STIGA

Garden care.

STIGA C S.à r.l.
FY24 Annual Report

Consolidated Financial Statements
for the Year 1 January 2024 to 31 December 2024

Index

A Message from the CEO

Sean Robinson

Experience and Expertise

STIGA has over 90 years of garden products experience. This knowledge base has proven invaluable during 2024 as our organisation navigated through a year shaped by economic uncertainty shifting consumer preferences and a growing demand for sustainable solutions. Our ability to optimise production, manage supply chains efficiently and continue investing in innovation has positioned us to meet market demands while maintaining financial discipline.

I am delighted with our organisation's performance, which saw Stiga increase its overall market share to 8.7%. This achievement was driven by robust development across the three channels: Traditional Trade, Mass Market, and E-commerce.

While maintaining our leading position in ride-on products within Traditional Trade, we made significant strides in Mass Market, thanks to branded sales, which grew from 62% to 69% of the Group's total. The E-commerce channel experienced a 50% sales increase, now accounting for 5% of the Group's total revenue. The ongoing development of channels and mix continues to drive steady margin growth, which improved again in 2024, continuing the positive trend of the past five years.

Alignment with Changing Market Dynamics

In three key areas - Online & Digital, Battery power, and Autonomous capability - Stiga continues to enhance convenience for consumers while contributing to the sustainability of our planet. The organisation is well-positioned to respond to these dynamics and has introduced a product line designed for future growth.

We maintain a dominant position in battery ride-on technology with over 50% market share, which serves as the benchmark for expanding into battery handheld and walk-behind products. This innovation also aligns with our future growth in the commercial sector set to be unveiled soon.

Our patented Navigation Technology AGS leads the robotics industry, establishing Stiga as the technical frontrunner in this sector. On the digital front, our APP features streamline the consumer experience, making setup procedures quick and effortless.

Solid Growth in Sales and Profitability

In 2024, STIGA achieved an increase in sales compared to the previous year, driven primarily by strong performances in key markets such as the UK, Poland, and the Benelux region. Battery-powered products, including autonomous robots, played a pivotal role in this growth, now representing 12% of total sales - up from 10% in 2023. This shift towards sustainable and technologically advanced products continues to be a cornerstone of our success.

Our Adjusted EBITDA reached in 2024 the value of EUR 49.4 million, when excluding non-recurring cost items related to market and product research, legal and redundancy costs. The EBITDA reported value of EUR 47.2 million marked an impressive 41% growth compared to 2023. This substantial growth in profitability was achieved through higher sales, enhanced margins, and a disciplined approach to managing operating expenses.

Strengthened Financial Position & Market Strategy

STIGA's Net Financial Position reached a value of EUR 80.4 million marking a significant improvement of EUR 31.7 million. This positive movement reflects our enhanced operational efficiency, including improved cash collection and higher payables, that enabled the early repayment of EUR 24.6 million long-term debt due in August 2024. Furthermore, in 2024, we refined our market focus, optimising our presence across 87 countries. We have entered five promising new markets while strengthening our activities in key regions, particularly in our Export business.

Continued Investment in Innovation

Capital expenditure remained steady at EUR 12.2 million, in line with 2023, allowing us to maintain our focus on research and development. Our continued investments are driving innovation, particularly in the battery-powered and robotic technology segments, as we expand our product range and reinforce our technological leadership. Our mission remains to drive innovation and lead the garden care industry towards a smarter, more sustainable, and interconnected future.

Looking Ahead – Building on Our Momentum

Looking ahead, STIGA is focused on further strengthening its market position. We remain committed to increasing the sales of our branded products and expanding our leadership in robotic and battery technologies. We are making strategic investments in advanced technologies, proprietary patents, predictive solutions, and AI to enhance the customer experience - delivering greater efficiency, accessibility, and performance. Robotic lawnmowers represent a significant growth opportunity, defining the future of garden care and serving as a key pillar of sustainable gardening.

Equally important is our transition from petrol to battery-powered products. We now have the largest range of battery-powered ride-on and autonomous products in the market. This sits well with the global imperative for clean and sustainable products but also aligns with structural changes in the market.

As technology evolves at an unprecedented pace, we remain steadfast in our commitment to consumer convenience and innovation. Our focus is on creating cutting-edge, intuitive, and seamless experiences for our customers, ensuring they enjoy their gardens while STIGA remains at the forefront of the industry.

Thank you once again for your continued trust and support as we work towards reshaping the future of gardening.

Summary of the Year 2024

The year 2024 was positive, driven by a sales increase of 2% and a significant improvement in EBITDA margin performance (+41%), despite ongoing geopolitical instability and challenging gardening products market conditions, which saw high trade stocks and reduced customer demand, partially improving in the latter part of the year.

Although the market contracted further following the previous year's significant reduction, the Group increased its European market share to 8.7%, a rise of 0.4% points compared to the previous year. This achievement was supported by enhanced specialist dealership coverage in various markets and growing customer appreciation for our product range.

Consistent with our strategic direction, we focused on increasing branded sales, which now account for 69% of total sales, while selectively reducing the weight of our lower-margin private label activities.

The new autonomous robot range saw significant sales growth following its launch the previous year, thanks to increased dealer penetration and customer adoption of new features introduced in the STIGA.GO mobile app. This helped expand our market share despite strong competition. The robot product range has been a key R&D focus to ensure innovative capabilities for new product versions in 2025.

Cost reduction measures were implemented across the Group during the year, while maintaining planned investments in strategic product development areas. Cost improvements were crucial in enhancing overall profitability, alongside the execution of a higher branded product sales mix strategy.

ESG initiatives were a major focus for STIGA in 2024, as it joined the United Nations Global Compact and became part of a significant business sustainability community aimed at exchanging best practices and collaborating on long-term sustainability strategies. Two critical certifications were achieved related to Gender Equality and Carbon Footprint, confirming our ambition for operational excellence.

The onboarding of qualified managers and professionals was completed to further strengthen the Group's organisation particularly in the key markets of France and Germany.

The Net Financial position improved by 28%, supported by positive cash generation driven by higher margins and continued attention to working capital management. Focus on inventory quality and reducing slow-moving stock, combined with favourable supplier agreements, were instrumental in achieving this notable result.

Key Performance Indicators

STIGA's most significant results in 2024 include:

- Sales registered +2% vs. 2023, mainly in UK, Poland and Benelux. Battery products (including Robots) represented 12% of total sales (10% in 2023);
- Adjusted EBITDA was EUR 49.4 million, due to higher sales, higher margin and lower Operating Expenses mostly related to a more efficient marketing, selling and after sales spending (-10% vs 2023);
- Net Financial Position was EUR 80.4 million, +31.7 million vs. 2023 (+28%), driven by the decrease of Trade Working Capital due to increase of payables and better cash collection;
- In 2024 we refined our market focus to 87 countries, exiting 10 low value destinations and entering in five new markets, optimising our presence in our core Export regions;
- Average employees rose notably in France and Germany, although the total fell by 70 Full Time Equivalent (-5% vs. 2023), primarily in Italy, as a result of reduced production volumes and the adoption of a new organisational structure;
- Capex at EUR 12.2 million was in line with 2023, still allowing the continuation of the R&D programme of investments aimed at developing and enhancing new technologies such as AI, vision, sensing, and autonomy;
- The future plans are aimed to strengthen our market position with a focus on sales of branded products, robotic technology and battery range.

Net Sales	Adjusted EBITDA	Net Financial Position
459.0m	49.4m	-80.4m
+2% vs 2023	10.8% margin	+28% vs 2023

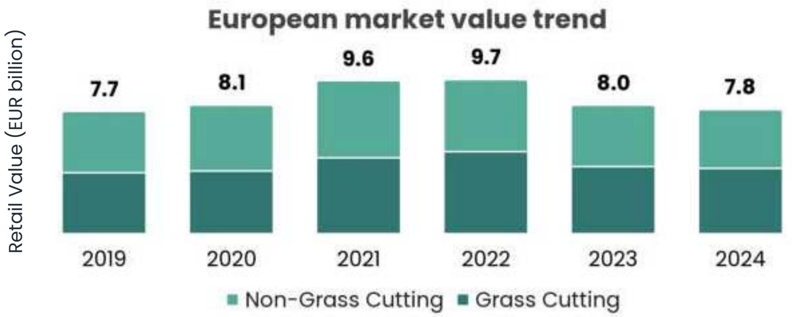
Countries Served	Average Employees	Capex
87	1,270	12.2m
-5 vs 2023	-5% vs 2023	-1% vs 2023

The STIGA Group Culture & Vision

STIGA at a Glance

- With a heritage dating back to 1934, STIGA marked its 90th anniversary in 2024 as a leading player in Europe's lawn mower and **powered garden equipment market**, maintaining its position as the **European market leader in ride-on**.

- The European powered garden equipment market is estimated at EUR 7.8 billion (retail price value), **with Stiga accounting for 8.7% share**. Following the significant decline seen in 2023, the 2024 market demonstrated signs of stabilisation despite the European economy remaining marked by uncertainty.



Company elaboration based on GFK and EGMF data of relevant product categories

- The Group serves the **residential gardening market** under its leading brand STIGA and four other brands (Mountfield, Alpina, Castelgarden & Atco) as well as serving leading Original Equipment Manufacturers ("OEM") and private label customers. All the brands in the Group have individual **histories greater than 50 years**, with Atco's stretching back to 1921.

- The Group has long standing trading in three channels: Traditional Trade dealers, Mass market and Ecommerce and supplies a broad, cost competitive and quality-focused product portfolio.

The STIGA Group Story

Brands & Gardening Manufacturing Foundations

1934
Stig Hjelmquist establishes the Fabriksprodukter Company, laying the foundation for the future STIGA AB.

The company launched its first products in bakelite, a material that would become known as plastic decades later.

1949
Changing the name STIGMA to the current **STIGA**.

1958
STIGA starts producing and selling **lawn mowers** that Stig discovered while travelling to the United States in the previous years.

1960
Alpina is founded and produce grass cutters.

1962
The company M.A.C. that would give rise to the future **CastelGarden** was founded.

The same year **Mountfield** is founded in the UK and it manufactures rotary lawnmowers.

1971 Castel Mac starts producing and selling **collecting lawn mowers** and **sit-on tractors**, called riders.

1974
A new Stiga factory is opened making Stiga the **largest manufacturer** of lawn mowers in northern Europe.

1975 STIGA launches the very first Park front mower: ***Park 2000***

1978
After 44 years as managing director, Stig Hjelmquist retires from his position.

1981
The **STIGA Horticulture division** is created to better reflect this company core area of business.

1985
Ransomes purchase G D Mountfield.

1985 STIGA introduces the first **mulching** lawn mower, using the Multiclip technology.

1986
Castelgarden Equipment was founded by Maurizio Ferrari on April, 1st

1991 Castelgarden launches the first garden **tractor** with **twin cut deck and collecting bag.**

1995
The Italian company Castelgarden Equipment is acquired by a group of financial investors and renamed **Castelgarden Spa**.

2000
Stiga AB acquires Mountfield and the latter is re-named Stiga UK Limited.

On November 28th, Stiga is sold to UBS Capital who form **Global Garden Products** (GGP). It incorporates STIGA, Alpina, Mountfield and Castelgarden leading manufacturers of garden machinery into one global player.

2011
GGP secures a long term licencing agreement to continue the legacy of the iconic brand **ATCO**.

2017
GGP Group is renamed **STIGA**.

Anniversary 1934 · 2024

The STIGA Group Story
Innovation Pillars

1975
STIGA launches the very first Park front mower: ***Park 2000***

1985
STIGA introduces the first **mulching** lawn mower, using the Multiclip technology.

2015
STIGA launches a new Park Pro front mower and a complete range of **battery** products.

2016
STIGA launches the revolutionary patented **Twinclip** lawn mower with double-layered blade.

2021
Launch of the new STIGA **ePower** battery generation, able to drive the smallest tool or biggest lawn mower.

2022
Launch of STIGA **Swift**, the first collecting ride-on mower that runs on shareable batteries.

Launch of **Gyro**, the first joystick mower with Direct Drive technology.

Introduction of **Fulcrum technology**, the first articulated handlebar on lawnmowers.

2023
Launch of STIGA autonomous robot mower, protected by more than 30 patents on autonomous navigation.

2024
Launch of STIGA 300 Series hand held tools, with patented smart on board charging system on wall.

Robot autonomous range extension to smaller and bigger gardens, from 500 to 10.000 m2.

2025

STIGA robot range capability extension
Significant improvements have been made to the robot's software to maximise the robot's working area. To further enhance the customer experience, the STIGA.GO App has been given a completely new look and feel.

New hand tools collection

A completely new category has been prepared for sales in 2025. The collection consists of 14 new tools for precision pruning, essential tools for any gardener's kit.

Redesign of the lawn tractor range
We redesigned the key customer touchpoints: new seat design and adjustment and new steering wheels on most tractors; and a new dashboard on petrol models. We've introduced a new mid-price product with a powerful engine and a 98 cm cutting deck.

Fulcrum & lawn mowers range
The working ranges of the lawn mowers have been revised, with an even spread between petrol and battery models.
The Fulcrum handlebar has been refined and comes pre-assembled in the box.

The Sustainability Culture

We care for our environment like we care for our gardens

As a leading design innovator, the STIGA Group believes in using its knowledge to innovate on sustainability across all aspects of our business. At the core of our approach is helping consumers make the shift toward electric products, but our efforts go beyond the products we sell. We are committed to improving our internal processes that shape everything from the efficiency of our plants and offices to our relationships with suppliers.

At the STIGA Group, sustainability is implemented with environment, social and governance (ESG) factors in mind:

- Starting from square one to design smart and compelling battery-powered products that make gardening more sustainable;
- Innovating on new approaches to product components and packaging that put the environment and the consumer experience first;
- Seeking out new energy-saving projects each year that will reduce the impact of our plants and offices;
- Investing in our employees' well-being and safety by upholding our policies and processes to high standards;
- Collaborating with our suppliers to seek transparency into the full value chain of our products to ensure respect of human rights.

These elements can be seen in the STIGA sustainability strategy, which is based on the following pillars:

PRODUCTS
"We are green-fingered engineers"

- Progressively substitute petrol engines with battery and electric powered engines;
- Introduce recyclable, renewable and lower environmental impact materials in packaging and in product components;
- Make high quality and connected products safer for the user and easier to repair.

PEOPLE
"Putting people first"

- Ensure people operate in a safe and stimulating work environment;
- Attract and retain talent;
- Develop internal capabilities.

PROCESSES
" The power of simplicity"

- Make plants and offices greener, saving energy, increasing renewable energy consumed and reducing waste;
- Protect the Group and personal data, build a solid control system to reduce risks and comply with laws and standards;
- Promote the respect of ethics and human rights in the Group and its supply chain.

The Sustainability Culture

In 2024, STIGA took meaningful steps to further its sustainability strategy and align with global and regional ESG initiatives. This year was marked by our active engagement with leading sustainability platforms, certifications, and a renewed commitment to reducing our carbon footprint. These milestones highlight our focus on continuous improvement and our dedication to making STIGA a more sustainable organisation.

A significant achievement was joining the United Nations Global Compact, demonstrating our commitment to aligning business operations with universal principles on human rights, labor, environment, and anti-corruption. As part of this commitment, we held key meetings in Milan to establish concrete goals for improving sustainability across our operations.

Regionally, STIGA strengthened its collaboration by becoming part of the Confindustria Nord-Est Sustainability Community, joining 80 other companies in exchanging best practices and collaborating on long-term strategies for sustainability. This partnership underscores our dedication to fostering a sustainable ecosystem in our territory and beyond.

Our focus on operational excellence also led to the achievement of two critical certifications in 2024:

- UNI PdR 125:2022 "Gender Equality Certification", recognising our efforts to promote inclusivity and equal opportunities within our workforce.
- ISO 14064-1 "Carbon Footprint Certification", which lays the groundwork for transparent monitoring of our environmental impact.

Building on this, we initiated the development of our carbon reduction strategy. This plan will serve as a roadmap for achieving our climate goals and reducing emissions in a measurable and science-driven way.

This year we focused on consolidating our past achievements while laying the foundation for a more sustainable future. Building on the insights gained from calculating our carbon footprint, we are now working on a robust CO2 reduction strategy. At the same time, we are expanding our ESG network by joining key initiatives, enabling collaboration and the exchange of best practices. These efforts reflect our commitment to driving impactful change and building a better future for the Group and our stakeholders.

Andrea Frassetto
Process Improvement and ESG Manager

Our purpose

Providing **innovation** and **inspiration** to help people create, nurture and enjoy their gardens and outdoor space.

Our mission

To design and make **high-quality** garden machines for the domestic market that are better, easy to use, **durable** and **reliable**.

Our green-fingered engineers have the **curiosity**, **knowledge** and **experience** to create the latest innovations for garden care.

Our vision

To be recognised as the **world's leading innovator** and manufacturer of garden power equipment.

Brand Essence & Core Values

This is the core of STIGA.
We are engineers, innovators and manufacturers. But we never forget why we are here: to make gardening easier and help you look after your patch of the planet.

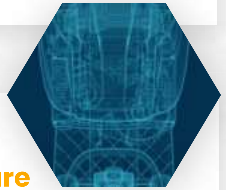
Our core brand values
– the beliefs that we stand for.

green-fingered engineers with the hearts of gardeners

Togetherness **We collaborate**
We're built on family values, a pan-European brand with openness, inclusivity and teamwork at our core. We believe the whole is greater than the sum of its parts. Our focus is on families, communities and domestic gardeners.

Garden-care **We nurture nature**
We work in harmony with nature. Caring for gardens and gardeners. Having a positive impact – because many green spaces create one global garden: our planet.

Simplicity **We make it easy**
We use less to achieve more, creating reliable, practical, user-centred products. Tools that are intuitive and solve real customer needs.
And we build supportive relationships with customers to make buying and using their products a joy.



Innovation **We shape the future**
We're endlessly curious, continually thinking ahead across electric and digital.
We have a long history of 'firsts' and are always looking for opportunities to improve, to tackle problems, to go beyond.

Action **We're proactive**
We listen. We learn. We invent and solve problems. We rise to challenges with positivity and pro-activity.
And we turn those raw but ingenious ideas into practical improvements – fast.

Our Manifesto

We believe…
In the power of **simplicity**:
making the complex intuitive.
In **giant leaps**, not small steps.
In questions, not answers.
Because **curiosity** drives us.
In breaking the rules and **challenging** convention,
while working in harmony with nature.
In putting **people** first –
giving them the power they need,
when and where they need it.
In having the **courage** to do the right thing –
for our people, customers and planet.
In doing more with less, but performing better.
In the strength of **logic** and rationality.
In the power of imagination and **magic**.
In the joy and ever-changing wonder of gardening.
And, above all, knowing if you look after the planet,
it will look after you.

We are **green-fingered engineers**.

We are STIGA.

Our Tagline

STIGA
Garden care.

A robot lawnmower takes care of the modern garden without any effort or time from the consumer. The robot has already completely changed the relationship between the garden and its owner. At STIGA, we are now focusing on the relationship between the robot and the consumer, for whom the robot must provide a complete service that goes far beyond the perfect cut of the lawn.

Paola Pellizzer
Head of Brand Creation

STIGA Today & Tomorrow

STIGA Strategy Pillars for the Future

› ESG

- Build and sell safe and **green products**, introduce **recyclable, renewable** and lower environmental impact materials and packaging
- Respect the highest standard of **quality and safety**
- Endorse the respect of **ethics and human rights** in the Group and its supply chain

› Product & Technology

- **Grass-cutting** products, leading the industry **transition to robotic and battery**
- **Build relevant positioning** in handheld category and double seasonality
- **Design and manufacture** new product categories that are delighting consumers in unexpected ways

› Brand & Communication

- **STIGA** is the **premium brand** choice in all channels
- Invest in the STIGA brand to **improve visibility and awareness**, increase conversion, build consumers' recommendation and loyalty year-on-year

› Operations

- **Supply chain optimisation**
- Total quality and **continuous improvement**

› Omni-channel Sales

- **Traditional trade**, as key business partners for sales and servicing
- **eCommerce & Mass Market**, to be within the reach of those consumers who use other purchasing channels
- **Key countries focus**, to grow them faster and strengthen the whole Group market position

› Organisation

- **Attract talent** and retain excellence
- Develop **internal capabilities**
- Make people **think and act like owners**

Our target customers are

What they value

- Proud of their garden and the things in it
- Sensitive to environmental protection
- Green-inclined attitude for cleaner energy
- Seek for innovation

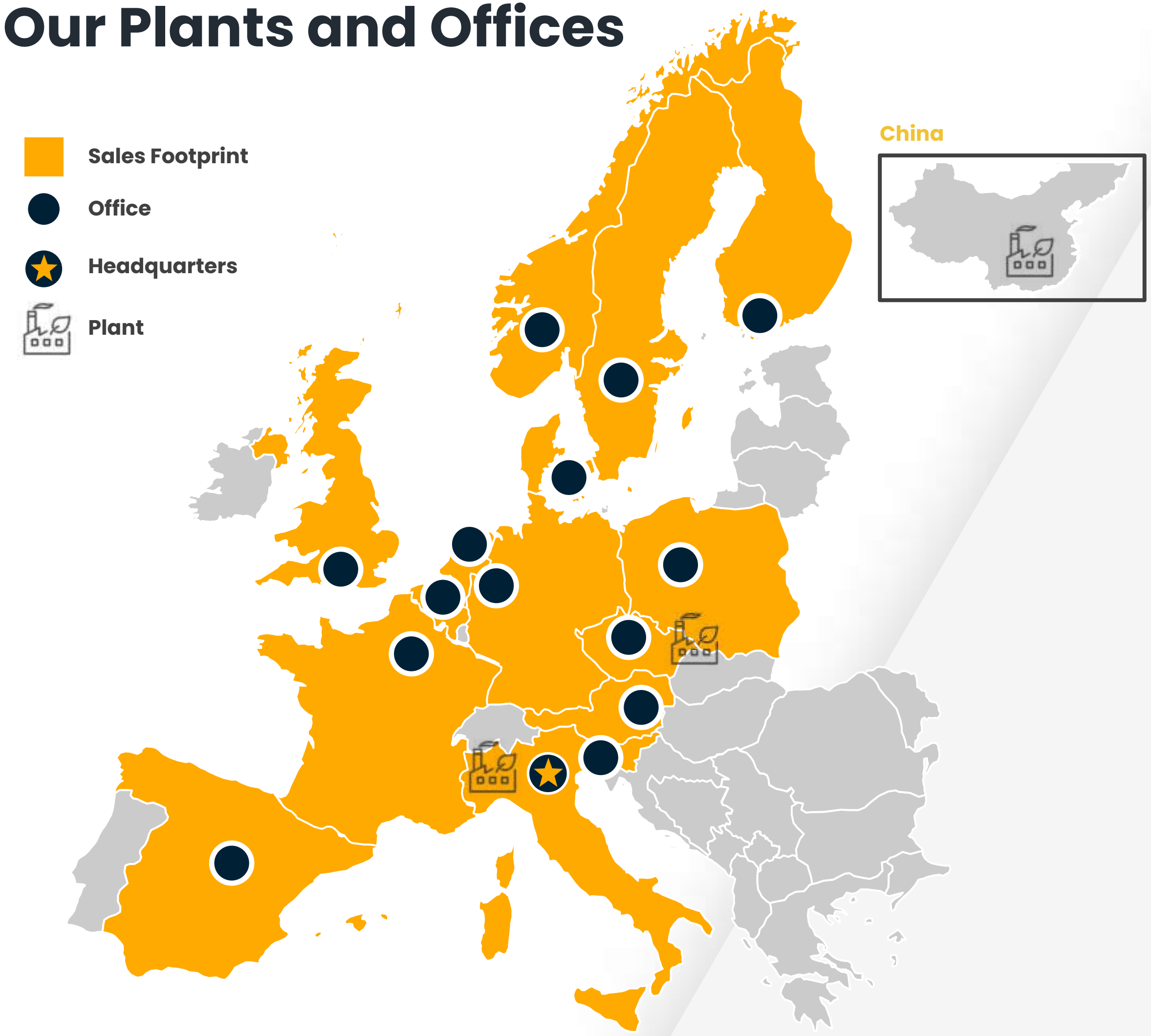
Who they are

- Aged between 35 to 64
- Genders almost equally represented as taking buying decisions together
- Owner of diversified gardens in size, shape and complexity

What they want

- Look for durable tools provided with the right level of power
- Expect precise and neat results
- Ease of use and smart users' interface
- Enjoy the garden, and gardening too

STIGA Today
Our Plants and Offices



3 Plants

Castelfranco, Italy
Italy produces high-end garden tractors, front mowers, robots, snow throwers and batteries. The facility is spread over 30,700 sqm

Poprad, Slovakia
Slovakia produces battery, electric, petrol-powered lawn mowers and cutting decks for front mowers. It was established in 2007 and covers 20,000 sqm

Guangzhou, China
China produces lawn tractors. It was built in 2008 in Nansha District over 14,700 sqm

15 Commercial offices

The STIGA HQ is located in Castelfranco Veneto (Italy). STIGA is also active in most European markets, with subsidiaries and commercial offices in the United Kingdom, France, Germany, Belgium, The Netherlands, Italy, Austria, Spain, the Czech Republic, Poland, Slovenia, Finland, Sweden, Denmark and Norway. In the rest of Europe, and in non-European countries, the Company is represented by distributors.

