



PRESS RELEASE

PIRELLI ACQUIRES HEVEA-TEC, THE BIGGEST INDEPENDENT PROCESSOR OF NATURAL RUBBER IN BRAZIL

Pirelli increases its natural rubber supply in Latam and ensures continuity of provision in the region

Launches innovative projects to increase the use of non-fossil-based materials and for new FSC certifications

Milan, 4 July 2023 – Pirelli signed an agreement to acquire 100% of Hevea-Tec, the biggest independent processor of natural rubber in Brazil. The operation will be on the basis of an Enterprise Value of around 21 million euro, subject to the usual adjustments at the closing - once certain conditions including approval from the Antitrust authorities have been met – which is expected to take place by the end of 2023. The acquisition will not impact the 2023 net financial position target of around 2.35 billion euro.

With the acquisition of Hevea-Tec, Pirelli will increase its supply of natural rubber in Latam ensuring continuity of provision in the Region and, therefore, greater efficiency. The company already has plans to increase Hevea-Tec's production volumes.

The operation will facilitate the launch of innovative natural rubber projects aimed at increasing the use of non-fossil-based materials in the tyres, in line with the company's goals. In terms of sustainability, in addition, the acquisition of Hevea-Tec will also enable the company to further improve its control over the natural rubber supply chain, reduce CO₂ emissions, thanks to local-for-local supply, and launch new FSC certification projects, an area where Pirelli already holds a first in its segment.

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