costs, and decreasing borrowing costs. Inflation will decrease significantly in 2024, dropping to 2.5% (-0.1 vs. the previous forecast) from 7.3% in 2023. In 2025 it is estimated to be equal to 1.9% (-0.4 vs. the previous forecast).

In the **United States**, the latest estimates show GDP growth of 2.4% in 2024 (-0.1 vs. the previous forecast) and 1.7% in 2025. The growth over the next couple of years is expected to slow in response to past monetary tightening, diminished tailwinds, a strong dollar, and a flat-to-weakening profile for equity values, which is expected to weigh on consumer spending. With GDP growth below potential, the unemployment rate is projected to rise over the next couple of years. Inflation will decline from 4.1% in 2023, to 3.2% in 2024, and further to 2.4% in 2025.

Mainland **China** ended 2023 with a weak post-pandemic recovery, primarily driven by a rebound in consumer demand. Major headwinds for economy include the continued property downturn, weakened business and consumer confidence, and geopolitical uncertainties. GDP is predicted to 5% in 2024 (+0.3 vs. the previous forecast) and 4.6% in 2025 (+0.1 vs. the previous forecast), down from 5.2% in 2023 (-0.2 vs. the previous forecast). The overall economic outlook remains temperate, with recovery supported by a bolstered but measured stimulus policy, gradually improving private-sector confidence, and rebounding external demand. Household and private business confidence, while improving, remains fragile. Consumer demand has strengthened but has not fully

recovered, and the housing market continues to struggle. Regarding inflation, consumer prices are expected to remain modest, avoiding a deflationary spiral. Inflation is projected to be 0.6% in 2024 (-0.4 vs. the previous forecast) and 1.7% in 2025, up from 0.2% in 2023.

As for **India**, its economy remains on track to achieve a projected GDP growth of 6.7% in 2024 (-0.1 vs. the previous forecast) and 6.3% in 2025, supported by the recovery in private consumption and business investment, robust government capital expenditure, and improving exports. While concerns over food prices remain, the inflation outlook has improved, with inflation predicted to be equal to 5% in 2024 and 4.8% in 2025, down from 5.7% in 2023. Despite gradually easing inflation, the Reserve Bank of India is unlikely to initiate monetary policy easing until late 2024.

Growth in **Japan** is expected to slow to 0.5% in 2024 (-0.3 vs. the previous forecast), reflecting weak private consumption and an increase in imports alongside a recovery in external demand. Improved purchasing is expected to lift private consumption in 2025, with GDP projected to be 1.2% (-0.8 vs. the previous forecast). The economy is likely to improve in later quarters as adverse impacts from the suspension of auto production due to inspection and security scandals dissipate. Japanese inflation will remain elevated, reflecting stickier services price increases and higher wage amid intensified labor shortages and higher import prices associated with the weak yen. It is projected to moderate from 2.4% in 2024 to 2.1% in 2025 (+0.1 vs. the previous forecast for both years), with a softer outlook for energy prices.

Latest estimates show **Brazil's** GDP slowing to 2% in 2024 from 2.9% in 2023, before rebounding to 2.4% in 2025 (-0.1 vs. the previous forecast for 2024 and 2025). Growth in the agricultural sector in 2023 will not be maintained and forecasts indicate a decline in agricultural production in 2024. The monetary policy will be less restrictive but will not shift to an expansionary mode, as relatively high interest rates and restricted credit and liquidity will constrain consumption and investment. The downward trend in inflation will continue, although at a slower pace: from 4.6% in 2023 to 3.9% in 2024 (-0.2 vs. the previous forecast) and 3.4% in 2025 (+0.1 vs. the previous forecast).

As for **Russia**, GDP is estimated to slow from 3.6% in 2023 to 3.1% in 2024 (+0.2 vs. the previous forecast) and 2.5% in 2025. Russian economic activity will continue to be dampened by Western sanctions but has returned to positive real growth, outperforming several of its prior EU



trading partners (e.g., Germany). Private consumption will be a key driver of growth in 2024. Structural changes are underway to reflect Western sanctions, but permanent productivity losses also appear unavoidable. Tight monetary policy, capital controls and other nonmonetary measures will remain in place to support the beleaguered ruble. Supply-side shortages due to the Western sanctions will continue, contributing to price increases. The inflation rate is projected to remain well above the target, equaling 5.9% in 2024 (-0.4 vs. the previous forecast), as in 2023. In 2025 it will fall to 4.7% (-0.3 vs. the previous forecast).

Global commodity prices are projected to experience a slight downturn in 2024 and 2025 but are expected to remain

above pre-pandemic levels. However, geopolitical risks, such as the possibility of a Middle East conflict escalation, adverse weather, and a stronger global economy could add upward pressure. Regarding **energy prices**, the outlook remains subject to multiple risks: geopolitical tensions and supply uncertainties may add upward pressure, while softer global demand in the higher-for-longer interest rate environment is expected to limit energy demand and cap price increases. The 2024 average annual price of Brent **crude oil** was lowered from \$89 per barrel to \$86 per barrel due to downward pressure on prices between late May and early June as the risk of region-wide conflict in the Middle East receded.

CURRENCY MARKETS

In the first half of 2024, the **US dollar** began the reporting period depreciating and reaching the half-year high of 1.0987 (11 January). The currency then strongly appreciated until middle February. Afterwards, it depreciated till middle March and then appreciated again reaching the low for the period of 1.0632 (22 April). Near the end of the half-year period, the US dollar depreciated to about 1.09 and then appreciated once again, closing at 1.0705, below the half-yearly average rate of 1.0812.

The **Chinese yuan/renminbi** began the period by appreciating, reaching the low for the half-year of 7.6995 (16 April). The currency then entered a steady depreciation

trend that lasted throughout the half-year period, reaching the high for the period of 7.8916 (7 June) to then close at 7.7748, below the half-yearly average rate of 7.8011.

The **Polish zloty** opened the period appreciating slightly. Afterwards it depreciated reaching the half-year high of 4.3993 (17 January). Subsequently, the currency began a period of constant appreciation that lasted throughout middle April to about 4.26. The currency then reached the half-year low of 4.2483 (28 May), to then depreciate again and close at 4.3090, below the half-yearly average rate of 4.3167.

		EXCHANGE RATE 2024	AVERAGE EXCHANGE RATE 2024	HIGH FOR THE PERIOD	LOW FOR THE PERIOD
U.S. Dollar	USD	1.0705	1.0812	1.0987	1.0632
Japanese Yen	JPY	171.9400	164.4978	171.9400	155.6800
Swedish Krona	SEK	11.3595	11.3889	11.7530	11.1545
Danish Krone	DKK	7.4575	7.4580	7.4624	7.4536
Polish Zloty	PLN	4.3090	4.3167	4.3993	4.2483
Czech Koruna	CZK	25.0250	25.0192	25.4600	24.4880
Mexican Peso	MXN	19.5654	18.5175	20.2743	17.5982
Pound Sterling	GBP	0.8464	0.8545	0.8665	0.8420
Brazilian Real	BRL	5.8915	5.4945	5.8915	5.3069
Indian Rupee	INR	89.2495	89.9804	91.2850	88.6280
Chinese Renminbi	CNY	7.7748	7.8011	7.8916	7.6995
Russian Rouble	RUB	91.0149	98.0611	100.8840	95.7166
Swiss franc	CHF	0.9634	0.9615	0.9924	0.9305
Thai Baht	THB	39.3190	39.1237	39.9480	37.5630

GROUP ACTIVITIES AND REFERENCE MARKET

Brembo is the world leader and acknowledged innovator in the development of braking solutions for automotive vehicles. It currently operates in 16 countries on 3 continents, through its production and business sites, and employs over 16,000 people worldwide. Manufacturing plants are located in Italy, Poland (Częstochowa, Dąbrowa Górnicza, Niepołomice), the United Kingdom (Coventry), the Czech Republic (Ostrava-Hrabová), Germany (Meitingen), Denmark (Svendborg), Spain (Barcelona), Mexico (Apodaca and Escobedo), Brazil (Betim), China (Nanjing, Langfang, Jiading), India (Pune), the USA (Homer) and Thailand (Bangkok). Other companies located in Spain (Zaragoza), Sweden (Göteborg), Germany (Leinfelden-Echterdingen), China (Qingdao), Japan (Tokyo), the USA (Huntersville) and Russia (Moscow) carry out distribution and sales activities, whereas the Group's reinsurance company is based in Switzerland (Zurich). Brembo's reference market is represented by the most important manufacturers of cars, motorbikes, commercial vehicles and racing cars and motorbikes. Constant focus on innovation, as well as technological and process development — factors that have always been fundamental to Brembo's philosophy — have earned the Group a strong international leadership position in the research, design and production of high-performance braking systems for a wide range of road and racing vehicles. Brembo operates in both the original equipment market and the aftermarket. Brembo's range of products for car and commercial vehicle applications includes brake discs, brake calipers, the side-wheel module and, increasingly often, the complete braking system, including integrated engineering services. All of these back the development of new models produced by vehicle manufacturers. In addition to brake discs and brake calipers, motorbike manufacturers are also offered brake master cylinders, light-alloy wheels, brake hoses and complete braking systems. In the car aftermarket, Brembo offers in particular brake discs, in addition to pads, drums, brake shoes, drum-brake kits and hydraulic components: a vast and reliable range of products allows the Company to meet the needs of nearly all European vehicles.

In the first half of 2024, Brembo's consolidated net sales amounted to €2,004,835 thousand, up 2.8% compared to €1,949,875 thousand for the same period of 2023.

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

PASSENGER CARS



In the first five months of 2024, the global light vehicle market showed a 3.5% increase in sales compared to the same period of 2023.

The Western European market (EU14 + EFTA + UK) closed the first five months of 2024 with a +5.2% rise in car registrations compared to the same period of 2023. All key markets closed the first five months on a positive note: Italy (+4.7%), France (+5.8%), Spain (+8.8%), Germany (+5.9%) and the UK (+7.1%). Eastern Europe (EU 12) also reported a positive trend in car registrations, up 8.0% compared to the first five months of 2023. Light vehicle registrations in Russia closed the first five months of 2023 with a 50.4% growth as well, compared to the same of the previous year.

In the United States, light vehicle sales grew by 3.6% overall in the first five months of 2024 compared to the same period of 2023. In the same period, sales in Brazil also rose by 16.0%.

In Asian markets, China closed the first five months of 2023 on a positive note with light vehicle sales up +6.1% compared to the first five months of 2023. Japan instead closed the reporting period negatively, with a 13.8% decrease in sales.

Within this scenario, Brembo's net sales of car applications in the first half of 2024 amounted to €1,467,363 thousand, accounting for 73.1% of the Group's turnover, up 4.3% compared to €1,406,724 thousand for the same period 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 5.3% in the first five months of 2024 compared to the same period of 2023. Sales of motorbikes and scooters in Italy rose by 8.6% overall compared to the same period of 2023 (motorbikes over 500cc alone: +11.0%; scooters: +8.4%).

In the United States, registrations of motorbikes, scooters and ATVs (All Terrain Vehicles, quadricycles for recreation and work) declined by 5.4% in the first three months of 2024 compared to the same period of 2023. ATVs alone decreased by 4.8%, while motorbikes and scooters together fell by 5.6%.

In the first five months of 2024, the Japanese market showed a 20.4% decrease, considering displacements over 50cc overall, whereas the figure for motorbikes with displacements over 125cc alone was -11.7%.

The Indian market (motorbikes and scooters) increased by 19.6% in the first five months of 2024, whereas Brazil reported a 20.0% growth in registrations.

Brembo's net sales of motorbike applications in the first half of 2024 amounted to €249,662 thousand, up 1.0% compared to €247,271 thousand for the same period of 2023.

COMMERCIAL AND INDUSTRIAL VEHICLES



In the first five months of 2024, the European commercial vehicles market (EU+EFTA+UK) — Brembo's reference market — showed a 1.7% 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 4.6% in Europe. All the main European markets by sales volume grew in the first five months of 2024: +8.9% in Spain, +5.9% in Germany, +8.1% in France and +6.6% in Italy and 1.7% in UK.

The segment of medium and heavy commercial vehicles (over 3.5 tonnes) showed a decrease in Europe in the first five months of 2024, closing at -7.8% compared to the same period of the previous year. Among the main European markets by sales volume, decreases were recorded in Germany (-3.3%), France (-5.5%) and Italy (-7.4%), whereas Spain showed a growth (+5.0%).

In the first half of 2024, Brembo's net sales of applications in this segment amounted to €184,153 thousand, down by 6.1% compared to €196,093 thousand for the first half of 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 half of 2024, Brembo's net sales of applications in this segment amounted to €103,285 thousand, up by 3.8% compared to €99,507 thousand for the first half of 2023.

SALES BREAKDOWN BY GEOGRAPHICAL AREA AND APPLICATION

GEOGRAPHICAL AREA

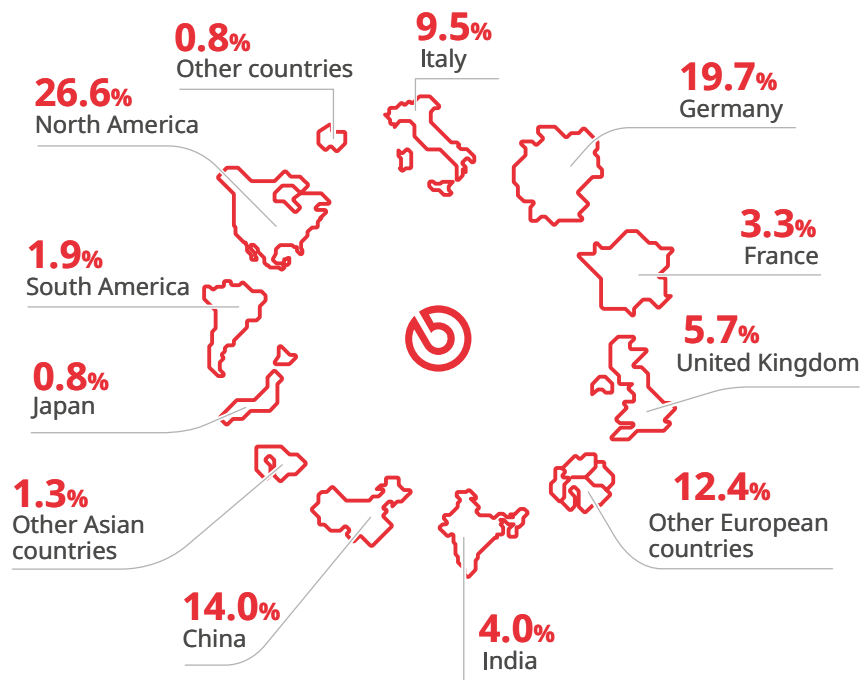
(EURO THOUSAND)	30.06.2024	%	30.06.2023	%	CHANGE	%
Italy	191,178	9.5%	194,542	10.0%	(3,364)	-1.7%
Germany	395,837	19.7%	389,339	20.0%	6,498	1.7%
France	66,252	3.3%	61,751	3.2%	4,501	7.3%
United Kingdom	113,852	5.7%	94,476	4.8%	19,376	20.5%
Other European countries	247,646	12.4%	261,939	13.4%	(14,293)	-5.5%
India	80,678	4.0%	66,626	3.4%	14,052	21.1%
China	278,702	14.0%	259,916	13.3%	18,786	7.2%
Japan	15,994	0.8%	12,358	0.6%	3,636	29.4%
Other Asian Countries	26,989	1.3%	22,969	1.2%	4,020	17.5%
South America (Argentina and Brazil)	38,161	1.9%	40,000	2.1%	(1,839)	-4.6%
North America (USA, Mexico & Canada)	533,145	26.6%	530,853	27.2%	2,292	0.4%
Other Countries	16,401	0.8%	15,106	0.8%	1,295	8.6%
Total	2,004,835	100.0%	1,949,875	100.0%	54,960	2.8%

APPLICATION

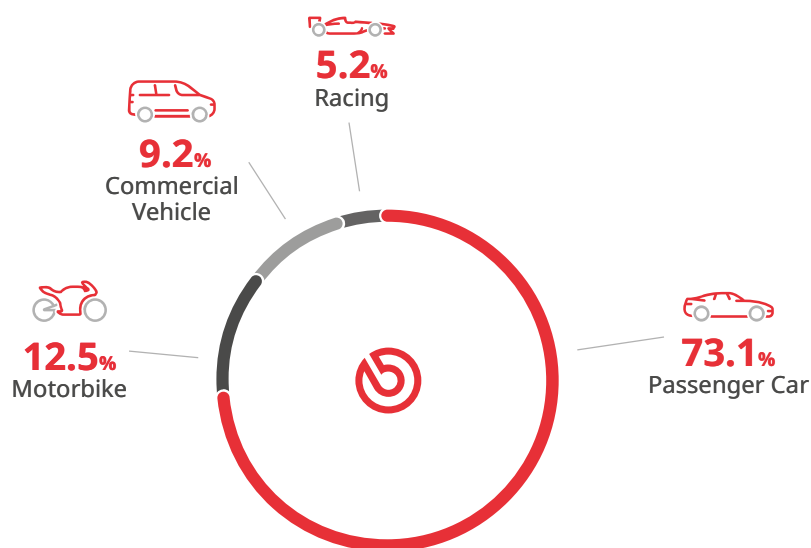
(EURO THOUSAND)	30.06.2024	%	30.06.2023	%	CHANGE	%
Passenger Car	1,467,363	73.1%	1,406,724	72.1%	60,639	4.3%
Motorbike	249,662	12.5%	247,271	12.7%	2,391	1.0%
Commercial Vehicle	184,153	9.2%	196,093	10.1%	(11,940)	-6.1%
Racing	103,285	5.2%	99,507	5.1%	3,778	3.8%
Miscellaneous	372	0.0%	280	0.0%	92	32.9%
Total	2,004,835	100.0%	1,949,875	100.0%	54,960	2.8%



NET SALES BREAKDOWN BY GEOGRAPHICAL AREA



NET SALES BREAKDOWN BY APPLICATION



BREMBO'S CONSOLIDATED RESULTS

CONSOLIDATED STATEMENT OF INCOME

(EURO THOUSAND)	30.06.2024	30.06.2023	CHANGE	%
Revenue from contracts with customers	2,004,835	1,949,875	54,960	2.8%
Cost of sales, operating costs and other net charges/income ^(*)	(1,290,130)	(1,279,002)	(11,128)	0.9%
Income (expense) from non-financial investments	8,129	9,412	(1,283)	-13.6%
Personnel expenses	(371,414)	(336,248)	(35,166)	10.5%
GROSS OPERATING INCOME	351,420	344,037	7,383	2.1%
% of revenue from contracts with customers	17.5%	17.6%		
Depreciation, amortisation and impairment losses	(132,594)	(126,124)	(6,470)	5.1%
NET OPERATING INCOME	218,826	217,913	913	0.4%
% of revenue from contracts with customers	10.9%	11.2%		
Net interest income (expense) and Interest income (expense) from investments	(6,912)	5,510	(12,422)	-225.4%
RESULT BEFORE TAXES	211,914	223,423	(11,509)	-5.2%
% of revenue from contracts with customers	10.6%	11.5%		
Taxes	(53,685)	(54,950)	1,265	-2.3%
Result from discontinued operations	0	(121)	121	-100.0%
RESULT BEFORE MINORITY INTERESTS	158,229	168,352	(10,123)	-6.0%
% of revenue from contracts with customers	7.9%	8.6%		
Minority interests	(1,936)	(579)	(1,357)	234.4%
NET RESULT FOR THE PERIOD	156,293	167,773	(11,480)	-6.8%
% of revenue from contracts with customers	7.8%	8.6%		
BASIC/DILUTED EARNINGS PER SHARE (EURO)	0.49	0.52		

(*) The item is obtained by adding the following items of the Consolidated Statement of Income: "Other revenues and income", "Costs for capitalised internal works", "Raw materials, consumables and goods" and "Other operating costs".

In the first half of 2024, Brembo's net sales amounted to €2,004,835 thousand, up 2.8% compared to the first half of 2023.

The car applications sector, which accounted for 73.1% of the Group's sales, closed the first half of 2024 with a 4.3% increase compared to the same period of the previous year. Similarly, nearly all other applications recorded an uptrend compared to the first half of 2024: racing applications at +3.8%, and motorbike applications at +1.0%, whilst applications for commercial vehicles closed at -6.1%. At geographical level, and with specific reference to Europe, Germany grew by 1.7% compared to the first half of 2023. Nearly all other European countries reported positive results: France up by 7.3% and the United Kingdom by 20.5%, while Italy closed at -1.7%. Sales rose by 0.4% in North America and decreased by 4.6% in South America. In the Far East, China grew by 7.2%, India by 21.1% and Japan by 29.4%.

In the first half of 2024, the **cost of sales and other net operating costs** amounted to €1,290,130 thousand, with

a ratio to sales of 64.4%, slightly down on 65.6% for the first half of 2023. Within this item, development costs capitalised under intangible assets amounted to €15,541 thousand compared to €12,723 thousand for the first half of the previous year.

Income (expense) from non-financial investments amounted to €8,129 thousand and was chiefly attributable to the effects of valuing the investment in the BSCCB Group using the equity method (€9,412 thousand in the first half of 2023).

Personnel expenses amounted to €371,414 thousand, with a ratio to sales of 18.5%, increasing compared to the same period of the previous year (17.2%). At 30 June 2024, people numbered 16,191 (15,653 at 31 December 2023 and 15,550 at 30 June 2023), including agency workers, amounting to 1,923 (1,999 at 31 December 2023 and 2,017 at 30 June 2023).

Gross operating income was €351,420 thousand compared

to €344,037 thousand for the first half of 2023, with a 17.5% ratio to sales (17.6% for the same period of 2023).

Net operating income amounted to €218,826 thousand (10.9% of sales), compared to €217,913 thousand (11.2% of sales) for the first half of 2023, after depreciation, amortisation and impairment losses of €132,594 thousand, compared to depreciation, amortisation and impairment losses amounting to €126,124 thousand for the same period of 2023.

Net interest expenses amounted to €17,966 thousand (€6,648 thousand in the first half of 2023) and consisted of net exchange expenses of €4,768 thousand (net exchange gains of €3,274 thousand in the first half of 2023) and interest expense of €13,198 thousand (€9,922 thousand for the same period of 2023).

Net interest income from investments, which amounted to €11,054 thousand (€12,158 thousand in the first half of 2023), was attributable to dividends received by investees not included in the consolidation area and to the effects of valuing investments in associates using the equity method.

Result before taxes was a profit of €211,914 thousand, compared to €223,423 thousand for the first half of 2023. Based on the tax rates applicable under current tax regulations in force in each country, estimated taxation amounted to €53,685 thousand, with a tax rate of 25.3% compared to 24.6% for the same period of the previous year.

The **Group's net result** for the first half of 2024 amounted to €156,293 thousand (7.8% of sales), up compared to €167,773 thousand for the first half of 2023 (8.6% of sales).

STATEMENT OF FINANCIAL POSITION

The Group's Statement of Financial Position reflects reclassifications of consolidated accounting statements, as described in the following pages. In detail:

- "Net financial assets" include the following items: "Investments" and "Other financial assets";
- the item "Other receivables and non-current liabilities" is made up of the following items: "Receivables and other non-current assets", "Deferred tax assets" and "Other non-current liabilities";
- "Net financial debt" includes current and non-current payables to banks and other financial liabilities (including lease liabilities), net of cash and cash equivalents and current financial assets.

Net Invested Capital at the end of the first half of 2024 amounted to €2,864,072 thousand, up by €273,461 thousand compared to €2,590,611 thousand at 31 December 2023.

Net financial debt at 30 June 2024 was €613,593

thousand, compared to €454,768 thousand at 31 December 2023. The €158,825 thousand increase for the period was mainly attributable to the combined effect of the following factors:

- the positive effect of gross operating income of €351,420 thousand, with a €186,703 thousand decrease in working capital;
- net investments totalling €167,749 thousand and increases in leased assets for €18,760 thousand;
- payment of taxes totalling €48,437 thousand;
- the Parent's payment of the approved dividends in the amount of €95,562 thousand;
- dividends received by the associates totalling €10,000 thousand and by investees not included in the consolidation area amounting to €11,048 thousand.

The Explanatory Notes to the Condensed Consolidated Six Monthly Financial Report provide detailed information on the financial position and its assets and liabilities items.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EURO THOUSAND)	30.06.2024	31.12.2023	CHANGE
Property, plant and equipment	1,585,832	1,522,879	62,953
Intangible assets	304,840	300,732	4,108
Financial assets/liabilities	383,062	354,518	28,544
Other receivables and non-current liabilities	157,105	135,517	21,588
Fixed capital	2,430,839	2,313,646	117,193
			5.1%
Inventories	665,217	621,697	43,520
Trade receivables	730,017	604,877	125,140
Other receivables and current assets	105,061	94,539	10,522
Current liabilities	(1,006,849)	(979,374)	(27,475)
Provisions/deferred taxes	(60,213)	(64,774)	4,561
Net working capital	433,233	276,965	156,268
			56.4%
NET INVESTED CAPITAL	2,864,072	2,590,611	273,461
			10.6%
Equity	2,210,463	2,099,419	111,044
Employees' leaving entitlement and other provisions for personnel	40,016	36,445	3,571
Medium/long-term net financial debt	554,269	628,983	(74,714)
Short-term net financial debt	59,324	(174,215)	233,539
Net Financial debt	613,593	454,768	158,825
			34.9%
Net financial debt from discontinued operations	0	(21)	21
COVERAGE	2,864,072	2,590,611	273,461
			10.6%

**STATEMENT OF CASH FLOWS**

(EURO THOUSAND)	30.06.2024	30.06.2023
NET FINANCIAL POSITION AT BEGINNING OF PERIOD (*)	(454,768)	(502,044)
Net operating income	218,826	217,913
Depreciation, amortisation and impairment losses	132,594	126,124
Gross operating income	351,420	344,037
Investments in property, plant and equipment	(146,582)	(136,764)
Investments in intangible assets	(21,948)	(17,881)
Increases in leased assets	(18,760)	(10,931)
Investments in financial assets	(2,760)	(3,234)
Disposal	781	353
Net investments	(189,269)	(168,457)
Change in inventories	(52,720)	(51,273)
Change in trade receivables	(127,598)	(124,683)
Change in trade payables	23,067	81,576
Change in other liabilities	(11,091)	(2,138)
Change in receivables from others and other assets	(24,111)	(3,869)
Translation adjustment reserve not allocated to specific items	5,750	(5,118)
Change in working capital	(186,703)	(105,505)
Change in provisions for employee benefits and other provisions	17,335	9,777
Operating cash flow	(7,217)	79,852
Interest income and expense	(6,345)	(6,422)
Result from discontinued operations	0	(121)
Current taxes paid	(48,437)	(43,457)
Dividend paid in the period to minority shareholders	(960)	(800)
Interest (income)/expense from investments, net of dividends received	1,871	(1,872)
Dividends paid in the period	(95,562)	(90,117)
Net cash flow	(156,650)	(62,937)
Effect of translation differences on net financial positions	(2,175)	2,693
NET FINANCIAL POSITION AT THE END OF PERIOD (*)	(613,593)	(562,288)

(*) See Note 13 of the Explanatory Notes to the Consolidated Financial Statements for a reconciliation with financial statements data.