Note: Russian sales operation was mothballed following the invasion of Ukraine in early 2022

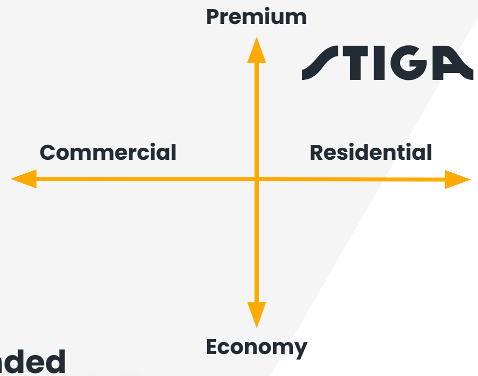
Our Product Portfolio
A Strong Brand Structure

The STIGA brand is the absolute hero.

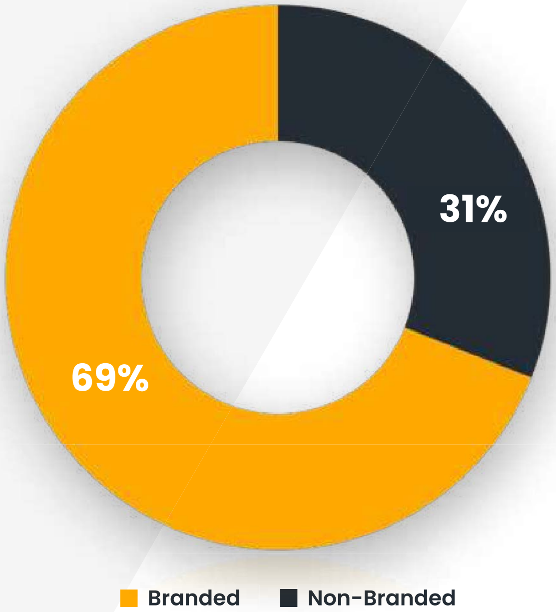
STIGA engineers a **broad range of products and accessories for domestic gardening** to allow consumers to enjoy their gardens all year round.

STIGA brings **science and technology**, engineering know-how coupled with **design** experience and capabilities, to make gardening a **sustainable** joy. We ensure all our breakthrough products represent the highest industry standards, innovating and tailoring effective, quality solutions for the gardening sector.

Brand Positioning



Branded vs. Non-Branded



STIGA

Other Brands

ATCO
With nearly 100 years history, Atco is an iconic name in the garden machinery market in Great Britain and worldwide.

CastelGarden
Well-known for its ride-on lawn tractors and lawn mowers.

Alpina
100% authentic Italian brand with a long tradition in lawn mowing and garden equipment, offering a complete range of gardening tools.

Mountfield
UK's leading brand for petrol lawn mowers and garden tractors with >50 years history.

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Our Product Categories:
A Different Tool for Every Need

All our latest innovations are STIGA branded: Gyro, Swift, Fulcrum technology and robotics. The STIGA brand has its roots in lawn care. Our shareable batteries provide opportunities for handheld tools, snow, cleaning and the exploration of new categories.

Mowing

Soil and ground care

Tools and accessories

Cleaning

Hand tools

Cutting

Trimming

Our Production Pride
The HQ’s STIGA Robot Line

The robot line is the Group’s **flagship innovation production line**. Conceived and designed internally, the robotic mower was formally inaugurated on 30 April 2021 at STIGA’s headquarters in Castelfranco Veneto (TV).

The line’s infrastructure model has extremely **high standards** in terms of **technological innovation** and **production management**. It combines manual operations by the 15 specialists trained internally by STIGA engineers and automated processes, thanks to the use of collaborative robots that interface with human operators seamlessly.

The line was intended from the beginning to be “modular”; it is flexible and adaptable so that it can be re-designed, or integrated with new or further workstations, to better suit future production needs.

In 2023 the line was **upgraded** in order to introduce 6 new robot models and the related new features. As the robot software is **constantly improving** adding new features also the robot line follow the same path with continuous upgrade and improvement in order to guarantee the best quality production.

One of the new features we’re introducing in the **spring of 2025** is the **automation** of the loading of firmware into the robots' electronic boards. This new system allows the **simultaneous programming of up to 5 electronic boards**, even of different models.

ePower Technology
All the power you need, where and when you need it.

Dedicated to garden care.

Designed specifically for gardening, built to withstand long and demanding use.

Shareable ePower to suit every garden need

Two battery systems with shareable batteries available: 20V battery system with battery capacities from 2 Ah and 4 Ah and 48V system with battery capacities from 2 Ah to 7.5 Ah.

48V

ePower 48V batteries can handle long and demanding gardening jobs all year round, with 1 to 4 batteries per tool.

20V

ePower 20V batteries care for simpler gardening tasks with ease, with 1 or 2 batteries per tool.

Integrated ePower on robotic mowers

The ePower battery in STIGA robotic mowers efficiently maintains your lawn in just a few cycles a day.
The robot optimises energy usage, also thanks to a balanced and secure battery position.

Integrated ePower on battery tractors and axial mowers

Designed specifically for the machine they're in and for areas up to 20.000 m2, they offer unparalleled run times and performance on a single charge.

The right power for the right tool.

Thanks to their high-density cell chemistry, ePower batteries deliver the optimal power for garden tools.

Autonomous robot mowers

Enjoy the freedom of effortless lawn care perfection.

Cut to perfection. By patented intelligence.

Designed & Made in Europe

Designed in-house.
Engineered beyond ordinary.
Produced in Italy.

Up to 5 years warranty

Its reliability. Our promise.
Enjoy the benefit of a warranty extension for up to 5 years on STIGA robot mowers,

Patented technology

AGS Active Guidance System

For a winning lawn care.
The AGS technology allows your robot to plan mowing sessions intelligently, according to satellites signal strength, to reach every area of your garden at the proper time.

The latest GPS-RTK navigation technology with 4G operational connectivity.

Free 4G data connectivity included.

The easiest installation, the most intuitive App.

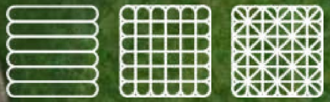
Safe as GPS theft protected.

Autonomous robot mowers
Your lawn cut to perfection.

Very healthy lawn thanks to daily mulching

Lawn of all sizes, Mowed silently.

Neat cut in a system of lines.



Hilly, slippery, muddy terrain? Climbs smoothly.

Sometimes the way to get the best cutting results is to do nothing.

A level of care that surpasses even the most skilled human gardener.

Lawn masters, from the smallest to the largest lawns.

Up to 12,000 m²
A 10000
20 zones
100 obstacles
Up to 5 h 30 min of mowing session covering 1650 m²

Up to 9,000 m²
A 7500
Up to **10 zones**
Up to **50 obstacles**
Up to 5 h of mowing session covering 1350 m²

Up to 7,000 m²
A 5000
Up to **10 zones**
Up to **50 obstacles**
Up to 4 h 30 min of mowing session covering 1125 m²

Up to 4,500 m²
A 3000
Up to **10 zones**
Up to **50 obstacles**
Up to 2 h 30 min of mowing session covering 650 m²

Up to 2,500 m²
A 1500
Up to **10 zones**
Up to **50 obstacles**
Up to 2 h 30 min of mowing session covering 375 m²

Up to 1,400 m²
A 1000
Up to **7 zones**
Up to **50 obstacles**
Up to 1 h 30 min of mowing session covering 225 m²

Up to 900 m²
A 750
Up to **5 zones**
Up to **50 obstacles**
Up to 1 h of mowing session covering 150 m²

Up to 700 m²
A 500
Up to **3 zones**
Up to **50 obstacles**
Up to 50 min of mowing session covering 125 m²

Up to 450 m²
A 300
Up to **2 zones**
Up to **25 obstacles**
Up to 40 min of mowing session covering max 3 sessions a day

Autonomous robot mowers
Always adjustable at the touch of a button.

Simple and intuitive app.
To install, control, and customise every aspect of your robot.

Simple robot installation by App support.

Full control via the STIGA.GO app, even remotely.

Instant assistance and feedback. In-between fun with tips.

Upgradable working capabilities, always up-to-date with latest software released.

We made installation the easiest on the market. Automatic pairing is done in 1 minute with just a few taps on the App!

Digital garden mapping is a new, exclusive STIGA tool that allows to easily pre-draw the robot's garden areas from anywhere via a user-friendly STIGA website, integrated with Google Maps. Both installers and users can pre-draw the garden layout remotely and then transfer it to the robot, saving time and simplifying setup. Once on site, all that is needed is to fine-tune the robot's garden area.

Michele Scapin
Chief Engineering Manager of Robotics & Connectivity

NEW!
Digital Garden Mapping

Parallel effects, chess and grid are the available cutting patterns that can be set for each area of the garden directly in the app.

Electric lawn tractors
Enjoy power of electric. Ride the STIGA experience.

Up to
5
years
warranty

The STIGA excellent cutting performance also on battery garden tractors.

Up to 12.000 m2 on one charge.
Excellent cutting and collecting.
Real-time connectivity via
the STIGA.GO App.

Same cutting power, unexpected experience.

100% STIGA comfort and performance thanks to steering wheel, ergonomic seat, dashboard with all the controls and the choice of materials. The experience is further enhanced by less vibration, better sound quality, less noise and no smelly fumes while you work.

Investing in the future

Less maintenance, lower running costs
And no need to refuel or carry harmful liquids are key features of battery-powered models. Zero fuel costs and reduced environmental impact make them a smart and cost effective choice for sustainable, long-term garden management.

Full management via STIGA.GO App

A great on-board helper, it displays important information about the cutting session, such as energy optimisation, garden coverage during mowing, battery status and other features.
Useful also off-board, the STIGA Smart Charge Schedule in the App allows you to select a specific time slot for your tractor to recharge.

The exceptional performance of a STIGA garden tractor is the result of years of product development and testing, from the internal mechanics, cutting and collection systems to the aesthetics and design that make mowing the lawn a comfortable pleasure.

The positioning and orientation of the cutting deck and blades provides the uniformity of the cut. Our central tunnel design prevents chute blockage and the wedge-shaped collection bag ensures extreme efficiency in Estate models. Side deflectors allow Tornado models to effectively cut even rough and overgrown grass from the side.

Mario Garibaldi
Category Manager Ride-On

Gyro battery axial mowers
Enjoy power of electric. Experience STIGA at 360°.

ePower
Better battery technology.

Our hero is Gyro 900e.

Up to 20.000 m2.
Driving speed up to 13 km/h.
Joystick control with 360°
turning radius.

Up to 5 years warranty

Excellent cutting performance guaranteed

The Gyro 900e is equipped with the best quality cutting deck on the market - the Combi Pro 125 Q Plus. Three cutting blades, a robust structure with electronic cutting height adjustment. Excellent cutting results, both mulching and rear discharge.

Intuitive and simple joystick control

Intuitive, intelligent and easy to manage. The drive system is smooth and responsive and allows the user to fully control the machine's direction, steering and speed with the flick of a wrist, allowing a 360° turning radius with no uncut spots.

Up to 20.000 m2 on one charge

The combination of the 125cm cutting deck, the ePower battery pack and the available boost speed, make the Gyro 900e a high productivity machine capable of cutting a lot of tough grass on very large lawns at up to 13 km/h.

Swift battery ride-on mower

Nimble & shareable.
Experience STIGA's agility.

Efficient mowing and collecting on up to 3.000 m2 on one charge. Equipped with 4 shareable batteries.

Up to 5 years warranty

ePower
Better battery technology.

Shares its 4 powerful 48V batteries with a full range of garden tools.

Quiet and efficient. Born to be electric.

Interchangeable ePower batteries ensure maximum runtime and versatility across STIGA tools, while the redesigned cutting deck boosts efficiency and precision.
The STIGA One Pedal Drive offers effortless control, and Smart Cutting Mode adapts blade speed to any grass condition.
With the STIGA.GO app, enjoy smart recharging and a virtual dashboard.

Engineered for intricate lawns.

Only 73.5 cm wide to handle narrow passages. Outer turning radius of 1.62 mt to get close to obstacles and a wheelbase of only 1.08 mt for easy manoeuvring around obstacles, avoiding back impact.

Shareable battery power

Ideal for gardens with hedges, flowerbeds and trees, its 4x48V shareable ePower batteries can power a wide range of 48V tools. The Swift continues to mow on 3 batteries and can be driven on just 2.

ePower Technology
48V product system

Enjoy the strength of ePower!

Battery hedge trimmers, with the flexible 180° rotating handle.

Battery chainsaws, lightweight and precise.

Battery brushcutters & grass trimmers, for precise edge trimming even in wild grass and undergrowth.

Battery multi-tools, for trimming and pruning hard-to-reach branches and tall hedges up to 4.3 mt.

Battery blowers, for cleaning leaves, dust, grass clippings and debris.

Battery snow throwers, for easy removal of fresh snow at temperatures down to -20°C

And battery lawn mowers.

Battery lawn mowers
Enjoy the strength of ePower.

Range depth
The STIGA range is targeting all residential customers thanks to a complete range in all power sources, from petrol to battery. Finding your ideal mower is easy thanks to the possibility to choose the mower with the desired performance and features. With STIGA you can select the walk-behind mower with the best cutting mode, cutting width and driving type for you.

The Fulcrum handlebar. 1 click to rotate it and store it.
A simple click of the central lever rotates the handlebar for easy, scratch-free mowing along walls, hedges and obstacles. One click to rotate it to storage position on both sides for compact storage

Multiclip
Perfect for mulching-fans, covering your lawn in extra fine grass cuttings, which naturally fertilise your lawn.

Twinclip
Maximum comfort and endurance, double-edged blade for efficient cutting and collecting performance.

Collector
The king of collecting, hybrid grass catcher, collecting more grass and compacting it better.

Combi
For maximum flexibility, combining different cutting methods on one machine, to suit all needs.

ePower
Better battery technology.

Engineered for both petrol and battery powered lawnmowers, this innovative handlebar is designed to transform the way you mow your lawn.

The new Fulcrum handlebar reflects STIGA's commitment to innovation and customer-centric design. By focusing on ergonomic functionality and practicality, we aim to enhance the user experience.

Early feedback from customers has been really positive, with users appreciating the ease-of-use offered by the new Fulcrum.

Giacomo Manfrin
Category Manager Walk Behind Mowers

ePower Technology
20V product system

In a world where competition is intensifying and product offerings are overflowing, innovation goes beyond simply creating lighter, safer, or higher-performing products. It’s about thinking holistically: before, during, and after use.

For Stiga, this is part of the challenge. With our dual battery system, on-board charging and on-wall storage solution in the 300 series, we’ve not just added a range of 20V applications, but we developed a comprehensive solution that truly makes our end users' life easier.

Andrea Puppin
Category Manager Handheld & Cleaning Equipment

3 Series handheld tools
Smart charging.
Always ready to go.

ePower
Better battery technology.

Double the battery. Double the power.

Enhanced power is provided by 2 ePower 20V batteries. They deliver consistent and efficient performance to handle the most demanding tasks with ease.

Comfortable and safe
Adjustable handles, rotating shafts and soft grips ensure comfort and balance. The safety brake system and electric braking ensure worry-free working.

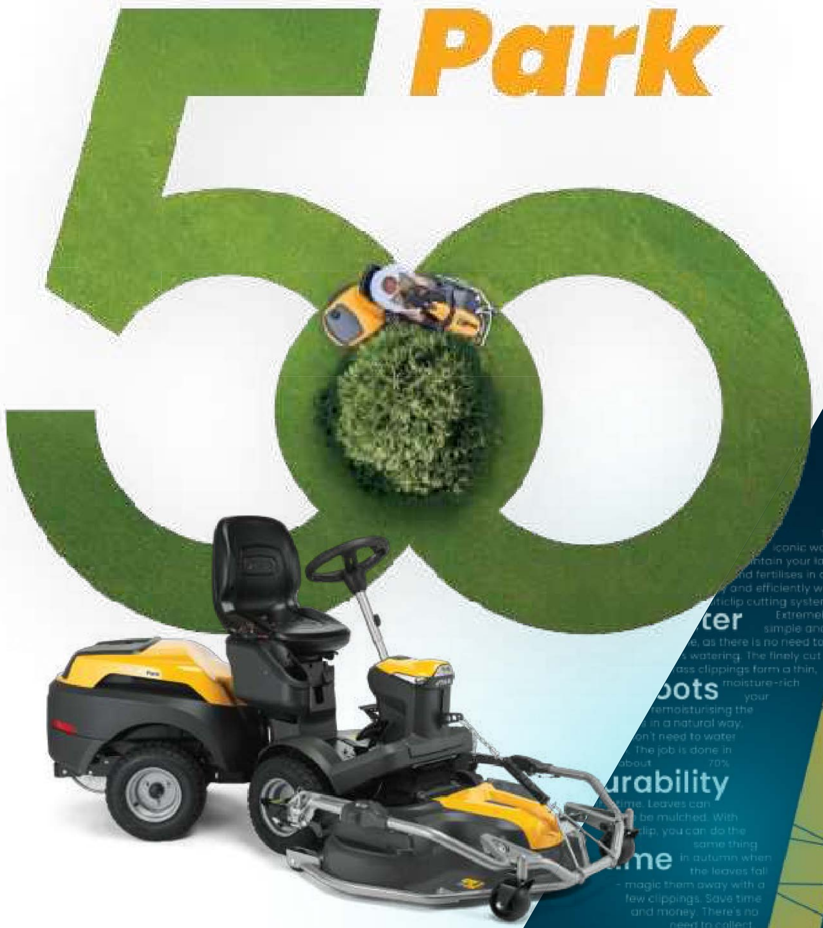
On-wall storage
Provides a tidy and convenient solution for organising all 3 Series gardening tools indoors, effectively solving users' problems of where and how to store.

On-board charging
The on-board charger allows direct on-board charging, eliminating the need to remove the batteries from the tools and stopping the charge once it reaches 100%.

Always ready to go
Our smart charging solution provides a quick and organised way to store your gardening tools while they are charging, making them available for immediate use and spot gardening sessions.

Front mowers
50 years of Park!

The shape of garden care.
From 50/50 brand philosophy to innovative product layout. Iconic mulching quality and cutting-edge performance.



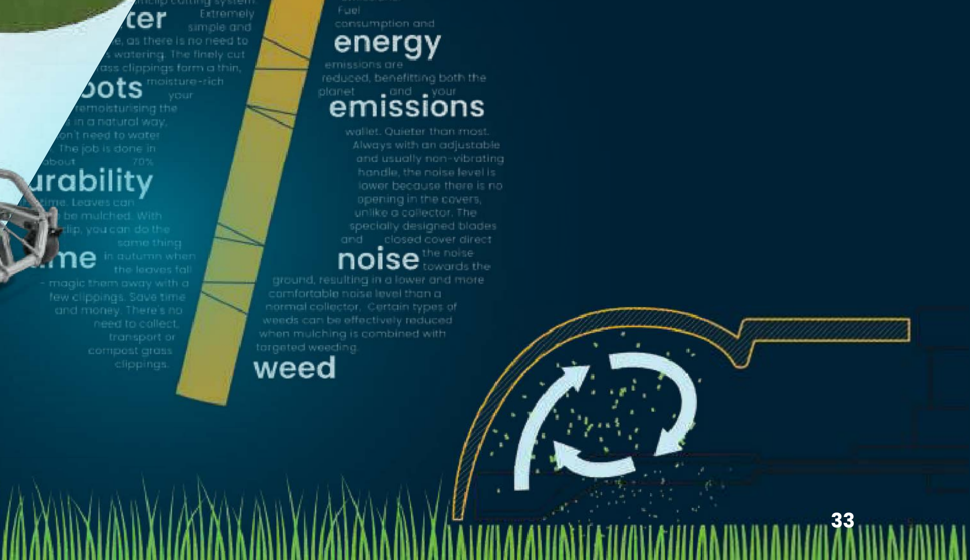
Genuine articulated steering
STIGA Park models are equipped with genuine articulated steering, which means that they bend in the middle when turning. This breakthrough provides unmatched manoeuvrability, making it effortless to navigate around obstacles such as trees and bushes while minimising the need for complex turns. This means that the rear wheels follow exactly in the tracks of the front wheels. You can drive close to walls and fences without having to look back or worry about the rear wheels hitting something.

The advantages of a front-mounted cutting deck
With the cutting deck positioned at the front, the STIGA Park ensures nothing is left uncut. This design allows you to mow along fences, manoeuvre around trees, and reach under bushes with ease—eliminating the need for extra trimming. Not only does this save time and effort, but it also delivers a more precise and even cut, making lawn care effortless and efficient.

Versatile implements for every season
The STIGA Park front mower is engineered for year-round versatility, seamlessly adapting to seasonal tasks with its wide range of accessories. The innovative RAC (Release and Connect) quick connection system allows for effortless, tool-free attachment changes, ensuring you're always prepared for the task at hand.

multiclip

Mulching on a whole new scale.
STIGA's iconic Multiclip technology takes mulching to the next level, delivering healthier, greener lawns with every cut. Equipped with our patented Multiclip system, the STIGA Park finely chops grass clippings into tiny particles that fall back onto the lawn, naturally returning essential nutrients to the soil. This process enhances the lawn's health and vitality, reducing the need for chemical fertilizers while promoting a lush, thriving garden.



Garden hand tools, for the most precise garden care.

Precision hand care. The finishing touch for the perfect cut.

A brand-new product range of STIGA garden hand tools has joined our shops.

Pruning snips Ideal for fresh herbs, picking berries, basils or trimming flowers.

Bypass pruning shears Ideal for easy cutting of fresh branches, like roses or osmanthus hedges up to 24mm in diameter.

Hedge shears & telescopic hedge shears..

Bypass lopper, telescopic bypass lopper, anvil lopper.

Hand trowel, transplanter trowel, hand grubber.

Folding pruning saw.

A Message from Rainer Schmueckle

Chairman

Continuing to drive positive change

2024 has been a year of resilience and strategic growth for STIGA. In an ever-changing global environment, we have remained steadfast in our commitment to responsible business practices, innovation, and long-term sustainability. As we look ahead, our focus is clear: to continue evolving while upholding our dedication to sustainable solutions that benefit both people and the planet.

Sustainability is not merely an aspiration for STIGA - it is embedded in the very foundation of our business. Our expertise in lawn care and our passion for greener spaces drive us to create products and innovations that enhance the environment while delivering exceptional performance. Our Environmental, Social, and Governance (ESG) initiatives remain central to our strategy, ensuring we make tangible progress in reducing our ecological footprint and promoting responsible practices across all areas of our operations. A key achievement this year has been the attainment of the Gender Equality Certification UNI PdR 125:2022 at our Italian site, a milestone that underscores our commitment to fostering an inclusive and diverse workplace.

Product innovation remains a vital component of our sustainable transition. In 2024, we made significant strides in expanding our range of battery and electric-powered solutions, increasing their share to 27% of total sales. This shift is a critical step towards reducing emissions and enhancing energy efficiency, ensuring that STIGA remains at the forefront of sustainable gardening solutions.

Additionally, we are incorporating recyclable materials and improving product circularity, reinforcing our dedication to responsible manufacturing. By implementing circular economy principles, we are designing products that are easier to maintain, repair, and recycle, further extending their lifecycle and reducing environmental impact.

