

The STIGA logo is positioned in the top left corner. It features the word "STIGA" in a bold, white, sans-serif font. The letter "S" is stylized with a white swoosh that extends to the left and curves upwards. The background of the entire page is a lush green lawn with a dense hedge of red and white flowers in the background.

Garden care.



# STIGA C S.à r.l. FY25 Annual Report

Consolidated Financial Statements for the year ended 31 December 2025

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# A Message from the CEO

Sean Robinson



## Turning market recovery into opportunity

After two challenging years and despite persistent economic uncertainty, 2025 was a transformative year. The garden machinery market began to recover, driven by accelerating demand for electrified and automated solutions.

Against this scenario, STIGA outperformed the global trend. Through relentless innovation in products, channel management and brand development, we have successfully converted the demand for sustainable technology into a scalable engine for growth. I am delighted to report that STIGA's market share grew to 9.3%, building on the gains of 2024.

This was achieved through solid strength in Traditional Trade, and expansion in Mass Market and in E-commerce. Specifically, E-commerce sales growth was a key focus and it grew by 15% year-on-year, now representing 6% of Group total revenue. Mass Market was our fastest-growing channel (+24% 2024), driven by a surge in ride-on sales (+84%) and the launch of small robotic mowers (+44%). Traditional Trade remains our main distribution channel, accounting for over 70% of total sales.

This segment grew 10% compared to 2024, driven by a record-breaking performance from STIGA branded products - which now account for 69% of the channel's volume.

## Leading the lawn mowing sector

STIGA continues to set the pace maintaining its leading position in the lawn mowing sector. We are the primary architect of the industry's shift toward electrification, particularly within the ride-on segment, a category where we excel and have further cemented our market-leading position in 2025. We are pivoting aggressively toward autonomy, and our robotic innovations are accelerating the market's transition away from wired devices.

This evolution is further amplified by our recent entry into the commercial sector, where our new generation of professional machines and cassette batteries –engineered, designed, and produced entirely in-house– are set to deliver next level performance, and are already gaining significant attention. Our commitment to a smarter gardening experience is not just mechanical, but digital. The intelligent garden care prompted our next-gen robots and our award winning STIGA.GO app, secured the 2025 *Red Dot Award*.

## Strong growth, stronger margins

Sales in key markets such as France, Poland, and Germany showed robust growth. Battery-powered products, including autonomous robots, grew by 3%, reinforcing our strategic shift towards sustainable and technologically advanced solutions. Our reported EBITDA reached EUR 58.9 million, a 25% increase from 2024. This substantial growth in profitability was achieved through higher sales and enhanced margins, highlighting the success of our strategy and the value of our innovative portfolio.

## **Record cash flow, relentless innovation**

I am pleased to report a significant strengthening of our balance sheet. STIGA's financial trajectory continues to trend upwards, with our Net Financial Position improving by EUR 36.4 million to reach EUR 44.1 million. This progress was underpinned by a rigorous optimisation of our cash flows and working capital, enabling us to reduce our long-term debt by EUR 28 million.

We enter the new financial year with a leaner, more resilient, and more agile fiscal profile. Our capital expenditure rose to EUR 18 million—a substantial EUR 5.8 million increase over 2024—ensuring our unwavering commitment to world-class Research & Development. These investments are fuelling innovation, particularly in Battery-Powered, Robotic and Professional Technologies, as we continue to expand our product range and strengthen our technological leadership.

## **Driving the future of garden care**

Looking ahead, our ambition is to lead the transformation of garden care by driving battery innovation, advancing autonomy, and becoming a dominant force in robotics. The rapid growth of battery-powered solutions reflects a structural shift towards cleaner, quieter and more convenient technologies.

Consumers increasingly expect sustainable products that deliver strong performance with minimal maintenance. With the broadest range of battery-powered machines & tools and autonomous solutions on the market, STIGA is well positioned to drive this transition.

Autonomy is redefining expectations. It is no longer simply about robotic function, but about intelligent systems that anticipate needs, reduce manual effort and maximise results. This represents a significant opportunity, and we are well placed to lead this evolution through continuous innovation and advanced navigation technologies.

Through sustained investment in STIGA's comprehensive suite of proprietary technologies, we are leveraging artificial intelligence, sensor fusion, digital and connected ecosystems, to enhance the customer experience and solidify our technological leadership. Our commitment remains clear: to make every patch of green smarter, greener and effortless to care for.

**We are grateful for your continued confidence in our company and look forward to shaping the next chapter of garden care together.**



## Summary of the Year 2025

Financial results for the year 2025 solidify our trajectory of growth, reflecting a resilient corporate performance. The top line expanded by an encouraging 10%, serving as a catalyst for a substantial 25% year-over-year improvement in EBITDA. It is noteworthy that these robust financial metrics were realised in a challenging operating environment. The broader market for gardening products experienced significant turbulence, which was further compounded by escalating geopolitical tensions.

Following two consecutive years of contraction, market conditions stabilised in 2025. The Group successfully outpaced the broader market recovery, expanding its European market share by 0.6% points to reach 9.3%. This milestone was primarily driven by the strategic expansion of our specialist dealership network across key regions, a sharper focus on core distribution channels, and a positive market reception for our product portfolio.

Driving branded product sales remains a core strategic pillar, a commitment evidenced by these products accounting for 67% of total revenue. In alignment with the Group's overarching strategy, we achieved a further reduction of lower-margin private label activities to optimise our overall sales mix.

In 2025, the strategic market penetration of our autonomous robots remained a core focus, driving continued sales growth. This momentum was fueled by an expanded dealer network and strong customer engagement with the new STIGA.GO app features, enabling the Group to capture market share in a highly competitive landscape. Concurrently, R&D prioritised the portfolio's evolution by developing the new Robot Vista version, while focusing in laying the foundation for the upcoming 2026 Professional Range launch.

During the year, we directed increased investment toward strategic product development ahead of new launches planned for 2026. Simultaneously, we secured substantial cost efficiencies through initiatives across our sourcing and operational functions. These Group-wide cost-reduction measures, coupled with the successful execution of our strategy to drive a higher mix of branded product sales, were instrumental in enhancing overall profitability.

In 2025, advancing our ESG agenda remained a strategic priority for STIGA. We successfully finalised our Sustainability Report in full compliance with ESRS standards. Furthermore, the Group officially formalised its commitment to the Science Based Targets initiative (SBTi), ensuring that our decarbonisation goals are firmly aligned with the Paris Agreement and underpinned by rigorous scientific criteria.

To strengthen the Group's organisational structure, qualified managers were onboarded, particularly in France and the UK, the latter in relation to leadership reshuffle following local offices and logistics relocation.

The Group's Net Financial Position strengthened by 45%, underpinned by robust cash flow generation stemming from margin expansion and disciplined working capital management. This significant financial improvement was further driven by a targeted focus on inventory optimisation - specifically the reduction of slow-moving stock - coupled with enhanced supplier terms.

# Key Performance Indicators

STIGA's most significant results in 2025 include:

- Sales registered +10% compared to 2024, mainly in France, Germany and Poland. Sales increase was fuelled by a dual-track performance: the continued success of our flagship Petrol Ride-Ons and the expansion of the innovative Autonomous Robots category;
- Adjusted EBITDA was EUR 58.3 million, due to higher sales, higher gross margin partially offset by higher Operating Expenses and marketing spending supporting the top line growth;
- Net Financial Position was EUR -44.1 million, improving by 36.4 million compared to 2024 (+45%), driven by the Trade Working Capital improvement thanks to inventory efficiency, increase of payables and better cash collection;
- In 2025 we refined our market focus to 85 countries, exiting 8 low value destinations and entering in 6 new markets and optimising our presence in our core Export regions;
- Average employees rose mainly in Italy, Slovakia and China. The total increased by 79 Full Time Equivalent (+6% compared to 2024), primarily in Italy, as a result of increased production volumes and a new organisational structure;
- Capex at EUR 17.9 million was higher than 2024 (+47%), with higher investment in new product development R&D programme, marketing support materials and ICT strengthening.

## Net Sales



+10% 2024

## Adjusted EBITDA



11.6% margin

## Net Financial Position



+45% 2024

## Countries Served



-2 2024

## Average Employees



+6% 2024

## Capex

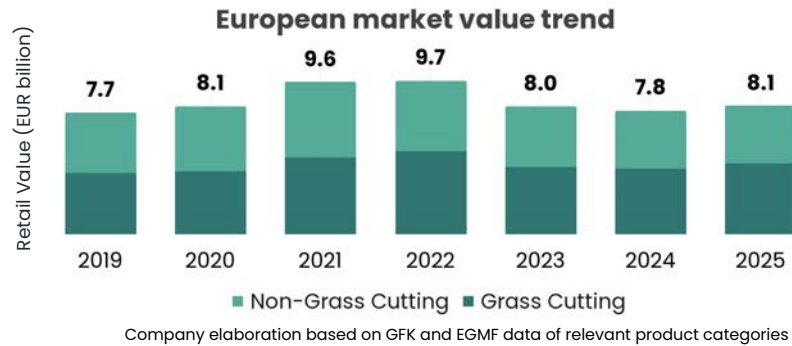


+47% 2024

# The STIGA Group Culture & Vision

# STIGA at a Glance

- With a heritage dating back to 1934, STIGA consolidates its position as a **market leader**. While maintaining absolute **dominance in the ride-on segment**, in 2025 the Group accelerated its **strategic shift toward electrification**.
- The European garden machinery market experienced a recovery, driven by the **increasing demand for automated solutions**, reaching an estimated retail value of around **EUR 8.1 billion**. In this scenario, STIGA outperformed global trends, expanding its **market share to 9.3%**.



- 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 E-commerce and supplies a broad, cost competitive and quality-focused product portfolio.



We are  
green-fingered **engineers**  
with the hearts of **gardeners**

# STIGA Overview



## 90 years of expertise in cutting grass.

Since 1934, STIGA has combined engineering expertise and practical know-how to design cutting solutions that deliver reliability, performance and long-lasting quality in real garden conditions.

## Europe's leading manufacturer.

STIGA is Europe's market leader in ride-on mowers and a leading manufacturer of powered garden equipment, built on industrial scale, product quality and continuous innovation.

## Strong Brand Portfolio.

STIGA leads a strong portfolio of brands, supported by OEM and private label partnerships, and reaches consumers through a multi-channel model including specialist dealers, mass retail and e-commerce.



## The STIGA owned technologies



The **STIGA Vista Technology** is the AI-integrated camera that let the robot know what a lawn is and avoid what is not a lawn. It detects fixed and moving obstacles at short or long distances, calculates then a new path to follow and continue mowing.

## ePower

Power for the whole garden. **ePower batteries** power a full range of garden tools for every task, from mowing and edging to leaf blowing, hedge trimming and even snow clearing.



The **AGS technology** allows the autonomous robot to plan mowing sessions intelligently, according to satellites signal strength, to reach every area of your garden at the proper time.

## multichip

STIGA's iconic **Multiclip technology** takes mulching to the next level, delivering healthier, greener lawns with every cut.

# The Corporate Group Story

## Brands & Gardening Manufacturing Foundations



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

**1958**

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.

**1962**

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

**1981**

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

**1986**

**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.

**2000**

GGP Group is renamed **STIGA**.

**2017**

**1934**

**Stig Hjelmquist** establishes the Fabrikproduktor 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**.



**1960**

**Alpina** is founded and produces grass cutters.



**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.



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

**1985**

Ransomes purchase G D Mountfield.



**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**.

**2011**

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



# The STIGA Group Story

## Innovation Pillars



**1985**

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



**2016**

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

**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.



reddot winner 2025

### News

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.

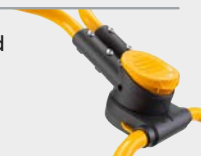
**2025**

### Upgrade

Key customer touchpoints were **redesigned to improve comfort and control**, alongside the introduction of a new mid-price tractor with a 98 cm cutting deck.



The lawn mower ranges were rebalanced across petrol and battery models, with a **refined Fulcrum handlebar** delivered pre-assembled.



A **new hand tools collection** launches in 2025, introducing 14 precision pruning tools designed to complete every gardener's essential kit.



**1975**

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



**2015**

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



**2021**

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



**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 m<sup>2</sup>.



# The STIGA Product News

## Innovation Pillars



A new **range of autonomous robot mowers** featuring AI-driven camera. They maintain the superior cutting quality and provide the most reliable technology, getting the robot **ready in minutes** with extreme navigation precision. With the introduction of **STIGA Vista technology**, the robot becomes **fully aware** of and respectful towards its garden, knowing **what is lawn**, avoiding anything else.



4 new **electric tractors** enters the range: 2 collecting and 2 side-discharge. Powered by the new **removable ePower Pro battery**, they deliver unlimited mowing runtime thanks to their **modular** design. Enjoy high performance and powerful cutting whilst experiencing the comfort of an electric engine with no fumes, less noise and low vibrations.

2026



A new **STIGA battery system** made for big gardens, marking a significant shift in the engineering of our large machinery. A **unique architecture** designed, engineered and owned by STIGA.

### Simple

To sell. To understand. To service.

### Modular

Multiple Platforms, one Power System.

### Reliable

Powerful, robust and durable in all applications.

Up to 6x



The **STIGA APX Pro** is an autonomous robot designed for **multi-site management**. Delivers the high-quality STIGA cut with a dedicated Pro cutting deck, as well as unlimited working capacity with the new ePower Pro battery system, covering up to 27,000 m<sup>2</sup> on a single charge. Fully engineered for Pro.

Up to 6x



### ePark Pro

The icon evolved. The new ePark Pro combines STIGA's legendary **50/50 articulated** steering and **Multiclip** cutting technology with professional electric power. Driven by swappable **ePower Pro batteries** and 4WD, it delivers up to 6 hours of runtime (27,000 m<sup>2</sup>). Robust, **versatile** for all seasons and built to last, it ensures exceptional performance in any condition.

**Mission**  
**Vision**  
**Purpose**



## We wish

A world where **gardens flourish**, grass is lush and nature's beauty is enhanced by the latest innovations in garden machinery.

## We promise

To design and make high-quality garden machines that are easy to use, **durable** and **reliable**.

Our green-fingered engineers have the **curiosity, knowledge and experience** to create cutting-edge solutions for garden care.



## We exist

To **inspire** and help **people** create, nurture and **enjoy their gardens** and outdoor spaces. Knowing that, if we look after your garden, it will look after you.

# Our Values and Behaviours

## Green-fingered engineers with the hearts of gardeners

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.

### 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.



### Together 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.



### 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.



### Growth 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.



### 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.

# Who We Are Today

## Garden Care, Our Core

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.



### What defines us today

STIGA combines industrial scale with a human approach to **garden care**. We operate across products, services and technologies, focusing on simplicity, reliability and real value for people and professionals.

### Why we are credible

Our positioning is built on **actions, not promises**. The shifts we talk about are already visible in our products, services, organisation and ways of working across markets.

# Who We Are Today

## Organisational Model

### A coordinated global structure

STIGA operates as a functional multinational, with a central HQ guiding strategy, technology and brand direction. A coordinated model **designed to ensure consistency, efficiency and long-term vision** across all markets.

