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ÅRSREDOVISNING

2022-01-01--2022-12-31

för

STIGA AB
556061-8463

Årsredovisningen omfattar:	**Sida**
Förvaltningsberättelse	3
Resultaträkning	12
Balansräkning	13
Rapport över förändring i eget kapital	17
Kassaflödesanalys	18
Noter	19

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 28/3 2023.
Stämman beslöt tillika godkänna styrelsens förslag till vinstdisposition

Tranås den 14/6 2023

Jonas Holm, VD

20230615343387

ÅRSREDOVISNING

2022-01-01--2022-12-31

för

STIGA AB
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Årsredovisningen omfattar: **Sida**

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ÅRSREDOVISNING FÖR STIGA AB

Styrelsen och verkställande direktören för STIGA AB avger härmed årsredovisning för räkenskapsåret 2022-01-01--2022-12-31.

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. Den generella efterfrågan på STIGAs produkter var inte lika stor som under år 2021, utan återgick till mer normal nivå bland konsumenter. Dessutom var sommarvädret inte särskilt gynnsamt i södra Sverige, vilket innebar svag efterfrågan på specifikt "gå bakom klippare" och "åkgräsklippare". Båda dessa produktkatergorier är betydande i andel av STIGAs totala omsättning.
Vad gäller varuförsörjning tilltog utmaningarna under 2022 vilket medförde att stora ordervolymer annullerades under våren och sommaren.
Kostnadsökningarna har fortsatt under hela 2022 och har resulterat i ytterligare behov av att höja priserna mot STIGAs återförsäljare. Prisjusteringar har utförts vid två tillfällen under verksamhetsåret.
I slutet av året skedde det ett VD-byte. Under året tillträdde en Key Account Manager, vilket är en ny men viktig roll i företaget. Detta för att säkerställa arbetet med de absolut största kunderna inom bolaget.

Utveckling av verksamhet, ställning och resultat

Nettoomsättningen minskade väsentligt under år 2022 jämfört med 2021. En betydande orsak till den minskade omsättningen var att den internationella försäljningen av reservdelar flyttades till STIGA SpA i Italien i slutet av år 2021 och har således påverkat omsättningen negativt under samtliga månader under 2022. Vidare innebar den begränsade tillgången på vissa produkter att omsättningen var mindre än efterfrågan. Införsäljningen inför säsong 2023 har gått tämligen bra och klart över förväntan när det gäller STIGAs nyheter för 2023.

(Tkr)	2022	2021	2020	2019	2018
Nettoomsättning	608 975	832 939	717 332	785 847	795 687
Resultat efter finansiella poster	69 312	92 008	70 564	14 192	46 005
Balansomslutning	393 051	356 933	274 769	292 087	514 932
Soliditet [1]	26,5%	38,7%	46,1%	42,5%	32,3%

[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 2023 är höga och i vissa fall väldigt höga. Detta innebär att volymen av försäsongsordrar är på en lägre nivå än inför 2022 vad gäller jämförbara produkter. Inför säsongen 2023 råder stor osäkerhet kring konusmenternas efterfrågan. Detta då det rådande makroekonomiska läget i Europa sannolikt har en stor inverkan på efterfrågan av sällanköpsvaror. Vilket givetvis också påverkar våra återförsäljares betalningsförmåga.
Dock är vi väldigt optimistiska att STIGA skall öka sina marknadsandelar avsevärt i specifika produktkategorier där vi historiskt har haft väldigt små andelar, eftersom vi lanserar unika nyheter under 2023.

Företaget ser som sina största risker valutarisker, produktkvalitet, kundkoncentration, kreditrisker samt väder. Företaget bedriver verksamhet på flera olika geografiska makrnader 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.
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 (Key Account Manager) 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, kreditbevaknning och uppföljning av kundfordringar. Större kreditlimiter godkänns av konernledningen.
Efterfrågan på företagets produkter är väderberoende, till exempel torrt sommarväder påverkar försäljningen av gräsklippare negativt. Genom att löpande uppdatera försäljningsprognoser baserat på bland annat väder minskar risken att stå kvar med stora lager efter säsongens slut.
Under året genomfördes en av huvudkontoret initierad, intern audit av säljprocessen och relaterade aktiviteter, detta för att just identifiera svagheter relaterat till bland annat riskhantering.

Förslag till vinstdisposition (kronor)

Till årsstämmans förfogande står följande vinstmedel

Balanserat resultat	0
Årets resultat	64 795 123
	64 795 123

Styrelsen föreslår att

till aktieägarna utdelas	64 795 123
	64 795 123

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Styrelsens yttrande över den föreslagna vinstutdelningen
Den förslagna utdelningen reducerar bolagets soliditet till 10 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.

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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 femte 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 har under år 2022 distribuerat den till våra anställda och till utvalda kunder och leverantörer. Vi distribuerar den även till nyanställda.

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.

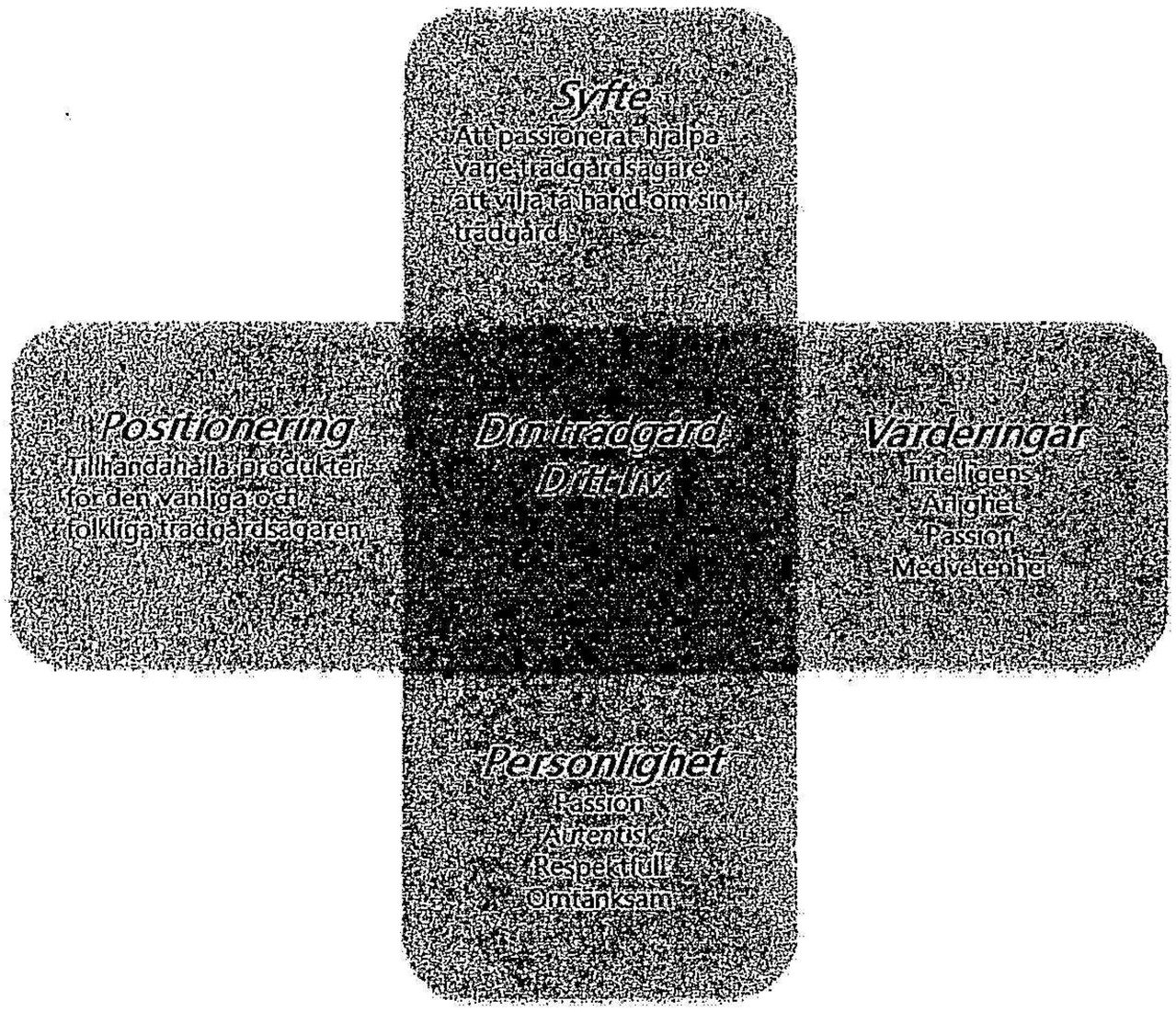
Affärsmodell

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.

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.

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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.

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. Antalet sålda gräsklippare minskade under år 2022 jämfört med år 2021 men andelen batterigräsklippare av totala antalet gräsklippare ökade med 3,4 %-enheter. För år 2023 räknar vi med en fortsatt 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.

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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 till år 2040 vara helt klimatneutralt. Under år 2021 hade de uppnått en minskning med 57 procent från basåret 2006 och målet är att minska med 70 procent senast år 2030. 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. 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 i stor utsträckning 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 2022. 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 och under år 2022 beställde vi ytterligare fem hybridbilar som kommer att vara i trafik under år 2023.

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Personal

Medarbetarundersökning

För att följa upp vår kultur och hur våra medarbetare mår genomförde vi i STIGA AB under 2022 för femte året i rad en medarbetarundersökning. Denna genomfördes i mars 2022. 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 2022 vårt mål att förbättra resultatet med en procent jämfört med år 2021, utan det blev en minskning med tre procent. Vår målsättning för nästkommande år är att förbättra resultatet med åtminstone en procent genom att i grupparbeten arbete med de punkter där vi vill se föräbttrat resultat.

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 en trivselgrupp som hittar på aktiviteter för våra anställda för att skapa bra sammanhållning.

Under år 2022 har vi efter pandemin återinfört den populära fredagsfrukosten och frukten.

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.

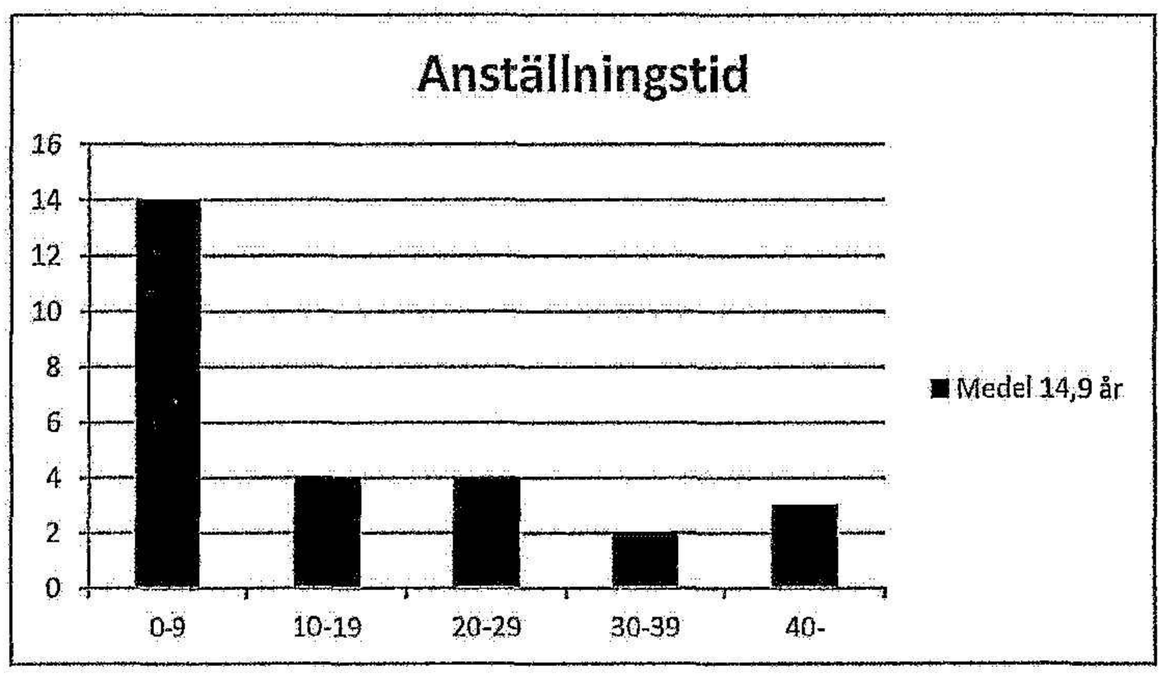
Arbetsmiljö

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.

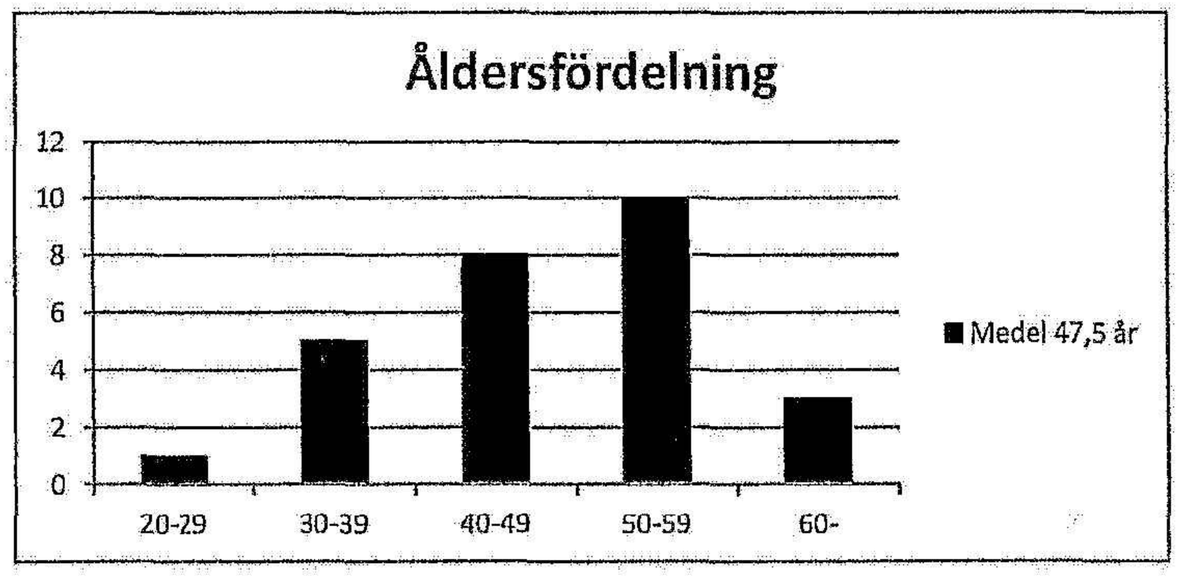
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Under ett antal år hade vi en stor personalomsättning på grund av strukturella neddragningar av verksamheten. År 2022 hade våra anställda i snitt varit anställda i 14,9 år. Det är många som har varit anställda kort tid och många som har varit anställda riktigt lång tid.



