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ÅRSREDOVISNING

2021-01-01--2021-12-31

för

STIGA AB
556061-8463

Årsredovisningen omfattar: **Sida**

Förvaltningsberättelse	3
Resultaträkning	11
Balansräkning	12
Rapport över förändring i eget kapital	16
Kassaflödesanalys	17
Noter	18

Undertecknad styrelseledamot i STIGA AB
intygar härmed, dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat- och balansräkning fastställts på ordinarie bolagsstämma den 16 juni 2022.
Stämman beslöt tillika godkänna styrelsens förslag till vinstdisposition

Tranås den 16 juni 2022

.....
Jakob Hägerström
Styrelseledamot

20220712231828

ÅRSREDOVISNING

2021-01-01--2021-12-31

för

STIGA AB
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Jag intygar att denna kopia
överensstämmer med originalet.
Ann Karlsson
Ann Karlsson

20220712231829

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ÅRSREDOVISNING FÖR STIGA AB

Styrelsen och verkställande direktören för STIGA AB avger härmed årsredovisning för räkenskapsåret 2021-01-01--2021-12-31.

FÖRVALTNINGSBERÄTTELSE

Verksamhetens art och inriktning
Bolaget bedriver verksamhet genom försäljning och marknadsföring av maskinella trädgårdsprodukter, främst gräsklippare. Verksamheten har sitt säte i Tranås och ingår i Stiga koncernen med huvudkontor i Castelfranco i Italien. Det konsoliderade resultatet för koncernen görs i STIGA SA som har sitt säte i Luxembourg.

Ägarförhållanden
STIGA AB är ett helägt dotterföretag till STIGA S.p.A. Ägare till STIGA S.p.A är STIGA C S.à r.l., Luxembourg som i sin tur ägs av STIGA SA Luxembourg.

Väsentliga händelser under räkenskapsåret
Räkenskapsåret var fortfarande kraftigt påverkat av Coronapandemin och dess följder. Vår bransch och vårt företag har gynnats av rådande situation då konsumenter valt att satsa på sina hem och trädgårdar i stället för till exempel resande och evenemang. I tillägg kan vi även konstatera att sommarvädret generellt även var gynnsamt för vår bransch, d v s växtperioden var lång då vädret var varierande med mycket nederbörd, sol och vind. Sålunda var efterfrågan på våra produkter kraftigt större än vi kunnat förutspå. Detta, i kombination med de generella utmaningarna inom logistik, komponentbrist samt kraftigt ökade kostnader, har lett till att vi som bolag ständigt fått ändra kurs och hitta lösningar på de problem och utmaningar som vi mött under året som gått. Under räkenskapsåret har vi bland annat aviserat två prishöjningar till våra återförsäljare.
Efter omorganisationen av reservdelsverksamheten inom koncernen överförde STIGA AB från och med november 2021 ägandet av reservdelslagret i Belgien till STIGA SpA tillsammans med avtalet med logistikleverantören. STIGA AB fortsätter att sälja reservdelar på den lokala marknaden.

Utveckling av verksamhet, ställning och resultat
Nettoomsättningen ökade kraftigt tack vare det gynnsamma marknadsläget och den strategi och plan vi definierat och genomfört under räkenskapsåret - detta trots utmaningarna med produkttillgänglighet och kostnadsökningar. Vår införsäljning för våren och sommaren var rekordhög och skapade en stark utgångspunkt för hela året. Sommarperioden var gynnsam med en fortsatt hög efterfrågan samtidigt som vi även lyckades säkra en stark införsäljning för höst och vinter. Efterfrågan hos konsument har alltså varit stark genom hela räkenskapsåret och uppenbarligen har konsumenterna även varit nöjda med våra produkter och vår service då detta fortsatt året ut. Sålunda räknar vi även med en stark införsäljning för säsongen 2022.

(Tkr)	2021	2020	2019	2018	2017
Nettoomsättning	832 939	717 332	785 847	795 687	807 335
Resultat efter finansiella poster	49 304	70 564	14 192	46 005	49 782
Balansomslutning	356 933	274 769	292 087	514 932	502 004
Soliditet [1]	38,7%	46,1%	42,5%	32,3%	32,5%

[1] Justerat eget kapital / Balansomslutning. Med justerat eget kapital avses eget kapital + obeskattade reserver med avdrag för uppskjuten skatteskuld.

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Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer
Lagervärdena hos våra återförsäljare inför säsongen 2022 är normala eller till och med låga, vilket resulterat i en stark införsäljning. I tillägg kan vi konstatera att vi byggt ett starkt kommersiellt program och kommer att introducera en uppsjö antingen förnyade eller nya produkter under året. Vi räknar med tillväxt både försäljnings- och lönsamhetsmässigt.
Våra största frågetecken idag hänger ihop med de globala logistiska utmaningar som råder generellt samt de alltjämt höga kostnaderna för råmaterial och kompenter och även brist på dessa. I tillägg skapar även Rysslands invasion av Ukraina en osäkerhet som är svår att i detta läge förutspå effekterna av. Vi räknar med att vi är väl förberedda och genom vår internationella och proffsiga organisation kommer vi att höra till de leverantörer som kan säkerställa produktflödet trots utmaningarna. I övrigt följer vi med i krisens utveckling och de eventuella effekter som följer. Vi räknar med att pandemin är så gott som över, men att konsumenternas ökade intresse för trädgårdsskötsel fortfarande sitter i och gynnar vår bransch.

Koncernstyrelsen är ytterst ansvarig för att säkerställa effektiv riskhantering. Till sin hjälp har den en särskild oberoende avdelning, Internal Audit. Under år 2019 fick alla chefer i koncernen utbildning i riskhantering. Företaget ser som sina största risker valutarisker, produktkvalitet, kundkoncentration, kreditrisker samt väder. Företaget bedriver verksamhet på flera olika geografiska marknader och i olika valutor och är därigenom exponerad för valutarisk. Exponeringen för valutarisk härrör huvudsakligen från betalningsflöden i utländska valuta, så kallad transaktionsexponering samt från omräkning av balansposter i utländsk valuta.
Kvalitetsproblem på våra produkter kan få negativa konsekvenser för vår försäljning, goodwill och resultat.
Företaget har några stora kunder som står för en stor del av omsättningen. Med hjälp av en förstärkt säljorganisation (nyrekrytering av nyckelkundansvarig) minskas risken att tappa dessa kunder. Även arbetet med att hitta nya kunder pågår hela tiden för att minska sårbarheten. Kreditrisker är en annan stor potentiell risk för företaget. För att minska risken finns det detaljerade processer från koncernen som styr kreditlimiter, kreditbevakning och uppföljning av kundfordringar. Större kreditlimiter godkänns av koncernledningen.
Efterfrågan på företagets produkter är väderberoende, till exempel torrt sommarväder påverkar försäljning av gräsklippare negativt. Genom att löpande uppdatera försäljningsprognoser baserat på bland annat väder minskar risken att stå kvar med stora lager efter säsongens slut.

Förslag till vinstdisposition (kronor)

Till årsstämmans förfogande står följande vinstmedel

Balanserat resultat	10 479 932
Årets resultat	88 346 407
	98 826 339

Styrelsen föreslår att

till aktieägarna utdelas	98 826 339
	98 826 339

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Styrelsens yttrande över den föreslagna vinstutdelningen
Den förslagna utdelningen reducerar bolagets soliditet till 15,3 procent vilket är betryggande. Styrelsen bedömer att bolagets likviditet kan upprätthållas på en betryggande nivå. Bolaget har en lånegaranti från moderbolag att alltid få låna tillräckligt med likvida medel. Med beaktande av relationen mellan bolagets tillgångar, skulder och eget kapital samt investeringsbehov per denna dag anser vi således att den förslagna utdelningen är försvarlig med hänsyn till de krav som verksamhetens art, omfattning och risker ställer på storleken av det egna kapitalet. Den föreslagna utdelningen är även försvarlig med hänsyn till bolagets konsolideringsbehov, likviditet och ställning i övrigt. Utdelningen påverkar inte bolagets förmåga att fullgöra sina kort- och långfristiga förpliktelser eller genomföra nödvändiga investeringar. Styrelsens uppfattning är vidare att bolagets ekonomiska ställning med beaktande av den föreslagna utdelningen är betryggande för fordringsägarna. Styrelsen kan inte heller finna andra omständigheter som föranleder att utdelning inte bör ske enligt styrelsens förslag.

Beträffande företagets resultat och ställning i övrigt hänvisas till efterföljande resultat-och balansräkningar, rapporter över förändringar i eget kapital, kassaflödesanalyser samt noter. Alla belopp uttrycks i tusentals svenska kronor där ej annat anges.

Hållbarhetsrapport

Från och med räkenskapsår som börjar från 1 januari 2017 ska alla svenska företag med fler än 250 anställda, en balansomslutning över 175 MSEK eller en nettoomsättning över 350 MSEK presentera en hållbarhetsrapport. STIGA AB uppfyller de två sista kriterierna och lämnar härmed sin fjärde hållbarhetsrapport. STIGA AB redovisar denna hållbarhetsrapport för sin koncern som består, förutom vårt bolag i Sverige, av STIGA bolagen i Norge, Danmark, Finland, Tyskland, Nederländerna, Storbritannien, Polen, Tjeckien samt Belgien. Denna rapport beskriver generellt vad denna koncernen gör, men de specifika exemplen gäller för Sverige. Den totala hållbarhetsrapporten för hela STIGA koncernen som följer GRI standard kommer att finnas tillgänglig på www.stiga.com.

Hållbarhetsperspektivet har funnits länge hos oss och koncernen verkar för en hållbar utveckling vilket innebär att ta hänsyn till långsiktiga miljöaspekter och balans mellan sociala och ekonomiska krav på hållbarhet.

Vi märker att hållbarhet är ett tydligt konkurrensmedel i vår bransch och den bidrar till en vidareutveckling av vår affärsmodell med produkter som motsvarar eller överträffar våra kunders förväntningar.

En förutsättning för STIGAs framgång är våra medarbetares engagemang. En viktig del i vårt hållbarhetsarbete är därför att vara en attraktiv arbetsgivare och en arbetsplats där man trivs, utvecklas och känner stolthet för att representera.

STIGA koncernen har sedan 2013 en etisk kodex som tillämpas i alla bolag och som hänvisar till nationella, EU och internationella lagar och stadgar om mänskliga rättigheter, grundläggande arbetskraftsstandards samt principerna för socialt ansvarstagande. Införandet av denna kodex infördes för att uppfylla behovet och förväntningarna från alla interna och externa intressenter (medarbetare, partners, kunder, leverantörer, samhället etc). Under 2021 gjordes det en omfattande uppdatering av kodexen med bland annat mission, värderingar och principer som implementeras i alla bolagen.

Vi anser att hållbarhet även är att engagera sig i närmiljön och STIGA AB har i många år sponsrat lokala idrottsföreningars ungdomsverksamhet.

STIGA koncernens värden representeras av öppenhet och tillförlitlighet, omtanke om kunden och att utmana det redan förträffliga. Hållbarhetsarbetet är ett ständigt pågående arbete och STIGA kommer att fortsätta att arbeta med att skapa kontinuerliga förbättringar för att överträffa våra kunders förväntningar.

Affärsmodell

STIGA koncernen utvecklar, producerar, marknadsför och säljer gräsklippare och liknande produkter till hela världen. STIGA använder sin kompetens och kunskap för att hela tiden ge bättre lösningar på gräsklippning och för att göra trädgårdsarbete enklare och effektivare.

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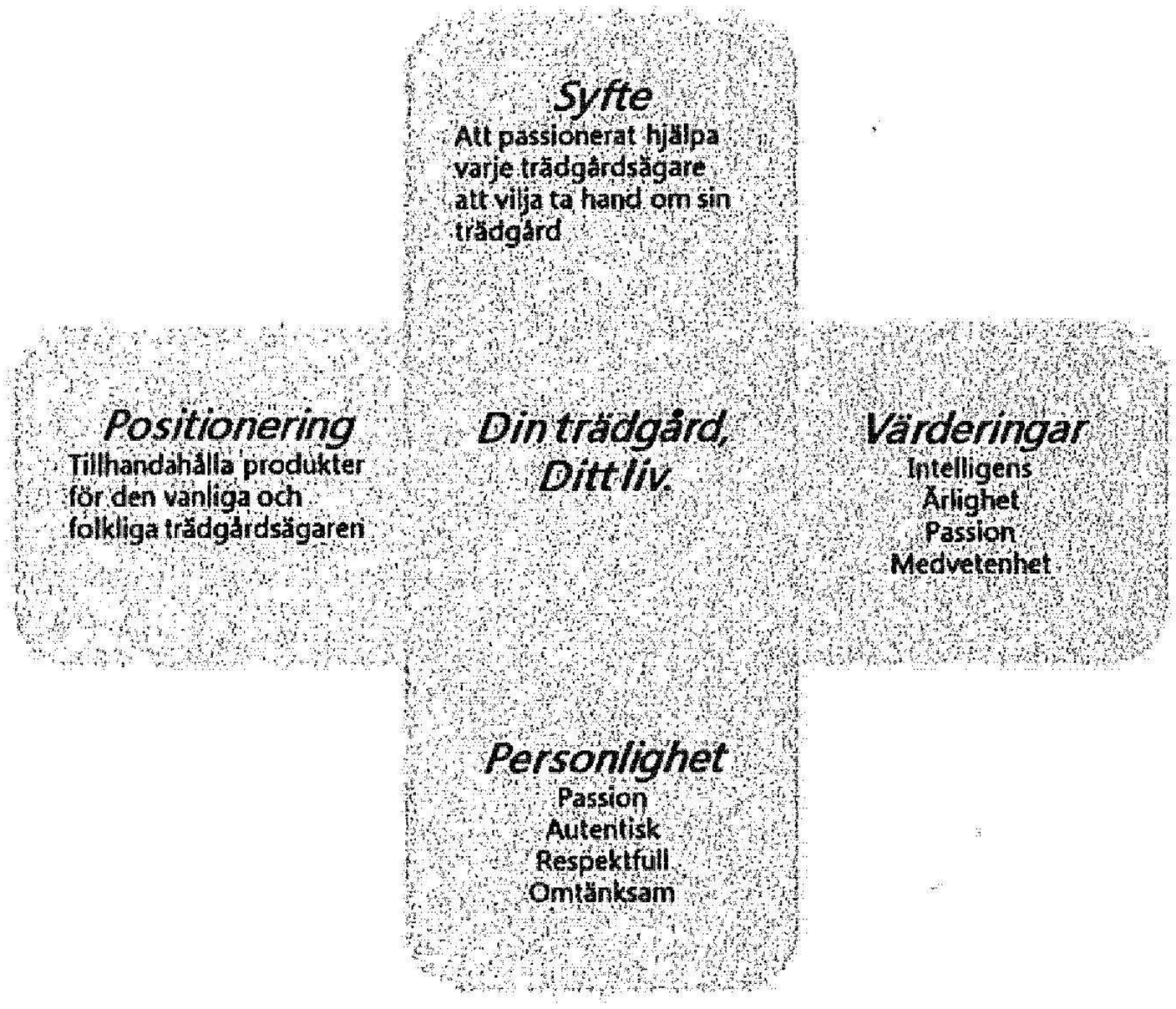
Affärsmodellen för Stiga kan beskrivas i nedanstående bild, Din trädgård, ditt liv. Vi vill passionerat hjälpa varje trädgårdsägare att ta hand om sin trädgård. Vi vänder oss först och främst till den vanliga och folkliga trädgårdsägaren. Våra värderingar styrs av intelligens, ärlighet, passion och medvetenhet. Snyggt eller vilt, stort eller litet, vanligt eller färgstarkt, trädgårdarna kommer i alla former och uttryck, och det gör också deras ägare.

På Stiga älskar vi alla typer av trädgårdar och vi bryr oss om varje trädgårdsmästare, det är därför vi strävar efter att skapa den bästa utrustningen för att du enkelt ska kunna leva och njuta av din trädgård. STIGA koncernen använder sin kompetens och kunskap för att hela tiden ge bättre lösningar på gräsklippning och för att göra trädgårdsarbete enklare och effektivare.



Risker

Vårt hållbarhetsarbete påverkar eller påverkas direkt eller indirekt av våra intressenter (kunder, leverantörer, medarbetare, ägare och samhället). STIGA koncernen är öppen för alla sina intressenter för ett ständigt utbyte av idéer och lösningar i hållbarhetsarbetet.

Ekonomisk stabilitet och lönsam tillväxt är grundförutsättningar för att kunna investera i hållbar affärsutveckling. De väsentligaste riskerna för STIGA inom hållbarhet är därför ekonomisk stabilitet och lönsam tillväxt men även miljöpåverkan, affärsmoral och våra medarbetare. Dessa beskrivs närmare nedan. Vårt fokus i hållbarhet är därför att skapa ekonomisk stabilitet och en lönsam tillväxt, minska negativ miljöpåverkan, att vara en attraktiv och hälsosam arbetsplats samt att hålla en hög affärsmoral.

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Miljö

Användande av våra produkter

Fortfarande drivs majoriteten av våra produkter med bensin även om andelen batteriprodukter ökar mer och mer för varje år. För bensindrivna produkter uppstår drygt 80 procent av de totala koldioxidutsläppen vid användandet. Vi har därför utvecklat rätt batteriprodukter som har låga koldioxidutsläpp. Vår försäljning av batterigräsklippare ökade med 65 % för år 2021 jämfört med år 2020. För år 2022 räknar vi med en liknande ökning. STIGA har ett batterisystem som är helt utbytbart från handhållna produkter till åkmodeller. Vi är först på marknaden med en så flexibel kraftkälla som är ett pålitligt alternativ till kolbaserade bränslen.

För att begränsa miljöpåverkan från förpackningar fokuserar STIGA på användningen av papper och wellpappförpackningar, som är lätta att återvinna och är hållbara material.

Transporter

Tranporter av våra produkter till kund står för ca två procent av produkternas totala utsläpp. Vi ser effektiva logistiklösningar som en nyckelfaktor för att minska vår klimatpåverkan. Här anlitar vi speditörer som jobbar hårt med att minska utsläppen. Vår största transportör har som mål att senast år 2030 minska koldioxidutsläppen med minst 70 procent från år 2010. Under år 2020 hade de uppnått en minskning med 57 procent (2019 52 %) Detta gör de genom att investera i fordon, drivmedel och teknik som är oberoende av fossila bränslen utan de använder t ex bilar som drivs av biogas i stället.

STIGA jobbar också med att minimera transporterna genom att använda samleveranser till hubbar i varje land och därifrån distribuera till respektive kund. Vi jobbar också på att minska andelen flygfrakter. Varje månad görs en noggrann uppföljning av transportkostnaderna.

Vår fastighet

Till vår fastighet använder vi sedan många år tillbaka 100 procent förnybar el, smart miljöval. Andra konkreta åtgärder som genomförts är att vi har en plan att varje år successivt byta ut gammal energikrävande belysning till energisnåla ledarmaturer i stället. Vårt mål är att vi därmed kommer att kunna minska vår energiförbrukning med fyra procent per år. Detta görs för miljön och för långsiktig besparing. Vårt nya huvudkontor i Italien byggdes med solceller på taket för att producera egen el. Detta görs för miljön och för långsiktig besparing. För att maximera effektiviteten på vår ventilation och uppvärmning använder vi styr- och reglersystem. Detta system håller t ex reda på inställda börvärden för temperaturer och återvinning av luft. Vår energiförbrukning följer vi noggrant varje månad och jämför med måltal för året men även tidigare år.

Resor i tjänsten

I samband med att covid-19 drabbade världen under 2020 har vi ställt om interna möten till att vara digitala. Även externa möten har i en viss utsträckning hanterats digitalt. Detta har betydligt minskat våra tjänsteresor inom koncernen, främst flygresor. Detta har fortsatt även under år 2021. Vi ser att vi i framtiden i väldigt stor utsträckning kommer att ändra våra interna möten inom gruppen till att vara digitala. I slutet av år 2020 beställde vi våra två första eldrivna (hybrid) tjänstebilar som nu har varit i trafik under år 2021.

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Personal

Medarbetarundersökning

För att följa upp vår kultur och hur våra medarbetare mår genomförde vi i STIGA AB under 2021 för fjärde året i rad en medarbetarundersökning. Denna genomfördes i februari 2021. Undersökningen var anonym och omfattade områdena arbetsorganisation, arbetsbelastning och krav, handlingsutrymme och kontroll, ledarskap, stöd, kunskaper och utveckling, återhämtning, säkerhet och hälsa samt viktiga friskfaktorer.

Målet är att en gång per år genomföra samma medarbetarundersökning för att kunna kartlägga förändringar och implementera förbättringsåtgärder. Vi nådde inte år 2021 vårt mål att förbättra resultatet med fyra procent jämfört med år 2020, utan förbättringen landade på en procent. Vår målsättning för nästkommande år är att återigen förbättra resultatet med åtminstone en procent.

Personalrelaterade frågor

Vårt samråd med våra anställda sker i den dagliga kontakten mellan medarbetare och chef och veckovisa avdelningsmöten samt på grund av pandemin ett digitalt möte varje fredag med all personal.

STIGA AB följer den svenska arbetsrätten och är kollektivavtalsanslutet.

Varje år inför lönerevisionen genomför vi lönekartläggning för att ta reda på om det finns några ej motiverade löneskillnader mellan kön eller typ av arbetsuppgifter etc.

Välbefinnande

STIGA vill att alla anställda ska må bra. Hälsa och trivsel är nödvändigt för att kunna prestera och utvecklas. Exempel på aktiviteter på STIGA AB är att sedan många år tillbaka ges stöd till motionsaktiviteter genom friskvårdsbidrag. Företaget har även återinfört en trivselgrupp som hittar på aktiviteter för våra anställda för att skapa bra sammanhållning. Trots pandemin har vi genomfört ett par aktiviteter under år 2021.

På grund av covid-19 och distansarbete har vi under året tvingats att ställa in fredagsfrukosten och frukten. För vårt gemensamma lunch- och fikarum har vi på grund av covid-19 begränsat antalet samtidiga personer.

Medarbetarsamtal

I STIGAs Etiska kodex står det att koncernen är medveten om att kvalificerade och lojala medarbetare är en immateriell tillgång av största vikt som är nödvändigt för att uppnå företagets mål och för att behålla optimal kvalitet. STIGA uppmuntrar utvecklingen av medarbetares kapacitet och kompetens så att varje individ kan utveckla sin potential med avseende på företagets behov och arbetar därmed med individuella utvecklingsplaner i våra årliga medarbetarsamtal med alla anställda.

Arbetsmiljö

STIGA AB bedriver ett systematiskt arbetsmiljöarbete via Arbetsmiljömöten ca två gånger per år där deltagarna består av ledningsgruppen och arbetsmiljöombudet. Även andra kan bjudas in vid behov. Minst en gång per år går vi arbetsmiljörond. Arbetsmiljö är en fast punkt på våra avdelningsmöten och månadsmöten.

Under ett antal år hade vi en stor personalomsättning på grund av strukturella neddragningar av verksamheten. År 2021 hade våra anställda i snitt varit anställda i 15 år. Det är många som har varit anställda kort tid och många som har varit anställda riktigt lång tid.