### Local execution, close to the market

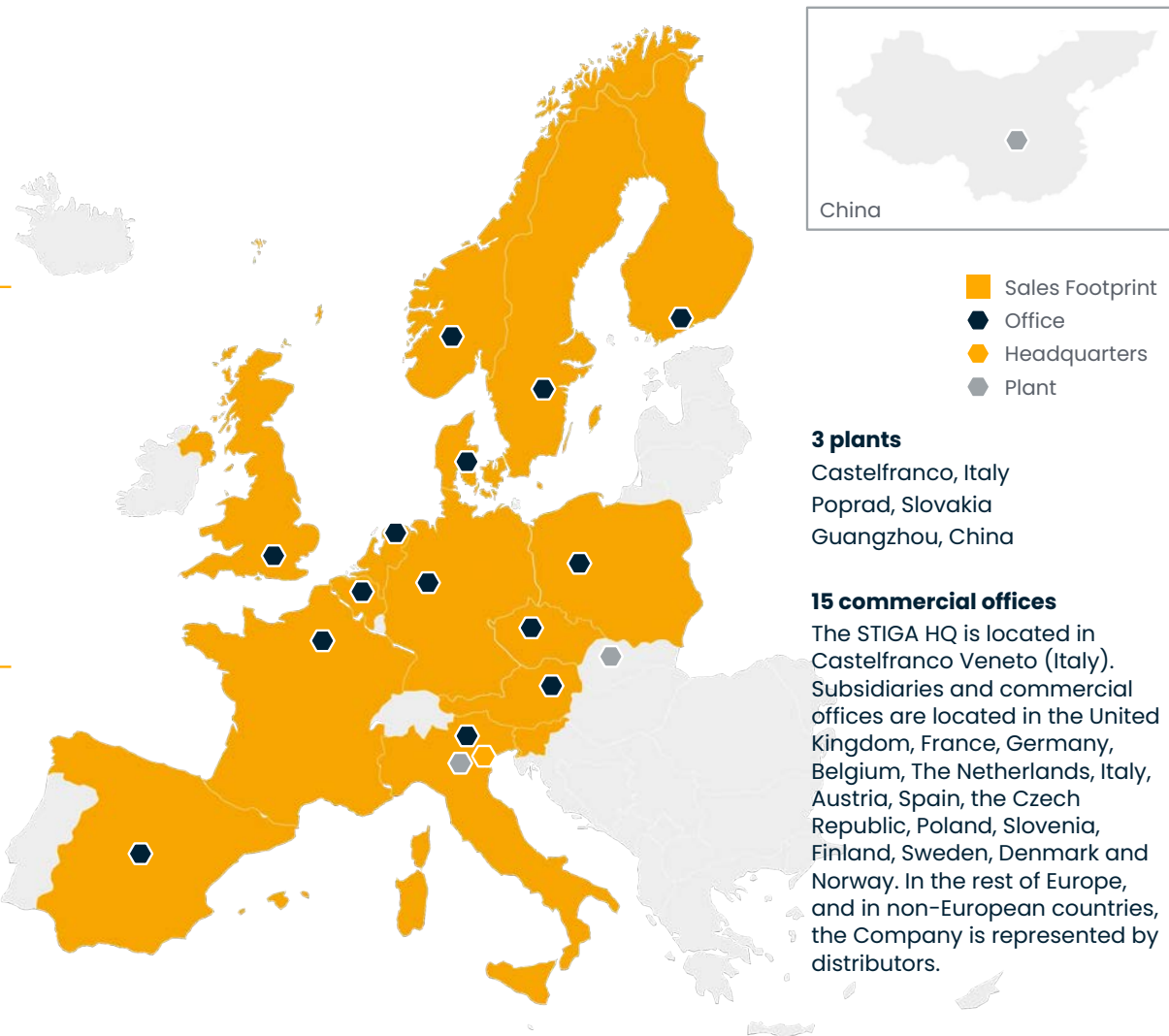
Subsidiaries and commercial offices across Europe are **empowered to execute locally, responding to market needs** while staying aligned with the Group's strategic direction, standards and shared ways of working.

### Global reach, expanding markets

From our European base, STIGA exports worldwide across Europe and beyond. This is where we operate today and where we continue to grow, expanding our reach while staying consistent with our foundations.

### Manufacturing at the core

Production plants in Europe and China are the operational heart of the Group, where engineering expertise, quality standards and innovation come together to turn strategy into reliable, scalable products.



### 3 plants

Castelfranco, Italy  
Poprad, Slovakia  
Guangzhou, China

### 15 commercial offices

The STIGA HQ is located in Castelfranco Veneto (Italy). Subsidiaries and commercial offices are located 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.

# How We Work

## People & Culture

**At STIGA, the way we work is as important as what we deliver. Collaboration, accountability and curiosity shape how we make decisions, improve every day and turn strategy into action through our people.**

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### Take action fast

We value momentum. Acting quickly allows us to learn, adapt and move forward, turning ideas into progress without waiting for perfect conditions.

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### Courageously challenge

We challenge ideas, not people. Open debate and constructive disagreement help us improve solutions and avoid complacency.

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### Get into the right level of detail

We balance big-picture thinking with attention to detail, focusing on what truly matters to make smart, effective decisions.

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### Be open and practice

We support everyone at every level to share ideas and keep honing their skills, because we know we can always improve and grow the STIGA Group.

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### Think like an owner

We take responsibility beyond roles and functions. Thinking like owners means caring about long-term impact, not just short-term results.

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### Be decisive

Clarity drives progress. We encourage informed decisions, taken with confidence, ownership and the willingness to move forward.

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### Recognise high performance

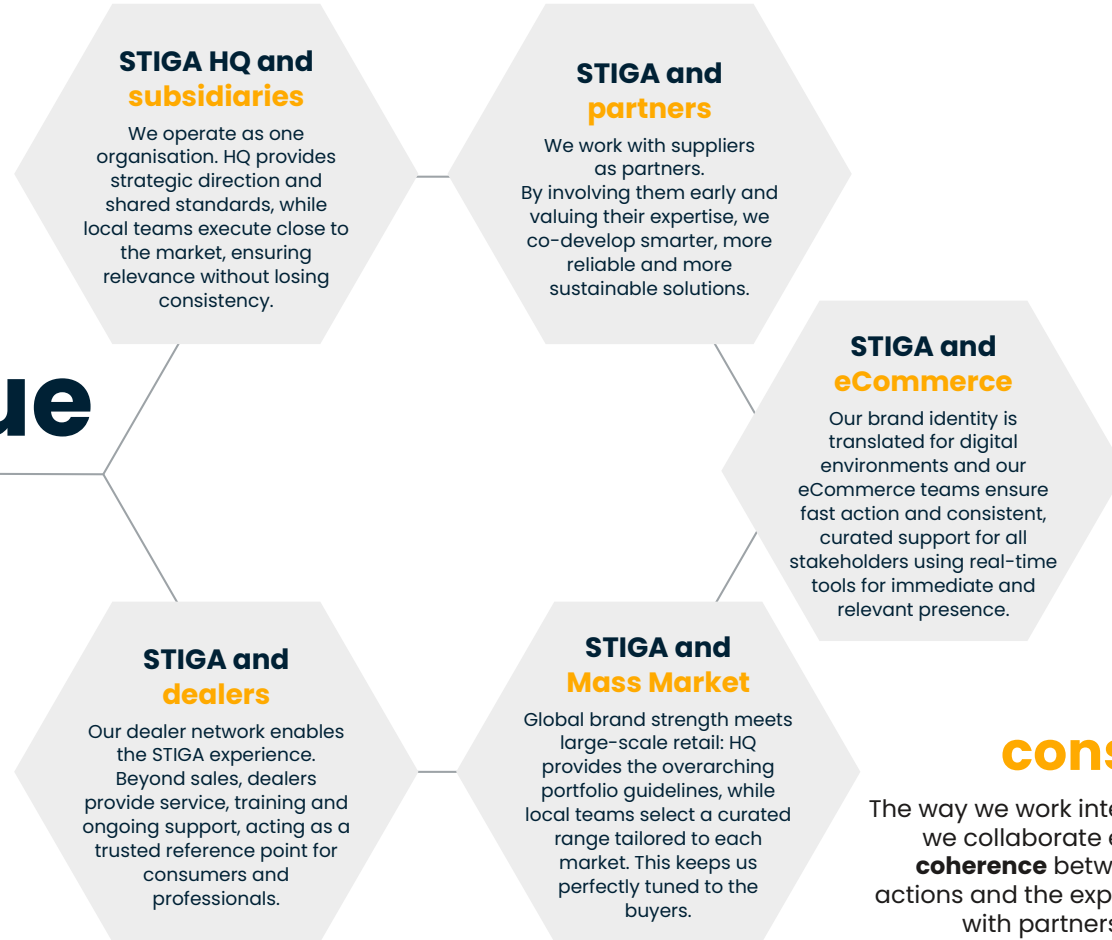
We value results, commitment and collaboration. Recognising high performance means rewarding behaviours that move the whole organisation forward.

# How We Work With Others

## Building Value Through Shared Responsibility

# We build value together

At STIGA, collaboration is a system. From HQ to local subsidiaries, and from dealers to partners, we work through shared responsibility and expertise to deliver consistent experiences across markets.



## We act consistently

The way we work internally shapes how we collaborate externally, ensuring **coherence** between our values, our actions and the experiences we create with partners and stakeholders.

# Sustainability as a Journey

## A Continuous Commitment, Not a Final Destination

At STIGA, sustainability is an ongoing process. It guides how we design products, improve operations and enable people to make more responsible choices every day, turning gardening into a tangible gesture of respect for the planet. Progress matters more than declarations. We prioritise tangible results over bold claims. Sustainability is something built day by day.

### Certifications & standards



### Responsible operations

We continuously work to reduce our environmental impact across production, facilities and processes, improving efficiency and performance year after year.



### Enabling sustainable choices

Our products and technologies help consumers care for green spaces in a more sustainable way, turning everyday actions into responsible choices.



### Sustainable solutions

Through robotics, battery-powered products and mulching solutions, we offer alternatives that reduce emissions, waste and resource consumption.



# Engineering as Enabler

## Designed For Real Life

### Designed from the inside out.

Every STIGA machine is conceived around real use. Design, weight, ergonomics and materials work together to improve comfort, efficiency and respect for the green space.



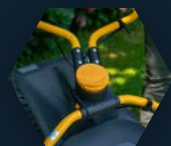
#### Robot | Floating shell & lightweight design

The floating shell protects internal components while reducing friction and impact. Lightweight construction helps preserve grass quality and simplifies maintenance.



#### Tractors | Comfort-driven redesign

Comfort seats, steering wheels and dashboards have been redesigned to improve ergonomics, visibility and ease of use, supporting longer working sessions with less fatigue.



#### Lawn mowers | Fulcrum handle

The Fulcrum handle improves manoeuvrability and control, while pre-assembly reduces setup time and effort, balancing performance across petrol and battery ranges.

### Intelligence you can trust.

Built-in technologies like Vista, AGS and ePower turn performance into a simpler, safer and more consistent experience.



#### Vista + AGS

AGS creates systematic cutting patterns for a flawless lawn, while Vista helps the robot understand what is lawn and what is not. Together with sensors, it detects obstacles, makes safe decisions and reduces the need for user intervention.



#### ePower Pro Battery

A removable, portable and swappable battery system designed for bigger gardens. It can be serviced, diagnosed and charged separately, and shared across electric tractors, ePark Pro and APX Pro to extend flexibility and uptime.

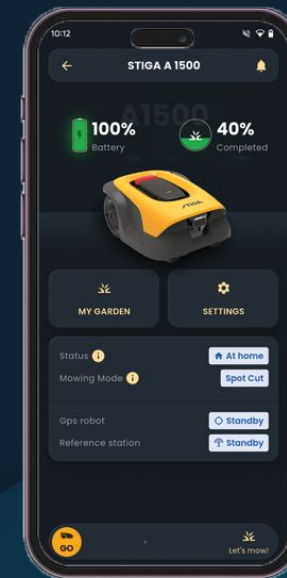


#### ePower shareability

One battery system, shared across multiple garden tools and machines, including Swift ride-on mowers and lawn mowers. Built for prolonged use and low temperatures, it supports a consistent ecosystem across seasons and tasks.



reddot winner 2025



#### The STIGA.GO app

Always adjustable at the touch of a button. Simple and intuitive app. To install, control, and customise every aspect of your robot.

## Autonomous Robot Mowers

# Mowing Perfection. For Your Healthiest Lawn.



### Instantly ready!

Quick to install, app-controlled, and always ready!



#### Instantly operational.

Instant bond, navigation and detection.



#### Antenna-free.

No antennas in your garden.



#### Cable-free.

Just virtual connections.



### For the perfect lawn.

Gentle on every blade, respectful of your lawn's health.



#### Multizone management.

Daily mulching for any garden shape or size.



Cutting in perfect, customisable stripes.



Quiet, compact and smooth in tight spaces.



### Made for life.

Its reliability, your freedom.



Strong hardware and advanced software.



Full resistance to time, impact and weather.



Built to last, easy to service and maintain.



### Always in its place.

Knows what to do, where and when. Cares for the lawn, and everything on it.



45 patents for award-winning lawn care.



10 years mobile data connectivity included.



Intelligent camera with AI-driven awareness.

# Its Perfect Cut

## Accurate

Our robot **enhances lawn health** from the very first sessions, delivering **sharp, neat cuts** across the entire garden.

It is capable of self-tuning cutting height and then offers a wide range of settings that adapt to any lawn condition.



## Organised

A uniform finish is guaranteed thanks to the systematic cuts, that create **seamless stripes** during each mowing session.

Gentle turns and slightly overlapping mowing paths ensure no grass blades are missed and no traces are left at the end of each stripe.



## Gentle

**No marks, smooth movements** in tight spaces, rain sensitivity and **daily mulching** for a softer, stronger lawn. It is agile in tight spaces and capable on slopes up to 45-50%, it works smoothly in all areas.

With a weather-aware rain sensor, it pauses when conditions are not ideal, as the lawn is better cut when the sun is shining.

## For your perfect lawn cut



## Precise

From **edge cutting** to **style-based patterns**, such as parallel stripes, chessboard patterns and grids, the robot always follows your **garden's layout and needs** with **high precision**.

You have the freedom to choose the mowing pattern, angle of rotation and settings for each zone.

## Your lawn becomes your canvas



# AGS

Active  
Guidance  
System

Patented technology fully developed by STIGA. Let the robot know where and when to mow.

## Its efficient navigation

### Intelligent planner

Maps your lawn in a grid.  
Plans mowing sessions based on signal strength. Always knows where and when to mow.  
Tracks progress in real time, monitoring its position in the garden. Always knows its position.

## Energy optimiser

Adapts its cutting height and speed to lawn effort to grant the best cut and energy usage.  
Optimises transitions between garden zones.  
Chooses the shortest, most efficient route to its charging station.  
Keeps memory of where it left off and once charged, it restarts exactly from there.

## ePower

Born garden-specific, engineered to resist long and continuous gardening sessions.  
ePower integrated robot battery offers unparalleled run times and performance.

## Being fully autonomous

Equipped with the latest sensors for ground, lawn and obstacles detection.

It makes safe decisions, limiting your need of intervention.

### Fully aware of your garden

Its AI system recognises all lawn colours and shapes in real time. The camera technology adapts to lighting. The front LED turns on automatically when needed.

### Respectful of its surroundings

Detects fixed and moving obstacles at short or long distances, adapting its path to avoid them.  
If an obstacle gets in the robot's way, it will know to stay away until you move it. It respects it.

### Cuts to the edge

Cuts edges by recognising where the lawn is along and on its virtual perimeter.



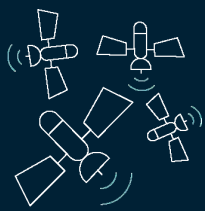
**Knows what a lawn is.  
Avoids what is not a lawn.**



# Seamless Connectivity, Unparalleled Convenience.

## The On-Board Technology Set

Four major technologies working together.  
Inseparable and essential for defining a complete autonomous robot.



**GPS RTK navigation**

### Cable-free

Just virtual connections.

### Antenna-free

No antenna installation in your garden.



**Mobile data connectivity**

The advanced communication tech.



Patented technology

**AGS** | Active Guidance System

**Knows what to do, where and when**

According to satellites' signal strength, navigates always with strong signal.



**Caring for the lawn, and everything on it**

Knows what a lawn is. Avoids what is not a lawn.

# The New STIGA Power System Made for Big Gardens

The new Power System marks a significant shift in the engineering of our large machinery. It includes a range of components, including a VMS (Vehicle Management System) that is separate from the control box, as well as blade and drive motors, controllers, the new ePower Pro battery and Pro charger. Everything designed and engineered by STIGA.

Three words to define our Power System:

**Simple.**

To sell.  
To understand.  
To service.

**Modular.**

Multiple Platforms,  
one Power System.

**Reliable.**

Powerful, robust  
and durable in all  
applications.