Another important milestone has been our membership in the UN Global Compact, aligning STIGA with global efforts to uphold human rights, environmental stewardship, and ethical business conduct. This step further integrates sustainability into our core operations, ensuring accountability and progress in our goals. We are also intensifying efforts to make our facilities more eco-friendly. A significant portion of the electricity used across our production plants and offices now comes from renewable sources, and we are actively increasing self-produced energy.

As we move forward, we recognise that our responsibilities extend beyond compliance - they are about shaping a better future. The urgency of sustainability has never been greater, and STIGA is committed to being a leader in responsible innovation. With clear goals and a forward-thinking approach, we are prepared to meet the challenges ahead while continuing to drive positive change. On behalf of the Board, I extend my gratitude to our employees, partners, and stakeholders for their continued trust and support.

Together, we will build on our achievements, embracing sustainability as a cornerstone of STIGA's success.

Performance Overview & Statements

Financial Overview

In 2024, the powered gardening products market declined by 3.0%*, following a substantial reduction in 2023. This outcome reflects a modest rise in volume and a decrease in average prices, driven by a consumer shift towards more affordable products, a clear indication of a cautious spending approach.

Specifically, ride-on mowers (tractors, front mowers, zero-turn mowers) saw a reduction of 6% compared to 2023, while walk-behind mowers increased by 3%. Robots and handheld categories experienced a slight decrease of 3%.

In terms of power source, petrol products continued their downward trend with a 5% drop, electric corded products remained stable, whereas battery-powered products (excluding robots) recorded a modest increase of 2%, achieving a market share of 22% by value.

Net Sales	Adjusted EBITDA	Net Financial Position
459.0m	49.4m	-80.4m
+2% vs 2023	10.8% margin	+28% vs 2023

Within this market context, Stiga's Net Sales reached EUR 459.0 million. Compared to the previous year, sales performance was positive, with an increase of EUR +8.0 million (+1.8%), primarily driven by sales recovery in the Traditional Trade channel, which offset the decline in the Mass Market channel. B2C and B2B E-Commerce channels also contributed positively to the year's performance. Geographically, the UK, Poland, Benelux, and Italy were the main growth contributors, while France and Finland reported lower sales volumes than the previous year.

The Group's actions focused on maintaining customer service levels by enhancing organisational flexibility, particularly in supply chain processes, during a year marked by the Red Sea Shipping Crisis, which caused delays, increased transportation costs, and challenges in meeting market demand. All departments participated in cost reduction plans, supporting margin improvement.

The Group's EBITDA rose to EUR 47.2 million, thanks to effective commercial channel mix management across major markets and cost control measures in manufacturing, which improved unit profitability and helped achieve a Gross Profit Margin of 31.3%, up from 29.1% in the previous year. Negotiations with suppliers and tight control over operating expenses were extended across all departments, favourably contributing to the overall profitability result.

The Net Financial Position stood at EUR 80.4 million, with an improvement of EUR +31.7 million (+28%) compared to 2023, driven by higher margins and a positive contribution from Net Working Capital. Inventories remained in line with the previous year, while an increase in Receivables due to higher sales in the last three months was offset by higher Payables resulting from supply chain improvements and supplier agreements.

*Company elaboration based on GFK and EGMF data

Main Events of The Year

Strategic Guidelines Implementation

The Business Plan guiding decisions through 2028 was reviewed in 2024 and approved by the Board in October 2024. The updated plan reflects the latest market trends and Group development goals without altering the core strategic guidelines, while reaffirming project priorities.

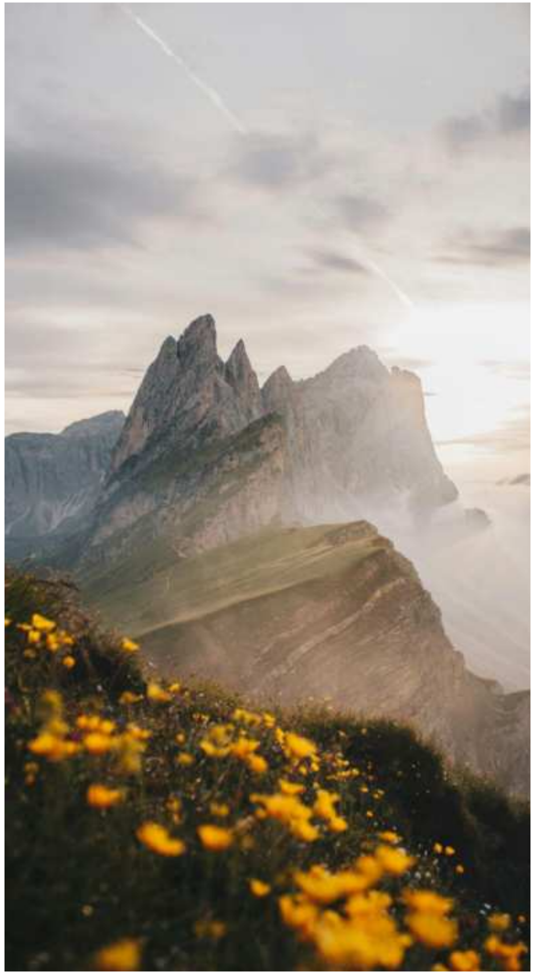
Implementing the commercial policy across traditional trade dealers was a key priority during the year, facilitating the segmentation of partners based on their potential contribution to Group growth. The policy was well-received and adopted. Combined with the extension of the new Salesforce CRM tool to all subsidiaries, effectively supported the sales organisation in driving revenue performance.

Following the launch of innovative autonomous robots in all European markets, new features were introduced to enhance customer experience during installation and to improve overall product appreciation. Robot remote management was upgraded with the new STIGA.GO mobile app version, featuring Digital Garden Mapping and Simple Robot installation services. The autonomous robot range was expanded to cater to gardens from 500 to 10,000 square meters. Additionally, a hand tools product line was launched in 2024 to complete the new handheld 300 series range previously introduced in STIGA brand retailers.

Cost base improvements in Group companies continued as expected, with management confident in achieving continued performance. Manufacturing site layout modifications and improvements were finalised to enhance efficiency and reduce costs, while creating capacity for expansion at the Italian plant.

The previous Group CFO's decision to retire led to the appointment of a new Group CFO by the end of 2024. The organisation was further strengthened with the appointment of a new Senior Vice President of Marketing and the completion of the e-commerce channel organisation, which included establishing a new role as e-commerce Director.

Main Events of The Year



Financial Structure Improvement

In 2024, the Group decided and executed an early repayment of its Term Loan B due in August 2024 for EUR 24.6 million, enabled by significant improvements in working capital and operating cash flow.

In December 2024, the Company completed an amend-and-extend process for its existing Senior Facilities Agreement, resulting in the following changes:

- A new Facility ("Term Loan B2") of EUR 127.9 million with a bullet maturity date of October 2027 replaced Term Loan B1 for an equivalent amount plus payment-in-kind consent fees;
- The existing Term Loan B1 of EUR 140.4 million, originally maturing in February 2026, remains outstanding at EUR 14.0 million;
- The Revolving Credit Facility (RCF), granted to Group companies for EUR 37 million, was extended from June 2025 to October 2027;
- Carve-outs for Receivables Finance Facilities, working capital Financial Indebtedness, and Permitted Indebtedness are allowed up to EUR 260 million.

The updated financial structure results in aggregate Term Loans totalling EUR 142.0 million, with an extended maturity profile and greater flexibility for short-term indebtedness. No maintenance financial covenants are foreseen, except for a leverage ratio in the event of RCF usage, consistent with the previous agreement.

Regarding the Receivables Finance Facilities, the Group has in place a securitisation programme over the receivables of the Italian Company for EUR 60 million and two further receivable financing agreements for aggregate EUR 60 million covering the receivables in the UK, Germany and Poland.

Consolidated Management Report

Key Financial Figures

The summarised Consolidated Income Statement compared with the previous period is shown in the table opposite. In the fiscal year ending on 31 December 2024, Net Turnover reached EUR 459.0 million, compared to EUR 451.0 million in the previous year, while EBITDA totalled EUR 47.2 million versus EUR 33.6 million in the previous period. The EBITDA margin in percentage of sales increased by +2.9% from 7.4% to 10.3%. The EBITDA performance is attributed to the cumulative effect of several favourable and adverse factors. Consolidated figures include Spain branch values, as identified in the Group Organisation information:

- Higher sales were achieved mainly in Traditional Trade and e-commerce channels, with a reduction in Mass Market and OEM channels due to a commercial focus on branded product market penetration;
- Higher volumes resulted from a significant increase in robot mowers, coupled with improved market share for walk-behind and handheld products, and stability in Ride-on mowers;
- Successful negotiations on raw materials and components pricing benefited from the normalisation of inflationary pressures and cost-saving activities by the Group.
- High sea freight rates from the Far East to Europe, due to the Red Sea shipping crisis, showed signs of improvement only in the last quarter of the year;
- Positive effects from currency exchange rates, primarily PLN, USD, CNY and GBP, were enhanced by the Group's currency hedging activities;
- Lower operating expenses were achieved through the Group's restructuring plan implemented in the previous year and tight cost control measures across all departments throughout the year;
- Lower warranty costs resulted from improved product quality.

The Net Profit for the period amounted to EUR 5.2 million, compared with EUR 1.9 million in the previous year, benefiting from lower financial expenses primarily due to exchange rate gains and reduced interest on long-term debt. The change in Deferred Taxes is mainly due the activation in 2023 of Deferred Tax Assets for EUR 11.9 million.

EUR 000's	2024		2023	
Revenues	458,982	100.0%	451,023	100.0%
Gross Profit	**143,875**	**31.3%**	**131,130**	**29.1%**
Distribution Costs	(38,471)	-8.4%	(38,269)	-8.5%
Operating Expenses	(77,598)	-16.9%	(82,172)	-18.2%
Other Operating Income and Expenses	(4,595)	-1.0%	(2,302)	-0.5%
Operating Profit	**23,210**	**5.1%**	**8,388**	**1.9%**
Net Financial Expenses	(11,501)	-2.5%	(17,183)	-3.8%
Profit / (Loss) Before Taxes	**11,710**	**2.6%**	**(8,795)**	**-2.0%**
Current Taxes	(3,805)	-0.8%	(3,860)	-0.9%
Deferred Taxes	(2,698)	-0.6%	14,599	3.2%
Profit / (Loss) for the year	**5,206**	**1.1%**	**1,944**	**0.4%**
Attributable to:				
Owner of STIGA C S.à.r.l.	5,053		1,809	
Non-Controlling Interest	153		135	
EBITDA	**47,197**	**10.3%**	**33,556**	**7.4%**

In this entire report, as tables total are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded components

Consolidated Management Report

The reclassified Consolidation Statement of Financial Position compared with the previous period is shown in the table opposite.

Net Invested Capital amounted to EUR 282.0 million which is lower than the previous year by EUR 22.5 million. The decrease is equally concentrated in the Net Working Capital which amounts to EUR 96.3 million and in the Non-Current Assets which amount to EUR 194.9 million.

Trade receivables valued at EUR 99.2 million, are higher than the value at 31 December, 2023 by EUR 31.9 million. This variance is mainly due to higher sales in the last three months of the year compared to the same period of one year ago.

Inventories at EUR 142.2 million are higher than the value at 31 December, 2023 by EUR 1.4 million. This reflect from one side the planned finished products increased stock necessary to support the 2025 Q1 higher sales, and on the other side the reduction achieved on Industrial stock thanks to supply chain optimisation and efficiency actions realised.

Trade payables have increased compared to 2023 by EUR 48.9 million as a consequence of the enhanced STIGA supply chain ability to match seasonal production plans with suppliers improved time deliveries accuracy in the last two month of 2024.

Non-current assets are EUR 11.0 million lower than previous year mainly due to decrease of Property, Plant and Equipment and Intangible Assets as a consequence of reduced capital investment spending, and to the reduction of Deferred Tax Assets and Long-Term Tax Receivable.

EUR 000's	31 December 2024	31 December 2023
Trade Receivables	99,234	67,290
Inventories	142,155	140,758
Trade Payables	(138,894)	(90,008)
Other Short-Term Assets and Liabilities Non-Financial	(6,234)	(11,085)
(A) NET WORKING CAPITAL	**96,261**	**106,955**
Property, Plant and Equipment	52,724	57,705
Other Intangible Assets	20,743	23,352
Goodwill	91,661	91,661
Equity Investments	5	5
Deferred Tax Assets and Long-Term Tax Receivables	29,266	32,828
Other Long-Term Assets Non-Financial	496	304
(B) NON-CURRENT ASSETS	**194,895**	**205,854**
Other Long-Term Provisions	(5,536)	(4,521)
Provisions for Pensions and Similar Obligations	(1,922)	(1,920)
Deferred Tax and Long-Term Tax Liabilities	(1,405)	(1,190)
Other Long-Term Liabilities Non-Financial	(278)	(620)
(C) NON-CURRENT LIABILITIES	**(9,142)**	**(8,250)**
(D) NET INVESTED CAPITAL (A+B+C)	**282,014**	**304,559**

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Consolidated Management Report

Continues from the previous page

EUR 000's	31 December 2024	31 December 2023
Cash and Financial Short-Term Assets	(46,617)	(42,205)
Short-Term Bank Borrowings	29,206	50,940
Other Financial Short-Term Liabilities	3,576	3,098
(E) NET FINANCIAL POSITION (SHORT-TERM)	**(13,835)**	**11,833**
Financial Long-Term Assets	(48,689)	(43,497)
Long-Term Bank Borrowings	139,863	139,747
Other Financial Long-Term Liabilities	3,088	4,033
(F) NET FINANCIAL POSITION (LONG-TERM)	**94,262**	**100,283**
(G) TOTAL NET FINANCIAL POSITION (E+F)	**80,428**	**112,116**
(H) TOTAL EQUITY	**201,587**	**192,443**
(I) TOTAL EQUITY AND DEBT (G+H)	**282,014**	**304,559**

The decrease of Net Invested Capital led to the improvement of the Net Financial Position of EUR 32.0 million and allowed the early repayment of EUR 24.6 million long-term debt due in August 2024.

More specifically, Cash and Financial Short-Term Assets increased by EUR 4.4 million. Long Term Bank Borrowings slightly increased by EUR 0.1 million and Short Term Borrowings decreased by EUR 21.7 million due to the repayment of term financing that was due in 2024.

Net Equity increased by EUR 9.1 million, mainly due to the Profit of the year and to change in Hedging Reserve.

Group Operations

Capital Expenditure

Total expenditure in Property, Plant and Equipment and Intangible Assets during the year amounted to EUR 12.2 million (EUR 12.3 million in the previous period), corresponding to 2.7% of turnover. In addition, Property, Plant and Equipment increased by EUR 4.3 million and the value of the right of use of leased assets, became higher mainly due to both new rental agreements and to the renewal of contracts already in place. A consistent part of investments in Property Plant and Equipment were focused mainly for the improvement of the efficiency and extension of RO line.

Research and Development Activities

In the fiscal year 2024 the resources dedicated to Research and Development (R&D) activities achieved a value of EUR 11.1 million (EUR 11.6 million in the previous period), related mainly to costs of staff, external consultants, the purchase of goods for product development and the creation and upkeep of patents. The R&D effort in the 2024 fiscal year has been applied to several platforms with different tasks and a continued focus on new technology launches and competitive improvements. Most of the effort was used to add new features to the autonomous robot mowers, develop the 48v battery charge system and the power system for ride-on products.

Capex

12.2m

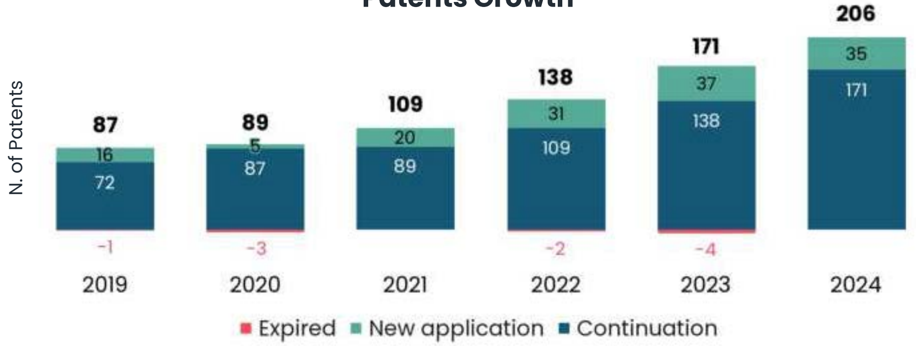
-1% vs 2023

R&D Investments

11.1m

vs. 11.6m in 2023

Patents Growth



Information Regarding Sustainability and Human Resources

The Group's sustainability strategy focuses on reducing its environmental footprint and upholding ethical values regarding products, people, and processes. A major achievement in 2024 was obtaining certification of the Group's Carbon Footprint according to the international ISO 14064-1 standard, marking the starting point for the next steps in reducing environmental impact. The next milestone in this journey will be defining a strategy for reducing CO2 emissions.

Regarding people management, in Italy, we achieved gender equality certification at the end of 2024, following the UNI PdR 125:2022 guidelines. However, all procedures, initiatives, and best practices are systematically shared across the entire Group.

At the core of our sustainability strategy is, of course, our workforce. In 2024, we continued to ensure that our employees received training. The average training hours per employee increased to 15.8 hours in 2024, compared to 14.7 hours in 2023. The employee injury rate decreased in 2024, along with the overall number of injuries among non-employee workers. We know that investing in the health, safety, and well-being of our employees is what makes STIGA a great place to work.

Risk Management

Credit Risk

The Group's credit risk differs depending on products and markets. The Group operates in trade channels with a limited number of important customers with whom there is a continuous and long-term relationship and in other trade channels with a large number of smaller customers.

Customers are subject to specific credit assessment and constant monitoring of the outstanding credit position through dedicated personnel, supported by financial information providers, operating within the guidelines defined by the Group Credit Limit procedure.

Debtor accounts are recognised in the Consolidated Statement of Financial Position, net of write-downs (accounting for the risk that counterparties may be unable to fulfil their contractual obligations) and determined on the basis of available information on creditworthiness of the customer, outstanding credit position and historical data.

Liquidity Risk

The cash flows, funding requirements and liquidity of Group companies are constantly monitored on a centralised basis in order to minimise the cost of financing and to maintain an adequate and effective treasury control.

The cash pooling system concentrates almost the entire available cash in STIGA C S.à r.l. and STIGA S.p.A., optimising the cash management and improving control: all Group companies collecting cash from external customers are included in the cash pooling system with the exception of Spain.

The financing agreement undertaken by the Company in December 2024 provides the Group with aggregate term loans of EUR 142 million, of which EUR 14.0 million due in February 2026 and EUR 127.9 million expiring in October 2027. Further, carve outs for Receivables Finance Facilities, working capital Financial Indebtedness and Permitted Indebtedness (up to EUR 260 million) and RCF (up to EUR 60 million) are included. No maintenance financial covenants are foreseen, except for a leverage ratio in the event of RCF usage.

With regard to the Receivables Finance Facilities, the Group has in place a securitisation programme over the receivables of the Italian Company for EUR 60 million and two further receivable financing agreements for aggregate EUR 60 million covering the receivables in the UK, Germany and Poland.

The current Group financial structure provides adequate financial resources to fund the Group operations, providing the flexibility needed in light of the strong seasonality of working capital needs. In addition, cash flows and results foreseen for the current fiscal year are coherent with the existing financial commitments.

Risk Management

Market Risk

Being a multinational Group with operations throughout the world, the Group is exposed to market risks from fluctuations in foreign currency exchange rates. The exposure to foreign currency risk arises both in connection with the geographical distribution of the Group's industrial activities and in connection with the destination markets. The Group regularly assesses its exposure to foreign currency risk and centrally manages it through the use of derivative financial instruments, in accordance with the "Foreign Currencies Exchange Risk Hedging Process Operating Procedure".

The exchange rates exposure on forecasted commercial flows for the year has been hedged through forward contracts, whose counterparties are major international financial institutions, for an amount covering more than 90% of forecasted net exposure.

With regard to interest rate risk, the Group had in place four Interest Rate Swap contracts that expired in November 2023; the risk on the financial long-term indebtedness is currently unhedged, with Management closely monitoring market conditions and regularly evaluating hedging opportunities.

Information on the fair value of derivative financial instruments held at the balance sheet date is provided in Note 33, together with additional information on the financial risks to which the Group is exposed.

Expected Future Development

The gardening products market destocking cycle, which affected the entire trade in 2023, subsided in the second half of 2024. Consequently, order intake has increased positively compared to the previous year. First quarter sales results are encouraging and aligned with the growth ambition outlined in the Business Plan, with expected performance surpassing 2024 sales and yielding market share gains.

The geopolitical situation in Israel and Ukraine seems to be stabilising, potentially paving the way for the reopening of markets that have contracted in recent years. However, the implementation of USA tariff policies could have a global trading negative impact, reducing customer spending power, which will have to be monitored in a proactive way in order to mitigate risks and adapt to changing market conditions.

Overall, projections for Group profitability in 2025 are positively oriented, and STIGA currently expects to outperform the 2024 results, particularly regarding EBITDA and associated margin performance.

Despite this, macroeconomic conditions in Europe remain uncertain, and the operating environment continues to be challenging, primarily due to intense competitors' pressure. Management continuously monitors the situation and is committed to implementing the strategic guidelines set out in the Business Plan.