ALTERNATIVE PERFORMANCE MEASURES

Brembo's Directors have identified some alternative performance measures ("APMs") in the previous paragraphs, in order to provide a better understanding of the Brembo Group's operating and financial performance. These indicators are also tools that help the Directors to identify operating trends and take decisions about investments, allocation of resources and other operating decisions.

The following points enable a correct interpretation of the above-mentioned APMs:

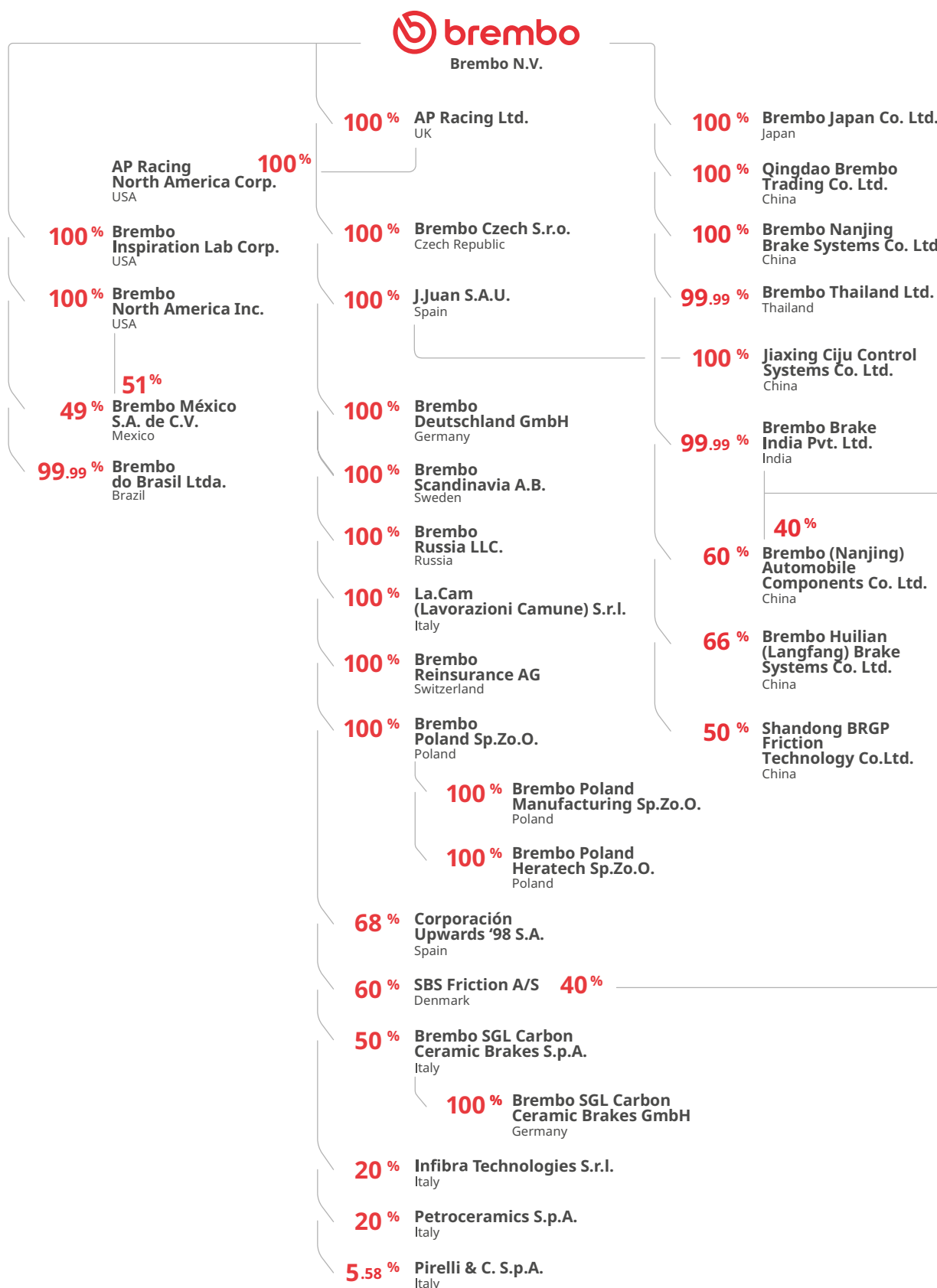
1. these indicators are constructed starting from the Group's historical data only and are not indicative of the Group's future performance;
2. the APMs are not laid down by the IFRS and are not subject to audit, although they are taken from the Group's Consolidated Financial Statements and specifically, the Income Statement APMs and the Balance Sheet APMs are reconciled in the Consolidated Statement of Income on p. 17 and the Consolidated Statement of Financial Position on p. 19, respectively;
3. the APMs must not be considered to replace the indicators provided for by the IFRS;
4. the APMs are to be read together with the Group's financial information, taken from the Brembo Group's Consolidated Financial Statements;
5. the definitions used by the Group may not match those adopted by other companies/groups, therefore they are not comparable, since they are not derived from reference accounting standards;
6. the APMs used by the Group are applied on an ongoing basis and are consistently defined and represented for all the periods for which financial information is included in these Financial Statements.

The APMs indicated below have been selected and represented in the Directors' Report on Operations since the Group deems that:

- Net Financial Debt, combined with other indicators such as Investments/Revenue from contracts with customers, Net Financial Debt/Equity, Net interest expense (less exchange gains or losses)/Revenue from contracts with customers and Net interest expense (less exchange gains or losses)/Net operating income allow a better assessment of the overall level of debt, capital solidity and debt payment capacity;
- Fixed Capital — and thus 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 —, Net Working Capital, and Net Invested Capital allow a better assessment of both the ability to meet short-term trade commitments through current trade assets, and the consistency between the structure of the use and that of the sources of financing over time;
- Gross Operating Income (EBITDA) and Net Operating Income (EBIT), combined with other relative profitability indicators, allow changes in operating performance to be illustrated and provide useful information on the Group's capacity to sustain debt; these indicators are also commonly used by analysts and investors in the sector to which the Group belongs to evaluate company performance.



GROUP STRUCTURE



PERFORMANCE OF BREMBO COMPANIES

The following figures were taken from the accounting situations at 30 June 2024 prepared by the companies in accordance with IAS/IFRS and approved by the respective Boards of Directors.

BREMBO N.V.

Bergamo (Italy)



Activities: analysis, design, development, application, production, assembly and sale of braking systems, light alloy castings for various sectors, including the car and motorbike industries.

The first half of 2024 closed with revenue from contracts with customers of €678,767 thousand compared to €665,646 thousand for the first half of 2023. The item "Other revenues and income" amounted to €36,903 thousand compared to €33,945 thousand for the same period of 2023, whereas capitalised development costs for the half-year totalled €12,184 thousand compared to €9,123 thousand for the first half of 2023.

Gross operating income was €118,478 thousand (17.5% of

sales) compared to €115,243 thousand (17.3% of sales) for the first half of 2023. Net operating income, after depreciation, amortisation and impairment losses of property, plant, equipment and intangible assets amounting to €38,650 thousand, closed at €79,828 thousand compared to €75,812 thousand for the same period of the previous year.

Net interest expense from financing activities amounted to €2,489 thousand compared to €3,644 thousand for the first half of 2023. Income from investments totalled €37,197 thousand and was attributable to the distribution of dividends by some subsidiaries. In addition, a provision for current taxes and deferred tax assets and liabilities was made in the amount of €21,892 thousand.

In the reporting period, net income amounted to €92,644 thousand compared to €75,389 thousand for the same period of 2023.

At 30 June 2024, employees numbered 3,407, increasing by 127 compared to 3,280 at the end of the first half of 2023.

COMPANIES CONSOLIDATED ON A LINE-BY-LINE BASIS

AP RACING LTD.

Coventry (United Kingdom)



Activities: production and sale of braking systems and clutches for road and racing vehicles.

AP Racing is the market leader in the production of brakes and clutches for racing cars and motorbikes.

The company designs, assembles and sells cutting-edge, high-tech products throughout the world for the main F1, GT, Touring and Rally teams. It also produces and sells original equipment brakes and clutches for prestige car manufacturers.

Net sales for the first half of 2024 amounted to GBP 36,879 thousand (€43,156 thousand) compared to GBP 31,016 thousand (€35,382 thousand) for the first half of 2023. In the reporting period, net income amounted to GBP 3,947 thousand (€4,618 thousand) compared to 2,541 thousand (€2,898 thousand) for the same period of 2023.

At 30 June 2024, employees numbered 177, increasing by 22 compared to the end of June 2023.

AP RACING NORTH AMERICA CORP.

Wilmington, Delaware (USA)



Activities: technical and sales services on the US market.

Established in 2022 and wholly controlled by AP Racing Ltd., the company specialises in developing and simplifying communications between the parent and the US-based customers, throughout the different phases of project planning and management.

The company did not generate net sales at 30 June 2024, whilst reporting a net income of USD 12 thousand (€11 thousand) compared to USD 9 thousand (€9 thousand) at 30 June 2023.

At 30 June 2024, the company had 2 employees, one more compared to the same period of 2023.

**BREMBO BRAKE INDIA PVT. LTD.**

Pune (India)



Activities: development, production and sale of braking systems for motorbikes.

The company is based in Pune, India, and was originally set up in 2006 as a joint venture held in equal stakes by Brembo N.V. and the Indian company Bosch Chassis Systems India Ltd. Since 2008, the company has been wholly owned by Brembo N.V.

In the first half of 2024, net sales totalled to INR 7,925,262 thousand (€88,078 thousand), with a net income of INR 934,259 thousand (€10,383 thousand). In the same period of 2023, net sales had amounted to INR 6,750,021 thousand (€75,947 thousand), with a net income of INR 715,153 thousand (€8,047 thousand).

At 30 June 2024, employees numbered 1,316 compared to 1,217 at the end of the first half of 2023.

BREMBO CZECH S.R.O.

Ostrava-Hrabová (Czech Republic)



Activities: casting, production and sale of braking systems for cars.

The company was formed in 2009 and started its production activity in 2011. It carries out the casting, processing and assembly of brake calipers and other aluminium components.

In the first half of 2024, net sales amounted to CZK 4,148,430 thousand (€165,810 thousand) compared to CZK 3,686,581 thousand (€155,683 thousand) in the first half of 2023. Net loss for the reporting period was CZK 337,658 thousand (€13,496 thousand) compared to a net loss of CZK 217,749 thousand (€9,195 thousand) for the first half of 2023.

At 30 June 2024, employees numbered 1,192 compared to 945 at the end of the first half of 2023.

BREMBO DEUTSCHLAND GMBH

Leinfelden-Echterdingen (Germany)



Activities: purchase and resale of vehicles, technical and sales services, as well as promotion of the sale of car brake discs.

The company, which is 100% owned by Brembo N.V., was

formed in 2007. It specialises in buying cars for tests and encouraging and simplifying communications between Brembo and its German customers in the various phases of project planning and management. It also promotes the sale of brake discs for the car aftermarket only.

At 30 June 2024, net sales amounted to €2,237 thousand (€1,500 thousand for the first half of 2023), with a net income of €1,437 thousand (€969 thousand for the first half of 2023). Employees numbered 11, decreasing by one compared to the end of June 2023.

BREMBO DO BRASIL LTDA.

Betim (Brazil)



Activities: production and sale of brake discs for the original equipment market.

The company is headquartered in Betim, Minas Gerais, and specialises in the manufacturing and sale of car brake discs in the South American OEM market.

Net sales for the first half of 2024 amounted to BRL 201,847 thousand (€36,736 thousand), with a net income of BRL 12,948 thousand (€2,356 thousand). In the same period of 2023, net sales had amounted to BRL 209,167 thousand (€38,146 thousand), with a net income of BRL 19,283 thousand (€3,517 thousand).

At 30 June 2024, employees numbered 230 compared to 209 at the same date of the previous year.

BREMBO HUILIAN (LANGFANG) BRAKE SYSTEMS CO. LTD.

Langfang (China)



Activities: casting, production and sale of brake discs for the original equipment market.

In 2016, Brembo N.V. acquired a 66% stake in Brembo Huilian (Langfang) Brake Systems Co. Ltd. (formerly Asimco Meilian Braking Systems (Langfang) Co. Ltd.), a Chinese company that owns a foundry and a plant for the manufacturing of cast-iron brake discs. This company supplies local car manufacturers, mainly including joint ventures among Chinese firms and European and U.S. top players. The remaining 34% of the share capital continued to be owned by the public company Langfang Assets Operation Co. Ltd., controlled by the Municipality of Langfang.

Net sales for the first half of 2024 amounted to CNY 295,125 thousand (€37,831 thousand) and net income to CNY 35,334 thousand (€4,529 thousand). In the first half

of 2023, net sales had amounted to CNY 253,053 thousand (€33,786 thousand) and net income had been CNY 8,425 thousand (€1,125 thousand). At 30 June 2024, employees numbered 445 compared to 479 for the first half of 2023.

BREMBO INSPIRATION LAB CORP.

Wilmington, Delaware (USA)



Activities: strengthening expertise in software development, data science and artificial intelligence.

The company — Brembo's first centre of excellence — is based in the Silicon Valley (California, USA). It is an experimental lab mainly focused on strengthening the Company's expertise in software development, data science and artificial intelligence for the benefit of the development of Brembo's future braking solutions. The new centre of excellence will also be a point of reference for the technological and commercial development of Brembo's relationships with customers in the Silicon Valley. In the first half of 2024, the company did not generate net sales, reporting a net income of USD 90 thousand (€83 thousand); in the first half of 2023 as well, the company had not generated net sales, reporting a net income of USD 63 thousand (€59 thousand).

At 30 June 2024, employees numbered 17 compared to 10 for the same period of 2023.

BREMBO JAPAN CO. LTD.

Tokyo (Japan)



Activities: sale of braking systems for the racing sector and original equipment for cars.

Brembo Japan Co. Ltd. is Brembo's commercial company that handles the Japanese racing market. Through the Tokyo office, it provides primary technical support to the OEM customers in the area. It also renders services to the other Brembo Group companies operating in Japan.

Net sales for the first half of 2024 amounted to JPY 583,651 thousand (€3,548 thousand) compared to JPY 597,444 thousand (€4,099 thousand) for the first half of 2023. Net income for the reporting period was JPY 59,341 thousand (€361 thousand) compared to JPY 76,914 thousand (€528 thousand) for the first half of 2023.

At 30 June 2024, employees numbered 26 employees, three more than in the first half of 2023.

BREMBO MÉXICO S.A. DE C.V.

Apodaca (Mexico)



Activities: casting, production and sale of braking systems for cars and commercial vehicles and car brake discs for original equipment and the aftermarket.

As a result of the merger with Brembo México Apodaca S.A. de C.V. in 2010, the company is now 51% owned by Brembo North America Inc. and 49% owned by Brembo N.V.

In the first half of 2024, net sales amounted to USD 285,020 thousand (€263,618 thousand), with a net income of USD 6,737 thousand for the period (€6,231 thousand). In the first half of 2023, net sales had amounted to USD 289,115 thousand (€267,430 thousand), with a net income for the period totalling USD 15,669 thousand (€14,494 thousand). At 30 June 2024, employees numbered 1,855, increasing compared to 1,846 at the same date of the previous year.

BREMBO (NANJING) AUTOMOBILE COMPONENTS CO. LTD.

Nanjing (China)



Activities: casting, processing and assembly of braking systems for cars and commercial vehicles.

The company, which is 60% owned by Brembo N.V. and 40% owned by Brembo Brake India Pvt. Ltd., was set up in 2016 and carries out casting, processing and assembly of braking systems for cars and commercial vehicles.

In the first half of 2024, net sales amounted to CNY 935,015 thousand (€119,857 thousand), with a net income of CNY 107,083 thousand (€13,727 thousand); in the first half of 2023, net sales had amounted to CNY 804,233 thousand (€107,377 thousand) and net income had been CNY 112,804 thousand (€15,061 thousand).

At 30 June 2024, employees numbered 684 compared to 617 at the same date of the previous year.

**BREMBO NANJING BRAKE SYSTEMS CO. LTD.**

Nanjing (China)

**Activities: development, production and sale of OEM brake discs for cars.**

The company, a joint venture between Brembo N.V. and the Chinese group Nanjing Automobile Corp., was formed in 2001. The Brembo Group acquired control over the company in 2008. In 2013, the Brembo Group acquired full control from the Chinese partner Donghua Automotive Industrial Co. Ltd.

In 2017, the merger of Brembo Nanjing Foundry Co. Ltd. into Brembo Nanjing Brake Systems Co. Ltd. Ltd. The transaction aimed at developing an integrated industrial hub, including foundry and manufacture of brake discs for the car OEM.

At 30 June 2024, net sales amounted to CNY 625,155 thousand (€80,137 thousand) and net income was CNY 77,046 thousand (€9,876 thousand); in the first half of 2023, net sales had amounted to CNY 543,690 thousand (€72,591 thousand) and net income had been CNY 62,699 thousand (€8,371 thousand).

At 30 June 2024, employees numbered 572 compared to 629 at the end of the first half of 2023.

BREMBO NORTH AMERICA INC.

Wilmington, Delaware (USA)

**Activities: development, casting, production and sale of brake discs for car original equipment market and the aftermarket, and braking systems for cars, motorbikes and the racing sector.**

Brembo North America Inc. is based in Homer, Michigan. It produces and sells OEM and aftermarket brake discs, as well as high-performance car braking systems. A Research and Development Centre has been operating at the facility in Plymouth (Michigan) since 2010 to develop and market new solutions in terms of materials and designs for the U.S. market.

At 30 June 2024, net sales amounted to USD 240,741 thousand (€222,664 thousand); in the same period of the previous year, net sales had amounted to USD 229,196 thousand (€212,006 thousand). Net income was USD 17,749 thousand (€16,416 thousand) at 30 June 2024, compared to net income of USD 19,728 thousand (€18,248 thousand) for the first half of 2023.

At the end of the period, employees numbered 734, an increase of 46 compared to the end of the first half of 2023.

BREMBO POLAND SPOLKA ZO.O.

Dąbrowa-Górnica (Poland)

**Activities: development, casting, production and sale of brake discs and braking systems for cars and commercial vehicles.**

The company produces OEM braking systems for cars and commercial vehicles in the Częstochowa plant. In the Dąbrowa-Górnica plant, it has a foundry for the production of cast-iron discs destined for use in its own production plant or by other Group companies. The Niepołomice plant processes steel disc hats to be assembled onto the light discs manufactured at the Group's plants located in China, in the United States, and in the Dąbrowa-Górnica plant as well.

Net sales amounted to PLN 1,549,716 thousand (€359,001 thousand) in the first half of 2024 compared to PLN 1,655,505 thousand (€357,875 thousand) in the first half of 2023. Net income at 30 June 2024 was PLN 78,050 thousand (€18,081 thousand) compared to a net income of PLN 89,585 thousand (€19,366 thousand) for the same period of the previous year.

At the end of the period, employees numbered 2,485, an increase compared to 2,346 at the end of the first half of 2023.

BREMBO REINSURANCE AG

Zurich (Switzerland)

**Activity: reinsurance company.**

Incorporated in 2023 with headquarters in Zurich and fully owned by Brembo N.V., the company aims at improving the conditions and efficiency of the process of financing the Brembo Group's risks through access to the reinsurance market and the possibility of underwriting risks not adequately covered by the insurance market and that cannot be financed through a fund.

In the first half of 2024, net sales amounted to €1,243 thousand, with a net income of €590 thousand. At 30 June 2023 the company did not generate net sales, reporting a net loss amounted to €156 thousand.

At 30 June 2024, the company had one employee, unchanged compared to the same period of the previous year.

BREMBO RUSSIA LLC.

Moscow (Russia)

**Activities: promotion of the sale of car brake discs.**

Founded in 2014, the Moscow-based company is wholly owned by Brembo N.V. It deals with promoting the sale of car brake discs for the aftermarket only.

In the first half of 2024, net sales amounted to RUB 13,958 thousand (€142 thousand) and net loss was RUB 957 thousand (€10 thousand); in the first half of 2023, net sales had amounted to RUB 15,174 thousand (€182 thousand) and net loss had been RUB 25 thousand (€0.3 thousand). At 30 June 2024, employees numbered 2, one less compared to the same period of the previous year.

BREMBO SCANDINAVIA A.B.

Göteborg (Sweden)

**Activities: promotion of the sale of car brake discs.**

The company promotes the sale of brake discs for the car sector, destined exclusively for the aftermarket.

Net sales for the period amounted to SEK 6,288 thousand (€552 thousand), with a net income of SEK 3,408 thousand (€299 thousand), compared to net sales of SEK 4,811 thousand (€425 thousand) and net income of SEK 2,135 thousand (€188 thousand) for the first half of 2023.

At 30 June 2024, employees numbered 2, unchanged compared to 30 June 2023.

BREMBO THAILAND LTD.

Bangkok (Thailand)

**Activities: development, production and sale of braking systems for motorbikes.**

The company will manufacture braking systems for motorcycle manufacturers in Thailand, starting with European and American producers. It will be located in the motorcycle industry hub of the country, situated in the Rayong province, south of the capital Bangkok.

In the first half of 2024, net loss totalled to THB 2,568 thousand (€66 thousand), and employees numbered 6.

CORPORACIÓN UPWARDS '98 S.A.

Zaragoza (Spain)

**Activities: sale of brake discs and drums for cars, distribution of the brake shoe kits and pads.**

The company carries out sales activities exclusively for the aftermarket.

Net sales amounted to €18,393 thousand in the first half of 2024 compared to €17,571 thousand in the first half of 2023. Net income was €1,958 thousand compared to a net income of €1,594 thousand in the first six months of 2023. At 30 June 2024, employees numbered 67, two more compared to the end of June 2023.

J.JUAN S.A.U.

Barcelona (Spain)

**Activities: development, production and sale of braking systems for motorbikes.**

In November 2021, Brembo acquired the 100% stake in the J.Juan Group, a Spanish company specialising in the development and production of motorbike braking systems. Founded in 1965, J.Juan is based in Gavà (Barcelona) and has three plants in Spain and one in China, manufacturing especially brake hoses.

In 2022, the merger of the companies J.Juan Brake Systems S.A.U. and Montajes y Acabados S.L.U. into J.Juan S.A.U. was launched and completed, with accounting effects as of 1 January 2022.

Net sales amounted to €40,017 thousand at 30 June 2024, while net income was €3,708 thousand. At 30 June 2023 net sales amounted to €40,013 thousand, net income was €2,166 thousand.

At 30 June 2024, employees numbered 472, 10 more than compared the same period of 2023.

**JIAXING CIJU CONTROL SYSTEMS CO. LTD.**

Jiaxing (China)



Activities: development, production and sale of braking systems for motorbikes.

On 4 November 2021, Brembo acquired the 100% stake in the J.Juan Group, a Spanish company specialising in the development and production of motorbike braking systems, to which Jiaxing Ciju Control Systems Co. Ltd. belongs.

Net sales amounted to CNY 162,629 thousand (€20,847 thousand) at 30 June 2024 compared to CNY 158,180 thousand (€21,119 thousand) for the first half of 2023; net income was CNY 28,335 thousand (€3,632 thousand) compared to CNY 30,883 thousand (€4,123 thousand) at 30 June 2023.

At 30 June 2024, employees numbered 214, increasing by 7 compared to the same period of 2023.

LA.CAM (LAVORAZIONI CAMUNE) S.R.L.

Stezzano (Italy)



Activities: precision mechanical processing, lathe work, mechanical component production and similar activities, on its own account or on behalf of third parties.

The company was incorporated by Brembo N.V. in 2010. In the same year, it leased from an important Group's supplier two companies specialising in processing aluminium, steel and cast-iron pistons for brake calipers intended for use in the car, motorbike and industrial vehicle sectors, and in the production of other types of components, including small high-precision metallic parts and bridges for car brake calipers, as well as aluminium caliper supports for the motorbike sector, chiefly produced for the Brembo Group. In 2012, La.Cam. acquired the business units of both companies.

Net sales, which were almost entirely to Brembo Group companies, amounted to €29,136 thousand in the first half of 2024, with a net income of €636 thousand. In the same period of the previous year, net sales had been €31,000 thousand, with a net income of €1,535 thousand.

At 30 June 2024, employees numbered 180 compared to 173 at 30 June 2023.