**ePower**  
Better battery technology.

**NEW electric tractors  
with the new modular  
ePower Pro battery  
solution.**

New aesthetics. Clean.  
Accessible. Serviceable.  
Up to 2 batteries.



**NEW PRO – ePark Pro  
The electric  
front mower.**

Industry-leading 50/50 layout.  
Top quality mulching.  
Up to 6 batteries.



**NEW PRO – APX Pro  
The new  
robotic workmate.**

Sensor layout powered by Ai.  
Articulated deck.  
Up to 6 batteries.



# The New Electric Tractor

## Modular battery rack.

It houses 1 x 40 Ah ePower Pro battery for 7,500 m<sup>2</sup> coverage, or 2 x 40 Ah for up to 15,000 m<sup>2</sup>. The removable and swappable concept makes square metres coverage without limit.

## Toolbox and storage.

There's an inner space near the battery for the charger and other items. The bonnet protects the toolbox from dust and dirt when closed.

## A fresh aesthetic for electric.

Full black design with new front mask. Redesigned headlights for better lighting and visibility.



**Same Space.  
Twice the Energy.  
Clean. Accessible.  
Serviceable.**



# The New STIGA ePower Pro Battery

The highest capacity at the best value



## Professional hardware

Designed by our internal design team:

- How it is made
- Patents guarantee exclusivity on the technology we offer.

## DURABLE

## Professional energy

Engineered by our internal R&D team:

- Quality Lithium Cells
- High Power Density
- Work in synchro according to master/slave concept

## POWERFUL

## Professional products

Gives outstanding, modular power to:

- New ePark Pro
- New APX Pro large robot
- New STIGA electric tractors range

## SWAPPABLE

## Professional users

First on market modular battery energy for new Pro products:

- 4 to 6 batteries by product
- Professional chargers
- Easy management

## MODULAR

# APX Pro

## Product key concepts

An **autonomous robot** designed for **multi-site management**. Delivers the **high-quality STIGA cut** with a dedicated Pro cutting deck, as well as **unlimited working capacity** with a new battery system.

**Fully engineered for Pro.**

## Target audience

Professional landscaping companies, municipalities, sports and golf-clubs that maintain multiple sites where permanently placed robots are not practical.

## Key target needs

Landscaping, municipalities and multi-site companies that want to deliver outstanding service and grow profitably, but want to increase labour productivity.



## Product superiority

**Higher productivity means a more profitable business.** The robot mows quickly up to 27,000 m<sup>2</sup> on a single charge with the 6-ePower Pro battery pack. While it works, the operator can supervise and carry out other tasks, such as maintaining the area's other garden elements.

**A completely new energy, ePower Pro modular battery.** Removable, portable, swappable. Unlimited working capacity and easy maintenance. In-house engineered by STIGA.

**More versatile than ever, as ad-hoc designed.**

- Designed to operate in **rough grass (20 to 95 mm)**, **irregular terrain**, under trees with low branches.
- Designed to be **easy transported** between sites.
- Designed to be a **multi-tasker**: front and back accessories under ongoing development.

# ePark Pro

## Heritage from Park Pro

Industry Leading 50-50 Layout.  
High Position of Drive.  
Good Cutting Visibility.



## What's eNew?

Even more robust. Even more stable.  
Reinforced frame and improved clavis structure.  
The rear rack for over 40 kg  
Electronic reliability: VMS

# Our icon, now electrified.

# ePower Technology 48V Product System



Swift 372e

PH 700e  
PS 700e



BC 700e B  
BC 700e



MT 500e



GT 500e



HT 500e



BL 500e



31

CS 700e  
PR 700e



ST 300e  
ST 700e



**ePower**  
Better battery technology.

Multiclip



Twinclip



Collector



Combi



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 m.

**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.**

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



# Swift Battery Ride-On Mower

## Nimble & Shareable

## Experience STIGA's Agility

Efficient mowing and collecting on up to 2.400 m<sup>2</sup> on one charge. Equipped with 4 shareable batteries.



### 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 m to get close to obstacles and a wheelbase of only 1.08 m for easy manoeuvring around obstacles, avoiding back impact.

**ePower**  
Better battery technology.



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



### 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.

# 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.



### 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.



### The Fulcrum handlebar.

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

### Mulching on a whole new scale.

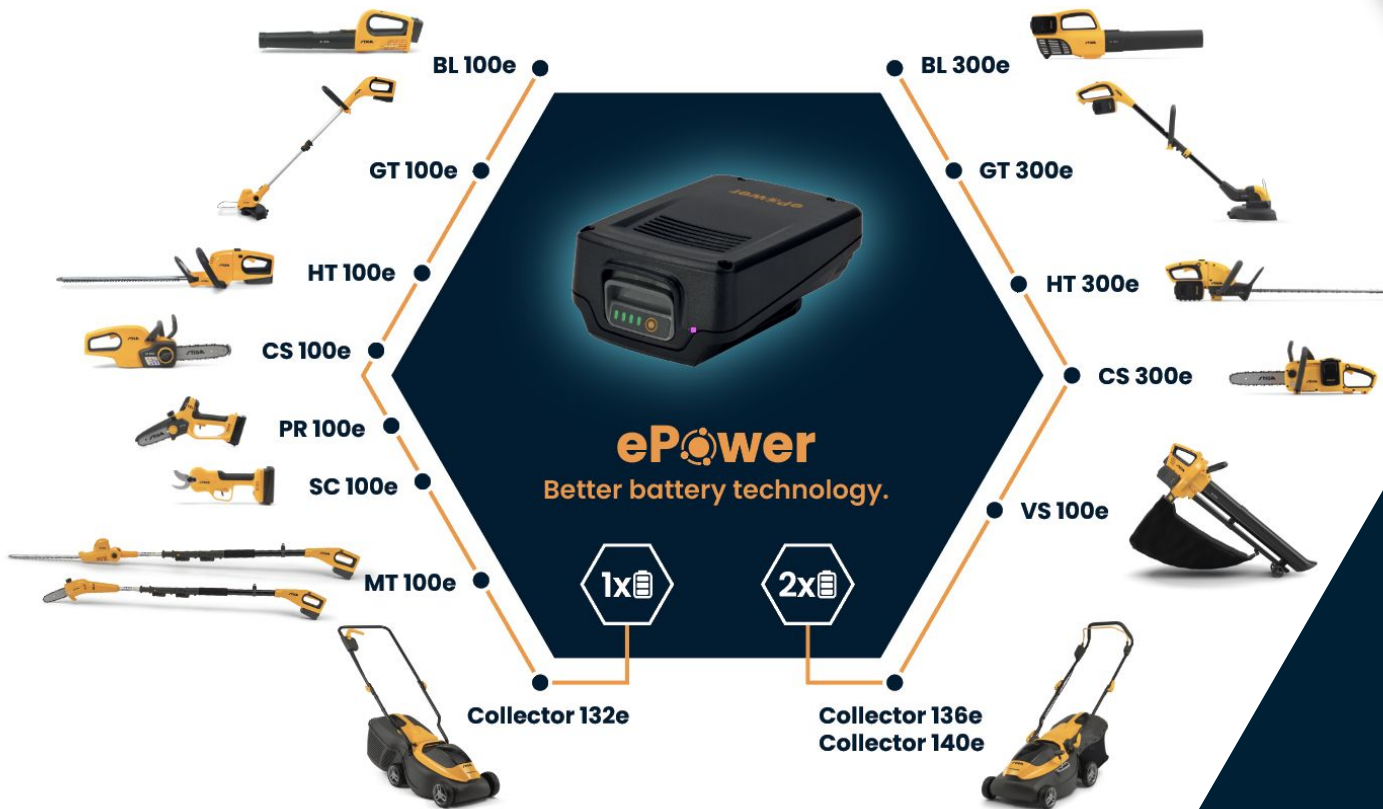
STIGA's iconic Multiclip technology takes mulching to the next level, delivering healthier, greener lawns with every cut. Equipped with our patented Multiclip system, the STIGA Park finely chops grass clippings into tiny particles that fall back onto the lawn, naturally returning essential nutrients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

The iconic way to maintain your lawn, and fertilises in one go, efficiently with our Multiclip cutting system. Extremely simple and easy to use, as there is no need to collect, transport or compost grass clippings. The finely cut grass clippings form a thin, moisture-rich mulch, naturally remoulding the lawn in a natural way. You don't need to water your lawn. The job is done in about 70% of the time. Leaves can also be mulched. With Multiclip, you can do the same thing in autumn when the leaves fall - magic them away with a few clippings. Save time and money. There's no need to collect, transport or compost grass clippings.

Less fuel and emissions. Fuel consumption and energy emissions are reduced, benefitting both the planet and your wallet. Quieter than most. Always with an adjustable and usually non-vibrating handle, the noise level is lower because there is no opening in the covers, unlike a collector. The specially designed blades and closed cover direct the noise downwards towards the ground, resulting in a lower and more comfortable noise level than a normal collector. Certain types of weeds can be effectively reduced when mulching is combined with targeted weeding.



# ePower Technology 20V Product System



Ideal for easily handling simpler gardening tasks in small to medium sized gardens, with one or two batteries per tool.

On-wall storage and on-board charging solution for 3 Series tools, so they're always ready to go.

Sharing of battery power on a wide range of tools for mowing the lawn, trimming hedges, logging and pruning all year round.

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



# 3 Series Handheld Tools Smart Charging Always Ready To Go



## 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-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%.

### 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.

### 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.



**ePower**  
Better battery technology.



GT 300e



CS 300e



BL 300e



HT 300e

# A Message from Rainer Schmueckle

Chairman



## Leading with purpose, acting with responsibility

2025 has represented a year of concrete action and strategic evolution for STIGA. In a world of constant change and global challenges, we have strengthened our foundations while continuing to advance our responsible business practices. As we look ahead, our direction remains clear: to grow with purpose, anticipating change and reinforcing our dedication to solutions that create lasting value for people and the planet.

This year, we have prepared our Sustainability Report in accordance with the new *European Sustainability Reporting Standards* (ESRS), anticipating the timelines established by EU Directives. This voluntary decision reflects our commitment to transparency and robust governance. By aligning with ESRS ahead of regulatory deadlines, we strengthen the quality, comparability, and reliability of our disclosures, offering stakeholders a comprehensive view of our impacts, risks, and opportunities.

What is more, in 2025, STIGA formalised its commitment to the *Science Based Targets initiative* (SBTi), ensuring that our carbon emission reduction targets are aligned with the Paris Agreement. Decarbonisation is now officially integrated in our strategic planning, investment decisions, and product development roadmap. This step reinforces our determination to actively contribute to limiting global warming while driving efficiency across our operations and value chain.

Our commitment to responsible operations is further demonstrated by the renewal of our *ISO* certifications for environmental management and occupational health and safety. These certifications confirm our continuous efforts to reduce environmental impacts, protect natural resources, and ensure safe and healthy working conditions for our people.

At the same time, innovation continues to be a driving force behind our transformation. A significant share of our R&D investments is dedicated to advancing battery-powered technologies. By accelerating the technological evolution of electric solutions, we are supporting the transition toward lower-emission gardening while delivering the high performance and reliability our customers expect.

We are also accelerating efforts to embed circular economy thinking by carefully selecting raw materials and increasing the use of recycled plastics. Applying circular principles from the earliest stages helps extend product life cycles, reduce waste, and minimises our environmental footprint. Sustainability extends beyond our own operations: in 2025, we continued to strengthen engagement with our suppliers and responsible practices across the entire value chain.

Driven by the growing necessity for companies to equip themselves with increasingly sophisticated defences, our company in 2025 significantly fortified its IT security infrastructure against cyber-attacks by establishing a new Security Operation Center (SOC), enhancing firewall defences, upgrading the Extended Detection and Response (XDR) system, and implementing a hacker-proof storage solution for system log-in monitoring.

As we look ahead, we recognise that sustainability requires consistency, accountability, and ambition. By setting science-based targets, investing in greener innovations, and reinforcing responsible practices, we are building a stronger STIGA. On behalf of the Board, I thank our employees, partners, suppliers, and stakeholders for their continued trust.

# Performance Overview & Statements

# Financial Overview

In 2025, the powered gardening products market rose by 3.6%\*, following a reduction in 2024. This outcome reflects a drop in volume and a positive mix driven by robot mowers and battery-powered products.

Specifically, ride-on mowers saw an increase of 11% compared to 2024, front mowers an increase of 5% while walk-behind mowers decreased by 3%. Robots and handheld categories experienced respectively an increase of 20% and a decrease of 1%.

Analysed by power source, sales of petrol products increased by 2%. Conversely, electric corded products experienced a significant decline of 25%, while battery-powered products (excluding autonomous robots) delivered robust growth of 6%.

Within this market context, Stiga's Net Sales reached EUR 504.2 million. Representing a strong year-over-year trajectory, sales increased by EUR 45.2 million (+10%), primarily driven by robust performance in the Traditional Trade and Mass Market channels. The B2C and B2B E-commerce channels also contributed positively to the year's results, partially offsetting a contraction in the OEM segment. Geographically, France, Poland, and Germany were the primary drivers of growth, whereas the UK reported lower sales volumes compared to the previous year.

Adjusted EBITDA rose to EUR 58.3 million, driven by the effective management of our commercial channel mix across major markets and stringent cost control measures within manufacturing. These initiatives successfully improved unit profitability, expanding the Gross Profit Margin to 33.7%, up from 31.3% in the previous year. Furthermore, proactive supplier negotiations and the strict management of operating expenses across all departments contributed favourably to overall profitability.

The Net Financial Position stood at EUR -44.1 million, representing an improvement of EUR 36.4 million (45%) compared to 2024. This strong performance was primarily driven by higher margins and a positive contribution from Net Working Capital. Specifically, inventories and receivables improved year-over-year, which was only partially offset by slightly lower payables.

## Net Sales

504.2m

+10% 2024

## Adjusted EBITDA

58.3m

11.6% margin

## Net Financial Position

-44.1m

+45% 2024

\*Company elaboration based on GFK and EGMF data

# Main Events of The Year

## Strategic Guidelines Implementation

The Business Plan guiding decisions through 2030 was reviewed in 2025 and approved by the Board in February 2026. The updated plan reflects the latest market trends and Group development goals without altering the core strategic guidelines, while reaffirming project priorities.

A key strategic priority during the year was the further implementation of our commercial policy across traditional trade dealers. This initiative enabled the effective segmentation of partners based on their potential contribution to the Group's growth. This result, coupled with the deployment of the new Salesforce CRM platform across all subsidiaries, provided the sales organisation with robust support to drive revenue performance.

To improve the capabilities of our innovative autonomous robots across all European markets, we introduced new features designed to optimise the installation experience and drive overall customer satisfaction. Furthermore, remote management capabilities were upgraded in the latest version of the STIGA.GO mobile app, enabling a significantly more streamlined and user-friendly robot installation service.

Cost base optimisations across Group companies progressed as expected, and management remains confident in sustaining this positive performance. Modifications and improvements to manufacturing site layouts were successfully finalised to enhance operational efficiency and reduce costs, simultaneously unlocking capacity for future expansion at the Italian plant. Furthermore, our supply chain network was streamlined through warehouse consolidations in France and Germany, alongside the establishment of a new, centralised logistics hub in the UK.

The organisation was further strengthened with the appointment of a new General Manager for Robot in order to further enhance the organisational focus on this strategic product category and the upgrade of the e-commerce channel organisation, appointing a new E-commerce Director. During the year, the UK subsidiary was relocated to a new facility, and a new Managing Director was appointed to lead the region's operations.

Following the successful completion of the amend and extend process of its existing Senior Facilities Agreement during 2024, the Group executed the partial anticipated repayment of its Term Loan for EUR 36.9 million, following the positive cash generation along the year.



# Consolidated Management Report

## Key Financial Figures

The summarised Consolidated Income Statement compared with the previous period is shown in the table opposite. Consolidated figures include Spain branch values, as identified in the Group Organisation information.