23 May 2025

For the Board of Managers
The Chief Executive Officer
Sean Robinson

Typ

Consolidated Financial Statements

Consolidated Statement of Financial Position

EUR 000's			
ASSETS	**31 December 2024**		**31 December 2023**
		Notes	
Non-Current Assets			
Intangible Assets	112,404	**(1)**	115,013
Goodwill	*91,661*		*91,661*
Other Intangible Assets	*20,743*		*23,352*
Property, Plant and Equipment	52,724	**(2)**	57,705
Investments Accounted for using Equity Method	5	**(3)**	5
Financial Long-Term Assets	48,689	**(4)**	43,497
Other Long-Term Assets	496	**(5)**	304
Deferred Tax Assets	29,266	**(6)**	32,828
Total Non-Current Assets	**243,584**		**249,351**
Current Assets			
Inventories	142,155	**(7)**	140,758
Trade Receivables	99,234	**(8)**	67,290
Financial Short-Term Assets	458	**(9)**	425
Other Short-Term Assets	14,242	**(10)**	11,705
Cash and Cash Equivalents	46,159	**(11)**	41,780
Total Current Assets	**302,248**		**261,958**
TOTAL ASSETS	**545,832**		**511,310**

Consolidated Statement of Financial Position

EUR 000's			
LIABILITIES	**31 December 2024**		**31 December 2023**
		Notes	
Capital and Reserves			
Stockholders' Equity	201,336		192,328
Non-Controlling Interests	251		115
Total Capital and Reserves	**201,587**	**(12)**	**192,443**
Non-Current Liabilities			
Long-Term Bank Borrowings	139,863	**(13)**	139,747
Other Financial Long-Term Liabilities	3,088	**(14)**	4,033
Other Long-Term Liabilities	278		620
Provisions for Pensions and Similar Obligations	1,922	**(15)**	1,920
Other Long-Term Provisions	5,536	**(16)**	4,521
Deferred Tax Liabilities	1,405	**(17)**	1,190
Total Non-Current Liabilities	**152,093**		**152,031**
Current Liabilities			
Trade Payables	138,894	**(18)**	90,008
Short-Term Bank Borrowings	29,206	**(13)**	50,940
Other Financial Short-Term Liabilities	3,576	**(19)**	3,098
Other Short-Term Liabilities	20,476	**(20)**	22,790
Total Current Liabilities	**192,152**		**166,835**
TOTAL LIABILITIES AND EQUITY	**545,832**		**511,310**

Consolidated Income Statement

EUR 000's	2024	Notes	2023
Revenues	458,982	(22)	451,023
Cost of Sales	(315,107)	(23)	(319,893)
Gross Profit	**143,875**		**131,130**
Distribution Costs	(38,471)	(24)	(38,269)
Operating Expenses	(77,598)	(25)	(82,172)
- Research & Development	(4,199)		(5,338)
- Marketing, Selling and After sales	(38,297)		(42,642)
- General and Administration	(20,505)		(19,748)
- Operating Depreciation and Amortisation	(14,598)		(14,443)
Other Operating Income	3,096	(26)	3,888
Other Operating Expenses	(7,691)	(27)	(6,190)
Operating Profit	**23,210**		**8,388**
Financial Income	6,157	(29)	3,957
Financial Expenses	(17,658)	(29)	(21,140)
Profit / (Loss) Before Taxes	**11,710**		**(8,795)**
Current Taxes	(3,805)	(30)	(3,860)
Deferred Taxes	(2,698)	(6)	14,599
Profit / (Loss) for the year	**5,206**		**1,944**
Attributable to:			
Owner of STIGA C S.à.r.l.	5,053		1,809
Non-Controlling Interest	153		135

Consolidated Statement of Comprehensive Income

EUR 000's	2024	2023
Profit / (Loss) for the year	**5,206**	**1,944**
Other Comprehensive Income:		
Gain/(Losses) Chargeable to the Consolidated Income Statement:		
Exchange Differences on Translation of Foreign Operations	580	(2,281)
Cash Flow Hedge Recognised to Equity	4,664	390
Income Tax Impact	(1,119)	(94)
Gain/(Losses) Not Chargeable to the Consolidated Income Statement:		
Actuarial Gains/(Losses) Recognised to Equity	(4)	(7)
Income Tax Impact	1	2
Total Comprehensive Income / (Loss) for the year	**9,328**	**(46)**
Attributable to:		
Owner of STIGA C S.à.r.l.	9,175	(181)
Non-Controlling Interest	153	135

Consolidated Statement of Cash Flows

EUR 000's	2024	2023
Profit/(Loss) for the year	5,206	1,944
Taxes Paid	(4,897)	(3,860)
Financial expenses	11,501	17,183
Depreciation and Write-Down of Property, Plant and Equipment	13,788	14,926
Amortisation and Write-Down of Intangible Assets	10,199	10,242
Change in Provisions	1,015	(676)
Change in Deferred Tax Assets and Liabilities	4,897	(14,198)
Other Non-Monetary Variation	(167)	1,744
Changes in Working Capital:		
- Inventories	(1,141)	33,601
- Trade and Other Receivables	(34,481)	38,639
- Trade and Other Payables	51,739	(42,335)
Changes in Other Assets and Liabilities	364	575
Cash Flow from Operating Activities (A)	**58,022**	**57,785**
Investments in Property, Plant and Equipment and Intangible Assets	(12,391)	(11,596)
Disposals of Tangible and Intangible Assets	277	232
Cash Flow from Investing Activities (B)	**(12,114)**	**(11,364)**
Proceeds from Borrowings	4,991	3,522
Repayments of Borrowings	(27,279)	(30,787)
Repayment of Lease Liabilities	(4,787)	(4,753)
Interest Paid	(16,875)	(17,225)
Interest Received	2,383	1,328
Dividends Payment	(17)	(207)
Cash Flow from Financing Activities (C)	**(41,584)**	**(48,122)**
Movements in Cumulative Translation Reserve	54	(233)
Other Cash Flow Effects (D)	**54**	**(233)**
Net Increase/(Decrease) in Cash and Cash Equivalents	**4,379**	**(1,933)**
Net Cash and Cash Equivalents at the Beginning of the Period	**41,780**	**43,713**
Net Cash and Cash Equivalents at the End of the Period	**46,159**	**41,780**

Consolidated Statement of Changes in Equity

EUR '000	Share Capital	Share Premium Reserve	Legal Reserve	Cumulative Translation Reserve	Retained Earnings	Actuarial Gains and Losses	Hedging Reserve	Capital Contribution	Stockholders Net Result	Non-Controlling Interests	Total
Balance as of 1 January 2023	**18,884**	**168,825**	**1,888**	**(2,872)**	**(18,289)**	**(33)**	**(1,903)**	**1,771**	**22,496**	**186**	**190,953**
Result Destination					22,496				(22,496)		0
Capital Contribution								1,744			1,744
Profit/(Loss) for the Year									1,809		1,809
Other Compr. Income/(Loss)				(2,281)		(7)	390				(1,898)
Other Compr. Income/(Loss) Tax Impact						2	(94)				(92)
Dividends										(207)	(207)
Non-Controlling Interest Result for the Year										135	135
Balance as of 31 December 2023	**18,884**	**168,825**	**1,888**	**(5,153)**	**4,207**	**(38)**	**(1,607)**	**3,515**	**1,809**	**114**	**192,443**

EUR '000	Share Capital	Share Premium Reserve	Legal Reserve	Cumulative Translation Reserve	Retained Earnings	Actuarial Gains and Losses	Hedging Reserve	Capital Contribution	Stockholders Net Result	Non-Controlling Interests	Total
Balance as of 1 January 2024	**18,884**	**168,825**	**1,888**	**(5,153)**	**4,207**	**(38)**	**(1,607)**	**3,515**	**1,809**	**114**	**192,443**
Result Destination					1,809				(1,809)		0
Capital Contribution								(167)			(167)
Profit/(Loss) for the Year									5,053		5,053
Other Compr. Income/(Loss)				580		(4)	4,664				5,241
Other Compr. Income/(Loss) Tax Impact						1	(1,119)				(1,119)
Dividends										(17)	(17)
Non-Controlling Interest Result for the Year										153	153
Balance as of 31 December 2024	**18,884**	**168,825**	**1,888**	**(4,573)**	**6,016**	**(41)**	**1,938**	**3,348**	**5,053**	**250**	**201,587**

General Information

STIGA C S.à r.l., the Group's parent company (hereinafter the "Company"), is a limited liability company incorporated on 15 October 2003 as a "société à responsabilité limitée" governed by the laws of Luxembourg, with registered office at 46A, Avenue JF Kennedy, L-1855, Luxembourg, the Grand Duchy of Luxembourg and registered with the Luxembourg companies and trade register (R.C.S. Luxembourg) under the number B96507. The Company and its subsidiaries (referred to as "STIGA Group" or the "Group") serves the residential gardening market under its leading brand STIGA and four other brands as well as serving leading OEM customers and private label customers. The Group manufactures and sells walk behind mowers, ride-on mowers, front mowers, robotic lawn mowers, snow throwers and, in addition, sells handheld gardening tools (such as chainsaws, brush cutters and trimmers), walk behind mowers, snow throwers, tillers and scarifiers purchased from third parties.

As duly illustrated in the Consolidated Management Report section, these Consolidated Financial Statements cover the fiscal year from 1 January 2024 to 31 December 2024.

The Company is included in the consolidated accounts of STIGA S.A., the parent company, forming the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The Company will not file these Consolidated Financial Statements for statutory purposes in Luxembourg since those are filed by its parent company STIGA S.A.

Nevertheless, the Company is required to prepare Consolidated Financial Statements to fulfil the requirements of the Amendment and Restatement Agreement dated 30 December 2024, relating to a Credit Agreement originally signed on 19 April 2007 as subsequently amended and/or restated from time to time. The Consolidated Financial Statements have been prepared only for lenders' reporting purposes.

The Consolidated Financial Statements of STIGA S.A., registered with the Luxembourg companies and trade register (R.C.S. Luxembourg) under the number B148720, are available at its registered office located at the same address of the Company.

The Group's business activities are driven by guidelines defined in the 2028 Business Plan approved in October 2024. The guidelines of the Business Plan are articulated in a series of strategic projects that focus mainly on the development of product lines that incorporate new technologies for the Group. These technologies have been identified by accurate market research, which indicates what will constitute the growing market segments in the coming years, with prospective trends indicating significant variations in the composition of the technological characteristics of the products that end customers will use for years to come. The plan's guidelines also provide for developments aimed at better and more accentuated coverage of strategic sales channels for the Group and improvement of business processes.

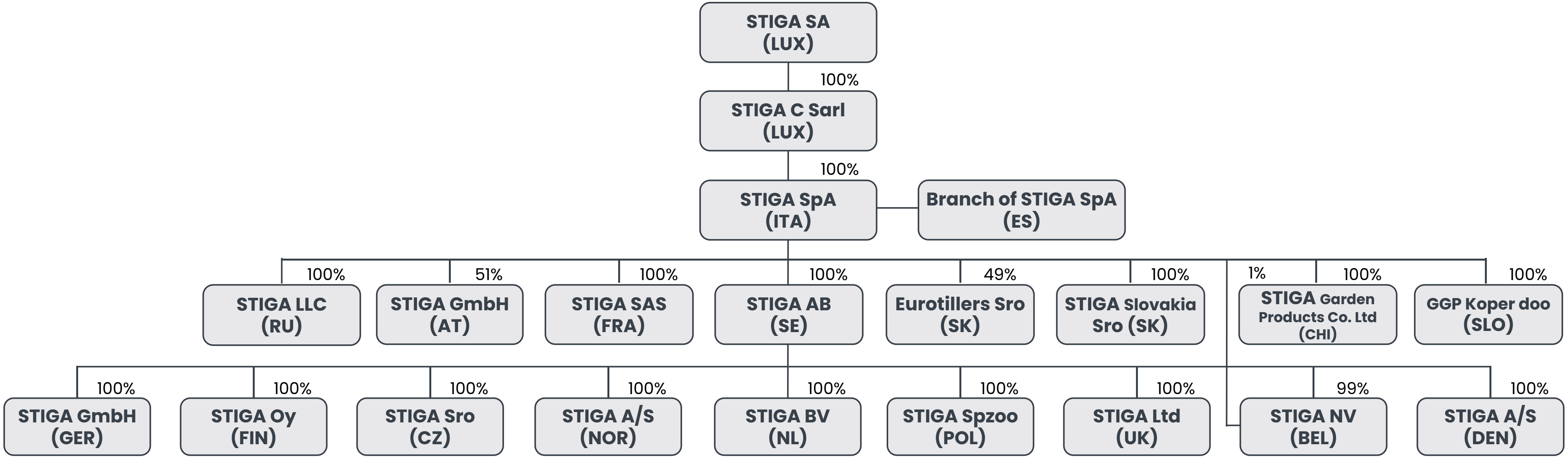
General Information

Group Organisation

The Group is a major producer and distributor of powered garden products in Europe, with leading market share in the ride-on, front mower and walk behind product segments, and has an important presence in handheld, snow throwers and other power equipped garden tools.

From an industrial point of view, the manufacturing structure is based on plants located in Castelfranco Veneto (Italy), Poprad (Slovakia) and Guangzhou (China). The Russian entity is no longer active and ceased trading in 2023.

The structure of the Group as of 31 December 2024 is as follows:



General Information

The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries as of 31 December 2024. Details of the Company and its consolidated subsidiaries as of 31 December 2024 are as follows:

Company Name	Registered Office	% Held	Consolidation Method
STIGA C S.à.r.l.	Luxembourg	100	Parent Company
STIGA S.p.A.	Castelfranco V.to, Italy	100	Full consolidation
STIGA (Guangzhou) Garden Products Co., Ltd	Guangzhou, Pop. Rep. of China	100	Full consolidation
GGP Koper, d.o.o.	Koper, Slovenija	100	Full consolidation
STIGA Slovakia S.r.o.	Poprad, Slovak Rep.	100	Full consolidation
STIGA Sas	Boulogne-Billancourt, France	100	Full consolidation
STIGA GmbH	Wien, Austria	51	Full consolidation
Eurotillers S.r.o.	Poprad, Slovak Rep.	49	Equity method
STIGA LLC	Moscow, Russia	100	Full consolidation
STIGA AB	Tranås, Sweden	100	Full consolidation
STIGA A/S	Oslo, Norway	100	Full consolidation
STIGA GmbH	Straelen, Germany	100	Full consolidation
STIGA Ltd	Plymouth, England	100	Full consolidation
STIGA Oy	Vantaa, Finland	100	Full consolidation
STIGA BV	Vianen, Holland	100	Full consolidation
STIGA s.r.o.	Prague, Czech Rep.	100	Full consolidation
STIGA Sp.z.o.o.	Baranowo, Poland	100	Full consolidation
STIGA NV	Tielt, Belgium	100	Full consolidation
STIGA A/S	Bröndby, Denmark	100	Full consolidation

Stiga S.p.A. also maintains a permanent establishment in Spain.
No change in the scope has occurred compared to the previous year.

General Information

Board of Managers

Independent Manager (Chairman)	Rainer Schmueckle
Independent Manager	PRR Management Consultancy Ltd, represented by Peter Richardson
A Manager	Alcentra Flandre Limited, represented by Laurence Raven
Manager (CEO)	Sean Robinson
Manager (CFO)	Andrea Chemello

Material Accounting Policy Information

Basis of Preparation

The Consolidated Financial Statements for the fiscal year ended on 31 December 2024 have been prepared in accordance with the IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, according to the procedure provided for by Regulation (EC) No. 1606/2002 of the European Parliament and by the European Council on 19 July 2002. The designation "IFRS" also includes all valid International Accounting Standards ("IAS"), as well as all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), formerly the Standing Interpretations Committee ("SIC").

Set out below there are the consolidated financial statement schemes and the related classification criteria adopted by the Group, within the options provided by IAS 1 "Presentation of the Financial Statements":

- The Consolidated Income Statement which has been arranged by classifying expenses according to their function as part of cost of sales, distribution costs or other operating expenses;
- The Consolidated Statement of Financial Position which has been arranged using the distinction of assets and liabilities between current and non-current;
- The Consolidated Statement of Cash Flows that has been prepared using the Indirect method by which the net result of the year is adjusted for the effect of non-cash operations, changes in working capital and cash flows arising from investing and financing activities.

Other consolidated financial statements tables are:

- The Consolidated Statement of Comprehensive Income which includes components that are not recognised in the Consolidated Income Statement for the period as required or allowed by IFRS, such as changes in the cash flow hedge reserve and changes in the reserve for actuarial gains and losses on employees' benefits;
- The Consolidated Statement of Changes in Equity which include changes in the net equity with separate disclosure of net income and of each revenue, income, charge and expense not recognised in the Consolidated Income Statement, but directly charged in net equity on the basis of specific IFRS guidelines.

The Consolidated Financial Statements have been prepared according to the historical cost convention, except for financial assets and liabilities, including derivative instruments for which the adoption of the fair value method is mandatory. The arrangement of the consolidated financial statements according to IFRS requires to the Managers to carry out estimates and assumptions which affect the amounts reported in the consolidated financial statement schemes and in the pertaining notes. The final results of these estimates could differ from the estimates carried out. The Consolidated Financial Statements areas mainly affected by estimates and assumptions made by the Managers are listed under the paragraph "*Use of estimates*".

Material Accounting Policy Information

In preparing these Consolidated Financial Statements, the same accounting standards and drafting criteria were substantially applied as in the preparation of the Consolidated Financial Statements for the year ended 31 December 2023, having regard to the updates to the reference framework that came into effect on 1 January 2024, described below, which in any case did not have a significant impact on the Group, as they regulate non-existing or non-significant cases.

The Consolidated Financial Statements were approved by the Board of Managers for issue on 30 April 2025.

Accounting standards, amendments and interpretations applicable to Consolidated Financial Statements for financial years beginning on 1 January 2024

Accounting standards, amendments and interpretations newly endorsed by the European Union that came into effect on 1 January 2024, and as a result of which there is no material impact on the Consolidated Income Statement or Consolidated Statement of Financial Position, are summarised below:

<u>IAS 1 - Financial Statement presentation: Classification of liabilities as current and non-current</u>
In January 2020, the IASB issued amendments to clarify the classification between payables and other liabilities as current or non-current. In particular, the amendments issued focus on how to classify liabilities with uncertain settlement dates and liabilities that can be settled by conversion to equity. The amendments, endorsed on 19 December 2023, are effective from annual periods beginning on 1 January 2024.

<u>IAS 1 - Financial Statement presentation: Non-Current Liabilities with covenants</u>
In October 2022, the IASB issued amendments which clarify how the conditions that an entity must comply with within twelve months of the reference year affect the classification of a liability. The amendments, endorsed on 19 December 2023, are effective from annual periods beginning on 1 January 2024.

Material Accounting Policy Information

IFRS 16 - Leasing: Liabilities in the sale and leaseback transaction
In September 2022, the IASB issued amendments to specify measuring the liability arising from a sale and leaseback transaction, in order to ensure that the seller-lessee does not recognise any amount of profit or loss that refers to the right of use which it retains. The amendments, endorsed on 20 November 2023, are effective from annual periods beginning on 1 January 2024.

IAS 7 - Statement of Cash Flows and IFRS 7 - Financial Instruments: supplementary disclosures: Supplier Finance Arrangements
In May 2023, the IASB issued amendments introducing new requirements designed to improve the disclosure of information provided on Supplier Finance Arrangements, intended to assist users in understanding the effects of Supplier Finance Arrangements on liabilities, cash flows, and exposure to liquidity risk. The amendments, endorsed on 15 May 2024, are effective from annual periods beginning on 1 January 2024.

Material Accounting Policy Information

Accounting standards, amendments and interpretations applicable to Consolidated Financial Statements for financial years on or after 1 January 2025, the introduction of which is not expected to have a significant impact on the Group

<u>IAS 21 - Effects of changes in foreign currency exchange rates: Lack of Exchangeability</u>
In August 2023, the IASB issued amendments to clarify how an entity should apply a consistent approach when assessing the possibility of currency conversions, to determine the exchange rate to be used and the disclosures to be made. The amendments, endorsed on 12 November 2024, take effect from annual periods beginning on 1 January 2025.
These changes are not expected to have a significant impact on the Group's consolidated financial statements.

Accounting standards, amendments and interpretations not yet endorsed by the European Union

At the date of this report, the European Union has not yet completed its endorsement process for the following standards and amendments:

- new Standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures, published by IASB in May 2024;
- new Standard IFRS 18 - Presentation and Disclosure in Financial Statements, published by IASB in April 2024;
- new amendment Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7, published by IASB in December 2024;
- new amendment Annual Improvements Volume 11, published by IASB in July 2024;
- new amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7, published by IASB in May 2024.

The Group is evaluating their potential impact on the consolidated financial statements, and will adopt the new standards and interpretations, if applicable, when they come into force.

Material Accounting Policy Information

Basis of Consolidation

The Consolidated Financial Statements include the Financial Statements of the Company and its subsidiaries as of 31 December 2024. Details of the Company and its consolidated subsidiaries as of 31 December 2024 are as follows (no changes compared to the previous year):

Company Name	Registered Office	% Held	Consolidation Method
STIGA C S.à.r.l.	Luxembourg	100	Parent Company
STIGA S.p.A.	Castelfranco V.to, Italy	100	Full consolidation
STIGA (Guangzhou) Garden Products Co., Ltd	Guangzhou, Pop. Rep. of China	100	Full consolidation
GGP Koper, d.o.o.	Koper, Slovenija	100	Full consolidation
STIGA Slovakia S.r.o.	Poprad, Slovak Rep.	100	Full consolidation
STIGA Sas	Boulogne-Billancourt, France	100	Full consolidation
STIGA GmbH	Wien, Austria	51	Full consolidation
Eurotillers S.r.o.	Poprad, Slovak Rep.	49	Equity method
STIGA LLC	Moscow, Russia	100	Full consolidation
STIGA AB	Tranås, Sweden	100	Full consolidation
STIGA A/S	Oslo, Norway	100	Full consolidation
STIGA GmbH	Straelen, Germany	100	Full consolidation
STIGA Ltd	Plymouth, England	100	Full consolidation
STIGA Oy	Vantaa, Finland	100	Full consolidation
STIGA BV	Vianen, Holland	100	Full consolidation
STIGA s.r.o.	Prague, Czech Rep.	100	Full consolidation
STIGA Sp.z.o.o.	Baranowo, Poland	100	Full consolidation
STIGA NV	Tielt, Belgium	100	Full consolidation
STIGA A/S	Bröndby, Denmark	100	Full consolidation

Material Accounting Policy Information

Subsidiaries are enterprises controlled by the Group, as defined by IFRS 10 – Consolidated Financial Statements. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiaries are included in the Consolidated Financial Statements from the date control commences until the date it ceases.

At the date of acquisition, assets and liabilities of a subsidiary are measured at fair value. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. When necessary, adjustments are made to the Financial Statements of subsidiaries to bring the accounting policies used in line with those used by the Group.

All significant intercompany transactions and balances between Group enterprises are eliminated on consolidation.

Investments in associates are accounted for using the equity method. A company is considered an associate if the Group participates in decisions relating to the company's operating and financial policies even if the latter is not a subsidiary nor subject to joint control. Under the equity method, on initial recognition, an investment in an associate is recognised at cost in the Consolidated Statement of Financial Position and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The eventual goodwill relating to the associate is included in the carrying amount and is not subject to amortisation. The profits generated as a result of transactions carried out by the Group with associates are eliminated to the extent of the Group's interest in the associate.

The financial statements of companies accounted for based on the equity method are adjusted to be in line with the Group's accounting policies.

Profit or Loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and the consolidated statement of financial position

Material Accounting Policy Information

Foreign Currency Translation

Functional and Presentation Currency
Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Euro, which is the Company's functional and presentation currency.

Transactions and Balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges, and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).
Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss.

Group Companies
Conversion into Euro of the Financial Statements of foreign subsidiaries was made using the year-end exchange rate for assets and liabilities and the monthly average exchange rate for the income statement captions. Regarding historical rates, exchange rates effective at the transaction date have been applied. Exchange differences arising on converting financial statements expressed in foreign currencies are booked directly to shareholders' equity (Consolidated Statement of Comprehensive Income) under the caption currency translation Reserve (Note 12).
Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.
The exchange rates used for converting the Financial Statements of consolidated foreign subsidiary companies into EUR are as follows (for the monthly average rates used in the profit and loss, the table below provides the lowest and the highest rate):

Currency	Monthly Average Exchange Rate in the Fiscal Year (Lowest)	Monthly Average Exchange Rate in the Fiscal Year (Highest)	Exchange Rate as of 31 December 2024
SEK Swedish Crown	11.2500	11.6186	11.5040
GBP British Pound	0.8280	0.8587	0.8280
DKK Danish Crown	7.4550	7.4614	7.4589
NOK Norwegian Crown	11.3501	11.7907	11.7447
PLN Polish Zloty	4.2704	4.3648	4.2704
CZK Czech Crown	24.7158	25.3011	25.1361
CNY Chinese Yuan Renminbi	7.6298	7.8750	7.6298
RUB Russian Ruble	94.6181	108.6807	108.6807

Material Accounting Policy Information

Intangible Assets

Goodwill

Goodwill acquired as part of a business combination is determined as the excess of the sum of the considerations transferred to the business combination, shareholders' equity attributable to non-controlling interests and the fair value of any equity investment previously held in the acquiree, over the fair value of the net assets acquired and liabilities assumed at the acquisition date. If the value of the net assets acquired and liabilities assumed exceeds the sum of the considerations transferred, the Shareholders' equity attributable to non-controlling interests and the fair value of any equity investment previously held in the acquiree, the excess amount is immediately recognised in the income statement as income.

After initial recognition, goodwill is measured at cost less any accumulated impairment loss. In fact, goodwill is not amortised and is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, pursuant to IAS 36 – Impairment of Assets.

The recoverable amount of the Cash-Generating Unit (CGU) to which the individual asset is allocated is verified by calculating its value in use and/or fair value. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount. A CGU is the smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Considering the features of the Group, which present a substantial business standardisation and deep industrial and commercial interactions among products and among companies in the Group, internal different independent cash-generating units are not identifiable. Therefore, the goodwill has been originally allocated to the sole CGU identified at the level of the same whole group, as also actually duly consistent with the operations and the reporting instances.

Trademarks, Patents and Licences

Separately acquired trademarks, patents and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use;
- Management intends to complete the software and use or sell it;
- There is an ability to use or sell the software;
- It can be demonstrated how the software will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

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Directly attributable costs that are capitalised as part of the software include employee costs.

Capitalised development costs are recorded as intangible assets and amortised when the asset is ready for use.