STIGA ABs medarbetare var i snitt 47,5 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 2022 ökade till fem dagar jämfört med 3 dagar år 2021. 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 2022 i genomsnitt 74 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 samarbetade under flertalet år även med utbildningsverksamheter bland annat genom att erbjuda praktikplatser. Detta var 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 femte 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	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Nettoomsättning	4,5	608 975	832 939
Kostnad för sålda varor		-540 432	-709 677
Bruttoresultat		**68 543**	**123 262**
Försäljningskostnader		-89 567	-123 831
Administrationskostnader		-10 147	-10 718
Forsknings- och utvecklingskostnader		17	16
Övriga rörelseintäkter	6	61 373	60 583
Övriga rörelsekostnader		0	-8
Rörelseresultat	7,8,9,10	**30 219**	**49 304**
Resultat från finansiella investeringar			
Resultat från andelar i koncernföretag	11	48 205	46 578
Övriga ränteintäkter och liknande intäkter	12	21 585	16 548
Räntekostnader och liknande kostnader	13	-30 697	-20 422
Resultat efter finansiella poster		**69 312**	**92 008**
Förändring av periodiseringsfond		0	7 286
Resultat före skatt		**69 312**	**99 294**
Skatt på årets resultat	14	-4 517	-10 948
ÅRETS RESULTAT		**64 795**	**88 346**

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STIGA AB

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BALANSRÄKNING

	Not	2022-12-31	2021-12-31
(Tkr)			
TILLGÅNGAR			
Anläggningstillgångar			
Materiella anläggningstillgångar			
Byggnader och mark	15	6 741	7 054
Maskiner och andra tekniska anläggningar	16	297	421
Inventarier, verktyg och installationer	17	1 097	1 166
		8 135	**8 641**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	18	19 445	19 445
Fordringar hos koncernföretag	20	172 226	62 487
Uppskjuten skattefordran	19	0	58
Andra långfristiga fordringar	21	424	557
		192 095	**82 547**
Summa anläggningstillgångar		**200 230**	**91 188**

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STIGA AB

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BALANSRÄKNING	**Not**	**2022-12-31**	**2021-12-31**
(Tkr)			
Omsättningstillgångar			
Varulager m m			
Råvaror och förnödenheter		91	4 440
Färdiga varor och handelsvaror		45 974	49 471
		46 065	**53 911**
Kortfristiga fordringar			
Kundfordringar		10 610	11 420
Fordringar hos koncernföretag		123 252	189 566
Aktuella skattefordringar		5 811	0
Förutbetalda kostnader och upplupna intäkter		0	36
		139 673	**201 022**
Kassa och bank		**7 083**	**10 812**
Summa omsättningstillgångar		**192 821**	**265 745**
SUMMA TILLGÅNGAR		**393 051**	**356 933**

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STIGA AB

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	Not	2022-12-31	2021-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital	22	27 110	27 110
Reservfond		5 422	5 422
		32 532	**32 532**
Fritt eget kapital			
Balanserad vinst eller förlust		0	10 480
Årets resultat		64 795	88 346
		64 795	**98 826**
Summa eget kapital		**97 327**	**131 358**
Obeskattade reserver	23	**8 659**	**8 659**
Avsättningar			
Avsättningar för pensioner och liknande förpliktelser	24	1 184	1 257
Uppskjuten skatteskuld	19	179	0
Garantier	25	2 264	3 002
		3 627	**4 259**

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STIGA AB

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BALANSRÄKNING

(Tkr)

	Not	2022-12-31	2021-12-31
Kortfristiga skulder			
Leverantörsskulder		3 697	33 661
Skulder till koncernföretag		271 797	169 289
Aktuella skatteskulder		0	1 353
Övriga kortfristiga skulder		373	897
Upplupna kostnader och förutbetalda intäkter	26	7 571	7 457
		283 438	**212 657**
SUMMA EGET KAPITAL OCH SKULDER		**393 051**	**356 933**

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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 2022		**27 110**	**5 422**	**10 480**	**88 346**	**131 358**
Årets resultat					64 795	64 795
Disposition enligt beslut av årets årsstämma:						
Utdelningar				-98 826		-98 826
Balanseras i ny räkning				88 346	-88 346	0
Utgående balans per 31 december 2022		**27 110**	**5 422**	**0**	**64 795**	**97 327**

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STIGA AB
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KASSAFLÖDESANALYS

(Tkr)

	Not	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Den löpande verksamheten			
Rörelseresultat		30 219	49 304
Justeringar för poster som inte ingår i kassaflödet:			
Avskrivningar materiella anläggningstillgångar		1 192	1 370
Utrangering materiella anläggningstillgångar		0	8
Avsättningar		-811	-464
Erhållen utdelning		48 205	46 578
Erhållen ränta		21 585	16 548
Erlagd ränta		-30 697	-20 422
Betald inkomstskatt		-11 444	-10 948
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**58 249**	**81 974**
Kassaflöde från förändringar i rörelsekapital			
Minskning(+)/ökning(-) av varulager		7 846	59 180
Minskning(+)/ökning(-) av kundfordringar		67 124	-126 221
Minskning(+)/ökning(-) av övriga kortfristiga fordringar		36	-36
Minskning(-)/ökning(+) leverantörsskulder		72 544	71 574
Minskning(-)/ökning(+) av övriga kortfristiga skulder		-410	1 187
Kassaflöde från den löpande verksamheten		**205 389**	**87 658**
Investeringsverksamheten			
Förvärv av materiella anläggningstillgångar		-686	-791
Kassaflöde från investeringsverksamheten		**-686**	**-791**
Finansieringsverksamheten			
Minskning/Ökning av långfristiga fordringar		-109 606	-12 988
Utbetald utdelning		-98 826	-71 193
Kassaflöde från finansieringsverksamheten		**-208 432**	**-84 181**
Årets kassaflöde		**-3 729**	**2 686**
Likvida medel vid årets början		**10 812**	**8 125**
Likvida medel vid årets slut	28	**7 083**	**10 812**

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STIGA AB
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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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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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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.

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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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 2 921 Tkr (2 964 Tkr) och varulagret uppgick netto efter reserveringar till 46 065 Tkr (53 911 Tkr).

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	2022	2021
Sverige	205 149	236 803
Övriga Norden	364 371	367 406
Övriga EU	35 004	199 861
Övriga Europa	4 502	25 824
Övriga världen	-51	3 045
Summa	**608 975**	**832 939**

Not 5 Uppgift om inköp och försäljning inom samma koncern

	2022	2021
Varuinköp	99,2%	74,9%
Försäljning av varor	65,2%	68,6%

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

	2022	2021
PWC Öhrlings Pricewaterhouse Coopers		
revisionsuppdrag	365	419
skatterådgivning	64	54
Summa	**429**	**473**

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 962 Tkr (1 019 Tkr). Framtida minimileaseavgifter avseende icke uppsägningsbara operationella leasingavtal förfaller enligt följande:

Förfallotidpunkt:	2022	2021
Inom ett år	243	359
Senare än ett år men inom fem år	841	873
Senare än fem år	0	0
Summa	**1 084**	**1 232**

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

Medeltalet anställda	2022 Antal anställda	2022 Varav antal män	2021 Antal anställda	2021 Varav antal män
	27	20	29	21
Totalt	**27**	**20**	**29**	**21**

	2022-12-31	2021-12-31
Fördelning ledande befattningshavare per balansdagen		
Män:		
styrelseledamöter	3	4
Totalt	**3**	**4**

Löner, andra ersättningar m m	2022 Löner och andra ersättningar	2022 Soc kostn (varav pensions-kostnader)	2021 Löner och andra ersättningar	2021 Soc kostn (varav pensions-kostnader)
	15 082	8 036 -(2 333)	15 118	7 521 -(1 846)
Totalt	**15 082**	**8 036** **-(2 333)**	**15 118**	**7 521** **-(1 846)**

Löner och andra ersättningar fördelade mellan styrelse-ledamöter och anställda	2022 Styrelse och VD (varav tantiem och dylikt)	2022 Övriga anställda	2021 Styrelse och VD (varav tantiem och dylikt)	2021 Övriga anställda
	327	14 791	0	15 118
Totalt	**327**	**14 791**	**0**	**15 118**

Avtal om avgångsvederlag
Från och med maj 2020 till oktober 2022 delade företaget VD med STIGAs finska bolag. Denna lönen är ej med i denna not då VDs arvode fakturerades från det finska bolaget STIGA Oy, FI04954485. Kostnaden under året uppgår till 768 tkr (1 191 tkr). Då det var en delad tjänst mellan två länder redovisas inte här eventuellt avtal om avgångsvederlag. Mellan företaget och den nye VD gäller en ömsesidig uppsägningstid om två månader de första två åren och därefter tre månaders uppsägningstid. Under uppsägningstiden erhålls lön och andra förmåner. Lön till VD ovan avser således enbart den nya VDn som började i oktober 2022.

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Not 10 Avskrivningar på materiella och immateriella anläggningstillgångar

	2022	2021
Materiella anläggningstillgångar	-1 192	-1 370
Summa	**-1 192**	**-1 370**

Not 11 Resultat från andelar i koncernföretag

	2022	2021
Utdelning	48 205	46 578
Summa	**48 205**	**46 578**

Not 12 Övriga ränteintäkter och liknande intäkter

	2022	2021
Ränteintäkter	1	27
Ränteintäkter, koncernföretag	13 904	8 159
Kursdifferenser	7 680	8 362
Summa	**21 585**	**16 548**

Not 13 Räntekostnader och liknande kostnader

	2022	2021
Räntekostnader	-540	-324
Räntekostnader, koncernföretag	-17 016	-13 970
Kursdifferenser	-13 141	-6 128
Summa	**-30 697**	**-20 422**

Not 14 Skatt på årets resultat

	2022	2021
Aktuell skatt	-4 280	-10 882
Skatt föreg år	0	0
Uppskjuten skatt	-237	-66
Skatt på årets resultat	**-4 517**	**-10 948**

Avstämning årets skattekostnad

	2022	2021
Redovisat resultat före skatt	69 312	99 294
Skatt beräknad med skattesats 20,6 %	-14 278	-20 454
Skatteeffekt av årets ej avdragsgilla kostnader och ej skattepliktiga intäkter	-85	-190
Skatteeffekt av återföring av f g års temporära skillnader	96	150
Skatteeffekt av ej skattepliktiga intäkter avseende utdelningar	9 930	9 595
Skatteeffekt av skillnader i bokföringsmässigt och skattemässigt värde maskiner och byggnader	57	17
Summa	**-4 280**	**-10 882**
Årets redovisade skattekostnad	**-4 280**	**-10 882**

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Not 15 Byggnader och mark

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	37 544	37 544
Utgående ackumulerade anskaffningsvärden	**37 544**	**37 544**
Ingående avskrivningar	-30 490	-30 177
Årets avskrivningar enligt plan	-313	-313
Utgående ackumulerade avskrivningar	**-30 803**	**-30 490**
Utgående planenligt restvärde	**6 741**	**7 054**
Varav anskaffningsvärde för mark	**1 055**	**1 055**

Not 16 Maskiner och andra tekniska anläggningar

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	13 960	20 453
Försäljningar/utrangeringar	0	-6 493
Utgående ackumulerade anskaffningsvärden	**13 960**	**13 960**
Ingående avskrivningar enligt plan	-13 539	-19 890
Försäljningar/utrangeringar	0	6 493
Årets avskrivningar enligt plan	-124	-142
Utgående ackumulerade avskrivningar enligt plan	**-13 663**	**-13 539**
Utgående planenligt restvärde	**297**	**421**

Not 17 Inventarier, verktyg och installationer

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	33 393	32 610
Inköp	686	791
Försäljningar/utrangeringar	0	-8
Omklassificeringar	0	0
Utgående ackumulerade anskaffningsvärden	**34 079**	**33 393**
Ingående avskrivningar enligt plan	-32 227	-31 312
Försäljningar/utrangeringar	0	0
Årets avskrivningar enligt plan	-755	-915
Utgående ackumulerade avskrivningar enligt plan	**-32 982**	**-32 227**
Utgående planenligt restvärde	**1 097**	**1 166**

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Not 18 Andelar i koncernföretag

	2022-12-31	2021-12-31
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 2022-12-31	Redovisat värde 2021-12-31
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	Bröndby, 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

	2022-12-31	2021-12-31
Uppskjuten skattefordran		
Uppskjuten skatt på temporära skillnader på kundfordringsreserv, inkuransreserv och garantireserv	8	8
Uppskjuten skatt direktpensioner	194	374
Uppskjuten skatt restvärde maskiner och inventarier	128	86
Summa uppskjuten skattefordran	**330**	**468**
Uppskjuten skatteskuld		
Uppskjuten skatt restvärde byggnader	-509	-410
Summa uppskjuten skatteskuld	**-509**	**-410**
Totalt	**-179**	**58**

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 Fordringar hos koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	62 487	49 834
Ökning/minskning under året	109 739	12 653
Utgående anskaffningsvärde	**172 226**	**62 487**

Not 21 Andra långfristiga fordringar

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	557	157
Ökning/minskning under året	-133	400
Utgående anskaffningsvärde	**424**	**557**

Not 22 Aktiekapital

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

Not 23 Obeskattade reserver

	2022-12-31	2021-12-31
Periodiseringsfond beskattningsår 17	8 659	8 659
Summa	**8 659**	**8 659**

Not 24 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 25 Garantier

2022-12-31	Garantier	Summa
Vid årets början	3 002	3 002
Tillkommande avsättningar	1 667	1 667
Belopp som tagits i anspråk	-2 405	-2 405
Återföring av outnyttjade belopp	0	0
Vid årets slut	**2 264**	**2 264**
Avsättning för framtida garantiåtaganden.		