In the fiscal year ending on 31 December 2025, Net Turnover reached EUR 504.2 million, compared to EUR 459.0 million in the previous year, while EBITDA totalled EUR 58.9 million versus EUR 47.2 million in the previous period. The EBITDA margin in percentage of sales increased by +1.4% from 10.3% to 11.7%. The EBITDA performance is attributed to the cumulative effect of favourable and adverse factors:

- sales increased across all channels, with the sole exception of OEM sales due to a commercial focus on branded product market penetration; a strong E-commerce performance was primarily driven by the B2C segment, with a significant contribution from the expansion of our own websites;
- the sales increase was fuelled by a dual-track performance: the continued success of our flagship Petrol Ride-Ons and the expansion of the innovative Autonomous Robots category;
- successful negotiations on raw materials and components, coupled with R&D product design improvements and cost-saving activities, substantially enhanced gross profitability;
- revenue growth was supported by a targeted increase in marketing and selling expenditures, aimed at enhancing the Group's commercial footprint; general and administrative expenses increased compared to prior year, being partly affected by the relocation of the UK subsidiary;
- finally, the improvement in Other Operating Income and Expenses benefited from the gain on sale of a real estate property in Tranås, Sweden (non-core).

The Net Profit for the period amounted to EUR 18.7 million, compared with EUR 5.2 million in the previous year.

EUR 000's	2025		2024	
Revenues	504,165	100.0%	458,982	100.0%
<b>Gross Profit</b>	<b>169,969</b>	<b>33.7%</b>	<b>143,875</b>	<b>31.3%</b>
Distribution Costs	(44,141)	-8.8%	(38,471)	-8.4%
Operating Expenses	(88,051)	-17.5%	(77,598)	-16.9%
Other Operating Income and Expenses	(1,979)	-0.4%	(4,595)	-1.0%
<b>Operating Profit</b>	<b>35,797</b>	<b>7.1%</b>	<b>23,210</b>	<b>5.1%</b>
Net Financial Expenses	(11,891)	-2.4%	(11,501)	-2.5%
<b>Profit / (Loss) Before Taxes</b>	<b>23,906</b>	<b>4.7%</b>	<b>11,710</b>	<b>2.6%</b>
Current Taxes	(4,378)	-0.9%	(3,805)	-0.8%
Deferred Taxes	(856)	-0.2%	(2,698)	-0.6%
<b>Profit / (Loss) for the year</b>	<b>18,672</b>	<b>3.7%</b>	<b>5,206</b>	<b>1.1%</b>
Attributable to:				
Owner of STIGA C S.à.r.l.	18,485		5,053	
Non-Controlling Interest	187		153	
<b>EBITDA</b>	<b>58,866</b>	<b>11.7%</b>	<b>47,197</b>	<b>10.3%</b>

*In these entire Consolidated Financial Statements, as table totals 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 261.1 million which is lower than the previous year by EUR 20.9 million. The decrease is concentrated in the Net Working Capital which amounts to EUR 74.3 million, while Non-Current Assets amount to EUR 196.4 million.

Trade receivables valued at EUR 93.2 million, are lower than the value at 31 December, 2024 by EUR 6.1 million. This variance is mainly due to lower sales in the last three months of the year compared to the same period of one year ago.

Inventories at EUR 128.2 million are lower than the value at 31 December, 2024 by EUR 14.0 million. This reflects the optimisation of stock levels following the partial normalisation encountered in the previous year.

Trade payables have decreased compared to 2024 by EUR 3.2 million as a consequence of the improvement of the supply chain ability to match seasonal production plans with suppliers.

Non-current assets are EUR 1.5 million higher than previous year mainly due to increase of the Right of Use within Property, Plant and Equipment and Intangible Assets.

EUR 000's	31 December 2025	31 December 2024
Trade Receivables	93,180	99,234
Inventories	128,157	142,155
Trade Payables	(135,722)	(138,894)
Other Short-Term Assets and Liabilities Non-Financial	(11,328)	(6,234)
<b>(A) NET WORKING CAPITAL</b>	<b>74,286</b>	<b>96,261</b>
Property, Plant and Equipment	53,946	52,724
Other Intangible Assets	21,073	20,743
Goodwill	91,661	91,661
Equity Investments	5	5
Deferred Tax Assets	29,227	29,266
Other Long-Term Assets Non-Financial	529	496
<b>(B) NON-CURRENT ASSETS</b>	<b>196,441</b>	<b>194,895</b>
Other Long-Term Provisions	(5,947)	(5,536)
Provisions for Pensions and Similar Obligations	(1,793)	(1,922)
Deferred Tax Liabilities	(1,739)	(1,405)
Other Long-Term Liabilities Non-Financial	(131)	(278)
<b>(C) NON-CURRENT LIABILITIES</b>	<b>(9,609)</b>	<b>(9,142)</b>
<b>(D) NET INVESTED CAPITAL (A+B+C)</b>	<b>261,118</b>	<b>282,014</b>

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# Consolidated Management Report

Continues from the previous page

EUR 000's	31 December 2025	31 December 2024
Cash and Financial Short-Term Assets	(40,953)	(46,617)
Short-Term Bank Borrowings	15,468	29,206
Other Financial Short-Term Liabilities	3,920	3,576
<b>(E) NET FINANCIAL POSITION (SHORT-TERM)</b>	<b>(21,565)</b>	<b>(13,835)</b>
Financial Long-Term Assets	(52,723)	(48,689)
Long-Term Bank Borrowings	112,541	139,863
Other Financial Long-Term Liabilities	5,822	3,088
<b>(F) NET FINANCIAL POSITION (LONG-TERM)</b>	<b>65,640</b>	<b>94,262</b>
<b>(G) TOTAL NET FINANCIAL POSITION (E+F)</b>	<b>44,076</b>	<b>80,428</b>
<b>(H) TOTAL EQUITY</b>	<b>217,043</b>	<b>201,587</b>
<b>(I) TOTAL EQUITY AND DEBT (G+H)</b>	<b>261,118</b>	<b>282,014</b>

The decrease of Net Invested Capital led to the improvement of the Net Financial Position of EUR 36.4 million and allowed the early repayment of EUR 14.0 million long-term debt due in February 2026 and EUR 22.9 million due in October 2027.

More specifically, Cash and Financial Short-Term Assets decreased by EUR 5.7 million. Long Term Bank Borrowings decreased by EUR 27.3 million and Short Term Borrowings decreased by EUR 13.7 million due to lower receivable financing and the repayment of term financing that was due in 2027.

Net Equity increased by EUR 15.4 million, mainly due to the Profit of the year and to change in Hedging Reserve.



# Group Operations

## Capital Expenditure

Capital expenditure in Intangible Assets and in Property, Plant and Equipment during the year amounted to EUR 17.9 million (EUR 12.2 million in the previous period), corresponding to 3.6% of turnover. Investments in Intangible Assets, amounting to EUR 10.8 million, were mainly targeted to enhance and expand the autonomous robot range and Stiga battery power eco-system. Investments in Property Plant and Equipment, amounting to EUR 7.1 million, were mainly focused on the three production sites for the improvement of operational efficiency. In addition, right of use assets marked an increase during the year, due to new lease agreements and to the renewal of contracts already in place.

## Research and Development Activities

In the fiscal year 2025 the resources dedicated to Research and Development (R&D) activities achieved a value of EUR 11.3 million (EUR 11.1 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 effort was focused on the development of the new range of autonomous robot mowers, Stiga battery system and new electric tractors.

### Capex



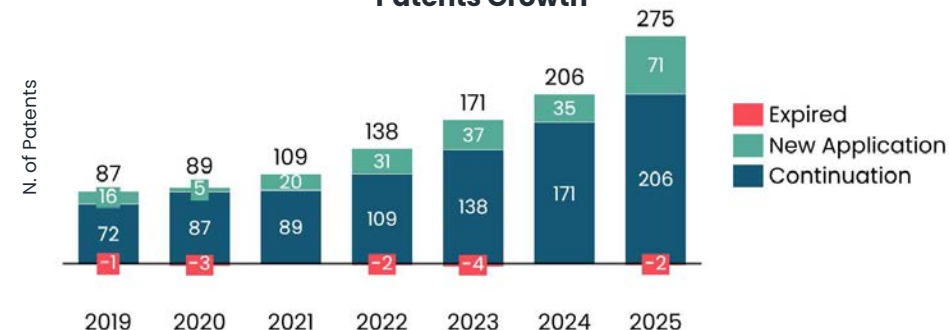
+47% 2024

### R&D Investments



11.1m in 2024

## Patents Growth



## Information Regarding Sustainability and Human Resources

The Group's sustainability strategy remains focused on reducing its environmental impact and consistently upholding ethical values related to products, people and processes. Following the Group's significant milestone of achieving Carbon Footprint certification (ISO 14064-1), STIGA took a decisive step in 2025 by formalising its commitment to the Science Based Targets initiative (SBTi). This journey marks the definitive starting point for transforming sustainability from a commitment of principle into a scientific and measurable pillar of STIGA's business.

Regarding people management, workforce is a focal point of STIGA's sustainability strategy. In 2025, STIGA obtained ISO recertification for Health and Safety standards. Furthermore, STIGA maintained in Italy the gender equality certification in accordance with UNI PdR 125:2022 guidelines and shared all procedures, initiatives, and best practices across the entire Group. In 2025, STIGA strengthened its commitment to professional growth by ensuring adequate employee training: the average training hours per employee rose to 13 hours, up from 12.6 hours in 2024. All of this confirms that investing in the development, skills, health, safety, and well-being of our people 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 a term loan of EUR 105 million expiring in October 2027. 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.

Regarding the Receivables Finance Facilities, the Group has in place a factoring programme over the receivables of STIGA S.p.A., STIGA GmbH (Germany) and STIGA Sp.z.o.o. for EUR 80 million and an invoice discounting agreement for EUR 30 million covering the receivables of STIGA Ltd.

Furthermore, in November 2025 STIGA S.p.A. entered into a SACE-backed term loan EUR 9 million, with repayment scheduled in two installments due in 2027.

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 80% 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

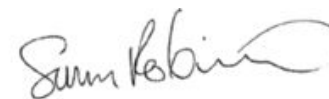
The gardening products market, which was constrained by industry-wide destocking in 2023 and early 2024, demonstrated a recovery trend throughout 2025. Consequently, year-over-year order intake has grown. Initial sales performance for the current year is encouraging and aligns with the strategic growth objectives set forth in our Business Plan, supporting our ongoing strategy to capture additional market share.

Elevated geopolitical tensions—specifically concerning Israel, Ukraine, and recent developments in Iran—continue to generate significant international uncertainty. This instability is hindering the full market recovery that had begun to take shape in 2025. Furthermore, the persistence of US tariff policies continues to weigh on global trade, placing downward pressure on consumer purchasing power. Management is proactively monitoring these macroeconomic headwinds to mitigate potential risks and adapt swiftly to changing market conditions.

Overall, projections for Group profitability in 2026 are positively oriented, and STIGA currently expects to improve the 2025 results, particularly regarding EBITDA and associated margin performance.

Despite this, macroeconomic conditions in Europe remain uncertain. The operating environment continues to be challenging, driven primarily by intense competitive pressure, shifting trade regimes, currency volatility, and cautious consumer discretionary spending. Management continuously monitors these dynamics, maintains agility in its response to market shifts, and is fully committed to executing the strategic objectives defined in the Business Plan.

26 March 2026



For the Board of Managers  
The Chief Executive Officer  
Sean Robinson

# Consolidated Financial Statements

# Consolidated Statement of Financial Position

EUR 000's			
ASSETS	31 December 2025		31 December 2024
		<b>Notes</b>	
<b>Non-Current Assets</b>			
Intangible Assets	112,734	<b>(1)</b>	112,404
<i>Goodwill</i>	91,661		91,661
<i>Other Intangible Assets</i>	21,073		20,743
Property, Plant and Equipment	53,946	<b>(2)</b>	52,724
Investments Accounted for using Equity Method	5	<b>(3)</b>	5
Financial Long-Term Assets	52,723	<b>(4)</b>	48,689
Other Long-Term Assets	529	<b>(5)</b>	496
Deferred Tax Assets	29,227	<b>(6)</b>	29,266
<b>Total Non-Current Assets</b>	<b>249,164</b>		<b>243,584</b>
<b>Current Assets</b>			
Inventories	128,157	<b>(7)</b>	142,155
Trade Receivables	93,180	<b>(8)</b>	99,234
Financial Short-Term Assets	544	<b>(9)</b>	458
Other Short-Term Assets	14,963	<b>(10)</b>	14,242
Cash and Cash Equivalents	40,409	<b>(11)</b>	46,159
<b>Total Current Assets</b>	<b>277,252</b>		<b>302,248</b>
<b>TOTAL ASSETS</b>	<b>526,416</b>		<b>545,832</b>

In these entire Consolidated Financial Statements, as table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded components.

# Consolidated Statement of Financial Position

EUR 000's			
LIABILITIES	31 December 2025		31 December 2024
		Notes	
<b>Capital and Reserves</b>			
Stockholders' Equity	216,757		201,336
Non-Controlling Interests	285		251
<b>Total Capital and Reserves</b>	<b>217,043</b>	<b>(12)</b>	<b>201,587</b>
<b>Non-Current Liabilities</b>			
Long-Term Bank Borrowings	112,541	<b>(13)</b>	139,863
Other Financial Long-Term Liabilities	5,822	<b>(14)</b>	3,088
Other Long-Term Liabilities	131		278
Provisions for Pensions and Similar Obligations	1,793	<b>(15)</b>	1,922
Other Long-Term Provisions	5,947	<b>(16)</b>	5,536
Deferred Tax Liabilities	1,739	<b>(17)</b>	1,405
<b>Total Non-Current Liabilities</b>	<b>127,972</b>		<b>152,093</b>
<b>Current Liabilities</b>			
Trade Payables	135,722	<b>(18)</b>	138,894
Short-Term Bank Borrowings	15,468	<b>(13)</b>	29,206
Other Financial Short-Term Liabilities	3,920	<b>(19)</b>	3,576
Other Short-Term Liabilities	26,291	<b>(20)</b>	20,476
<b>Total Current Liabilities</b>	<b>181,401</b>		<b>192,152</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>526,416</b>		<b>545,832</b>

# Consolidated Income Statement

EUR 000's	2025	Notes	2024
Revenues	504,165	(22)	458,982
Cost of Sales	(334,196)	(23)	(315,107)
<b>Gross Profit</b>	<b>169,969</b>		<b>143,875</b>
Distribution Costs	(44,141)	(24)	(38,471)
Operating Expenses	(88,051)	(25)	(77,598)
- Research & Development	(3,988)		(4,199)
- Marketing, Selling and After sales	(46,970)		(38,297)
- General and Administration	(22,646)		(20,505)
- Operating Depreciation and Amortisation	(14,447)		(14,598)
Other Operating Income	6,358	(26)	3,096
Other Operating Expenses	(8,337)	(27)	(7,691)
<b>Operating Profit</b>	<b>35,797</b>		<b>23,210</b>
Financial Income	4,799	(29)	6,157
Financial Expenses	(16,690)	(29)	(17,658)
<b>Profit / (Loss) Before Taxes</b>	<b>23,906</b>		<b>11,710</b>
Current Taxes	(4,378)	(30)	(3,805)
Deferred Taxes	(856)	(6)	(2,698)
<b>Profit / (Loss) for the year</b>	<b>18,672</b>		<b>5,206</b>
Attributable to:			
Owner of STIGA C S.à.r.l.	18,485		5,053
Non-Controlling Interest	187		153

# Consolidated Statement of Comprehensive Income

EUR 000's	2025	2024
<b>Profit / (Loss) for the year</b>	<b>18,672</b>	<b>5,206</b>
<b>Other Comprehensive Income:</b>		
<b>Gain/(Losses) Chargeable to the Consolidated Income Statement:</b>		
Exchange Differences on Translation of Foreign Operations	(1,430)	580
Cash Flow Hedge Recognised to Equity	(1,980)	4,664
Income Tax Impact	475	(1,119)
<b>Gain/(Losses) Not Chargeable to the Consolidated Income Statement:</b>		
Actuarial Gains/(Losses) Recognised to Equity	12	(4)
Income Tax Impact	(3)	1
<b>Total Comprehensive Income / (Loss) for the year</b>	<b>15,746</b>	<b>9,328</b>
Attributable to:		
Owner of STIGA C S.à.r.l.	15,559	9,175
Non-Controlling Interest	187	153

# Consolidated Statement of Cash Flows

EUR 000's	2025	2024
Profit/(Loss) before Taxes	23,906	11,710
Taxes Paid	(3,219)	(4,897)
Net Financial Expenses	11,891	11,501
Depreciation and Write-Down of Property, Plant and Equipment	12,560	13,788
Amortisation and Write-Down of Intangible Assets	10,509	10,199
Net (Gain)/Loss on Sale of Non-current Assets	(3,576)	
Change in Provisions	291	1,015
Other Non-Monetary Variation	(137)	(136)
Changes in Working Capital:		
- Inventories	13,466	(1,148)
- Trade and Other Receivables	4,622	(33,398)
- Trade and Other Payables	(1,953)	50,903
Changes in Other Assets and Liabilities	(264)	(648)
<b>Cash Flow provided by/(used in) Operating Activities</b>	<b>68,094</b>	<b>58,888</b>
Investments in Property, Plant and Equipment and Intangible Assets	(17,407)	(12,417)
Disposals of Property, Plant and Equipment and Intangible Assets	4,150	277
<b>Cash Flow provided by/(used in) Investing Activities</b>	<b>(13,257)</b>	<b>(12,140)</b>
Proceeds from Borrowings	9,000	4,875
Repayments of Borrowings	(50,423)	(26,324)
Repayment of Lease Liabilities	(4,726)	(4,772)
Increase in Loans granted	(279)	(1,451)
Interest Paid	(14,333)	(17,159)
Interest Received	958	2,383
Dividends Payment	(153)	(17)
<b>Cash Flow provided by/(used in) Financing Activities</b>	<b>(59,955)</b>	<b>(42,465)</b>
Effects of exchange rate changes on cash and cash equivalents	(631)	96
<b>Other Cash Flow Effects</b>	<b>(631)</b>	<b>96</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(5,749)</b>	<b>4,379</b>
<b>Net Cash and Cash Equivalents at the Beginning of the Period</b>	<b>46,159</b>	<b>41,780</b>
<b>Net Cash and Cash Equivalents at the End of the Period</b>	<b>40,409</b>	<b>46,159</b>

2024 comparative figures have been reclassified to conform to the current-year presentation.