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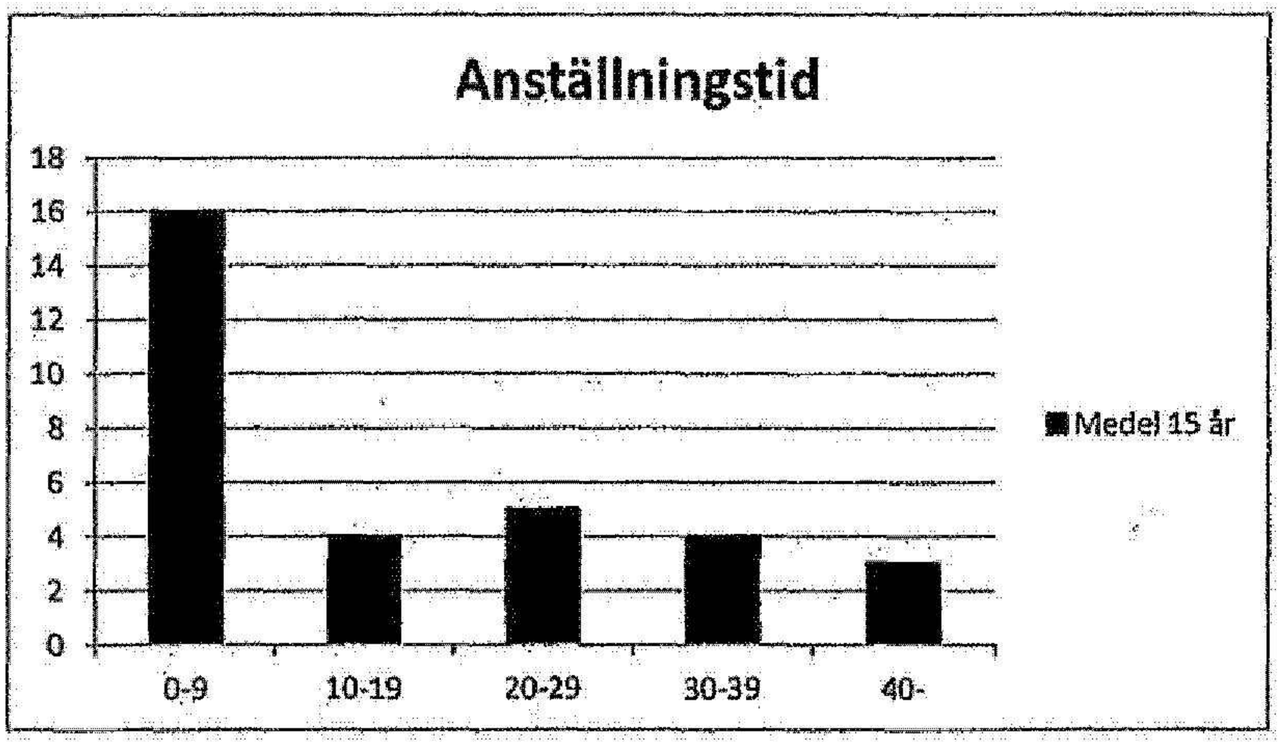
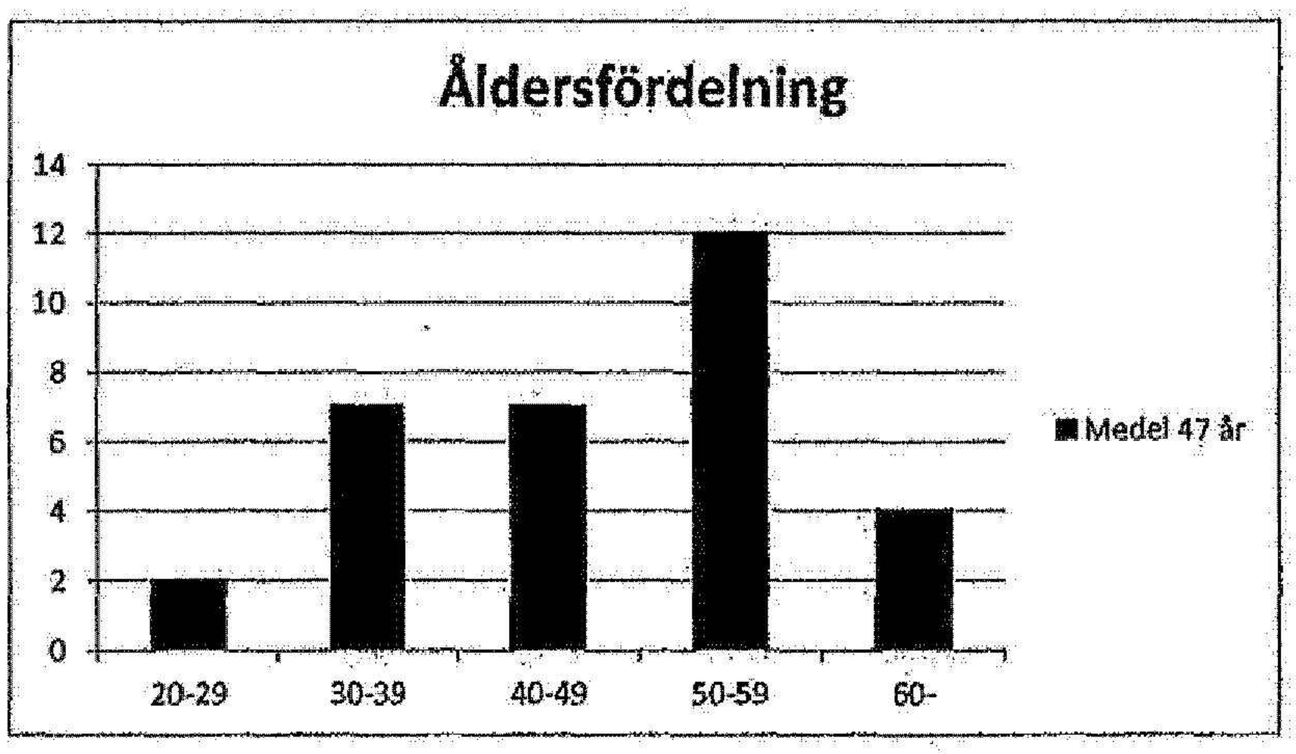


STIGA ABs medarbetare var i snitt 47 år per bokslutsdatumet:



Målet är att ingen ska drabbas av fysisk eller psykisk ohälsa på grund av sitt arbete. STIGA uppmuntrar en hälsosam livsstil genom friskvårdsbidrag och förebyggande hälsovård. Den genomsnittliga sjukfrånvaron under 2021 var tre dagar. Vi gör rehabiliteringsplaner för att underlätta snabbare återgång i arbete.

Vår bransch är historiskt sett mansdominerad. Som framgår av not 9 längre fram i vår årsredovisning var det under 2021 i genomsnitt 72 procent män av det totala antalet anställda. Ledningsgruppen för STIGA AB består av en kvinna och fyra män.

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Sociala förhållanden

Samverkan lokalt

I STIGA ABs arbete för att trygga sociala förhållanden har STIGA AB i många år sponsrat lokala idrottsklubbars ungdomsverksamhet och sedan några år sponsrar vi även ishallen i Tranås med vårt namn. STIGA AB samarbetar även med utbildningsverksamheter bland annat genom att erbjuda praktikplatser. Detta är ett sätt att underlätta framtida rekrytering och samtidigt sprida kunskap om STIGAs verksamhet.

Respekt för mänskliga rättigheter och motverkande av korruption

STIGA koncernen har sedan 2013 en etisk kodex som tillämpas i alla bolag och som hänvisar till nationella, EU och internationella lagar och stadgar om mänskliga rättigheter, grundläggande arbetskraftsstandards samt principerna för socialt ansvarstagande. Denna finns på gruppens intranät.

I denna kodex beskrivs bland annat att respekt för människans värdighet är en stöttepelare i alla relationer. Vidare är det beskrivet att STIGA skyr all form av diskriminering. Inte heller får det förekomma att minderåriga arbetar, varken hos STIGA eller hos någon leverantör. Likaså förbjuder denna kodex handlingar som gynnar enskild eller organiserad brottslighet. Alla slags trakasserier är förbjudna och ingen särbehandling på grund av nationalitet, hudfärg, religion, politisk eller facklig tillhörighet, kön eller annan orsak är tillåten.

I STIGAs kodex står det vidare till exempel att varje beslut och åtgärd som vidtas under anställningen måste göras till förmån för STIGA och får inte påverkas av personliga relationer. Gruppens anställda och deras närmaste familj får inte ta emot pengar, gåvor eller förmåner från tredje man.

STIGA koncernen upprätthåller en fri och öppen dialog med sina leverantörer i enlighet med god affärssed. Vid nya leverantörskontrakt ingår dessa principer som en del i avtalen.

Principerna i STIGAs uppförandekodex ska ses som en väsentlig del av anställningsavtalet tillsammans med gällande lagstiftning. Alla brott mot denna kodex ska rapporteras till gruppens internrevisionsgrupp. Förekommer det tveksamheter ska medarbetaren vända sig till närmast överordnad chef.

STIGA AB har kompletterat gruppens kodex med en lokal policy om diskriminering.

Avslutning

Detta är fjärde gången bolaget avger en hållbarhetsrapport och STIGA har gjort och gör mycket för hållbarheten inom främst miljö och personal. STIGA tycker att hållbarhet är viktigt och vårt framtida fokus ligger i att skapa fler mätbara mål för vårt hållbarhetsarbete. På www.stiga.com kommer man att kunna läsa hela STIGA koncernens hållbarhetsrapport som följer GRI standard.

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STIGA AB
556061-8463

RESULTATRÄKNING
(Tkr)

	Not	2021-01-01 2021-12-31	2020-01-01 2020-12-31
Nettoomsättning	4,5	832 939	717 332
Kostnad för sålda varor		-709 677	-608 386
Bruttoresultat		**123 262**	**108 946**
Försäljningskostnader		-123 831	-103 771
Administrationskostnader		-10 718	-9 808
Forsknings- och utvecklingskostnader		16	10
Övriga rörelseintäkter	6	60 583	44 452
Övriga rörelsekostnader		-8	-361
Rörelseresultat	7,8,9,10	**49 304**	**39 468**
Resultat från finansiella investeringar			
Resultat från andelar i koncernföretag	11	46 578	33 139
Övriga ränteintäkter och liknande intäkter	12	16 548	13 233
Räntekostnader och liknande kostnader	13	-20 422	-15 276
Resultat efter finansiella poster		**92 008**	**70 564**
Bokslutsdispositioner			
Förändring av periodiseringsfond		7 286	11 209
Resultat före skatt		**99 294**	**81 773**
Skatt på årets resultat	14	-10 948	-10 580
ÅRETS RESULTAT		**88 346**	**71 193**

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STIGA AB

556061-8463

BALANSRÄKNING

(Tkr)

	Not	2021-12-31	2020-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Materiella anläggningstillgångar			
Byggnader och mark	15	7 054	7 367
Maskiner och andra tekniska anläggningar	16	421	563
Inventarier, verktyg och installationer	17	1 166	1 298
		8 641	**9 228**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	18	19 445	19 445
Fordringar hos koncernföretag		62 487	49 834
Uppskjuten skattefordran	19	58	124
Andra långfristiga fordringar		557	157
		82 547	**69 560**
Summa anläggningstillgångar		**91 188**	**78 788**

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STIGA AB
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BALANSRÄKNING

(Tkr)

	Not	2021-12-31	2020-12-31
Omsättningstillgångar			
Varulager m m			
Råvaror och förnödenheter		4 440	77 765
Färdiga varor och handelsvaror		49 471	35 326
		53 911	**113 091**
Kortfristiga fordringar			
Kundfordringar		11 420	11 405
Fordringar hos koncernföretag		189 566	63 360
Förutbetalda kostnader och upplupna intäkter		36	0
		201 022	**74 765**
Kassa och bank		**10 812**	**8 125**
Summa omsättningstillgångar		**265 745**	**195 981**
SUMMA TILLGÅNGAR		**356 933**	**274 769**

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STIGA AB
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	Not	2021-12-31	2020-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital	20	27 110	27 110
Reservfond		5 422	5 422
		32 532	**32 532**
Fritt eget kapital			
Balanserad vinst eller förlust		10 480	10 480
Årets resultat		88 346	71 193
		98 826	**81 673**
Summa eget kapital		**131 358**	**114 205**
Obeskattade reserver	21	**8 659**	**15 945**
Avsättningar			
Avsättningar för pensioner och liknande förpliktelser	22	1 257	1 318
Garantier	23	3 002	3 405
		4 259	**4 723**

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STIGA AB

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BALANSRÄKNING

(Tkr)

	Not	2021-12-31	2020-12-31
Kortfristiga skulder			
Leverantörsskulder		33 661	33 839
Skulder till koncernföretag		169 289	97 537
Aktuella skatteskulder		1 353	1 440
Övriga kortfristiga skulder		897	154
Upplupna kostnader och förutbetalda intäkter	24	7 457	6 926
		212 657	**139 896**
SUMMA EGET KAPITAL OCH SKULDER		**356 933**	**274 769**

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STIGA AB
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RAPPORT ÖVER FÖRÄNDRING I EGET KAPITAL

(Tkr)

		Bundet eget kapital				
	Not	Aktie-kapital	Reserv-fond	Balanserad vinst eller förlust	Årets resultat	Summa eget kapital
Ingående balans per 1 januari 2021		**27 110**	**5 422**	**10 480**	**71 193**	**114 205**
Årets resultat					88 346	88 346
Disposition enligt beslut av årets årsstämma:						
Utdelningar				-71 193		-71 193
Balanseras i ny räkning				71 193	-71 193	0
Utgående balans per 31 december 2021		**27 110**	**5 422**	**10 480**	**88 346**	**131 358**

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STIGA AB
556061-8463

KASSAFLÖDESANALYS
(Tkr)

	Not	2021-01-01 2021-12-31	2020-01-01 2020-12-31
Den löpande verksamheten			
Rörelseresultat		49 304	39 468
Justeringar för poster som inte ingår i kassaflödet:			
Avskrivningar materiella anläggningstillgångar		1 370	1 539
Utrangering materiella anläggningstillgångar		8	101
Avsättningar		-464	0
Uppskjuten skatt temporära skillnader		0	-814
Erhållen utdelning		46 578	33 139
Erhållen ränta		16 548	13 233
Erlagd ränta		-20 422	-15 276
Betald inkomstskatt		-10 948	-10 580
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**81 974**	**60 810**
Kassaflöde från förändringar i rörelsekapital			
Minskning(+)/ökning(-) av varulager		59 180	23 980
Minskning(+)/ökning(-) av kundfordringar		-126 221	-33 820
Minskning(+)/ökning(-) av övriga kortfristiga fordringar		-36	126
Minskning(-)/ökning(+) leverantörsskulder		71 574	-18 313
Minskning(-)/ökning(+) av övriga kortfristiga skulder		1 187	1 823
Kassaflöde från den löpande verksamheten		**87 658**	**34 606**
Investeringsverksamheten			
Förvärv av materiella anläggningstillgångar		-791	-790
		-791	**-790**
Finansieringsverksamheten			
Minskning/Ökning av långfristiga fordringar		-12 988	25 178
Utbetald utdelning		-71 193	-60 000
Kassaflöde från finansieringsverksamheten		**-84 181**	**-34 822**
Årets kassaflöde		**2 686**	**-1 006**
Likvida medel vid årets början		**8 125**	**9 130**
Likvida medel vid årets slut	26	**10 812**	**8 125**

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NOTER

Not 1 Allmän information

STIGA AB med organisationsnummer 556061-8463 är ett aktiebolag registrerat i Sverige med säte i Tranås. Adressen till koncernens huvudkontor är STIGA SpA, Via de Lavoro 6, IT-31033 Castelfranco Veneto TV, Italien. Företagets verksamhet omfattar försäljning och lagerhantering av trädgårdsprodukter, främst gräsklippare.

Moderföretag till STIGA Spa är STIGA C S.à r.l., Luxembourg vars ägare är STIGA SA. Koncernredovisning lämnas för STIGA SA.

Ingen koncernredovisning har upprättats med stöd av Årsredovisningslagen 7 kap. 2 § punkt 1. Konsoliderad årsredovisning för Stiga SA Luxembourg kan erhållas från: STIGA SA, 51, Avenue John F. Kennedy, L-1855 Luxembourg.

Not 2 Redovisningsprinciper och värderingsprinciper

Företaget tillämpar Årsredovisningslagen (1995:1554) och Bokföringsnämndens allmänna råd BFNAR 2012:1 *Årsredovisning och koncernredovisning* ("K3").

Intäkter
Intäkter redovisas till det verkliga värdet av den ersättning som erhållits eller kommer att erhållas, med avdrag för mervärdeskatt, rabatter, returer och liknande avdrag.

STIGA ABs intäkter består i huvudsak av försäljning av trädgårdsprodukter, både färdigvaror och reservdelar.

Varuförsäljning
Intäkter från försäljning av varor redovisas när varorna levererats och äganderätten har överförts till kunden, varmed samtliga villkor nedan är uppfyllda:
• Företaget har överfört de väsentliga risker och fördelar som är förknippade med varornas ägande,
• företaget inte längre har något sådant engagemang i den löpande förvaltningen som vanligtvis förknippas med ägande och utövar inte heller någon reell kontroll över de sålda varorna,
• inkomsten kan beräknas på ett tillförlitligt sätt,
• de ekonomiska fördelar som är förknippade med transaktionen sannolikt kommer att tillfalla företaget, och
• de utgifter som uppkommit eller som förväntas uppkomma till följd av transaktionen kan beräknas på ett tillförlitligt sätt.

Utdelning
Utdelningsintäkter redovisas när ägarens rätt att erhålla betalning har fastställts.

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Leasingavtal
Företagets leasingavtal består till största delen av finansiella leasingavtal avseende hyra lagerlokaler samt leasingavtal avseende tjänstebilar. Ett finansiellt leasingavtal är ett avtal enligt vilket de ekonomiska risker och fördelar som förknippas med ägandet av en tillgång i allt väsentligt överförs från leasegivaren till leasetagaren. Oaktat hur dessa leasingavtal redovisas i den koncernredovisning vari företaget inordnas får alla leasingavtal i juridisk person redovisas såsom operationella leasingavtal, vilket innebär att samtliga leasingavgifter kostnadsförs linjärt över leasingperioden.

Leasetagare
Leasingavgifter vid operationella leasingavtal kostnadsförs linjärt över leasingperioden, såvida inte ett annat systematiskt sätt bättre återspeglar användarens ekonomiska nytta över tiden.

Utländsk valuta
Företagets redovisningsvaluta är svenska kronor (SEK).
Omräkning av poster i utländsk valuta
Vid varje balansdag räknas monetära poster i utländsk valuta om till balansdagens kurs. Icke-monetära poster, som värderas till historiskt anskaffningsvärde i en utländsk valuta, räknas inte om. Valutakursdifferenser redovisas i rörelseresultatet eller som finansiell post utifrån den underliggande affärshändelsen, i den period de uppstår.

Låneutgifter
Låneutgifter redovisas i resultaträkningen i den period de uppkommer.

Ersättningar till anställda
Ersättningar till anställda i form av löner, bonus, betald semester, betald sjukfrånvaro m m samt pensioner redovisas i takt med intjänandet. Beträffande pensioner och andra ersättningar efter avslutad anställning klassificeras dessa som avgiftsbestämda eller förmånsbestämda pensionsplaner. Företaget har i huvudsak haft förmånsbestämda pensionsplaner i egen regi (PRI) men företaget löste under år 2019 in både aktiva, fribrevshavare samt ålderspensionärer hos Alecta. Kvar att betala pensioner till är enbart nyintjäning för de aktiva. Företaget har även avgiftsbestämda pensionsplaner. Det finns inga övriga långfristiga ersättningar till anställda.

Förmånsbestämda planer
Företaget betalar sedan inlösen i maj 2019 månadsvisa avgifter till Alecta för nyintjäning av de kvarvarande förmånsbestämda planerna.
Avgiftsbestämda planer
För avgiftsbestämda planer betalar företaget fastställda avgifter till en separat oberoende juridisk enhet och har ingen förpliktelse att betala ytterligare avgifter. Företagets resultat belastas för kostnader i takt med att förmånerna intjänas vilket normalt sammanfaller med tidpunkten för när premier erläggs.

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STIGA AB
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Inkomstskatter
Skattekostnaden utgörs av summan av aktuell skatt och uppskjuten skatt.

Aktuell skatt
Aktuell skatt beräknas på det skattepliktiga resultatet för perioden. Skattepliktigt resultat skiljer sig från det redovisade resultatet i resultaträkningen då det har justerats för ej skattepliktiga intäkter och ej avdragsgilla kostnader samt för intäkter och kostnader som är skattepliktiga eller avdragsgilla i andra perioder. Aktuell skatteskuld beräknas enligt de skattesatser som gäller per balansdagen.

Uppskjuten skatt
Uppskjuten skatt redovisas på temporära skillnader mellan det redovisade värdet på tillgångar och skulder i de finansiella rapporterna och det skattemässiga värdet som används vid beräkning av skattepliktigt resultat. Uppskjuten skatt redovisas enligt den s k balansräkningsmetoden. Uppskjutna skatteskulder redovisas för i princip alla skattepliktiga temporära skillnader, och uppskjutna skattefordringar redovisas i princip för alla avdragsgilla temporära skillnader i den omfattning det är sannolikt att beloppen kan utnyttjas mot framtida skattepliktiga överskott.

Det redovisade värdet på uppskjutna skattefordringar omprövas varje balansdag och reduceras till den del det inte längre är sannolikt att tillräckliga skattepliktiga resultat kommer att finnas tillgängliga för att utnyttjas, helt eller delvis, mot den uppskjutna skattefordran.

Värderingen av uppskjuten skatt baseras på hur företaget, per balansdagen, förväntar sig att återvinna det redovisade värdet för motsvarande tillgång eller reglera det redovisade värdet för motsvarande skuld. Uppskjuten skatt beräknas baserat på de skattesatser och skatteregler som har beslutats före balansdagen.

Aktuell och uppskjuten skatt för perioden
Aktuell och uppskjuten skatt redovisas som en kostnad eller intäkt i resultaträkningen, utom när skatten är hänförlig till transaktioner som redovisats direkt mot eget kapital. I sådana fall ska även skatten redovisas direkt mot eget kapital.

Materiella anläggningstillgångar
Materiella anläggningstillgångar redovisas till anskaffningsvärde efter avdrag för ackumulerade avskrivningar och eventuella nedskrivningar.

Anskaffningsvärdet består av inköpspriset och utgifter som är direkt hänförliga till förvärvet för att bringa den på plats och i skick att användas. Tillkommande utgifter inkluderas endast i tillgången eller redovisas som en separat tillgång, när det är sannolikt att framtida ekonomiska fördelar som är förknippade med posten kommer att tillfalla företaget och att anskaffningsvärdet för densamma kan mätas på ett tillförlitligt sätt. Alla övriga kostnader för reparationer och underhåll samt tillkommande utgifter redovisas i resultaträkningen i den period då de uppkommer.

Då skillnaden i förbrukningen av en materiell anläggningstillgångs betydande komponenter bedöms vara väsentlig, delas tillgången upp på dessa komponenter.

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STIGA AB
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Avskrivningar på materiella anläggningstillgångar kostnadsförs så att tillgångens anskaffningsvärde, eventuellt minskat med beräknat restvärde vid nyttjandeperiodens slut, skrivs av linjärt över dess bedömda nyttjandeperiod. Om en tillgång har delats upp på olika komponenter skrivs respektive komponent av separat över dess nyttjandeperiod. Avskrivning påbörjas när den materiella anläggningstillgången kan tas i bruk. Materiella anläggningstillgångars nyttjandeperioder uppskattas till:

Byggnader:	15-75 år
Maskiner och andra tekniska anläggningar:	5-10 år
Inventarier:	3-10 år

Nyttjandeperioden för mark är obegränsad och därför skrivs mark inte av.

Bedömda nyttjandeperioder och avskrivningsmetoder omprövas om det finns indikationer på att förväntad förbrukning har förändrats väsentligt jämfört med uppskattningen vid föregående balansdag. Då företaget ändrar bedömning av nyttjandeperioder, omprövas även tillgångens eventuella restvärde. Effekten av dessa ändringar redovisas framåtriktat.