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

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Not 26 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	2021-12-31
Upplupna löner och semesterlöner	3 429	4 014
Upplupna sociala avgifter	1 300	1 213
Förutbetalda intäkter	1 994	1 789
Övriga poster	848	441
Summa	**7 571**	**7 457**

Not 27 Ställda säkerheter

	2022-12-31	2021-12-31
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.

Not 28 Likvida medel i kassaflödet

	2022-12-31	2021-12-31
Disponibla tillgodohavanden hos banker och andra kreditinstitut	7 083	10 812
Summa	**7 083**	**10 812**

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Not 29 Händelser efter balansdagen

Efter balansdagen har det makroekonomiska läget förändrats markant, med tilltagande inflation, höjda räntor och bankkriser i USA. Med ökad osäkerhet på finansiella marknader blir osäkerheten större kring konsumenternas efterfrågan. Även om leveranskedjorna fortfarande är ansträngda i Europa och globalt, så har STIGA en relativt bra position vad gäller tillgänglighet av produkter och särskilt avseende nyheterna för 2023. Bolagets påverkan av rådande marknadsläge följs nu mycket noga av bolagets ledning och styrelse för att snabbt kunna analysera och hantera förändringar som kan komma att påverka verksamheten såväl operationellt som finansiellt.

Not 30 Förslag till vinstdisposition

Styrelsen föreslår att hela årets vinst 64 795 Tkr delas ut till moderbolaget.

Tranås den 2023-03-24

Sean Robinson
Styrelsens ordförande

Roberto Lucernoni

Jonas Holm
Verkställande direktör

Vår revisionsberättelse har avgivits den 27 mars 2023
Öhrlings PricewaterhouseCoopers AB

Kristoffer Johansson
Auktoriserad revisor

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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 2022 med undantag för hållbarhetsrapporten på sidorna 6-11.

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 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Våra uttalanden omfattar inte hållbarhetsrapporten på sidorna 6-11. 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

Detta dokument innehåller även annan information än årsredovisningen och återfinns på sidorna 6-11.
Det är styrelsen och verkställande direktören som har ansvaret för denna andra information.

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 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.

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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 2022 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.

Revisorns yttrande avseende den lagstadgade hållbarhetsrapporten

Det är styrelsen som har ansvaret för hållbarhetsrapporten på sidorna 6-11 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 27 mars 2023
Öhrlings PricewaterhouseCoopers AB

Kristoffer Johansson
Auktoriserad revisor

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Stiga S.A.

Consolidated Financial Statements for the Year January 1, 2022 to December 31, 2022

STIGA

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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, 2022 to December 31, 2022 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 are driven by guidelines defined in a business plan approved in 2021, refined and updated in 2022.
The guidelines of the business plan are articulated in a series of strategic projects that focus mainly on the development of product lines that incorporate new technologies for the Group. These technologies have been identified by accurate market research, which indicates what will constitute the growing market segments in the coming years, with prospective trends indicating significant variations in the composition of the technological characteristics of the products that end customers will use for 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.

Since 2021 Stiga defined the ESG Strategy as a set of plans, projects and targets which will build a sustainable future for the Company. This activity is performed with the contribution of all management and stakeholders, and it takes into account the imperatives of the Business Plan, Brand Strategy Values and ESG Pillars. Specific areas of focus were further split into projects, each of them assigned to a project leader. These projects have been shared and sponsored by the ESG Committee along with priorities, measurable targets and relevant KPIs. Overall, the strategy and goals for sustainability are in alignment with business targets, which are approved by the Board of Directors.

2022 Sales were equal to Euro 637.0 million. Comparing with the same period of 2021 sales registered +11%, mainly in France, Germany and Export. Remarkable performance reached on ride-on in all customers channels, with record volumes. Branded sales account for 64% of Group revenue while private label and OEM sales represent 36%.

The Group's EBITDA increased to Euro 63.7 million, Euro +2.6 million versus 2021, the Gross Profit Margin was equal to 26.2 percent and the Net Result was positive for Euro 20.5 million. The Net Financial Position was equal to Euro -172.2 million.

On March 25, 2022 a circular resolution of the Directors of the Company acknowledged the passing of Mr. George Adams on 27 November 2021 and that his heir, insofar as being the executor and ultimate beneficiary of the X1 shares in the share capital of the Company upon his death, would have held 1,270 vested X1 shares previously held by him, while 1,243 unvested X1 shares would have been bought by any other group entity determined by the board of directors of Stiga C S.à r.l. at a later stage, pursuant a share transfer agreement.

On June 8, 2022 a transfer agreement was signed, based on which the executor and ultimate beneficiary of the X1 shares based on the will of Mr. George Adams sold 1,243 unvested X1 shares to Stiga S.p.A. for an amount equal to EUR 124,343.24, and retained 1270 vested X1 shares.

On June 30, 2022 the annual general meeting of the Shareholders of the Company approved the appointment of PRR Management Consultancy Limited, represented by its permanent representative Mr. Peter Richardson, as Director A instead of Director B of the Company to fill the

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position which had become vacant, for a period ending at the annual general meeting of Shareholders approving the annual accounts for the financial year ended December 31, 2024.

Main Events of the Year

Strategic guidelines implementation

During the year 2022 the Group continued to implement actions related to the various projects that form the core of the Business Plan.

Despite the impact of external events as described in the following pages, the Management team launched or advanced several new products, while continuing the optimisation of the cost base and the overall development of the organisation.

With respect to new product launches, the Group enriched its offer across all product categories, combining further development of battery products with several innovative features to make them more appealing in the market.

In the walk-behind category the launch of Fulcrum, a product with innovative adjustable handle, flanked the introduction of Aero, the first cordless hover mower and the launch of a new Roller machine for the UK market. Ride-on saw the launch of Swift, the first tractor powered by batteries which are fully interchangeable with all the other products in the range and the introduction of e-Ride 700, a collecting, full electric tractor for handling larger areas.
In the segment of large mowers, the Group introduced Gyro 300 and 500, the first drive-by-wire joystick mower, powered by batteries. In the hand-held category, the new 700-900 series was introduced via the Dealers channel. Furthermore, the high-end 300/700 snow thrower was introduced to the market. Finally, the new wired Stig robot mower was launched and, in the second half of the year, the Stiga autonomous robot mower was introduced in test-market in Italy and Austria, to pave the way for the European launch which happened in early 2023.

With reference to the optimisation of the Group's cost base, most of the above listed new products are produced in our plants, allowing for cost optimisation.

All the three plants benefited from the production of the new products. At the same time, the activity of cost optimisation in the area of engines and plastic went on in cooperation with our suppliers, in line with the plans.
Campigo site, after the transfer to Castelfranco site of all the production activities was fully rented and the building of Steinbourg, where Stiga S.a.s. offices were located before the transfer to Paris, was sold.

In the year, the three plants were certified according to ISO 14001 (Environmental Management System) and 45001 (Health and Safety Management System), following a project launched in 2021. From an organisational point of view, a new Demand & Supply Planning department was created, helping the whole organisation to face the challenges of the supply chain volatility. Last but not least, to increase effectiveness in the e-commerce channel, a new organisation was created and the relevant needed technological infrastructure was implemented.

Financial Structure Improvement

In 2022 the Group underwent an amend and extend process of its existing Senior Facilities Agreement that led to the following changes in its financial structure:

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- a new Facility ("Term Loan B1") with maturity date February 2026 was introduced for Euro 140.4 million, replacing the Term Loan B for an equivalent amount;
- the existing Term Loan B amounting to Euro 180 million and due in August 2024 remains outstanding for Euro 39.6 million;
- the Revolving Credit Facilities (RCF), allowed up to Euro 60 million and granted to the companies of the Group for Euro 30 million, were increased to Euro 37 million and maturity was extended from August 2023 to June 2025;
- carve outs for Receivables Finance Facilities and Permitted Indebtedness were increased from Euro 160 million to Euro 210 million.

The current financial structure results in aggregate Term Loans amounting to Euro 180 million, with an extended duration and additional room allowed for short-term indebtedness. No maintenance financial covenants are foreseen by the Senior Facilities Agreement, with the exception of a leverage ratio in case of RCF usage, in line with the previous agreement.

With regard to the Receivables Finances Facilities, in addition to the Euro 60 million Securitisation program over the receivables of the Italian Company undertaken in 2021, in 2022 the Group has entered into two additional receivable financing agreements for aggregate Euro 60 million covering the receivables of UK, Germany and Poland.

Key Financial Figures

The summarised Consolidated Income Statement compared with previous period is shown in the table below.

Values in Euro Thousand	2022		2021	
Revenue	636,973	*100.0%*	573,367	*100.0%*
Gross Profit	**166,963**	***26.2%***	**156,087**	***27.2%***
Distribution Costs	(47,099)	*-7.4%*	(42,558)	*-7.4%*
Operating Expenses	(81,595)	*-12.8%*	(74,019)	*-12.9%*
Other Operating Income and Expenses	(760)	*-0.1%*	(3,101)	*-0.5%*
Result Before Interest and Taxes	**37,508**	***5.9%***	**36,409**	***6.4%***
Net Financial Expenses	(10,460)	*-1.6%*	(13,307)	*-2.3%*
Result Before Taxes	**27,048**	***4.2%***	**23,102**	***4.0%***
Current Tax	(6,132)	*-1.0%*	(6,175)	*-1.1%*
Deferred Tax	(423)	*-0.1%*	14,772	*2.6%*
Result for the Period	**20,493**	***3.2%***	**31,699**	***5.5%***
Profit Attributable to:				
Non-Controlling Interest	262	*0.0%*	310	*0.1%*
Owners of Stiga S.A.	20,231	*3.2%*	31,389	*5.5%*
EBITDA	**63,688**	***10.0%***	**61,064**	***10.7%***

In the fiscal year ended on December 31, 2022 the Net Turnover reached Euro 637.0 million, compared to Euro 573.4 million in the previous year, while the EBITDA totalled Euro 63.7 million versus Euro 61.1 million in the previous period. The EBITDA in % on sales decreased by -0.7% from 10.7% to 10.0%.

The performance on the EBITDA is due to the cumulative effect of several favourable and adverse factors:

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- Higher sales in all trade channels thanks to price increases implemented to face the growing costs of components and freight services;
- Decrease of sales volumes, in line with the market development, affected by volume decrease after two years of unprecedented growth as a consequence of changes to consumer habits following the Covid 19 pandemic;
- Higher raw materials and components purchase pricing in the first half of the year only partially mitigated by the activity of cost savings continuously performed by the Group;
- High cost of sea freight rates from Far-East to Europe, showing the first sign of decrease only in the last quarter of the year;
- Deterioration of FX rates, mainly US$ and RMB, the currencies in which the Group purchases large part of raw materials and components, only partly limited by the currency hedging activity implemented by the Group;
- Higher costs as a consequence of the supply chain disruption both in terms of manufacturing efficiency and penalties from customers for product delivery delays;
- Higher operating expenses following the strengthening of the organisation and the support of the market development with advertising and promotional activities;
- Lower warranty costs thanks to improved product quality.

The Net Profit of the period at Euro 20.5 million compares with Euro 31.7 million in 2021 benefiting on one side from lower financial expenses mainly thanks to the difference in fair value of derivative financial instruments and from the partial release of NEDIP, but not registering on the other side the activation of deferred tax assets due to the previous years' tax loss carry-forward and not deductible interest costs as occurred in 2021.

The reclassified Consolidated Statement of Financial Position, compared with previous period, is shown in the table below.

Values in Euro Thousand	Dec 31, 2022	Dec 31, 2021
Trade Receivables	104,953	79,622
Inventories	174,552	164,181
Trade Payables	(130,334)	(163,833)
Other Short-Term Assets and Liabilities Non-Financial	(14,175)	(3,616)
(A) NET WORKING CAPITAL	**134,996**	**76,353**
Tangible Assets	63,178	69,000
Other Intangible Assets	26,417	27,174
Goodwill	180	180
Equity Investments	5	5
Deferred Tax Assets and Long-Term Tax Receivables	18,750	18,041
Other Long-Term Assets Non-Financial	332	458
(B) NON-CURRENT ASSETS	**108,862**	**114,858**
Other Long-Term Provisions	(5,052)	(5,600)
Provisions for Pensions and Similar Obligations	(2,060)	(2,347)
Deferred Tax and Long-Term Tax Liabilities	(1,404)	(1,698)
Other Long-Term Liabilities Non-Financial	(2,520)	(4,908)
(C) NON-CURRENT LIABILITIES	**(11,036)**	**(14,553)**
(D) NET INVESTED CAPITAL (A+B+C)	**232,822**	**176,658**
Cash and Financial Short-Term Assets	(51,078)	(89,147)
Bank Borrowings Short-Term	38,661	29,636

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Other Financial Short-Term Liabilities	4,504	5,338
(E) NET FINANCIAL POSITION (SHORT-TERM)	**(7,913)**	**(54,174)**
Financial Long-Term Assets	(3,611)	(3,716)
Bank Borrowings	180,425	180,756
Other Financial Long-Term Liabilities	3,283	8,395
(F) NET FINANCIAL POSITION (LONG-TERM)	**180,097**	**185,435**
(G) TOTAL NET FINANCIAL POSITION (E+F)	**172,184**	**131,261**
(H) TOTAL EQUITY	**60,638**	**45,397**
(I) TOTAL EQUITY AND DEBT (G+H)	**232,822**	**176,658**

Net Invested Capital amounted to Euro 232.8 million, which is higher than the previous year by Euro 56.2 million. The entire increase is concentrated in the Net Working Capital, which amounts to Euro 135.0 million.
Trade Receivables valued at Euro 105.0 million are higher than the value at December 31, 2021 by Euro 25.3 million. This was the consequence of higher sales in the last two months of the year vs. the same period one year ago by Euro 15.0 million and of some unresolved issues with certain customers that are in the process of resolution.
Inventories at Euro 174.6 million are Euro 10.4 million higher than year ago. This reflects the strategic decision to purchase in advance all the components of the autonomous robot due to uncertainty in the supply chain to grant the delivery of the product which has been launched on the market in January 2023. Trade Payables have decreased compared to 2021 by Euro 33.5 million as a consequence of the slowing down of components purchasing in the last months of the year.
Non-Current Assets are Euro 6.0 million lower than previous year mainly due to decrease of Tangible Assets, while Non-Current Liabilities are stable.
The increase of net invested capital equal to Euro 56.2 million was financed with Euro 15.2 million by the Net Equity increase and with Euro 40.9 million by debt, mainly cash and Financial Short-Term assets reduction and higher Short-Term Borrowing.