# 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
<b>Balance as of 1 January 2024</b>	<b>18,884</b>	<b>168,825</b>	<b>1,888</b>	<b>(5,153)</b>	<b>4,207</b>	<b>(38)</b>	<b>(1,607)</b>	<b>3,515</b>	<b>1,809</b>	<b>114</b>	<b>192,443</b>
Result Destination					1,809				(1,809)		-
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
<b>Balance as of 31 December 2024</b>	<b>18,884</b>	<b>168,825</b>	<b>1,888</b>	<b>(4,573)</b>	<b>6,016</b>	<b>(41)</b>	<b>1,938</b>	<b>3,348</b>	<b>5,053</b>	<b>250</b>	<b>201,587</b>

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
<b>Balance as of 1 January 2025</b>	<b>18,884</b>	<b>168,825</b>	<b>1,888</b>	<b>(4,573)</b>	<b>6,016</b>	<b>(41)</b>	<b>1,938</b>	<b>3,348</b>	<b>5,053</b>	<b>250</b>	<b>201,587</b>
Result Destination					5,053				(5,053)		-
Capital Contribution								(137)			(137)
Profit/(Loss) for the Year									18,485		18,485
Other Compr. Income/(Loss)				(1,430)		9	(1,980)				(3,401)
Other Compr. Income/(Loss) Tax Impact							475				475
Dividends										(153)	(153)
Non-Controlling Interest Result for the Year										187	187
<b>Balance as of 31 December 2025</b>	<b>18,884</b>	<b>168,825</b>	<b>1,888</b>	<b>(6,003)</b>	<b>11,068</b>	<b>(32)</b>	<b>433</b>	<b>3,210</b>	<b>18,485</b>	<b>284</b>	<b>217,043</b>

# 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 2025 to 31 December 2025.

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 2030 Business Plan approved in February 2026. 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.



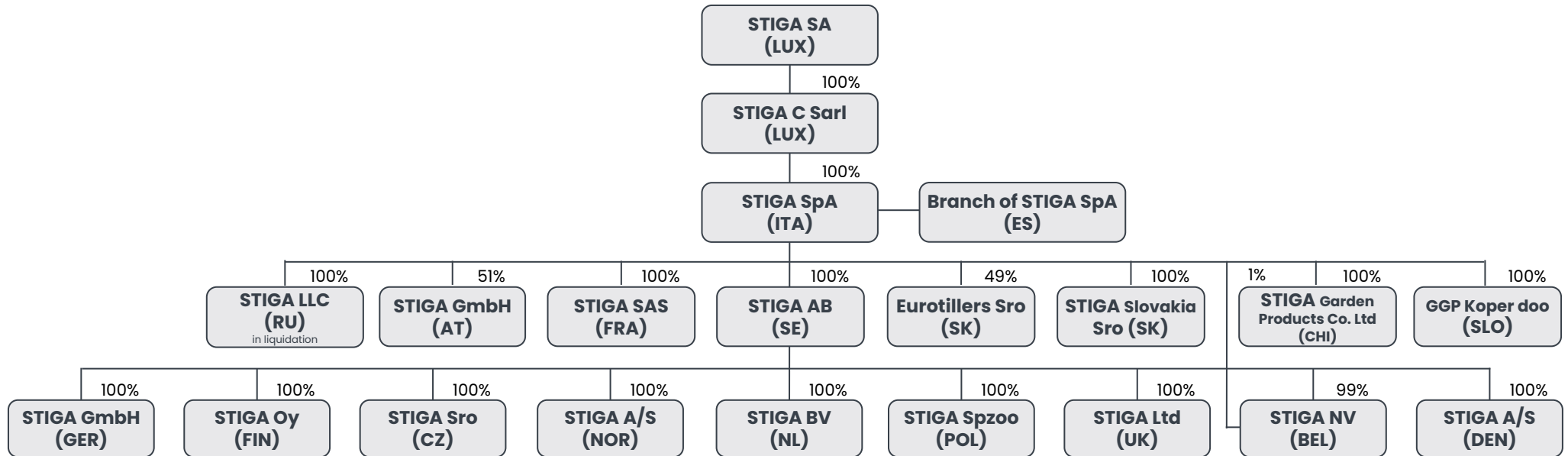
# General Information

## 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 ceased trading in 2023 and is in liquidation process.

The structure of the Group as of 31 December 2025 is as follows:



# General Information

The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries as of 31 December 2025. Details of the Company and its consolidated subsidiaries as of 31 December 2025 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 (in liquidation)	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	Brøndby, 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

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

# Material Accounting Policy Information

## Basis of Preparation

The Consolidated Financial Statements for the fiscal year ended on 31 December 2025 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 2024, having regard to the updates to the reference framework that came into effect on 1 January 2025, 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 26 March 2026.

## **Accounting standards, amendments and interpretations applicable to Consolidated Financial Statements for financial years beginning on 1 January 2025**

Accounting standards, amendments and interpretations endorsed by the European Union that came into effect on 1 January 2025, 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:

### Amendments to IAS 21 - Lack of Exchangeability

In August 2023, the IASB issued the amendments to IAS 21 entitled “Lack of Exchangeability” which provide guidance on how to determine whether a currency is exchangeable into another and, when it is not, how to estimate the exchange rate to be used. In case of lack of exchangeability, specific disclosure requirements are introduced. The amendments, endorsed on 12 November 2024, are effective from annual periods beginning on 1 January 2025. These changes have no material impact on the Group’s Consolidated Financial Statements.



# Material Accounting Policy Information



## **Accounting standards, amendments and interpretations applicable to Consolidated Financial Statements for financial years on or after 1 January 2026**

### Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to clarify the classification of financial assets with environmental, social, and governance (ESG) linked features and to update the requirements for the timing of derecognition of financial liabilities settled via electronic transfer. These amendments, endorsed on 27 May 2025, take effect from annual periods beginning on or after 1 January 2026.

### Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity

In December 2024, the IASB issued amendments addressing the accounting for renewable power purchase agreements (PPAs), clarifying the application of the "own-use" exemption and providing specific hedge accounting requirements for such contracts. These amendments, endorsed on 30 June 2025, take effect from annual periods beginning on or after 1 January 2026.

### Annual Improvements to IFRS Accounting Standards – Volume 11

In July 2024, the IASB issued minor amendments to various standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7) to clarify and correct existing requirements. These improvements, endorsed on 9 July 2025, take effect from annual periods beginning on or after 1 January 2026.

### IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. The standard introduces new requirements for the structure of the income statement, including mandatory subtotals for operating, investing and financing categories, and requires disclosure regarding management performance measures (MPMs). This standard, endorsed on 13 February 2026, takes effect from annual periods beginning on or after 1 January 2027.

The Group is evaluating the potential impact of their application on the Consolidated Financial Statements and will adopt the new standards and interpretations when they come into force.

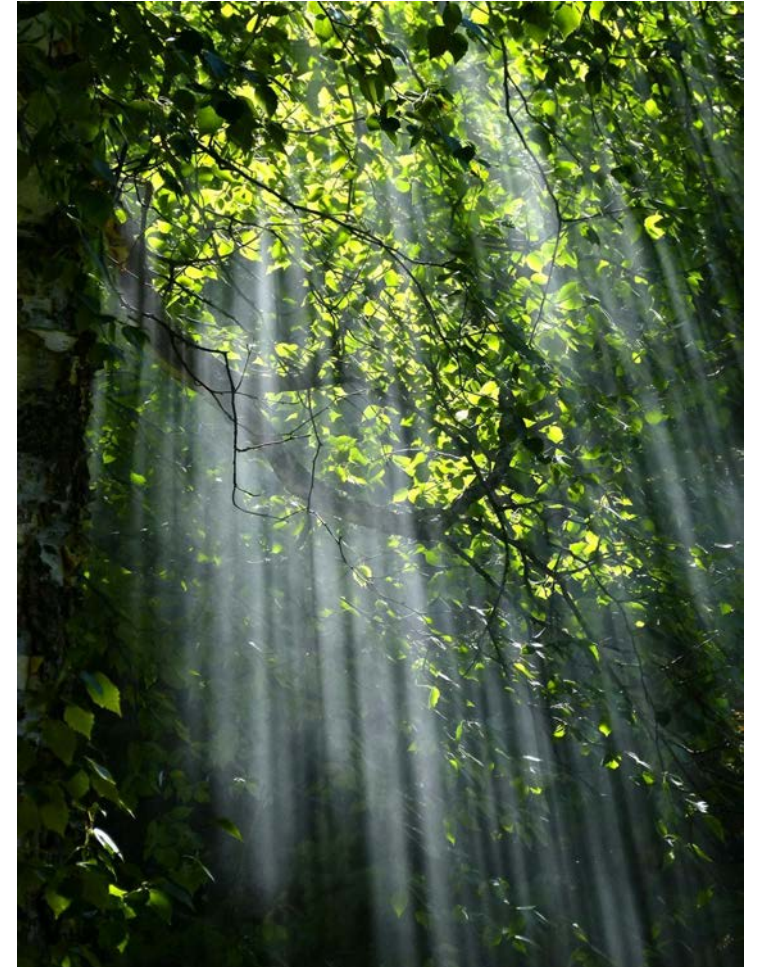
# Material Accounting Policy Information

## 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 the IASB in May 2024;
- amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures, published by the IASB in August 2025;
- amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency, published by the IASB in November 2025.

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 2025. Details of the Company and its consolidated subsidiaries as of 31 December 2025 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 (in liquidation)	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	Brøndby, 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 recognised 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 recognised 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 2025
SEK Swedish Crown	10.8812	11.4797	10.8215
GBP British Pound	0.8307	0.8800	0.8726
DKK Danish Crown	7.4592	7.4696	7.4689
NOK Norwegian Crown	11.5472	11.8653	11.8430
PLN Polish Zloty	4.1722	4.2658	4.2210
CZK Czech Crown	24.2341	25.1633	24.2370
CNY Chinese Yuan Renminbi	7.5560	8.3754	8.2262
RUB Russian Ruble	90.8276	105.7794	96.0813

# 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.

# Material Accounting Policy Information

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

# Material Accounting Policy Information

## 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") has been based on the average borrowing cost of STIGA Group and is applied to the lease agreements meeting the adoption criteria, depending on their maturity date. In the current reporting period, the short-term IBR ranges between 3.00% and 7.58% depending on the underlying currency, while the long-term IBR is set at 8.31%.

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.

# Material Accounting Policy Information

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".

# Material Accounting Policy Information

## 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.

# Material Accounting Policy Information

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”) and determined for each class of ageing. 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.

# Material Accounting Policy Information

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.

# Material Accounting Policy Information

## 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:

# Material Accounting Policy Information

- 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 hedges. 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.

# Material Accounting Policy Information

## 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.

# Material Accounting Policy Information

## 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 five-year period. The Cash flows beyond the five-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	7.0%
Average % of EBITDA over the plan	13.8%
Annual Other Operating Expenses (EUR 000's)	7,880
Long-Term Growth Rate	2.0%
Pre-tax Discount Rate	9.97%

# Material Accounting Policy Information

## *Assumptions:*

*Sales Volume:* average annual growth rate over the five-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.

*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 22.4 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 2026 onwards. The losses can be carried forward indefinitely and have no expiry date.

# Material Accounting Policy Information

## Going Concern

The financing agreement signed by the Company in December 2024 currently provides the Group with a term loan ("Term Loan B2") of EUR 105 million having maturity date October 2027. The Revolving Credit Facility ("RCF"), allowed up to Euro 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. Carve-outs for Receivables Finance Facilities, working capital Financial Indebtedness and Permitted Indebtedness are allowed up to Euro 260 million.

With regard to the Receivables Finance Facilities, the Group has in place a factoring programme over the receivables of STIGA S.p.A., STIGA GmbH (Germany) and STIGA Sp.z.o.o. for EUR 80 million and an invoice discounting agreement for EUR 30 million covering the receivables of STIGA Ltd.

Furthermore, in November 2025 STIGA S.p.A. entered into a SACE-backed term loan EUR 9 million, with repayment scheduled in two instalments due in 2027.

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 robust financial structure described above alongside the macroeconomic headwinds currently impacting European markets. Under this respect the Board of Managers noted that, despite the uncertainty in the global economy, escalating trade tariffs and continued geopolitical instability weighing on consumer sentiment, the Group achieved growth in both net sales and profitability. This performance, coupled with further improvement in working capital, generated an operating cash flow of EUR 68.1 million, enabling the early repayment of Euro 36.9 million term loans during 2025.

Based on these considerations, the Board of Managers deems the going concern assumption appropriate for the preparation of the Consolidated Financial Statements as of 31 December 2025.

# 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”.

Description	Equity		Net Result	
	31 December 2025	31 December 2024	2025	2024
<b>STIGA C S.à.r.l. Statutory Financial Statements</b>	<b>178,570</b>	<b>171,208</b>	<b>7,362</b>	<b>(3,549)</b>
- Investments' Value Elimination	(321,585)	(310,485)	(11,000)	-
- Equity and Net Result of Consolidated Companies	275,049	257,027	34,392	13,728
- Goodwill arising in Consolidation	91,661	91,661	-	-
- Dividends Elimination	(2,869)	(2,587)	(13,683)	(8,142)
- Elimination of IC Gains on Assets Disposals and IC Profit on Inventory	(8,930)	(6,678)	(2,252)	6,209
- Other Consolidation Entries	5,146	1,440	3,853	(3,041)
<b>Consolidated Financial Statements</b>	<b>217,043</b>	<b>201,587</b>	<b>18,672</b>	<b>5,206</b>
- Non-Controlling Interests	(285)	(251)	(187)	(153)
<b>Consolidated Financial Statements - Attributable to the Owner of STIGA C S.à.r.l.</b>	<b>216,757</b>	<b>201,336</b>	<b>18,485</b>	<b>5,053</b>

# Notes to the Consolidated Financial Statements

## (1) Intangible Assets

EUR 000's	Development Costs	Software & Licenses	Trademarks & Patents	Goodwill	Other	Total
<b>Carrying Amount at the Beginning of the Fiscal Year</b>	<b>16,382</b>	<b>2,658</b>	<b>1,686</b>	<b>91,661</b>	<b>18</b>	<b>112,405</b>
Additions	8,265	1,743	827	-	10	10,845
Decreases	-	-	-	-	-	-
Reclassifications	(75)	-	75	-	-	-
Amortisation	(8,497)	(1,200)	(779)	-	(32)	(10,509)
Translation differences	-	(12)	-	-	4	(8)
<b>Carrying amount at the end of the Fiscal Year</b>	<b>16,075</b>	<b>3,189</b>	<b>1,809</b>	<b>91,661</b>	<b>-</b>	<b>112,734</b>

**Appendix 2** shows historical costs, accumulated amortisation and changes during the year for each item with regard to fiscal year 2025 and 2024.