Borttagande från balansräkningen
Det redovisade värdet för en materiell anläggningstillgång tas bort från balansräkningen vid utrangering eller avyttring, eller när inte några framtida ekonomiska fördelar väntas från användning eller utrangering/avyttring av tillgången eller komponenten. Den vinst eller förlust som uppkommer när en materiell anläggningstillgång eller en komponent tas bort från balansräkningen är skillnaden mellan vad som eventuellt erhålls, efter avdrag för direkta försäljningskostnader, och tillgångens redovisade värde. Den realisationsvinst eller realisationsförlust som uppkommer när en materiell anläggningstillgång eller en komponent tas bort från balansräkningen redovisas i resultaträkningen som en övrig rörelseintäkt eller övrig rörelsekostnad.

Nedskrivningar av materiella anläggningstillgångar och immateriella tillgångar
Vid varje balansdag analyserar företaget de redovisade värdena för materiella anläggningstillgångar och immateriella tillgångar för att fastställa om det finns någon indikation på att dessa tillgångar har minskat i värde. Om så är fallet, beräknas tillgångens återvinningsvärde för att kunna fastställa värdet av en eventuell nedskrivning. Där det inte är möjligt att beräkna återvinningsvärdet för en enskild tillgång, beräknas återvinningsvärdet för den kassagenererande enhet till vilken tillgången hör.

Återvinningsvärdet är det högsta av verkligt värde med avdrag för försäljningskostnader och nyttjandevärdet. Verkligt värde med avdrag för försäljningskostnader är det pris som företaget beräknar kunna erhålla vid en försäljning mellan kunniga, av varandra oberoende parter, och som har ett intresse av att transaktionen genomförs, med avdrag för sådana kostnader som är direkt hänförliga till försäljningen. Vid beräkning av nyttjandevärde diskonteras uppskattat framtida kassaflöde till nuvärde med en diskonteringsränta före skatt som återspeglar aktuell marknadsbedömning av pengars tidsvärde och de risker som förknippas med tillgången. För att beräkna de framtida kassaflödena har företaget använt budget och prognoser för de kommande fem åren.

Om återvinningsvärdet för en tillgång (eller kassagenererande enhet) fastställs till ett lägre värde än det redovisade värdet, skrivs det redovisade värdet på tillgången (eller den kassagenererande enheten) ned till återvinningsvärdet. En nedskrivning kostnadsföres omedelbart i resultaträkningen.

Vid varje balansdag gör företaget en bedömning om den tidigare nedskrivningen inte längre är motiverad. Om så är fallet återförs nedskrivningen delvis eller helt. Då en nedskrivning återförs, ökar tillgångens (den kassagenererande enhetens) redovisade värde. Det redovisade värdet efter återföring av nedskrivning får inte överskrida det redovisade värde som skulle fastställts om ingen nedskrivning gjorts av tillgången (den kassagenererande enheten) under tidigare år. En återföring av en nedskrivning redovisas direkt i resultaträkningen.

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Andelar i koncernföretag
Andelar i dotterföretag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. Utdelning från dotterföretag redovisas som intäkt när rätten att få utdelning bedöms som säker och kan beräknas på ett tillförlitligt sätt.

Varulager
Varulager värderas till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet på balansdagen. Anskaffningsvärdet beräknas genom tillämpning av först- in-först-ut-metoden (FIFU). Nettoförsäljningsvärde är försäljningsvärdet efter avdrag för beräknade kostnader som direkt kan hänföras till försäljningstransaktionen.

I anskaffningsvärdet ingår utgifter för inköp, tillverkning samt andra utgifter för att bringa varorna till deras aktuella plats och skick. I anskaffningsvärdet för en egentillverkad tillgång ingår, utöver sådana kostnader som direkt kan hänföras till produktionen av tillgången, en skälig andel av indirekta tillverkningskostnader.

Likvida medel
Likvida medel inkluderar kassamedel och disponibla tillgodohavanden hos banker och andra kreditinstitut samt andra kortfristiga likvida placeringar som lätt kan omvandlas till kontanter och är föremål för en obetydlig risk för värdefluktuationer. För att klassificeras som likvida medel får löptiden inte överskrida tre månader från tidpunkten för förvärvet.

Avsättningar
Avsättningar redovisas när företaget har en befintlig förpliktelse (legal eller informell) som en följd av en inträffad händelse, det är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen och en tillförlitlig uppskattning av beloppet kan göras.

En avsättning omprövas varje balansdag och justeras så att den återspeglar den bästa uppskattningen av det belopp som krävs för att reglera den befintliga förpliktelsen på balansdagen, med hänsyn tagen till risker och osäkerheter förknippade med förpliktelsen. När en avsättning beräknas genom att uppskatta de utbetalningar som förväntas krävas för att reglera förpliktelsen, motsvarar det redovisade värdet nuvärdet av dessa utbetalningar.

Där en del av eller hela det belopp som krävs för att reglera en avsättning förväntas bli ersatt av en tredje part, ska gottgörelsen särredovisas som en tillgång i balansräkningen när det är så gott som säkert att den kommer att erhållas om företaget reglerar förpliktelsen och beloppet kan beräknas tillförlitligt.

Omstruktureringsreserv
En avsättning för omstrukturering av verksamhet redovisas då företaget måste fullfölja omstruktureringen till följd av en legal eller informell förpliktelse. En informell förpliktelse föreligger när företaget har en fastställd och utförlig omstruktureringsplan och de som berörs har en välgrundad uppfattning om att omstruktureringen kommer att genomföras.

Eventualförpliktelser
En eventualförpliktelse är en möjlig förpliktelse till följd av inträffade händelser och vars förekomst endast kommer att bekräftas av att en eller flera osäkra framtida händelser, som inte helt ligger inom företagets kontroll, inträffar eller uteblir, eller en befintlig förpliktelse till följd av inträffade händelser, men som inte redovisas som skuld eller avsättning eftersom det inte är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen eller förpliktelsens storlek inte kan beräknas med tillräcklig tillförlitlighet. Dessa redovisas i not 25.

Kassaflödesanalys
Kassaflödesanalysen visar företagets förändringar av företagets likvida medel under räkenskapsåret. Kassaflödesanalysen har upprättats enligt den indirekta metoden. Det redovisade kassaflödet omfattar endast transaktioner som medfört in- och utbetalningar.

Valutarisk
Med valutarisk avses risken att verkligt värde eller framtida kassaflöden fluktuerar till följd av ändrade valutakurser. Företaget bedriver verksamhet på flera olika geografiska marknader och i olika valutor och är därigenom exponerad för valutarisk. Exponeringen för valutarisk härrör huvudsakligen från betalningsflöden i utländsk valuta, så kallad transaktionsexponering samt från omräkning av balansposter i utländsk valuta.

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STIGA AB
556061-8463

Not 3 Viktiga uppskattningar och bedömningar

Redovisade värden för vissa tillgångar och skulder baseras delvis på bedömningar och uppskattningar. Detta gäller främst varulager och garantiavsättning.

Varulager. STIGA ABs varulager är upptaget till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet. Nettovärdet är justerat för bedömd värdeminskning för äldre produkter och lageröverskott. Företagets produkter är väderberoende och dessutom har företaget en stor säsongsvariation vilket gör att det är svårt att bedöma det verkliga värdet på varulagret. För att minimera denna osäkerhet och för att hålla lagernivåerna på en rimlig nivå arbetar företaget med prognoser samt man arbetar kontinuerligt med lageröversyn för att upptäcka eventuellt skrotningsbehov. Den totala reserven för inkurans uppgår till 2 964 Tkr (12 522 Tkr) och varulagret uppgick netto efter reserveringar till 53 911 Tkr (113 091 Tkr). Det kraftigt lägre varulagret samt inkuransreserven jämfört med tidigare år beror på överföringen av den ekonomiska redovisningen av reservdelar till bolagets italienska moderbolag.
Garantiavsättning. Avsättningar för garantier omfattar eventuella kostnader för att reparera eller ersätta sålda produkter. Avsättningen sker i samband med försäljning och är normalt tidsbegränsad till två år. Avsättningen baseras på historisk information rullande 24 månader för försäljning och garantikostnader och företagets bästa uppskattning.

Eventualförpliktelser. Bolaget är avtalspart i ett flertal avtal av varierande karaktär. Avtalens komplexitet kan vara av varierande karaktär och bolaget är då, av naturliga skäl, exponerade för större risker som negativt kan påverka verksamheten. Ledning och styrelse utför löpande uppskattningar och bedömningar avseende ingångna avtal för att bedöma bolagets riskexponering.

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Not 4 Nettoomsättningens fördelning

Nettoomsättning per geografisk marknad	2021	2020
Sverige	236 803	194 574
Övriga Norden	367 406	318 140
Övriga EU	199 861	198 262
Övriga Europa	25 824	3 043
Övriga världen	3 045	3 313
Summa	**832 939**	**717 332**

Not 5 Uppgift om inköp och försäljning inom samma koncern

	2021	2020
Inköp	74,9%	81,8%
Försäljning	68,6%	68,9%

Not 6 Övriga rörelseintäkter

Övriga rörelseintäkter består huvudsakligen av royaltyintäkter. Bolaget har upplåtit rättigheter att använda det varumärkesskyddade namnet STIGA till sitt moderbolag STIGA SpA. Royaltyintäkter erhålls baserat på såld volym och redovisas i resultaträkningen kvartalsvis.

Not 7 Upplysning om ersättning till revisorn

	2021	2020
PWC Öhrlings Pricewaterhouse Coopers		
revisionsuppdrag	419	408
skatterådgivning	54	58
Summa	**473**	**466**

Med revisionsuppdrag avses revisorns ersättning för den lagstadgade revisionen. Arbetet innefattar granskningen av årsredovisningen och bokföringen, styrelsens och verkställande direktörens förvaltning samt arvode för revisionsrådgivning som lämnats i samband med revisionsuppdraget.

Not 8 Leasingavtal

Operationella leasingavtal - leasetagare
Företaget är leasetagare genom operationella leasingavtal avseende hyra av lokaler,leasing av tjänstebilar och inventarier. Summan av årets kostnadsförda leasingavgifter avseende operationella leasingavtal uppgår till 1 019 Tkr (6 228 Tkr). Framtida minimileaseavgifter avseende icke uppsägningsbara operationella leasingavtal förfaller enligt följande:

Förfallotidpunkt:	2021	2020
Inom ett år	359	154
Senare än ett år men inom fem år	873	6 389
Senare än fem år	0	0
Summa	**1 232**	**6 543**

I denna not återfinnes finansiella leasingavtal, vilka redovisas som operationella. Förutom hyra av lokaler, avser avtalen leasing av inventarier och bilar för transportändamål. Inventarier leasas på två till fem år med möjlighet till utköp. Bilar leasas på tre år med möjlighet till utköp.

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Not 9 Antal anställda, löner, andra ersättningar och sociala kostnader

	2021		2020	
Medeltalet anställda	Antal anställda	Varav antal män	Antal anställda	Varav antal män
	29	21	28	22
Totalt	**29**	**21**	**28**	**22**

	2021-12-31	2020-12-31
Fördelning ledande befattningshavare per balansdagen		
Män:		
styrelseledamöter	4	4
Totalt	**4**	**4**

	2021		2020	
Löner, andra ersättningar m m	Löner och andra ersättningar	Soc kostn (varav pensions-kostnader)	Löner och andra ersättningar	Soc kostn (varav pensions-kostnader)
	15 118	7 521 -(1 846)	14 050	6 578 (2 028)
Totalt	**15 118**	**7 521** **-(1 846)**	**14 050**	**6 578** **(2 028)**

	2021		2020	
Löner och andra ersättningar fördelade mellan styrelse-ledamöter och anställda	Styrelse och VD (varav tantiem och dylikt)	Övriga anställda	Styrelse och VD (varav tantiem och dylikt)	Övriga anställda
	0	15 118	844	13 206
Totalt	**0**	**15 118**	**844**	**13 206**

Avtal om avgångsvederlag
Från och med maj 2020 delar företaget VD med STIGAs finska bolag. Lönen är ej med i denna not då VDs arvode faktureras från det finska bolaget STIGA Oy, FI04954485. Kostnaden under året uppgår till 1 191 tkr (649 tkr). Då det är en delad tjänst mellan två länder redovisas inte här eventuellt avtal om avgångsvederlag. Lön till VD avser således enbart förra VDn som slutade i april 2020.

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Not 10 Avskrivningar på materiella och immateriella anläggningstillgångar

	2021	2020
Materiella anläggningstillgångar	-1 370	-1 539
Summa	**-1 370**	**-1 539**

Not 11 Resultat från andelar i koncernföretag

	2021	2020
Utdelning	46 578	33 139
Summa	**46 578**	**33 139**

Not 12 Övriga ränteintäkter och liknande intäkter

	2021	2020
Ränteintäkter	27	235
Ränteintäkter, koncernföretag	8 159	5 131
Kursdifferenser	8 362	7 867
Summa	**16 548**	**13 233**

Not 13 Räntekostnader och liknande kostnader

	2021	2020
Räntekostnader	-324	-641
Räntekostnader, koncernföretag	-13 970	-5 542
Kursdifferenser	-6 128	-9 093
Summa	**-20 422**	**-15 276**

Not 14 Skatt på årets resultat

	2021	2020
Aktuell skatt	-10 882	-10 606
Skatt föreg år	0	-24
Uppskjuten skatt	-66	50
Skatt på årets resultat	**-10 948**	**-10 580**

Avstämning årets skattekostnad

	2021	2020
Redovisat resultat före skatt	99 294	81 773
Skatt beräknad med skattesats 20,6 % (21,4%)	-20 454	-17 499
Skatteeffekt av årets ej avdragsgilla kostnader och ej skattepliktiga intäkter	-190	-166
Skatteeffekt av återföring av f g års temporära skillnader	150	0
Skatteeffekt av ej skattepliktiga intäkter avseende utdelningar	9 595	7 092
Skatteeffekt av skillnader i bokföringsmässigt och skattemässigt värde maskiner och byggnader	17	-33
Summa	**-10 882**	**-10 606**
Årets redovisade skattekostnad	**-10 882**	**-10 606**

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Not 15 Byggnader och mark

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	37 544	37 544
Utgående ackumulerade anskaffningsvärden	**37 544**	**37 544**
Ingående avskrivningar	-30 177	-29 864
Årets avskrivningar enligt plan	-313	-313
Utgående ackumulerade avskrivningar	**-30 490**	**-30 177**
Utgående planenligt restvärde	**7 054**	**7 367**
Varav anskaffningsvärde för mark	**1 055**	**1 055**

Not 16 Maskiner och andra tekniska anläggningar

	2021-12-31	2020-12-31
Ingående anskaffningsvärde	20 453	20 453
Försäljningar/utrangeringar	-6 493	0
Utgående ackumulerade anskaffningsvärden	**13 960**	**20 453**
Ingående avskrivningar enligt plan	-19 890	-19 695
Försäljningar/utrangeringar	6 493	0
Årets avskrivningar enligt plan	-142	-195
Utgående ackumulerade avskrivningar enligt plan	**-13 539**	**-19 890**
Utgående planenligt restvärde	**421**	**563**

Not 17 Inventarier, verktyg och installationer

	2021-12-31	2020-12-31
Ingående anskaffningsvärde	32 610	31 972
Inköp	791	790
Försäljningar/utrangeringar	-8	-152
Omklassificeringar	0	0
Utgående ackumulerade anskaffningsvärden	**33 393**	**32 610**
Ingående avskrivningar enligt plan	-31 312	-30 333
Försäljningar/utrangeringar	0	51
Årets avskrivningar enligt plan	-915	-1 030
Utgående ackumulerade avskrivningar enligt plan	**-32 227**	**-31 312**
Utgående planenligt restvärde	**1 166**	**1 298**

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Not 18 Andelar i koncernföretag

	2021-12-31	2020-12-31
Ingående anskaffningsvärde	61 172	61 172
Utgående ackumulerade anskaffningsvärden	**61 172**	**61 172**
Ingående nedskrivningar	-41 727	-41 727
Utgående ackumulerade nedskrivningar	**-41 727**	**-41 727**
Utgående redovisat värde	**19 445**	**19 445**

Bolaget har under året inte skrivit ned värdet på aktierna eftersom värdet bedöms utifrån förväntade framtida positiva resultat.

Företagets innehav av andelar i koncernföretag

Företagets namn	Kapital-andel	Rösträtts-andel	Antal andelar	Redovisat värde 2021-12-31	Redovisat värde 2020-12-31
STIGA AS	100%	100%	2 000	2 940	2 940
STIGA GmbH	100%	100%	0	1 613	1 613
STIGA Ltd	100%	100%	15 000	0	0
STIGA A/S	100%	100%	33 452	6 693	6 693
STIGA Oy	100%	100%	5 000	3 675	3 675
STIGA B.V	100%	100%	2 000	2 000	2 000
STIGA NV	99%	99%	614	0	0
STIGA S.R.O	100%	100%	0	250	250
STIGA Sp.Z. o.o	99%	99%	1 000	2 274	2 274
Summa				**19 445**	**19 445**

Företagets namn	Momsreg.nr	Säte
STIGA AS	NO30001304	Oslo, Norge
STIGA GmbH	DE114953135	Straelen, Tyskland
STIGA Ltd	GB760507834	Plymouth, Storbritannien
STIGA A/S	DK89529719	Brøndby, Danmark
STIGA Oy	FI04954485	Vantaa, Finland
STIGA B.V	NL009447891B01	Vianen, Holland
STIGA NV	BE0859675762	Zedelgem, Belgien
STIGA S.R.O	CZ25061224	Prag, Tjeckien
STIGA Sp.Z. o.o	PL811647851	Poznan, Polen

Not 19 Uppskjuten skatteskuld

	2021-12-31	2020-12-31
Uppskjuten skattefordran		
Uppskjuten skatt på temporära skillnader på kundfordringsreserv, inkuransreserv och garantireserv	8	57
Uppskjuten skatt direktpensioner	374	374
Uppskjuten skatt restvärde byggnader	-410	-311
Summa uppskjuten skattefordran	**-28**	**120**
Uppskjuten skatteskuld		
Uppskjuten skatt restvärde maskiner och inventarier	86	4
Summa uppskjuten skatteskuld	**86**	**4**

Uppskjutna skattefordringar värderas till högst det belopp som sannolikt kommer att återvinnas baserat på innevarande och framtida skattepliktiga resultat.

Skattesatsen för beräkning av uppskjuten skatt uppgår till 20,6 % (20,6).

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Not 20 Aktiekapital

Aktiekapitalet består av 27 109 910 aktier, med ett kvotvärde om 1 kr.

Not 21 Obeskattade reserver

	2021-12-31	2020-12-31
Periodiseringsfond beskattningsår 15	0	7 286
Periodiseringsfond beskattningsår 17	8 659	8 659
Summa	**8 659**	**15 945**

Not 22 Avsättningar för pensioner och liknande förpliktelser

Bolaget har historiskt finansierat de förmånsbestämda planerna i egen regi och erhållit beloppsuppgiften om pensionsskuldens storlek från PRI Pensionsgaranti. Men i maj 2019 löste bolaget in alla pensionsskulder - ålderspensionärer, fribrevshavare samt aktiva - hos Alecta. Nya pensioner för de aktiva betalas härefter med en premie till Alecta. Kvar efter inlösentillfället blev dock ett gammalt specialpensionsavtal som fortfarande redovisas som avsättningar till pensionsskuld.

Not 23 Garantier

2021-12-31	Omstrukturering	Garantier	Summa
Vid årets början	0	3 405	3 405
Tillkommande avsättningar	0	2 710	2 710
Belopp som tagits i anspråk	0	-3 113	-3 113
Återföring av outnyttjade belopp	0	0	0
Vid årets slut	**0**	**3 002**	**3 002**

Avsättning för omstruktureringskostnader, främst personalkostnader samt avsättning för framtida garantiåtaganden.

2020-12-31	Omstrukturering	Garantier	Summa
Vid årets början	0	4 163	4 163
Tillkommande avsättningar	0	3 031	3 031
Belopp som tagits i anspråk	0	-3 789	-3 789
Återföring av outnyttjade belopp	0	0	0
Vid årets slut	**0**	**3 405**	**3 405**

Avsättning för omstruktureringskostnader, främst personalkostnader samt avsättning för framtida garantiåtaganden.

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Not 24 Upplupna kostnader och förutbetalda intäkter

	2021-12-31	2020-12-31
Upplupna löner och semesterlöner	4 014	3 087
Upplupna sociala avgifter	1 213	1 211
Förutbetalda intäkter	1 789	1 809
Övriga poster	441	819
Summa	**7 457**	**6 926**

Not 25 Ställda säkerheter

	2021-12-31	2020-12-31
Företagsinteckningar	170 750	170 750
Fastighetsinteckning	31 000	31 000
Aktier och andelar i dotterföretag	19 445	19 445
Kundfordringar	0	0
Summa	**221 195**	**221 195**

Företaget har ställt säkerhet till kreditinstitut för koncernens finansiering i form av företagsinteckningar, fastighetsinteckningar samt aktier i dotterbolag. Bolaget har dessutom pantsatt vissa varumärkesrättigheter och patent enligt dessa finansieringsavtal. Företagets skyldigheter enligt pantavtalen är dock begränsade från tid till tid såsom det föreskrivs enligt Aktiebolagslagen kapitel 17 styckena 1-4 om värdeöverföring.

Kundfordringar: Företaget var fram till och med augusti 2021 med och finansierade koncernens rörelsekapitalbehov genom en företeelse som heter Asset Based Lending, ABL. Detta skedde kortfattat rent praktiskt så att inbetalningar från kunder transfererades via den långivande banken. Låneutrymmet bestämdes utifrån kundfordringarnas storlek vid varje tillfälle, minskat för diverse avdrag. Per 2020-12-31 förekom det inte några lån.

Not 26 Likvida medel i kassaflödet

	2021-12-31	2020-12-31
Disponibla tillgodohavanden hos banker och andra kreditinstitut	10 812	8 125
Summa	**10 812**	**8 125**

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STIGA AB
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Not 27 Händelser efter balansdagen

Efter balansdagen har krisen i Ukraina eskalerat samt coronaviruset Covid-19 och dess muterade varianter fortsatt att spridas, dock med mindre och ofarligare effekt och betydelse. Styrelsen har analyserat effekterna av dessa händelser utifrån det scenario som myndigheter, regering och media rapporterar. Troligtvis kommer denna påverkan främst bestå i att vi inte kommer att få alla produkter från våra leverantörer i tid samt att efterfrågan blir något lägre från våra kunder. Vi kommer även att se en ökad inflation och kostnadsökningar. Vi anser med detta sagt att det finns en risk för en negativ finansiell påverkan för bolaget under 2022 men att vi har svårt att bedöma storleken på denna påverkan i detta läge.
Vid denna årsredovisnings framställande finns det ingen information som tyder på att bolaget skulle kunna påverkas på ett så allvarligt sätt att den fortsatta driften skulle kunna ifrågasättas. Bolagets framtida utveckling kopplad till den rådande pandemin samt krisen i Ukraina följs nu mycket noga av bolagets ledning och styrelse för att snabbt kunna analysera och hantera förändringar i utvecklingen som kan komma att påverka verksamheten såväl operationellt som finansiellt.

Not 28 Förslag till vinstdisposition
Styrelsen föreslår att hela årets vinst 88 346 Tkr samt de balanserade vinstmedlen om 10 480 Tkr delas ut till moderbolaget.