QINGDAO BREMBO TRADING CO. LTD.

Qingdao (China)



Activities: logistics and marketing activities in the economic and technological development hub of Qingdao.

Formed in 2009 and fully controlled by Brembo N.V., the company carries out logistics and marketing activities within the Qingdao technological hub for the aftermarket only.

In the first half of 2024, net sales amounted to CNY 374,346 thousand (€47,986 thousand) compared to CNY 340,828 thousand (€45,506 thousand) for the same period of the previous year.

The company closed the period with a net income of CNY 26,389 thousand (€3,383 thousand) compared to CNY 18,192 thousand (€2,429 thousand) for the first half of 2023. At 30 June 2024, employees numbered 54 compared to 49 at 30 June 2023.

SBS FRICTION A/S

Svendborg (Denmark)



Activities: development, production and sale of brake pads for motorbikes.

On 7 January 2021, Brembo acquired SBS Friction A/S, a Danish company based in Svendborg, Denmark, that develops and manufactures brake pads for motorbikes using particularly innovative and eco-friendly sintered organic materials. The investment is 60% held by Brembo N.V. and 40% by Brembo Brake India Pvt. Ltd.

In the first half of 2024, net sales amounted to DKK 112,587 thousand (€15,096 thousand) compared to DKK 117,559 thousand (€15,787 thousand) for the same period of the previous year. The company closed with a net income of DKK 4,662 thousand (€625 thousand) compared to DKK 6,075 thousand (€816 thousand) for the first half of 2023.

At 30 June 2024, employees numbered 117 compared to 114 at 30 June 2023.

COMPANIES VALUED USING THE EQUITY METHOD

BREMBO SGL CARBON CERAMIC BRAKES S.P.A.

Stezzano (Italy)



Activities: design, development, production and sale of carbon ceramic brake discs.

As a result of the joint venture agreements finalised in 2009 between Brembo and SGL Group, the company is 50% owned by Brembo N.V. and in turn controls 100% of the German company Brembo SGL Carbon Ceramic Brakes GmbH. Both companies carry out design, development, production and sale of braking systems in general, and particularly of OEM carbon ceramic brake discs for top-performance cars, as well as research and development activities concerning new materials and applications.

Net sales at 30 June 2024 were €49,724 thousand compared to €48,071 thousand for the same period of 2023. Net income for the reporting period was €6,187 thousand compared to a net income of €15,333 thousand for the first half of 2023.

At 30 June 2024, employees numbered 220, increasing by 43 compared to the same date of the previous year.

BREMBO SGL CARBON CERAMIC BRAKES GMBH

Meitingen (Germany)



Activities: design, development, production and sale of carbon ceramic brake discs.

The company was formed in 2001. In 2009, in executing the joint venture agreement between Brembo and SGL Group, Brembo SGL Carbon Ceramic Brakes S.p.A. acquired 100% of the company.

Net sales for the first half of 2024 were €97,296 thousand compared to €93,445 thousand for the previous year. At 30 June 2024, net income was €10,067 thousand compared to €12,340 thousand for the same period of the previous year. At 30 June 2024, employees numbered 524, increasing by 56 compared to the same date of the previous year.

PETROCERAMICS S.P.A.

Milan (Italy)



Activities: research and development of innovative technologies for the production of technical and advanced ceramic materials, geomaterial processing and rock mass characterisation.

Brembo N.V. acquired 20% of this company by subscribing a capital increase in 2006.

Net sales amounted to €1,192 thousand in the first half of 2024 compared to net sales of €958 thousand in the same period of the previous year. The company closed the reporting period with a net loss of €94 thousand compared to a net loss of €280 thousand for the same period of 2023.

INFIBRA TECHNOLOGIES S.R.L.

Milan (Italy)



Activities: development, design, industrialisation, manufacturing, installation and marketing of fibre optic sensors systems.

In 2020, Brembo acquired a 20% stake in Infibra Technologies S.r.l. for a consideration of €800 thousand. The company is specialised in the development, design, industrialisation, manufacturing, installation and marketing of fibre optic sensors systems and photonic subsystems for sensing and communications. The agreement with the current shareholders envisages Brembo's right to exercise a call option on the remaining 80% interest in the second half of 2024.

Net sales amounted to €34 thousand in the first half of 2024 compared to net sales of €152 thousand in the same period of the previous year. The company closed the reporting period with a net loss of €58 thousand compared to a net income of €20 thousand for the same period of 2023.



**SHANDONG BRGP FRICTION
TECHNOLOGY CO. LTD.**

Jinan (China)



Activities: large-scale manufacturing of innovative aftermarket brake pads for the car and commercial vehicle segments.

On 25 July 2022, Brembo signed a 50/50 Joint Venture agreement with Shandong Gold Phoenix Co. Ltd., a Chinese company listed on Shanghai Stock Exchange, leader in designing, testing, manufacturing and marketing braking system and pads/friction material for the original equipment

market and aftermarket. The agreement provides for the formation of the new company — Shandong BRGP Friction Technology Co. Ltd. — that will be fully dedicated to the large-scale manufacturing of innovative aftermarket brake pads for the car and commercial vehicle segments.

In the first half of 2024, net sales amounted to CNY 102,920 thousand (€13,438 thousand), with a net income of CNY 1,826 thousand (€238 thousand). At 30 June 2023, net sales amounted to CNY 23,292 thousand (€3,290 thousand), with a net loss of CNY 8,090 thousand (€1,143 thousand).

At 30 June 2024, employees numbered 192 compared to 198 at 30 June 2023.

INVESTMENTS

In the first half of 2024, Brembo's investment management policy continued in line with the guidelines followed to date, with the aim of strengthening the Group's presence not only in Italy, but also at the international level.

Brembo has launched an investment plan of approximately €500 million to consolidate its global industrial footprint, particularly in Mexico, China and Poland, where new plants are expected to be built with a view to digital transformation and sustainability.

In Mexico, Brembo completed the expansion of its plant specialising in the manufacturing of brake calipers located in Escobedo, in the Nuevo León State.

With regard to China, Brembo's plan calls for the expansion of the brake system manufacturing plant in Nanjing to strengthen its production capacity in the country. Works began in the second half of 2023 and the project is expected to be completed by the first half of 2025.

In Poland, Brembo decided to build another cast iron foundry in Dąbrowa Górnicza. The investment will create the Group's most innovative foundry at global level, which will be endowed with cutting-edge technology, also in terms of sustainability. The first pouring of the foundry is expected in 2025.

These projects are in addition to the acquisition of the new

property at Kilometro Rosso in Bergamo, which allows Brembo to expand its headquarters in Italy.

The other investments in property, plant and equipment made by the Group primarily related to purchases of plant, machinery and equipment to increase the level of production automation and constantly improve the mix and quality of factories.

Group's total net investments undertaken in the first half of 2024 at all operations amounted to €167,749 thousand, of which €145,801 thousand was invested in property, plant and equipment and €21,948 thousand in intangible assets. The most significant investments were concentrated in North America (31.0%), Italy (25.3%) and Poland (23.8%).

With regard to investments in intangible assets, development costs for the first half of 2024 amounted to €15,520 thousand (9.3% of the Group's total net investments).

In the same period, increases in leased assets amounted to €18,760 thousand.

RESEARCH AND DEVELOPMENT

Innovation, sustainability and the mobility of the future. Brembo has always been committed to researching and developing cutting-edge technological solutions that not only stand out for their focus on performance, comfort and style, but are also aimed at preserving the environment.

BRAKE DISCS FOR CARS AND COMMERCIAL VEHICLES

In the area of brake discs for cars and light commercial vehicles, the Group's strategic priority is the development of solutions to meet the criteria of the new Euro 7 regulation. In order to reduce all types of traffic-related pollutant emissions, the European Parliament has given its final approval to the new regulation, which for the first time includes brake particles emissions limits.

The new regulation will enter into force of at the end 2026 for all cars and light commercial vehicles and as of 2028 for heavy-duty vehicles. As regard cars and vans, the regulation sets a limit of 3 mg/km for electric vehicles and of 7 mg/km for all other powertrains. Specific limits for a category of light commercial vehicles and a series of correction factors for brake emissions based on the degree of vehicle electrification have also been defined. As of 2035, the limit value for brake emissions will be further reduced to 3 mg/km for all vehicles. Limits for heavy-duty vehicles and buses are still being defined.

Brembo has been active for years in the development of solutions for the reduction of brake particles emissions. As early as in 2020, Brembo had presented its Greentive® disc, which is characterised by an innovative coating applied to the cast-iron braking ring that ensures very low wear and tear, extending disc life. In particular, thanks to the combination with the specifically developed friction material, it also reduces particulate emissions during braking, thus limiting the impact on the environment.

Relying on the expertise gained through Greentive® and in light of the same project targets, Brembo has investigated new materials and technologies and surface treatments never used before for brake disc applications. After thorough research, all this has led to the adoption of a new technology, the industrialisation of which is being studied according to its application at the various plants, developing highly-automated production lines ensuring high quality standards, even for large production volumes. Equally important is Brembo Friction's concurrent development of brake pads that can markedly contribute to creating an ideal combination with the brake disc.

Thinking of the single component — disc or pad — as an

independent unit fails to address the problem of emissions in its entirety. The development of a friction module, consisting of disc and pad, therefore becomes essential for achieving emission key targets without compromising performance, thus managing to offer Brembo customers solutions consistent with the Group's vision and its guiding principles: low emissions, high performance and best driving experience.

Considerable attention is being devoted to the new needs of hybrid and electric vehicles: as they use regenerative braking, they introduce new requirements for brake discs, instrumental to solving issues relating to disc resistance to corrosion.

All the new solutions, which aim to reduce environmental impact and improve aesthetics and corrosion resistance, are meeting with strong interest among Brembo's main clients. According to precise guidelines applied throughout the automotive sector and all of the Group's development activities, Brembo also devotes considerable attention to new solutions that are able to reduce disc weight: a lower weight translates into a greater driving range for electric vehicles and lower fuel consumption of internal combustion vehicles, and consequently into a reduced environmental impact. This aspect has become even more important due to the entry into force of the new European Regulation setting stricter limits on polluting emissions generated by cars and commercial vehicles.

In car applications, after having worked with a major German customer to develop the concept for the light brake disc installed in its platform of core vehicles, Brembo has also extended the supply of this product — which enables a reduction in weight of up to 15% compared to a conventional disc due to the combination of two different materials (cast iron for the braking ring and a thin steel laminate for the disc hat) — to a new platform of fully electric vehicles, whose application development phase is underway.

The lightweight disc was also successfully developed for other major car manufacturers, which are already using it to equip some of their models, attracting the interest of other

Brembo customers, especially in the Far East market and among the new players entering the electric vehicle market. Application development activity on discs for heavy commercial vehicles — a segment which is of particular interest to Brembo — was concluded in 2024 with the launch of mass production of new solutions aimed at

improving performance and reducing weight.

Building on the experience gained in the field of light commercial vehicles, 2024 will see research and development of new products continue in this sector as well, so as to comply with the requirements on particulate emissions from brakes (Euro 7).

MOTORBIKE

The motorbike design strategy activity continued, which, in addition to defining the style of all the segment's new products, aims to increase the ability to meet customer needs through greater product customisation using modular production lines.

The first product resulting from this strategy was the new top-of-the-line HYPURE monobloc front caliper, which was presented to the market in November 2023 and whose SOP (Start Of Production) is scheduled for July 2024 with the first customer. The second product stemming from this activity is a new brake master cylinder, which received the technical approval in late March 2024 and will be presented at Eicma 2024. The Design Strategy's third product — currently in its design phase — is the new complete braking system which will receive the technical approval in the first quarter of 2025.

Work continued on integrating the GBU's various companies (Brembo N.V., J.Juan, SBS Friction and Brembo Brake India) with the aim of sharing methodologies and expertise in order to present themselves to customers as Brake System Suppliers and Solution Providers on all global markets. For the 2023-2024 two-year period, the integration aims at harmonising the product development flows, from management of requirements to product validation.

The search for new markets in the two-wheel field is mainly focusing on green mobility. A collaboration agreement was signed with a first customer for the development of a high-performance braking system to be used on high-performance vehicles. The first development phase on "laboratory" prototypes was successfully completed, as was the second phase on prototypes with technical solutions

conceived for "mass production". The final technical approval will be reached by the end of 2024.

As regards methodology, a first digital project aimed to reduce the design times of the main motorbike products is underway. The process of automating the various design phases for the floating caliper has been completed and is already working. As regard the disc product, the methodology development phase was concluded and the first pilot project is being implemented, to be completed by late July 2024. This methodology will be extended to all other main motorbike products developed — front brake master cylinders and complete braking systems — within the next two years.

A second digital project aims to define the "mission profile" of motorbike brake products. After closing the data collection campaign throughout Italy, the pilot project was completed to define a methodology for estimating the "mission profile". The project will continue with the development of additional virtual sensors to refine the estimation of actual vehicle conditions, with March 2025 as the target date. With regard to the acquisition of new data to increase the statistical significance of analyses, Brembo is evaluating opportunities to work with the key motorbike customers by the first quarter of 2025.

The product roadmap is being gradually updated in accordance with the Company's mission and constant market developments. The continuous improvement of existing products, the development of new materials and technical solutions, as well as the focus on costs, especially with regard to products for low-cost countries, are the main drivers for newly developed products.

RACING

Since the first Formula 1 race in the 2022 season, new racing discs and latest generation carbon/carbon pads have been introduced, designed and manufactured at the new plant in Curno (Italy), able to guarantee performance at the highest levels. The development of the braking system continued in

2023 with further tests on materials specifications.

In 2024, a new brake disc, H.U.L.K., was used in racing competitions, allowing the Group to acquire new customers. Brembo is currently working to define the braking system for Formula 1 cars by 2026, with brand new discs and

calipers that comply with recent technical specifications. The new material, developed and produced entirely within the Carbon Factory, also made its debut in the new Hypercar category (LMH and LMDH) with very positive feedback, with Ferrari winning the Le Mans 24 Hours in 2023. This material is also used for other competitions where it is permitted to be used, such as Formula-E and the Japanese Super Formula.

The development of the carbon-ceramic material (CCMR) is constantly evolving, both in the automotive and motorbike sector, with imminent applications thanks to the programmes set up together with several key Brembo customers.

Brembo has already launched the innovation projects for the 2025-2026 two-year period, focusing on the introduction of amplified calipers, which are more efficient and lighter than those used for several years in the racing world. Several new product versions have also been offered to the teams, including electro-hydraulic brake-by-wire systems made with innovative production technologies.

A new caliper concept has been approved on-vehicle and on dynamic test benches with an innovative type of fastening. The system's first approval was with a new racing car with extreme characteristics that will enter production in 2024 and will have a full carbon braking system. The same caliper concept will also be used on a road car, again of the same customer, which will be developed in the 2024-2025 two-year period.

With regard to carbon-ceramic discs intended for road applications, the validation of the new CCMR-L disc was completed in 2023 for an important Brembo customer. This disc features a layer that has further improved its performance, although it does not require any braking in. Production has started for another Brembo customer and the first approvals of new systems for road application are currently underway. A third customer will use for the first time a new brake caliper concept, produced and marketed by AP Racing.

In the Formula E championship, Brembo is the exclusive supplier of all 22 participating cars from 2023 to 2026 and is developing a new brake-by-wire complete system for next-generation vehicles.

In another championship, Brembo is the exclusive supplier of a team that achieved an important victory in 2023 and has the latest version of brake-by-wire electromechanical braking systems. These are controlled by electronic control units that can be adjusted according to the layout of the vehicle and its regenerative capacity.

Within the racing world, customers were offered the

possibility to apply a new concept of electronically controlled braking system that can warn the rider if tyre grip is not sufficient to ensure a correct braking performance in a curve. This system is currently being tested by the technical staff of the Motorbike GBU.

Other projects are being currently developed in the motorbike and mechatronic-digital fields and will be destined for normal commercial usage in a time frame of about three years.

Huge effort is being dedicated to the development of the future braking systems to be used on high-performance and racing cars with an electric powertrain. The Brembo Performance Division is analysing electric motors and batteries to understand how to integrate them into the existing braking systems and, above all, to define their subsequent developments. Collaboration with universities and partners external to the Group are in place for this project. The first concept phase was successfully completed. A cycle of advanced research has now begun to produce the components for a vehicle, in collaboration with a new partner who has joined those already involved in the concept phase.

As regards the simulation field, testing is continuing of new calculation methodologies for the structural part and thermal properties of discs, as is the integration of regular tests on the wheel unit using mechanical and thermal calculations with computational fluid dynamics (CFD) solutions. The internal project of constant fine-tuning on testing benches and in simulations that began some years ago continued with the aim of enhancing several existing methodologies. This activity was further developed in the first half of 2024 to integrate the world of simulation and the world of experimentation through tests on customer vehicle simulators and at Milan Polytechnic.

Advanced integration of testing and calculation has made it possible to use on track various virtual sensors obtained through calculation and/or experimental models, also using neural networks and AI.

The work on integrating experimentation and simulation has also been extended to the production of Formula 1 discs. Brembo is able to couple the discs during the customer delivery stage with specific algorithms and neural networks, ensuring a more consistent performance when using the discs. In the first half of 2024, this methodology was also applied to other systems.

Research activities in the mechanical, composite material science, chemical and electronic fields continued in collaboration with Milan Polytechnic, providing a valuable scientific contribution to research projects.

FRICTION

Friction's commitment to developing traditional, customer-oriented friction materials and increasingly high-performance materials for racing cars continues at a steady pace. The now consolidated expertise on friction materials also relies on the know-how of the subsidiary BSCCB (Brembo SGL Carbon Ceramic Brakes), for the development of pads combined with carbon ceramic discs for ultra-high performance cars.

This commitment stands alongside and anticipates the trend of the automotive market, which is increasingly oriented towards sustainability and the introduction of hybrid and electric vehicles that require materials that are no longer merely high-performing, but also ecological, with a specific focus also on aesthetics.

The fact that for the first time the Euro 7 standard has also included the braking system, and in particular pad emissions, clearly outlines this trend.

Friction is therefore critical to expanding the portfolio of braking materials that allow to ensure high performance, while guaranteeing braking safety and paying increasing attention both to the aesthetic aspect and to component corrosion. All this without neglecting driving comfort with the absence of noise and vibrations, as well as developing expertise that can also be applied in new and more complex systems.

Thanks to the constant technological evolution in the automotive field, the integration with new mechatronic systems has paved the way for the development of a brake pad concept with embedded sensors that aims to make the braking system increasingly integrated within new vehicles. To this end, the Friction project avails of data-driven methods with a view to developing specific formulations and identifying the raw materials that most influence their different properties.

On this basis, dedicated works continued on developing friction materials aimed at increasingly innovative discs. In fact, new coatings and new treatments require pads designed and produced specifically to reduce PM10 emissions. This development is made possible by

the support of cutting-edge internal testing, a top-tier laboratory, and constant collaboration with university centres. These allow the new approach for obtaining the best results to be defined synergistically, every time. In this way, it is possible to extend the expertise gained in the field of passenger cars to light and heavy commercial vehicles as well.

Thanks to the skills acquired, Brembo renewed its participation to several projects that not only measure the quantity of particulates emitted, but also their quality, such as the European projects VERA and RE-BREATH.

The AFFIDA project made a further step forwards in reducing volatile organic compound (VOC) emissions. This is a natural extension of the COBRA project (part of the European Life+ project) which aims to bring to the OE market the innovative technology of organic binders so as to enable the production of a brand-new pad concept.

With a view to sustainability and carbon neutrality, the Life Cycle Assessment and eco-design focus on the use of recyclable and recycled raw materials with a low environmental impact, as well as on the reduction of greenhouse gas generation during the production process. The Group's interest in extending its leadership in the pad sector was also extended to the aftermarket through the recently formed BRGP joint venture (50% Brembo and 50% Gold Phoenix, world leader in pad production) in Jinan (Shandong, China), which has created Brembo's first production site entirely dedicated to the large-scale production of brake pads. Friction will play a crucial role in the project, bringing with it the skills acquired over the years. In the first half of 2024, the new Greenance, EV Kit and Xtra kit products, which are enjoying so much success on the market, were launched.

The strong collaboration with SBS Friction, a company specialised in the development and production of brake pads from sintered and organic materials acquired by the Group a few years ago, allows to expand the range of products and further advance Brembo's expertise also in the motorbike sector.

CAR AND COMMERCIAL VEHICLE SYSTEMS

With regard to Car and Commercial Vehicle Systems, all products are developed in accordance with the Group's vision and pursue its three guiding principles: low emissions, high performance and best driving experience.

The main example of the focus on these three principle is Sensify™, Brembo's revolutionary braking system already

presented to the European, Chinese, U.S. and Japanese press. Sensify™ is an ecosystem in which artificial intelligence, software and sensors manage the braking of each wheel independently. With the Sensify™ ecosystem, individual components undergo important changes: the addition of sensors to brake caliper becomes fundamental.

The collection of the resulting data leads to an evolution of the entire braking system, which can thus be calibrated to the actual use of the vehicle, with the consequent benefits in terms of weight.

With reference to mechatronics — which is no longer a mere advanced research area, but also an application field — the promotional phase for electric parking brakes, in various configurations, for both cars and commercial vehicles up to 7.5 tonnes, is ongoing.

The guiding principle referring to low emissions, i.e., aimed at contributing to the reduction of vehicle consumption and the resultant CO₂ and fine particulate emissions through braking systems, requires Brembo to adopt methods designed to minimise caliper mass, while maintaining performance and advancing solutions for the reduction of the residual torque.

The product and process improvement work is constantly ongoing in the same way as the search for solutions to reduce mass, optimise performance, improve styling and use low environmental impact materials.

Examples include the Dyadema™ caliper, designed to significantly reduce the track operating temperature, the Flexira™ caliper, developed to meet the needs of several new market segments, and the Octyma™ caliper, which was designed to optimise pressure distribution in the pads-brake disc interface and was recognised for its style at the

A' Design Award and Competition, in the "Vehicle Parts, Auto Accessories and Care Products Design" category.

The development of friction materials also pursues low-emissions and high-performance objectives. In the case of the former, materials paired with coated discs are being developed, whereas, in the case of the latter, materials under development are paired with all types of carbon ceramic discs.

The virtualisation of tests traditionally performed on the vehicle and the ongoing evolution of simulation methodologies, focused on aspects linked to braking system comfort and caliper functionality, allow to improve the efficiency of the development phase. Brembo's objective is to increase the simulation capacity of the entire braking system, including friction material, also using AI techniques. From this standpoint, the ability to rely on the know-how and installed capacity within the Friction project represents a strength for the Group, which can position itself as a supplier of solutions for complete braking systems.

On the other hand, the development of a methodology for simulating caliper functionality is aimed at establishing, during the design stage, the caliper characteristics that influence constant performance over time, the reduction of the residual torque, particulates and the car's pedal feel.

PRODUCT DEVELOPMENT METHODOLOGIES

Digitalisation of the Brembo product life cycle is ensured by the Product Development Methods function that, with the GBUs and GCFs, provides methodological and operational support for managing data and project flows.

Product Development Methods support and guide the GBUs/GCFs in adopting Product Lifecycle Management (PLM) throughout the phases of product development, seeking to combine the data from the various departments (digital thread) unambiguously and indissolubly, ensuring that it is traceable and distributing it securely to all internal stakeholders.

PLM is used to share design documents, development phases, the various technical bases and CAD drawings employed for numerical simulations. The simultaneous distribution of information through PLM promotes collaborative product development, resulting in reduced project development times.

Particular attention is paid to the development of parametric CAD models shared between multiple business functions to reduce development times and facilitate the parallelisation of design activities and to the reduction of

low value-added human operations in traditional, error-prone and non-standardised design phases through the internal development of automated procedures directly linked to CAD models.

The state of the art of simulation of products and physical processes is constantly monitored — through dialogue with qualified suppliers and participation in conferences and university research projects — both to update the Company's technological and methodological content and to realise virtual models that are increasingly representative of the reality that they seek to reproduce (multiphysics digital twins), thus rendering them more efficient and predictive.

To this end, particular emphasis is placed on simulation process automation, which translates the routine manual operations performed by simulation analysts into automatic digital flows, with the goal of condensing into procedures the know-how gained in implementing simulations and reducing errors relating to manual performance of such simulations, while also making them available to a broader audience.

The adoption of industrial process simulation using the “discrete event” method will also allow the optimisation of time and resources of industrial production flows by acting on the design of production lines within plants.

The most modern additive manufacturing and generative design techniques are also constantly monitored and tested to increase the final innovative content of the product under development.

GLOBAL DATA SCIENCE, AI & HPC

In the first half of 2024 as well, on the basis of the know-how consolidated during the previous years, the global Data Science, Artificial Intelligence & High Performance Computing team continued its upgrade process. The process focused on constantly broadening the resources dedicated to achieving the Company’s digital transformation through the application of artificial intelligence.

In particular, the current historical phase focuses on hiring specific professionals and adopting technologies dedicated to software quality and on implementing complex software applications in an automated way.

In addition to Italy’s central team, the function currently avails of the operating unit at the Brembo Inspiration Lab Center of Excellence in Silicon Valley, California, and of that in China focused on the on-site collection and analysis of new data sources to feed all Brembo innovation processes. Brembo Inspiration Lab’s mission is part of the digital transformation plan. This is an operational and coordinated unit, stemming from the contribution of AI and Data Science, Advanced Product Technologies (in collaboration with the R&D GCF), Process Technologies and Business Development. The team is tasked with researching and executing rapid proofs of concept for new technologies enabling smart mobility, smart products and smart processes, in the infrastructure and in the cloud.