Specifically, Cash and Financial Short-Term Assets decreased by Euro 38.1 million, Bank Borrowings Short-Term increased by Euro 9.0 million also thanks to the implementation of the new receivable financing lines with primary financial institutions. Other Financial Long-Term Liabilities decreased by Euro 5.1 million, mainly due to the positive fair value at year end of the Interest Rate Swap undertaken to hedge the Group financial indebtedness, while in the previous financial year the fair value was negative.

Net Equity amounted to Euro 60.6 million; the increase by Euro 15.2 million is mainly the result of the profit of the year (Euro 20.5 million) and the decrease of fair value of the hedging instruments recognised to Equity (Euro -4.1 million).

Group Operation

Capital Expenditures

Total expenditure in Tangible and Intangible Assets during the year amounted to Euro 17.4 million (Euro 24.9 million in the previous period), corresponding to 2.7% of turnover. In addition to these amounts, Tangible Assets increased by Euro 2.9 million following the higher value of the right of use of leased assets, mainly due to both new rental agreements as well as to the renewal of certain contracts already in place.
Investments in Tangible Assets were focused mainly on the construction of moulding equipment related to the new products and on the installation of a sprinkler system.

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The details of capital expenditures are provided in the notes to the Consolidated Financial Statements.

Research and Development Activities
In the fiscal year 2022 the resources dedicated to Research and Development (R&D) activities achieved a value of Euro 13.1 million (Euro 15.4 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 2022 fiscal year has been addressed on several platforms with different tasks and a special focus on new technology introductions and competitive improvements.

Most of the effort was addressed to finalise the autonomous robot mower and resources were also allocated to snow throwers and Gyro range extension.

Information Regarding the Environment and Human Resources
The Group's sustainability strategy pursues a continuous reduction of the environmental impact of the production processes. The Group also decided investment in renewable energy aimed at increasing the level of its contribution to overall environmental sustainability.

The process "STIGA People & Performance Review" introduced last year at Group level for the assessment of the employees' contribution to the Group and to foster the employees development is regularly running and, simultaneously, the effort paid to employer branding and talent attraction was increased, with more presence in universities, high-schools and technical schools.

The overall headcount at the end of the year is 1.769 FTE, with a decrease of -216 FTE vs. previous year. The decrease is concentrated in manufacturing department in Slovakia and China, on temporary employees, being the consequence of lower production plans in the first months of 2023 in comparison to the first months of 2022. 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

Credit Risk

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

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

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

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Liquidity Risk

The cash flows, funding requirements and liquidity of Group companies are constantly monitored on a centralised basis in order to minimise the cost of financing and to maintain an adequate and effective treasury control.
The cash pooling system concentrates almost the entire available cash in Stiga C and Stiga S.p.A., optimising the cash management and improving the control ability: all Group companies collecting cash from external customers are included in the cash pooling system with the exclusion of Spain.

The financing agreement signed in 2022 provides the Group with aggregate Term Loans of Euro 180 million, 39.6 million due in August 2024 and 140.6 million extended to February 2026. Further, carve outs for Receivables Finance Facilities and Permitted Indebtedness up to Euro 210 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 2022 the Group extended its Receivables Finance Facilities by entering into two additional receivable financing agreements for aggregate Euro 60 million covering the receivables of UK, Germany and Poland; this is in addition to the Securitisation program over the receivables of the Italian subsidiary undertaken in 2021 for Euro 60 million and two years duration (renewable up to 6 years).

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.

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 Currencies Exchange Risk Hedging Process Operating Procedure".

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

The interest rate risk on the financial long-term indebtedness is currently hedged with four Interest Rate Swaps (IRS) for an aggregate amount of Euro 180 million and expiry date November 2023. Counterparties to these agreements are major Italian and international financial institutions. 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.

Expected Future Development

In the first four months of the new fiscal year, sales are below 2022 performance and Budget. This is mainly due to the softening of the demand in connection with macroeconomic developments (high inflation, uncertainty on economic growth), colder temperatures in Europe which has inhibited grass growth, as well as high level of trade stock following drought conditions at the end of the

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2022 season. However, in recent weeks Management has observed a recovery in dealer orders as weather conditions have normalised. In addition, the launch of the Group's new autonomous robot is expected to deliver improved gross margin performance. Consequently, Directors believes the Group is well-placed to deliver improved profitability in 2023 versus 2022.

From a health and safety point of view, during 2022 local governments have gradually released the restrictions imposed to face Covid-19 pandemic. Remote working on a rotating basis is continuing in response to employee preferences rather than health risks. During the year the incidence of infected people among the Group employees was very low.

May 25, 2023



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, 2022	Notes	Dec 31, 2021
Non-Current assets			
Intangible Assets	26,597	(1)	27,354
Goodwill	*180*		*180*
Other Intangible Assets	*26,417*		*27,174*
Tangible Assets	63,178	(2)	69,000
Investments Accounted for using Equity Method	5	(3)	5
Financial Long-Term Assets	3,611	(4)	3,716
Other Long-Term Assets	332	(5)	458
Deferred Tax Assets and Long-Term Tax Receivables	18,750	(6)	18,041
Total Non-Current Assets	**112,473**		**118,574**
Current Assets			
Inventories	174,552	(7)	164,181
Trade Receivables	104,953	(8)	79,622
Financial Short-Term Assets	7,359	(9)	37,823
Other Short-Term Assets	12,680	(10)	21,732
Cash and Cash Equivalents	43,719	(11)	51,324
Total Current Assets	**343,263**		**354,681**
TOTAL ASSETS	**455,736**		**473,256**

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, 2022**	**Notes**	**Dec 31, 2021**
Capital and reserves			
Stockholder's Equity	60,452		45,191
Non-Controlling Interest	186		206
Total Capital and Reserves	**60,638**	**(12)**	**45,397**
Non-Current Liabilities			
Bank Borrowings	180,425	**(13)**	180,756
Other Financial Long-Term Liabilities	3,283	**(14)**	8,395
Other Long-Term Liabilities	2,520	**(15)**	4,908
Provisions for Pensions and Similar Obligations	2,060	**(16)**	2,347
Other Long-Term Provisions	5,052	**(17)**	5,600
Deferred Tax and Long-Term Tax Liabilities	1,404	**(18)**	1,698
Total Non-Current Liabilities	**194,744**		**203,704**
Current Liabilities			
Trade Payables	130,334	**(19)**	163,833
Bank Borrowings	38,661	**(13)**	29,636
Other Financial Short-Term Liabilities	4,504	**(20)**	5,338
Other Short-Term Liabilities	26,855	**(21)**	25,348
Total Current Liabilities	**200,355**		**224,155**
TOTAL LIABILITIES AND EQUITY	**455,736**		**473,256**

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

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CONSOLIDATED INCOME STATEMENT

Values in Euro Thousand	2022	Notes	2021
Revenue	636,973	**(23)**	573,367
Cost of Sales	(470,010)	**(24)**	(417,280)
Gross Profit	**166,963**		**156,087**
Distribution Costs	(47,099)	**(25)**	(42,558)
Operating Expenses	(81,595)	**(26)**	(74,019)
- Research & Development	*(4,694)*		*(3,186)*
- Marketing & Selling	*(44,305)*		*(37,828)*
- General & Administration	*(17,735)*		*(19,380)*
- Operating Depreciation and Amortisation	*(14,862)*		*(13,625)*
Other Operating Income	5,345	**(27)**	3,204
Other Operating Expenses	(6,105)	**(28)**	(6,305)
Profit Before Interest and Taxes	**37,508**		**36,409**
Net Financial Expenses	(10,460)	**(30)**	(13,307)
Profit / (Loss) Before Taxes	**27,048**		**23,102**
Current Taxes	(6,132)	**(31)**	(6,175)
Deferred Taxes	(423)	**(6)**	14,772
Profit / (Loss) for the year	**20,493**		**31,699**
Attributable to:			
Owners of Stiga S.A.	20,231		31,389
Non-Controlling Interest	262		310

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Values in Euro Thousand	2022	2021
Profit / (Loss) for the year	**20,493**	**31,699**
Gains / (Losses) chargeable to the Consolidated Income Statement:		
Exchange Differences on Translation of Foreign Operations	(1,021)	2,017
Cash Flow Hedge Recognised to Equity	(4,057)	7,683
Gains / (Losses) not chargeable to the Consolidated Income Statement:		
Actuarial Gains/(Losses) Recognised Directly to Equity	109	-
Total Comprehensive Income / (Loss) for the year	**15,524**	**41,399**
Attributable to:		
Owners of Stiga S.A.	15,262	41,089
Non-Controlling Interest	262	310

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	**2022**	**2021**
Profit / (Loss) for the year	20,493	31,699
Financial Expenses	10,460	13,307
Depreciation and Write-Down of Tangible Assets	15,587	15,067
Amortisation and Write-Down of Intangible Assets	10,592	9,589
Change in Provisions	(726)	(266)
Change in Deferred Tax Assets and Liabilities	(2,284)	(9,981)
Other Non-Monetary Variation	(2,221)	(356)
Changes in Working Capital:		
- Inventories	(10,716)	(56,330)
- Trade and Other Receivables	(16,580)	(15,560)
- Trade and Other Payables	(31,992)	50,036
Cash Flows from Operating Activities (A)	**(7,387)**	**37,203**
Investments in Tangible and Intangible Assets	(17,267)	(25,802)
Disposals of Tangible and Intangible Assets	510	110
Other Changes in Long-Term Assets and Liabilities	(382)	36
Cash Flows from Investing Activities (B)	**(17,139)**	**(25,656)**
Changes in Bank Borrowings	6,229	(20,080)
Repayment of Lease Liabilities	(4,682)	(4,881)
Changes in Other Financial Assets and Liabilities	28,554	(439)
Net Interests Paid	(12,590)	(13,489)
Dividends Payment	(282)	(241)
Contribution to Share Premium Reserve	-	2,139
Cash Flows from Financing Activities (C)	**17,299**	**(36,990)**
Movements in Cumulative Translation Reserve	(376)	2,017
Other Cash Flows Effects (D)	**(376)**	**2,017**
Net Increase / (Decrease) in Cash and Cash Equivalents (A)+(B)+(C)+(D)	**(7,604)**	**(23,425)**
Net Cash and Cash Equivalents at the Beginning of the Period	**(1) 51,324**	**(1) 74,749**
Net Cash and Cash Equivalents at the End of the Period	**(1) 43,719**	**(1) 51,324**

(1) Net Cash and Cash Equivalents doesn't include the investment of Euro 3.1 million (Euro 37.2 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 01.01.2021	**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**

€ 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 01.01.2022	**33**	**2,189**	**5**	**(2)**	**1,279**	**8,286**	**(141)**	**2,154**	**31,389**	**207**	**45,397**
Result destination						31,389			(31,389)		-
Total comprehensive income					(1,021)		109	(4,057)	20,231		15,262
Share premium											-
Dividends										(282)	(282)
Minorities										262	262
Closing balance - Stiga SA consolidated 31.12.22	**33**	**2,189**	**5**	**(2)**	**257**	**39,675**	**(33)**	**(1,904)**	**20,231**	**186**	**60,638**

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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. The Company and its subsidiaries (subsequently referred to as "Stiga Group" or the "Group") serve the residential gardening market under its leading brand Stiga and four local brands as well as serving leading OEM customers and private label customers. The Group manufactures and sells walk behind, ride-on, robotic lawnmowers and, in addition, sells hand-held gardening tools (such as chainsaws, brush cutters and trimmers), snowthrowers, tillers and scarifiers purchased from third parties.

As duly illustrated in the Consolidated Management Report, these Consolidated Financial Statements cover the fiscal year from January 1, 2022 to December 31, 2022.

Board of Directors

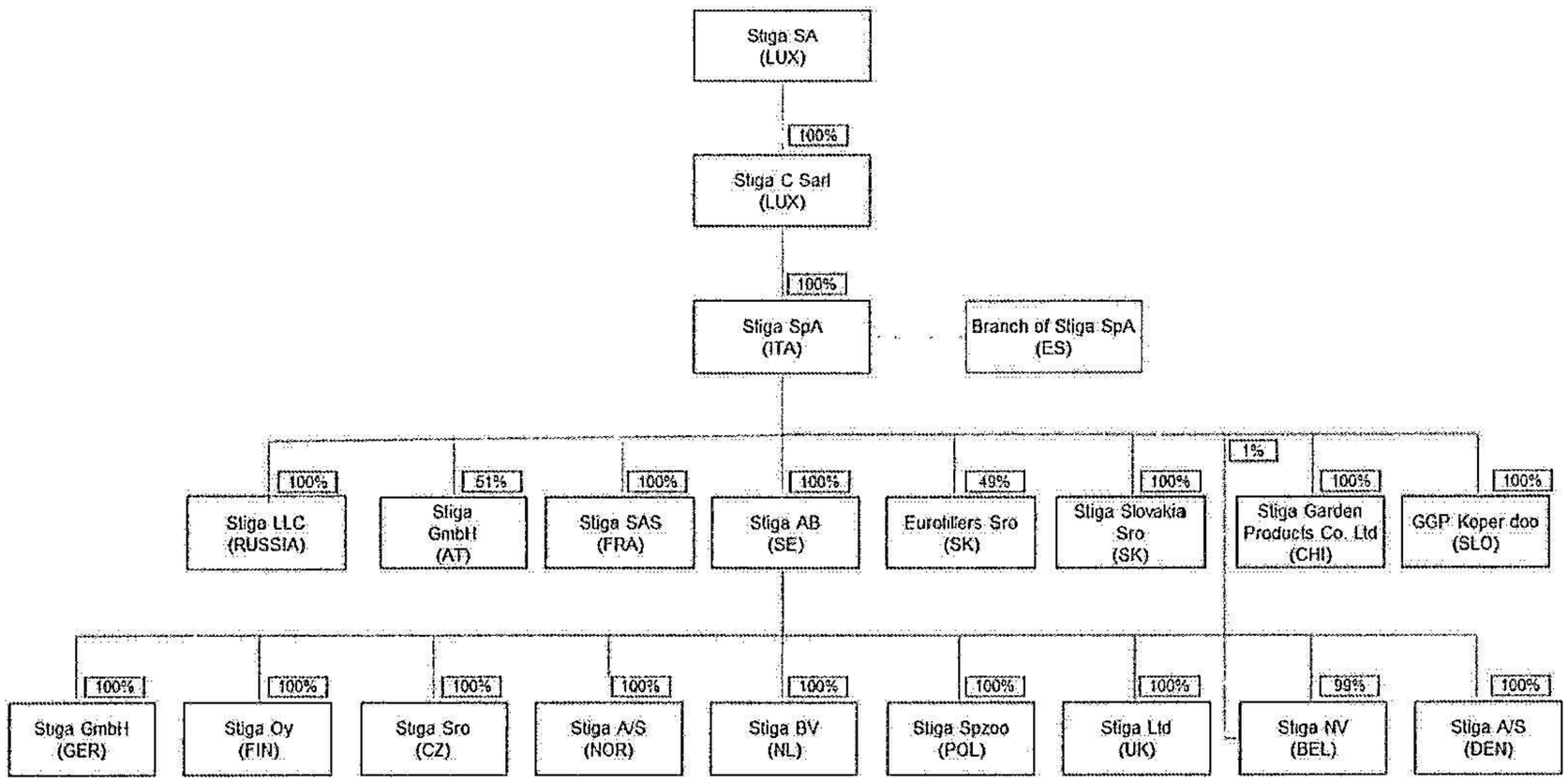
B Director (Chairman)	Rainer Schmueckle
A Director	Alcentra Flandre Limited represented by Laurence Raven
A Director	PRR Management Consultancy Ltd, represented by Peter Richardson
B Director	Kristina Velicka
B Director	Sean Robinson
B Director	Roberto Lucernoni