Tranås den 7.04 2022

Sean Robinson
Styrelsens ordförande

Roberto Lucernoni

Jakob Hägerström
Verkställande direktör

~~Alexander Francke~~

Vår revisionsberättelse har avgivits den 2022
PwC Sverige

Mats Angslycke
Auktoriserad revisor

20220712231858

STIGA AB
556061-8463

Not 27 Händelser efter balansdagen

Efter balansdagen har krisen i Ukraina eskalerat samt coronaviruset Covid-19 och dess muterade varianter fortsatt att spridas, dock med mindre och ofarligare effekt och betydelse. Styrelsen har analyserat effekterna av dessa händelser utifrån det scenario som myndigheter, regering och media rapporterar. Troligtvis kommer denna påverkan främst bestå i att vi inte kommer att få alla produkter från våra leverantörer i tid samt att efterfrågan blir något lägre från våra kunder. Vi kommer även att se en ökad inflation och kostnadsökningar. Vi anser med detta sagt att det finns en risk för en negativ finansiell påverkan för bolaget under 2022 men att vi har svårt att bedöma storleken på denna påverkan i detta läge.
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Tranås den 7.04. 2022

Sean Robinson
Styrelsens ordförande

Roberto Lucernoni

Jakob Hägerström
Verkställande direktör

Alexander Francke

Vår revisionsberättelse har avgivits den 15 juni 2022
PwC Sverige

Mats Ängslycke
Auktoriserad revisor

20220712231859

Revisionsberättelse

Till bolagsstämman i STIGA AB, org.nr 556061-8463

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för STIGA AB för år 2021 med undantag för hållbarhetsrapporten på sidorna 5-10.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av STIGA ABs finansiella ställning per den 31 december 2021 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Våra uttalanden omfattar inte hållbarhetsrapporten på sidorna 5-10. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för STIGA AB.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till STIGA AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Annan information än årsredovisningen

Det är styrelsen och verkställande direktören som har ansvaret för denna andra information. Den andra informationen består av sidorna 5-10 och utgör bolagets hållbarhetsrapport.

Vårt uttalande avseende årsredovisningen omfattar inte denna information och vi gör inget uttalande med bestyrkande avseende denna andra information.

I samband med vår revision av årsredovisningen är det vårt ansvar att läsa den information som identifieras ovan och överväga om informationen i väsentlig utsträckning är oförenlig med årsredovisningen. Vid denna genomgång beaktar vi även den kunskap vi i övrigt inhämtat under revisionen samt bedömer om informationen i övrigt verkar innehålla väsentliga felaktigheter.

Om vi, baserat på det arbete som har utförts avseende denna information, drar slutsatsen att den andra informationen innehåller en väsentlig felaktighet, är vi skyldiga att rapportera detta. Vi har inget att rapportera i det avseendet.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse

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som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för STIGA AB för år 2021 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till STIGA AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

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Revisorns yttrande avseende den lagstadgade hållbarhetsrapporten

Det är styrelsen som har ansvaret för hållbarhetsrapporten på sidorna 5-10 och för att den är upprättad i enlighet med årsredovisningslagen.

Vår granskning har skett enligt FAR:s uttalande RevR 12 Revisorns yttrande om den lagstadgade hållbarhetsrapporten. Detta innebär att vår granskning av hållbarhetsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

En hållbarhetsrapport har upprättats.

Jönköping den 15 juni 2022

Öhrlings PricewaterhouseCoopers AB

Mats Ängslycke
Auktoriserad revisor

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STIGA S.A.

Consolidated Financial Statements for the Year January 1, 2021 to December 31, 2021

Jag intygar att denna kopia
överensstämmer med originalet
Ann Karlsson
Ann Karlsson

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BOARD OF DIRECTORS

B Director (Chairman)	Rainer Schmueckle
A Director	Alcentra Flandre Limited represented by Laurence Raven
B Director	PRR Management Consultancy Ltd, represented by Peter Richardson
B Director	Kristina Velicka
B Director	Sean Robinson
B Director	Roberto Lucernoni

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CONSOLIDATED MANAGEMENT REPORT

To the Shareholders of Stiga S.A.

These Consolidated Financial Statements cover the fiscal year from January 1, 2021 to December 31, 2021 and are related to Stiga S.A. (hereinafter, also, the "Company") and its subsidiaries (hereinafter, also, the "Group"). Stiga S.A. is the parent company of the Stiga Group.

The Group's business activities were already driven by the guidelines of the business plan for the years from 2021 to 2024 approved by the Board of Managers on January 21, 2021 (herein after "Business Plan 2024"). The guidelines of the the business plan are articulated in a series of strategic projects that focus mainly on the development of product lines that incorporate absolutely new technologies for the Group. These technologies have been identified by accurate market research such as those which 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 in the 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. The prompt application and implementation of what the Business Plan 2024 strategic projects will produce is considered by the management as the best way to resume and accelerate a healthy and lasting development of the Group's business.

The Group wants to establish a more sustainable business aligned with the expectations of the stakeholders, affirming its commitment to sustainability, with a focus on environmental and social aspects. To this aim, the management decided the implementation of the Sustainability Reporting (Environmental, Social and Governance Reporting, ESG), according to GRI standards. The project has been concluded and the first formal Stiga Group Sustainability Report will be published in 2022.

During 2021 the demand for gardening products has been very strong in all product segments and markets: governments continued to impose restrictions to social events and travels and people spent more time at home spending a higher share of wallet on home-related items, including garden products. On top of that weather conditions were extremely favourable.

2021 Sales were equal to Euro 573 milion. Comparing with the same period of 2020 the sales performance was stronger (increasing by Euro +126 million, +28%) thanks to a favourable trend in all markets supported by increased consumer demand of garden products coupled with a more competitive offer that delivered higher market shares. The Group's EBITDA increased to Euro 61.1 million, increasing in comparison to 2020 by Euro +17 million, +39%, the Gross Profit Margin was equal to 27.2 percent and the Net Result is positive for Euro 31.7 million. The Net Financial Position was equal to Euro -131.3 million.

On 30 April 2021, the extraordinary general meeting of shareholders of the Company approved the setting-up of a management incentive scheme (MIP) in order to promote a greater alignment of interests between some identified members of the Board of Directors and the shareholders of the Group.

Effective as of April 30, 2021, Ms Kristina Velicka has been appointed as B Director, replacing Ms. Anne Boelkow who has resigned effective as of January 12, 2021. In November 2021 the director George Adams suddenly passed away. The Company expresses its condolences and recalls his important contribution in making the Group evolve in terms of competitiveness, sustainability and business development. At this time Mr Adams has not been replaced in the Board of the Company.

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Main Events of the Year

During the fiscal year 2021, as anticipated, the Group continued the implementation of the actions planned in the Business Plan 2024, addressing the growth of the branded products and the optimisation of the Group cost base.

i. Branded Products

Following the Covid-19 outbreak, dining, shopping, travelling, etc. were limited, and businesses embraced flexible work arrangements. As a consequence, the "home as a hub" concept is increasing expenditure on the home for living and entertainment purposes.

Battery products have been the main driver of the volume growth in Walkbehind and Hand Held categories. Robot mowers are continuing to gain consumers preference in current and new markets.

The sales of the products introduced in the markets in the last 2 years represented in 2021 the 29% of the total sales. In the fiscal year 2021 the Group introduced new products in the main product categories (Ride On, Front Mowers, Robots and battery products) in order to enlarge the offering with new technical solutions, enter in new market segments and improve the level of competitiveness of the existing offering.

Regarding the new technical solutions, the main products introduced have been the new Stig Robot, the new battery tractor eRide and the battery systems called 700-900 series. In 2021 the ePower 20V and 48V systems have been introduced driving a wide range of products, from hand-held tool to walk-behind lawn mowers and, from 2022, even a ride-on-mower. The battery systems have been designed to be not only strong, but also 'smart': the tools constantly adjust the power demand to deliver exactly what is needed for the job at hand optimizing the battery perfomances.

The focus of the Group on Trade Marketing and Point of Sales supports continued. In this area it is worth mentioning the continuation of the Shop in Shop system creating Stiga corners at selected dealers equipped with original Stiga merchandise. At the end of 2021, the Shop in Shop system has been installed in more than 2.400 dealers all over Europe.

ii. Optimisation of the Group Cost Base

During the fiscal year 2021, the Group further developed the 3 production sites in Italy, Slovakia and China. The mid-term optimisation program includes continuous efficiency and quality improvements, make or buy analysis for insourcing opportunities, consolidation of common manufacturing standards and progressive introduction of digital manufacturing elements in the production processes.

Main actions in the fiscal year 2021 were the following:

1. In the Italian plant, completion of the consolidation of the two plants in Castelfranco Veneto and outsourcing of low value added activities (i.e., primary processes as stamping and bending); introduction of new specialized assembly lines for robotic lawn mowers and electric batteries; continuation of digital steps in the production process aiming at: traceability of production data of each machine, digitization of quality gates, real-time allocation of pre-assembly activities in different areas of the plants (Just-In-Sequence concept).
2. Initial activities to the Campigo facility in order to allow the change of use from

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manufacturing to logistic activities.

3. In the Slovakian plant, implementation of the model line concept to improve the safety and quality standards (e.g., Poka Yoke solutions, process errors elimination), to increase efficiency of the direct operators (e.g., semi-automation) and implementation of the new plant layout.
4. In the Chinese plant, insourcing of some warehousing activities and automation of some assembly activities to improve efficiency and safety.

Beside the non-recurring initiatives, all plants have been successfully implementing local initiatives coming from the continuous improvement approach.

Logistic continued in 2021 the rationalisation, one warehouse for more than one market. The increased sales volumes coupled with the higher fragmentation of the orders, meant a more demanding market.

All the companies of the Group shared the effort to reduce the stock levels in order to gain more flexibility to product changes and reducing the stock obsolescence risk.

iii. Financial Structure

The refinancing process concluded in 2017 by the Management provided the Group with a Term Loan of Euro 230 million with an extended duration to August 2024. Further, carve outs for Receivables Finance Facilities and Permitted Indebtedness up to Euro 160 million and for Revolving Credit Facilities (RCF) up to Euro 60 million are included. There are no maintenance financial covenants, with the exception of a leverage ratio only in case of RCF usage.

The current financial structure results in a Facility (Term Loan B) amounting to Euro 180 million, after a partial voluntary reimbursement of Euro 50 million done in July 2021. Further, RCF of Euro 30 million are granted to the Companies of the Group, while the Receivable Finance Facility enabling the Companies of the Group to raise finance in Italy, UK, Germany, France and Sweden under a single agreement up to Euro 80 million, which expired in August 2021, was replaced with a Securitisation agreement over the receivables of the Italian Company for an amount up to Euro 60 million and 2 years duration.

The Group expects to extend in 2022 the Receivable Finance Facilities by an additional Euro 60 million, thanks to the freed-up receivables in UK, Germany, France and Sweden previously included in the not renewed Receivable Finance Facility expired in August 2021.

Following the partial Term loan prepayment, Euro 50 million of Interest Rate Swap were also unwound, resulting in current outstanding contracts for Euro 180 million.

Group Organisation

The Group is a major producer and distributor of powered garden products in Europe, with leader market shares in the ride-on, front mower and walk behind product segments, and has an important presence in hand-held, 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 structure of the Group as of December 31, 2021 is as follows:

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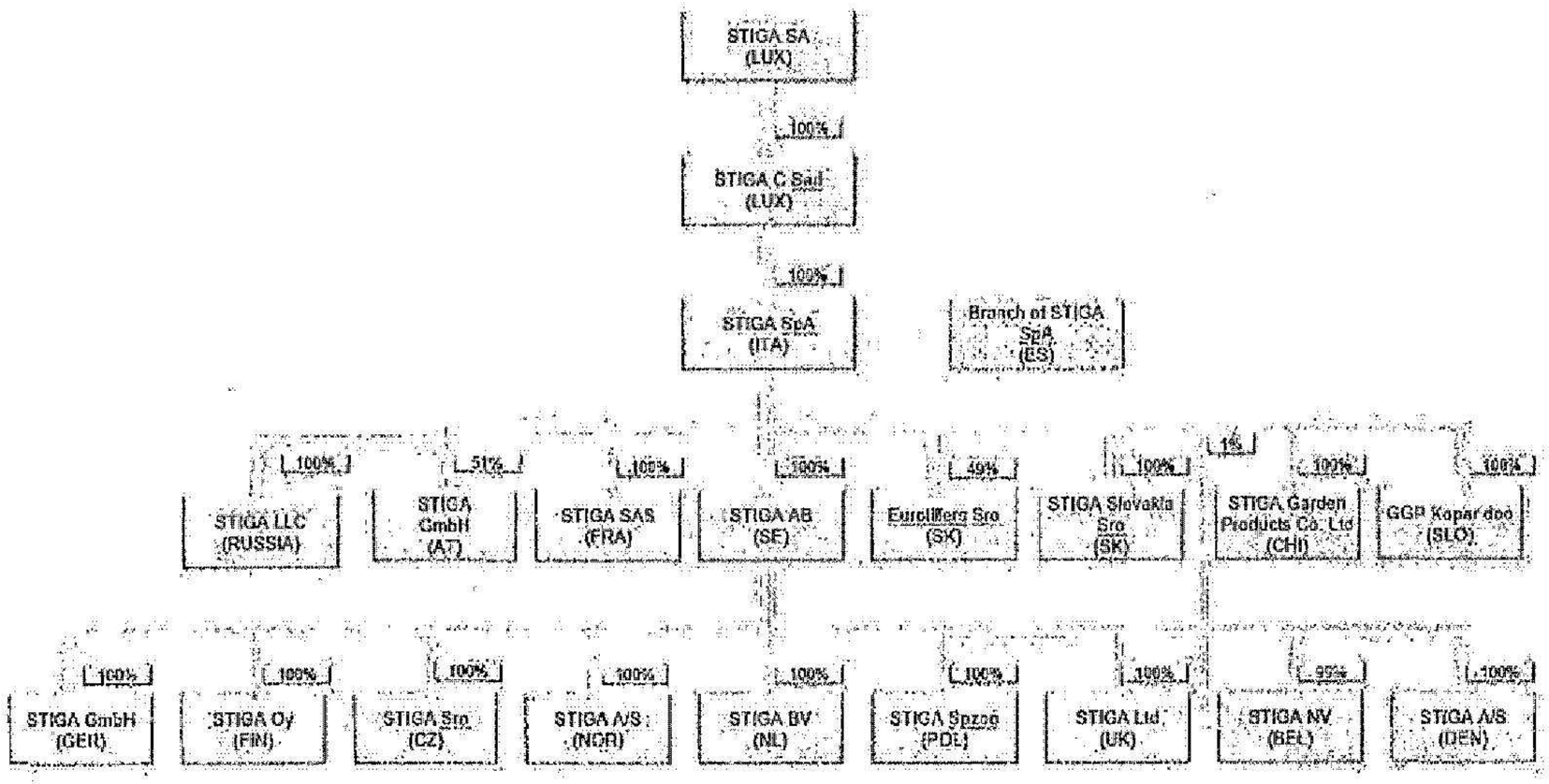
STIGA Group Structure



The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries as of December 31, 2021.
Details of the Company and its consolidated subsidiaries as of December 31, 2021 are as follows:

Company Name	Registered Office	% Held	Consolidation Method
STIGA S.A.	Luxembourg	100	Parent Company
STIGA C S.à.r.l.	Luxembourg	100	Full consolidation
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, Slovenjia	100	Full consolidation
STIGA Slovakia S.r.o	Poprad, Slovak Rep.	100	Full consolidation
STIGA Sas	Paris, France	100	Full consolidation
STIGA GmbH	Wien, Austria	51	Full consolidation
Eurotillers S.r.o	Poprad, Slovak Rep.	49	Equity method
STIGA LLC	Moscow, Russia	100	Full consolidation
STIGA AB	Tranås, Sweden	100	Full consolidation
STIGA A/S	Oslo, Norway	100	Full consolidation
STIGA GmbH	Strealen, 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.	Poznan, Poland	100	Full consolidation
STIGA NV	Zedelgem, Belgium	100	Full consolidation
STIGA A/S	Bröndby, Denmark	100	Full consolidation

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Following the Stiga C S. à r.l. Board of Managers decision taken in September 2020, in July 2021 the Group completed the procedure of liquidation of STIGA PTD in Austria in order to simplify the administration of the R&D office in Graz: the two employees present in the office were administratively transferred to STIGA G.m.b.H. (Austria).
In September 2021 Stiga Sas moved its premises from Steinbourg to Paris in order to be closer to the most important customers.

Group Operation

i. Key Financial Figures

The summarised consolidated income statement compared with previous period is shown in the table below.

Values in Euro Thousand	2021		2020	
Revenue	573,367	*100.0%*	447,517	*100.0%*
Gross Profit	**156,087**	***27.2%***	**122,614**	***27.4%***
Distribution Costs	(42,558)	*-7.4%*	(33,815)	*-7.6%*
Operating Expenses	(74,019)	*-12.9%*	(63,799)	*-14.3%*
Other Operating Income and Expenses	(3,101)	*-0.5%*	(2,582)	*-0.6%*
Result Before Interest and Taxes	**36,409**	***6.4%***	**22,418**	***5.0%***
Financial Expenses	(13,307)	*-2.3%*	(18,604)	*-4.2%*
Result Before Taxes	**23,102**	***4.0%***	**3,814**	***0.9%***
Current Tax	(6,175)	*-1.1%*	(3,995)	*-0.9%*
Deferred Tax	14,772	*2.6%*	(513)	*-0.1%*
Result for the Period	**31,699**	***5.5%***	**(694)**	***-0.2%***
Profit Attributable to:				
Non-Controlling Interests	310	*0.1%*	220	*0.0%*
Owners of Stiga S.A.	31,389	*5.5%*	(914)	*-0.2%*
EBITDA	**61,064**	***10.7%***	**44,076**	***9.8%***

In the fiscal year ended December 31, 2021 the net turnover reached Euro 573.4 million, compared to Euro 447.5 million in the previous year, while the EBITDA totalled Euro 61.1 million versus Euro 44.1 million in the previous period. The EBITDA in % on sales improved by +0.9% from 9.8% to 10.7%.

The stronger result at EBITDA level is due to the cumulative effect of several favourable and adverse factors:

- Higher sales of branded products in all markets thanks to an increased demand for garden products coupled with a more competitive offer that delivered higher market shares;
- Raw materials and products components higher purchase prices due to the increasing quotations started from the 1st Quarter of the fiscal year;
- Increased sea freight rates especially from China to Europe;
- Consequent increase of the sales prices to partly offset the rising product costs;
- Improvement of product costs stemming from sourcing activities;
- Full year effect of the Italians plants' consolidation, low value-added activities outsourcing, production re-layout, and direct labour efficiency increase;

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- Unfavourable exchange rates trend for Chinese Renmimbi and Polish Zloty including the results of the currency hedging activity implemented by the Group that partly limited the impact of the adverse market currency trends.
- Higher operating expenses to support the market developments.

Following the Business Plan 2024 guidelines, the Group continued to implement cost reduction activities mainly aimed at improving the Group operations efficiency while preserving long-term projects.

Operating Expenses were higher than the previous period mainly for the higher resources devoted to support sales development (people and marketing activities).

Other Operating Income and expenses amounted to Euro 3.1 million and include mainly warranty provision accrual, bad debts accrual, Government support in Italy to R&D activities, rental income of the Swedish facility, refund from the Swedish Government of previous years' sickness funds, governments support in Slovakia related to the Covid-19, rental income of the Italian plant of Campigo.

Net Financial Expenses were equal to Euro 13.3 million and include mainly interest on long-term debt, loan fees amortisation and the cost effect of derivative financial instruments evaluation subscribed in the previous periods in order to cover the volatility of interests on long-term debt.

The positive Deferred Taxes are mainly due to the recognition of a deferred tax asset of Euro 14.9 million generated by the tax-loss carry forward and interest costs not deducted accounted for in Stiga S.p.A., based on the positive results achieved in the last years and confirmed in the following years expectations for the operating holding company Stiga S.p.A.
Group Current Taxes were equal to Euro 6.2 million while in 2020 were Euro 4.0 million.

The Group realised in the fiscal year 2021 a net profit after tax of Euro 31.7 million compared to a net loss of Euro 0.7 million in the previous fiscal period.

The reclassified consolidated statement of financial position, compared with previous period, is shown in the table below.

Values in Euro Thousand	**Dec 31, 2021**	**Dec 31, 2020**
Trade Receivables	79,622	74,248
Inventories	164,181	107,851
Trade Payables	(163,833)	(112,856)
Other Short-Term Assets and Liabilities Non-Financial	(3,616)	(14,744)
(A) NET WORKING CAPITAL	**76,353**	**54,499**
Tangible Assets	69,000	67,694
Other Intangible Assets	27,174	22,726
Goodwill	180	180
Equity Investments	5	5
Deferred Tax Assets and Long-Term Tax Receivables	18,041	6,051
Other Long-Term Assets Non-Financial	458	468
(B) NON-CURRENT ASSETS	**114,858**	**97,124**

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Other Long-Term Provisions	(5,600)	(5,565)
Provisions for Pensions and Similar Obligations	(2,347)	(2,648)
Deferred Tax and Long-Term Tax Liabilities	(1,698)	(2,115)
Other Long-Term Liabilities Non-Financial	(4,908)	(4,531)
(C) NON-CURRENT LIABILITIES	**(14,553)**	**(14,859)**
(D) NET INVESTED CAPITAL (A+B+C)	**176,658**	**136,764**
Cash and Financial Short-Term Assets	(89,147)	(112,104)
Bank Borrowings Short-Term	29,636	689
Other Financial Short-Term Liabilities	5,338	5,318
(E) NET FINANCIAL POSITION (SHORT-TERM)	**(54,174)**	**(106,097)**
Financial Long-Term Assets	(3,716)	(1,519)
Bank Borrowings	180,756	228,155
Other Financial Long-Term Liabilities	8,395	14,123
(F) NET FINANCIAL POSITION (LONG-TERM)	**185,435**	**240,759**
(G) TOTAL NET FINANCIAL POSITION (E+F)	**131,261**	**134,662**
(H) TOTAL EQUITY	**45,397**	**2,102**
(I) TOTAL EQUITY AND DEBT (G+H)	**176,658**	**136,764**

Net Invested Capital amounted to Euro 176.7 million and includes working capital for Euro 76.4 million. Inventories value at Euro 164.2 million was higher than the value at December 31, 2020 by Euro 56.3 million in order to serve the stronger demand and fulfil the higher order book for the first quarter of 2022, Trade Receivables amounted to Euro 79.6 million and Trade Payables amount to Euro 163.8 million. Trade Payables have increased compared to 2020 following the higher purchases realised in recent months to support the higher amounts of orders collected for sales in the first months of the 2022 season.

Other short-term non-financial assets and liabilities amounted to Euro 3.6 million, the increase by Euro 11.2 million refers mainly to higher value of the hedging instruments on currencies and VAT receivables.

Non-Current Assets amounted to Euro 114.9 million and the increase is related to the recognition of a deferred tax asset equal to Euro 14.9 million and to the capital expenditure of the year. The Non-Current Liabilities amounted to Euro 14.6 million in line with previous period.
The Total Net Financial Position was equal to Euro -131.3 million reflecting the positive net cash generation of the fiscal year for Euro 3.4 million.

Net Equity amounted to Euro 45.4 million; the increase by Euro 43.3 million is mainly the result of the profit of the year (Euro 31.7 million), the net increase of fair value of the hedging instruments recognised to Equity (Euro 7.7 million) and the increase of share premium account by Euro 2.1 million as excess contribution for the issuance of X1 shares related to MIP.

ii. Capital Expenditures

Total expenditure in tangible and intangible assets during the year amounted to Euro 24.9 million (Euro 21.6 million in the previous period), corresponding to 4.3% of turnover. In addition to these amounts, Tangible Assets increased by Euro 4.8 million following the higher value of the Right of Use of leases assets, mainly due to both new rental agreements as well as to the renewal of certain contracts already in place.

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Investments in tangible assets were focused mainly on the construction of moulding equipment related to the new products and the improvement of the plants layouts and assembly lines.
The details of capital expenditures are provided in the notes to these Consolidated Financial Statements.

iii. Research and Development Activities

In the fiscal year 2021 the resources dedicated to Research and Development (R&D) activities achieved a value of Euro 15.4 million (Euro 12.3 million in the previous fiscal period), related mainly to costs of personnel dedicated to such activities, cost of external consultants and purchase of goods for products development.