The global team carries out, inter alia, the following activities:

- developing mobile technologies for gathering data

- from multiple internal and external sources;
- assembling, analysing and enriching big data through virtual sensing;
- developing inferential and predictive models;
- industrial application of artificial intelligence, with a particular focus on product quality;
- digital automation techniques for office and production processes;
- development of software applications that implement the algorithms and solutions described above;
- development of apps for mobile devices (smartphones) and the related APIs (Application Programming Interfaces);
- construction of a patent portfolio for certifying know-how.

All the solutions developed in this context with a strong “continuous improvement” character are validated by the Group’s business and subsequently become part of the Brembo portfolio, so that they can be offered to the external market in accordance with the “solution provider” mission.

Acting as a competence centre for all GBUs and GCFs, the team operates within a multi-disciplinary ecosystem that brings together the expertise of Data Scientists, Big Data Engineers, Domain Experts and Project Managers, developed and constantly renewed through an intense internal training programme to ensure the spread of “Data Culture” according to Brembo.

INNOVATION & ADVANCED R&D

The R&D GCF research activities constantly monitor vehicle evolution to align with the main general trends in the sector: ensuring high performance, reducing emissions and providing users with the best possible experience.

Brembo focuses its research on electrification, fuel cells, driver assistance systems (ADAS), autonomous driving, reduction of environmental impact and connectivity. Advanced integration enables the brake system to interact with other vehicle systems, such as electric-drive motors

and new suspension/steering concepts, thus improving active safety and optimising functions such as regenerative braking.

Brembo is further developing its Sensify™ system, characterised by a decentralised architecture with mechanical actuators for each wheel, and is increasingly integrating it with the vehicle.

Brembo invests in new materials and technologies for discs and calipers, using light materials and innovative



treatments to improve product sustainability through ecodesign and life cycle assessment (LCA) methodologies. Collaboration with universities and research centres, such as Infibra Technologies and PhotonPath, are speeding up the development of solutions for the digitalisation of braking systems. The AppLogger project — launched in 2021 to collect braking data in an anonymous and reliable way — continued in 2024 with the expansion of its global availability and the investigation of new features, such as personal statistics.

Brembo is tackling the issue of fine particulate emissions through projects such as LIFE RE-BREATH, which measures and reduces PM10 emissions related to the braking system of buses, and VERA, which develops tailpipe retrofit solutions for vehicles that travel high mileages.

The nPETS project, financed by Horizon 2020, studies the effects on public health of unregulated nanoparticle

emissions, evaluating the impact of particles with dimensions below 100nm.

To comply with the Euro 7 regulation, Brembo performs tests to measure particles emitted during braking using test benches and laboratory analyses.

The R&D Department is virtualising traditional on-vehicle tests to increase the efficiency of the development phase, availing of simulators that recreate several test conditions. As soon as in 2023, Brembo launched the globalisation of its innovation processes with the opening of its new Advanced Technology Center (ATC) in Silicon Valley, where new data science methodologies and algorithms are integrated thanks to the collaboration with local research centres and universities.

RISK MANAGEMENT POLICY

Effective risk management is a key factor to protect the Group's value in a historical period that continues to be marked by great volatility and uncertainty at global level. In particular, within the framework of its Corporate Governance system, Brembo defined an Internal Control and Risk Management System (ICRMS) consistent and compliant with the provisions of the Dutch Corporate Governance Code (December 2022 edition) and, more generally, with international best practices.

The Internal Control and Risk Management System (ICRMS) represents the set of organisational structures, rules and procedures that allows the main business risks within the Group to be identified, measured, managed and monitored, while helping the Company to be run in a manner that is sound, correct and in line with the objectives defined by the Board of Directors, favouring the adoption of informed decisions that are adequate and consistent with the risk strategy and profile, as well as dissemination of a proper understanding of risks, lawfulness and corporate values.

The Board of Directors is tasked with defining the general guidelines of the ICRMS, so that the main risks pertaining to Brembo N.V. and Group subsidiaries are properly identified, as well as adequately analysed, measured, managed and constantly monitored. It shall also set criteria to ensure that such risks are compatible with sound and proper management of the Company. The Board of Directors is aware that the control processes cannot provide absolute assurances that the company objectives will be achieved and the intrinsic risks of business prevented, in particular in a period characterised by strong volatility, uncertainty within the macro-economic context and growing geopolitical risks. However, it believes that the ICRMS may reduce and mitigate the likelihood and impact of risk events associated with human error, wrong decisions, fraud, violations of laws, regulations and company procedures, as well as unexpected events.

The Board of Directors has identified the main corporate committees/functions relevant for risk management purposes by defining their respective duties and responsibilities within the ICRMS scope. In detail:

- the Audit, Risk & Sustainability Committee, tasked with supporting the Board of Directors on internal control, risk management and sustainability issues;
- the Executive Director in charge of the Internal Control and Risk Management System, tasked with identifying the main corporate risks by executing risk management guidelines and verifying their adequacy;
- the Head of Risk Management, responsible for supporting the management team in identifying, assessing and mitigating risks relating to the

performance of corporate activities, with a view to managing the Company in line with strategic objectives;

- the Managerial Risk Committees, tasked with defining risk management plans with respect to company projects and/or specific risks.

Brembo's general risk-management principles and the bodies charged with risk evaluation and monitoring are included in the "Policies for the implementation of the Internal Control and Risk Management System", in its latest edition issued at year-end 2021, in the Risk Management Procedure, in the Organisational, Management and Control Model and in the reference layout for preparing accounting documents, to which the reader is referred. In particular, the Policies for the implementation of the Internal Control and Risk Management System identify the overall design of Brembo's Internal Control and Risk Management System, taking into account Brembo's Corporate Governance Manual, the evolution of Brembo's organisational structure with new second-tier and first-tier control roles, the company strategy and sustainability goals, changes in the legislative and regulatory framework, as well as international best practices adopted by Brembo. The Internal Audit function evaluates the effectiveness and efficiency of the overall Internal Control and Risk Management System on a regular basis and reports the results to the Executive Chairman, the Chief Executive Officer, the Audit, Risk & Sustainability Committee and the Supervisory Committee of Brembo N.V. At least on an annual basis, it also reports to the Board of Directors.

The Executive Director in charge of the Internal Control and Risk Management System fully enforces the risk management guidelines based on principles of prevention, cost effectiveness and continuous improvement, as approved by the Board of Directors. The Chief Executive Officer, in addition to defining the company strategies and ensuring that the competent management team implements risk mitigation actions, has a key role in the management of potential corporate "crisis" events, as was the case, for example, with the global pandemic and then the outbreak of the conflict in Ukraine, in relation to which he directly takes on the direction of the Crisis Management

Committee, in accordance with the provisions of the company Guidelines for crisis management.

In order to provide the organisation with the instruments for defining the risk categories to which attention should be drawn, starting from risk classes broken down by type, Brembo has developed a model which identifies and classifies risk classes taking into account the different corporate functions from which such risks may originate and/or that are responsible for monitoring and managing them.

The list of the main risks and related scenarios regarding the Group is mapped within the ERM (Enterprise Risk Management) risk register, which is updated at least annually together with the register of risks relating to the Environmental, Social and Corporate Governance (ESG) areas. Risks are monitored at regular meetings, where results, opportunities and risks are analysed for the business units and geographical areas in which Brembo operates. At

these meetings, further necessary actions are also defined to mitigate new internal or external risks emerged in the performance of corporate activities.

The first-tier risk families in which the risks mapped within the risk register are catalogued are identified on the basis of the Risk Management Procedure and are listed below:

- a) external risks;
- b) strategic risks;
- c) operating risks;
- d) financial risks.

Brembo's top risks for each of the above-mentioned risk families are discussed below. The order in which they are discussed does not imply classification in terms of probability of occurrence or possible impact.

EXTERNAL RISKS

Country Risk

Due to its international footprint and the increasing geopolitical tensions at global level, Brembo is exposed to the Country risk, which is however mitigated by the adoption of a policy of business diversification by the main geographical areas of reference of the top-end and premium automotive market, both in production and sales terms, so that the risk can be balanced at Group level. In addition, thanks to a largely "local for local" approach, handling of raw materials and products is generally modest, thus reducing also the exposure to the risk of supply chain disruption due to geopolitical events (see the dedicated section for more details).

In order to take possible measures suited to mitigating potential risks, Brembo constantly monitors the development of political, financial and security risks associated with the countries in which the political and economic context could prove unstable in the future. In the event of escalation, the Crisis Committee must be activated to define and implement the most adequate risk management solutions as soon as possible.

Risks Associated with Macroeconomic and Demand Changes

In the first half of 2023, the global economy recorded a level of inflation that had not been seen in 20 years. The International Monetary Fund therefore reviewed the global growth outlook for 2024 downwards, with a risk of recession for some EU countries. Although prospects call for a decrease in interest rates, the automotive market could be negatively impacted by the possible resulting decline in demand. Brembo's focus on the top-end and premium market and its geographical diversification translate into a lower Group overall exposure to such potentially recessionary effects.

In order to constantly align its production and sales forecasts and monitor the risks associated with macroeconomic and demand changes, Brembo keeps constant control of its order portfolio, the performance of the automotive market in the various countries in which it operates and the related macroeconomic indicators.

STRATEGIC RISKS

Innovation

Brembo is exposed to risks associated with the evolution of technology, in other words, the risk that competing products will be developed that are technically superior

because they are built based on innovative technologies and/or more efficient processes. In order to maintain its competitive edge, Brembo invests sizeable resources in R&D, conducting applied and basic research on

both existing and newly applied technologies, such as those associated with digital innovation, in addition to mechatronics, including based on the Company's mission. For additional information, reference should be made to the "Research and Development" section in this Directors' Report on Operations. Product and process innovations — those currently being used, as well as those that may be used for production in the future — are patented to protect the Group's technological leadership. A specific function within the Legal and Corporate Affairs GCF, called IPR – Intellectual Property Rights, is responsible for managing patents and, more generally, all aspects associated with protecting the Group's intellectual property.

Market

Brembo targets the top-end and premium segments of the automotive sector and, in terms of geography, generates most of its sales in Europe, North America and China. In order to reduce the risk of segment/market saturation in the countries where it operates, the Group has forged ahead with its sales geographical diversification strategy and is gradually broadening its product range by developing new products, solutions and services for its customers, in line with its corporate mission statement.

Investments

Investments in certain countries may be influenced by major modifications of the local regulatory framework, which could result in changes in the economic conditions existing at the time of the investment. For this reason, before investing in foreign countries, Brembo assesses the country risk carefully in the short, medium and long term. In general, M&A activities are accurately coordinated in all their aspects in order to mitigate any investment risks. Within the context of this assessment, the risks associated with climate change, such as the physical risks connected with the effects of catastrophic natural events, are also taken into account.

Sustainability

Brembo strengthens its Sustainability Model by continuously adapting it, with the support of specialized advisors, to best practice and new requirements such as the European Corporate Sustainability Reporting Directive. Environmental, Social & Governance (ESG) risks are periodically assessed using measurement criteria in line with the Group's risk assessment and management methodology. The following risks stand out among those mapped:

- the use of water resources, which is a risk issue managed at production sites by diversifying supply sources, as

well as the risks linked to the pollution of waterbodies due to any contamination;

- health and safety in the workplace, which is a priority, where the relevant risks are assessed and managed by the competent functions, as described in the related chapter;
- the supply chain, which is increasingly global and strategic, and within which suppliers are asked to operate in compliance with the sustainability standards defined by the Group, with particular reference to environment protection and working conditions.

According to new regulations Brembo analyses main impacts, risks and opportunities inherent to Corporate strategy that may have a positive or negative impact on the Corporate value in the short, medium or long term, influencing the Company development, performance and positioning. In this context, Brembo manages and monitors the achievement of internal sustainability targets and compliance aspects according to regulatory requests and Company objectives (e.g. Net zero). For further details, reference should be made to the latest Consolidated Disclosure of Non-Financial Information (NFI).

Climate Change

Brembo is strongly committed to responding to the challenges posed by climate change to improve the Group's resilience and seize the opportunities arising from the transition to a low-carbon economy. A key element to achieve this objective is the active management of climate-related risks and opportunities and their impacts. In this context, Brembo conducted a Climate Change Risk Assessment (CCRA) in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The evaluation, which is updated annually with the support of an external specialised firm, involves a scenario analysis and qualitative and quantitative assessment of the main risks and opportunities with regard to physical and transition risks over various time horizons. In terms of physical risks, most of the Group's sites are exposed to acute atmospheric events, which, however, on the basis of the technical evaluations performed, do not give rise to particularly significant exposures to the risk of damage to property and/or the business. Some manufacturing plants are also exposed to flood risk. However, thanks to the existing prevention and control systems (including hydraulic barriers), the residual risk exposure is modest, in addition to being transferred to the insurance market in financial terms. At the level of physical risks associated with chronic events, some Group sites are exposed to the risk of water shortages. To lower this exposure, the Group has already implemented — and is further investing in — measures to increasingly reduce water consumption, differentiate

water sources (generally water mains and wells drawing on aquifers) and implement water purification and storage systems that enable the utmost flexibility in the various industrial and civil uses at plants.

With regard to transition risks, the related opportunities and risks have been mapped over time horizons to 2030 and to 2050. The main opportunities are attributable to both the trend towards an increase in the share of electric vehicles in the global automotive market, with the possibility of extending the Group's segments and value chain thanks to

the new products under study (e.g., Sensify), as well as to the appreciation and spread in the market of products with a high environmental performance (e.g., as Greenance discs). The main risks are associated with the spread of forms of mobility representing alternatives to the use of traditional road vehicles, higher costs due to the implementation of Net Zero policies and the possible implementation of systems of taxation associated with externalities (such as "cap-and-trade" systems).

OPERATING RISKS

The main operating risks inherent in the nature of the business are associated with the supply chain, the unavailability of production facilities, product marketing, IT, issues involving health, job safety and the environment and, to a lesser extent, the regulatory framework of the countries in which the Group operates.

Supply Chain

The main risks associated with the supply chain include dependence on single suppliers, which in the event of disruption of the relevant supply relationships could jeopardise the production process and the ability to fill orders for clients in a timely manner. In response to this risk, the Purchasing GCF identifies, where possible, alternate suppliers as potential replacements (Supplier Risk Management Program) for goods and services deemed strategic, whereas the Quality GCF monitors and ensures the robustness and stability of the supply chain in providing products that meet the requirements of Brembo and its customers.

The supplier monitoring process has been reinforced for the purpose of prevention, particularly as regards suppliers' financial solidity and the availability of production capacity even in the face of sudden demand fluctuations and/or difficulties linked to logistics and transportation — aspects that, following the pandemic emergency, the conflict in Ukraine and the spread of the effects of the Israeli-Palestinian war to the Red Sea, have taken on growing importance. In addition, feasibility analysis activities were intensified to enable adequate management of technical risks from the initial phases of development, thereby ensuring product durability.

With specific regard to risks relating to logistics and associated with the continuity and the prices of transport of raw materials and finished products, Brembo's mitigation

actions focus on a strategy for diversifying methods of transport and the relevant operators, in addition to constantly monitoring them.

Business Interruption

Natural or accidental events (e.g., earthquakes or fires), malicious behaviour (e.g., acts of vandalism) or malfunctioning of systems may result in damage to assets, the unavailability of production facilities and discontinuity of operation of such facilities. Brembo therefore reinforced its risk mitigation process, through the planning of loss prevention engineering. The aim of this process was to reduce risk factors in terms of probability of occurrence and to implement protective measures aimed at limiting the impact of this risk and maintaining the operating continuity levels of the Group's production facilities.

For instance, following the outbreak of the conflict in Ukraine, Brembo conducted analyses to assess and mitigate the effects associated with continuity of utility supplies, with particular regard to the supply of gas to its European facilities.

Brembo is also exposed to the risk of disruption/limitation of its business due to events relating to its supply chain. For example, in the second half of 2023, Brembo suffered the effects of extended strikes at the premises of some of its customers operating in North America, whereas in the first quarter of 2024 Brembo faced the Red Sea transport crisis associated with redefinition of maritime routes and the concurrent Panama Canal restrictions on transit volumes. In general terms, the management strategies adopted aim at supporting supply continuity and include production replanning/reallocation, changes in the transport channels and constant monitoring of the order backlog, also with a view to properly managing stocks.

Product Quality

Brembo considers the risk relating to the marketing of its products, in terms of their quality, safety and traceability, to be of fundamental importance. The Group has always been committed to mitigating this risk through robust and efficient quality management, both at its own plants and at suppliers. As part of this process, it has instituted a worldwide Supplier Quality Assurance function, specifically dedicated to quality control of components, in addition to constantly optimising prevention activities, such as for instance the Failure Mode & Effect Analysis (FMEA).

In addition, the Quality GCF bears global responsibility for properly managing binding requirements and the safety behaviour of products, with particular regard to the risk of recall from the market, for which specific company procedures have been set up.

Information Technology

Brembo considers the operating continuity of its IT systems to be a significant priority and it has implemented a framework for managing cyber risks aimed at business continuity and the availability, integrity and confidentiality of data, while also ensuring compliance with the European GDPR and the national legislation applicable in the various EU member states. These issues are growing in importance also in light of the start of the Group's smart factory (Industry 4.0) process and the implementation of the strategic pillars associated with the new corporate mission. In 2020, the Group's three Italian companies were certified according to the ISO 27001 international standard, which sets the requirements and defines the methods for proper, secure management of information within the Company. Over the years, certification was extended to Poland, the Czech Republic and North America. A Security Operations Center (SOC), reporting to the Group's Head of Information Security, was also established to ensure real-time monitoring of cyber events in order to prevent and promptly react to any cyber attacks. In 2024, the corporate management software migration project has been launched. It will involve several group companies at different times identified within the project governance. As part of the project governance framework, the related risks were also evaluated and their mitigation strategies defined.

Environment, Safety and Health

The Group's primary risks relating to health, job safety and the environment can be of the following types:

- inadequate protection of employee health and safety, which can lead to serious accidents or work-related illnesses;
- environmental pollution resulting from sources such as uncontrolled emissions, inadequate waste disposal or the spreading of dangerous substances onto the ground;
- partial compliance or non-compliance with laws and regulations governing the sector, also in light of the changing legal framework of some countries.

The occurrence of these events could result in criminal penalties and/or pecuniary fines against Brembo who manages this type of risks by carrying out ongoing and systematic evaluations of its exposure to specific risks and reducing or eliminating those considered unacceptable. This procedure is organised within a Management System that covers job health and safety, as well as environmental aspects, and that is compliant with the international ISO 45001 and ISO 14001 standards, respectively, and certified by an independent body.

In summary, although accidents and mistakes can happen, the Group has implemented systematic rules and management procedures that allow it to minimise the number of accidents, as well as the impact they may have. A clear-cut assignment of responsibility at all levels, the presence of independent internal control bodies that report to the Company's highest officers and the application of the highest international management standards are the best way to guarantee the Company's commitment to health, job safety and the environment.

Legal & Compliance

Brembo is exposed to risks arising from the failure to rapidly comply with changing laws and new regulations in the sectors and markets in which it operates. To mitigate this risk, each compliance function stays abreast of the relevant legal and regulatory developments, with the assistance of outside consultants, where necessary, through a constant process of legal and regulatory updates and research.

In the cross-border conversion as well, Brembo was assisted by external consultants specialised in the matter, who contributed to assessing all possible non-compliance risks linked to the transaction. These risks were then monitored based on such analyses and evaluations.

With reference to the risk of non-compliance with tax laws and regulations, or of operating in conflict with the principles or spirit of the systems in the jurisdictions in which the Group operates, in accordance with the guidelines laid down in the Global Tax Strategy and the Brembo N.V.'s Tax Strategy adopted in 2019, Brembo pursues the goal of proactively managing the tax risk by ensuring that such risk is timely recognised, properly measured, monitored and contained through the Tax Control Framework.

In the area of personal data processing compliance risk, the

Group is supported by the Data Protection Officer and other dedicated functions, such as the Privacy Supervisory Board and the Privacy Reference Persons identified in sensitive company areas.

Among compliance-related risks, attention should be drawn to the risk associated with breaches of national, international and industry regulations, and unethical professional behaviour in breach of the Company's ethics policy that expose Brembo to vicarious administrative liability, in addition to undermining the Group's reputation on the market.

The mitigating measures taken by the Group are regarded as sufficient to significantly reduce its exposure to cases of risk and are aimed at ensuring the global spread of a culture of compliance through the establishment of specific principles of ethics and conduct, in addition to constant monitoring of legal changes.

The application of the provisions and preventive measures continued constantly and successfully, owing in part to the training activity carried out and the progressive monitoring conducted within the framework of ordinary legal activities. With reference to litigation, the Legal and Corporate Affairs

GCF periodically monitors the progress of existing and potential litigations and determines the strategy to be applied and the most appropriate steps to take in managing them, involving specific corporate functions, when needed. The Administration and Finance GCF is responsible for the appropriate checks or assessments related to such risks and their economic effects.

Planning and Reporting

The same ERP (Enterprise Resource Planning) software has been implemented at nearly all Group companies in order to prepare accurate and reliable financial reporting for the Group, while also improving the Internal Control and Risk Management System and the quality, timeliness and comparability of the data provided by the various consolidated companies. As mentioned in the "Information Technology" section, it should be noted that, as part of the Digital Transformation Programme, the Group is expected to be gradually migrated to the new ERP IT programme, according to the project timelines centrally defined at global level.

FINANCIAL RISKS

In conducting its business, the Brembo Group is exposed to various financial risks, including market, liquidity and credit risks. Financial risk management is the responsibility of the Parent's Treasury & Credit Department, which, together with the Group's Finance Department and the Purchasing function, evaluates the main financial transactions and related hedging policies. The various risk management strategies adopted by the Group are illustrated in greater detail here below.

Market Risk

Interest rate risk management

The year 2023 was characterised by constant interest rate hikes applied by the various central banks at global level. Since the Group's financial debt is partly subject to variable interest rates, it is exposed to the risk of interest-rate fluctuations. To reduce this risk, the Group has entered into several medium/long-term fixed-rate loan agreements, as well as specific hedging contracts (IRS) which account — including lease liabilities — for approximately 45% of gross financial position.

The objective is to eliminate the variability of the borrowing costs associated with a portion of debt and benefit from sustainable fixed rates. The Group's Central Treasury &

Credit Department constantly monitors rate trends in order to evaluate in advance the need for any changes to the financial indebtedness structure.

Exchange rate risk management

Since Brembo operates in international markets, it is exposed to exchange rate risks. To mitigate this risk, the Group uses natural hedging (offsetting receivables and payables) and hedges only net positions in foreign currency, using mostly, and where advisable, forward contracts in order to reduce exchange rate risk exposure.

Commodity Risk

Through a dedicated task force, the Brembo Group closely analyses and monitors the course of the risk associated with fluctuations in the prices of raw materials and commodities. In particular, the Group undertakes specific financial transactions to hedge against the risk of energy price fluctuation and a financial hedge aimed at mitigating aluminium price fluctuation.

Moreover, it bears recalling that fixed prices are set in supply contracts with certain commodities suppliers for a given period of time and that the contracts in place with the main customers also provide for automatic periodic indexing on

the basis of commodities prices. Both these approaches mitigate the risk of fluctuations in commodities prices.

Liquidity Risk

Liquidity risk can arise from Brembo's inability to obtain the financial resources necessary to guarantee its operation. The Central Treasury & Credit Department implements the main measures indicated below in order to minimise such risk:

- it constantly assesses estimated financial requirements to ensure that appropriate measures are taken in a timely manner (obtaining additional credit lines, capital increases, etc.);
- it obtains adequate credit lines;
- it optimises liquidity, where feasible, through cash-pooling arrangements;
- it ensures that the composition of net financial debt is adequate for the investments carried out;
- it ensures a proper balance between short- and medium-/long-term debt.

Credit Risk

Credit risk is the risk that a customer or one of the parties to a financial instrument will cause a financial loss by failing

to perform an obligation. Exposure to credit risk arises, in particular, in relation to trade receivables. In this sense, it should be noted that the parties with whom Brembo has commercial dealings are primarily leading car and motorbike makers with a high credit standing. The current macroeconomic context, and in particular the development of new customers in the electric vehicle sector, has made continuous credit monitoring increasingly important, so that situations where there is a risk of insolvency or late payment with respect to contractual terms can be anticipated.

Tax Risks

In order to ensure compliance in tax matters and reduce the risks of penalties and reputational damage associated with the violation of tax regulations and/or the abuse of related principles, Brembo has adopted a Group-wide Tax Strategy aimed at fostering the correct and timely determination and settlement of taxes due by law.

The Tax Strategy is a fundamental component of the Tax Control Framework adopted by Brembo, which, in addition to defining the procedures for the sound and prudent management of the tax variable, is also one of the instruments used to prevent offences that could give rise to corporate criminal liability and the associated reputational risks.

RISK MANAGEMENT PROCESS: RISK FINANCING

Following on from the above mitigation measures, and in order to minimise the volatility and financial impact of any detrimental event, under its Risk Management Policy, Brembo has provided for the residual risks to be transferred to the insurance market, where insurable.

Brembo's changing needs through the years have been largely and specifically reflected in its personalised insurance coverage, which has been optimised to significantly decrease the Company's exposure to intrinsic risks related to the type of activities carried out by Brembo. Thanks to international programmes, all Brembo Group companies are currently covered against the following key strategic risks: property all risks, general liability, general product liability, product withdrawal/recall, environmental responsibility and Directors & Officers liability. Additional coverage has been arranged locally based on the specific requirements of local legislation or collective labour contracts and/or corporate agreements or regulations. Insurance analysis and transfer of the risks to which the Group is exposed are conducted in collaboration with a leading insurance broker, which supports this process with its international organisation and is also responsible for the compliance and management of

Group insurance programmes at global level.