Research and Development
Research expenditure and development expenditure that do not meet the criteria for capitalisation are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation Methods and Period
Amortisation is recorded on a straight-line basis on estimated useful life of the assets. The following amortisation rates are used:

Development Costs	3-5 years
Computer Software	5 years
Licenses	5 years
Trademarks	10 years
Patents	5 years

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost, net of accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from Equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

Depreciation is recorded on a straight-line basis on estimated useful life of the assets. Land is not depreciated. The following depreciation rates are used:

Buildings	20-50 years
Land Improvements	20 years
Building Equipment	10-20 years
Machinery	3-10 years
Other Equipment	5 years

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Leases

When signing a contract, the Group assesses whether it is, or contains, a lease, i.e. whether the contract confers the right to direct the use of an identified asset, and to obtain substantially all the economic benefits from that use for a period of time in exchange for a consideration. The Group uses a single model of recognition and measurement for all leases. The Group recognises liabilities relating to lease payments and the Right Of Use (ROU) the asset underlying the contract. The Group recognises ROU assets at the lease commencement date (i.e. the date on which the underlying asset is available for use). ROU assets are measured at cost, net of accumulated depreciation and impairment losses, and adjusted for any remeasurement of the Lease Liabilities. The cost of the ROU includes the amount of the Lease Liabilities recognised, the initial direct costs incurred and the lease payments made as of the commencement or before inception, net of any incentives received. ROU assets are depreciated on a straight-line basis from the commencement date over the shorter of the end of the useful life of the asset and the end of the lease term. ROU are subject to eventual impairment pursuant to IAS 36 – Impairment of Assets.
The identified asset may be identified explicitly or implicitly, or an asset can also be a portion of a larger asset if this portion is physically distinct; furthermore, the asset is identified if the supplier does not have substantive right of substitution throughout the contract term. With regard to obtaining all the economic benefits deriving from the use of the asset, the lessee's specific right-of-use contemplated in the contract must be considered (e.g.. use of the asset in a specific place or use of the asset for a certain number of hours). Control of the asset exists when the lessee can direct the use of the asset without changes being made by the supplier or if the way in which and the purpose for which the asset is to be used has been predetermined.

The lessee's right to direct usage of the asset will not be forfeited in the event the supplier only maintains protective rights which make it possible to protect the asset and personnel, as well as comply with the law. Similar contracts may be grouped and accounted for together if application of IFRS 16 to each contract would not have a significantly different impact on the Financial Statements.

The ROU asset must be valued at cost comprehensive of the present value of future payments, the initial costs incurred directly by the lessee, any advance lease payments made and the estimate of the costs for elimination, removal and restoration. The related liability (the "Lease Liability") must equal the present value of the payments payable over the term of the lease discounted at the interest rate implicit in the lease, if easily determined, or alternatively, at the Incremental Borrowing Rate which is the rate that the lessee would pay on a loan with a similar duration and conditions. In the event the lease term, purchase options, the residual value guaranteed, or variable payments based on indices or rates, are redetermined, the lease liability must be adjusted.

The Incremental Borrowing Rate ("IBR"), given the substantially stable conditions on which the calculation is based, has been based on the average borrowing cost of STIGA Group, e.g. 5.87% for short-term financing and 8.87% for long-term financing, applied accordingly to the lease agreements for which the conditions of adoption of the new standard have been respected, depending on their maturity date and is in line with previous year.

As practical expedients allowed by IFRS 16, the Group excluded the initial direct costs from the measurement of the ROU assets at the date of transition to the new standard. With reference to the low value and short term options, instead, the Group did not apply any expedient.

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In terms of presentation, the ROU assets are not reported separately in the Consolidated Statement of Financial Position, but within the same line item as that within which the corresponding underlying assets would be presented if they were owned and the related financial liabilities (not reported separately as well) are recognised in the net financial position as non-banking items.

Impairment of Assets

The Group reviews, at least annually, the recoverability of the carrying amount of intangible assets and Property, Plant and Equipment assets, in order to determine whether there is any indication that those assets have suffered any impairment loss. If indications of impairment exist, the carrying amount of the assets is reduced to its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the Cash-Generating Unit to which the asset belongs, which is, in the case of Group, itself as a whole, as explained previously.

Financial Assets

Financial Assets are recognised under Current and Non-Current Assets based on maturity and expectations of when they are converted into monetary assets. Financial Assets include equity Investments in other companies (other than associates), derivatives, receivables, and cash and cash equivalents. The Group's financial assets are classified according to the business model adopted for the management of these assets and the related cash flows. The categories identified are as follows:

Financial Assets Measured at Amortised Cost
This category includes financial assets for which the following requirements have been verified:

- The asset is owned within the framework of a business model whose objective is to own the asset in order to collect contractual cash flows; and
- The contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the principal amount to be repaid.

In this specific case, these are mainly loans recognised as assets, and trade and other receivables. Receivables and loans recognised as assets are included in Current Assets, except for those with a contractual maturity of more than 12 months from the reporting date, which are classified as Non-Current Assets. Receivables are classified in the Consolidated Statement of Financial Position as Trade and Other Assets (Current and Non-Current). Loans recognised as assets are classified as Financial Assets (Current and Non-Current). With the exception of Trade Receivables that do not contain a significant financial component, other receivables and loans recognised as assets are initially recognised in the Consolidated Financial Statements at their fair value plus any ancillary costs directly attributable to the transactions that generated them. Upon subsequent measurement, assets in this category are measured at amortised cost using the effective interest rate. The effects of this measurement are recognised among the Financial Income components. Such assets are also subject to the impairment model described in the section “Trade Receivables and Other Non-Financial Assets”.

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Financial Assets at Fair Value Through Other Comprehensive Income ("FVOCI")
This category includes financial assets for which the following requirements have been verified:

- The asset is owned within the framework of a business model whose objective is achieved either through the collection of contractual cash flows or through the sale of the asset; and
- The contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the principal amount to be repaid.

These assets are initially recognised in the Consolidated Financial Statements at their fair value plus any ancillary costs directly attributable to the transactions that generated them. Upon subsequent measurement, the valuation carried out at the time of recognition is updated and any changes in fair value are recognised in the Consolidated Statement of Comprehensive Income. As with the preceding category, these assets are subject to the impairment model described in the section "Trade receivables and other assets" below.

Financial Assets at Fair Value Through Profit or Loss ("FVTPL")
Financial Assets that cannot be placed in any of the previous categories are classified under this category (a residual category). These are mainly derivatives that the Group has not irrevocably decided to classify as FVOCI at initial recognition or at the time of transition to IFRS 9. Assets in this category are classified under Current or Non-Current Assets according to their maturity and recognised at fair value at the time of initial recognition.

The ancillary costs incurred when recognising the asset are immediately charged to the Consolidated Income Statement. Upon subsequent measurement, FVTPL financial assets are measured at fair value. Gains and losses arising from changes in fair value are recognised in the Consolidated Income Statement in the period in which they are recorded, under other net income/(expenses). Purchases and disposals of financial assets are booked at the settlement date.

The Group derecognises financial assets when: (i) the assets are redeemed or the rights to cash flows from the assets have otherwise expired; (ii) the Group has transferred substantially all the risks and rewards of ownership of the assets; or (iii) the Group has neither transferred nor retained substantially all risks and rewards of ownership but has not retained control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose additional restrictions on the sale.

Trade Receivables and Other Assets

The assumption adopted by the Group with regard to Trade and Other Assets is that these do not contain a significant financial component maturing in less than one year: they are therefore recognised initially at the price defined for the relevant transaction (determined according to the provisions of IFRS 15). Upon subsequent measurement, they are valued using the amortised cost method and the impairment model introduced by IFRS 9.

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According to this model, the Group assesses receivables on an expected credit loss basis. For Trade Receivables, the Group has adopted a simplified measurement approach, which does not require the recognition of periodic changes in credit risk, but rather the recognition of an Expected Credit Loss ("ECL") calculated over the entire life of the receivable ("lifetime ECL"). Depending on the different characteristics of the credit risk per country, the decision was made to apply specific evaluation for different groups of receivables on an individual basis and, if necessary, fully written down, if there is no reasonable expectation of recovery, or if there are inactive commercial counterparties (situations of bankruptcy and/or initiation of legal actions). Then, the expected solvency of counterparties is assessed also according to a stratification of the Trade Receivables based on past due days. Write-down rates are applied to these categories that reflect the related expected losses (based on historical Trade Receivables payment profiles).

Inventories

Raw Materials and Consumables are stated at the lower of cost and the corresponding net realisable value. The cost is determined according to the weighted average costs method. Costs of purchased Inventory are determined after deducting rebates and discounts. Work in progress and finished goods are valued at the manufacturing cost or at the lower market value. The manufacturing cost includes direct materials and direct labour, as well as an appropriate portion of the indirect materials and labour costs, production-related depreciation and the expenditure attributable to the products. Distribution, General Administrative Costs and Interest Expenses are not allocated.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision is made for obsolete and slow-moving Inventories based on their expected future use and realisable value.

Cash and Cash Equivalents

Cash and Cash Equivalents include available cash and credit balances of bank current accounts with no limits or restrictions, recognised at nominal value. Cash and Cash Equivalents are short-term, highly liquid investments that are readily convertible to cash, for which the risk of a change in value is insignificant. Investments are generally classified as cash and cash equivalents when their original maturity is three months or less.

Accrued Expenses and Deferred Income

Accrued expenses and deferred income are recorded to allocate costs and revenues to the appropriate accounting periods, ensuring compliance with the matching principle.

Provision for Liabilities and Charges

Provisions for legal claims, service warranties and other obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Changes in estimates are reflected in the Consolidated Income Statement in the period in which the change occurs.

Trade Payables

Trade Payables are classified as current liabilities if payment is due within one year from the reporting date. Otherwise, such payables are classified as non-current liabilities.

Bank Borrowings

Bank borrowings and other financial liabilities are initially recognised at fair value, less any transaction costs incurred in relation to obtaining the obligation. They are subsequently carried at amortised cost; in the case of loans, any difference between the amount received (less transaction costs) and the total repayment amount is recognised in the Consolidated Income Statement over the period of the loan, using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for 12 months after the reporting date; in this case, only the portion falling due within 12 months of the reporting date is classified as a current liability.

Payables to banks and other lenders are removed from the Consolidated Financial Statements when they are settled, that is when all risks and charges relating to the instrument are transferred, cancelled or extinguished.

Financial Liabilities for Leases

At the commencement date of a lease, the Group recognises financial liabilities for leases, measuring them at the present value of the lease payments due and not yet paid at that date. The payments due include fixed payments (including substantially fixed payments) net of lease incentives received, variable lease payments that are index or rate dependent, and amounts expected to be paid for residual value guarantees.

Lease payments also include the exercise price of a call option if it is reasonably certain that this option will be exercised by the Group, and lease termination penalty payments if the lease term takes into account the Group's exercise of the lease termination option, but variable lease payments that are not dependent on an index or rate are recognised as costs in the period in which the event or condition that generated the payment occurs. In calculating the present value of the payments due, the Group uses the Incremental Borrowing Rate at inception if the implicit interest rate cannot be easily determined, as stated above.

After the commencement date, the amount of the lease liability is increased to reflect interest on the lease liability and decreased to reflect payments made. In addition, the carrying value of lease payables is recalculated in the event of any amendments to the lease or the revision of the contractual terms to change the payments; it is also recalculated in the event of changes to the valuation of the option to purchase the underlying asset or for changes in future payments that result from a change in the index or rate used to determine such payments.

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Employee Benefits

Short-Term Obligations
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current Employee Benefit Obligations in the Consolidated Statement of Financial Position.

Post-Employment Obligations
Employees of the Group participate in some defined benefit and/or defined contribution pension plans in accordance with local conditions and practices in the countries in which the Group operates. Defined benefit pension plans are based on the employees' years of service and the remuneration earned by the employee during a pre-determined period.

The Group's obligation regarding defined benefit pension plans and the annual cost recognised in the Consolidated Income Statement is determined by independent actuarial experts using the projected unit credit method. The net cumulative actuarial gains and losses are recognised every year to equity, in accordance with IAS 19. The post-employment benefit obligation recognised in the Consolidated Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses reduced by the fair value of plan assets.
Payments to defined contribution plans are recognised as an expense in the Consolidated Income Statement as incurred.

Share-Based Payments
The Group provides additional benefits to certain managers through incentive plans accounted in accordance with IFRS 2 – Share Based Payments.

In particular, on 7 July, 2016 STIGA S.A. (the parent of the Company), STIGA C and STIGA S.p.A. signed an agreement which regulates the entitlement of two identified Non Executive Directors (NED) of STIGA C Board of Managers to receive a cash payment by STIGA S.A. as an incentive; such obligation of STIGA S.A. to pay the incentive originates upon the occurrence of an exit event ("Cash Payment"). The Cash Payment depends on the amount resulting from the exit proceeds, being computed as (i) the value payable to the Group Shareholders net of exit costs and (ii) certain amounts paid to the lenders between 2016 and the estimated exit date. Such so called "NEDIP" (Non Executive Directors Incentive Plan) therefore qualifies as a cash-settled share-based compensation plan at the level of STIGA S.A., which is the obliged entity, but its proper accounting is at the level of STIGA C, according to IFRS 2, as an equity-settled incentive plan.

Financial Derivative Instruments

Derivative Financial Instruments are accounted for in accordance with IFRS 9 – Financial Instruments and so are, in any case, measured at fair value. STIGA Group uses derivatives solely for hedging purposes, in order to reduce exposures to currency and interest rate risk. Derivative financial instruments were qualified for hedge accounting pursuant to a principles-based approach, according with IFRS 9. In order to qualify for hedge accounting, the hedge relationship must meet the hedge effectiveness criteria at the beginning of each hedged period which requires that:

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- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that actually used in the economic hedge.

When financial instruments meet the conditions for hedge accounting, they are accounted as follows (three theoretical types of hedging relationships):

Fair Value Hedge – If a financial instrument is designated as a hedge of the exposure to changes in fair value of a recognised asset or liability, that is attributable to a particular risk that could affect profit or loss, the gain or loss from re-measuring the hedging instrument at fair value is recognised in profit or loss; the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognised in profit or loss.

Cash Flow Hedge – If a financial instrument is designated as a hedge of the exposure to variability in cash flows attributable to a highly probable forecasted transaction which could affect profit or loss, the effective portion of the gain or loss on the hedging instrument is recognised in the Statement of Other Comprehensive Income; the effective portion of the cumulative gains or losses is reclassified from equity to profit or loss in the same period that the hedged transaction affects profit or loss; the gain or loss associated with an ineffective portion of the hedge is recorded in profit or loss when the ineffectiveness occurred.

If a hedging instrument or a hedging relationship is terminated, but the hedged transaction has not yet occurred, the cumulative gains and losses recorded up until then in the Statement of Consolidated Comprehensive Income are reclassified to profit or loss when the related transaction occurs. If a hedged forecast transaction is no longer expected to occur, the unrealised cumulative gains or losses in Equity are reclassified to profit or loss. If hedge accounting is no longer applicable, the gains or losses arising from the derivative financial instrument's fair value measurement are recognised in profit or loss.

Net Investment Hedge – Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in the Statement of Comprehensive Income, while any gains or losses relating to the ineffective portion are recognised in the Consolidated Income Statement. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the Consolidated income Statement.

STIGA Group ordinarily uses derivative financial instruments (i.e. currency forward agreements and Interest Rate Swaps), as part of its risk management policy to reduce its exposure to market risks from changes in foreign exchange rates and in interest rate fluctuations on the long-term debt, therefore accounted as cash flow hedgings. Regardless of the managerial purpose of the contract, if the derivative instruments used to manage interest rate and currency risk do not satisfy (or they no longer satisfy) the formal requirements for IFRS hedge accounting, such instruments are recognised in the Consolidated Statement of Financial Position as financial assets/liabilities at their fair value on the reporting date and changes in fair values are recognised through profit or loss.

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Revenue Recognition

Revenue recognition reflects the consideration to which the entity will be entitled to when the control of the merchandise or services is transferred to the customer. On the basis of the five-step model introduced by IFRS 15 – Revenue from Contracts with Customers, the Group recognises revenues after identifying contracts with its customers and the related services to be provided (transfer of goods and/or services), determining the consideration to which it believes it is entitled in exchange for providing each of these services, and assessing how these services are provided (at a point in time or over time). More specifically, revenues from the sale of goods are recognised in the income statement when control of the product sold is transferred to the customer, usually coinciding with the delivery or shipment of the goods to the customer; revenues for services are recognised in the period in which the services are rendered, with reference to completion of the service provided and as a proportion of the total services still to be rendered. Revenues are recognised at the fair value of the consideration received. Revenues are recognised net of value added tax, expected returns and any trade discounts, allowances, settlement discounts and rebates. Payment times granted to Group customers do not exceed a 12-month period, so the Group does not make transaction price adjustments to take financial components into account.

Cost of Sales

Cost of sales comprises the cost of manufacturing products and the acquisition cost of purchased merchandise, which has been sold.

It includes all directly attributable material and production costs and all production overheads. These include the depreciation of property, plant and equipment and the amortisation of intangible assets relating to production and write-downs of inventories. The acquisition of goods, mirroring revenue, is determined by the transfer of control over them.

Taxation

Income taxes include all taxes based upon the taxable profits of the Group. Deferred taxes are provided using the full liability method. They are calculated on all temporary differences between the tax base of an asset or liability and the carrying values in the Consolidated Financial Statements, except for those arising from non-tax-deductible goodwill and for those related to investments in subsidiaries where reversal will not take place in the foreseeable future. Tax assets on unused tax losses and tax credits, as well as those arising from temporary differences, are recognised to the extent it is probable that future profits will be available against which they can be utilised, determined on the basis of available projections.

Current Income Tax Assets and Liabilities are offset when the income taxes are levied by the same taxation authority and where there is a legally enforceable right to offset. Deferred Tax Assets and Liabilities are measured at the enacted tax rates in the respective jurisdictions in which the Group operates that are expected to apply to taxable income in the periods in which temporary differences will presumably reverse.

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Dividends

Dividends are reported as a movement in equity in the period in which they are approved by the shareholder.

Use of Estimates

The preparation of Consolidated Financial Statements and related disclosures that conform to IFRS requires Management to make estimates and assumptions affecting measurement of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of any changes are immediately reflected in the income statement. Set out below there is a brief description of the areas that require more than others a subjective input by the Management in making estimates and for which a change in the conditions underlying the used assumptions could have a significant impact on financial data.

Impairment of Intangible Assets
Goodwill is tested at least once a year, and in any case whenever events or circumstances indicate the possibility of impairment, for recoverability pursuant to IAS 36.

If the recoverable amount is less than the carrying amount, the asset is written down to its recoverable amount (defined as the greater of its value in use and its fair value).

Verification of the amount requires subjective judgements to be made, based on information available within the Group and from the market, as well as past experience. In addition, where potential impairment is identified, it is determined using evaluation techniques regarded as appropriate. The same verifications of value and the same evaluation techniques are applied to intangible and tangible assets with a definite useful life when there are indicators suggesting that recovery of the relative net carrying amount through use might be difficult. The correct identification of impairment triggers and estimates to determine this depend on factors that may vary over time, with an effect on the valuations and estimates made by the Group.
The calculations to test the impairment use cash flow projections based on financial budgets approved by management covering a four-year period. The Cash flows beyond the four-year period are extrapolated using the estimated growth rates stated below. The main key assumptions used for value-in-use calculations of the recoverable amounts of goodwill are as follows:

Estimates	
Compound Annual Growth Rate in Net Sales over the plan	5.1%
Average % of EBITDA over the plan	11.5%
Annual Other Operating Expenses (EUR 000's)	7,450
Long-Term Growth Rate	2.0%
Pre-tax Discount Rate	10.56%

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Assumptions:
Sales Volume: average annual growth rate over the four-year forecast period, based on management's expectations of market development.
Budgeted Gross Margin: based on past performance and management's expectations for the future.
Other operating Expenses: management forecasts of these costs are based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings or cost-saving measures. The amounts above are the average operating costs for the four-year forecast period.
Long term growth rate: This is the weighted average growth rate used to extrapolate cash flows beyond the budget period.
Pre-tax discount rate: it is calculated by averaging the rate of all of the company's sources of capital (both debt and equity), weighted by the proportion of each component.

Depreciation and Amortisation (Useful Life of Fixed Assets)
Depreciation and Amortisation reflect the best estimate of the expected useful life of assets with a finite life. This estimate is based on the possibility of use of these assets and their capacity to contribute to the Group's results in future years.

Inventory Obsolescence
A specific stock depreciation provision in direct reversal of the gross value of inventories reflects the estimates made by the Management in order to align the book value to the market value if deemed less than the cost, in relation to contents of obsolescence and/or depreciation of the stock, determined according to the levels of rotation, production and sales plans, as well as the physical state of raw materials, semi-finished and finished products.

Pension Funds and Other Employee Benefits
The cost of the defined benefit pension plans is determined using actuarial valuations. The actuarial valuations involve making assumptions about discount rates, expected rates of return on investments, future salary increases, mortality rates and future pension increases. Because of the long-term nature of these plans, such estimates are subject to significant degree of uncertainty.

The costs recognised in the income statement in relation to incentive plans for managers are mainly influenced by the estimated timing of the occurrence of the event that triggers vesting, as well as the actual possibility of the occurrence of the event and the presumed reference value of the plan. Therefore, this estimate depends on factors that may vary over time and variables that the management might find it hard to predict and determine. Changes in these items may significantly influence the assessments made by the management and therefore result in changes in the estimates.

Deferred Tax Assets
Deferred Tax Assets are booked based on expectations of taxable income in future years for the purpose of recovering them. The evaluation of expected taxable income for the accounting of deferred tax assets depends on factors that may vary over time and have significant effects on the recoverability of the deferred tax assets. These items include an amount of EUR 23.9 M which relates to carried-forward tax losses and interest costs non-deductible of Stiga S.p.A. The group has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the subsidiary. The subsidiary is expected to generate an adequate taxable income from 2025 onwards. The losses can be carried forward indefinitely and have no expiry date.

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Going Concern

In December 2024, the Company undertook an amend-and-extend process of its existing Senior Facilities Agreement, resulting in the following changes to its financial structure:

- A new Facility ("Term Loan B2") of EUR 127.9 million with a bullet maturity date of October 2027 was introduced, replacing Term Loan B1 for an equivalent amount plus payment-in-kind consent fees.
- The existing Term Loan B1 of EUR 140.4 million, originally due in February 2026, remains outstanding for EUR 14.0 million.
- The Revolving Credit Facility (RCF), granted to Group companies for EUR 37 million, was extended from June 2025 to October 2027.
- Additional amendments include: (i) authorisation for the security agent to release security over the Tranas (Sweden) real estate asset to facilitate its disposal; (ii) authorisation to release security over inventory to enable additional working capital financing; (iii) Introduction of a new permitted working capital financing basket, allowing the Group to incur up to EUR 50 million in indebtedness secured over designated collateral.

The current financial structure results in aggregate Term Loans amounting to EUR 142.0 million, with an extended maturity profile and additional flexibility for short-term indebtedness. Carve-outs for Receivables Finance Facilities, working capital Financial Indebtedness and Permitted Indebtedness are allowed up to EUR 260 million. The RCF, allowed up to EUR 60 million, was not utilised over the course of the current financial year. No maintenance financial covenants are foreseen, except for a leverage ratio in the event of RCF usage, consistent with the previous agreement. The lenders' structure consists of a variety of funds and financial institutions, with Global Loan Agency Services Limited acting as the agent.

Regarding the Receivables Finance Facilities, the Group has in place a securitisation programme over the receivables of the Italian Company for EUR 60 million and two further receivable financing agreements for aggregate EUR 60 million covering the receivables in the UK, Germany and Poland.

In evaluating the appropriateness of the going concern assumption for the preparation of the Consolidated Financial Statements, the Board of Managers took into consideration the Group's solid financial structure as described above, as well as the possible implications on the Group commercial performance of the current macroeconomic trends affecting the various European countries. Under this respect the Board of Managers noted that, despite the significant reduction of the power garden equipment market following Covid-19, the contraction of consumer spending and the continued geopolitical instability, the Group has maintained acceptable profitability thanks to the prompt implementation of cost reduction measures. Further, the significant improvement in working capital resulted in an operating cash flow of EUR 58.0 million, enabling in June 2024 the early repayment of EUR 24.6 million term loan due in August 2024. Management is confident that 2025 EBITDA and cash flow will be higher than previous year.

Based on these considerations, the Board of Managers deems the going concern assumption appropriate for the preparation of the Financial Statements as of 31 December 2024.

Reconciliation between Separate and Consolidated Financial Statements

A reconciliation of Equity and Net Result between separate accounts of the parent company and consolidated figures is provided in the table below. It should be noted in evaluating such analysis that the separate accounts of the parent company STIGA C S.à r.l. are prepared under Luxembourg Accounting Principles and are therefore not fully comparable with consolidated accounts. For this reason the cumulative effect of adjustments made to align the parent company accounts to IFRS is included in the reconciliation, among the “Other Consolidation Entries”.