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 8.3 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 additions of Trademarks and Patents pertain to patents for autonomous robot mowers (EUR 0.2 million), handhelds (EUR 0.1 million), E-ride and E-Zero Turn mowers (EUR 0.1 million), walk-behind mowers (EUR 0.1 million), and other components and applications integrated into Stiga products (EUR 0.3 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 2025 was based upon future cash flows as resulting from the Budget 2026 and the Business Plan 2030 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 647 million and EUR 217 million. Management believes that the assumptions underlying expected cash flows used for the impairment test are appropriate and reasonable 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 2026-2030 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 9.97%. Those rates reflect current estimates of inflation rates and market values of interest rates and industry risks. The revenues consider a CAGR of 7.0% and an average EBITDA through the plan of 13.8%.

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 sensitivity assumptions confirms the results of the impairment test, estimating a surplus of EUR 266 million over the goodwill carrying amount. Therefore, the sensitivity analysis would not generate any impairment loss on goodwill as of 31 December 2025.

# 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
<b>Carrying Amount at the Beginning of the Fiscal Year</b>	<b>29,849</b>	<b>5,568</b>	<b>8,748</b>	<b>2,162</b>	<b>6,397</b>	<b>52,724</b>
Additions	1,677	976	2,998	1,436	7,785	14,873
Decreases	(574)	(8)	-	(5)	-	(586)
Reclassifications	12	(75)	66	(3)	-	-
Depreciation	(1,617)	(1,246)	(3,592)	(1,341)	(4,762)	(12,560)
Translation differences	(191)	(105)	(213)	4	-	(505)
<b>Carrying amount at the end of the Fiscal Year</b>	<b>29,157</b>	<b>5,110</b>	<b>8,006</b>	<b>2,253</b>	<b>9,420</b>	<b>53,946</b>

**Appendix 3** shows historical costs, accumulated amortisation and changes during the year for each item with regard to fiscal year 2025 and 2024.

Land & Buildings refer to the production premises of STIGA S.p.A., STIGA Slovakia S.r.o. and STIGA (Guangzhou) Garden Products Co. Ltd (respectively in Castelfranco Veneto and Campigo – Italy, Poprad – Slovakia and Guangzhou – People’s Rep. of China). The property located in Tranas – Sweden owned by Stiga A.B. was disposed during the year, resulting in the decrease in carrying amount by EUR -0.6 million.

During the fiscal year, the Group has invested in buildings, machinery and equipment at STIGA S.p.A. (EUR 3.8 million), STIGA (Guangzhou) Garden Products Co. Ltd (EUR 0.9 million) and STIGA Slovakia S.r.o. (EUR 0.9 million). Investments within STIGA S.p.A. included EUR 0.8 million for extraordinary maintenance at the Campigo site, EUR 0.3 million for plant re-layout to boost production efficiency, EUR 0.1 million to optimise plant logistics. As in prior years, these investments aim at improving the Group’s efficiency and capability to meet future demand for its products.

ROU refers to lease agreements, mainly for warehouses and offices, entered into by STIGA S.p.A. (Italy), STIGA Sas (France), STIGA Sp. z o.o. (Poland) and STIGA Ltd. (UK). The increase during the year is due to 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.

## (4) Financial Long-Term Assets

The item amounting to EUR 52.7 million (EUR 48.7 million in the previous period) includes:

- For EUR 49.0 million: the loan granted to the parent company STIGA S.A. (EUR 45.0 million in the previous period), governed by an intercompany agreement with a maturity date of September 2027.
- For EUR 1.5 million: the carrying value of the loan towards Eurotillers S.r.o.. Against the original loan amount of EUR 2.7 million, a provision of EUR -1.2 million was accounted for in prior years. The carrying value of the loan is considered recoverable, taking into consideration the current market value of assets and liabilities of the associated company. In order to determine the net recoverable value of the loan, the current value of the building owned by Eurotillers S.r.o. was taken into account. 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 2.2 million in the previous period).

## (5) Other Long-Term Assets

The item amounting to EUR 0.5 million (EUR 0.5 million in the previous period) 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 29.2 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
<b>Balance at 1 January 2025</b>	<b>5,907</b>	<b>13,421</b>	<b>10,550</b>	<b>(612)</b>	<b>29,266</b>
Credited to the Income Statement	1,068				1,068
Charged to the Income Statement		60	(1,666)		(1,607)
Credited (Charged) to Equity				475	475
Movements in Long-Term Tax Receivables / Other	24				24
<b>Balance at 31 December 2025</b>	<b>7,000</b>	<b>13,480</b>	<b>8,884</b>	<b>(137)</b>	<b>29,227</b>

We report the same detail for the previous period:

EUR 000's	Taxed Provisions	Tax Losses	Interest Costs Non Deductible	Hedging Instruments	Total
<b>Balance at 1 January 2024</b>	<b>7,954</b>	<b>13,484</b>	<b>10,882</b>	<b>507</b>	<b>32,828</b>
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
<b>Balance at 31 December 2024</b>	<b>5,907</b>	<b>13,421</b>	<b>10,550</b>	<b>(612)</b>	<b>29,266</b>

Deferred Tax Assets on Taxed Provisions for EUR 7.0 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 2025 for EUR 1.7 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 45.0 million, of which EUR 35.4 million related to STIGA C S.à.r.l tax losses and EUR 9.6 million related to STIGA S.p.A interest expenses.

Deferred Tax Assets on hedging instruments increased by EUR 0.5 million, leading to a year-end balance of - EUR 0.1 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 2025 compared to the previous financial period figures.

EUR 000's	31 Dec 2025	31 Dec 2024
<b>Raw Materials and Components</b>		
Gross Value	38,802	39,849
Obsolescence Reserve	(2,173)	(3,679)
Net Value	36,630	36,170
<b>Work in Progress</b>		
Gross Value	12,924	15,841
Obsolescence Reserve	(466)	(536)
Net Value	12,458	15,305
<b>Finished Goods and Spare Parts</b>		
Gross Value	84,347	97,849
Obsolescence Reserve	(5,278)	(7,169)
Net Value	79,069	90,680
<b>Total Net Inventories</b>	<b>128,157</b>	<b>142,155</b>

Stocks of raw materials and components refer to the production units, in particular Italy for EUR 18.3 million, Slovakia for EUR 11.8 million and China for EUR 3.5 million. Work in Progress is mainly located in Italy (EUR 10.9 million) while finished goods are stored partly in the three production facilities (EUR 42.9 million) and partly in the other commercial subsidiaries (EUR 27.7 million).

Spare parts (EUR 8.4 million) are mainly located in the Belgian warehouse of STIGA S.p.A.

Total Net Inventories decreased by EUR 14.0 million reflecting the optimisation of stock levels following the partial normalisation encountered in the previous year.

Obsolescence Reserve amounting to EUR 7.9 million (EUR 11.4 million in the previous period) is recorded mainly in Italy (EUR 5.4 million), UK (EUR 0.7 million), Slovakia (EUR 0.4 million), Sweden (EUR 0.4 million), Germany (EUR 0.2 million), France (EUR 0.2 million), Poland (EUR 0.2 million) and Benelux (EUR 0.2 million). The total amount of the reserve as of 31 December 2025 is considered adequate to cover known and possible future losses in inventory.

The Obsolescence Reserve movements during 2025 fiscal year is as follows, registering a lower level of provision:

EUR 000's	Dec 31, 2024	Provision	Use	Release	Translation difference	Dec 31, 2025
Obsolescence Reserve	(11,384)	(3,150)	5,503	1,065	49	(7,916)

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

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

# Notes to the Consolidated Financial Statements

## (8) Trade Receivables

EUR 000's	31 Dec 2025	31 Dec 2024
Trade Receivables due from Third Parties	96,916	103,030
Impairment of Financial and Contract Assets	(3,737)	(3,796)
<b>Total Trade Receivables</b>	<b>93,180</b>	<b>99,234</b>

All Trade Receivables are due within one year. They refer mainly to Italy (EUR 65.5 million), UK (EUR 13.5 million), Poland (EUR 4.4 million), Germany (EUR 3.4 million), Benelux (EUR 2.4 million), Norway (1.4 million), France (EUR 1.1 million), Sweden (EUR 1.1 million) and Denmark (EUR 1.0 million).

The decrease in Trade Receivables amounts to EUR 6.1 million and is mainly driven by lower Sales in the fourth quarter compared to previous year. The overdue balance amounts to EUR 11.8 million (EUR 12.2 million in the previous period); see note 33 for further details.

The Impairment of Financial and Contract Assets is allocated for EUR 0.2 million to current receivables and for EUR 3.5 million to overdue receivables and relates mainly to Poland (EUR 0.9 million), UK (EUR 0.7 million), France (EUR 0.6 million), Italy (EUR 0.4 million), Czech Rep. (EUR 0.3 million) and Germany (EUR 0.2 million) and it is considered adequate to cover known and expected losses on Receivables.

The Impairment of Financial and Contract Assets movement during the 2025 fiscal year is as follows:

EUR 000's	31 Dec 2024	Provision	Use and release	Translation difference	31 Dec 2025
Impairment of Financial and Contract Assets	(3,796)	(1,464)	1,530	(7)	(3,737)

The Impairment of Financial and Contract Assets movement during the previous fiscal year has been as follows:

EUR 000's	31 Dec 2023	Provision	Use and release	Translation difference	31 Dec 2024
Impairment of Financial and Contract Assets	(3,374)	(1,124)	712	(11)	(3,796)

# 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 2025	31 Dec 2024
Other Financial Assets	507	426
Financial Receivables	37	32
<b>Total Financial Short-Term Assets</b>	<b>544</b>	<b>458</b>

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 0.4 million).

## (10) Other Short-Term Assets

EUR 000's	31 Dec 2025	31 Dec 2024
Hedging of Commercial Transactions	1,072	2,981
VAT credits	8,150	7,020
Current Tax Receivables	2,315	663
Other Tax Receivables	1,290	1,745
Short-Term Accruals and Prepayment	1,927	1,614
Other Debtors	208	219
<b>Total Other Short-Term Assets</b>	<b>14,963</b>	<b>14,242</b>

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 2.7 million), Italy (EUR 2.7 million) and China (EUR 2.4 million). Other Tax Receivables (EUR 1.3 million) relate to tax credits in Italy, of which EUR 0.8 million are attributable to R&D.

## (11) Cash and Cash Equivalents

EUR 000's	31 Dec 2025	31 Dec 2024
Bank accounts and deposits	40,293	46,004
Cash and Cash Equivalents	116	155
<b>Total Cash and Cash Equivalents</b>	<b>40,409</b>	<b>46,159</b>

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 2025 the authorised 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 0.4 million balance relates to positive fair value of forward contracts on currency exchange rates existing as of 31 December 2025.

### 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 3.2 million as a consequence of the Group consolidated expected future cash flows which have been calculated on the basis of the Business Plan 2030, with a decrease of EUR 0.1 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 2025	31 Dec 2024
Term Loan B2	-	105,000	105,000	127,917
Term Loan B1	-	-	-	14,042
Accrued Interest on Term Loan B1 and B2	709	-	709	931
Borrowing costs on Term Loan B2	-	(1,459)	(1,459)	(2,096)
SACE backed financing	-	9,000	9,000	-
Securitization/ Receivable Financing	14,680	-	14,680	28,144
Other accrued interest	79	-	79	131
<b>Total Bank Borrowings</b>	<b>15,468</b>	<b>112,541</b>	<b>128,009</b>	<b>169,069</b>

The current Group's financial structure primarily consists of Term Loan B2, amounting to EUR 105.0 million and having a maturity date of October 2027. The loan was partially repaid during 2025 for an aggregate amount of EUR 22.9 million.

Interest on Term Loan B2 is calculated at a variable rate (Euribor 6 months, with zero floor, plus a spread of 525 basis points) and is paid bi-annually in May and November. The accrued interest at year end amounts to EUR 0.7 million (EUR 0.9 million in the previous period).

Term Loan B1, outstanding for EUR 14.0 million at 31 December 2024, was repaid early in July 2025.

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 2025 is EUR 1.5 million.

Furthermore, in November 2025 STIGA S.p.A. entered into a SACE-backed term loan EUR 9.0 million, with repayment scheduled in two installments due in 2027.

Regarding receivable financing, the Securitisation Agreement covering the receivables of STIGA S.p.A. reached its maturity in October 2025. It was replaced by a Factoring Agreement covering the receivables of Italy, Germany and Poland; at year-end, the outstanding borrowing under this facility amounted to EUR 14.7 million.

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	Over Five Years	31 Dec 2025	31 Dec 2024
Other Financial Liabilities Long-Term	5,040	782	5,822	3,088
<b>Total Other Financial Long-Term Liabilities</b>	<b>5,040</b>	<b>782</b>	<b>5,822</b>	<b>3,088</b>

This caption, amounting to EUR 5.8 million (EUR 3.1 million in the previous period), relates to lease liabilities due after more than 12 months, recognised in accordance with IFRS 16.

## (15) Provision for Pension and Similar Obligations

Provisions for pension and similar obligations amount to EUR 1.8 million and include:

- The employees' leaving indemnity, as mandated by Italian law (referred to as "Trattamento di Fine Rapporto", hereinafter "TFR"), amounts to EUR 1.5 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	1,922	1,920
Service Cost	35	15
Interest Cost	56	49
Benefits Paid	(214)	(57)
Translation Differences	6	(2)
Expected Defined Obligation - Closing Balance	1,805	1,924
Actuarial (Gains) Losses	(12)	(2)
<b>Defined Benefit Obligation - Closing Balance</b>	<b>1,793</b>	<b>1,922</b>

# Notes to the Consolidated Financial Statements

The main defined benefit plan in place as of 31 December 2025 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 2025	31 Dec 2024
Discount Rate	3.09%	2.93%
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 1.5 million):

31 Dec 2025	EUR 000's
Turnover Rate +1%	1,527
Turnover Rate -1%	1,521
Inflation Rate +0,25%	1,538
Inflation Rate -0,25%	1,511
Actual discount rate +0,25%	1,504
Actual discount rate -0,25%	1,546

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 204 thousands; Year 2: EUR 153 thousands; Year 3: EUR 204 thousands; Year 4: EUR 136 thousands; Year 5: EUR 128 thousands.