In line with the approach pursued also by other multinationals, in 2023, Brembo set up its own captive reinsurance company Brembo Reinsurance AG based in Zurich, Switzerland, that reinsures a portion of the risks transferred to the insurance market, such as liability and product withdrawal/recall risks. This transaction, also supported by the expansion of the Brembo Group's business, stems from the strategic need to increase the Group's level of autonomy with respect to insurance market trends, which were characterised in recent years by a hard market phase that has pushed several companies, in the automotive and non-automotive sectors, to set up their own captive reinsurance companies.



HUMAN RESOURCES AND ORGANISATION

In the first half of 2024, Brembo's organisational structure continued to evolve and adapt to the various changes in the macroeconomic and business context, supporting the Company's vision and mission, and promoting innovation.

January saw a change at the helm of the Motorbike GBU, with the promotion of an internal resource. This led to the ensuing reorganisation of the Industrial Operations (IO) GCF, with the creation of two separate areas: System Aluminium Foundries Operations and System Machining & Assembly Operations.

Following the opening of the Brembo production plant in Thailand, several internal and external selection processes were launched and completed to select the first-line managers reporting to the Brembo Thailand Sole Director. In March, the responsibilities entrusted to the IO GCF Supply Chain Excellence area and the Systems, Discs and Motorbike GBU Logistics area — renamed Supply Chain — were defined in more detail with the introduction of demand planning, logistics engineering and work analysis mechanisms.

In May, the Systems GBU announced the setting up of two separate sales offices for customers and for geographical areas within the Sales area. Also in May, the Transformation GCF reorganised its IT areas with a view to enhancing the efficiency of IT domains at a global level. At the same time, in order to harmonise policies, processes and activities, the Marketing GCF redefined the methods and areas of collaboration with the GBUs and the Regions.

In terms of training and talent development, the first half of 2024 saw a number of new initiatives.

With regard to development of managerial skills, the final module of the People Management training course was defined with a focus on collaborative leadership across businesses, markets and geographies. Furthermore, noteworthy is the new course "People Management for plant supervisors", aimed at supporting plant coordinators with new tools and a renewed mindset.

May saw the launch of the 2024 edition of the Brembo – Global Induction Program (B-GIP), dedicated to white-collar employees and managers recently hired in all the Group's countries. On the technical training front, the development of digital skills continued with the launch of the course "Artificial Intelligence and Machine Learning – base" and of the pilot edition of the course "Collaborative Robotics", developed in collaboration with Kilometro Rosso and JOiINT LAB. Moreover, the Manufacturing Academy was enriched with new applied courses, targeted to those involved in maintenance and production processes. The training course "LifeLong Learning HUB" aimed at transferring the

institutional and technical knowledge necessary to meet the challenges of the future also continued.

With regard to self-learning, a new e-learning platform rich in innovative content was made available at global level.

In the cybersecurity area, to counter the cyber-attack risks, a new e-learning package involving all Brembo People was launched in June in collaboration with the Cyber Security IT team.

In addition, in the first half of 2024, the Competence Assessment was completed at the Polish plants, involving white collars and managers of the Dąbrowa and Częstochowa sites. Based on the assessment results, several training and development initiatives were implemented.

The third and last rotation of the 2022-2024 LIFT Program, Brembo's Graduate Program, continued. The programme provides for participants to rotate over three different organisational areas and geographies every nine months, for a total of 27 months. The programme, now in its fourth year, will end in August, whereas participants will be assigned a specific role within the organisation starting in September 2024.

In the first half of 2024, Brembo also increased its employer branding activities, hosting the first Brembo Open Day, a talent attraction initiative which involved SEM, Computer Science and Big Data undergraduates and recent graduates from various EU countries. Brembo Open Day is a reverse career day, as it is not open to all, but provides for a pre-selection based on English tests and a group assessment performed in person or in remote mode. Only the best candidates were invited to Brembo headquarters to experience an inspiring day, full of information and future opportunities.

In line with the principles of the latest version of the new Group Recruiting Guidelines issued in April 2024, Brembo also increased its D&I initiatives. Numerous activities were organised including: dedicated Career Days (e.g., Girlz Power), presentations (e.g., UniBG & Girls) or specific projects (e.g., Deploy your Talent) aimed at attracting and facilitate access to job opportunities at Brembo for people belonging to groups under-represented in the Brembo Group. A new section in the Brembo career page dedicated to young people was launched under the heading "Fresh minds, Bright future". This section recounts the Company through its various projects developed for the new Brembo generations.

The projects regarding the three strategic Pillars — Digital,

Global and Cool — continued with the involvement of more than 150 staff with a different provenance, gender and professional background.

Within the Digital Pillar, the Ishango Digital Transformation global programme, launched in 2021, continued to be implemented. The programme focuses on the implementation of digital platforms integrated into the existing ecosystem and the adoption of new ways of working and digital solutions. In detail, the Journey 10 People & Change Management continued to see new releases on the Brembo HCM – Human Capital Management system. After implementing at Group level the module “Performance Management” (BYR, MBO and Competence Assessment) and the “Recruiting” module, blue-collar personnel is now being input into the system. In addition, the “Learning” module has been activated and the Group’s

online organisational charts have been implemented.

In April, a brief online survey was conducted in Italy by the project team “b well” of the Global Pillar. The aim was to understand Brembo People’s interests and preferences regarding leisure activities outside working hours, and to map all the Group’s social initiatives in order to develop a wellbeing strategy and plan, creating increasingly close teams.

Also in April, the fourth edition of the Gen Z Forum project was launched. The Forum is an incubator of cutting-edge ideas that avails itself of the contribution of the new generations to promote innovation: 36 young people hired by Brembo, from 12 countries, have the opportunity to talk with the CEO in dedicated meetings to discuss the various ideas proposed.

ENVIRONMENT, SAFETY AND HEALTH

Brembo's commitment to environmental sustainability and safety continues to be an increasingly strategic and essential factor for developing the Group's business.

ENVIRONMENT AND ENERGY

In the first half of 2024, Brembo's Environment and Energy area continued its activity to support the implementation of the strategy, defined in previous year, aimed at changing the Group's business model and making it increasingly compliant with sustainability requirements.

The main areas of action remained unchanged: reduction of CO₂ emissions, responsible use of water resources in production processes, management of waste and chemical substances, to which emerging aspects are being added, such as biodiversity.

Compared to previous years, thanks to the introduction of LCA (Life Cycle Assessment) studies, Brembo consolidated its ability to identify and quantify environmental impacts throughout the entire life cycle of its products and processes — an essential tool to define the priority actions to be taken to reduce the overall impact.

The main areas of focus with regard to environmental matters are set out below.

Energy Management: in 2024 as well, the energy consumption monitoring platform, which has been operating in Brembo since 2018, will continue to ensure a thorough measurement of energy consumption, gradually integrating it with water consumption measurement. In line with the market's technological developments and the new digital transformation prospects, Brembo is evaluating new monitoring solutions. With regard to energy efficiency, for 2024 the Group has planned the launch of projects to reduce consumption by 2.72%, calculated as the reduction in consumption achieved thanks to energy efficiency projects compared to that of 2023. In addition, the energy management system compliant with the ISO 50001 standard continued to be extended. In 2024, this process provides for the certification of nine plants, increasing the percentage of Brembo Group plants certified to 81%.

Life Cycle Assessment: LCA initiatives aimed at understanding the environmental impact of Brembo products throughout their entire life cycle continued, with the aim of gradually covering all product families manufactured by Brembo. The main activities carried out in the first half of 2024 focused on understanding the environmental impacts of the products that were about to be launched on the market, able to contribute to reducing environmental impacts thanks to lower particulate emissions in the usage phase, and therefore capable of complying with the new emission limits imposed by the future environmental regulations of the automotive sector. Also in the first half of 2024, several studies were conducted to quantify the reduction of impacts due to the use of new aluminium alloys that contain an increasing content of aluminium from the recovery chain.

Water: one of the main consequences of climate change is the decrease in the availability of water resources in the areas included in Brembo's industrial footprint. In Mexico, following several water rationing measures, a system was implemented for recovering water from the processing facility of the municipality of Monterrey, so as to reuse it at the foundry. In the first half of 2024, studies were launched to assess the sites to which that same solution could be extended.

Sustainability and energy efficiency goals: in 2024, sustainability and energy efficiency goals were once again set in order to pursue the Group's medium- and long-term objectives, established in accordance with the instructions given in the 2015 Paris Agreement on climate. The sustainability goal, calculated as a percent reduction in CO₂ emissions with respect to the 2023 emissions achieved through improvement projects, was set at 20%, whereas the energy efficiency objective, calculated as a percent reduction in energy consumption compared to 2023 achieved through improvement measures, was set at 2.72%.

WORKPLACE SAFETY

The first six months of 2024 saw a continuation of the previous year with regard to the activities described below.

WCM (World Class Manufacturing): the process of implementing the WCM programme continued. The main activities carried out by the sites concerned the implementation of improvement projects, especially in model areas, the analysis of events using a new incident analysis model and the increase of worker engagement, both through signage and through the request for a greater number of near misses, unsafe actions and objective conditions to be reported. All the plants completed a self-assessment of the activities performed with the assignment of a final score, which was then reviewed by the central team in order to verify its adequacy with respect to actual progress: out of the 29 plants involved, 18 obtained a score of 1, whereas three reached a score of 2.

Ergonomics: at the Curno site, the operating activity on ergonomic analysis for Central Technologies and Plant Industrialisation continued, with the aim of developing the competencies needed to evaluate and design production lines and workstations, optimising and improving them ergonomically in early design stages and minimising post-installation improvements, as well as designing lines that satisfy ergonomic criteria fully. At the same time, Brembo forged ahead with the experimentation phase on the use of exoskeletons in the plant aimed at alleviating the musculoskeletal load on the operator where, due to product/process constraints, a different process optimisation is not possible. This activity began in 2023 and will continue

throughout 2024 with the additional goal of objectively quantifying the reduction of the load on operators. With this in mind, Brembo renewed its collaboration with Agade, a start-up that is a spin-off from Milan Polytechnic and is specialised in exoskeleton design.

Safe Behaviours project: the first half of 2024 saw the continuation of this project, aimed at involving site prevention personnel, team leaders, department and shift heads and, with regard to Italy, the person in charge of workplace safety, as both observers of the behaviours and “trainers” in the proper behaviours to be adopted. The Behavioral Based Safety, launched a few years ago in the Dabrowa plant, produced a standard approach that will be formalised in the second half of 2024, to be then applied to all Brembo plants.

Dangerous Work Workshop: a workshop on the safe handling of particularly hazardous work was designed and then delivered in the first half of 2024. Work permits containing risk assessment and countermeasures related to the activities were shared and field-tested. This workshop was held over four days, with an initial part on the methodology to be used and a second part on the ‘field’ use of the methodology. The pilot edition took place in February, in Poland, and was followed in March and April by similar editions in Italy, China, Mexico and the United States. In the second half of 2024, follow-ups will be carried out to verify the learning and application of the methodology.

RELATED PARTY TRANSACTIONS

As of the Transaction Effective Date, the provisions of the regulation on related parties' transactions, as approved by CONSOB with Resolution No. 17221 of March 12, 2010, as amended with Resolution No. 21624 of 10 May December 2020, will no longer apply to the Company because of its Dutch nationality. Likewise, the procedure on related party transactions (RPT Procedure) adopted pursuant to the mentioned regulation by resolution of the Company's board of directors on November 12, 2010, as last amended by resolution of the board of directors on May 10, 2021, will also cease to apply. Therefore, following the cross-border conversion of the Company from Italy to the Netherlands effective on 24 April 2024, the Board of Directors has approved a new version of the RPT Procedure drawn up in accordance with the conflict of interest provisions under

Dutch Law, the Dutch Civil Code (the DCC), the Dutch Corporate Governance Code, the Articles of Association and the Board Rules.

Detailed information on the Company's Related Party Transactions is provided in the Explanatory Notes to the Consolidated Six Monthly Financial Report. During the reporting period, no atypical or unusual transactions were carried out with Related Parties. Furthermore, commercial transactions with Related Parties, also other than the Group companies, were carried out at fair market conditions. The financing transactions undertaken during the reporting period with Related Parties are also discussed in the Explanatory Notes to the Consolidated Six Monthly Financial Report.

FURTHER INFORMATION

SIGNIFICANT EVENTS DURING THE SIX-MONTH PERIOD

With regard to the Company's cross-border conversion effective from 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, has become effective. On the same date a secondary office of the Company, with permanent representation, was also established in Italy

pursuant to Article 2508 of the Italian Civil Code, and the related registration with the Companies' Register of Bergamo was requested;

- on 17 May 2024, following the effectiveness of the cross-border conversion and the consequent allocation of the Special Voting Shares, in accordance with the conditions set forth in the "SVS Terms and Conditions", the new composition of the Company's share capital has been set as reported in the Explanatory Notes to the Consolidated Six Monthly Financial Report.

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 N.V. 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.

No other significant events occurred in the first semester of 2024.

PLANS FOR THE BUY-BACK AND SALE OF OWN SHARES

The General Shareholders' Meeting held on 23 April 2024 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 balance sheet.

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

SUBSIDIARIES FORMED UNDER AND GOVERNED BY THE LAW OF COUNTRIES NOT BELONGING TO THE EUROPEAN UNION – OBLIGATIONS UNDER ARTICLES 15 AND 18 OF MARKET REGULATION

In accordance with articles 15 and 18 of Consob Regulation 20249 of 28 December 2017 concerning 'Conditions for the listing of shares of parent companies that control companies incorporated under and regulated by the law of countries other than EU Member States', the parent

company Brembo N.V. has identified its significant subsidiaries as defined article 15, paragraph 2, of the above-mentioned Regulation, and verified that the conditions set out in paragraphs b) and c) of article 15 have been met.

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.

SIGNIFICANT EVENTS AFTER 30 JUNE 2024

On 10 July 2024, Brembo acquired a stake for €1,000 thousand 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.

No other significant events occurred after the end of the first half of the year and up to 30 July 2024.



FORESEEABLE EVOLUTION

Despite the significant worsening of the automotive market outlook in recent months and the ongoing geopolitical tensions at global level, Brembo expects to close the year with a moderate revenue growth, with percentage margins in line with those of 2023.

Bergamo, 30 July 2024

On behalf of the Board of Directors

The Executive Chairman

Matteo Tiraboschi

BREMBO N.V. STOCK PERFORMANCE

Brembo's stock closed the first half of 2024 at €10.25, down 7.6% compared to 31 December 2023, reaching its high for the period on 24 April (€12.37) and its low on 28 June 2024 (€10.25).

The FTSE MIB index closed the period on a positive note

at 9.2%, whereas the BBG EMEA Automobiles Parts index fell by 9.4%.

An overview of stock performance of Brembo N.V. at 30 June 2024 is given below and compared with that at 31 December 2023.

	30.06.2024	31.12.2023
Share capital (euro)	7,007,202	34,727,914
No. of ordinary shares	333,922,250	333,922,250
Equity (excluding net income for the period) (euro)	821,275,487	746,818,305
Net income for the period (euro)	92,643,814	139,265,254
Trading price (euro)		
Low	10.25	10.02
High	12.37	14.92
Period-end	10.25	11.10
Market capitalisation (euro million)		
Low	3,424	3,346
High	4,129	4,982
Period-end	3,424	3,707
Gross dividend per share	N/A	0.30 (*)

(*) Approved by the General Shareholders' Meeting of 23 Aprile 2024.

Further information and updates regarding stock performance and recent corporate information are provided on Brembo's website: www.brembo.com - Investors section.

Investor Relations Manager: Laura Panseri







CONSOLIDATED FINANCIAL STATEMENTS



2. CONDENSED CONSOLIDATED SIX MONTHLY FINANCIAL REPORT AT 30 JUNE 2024

CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(EURO THOUSAND)	NOTES	30.06.2024	31.12.2023	CHANGE
NON-CURRENT ASSETS				
Property, plant, equipment and other equipment	1	1,410,712	1,353,548	57,164
Right-of-use assets	1	175,120	169,331	5,789
Development costs	2	106,638	104,423	2,215
Goodwill and other indefinite useful life assets	2	121,058	119,579	1,479
Other intangible assets	2	77,144	76,730	414
Shareholdings valued using the equity method	3	61,066	60,187	879
Investments in other companies	4	312,225	280,132	32,093
Financial derivatives	4	15,277	20,385	(5,108)
Other non-current financial assets	4	2,930	2,911	19
Receivables and other non-current assets	5	45,800	41,743	4,057
Deferred tax assets	6	113,642	97,661	15,981
TOTAL NON-CURRENT ASSETS		2,441,612	2,326,630	114,982
CURRENT ASSETS				
Inventories	7	665,217	621,697	43,520
Trade receivables	8	730,017	604,877	125,140
Other receivables and current assets	9	105,061	94,539	10,522
Financial derivatives	10	9,401	12,949	(3,548)
Other current financial assets	10	2,828	3,097	(269)
Cash and cash equivalents	11	374,831	510,058	(135,227)
TOTAL CURRENT ASSETS		1,887,355	1,847,217	40,138
ASSETS FROM DISCONTINUED OPERATIONS		0	21	(21)
TOTAL ASSETS		4,328,967	4,173,868	155,099

EQUITY AND LIABILITIES

(EURO THOUSAND)	NOTES	30.06.2024	31.12.2023	CHANGE
GROUP EQUITY				
Share capital	12	7,007	34,728	(27,721)
Other reserves	12	92,617	48,184	44,433
Retained earnings/(losses)	12	1,921,693	1,679,844	241,849
Net result for the period	12	156,293	305,039	(148,746)
TOTAL GROUP EQUITY		2,177,610	2,067,795	109,815
MINORITY INTERESTS		32,853	31,624	1,229
TOTAL EQUITY		2,210,463	2,099,419	111,044
NON-CURRENT LIABILITIES				
Non-current payables to banks	13	405,913	487,615	(81,702)
Long-term lease liabilities	13	156,507	149,785	6,722
Financial derivatives	13	0	0	0
Other non-current financial payables	13	285	680	(395)
Other non-current liabilities	14	2,337	3,887	(1,550)
Non-current provisions	15	21,013	24,180	(3,167)
Employee benefits	16	40,016	36,445	3,571
Deferred tax liabilities	6	29,795	30,956	(1,161)
TOTAL NON-CURRENT LIABILITIES		655,866	733,548	(77,682)
CURRENT LIABILITIES				
Current payables to banks	13	422,914	272,269	150,645
Short-term lease liabilities	13	22,050	21,455	595
Financial derivatives	13	883	160	723
Other current financial payables	13	537	58,005	(57,468)
Trade payables	17	765,166	742,099	23,067
Tax payables	18	22,248	11,560	10,688
Current provisions	15	9,405	9,638	(233)
Contract liabilities	19	69,511	75,461	(5,950)
Other current liabilities	19	149,924	150,254	(330)
TOTAL CURRENT LIABILITIES		1,462,638	1,340,901	121,737
TOTAL LIABILITIES		2,118,504	2,074,449	44,055
TOTAL EQUITY AND LIABILITIES		4,328,967	4,173,868	155,099

**CONSOLIDATED STATEMENT OF INCOME**

(EURO THOUSAND)	NOTES	30.06.2024	30.06.2023	CHANGE
Revenue from contracts with customers	20	2,004,835	1,949,875	54,960
Other revenues and income	21	11,264	19,478	(8,214)
Costs for capitalised internal works	22	15,451	12,723	2,728
Raw materials, consumables and goods	23	(915,956)	(925,092)	9,136
Income (expense) from non-financial investments	24	8,129	9,412	(1,283)
Other operating costs	25	(400,889)	(386,111)	(14,778)
Personnel expenses	26	(371,414)	(336,248)	(35,166)
GROSS OPERATING INCOME		351,420	344,037	7,383
Depreciation, amortisation and impairment losses	27	(132,594)	(126,124)	(6,470)
NET OPERATING INCOME		218,826	217,913	913
Interest income	28	163,461	71,945	91,516
Interest expense	28	(181,427)	(78,593)	(102,834)
Net interest income (expense)	28	(17,966)	(6,648)	(11,318)
Interest income (expense) from investments	29	11,054	12,158	(1,104)
RESULT BEFORE TAXES		211,914	223,423	(11,509)
Taxes	30	(53,685)	(54,950)	1,265
Result from discontinued operations	32	0	(121)	121
RESULT BEFORE MINORITY INTERESTS		158,229	168,352	(10,123)
Minority interests		(1,936)	(579)	(1,357)
NET RESULT FOR THE PERIOD		156,293	167,773	(11,480)
BASIC/DILUTED EARNINGS PER SHARE (euro)	31	0.49	0.52	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EURO THOUSAND)	30.06.2024	30.06.2023	CHANGE
RESULT BEFORE MINORITY INTERESTS	158,229	168,352	(10,123)
<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	1,161	(987)	2,148
Tax effect	(287)	244	(531)
Effect of actuarial gain (loss) on defined-benefit plans regarding companies valued using the equity method	0	4	(4)
Fair value measurement of investments	32,066	29,016	3,050
Tax effect	(385)	(348)	(37)
Total other comprehensive income/(losses) that will not be subsequently reclassified to income/(loss) for the period	32,555	27,929	4,626
<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	(5,931)	(31,264)	25,333
Tax effect	1,248	6,083	(4,835)
Change in translation adjustment reserve	21,648	(11,108)	32,756
Total other comprehensive income/(losses) that will be subsequently reclassified to income/(loss) for the period	16,965	(36,289)	53,254
COMPREHENSIVE RESULT FOR THE PERIOD	207,749	159,992	47,757
Of which attributable to:			
– Minority Interests	2,189	(1,275)	3,464
– the Group	205,560	161,267	44,293

**CONSOLIDATED STATEMENT OF CASH FLOWS**

(EURO THOUSAND)	30.06.2024	30.06.2023
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	345,867	254,013
Result before taxes	211,914	223,423
Depreciation, amortisation/Impairment losses	132,594	126,124
Capital gains/losses	(222)	(412)
Income/expense from investments, net of dividends received	1,865	(1,856)
Financial portion of provisions for defined benefits and payables for personnel	573	217
Long-term provisions for employee benefits	7,862	5,712
Other provisions net of utilisations	12,980	6,686
Result from discontinued operations	0	(121)
Cash flows generated by operating activities	367,566	359,773
Current taxes paid	(48,437)	(43,457)
Uses of long-term provisions for employee benefits	(3,507)	(2,621)
<i>(Increase) reduction in current assets:</i>		
inventories	(52,720)	(51,273)
financial assets	(19)	(71)
trade receivables	(127,598)	(124,683)
receivables from others and other assets	(22,419)	(13,102)
<i>Increase (reduction) in current liabilities:</i>		
trade payables	23,067	81,576
payables to others and other liabilities	(2,448)	2,299
Translation differences on net working capital	6,159	(3,929)
Net cash flows from/(for) operating activities	139,644	204,512
<i>Investments in:</i>		
property, plant and equipment	(146,582)	(136,764)
intangible assets	(21,948)	(17,881)
financial assets (shareholdings)	(2,760)	(3,234)
Price for disposal or reimbursement value of fixed assets	1,003	765
Net cash flows from/(for) investing activities	(170,287)	(157,114)
Dividends paid in the period	(95,562)	(90,117)
Acquisition of own shares	(57,456)	0
Dividends paid to minority shareholders in the period	(960)	(800)
Change in fair value of derivatives	3,528	(1,581)
Reimbursement of lease liabilities	(14,436)	(79,270)
Repayment of long-term loans and other financing	(45,382)	(41,579)
Net cash flows from/(for) financing activities	(210,268)	(213,347)
Total cash flows	(240,911)	(165,949)
Translation differences on cash and cash equivalents	(1,974)	(656)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	102,982	87,408

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EURO THOUSAND)	SHARE CAPITAL	OTHER RESERVES	RETAINED EARNINGS/ (LOSSES)	NET RESULT FOR THE PERIOD	GROUP EQUITY	EQUITY OF MINORITY INTERESTS	EQUITY
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)
<i>Components of comprehensive income:</i>							
Effect of actuarial income/(loss) on defined benefit plans			(743)		(743)	0	(743)
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			28,668		28,668	0	28,668
Effect of hedge accounting (cash flow hedge) of derivatives		(25,181)			(25,181)	0	(25,181)
Change in translation adjustment reserve		(9,254)			(9,254)	(1,854)	(11,108)
Net result for the period				167,773	167,773	579	168,352
Balance at 30 June 2023	34,728	124,255	1,657,704	167,773	1,984,460	31,057	2,015,517
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			874		874	0	874
Fair value measurement of investments			31,681		31,681	0	31,681
Effect of hedge accounting (cash flow hedge) of derivatives		(4,683)			(4,683)	0	(4,683)
Change in translation adjustment reserve		21,395			21,395	253	21,648
Net result for the period				156,293	156,293	1,936	158,229
Balance at 30 June 2024	7,007	92,617	1,921,693	156,293	2,177,610	32,853	2,210,463

EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED SIX MONTHLY FINANCIAL REPORT AT 30 JUNE 2024

BREMBO'S ACTIVITIES

In the vehicle industry components sector, the Brembo Group is active in the research, design, production, assembly and sale of disc braking systems, wheels and light alloy and metal casting, in addition to mechanical processes in general.

The extensive product range consists of high-performance brake calipers, brake discs, wheel-side modules, complete braking systems and integrated engineering services, supporting the development of new models placed on the market by vehicle manufacturers. Brembo's products and services are used in the automotive industry, for light commercial and heavy industrial vehicles, motorbikes and racing competitions.

Manufacturing plants are located in Italy, Poland (Częstochowa, Dąbrowa Górnicza, Niepołomice), the United Kingdom (Coventry), the Czech Republic (Ostrava-Hrabová), Germany (Meitingen), Denmark (Svendborg), Spain (Barcelona), Mexico (Apodaca and Escobedo), Brazil (Betim), China (Nanjing, Langfang, Jiaxing), India (Pune), the United States (Homer) and Thailand (Bangkok). Other companies located in Spain (Zaragoza), Sweden (Göteborg), Germany (Leinfelden-Echterdingen), China (Qingdao), Japan (Tokyo), the USA (Huntersville) and Russia (Moscow) carry out distribution and sales activities.