	Equity		Net Result	
Description	**31 December 2024**	**31 December 2023**	**2024**	**2023**
STIGA C S.à.r.l. Statutory Financial Statements	**171,208**	**174,757**	**(3,549)**	**17,485**
- Investments' Value Elimination	(310,485)	(310,541)	-	(20,000)
- Equity and Net Result of Consolidated Companies	257,027	246,947	13,728	22,033
- Goodwill arising in Consolidation	91,661	91,661	-	-
- Dividends Elimination	(2,587)	(2,144)	(8,142)	(12,394)
- Elimination of IC Gains on Assets Disposals and IC Profit on Inventory	(6,678)	(12,887)	6,209	(6,213)
- Other Consolidation Entries	1,440	4,651	(3,041)	1,032
Consolidated Financial Statements	**201,587**	**192,443**	**5,206**	**1,944**
- Non-Controlling Interests	(251)	(115)	(153)	(135)
Consolidated Financial Statements - Attributable to the Owner of STIGA C S.à.r.l.	**201,336**	**192,328**	**5,053**	**1,809**

Notes to the Consolidated Financial Statements

(1) Intangible Assets

EUR 000's	Development Costs	Software & Licenses	Trademarks & Patents	Goodwill	Other	Total
Carrying Amount at the Beginning of the Fiscal Year	**19,292**	**2,803**	**1,233**	**91,661**	**24**	**115,013**
Additions	5,727	1,172	829	-	-	7,728
Decreases	(151)	(10)	-	-	-	(161)
Reclassifications	(241)	17	249			25
Amortisation	(8,245)	(1,325)	(625)	-	(1)	(10,196)
Translation differences		1			(5)	(4)
Carrying amount at the end of the Fiscal Year	**16,382**	**2,658**	**1,686**	**91,661**	**18**	**112,405**

Appendix 2 shows historical costs, accumulated amortisation and changes during the year for each item with regard to fiscal year 2024 and 2023.

Development costs derive from activities aimed at designing and building prototypes for future products that will bring an economic benefit to the Group. If conditions for capitalisation are not met, expenses are charged to the Consolidated Income Statement as incurred. The development costs capitalised in this fiscal year relate to activities performed by the R&D centre in Italy (EUR 5.7 million).

Software and Licenses include costs incurred in Italy for the improvement of SAP infrastructure, other ICT (Information and Communications Technology) systems optimisation, the customer service portal, the CRM system and the new e-commerce websites. The increase of the year is mainly related to customer EDI connections, manufacturing process optimisation and to the supply chain distribution process.

The net book value of Trademarks and Patents pertains to patents for autonomous robot mowers (EUR 0.8 million), handhelds (EUR 0.3 million), E-ride and E-ZeroTurn mowers (EUR 0.3 million), walkbehind mowers (EUR 0.1 million), and other components and applications integrated into Stiga products (EUR 0.2 million)

Notes to the Consolidated Financial Statements

Goodwill is an intangible asset with an indefinite useful life. It is therefore not amortised, but tested for impairment (at least) annually, in accordance with IAS 36. The impairment test performed as of 31 December 2024 was based upon future cash flows as resulting from the Budget 2025 and the Business Plan 2028 and it is fully passed being the Equity value in use (Enterprise Value less Net Financial Position) higher than the Equity resulting in the Consolidated Financial Statements, respectively amounting to EUR 334 million and EUR 202 million. Management believes that the assumptions underlying expected cash flows used for the impairment test are appropriate and prudent even though subject to the typical uncertainties connected to the current macroeconomic trends and to the dependency on external factors of the business in which the Group operates.

As already stated as general principle within the Group, considering the related features which present a substantial business standardisation and deep industrial and commercial interactions among products and among companies in the Group, the analysis was performed at consolidated level, considering the Group as a single Cash Generating Unit.

The current value in use was calculated as present value of future expected cash flows generated in the years 2025-2028 plus the terminal value. Among the assumptions used in the calculation, it is worth noting the growth rate used for determining the terminal value which was set at 2.0% and the Weighted Average Cost of Capital (WACC) rate set at 10.56%. Those rates reflect current estimates of inflation rates and market values of interest rates and industry risks. The revenues consider a CAGR of 5.1% and an average EBITDA through the plan of 11.5%.

The sustainability of the result of the impairment testing has been corroborated by sensitivity analysis based on changes in the main assumptions of the model, as below:

- 50 basis points increase in the discount rate;
- 50 basis points decrease in the growth rate;

The test performed with the above assumptions confirms the results of the impairment test and would have not required any write-down of the goodwill as of 31 December 2024.

Notes to the Consolidated Financial Statements

(2) Property, Plant and Equipment

EUR 000's	Land & Buildings	Plant & Machinery	Tools and Equipment	Other Tangible Fixed Assets	ROU	Total
Carrying Amount at the Beginning of the Fiscal Year	**30,872**	**5,933**	**11,145**	**2,875**	**6,880**	**57,705**
Additions	574	1,090	1,942	837	4,283	8,726
Decreases	(1)	(15)	(88)	(12)	-	(116)
Reclassifications	(77)	(288)	29	5	-	(331)
Depreciation	(1,597)	(1,193)	(4,391)	(1,541)	(4,788)	(13,510)
Translation differences	78	41	111	(2)	22	250
Carrying amount at the end of the Fiscal Year	**29,849**	**5,568**	**8,748**	**2,162**	**6,397**	**52,724**

Appendix 3 shows historical costs, accumulated amortisation and changes during the year for each item with regard to fiscal year 2024 and 2023.

Land & Buildings refer to the production premises of STIGA S.p.A., STIGA Slovakia S.r.o. and STIGA Garden Products (Guangzhou) Co. Ltd, (respectively in Castelfranco Veneto and Campigo – Italy, Poprad – Slovakia and Guangzhou – People's Rep. of China) and the main warehouses in Sweden and China.

During the fiscal year, the Group has mainly invested in buildings, machinery, tools, moulds and other equipment in STIGA S.p.A. (EUR 2.2 million, out of which EUR 0.4 million for the improvement of the efficiency and extension of RO line, EUR 0.1 million for the substitution of robot welding station, EUR 0.1 million for replacement of boilers), STIGA (Guangzhou) Garden Products Co. Ltd (EUR 1.1 million), STIGA Slovakia S.r.o. (EUR 0.6 million), STIGA Gmbh (EUR 0.1 million). As in prior years, these investments aim at improving the Group's efficiency and capability to meet future demand for its products.

ROU mainly refers to warehouses and offices rentals agreements in Italy, Germany, France, Sweden, UK, Poland and Slovakia. The increase of the year is due to both new rental agreements as well as to the renewal of certain contracts already in place.

As detailed in the Note 21 regarding Memorandum Accounts, certain fixed assets are subject to mortgages and other ties in favour of lender.

Notes to the Consolidated Financial Statements

(3) Investments Accounted for using Equity Method

The Group holds an investment in Eurotillers S.r.o., consisting in 49% of the share capital, established with an industrial partner, originally aimed at the production of tillers and currently consisting of a building rented for warehousing activities, based in Poprad – Slovakia. The investment is valued in these Consolidated Financial Statements using the Equity method which led to accounting for a provision amounting to EUR 1.2 million to cover losses incurred in the past. The provision has been accounted for in deduction of the financial loan towards Eurotillers S.r.o. (see Note 4).

(4) Financial Long-Term Assets

The item amounting to EUR 48.7 million (EUR 43.5 million in the previous period) includes:

- For EUR 45.0 million: the loan to the parent company STIGA S.A. (EUR 39.8 million in the previous period) regulated by an intercompany agreement signed on 30 August 2017;
- For EUR 1.5 million: the loan to Eurotillers S.r.o.. As mentioned in Note 3, the carrying value of the loan is considered recoverable in view of the fact that the investment in such entity is valued at Equity, taking into consideration the current market value of assets and liabilities, including such a loan. In order to determine the net recoverable value of the loan, in addition to the book value of Equity, the carrying value of the building owned by the Group was also considered. The amount is unchanged compared to the previous period.
- For EUR 2.2 million: the loans at market conditions to certain Board members of STIGA S.A. in connection with a Management Incentive Plan (MIP) approved in April 2021 (EUR 2.1 million in the previous period).

(5) Other Long-Term Assets

The item includes mainly security deposits.

Notes to the Consolidated Financial Statements

(6) Deferred Tax Assets and Long-Term Tax Receivables

This caption includes Deferred Tax Assets for EUR 29.3 million. We report below the details of the movements during the year:

EUR 000's	Taxed Provisions	Tax Losses	Interest Costs Non Deductible	Hedging Instruments	Total
Balance at 1 January 2024	**7,954**	**13,484**	**10,882**	**507**	**32,828**
Credited to the Income Statement	(2,071)				(2,071)
Charged to the Income Statement		(64)	(332)		(396)
Credited (Charged) to Equity				(1,119)	(1,119)
Movements in Long-Term Tax Receivables / Other	24				24
Balance at 31 December 2024	**5,907**	**13,421**	**10,550**	**(612)**	**29,266**

We report the same detail for the previous period:

EUR 000's	Taxed Provisions	Tax Losses	Interest Costs Non Deductible	Hedging Instruments	Total
Balance at 1 January 2023	**5,684**	**10,684**	**1,781**	**601**	**18,750**
Credited to the Income Statement	2,465	3,114	10,337		15,916
Charged to the Income Statement		(313)	(1,236)		(1,549)
Credited (Charged) to Equity				(94)	(94)
Movements in Long-Term Tax Receivables / Other	(195)				(195)
Balance at 31 December 2023	**7,954**	**13,484**	**10,882**	**507**	**32,828**

Deferred Tax Assets on Taxed Provisions for EUR 5.9 million mainly referred to temporary differences between the tax base of a liability or provision and the carrying values in the Consolidated Financial Statements.

Deferred Tax Assets on tax losses and interest expenses carried forward were used in 2024 for EUR 0.4 million. The total unused tax losses and non deductible interest expenses for which no deferred tax assets have been recognised in the Consolidated Statement of Financial Position amount to EUR 51.9 million, of which EUR 43.2 million related to STIGA C S.à.r.l tax losses and EUR 8.7 million related to STIGA S.p.A interest expenses.

Deferred Tax Assets on hedging instruments decreased by EUR 1.1 million, leading to a year-end balance of - EUR 0.6 million; the value refers to the fiscal impact on the fair value of exchange rate hedging contracts classified as cash flow hedges.

Notes to the Consolidated Financial Statements

(7) Inventories

The following table shows details of Inventory by category as of 31 December 2024 compared to the previous financial period figures.

EUR 000's	31 Dec 2024	31 Dec 2023
Raw Materials and Components		
Gross Value	39,849	46,580
Obsolescence Reserve	(3,679)	(4,171)
Net Value	36,170	42,409
Work in Progress		
Gross Value	15,841	14,649
Obsolescence Reserve	(536)	(1,015)
Net Value	15,305	13,634
Finished Goods and Spare Parts		
Gross Value	97,849	91,506
Obsolescence Reserve	(7,169)	(6,791)
Net Value	90,680	84,715
Total Net Inventories	**142,155**	**140,758**

Stocks of raw materials and components refer to the production units, in particular Italy for EUR 20.4 million, Slovakia for EUR 12.2 million and China for EUR 4.2 million. Work in Progress is mainly located in Italy (EUR 13.8 million) while finished goods are stored partly in the three production facilities (EUR 41.2 million) and partly in the other commercial subsidiaries (EUR 40.0 million).

Spare parts (EUR 9.5 million) are mainly located in the Belgian warehouse of STIGA S.p.A.
Total Net Inventories substantially stable (increase by EUR 1.4 million) reflect the partial normalisation of stock levels following the supply chain constraints encountered in the previous years.

Obsolescence Reserve amounting to EUR 11.4 million (EUR 12.0 million in the previous period) is recorded mainly in Italy (EUR 6.3 million), Slovakia (EUR 1.9 million), UK (EUR 1.1 million), France (EUR 0.7 million), Germany (EUR 0.5 million), China (EUR 0.3 million) and Sweden (EUR 0.2 million). The total amount of the reserve as of 31 December 2024 is considered adequate to cover known and possible future losses in inventory.

The Obsolescence Reserve movements during 2024 fiscal year is as follows, registering a stable level of provision:

EUR 000's	31 Dec 2023	Provision	Use	Release	Translation difference	31 Dec 2024
Obsolescence Reserve	(11,978)	(3,209)	2,663	1,186	(46)	(11,384)

The Obsolescence Provision Reserve movement during the previous fiscal year has been as follows:

EUR 000's	31 Dec 2022	Provision	Use	Release	Translation difference	31 Dec 2023
Obsolescence Reserve	(10,154)	(8,410)	5,448	1,113	26	(11,978)

Notes to the Consolidated Financial Statements

(8) Trade Receivables

EUR 000's	31 Dec 2024	31 Dec 2023
Trade Receivables due from Third Parties	103,030	70,664
Impairment of Financial and Contract Assets	(3,796)	(3,374)
Total Trade Receivables	**99,234**	**67,290**

All Trade Receivables are due within one year. They refer mainly to Italy (EUR 58.1 million), UK (EUR 20.6 million), Poland (EUR 4.6 million), Germany (EUR 3.8 million), Benelux (EUR 2.5 million), France (EUR 1.5 million), Sweden (EUR 1.9 million), Finland (EUR 1.5 million) and Norway (1.5 million).

The increase in Trade Receivables amounts to EUR 31.9 million and is mainly driven by higher pre-season Sales to private label customers. The overdue balance amounts to EUR 12.2 million (EUR 11.4 million in the previous period); see note 33 for further details.

The Allowance for Doubtful Accounts relates mainly to France (EUR 0.8 million), UK (EUR 0.7 million), Poland (EUR 0.6 million), Italy (EUR 0.3 million), Denmark (EUR 0.3 million) and Sweden (EUR 0.3 million) and it is considered adequate to cover known and expected losses on Receivables.

The Allowance for Doubtful Accounts movement during the 2024 fiscal year is as follows:

EUR 000's	31 Dec 2023	Provision	Use and release	Translation difference	31 Dec 2024
Allowances for Doubtful Accounts	(3,374)	(1,124)	712	(11)	(3,796)

The Allowance for Doubtful Accounts movement during the previous fiscal year has been as follows:

EUR 000's	31 Dec 2022	Provision	Use and release	Translation difference	31 Dec 2023
Allowances for Doubtful Accounts	(2,425)	(1,679)	764	(34)	(3,374)

Notes to the Consolidated Financial Statements

(9) Financial Short-Term Assets

This caption amounting to EUR 0.5 million, includes Financial Assets due within twelve months:

EUR 000's	31 Dec 2024	31 Dec 2023
Other Financial Assets	426	425
Financial Receivables	32	0
Total Financial Short-Term Assets	**458**	**425**

Other Financial Assets are mainly composed by a cash fund owned by STIGA AB set aside for training opportunities for the Group's employees (EUR 0.3 million).

(10) Other Short-Term Assets

EUR 000's	31 Dec 2024	31 Dec 2023
Hedging of Commercial Transactions	2,981	259
VAT credits	7,020	4,247
Current Tax Receivables	663	2,302
Other Tax Receivables	1,745	2,950
Short-Term Accruals and Prepayment	1,614	1,734
Other Debtors	219	213
Total Other Short-Term Assets	**14,242**	**11,705**

All Short-Term Assets are due within one year. The item Hedging of Commercial Transactions includes the fair value of exchange rate hedging contracts classified as cash flow hedges (see Note 33 for further details). The claims for VAT refer mainly to Slovakia (EUR 2.8 million), China (EUR 2.1 million) and Italy (EUR 1.5 million). Other Tax Receivables include R&D tax credit in Italy (EUR 1.3 million).

(11) Cash and Cash Equivalents

EUR 000's	31 Dec 2024	31 Dec 2023
Bank accounts and deposits	46,004	41,443
Cash and Cash Equivalents	155	337
Total Cash and Cash Equivalents	**46,159**	**41,780**

Some bank accounts have been pledged as collateral in connection with the Amendment and Restatement Agreement and the Receivable Financing facilities; additional details are provided in Note 21.

Notes to the Consolidated Financial Statements

(12) Equity

Share Capital and Share Premium Reserve

As of 31 December 2024 the authorized share capital of STIGA C S.à r.l. is equal to EUR 18,883,900 represented by 755,356 ordinary shares, fully paid, with a nominal value of EUR 25 each.

Legal Reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholder.

Cumulative Translation Reserve

This reserve includes all the exchange rate differences that arise from the translation into Euro of foreign-currency denominated Financial Statements of subsidiaries outside the Euro area.

Actuarial Gain or Losses

This reserve relates to the accounting of actuarial gains and losses from pension plans evaluation recognised directly in equity, net of the relevant deferred tax effect, according to IAS19.

Hedging Reserve

The reserve includes the gains or the losses on the fair value of the cash flow hedging instruments that meet the conditions for hedge accounting according to IFRS 9. EUR 1.9 million balance relates to positive fair value of forward contracts on currency exchange rates existing as of 31 December 2024.

Capital Contribution

The reserve includes the future contribution from the parent company STIGA S.A. for the Non-Executive Directors Incentive Plan (NEDIP) recognised to two identified Non-Executive Directors (NEDs) of STIGA C Board of Managers. At the end of the financial year the fair value of the incentive amounts to EUR 3.3 million as a consequence of the Group consolidated expected future cash flows which have been calculated on the basis of the Business Plan 2028, with a decrease of EUR 0.2 million compared to the previous financial year (see Note 25 for further details).

Non-Controlling Interests

The amount refers to the equity pertaining to the partner in the Austrian joint venture that owns 49% of STIGA Gmbh (Austria).

Notes to the Consolidated Financial Statements

(13) Bank Borrowings

EUR 000's	Within One Year	Between One and Five Years	31 Dec 2024	31 Dec 2023
Term Loan B2	-	127,917	127,917	-
Term Loan B1	-	14,042	14,042	140,417
Term Loan B	-	-	-	24,583
Accrued Interest on Term Loan B1 and B2	931	-	931	1,236
Borrowing costs on Term Loan B2		(2,096)	(2,096)	-
Borrowing costs on Term Loan B1	-	-	-	(670)
Securitization	28,144	-	28,144	23,269
Other accrued interest	131	-	131	110
Subsidized financing	-	-	-	1,741
Total Bank Borrowings	**29,206**	**139,863**	**169,069**	**190,686**

Following the amend and extend process of the Senior Facilities Agreement occurred in December 2024, the current financial structure of the Group is composed by Term Loan B2, amounting to EUR 127.9 million and having a maturity date of October 2027, and Term Loan B1, amounting to EUR 14.0 million and due in February 2026.
In June 2024 the Company fully repaid Term Loan B for EUR 24.6 million.

Interest on the Loans is calculated at a variable rate (Euribor 6 months, with zero floor, plus a spread of 525 basis points on the Term Loan B2 and 475 basis points on the Term Loan B1) and is paid bi-annually in May and November. The accrued interest at year end amounts to EUR 0.9 million (EUR 1.2 million in the previous period).

As part of the finalisation of the 2024 Amendment and Restatement Agreement, the Group incurred in legal costs and upfront fees treated accordingly to the amortised cost method on the basis of effective interest rate; the outstanding amount at 31 December 2024 is EUR 2.1 million. Additionally, the refinancing of the debt accelerated the amortisation of the borrowing costs incurred in 2022, whose value at year end is null.

Furthermore, in October 2021 STIGA S.p.A. entered into a Securitisation Agreement over its receivables for an amount up to EUR 60 million. The facility entails a recurring drawdown based on the assigned receivables, leading to an outstanding borrowing at year end of EUR 28.1 million; the increase of EUR 4.9 million compared to the previous year reflects the significantly higher sales recorded in the last quarter of fiscal year 2024.

For the Net Debt reconciliation please refer to the Management Report.

Financial Covenants

The Senior Facilities Agreement foresees no maintenance financial covenants, with the exception of a leverage ratio only in case of RCF usage.

Guarantees

The Term Loans above mentioned have been secured by pledges on shares, pledges on bank accounts, liens and other instruments. These are fully described in the Appendix 1 to these Notes.

Notes to the Consolidated Financial Statements

(14) Other Financial Long-Term Liabilities

EUR 000's	Between One and Five years	31 Dec 2024	31 Dec 2023
Other Financial Liabilities Long-Term	3,088	3,088	4,033
Total Other Financial Long-Term Liabilities	**3,088**	**3,088**	**4,033**

Other Financial Liabilities mainly include the debt due after more than 12 months related to the leases accounted for according to IFRS 16.

(15) Provision for Pension and Similar Obligations

Provisions for pension and similar obligations amount to EUR 1.9 million and include:

- The employees' leaving indemnity, as mandated by Italian law (referred to as "Trattamento di Fine Rapporto", hereinafter "TFR"), amounts to EUR 1.6 million. The reserve covers liabilities for severance indemnities accrued by the Italian company for employees up to 2007, in compliance with Italian labour legislation. This provision is typically settled when employees retire or leave the company, although partial advance payments are possible under certain conditions. It is classified as a defined benefit post-employment plan. The TFR scheme was modified by Law 296 of 27 December 2006, and subsequent regulations in 2007. These amendments obliged companies with at least 50 employees to transfer TFR contributions to either the INPS-managed Treasury fund or supplementary pension funds.
- The defined benefit pension fund regarding STIGA Sas (France) totals EUR 0.1 million;
- The defined benefit pension fund regarding STIGA GmbH (Austria) totals EUR 0.2 million;
- The remaining portion of the pension fund PRI (Pension Registration Institute) accrued by Sweden totals EUR 0.1 million after the repayment of most of the obligation made in May 2019, as decided by the Board of Managers of STIGA C on 18 December 2018.

Movements in the present value of post-employment obligations are as follows:

EUR 000's	Current Year	Prior Year
Defined Benefit Obligation - Opening Balance	1,920	2,060
Service Cost	15	-
Interest Cost	49	59
Benefits Paid	(57)	(206)
Translation Differences	(2)	3
Expected Defined Obligation - Closing Balance	1,924	1,916
Actuarial (Gains) Losses	(2)	5
Defined Benefit Obligation - Closing Balance	**1,922**	**1,920**

Notes to the Consolidated Financial Statements

The main defined benefit plan in place as of 31 December 2024 is the Italian TFR. The actuarial calculation assumptions for the determination of such defined benefit plan are detailed in the following table:

Economic and Specific Assumptions	31 Dec 2024	31 Dec 2023
Discount Rate	2.93%	2.95%
Future Salary Increase	3.00%	3.00%
Inflation Rate	2.00%	2.00%
Advances Frequency	3.00%	3.00%
Turnover Frequency	7.00%	7.00%

Demographic Technical Base Summary	
Mortality	ISTAT report 2022
Inability	INPS (Italian Social Security Institute) tables divided for age and sex
Retirement	100% when the Italian law requirements are met

The iBoxx Eurozone Corporates AA index with duration 5-7 years at the calculation date was used as the benchmark for the discount rate. This time frame relates to the average remaining period of service at the company of the employees, weighted with the expected payments. The annual frequencies of anticipation and turnover are derived from the historical experiences of the Italian company and from the frequencies arising from the experience of the actuary on a significant number of similar companies.

Below is a sensitivity analysis related to pension plans with defined benefits on the basis of the changes in the key assumptions, indicating a low variability of the amount of the liability recognised in the Consolidated Financial Statements (EUR 1.6 million):

31 Dec 2024	EUR 000's
Turnover Rate +1%	1,613
Turnover Rate -1%	1,608
Inflation Rate +0,25%	1,625
Inflation Rate -0,25%	1,596
Actual discount rate +0,25%	1,587
Actual discount rate -0,25%	1,634

The sensitivity analysis above was carried out on the basis of changes in individual assumptions while retaining the others unchanged, although in practice any change in an assumption generally can also be reflected in the other as a result of potential correlations. The sensitivity above was calculated using the same method (projected unit credit method) used to define the valuation of the liability recognised in the Statement of Financial Position. The following are the future disbursements forecasts used for the estimation of the liabilities in the Consolidated Financial Statements: Year 1: EUR 200 thousands; Year 2: EUR 186 thousands; Year 3: EUR 146 thousands; Year 4: EUR 190 thousands; Year 5: EUR 140 thousands.