The R&D effort in the 2021 fiscal year has been addressed on several platforms with different tasks and a special focus on new technology introductions and competitive improvements.

The battery Ride-On platform, "Tornado & Estate" 300 and 500 Series has been completed with the new 700 Series (Electric deck adjustment, grassbag emptying and a larger cutting area). This model can also be connected with the customer smartphone using a dedicated app and was launched to the market in Q1 2022.

The range of battery tractors has been further extended introducing the Swift 100 and 200 Series, a new e-rider designed for small to medium gardens, fast and agile in every working circumstance, and use the Stiga 48V battery system, sharable with handhelds.

A new category of Axial mower has been introduced with Gyro 500 and 700 Series, an innovative full electric concept, designed for larger gardens, equipped with intuitive "drive by wire" electronic control that assures precision and comfort.

In the Walk Behind lawnmower (WBH) category several projects have been developed. The Fulcrum handlebar, a smart and ergonomic solution that improves storage, height adjustment and vibration for the customer. Then we have Aero, a cordless air-cushion lawnmower ideal for small gardens with 20V batteries sharable across the 100 series handheld.

The Robot journey continued in 2021. R&D activity has been strongly focused on the design and testing of the new Stig-A equipped with an autonomous navigation system, presented to the trade in Autumn 2021 and launched in the Italian and Austrian markets only in Spring 2022.

New products in the Handheld category are the 700 chainsaw and 900 pole pruner which complete the ranges. In addition, the 100 Series Vacuum Shredder was introduced.

The snow products range has been boosted using 48V technology with two new products.

The Handheld petrol range has been improved with a new petrol brushcutter and hedgetrimmer.

iv. Information Regarding the Environment and Human Resources

The Group industrial strategy pursues compliance with environmental regulations and a continuous reduction of environmental impact of production processes, in line with the Sustainability Strategy.The Group is also considering investment in more on different actions aimed to increase the level of its contribution to the overall environmental sustainability.

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Particular attention was devoted to the risks coming from the Covid-19 pandemic. We implemented a variety of safety protocols with measures that go beyond the requirements set up by the local regulations. This kept the situation under control, and our facilities open and active.

Human resources main priority has been the introduction of the "STIGA People & Performance Review". This is a new process, applied at Group level, to assess employees' contribution to the Company and to further foster employee development.

Simultaneously, there has been a focus on Employer Branding and Talent Attraction, by increasing the presence in universities, high-schools and technical schools.

The overall headcount at the end of the year increased up to ca. 1,556 employees with a +271 new employees hired during 2021 at Group Level.

Moreover, the Group decided to implement the following three ISO certifications: ISO 9001 Quality Management System, ISO 14001 Environmental Management System and ISO 45001 (Previously OHSAS 18001) Health and Safety Management System.

Stiga plants in Italy, Slovakia and China are currently certified to ISO 9001 by DNV certification body. To put in place ISO 14001 and ISO 45001 (OHSAS 18001) the Group has launched a specific project aimed to have the certifications in place by the end of 2022 and approved the hiring of people dedicated to the project in all the plants.

The Group did not experience any serious working accidents and occupational diseases to employees and was not involved in mobbing trials for which was declared guilty.

Risk Management

i. Credit Risk

The Group's credit risk is different depending on products and markets. The Group operates in some 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 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 and historical data.

ii. 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 whole available cash in Stiga C and Stiga S.p.A., optimizing the cash management and improving the control ability: all Group companies collecting

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cash from external customers are included in the cash pooling system with the exclusion of only the recently established Russian subsidiary and Spanish branch.

The financing agreement signed by the Company in 2017 provides the Group with a currently outstanding Term Loan of Euro 180 million with an extended duration to August 2024. Further, carve outs for Receivables Finance Facilities and Permitted Indebtedness up to Euro 160 million and a RCF up to Euro 60 million are included. There are no maintenance financial covenants, with the exception of a leverage ratio only in case of RCF usage. During 2021 the Group replaced the existing Receivables Finance Facility expired in August 2021 with a Securitisation agreement over the receivables of the Italian subsidiary for an amount up to 60 million and two years duration.

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.

iii. Currency Risk and Interest Rate 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 connections 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, according to the "Foreign 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 the forecasted net exposure.

The interest rate risk on the financial indebtedness has been hedged with an interest rate swap (IRS). In October and November 2016 the Group subscribed hedging instruments via IRS with maturity date November 30, 2020. In June 2018, the Group negotiated further IRS for an amount of Euro 230 million to cover the period between November 2020 and November 2023. Counterparties to these agreements were major Italian and international financial institutions. Following the partial term loan prepayment in July 2021, Euro 50 million of IRS were also unwound, resulting in current outstanting contracts for Euro 180 million. Information on the fair value of derivative financial instruments held at the balance sheet date is provided in Note 34, together with additional information on the financial risks to which the Group is exposed.

iv. Expected Future Development

The Group is expected to develop according to the strategic lines of the approved Business Plan 2024.
In the first four months of the new fiscal year sales are largely above the level registered in the same period of last year. Hence, despite the Ukraine-Russia crisis and the continuation of the Covid-19 pandemic, the Directors consider that the probability of adverse impact that will not allow the Group to achieve better results than 2021 performance is low.

From an health and safety point of view, the Group in all its legal entities is fully applying the rules and the instructions issued by local governments to face the pandemic. In Italy specifically, where most of the Group employees are concentrated, the remote working on a rotation basis has been organised. In the other companies the measures in order to cope with the local regulations and

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guidelines have been reflected in local safety protocols, providing proper information to the employees on the rules and procedures to be respected in the workplaces. The measures taken have proven effective with a low incidence of infected people among the Group employees.

May 25, 2022

For the Board of Directors
The Chief Executive Officer
Sean Robinson

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Values in Euro Thousand **ASSETS**	Dec 31, 2021	Notes	Dec 31, 2020
Non-Current assets			
Intangible Assets	27,354	(1)	22,906
Goodwill	*180*		*180*
Other Intangible Assets	*27,174*		*22,726*
Tangible Assets	69,000	(2)	67,694
Investments Accounted for using Equity Method	5	(3)	5
Financial Long-Term Assets	3,716	(4)	1,519
Other Long-Term Assets	458	(5)	468
Deferred Tax Assets and Long-Term Tax Receivables	18,041	(6)	6,051
Total Non-Current Assets	**118,574**		**98,643**
Current Assets			
Inventories	164,181	(7)	107,851
Trade Receivables	79,622	(8)	74,248
Financial Short-Term Assets	37,823	(9)	37,355
Other Short-Term Assets	21,732	(10)	11,545
Cash and Cash Equivalents	51,324	(11)	74,749
Total Current Assets	**354,681**		**305,748**
TOTAL ASSETS	**473,256**		**404,391**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Values in Euro Thousand **LIABILITIES AND EQUITY**	**Dec 31, 2021**	**Notes**	**Dec 31, 2020**
Capital and reserves			
Stockholder's Equity	45,191		1,964
Non-Controlling Interests	206		138
Total Capital and Reserves	**45,397**	**(12)**	**2,102**
Non-Current Liabilities			
Bank Borrowings	180,756	**(13)**	228,155
Other Financial Long-Term Liabilities	8,395	**(14)**	14,123
Other Long-Term Liabilities	4,908	**(15)**	4,531
Provisions for Pensions and Similar Obligations	2,347	**(16)**	2,648
Other Long-Term Provisions	5,600	**(17)**	5,565
Deferred Tax and Long-Term Tax Liabilities	1,698	**(18)**	2,115
Total Non-current liabilities	**203,704**		**257,137**
Current Liabilities			
Trade Payables	163,833	**(19)**	112,856
Bank Borrowings	29,636	**(13)**	689
Other Financial Short-Term Liabilities	5,338	**(20)**	5,318
Other Short-Term Liabilities	25,348	**(21)**	26,289
Total Current Liabilities	**224,155**		**145,152**
TOTAL LIABILITIES AND EQUITY	**473,256**		**404,391**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

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CONSOLIDATED INCOME STATEMENT

Values in Euro Thousand	2021	Notes	2020
Revenue	573,367	**(23)**	447,517
Cost of Sales	(417,280)	**(24)**	(324,903)
Gross Profit	**156,087**		**122,614**
Distribution Costs	(42,558)	**(25)**	(33,815)
Operating Expenses	(74,019)	**(26)**	(63,799)
- Research & Development	*(3,186)*		*(2,743)*
- Marketing & Selling	*(37,828)*		*(28,557)*
- General & Administration	*(19,380)*		*(21,676)*
- Operating Depreciation and Amortisation	*(13,625)*		*(10,823)*
Other Operating Income	3,204	**(27)**	3,927
Other Operating Expenses	(6,305)	**(28)**	(6,509)
Profit Before Interest and Taxes	**36,409**		**22,418**
Financial Expenses	(13,307)	**(30)**	(18,604)
Profit / (Loss) Before Taxes	**23,102**		**3,814**
Current Taxes	(6,175)	**(31)**	(3,995)
Deferred Taxes	14,772	**(6)**	(513)
Profit / (Loss) for the Period	**31,699**		**(694)**
Attributable to:			
Owners of Stiga S.A.	31,389		(914)
Non-controling interests	310		220

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Values in Euro Thousand	2021	2020
Profit / (Loss) for the Period	**31,699**	**(694)**
Gains / (Losses) chargeable to the Income Statement:		
Exchange Differences on Translation of Foreign Operations	2,017	72
Cash Flow Hedge Recognised to Equity	7,683	279
Gains / (Losses) not chargeable to the Income Statement:		
Actuarial Gains/(Losses) Recognised Directly to Equity	-	40
Total Comprehensive Income / (Loss) for the Period	**41,399**	**(303)**
Attributable to:		
Owners of Stiga S.A.	41,089	(523)
Non-Controling interests	310	220

The accompanying Notes are an integral part of these Consolidated Financial Statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS

Values in Euro Thousand	**2021**	**2020**
Profit / (Loss) for the Period	31,699	(694)
Financial Expenses	13,307	18,604
Depreciation and Write-Down of Tangible Assets	15,067	14,162
Amortisation and Write-Down of Intangible Assets	9,589	7,496
Change in Provisions	(266)	93
Change in Deferred Tax Assets and Liabilities	(9,981)	102
Other Non-Monetary Variation	(356)	4,348
Changes in Working Capital:		
- Inventories	(56,330)	(1,621)
- Trade and Other Receivables	(15,560)	(3,613)
- Trade and Other Payables	50,036	36,875
Cash Flows from Operating Activities (A)	**37,203**	**75,752**
Investments in Tangible and Intangible Assets	(25,802)	(21,486)
Disposals of Tangible and Intangible Assets	110	115
Other Changes in Long-Term Assets and Liabilities	36	(137)
Cash Flows from Investing Activities (B)	**(25,656)**	**(21,508)**
Changes in Bank Borrowings	(20,080)	2,748
Repayment of Lease Liabilities	(4,881)	(4,246)
Changes in Other Financial Assets and Liabilities	(439)	(477)
Net Interests Paid	(13,489)	(13,709)
Dividends Payment	(241)	(165)
Contribution to Share Premium Reserve	2,139	-
Cash Flows from Financing Activities (C)	**(36,990)**	**(15,849)**
Movements in Cumulative Translation Reserve	2,017	72
Other Cash Flows Effects (D)	**2,017**	**72**
Net Increase / (Decrease) in Cash and Cash Equivalents (A)+(B)+(C)+(D)	**(23,425)**	**38,467**
Net Cash and Cash Equivalents at the Beginning of the Period	**74,749** (1)	**36,282** (1)
Net Cash and Cash Equivalents at the End of the Period	**51,324** (1)	**74,749** (1)

(1) Net cash and cash equivalents doesn't include the investment of Euro 37.2 million (Euro 36.7 million in the previous period) of liquidity in a life insurance policy.

The accompanying Notes are an integral part of these Consolidated Financial Statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ 000's	Share capital	Share premium reserve	Other Reserves	Treasury shares	Cumulative translation reserve	Retained earnings	Actuarial gains/losses	Cash Flow Hedge	Stockholders net result for the period	Minorities	Total
Opening balance - Stiga SA consolidated 01.01.2020	**33**	**49**	**5**	**(2)**	**(810)**	**42,152**	**(181)**	**(5,808)**	**(32,951)**	**83**	**2,570**
Result destination						(32,951)			32,951		-
Total comprehonsive income					72		40	279	(914)		(523)
Dividends										(165)	(165)
Minorities										220	220
Closing balance - Stiga SA consolidated 31.12.20	**33**	**49**	**5**	**(2)**	**(738)**	**9,201**	**(141)**	**(5,529)**	**(914)**	**138**	**2,102**

€ 000's	Share capital	Share *premium* reserve	Other Reserves	Treasury shares	Cumulative *translation* reserve	Retained earnings	Actuarial gains/losses	Cash *Flow* Hedge	Stockholders *net result for* the period	*Minorities*	*Total*
Opening balance - Stiga SA consolidated 01.01.2021	**33**	**49**	**5**	**(2)**	**(738)**	**9,201**	**(141)**	**(5,529)**	**(914)**	**138**	**2,102**
Result destination						(914)			914		-
Total comprehensive income					2,017		-	7,683	31,389		41,089
Share premium		2,139									2,139
Dividends										(241)	(241)
Minorities										310	310
Closing balance - Stiga SA consolidated 31.12.21	**33**	**2,189**	**5**	**(2)**	**1,279**	**8,286**	**(141)**	**2,154**	**31,389**	**207**	**45,397**

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GENERAL INFORMATION

Stiga S.A., the Group's parent company, (hereinafter the "Company") is a limited liability company incorporated on October 22, 2009 as a "société anonyme" 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 B148720. Stiga S.A. and its subsidiaries (subsequently referred to as "Stiga Group" or the "Group") manufacture walk behind and ride-on lawnmowers. In addition, the Group sells handheld gardening tools (such as chainsaws, brush cutters and trimmers), robotic lawnmowers, snowthrowers, tillers and scarifiers purchased from third parties.

As duly illustrated in the Consolidated management's report, these Consolidated Financial Statements cover the fiscal year from January 1, 2021 to December 31, 2021.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The Consolidated Financial Statements for the fiscal year ended December 31, 2021 have been prepared in accordance with the International Financial Reporting 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 financial statements 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 which has been prepared using the indirect method by which the net result of the year is adjusted by the effects of non-cash operations, of the changes in working capital and by the cash flows arising from investing and financing activities.
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Other financial statements tables are:

- The Consolidated Statement of Comprehensive Income which includes components which 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 in which the 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.

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The Consolidated Financial Statements have been prepared according to the historical cost convention, except for financial assets and liabilities, including derivative instruments for which is mandatory the adoption of the fair value method. The arrangement of the financial statements according to IFRS requires to the Directors to carry out estimates and assumptions which affect the amounts reported in the financial statements 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 Directors are listed under the following paragraph "*Use of estimates*".

In preparing these consolidated financial statements, the same accounting standards and drafting criteria were substantially applied as in the preparation of the financial statements for the year ended December 31, 2020, having regard to the updates to the reference framework that came into effect on January 1, 2021, described below, which in any case did not have a significant impact on the Group.

A summary of new standards, amendments and interpretations is presented below:

1) **Accounting standards, amendments and interpretations applicable for the Group starting from January 1, 2021**

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2

Amendments published on August 27, 2020 as supplement to the provisions already issued in 2019 on the replacement of the benchmark interest rate as a consequence of the reform already introduced. The European Union endorsed the amendments on January 14, 2020. The amendments were effective for annual reporting periods starting on or after January 1, 2021. They have had no impact on the Group's consolidated financial statements.

Amendment to IFRS 16 Leases Covid-19-Related Rent Concessions

On May 28, 2020 the IASB published an amendment to IFRS 16 to regulate the accounting by lessees of any changes granted by lessors to the instalments of operating leasing contracts.
The endorsement by the European Union took place on October, 12 2020 and the amendment is applicable to financial statements whose accounting period begins on June 1, 2020 or later, but early adoption was allowed (but not opted by the Group). The amendment introduced a practical expedient which simplifies the accounting of these concessions when they are a direct consequence of the Covid-19 pandemic, avoiding the lessee to assess whether they involve a lease modification, but allowing him to account for them as variable lease payment in the period in question, in which the concession takes place. This amendment had no impacts for the Group as no Covid-related concessions have been granted at all.

Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)

On 28 May 2020 the IASB published an amendment called "extension of the temporary exemption from Applying IFRS 9 (Amendments to IFRS 4)". The amendments allow for the extension of the temporary exemption from IFRS 9 application until January 1, 2023. The endorsement of the European Union took place on December 16, 2020. These changes have came into effect on January 1, 2021 with no impacs for the Group.

2) **Accounting standards, amendments and interpretations approved by the European Union but not yet mandatory applicable and not early adopted by the Group as at 31**

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December 2021

At the date of preparation of these annual financial statements, the competent bodies of the European Union have completed the endorsement process for the adoption of the following accounting standards and amendments. With regard to the applicable standards, the Group has decided not to exercise the early adoption option, where this exists.

On May 14, 2020 the IASB published:

- *Amendments to IFRS 3 Business Combinations*. The changes are intended to update the reference in IFRS 3 to the Conceptual Framework in the revised version, without this entails changes to the provisions of IFRS3;
- *Amendments to IAS 16 Property, Plant and Equipment*. The changes are intended not to allow the amount received from the sale of goods produces in the test phases of the activity to be deducted from the cost of tangible assets. These sales revenues and the related costs will therefore be recognised in the income statement;
- *Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets*. The amendment clarifies that all costs must be considered when estimating the possible cost of a contract directly attributable to the contract;
- *Annual Improvements 2018-2020*: the amendments have been made to IFRS 1 First Time adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and to the Illustrative Examples of IFRS 16 Leases.

All changes will take effect on January 1, 2022.

On May 18, 2017 the IASB published *IFRS 17 Insurance Contracts* (and subsequently, on 25 June 2020, the *Amendments to IFRS 17*), which is intended to replace IFRS 4 Insurance Contracts. The standard will apply from 1 January 2023.

Second Amendment to IFRS 16 Leases - Covid-19 Related Rent Concessions Beyond 30 June 2021

As stated above, on 28 May 2020 the IASB published a first amendment to IFRS 16 to regulate the accounting by lessees of any amendments granted by lessors to operating lease payments due to the effects of the Covid-19 pandemic. On March 31, 2021 the IASB approved a second amendment to IFRS 16 Covid-19 Related Rent Concessions extending the practical expedient for simplifying the accounting by lessees of rent concessions (i.e. reductions or cancellations of lease payments granted to a lessee by the lessor) obtained due to the Covid-19 pandemic, which go beyond June 30, 2021. In order to apply this exemption, all the following conditions must be verified that the payment concession is a direct consequence of the Covid-19 pandemic and the reduction of payments relates only to payments originally due no later than June 2022, as well as the total of contractual payments after the rent concession is essentially equal to or less than the payments provided for in the original agreement and no other major contractual changes have been agreed with the lessor. This amendment is effective for annual reporting periods beginning on or after April 1, 2021, but earlier application is permitted. No impacts expected for the Group as no Covid-related concessions have been granted at all.

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

On the date of these financial statements, the European Union had not yet completed the approval process necessary for the adoption of the following accounting standards and amendments.

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In January 2020 the IASB issued amendments to IAS 1, which clarify how an entity classifies liabilities as current or non-current. The amendments initially had an effective date of January 1, 2022, however, in July 2020 this was deferred until January 1, 2023 as a result of the Covid-19 pandemic. These amendments are expected to have impact on many entities, with more liabilities being classified as current, particularly those with covenants relating to borrowings.

In February 2021 the IASB issued amendments to IAS 1, which change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy information is likely to be considered material. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted. As IFRS Practice Statements are non-mandatory guidance, no mandatory effective date has been specified for the amendments to IFRS Practice Statement 2.

In February 2021 the IASB issued amendments to IAS 8, which added the definition of Accounting Estimates in IAS 8. The amendments also clarified that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from correction of prior period errors.

These amendments are aimed at improving disclosure on accounting policies in a way to provide more useful information to the investors and other primary users of the financial statements as well as to help companies distinguish changes in accounting policies. The amendments will be effective for financial years starting on January 1, 2023 or later, however early application is permitted.

In May 2021 the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption under IAS 12.15, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

Finally, in December 2021 the IASB published the amendments to IFRS 17 Insurance contracts: Initial application of IFRS 17 and IFRS 9 – Comparative information". The amendment gives insurers an option for the purpose of improving the meaningfulness of the information to be provided to investors on initial application of the new standard. The amendment applies to reporting periods beginning on or after 1 January 2023, but early application is allowed.

The Group has not adopted the above mentioned new and amended standards, that have been issued but are not mandatory applicable. In fact, the European Union has not yet completed its endorsement process for the standards and amendments below reported at the date of these Consolidated Financial Statements. Anyhow, the Board of Directors does not expect that the related application will have a significant impact on the financial position and/or financial performance of the Group.

The Group will apply these new principles and amendments when they become effective. The Group does not expect any significant impact from their application.

Basis of Consolidation

The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries as of December 31, 2021.

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Details of the Company and its consolidated subsidiaries as of December 31, 2021 are as follows:

Company Name	Registered Office	% Held	Consolidation Method
STIGA S.A.	Luxembourg	100	Parent Company
STIGA C S.à.r.l.	Luxembourg	100	Full consolidation
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, Slovenjia	100	Full consolidation
STIGA Slovakia S.r.o	Poprad, Slovak Rep.	100	Full consolidation
STIGA Sas	Paris, France	100	Full consolidation
STIGA GmbH	Wien, Austria	51	Full consolidation
Eurotillers S.r.o	Poprad, Slovak Rep.	49	Equity method
STIGA LLC	Moscow, Russia	100	Full consolidation
STIGA AB	Tranâs, Sweden	100	Full consolidation
STIGA A/S	Oslo, Norway	100	Full consolidation
STIGA GmbH	Strealen, 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.	Poznan, Poland	100	Full consolidation
STIGA NV	Zedelgem, Belgium	100	Full consolidation
STIGA A/S	Bröndby, Denmark	100	Full consolidation

Following the Stiga C S. à r.l. Board of Managers decision taken in September 2020, in July 2021 the Group completed the procedure of liquidation of STIGA PTD in Austria in order to simplify the administration of the R&D office in Graz: the two employees present in the office were administratively transferred to STIGA G.m.b.H. (Austria). In September 2021 Stiga Sas moved its premises from Steinbourg to Paris in order to be closer to the most important customers.

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

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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.

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

Transactions in foreign currencies are recorded at the foreign exchange rate prevailing at the date of the transaction.

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 current at the transaction date have been applied. Exchange differences arising on converting financial statements expressed in foreign currencies are booked directly to shareholders' equity (other comprehensive income).

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 Euro 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 December 31, 2021
SEK Swedish Crown	10.0459	10.2726	10.2726
GBP British Pound	0.8469	0.8927	0.8487
DKK Danish Crown	7.4361	7.4398	7.4362
NOK Norwegian Crown	9.8143	10.4195	10.1308
PLN Polish Zloty	4.4968	4.6462	4.6137
CZK Czech Crown	25.2456	26.1781	25.2456
CNY Chinese Yuan Renminbi	7.1993	7.8730	7.1993
RUB Russian Ruble	82.7727	91.1446	83.4913

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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 standardization 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, patents 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.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

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Capitalised development costs are recorded as intangible assets and amortised from the point at which 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

Tangible Assets

Tangible assets 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

Impairment of Assets

The Group reviews, at least annually, the recoverability of the carrying amount of intangible and tangible assets, in order to determine whether there is any indication that those assets have

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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 above.

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 (ex. use of the asset in a specific place, 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 restated.

The incremental borrowing rate ("IBR"), given the substantially stable conditions on which the calculation is based, has been based on the average borrowing cost of Stiga Group, e.g. respectively 2% for short term financing and 4,25% for long term financing, applied accordingly to the lease agreements for which the conditions of adoption of the new standard have been respected, depending on their maturity date and is in line with previous year.