FORM AND CONTENT OF THE CONDENSED CONSOLIDATED SIX MONTHLY FINANCIAL REPORT AT 30 JUNE 2024

INTRODUCTION

The Condensed Consolidated Six Monthly Financial Report at 30 June 2024 has been prepared in accordance with the provisions of IAS 34 – *Interim Financial Reporting*, and has been subjected to a limited audit. In further detail, the Financial Report for the period ended 30 June 2024 has been prepared in condensed form and does not contain all the information and notes required for the consolidated annual financial statements. Consequently, the Report should be read in conjunction with the Consolidated Financial Statements for the year ended 31 December 2023.

The Condensed Consolidated Six Monthly Financial Report comprises 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 these Explanatory Notes; it includes figures at 30 June 2024 of Brembo N.V., the Parent, and of the companies controlled by Brembo N.V. pursuant to IFRS 10.

The Group has prepared the financial statements on the assumption that it will continue as a going concern, in the belief that there is no material uncertainty that might give rise to significant doubt with regard to this assumption. The Directors believe that there is a reasonable expectation that the Group possesses adequate resources to continue to operate in the near future and for a period of no less than 12 months from the reporting date.

On 30 July 2024, the Board of Directors approved the Condensed Consolidated Six Monthly Financial Report and requested that it be made available to the public, within the terms and according to the procedures provided for by applicable laws and regulations.

BASIS OF PREPARATION AND PRESENTATION

The accounting standards adopted to prepare the Condensed Consolidated Six Monthly Financial Report comply with those used to prepare the Consolidated Financial Statements at 31 December 2023, without prejudice to the adoption of the new standards in effect from 1 January 2024. Their adoption had no impact on the information or the amounts indicated in these Financial Statements. The Group did not opt for early adoption of any standard, interpretation or amendment that has been issued but has not entered into force yet.

Amendments to IFRS 16 – Leases

The IASB has issued narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 explaining how a seller-lessee accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or a rate are most likely to be impacted.

Amendments to IAS 1 – Presentation of Financial Statements

The amendments to IAS 1 clarify the criteria for classifying liabilities with covenants as current or non-current. The amendments will also require companies to provide additional information to stakeholders. The changes introduced by the amendments require companies to consider the potential impact for their loan arrangements and the presentation of their financial statements

Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments

In May 2023, the International Accounting Standards Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. With the amendments, the IASB has introduced new disclosure requirements in IFRS Standards to enhance the transparency and, thus, the usefulness of the information provided by entities about supplier finance arrangements.

The Condensed Consolidated Six Monthly Financial Report has been prepared on the basis of the half-yearly financial statements at 30 June 2024 drawn up by the Board of Directors of the relevant consolidated companies.

Due to the type of business, data included in the Condensed Consolidated Six Monthly Financial Report are not influenced by material seasonal or cyclical effects, compared to full year data.

The Condensed Consolidated Six Monthly Financial Report has been prepared in accordance with the general principle of providing a true and fair presentation of the Group's assets and liabilities, financial position, statement of income results and cash flows, based on the following general assumptions: going concern, accrual accounting, consistency of presentation, materiality and aggregation, prohibition of offsetting, and comparative information.

The Condensed Consolidated Six Monthly Financial Report is presented in euro, which is the functional currency of the Parent, Brembo N.V., and all amounts are rounded to the nearest thousand unless otherwise indicated.

DISCRETIONARY VALUATIONS AND SIGNIFICANT ACCOUNTING ESTIMATES

Preparing financial statements in compliance with the applicable accounting standards requires management to make estimates that may have a significant effect on the items reported in the accounts. Estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the current circumstances and given the information available at the reporting date. Actual results may differ from these estimates. Estimates and associated assumptions are reviewed on an ongoing basis. Revisions of estimates are recognised in the period in which such estimates are revised. Management's decisions that have a significant impact on the financial statements and estimates, and have a significant risk of material adjustments to the book value of assets and liabilities in the next accounting period, are discussed in the notes to the individual financial statement entries.

The main estimates are used to recognise the capitalisation of development costs, recognition of taxes (including the estimate of any tax liabilities associated with tax litigation, underway or that is likely to occur), impairment of non-financial assets and the actuarial assumptions used in the valuation of defined benefit plans. Other estimates relate to provisions for contingencies, product warranties, inventory obsolescence, useful lives of certain assets, the designation of lease contracts and the determination of the fair value of financial instruments, including derivatives.

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 evaluations necessary to determine net employee benefits are conducted in complete form when preparing the Annual Financial Statements and in simplified form when preparing the Condensed Six Monthly Financial Report.

CONSOLIDATION AREA

The list of consolidated subsidiaries, associates and joint ventures that are accounted for using the equity method, along with information regarding their registered offices and the percentage of share capital held, is included in the paragraph "Information About the Group" of these Explanatory Notes.

Compared to the first half of 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. The following table shows the exchange rates used in the translation of six monthly accounting statements denominated in currencies other than the functional one (euro).

EURO AGAINST OTHER CURRENCIES	30.06.2024	2024 AVERAGE	30.06.2023	2023 AVERAGE
U.S. Dollar	1.070500	1.081184	1.086600	1.081084
Japanese Yen	171.940000	164.497785	157.160000	145.752715
Swedish Krona	11.359500	11.388904	11.805500	11.331396
Danish Krone	7.457500	7.458013	7.447400	7.446372
Polish Zloty	4.309000	4.316744	4.438800	4.625926
Czech Koruna	25.025000	25.019169	23.742000	23.680077
Mexican Peso	19.565400	18.517524	18.561400	19.655018
Pound Sterling	0.846380	0.854547	0.858280	0.876617
Brazilian Real	5.891500	5.494543	5.278800	5.483318
Indian Rupee	89.249500	89.980419	89.206500	88.877510
Chinese Renminbi	7.774800	7.801064	7.898300	7.489776
Russian Rouble	91.014900	98.061095	93.873100	83.345435
Swiss franc	0.963400	0.961538	0.978800	0.985565
Thai Baht	39.319000	39.123706	38.482000	36.967284

GROUP ACTIVITIES, SEGMENTS AND FURTHER INFORMATION

SEGMENT REPORT

Based on the IFRS 8 definition, an operating segment is a component of an entity:

1. that engages in business activities from which it may earn revenues and incur expenses;
2. whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
3. for which discrete financial information is available.

In light of such definition, the Brembo Group's operating segments are five Global Business Units: Discs, Systems, Motorbikes, Performance Group, Aftermarket.

Each Global Business Unit Director reports to the top management and periodically discusses with them operating activities, financial statements results, forecasts or plans.

The Group thus aggregated the operating segments as follows for the purposes of financial reporting:

1. Discs – Systems – Motorbikes;
2. Aftermarket – Performance Group.

The segments that are included in each aggregate are similar in terms of:

- a) the nature of products (braking systems);
- b) the nature of production processes (melting process, subsequent processing for finishing and assembly);
- c) the type of customers (manufacturers for Group 1 and distributors for Group 2);
- d) the methods used to distribute the products (targeted to manufacturers for Group 1 and through distribution chains for Group 2);
- e) the economic characteristics (gross manufacturing margin percentage for Group 1 and gross operating income for Group 2).

Transfer prices applied to transactions between segments for the exchange of goods and services are settled according to usual market conditions.

In light of the requirements of IFRS 8 in terms of revenues earned from major customers, where a single customer is defined as all companies that belong to a given Group, Brembo had one customer in the first half of 2024 who accounted for over 10% of consolidated net revenues; also considering the individual car manufacturers that compose such group, none of the single car manufacturers comprising such groups exceeded this threshold.



The following table shows segment information on operating data at 30 June 2024 and 30 June 2023:

	TOTAL		DISCS/SYSTEMS/ MOTORBIKES		AFTERMARKET/ PERFORMANCE GROUP		INTERDIVISION		NON-SEGMENT DATA	
(EURO THOUSAND)	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Sales	2,039,442	1,986,937	1,675,069	1,682,418	398,472	336,895	(4,211)	(3,252)	(29,888)	(29,124)
Allowances and discounts	(53,831)	(43,912)	(6,852)	(9,354)	(48,369)	(34,557)	0	0	1,390	(1)
Net sales	1,985,611	1,943,025	1,668,217	1,673,064	350,103	302,338	(4,211)	(3,252)	(28,498)	(29,125)
Transport costs	14,472	12,053	8,253	6,958	6,194	5,074	0	0	25	21
Variable production costs	1,252,314	1,255,240	1,071,686	1,095,129	210,080	190,823	(4,196)	(3,246)	(25,256)	(27,466)
Contribution margin	718,825	675,732	588,278	570,977	133,829	106,441	(15)	(6)	(3,267)	(1,680)
Fixed production costs	280,983	254,859	262,345	239,498	17,585	14,484	0	0	1,053	877
Production gross operating income	437,842	420,873	325,933	331,479	116,244	91,957	(15)	(6)	(4,320)	(2,557)
BU personnel costs	143,940	126,377	81,571	77,223	47,655	37,781	(15)	(6)	14,729	11,379
BU gross operating income	293,902	294,496	244,362	254,256	68,589	54,176	0	0	(19,049)	(13,936)
Costs for Central Functions	97,584	87,572	73,306	67,056	11,356	9,330	0	0	12,922	11,186
Operating income (loss)	196,318	206,924	171,056	187,200	57,233	44,846	0	0	(31,971)	(25,122)
Extraordinary costs and revenues	4,022	2,686	0	0	0	0	0	0	4,022	2,686
Financial costs and revenues	(7,557)	4,772	0	0	0	0	0	0	(7,557)	4,772
Income (expense) from investments	8,135	9,396	0	0	0	0	0	0	8,135	9,396
Non-operating costs and revenues	10,996	(476)	0	0	0	0	0	0	10,996	(476)
Result before taxes	211,914	223,302	171,056	187,200	57,233	44,846	0	0	(16,375)	(8,744)
Taxes	(53,685)	(54,950)	0	0	0	0	0	0	(53,685)	(54,950)
Result before minority interests	158,229	168,352	171,056	187,200	57,233	44,846	0	0	(70,060)	(63,694)
Minority interests	(1,936)	(579)	0	0	0	0	0	0	(1,936)	(579)
Net result	156,293	167,773	171,056	187,200	57,233	44,846	0	0	(71,996)	(64,273)

A reconciliation between the Consolidated Six Monthly Financial Report data and the above operating data is provided below:

(EURO THOUSAND)	30.06.2024	30.06.2023
Revenue from contracts with customers	2,004,835	1,949,875
Scrap sales (in the segment report they are subtracted from "Variable production costs")	(14,507)	(13,988)
Differences between internal and statutory reports relating to developments activities	(5,969)	4,895
Capital gains on sale of equipment (in the Consolidated Financial Statements they are included in "Other revenues and income")	660	239
Effect of adjustment of transactions among consolidated companies	130	(528)
Miscellaneous recharges (in the Consolidated financial Statements they are included in "Other revenues and income")	1,283	592
Other	(821)	1,940
Net sales	1,985,611	1,943,025

(EURO THOUSAND)	30.06.2024	30.06.2023
NET OPERATING INCOME	218,826	217,913
Differences between internal and statutory reports relating to development activities	(7,794)	4,287
Other differences between internal and statutory reports	(5,052)	(3,792)
Income (expense) from non-financial investments	(8,129)	(9,412)
Claim compensation and subsidies	(2,439)	(2,476)
Capital gain/losses on disposal assets (in the segment report they are included in "Non-operating costs and revenues")	370	(341)
Different classification of banking expenses (in the segment report they are included in "Financial costs and revenues")	640	719
Reclassification of Brembo Argentina	0	(85)
Other	(104)	111
OPERATING RESULT	196,318	206,924

The breakdown of Group sales by geographical area of destination and by application is provided in the Directors' Report on Operations.



Segment information on Statement of Financial Position data at 30 June 2024 and 31 December 2023 is provided in the following table:

	TOTAL		DISCS/SYSTEMS/ MOTORBIKES		AFTERMARKET/ PERFORMANCE GROUP		INTERDIVISION		NON-SEGMENT DATA	
(EURO THOUSAND)	30.06.2024	31.12.2023	30.06.2024	31.12.2023	30.06.2024	31.12.2023	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Tangible assets	1,585,832	1,522,879	1,440,466	1,377,799	91,827	82,157	5	5	53,534	62,918
Intangible assets	198,202	196,309	175,101	174,268	20,371	19,562	0	0	2,730	2,479
Financial assets and other non-current assets/liabilities	160,236	138,427	614	3,756	0	0	0	0	159,622	134,671
Total fixed assets (A)	1,944,270	1,857,615	1,616,181	1,555,823	112,198	101,719	5	5	215,886	200,068
Inventories	667,913	621,359	510,414	461,134	156,621	159,301	0	0	878	924
Current assets	841,637	716,387	604,019	537,329	145,655	75,964	(30,049)	(27,086)	122,012	130,180
Current liabilities	(1,016,104)	(996,007)	(616,891)	(611,448)	(179,230)	(160,951)	30,049	27,086	(250,032)	(250,694)
Provisions for contingencies and charges and other provisions	(59,614)	(62,275)	(104)	(116)	0	0	0	0	(59,510)	(62,159)
Net working capital (B)	433,832	279,464	497,438	386,899	123,046	74,314	0	0	(186,652)	(181,749)
NET INVESTED OPERATING CAPITAL (A+B)	2,378,102	2,137,079	2,113,619	1,942,722	235,244	176,033	5	5	29,234	18,319
Extraordinary components	485,970	453,532	0	0	0	0	0	0	485,970	453,532
NET INVESTED CAPITAL	2,864,072	2,590,611	2,113,619	1,942,722	235,244	176,033	5	5	515,204	471,851
Total Group Equity	2,177,610	2,067,795	0	0	0	0	0	0	2,177,610	2,067,795
Minority interests	32,853	31,624	0	0	0	0	0	0	32,853	31,624
Equity (D)	2,210,463	2,099,419	0	0	0	0	0	0	2,210,463	2,099,419
Provisions for employees benefits (E)	40,016	36,445	0	0	0	0	0	0	40,016	36,445
Medium/long-term net financial debt	554,269	628,983	0	0	0	0	0	0	554,269	628,983
Short-term net financial debt	59,324	(174,236)	0	0	0	0	0	0	59,324	(174,236)
Net Financial debt (F)	613,593	454,747	0	0	0	0	0	0	613,593	454,747
COVERAGE (D+E+F)	2,864,072	2,590,611	0	0	0	0	0	0	2,864,072	2,590,611

The following should be noted in regard to the non-segment data:

- intangible assets mainly consist of development costs;
- financial assets mainly refer to the value of shareholdings in associates or other companies;
- current assets and liabilities mainly consist of trade receivables and payables;
- provisions for contingencies and charges and other provisions are not allocated.

FINANCIAL RISK MANAGEMENT

The Brembo Group is exposed to market, commodity, liquidity and credit risks, all of which are tied to the use of financial instruments. For a description of each type of risk, the reader is referred to the Consolidated Financial Statements for the year ended 31 December 2023, as no significant changes have occurred in the reporting period.

Financial risk management is the responsibility of the central Treasury & Credit Department of Brembo N.V., which, together with the Group Finance Department, evaluates the main financial transactions and related hedging policies.

Fair Value Measurement

With regard to the disclosure on financial risks, the following information is provided:

a) the fair value hierarchy for the Group's assets and liabilities:

(EURO THOUSAND)	30.06.2024				31.12.2023			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial assets measured at fair value through profit or loss:								
Current derivatives	0	414	0	414	0	3,152	0	3,152
Hedging derivatives:								
Current derivatives	0	8,987	0	8,987	0	9,797	0	9,797
Non-current derivatives	0	8,436	6,841	15,277	0	9,097	11,288	20,385
Total financial assets measured at fair value	0	17,837	6,841	24,678	0	22,046	11,288	33,334
Financial liabilities measured at fair value:								
Current derivatives	0	(883)	0	(883)	0	(160)	0	(160)
Hedging derivatives:								
Current derivatives	0	0	0	0	0	0	0	0
Non-current derivatives	0	0	0	0	0	0	0	0
Total financial liabilities measured at fair value	0	(883)	0	(883)	0	(160)	0	(160)
Assets (liabilities) for which fair value is indicated:								
Current and non-current payables to banks	0	(569,904)	0	(569,904)	0	(611,718)	0	(611,718)
Current and non-current lease liabilities	0	(178,557)	0	(178,557)	0	(171,240)	0	(171,240)
Other current and non-current financial liabilities	0	(822)	0	(822)	0	(58,685)	0	(58,685)
Total assets (liabilities) for which fair value is indicated	0	(749,283)	0	(749,283)	0	(841,643)	0	(841,643)

- b) a reconciliation between the classes of financial assets and liabilities identified in the Group's Statement of Financial Position and the types of financial assets and liabilities identified based on the requirements of IFRS 7:

(EURO THOUSAND)	30.06.2024	31.12.2023
Financial asset		
Financial assets at fair value through profit or loss		
Other financial assets at fair value through profit or loss	0	0
Current derivatives	414	3,152
Financial assets at amortised cost		
Other non-current receivables	46,410	40,264
Current trade receivables	730,017	604,877
Other current receivables	86,660	68,299
Cash and cash equivalents	374,831	510,058
Financial assets measured at fair value through other comprehensive income (FVOCI)		
Other financial assets at fair value through other comprehensive income	310,512	278,446
Hedging derivatives		
Current derivatives	8,987	3,797
Non-current derivatives	15,277	20,385
Total financial assets	1,573,108	1,535,278
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Current derivatives	(883)	(160)
Non-current derivatives	0	0
Financial liabilities measured at amortised cost		
Non-current payables to banks and other financial institutions (excluding lease payables)	(406,198)	(488,295)
Other non-current payables	(2,337)	(3,887)
Current payables to banks and other financial institutions (excluding lease payables)	(423,451)	(330,274)
Trade payables	(765,166)	(742,099)
Other current payables	(149,924)	(150,254)
Lease payables		
Long-term lease liabilities	(156,507)	(149,785)
Current lease payables	(22,050)	(21,455)
Hedging derivatives		
Non-current derivatives	0	0
Current derivatives	0	0
Total financial liabilities	(1,926,516)	(1,886,209)

The approach used to calculate fair value is the present value of the future cash flows expected to derive from the instrument being measured, determined by discounting the scheduled instalments at a rate equal to the forward rate curve applicable to each account payable. In detail:

- loans and payables to other lenders with a duration of more than 12 months were measured at fair value determined by applying the forward rates curve to the residual duration of the loan;
- receivables, trade payables, held-to-maturity financial assets, payables and receivables to and from banks due within 12 months were measured at their carrying amounts, inasmuch as this is believed to approximate fair values;
- the fair value of derivatives was determined on the basis of valuation techniques that take into account market parameters other than the prices of the financial instrument.

RELATED PARTIES

The Group carries out transactions with parents, subsidiaries, associates, joint ventures, directors, key management personnel and other related parties. The Parent Brembo N.V. is a subsidiary of Nuova FourB S.r.l., which holds 76.56% of its share capital. Brembo did not engage in dealings with its parent in the first half of 2024.

Information pertaining to the fees paid to Directors and Statutory Auditors of Brembo N.V. and of other Group companies and additional information required is reported below:

(EURO THOUSAND)	30.06.2024		30.06.2023	
	DIRECTORS	AUDITORS	DIRECTORS	AUDITORS
Emoluments and other incentives for the office held	2,873	67	2,808	97
Participation in committees and specific tasks	103	0	78	0
Salaries and other incentives	2,567	0	2,383	0

The item "Salaries and other incentives" includes the estimate of the cost of the 2022-2024 three-year plan reserved for the Company's top managers and accrued in the reporting period, remuneration paid as salaries for the employee function and provisions for bonuses still to be paid.



The following table provides a summary of related party transactions with reference to balances of the Statement of Financial Position and Statement of Income:

	CARRYING VALUE	TOTAL	OTHER ^(*)	JOINT VENTURES	ASSOCIATES	%	CARRYING VALUE	TOTAL	OTHER ^(*)	JOINT VENTURES	ASSOCIATES	%
(EURO THOUSAND)	30.06.2024						31.12.2023					
a) Weight of transactions or positions with related parties on items of the Statement of Financial Position												
Trade receivables	730,017	1,834	19	1,612	203	0.3%	604,877	3,121	18	2,998	105	0.5%
Other non-current liabilities	(2,337)	0	0	0	0	0.0%	(3,887)	(628)	(628)	0	0	16.2%
Employee benefits	(40,016)	(8,337)	(8,337)	0	0	20.8%	(36,445)	(7,151)	(7,151)	0	0	19.6%
Trade payables	(765,166)	(19,891)	(297)	(19,451)	(143)	2.6%	(742,099)	(21,160)	(3,278)	(17,301)	(581)	2.9%
Other current liabilities	(149,924)	(3,734)	(3,607)	(127)	0	2.5%	(150,254)	(3,920)	(3,787)	(133)	0	2.6%
	30.06.2024						30.06.2023					
b) Weight of transactions or positions with related parties on items of the Statement of Income												
Revenue from contracts with customers	2,004,835	238	0	238	0	0.0%	1,949,875	233	2	231	0	0.0%
Other revenues and income	11,264	2,285	20	2,151	114	20.3%	19,478	2,237	15	2,108	114	11.5%
Raw materials, consumables and goods	(915,956)	(52,224)	(10)	(52,195)	(19)	5.7%	(925,092)	(37,094)	0	(36,972)	(122)	4.0%
Other operating costs	(400,889)	(5,564)	(4,392)	(1,036)	(136)	1.4%	(386,111)	(6,112)	(4,113)	(1,892)	(107)	1.6%
Personnel expenses	(371,414)	(3,133)	(3,133)	0	0	0.8%	(336,248)	(2,979)	(2,979)	0	0	0.9%
Net interest income (expense)	(17,966)	(98)	(97)	(1)	0	0.5%	(6,648)	81	81	0	0	-1.2%
Interest income (expense) from investments	11,054	11,048	11,048	0	0	99.9%	12,158	12,164	12,164	0	0	100.0%

(*) Other related parties include key management personnel of the entity and other related parties.

Sales of products, supply of services and the transfer of fixed assets between Group companies were carried out at prices reflecting fair market conditions. The trading volumes reflect the internationalisation process aimed at constantly improving both operating and organisational standards and optimising synergies within the Company. From a financial standpoint, the subsidiaries operate independently, although some benefit from various forms of centralised financing. Since 2008, a zero-balance cash-pooling system has been effective, with Brembo N.V. as the pool leader. In 2013, an additional cash pooling arrangement was put in place, denominated in CNY, with Brembo Nanjing Brake Systems Co. Ltd. as pooler and Brembo Nanjing Automobile Components Co. Ltd., Qingdao Brembo Trading Co. Ltd., Brembo Huilian (Langfang) Brake Systems Co. Ltd. and Jiaxing Ciju Control Systems Co. Ltd. as participants. The cash pooling is entirely based in China, and Citibank China is the service provider.

INFORMATION ABOUT THE GROUP

The key figures of Group companies are commented upon in the sections of the Directors' Report on Operations "Group Structure" and "Performance of Brembo Companies".

COMPANY	HEADQUARTERS		SHARE CAPITAL		STAKE HELD BY GROUP COMPANIES	
Brembo N.V.	Bergamo	Italy	Eur	7,007,202		
AP Racing Ltd.	Coventry	United Kingdom	Gbp	135,935	100%	Brembo N.V.
Brembo Czech S.r.o.	Ostrava-Hrabová	Czech Republic	Czk	605,850,000	100%	Brembo N.V.
Brembo Deutschland GmbH	Leinfelden-Echterdingen	Germany	Eur	25,000	100%	Brembo N.V.
Brembo Inspiration Lab Corp.	Wilmington, Delaware	USA	Usd	300,000	100%	Brembo N.V.
Brembo Japan Co. Ltd.	Tokyo	Japan	Jpy	11,000,000	100%	Brembo N.V.
Brembo Nanjing Brake Systems Co. Ltd.	Nanjing	China	Cny	492,030,169	100%	Brembo N.V.
Brembo North America Inc.	Wilmington, Delaware	USA	Usd	33,798,805	100%	Brembo N.V.
Brembo Poland Spółka Zo.o.	Dąbrowa Górnicza	Poland	Pln	144,879,500	100%	Brembo N.V.
Brembo Russia LLC	Moscow	Russia	Rub	1,250,000	100%	Brembo N.V.
Brembo Scandinavia A.B.	Göteborg	Sweden	Sek	4,500,000	100%	Brembo N.V.
J.Juan S.A.U.	Barcelona	Spain	Eur	150,260	100%	Brembo N.V.
La.Cam (Lavorazioni Camune) S.r.l.	Stezzano (BG)	Italy	Eur	100,000	100%	Brembo N.V.
Qingdao Brembo Trading Co. Ltd.	Qingdao	China	Cny	1,365,700	100%	Brembo N.V.
Brembo Reinsurance AG	Zurich	Switzerland	Eur	6,148,533	100%	Brembo N.V.
Brembo (Nanjing) Automobile Components Co. Ltd.	Nanjing	China	Cny	226,565,500	60%	Brembo N.V.
					40%	Brembo Brake India Pvt. Ltd.
					40%	Brembo Brake India Pvt. Ltd.
SBS Friction A/S	Svendborg	Denmark	Dkk	12,001,000	60%	Brembo N.V.
					40%	Brembo Brake India Pvt. Ltd.
Brembo Mexico S.A. de C.V.	Apodaca	Mexico	Usd	20,428,836	49%	Brembo N.V.
					51%	Brembo North America Inc.
Brembo Brake India Pvt. Ltd.	Pune	India	Inr	140,000,000	99.99%	Brembo N.V.
Brembo do Brasil Ltda.	Betim	Brazil	Brl	159,136,227	99.99%	Brembo N.V.
Brembo Thailand Ltd.	Bangkok	Thailand	Thb	203,320,000	99.99%	Brembo N.V.
Corporación Upwards '98 S.A.	Zaragoza	Spain	Eur	498,043	68%	Brembo N.V.
Brembo Huilian (Langfang) Brake Systems Co. Ltd.	Langfang	China	Cny	170,549,133	66%	Brembo N.V.
Brembo SGL Carbon Ceramic Brakes S.p.A.	Stezzano (BG)	Italy	Eur	4,000,000	50%	Brembo N.V.
Shandong BRGP Friction Technology Co. Ltd.	Shandong	China	Cny	124,900,000	50%	Brembo N.V.
Petroceramics S.p.A.	Milan	Italy	Eur	123,750	20%	Brembo N.V.
Infibra Technologies S.r.l.	Pisa	Italy	Eur	53,133	20%	Brembo N.V.
AP Racing North America Corp.	Wilmington, Delaware	USA	Usd	300,000	100%	AP Racing Ltd.
Brembo SGL Carbon Ceramic Brakes GmbH	Meitingen	Germany	Eur	25,000	100%	Brembo SGL Carbon Ceramic Brakes S.p.A.
Jiaxing Ciju Control Systems Co. Ltd.	Jiaxing	China	Cny	16,309,640	100%	J.Juan S.A.U.
Brembo Poland Manufacturing Sp. Zo.o.	Dąbrowa Górnicza	Poland	Pln	50,000,000	100%	Brembo Poland Spółka Zo.o.
Brembo Poland Heratech Sp. Zo.o.	Częstochowa	Poland	Pln	5,000	100%	Brembo Poland Spółka Zo.o.