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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, 2022 is as follows:



The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries as of December 31, 2022.
Details of the Company and its consolidated subsidiaries as of December 31, 2022 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	Straelen, Germany	100	Full consolidation
Stiga Ltd	Plymouth, England	100	Full consolidation
Stiga Oy	Vantaa, Finland	100	Full consolidation

Company Name	Registered Office	% Held	Consolidation Method
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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SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The Consolidated Financial Statements for the fiscal year ended December 31, 2022 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 consolidated 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.

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.

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 consolidated financial statements schemes and in the pertaining notes.

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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, 2021, having regard to the updates to the reference framework that came into effect on January 1, 2022, 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:

Accounting standards, amendments and interpretations applicable for the Group starting from January 1, 2022

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

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 came into force for annual reporting periods beginning on or after April 1, 2021, but earlier application was permitted. No impacts occurred for the Group as no Covid-related concessions have been granted at all.

Amendments to IFRS 3 Business Combinations

The purpose of the amendments is to update the reference in IFRS 3 to the Conceptual Framework in its revised version, without making any changes to the provisions of IFRS 3.

Amendments to IAS 16 Property, Plant and Equipment

The purpose of the amendments is not to allow the amount received from the sale of goods produced in the test phase of the activity to be deducted from the cost of property, plant and equipment. These sales revenues and the related costs shall therefore be recognised in the income statement.

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets

The amendment clarifies that in the estimate of the possible cost of a contract, all costs directly attributable to the contract must be considered. Accordingly, the assessment as to whether a contract is onerous includes not only incremental costs (such as, for example, the cost of direct material used in the processing), but also all costs that the company cannot avoid because it has executed the contract (such as, for example, the depreciation rate of the machinery used to perform the contract).

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Annual Improvements 2018-2020
Specific and marginal amendments have been made to IFRS 1 First-time Adoption of International Financial Reporting Standards (concerning the measurement of the translation reserve), IFRS 9 Financial Instruments (concerning the specification of charges to be considered in the calculation of the 10% test for derecognition), IAS 41 Agriculture (concerning the consideration of tax flows in the method of calculating the fair value of certain assets) and the Illustrative Examples of IFRS 16 Leases (concerning incentives).

Accounting standards, amendments and interpretations already issued and endorsed by the European Union, applicable to financial statements for financial years beginning after 1 January 2023, the introduction of which is not expected to have a significant impact on the Group

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
On 12 February 2021, the IASB published the "Definition of Accounting Estimates (Amendments to IAS 8)" in which the definition of change in accounting estimates is replaced by a definition of accounting estimate. Under the new definition, accounting estimates are "monetary amounts reported in the financial statements subject to valuation uncertainty" and that a change in the accounting estimate resulting from new information or new developments is not the correction of an error. The changes will take effect from 1 January 2023.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (Making Materiality Judgements)
The amendments, published on 12 February 2021 by the IASB, are intended to improve the disclosure of accounting policies so as to provide more useful information to investors and other primary users of financial statements as well as to help companies distinguish changes in accounting estimates from changes in accounting policies. The changes will take effect from 1 January 2023.

IAS 12 Income taxes
On 7 May 2021 the IASB published the Amendments to IAS 12 Income Taxes: "Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document aims to clarify the accounting of deferred taxes on particular transactions such as leases and decommissioning obligations. The amendment will be effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.

Amendments to IFRS 17 Insurance Contracts
On 25 June 2020, the IASB published amendments that aim to reduce costs by simplifying certain requirements of the standard, make it simpler to illustrate financial performance, and ease the transition by postponing the effective date of the standard to 2023, providing additional help to reduce the effort required when applying the standard for the first time.

Initial application of IFRS 17 and IFRS 9 - comparative information
On 9 December 2021, the IASB published an additional amendment to IFRS 17. The amendment is a transition option relating to comparative information on financial assets presented at the date of initial application of IFRS 17. The amendment is intended to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts, and thus to improve the usefulness of comparative information for readers of financial statements.
The new standards, amendments and interpretations already issued but not yet endorsed by the European Union and applicable to the financial statements for years beginning after 1 January 2022 are also briefly illustrated, the introduction of which is not expected to have a relevant impact on the Group.

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IFRS 14 Regulatory Deferral Accounts
The endorsement process for the new standard aimed at companies subject to regulated rates published in January 2014 and which will replace the current one is currently suspended.
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - The endorsement process for these amendments published by the IASB in September 2014 is currently suspended pending the conclusion of the IASB project on the equity method.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
On 22 September 2022, the IASB endorsed amendments to IFRS 16 concerning sale and leaseback transactions, where the seller-lessee recognises only the amount of gain or loss that relates to the rights transferred to the buyer-lessor. The initial measurement of the lease liability arising from such transactions is the result of how the seller-lessee measures the right-of-use asset and the gain or loss recognised at the date of the transaction. The amendment will be effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.

Finally, it has to be noted also the **IFRIC Agenda decision - Lessor forgiveness of lease payments (IFRS 9 and IFRS 16)** issued in October 2022, addressing the accounting from the perspective of the lessor, and in particular:
- how the Expected Credit Loss ('ECL') model in IFRS 9 should be applied to the operating lease receivable when the lessor expects to forgive payments due from the lessee under the lease contract before the rent concession is granted;
- whether to apply the derecognition requirements in IFRS 9 or the lease modification requirements in IFRS 16 when accounting for the rent concession.

Basis of Consolidation

The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries as of December 31, 2022.

Details of the Company and its consolidated subsidiaries as of December 31, 2022 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	Straelen, Germany	100	Full consolidation

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Company Name	Registered Office	% Held	Consolidation Method
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

Subsidiaries are enterprises controlled by the Group, as defined by IFRS 10 – *Consolidated Financial Statements*. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiaries are included in the Consolidated Financial Statements from the date control commences until the date it ceases.
At the date of acquisition, assets and liabilities of a subsidiary are measured at fair value. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. When necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group.
All significant intercompany transactions and balances between Group enterprises are eliminated on consolidation.

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

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 effective at the transaction date have been applied. Exchange differences arising on converting financial statements expressed in foreign currencies are booked directly to shareholders' equity (Other Comprehensive Income).

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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, 2022
SEK Swedish Crown	10.3175	10.9859	11.1218
GBP British Pound	0.8350	0.8746	0.8869
DKK Danish Crown	7.4366	7.4426	7.4365
NOK Norwegian Crown	9.6191	10.4480	10.5138
PLN Polish Zloty	4.5487	4.8040	4.6808
CZK Czech Crown	24.2695	25.0065	24.1160
CNY Chinese Yuan Renminbi	6.8538	7.3859	7.3582
RUB Russian Ruble	59.2902	119.5066	77.8998

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.

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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.

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

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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 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.

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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 5.62% 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.

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.

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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.

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.

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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.
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

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

Financial Liabilities for Leases

At the commencement date of a lease, the Group recognises financial liabilities for leases, measuring them at the present value of the lease payments due and not yet paid at that date. The payments due include fixed payments (including substantially fixed payments) net of lease incentives received, variable lease payments that are index or rate dependent, and amounts expected to be paid for residual value guarantees. Lease payments also include the exercise price of a call option if it is reasonably certain that this option will be exercised by the group, and lease termination penalty payments if the lease term takes into account the group's exercise of the lease termination option, but variable lease payments that are not dependent on an index or rate are recognised as costs in the period in which the event or condition that generated the payment occurs. In calculating the present value of the payments due, the Group uses the Incremental Borrowing Rate at inception if the implicit interest rate cannot be easily determined, as stated above. After the commencement date, the amount of the lease liability is increased to reflect interest on the lease liability and decreased to reflect payments made. In addition, the carrying value of lease payables is recalculated in the event of any amendments to the lease or the revision of the contractual terms to change the payments; it is also recalculated in the event of changes to the valuation of the option to purchase the underlying asset or for changes in future payments that result from a change in the index or rate used to determine such payments.

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., 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

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disposal of 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.

Taxation

Income taxes include all taxes based upon the taxable profits of the Group. Deferred taxes are provided using the full liability method. They are calculated on all temporary differences between the tax base of an asset or liability and the carrying values in the Consolidated Financial Statements, except for those arising from non tax-deductible goodwill and for those related to investments in subsidiaries where reversal will not take place in the foreseeable future. Tax assets on unused tax losses and tax credits, as well as those arising from temporary differences, are recognised to the extent it is probable that future profits will be available against which they can be utilised, determined on the basis of available projections.
Current income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and where there is a legally enforceable right to offset. Deferred tax assets and liabilities are measured at the enacted tax rates in the respective jurisdictions in which the Group

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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.

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.

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.

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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 consolidated financial statements.

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.

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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

In 2022 the Group underwent an amend and extend process of its existing Senior Facilities Agreement that led to the following changes in its financial structure:

- a new Facility ("Term Loan B1") with maturity date February 2026 was introduced for Euro 140.4 million, replacing the Term Loan B for an equivalent amount;
- the existing Term Loan B amounting to Euro 180 million and due in August 2024 remains outstanding for Euro 39.6 million;
- the Revolving Credit Facilities (RCF), allowed up to Euro 60 million and granted to the companies of the Group for Euro 30 million, were increased to Euro 37 million and maturity was extended from August 2023 to June 2025;
- carve outs for Receivables Finance Facilities and Permitted Indebtedness were increased from Euro 160 million to Euro 210 million.

The current financial structure results in aggregate Term Loans amounting to Euro 180 million, with an extended duration and additional room allowed for short-term indebtedness. No maintenance financial covenants are foreseen by the Senior Facilities Agreement, with the exception of a leverage ratio in case of RCF usage, in line with the previous agreement.

With regard to the Receivables Finance Facilities, in addition to the Euro 60 million Securitisation program over the receivables of the Italian Company undertaken in 2021, in 2022 the Group has entered into two further receivable financing agreements for aggregate Euro 60 million covering the receivables of UK, Germany and Poland.

In evaluating the appropriateness of the going concern assumption for the preparation of the annual accounts, 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 current macroeconomic trends affecting the various European countries economies. Under this respect Directors noted the Group achieved a good performance in 2022, despite the many challenges faced, in terms of supply chain disruption, rising commodity prices and global impact of the Russia-Ukraine conflict. Whilst in the first four months of 2023, sales are below 2022 performance, Management is confident that 2023 EBITDA will be higher, influenced in part by improved gross margin performance.

In the light of the circumstances described above, Directors deem the going concern assumption appropriate for the preparation of the annual accounts as of December 31, 2022.

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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".

Description	Euro/000			
	Equity		Net Result	
	Dec 31, 2022	Dec 31, 2021	2022	2021
Stiga SA Statutory Financial Statements	**(38,754)**	**(38,711)**	**(44)**	**(1,542)**
- Difference in Values of Investments and Equity				
- Investments' Value Elimination	(290,617)	(245,765)	(45,000)	-
- Equity and Net Result of Consolidated Companies	398,928	335,828	86,459	50,493
- Elimination of Consolidated Companies' Statutory Goodwill	180	180	-	553
- Dividends Elimination	(4,334)	(4,114)	(17,980)	(17,678)
- Elimination of IC Gains on Assets Disposals and IC Profits on Inventory	(6,674)	(3,060)	(3,614)	2,016
- Other Consolidation Entries	1,909	1,039	672	(2,143)
Consolidated Financial Statements	**60,638**	**45,397**	**20,493**	**31,699**
- Minority Interests	(186)	(206)	(262)	(310)
Consolidated Financial Statements - Attributable to Owners of the Parent	**60,452**	**45,191**	**20,231**	**31,389**

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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	**23,078**	**3,150**	**729**	**180**	**217**	**27,354**
Additions	7,638	1,560	650	-	-	9,848
Decrease	(18)	(5)	-	-	-	(23)
Amortisation	(8,799)	(1,317)	(369)	-	(107)	(10,592)
Translation Differences	6	(1)	2	-	3	10
Carrying Amount at the End of the Fiscal Year	**21,905**	**3,387**	**1,012**	**180**	**113**	**26,597**

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 7.6 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 capitalisation of the supply chain optimisation and evolution (Euro 1.1 million)

The net book value of Trademarks and Patents refers to the patents related to autonomous robot (Euro 0.9 million) and trademark Atco (Euro 0.1 million) 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, 2022 on the equity of the subconsolidated accounts of Stiga C was based upon future cash flows as resulting from the Budget 2023 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 392 million and Euro 191 million. As already stated as general principle within the Group, considering the related features which present a substantial business standardisation and deep industrial and commercial interactions among products and among companies in the Group, the analysis was performed at consolidated level, considering the Group as a single CGU.