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

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

Financial Assets

Financial assets are recognised under current and non-current assets based on maturity and expectations of when they will be 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 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".

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 non financial assets" below.

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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. In particular, equity investments in non-consolidated companies over which the Group does not exercise significant influence are included in this category and recognised under ""Investments Accounted for Using the Equity Method". 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 Non Financial Assets

The assumption adopted by the Group with regard to trade and other non financial 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. According to this model, the Group assesses receivables on an expected loss basis. For trade receivables, the Group has adopted a simplified measurement approach, which does not require the recognition of periodic changes in credit risk, but rather the recognition of an Expected Credit Loss ("ECL") calculated over the entire life of the receivable ("lifetime ECL"). Depending on the different characteristics of the credit risk per country, it was decided to apply specific evaluation for different groups of receivables on an individually 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 expense are not allocated.

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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

Costs and income relating to two or more years are booked as accruals and deferrals in order to comply 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.

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.

Bank Borrowing and Trade and Other Payables

Payables and other financial and/or trade 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.

Trade payables are classified as current liabilities if payment will take place within one year of the reporting date. Otherwise, such payables are classified as non-current liabilities.
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.

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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.

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.

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In particular, on July 7, 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 amount depends on the amount resulting from the exit proceeds. 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.

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:

- 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 for, in general, as follows (theoretical three 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 comprehensive income; 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 are 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 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 statement of profit or loss. On disposal of

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the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss

Stiga Group ordinarily uses derivative financial instruments (i.e. currency forward agreements and Interest Rate Swaps), as part of its risk management policy to reduce its exposure to market risks from changes in foreign exchange rates and in interest rate fluctuations on the long-term debt, therefore accounted as cash flow hedgings. Regardless of the managerial purpose of the contract, if the derivative instruments used to manage interest rate and currency risk do not satisfy (or they no longer satisfy) the formal requirements for IFRS hedge accounting, such instruments are recognised in the 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.

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. Cost of sales also includes freight and insurance costs relating to deliveries to dealers and agency fees in the case of direct sales.

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

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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.

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.

It is worth to highlight that in general, linking to market uncertainty due to Covid-19 pandemic, the estimate assessments were not particularly impacted, as corroborated by the performance achieved during fiscal year 2021 and, even more, by the outlook of own business already detected in the first months of fiscal year 2022.

Impairment of Tangible and 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.

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 Directors 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.

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Provisions for Doubtful Accounts

A specific fund for doubtful receivables at direct reversal of their gross value reflects the estimates of the expected losses estimated on the basis of past experience and the future expectations of receivables with a similar risk profile, on current and historical past due amounts, as well as on a careful monitoring of the credit portfolio quality and of the current and expected conditions of the economy and of the reference markets. Estimates and assumptions are reviewed periodically and the effects of any changes are reflected in the income statements of the year to which they pertain.

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.

Fair Value of Financial Instruments

The fair value of eventual listed financial instruments is based on the current offering price. If the market for a financial asset is not active (or unlisted securities are involved), the Group defines fair value using valuation techniques. These techniques include referring to advanced trading in progress, securities with the same characteristics, cash flow analyses, and price models based on the use of market indicators and aligned, as far as possible, with the assets to be valued.

In the process of formulating the valuation, the Group emphasises the use of market information over the use of internal information specific to the nature of the Group's business.
These assumptions may not occur with the expected timing and mode. Therefore, estimates of these derivatives could differ from the final data.

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.

Provisions for Risks and Charges

Provisions representing the risk of a negative outcome are recognised for legal and tax risks, as well as for other liabilities uncertain in timing or amount (i.e. warranty costs). The amount of provisions recorded in the Consolidated Financial Statements in relation to these risks represents the best estimate to deal with potential risks. This estimate entails the use of assumptions that depend on factors that might change over time and that might therefore have significant effects compared with the current estimates used to prepare the financial statements.

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Financial Liabilities and ROU Assets

The Group recognises the ROU asset and the lease liability. The ROU asset is initially measured at cost, and subsequently at cost net of depreciation and cumulative impairment losses and adjusted to reflect the revaluations of the lease liability. The Group values its lease liability at the present value of lease payments due and not paid at the commencement date, discounting them using the interest rate as defined above.

The lease liability is subsequently increased by interest accruing on that liability and decreased by the lease payments owed, and is revalued in the event of a change in future lease payments due as a result of a change in the index or rate, in the event of a change in the amount that the Group expects to have to pay as a residual value guarantee or when the Group changes its assessment with regard to the exercise of a purchase, extension or termination option.

Leases in which the Group acts as lessee may provide for renewal options which therefore affect the term of the lease. Assessments of whether there is a relative certainty that this option is (or is not) exercised may significantly affect the amount of lease liabilities and ROU assets as well as the incremental borrowing rate applied when it is not possible to easily determine the interest rate implicit in the lease.

Going Concern

The refinancing process concluded in 2017 by the Management provided the Group with a Term Loan of Euro 230 million with an extended duration to August 2024. Further, carve outs for Receivables Finance Facilities and Permitted Indebtedness up to Euro 160 million and for Revolving Credit Facilities (RCF) up to Euro 60 million are included. There are no maintenance financial covenants, with the exception of a leverage ratio only in case of RCF usage.

The current financial structure results in a Facility (Term Loan B) amounting to Euro 180 million, after a partial voluntary reimbursement of Euro 50 million done in July 2021. Further, RCF of Euro 30 million are granted to the companies of the Group, while the Receivable Finance Facility enabling the companies of the Group to raise finance in Italy, UK, Germany, France and Sweden under a single agreement up to Euro 80 million, expired in August 2021, was replaced with a Securitisation agreement over the receivables of the Italian Company for an amount up to Euro 60 million and 2 years duration.

The Group expects to extend in 2022 the Receivable Finance Facilities to additional Euro 60 million, thanks to the freed-up receivables in UK, Germany, France and Sweden previously included in the not renewed Receivable Finance Facility expired in August 2021. Following the partial Term loan prepayment, Euro 50 million of Interest Rate Swap were also unwound, resulting in current outstanding contracts for Euro 180 million.

In evaluating the appropriateness of the going concern assumption for the preparation of the annual accounts, the Directors took into consideration the Group's solid financial structure as described above, as well as the possible implication on the Group commercial performance of the continuation over Europe of the Covid-19 pandemic and its possible consequences on the macroeconomic trends in the various European countries economies. Under this respect the Directors noted the Group achieved a good performance in 2021, despite the ongoing spread of the Covid-19 disease. Thanks to changes in the habits of the population inducted by the Governments' actions to face the spread of the disease with limitation of the mobility of the people, the resulting effect on the Group's business was positive.

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The conflict between Russia and Ukraine, which began on 24 February 2022, is causing significant consequences globally, not only for the serious humanitarian crisis that originated, but also for the economic impacts on global markets, resulting in volatility of commodities prices, such as gas and oil, and in expected reduction in the growth rate of European economies, as confirmed by European authorities and supra-national bodies. The exposure of the Group in the markets directly or indirectly involved in the conflict, at the date of preparation of these financial statements, is approximately 2% of the business volumes, in major part related to the Russian subsidiary. The situation is constantly monitored by the Management in order to minimise the damages and to be able to react promptly to any further adverse effect as a consequence of the conflict.

Worth mentioning the evidence that the business performance in the first four months of 2022 is above the same period of 2021 by +17% on sales and by +11% on EBITDA.

In the light of the circumstances described above, the Directors deem the going concern assumption appropriate for the preparation of the annual accounts as of December 31, 2021.

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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 S.A. 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".

	Euro/000			
	Equity		Net Result	
Description	**Dec 31, 2021**	**Dec 31, 2020**	**2021**	**2020**
STIGA SA Statutory Financial Statements	**(38,711)**	**(39,307)**	**(1,542)**	**(6,085)**
- Difference in Values of Investments and Equity				
- Investments' Value Elimination	(245,765)	(245,841)	-	-
- Equity and Net Result of Consolidated Companies	335,828	292,426	50,493	15,279
- Elimination of Consolidated Companies' Statutory Goodwill	180	(373)	553	853
- Dividends Elimination	(4,114)	(3,008)	(17,678)	(9,957)
- Elimination of IC Gains on Assets Disposals and IC Profits on Inventory	(3,060)	(5,076)	2,016	(76)
- Other Consolidation Entries	1,039	3,281	(2,143)	(708)
Consolidated Financial Statements	**45,397**	**2,102**	**31,699**	**(694)**
- Minority Interests	(206)	(138)	(310)	(220)
Consolidated Financial Statements - Attributable to Owners of the Parent	**45,191**	**1,964**	**31,389**	**(914)**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(1) Intangible Assets

Euro 000's	Develop-ment costs	Software & Licenses	Trade marks & Patents	Goodwill	Other	Total
Carrying Amount at the Beginning of the Fiscal Year	**19,079**	**2,794**	**815**	**180**	**38**	**22,906**
Additions	12,112	1,582	153	-	216	14,063
Decrease	(17)	(14)	-	-	-	(31)
Amortisation	(8,095)	(1,216)	(239)	-	(40)	(9,590)
Translation Differences	(1)	4	-	-	3	6
Carrying Amount at the End of the Fiscal Year	**23,078**	**3,150**	**729**	**180**	**217**	**27,354**

Appendix 2 shows historical costs, accumulated amortisation and changes during the year for each item.

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 center in Italy (Euro 12.1 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 (CRM) and the new products website. The increase of the year is mainly related to the new sales data management and forecasting tool, the new spare parts invoice set up, the vendor portal for consignment stock, and EDI for key accounts.

The net book value of Trademarks and Patents refers mainly to the patents related to the autonomous robot and trademark Atco purchased by Stiga S.p.A (Italy) in the previous years.

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 at December 31, 2021 on the equity of the subconsolidated accounts of Stiga C was based upon future cash flows as resulting from the Budget 2022 and Business Plan 2024 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 Euro 594 million and Euro 176 million. As already stated as general principle within the Group, considering the related features which present a substantial business standardization and deep industrial and commercial interactions among products and among companies in the Group, the analysis was therefore performed at consolidated level, considering the Group as a single CGU.

The current value in use was calculated as present value of future expected cash flows generated in the years 2022-2024 plus the terminal value. Among the assumptions used in the calculation, it

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is worth noting the growth rate used for determining the terminal value which was set at 1.0% and the Weighted Average Cost of Capital (WACC) rate set at 7.85%. Those rates reflect current estimates of inflation rates and market values of interest rates and industry risks.

Management believes that the assumptions underlying expected cash flows used for the impairment test are appropriate and prudent even though subject to the typical uncertainties connected to the current macroeconomic trends and to the dependency on external factors of the business in which the Group operates.

With regard to the impairment analysis and the potential criticality linked to market uncertainty due to Covid-19 pandemic, it should be noted the absence of particular negative impacts for the Group, considering all the arguments, already developed in the consolidated management report and in other sections of these notes, concerning the performance of Group and the gardening sector trends, as well as the solid basis of the Business Plan 2024, thanks to the relevant strategic investments done in the last years.

The sustainability of the results of the impairment testing has been tested, basing on changes in the main assumptions of the model, as below:

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

This sensitivity analysis performed separately for each of the above assumptions would not, however, result in write-downs to be recorded as at December 31, 2021

(2) Tangible Assets

Euro 000's	Land & Buildings	Plant & Machinery	Tools and Equipment	Other tangible fixed assets	ROU	Total
Carrying Amount at the Beginning of the Fiscal year	**32,425**	**7,464**	**16,597**	**2,888**	**8,320**	**67,694**
Additions	1,035	1,564	6,038	2,216	4,800	15,653
Decreases	-	(71)	(10)	-	-	(81)
Reclassifications	-	-	141	(141)	-	-
Depreciation	(1,590)	(1,527)	(5,377)	(1,709)	(4,864)	(15,067)
Translation Differences	422	(9)	421	19	(51)	802
Carrying Amount at the End of the Fiscal Year	**32,292**	**7,421**	**17,810**	**3,273**	**8,205**	**69,000**

Appendix 3 shows historical costs, accumulated depreciation and changes during the year for each item.

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

During the fiscal year, the Group has mainly invested in machinery, tools, moulds and other equipment in Stiga S.p.A. (Euro 4.6 million), Stiga Slovakia S.r.o. (Euro 1.5 million), Stiga

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(Guangzhou) Garden Products Co. Ltd (Euro 3.3 million), Stiga S.a.S (Euro 0.6 million) and Stiga Gmbh (Euro 0.5 million). As in prior years, these investments aim at improving the Group's efficiency and capability to meet future demand for its products.
ROU mainly refers to warehouses and offices rentals agreements in Italy, Germany, France, Sweden, Poland and Slovakia. The increase of the year is due to both new rental agreements (e.g. in the new branch in Spain) as well as to the renewal of certain contracts already in place.

As detailed below in the notes regarding memorandum accounts, certain fixed assets are subject to mortgages and other ties in favour of lenders.

(3) Equity Investments

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 based in Poprad – Slovak Republic. The industrial project was abandoned and the investment is valued in these Consolidated Financial Statements using the equity method which led to accounting for a provision amounting to Euro 1.3 million to cover losses incurred in the past. The provision has been accounted for in deduction of the financial loan towards Eurotillers S.r.o. (see Note 4).

(4) Financial Long-Term Assets

The item amounting to Euro 3.7 million (Euro 1.5 million in the previous period) includes:

- For Euro 1.5 million the Eurotillers S.r.o. loan. As mentioned in Note 3, the carrying value of the loan is considered recoverable in view of the fact that the investment in such entity is valued at equity taking into consideration the current market value of assets and liabilities, including such loan. In order to determine the net recoverable value of the loan, in addition to the book value of equity, the carrying value of the building owned by the company was also considered.
- For Euro 2.2 million the loans at market conditions entered by the fully owned subsidiary Stiga C S.à r.l in favour of some identified members of the Board of Directors of Stiga S.A. in order to finance the acquisition of the X1 shares related to the MIP.

(5) Other Long-Term Assets

The item mainly refers to prepaid expenses connected to the receivables finance facility and to the revolving credit facilities obtained in 2016 and 2017; they are amortised according to the duration of the facilities. The current portion of these prepaid expenses is included in Other short-term assets.

(6) DeferredTax Assets and Long-Term Tax Receivables

This caption includes deferred tax assets for Euro 18.0 million. We report below a detail of deferred tax assets and relevant movements during the year.

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(Euro 000's)	Taxed Provisions	Tax Losses	Interest Costs Non Deductable	Hedging Instruments	Total
Balance at January 1, 2021	**4,267**	**38**	**-**	**1,746**	**6,051**
Credited to Income Statement		11,109	3,821		14,930
Charged to Income Statement	(414)	(158)			(572)
Credited to Equity	58			(2,426)	(2,368)
Balance at December 31, 2021	**3,911**	**10,989**	**3,821**	**(680)**	**18,041**

We report the same detail for the previous period:

(Euro 000's)	Taxed Provisions	Tax Losses	Interest Costs Non Deductable	Hedging Instruments	Total
Balance at January 1, 2020	**4,788**	**288**	**-**	**1,334**	**6,410**
Credited to Income Statement	-	-	-	-	-
Charged to Income Statement	(579)	(250)	-	-	(829)
Credited to Equity	58	-	-	412	470
Balance at December 31, 2020	**4,267**	**38**	**-**	**1,746**	**6,051**

Deferred tax assets on taxed provisions for Euro 3.9 million mainly refer to Italy, Slovakia and Poland and are calculated on the 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 on interest costs not deducted refer to the recognition by Italy of the related fiscal credit foreseen to be used within 2024. The amount was determined using the taxable income expected for the next three years.
Further amounts of potential fiscal benefits on interest costs not deducted are available in Italy for a total of Euro 11.4 million. They will be likely activated next year, upon approval of the new Business Plan 2022-2026.

Deferred tax assets on hedging instruments decreased by Euro 2.4 million, leading to a year end balance of Euro (0.7) million; the value refers to the fiscal impact on the fair value of exchange rate and interest rate hedging contracts classified as cash flow hedges.

(7) Inventories

The following table shows details of inventory categories as at December 31, 2021 compared to the previous financial period figures.

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Euro 000's	Dec 31, 2021	Dec 31, 2020
Raw Materials and Components		
Gross Value	54,702	29,602
Obsolescence Reserve	(1,221)	(1,520)
Net Value	**53,481**	**28,082**
Work in Progress		
Gross Value	12,844	6,541
Obsolescence Reserve	(787)	(780)
Net Value	**12,057**	**5,761**
Finished Goods and Spare Parts		
Gross Value	102,505	78,494
Obsolescence Reserve	(3,863)	(4,486)
Net Value	**98,642**	**74,008**
Total Inventories	**164,181**	**107,851**

Stocks of raw materials and components refer to the production units, in particular Slovakia for Euro 26.6 million, Italy for Euro 17.1 million and China for Euro 10.5 million. Work in progress is mainly located in Italy (Euro 10.8 million) while finished goods are stored partly in the three production facilities (Euro 46.5 million) and partly in the other commercial subsidiaries (Euro 42.9 million). Spare parts are mainly located in the Belgian warehouse of Stiga S.p.A. (Euro 8.4 million).

The total Inventory increase of 56.3 million is needed to serve the strong demand for Q1 2022.

Obsolescence Reserve amounting to Euro 5.9 million (Euro 6.8 million in the previous period) was recorded mainly in Italy (Euro 4.0 million), Slovakia (Euro 0.5 million), UK (Euro 0.5 million) and Germany (Euro 0.3 million). The amount of the reserve as of December 31, 2021 is considered adequate to cover known and expected losses in inventory.

The Obsolescence Reserve movement during the 2021 fiscal year has been as follows:

Euro 000's	Dec 31, 2020	Provision	Use and Release	Translation Difference	Dec 31, 2021
Obsolescence Reserve	(6,786)	(1,625)	2,593	(53)	(5,871)

The obsolescence reserve movement during the previous fiscal period has been as follows:

Euro 000's	Dec 31, 2019	Provision	Use and Release	Translation Difference	Dec 31, 2020
Obsolescence Reserve	(7,617)	(1,423)	2,274	(20)	(6,786)

(8) Trade Receivables

Euro 000's	Dec 31, 2021	Dec 31, 2020
Trade Receivables due from Third Parties	81,421	75,510

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Allowance for Doubtful Accounts	(1,799)	(1,262)
Total Trade Receivables	**79,622**	**74,248**

All trade receivables are due within one year. They refer mainly to Italy (Euro 51.9 million), UK (Euro 9.1 million), France (Euro 2.8 million), Germany (Euro 2.4 million) and Poland (Euro 2.3 million). Additionally, the Slovakian subsidiary shows Euro 5.8 million as trade receivables, composed by credit towards suppliers.

The overdue balance amounts to Euro 11.7 million compared to Euro 6.8 million in the previous period; the increase is mainly due to higher 0-30 days overdue.

The allowance for doubtful accounts relates mainly to UK (Euro 0.5 million), Italy (Euro 0.3 million), France (Euro 0.3 million) and Denmark (Euro 0.2 million) and it is considered adequate to cover known and expected losses in receivables.

The allowance for doubtful accounts movement during the 2021 fiscal year has been as follows:

Euro 000's	Dec 31, 2020	Provision	Use and Release	Translation Difference	Dec 31, 2021
Allowances for Doubtful Accounts	(1,262)	(855)	346	(28)	(1,799)

The allowance for doubtful accounts movement during the previous fiscal period has been as follows:

Euro 000's	Dec 31, 2019	Provision	Use and Release	Translation Difference	Dec 31, 2020
Allowances for Doubtful Accounts	(1,325)	(250)	277	37	(1,262)

(9) Financial Short-Term Assets

This caption, amounting to Euro 37.8 million, includes financial assets due within twelve months:

Euro000's	Dec 31, 2021	Dec 31, 2020
Life Insurance	37,156	36,698
Other Financial Assets	377	358
Financial Receivables	291	299
Total Financial Short-Term Assets	**37,823**	**37,355**

The caption Life Insurance refers to a policy contract subscribed with Credit Agricole Vita in May 2014, in order to invest an amount of liquidity at a higher yield compared to other potential investments with similar risk profile; such instrument can be reimbursed upon request in a short period.

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(10) Other Short-Term Assets

Euro 000's	Dec 31, 2021	Dec 31, 2020
Hedging Instruments	6,576	760
Claims for VAT	9,634	5,700
Other Tax Receivables	2,939	2,362
Accruals and Prepayment Short-Term	1,685	2,247
Other Debtors	898	476
Total Other Short-Term Assets	**21,732**	**11,545**

All short-term assets are due within one year. The claims for VAT refer mainly to Slovakia (Euro 3.6 million), China (Euro 2.1 million) and Italy (Euro 3.0 million).

The item "Hedging Instruments" includes the fair value of exchange rate hedging contracts classified as cash flow hedges (see Note 34 for further details).

(11) Cash and Cash Equivalents

Euro 000's	Dec 31, 2020	Dec 31, 2020
Bank Accounts	50,634	74,686
Cash on Hand and Cash Equivalents	690	63
Total Cash and Cash Equivalents	**51,324**	**74,749**

Some bank accounts of the Group have been pledged as collateral and given as guarantees for the long-term debt as detailed in Note 21.

(12) Equity

Share Capital and Share Premium Reserve

As at December 31, 2021 the subscribed capital amounts to Euro 31,779.96 represented by 31,779,968 shares with a nominal value of Euro 0.001 each, which are divided into:

- 2,500,000 A1 Preferred Shares;
- 2,500,000 A2 Preferred Shares;
- 22,934,001 A3 Ordinary Shares;
- 1,469,830 A4 Preferred Shares;
- 150,000 B1 Preferred Shares;
- 2,204,745 B2 Preferred Shares;
- 21,392 X1 Preferred Shares.

The preferred shares confer to the holders the right to receive a preferential cash dividend in priority to the payment of dividends to the holders of any other shares.

Share premium amounts to a total of EUR 2,188,678.61, as a result of the allocation of EUR 2,139,178.61 as excess contribution for the sale of X1 shares.

Other Reserves and Treasury Shares

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During the financial year ended on August 31, 2010, the Company issued 2,565,998 equity warrants for an amount of Euro 2,566.

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 Gains 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. Such cash flow hedge reserve includes Euro 3.0 million related to negative fair value of Interest Rate Swaps accounted for the hedging of interests rate fluctuations and Euro 5.8 million related to positive fair value of forwards accounted for the cash flow hedging of exchange rates fluctuations. Such amounts have a related deferred tax negative effect of total Euro 0.7 million.

Regarding the residual hedging of future interests rate, given the fact that the conditions of the loan includes a floor in interest rate, differently from the Interest Rate Swaps (which have not any fixed floor) and due to the changes occurred in the financial market scenarios (i.e. the forward curve of market rates came into a range of negative forecasts), since the month of May 2019 the hedging relationship between the loan and the derivatives in place broke down, as economic relationship between the hedged item and the hedging instrument has failed. So, at the end of May 2019 the cash flow hedge reserve was frozen at the fair value of that time (Euro 7.0 million), and, following such event all the fluctuations in the fair value of derivatives have been booked directly through profit and loss. Furthermore, for the remaining life of such derivatives all the changes in their fair value are booked through profit and loss. The frozen fair value of the derivatives as at May 2019 will be released from the equity reserve on a straight line basis according to the maturity of the originally hedged streams of interests.

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) entity.

(13) Bank Borrowings

Euro 000's	Within One Year	Between One and Five Years	Dec 31, 2021	Dec 31, 2020
Term Loan B	-	180,000	180,000	230,000
Borrowing Costs on Term Loan B	(818)	(1,458)	(2,276)	(3,904)
Subsidised Financing	1,572	3,032	4,604	2,748
Securitisation		28,064	28,064	

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Total Bank Borrowings	**754**	**209,638**	**210,392**	**228,844**

The Group debt summarised above is mainly the result of the refinancing process finalized with the signature of the Amendment and Restatement Deed on August 25, 2017. As foreseen in this agreement, a Facility (Term Loan B) amounting to EUR 230 million with maturity date August 30, 2024 has been granted to the Company. In July 2021 the Term Loan B was partially reimbursed for Euro 50 million, leading to a current outstanding balance of Euro 180 million.