COMMITMENTS

Contractual commitments for investments in property, plant and equipment and intangible assets already entered into with third parties at 30 June 2024 and not yet recognised in the Condensed Consolidated Six Monthly Financial Report amounted to roughly €300 million.

SIGNIFICANT EVENTS AFTER 30 JUNE 2024

On 10 July 2024 Brembo acquired a stake for €1,000 thousand 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.

No other significant events occurred after the end of the first half of the year and up to 30 July 2024.

ANALYSIS OF EACH ITEM

STATEMENT OF FINANCIAL POSITION

1. PROPERTY, PLANT AND EQUIPMENT

Property, plant, equipment and other equipment

The changes in property, plant and equipment are shown in the table below and described in this section.

	LAND	BUILDINGS	PLANT AND MACHINERY	INDUSTRIAL AND COMMERCIAL EQUIPMENT	OTHER ASSETS	ASSETS IN COURSE OF CONSTRUCTION AND PAYMENTS ON ACCOUNT	TOTAL
(EURO THOUSAND)							
Historical cost	37,789	467,765	1,767,495	298,789	86,515	138,809	2,797,162
Accumulated depreciation	0	(184,504)	(1,168,763)	(252,216)	(63,692)	0	(1,669,175)
Write-down provision	0	0	(2,128)	(18)	(10)	(120)	(2,276)
Balance at 1 January 2023	37,789	283,261	596,604	46,555	22,813	138,689	1,125,711
Changes:							
Translation differences	(227)	(1,003)	(1,869)	294	(917)	(1,206)	(4,928)
Reclassifications	0	10,486	19,012	4,063	860	(35,556)	(1,135)
Acquisitions	3,990	4,148	22,260	6,526	1,731	98,109	136,764
Disposals	0	(3)	(199)	(46)	(105)	0	(353)
Reclassification from leased assets to property, plant and equipment	11,052	50,087	0	0	0	0	61,139
Depreciations	0	(9,734)	(68,963)	(9,809)	(3,513)	0	(92,019)
Impairment losses	0	(6)	(1)	0	0	(2,252)	(2,259)
Total variations	14,815	53,975	(29,760)	1,028	(1,944)	59,095	97,209
Historical cost	52,604	531,593	1,801,770	309,790	85,893	197,911	2,979,561
Accumulated depreciation	0	(194,357)	(1,232,935)	(262,189)	(65,014)	0	(1,754,495)
Write-down provision	0	0	(1,991)	(18)	(10)	(127)	(2,146)
Balance at 30 June 2023	52,604	337,236	566,844	47,583	20,869	197,784	1,222,920
Historical cost	58,243	569,758	1,922,562	326,205	89,442	233,023	3,199,233
Accumulated depreciation	0	(204,816)	(1,295,852)	(270,036)	(68,205)	0	(1,838,909)
Write-down provision	0	(176)	(1,927)	(4,299)	(7)	(367)	(6,776)
Balance at 1 January 2024	58,243	364,766	624,783	51,870	21,230	232,656	1,353,548
Changes:							
Translation differences	764	5,731	6,389	108	145	3,171	16,308
Reclassifications	(1)	28,075	48,560	6,577	2,868	(91,164)	(5,085)
Acquisitions	140	2,806	27,313	7,424	2,600	106,299	146,582
Disposals	0	(11)	(732)	(6)	(32)	0	(781)
Others	0	0	37	0	0	0	37
Depreciations	0	(10,957)	(73,491)	(11,116)	(3,312)	0	(98,876)
Impairment losses	0	0	(941)	0	0	(80)	(1,021)
Total variations	903	25,644	7,135	2,987	2,269	18,226	57,164
Historical cost	59,146	608,028	2,005,253	338,999	94,688	251,252	3,357,366
Accumulated depreciation	0	(217,442)	(1,371,391)	(279,843)	(71,182)	0	(1,939,858)
Write-down provision	0	(176)	(1,944)	(4,299)	(7)	(370)	(6,796)
Balance at 30 June 2024	59,146	390,410	631,918	54,857	23,499	250,882	1,410,712

In the first half of 2024, investments in tangible fixed assets amounted to €146,582 thousand, including €106,299 thousand in fixed assets in course of construction.

As already noted in the Directors' Report on Operations, the Group continued its international development programme. This involved significant investments in North America, Italy and Poland.

Net disposals amounted to €781 thousand and refer to the normal cycle of machinery replacement, as it becomes unusable in production processes.

Total depreciation charges for the first half of 2024 amounted to €98,876 thousand (€92,019 thousand at 30 June 2023).

Right of use assets

The following table shows the movements in item "Right of use assets":

(EURO THOUSAND)	LAND	BUILDINGS	PLANT AND MACHINERY	OTHER ASSETS	TOTAL
Historical cost	4,862	288,679	441	36,426	330,408
Accumulated depreciation	(533)	(63,877)	(264)	(23,613)	(88,287)
Balance at 1 January 2023	4,329	224,802	177	12,813	242,121
Changes:					
Translation differences	(219)	(838)	1	145	(911)
Reclassification from leased assets to property, plant and equipment	0	(63,672)	0	(6)	(63,678)
New contracts/leases for the year	0	8,681	0	2,250	10,931
Unwinding of lease contract	0	(317)	0	(86)	(403)
Depreciations	(46)	(9,006)	(68)	(3,858)	(12,978)
Total variations	(265)	(65,152)	(67)	(1,555)	(67,039)
Historical cost	4,609	220,336	441	37,108	262,494
Accumulated depreciation	(545)	(60,686)	(331)	(25,850)	(87,412)
Balance at 30 June 2023	4,064	159,650	110	11,258	175,082
Historical cost	4,648	222,769	441	32,495	260,353
Accumulated depreciation	(594)	(68,276)	(399)	(21,753)	(91,022)
Balance at 1 January 2024	4,054	154,493	42	10,742	169,331
Changes:					
Translation differences	39	(269)	(1)	61	(170)
Reclassification from leased assets to property, plant and equipment	0	0	0	(29)	(29)
New contracts/leases for the year	270	13,102	0	5,388	18,760
Unwinding of lease contract	0	(3)	(11)	5	(9)
Depreciations	(47)	(8,878)	(56)	(3,782)	(12,763)
Total variations	262	3,952	(68)	1,643	5,789
Historical cost	4,962	235,694	441	33,134	274,231
Accumulated depreciation	(646)	(77,249)	(467)	(20,749)	(99,111)
Balance at 30 June 2024	4,316	158,445	(26)	12,385	175,120

The increases mainly refer to new contracts subscribed by Brembo N.V. for a new building in Stezzano and by Brembo Inspiration Lab. Inc. for the extension of the existing building.

2. INTANGIBLE ASSETS (DEVELOPMENT COSTS, GOODWILL AND OTHER INTANGIBLE ASSETS)

Development costs, goodwill and other intangible assets

The changes in this item are shown in the table below and described in this section.

	DEVELOPMENT COSTS	GOODWILL (A)	INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES (B)	SUB-TOTAL (A + B)	INDUSTRIAL PATENTS, TRADEMARKS AND SIMILAR RIGHTS (C)	OTHER INTANGIBLE ASSETS (D)	TOTAL OTHER INTANGIBLE ASSETS (C + D)	TOTAL
(EURO THOUSAND)								
Historical cost	287,214	123,591	11,332	134,923	48,591	193,028	241,619	663,756
Accumulated amortisation	(178,967)	0	0	0	(36,047)	(127,454)	(163,501)	(342,468)
Write-down provision	(6,589)	(11,686)	(2)	(11,688)	(2,589)	0	(2,589)	(20,866)
Balance at 1 January 2023	101,658	111,905	11,330	123,235	9,955	65,574	75,529	300,422
Changes:								
Translation differences	(184)	(3,232)	(29)	(3,261)	33	(1,379)	(1,346)	(4,791)
Reclassifications	0	0	0	0	469	586	1,055	1,055
Acquisitions	12,952	0	0	0	453	4,476	4,929	17,881
Amortisations	(10,218)	0	0	0	(1,068)	(5,685)	(6,753)	(16,971)
Impairment losses	(1,897)	0	0	0	0	0	0	(1,897)
Total variations	653	(3,232)	(29)	(3,261)	(113)	(2,002)	(2,115)	(4,723)
Historical cost	299,612	120,749	11,303	132,052	49,697	195,322	245,019	676,683
Accumulated amortisation	(188,816)	0	0	0	(37,266)	(131,750)	(169,016)	(357,832)
Write-down provision	(8,485)	(12,076)	(2)	(12,078)	(2,589)	0	(2,589)	(23,152)
Balance at 30 June 2023	102,311	108,673	11,301	119,974	9,842	63,572	73,414	295,699
Historical cost	315,056	120,203	11,305	131,508	51,252	203,754	255,006	701,570
Accumulated amortisation	(201,631)	0	0	0	(38,410)	(137,277)	(175,687)	(377,318)
Write-down provision	(9,002)	(11,927)	(2)	(11,929)	(2,589)	0	(2,589)	(23,520)
Balance at 1 January 2024	104,423	108,276	11,303	119,579	10,253	66,477	76,730	300,732
Changes:								
Translation differences	324	1,477	2	1,479	7	261	268	2,071
Reclassifications	(2)	0	0	0	323	(298)	25	23
Acquisitions	15,520	0	0	0	544	5,884	6,428	21,948
Amortisations	(11,829)	0	0	0	(1,158)	(5,149)	(6,307)	(18,136)
Impairment losses	(1,798)	0	0	0	0	0	0	(1,798)
Total variations	2,215	1,477	2	1,479	(284)	698	414	4,108
Historical cost	331,670	121,999	11,307	133,306	52,139	210,015	262,154	727,130
Accumulated amortisation	(214,231)	0	0	0	(39,580)	(142,840)	(182,420)	(396,651)
Write-down provision	(10,801)	(12,246)	(2)	(12,248)	(2,590)	0	(2,590)	(25,639)
Balance at 30 June 2024	106,638	109,753	11,305	121,058	9,969	67,175	77,144	304,840

Development costs

The item "Development costs" includes costs for development, internal and external, for a gross historical cost of €331,670 thousand. They refer to development projects — of which the Group regularly monitors the progress and profitability perspectives —, agreed upon with end customers and confirmed, that at the reporting date have neither been suspended or cancelled. During the reporting period, this item changed due to higher costs incurred in the first half of 2024 for development orders received both during the half-year period and in previous periods, for which additional development costs were incurred; amortisation amounting to €11,829 thousand was recognised for development costs associated with orders regarding products that have already entered production.

The gross amount includes development activities for projects underway totalling €55,244 thousand. The total amount of costs for capitalised internal works charged to the Statement of Income in the item "Costs for capitalised internal works" in the reporting period amounted to €15,451 thousand (first half of 2023: €12,723 thousand).

Impairment losses totalled €1,798 thousand (€1,897 thousand in the first half of 2023) and are recognised in the Statement of Income under "Amortisation, depreciation and impairment losses." Impairment losses refer to development costs incurred mainly by the Parent, Brembo N.V., in relation to projects that, consistent with the desire of the customer or Brembo, were not completed or underwent changes in terms of their end destination.

Goodwill

The item "Goodwill" arose from the following business combinations:

(EURO THOUSAND)	30.06.2024	31.12.2023
Discs – Systems – Motorbikes:		
Brembo North America Inc. (Hayes Lemmerz)	15,945	15,447
Brembo México S.A. de C.V. (Hayes Lemmerz)	970	940
Brembo Nanjing Brake Systems Co. Ltd.	900	892
Brembo Brake India Pvt. Ltd.	7,379	7,165
Brembo Huilian (Langfang) Brake Systems Co. Ltd.	43,302	42,882
SBS Friction A/S	20,691	20,703
J.Juan Group	6,296	6,296
After Market – Performance Group:		
Corporación Upwards '98 (Frenco S.A.)	2,006	2,006
AP Racing Ltd.	12,264	11,945
Total	109,753	108,276

The change compared to 31 December 2023 was attributable to the change in consolidation exchange rates differences.

CGUs are typically identified as the business being acquired and therefore tested for impairment. If the asset being tested for impairment refers to businesses operating in multiple business lines, it is attributed to all business lines in existence at the date of acquisition; this approach is consistent with valuations carried out at the acquisition date, which are typically based on the estimated recoverable amount of the entire investment.

Intangible assets with indefinite useful lives

This item includes €1,030 thousand related to the Villar trademark, owned by the subsidiary Corporación Upwards '98 S.A., €1,317 thousand for the SBS Friction trademark, €8,585 thousand for the J.Juan trademark and €373 for the trademark LF of Brembo Huilian (Langfang) Brake Systems Co. Ltd.

Impairment test

The Group conducts an impairment test at year-end and whenever there are indicators of impairment losses. The Group's impairment test on goodwill and intangible assets with indefinite useful lives is based on value in use; the key assumptions used to determine the recoverable amount of invested capital for the various CGUs have been set out in the Consolidated Financial Statements for the year ended 31 December 2023.

Among the various indicators of impairment losses, the Group considers the relationship between its market capitalisation and equity, which at 30 June 2024 did not show any indicators of impairment losses. In the first half of 2024, no external indicators emerged other than those identified at the end of the previous year.

With regard to the identification of internal indicators, an internal impairment indicator was considered to be the occurrence of a simultaneous deterioration in both the final results for the first six months of 2024 compared to the budget and the annual 5+7 forecasts compared to the 2024 budget.

The Group assessed the performance of the CGUs that showed internal impairment loss indicators using the 2025-2028 Plan approved by the Board of Directors on 30 July 2024, updating the estimate of the Group discount rate (Group WACC) to 9.66% (9.79% in 2023) and maintaining the growth rate (g-rate), used to determine the terminal value, at 1.5% without the need to make any write-down.

After carrying out the base tests, starting from the calculation for each CGU subject to impairment, sensitivity analyses were performed, varying the WACC from 9.66% to 10.66% and the growth rate from 1.5% to 1% without any CGU having to be subject to write-down.

In addition, the Group introduced an additional sensitivity scenario on cash flows at consolidated level to reflect its carbon neutrality goals. Accordingly, cash outflows were simulated, both during the explicit period and in the estimate of terminal value, which simulate the cost of neutralising CO₂ emissions (Scope 1) on the basis of the market values that would be incurred to neutralise them. The result of the analysis showed no impairment of the assets recognised in the financial statements.

Other intangible assets

Acquisitions recognised under "Other intangible assets" totalled €6,428 thousand and refer for €544 thousand to the filing of specific patents and trademarks, and for the remaining amount mainly to the share of the investment for the reporting year associated with the development of the Group's Digital Transformation plan.

3. SHAREHOLDINGS VALUED USING THE EQUITY METHOD (ASSOCIATES AND JOINT VENTURES)

This item includes the amounts attributable to the Group related to the shareholdings valued using the equity method. The following table shows all relevant movements:

(EURO THOUSAND)	31.12.2023	ACQUISITIONS AND NEW SHAREHOLDINGS	EXCHANGE RATE FLUCTUATIONS	WRITE-UPS/ WRITE-DOWNS	DIVIDENDS	OTHER CHANGES	30.06.2024
Brembo SGL Carbon Ceramic Brakes Group	53,707	0	0	8,129	(10,000)	0	51,836
Shandong BRGP Friction Technology Co. Ltd.	4,393	2,733	16	0	0	0	7,142
Petroceramics S.p.A.	1,294	0	0	18	0	(5)	1,307
Infibra Technologies S.r.l.	793	0	0	(12)	0	0	781
Total	60,187	2,733	16	8,135	(10,000)	(5)	61,066

It should be noted that the impact on the Statement of Income of valuation of shareholdings using the equity method is classified in two items: "Income (expense) from non-financial investments", attributable to the effects of the valuation using the equity method of the BSCCB Group and the company Shandong BRGP Friction Technology Co. Ltd., and "Interest income (expense) from investments", attributable to the valuation of associates using the equity method.

The investment in Brembo SGL Carbon Ceramic Brakes S.p.A. was written up by €8,129 thousand, mainly to account for net income for the period.

4. INVESTMENTS IN OTHER COMPANIES, DERIVATIVES AND OTHER FINANCIAL ASSETS

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Investments in other companies measured at fair value	310,512	278,446
Investments in other companies measured at cost	1,713	1,686
Derivatives measured at fair value	15,277	20,385
Other securities	447	447
Other	2,483	2,464
Total	330,432	303,428

The item "Investments in other companies measured at fair value" consisted of the fair value of the 5.58% interest held in Pirelli S.p.A. amounting to €310,248 thousand and of the 2.33% interest held in E-Novia S.p.A. for €264 thousand. At 30 June 2024, the measurement of the interest in Pirelli S.p.A. at fair value resulted in a €35,321 thousand increase in its value and in the Group equity compared to 31 December 2023 (due to the change in the market price of the stock from €4.927 to €5.56). In accordance with IFRS 9, changes in fair value are recognised in the Consolidated Statement of Comprehensive Income.

"Investments in other companies measured at cost" includes the 10% interest in International Sport Automobile S.à.r.l. and the 1.20% interest in Fuji Co. The change of €27 thousand on 31 December 2023 was attributable to the Parent's interest in consortium funds intended for research.

The item "Derivatives" refers for €6,841 thousand to the fair value of derivative assets relating to a specific financial transaction hedging against the risk of fluctuation in the electricity price undertaken in 2021 by Brembo Poland Sp.Zo.o. and for €8,436 thousand to the non-current portion of the fair value of two IRSs entered into directly by the Parent Brembo N.V., for a remaining notional amount of €75 million and €200 million, respectively, at 30 June 2024, hedging the change in interest rate risk associated with a specific outstanding loan. These IRSs fall within the requirements set forth in the accounting standards relating to hedge accounting (cash flow hedge). The change in fair value compared to 31 December 2023 was recognised as a component of comprehensive income, net of the tax effect, given that the hedge is fully effective.

"Other" includes interest-free security deposits for utilities and car rental agreements.

5. RECEIVABLES AND OTHER NON-CURRENT ASSETS

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Other non-current activities	41,733	35,634
Income tax receivables	4,033	6,075
Non-income tax receivables	34	34
Total	45,800	41,743

The item "Other non-current assets" mainly includes the amounts related to contributions towards clients for the acquisition of long-term exclusive supply arrangements, which were subsequently released to the Statement of Income in accordance with the supply schedule for the clients.

Income tax receivables mainly refer to tax credits that can be used beyond one year, granted on the purchase of new property, plant and equipment, and other tax credits for which refunds have been requested.

6. DEFERRED TAX ASSETS AND LIABILITIES

The net balance of deferred tax assets and liabilities at 30 June 2024 is broken down as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Deferred tax assets	113,642	97,661
Deferred tax liabilities	(29,795)	(30,956)
Total	83,847	66,705

Deferred tax assets and liabilities were generated mainly due to temporary differences for capital gains with deferred taxation, other income items subject to future deductions or taxation, prior years' tax losses and other consolidation adjustments.

Movements for the period are reported in the following table:

(EURO THOUSAND)	30.06.2024	30.06.2023
Balance at beginning of period	66,705	32,607
Deferred tax liabilities generated	(250)	1,787
Deferred tax assets generated	18,304	14,879
Use of deferred tax assets and liabilities	(2,219)	(503)
Exchange rate fluctuations	731	(771)
Other movements	576	5,979
Balance at end of period	83,847	53,978

It should also be noted that:

- unrecognised deferred tax assets of Brembo do Brasil Ltda. — calculated on prior years' losses (BRL 74.02 million) eligible to be unlimitedly carried forward — amounted to BRL 25.16 million, whereas recognised deferred tax assets amounted to BRL 11.2 million;

- unrecognised deferred tax assets of J.Juan S.A.U. — calculated on prior years' losses (€447 thousand) eligible to be unlimitedly carried forward — amounted to €112 thousand;
- Brembo Czech S.R.O. has three tax incentive plans, one of CZK 133.1 million (expiring in 2026), one of CZK 63.8 million (expiring in 2029) and another of CZK 367.0 million (expiring in 2031), on which the company did not recognise any deferred tax assets. In addition, the Company also recognised deferred tax assets on prior years' losses amounting to CZK 184.5 million.

7. INVENTORIES

A breakdown of net inventories, which are stated net of the inventory write-down provision, is shown below:

(EURO THOUSAND)	30.06.2024	31.12.2023
Raw materials	250,481	228,060
Work in progress	155,544	148,749
Finished products	217,853	196,547
Goods in transit	41,339	48,341
Total	665,217	621,697

The change compared to 31 December 2023 was attributable to greater volumes, as well as to a policy aimed at increasing the supply of inventories in order to tackle any supply chain-related risks.

Movements in the inventory write-down provision are reported in the following table:

(EURO THOUSAND)	30.06.2024	30.06.2023
Balance at the beginning of period	76,913	77,073
Provisions	16,633	13,260
Uses/Releases	(7,733)	(4,748)
Exchange rate fluctuation	287	419
Reclassification	13	5
Balance at end of period	86,113	86,009

The inventory write-down provision is determined in order to align the cost of inventories to their estimated realisable value; the provision increased due to higher depreciation calculated on obsolete goods as a result of faster renewal of product ranges.

8. TRADE RECEIVABLES

At 30 June 2024, the balance of trade receivables compared to the end of the previous year was as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Receivables from customers	728,202	601,774
Receivables from associates and joint ventures	1,815	3,103
Total	730,017	604,877

The increase in trade receivables is mainly due to higher sales volumes and, partly, to higher receivables past due within 15 days, which in any case did not entail any criticality.

The bad debt risk is not concentrated in any one area, as the Group has a client portfolio spread across the various geographical areas in which it operates. In this regard, the customers' risk profile is substantially unchanged compared to that assessed in the previous year.

Account receivables from customers are recognised net of the provision for bad debts, which amounted to €10,913 thousand. Movements in the provision for bad debts are shown below:

(EURO THOUSAND)	30.06.2024	30.06.2023
Balance at the beginning of period	8,455	7,285
Provisions	2,846	802
Use/Release	(374)	(492)
Exchange rate fluctuations	(14)	44
Balance at end of period	10,913	7,639

The Brembo Group's maximum credit risk exposure is the book value of the gross financial assets recognised in the financial statements, net of any amounts offset in accordance with IAS 32 and any impairment losses recognised in accordance with IFRS 9. It bears noting that Brembo has no credit insurance contracts as its credit risk is modest since its main business partners are leading car and motorbike manufacturers with high credit standing.

9. OTHER RECEIVABLES AND CURRENT ASSETS

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Income tax receivables	21,229	29,338
Non-income tax receivables	57,794	39,224
Other receivables	26,038	25,977
Total	105,061	94,539

The item "Income tax receivables" includes the receivable recognised by the Parent in prior years in relation to the application of an IRES refund, concerning the non-deductibility for IRAP purposes of personnel expenses, and other applications for IRES and IRAP refund, besides the R&D tax credit.

The item "Non-income tax receivables" primarily includes the VAT receivables of Brembo N.V. and of subsidiaries, in particular those located in Poland and Mexico.

The item "Other receivables" includes dividends to be received by investees and advances paid to suppliers for goods and services, as well as other accrued income.

10. DERIVATIVES AND CURRENT FINANCIAL ASSETS

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Derivatives measured at fair value	9,401	12,949
Security deposits	2,747	2,969
Other receivables	81	128
Total	12,229	16,046

The item "Derivatives" refers for €8,987 thousand to the current portion of the fair value of two IRSs entered into directly by the Parent Brembo N.V., for a remaining notional amount of €75 million and €200 million, respectively, at 30 June 2024, hedging the change in interest rate risk associated with a specific outstanding loan. These IRSs fall within the requirements set forth in the accounting standards relating to hedge accounting (cash flow hedge). The change in fair value compared to 31 December 2023 was recognised as a component of comprehensive income, net of the tax effect, given that the hedge is fully effective.

The item also includes the fair value of derivative assets relating to hedging through currency forwards for €414 thousand.