# Notes to the Consolidated Financial Statements

## (16) Other Long-Term Provisions

The item Other Long-Term Provisions, amounting to EUR 5.9 million, is composed as follows:

EUR 000's	Warranty	Other	Total
<b>Balance as of 1 January 2025</b>	<b>5,153</b>	<b>384</b>	<b>5,536</b>
Cost Accrued	6,718	-	6,718
Use/Release	(6,263)	(7)	(6,271)
Translation Differences	(34)	(2)	(37)
<b>Balance as of 31 December 2025</b>	<b>5,573</b>	<b>374</b>	<b>5,947</b>

We report the same detail for the previous period:

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

The Warranty Provision refers to mandatory duties according to local laws and mainly results from accruals created in Germany (EUR 1.2 million), UK (EUR 0.9 million), Italy (EUR 0.9 million), Poland (EUR 0.6 million, France (EUR 0.5 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 1.6 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 0.1 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
<b>Balance as of 1 January 2025</b>	<b>1,193</b>		<b>(13)</b>	<b>226</b>	<b>1,406</b>
Credited (Charged) to the Income Statement	413			(83)	330
Credited (Charged) to Equity			2		2
<b>Balance as of 31 December 2025</b>	<b>1,606</b>		<b>(11)</b>	<b>143</b>	<b>1,739</b>

The same breakdown for the previous period was as follows:

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

# Notes to the Consolidated Financial Statements

## (18) Trade Payables

Trade Payables, amounting to EUR 135.7 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 2025	31 Dec 2024
Trade Payables	135,722	138,894

All Trade Payables are due within one year. The overdue balance amounts to EUR 10.8 million (EUR 10.0 million in the previous period), of which EUR 9.2 million was overdue for 0–30 days (EUR 9.3 million in the previous period), EUR 0.4 million was overdue for 30–60 days (EUR 0.2 million in the previous period), EUR 1.0 million was overdue for 60–90 days (EUR 28 thousand in the previous period) and EUR 0.3 million was overdue for more than 90 days (EUR 0.5 million in the previous period).

## (19) Other Financial Short-Term Liabilities

EUR 000's	31 Dec 2025	31 Dec 2024
Other Financial Short-Term Liabilities	3,920	3,575
<b>Total Other Financial Short-Term Liabilities</b>	<b>3,920</b>	<b>3,575</b>

This caption, amounting to EUR 3.9 million (EUR 3.6 million in the previous period), relates to lease liabilities due within 12 months, , recognised in accordance with IFRS 16.

## (20) Other Short-Term Liabilities

EUR 000's	31 Dec 2025	31 Dec 2024
Hedging of Commercial Transactions	503	432
Employees and Social Security Institutions	11,339	10,265
Accruals for Bonuses to Employees	5,262	2,864
Direct tax payables	3,103	747
VAT and other tax payables	3,897	4,194
Short-Term Provisions	1,679	1,424
Other Accrued Expenses and Deferred Incomes	508	550
<b>Total Other Short-Term Liabilities</b>	<b>26,291</b>	<b>20,476</b>

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 11.3 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 0.9 million of future liabilities in relation to possible legal litigations (EUR 0.7 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 I 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 accounts of STIGA GmbH (Germany);
- Pledge over the collection bank account of STIGA Sp.z.o.o.;
- 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	2025	2024
Gross Sales	523,925	478,633
Customer Bonuses and other Trade Discounts	(19,338)	(15,706)
Selling Commissions	(243)	(1,665)
Exchange Rates Differences	(179)	(2,279)
<b>Total</b>	<b>504,165</b>	<b>458,983</b>

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

EUR 000's	2025	2024
Europe – Euro Zone	321,134	275,674
Europe – No Euro Zone	110,322	100,440
Rest of the World	72,709	82,868
<b>Total</b>	<b>504,165</b>	<b>458,983</b>

## (23) Cost of Sales

This caption is composed as follows:

EUR 000's	2025	2024
Components and Traded Products	262,084	250,028
Outsourced Production Costs	4,490	4,392
Transportation Costs	21,713	19,963
Direct and Indirect Payroll Costs	29,469	27,066
Industrial Depreciation Charges	6,377	7,103
Industrial Overheads Expenses	7,065	5,878
Exchange Gain/(Loss) on Purchases	2,997	677
<b>Total</b>	<b>334,196</b>	<b>315,107</b>

The increase in components and traded products costs is primarily driven by higher Sales, partially offset by vendor negotiation activities and cost-saving initiatives implemented by the Group. The rise in transportation costs reflects increased volumes partially mitigated by lower overseas container prices compared to the previous year.

# Notes to the Consolidated Financial Statements

## (24) Distribution Costs

Details about the nature of Distribution Costs are presented below:

EUR 000's	2025	2024
Freight Out	26,670	23,167
Other Distribution Costs	11,809	9,917
Distribution Labour Costs	3,417	3,101
Logistic Depreciation	2,245	2,286
<b>Total</b>	<b>44,141</b>	<b>38,471</b>

Distribution Costs increased compared to the previous period primarily driven by higher delivered sales volumes and increased fixed warehousing costs and Labour.

## (25) Operating Expenses

Details on the nature of Operating Expenses are shown in the table opposite. The increase is primarily due to more investments on marketing (EUR 23.3 million compared to EUR 18.1 million in 2024), followed by higher labour costs. The increase in labour costs of EUR 5.4 million is mainly attributed to higher FTE.

EUR 000's	2025	2024
Labour Costs	38,941	33,550
Other Marketing and Selling costs	23,233	18,122
Board of Directors and Statutory Audit	524	508
Management Incentive Plan	(137)	(167)
Operating Depreciation	3,938	4,399
Amortisation and Write-Down	10,509	10,199
Other General and Administration Costs	11,044	10,985
<b>Total</b>	<b>88,051</b>	<b>77,598</b>

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	2025	2024
Audit Fees	602	568
Audit-related Fees	7	14
Tax fees	22	27
Other fees related to permissible Non Audit Services	32	44
<b>Tax fees</b>	<b>663</b>	<b>653</b>

# Notes to the Consolidated Financial Statements

## (26) Other Operating Income

This caption is composed as follows:

EUR 000's	2025	2024
Rental Income	1,673	1,798
R&D Grants on Innovative New Products	372	356
Non-Repayable Contribution	33	180
Contribution on New Assets	116	144
Insurance Income	202	20
Gains on Assets Disposal	3,576	25
Contingent Assets	108	290
Other Operating Income	277	281
<b>Total</b>	<b>6,358</b>	<b>3,096</b>

Rental Income refers to the premises rented by Italy (EUR 1.1 million) and Sweden (EUR 0.5 million). R&D Grants on Innovative New Products is EUR 0.4 million.

Gain on assets disposal mainly refers to the sale of the building located in Tranås (Sweden) owned by Stiga Sweden, partly rented until September 2025 to a third party.

Non-Repayable Contribution represents the portion pertaining to the fiscal year 2025 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	2025	2024
Bad Debt Provision	1,170	710
Warranty Provision	6,752	6,654
Other Operating Expenses	328	144
Contingent Liabilities	87	174
Losses on Assets Disposal	-	10
<b>Total</b>	<b>8,337</b>	<b>7,691</b>

## (28) Payroll

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

Average Number of Employees	2025	2024
Italy	565	509
Slovakia	298	291
China	245	229
Germany	43	42
UK	35	42
Other	163	158
<b>Total</b>	<b>1,349</b>	<b>1,270</b>

# Notes to the Consolidated Financial Statements

The detail of payroll costs is the following:

EUR 000's	2025	2024
Salaries	57,747	51,067
Pension and Social Security Costs	13,193	11,996
Other Personnel Costs	894	654
<b>Total</b>	<b>71,834</b>	<b>63,717</b>

## (29) Financial Income and Expenses

EUR 000's	2025	2024
Interest Income	4,211	4,204
Net Exchange Rate Gains	-	1,270
Other Interest Income	513	675
Financial Receivables Write-up	75	8
<b>Total Financial Income</b>	<b>4,799</b>	<b>6,157</b>

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

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	2025	2024
Interest on Long-Term Debt	(10,265)	(13,209)
Net Exchange Rate Losses	(1,757)	-
Interest on Short-Term Facilities	(1,358)	(1,553)
Loan Fees Amortisation	(874)	(783)
Commitment Fees	(750)	(677)
Bank and Other Charges	(370)	(287)
Other Financial Expenses	(1,316)	(1,149)
<b>Total Financial Expenses</b>	<b>(16,690)</b>	<b>(17,658)</b>
<b>Total Net Financial Expenses</b>	<b>(11,891)</b>	<b>(11,501)</b>

Interest on Long-Term Debt primarily consists of interest charges on the Term Loans as foreseen in the Amendment & Restatement Agreement signed on 30 December 2024; the EUR 2.9 million decrease compared to 2024 was driven by a lower outstanding principal (following the prepayment of Term Loan B1 for EUR 14.0 million in July 2025 and further EUR 22.9 million Term Loan B2 prepayment in late 2025) as well as a favorable decrease in Euribor rates.

Net Exchange Rate Losses amounting to EUR 1.8 million in 2025 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.

# Notes to the Consolidated Financial Statements

Interests on Short-Term Facilities are related to the securitisation programme, in place up to October 2025, which entailed a recurring facility drawdown, as well as the utilisation of two further short-term receivable financing facilities covering the receivables of the UK, Germany, Poland and, more recently, of the Italian subsidiary.

Loan Fees Amortisation includes the amount charged to the consolidated income statement regarding borrowing costs of Term Loan B2 (upfront fees and consultancy expenses), accounted for using the amortised cost method, and borrowing costs of the RCF, amortised on a straight-line method.

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

Bank charges have increased compared to 2024 due to the introduction of the Slovak Financial Transaction Tax, which became effective in April 2025.

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 4.4 million and net deferred tax effect charged to the Consolidated Income Statement for EUR 0.9 million. Details about Income Taxes are presented in the table opposite.

EUR 000's	2025	2024
Current Taxes	(4,378)	(3,805)
Net Deferred Tax Liabilities and Assets charged to P&L	(856)	(2,698)
<b>Total Income Taxes</b>	<b>(5,234)</b>	<b>(6,503)</b>

The current tax expenditure is generated mainly in China, Italy, France and Germany; the local income tax rates applied vary between 19% and 28%.

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

EUR 000's	2025	2024
<b>Profit Before Taxes</b>	<b>23,906</b>	<b>11,710</b>
Theoretical Taxes (24%)	(5,737)	(2,810)
Deferred Tax Assets on Tax Losses and on Non-Deductible Interest	(1,882)	(1,116)
Non-Deductible Expenses	(585)	(2,107)
Non-Taxable Income	1,120	1,406
Other Adjustments	1,849	(1,875)
<b>Total Income Taxes</b>	<b>(5,234)</b>	<b>(6,503)</b>

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 49.0 million at the end of the fiscal year; the interest accrued during the financial year ended on 31 December 2025 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 2025 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 2025 to members of the Board of Managers amounted to EUR 450 thousand; fees paid to the Italian Statutory Auditors Board (so called "Collegio Sindacale") amounted to EUR 74 thousand and total independent external auditors' fees were EUR 602 thousand.

The aggregate compensation paid to the Key Senior Management amounts to EUR 3.8 million, of which EUR 2.8 million as annual fixed remuneration, EUR 0.9 million as variable remuneration and EUR 0.1 million 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 2025 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 recognised.

# 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 49.0 million (EUR 45.0 million in the previous period).

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

EUR 000's	31 Dec 2025	31 Dec 2024
Financial Long-Term Assets	52,723	48,689
Other Long-Term Assets	529	496
Trade Receivables	93,180	99,234
Financial Short-Term Assets	544	458
Other Short-Term Assets	14,963	14,242
Cash and Cash Equivalents	40,409	46,159
<b>Total</b>	<b>202,348</b>	<b>209,278</b>

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	31 Dec 2025	31 Dec 2024
<b>EUR 000's</b>		
Current	85,134	90,843
Overdue 0-30 days	2,186	3,539
Overdue 30-60 days	524	891
Overdue 60-90 days	159	541
Overdue more than 90 days + Legal	8,914	7,216
Provision	(3,737)	(3,796)
<b>Total</b>	<b>93,180</b>	<b>99,234</b>

The Allowance for Doubtful Accounts amounting at EUR 3.7 million relates for EUR 0.2 million to current receivables and for EUR 3.5 million to overdue receivables.

Finally, cash balances at the year end were held mainly with Credit Agricole (EUR 20.1 million) having a S&P credit rating of A+, with Intesa Sanpaolo (EUR 9.6 million) having a S&P credit rating of BBB+, and with Bank of China (EUR 6.5 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 has undertaken 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;
- Securing diverse sources of long-term and short-term funding;
- Monitoring future liquidity on the basis of cash forecasting, budgeting and business planning;

The table below reports Trade Payables, Bank Borrowings and Lease Liabilities, 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 2025	< 1 year	1 - 5 years	> 5 years
Trade payables	135,722	135,722	-	
<i>Bank Borrowings - Capital Portion</i>	<i>128,680</i>	<i>14,680</i>	<i>114,000</i>	
<i>Bank Borrowings - Interest Portion</i>	<i>14,684</i>	<i>8,093</i>	<i>6,591</i>	
Bank Borrowings	143,364	22,773	120,591	
Lease liabilities	10,830	4,457	5,445	928
<b>Total</b>	<b>289,916</b>	<b>162,952</b>	<b>126,036</b>	<b>928</b>

# Notes to the Consolidated Financial Statements

The same breakdown for 31 December 2024 was as follows:

EUR 000's	At 31 Dec 2024	< 1 year	1 - 5 years	> 5 years
Trade Payables	138,894	138,894	-	
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	
Lease liabilities	7,088	3,851	3,230	6
<b>Total</b>	<b>345,210</b>	<b>182,622</b>	<b>162,581</b>	<b>6</b>

## Interest Rate Risk

Interest rate risk primarily relates to the long-term loans outstanding for aggregate EUR 114 million, set at a variable rate (with a zero floor) plus spread and currently unhedged.

As widely recognised, following a series of rate cuts in early 2025, the European Central Bank shifted to a neutral stance to support modest economic growth. Assuming the Euribor curve will remain in a range of approximately 2.1%, it may be estimated at EUR 2.4 million the financial charges on the variable part of the long-term debt, -EUR 0.7 million compared to 2025. This amount is to be added to the spread, equal to EUR 5.7 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 +/-0.6 million (EUR +/-0.7 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 0.1 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 2025 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 2025 amounted to EUR -3.2 million (EUR -3.0 million in 2024). Further, the effect on Financial Income and Expenses, mainly related to intercompany financing, was equal to EUR -1.8 million (EUR 1.3 million in 2024).

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 2025.

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 2025 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 2025, 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			Total	Carrying Amount	Line item in the statement of financial position
					0 to 6 months	6 to 12 months	> 12 months			
EUR/CNY	Buy Forward	685,000	8.299	57	29,491	36,023	17,029	82,543	989	Other Short-Term Assets
EUR/GBP	Sell Forward	12,000	0.877	9	6,874	6,802		13,676	42	Other Short-Term Assets
EUR/NOK	Sell Forward	55,000	11.86	9	1,678	2,959		4,637	38	Other Short-Term Assets
EUR/DKK	Sell Forward	50,000	7.45	7	4,027	2,685		6,712	3	Other Short-Term Assets
EUR/USD	Buy Forward	26,500	1.185	26	12,299	7,536	2,522	22,357	-4	Other Short-Term Liabilities
EUR/PLN	Sell Forward	80,000	4.332	10	12,665	5,801		18,466	-330	Other Short-Term Liabilities
EUR/SEK	Sell Forward	90,000	10.973	12	4,089	4,113		8,202	-125	Other Short-Term Liabilities
EUR/CZK	Sell Forward	120,000	24.597	9	4,472	407		4,879	-44	Other Short-Term Liabilities
<b>Total</b>				<b>139</b>	<b>75,595</b>	<b>66,326</b>	<b>19,551</b>	<b>161,472</b>	<b>569</b>	
EUR/CNY	Buy Forward	355,000	7.784	28	45,609			45,609	-2,417	Trade Payables
EUR/USD	Buy Forward	8,300	1.085	10	7,651			7,651	-601	Trade Payables
EUR/GBP	Sell Forward	10,970	0.859	14	12,773			12,773	243	Trade Receivables
EUR/PLN	Sell Forward	-	-	3	-			-	-20	Trade Receivables
EUR/SEK	Sell Forward	-	-	2	-			-	6	Trade Receivables
<b>Total</b>				<b>57</b>	<b>66,033</b>			<b>66,033</b>	<b>-2,789</b>	

The fair value recognised in the Cash Flow Hedge Reserve amounted to a positive EUR 0.6 million (EUR 2.5 million in the prior period), before accounting for the deferred fiscal effect of EUR -0.1 million (EUR -0.6 million in the previous period).

The aggregate fair value accounted for in the Consolidated Income Statement was positive for EUR 0.4 million (EUR 1.8 million in the previous period).