The current value in use was calculated as present value of future expected cash flows generated in the year 2023 plus the terminal value. Among the assumptions used in the calculation, it is worth noting the growth rate used for determining the terminal value which was set at 2.5% and the

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Weighted Average Cost of Capital (WACC) rate set at 10.70%. 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.

The sustainability of the results of the impairment corroborated has been tested, based 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, 2022.

(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	**32,292**	**7,421**	**17,810**	**3,273**	**8,205**	**69,000**
Additions	1,670	1,075	3,185	1,633	2,883	10,446
Decreases	(292)	(6)	(189)		-	(487)
Reclassifications	-	130	(130)		-	-
Depreciation	(1,604)	(1,729)	(5,735)	(1,847)	(4,672)	(15,587)
Translation Differences	(161)	(8)	(72)	89	(43)	(195)
Carrying Amount at the End of the Fiscal Year	**31,905**	**6,883**	**14,869**	**3,148**	**6,373**	**63,178**

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's Rep. of China) and the main warehouses in Sweden and China.

During the fiscal year, the Group has mainly invested in buildings, machinery, tools, moulds and other equipment in Stiga S.p.A. (Euro 4.9 million, out of which Euro 1.4 million for a sprinkler system), Stiga (Guangzhou) Garden Products Co. Ltd (Euro 1.2 million), Stiga Slovakia S.r.o. (Euro 0.4 million), Stiga S.a.S (Euro 0.3 million) and Stiga Gmbh (Euro 0.2 million). As in prior years, these investments aim at improving the Group's efficiency and capability to meet future demand for its products. Decrease in Land and Building mainly refers to the sale of the building owned by Stiga S.p.A. in Steinbourg (France), where until July 2021 were located Stiga S.a.s offices.

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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 as well as to the renewal of certain contracts already in place.

As detailed below in the note 22 regarding memorandum accounts, certain fixed assets are subject to mortgages and other ties in favour of lenders.

(3) Investments Accounted for using Equity Method

The Group holds an investment in Eurotillers S.r.o., consisting in 49% of the share capital, established with an industrial partner, originally aimed at the production of tillers and 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 1.2 million to cover losses incurred in the past. The provision has been accounted for in deduction of the financial loan towards Eurotillers S.r.o. (see Note 4).

(4) Financial Long-Term Assets

The item amounting to Euro 3.6 million (Euro 3.7 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 Group was also considered.
- For Euro 2.1 million the loans at market conditions entered by the fully owned subsidiary Stiga C S.à r.l in April 2021 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 refers to prepaid expenses on the RCF that the Group incurred in 2022 following the refinancing process. They are amortised on a straight-line basis 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 18.7 million. We report below a detail of deferred tax assets and relevant movements during the year.

(Euro 000's)	Taxed Provisions	Tax Losses	Interest Costs Non Deductable	Hedging Instruments	Total
Balance at January 1, 2022	**3,911**	**10,989**	**3,821**	**(680)**	**18,041**

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Credited to Income Statement	1,704				1,704
Charged to Income Statement		(2,040)	(425)		(2,465)
Credited to Equity				1,281	1,281
Movements in Long-Term Tax Receivables	189				189
Balance at December 31, 2022	**5,804**	**8,949**	**3,396**	**601**	**18,750**

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, 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**

Deferred Tax Assets on taxed provisions for Euro 5.8 million mainly refer to Italy, China, 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 recognised in 2021 for Euro 14. 9 million, were used in 2022 for Euro 2.5 million. At December 31, 2022 no further Deferred Tax Assets were recognised in the Consolidated Statement of Financial Position. The total unused tax losses for which no deferred tax assets have been recognised in the Statement of Financial Position amount to Euro 116 million, of which Euro 104.6 million related to Stiga C S.à.r.l and Euro 11.4 million related to Stiga SpA.

Deferred Tax Assets on hedging instruments increased by Euro 1.3 million, leading to a year end balance of Euro 0.6 million; the value refers to the fiscal impact on the fair value of exchange rate hedging contracts classified as cash flow hedges. Following the refinancing that took place in July 2022, the reserve related to the fair value of the Interest Rate Swaps was fully expensed during the year and as a consequence also the fiscal impact of interest rate hedging contracts was accounted for in deferred tax assets account.

(7) Inventories

The following table shows details of Inventory categories as at December 31, 2022 compared to the previous financial period figures.

Euro 000's	Dec 31, 2022	Dec 31, 2021
Raw Materials and Components		

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Gross Value	57,938	54,702
Obsolescence Reserve	(3,653)	(1,221)
Net Value	**54,285**	**53,481**
Work in Progress		
Gross Value	16,581	12,844
Obsolescence Reserve	(752)	(787)
Net Value	**15,829**	**12,057**
Finished Goods and Spare Parts		
Gross Value	110,188	102,505
Obsolescence Reserve	(5,749)	(3,863)
Net Value	**104,439**	**98,642**
Total Inventories	**174,552**	**164,181**

Stocks of raw materials and components refer to the production units, in particular Italy for Euro 24.1 million, Slovakia for Euro 18.9 million and China for Euro 12.1 million. Work in progress is mainly located in Italy (Euro 14.9 million) while finished goods are stored partly in the three production facilities (Euro 49.4 million) and partly in the other commercial subsidiaries (Euro 42.6 million). Spare parts are mainly located in the Belgian warehouse of Stiga S.p.A. (Euro 11.8 million).

The total Inventory increase of Euro 10.4 million is mainly due to the strategic decision to purchase in advance all the components of the autonomous robot in a situation of uncertainty in the supply chain to grant the delivery of the product which has been launched on the market in January 2023.

Obsolescence Reserve amounting to Euro 10.2 million (Euro 5.9 million in the previous period) was recorded mainly in Italy (Euro 5.2 million), Slovakia (Euro 2.4 million), China (Euro 0.5 million), UK (Euro 0.5 million), Germany (Euro 0.3 million), Sweden (Euro 0.3 million) and France (Euro 0.3 million). Moreover, a provision was also accrued for the inventory of the Russian subsidiary (Euro 1.0 million). The total amount of the reserve as of December 31, 2022 is considered adequate to cover known and expected losses in inventory.

The Obsolescence Reserve movement during the 2022 fiscal year has been as follows:

Euro 000's	Dec 31, 2021	Provision	Use and Release	Translation Difference	Dec 31, 2022
Obsolescence Reserve	(5,871)	(5,586)	1,223	79	(10,154)

The Obsolescence Reserve movement during the previous fiscal period 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)

(8) Trade Receivables

Euro 000's	Dec 31, 2022	Dec 31, 2021
Trade Receivables due from Third Parties	107,378	81,421

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Allowance for Doubtful Accounts	(2,425)	(1,799)
Total Trade Receivables	**104,953**	**79,622**

All Trade Receivables are due within one year. They refer mainly to Italy (Euro 69.9 million), UK (Euro 13.1 million), Poland (Euro 4.8 million), Finland (Euro 2.4 million), France (Euro 2.0 million), Germany (Euro 2.0 million) and Netherlands (Euro 1.4 million). Additionally, the Slovakian subsidiary shows Euro 4.6 million as Trade Receivables, composed by credit towards suppliers. The increase in Trade Receivables amounts to Euro 25.3 million and is due for Euro 18.4 million for a different phasing in sales compared to 2021.

The overdue balance amounts to Euro 19.2 million compared to Euro 11.7 million in the previous period; the increase is mainly in the range longer than 90 days and is mostly due to high trade stock at our customers after the high season, leading to a delayed cash-in that is going to be recovered in 2023.

The Allowance for Doubtful Accounts relates mainly to France (Euro 0.8 million), Italy (Euro 0.4 million), UK (Euro 0.3 million), Poland (Euro 0.2 million), Denmark (Euro 0.2 million) and Netherlands (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 2022 fiscal year has been as follows:

Euro 000's	Dec 31, 2021	Provision	Use and Release	Translation Difference	Dec 31, 2022
Allowances for Doubtful Accounts	(1,799)	(1,134)	488	21	(2,425)

The Allowance for Doubtful Accounts movement during the previous fiscal period 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)

(9) Financial Short-Term Assets

This caption, amounting to Euro 7.4 million, includes Financial Assets due within twelve months:

Euro000's	Dec 31, 2022	Dec 31, 2021
Life Insurance	3,116	37,156
Other Financial Assets	433	376.8
Financial Receivables	272	291
MTM Hedging Instruments	3,538	-
Total Financial Short-Term Assets	**7,359**	**37,823**

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The Life Insurance refers to a policy contract subscribed with Credit Agricole Vita in May 2014 in order to invest the excess of liquidity; the instrument can be reimbursed upon request in a short period. In 2022 the policy was released for Euro 34.0 million, with a remaining outstanding value of Euro 3.1 million.

The item "MtM Hedging Instruments" refer to the fair value of the Interest Rate Swap contracts for a notional amount of Euro 180 million, undertaken to hedge the Group financial indebtedness; in the previous fiscal year the fair value was negative and reported under Note 14. Details about such derivatives are given in Note 34.

(10) Other Short-Term Assets

Euro 000's	Dec 31, 2022	Dec 31, 2021
Hedging Instruments	770	6,576
Claims for VAT	4,905	9,634
Other Tax Receivables	5,101	2,939
Accruals and Prepayment Short-Term	1,471	1,685
Other Debtors	431	898
Total Other Short-Term Assets	**12,680**	**21,732**

All Short-Term Assets are due within one year. The claims for VAT refer mainly to Slovakia (Euro 2.6 million) and China (Euro 2.4 million). Other tax receivables include advance taxes (Euro 2.7 million) and Italy R&D tax credit (Euro 2.4 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, 2022	Dec 31, 2021
Bank Accounts	43,477	50,634
Cash on Hand and Cash Equivalents	242	690
Total Cash and Cash Equivalents	**43,719**	**51,324**

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

(12) Equity

Share Capital and Share Premium Reserve

As at December 31, 2022 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;

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- 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
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, more specifically Euro 1.9 million related to negative fair value of forwards accounted for the cash flow hedging of changes rate fluctuations.

The reserve relating to the fair value of Interest Rate Swaps was fully expensed during the fiscal year, following the refinancing process that took place in July 2022.

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, 2022	Dec 31, 2021
Term Loan B1	-	140,417	140,417	180,000
Term Loan B	-	39,583	39,583	-
Borrowing Costs on Term Loan B	-	-	-	(2,276)
Borrowing Costs on Term Loan B1	(286)	(618)	(904)	-
Subsidised Financing	2,426	1,329	3,755	4,604
Securitisation	36,235		36,235	28,064
Total Bank Borrowings	**38,375**	**180,711**	**219,086**	**210,392**

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Following the amend and extend process of the Senior Facilities Agreement occurred in July 2022, the current financial structure of the Group is composed of a new facility, Term Loan B1, amounting to Euro 140.4 million and having maturity date February 2026. Term Loan B is currently outstanding for Euro 39.6 million (previously Euro 180 million) and is due in August 2024.
Interests are calculated at a variable rate (Euribor 6 months, with zero floor, plus a spread of 475 basis points on the Term Loan B1 and 425 basis points on the Term Loan B) and are paid bi-annually in May and November.

As part of the finalisation of the Amendment and Restatement Agreement, the Group incurred in legal costs and upfront fees treated accordingly to the amortised cost method on the basis of effective interest rate; the outstanding amount at December 31, 2022 is Euro -0.9 million. Additionally, the refinancing of the debt accelerated the amortisation of the borrowing costs incurred in 2017, whose value at year end is null.

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. The current aggregated outstanding loan balance is Euro 3.8 million, with the final 10% drawdown to be made in April 2023.

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 facility entails a recurring drawdown based on the assigned receivables, leading to an outstanding borrowing at year end of Euro 36.2 million (Euro 28.1 million in 2021).

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

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

(14) Other Financial Long-Term Liabilities

Euro 000's	Between One and Five Years	Dec 31, 2022	Dec 31, 2021
MTM Hedging Instruments	-	-	4,342
Other Financial Liabilities	3,283	3,283	4,053
Total Other Financial Long-Term Liabilities	**3,283**	**3,283**	**8,395**

The item "MtM Hedging Instruments" refers to the fair value of the Interest Rate Swap undertaken to hedge the Group financial indebtedness; being positive at year end, the fair value is currently reported under Note 9. Other Financial Liabilities mainly include the debt due after more than 12 months related to the leases accounted for according to IFRS 16.

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(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 1.771 million (3.992 in the previous financial period). As a consequence, the Company released to the Consolidated Income Statement Euro 2.2 million (see Note 26).

(16) Provision for Pensions and Similar Obligations

Provisions for Pension and Similar Obligations amount to Euro 2.1 million and include:

- The employees leaving indemnity as required under Italian law (so called "Trattamento di Fine Rapporto", herein after "TFR") for Euro 1.7 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 0.0 million.

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

Euro 000's	Dec 31, 2022	Dec 31, 2021
Defined Benefit Obligation - Opening Balance	**2,347**	**2,648**
Service Cost	-	5
Interest Cost	17	(81)
Benefits Paid	(144)	(222)
Translation Differences	(8)	(3)
Expected Defined Benefit Obligation - Closing Balance	2,212	2,347
Actuarial (Gains) / Losses	(152)	(0)
Defined Benefit Obligation - Closing Balance	**2,060**	**2,347**

The main defined benefit plan in place as at December 31, 2022 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, 2022	Dec 31, 2021
Discount Rate	3.57%	0.44%

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Future Salary Increase	3.23%	2.81%
Inflation Rate	2.30%	1.75%
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, 2022	**Euro 000's**
Turnover Rate +1%	1,740
Turnover Rate -1%	1,728
Inflation Rate +0,25%	1,751
Inflation Rate -0,25%	1,718
Actual Discount Rate +0,25%	1,708
Actual Discount Rate -0,25%	1,761

The sensitivity analysis above was carried out on the basis of changes in individual assumptions, while retaining the others unchanged, although in practice any change in an assumption generally can also be reflected in the other as a result of potential correlations. The sensitivity above was calculated using the same method (projected unit credit method) used to define the valuation of the liability recognised in the Statement of Financial Position. The following are the future disbursements forecasts used for the estimation of the liabilities in the Consolidated Financial Statements: Year 1: Euro 210 thousands; Year 2: Euro 184 thousands; Year 3: Euro 174 thousands; Year 4: Euro 191 thousands; Year 5: Euro 133 thousands.