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include:

(EURO THOUSAND)	30.06.2024	31.12.2023
Bank and postal account	374,711	509,935
Cash-in-hand and cash equivalents	120	123
Total cash and cash equivalents	374,831	510,058
Payables to banks: ordinary current accounts and foreign currency advances	(271,849)	(164,191)
Cash and cash equivalents from the Statement of Cash Flow	102,982	345,867

The items listed above can be converted readily into cash and are not exposed to a significant risk that their value may change. It is deemed that the book value of cash and cash equivalents approximates their fair value at the reporting date. Cash is on deposit with credit institutions whose ratings are constantly monitored in order to select only financially sound counterparties.

It should be noted that, with regard to the amount recognised in the Statement of Cash Flows, interest paid in the half year totalled €24,370 thousand (€20,009 thousand at 30 June 2023).

12. EQUITY

Group consolidated equity at 30 June 2024 increased by €109,815 thousand compared to 31 December 2023. For further details, reference should be made to the paragraph "Significant events during the six-month period". Movements are given in the relevant statement within the Condensed Consolidated Six Monthly Financial Report.

Share capital

The subscribed and paid up share capital amounted to €7.007 thousand at 30 June 2024. The table below shows the composition of the share capital and the number of shares outstanding at 30 June 2024:

	PAID-UP SHARE CAPITAL EURO	NO. SHARES MAKING UP THE SHARE CAPITAL	NO. OF VOTING RIGHT
Ordinary Shares	3,339,222.50	333,922,250	333,922,250 (*)
Special Voting Shares A (***)	91,354.12	9,135,412	9,135,412 (**)
Special Voting Shares B (***)	3,576,625.42	178,831,271	357,662,542
Total	7,007,202.04	521,888,933	700,720,204

(*) Of which Treasury Shares 15,051,860.

(**) Of which Treasury Shares 8,999,572.

(***) Shares governed by the rules in the document "Terms and Conditions of Special Voting Shares" (please see: SVS Terms and Conditions).

As part of its buy-back plan, in the first semester Brembo bought back 4,387,303 own shares (€57,456 thousand), which, together with the 10,664,557 own shares already held, represent 4.508% of the Company's share capital.

Other reserves and retained earnings/(losses)

The General Shareholders' Meeting of the Parent Brembo N.V. 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.

Share capital and reserves of minority interests

This item changed due to dividends paid to minority shareholders, as well as to the change in consolidation exchange rates differences.

13. FINANCIAL DEBT AND DERIVATIVES

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024			31.12.2023		
	DUE WITHIN ONE YEAR	DUE AFTER ONE YEAR	TOTAL	DUE WITHIN ONE YEAR	DUE AFTER ONE YEAR	TOTAL
Payables to banks:						
– overdrafts and advances	271,849	0	271,849	164,191	0	164,191
– loans	151,065	405,913	556,978	108,078	487,615	595,693
Total	422,914	405,913	828,827	272,269	487,615	759,884
Lease liabilities	22,050	156,507	178,557	21,455	149,785	171,240
Payables to other financial institutions	537	285	822	58,005	680	58,685
Derivatives measured at fair value	883	0	883	160	0	160
Total	23,470	156,792	180,262	79,620	150,465	230,085

The following table provides a breakdown of "Loans":

(EURO THOUSAND)	AMOUNT AT 31.12.2023	AMOUNT AT 30.06.2024	PORTION DUE WITHIN 1 YEAR	PORTION DUE BETWEEN 1 AND 5 YEARS	PORTION DUE AFTER 5 YEARS
Loans:					
BNL loan (€100 million)	75,288	62,730	25,243	37,487	0
BNL loan (€300 million)	205,009	204,948	55,062	149,886	0
Banca Popolare di Sondrio loan (€125 million)	88,237	75,619	25,630	49,989	0
ISP Loan (€100 million)	74,754	62,323	24,903	37,420	0
Banca Popolare di Sondrio loan (€150 million)	149,786	149,816	18,685	131,131	0
Bankinter loan (€2 million)	797	540	540	0	0
Banco Sabadell loan (€500 thousand)	170	107	107	0	0
Santander loan (€2 million)	354	203	203	0	0
Santander loan (€600 thousand)	52	0	0	0	0
Santander 2020 loan (€2 million)	689	433	433	0	0
Caixabank loan (€1 million)	354	229	229	0	0
BBVA loan (€2 million)	203	30	30	0	0
Total loans	595,693	556,978	151,065	405,913	0

It should be noted that several loans require compliance with certain financial covenants. At the end of the reporting period, all of these covenants had been met. The current level of covenants allows the Group to benefit from a safety margin that does not entail the need to reclassify financial payables subject to such covenants as short-term financial payables. At 30 June 2024, there were no financial payables secured by collateral.

The following table shows the breakdown of "Other financial liabilities":

(EURO THOUSAND)	AMOUNT AT 31.12.2023	AMOUNT AT 30.06.2024	PORTION DUE WITHIN 1 YEAR	PORTION DUE BETWEEN 1 AND 5 YEARS	PORTION DUE AFTER 5 YEARS
Other financial liabilities:					
Payables to other financial institutions:					
Libra loan	648	519	258	261	0
Payable due to liquidation of shares subject to withdrawal	57,456	0	0	0	0
Ministerio Industria España	500	250	250	0	0
Ministerio de Ciencia e Innovación	81	53	29	24	0
Total payables to other financial institutions	58,685	822	537	285	0
Lease liabilities	171,240	178,557	22,050	65,182	91,325
Total other financial liabilities	229,925	179,379	22,587	65,467	91,325

At 31 December 2023, Brembo S.p.A. recognised an account payable to the parties that validly exercised the right of withdrawal. Debt was repaid on 31 January 2024. For further information, reference should be made to section "Significant events during the six-month period".

The following table shows the structure of loans towards banks and other financial institutions at 30 June 2024, broken down by annual interest rate and currency:

(EURO THOUSAND)	30.06.2024			31.12.2023		
	FIXED RATE	VARIABLE RATE	TOTAL	FIXED RATE	VARIABLE RATE	TOTAL
Euro	269,812	287,988	557,800	341,246	313,132	654,378

The average variable rate applicable to the Group's debt is 4.99% and the average fixed rate is 0.97%.

The item "Derivatives" includes the fair value relating to hedging through currency forward contracts entered into by Brembo N.V. (€883 thousand).

At 30 June 2024, IRS derivatives had a positive fair value of €17,423 thousand, entirely recognised in a cash flow hedge reserve, gross of tax effects.

Changes in the Cash Flow Hedge Reserve, gross of tax effects, are as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Opening value	(29,873)	(75,643)
Change in fair value reserve	(2,088)	28,288
Change in reserve for payment/collection of differentials	7,939	17,482
Closing value	(24,022)	(29,873)

Net financial debt

The following table shows the reconciliation of the net financial debt at 30 June 2024 (€613,593 thousand) and at 31 December 2023 (€454,768 thousand) based on the layout prescribed by ESMA 32-382-1138 Guidelines of 4 March 2021:

(EURO THOUSAND)	30.06.2024	31.12.2023
A Cash	374,831	510,058
B Cash equivalents	0	0
C Other current financial assets	12,229	16,046
D Liquidity (A + B + C)	387,060	526,104
E Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	295,319	243,811
F Current portion of non-current financial debt	151,065	108,078
G Current financial debt (E + F)	446,384	351,889
H Net current financial debt (G - D)	59,324	(174,215)
I Non-current financial debt (excluding current portion and debt instruments)	554,269	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)	554,269	628,983
M Total financial debt (H + L)	613,593	454,768

The various components that gave rise to the change in net financial debt during the reporting period are presented in the Statement of Cash Flows in the Directors' Report on Operations.

The item "Non-current financial debt (excluding the current portion and debt instruments)" includes the non-current component of IRS derivatives amounting to €8,436 thousand.

Pursuant to IAS 7 — *Statement of Cash Flows*, changes in liabilities arising from financing activities are reported below. The table allows a reconciliation of the cash flows recognised in the Statement of Cash Flows in the Directors' Report on Operations and the total changes in the period of the Statement of Financial Position items that contribute to financial debt.

	31.12.2023	CASH FLOWS	NON-CASH FLOWS				30.06.2024
			ACQUISITIONS	EXCHANGE RATE DELTA	FAIR VALUE	OTHER MOVEMENTS	
(EURO THOUSAND)							
Loans and payables to other financial institutions	654,378	(102,838)	0	0	0	6,260	557,800
Lease liabilities	171,240	(14,436)	15,731	611	0	5,411	178,557
Derivatives measured at fair value	160	0	0	0	723	0	883
Total liabilities from financing activities	825,778	(117,274)	15,731	611	723	11,671	737,240

	31.12.2022	CASH FLOWS	NON-CASH FLOWS				30.06.2023
			ACQUISITIONS	EXCHANGE RATE DELTA	FAIR VALUE	OTHER MOVEMENTS	
(EURO THOUSAND)							
Loans and payables to other financial institutions	545,669	(41,579)	0	0	0	1,367	505,457
Lease liabilities	241,196	(74,615)	6,135	(2,158)	0	7,865	173,768
Derivatives measured at fair value	3,586	0	0	0	(878)	0	2,708
Total liabilities from financing activities	790,451	(116,194)	6,135	(2,158)	(878)	9,232	681,933

14. OTHER NON-CURRENT LIABILITIES

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Social security payables	88	1,887
Payables to employees	2,245	2,000
Other payables	4	0
Total	2,337	3,887

15. PROVISIONS

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024			30.06.2023		
	PROVISIONS FOR CONTINGENCIES AND CHARGES	PROVISION FOR PRODUCT GUARANTEES	TOTAL	PROVISIONS FOR CONTINGENCIES AND CHARGES	PROVISION FOR PRODUCT GUARANTEES	TOTAL
Balance at the beginning of period	19,052	14,766	33,818	9,557	16,042	25,599
Provisions	888	1,866	2,754	1,146	1,485	2,631
Uses/Releases	(2,304)	(3,796)	(6,100)	(2,868)	(1,816)	(4,684)
Exchange rate fluctuations	(41)	(13)	(54)	49	(234)	(185)
Balance at the end of period	17,595	12,823	30,418	7,884	15,477	23,361
<i>of which short-term</i>			<i>9,405</i>			<i>2,181</i>

Provisions totalled €30,418 thousand, including a provision for product warranties for probable future costs linked to contractual warranties (€12,823 thousand), supplemental customer indemnities — in connection with the Italian agency contract — and the valuation of risks related to litigation underway, as well as an estimate of liabilities that could arise as a result of tax litigation in place.

16. NET EMPLOYEE BENEFITS

Group companies provide post-employment benefits through defined contribution plans or defined benefit plans.

In the case of defined contribution plans, the Group companies pay contributions to public or private insurance institutes based on legal or contractual obligations or on a voluntary basis. Once such contributions have been paid, the companies have no further payment obligations.

Defined contribution plans include a plan relating to Brembo Huilian (Langfang) Brake Systems Co. Ltd. and reserved for 18 early retired employees, who have guaranteed monthly payments until they reach pension age.

The employees of the UK subsidiary AP Racing Ltd. have the benefit of a corporate pension plan (AP Racing Pension Scheme), which is made up of two sections: the first is a defined contribution plan for employees hired after 1 April 2001, and the second is a defined benefit plan for those already in service at 1 April 2001 (and previously covered by the AP Group Pension Fund). The defined benefit plan is funded by employer and employee contributions made to a trustee that is legally separate from the enterprise providing benefits to its employees.

Brembo México S.A. de C.V., Brembo Japan Co. Ltd. and Brembo Brake India Pvt. Ltd. offer to their employees specific pension plans that qualify as defined benefit plans.

Unfunded defined benefit plans include also the "Employees' leaving entitlement" provided by the Group's Italian companies, in accordance with current applicable regulations.

The value of funds is calculated on an actuarial basis using the "Projected Unit Credit Method".

The item "Other employee benefits" includes the liability associated with the 2022-2024 three-year incentive plan reserved for top managers, to be settled in May 2025.



Liabilities at 30 June 2024 are given in the table below:

	30.06.2024					30.06.2023				
	EMPLOYEES' LEAVING ENTITLEMENT	DEFINED BENEFIT PLANS	DEFINED CONTRIBUTION PLANS	OTHER LONG- TERM BENEFITS	TOTAL	EMPLOYEES' LEAVING ENTITLEMENT	DEFINED BENEFIT PLANS	DEFINED CONTRIBUTION PLANS	OTHER LONG- TERM BENEFITS	TOTAL
(EURO THOUSAND)										
Balance at the beginning of period	12,598	4,232	614	19,001	36,445	12,350	3,698	924	7,114	24,086
Provisions	0	468	2,202	5,192	7,862	0	334	1,479	3,899	5,712
Use/Release	(459)	(264)	(2,229)	(555)	(3,507)	(475)	(608)	(1,538)	0	(2,621)
Interest expense	203	190	0	180	573	239	107	0	(129)	217
Exchange rate fluctuations	0	(236)	5	35	(196)	0	297	(19)	(23)	255
Other	(314)	(847)	0	0	(1,161)	215	772	0	0	987
Balance at the end of period	12,028	3,543	592	23,853	40,016	12,329	4,600	846	10,861	28,636

17. TRADE PAYABLES

At 30 June 2024, trade payables were as follows:

(EURO THOUSAND)	30.06.2024	31.12.2023
Trade payables	745,572	724,217
Payables to associates and joint ventures	19,594	17,882
Total	765,166	742,099

The change compared to 31 December 2023 was chiefly due to the increase in the volume of supplies, aimed at tackling any supply chain-related risks and in debts for the acquisition of property, plant and equipment.

18. TAX PAYABLES

This item reflects the net amount due for the current taxes of the Group's companies.

(EURO THOUSAND)	30.06.2024	31.12.2023
Tax payables	22,248	11,560

19. OTHER CURRENT PAYABLES

Other current payables at 30 June 2024 are given in the table below:

(EURO THOUSAND)	30.06.2024	31.12.2023
Tax payables other than current tax	11,306	12,190
Social security payables	24,063	25,048
Payables to employees	78,384	78,081
Contract liabilities	69,511	75,461
Other payables	36,171	34,935
Total	219,435	225,715

The item "Contract liabilities" refers to grants received by customers towards development activities suspended until the conclusion of the development activity and then recognised over the useful lives of the products to which the grants refer.

STATEMENT OF INCOME

20. REVENUE FROM CONTRACTS WITH CUSTOMERS

The item is broken down as follows:

(EURO THOUSAND)	30.06.2024	30.06.2023
Revenue from sales of brake systems	1,975,930	1,926,251
Revenue from equipment	10,100	12,722
Revenue from study and design activities	18,345	10,422
Revenue from royalties	460	480
Total	2,004,835	1,949,875

The breakdown of Group sales by geographical area of destination and by application is provided in the Directors' Report on Operations.

21. OTHER REVENUES AND INCOME

This item is made up of:

(EURO THOUSAND)	30.06.2024	30.06.2023
Miscellaneous recharges	3,633	4,203
Gains on disposal of assets	729	588
Miscellaneous grants	3,537	9,532
Other revenues	3,365	5,155
Total	11,264	19,478

The item "Miscellaneous grants" mainly refers to grants received as tax credit on energy and gas, in addition to grants for personnel training, research and development projects and the purchase of new capital goods.

22. COSTS FOR CAPITALISED INTERNAL WORKS

This item refers to the capitalisation of development costs incurred during the period, amounting to €15,451 thousand (first half of 2023: €12,723 thousand).

23. COST OF RAW MATERIALS, CONSUMABLES AND GOODS

The item is broken down as follows:

(EURO THOUSAND)	30.06.2024	30.06.2023
Purchase of raw materials, semi-finished and finished products	824,676	836,343
Purchase of consumables	91,280	88,749
Total	915,956	925,092

The change compared to the first half of 2023 is mainly attributable to a policy aimed at increasing supplies in order to tackle any supply chain-related risks.

24. INCOME (EXPENSE) FROM NON-FINANCIAL INVESTMENTS

Income (expense) from non-financial investments amounted to €8,129 thousand and was attributable to the effects of valuing the investment in the BSCCB Group and the company Shandong BRGP Friction Technology Co. Ltd. using the equity method (first half of 2023: €9,412 thousand).

25. OTHER OPERATING COSTS

These costs are broken down as follows:

(EURO THOUSAND)	30.06.2024	30.06.2023
Transports	48,653	44,795
Maintenance, repairs and utilities	134,281	152,940
Contracted work	82,075	76,295
Leases	22,420	16,681
Other operating costs	113,460	95,400
Total	400,889	386,111

The item "Other operating costs" mainly includes the costs of travels, quality-related costs and insurance costs, as well as fees for legal, technical and commercial consulting.

26. PERSONNEL EXPENSES

Breakdown of personnel expenses is as follows:

(EURO THOUSAND)	30.06.2024	30.06.2023
Wages and salaries	258,943	231,249
Social security contributions	56,914	50,769
Employees' leaving entitlement and other personnel provisions	9,255	8,043
Other costs	46,302	46,187
Total	371,414	336,248

The item “Other costs” refers for €30,592 thousand (€30,917 thousand in the first half of 2023) to the cost of the agency workers incurred by the Group.

The average number and the period-end number of Group employees by category were as follows:

	MANAGERS	WHITE-COLLARS	BLUE-COLLARS	TOTAL
H1 2024: average	169	4,210	9,699	14,078
H1 2023: average	163	3,894	9,273	13,330
Changes	6	316	426	748
Total at 30 June 2024	175	4,278	9,815	14,268
Total at 30 June 2023	164	3,972	9,397	13,533
Changes	11	306	418	735

The number of agency workers at 30 June 2024 was 1,923 (1,999 at 31 December 2023 and 2,017 at 30 June 2023).

27. DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

The item is broken down as follows:

(EURO THOUSAND)	30.06.2024	30.06.2023
Amortisation of intangible assets:		
Development costs	11,829	10,218
Industrial patents and similar rights for original work	751	660
Licenses, trademarks and similar rights	407	408
Other intangible assets	5,149	5,685
Total	18,136	16,971
Depreciation of property, plant and equipment:		
Buildings	10,957	9,734
Plant and machinery	73,491	68,963
Industrial and commercial equipment	11,116	9,809
Other property, plant and equipment	3,312	3,513
Right of use assets	12,763	12,978
Total	111,639	104,997
Impairment losses		
Property, plant and equipment	1,021	2,259
Intangible assets	1,798	1,897
Total	2,819	4,156
Total amortisation, depreciation and impairment losses	132,594	126,124

Comments on impairment losses are provided in the notes to the Statement of Financial Position items.

28. NET INTEREST INCOME (EXPENSE)

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024	30.06.2023
Exchange rate gains	151,320	61,969
Interests income from employee's leaving entitlement and other personnel provisions	672	662
Interest income	11,469	9,314
Total interest income	163,461	71,945
Exchange rate losses	(156,088)	(58,695)
Interests expense from employee's leaving entitlement and other personnel provisions	(1,065)	(1,008)
Lease interest expense	(2,383)	(3,070)
Interest expense	(21,891)	(15,820)
Total interest expense	(181,427)	(78,593)
Total net interest income (expense)	(17,966)	(6,648)

The items "Exchange rate gains" and "Exchange rate losses" include the effects of the management of foreign exchange hedges undertaken through forward contracts. For contracts of this type, the Company does not opt to apply hedge accounting pursuant to IFRS 9 since there is no formal designation of the hedged item and hedging instrument, in the belief that the representation of the impact of the strategy for hedging this risk on the Statement of Income and Statement of Financial Position is nonetheless assured.

Net exchange differences as at 30 June 2024, amounting to a negative €4,768 thousand (positive €3,274 thousand at 30 June 2023), relate mainly to the effect of translation into local currency of accounts receivable and payable in foreign currencies included in the financial statements of foreign subsidiaries.

29. INTEREST INCOME (EXPENSE) FROM INVESTMENTS

Net interest income from investments (excluding non-financial investments described in Note 24) amounted to €11,054 thousand (€12,158 thousand in the first half of 2023) and was attributable to dividends received by investees not included in the consolidation area and to the effects of valuing investments in associates using the equity method.

30. TAXES

This item is broken down as follows:

(EURO THOUSAND)	30.06.2024	30.06.2023
Current taxes	68,036	71,636
Deferred taxes (assets and liabilities)	(15,835)	(16,163)
Prior years' taxes and other tax payables	1,484	(523)
Total	53,685	54,950

The Group's actual tax rate was 25.3% (31 December 2023: 21.6% – 30 June 2022: 24.6%).

The Group has calculated its potential exposure to the Global Minimum Tax based on the financial data reported in the

Consolidated Financial Statements most recently approved. This data is an appropriate basis as, in the first half of 2024, the Group's consolidation scope did not change and there were no significant differences in P&L trends or in local tax systems. According to the calculation, the Group's Global Minimum Tax due was equal to zero. In fact, the Group passed at least one of the three tests provided for in the rules on the Transitional CbCR Safe Harbors for all the jurisdictions in which it operates, with the sole exception of one jurisdiction. With regard to the latter, further analyses however showed an effective tax rate above 15%, meaning that no Global Minimum Tax was due. The Group however reserved the right to perform further analyses throughout 2024.

31. EARNINGS PER SHARE

Basic earnings per share were €0.49 at 30 June 2024 (€0.52 at 30 June 2023), and were calculated by dividing the net income or loss for the period attributable to holders of ordinary equity instruments of the Parent by the weighted average number of ordinary shares outstanding in the first half of 2024, amounting to 319,597,567 (323,887,250 in the first half of 2023). Diluted earnings per share are identical to basic earnings per share inasmuch as no share capital transactions were undertaken in the reporting period.

32. STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income includes:

- the fair value measurement of the interest in companies valued at fair value net of the tax effect, positive for €31,681 thousand (positive for €28,668 thousand in the first half of 2023);
- the fair value measurement of derivatives, net of the tax effect, negative for €4,683 thousand (negative for €25,181 thousand in the first half of 2023);
- the actuarial value on defined benefit plans, net of the tax effect, positive for €874 thousand (negative for €743 thousand in the same period of the previous year);
- the change in the translation adjustment reserve positive for €21,648 thousand (negative for €11,108 thousand in the first half of 2023).

Bergamo, 30 July 2024

On behalf of the Board of Directors
The Executive Chairman
Matteo Tiraboschi

STATEMENT OF COMPLIANCE BY THE BOARD OF DIRECTORS

The Board of Directors is responsible for preparing the half-yearly financial report, including the condensed interim consolidated financial statements and the Directors' report, pursuant to Dutch Financial Supervision Act and in accordance with the applicable International Financial Reporting Standards (IFRS) for IAS34-Interim Financial Statements. Pursuant to Section 5:25d, paragraph 2 of the Dutch Financial Supervision Act, the Board of Directors declares that, to the best of its knowledge, the condensed interim consolidated financial statements prepared in accordance with the accounting standards applied, give a true and fair view of the assets, liabilities, financial position and profit and loss account for the period of BREMBO N.V. and its subsidiaries, and of the companies included in the consolidation as a whole, and that the Directors' Interim Report on Operations gives a true and fair view of the information required under Section 5:25d, paragraphs 8 and 9 of the Dutch Financial Supervision Act.

Bergamo, 30 July 2024

BOARD OF DIRECTORS

Matteo Tiraboschi
Executive Chairman

Cristina Bombassei
Executive Director

Elisabetta Magistretti
Non-Executive and Independent Director

Elizabeth M. Robinson
Non-Executive and Independent Director

Michela Schizzi
Non-Executive and Independent Director

Roberto Vavassori
Executive Director

Daniele Schillaci
Chief Executive Officer

Giancarlo Dallera
Non-Executive and Independent Director

Umberto Nicodano
Non-executive Director

Gianfelice Rocca
Non-Executive and Independent Director

Manuela Soffientini
Non-Executive and Independent Director



INDEPENDENT AUDITORS' REPORTS



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the shareholders of Brembo N.V.

Our conclusion

We have reviewed the accompanying condensed consolidated six monthly financial report for the period from 1 January 2024 to 30 June 2024 of Brembo N.V.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated six monthly financial report for the period from 1 January 2024 to 30 June 2024 of Brembo N.V. is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

The condensed consolidated six monthly financial report comprises:

- The condensed consolidated statement of financial position as at 30 June 2024.
- The condensed consolidated statement of income for the period from 1 January 2024 to 30 June 2024.
- The condensed consolidated statement of comprehensive income for the period from 1 January 2024 to 30 June 2024.
- The condensed consolidated statement of cash flows for the period from 1 January 2024 to 30 June 2024.
- The condensed consolidated statement of changes in equity for the period from 1 January 2024 to 30 June 2024.
- The explanatory notes to the condensed consolidated six monthly financial report at 30 June 2024.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the interim financial information' section of our report.

We are independent of Brembo N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Deloitte Accountants B.V. is registered with the Trade Register of the Chamber of Commerce in Rotterdam number 24362853. Deloitte Accountants B.V. is a Netherlands affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited.

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**Responsibilities of the board of directors for the condensed consolidated six monthly financial report**

The board of directors is responsible for the preparation and presentation of the condensed consolidated six monthly financial report in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Furthermore, the board of directors is responsible for such internal control as it determines is necessary to enable the preparation of the condensed consolidated six monthly financial report that are free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of the interim financial information

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Obtaining an understanding of the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed consolidated six monthly financial report where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control, as it relates to the preparation of the interim financial information.
- Making inquiries of management and others within the entity.
- Applying analytical procedures with respect to information included in the condensed consolidated six monthly financial report.
- Obtaining assurance evidence that the condensed consolidated six monthly financial report agrees with or reconciles to the entity's underlying accounting records.
- Evaluating the assurance evidence obtained.
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle.
- Considering whether management has identified all events that may require adjustment to or disclosure in the condensed consolidated six monthly financial report.

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- Considering whether the condensed consolidated six monthly financial report has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Amsterdam, 30 July 2024

Deloitte Accountants B.V.

Signed on the original: E. Scheffer

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