Interests on this facility is calculated at a variable rate (Euribor 6 months, with zero floor, plus a spread of 425 basis points) and are paid half-yearly in May and November.

As required by the above-mentioned financing agreements, in June 2018 the Group negotiated Interest Rate Swaps for an amount of 230 million to cover the period between November 2020 and November 2023. Following the partial Term Loan B prepayment, Euro 50 milion of Interest Rate Swap were unwound in 2021, resulting in current outstanding contracts for Euro 180 million. Details about those agreements are given in Note 34.

It's worth mentioning that as part of the finalisation of the Amendment and Restatement Deed, the Group incurred significant costs for a total amount of Euro 6.9 million, such amount mainly includes legal and financial advisory fees as well as bank fees. Since the amount of Euro 6.9 million is directly attributable to the acquisition of the new financial liability, it has been treated accordingly to the amortised cost method on the basis of effective interest rate. The partial reimbursement of the Term Loan B accelerated the amortisation in fiscal year 2021 by Euro 0.7 million.

The subsidised financing refers to loans obtained from the Italian company Stiga S.p.A. in relation to the project called "STIGA DIGITAL - Development of digital innovations for products and process management systems in the field of garden machines" approved in January 2019 by the Italian Ministry of Economic Development for a total cost of Euro 10.9 million, against which subsidised and bank loans for a total of Euro 7.4 million and non-repayable grant for a total of Euro 2.2 million were obtained.

In the fiscal year 2021, against the second work progress report, subsidised and bank loans for Eur Euro 3.0 million were granted; current aggregated outstanding balance is Euro 4.6 million.
Furthermore, in October 2021 Stiga S.p.A. entered into a Securitisation agreement over its receivables for an amount up to Euro 60 million; the outstanding borrowing at year end amounted to Euro 28.1 million.

Financial Covenants

The Amendment and Restatement Deed agreed the elimination of the financial covenants previously existing 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.

(14) Other Financial Long-Term Liabilities

Euro 000's	Between One and Five Years	Dec 31, 2021	Dec 31, 2020

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Hedging Instruments	4,342	4,342	9,706
Other Financial Liabilities	4,053	4,053	4,417
Total	**8,395**	**8,395**	**14,123**

The item "Hedging Instruments" refer to the fair value of the Interest Rate Swap contracts on Euribor 6 months subscribed to hedge the financial indebtedness. The contracts not expired yet, for a total nominal value of Euro 180 million, cover the period between November 2020 and November 2023. Details about those agreements are given in Note 34. Other financial liabilities mainly includes the debt due after more than 12 months related to the leases accounted for according to IFRS 16.

(15) Other Long-Term Liabilities

The item inclueds the long-term liability for the Non Executive Incentive Plan (NEDIP) arised from the agreement signed on July 7, 2016 by Stiga S.A., Stiga C S.àr.l. and Stiga SpA (Italy) 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 ("Cash Payment") originates upon the occurrence of an exit event and the Cash Payment amount depends on the amount resulting from the Exit Proceeds, being the prospective cash proceeds received by the Group Shareholders. At the end of the financial year the fair value of the incentive amounts to EUR 3.992 million (4.348 in the previous financial period). As a consequence, the Company released to the Consolidated Income Statement Euro 0.4 million (see Note 26).

(16) Provision for Pensions and Similar Obligations

Provisions for pension and similar obligations amount to Euro 2.3 million and include:

- The employees leaving indemnity as required under Italian law (so called "Trattamento di Fine Rapporto", herein after "TFR") for Euro 2.0 million. The reserve comprises liability for severance indemnities that the Italian company accrued for employees up to 2007, as requested by Italian labour legislation. This provision is settled at the time employees retire or otherwise leave the company or may also be partially paid in advance if certain conditions are met. This is considered to be a defined benefit post-employment plan;
- The defined benefit pension fund regarding Stiga Sas (France) for Euro 0.1 million;
- The defined benefit pension fund regarding Stiga GmbH (Austria) for Euro 0.2 million;
- The remaining portion of the pension fund PRI (Pension Registration Institute) accrued by Sweden for Euro 0.1 million after the repayment of the most part of the obligation made in May 2019, as decided by the Board of Managers of Stiga C on December 18, 2018;
- The defined benefit pension fund regarding Stiga A/S (Norway) for Euro 0.05 million.

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

Euro 000's	**Dec 31, 2021**	**Dec 31, 2020**
Defined Benefit Obligation - Opening Balance	**2,648**	**2,994**
Service Cost	5	25
Interest Cost	(81)	9
Benefits Paid	(222)	(338)
Translation Differences	(3)	(1)
Expected Defined Benefit Obligation - Closing Balance	2,347	2,689
Actuarial (Gains) / Losses	(0)	(41)

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Defined Benefit Obligation - Closing Balance	2,347	2,648

The main defined benefit plan in place as at December 31, 2021 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	Dec 31, 2021	Dec 31, 2020
Discount Rate	0.44%	-0.02%
Future Salary Increase	2.81%	2.10%
Inflation Rate	1.75%	0.80%
Advances Frequency	3,00%	3,00%
Turnover Frequency	7,00%	7,00%

Demographic Technical Bases Summary

Mortality	Mortality table RG48 published by the Italian General Accounting Office
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 7-10 at the calculation date was used as the benchmark for the discount rate. This expiry 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 it is a sensitivity analysis related to pension plans with defined benefits on the basis of the changes in the key assumptions:

Dec 31, 2021	Euro 000's
Turnover Rate +1%	1,987
Turnover Rate -1%	2,019
Inflation Rate +0,25%	2,025
Inflation Rate -0,25%	1,980
Actual Discount Rate +0,25%	1,966
Actual Discount Rate -0,25%	2,039

The sensitivity 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: Euro 199 thousand; Year 2: Euro 169 thousand; Year 3: Euro 160 thousand; Year 4: Euro 153 thousand; Year 5: Euro 170 thousand.

(17) Other Long-Term Provisions

The item Other Long-Term Provisions, amounting to Euro 5.6 million, is composed as follows:

Euro 000's	Warranty	Other	Total
Balance at January 1, 2020	**5,194**	**371**	**5,565**

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Costs Accrued in the Year	5,385	65	5,450
Use	(5,474)	(40)	(5,515)
Translation Differences	97	3	100
Balance at December 31, 2021	**5,202**	**398**	**5,600**

We report the same detail for the previous period:

Euro 000's	**Warranty**	**Other**	**Total**
Balance at January 1, 2020	**4,773**	**393**	**5,166**
Costs Accrued in the Year	5,942	-	5,942
Use	(5,430)	(22)	(5,452)
Translation Differences	(91)	-	(91)
Balance at December 31, 2020	**5,194**	**371**	**5,565**

The warranty provision refers to mandatory duties according with local laws and mainly results from accruals created in UK (Euro 1.1 million), Germany (Euro 1.1 million), Italy (Euro 0.7 million), Poland (Euro 0.5 million) and France (Euro 0.5 million) in order to cover eventual future costs related to products defects. The provision was calculated on the basis of historical incurred claim rates.

The other provisions include mainly the provision for agents' leaving indemnities for Euro 0.3 million accounted for liabilities regarding termination indemnities potentially due to sales agents in Italy.

(18) 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 Euro 1.3 million to the fiscal impact of accelerated depreciation charges on fixed assets calculated in accordance with local laws in Slovakia and Italy and for Euro 0.4 million to other temporary differences between tax and book values.

Deferred Tax Liabilities (Euro 000's)	**Accelerated Tax Depreciation**	**Cash Flow Hedge Instruments**	**Swedish Untaxed Reserves**	**Other**	**Total**
Balance at January 1, 2021	**1,495**	**-**	**327**	**293**	**2,115**
Credited to Income Statement	(232)	-	(174)	(11)	**(417)**
Charged to Income statement	-	-	-	-	-
Balance at December 31, 2021	**1,263**	**-**	**153**	**282**	**1,698**

The same table for the previous financial period is presented below.

Deferred Tax Liabilities (Euro 000's)	**Accelerated Tax Depreciation**	**Cash Flow Hedge Instruments**	**Swedish Untaxed Reserves**	**Other**	**Total**

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Balance at January 1, 2020	**1,459**	**-**	**556**	**357**	**2,372**
Credited to Income Statement	-	-	(229)	(64)	**(293)**
Charged to Income Statement	36	-	-	-	**36**
Balance at December 31, 2020	**1,495**	**-**	**327**	**293**	**2,115**

(19) Trade Payables

Trade payables, amounting to Euro 163.8 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.

Euro 000's	Dec 31, 2021	Dec 31, 2020
Trade Payables	163,833	112,856

All trade payables are due within one year. The overdue balance amounts to Euro 16.7 million (Euro 8.6 million in the previous period), of which Euro 11.5 million overdue since 0-30 days (Euro 7.1 million in the previous period), Euro 3.9 million overdue since 30-60 days (Euro 0.6 million in the previous period), Euro 0.3 million overdue since 60-90 days (Euro 0.1 million in the previous period) and Euro 0.9 million overdue since more than 90 days (Euro 0.8 million in the previous period).

(20) Other Financial Short-Term Liabilities

This caption, amounting to Euro 5.3 million (Euro 5.3 million in the previous period), mainly includes:

- The debt due within 12 months related to the leases accounted for according to IFRS 16 for Euro 4.4 million;
- The accrued interest on Term loan B for an amount of Euro 0.9 million.

(21) Other Short-Term Liabilities

The item is detailed below.

Euro 000's	Dec 31, 2021	Dec 31, 2020
Current Tax Payables	6,252	8,258
Short-Term Provisions	2,097	2,088
Employees and Social Security Institutions	10,008	9,203
Accruals for Bonus to Employees	5,503	3,785
Hedging Instruments	728	2,173
Other Accrued Expenses and Deferred Incomes	760	782
Total Other Short-Term Liabilities	**25,348**	**26,289**

Current tax payables include obligations related to VAT, income taxes and indirect taxes.
Short-term provisions include:

- Euro 0.8 million for fiscal risks related to the tax audit started in Slovakia with reference to fiscal year 2019;

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- Euro 0.8 million of future liabilities in relation to possible litigations with employees (Euro 0.9 million in the previous period);
- Euro 0.4 million for other provisions for risks and charges (Euro 0.3 million in the previous period).

Debts towards employees and social security institutions, totalling Euro 10.0 million, include amounts payable for salaries and wages and related social securities debt. Bonuses to employees have been determined based on the Group compensation policy.

Hedging instruments mainly include the fair value of exchange rate hedging contracts classified as cash flow hedges (see Note 34 for further details).

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

In connection with the Amendment & Restatement Deed, 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 pledges have been granted:

- pledge on all present and future rights, titles, interests and benefits regarding the shares representing 100% of the share capital of 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 S.p.A. 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. and Stiga AB;
- pledge over all rights and benefits regarding the insurance contracts of Stiga S.p.A.

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

To guarantee the obligations of Stiga S.p.A., insurance companies issued guarantees in favour of the Customs Agency for a total of Euro 3.3 million.

The Group also has outstanding derivative contracts for a total nominal value of Euro 180.4 milion on exchange rates risks related to planned purchases and for a total nominal value of Euro 64.3 million on exchange rates risks related to planned sales.

(23) Revenue

Details of the item are presented below:

Euro 000's	2021	2020
Gross Sales	593,939	459,263
Customer Bonuses and Other Trade Discounts	(16,627)	(10,676)
Selling Commissions	(1,908)	(1,572)
Exchange Rates Differences	(2,037)	502
Total Revenue	**573,367**	**447,517**

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

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Euro 000's	2021	2020
Europe – Eurozone	346,798	279,462
Europe – Non Eurozone	121,414	86,020
Rest of World	105,156	82,035
Total Revenue	**573,367**	**447,517**

(24) Cost of Sales

This caption is composed as follows:

Euro 000's	2021	2020
Components and Traded Products Costs	332,461	261,410
Outsourced Production Costs	5,701	5,076
Transportation Costs	36,418	18,523
Direct and Indirect Payroll Costs	32,522	29,083
Industrial Depreciation Charges	8,273	8,388
Other Costs	1,906	2,424
Total	**417,280**	**324,903**

The exchange rate differences included in Other Costs are positive for Euro 4.6 million (positive for Euro 3.2 million in the previous period).

Transportation Costs have risen significantly compared to the previous financial period, mainly due to higher inbound freight costs from overseas.

(25) Distribution Costs

Details about the nature of distribution costs are presented below:

Euro 000's	2021	2020
Freight Costs	27,762	21,514
Other Logistic Costs	9,240	7,295
Distribution Labour Costs	2,802	2,559
Distribution Depreciation	2,755	2,447
Total	**42,558**	**33,815**

Distribution costs increased compared to previous financial year due to higher volumes of sales.

(26) Operating Expenses

Details about the nature of Operating Expenses are presented below:

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Euro 000's	2021	2020
Labour Costs	34,011	28,832
Other Marketing and Selling Costs	17,214	11,035
BOD and Statutory audit	628	557
NED Incentive Plan	(356)	4,348
Operating Depreciation	4,037	3,327
Amortisation and Write-Down	9,589	7,496
Other General and Administration Costs	8,896	8,204
Total	**74,019**	**63,799**

The increase is mainly driven by higher labour costs and other marketing and selling cost, following the headcount increase (see note 29) as well as the investment in promotion and advertising of the new products.

The Other General and Administration Costs mainly include administrative consultancies and legal expenses, ICT maintenance, insurance and other administrative expenses. The Operating Expenses include a partial release of the NEDIP provision accrued in the previous fiscal year due to a time-based adjustment foreseen in the Management Incentive Plan.

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

Euro 000's	Year 2021	Year 2020
Audit fees	503	514
Audit-related fees	11	15
Tax fees	20	10
Other fees related to permissible Non Audit Services	31	9
Total	**565**	**548**

(27) Other Operating Income

This caption is composed as follows:

Euro 000's	2021	2020
Non-Repayable Contribution	727	638
Rental Income	816	672
R&D Grants on Innovative New Products	492	555
Sickness Fund Refund	462	-
Provisions Release	-	558
Gains on Assets Disposal	14	371
Other Operating Income	693	1,133
Total	**3,204**	**3,927**

The Other Operating income include governments support obtained by Slovakia and China related to the Covid-19. Non-repayable contribution represents the portion pertaining to the fiscal year 2021 of the total amount granted to Stiga S.p.A. for Euro 2.2 million. Sickness fund refund refers to a compensation received by Stiga A.B. from collective agreements regarding the years 2004-2008.

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(28) Other Operating Expenses

Euro 000's	2021	2020
Bad Debt Provision	569	159
Warranty Provision	5,364	5,723
Losses on Assets Disposal	92	94
Other Operating Expenses	280	532
Total	**6,305**	**6,509**

(29) Payroll

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

Average Number of Employees	2021	2020
Italy	618	569
Slovakia	481	391
China	277	215
Germany	45	43
UK	45	42
Others	174	159
Total	**1,640**	**1,419**

The detail of payroll costs is the following:

Euro 000's	2021	2020
Salaries	57,281	50,668
Pension and Social Security Costs	10,969	10,111
Other Personnel Costs	1,085	1,060
Total	**69,335**	**61,839**

(30) Financial Income and Expenses

Euro 000's	2021	2020
Interest Income	610	533
Other Interest Income	444	157
Net Exchange Rate Gains	1,139	-
Total Interest Income	**2,193**	**690**

Euro 000's	2021	2020
Interest on Long-Term Debt	(9,002)	(9,947)
Interest on Short-Term Debt	(141)	(463)
Loan Fees Amortisation	(2,335)	(1,921)
Commitment Fees	(732)	(756)
Financial Receivables Write-Off (Release)	(43)	49

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Bank and Other Charges	(319)	(281)
Derivative Financial Instruments	(2,034)	(3,792)
Net Exchange Rate Losses	-	(1,267)
Other Financial Expenses	(893)	(916)
Total Interest Expenses	**(15,500)**	**(19,294)**
Total Net Financial Expenses	**(13,307)**	**(18,604)**

Interest on Long-Termn Debt refers to interest costs on the Term Loan B foreseen in the Amendment & Restatement Deed signed in fiscal year 2017.

Loan Fees include the amount charged to the income statement regarding borrowing costs (bank fees paid in advance and consultancy fees) accounted for using the amortised cost method and borrowing costs of the RCF and ABL amortised on a straight-line method. Following the voluntary partial reimbursement of Euro 50 million of Term Loan B, Euro 0.7 million expense was anticipated to fiscal year 2021. Commitment Fees refer to the costs of the unused Receivables Financing Facility (Euro 0.3 million) and Revolving Credit Facilities (Euro 0.5 million).

The item Derivative Financial Instruments totals Euro 2.0 million and is related to the interest rate hedging contracts subscribed in the previous years in order to cover a large portion of long term debts, for further details of which please see Note 34 and the previous caption concerning Equity.

Exchange rate differences derive mainly from intercompany loans among the Group companies when they are not denominated in the same functional currency used by the borrower or the lender.

(31) Income Tax

Taxes on profits include current tax expenditure for Euro 6.2 million and net deferred tax positive effect recognised in the consolidated income statement for Euro 14.8 million, mainly due to the recognition of a deferred tax assets on tax losses carryforward and interest not deducted in Stiga S.p.A (see Note 6 for details).

Euro 000's	**2021**	**2020**
Current Taxes	(6,175)	(3,995)
Net Deferred Tax Effect Debited to Income Statement	14,772	(513)
Total Income Taxes	**(8,597)**	**(4,508)**

The current tax expenditure is generated mainly in Slovakia, China, Sweden and Italy; the local income tax rates applied vary between 19% and 29%. The following table shows the reconciliation of the theoretical tax charge with the effective tax charge:

Euro 000's	**2021**	**2020**
Profit before Taxes	**23,102**	**3,814**
Theoretical Taxes (24%)	(5,544)	(915)
Deferred Tax Assets on Tax Losses Not Recognised	-	-
Deferred Tax assets on Unused Tax Losses and on Non-Deductable Interest Write-Off	14,930	-

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Non-Deductible Expenses	(572)	(3,815)
Non-Taxable Income	1,147	1,625
Other (*)	(1,364)	(1,402)
Total Income Taxes	**8,597**	**(4,508)**

(*) Mostly refers to the net tax effect of permanent differences, of different tax rates applied abroad relative to the theoretical ones applied in Italy (country where the group mainly operates) and of adjustments on prior years taxes.

(32) Related Party Transactions

Related party transactions within Stiga Group entities relate to commercial or financial transactions and are carried out regularly on an arm-length basis. These transactions are eliminated upon consolidation.
It has to be highlighted the loan granted to the associate Eurotillers amounting to Euro 1,5 million (disclosed in Note 4) and the loans at market conditions granted to certain Board members of Stiga S.A. amounting in total to Euro 2.2 million at the end of the 2021 fiscal year, as a consequence of the approved Management Incentive Plan (MIP) in April 2021.
The interest accrued during the financial year ended on 31 December 2021 on such loans amounted to Euro 0.1 million

(33) Directors, Statutory Auditors and External Auditors remunerations

Compensations paid from the Group during the financial year ended December 31, 2021 to members of the Board of Directors amounted to Euro 551 thousand; fees paid to the Italian Statutory Auditors (so called "Collegio Sindacale") board amounted to Euro 77 thousand and total independent external auditors' fees were Euro 503 thousand.

(34) Information on financial risks

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

1) Credit risk, regarding its normal business relations with customers and dealers;
2) Liquidity risk, with particular reference to the availability of funds;
3) Exchange rate risk, since the Group operates in different currencies and uses derivative financial instruments to manage the relevant risk;
4) Interest rate risk, since the Group has a significant variable rate long-term debt and uses derivatives financial instruments to manage the relevant risk;
5) Fair value risk regarding the determination of the fair value of the used financial instruments;

As described in the section "Risk Management" of the 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.

1) Credit Risk

The Group's credit risk is different depending on products and markets and mainly relates to trade customers. The Group operates in some 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 and software and a Group Credit Limit procedure.

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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 and historical data. There are no particular concentrations of credit risk in individual counterparties.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

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 **Euro 000's**	**Dec 31, 2021**	**Dec 31, 2020**
Current	69,737	68,679
Overdue 0-30 Days	5,412	1,575
Overdue 30-60 Days	1,380	467
Overdue 60-90 Days	2,035	862
Overdue More Than 90 Days + Legal	2,858	3,927
Provision	*(1,799)*	*(1,262)*
Total	**79,622**	**74,248**

Finally, we highlight that cash balances are held mainly with Intesa San Paolo (Euro 33,6 million), having a Fitch's credit rating of BBB and with Bank of China (Euro 8,7 million) having a S&P credit rating of A+.

2) 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 the term of debt or the liquidity of funds employed. As mentioned in the Risk management section of the Consolidated management report, the Group undertook several actions in order to optimise cash management and to reduce the liquidity risk, as follows:

- Centralising the management of main financial flows;
- Obtaining adequate credit lines;
- Monitoring future liquidity on the basis of business planning and cash forecast;
- Negotiations with the lenders of an amendement and extent of previous loan terms.

The table below analyses the financial liabilities (including trade payables and other liabilities, tax management excluded) analysed by maturity and exposed to undiscounted future nominal cash flows, determined by reference to the contractual timing of the financial statement date:

Euro 000's	**At 31/12/2021**	**< 1 year**	**1 - 5 years**	**> 5 years**
Trade Payables	163,833	163,833	-	-
Hedging Instruments	4,367	2,546	1,821	-
Finance Lease Liabilities	8,420	4,392	4,028	-
Bank Borrowings - Capital Portion	*212,668*	*29,636*	*183,032*	-
Amortised Cost Effect	*(2,276)*	*(818)*	*(1,458)*	-
Bank Borrowings	210,392	28,818	181,574	-
Other Financial Liabilities	946	946	-	-
Other Liabilities	30,256	25,348	4,908	-
Total	**418,214**	**225,883**	**192,331**	**-**

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Regarding the interest to be paid on bank borrowings starting from January 1, 2021, the Senior Facility Agreement provides a floor equal to zero on the variable part of interests (Euribor index); assuming (as at 31 December 2021) the curve will remain in a range close to null, it may be estimated interest charges at the level of the spread for the future years (4.25 %, i.e. Euro 7.7 million per year). The yearly impact of +0.25% Euribor would affect next year P&L Statement for Euro 0,45 million.

The same breakdown for 31 December 2020 was as follows:

Euro 000's	**At 31/12/2020**	**< 1 year**	**1 - 5 years**	**> 5 years**
Trade Payables	112,856	112,856	-	-
Hedging Instruments	12,162	2,455	9,707	-
Finance Lease Liabilities	8,567	4,150	4,417	-
Bank Borrowings - Capital Portion	*232,748*	*689*	*232,059*	-
Amortised Cost Effect	*(3,904)*	*(997)*	*(2,907)*	-
Bank Borrowings	228,844	(308)	229,152	-
Other Financial Liabilities	886	886	-	-
Other Liabilities	28,646	24,115	4,531	-
Total	**391,961**	**144,154**	**247,807**	**-**

3) 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 that company. In the year 2021 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 UK;
- EUR/SEK, relating to sales in SEK made in Sweden;
- EUR/DKK-NOK-PLN-CZK-RUB, due to sales in other non-Euro markets.

The trading flows exposed to changes in these currencies represent the greater part of the total exchange rate risk from trading transactions. Changes in exchange rates may result in exchange gains or losses arising from these situations.