(17) Other Long-Term Provisions

The item Other Long-Term Provisions, amounting to Euro 5.1 million, is composed as follows:

Euro 000's	**Warranty**	**Other**	**Total**
Balance at January 1, 2022	**5,202**	**398**	**5,600**
Costs Accrued in the Year	4,405	73	4,478
Use/Release	(4,890)	(37)	(4,926)
Translation Differences	(97)	(2)	(99)
Balance at December 31, 2022	**4,620**	**432**	**5,052**

We report the same detail for the previous period:

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Euro 000's	Warranty	Other	Total
Balance at January 1, 2021	**5,194**	**371**	**5,565**
Costs Accrued in the Year	5,385	65	5,450
Use/Release	(5,474)	(40)	(5,515)
Translation Differences	97	3	100
Balance at December 31, 2021	**5,202**	**398**	**5,600**

The Warranty Provision refers to mandatory duties according with local tax laws and mainly results from accruals created in Germany (Euro 1.1 million), UK (Euro 0.9 million), Italy (Euro 0.6 million), Poland (Euro 0.5 million) and France (Euro 0.3 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 Provision includes 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 1.0 million to the fiscal impact of accelerated depreciation charges on fixed assets calculated in accordance with local laws in Slovakia and Italy, for Euro 0.2 million to Swedish untaxed reserve and for Euro 0.3 million to other temporary differences between tax and book values.

Deferred Tax Liabilities (Euro 000's)	Accelerated Tax Depreciation	Swedish Untaxed Reserves	Other	Total
Balance at January 1, 2022	**1,263**	**174**	**261**	**1,698**
Credited to Income Statement	(304)	-	(34)	**(338)**
Charged (Credited) to Equity			44	**44**
Balance at December 31, 2022	**959**	**174**	**271**	**1,404**

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

Deferred Tax Liabilities (Euro 000's)	Accelerated Tax Depreciation	Swedish Untaxed Reserves	Other	Total
Balance at January 1, 2021	**1,495**	**327**	**293**	**2,115**
Credited to Income Statement	(232)	(154)	(32)	**(417)**
Balance at December 31, 2021	**1,263**	**174**	**261**	**1,698**

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(19) Trade Payables

Trade Payables, amounting to Euro 130.3 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, 2022	Dec 31, 2021
Trade Payables	130,334	163,833

All Trade Payables are due within one year. The overdue balance amounts to Euro 12.1 million (Euro 16.7 million in the previous period), of which Euro 9.6 million overdue since 0-30 days (Euro 11.5 million in the previous period), Euro 2.1 million overdue since 30-60 days (Euro 3.9 million in the previous period), Euro 0.1 million overdue since 60-90 days (Euro 0.3 million in the previous period) and Euro 0.4 million overdue since more than 90 days (Euro 0.9 million in the previous period).

(20) Other Financial Short-Term Liabilities

This caption, amounting to Euro 4.5 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 3.3 million;
- The accrued interest on Term Loan B and B1 for an amount of Euro 1.2 million.

(21) Other Short-Term Liabilities

The item is detailed below.

Euro 000's	Dec 31, 2022	Dec 31, 2021
Current Tax Payables	7,973	6,252
Short-Term Provisions	1,307	2,097
Employees and Social Security Institutions	9,945	10,008
Accruals for Bonus to Employees	3,318	5,503
Hedging Instruments	3,274	728
Other Accrued Expenses and Deferred Incomes	1,037	760
Total Other Short-Term Liabilities	**26,855**	**25,348**

Current Tax Payables include obligations related to VAT, income taxes and indirect taxes.
Short-Term Provisions include:

- Euro 0.7 million of future liabilities in relation to possible litigations with employees (Euro 0.8 million in the previous period);
- Euro 0.6 million for other provisions for risks and charges (Euro 0.4 million in the previous period);

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- Euro 0.1 million for fiscal risks related to the tax audit in Slovakia with reference to fiscal year 2019 and for which during 2022 Euro 0.7 million were paid to Slovakian authorities (Euro 0.8 million in the previous period).

Debts towards employees and social security institutions, totalling Euro 9.9 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 Agreement, a number of guarantees have been confirmed in favour of GLAS Trust Corporation Limited which acts as agent of the Lenders. In particular, the following securities are granted:

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

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

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

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

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

The Group also has outstanding derivative contracts for which details are provided in note 34.

(23) Revenue

Details of the item are presented below:

Euro 000's	2022	2021
Gross Sales	660,137	593,939
Customer Bonuses and Other Trade Discounts	(20,029)	(16,627)
Selling Commissions	(2,313)	(1,908)

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Exchange Rates Differences	(822)	(2,037)
Total Revenue	**636,973**	**573,367**

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

Euro 000's	**2022**	**2021**
Europe – Euro zone	411,282	346,798
Europe – Non Eurozone	119,654	121,414
Rest of World	106,038	105,156
Total Revenue	**636,973**	**573,367**

(24) Cost of Sales

This caption is composed as follows:

Euro 000's	**2022**	**2021**
Components and Traded Products Costs	373,429	332,461
Outsourced Production Costs	7,066	5,701
Transportation Costs	50,579	36,418
Direct and Indirect Payroll Costs	36,043	32,522
Industrial Depreciation Charges	8,659	8,273
Industrial Overheads Expenses	9,859	6,471
Exchange gain/losses on Purchases	(15,624)	(4,566)
Total	**470,010**	**417,280**

Increase of Transportation costs from overseas affected by higher prices of containers and supply chain and ports congestion occurred during 2022.

(25) Distribution Costs

Details about the nature of Distribution Costs are presented below:

Euro 000's	**2022**	**2021**
Freight Costs	29,568	27,762
Other Logistic Costs	11,177	9,240
Distribution Labour Costs	3,695	2,802
Distribution Depreciation	2,659	2,755
Total	**47,099**	**42,558**

Distribution costs increased compared to previous period mainly due to fuel indexation and higher inventory level, impacting warehousing costs.

(26) Operating Expenses

Details about the nature of Operating Expenses are presented below:

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Euro 000's	2022	2021
Labour Costs	34,309	34,011
Other Marketing and Selling Costs	23,649	17,214
BOD and Statutory audit	516	628
NED Incentive Plan	(2,221)	(356)
Operating Depreciation	4,270	4,037
Amortisation and Write-Down	10,592	9,589
Other General and Administration Costs	10,481	8,896
Total	**81,595**	**74,019**

The increase is mainly driven by higher marketing and selling cost, following 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 the release of the NEDIP provision by Euro 2.2 million, reflecting the fair value of the Incentive Plan as of December 31, 2022, adjusted according to a time-based provision foreseen in the NEDIP.

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	2022	2021
Audit fees	536	503
Audit-related fees	8	11
Tax fees	18	20
Other fees related to permissible Non Audit Services	25	31
Total	**587**	**565**

(27) Other Operating Income

This caption is composed as follows:

Euro 000's	2022	2021
Non-Repayable Contribution	290	727
Rental Income	1,120	816
R&D Grants on innovative new products	1,445	492
Energy Contribution	238	-
Sickness Fund Refund	51	462
China Government Subsidies	417	135
Gains on Assets Disposal	819	14
Contingent Assets	446	106
Other Operating Income	519	453
Total	**5,345**	**3,204**

Non-Repayable Contribution represents the portion pertaining to the fiscal year 2022 of the total amount granted to Stiga S.p.A. for Euro 2.2 million. Rental Income refers to the premises rented

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by Italy (Euro 0.5 million) and Sweden (Euro 0.6 million). R&D Grants on innovative products at Euro 1.5 million, of which Euro 0.8 million referred to 2021. China Government Subsidies at Euro 0.4 million are mainly related to incentives obtained thanks to increase of export volumes and growth of the business. Gain on Assets Disposal is mainly referred to the sale of the building owned by Stiga S.p.A. in Steinbourg (France), where until July 2021 were located Stiga S.a.s offices.

(28) Other Operating Expenses

Euro 000's	2022	2021
Bad Debt Provision	955	569
Warranty Provision	4,434	5,364
Losses on Assets Disposal	215	92
Contingent Liabilities	212	100
Other Operating Expenses	288	180
Total	**6,105**	**6,305**

(29) Payroll

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

Average Number of Employees	2022	2021
Italy	684	618
Slovakia	421	481
China	346	277
Germany	45	45
UK	43	45
Others	175	174
Total	**1,714**	**1,640**

The detail of payroll costs is the following:

Euro 000's	2022	2021
Salaries	60,608	57,281
Pension and Social Security Costs	12,515	10,969
Other Personnel Costs	923	1,085
Total	**74,046**	**69,335**

(30) Financial Income and Expenses

Euro 000's	2022	2021
Interest Income	483	610
Other Interest Income	463	444
Positive diff. In fair value of derivative fin. Instr.	3,106	-
Net Exchange Rate Gains	-	1,139

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Total Interest Income	**4,052**	**2,193**

Euro 000's	**2022**	**2021**
Net Exchange Rate Losses	(315)	-
Interest on Long-Term Debt	(8,368)	(9,002)
Interest on Short-Term Debt	(1,232)	(141)
Loan Fees Amortisation	(2,736)	(2,335)
Commitment Fees	(415)	(732)
Financial Receivables Write-Off (Release)	(66)	(43)
Bank and Other Charges	(322)	(319)
Negative diff. In fair value of derivative fin. Instr.	-	(2,034)
Net Exchange Rate Losses	-	-
Other Financial Expenses	(1,058)	(893)
Total Interest Expenses	**(14,512)**	**(15,500)**
Total Net Financial Expenses	**(10,460)**	**(13,307)**

The difference in fair value of derivative financial instruments compared to the previous period amounts to Euro 5.1 million and is related to the outstanding interest rate hedging contracts. Following the breakage of the founding economic relationship between the hedged item and the hedging instrument that occurred in 2019, such contracts are no longer being treated as cash flow hedging as per IFRS 9 and all the fluctuations in the fair value are booked directly through profit and loss.

Furthermore, following the refinancing process that took place in July 2022, the reserve relating to the fair value of Interest Rate Swaps, amounting to Euro -2.3 million as of December 31, 2021, was fully expensed.

Interests on Long-Term Debt refer to interest charges on the Term Loan B and Term Loan B1 as foreseen in the Amendment & Restatement Agreement signed on July 26, 2022.

Interests on Short-Term Facilities are related to the RCF utilisation made in spring 2022 during the peak of trade working capital absorption, and the Securitisation program undertaken in October 2021 which entails a recurring facility drawdown.

Loan Fees Amortisation includes 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 amortised on a straight-line method. Following the recent refinancing, the remaining balance of the borrowing costs incurred in 2017 was expensed in the fiscal year. Commitment Fees refer to the non-utilisation costs of the RCF.

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 6.1 million and Net Deferred Tax effect charged to the Consolidated Income Statement for Euro 0.4 million.

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Euro 000's	2022	2021
Current Taxes	(6,132)	(6,175)
Net Deferred Tax Effect Debited to Income Statement	(423)	14,772
Total Income Taxes	**(6,555)**	**(8,597)**

The current tax expenditure is generated mainly in China, Slovakia, Italy and Germany; the local income tax rates applied vary between 15% and 29%. The following table shows the reconciliation of the theoretical tax charge with the effective tax charge:

Euro 000's	2022	2021
Profit before Taxes	**27,048**	**23,102**
Theoretical Taxes (24%)	(6,492)	(5,544)
Deferred Tax Assets on Tax Losses Not Recognised	-	-
Deferred Tax assets on Unused Tax Losses and on Non-Deductable Interest Write-Off	(2,464)	14,930
Non-Deductible Expenses	(2,307)	(572)
Non-Taxable Income	2,799	1,147
Other (*)	1,909	(1,364)
Total Income Taxes	**(6,555)**	**8,597**

(*) Mostly refers to the Net Tax Effect of permanent differences, of different tax rates applied abroad relative to the theoretical ones applied in Italy (the 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 2.1 million at the end of the 2022 fiscal year, as a consequence of the approved Management Incentive Plan (MIP) in April 2021.

(33) Directors, Statutory Auditors and External Auditors remunerations

Compensations paid from the Group during the financial year ended December 31, 2022 to members of the Board of Directors amounted to Euro 439 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 536 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;

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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 Consolidated Management Report, Stiga Group constantly monitors the financial risks to which it is exposed, in order to detect those risks in advance and take the necessary actions to mitigate them.

1) Credit Risk

The Group's credit Risk is different depending on products and markets. The Group operates in trade channels with a limited number of important dealers with whom there is a continuous and long term relationship and in other trade channels with a large number of smaller customers. Customers are subject to specific credit assessment and constant monitoring of the outstanding credit position through dedicated personnel, supported by financial information providers, operating within the Group Credit Limit procedure.

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

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which entails applying 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, 2022**	**Dec 31, 2021**
Current	88,182	69,737
Overdue 0-30 Days	5,944	5,412
Overdue 30-60 Days	1,482	1,380
Overdue 60-90 Days	829	2,035
Overdue More Than 90 Days + Legal	10,941	2,858
Provision	*(2,425)*	*(1,799)*
Total	**104,953**	**79,622**

Finally, we highlight that cash balances at year end were held mainly with Intesa Sanpaolo (Euro 28.0 million) having a S&P credit rating of BBB, with Credit Agricole (Euro 7.8 million) having a S&P credit rating of A+ and with Bank of China (Euro 4.0 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 maturity of the debt and the conversion to cash of the capital employed. As mentioned in the Risk management section of the Consolidated Management Report, the Group

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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 cash forecasting, budgeting and business planning;
- Negotiating with the lenders the amend and extend of the term loan and the RCF.