Notes to the Consolidated Financial Statements

(16) Other Long-Term Provisions

The item Other Long-Term Provisions, amounting to EUR 5.5 million, is composed as follows:

EUR 000's	Warranty	Other	Total
Balance as of 1 January 2024	**4,141**	**380**	**4,521**
Cost Accrued	6,694	43	6,737
Use/Release	(5,727)	(41)	(5,768)
Translation Differences	44	2	47
Balance as of 31 December 2024	**5,153**	**384**	**5,536**

We report the same detail for the previous period:

EUR 000's	Warranty	Other	Total
Balance as of 1 January 2023	**4,620**	**432**	**5,052**
Cost Accrued	4,802		4,802
Use/Release	(5,319)	(53)	(5,372)
Translation Differences	37	1	38
Balance as of 31 December 2023	**4,141**	**380**	**4,521**

The Warranty Provision refers to mandatory duties according to local laws and mainly results from accruals created in Germany (EUR 1.1 million), the UK (EUR 1.2 million), Italy (EUR 0.7 million), Poland (EUR 0.6 million) and Netherlands (EUR 0.3 million) in order to cover possible future costs related to products defects. The provision is calculated on the basis of historical incurred claim rates.

The other items of the caption include mainly the provision for agents' leaving indemnities for EUR 0.3 million, regarding termination indemnities related to sales agents' activities in Italy.

Notes to the Consolidated Financial Statements

(17) Deferred Tax and Long-Term Tax Liabilities

Deferred Tax Liabilities comprise the expected tax burden in future financial years arising from temporary differences between the tax and the book base of assets and liabilities.

As detailed below, Deferred Tax Liabilities refer for EUR 1.2 million to the fiscal impact of accelerated depreciation charges on fixed assets calculated in accordance with local laws in Slovakia and Italy and for EUR 0.2 million to other temporary differences between tax and book values.

EUR 000's	Accelerated Tax Depreciation	Cash Flow Hedge Instruments	Actuarial Gains and Losses	Other	Total
Balance as of 1 January 2024	**969**		**(12)**	**233**	**1,190**
Credited (Charged) to the Income Statement	224			(7)	217
Credited (Charged) to Equity			(1)		(1)
Balance as of 31 December 2024	**1,193**		**(13)**	**226**	**1,406**

The same breakdown for the previous period was as follows:

EUR 000's	Accelerated Tax Depreciation	Cash Flow Hedge instruments	Swedish Untaxed Reserves	Actuarial Gains and Losses	Other	Total
Balance as of 1 January 2023	**959**		**174**	**(10)**	**281**	**1,404**
Credited (Charged) to the Income Statement	10		(174)		(48)	(212)
Credited (Charged) to Equity				(2)		(2)
Balance as of 31 December 2023	**969**		**0**	**(12)**	**233**	**1,190**

Notes to the Consolidated Financial Statements

(18) Trade Payables

Trade Payables, amounting to EUR 138.9 million, represent amounts due for purchases of goods and services used in the ordinary course of business, including raw materials, components, spare parts, packaging materials, power and other services. The balance shown is net of any rebates, bonuses or other adjustments due from creditors at year-end.

EUR 000's	31 Dec 2024	31 Dec 2023
Trade Payables	138,894	90,008

All Trade Payables are due within one year. The overdue balance amounts to EUR 10.0 million (EUR 6.4 million in the previous period), of which EUR 9.3 million was overdue for 0-30 days (EUR 5.5 million in the previous period), EUR 0.2 million was overdue for 30-60 days (EUR 0.2 million in the previous period), EUR 28 thousand was overdue for 60-90 days (EUR 0.1 million in the previous period) and EUR 0.5 million was overdue for more than 90 days (EUR 0.7 million in the previous period).

(19) Other Financial Short-Term Liabilities

This caption, amounting to EUR 3.6 million (EUR 3.1 million in the previous period), includes the debt due within 12 months related to leases accounted for according to IFRS 16.

(20) Other Short-Term Liabilities

EUR 000's	31 Dec 2024	31 Dec 2023
Hedging of Commercial Transactions	432	2,933
Employees and Social Security Institutions	10,265	10,579
Accruals for Bonuses to Employees	2,864	1,570
Direct tax payables	747	2,342
VAT and other tax payables	4,194	3,112
Short-Term Provisions	1,424	1,642
Other Accrued Expenses and Deferred Incomes	550	612
Total Other Short-Term Liabilities	**20,476**	**22,790**

The item Hedging of Commercial Transactions includes the fair value of exchange rate hedging contracts classified as cash flow hedges (see Note 33 for further details).

Debts towards employees and social security institutions, totalling EUR 10.3 million, include amounts payable for salaries and wages and related social security debt. Bonuses to employees have been determined based on the Group compensation policy. VAT and other tax payables include obligations related to VAT, indirect taxes and wage tax. Short-Term Provisions include:

- EUR 0.7 million of future liabilities in relation to possible legal litigations (EUR 0.9 million in the previous period);
- EUR 0.7 million for other provisions for risks and charges (EUR 0.7 million in the previous period);

Notes to the Consolidated Financial Statements

(21) Memorandum Accounts: Guarantees Granted, Commitments and Contingent Liabilities

In connection with the Amendment & Restatement Agreement, a number of guarantees have been confirmed in favour of GLAS Trust Corporation Limited which acts as agent of the Lenders. In particular, the following securities are granted:

- Pledge on all present and future rights, titles, interests and benefits regarding the shares representing 100% of the share capital of STIGA C, STIGA S.p.A., STIGA AB, STIGA Slovakia s.r.o, STIGA Ltd, STIGA Sas and STIGA GmbH (Germany);
- Pledge over all present and future rights, titles and interests against the bank accounts of STIGA C, STIGA S.p.A., STIGA Ltd and STIGA GmbH (Germany);
- Pledge on all present and future rights, titles, interests and benefits regarding the intellectual property rights of STIGA S.p.A. STIGA AB and STIGA Ltd;
- Pledge over Movable Assets of STIGA S.p.A., STIGA Slovakia s.r.o, STIGA AB, STIGA GmbH (Germany) and STIGA Ltd;
- Pledge over Immovable Assets of STIGA Slovakia s.r.o;
- Pledge over the rights and benefits regarding certain insurance contracts of STIGA S.p.A and STIGA Ltd.

Details of all guarantees granted by the Group as a consequence of the acquisition financing are provided in the Appendix 1 to these Notes.

Additionally, the existing Receivable Financing Agreements require the following securities:

- Pledge over the collection bank accounts of STIGA S.p.A.;
- Pledge over the collection bank account of STIGA Gmbh (Germany);
- Fixed charge over the assigned Receivables of STIGA Ltd.

Moreover, to guarantee the obligations of STIGA S.p.A., insurance companies issued guarantees in favour of the Customs Agency for a total of EUR 3.6 million.

The Group also has outstanding derivative contracts for which details are provided in Note 33.

Notes to the Consolidated Financial Statements

(22) Revenues

Details of the caption are presented below:

EUR 000's	2024	2023
Gross Sales	478,633	469,524
Customer Bonuses and other Trade Discounts	(15,706)	(16,093)
Selling Commissions	(1,665)	(1,684)
Exchange Rates Differences	(2,279)	(724)
Total	**458,983**	**451,023**

The following table provides an analysis of the Group's sales by geographical area:

EUR 000's	2024	2023
Europe - Euro Zone	275,674	286,949
Europe - No Euro Zone	100,440	92,251
Rest of the World	82,868	71,823
Total	**458,983**	**451,023**

(23) Cost of Sales

This caption is composed as follows:

EUR 000's	2024	2023
Components and Traded Products	250,028	251,061
Outsourced Production Costs	4,392	5,433
Transportation Costs	19,963	16,560
Direct and Indirect Payroll Costs	27,066	28,198
Industrial Depreciation Charges	7,103	8,053
Industrial Overheads Expenses	5,878	6,619
Exchange Gain/(Loss) on Purchases	677	3,968
Total	**315,107**	**319,893**

The reduction in components and traded products costs stems primarily from vendor negotiation activities and ongoing cost-saving initiatives implemented by the Group. The rise in transportation costs reflects higher overseas container prices compared to the previous year, driven by the Red Sea crisis.

Notes to the Consolidated Financial Statements

(24) Distribution Costs

Details about the nature of Distribution Costs are presented below:

EUR 000's	2024	2023
Freight Out	23,167	21,419
Other Distribution Costs	9,917	10,507
Distribution Labour Costs	3,101	3,670
Logistic Depreciation	2,286	2,672
Total	**38,471**	**38,269**

Distribution Costs increased compared to the previous period primarily driven by higher delivered sales volumes and less efficient distribution, partially offset by reduced fixed warehousing costs and Labour.

(25) Operating Expenses

Details on the nature of Operating Expenses are shown in the table opposite.
The reduction is primarily due to more efficient marketing and selling expenditure (EUR 18.1 million compared to EUR 22.2 million in 2023), followed by a lower NEDIP accrual, which has been adjusted according to a time-based provision specified in the NEDIP itself, and by labour costs. The decrease in labour costs of EUR 1.2 million is mainly attributed to fewer FTE and increased capitalisation of R&D labour costs (EUR 0.2 compared to 2023).

EUR 000's	2024	2023
Labour Costs	33,550	34,756
Other Marketing and Selling costs	18,122	22,211
Board of Directors and Statutory Audit	508	512
Management Incentive Plan	(167)	1,744
Operating Depreciation	4,399	4,201
Amortisation and Write-Down	10,199	10,242
Other General and Administration Costs	10,985	8,506
Total	**77,598**	**82,172**

Other General and Administration Costs mainly include administrative consultancies and legal expenses, ICT maintenance, insurance and other administrative expenses. Other Marketing and Selling Costs mainly include the investment in promotion and advertising for the new products.

With regard to the audit fees and the other fees pertaining to the network of the auditor firm, details are presented below:

EUR 000's	2024	2023
Audit Fees	568	521
Audit-related Fees	14	7
Total	**582**	**528**

For further information, as required by Luxembourg compliance regulations, please refer to the Consolidated Financial Statements of parent company STIGA S.A.

Notes to the Consolidated Financial Statements

(26) Other Operating Income

This caption in composed as follows:

EUR 000's	2024	2023
Rental Income	1,798	1,715
R&D Grants on Innovative New Products	356	768
Non-Repayable Contribution	180	221
Energy Contribution	0	150
China Government Subsidies	0	93
Contribution on New Assets	144	134
Marketing Contribution	0	29
Insurance Income	20	60
Gains on Assets Disposal	25	11
Contingent Assets	290	488
Other Operating Income	281	219
Total	**3,096**	**3,888**

Rental Income refers to the premises rented by Italy (EUR 1.1 million) and Sweden (EUR 0.7 million). R&D Grants on Innovative New Products is EUR 0.4 million, of which EUR 0.1 million refers to 2022.

Non-Repayable Contribution represents the portion pertaining to the fiscal year 2024 of the total amount granted to STIGA S.p.A. for EUR 2.2 million.

Contingent Assets mainly include the cancellation of certain liabilities of the Italian subsidiary, following the expiry of the 10-year limitation period.

(27) Other Operating Expenses

EUR 000's	2024	2023
Bad Debt Provision	710	1,234
Warranty Provision	6,654	4,694
Losses on Assets Disposal	10	10
Contingent Liabilities	174	48
Other Operating Expenses	144	204
Total	**7,691**	**6,190**

(28) Payroll

The average number of employees expressed as Full Time Equivalent (FTE) during the fiscal year is the following:

Average Number of Employees	2024	2023
Italy	509	586
Slovakia	291	259
China	229	234
Germany	42	43
UK	42	45
Other	158	172
Total	**1,270**	**1,340**

Notes to the Consolidated Financial Statements

The detail of payroll costs is the following:

EUR 000's	2024	2023
Salaries	51,067	52,199
Pension and Social Security Costs	11,996	12,114
Other Personnel Costs	654	2,311
Total	**63,717**	**66,624**

(29) Financial Income and Expenses

EUR 000's	2024	2023
Interest Income	4,204	2,629
Net Exchange Rate Gains	1,270	0
Other Interest Income	675	990
Financial Receivables Release	8	118
Positive Diff. in Fair Value of Derivative Fin. Instr.	0	220
Total Financial Income	**6,157**	**3,957**

Interest Income includes the interest income on financial loan granted to the parent company STIGA S.A. for EUR 3.8 million.

Net Exchange Rate Gains amounting to EUR 1.3 million in 2024 mainly refer to exchange rate differences deriving from intercompany loans among Group companies when they are not denominated in the same functional currency used by the borrower or the lender.

The item Other Interest Income mainly refers to the interest income realised from the temporary investment of excess liquidity into short-term time deposits and the interest charged to customers for late payment.

EUR 000's	2024	2023
Interest on Long-Term Debt	(13,209)	(14,424)
Interest on Short-Term Facilities	(1,553)	(1,714)
Commitment Fees	(677)	(675)
Loan Fees Amortisation	(783)	(377)
Bank and Other Charges	(287)	(283)
Other Financial Expenses	(1,149)	(1,036)
Net Exchange Rate Losses	0	(2,631)
Total Financial Expenses	**(17,658)**	**(21,140)**
Total Net Financial Expenses	**(11,501)**	**(17,183)**

Interest on Long-Term Debt refers to interest charges on the Term Loans as foreseen in the Amendment & Restatement Agreement signed on 30 December 2024; the decrease of EUR 1.2 million compared to 2023 is mainly driven by reimbursement of Term Loan B in June 2024 partially compensated by higher interest rate applied.

Notes to the Consolidated Financial Statements

Interests on Short-Term Facilities are related to the securitisation programme which entails a recurring facility drawdown and utilisation in spring, during the peak of trade working capital absorption, of two further short-term receivable financing facilities covering the receivables of the UK and Germany.

Commitment Fees refer to the non-utilisation costs of the RCF.

Loan Fees Amortisation includes the amount charged to the consolidated income statement regarding borrowing costs of the Term Loan B1 (upfront fees and consultancy expenses) accounted for using the amortised cost method and borrowing costs of the RCF amortised on a straight-line method. Following the recent refinancing, the remaining balance of the borrowing costs incurred in 2022 was expensed in the fiscal year.

Other Financial Expenses mainly refer to the interest component deriving from the application of IFRS 16, rating agencies costs and factoring fees related to the short-term receivable financing facilities.

(30) Income Taxes

Income taxes on profits include current tax expenditure for EUR 3.8 million and net deferred tax effect charged to the Consolidated Income Statement for EUR 2.7 million. Details about Income Taxes are presented in the table opposite.

EUR 000's	2024	2023
Current Taxes	(3,805)	(3,860)
Net Deferred Tax Liabilities and Assets charged to P&L	(2,698)	14,599
Total Income Taxes	**(6,503)**	**10,739**

The current tax expenditure is generated mainly China, Sweden, Germany and France; the local income tax rates applied vary between 19% and 31%.

The following table shows the reconciliation of the theoretical tax charge with the effective tax charge:

EUR 000's	2024	2023
Profit Before Taxes	**11,710**	**(8,795)**
Theoretical Taxes (24%)	(2,810)	2,111
Deferred Tax Assets on Tax Losses and on Non-Deductible Interest	(1,116)	12,050
Non-Deductible Expenses	(2,107)	(4,982)
Non-Taxable Income	1,406	5,550
Other Adjustments	(1,875)	(3,989)
Total Income Taxes	**(6,503)**	**10,739**

Other Adjustments mostly refer to the net tax effect of different tax rates applied abroad related to the theoretical ones applied in Italy (the country where the Group mainly operates), of adjustments on prior years' taxes and of unrealised profit on inventory.

Notes to the Consolidated Financial Statements

(31) Related Parties Transactions

Related Party Transactions within STIGA Group entities relate to commercial or financial transactions and are carried out regularly on an arm's length basis. These transactions are eliminated upon consolidation. As disclosed in Note 4, the Group granted:

- to the parent company STIGA S.A. a loan amounting to EUR 45.0 million at the end of the fiscal year; the interest accrued during the financial year ended on 31 December 2024 on such intercompany loan amounted to EUR 3.8 million;
- to the associate Eurotillers S.r.o. a loan amounting to EUR 1.5 million;
- to certain Board members of STIGA S.A. loans at market conditions amounting in total to EUR 2.2 million at the end of the 2024 fiscal year, as a consequence of the approved Management Incentive Plan (MIP) in April 2021.

(32) Directors, Statutory Auditors and External Auditors Remunerations

Compensations paid from the Group during the financial year ended 31 December 2024 to members of the Board of Managers amounted to EUR 436 thousand; fees paid to the Italian Statutory Auditors Board (so called "Collegio Sindacale") amounted to EUR 72 thousand and total independent external auditors' fees were EUR 568 thousand.

The aggregate compensation paid to the Key Senior Management amounts to EUR 2.697 million, of which EUR 2.453 million as annual fixed remuneration, EUR 155 thousand as variable remuneration and EUR 89 thousand as fringe benefits.

It should be noted that during the year 2021 Stiga S.A. set-up a MIP allowing specific individuals employed by or working for the Group (the Beneficiaries) to acquire X1 shares, in order to promote a greater alignment of interests between such Beneficiaries and the shareholders of the Group. The X1 shares allow the Beneficiaries to participate in potential future proceeds or considerations received by Stiga's shareholders upon an exit event (listing, share sale, business sale or winding-up) in accordance to a defined waterfall distribution.
The MIP is also subject to good/bad leaver provisions and vesting conditions.
As at 31 December 2024 a number of 20,149 X1 shares are held by the Beneficiaries, while 1,243 X1 shares are held by the subsidiary Stiga S.p.A.
Considering that the MIP qualifies as an equity-settled share-based payment under IFRS 2, and that the Beneficiaries acquired X1 shares at their fair value at grant date (which is not remeasured in subsequent periods), no charge within the income statement has been recognized.

Notes to the Consolidated Financial Statements

(33) Information on Financial Risk

The Group is exposed to the following financial risks connected with its operations:

- Credit risk, primarily commercial credit risk through its trade receivables, arising from the possibility that customers may fail to meet their payment obligations;
- Liquidity risk, with particular reference to the availability of funds;
- Exchange rate risk, since the Group operates in different currencies and uses derivative financial instruments to manage the relevant risk;
- Interest rate risk, since the Group has a significant variable rate long-term debt;
- Fair value risk regarding the determination of the fair value of the used financial instruments.

As described in the section "Risk Management" of the Consolidated Management Report, STIGA Group constantly monitors the financial risks to which it is exposed, in order to detect those risks in advance and take the necessary actions to mitigate them.

Credit Risk

The maximum exposure to Credit Risk at the reporting date is reported in the table opposite.

Financial Long-Term Assets mainly refers to the loan granted to the parent company STIGA S.A. for EUR 45.0 million (EUR 39.8 million in the previous period).

Financial Short-Term Assets includes VAT credits and Tax Receivables.

EUR 000's	31 Dec 2024	31 Dec 2023
Financial Long-Term Assets	48,689	43,497
Other Long-Term Assets	496	304
Trade Receivables	99,234	67,290
Financial Short-Term Assets	458	425
Other Short-Term Assets	14,242	11,705
Cash and Cash Equivalents	46,159	41,780
Total	**209,278**	**165,001**

With regard to Trade Receivables, the Credit Risk is different depending on products and markets. The Group operates in trade channels with a limited number of important dealers with whom there is a continuous and long-term relationship and in other trade channels with a large number of smaller customers.

Customers are subject to specific credit assessment and constant monitoring of the outstanding credit position through dedicated personnel, supported by financial information providers, operating within the guidelines defined by the Group Credit Limit procedure.

Debtor accounts are recognised in the Statement of Financial Position net of write-downs accounted for the risk that counterparties may be unable to fulfil their contractual obligations, determined on the basis of available information on creditworthiness of the customer, outstanding credit position and historical data. There is no particular concentration of Credit Risk on single counterparties.

The Group applies the IFRS 9 simplified approach to measure expected credit losses, which entails applying a lifetime expected loss allowance for all Trade Receivables.

Notes to the Consolidated Financial Statements

The table below shows Trade Receivables, classified on the basis of past due, and their respective allowance for doubtful accounts at the balance sheet date.

Trade Receivables EUR 000's	31 Dec 2024	31 Dec 2023
Current	90,843	59,238
Overdue 0-30 days	3,539	3,062
Overdue 30-60 days	891	491
Overdue 60-90 days	541	463
Overdue more than 90 days + Legal	7,216	7,411
Provision	(3,796)	(3,374)
Total	**99,234**	**67,290**

Finally, we highlight that cash balances at the year end were held mainly with Credit Agricole (EUR 19.6 million) having a S&P credit rating of A+, with Intesa Sanpaolo (EUR 9.1 million) having a S&P credit rating of BBB, and with Deutsche Bank (EUR 6.9 million) having a S&P credit rating of A.

Liquidity Risk

Liquidity Risk arises if the Group is unable to obtain under ordinary economic conditions the funds needed to carry out its operations. The two main factors that determine the Group's liquidity situation are on one side the funds generated or absorbed by operating and investing activities and on the other side by the maturity of the debt and the conversion to cash of the capital employed.

As mentioned in the "Risk Management" section of the Consolidated Management Report, the Group undertook several actions in order to optimise cash management and to reduce the Liquidity Risk, that can be summarised as follows:

- Centralising the management of main financial flows;
- Obtaining adequate credit facilities;
- Monitoring future liquidity on the basis of cash forecasting, budgeting and business planning;
- Negotiating with the lenders the amendment and extension of the Term Loan and the RCF.

The table below reports Trade Payables and Bank Borrowing, analysed by maturity and reported at undiscounted future nominal values, determined by reference to the contractual timing of the Consolidated Financial Statement date.

EUR 000's	At 31 Dec 2024	< 1 year	1 - 5 years	> 5 years
Trade payables	138,894	138,894	0	-
Bank Borrowings - Capital Portion	*170,103*	*28,144*	*141,959*	-
Bank Borrowings - Interest Portion	*29,125*	*11,733*	*17,392*	-
Bank Borrowings	199,228	39,877	159,351	-
Total	**338,122**	**178,771**	**159,351**	**-**

Please see also Note 14 Other Financial Long-Term Liabilities and Note 19 Other Financial Short-Term Liabilities, that include Lease Liabilities.

Notes to the Consolidated Financial Statements

The same breakdown for 31 December 2023 was as follows:

EUR 000's	At 31 Dec 2023	< 1 year	1 - 5 years	> 5 years
Trade Payables	90,008	90,008	0	-
Bank Borrowings - Capital Portion	190,010	49,593	140,417	-
Bank Borrowings - Interest Portion	*35,220*	*14,954*	*20,266*	-
Bank Borrowings	225,230	64,547	160,683	-
Total	**315,238**	**154,555**	**160,683**	**-**

Regarding the interest to be paid on bank borrowings, it is common knowledge that in 2024 the European Central Bank cut interest rates to boost the Eurozone's lagging economy.

Assuming the Euribor curve will remain in a range of approximately 2.5%, it may be estimated at EUR 3.6 million the financial charges on the variable part of the long-term debt, -EUR 2.3 million compared to 2024. This amount is to be added to the spread (4.75% on Term Loan B1 and 5.25% on Term Loan B2, i.e. EUR 7.5 million interest charges per year).

From a sensitivity perspective, the yearly impact of a change of +/-0.5% in the Euribor applied to the existing long-term loans would affect the Income Statement for EUR +/-0.7 million (EUR +/-0.8 million in the previous year); the Equity would be impacted by the same amount.

With regard to the short-term indebtedness, assuming an average facilities drawdown as per the current fiscal year, market rates changes in the range of 0.5% would affect the Net Financial Expenses for EUR 0.1 million (EUR 0.2 million in the previous year).

Notes to the Consolidated Financial Statements

Exchange Rate Risk

The Group is exposed to risk resulting from fluctuations in exchange rates, which can affect its result and its equity. In particular, when a Group company incurs costs or revenues in a currency different from the currency in which its accounts are denominated, any change in exchange rates can affect the operating result of such company.

In the year 2024 the net exchange rate risk exposure of the Group was as follows:

- EUR/USD, relating to purchases in US Dollars;
- EUR/CNY, relating to purchases in Chinese Renminbi;
- EUR/GBP, relating to sales in GB pounds in the United Kingdom;
- EUR/SEK, relating to sales in SEK made in Sweden;
- EUR/DKK-NOK-PLN-CZK-RUB, relating to sales in other non-EUR markets

The Group regularly assesses its exposure and centrally manages it through the use of derivative financial instruments, in accordance with to the "Foreign Currencies Exchange Risk Hedging Process Operating Procedure". Each year, at least 80% of the estimated exposures is hedged by April, and at least 50% is hedged by December of the prior year. Forward and swap contracts are used. Contracts are entered for a period consistent with the underlying transactions, generally from three to twelve months.

