



PRESS RELEASE

PIRELLI AND CTS FORM STRATEGIC LONG-TERM PARTNERSHIP IN NORDICS

CTS TO ACQUIRE DÄCKIA AB FROM PIRELLI

PIRELLI AND DÄCKIA SIGN SUPPLY AGREEMENT THROUGH 2030

Milan/Stockholm, 23 April 2025 – Pirelli and CTS, an independent tire services provider in Northern Europe, have signed an agreement for a long-term, strategic partnership that will enable Pirelli to strengthen its commercial presence and High Value strategy in the region and CTS to further strengthen its ability to serve customers throughout Sweden.

The transaction foresees CTS to acquire the Däckia AB company, whose network consists of 60 direct points of sale and 42 affiliates throughout Sweden, from Pirelli. At the same time, Pirelli and Däckia have signed a supply agreement through 2030 which will ensure the distribution of Pirelli products and the role of Pirelli as main supplier. The transaction, which is subject to the customary closing conditions and receipt of regulatory approvals, should be finalized by July 2025.

The alliance allows Pirelli to count on an even more structured distribution system, with an expected increase of market coverage, and the retail specialization which distinguishes CTS in the region.

For CTS the agreement underpins its commitment to sustainability, quality and innovation ensuring the ability to deliver the best products and services to customers. It also marks a strategic milestone in CTS's vision of building a flexible and customer-centric network that can meet changing customer needs and high operational demands, while strengthening CTS's ability to deliver dependable, high quality tire services along key transport corridors. At the same time, it would preserve the entrepreneurial spirit and operational autonomy that defines the business model.

"The intended strategic partnership with Pirelli reflects our commitment to sustainability, quality and innovation, reinforcing our promise to deliver outstanding products and services to our customers. Through the intention to acquire Däckia we are building a full-service offering that integrates tire service, distribution, wheel alignment and retreading – all anchored by local workshops and sustainability at the core", said David Boman, CEO of CTS.

"The Nordic region is a strategic market, for both positioning targets and the quality of the car parc, with a significant EV presence, a segment in which the company has a leading role. The transaction with CTS consolidates our strategic focus on the market, in cooperation with a partner with a complimentary focus in this business", said Livio Magni, Pirelli Senior Vice President Europe.

Overall, the transaction reinforces Pirelli's presence in the Nordic region, particularly in Sweden, as well as enhancing, thanks to CTS's expertise, coverage of this strategic High Value market, where Pirelli's focus is on top-of-the-range products and distinguishing technology. In fact, the region has a car parc which is highly focused on electric and hybrid plug-in cars, a segment where Pirelli is a leader. In Sweden, Pirelli has also recently invested in the extension its "Sottozero Center" proving ground, where the Pirelli R&D department tests products on different surfaces, from snow to ice. It was thanks to research here that the recently launched new "Ice Friction" was born, a high-performance Winter tire specifically developed for the Nordic market and new generation vehicles.

About CTS

CTS is a tire life cycle service company. We deliver replacement tires, service existing tires during their useful life and collect & retread worn out tires. A convenient one-stop shop for all tire related needs, helping vehicle users maximize uptime and get a longer run out their existing tires. For commercial vehicle tires, we operate a fully circular model – extending the useful life. We are home to over 700 employees across Sweden, Finland, Norway, and Poland. We operate 52 tire shops and 5 retreading sites. Our mission is to keep society moving in a seamless, sustainable way.

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