As a choice of accounting approaches for hedges of foreign currency risk using a forward Contract under IFRS 9, the Group designate the hedged risk as changes in the full forward rate.
On December 31, 2021 the following hedging contracts put in place during the fiscal year were still opened with primary bank counterparties (BNP Paribas, Intesa San Paolo, Crédit Agricole, Deutsche Bank, HSBC, KBC):

- n. 8 Call Forward contract for a notional amount of total USD 7.8 million, expiring in January - February 2022; as of December 31, 2021 the fair value of such contracts was positive and amounting to Euro 458 thousand;
- n. 19 Call Forward contract for a notional amount of total CNY 340 million, expiring in January - March 2022; as of December 31, 2021 the fair value of such contracts was positive and amounting to Euro 2810 thousand;
- n. 6 Put Forward contracts for a notional amount of GBP 6 million, expiring in January - March 2022; as of December 31, 2021 the fair value of such contract was negative and amounting to Euro 201 thousand;

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- n. 2 Put Forward contracts for a notional amount of NOK 4 million, expiring in January-February 2022; as of December 31, 2021 the fair value of such contracts was negative and amounting Euro 5 thousand;
- n.1 Put Forward contract for a notional amount of CZK 5 milion,expiring in January 2022; as of December 31, 2021 the fair value of such contract was negative and amounting Euro 1 thousand;

According to hedge accounting, the above mentioned fair value has been accounted in the consolidated income statement for a positive value of Euro 323 thousand.

According to the Foreign Exchange Risk Hedging Process Operating Procedure, the Group entered into some hedging contracts in order to cover the fiscal year 2022 foreign exchange risk. Such contracts are listed below:

- n. 26 Call Forward contracts for a notional amount of total USD 70 million, expiring between March 2022 and February 2023; as of December 31, 2021 the fair value of these instruments was positive and amounting to Euro 917 thousand. According to hedge accounting, the above fair value has been accounted in the Equity reserve Cash Flow Hedge for the total amount (net deferred fiscal effect);
- n. 50 Call Forward contracts for a notional amount of total CNY 920 million, expiring between March 2022 and February 2023; as of December 31, 2021 the fair value of these instruments was positive and amounting to Euro 5.474 thousand. According to hedge accounting, the above fair value has been accounted in the Equity reserve Cash Flow Hedge for the total amount (net deferred fiscal effect);
- n. 18 Put Forward contracts for a notional amount of total GBP 33 million, expiring between April and September 2022; as of December 31, 2021 the fair value of these instruments was negative and amounting to Euro 607 thousand. According to hedge accounting, the above fair value has been accounted in the Equity reserve Cash Flow Hedge for the total amount (net deferred fiscal effect);
- n. 4 Put Forward contracts for a notional amount of total SEK 55 million, expiring between March and June 2022; as of December 31, 2021 the fair value of these instruments was positive and amounting to Euro 150 thousand. According to hedge accounting, the above fair value has been accounted in the Equity reserve Cash Flow Hedge for the total amount (net deferred fiscal effect);
- n. 8 Put Forward contracts for a notional amount of total DKK 70 million, expiring between March and August 2022; as of December 31, 2021 the fair value of these instruments was negative and amounting to Euro 4 thousand. According to hedge accounting, the above fair value has been accounted in the Equity reserve Cash Flow Hedge for the total amount (net deferred fiscal effect);
- n. 10 Put Forward contracts for a notional amount of total CZK 140 million, expiring between February and June 2022; as of December 31, 2021 the fair value of these instruments was negative and amounting to Euro 66 thousand. According to hedge accounting, the above fair value has been accounted in the Equity reserve Cash Flow Hedge for the total amount (net deferred fiscal effect);
- n. 7 Put Forward contracts for a notional amount of total NOK 55 million, expiring between March and July 2022; as of December 31, 2021 the fair value of these instruments was positive and amounting to Euro 35 thousand. According to hedge accounting, the above fair value has been accounted in the Equity reserve Cash Flow Hedge for the total amount (net deferred fiscal effect);
- n. 50 forward contracts in USD and CNH expiring in January-February 2022 for a net notional amount equal to zero due to a netting effect; as of December 31, 2021 the fair value of such contracts was positive and amounting to Euro 1.76 million.

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4) Interest Rate Risk

The interest rate risk mainly relates to the long term loan currently in place, which is set with a variable rate (with a zero floor) plus spread. Such risk on the future streams by the financial indebtedness was originally hedged in fiscal year 2016 by the Group entering three Interest Rate Swap contracts of Euro 50 million, each with expiration date November 30, 2020. In June 2018 the Group entered other four Interest Rate Swap contracts for a total of Euro 230 million extending the hedging from November 30, 2020 to November 30, 2023. In December 2021 following the reimbursement of 50 milion long term loan, the Group unwound Euro 50 milion of Interest Rate Swap.

It is worth to highlight that, even if such last four derivative financial instruments are currently in place and the related effects are expected during the maturity period of the orginally hedged forecast transactions, as already explained above into the Equity section, they are being not more treated as cash flow hedging according to IFRS 9 due to the breakage of the founding economic relationship between the hedged item and the hedging instrument occurred in May 2019.

Counterparties to these agreements are major Italian and international financial institutions.

Counterparty	Type of Operation	Amount Eur 000's	Expiration Date	Variable Rate	Fair Value Eur 000's	S&P Rating
HSBC	IRS 2020 -2023	60.000	30/11/2023	Eur 6 m	(1.503)	A+
FRIULADRIA	IRS 2020 -2023	30.000	30/11/2023	Eur 6 m	(505)	A+ *
KBC	IRS 2020 -2023	70.000	30/11/2023	Eur 6 m	(1.770)	A+
FRIULADRIA	IRS 2020-2023	20.000	30/11/2023	Eur 6 m	(754)	A+ *

(*) Credit Rating of Crédit Agricole Group

5) Fair Value Risk

In order to determine the fair value of financial instruments, the Group utilizes valuation techniques which are based on observable market prices (Mark to Model). These techniques therefore fall within Level 2 of the hierarchy of fair values identified by IFRS 7. In order to select the appropriate valuation techniques to utilize, the Group complies with the following hierarchy:

a) Utilisation of quoted prices in an active market for identical assets or liabilities (Comparable Approach);

b) Utilisation of valuation techniques that are primarily based on observable market prices; and

c) Utilisation of valuation techniques that are primarily based on non-observable market prices.

The Group determined the fair value of the derivatives existing on December 31, 2021 through valuation techniques which are commonly used for instruments similar to those traded by the Group. The models applied to value the instruments are based on a calculation obtained from the Bloomberg software platform. The input data used in these models are based on observable market prices (the Euro, USD, CNY, SEK, CZK, DKK, NOK, PLN and GBP interest rate curves as well as official exchange rates on the date of valuation).

The Group maintains policies and procedures with the aim of valuing the fair value of hedging contracts using the best and most relevant data available.

The Group portfolio of foreign exchange derivatives includes only forward foreign exchange contracts in USD, CNY, SEK, CZK, DKK, NOK, PLN and GBP.

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The following table summarises the outstanding exchange rates hedging contracts of the Group as of December 31, 2021 valued at fair value (in Euro thousand):

				Fair Value (Eur 000's)			
Description	**Classification**	**Date**	**Curr**	**Level 1**	**Level 2**	**Level 3**	**Total**
Fx Hedging Contracts	Trade Receivables	31/12/21	NOK		4		
			GBP		(153)		
			CZK		(0)		(149)
Fx Hedging Contracts	Trade Payables	31/12/21	USD		736		
			CNY		4,292		5,029
Fx Hedging Contracts	Oth. Short Term Assets	31/12/21	CNY		5,475		
			NOK		35		
			USD		917		
			SEK		150		6,576
Fx Hedging Contracts	Oth. Short Term Liabilities	31/12/21	GBP		(659)		
			DKK		(4)		
			CZK		(66)		(728)
							10,728

As of December 31, 2021 the Group did not have any Level 3 fair value measurements.

In addition, Group portfolio includes interest rate hedging contracts on Euribor 6 months, whose fair values (in thousands of Euro) as of December 31, 2021 are summarised in the following table:

				Fair Value (Eur 000's)		
Description	**Classification**	**Date**	**Curr**	**Level 1**	**Level 2**	**Level 3**
Hedging Contracts on Interest Rate	Other Financial Long-Term Liabilities	31/12/21	EUR		(4,342)	

The measurement of the exposure of the Group to the risk of variability on fair value of the above mentioned Interest Rate Swaps in place as at December 31, 2021 has been carried out through a sensitivity analysis that shows the effects on the consolidated income statement which would be encountered in the case of an hypothetical shift of the curve of forward market rates amounting to +/- 50 basis points. In case of increasing trend of forward rates, the positive impact would amount to Euro 1,4 million; on the contrary, in case of decreasing trend of forward rates, the negative impact would amount to Euro 1,4 million.

It has to 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 September 1, 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 at December 31, 2021, the related fair value is not reliably measurable considering the remote probability of exercise and the uncertainty of the infinite period of applicable exercise.

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In addition to the information on financial risk, the following table set forth an analysis of the Group's financial assets and liabilities by category at December 31, 2021:

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	Hedging derivatives	Total
Cash and Cash Equivalent			51,324			**51,324**
Trade Receivables			79,622			**79,622**
Financial Short-Term Assets	37,156		667			**37,823**
Other Short-Term Assets			15,155		6,576	**21,732**
Equity Investments	5					**5**
Financial Long-Term Assets			3,716			**3,716**
Other Long-Term Assets			458			**458**
Trade Payables				(163,833)		**(163,833)**
Bank Borrowings Short-Term				(29,636)		**(29,636)**
Other Financial Short-Term Liabilities				(5,058)	(280)	**(5,338)**
Other Short-Term Liabilities				(24,620)	(728)	**(25,348)**
Bank Borrowings				(180,756)		**(180,756)**
Other Financial Long-Term Liabilities				(4,028)	(4,367)	**(8,395)**
Other Long-Term Liabilities				(4,908)		**(4,908)**

The same table at December 31, 2020 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	Hedging derivatives	Total
Cash and Cash Equivalent			74,749			**74,749**
Trade Receivables			74,248			**74,248**
Financial Short-Term Assets	36,698		657			**37,355**
Other Short-Term Assets			10,785		760	**11,545**
Equity Investments	5					**5**
Financial Long-Term Assets			1,519			**1,519**
Other Long-Term Assets			468			**468**
Trade Payables				(112,856)		**(112,856)**
Bank Borrowings Short-Term				(689)		**(689)**
Other Financial Short-Term Liabilities				(5,037)	(281)	**(5,318)**
Other Short-Term Liabilities				(24,115)	(2,173)	**(26,288)**
Bank Borrowings				(228,155)		**(228,155)**
Other Financial Long-Term Liabilities				(4,416)	(9,707)	**(14,123)**
Other Long-Term Liabilities				(4,531)		**(4,531)**

The fair values of trade and other receivables, cash and cash equivalents, trade and other payables, and other financial assets and liabilites approximate their carrying values. The fair value

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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.

Capital Management

The Group's objectives in capital management are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to achieve this overall objective, the Group monitores mainly the following indicators: EBITDA and leverage ratio.

(35) Subsequent Events

In the first four months of the new fiscal year sales are largely above the level registered in the same period of last year.

The conflict between Russia and Ukraine, which began on 24 February 2022, is causing significant consequences globally, not only for the serious humanitarian crisis that originated, but also for the economic impacts on global markets, resulting in volatility of commodities prices, such as gas and oil, and in expected reduction in the growth rate of European economies, as confirmed by European authorities and supra-national bodies. The exposure of the Group in the markets directly or indirectly involved in the conflict, at the date of preparation of these financial statements, is approximately 2% of the business volumes, in major part related to the Russian subsidiary. The situation is constantly monitored by the Management in order to minimise the damages and to be able to react promptly to any further adverse effect as a consequence of the conflict.

May 25, 2022

For the Board of Directors
The Chief Executive Officer
Sean Robinson

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APPENDICES:

APPENDIX 1: SECURITY DOCUMENTS

Security Provider (including jurisdiction of incorporation)	Security Document (including governing law)	Amounts in Euro '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	124,000
	Account pledge agreement on Italian account for payment of all secured obbligations	0
	Account pledge agreement on Luxembourgh account for payment of all secured obbligations	16,661
	Receivables pledge agreemnent	0
Stiga S.p.A. (Italy)	Italian law pledge over bank accounts	21,732
	Italian law pledge over certain IP rights	729
	Italian law assignment of intercompany receivables	39,065
	Italian law loss payee agreement relating to the insurance policies	37,156
	Swedish law pledge over shares of Stiga AB (Sweden)	109,985
	Slovakian law pledge over shares of GGP Slovakia Sro	2,054
	French law pledge over shares of Stiga Sas	591
	Financial securities account pledge in relation to Stiga Sas shares	
	Pledge over shares given by Stiga C	see above
Stiga AB (Sweden)	Swedish law pledge on receivables (under certain intercompany loan agreeements)	25,781
	Swedish law pledge over property mortgage certificates	1,362
	Swedish law pledge over corporate mortgage certificates	
	Swedish law pledge over certain intellectual property rights	0
	English law pledge over shares of Stiga Ltd	0
	German law pledge over shares of Stiga GmbH (Germany)	157
Stiga Sas (France)	all security was released in relation to Stiga Sas as part of the refinancing except for the pledge over shares given by Stiga Spa	-
Stiga Ltd (UK)	English law supplemental debenture on security interests such as land, investments, plant and machinery, insurance, other contracts (such as relevant contracts, letter of credit, bill of exchange), certain IP rights	136
	Pledge over shares given by Stiga AB	see above
Stiga GmbH (Germany)	Security confirmation and pledge agreement over various securities agreement (bank accouns)	100
	Pledge over shares given by Stiga AB	see above

GGP Slovakia Sro (Slovakia)	Slovak law pledge over immovable assets	18,085
	Slovak law pledge over movable assets	41,785
	Slovak law pledge over rights and receivables	14,005
	Pledge over shares given by STIGA SpA	see above

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APPENDIX 2: INTANGIBLE ASSETS

The composition and changes during the year were as follows:

Euro 000's	Balance at Jan 1, 2021	Increase	Sales/ disposals	Amortisation and write-down	Reclassifi-cations	Translation differences	Balance at Dec 31, 2021
Development costs							
Initial cost	60,799	9,887	(30)	-	5,280	-	75,936
Amortisation/write-down	(47,001)	-	13	(8,095)	-	(1)	(55,084)
Assets under costructions and payments on account	5,281	2,225	-	-	(5,280)	-	2,226
Net carrying amount	**19,079**	**12,112**	**(17)**	**(8,095)**	**-**	**(1)**	**23,078**
Software and Licenses							
Initial cost	21,415	860	(38)	-	215	13	22,465
Amortisation/write-down	(18,843)	-	24	(1,216)	-	(9)	(20,044)
Assets under costructions and payments on account	222	722	-	-	(215)	-	729
Net carrying amount	**2,794**	**1,582**	**(14)**	**(1,216)**	**-**	**4**	**3,150**
Trademarks and Patents							
Initial cost	3,137	153	(1,690)	-	500	63	2,163
Amortisation/write-down	(2,821)	-	1,690	(239)	-	(63)	(1,433)
Assets under costructions and payments on account	499	-	-	-	(500)	-	(1)
Net carrying amount	**815**	**153**	**-**	**(239)**	**-**	**-**	**729**
Other							
Initial cost	398	216	-	-	-	3	617
Amortisation/write-down	(360)	-	-	(40)	-	-	(400)
Assets under costructions and payments on account	-	-	-	-	-	-	-
Net carrying amount	**38**	**216**	**-**	**(40)**	**-**	**3**	**217**
TOTAL							
Initial cost	85,749	11,116	(1,758)	-	5,995	79	101,181
Amortisation/write-down	(69,025)	-	1,727	(9,590)	-	(73)	(76,961)
Assets under costructions and payments on account	6,002	2,947	-	-	(5,995)	-	2,954
Net carrying amount	**22,726**	**14,063**	**(31)**	**(9,590)**	**-**	**6**	**27,174**
GOODWILL							
Initial cost	180	-	-	-	-	-	180
Amortisation/write-down	-	-	-	-	-	-	-
Net carrying amount	**180**	**-**	**-**	**-**	**-**	**-**	**180**

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

Euro 000's	Balance at Jan 1, 2020	Increase	Sales/ disposals	Amortisation and write-down	Reclassifi-cations	Translation differences	Balance at Dec 31, 2020
Development costs							
Initial cost	52,972	6,137	-	-	1,692	(2)	60,799
Amortisation/write-down	(40,974)	-	-	(6,027)	-	-	(47,001)
Assets under costructions and payments on account	3,545	3,428	-	-	(1,692)	-	5,281
Net carrying amount	**15,543**	**9,565**	**-**	**(6,027)**	**-**	**(2)**	**19,079**
Software and Licenses							
Initial cost	19,878	1,058	(32)	-	509	2	21,415
Amortisation/write-down	(17,635)	-	22	(1,210)	-	(20)	(18,843)
Assets under costructions and payments on account	515	216	-	-	(509)	-	222
Net carrying amount	**2,758**	**1,274**	**(10)**	**(1,210)**	**-**	**(18)**	**2,794**
Trademarks and Patents							
Initial cost	3,229	-	-	-	-	(92)	3,137
Amortisation/write-down	(2,729)	-	-	(180)	-	88	(2,821)
Assets under costructions and payments on account	499	-	-	-	-	-	499
Net carrying amount	**999**	**-**	**-**	**(180)**	**-**	**(4)**	**815**
Other							
Initial cost	376	27	-	-	-	(5)	398
Amortisation/write-down	(358)	-	-	(2)	-	-	(360)
Assets under costructions and payments on account	-	-	-	-	-	-	-
Net carrying amount	**18**	**27**	**-**	**(2)**	**-**	**(5)**	**38**
TOTAL							
Initial cost	76,455	7,222	(32)	-	2,201	(97)	85,749
Amortisation/write-down	(61,696)	-	22	(7,419)	-	68	(69,025)
Assets under costructions and payments on account	4,559	3,644	-	-	(2,201)	-	6,002
Net carrying amount	**19,318**	**10,866**	**(10)**	**(7,419)**	**-**	**(29)**	**22,726**
GOODWILL							
Initial cost	180	-	-	-	-	-	180
Amortisation/write-down	-	-	-	-	-	-	-
Net carrying amount	**180**	**-**	**-**	**-**	**-**	**-**	**180**

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APPENDIX 3: TANGIBLE ASSETS

The composition and changes during the year were as follows:

Euro 000's	Balance at Jan 1, 2021	Increase	Sales/ disposals	Amortisation and write-down	Reclassifi-cations	Translation differences	Balance at Dec 31, 2021
Land & Buildings							
Initial cost	63,738	950	-	-	-	728	65,416
Depreciation/write-down	(31,336)	-	-	(1,590)	-	(307)	(33,233)
Assets under costructions and payments on account	23	85	-	-	-	-	108
Net carrying amount	**32,425**	**1,035**	**-**	**(1,590)**	**-**	**422**	**32,292**
Plant & Machinery							
Initial cost	72,824	1,458	(254)	-	-	341	74,369
Depreciation/write-down	(65,749)	-	183	(1,527)	-	(350)	(67,443)
Assets under costructions and payments on account	389	106	-	-	-	-	495
Net carrying amount	**7,464**	**1,564**	**(71)**	**(1,527)**	**-**	**(9)**	**7,421**
Tools & Equipment							
Initial cost	104,996	5,271	(1,350)	-	812	1,026	110,755
Depreciation /write-down	(88,412)	-	1,340	(5,377)	-	(605)	(93,054)
Assets under costructions and payments on account	13	767	-	-	(671)	-	109
Net carrying amount	**16,597**	**6,038**	**(10)**	**(5,377)**	**141**	**421**	**17,810**
Other tangible fixed assets							
Initial cost	13,254	2,216	-	-	-	38	15,508
Depreciation/write-down	(10,597)	-	-	(1,709)	(141)	(19)	(12,466)
Assets under costructions and payments on account	231	-	-	-	-	-	231
Net carrying amount	**2,888**	**2,216**	**-**	**(1,709)**	**(141)**	**19**	**3,273**
Right of Use assets							
Initial cost	13,807	4,800	(3,588)	-	-	(51)	14,968
Depreciation /write-down	(5,487)	-	3,588	(4,864)	-	-	(6,763)
Assets under costructions and payments on account	-	-	-	-	-	-	-
Net carrying amount	**8,320**	**4,800**	**-**	**(4,864)**	**-**	**(51)**	**8,205**
TOTAL							
Initial cost	268,619	14,695	(5,192)	-	812	2,082	281,016
Depreciation/write-down	(201,581)	-	5,111	(15,067)	(141)	(1,281)	(212,959)
Assets under costructions and payments on account	656	958	-	-	(671)	-	943
Net carrying amount	**67,694**	**15,653**	**(81)**	**(15,067)**	**-**	**802**	**69,000**

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

Euro 000's	Balance at Jan 1, 2020	Increase	Sales/ disposals	Amortisation and write-down	Reclassifi-cations	Translation differences	Balance at Dec 31, 2020
Land & Buildings							
Initial cost	62,922	855	(6)	-	-	(33)	63,738
Depreciation/write-down	(29,618)	-	-	(1,688)	-	(30)	(31,336)
Assets under costructions and payments on account	5	18	-	-	-	-	23
Net carrying amount	**33,309**	**873**	**(6)**	**(1,688)**	**-**	**(63)**	**32,425**
Plant & Machinery							
Initial cost	76,467	1,610	(5,357)	-	109	(5)	72,824
Depreciation/write-down	(69,298)	-	5,286	(1,706)	-	(31)	(65,749)
Assets under costructions and payments on account	148	315	-	-	(74)	-	389
Net carrying amount	**7,317**	**1,925**	**(71)**	**(1,706)**	**35**	**(36)**	**7,464**
Tools & Equipment							
Initial cost	105,135	5,820	(5,977)	-	183	(165)	104,996
Depreciation /write-down	(89,258)	-	5,960	(5,230)	-	116	(88,412)
Assets under costructions and payments on account	(424)	655	-	-	(218)	-	13
Net carrying amount	**15,453**	**6,475**	**(17)**	**(5,230)**	**(35)**	**(49)**	**16,597**
Other tangible fixed assets							
Initial cost	12,074	1,452	(332)	-	-	60	13,254
Depreciation/write-down	(9,635)	-	290	(1,193)	-	(59)	(10,597)
Assets under costructions and payments on account	231	-	-	-	-	-	231
Net carrying amount	**2,670**	**1,452**	**(42)**	**(1,193)**	**-**	**1**	**2,888**
Right of Use assets							
Initial cost	10,196	6,515	(2,904)	-	-	-	13,807
Depreciation /write-down	(4,071)	-	2,904	(4,320)	-	-	(5,487)
Assets under costructions and payments on account	-	-	-	-	-	-	-
Net carrying amount	**6,125**	**6,515**	**-**	**(4,320)**	**-**	**-**	**8,320**
TOTAL							
Initial cost	266,794	16,252	(14,576)	-	292	(143)	268,619
Depreciation/write-down	(201,880)	-	14,440	(14,137)	-	(4)	(201,581)
Assets under costructions and payments on account	(40)	988	-	-	(292)	-	656
Net carrying amount	**64,874**	**17,240**	**(136)**	**(14,137)**	**-**	**(147)**	**67,694**

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Audit report

To the Shareholders of
Stiga S.A.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of Stiga S.A. (the "Company") and its subsidiaries (the "Group") as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) 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 2021;
- 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, which include a summary of significant accounting policies.

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 Directors is responsible for the other information. The other information comprises the information stated in the consolidated management 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.

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

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors 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 Directors 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 Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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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 Directors;

- conclude on the appropriateness of the Board of Directors' 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;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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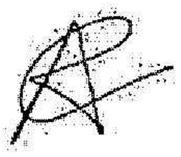
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

PricewaterhouseCoopers, Société coopérative
Represented by

Electronically signed by:
Alessio Chiesa



Alessio Chiesa

Luxembourg, 15 June 2022