The Group designates the hedged risk of such contracts as changes in the full forward rate, as permitted under IFRS 9.

The impact of foreign currency exchange rate differences booked in the Operating Profit for the year ended 31 December 2024 amounted to EUR -3.0 million (EUR -4.7 million in 2023). Further, the effect on Financial Income and Expenses, mainly related to intercompany financing, was equal to EUR 1.3 million (EUR -2.6 million in 2023).

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and the hedging instrument. Specifically, the Group performs a qualitative assessment of effectiveness verifying that the critical terms of the hedging instrument match with the terms of the hedged item. If changes occurs such that the critical terms no longer match, the Group uses the hypothetical derivative method. Hedge ineffectiveness was negligible for 2024.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss.

There have been no material changes in 2024 in the nature or structure of exposure to foreign currency exchange rate risk or in the Group's hedging policies.

Notes to the Consolidated Financial Statements

As of 31 December 2024, the following hedging contracts executed during the fiscal year with primary bank counterparties (BNL, Intesa SanPaolo, Credit Agricole, Deutsche Bank, KBC) remained outstanding:

Currency Pair	Instrument	Notional Amount 000's	Average Forward Rate	Number of derivatives	EUR 000's 0 to 6 months	6 to 12 months	> 12 months	Total	Carrying Amount	Line item in the statement of financial position
EUR/CNY	Buy Forward	500,000	7.745	34	32,061	32,496		64,557	1,308	Other Short-Term Assets
EUR/USD	Buy Forward	32,500	1.106	25	18,077	9,466	1,849	29,391	1,568	Other Short-Term Assets
EUR/GBP	Sell Forward	21,000	0.851	21	9,404	14,107	1,172	24,683	-316	Other Short-Term Liabilities
EUR/PLN	Sell Forward	75,000	4.380	15	10,291	6,833		17,124	-115	Other Short-Term Liabilities
EUR/SEK	Sell Forward	85,000	11.374	15	3,946	3,527		7,473	53	Other Short-Term Assets
EUR/NOK	Sell Forward	50,000	11.794	10	2,115	2,124		4,239	43	Other Short-Term Assets
EUR/CZK	Sell Forward	120,000	25.292	10	3,952	792		4,745	6	Other Short-Term Assets
EUR/DKK	Sell Forward	45,000	7.445	7	4,699	1,345		6,044	2	Other Short-Term Assets
Total				**137**	**84,545**	**70,690**	**3021**	**158,256**	**2,549**	
EUR/CNY	Buy Forward	472,000	7.787	28	60,615			60,615	1,547	Trade Payables
EUR/USD	Buy Forward	7,550	1.117	12	6,756			6,756	495	Trade Payables
EUR/GBP	Sell Forward	12,150	0.849	9	14,316			14,316	-281	Trade Receivables
EUR/SEK	Sell Forward	3,000	11.389	1	263			263	1	Trade Receivables
Total				**50**	**81,950**	**0**	**0**	**81,950**	**1,762**	

The fair value recognised in the Cash Flow Hedge Reserve amounted to a positive EUR 2.5 million (EUR -2.1 million in the prior period), before accounting for the deferred fiscal effect of EUR -0.6 million (EUR 0.5 million in the previous period).
The aggregate fair value accounted for in the Consolidated Income Statement was positive for EUR 1.8 million (EUR -1.8 million in the previous period).

Notes to the Consolidated Financial Statements

The following table presents an analysis of sensitivity to changes in exchange rates for the primary currencies the Group is exposed to. With all other variables held constant, the Group's marginality is affected as follows:

Currency Pair	Increase / Decrease in Percentage Points		Effect on Operating Profit EUR 000's	
EUR / CNY	3%	-3%	(4,437)	4,711
	5%	-5%	(7,254)	8,017
EUR / USD	3%	-3%	(1,189)	1,262
	5%	-5%	(1,943)	2,148
EUR / GBP	3%	-3%	1,118	(1,188)
	5%	-5%	1,829	(2,021)
EUR / PLN	3%	-3%	968	(1,028)
	5%	-5%	1,583	(1,750)

The same table for 31 December 2023 was as follows:

Currency Pair	Increase / Decrease in Percentage Points		Effect on Operating Profit EUR 000's	
EUR / CNY	3%	-3%	(3,300)	3,504
	5%	-5%	(5,395)	5,963
EUR / USD	3%	-3%	(1,277)	1,356
	5%	-5%	(2,089)	2,308
EUR / GBP	3%	-3%	966	(1,026)
	5%	-5%	1,579	(1,746)
EUR / PLN	3%	-3%	829	(880)
	5%	-5%	1,355	(1,498)

Hereafter the sensitivity of Equity to changes in exchange rates for the same currencies; amounts are net of the deferred fiscal effect.

Currency Pair	Increase / Decrease in Percentage Points		Effect on Equity EUR 000's	
EUR / CNY	5%	-5%	2,381	(2,632)
EUR / USD	5%	-5%	1,109	(1,225)
EUR / GBP	5%	-5%	(894)	986
EUR / PLN	5%	-5%	(614)	677

Interest Rate and Cash Flow Risk

Interest rate risk primarily relates to the long-term loans currently in place for aggregate EUR 142 million, which are set at a variable rate (with a zero floor) plus spread.

The Group previously had in place four Interest Rate Swap contracts for a total of EUR 180 million, which expired in November 2023. The interest rate risk associated with the financial long-term indebtedness is currently unhedged, with Management closely monitoring market conditions and regularly evaluating hedging opportunities.

See Note 33, Liquidity Risk section, for a sensitivity analysis on interest rate fluctuations.

Notes to the Consolidated Financial Statements

<u>Fair Value Risk</u>

IFRS 13 establishes a hierarchy that categorizes into three levels the inputs to the valuation techniques used to measure fair value by giving the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). Levels used in the hierarchy are as follows:

-Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period.

-Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates.

-Level 3: If one or more of the significant inputs is not based on observable market data, the instruments included in level 3.

The fair value of current financial assets and other financial liabilities is measured by taking into consideration market parameters at the balance sheet date, using valuation techniques widely accepted in the financial business environment.

The value of cash and cash equivalents usually approximates fair value due to the short maturity of these instruments, which consist of bank current accounts.

The fair value of Liabilities measured at amortized cost include the Term Loans.

The fair value of foreign currency derivatives is determined through valuation techniques which are based on observable market prices (Mark-to-Market Model), specifically forward curves sourced from third-party platforms and official exchange rates as of the valuation date.

The outstanding exchange rates hedging contracts of the Group as of 31 December 2024 valued at Level 2 of the hierarchy of fair values are disclosed in the Exchange Rate Risk section; all derivatives are accounted at fair value through OCI.

As of 31 December 2024 the Group did not have any Level 3 fair value measurements. There were no transfers between Levels 2 and 3 for recurring fair value measurements during the year.

It should be noted that a Call Option and a Put Option are in place between STIGA S.p.A and Voit G.m.b.H., Minority Shareholder of STIGA GmbH (Austria), for the purchases/sale of the 49% of STIGA GmbH shares. The Call Option may be exercised by STIGA S.p.A. at any time after 1 September 2019 while the Put Option may be exercised by Voit at certain conditions foreseen in the Shareholders Agreement which are under control by STIGA S.p.A. The original cost occurred during financial period 2014 of such instruments were equal to zero and, as of 31 December 2024, the related fair value is not reliably measurable considering the remote probability of exercise and the uncertainty of the infinite period of applicable exercise.

Notes to the Consolidated Financial Statements

In addition to the information on financial risks, the following table set forth an analysis of the Group's Financial Assets and Liabilities by category at 31 December 2024:

EUR 000's	Financial Assets at Fair Value through Profit or Loss	Financial Liabilities at Fair Value through Profit or Loss	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Financial Assets / (Liabilities) recognised at Fair Value through OCI	TOTAL
Cash and Cash Equivalent			46,159			**46,159**
Trade Receivables			99,234			**99,234**
Financial Short-Term Assets			458			**458**
Other Short-Term Assets			1,833		2,981	**4,814**
Equity Investments	5					**5**
Financial Long-Term Assets			48,689			**48,689**
Other Long-Term Assets			496			**496**
Trade Payables				(138,894)		**(138,894)**
Short-Term Bank Borrowings				(29,206)		**(29,206)**
Other Financial Short-Term Liabilities				(3,576)		**(3,576)**
Other Short-Term Liabilities				(15,103)	(432)	**(15,535)**
Bank Borrowings				(139,863)		**(139,863)**
Other Financial Long-Term Liabilities				(3,088)		**(3,088)**
Other Long-Term Liabilities				(278)		**(278)**

Notes to the Consolidated Financial Statements

The same table as of 31 December 2023 was as follows:

EUR 000's	Financial Assets at Fair Value through Profit or Loss	Financial Liabilities at Fair Value through Profit or Loss	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Financial Assets / (Liabilities) recognised at Fair Value through OCI	TOTAL
Cash and Cash Equivalent			41,780			**41,780**
Trade Receivables			67,290			**67,290**
Financial Short-Term Assets			425			**425**
Other Short-Term Assets			227		259	**486**
Equity Investments	5					**5**
Financial Long-Term Assets			43,497			**43,497**
Other Long-Term Assets			304			**304**
Trade Payables				(90,008)		**(90,008)**
Short-Term Bank Borrowings				(50,940)		**(50,940)**
Other Financial Short-Term Liabilities				(3,098)		**(3,098)**
Other Short-Term Liabilities				(14,114)	(2,933)	**(17,047)**
Bank Borrowings				(139,747)		**(139,747)**
Other Financial Long-Term Liabilities				(4,033)		**(4,033)**
Other Long-Term Liabilities				(620)		**(620)**

The fair values of Trade and Other Receivables, Cash and Cash Equivalents, Trade and Other Payables, and Other Financial Assets and Liabilities approximate their carrying values. The fair value of Financial Instruments carried at amortised cost is based on expected cash flows discounted at prevailing interest rates for new instruments with similar credit risk and maturity.

Notes to the Consolidated Financial Statements

(34) Capital Management

The main objective of the Group's capital management is to maintain a solid credit rating and adequate financial ratios to support business activity and maximise value for the shareholders.The Group's objectives when managing capital are to create value for shareholders as a whole, safeguard business continuity and support the sustainable growth of the Group. As a result, the Group endeavors to maintain a satisfactory economic return for its shareholders and guarantee economic access to external sources of funds. In order to achieve this overall objective, the Group monitors mainly the following indicators: EBITDA and leverage ratio.

(35) Subsequent Events

The gardening products market destocking cycle, which affected the entire trade in 2023, subsided in the second half of 2024. Consequently, order intake has increased positively compared to the previous year. First quarter sales results are encouraging and aligned with the growth ambition outlined in the Business Plan, with expected performance surpassing 2024 sales and yielding market share gains.

The geopolitical situation in Israel and Ukraine seems to be stabilising, potentially paving the way for the reopening of markets that have contracted in recent years. However, the implementation of USA tariff policies could have a global trading negative impact, reducing customer spending power, which will have to be monitored in a proactive way in order to mitigate risks and adapt to changing market conditions.

Overall, projections for Group profitability in 2025 are positively oriented, and STIGA currently expects to outperform the 2024 results, particularly regarding EBITDA and associated margin performance.

Despite this, macroeconomic conditions in Europe remain uncertain, and the operating environment continues to be challenging, primarily due to intense competitors pressure. Management continuously monitors the situation and is committed to implementing the strategic guidelines set out in the Business Plan.

23 May 2025

For the Board of Managers
The Chief Executive Officer
Sean Robinson

Appendix 1: Security Documents

Security Provider (including Jurisdiction of Incorporation)	Security Document (including Governing Law) under the Senior Facilities Agreement	Amounts in EUR '000
STIGA S.A. (Luxembourg)	Luxembourg law pledge over shares in Stiga C	80
STIGA C S. à r.l. (Luxembourg)	Italian law pledge over shares in Stiga SpA	189,000
	Luxembourg law pledge over bank accounts	2,201
	Luxembourg law pledge over certain intercompany receivables	118,026
STIGA S.p.A. (Italy)	Italian law pledge over bank accounts	33,296
	Italian law pledge over certain IP rights	1,686
	Italian law special lien over movable assets and other goods	34,869
	Italian law loss payee agreement relating to the proceeds under certain insurance policies	0
	Swedish law pledge over shares of Stiga AB (Sweden)	109,985
	Slovakian law pledge over shares of Stiga Slovakia Sro	2,054
	French law pledge over shares of STIGA Sas	591
	Pledge over shares given by Stiga C	see above

Appendix 1: Security Documents

Security Provider (including Jurisdiction of Incorporation)	Security Document (including Governing Law) under the Senior Facilities Agreement	Amounts in EUR '000
STIGA AB (Sweden)	Swedish law pledge over certain intercompany receivables	34,101
	Swedish law pledge over corporate mortgage certificates	85
	Swedish law pledge over certain intellectual property rights	0
	English law pledge over shares of STIGA Ltd	0
	German law pledge over shares of STIGA GmbH (Germany)	141
	Pledge over shares given by Stiga SpA	see above
STIGA Sas (France)	pledge over shares given by Stiga SpA	see above
STIGA Ltd (UK)	English law supplemental securities over certain assets (including land, investments, plant and machinery, bank accounts, insurance, IP rights)	455
	Pledge over shares given by Stiga AB	see above
STIGA GmbH (Germany)	Security confirmation and pledge agreement over various securities agreement (including bank accounts)	15,251
	Pledge over shares given by Stiga AB	see above
STIGA Slovakia Sro (Slovakia)	Slovak law pledge over immovable assets	12,015
	Slovak law pledge over movable assets	17,317
	Slovak law pledge over rights and receivables	8,202
	Pledge over shares given by Stiga Spa	see above

Appendix 2: Intangible Assets

The composition and changes during the year 2024 were as follows:

EUR 000's	Balance as of 1 Jan 2024	Increase	Sales/ Disposals	Amortisation and Write-down	Reclassifications	Translation Differences	Balance as of 31 Dec 2024
Development Costs							
Initial Cost	88,999	3,857	(151)		1,132		93,837
Amortisation/Write-down	(72,339)		-	(8,245)			(80,584)
Assets Under Constructions and Payments on Account	2,632	1,870			(1,373)		3,129
Net Carrying Amount	**19,292**	**5,727**	**(151)**	**(8,245)**	**(241)**	**-**	**16,382**
Software and Licenses							
Initial Cost	24,739	967	(26)	-	240	10	25,930
Amortisation/Write-down	(22,268)	-	16	(1,325)	-	(9)	(23,586)
Assets Under Constructions and Payments on Account	332	205	-	-	(223)		314
Net Carrying Amount	**2,803**	**1,172**	**(10)**	**(1,325)**	**17**	**1**	**2,658**
Trademarks and Patents							
Initial Cost	3,511	825	-	-	249		4,585
Amortisation/Write-down	(2,277)	-	-	(625)	-		(2,903)
Assets Under Constructions and Payments on Account	(1)	4	-	-	-		3
Net Carrying Amount	**1,233**	**829**	**-**	**(625)**	**249**	**-**	**1,686**
Other							
Initial Cost	592	-	-	-	-	(13)	579
Amortisation/Write-down	(568)	-	-	(1)	-	8	(561)
Assets Under Constructions and Payments on Account	-	-	-	-	-	-	-
Net Carrying Amount	**24**	**-**	**-**	**(1)**	**-**	**(5)**	**18**
TOTAL							
Initial Cost	117,841	5,649	(177)	-	1,621	(3)	124,931
Amortisation/Write-down	(97,453)	-	16	(10,196)	-	(1)	(107,634)
Assets Under Constructions and Payments on Account	2,964	2,079	-	-	(1,596)	-	3,447
Net Carrying Amount	**23,352**	**7,728**	**(161)**	**(10,196)**	**25**	**(4)**	**20,743**
GOODWILL							
Initial Cost	91,661	-	-	-	-	-	91,661
Amortisation/Write-down	-	-	-	-	-	-	-
Net Carrying Amount	**91,661**	**-**	**-**	**-**	**-**	**-**	**91,661**

Appendix 2: Intangible Assets

The composition and changes during the previous period 2023 were as follows:

EUR 000's	Balance as of 1 Jan 2023	Increase	Sales/ Disposals	Amortisation and Write-down	Reclassifications	Translation Differences	Balance as of 31 Dec 2023
Development Costs							
Initial Cost	84,061	3,734	(51)		1,255		88,999
Amortisation/Write-down	(63,869)		18	(8,488)			(72,339)
Assets Under Constructions and Payments on Account	1,713	2,408			(1,489) 0		2,632
Net Carrying Amount	**21,905**	**6,142**	**(33)**	**(8,488)**	**(234)**	**0**	**19,292**
Software and Licenses							
Initial Cost	24,529	291	(245)	-	190	(26)	24,739
Amortisation/Write-down	(21,334)	-	245	(1,195)	-	16	(22,268)
Assets Under Constructions and Payments on Account	192	326	-	-	(186)		332
Net Carrying Amount	**3,387**	**617**	**-**	**(1,195)**	**4**	**(10)**	**2,803**
Trademarks and Patents							
Initial Cost	2,815	443	-	-	253	-	3,511
Amortisation/Write-down	(1,802)	-	-	(475)	-	-	(2,277)
Assets Under Constructions and Payments on Account	(1)	-	-	-	-	0	(1)
Net Carrying Amount	**1,012**	**443**	**-**	**(475)**	**253**	**0**	**1,233**
Other							
Initial Cost	604	-	-	-	-	(12)	592
Amortisation/Write-down	(491)	-	-	(83)	-	6	(568)
Assets Under Constructions and Payments on Account	-	-	-	-	-	-	-
Net Carrying Amount	**113**	**-**	**-**	**(83)**	**-**	**(6)**	**24**
TOTAL							
Initial Cost	112,009	4,468	(296)	-	1,698	(38)	117,841
Amortisation/Write-down	(87,496)	-	263	(10,242)	-	22	(97,453)
Assets Under Constructions and Payments on Account	1,904	2,734	-	-	(1,675)	1	2,964
Net Carrying Amount	**26,417**	**7,202**	**(33)**	**(10,242)**	**23**	**(15)**	**23,352**
GOODWILL							
Initial Cost	91,661	-	-	-	-	-	91,661
Amortisation/Write-down	-	-	-	-	-	-	-
Net Carrying Amount	**91,661**	**-**	**-**	**-**	**-**	**-**	**91,661**

Appendix 3: Property, Plant and Equipment

The composition and changes during the year 2024 were as follows:

EUR 000's	Balance as of 1 Jan 2024	Increase	Sales/ Disposals	Amortisation and Write-down	Reclassifications	Translation Differences	Balance as of 31 Dec 2024
Land & Buildings							
Initial Cost	65,192	401	(1)	-	193	161	65,947
Depreciation/Write-down	(34,706)	-	-	(1,597)	(270)	(83)	(36,656)
Assets Under Constructions and Payments on Account	385	173	-	-	-	-	558
Net Carrying Amount	**30,872**	**574**	**(1)**	**(1,597)**	**(77)**	**78**	**29,849**
Plant & Machinery							
Initial Cost	76,189	675	(16)	-	(288)	47	76,607
Depreciation/Write-down	(71,096)	-	1	(1,193)	-	(6)	(72,294)
Assets Under Constructions and Payments on Account	840	415	-	-	-	-	1,255
Net Carrying Amount	**5,933**	**1,090**	**(15)**	**(1,193)**	**(288)**	**41**	**5,568**
Tools & Equipment							
Initial Cost	108,144	1,674	(296)		689	300	110,511
Depreciation/Write-down	(98,337)	-	208	(4,391)	(660)	(189)	(103,369)
Assets Under Constructions and Payments on Account	1,338	268					1,606
Net Carrying Amount	**11,145**	**1,942**	**(88)**	**(4,391)**	**29**	**111**	**8,748**
Other Tangible Fixed Assets							
Initial Cost	17,405	837	(551)	0	5	(61)	17,635
Depreciation/Write-down	(14,761)	-	539	(1,541)	-	59	(15,704)
Assets Under Constructions and Payments on Account	231	-	-	-	-	-	231
Net Carrying Amount	**2,875**	**837**	**(12)**	**(1,541)**	**5**	**(2)**	**2,162**
Right of Use Assets							
Initial Cost	15,922	4,283	(4,710)			22	15,517
Depreciation/Write-down	(9,042)		4,710	(4,788)			(9,120)
Assets Under Constructions and Payments on Account	0						-
Net Carrying Amount	**6,880**	**4,283**	**-**	**(4,788)**	**-**	**22**	**6,397**
TOTAL							
Initial Cost	282,852	7,870	(5,574)	0	599	470	286,217
Depreciation/Write-down	(227,942)	0	5,458	(13,510)	(930)	(219)	(237,143)
Assets Under Constructions and Payments on Account	2,794	856	0	0	0	0	3,650
Net Carrying Amount	**57,705**	**8,726**	**(116)**	**(13,510)**	**(331)**	**251**	**52,724**

Appendix 3: Property, Plant and Equipment

The composition and changes during the previous period 2023 were as follows:

EUR 000's	Balance as of 1 Jan 2023	Increase	Sales/ Disposals	Amortisation and Write-down	Reclassifications	Translation Differences	Balance as of 31 Dec 2023
Land & Buildings							
Initial Cost	65,186	493	-	-	11	(498)	65,192
Depreciation/Write-down	(33,398)	-	-	(1,587)	(8)	287	(34,706)
Assets Under Constructions and Payments on Account	116	269	-	-	-	-	385
Net Carrying Amount	**31,905**	**762**	**-**	**(1,587)**	**3**	**(211)**	**30,872**
Plant & Machinery							
Initial Cost	75,201	1,097	126	-	(85)	(150)	76,189
Depreciation/Write-down	(68,934)	-	494	(2,729)	-	73	(71,096)
Assets Under Constructions and Payments on Account	616	224	-	-	-	-	840
Net Carrying Amount	**6,883**	**1,321**	**620**	**(2,729)**	**(85)**	**(77)**	**5,933**
Tools & Equipment							
Initial Cost	112,291	738	(4,719)		557	(723)	108,144
Depreciation/Write-down	(98,199)	-	3,910	(4,024)	(502)	478	(98,337)
Assets Under Constructions and Payments on Account	777	561					1,338
Net Carrying Amount	**14,869**	**1,299**	**(809)**	**(4,024)**	**55**	**(245)**	**11,145**
Other Tangible Fixed Assets							
Initial Cost	16,720	1,554	(857)	0	5	(17)	17,405
Depreciation/Write-down	(13,803)	-	847	(1,808)	-	3	(14,761)
Assets Under Constructions and Payments on Account	231	-	-	-	-	-	231
Net Carrying Amount	**3,148**	**1,554**	**(10)**	**(1,808)**	**5**	**(14)**	**2,875**
Right of Use Assets							
Initial Cost	15,983	5,290	(5,346)			(5)	15,922
Depreciation/Write-down	(9,610)		5,346	(4,778)			(9,042)
Assets Under Constructions and Payments on Account	0						-
Net Carrying Amount	**6,373**	**5,290**	**-**	**(4,778)**	**-**	**(5)**	**6,880**
TOTAL							
Initial Cost	285,381	9,172	(10,796)	0	487	(1,392)	282,852
Depreciation/Write-down	(223,944)	0	10,597	(14,926)	(510)	841	(227,942)
Assets Under Constructions and Payments on Account	1,740	1,054	0	0	0	0	2,794
Net Carrying Amount	**63,178**	**10,226**	**(199)**	**(14,926)**	**(23)**	**(551)**	**57,705**

Audit Report

Audit report

To the Board of Managers of
Stiga C S.à r.l.

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of Stiga C S.à r.l. (the "Company") and its subsidiaries (the "Group") as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Managers is responsible for the other information. The other information comprises the information stated in the annual report but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Managers and those charged with governance for the consolidated financial statements

The Board of Managers is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Managers is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers;

- conclude on the appropriateness of the Board of Managers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities and business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on distribution and use

This report, including the opinion, has been prepared for and only for the Board of Managers in accordance with the terms of our engagement letter and is not suitable for any other purpose. We do not accept any responsibility to any other party to whom it may be distributed.

PricewaterhouseCoopers, Société coopérative — Luxembourg, 23 May 2025
Represented by

Electronically signed by:
Aurélien Murat

Aurélien Murat

STIGA