The table below analyses the Financial Liabilities, Trade Payables and Other Liabilities, 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 31/12/2022**	**< 1 year**	**1 - 5 years**	**> 5 years**
Trade Payables	130,334	130,334	-	-
Hedging Instruments	3,274	3,274	-	-
Finance Lease Liabilities	6,589	3,311	3,278	-
Bank Borrowings - Capital Portion	*219,990*	*38,661*	*181,329*	-
Amortised Cost Effect	*(904)*	*(286)*	*(618)*	-
Bank Borrowings	219,086	38,375	180,711	-
Other Financial Liabilities	1,193	1,193	-	-
Other Liabilities	29,375	26,855	2,520	-
Total	**389,852**	**203,343**	**186,509**	**-**

Regarding the interest to be paid on the Bank Borrowings, it is common knowledge that in 2022 the European Central Bank raised significantly interest rates across the eurozone in the attempt to tame inflation.

Assuming the Euribor curve will remain in a range of approximately 3%, it may be estimated at Euro 5.4 million the additional charges on the variable part of the long term debt, to be added to the spread (4.75% on Term Loan B1 and 4.25% on Term Loan B, i.e. Euro 8.4 million interest charges per year). For the fiscal year 2023 this risk is mitigated by the outstanding Interest Rate Swap contracts. From a sensitivity perspective, with long term loans amounting to Euro 180 million, the yearly impact of a change of 0.50% in the Euribor would affect the P&L Statement for Euro 0.9 million.

With regard to the short-term indebtedness, assuming an average facilities drawdown as per the current fiscal year, market rates in the range of 3% would increase the financial charges by Euro 1.5 million.

The same breakdown for 31 December 2021 was as follows:

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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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 2022 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 Group designates the hedged risk of forward contracts as changes in the full forward rate, as allowed by IFRS 9.

At December 31, 2022 the following hedging contracts put in place during the fiscal year were still outstanding with primary bank counterparties (BNP Paribas, Intesa San Paolo, Crédit Agricole, Deutsche Bank, HSBC, KBC):

- n. 5 Call Forward contract for a notional amount of total USD 10.95 million, expiring in January - March 2023; as of December 31, 2022 the fair value of such contracts was positive and amounting to Euro 560 thousand;
- n. 21 Call Forward contract for a notional amount of total CNH 295.5 million, expiring in January - March 2023; as of December 31, 2022 the fair value of such contracts was positive and amounting to Euro 376 thousand;
- n. 5 Put Forward contracts for a notional amount of GBP 6.8 million, expiring in January 2023; as of December 31, 2022 the fair value of such contract was positive and amounting to Euro 209 thousand;
- n. 3 Put Forward contracts for a notional amount of NOK 8.5 million, expiring in January 2023; as of December 31, 2022 the fair value of such contracts was positive and amounting to Euro 5 thousand;
- n.1 Put Forward contract for a notional amount of CZK 10 million, expiring in January 2023; as of December 31, 2022 the fair value of such contract was negative and amounting to Euro -14 thousand;
- n. 10 Forward contracts in USD, CNH and GBP expiring in January 2023 for a net notional amount equal to zero due to a netting effect; as of December 31, 2022 the fair value of such contracts was positive and amounting to Euro 360 thousand.

According to hedge accounting, the above mentioned fair value has been accounted in the consolidated income statement for an aggregate total positive value of Euro 1.498 thousand.

According to the Foreign Currency Exchange Risk Hedging Process Operating Procedure, the Group entered into some hedging contracts in order to cover the fiscal year 2023 foreign exchange risk. Such contracts are listed below:

- n. 27 Call Forward contracts for a notional amount of total USD 71 million, expiring between March and December 2023; as of December 31, 2022 the fair value of these instruments was negative and amounting to Euro -721 thousand;
- n. 74 Call Forward contracts for a notional amount of total CNH 1.105 million, expiring between February 2023 and January 2024; as of December 31, 2022 the fair value of these instruments was negative and amounting to Euro -2.297 thousand.

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- n. 15 Put Forward contracts for a notional amount of total GBP 19 million, expiring between February and August 2023; as of December 31, 2022 the fair value of these instruments was positive and amounting to Euro 671 thousand;
- n. 2 Put Forward contracts for a notional amount of total SEK 10 million, expiring between March and April 2023; as of December 31, 2022 the fair value of these instruments was positive and amounting to Euro 37 thousand;
- n. 5 Put Forward contracts for a notional amount of total DKK 35 million, expiring between February and June 2023; as of December 31, 2022 the fair value of these instruments was negative and amounting to Euro -3 thousand;
- n. 9 Put Forward contracts for a notional amount of total CZK 122 million, expiring between January and June 2023; as of December 31, 2022 the fair value of these instruments was negative and amounting to Euro -73 thousand;
- n. 3 Put Forward contracts for a notional amount of total NOK 9 million, expiring between March and May 2023; as of December 31, 2022 the fair value of these instruments was positive and amounting to Euro 62 thousand;
- n. 10 Put Forward contracts for a notional amount of total PLN 60 million, expiring between March and June 2023; as of December 31, 2022 the fair value of these instruments was negative and amounting to Euro -175 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.

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 is currently hedged with four Interest Rate Swap contracts for a total of Euro 180 million and expiry date November 30, 2023. As described in Note 30, such swaps are no longer being 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, as per below table:

Counterparty	Amount Eur 000's	Expiration Date	Variable Rate	Fair Value Eur 000's	S&P Rating
HSBC	60,000	30/11/2023	Eur 6 m	1,261	A+
FRIULADRIA	30,000	30/11/2023	Eur 6 m	632	A+
KBC	70,000	30/11/2023	Eur 6 m	418	A+
FRIULADRIA	20,000	30/11/2023	Eur 6 m	1,463	A+

5) Fair Value Risk

In order to determine the Fair Value of financial instruments, the Group utilises 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 utilise, 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.

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The Group determined the fair value of the derivatives existing on December 31, 2022 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 third-party platforms. The input data used in these models are based on observable market prices (forward 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, CNH, SEK, CZK, DKK, NOK, PLN and GBP.

The following table summarises the outstanding exchange rates hedging contracts of the Group as of December 31, 2022 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	31/12/22	USD		911		
			CNH		386		
			GBP		210		
			NOK		5		1,512
Fx Hedging Contracts	Trade Payables	31/12/22	CZK		(14)		
							(14)
Fx Hedging Contracts	Oth. Short -Term Assets	31/12/22	GBP		671		
			NOK		62		
			SEK		37		770
Fx Hedging Contracts	Oth. Short -Term Liabilities	31/12/22	CNH		(2,297)		
			USD		(721)		
			PLN		(175)		
			CZK		(72)		
			DKK		(3)		(3,268)
							(1,000)

As of December 31, 2022 the Group did not have any Level 3 fair value measurements.

In addition, Group portfolio includes four IRS, whose fair values as of December 31, 2022 is 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	31/12/22	EUR		3,538	

The measurement of the exposure of the Group to the risk of variability on fair value of the above mentioned IRS in place as at December 31, 2022 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 light of the fact that Euribor is currently significantly higher than the zero floor, either the increase or decrease of the trend of forward rates would be neutral.

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,

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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, 2022, the related fair value is not reliably measurable considering the remote probability of exercise and the uncertainty of the infinite period of applicable exercise.

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, 2022:

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			43,719			**43,719**
Trade Receivables			104,953			**104,953**
Financial Short-Term Assets	3,116		705		3,538	**7,359**
Other Short-Term Assets			11,909		770	**12,680**
Equity Investments	5					**5**
Financial Long-Term Assets			3,611			**3,611**
Other Long-Term Assets			332			**332**
Trade Payables				(130,334)		**(130,334)**
Bank Borrowings Short-Term				(38,661)		**(38,661)**
Other Financial Short-Term Liabilities				(4,504)		**(4,504)**
Other Short-Term Liabilities				(23,581)	(3,274)	**(26,855)**
Bank Borrowings				(180,425)		**(180,425)**
Other Financial Long-Term Liabilities				(3,283)		**(3,283)**
Other Long-Term Liabilities				(2,520)		**(2,520)**

The same table at December 31, 2021 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			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)**

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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 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 below 2022 performance and Budget.

The exposure of the Group in the markets directly or indirectly involved in the Russia-Ukraine conflict, at the date of preparation of these financial statements, is approximately 1.2% of the business volumes, in major part related to the Russian subsidiary, where sales operation are to be discontinued in the following months.

The macroeconomic development in Europe shows significant weaknesses and the level of inflation remains high. Management constantly monitors the situation and is committed to the implementation of the strategic guidelines outlined in the Business Plan.

May 25, 2023

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	169,000
	Luxemburg law pledge over bank accounts	5,401
	Luxemburg law pledge over certain intercompany receivables	159,849
Stiga S.p.A. (Italy)	Italian law pledge over bank accounts	27,713
	Italian law pledge over certain IP rights	1,012
	Italian law special lien over movable assets and other goods	113,380
	Italian law loss payee agreement relating to the proceeds under certain insurance policies	0
	Swedish law pledge over shares of Stiga AB (Sweden)	109,985
	Slovakian law pledge over shares of Stiga Slovakia Sro	2,054
	French law pledge over shares of Stiga Sas	591
	Pledge over shares given by Stiga C	see above
Stiga AB (Sweden)	Swedish law pledge over certain intercompany receivables	19,819
	Swedish law pledge over real property mortgage certificates	606
	Swedish law pledge over corporate mortgage certificates	126
	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)	145
	Pledge over shares given by Stiga SpA	see above
Stiga Sas (France)	pledge over shares given by Stiga SpA	see above
Stiga Ltd (UK)	English law supplemental securities over certain assets (including land, investments, plant and machinery, bank accounts, insurance, IP rights)	389
	Pledge over shares given by Stiga AB	see above
Stiga GmbH (Germany)	Security confirmation and pledge agreement over various securities agreement (including bank accounts)	75
	Pledge over shares given by Stiga AB	see above
Stiga Slovakia Sro (Slovakia)	Slovak law pledge over immovable assets	15,467
	Slovak law pledge over movable assets	25,432
	Slovak law pledge over rights and receivables	10,561
	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, 2022	Increase	Sales/ disposals	Amortisation and write-down	Reclassifi-cations	Translation differences	Balance at Dec 31, 2022
Development costs							
Initial cost	75,936	5,922	(32)		2,229	6	84,061
Amortisation/write-down	(55,084)		14	(8,799)			(63,869)
Assets under costructions and payments on account	2,226	1,716			(2,229)		1,713
Net carrying amount	**23,078**	**7,638**	**(18)**	**(8,799)**	**-**	**6**	**21,905**
Software and Licenses							
Initial cost	22,465	1,377	(8)	-	720	(25)	24,529
Amortisation/write-down	(20,044)	-	3	(1,317)	-	24	(21,334)
Assets under costructions and payments on account	729	183	-	-	(720)		192
Net carrying amount	**3,150**	**1,560**	**(5)**	**(1,317)**	**-**	**(1)**	**3,387**
Trademarks and Patents							
Initial cost	2,163	650	-	-	-	2	2,815
Amortisation/write-down	(1,433)	-	-	(369)	-	-	(1,802)
Assets under costructions and payments on account	(1)	-	-	-	-	-	(1)
Net carrying amount	**729**	**650**	**-**	**(369)**	**-**	**2**	**1,012**
Other							
Initial cost	617	-	-	-	-	(13)	604
Amortisation/write-down	(400)	-	-	(107)	-	16	(491)
Assets *under costructions* and payments on account	-	-	-	-	-	-	-
Net carrying amount	**217**	**-**	**-**	**(107)**	**-**	**3**	**113**
TOTAL							
Initial cost	101,181	7,949	(40)	-	2,949	(30)	112,009
Amortisation/write-down	(76,961)	-	17	(10,592)	-	40	(87,496)
Assets under costructions and payments on account	2,954	1,899	-	-	(2,949)	-	1,904
Net carrying amount	**27,174**	**9,848**	**(23)**	**(10,592)**	**-**	**10**	**26,417**
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, 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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APPENDIX 3: TANGIBLE ASSETS

The composition and changes during the year were as follows:

Euro 000's	Balance at Jan 1, 2022	Increase	Sales/ disposals	Amortisation and write-down	Reclassifi-cations	Translation differences	Balance at Dec 31, 2022
Land & Buildings							
Initial cost	65,416	1,662	(1,421)	-	-	(471)	65,186
Depreciation/write-down	(33,233)	-	1,129	(1,604)	-	310	(33,398)
Assets under costructions and payments on account	108	8	-	-	-	-	116
Net carrying amount	**32,292**	**1,670**	**(292)**	**(1,604)**	**-**	**(161)**	**31,905**
Plant & Machinery							
Initial cost	74,369	954	(85)	-	130	(167)	75,201
Depreciation/write-down	(67,443)	-	79	(1,729)	-	159	(68,934)
Assets under costructions and payments on account	495	121	-	-	-	-	616
Net carrying amount	**7,421**	**1,075**	**(6)**	**(1,729)**	**130**	**(8)**	**6,883**
Tools & Equipment							
Initial cost	110,755	2,517	(1,376)		653	(258)	112,291
Depreciation /write-down	(93,054)	-	1,187	(5,735)	(783)	186	(98,199)
Assets under costructions and payments on account	109	668					777
Net carrying amount	**17,810**	**3,185**	**(189)**	**(5,735)**	**(130)**	**(72)**	**14,869**
Other tangible fixed assets							
Initial cost	15,508	1,633	-	-	-	(421)	16,720
Depreciation/write-down	(12,466)	-	-	(1,847)	-	510	(13,805)
Assets under costructions and payments on account	231	-	-	-	-	-	231
Net carrying amount	**3,273**	**1,633**	**-**	**(1,847)**	**-**	**89**	**3,148**
Right of Use assets							
Initial cost	14,968	2,883	(1,825)			(43)	15,983
Depreciation /write-down	(6,763)		1,825	(4,672)			(9,610)
Assets under costructions and payments on account	0						-
Net carrying amount	**8,205**	**2,883**	**-**	**(4,672)**	**-**	**(43)**	**6,373**
TOTAL							
Initial cost	281,016	9,649	(4,707)	-	783	(1,360)	285,381
Depreciation/write-down	(212,959)	-	4,220	(15,587)	(783)	1,165	(223,944)
Assets under costructions and payments on account	943	797	-	-	-	-	1,740
Net carrying amount	**69,000**	**10,446**	**(487)**	**(15,587)**	**-**	**(195)**	**63,178**

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The composition and changes during the previous period 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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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 2022, 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 2022;
- 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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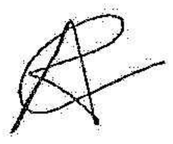
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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, 6 June 2023