# Notes to the Consolidated Financial Statements

The following hedging contracts were outstanding as of 31 December 2024:

Currency Pair	Instrument	Notional Amount 000's	Average Forward Rate	Number of derivatives	EUR 000's			Total	Carrying Amount	Line item in the statement of financial position
					0 to 6 months	6 to 12 months	> 12 months			
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
<b>Total</b>				<b>137</b>	<b>84,545</b>	<b>70,690</b>	<b>3,021</b>	<b>158,256</b>	<b>2,549</b>	
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
<b>Total</b>				<b>50</b>	<b>81,950</b>			<b>81,950</b>	<b>1,762</b>	

# 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%	(4,459)	4,734
	5%	-5%	(7,289)	8,057
EUR / USD	3%	-3%	(1,187)	1,260
	5%	-5%	(1,940)	2,144
EUR / GBP	3%	-3%	806	(856)
	5%	-5%	1,318	(1,457)
EUR / PLN	3%	-3%	1,119	(1,188)
	5%	-5%	1,829	(2,022)

The same table for 31 December 2024 was 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)

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%	(3,032)	3,352
EUR / USD	5%	-5%	(802)	886
EUR / GBP	5%	-5%	489	(540)
EUR / PLN	5%	-5%	675	(745)

The same table for 31 December 2024 was as follows:

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)

# Notes to the Consolidated Financial Statements

## Fair Value Risk

IFRS 13 establishes a hierarchy that categorises 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 maximise 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 amortised 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 2025 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 2025 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 2025, 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 2025:

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			40,409			40,409
Trade Receivables			93,180			93,180
Financial Short-Term Assets			544			544
Other Short-Term Assets			2,135		1,072	3,207
Equity Investments	5					5
Financial Long-Term Assets			52,723			52,723
Other Long-Term Assets			529			529
Trade Payables				(135,722)		(135,722)
Short-Term Bank Borrowings				(15,468)		(15,468)
Other Financial Short-Term Liabilities				(3,920)		(3,920)
Other Short-Term Liabilities				(18,788)	(503)	(19,291)
Bank Borrowings				(112,541)		(112,541)
Other Financial Long-Term Liabilities				(5,822)		(5,822)
Other Long-Term Liabilities				(131)		(131)

All derivatives are valued at Level 2 of the hierarchy of fair values. Cash and Cash Equivalent can be assumed as Level 1.

The fair values of all the other assets and liabilities at Level 3 approximate their carrying values. In particular, 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

The same table as of 31 December 2024 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			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)

All derivatives are valued at Level 2 of the hierarchy of fair values. Cash and Cash Equivalent can be assumed as Level 1.

The fair values of all the other assets and liabilities at Level 3 approximate their carrying values. In particular, 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, Net Debt, Total Equity and Leverage ratio.

EUR 000's	2025	2024
EBITDA	58,866	47,197
Net debt	44,076	80,428
Total Equity	217,043	201,587
<b>Leverage ratio (Net Debt / Total Equity)</b>	<b>20.3%</b>	<b>39.9%</b>

## (35) Subsequent Events

The gardening products market, which was constrained by industry-wide destocking in 2023 and early 2024, demonstrated a recovery trend throughout 2025. Consequently, year-over-year order intake has grown. Initial sales performance for the current year is encouraging and aligns with the strategic growth objectives set forth in our Business Plan, supporting our ongoing strategy to capture additional market share.

Elevated geopolitical tensions—specifically concerning Israel, Ukraine, and recent developments in Iran—continue to generate significant international uncertainty. This instability is hindering the full market recovery that had begun to take shape in 2025. Furthermore, the persistence of US tariff policies continues to weigh on global trade, placing downward pressure on consumer purchasing power. Management is proactively monitoring these macroeconomic headwinds to mitigate potential risks and adapt swiftly to changing market conditions.

Overall, projections for Group profitability in 2026 are positively oriented, and STIGA currently expects to improve the 2025 results, particularly regarding EBITDA and associated margin performance.

Despite this, macroeconomic conditions in Europe remain uncertain. The operating environment continues to be challenging, driven primarily by intense competitive pressure, shifting trade regimes, currency volatility, and cautious consumer discretionary spending. Nevertheless, the Group's operational performance remains resilient. Management continuously monitors these dynamics, maintains agility in its response to market shifts, and is fully committed to executing the strategic objectives defined in the Business Plan.

26 March 2026



For the Board of Managers  
The Chief Executive Officer  
Sean Robinson

# Appendix I: 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	200,000
	Luxembourg law pledge over bank accounts	241
	Luxembourg law pledge over certain intercompany receivables	78,520
STIGA S.p.A. (Italy)	Italian law pledge over bank accounts	29,789
	Italian law pledge over certain IP rights	1,808
	Italian law special lien over movable assets and other goods	31,985
	Italian law loss payee agreement relating to the proceeds under certain insurance policies	-
	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	35,764
	Swedish law pledge over corporate mortgage certificates	87
	Swedish law pledge over certain intellectual property rights	-
	English law pledge over shares of STIGA Ltd	-
	German law pledge over shares of STIGA GmbH (Germany)	149
	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)	872
	Pledge over shares given by Stiga AB	see above
STIGA GmbH (Germany)	Security confirmation and pledge agreement over various securities agreement (including bank accounts)	5,299
	Pledge over shares given by Stiga AB	see above
STIGA Slovakia Sro (Slovakia)	Slovak law pledge over immovable assets	11,065
	Slovak law pledge over movable assets	16,117
	Slovak law pledge over rights and receivables	6,569
	Pledge over shares given by Stiga Spa	see above

# Appendix 2: Intangible Assets

The composition and changes during the year 2025 were as follows:

EUR 000's	Balance as of 1 Jan 2025	Increase	Sales/ Disposals	Amortisation and Write-down	Reclassifications	Translation Differences	Balance as of 31 Dec 2025
<b>Development Costs</b>							
Initial Cost	93,837	6,792	-	-	2,736	-	103,365
Amortisation/Write-down	(80,584)	-	-	(8,497)	-	-	(89,082)
Assets Under Constructions and Payments on Account	3,129	1,473	-	-	(2,811)	-	1,792
<b>Net Carrying Amount</b>	<b>16,382</b>	<b>8,265</b>	<b>-</b>	<b>(8,497)</b>	<b>(75)</b>	<b>-</b>	<b>16,075</b>
<b>Software and Licenses</b>							
Initial Cost	25,930	924	(37)	-	267	(32)	27,052
Amortisation/Write-down	(23,586)	-	37	(1,200)	-	20	(24,730)
Assets Under Constructions and Payments on Account	314	819	-	-	(266)	-	867
<b>Net Carrying Amount</b>	<b>2,658</b>	<b>1,743</b>	<b>-</b>	<b>(1,200)</b>	<b>1</b>	<b>(12)</b>	<b>3,189</b>
<b>Trademarks and Patents</b>							
Initial Cost	4,585	706	-	-	80	-	5,371
Amortisation/Write-down	(2,903)	-	-	(779)	-	-	(3,682)
Assets Under Constructions and Payments on Account	3	121	-	-	(4)	-	120
<b>Net Carrying Amount</b>	<b>1,686</b>	<b>827</b>	<b>-</b>	<b>(779)</b>	<b>76</b>	<b>-</b>	<b>1,809</b>
<b>Other</b>							
Initial Cost	579	-	-	-	-	20	599
Amortisation/Write-down	(561)	10	-	(32)	-	(16)	(599)
Assets Under Constructions and Payments on Account	-	-	-	-	-	-	-
<b>Net Carrying Amount</b>	<b>18</b>	<b>10</b>	<b>-</b>	<b>(32)</b>	<b>-</b>	<b>4</b>	<b>-</b>
<b>TOTAL</b>							
Initial Cost	124,931	8,422	(37)	-	3,081	(12)	136,386
Amortisation/Write-down	(107,634)	10	37	(10,509)	-	4	(118,092)
Assets Under Constructions and Payments on Account	3,447	2,413	-	-	(3,081)	-	2,779
<b>Net Carrying Amount</b>	<b>20,743</b>	<b>10,845</b>	<b>-</b>	<b>(10,509)</b>	<b>1</b>	<b>(8)</b>	<b>21,073</b>
<b>GOODWILL</b>							
Initial Cost	91,661	-	-	-	-	-	91,661
Amortisation/Write-down	-	-	-	-	-	-	-
<b>Net Carrying Amount</b>	<b>91,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91,661</b>

# Appendix 2: Intangible Assets

The composition and changes during the previous period 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
<b>Development Costs</b>							
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
<b>Net Carrying Amount</b>	<b>19,292</b>	<b>5,727</b>	<b>(151)</b>	<b>(8,245)</b>	<b>(241)</b>	<b>-</b>	<b>16,382</b>
<b>Software and Licenses</b>							
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
<b>Net Carrying Amount</b>	<b>2,803</b>	<b>1,172</b>	<b>(10)</b>	<b>(1,325)</b>	<b>17</b>	<b>1</b>	<b>2,658</b>
<b>Trademarks and Patents</b>							
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
<b>Net Carrying Amount</b>	<b>1,233</b>	<b>829</b>	<b>-</b>	<b>(625)</b>	<b>249</b>	<b>-</b>	<b>1,686</b>
<b>Other</b>							
Initial Cost	592	-	-	-	-	(13)	579
Amortisation/Write-down	(568)	-	-	(1)	-	8	(561)
Assets Under Constructions and Payments on Account	-	-	-	-	-	-	-
<b>Net Carrying Amount</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>(5)</b>	<b>18</b>
<b>TOTAL</b>							
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
<b>Net Carrying Amount</b>	<b>23,352</b>	<b>7,728</b>	<b>(161)</b>	<b>(10,196)</b>	<b>25</b>	<b>(4)</b>	<b>20,743</b>
<b>GOODWILL</b>							
Initial Cost	91,661	-	-	-	-	-	91,661
Amortisation/Write-down	-	-	-	-	-	-	-
<b>Net Carrying Amount</b>	<b>91,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91,661</b>

# Appendix 3: Property, Plant and Equipment

The composition and changes during the year 2025 were as follows:

EUR 000's	Balance as of 1 Jan 2025	Increase	Sales/ Disposals	Amortisation and Write-down	Reclassifications	Translation Differences	Balance as of 31 Dec 2025
<b>Land &amp; Buildings</b>							
Initial Cost	65,947	1,451	(3,433)	-	183	(478)	63,670
Depreciation/Write-down	(36,656)	11	2,859	(1,617)	(171)	288	(35,286)
Assets Under Constructions and Payments on Account	558	216	-	-	-	-	774
<b>Net Carrying Amount</b>	<b>29,849</b>	<b>1,677</b>	<b>(574)</b>	<b>(1,617)</b>	<b>12</b>	<b>(191)</b>	<b>29,157</b>
<b>Plant &amp; Machinery</b>							
Initial Cost	76,607	860	(1,373)	-	(75)	(163)	75,858
Depreciation/Write-down	(72,294)	-	1,365	(1,246)	-	57	(72,119)
Assets Under Constructions and Payments on Account	1,255	116	-	-	-	-	1,371
<b>Net Carrying Amount</b>	<b>5,568</b>	<b>976</b>	<b>(8)</b>	<b>(1,246)</b>	<b>(75)</b>	<b>(106)</b>	<b>5,110</b>
<b>Tools &amp; Equipment</b>							
Initial Cost	110,511	1,945	(391)	-	730	(691)	112,104
Depreciation/Write-down	(103,369)	-	391	(3,592)	(664)	479	(106,756)
Assets Under Constructions and Payments on Account	1,606	1,053	-	-	-	-	2,659
<b>Net Carrying Amount</b>	<b>8,748</b>	<b>2,998</b>	<b>-</b>	<b>(3,592)</b>	<b>66</b>	<b>(213)</b>	<b>8,006</b>
<b>Other Tangible Fixed Assets</b>							
Initial Cost	17,635	1,436	(1,668)	-	(3)	125	17,525
Depreciation/Write-down	(15,704)	-	1,664	(1,341)	-	(122)	(15,504)
Assets Under Constructions and Payments on Account	231	-	-	-	-	-	231
<b>Net Carrying Amount</b>	<b>2,162</b>	<b>1,436</b>	<b>(5)</b>	<b>(1,341)</b>	<b>(3)</b>	<b>4</b>	<b>2,253</b>
<b>Right of Use Assets</b>							
Initial Cost	15,517	7,785	(9,143)	-	-	-	14,159
Depreciation/Write-down	(9,120)	-	9,143	(4,762)	-	-	(4,739)
Assets Under Constructions and Payments on Account	-	-	-	-	-	-	-
<b>Net Carrying Amount</b>	<b>6,397</b>	<b>7,785</b>	<b>-</b>	<b>(4,762)</b>	<b>-</b>	<b>-</b>	<b>9,420</b>
<b>TOTAL</b>							
Initial Cost	286,217	13,478	(16,008)	-	835	(1,207)	283,315
Depreciation/Write-down	(237,143)	11	15,421	(12,560)	(835)	702	(234,403)
Assets Under Constructions and Payments on Account	3,650	1,384	-	-	-	-	5,034
<b>Net Carrying Amount</b>	<b>52,724</b>	<b>14,873</b>	<b>(586)</b>	<b>(12,560)</b>	<b>-</b>	<b>(505)</b>	<b>53,946</b>

# Appendix 3: Property, Plant and Equipment

The composition and changes during the previous period 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
<b>Land &amp; Buildings</b>							
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
<b>Net Carrying Amount</b>	<b>30,872</b>	<b>574</b>	<b>(1)</b>	<b>(1,597)</b>	<b>(77)</b>	<b>78</b>	<b>29,849</b>
<b>Plant &amp; Machinery</b>							
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
<b>Net Carrying Amount</b>	<b>5,933</b>	<b>1,090</b>	<b>(15)</b>	<b>(1,193)</b>	<b>(288)</b>	<b>41</b>	<b>5,568</b>
<b>Tools &amp; Equipment</b>							
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
<b>Net Carrying Amount</b>	<b>11,145</b>	<b>1,942</b>	<b>(88)</b>	<b>(4,391)</b>	<b>29</b>	<b>111</b>	<b>8,748</b>
<b>Other Tangible Fixed Assets</b>							
Initial Cost	17,405	837	(551)	-	5	(61)	17,635
Depreciation/Write-down	(14,761)	-	539	(1,541)	-	59	(15,704)
Assets Under Constructions and Payments on Account	231	-	-	-	-	-	231
<b>Net Carrying Amount</b>	<b>2,875</b>	<b>837</b>	<b>(12)</b>	<b>(1,541)</b>	<b>5</b>	<b>(2)</b>	<b>2,162</b>
<b>Right of Use Assets</b>							
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	-	-	-	-	-	-	-
<b>Net Carrying Amount</b>	<b>6,880</b>	<b>4,283</b>	<b>-</b>	<b>(4,788)</b>	<b>-</b>	<b>22</b>	<b>6,397</b>
<b>TOTAL</b>							
Initial Cost	282,852	7,870	(5,574)	-	599	470	286,217
Depreciation/Write-down	(227,942)	-	5,458	(13,510)	(930)	(219)	(237,143)
Assets Under Constructions and Payments on Account	2,794	856	-	-	-	-	3,650
<b>Net Carrying Amount</b>	<b>57,705</b>	<b>8,726</b>	<b>(116)</b>	<b>(13,510)</b>	<b>(331)</b>	<b>251</b>	<b>52,724</b>

# Audit Report



# Audit report

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

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## 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 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

## What we have audited

The Group’s consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- 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.

PricewaterhouseCoopers Assurance, Société coopérative,  
2 rue Gerhard Mercator, L-2182 Luxembourg  
T : +352 494848 1, F : +352 494848 2900, [www.pwc.lu](http://www.pwc.lu)

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## **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.

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## **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.

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.

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## **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 as adopted by the European Union, 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.

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## **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.

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## **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.

Luxembourg, 9 April 2026

PricewaterhouseCoopers Assurance, Société coopérative

Represented by

Signed by:  
  
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Alessio Chiesa

# STIGA