

# Financials

223 Consolidated financial statements

294 Financial statements of the Company



## In this section

### Consolidated financial statements for the year ended December 31, 2025

#### SIG Group AG

- 223** Consolidated statement of profit or loss and other comprehensive income
- 224** Consolidated statement of financial position
- 225** Consolidated statement of changes in equity
- 227** Consolidated statement of cash flows
- Notes**
  - 228** Basis of preparation
  - 235** Our operating performance
  - 246** Our operating assets and liabilities
  - 259** Our financing and financial risk management
  - 272** Our Group structure and related parties
  - 276** Our people
  - 282** Other
- 290** Report of the statutory auditor on the audit of the consolidated financial statements

See note 3 for further details on the consolidated financial statements.

## Consolidated statement of profit or loss and other comprehensive income

(In € million)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue	6, 7	3,248.7	3,328.5
Cost of sales		(2,708.3)	(2,557.3)
<b>Gross profit</b>		<b>540.4</b>	<b>771.2</b>
Other income	8	16.3	76.9
Selling, marketing and distribution expenses		(142.4)	(133.8)
General and administrative expenses		(299.1)	(279.6)
Other expenses	8	(36.2)	(10.9)
Share of profit of joint venture		0.5	0.3
<b>Profit from operating activities</b>		<b>79.5</b>	<b>424.1</b>
Finance income		8.7	11.1
Finance expenses		(135.0)	(154.2)
<b>Net finance expense</b>	24	<b>(126.3)</b>	<b>(143.1)</b>
<b>(Loss)/profit before income tax</b>		<b>(46.8)</b>	<b>281.0</b>
Income tax expense	31	(40.2)	(86.5)
<b>(Loss)/profit for the period</b>	9	<b>(87.0)</b>	<b>194.5</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit or loss</b>			
Currency translations of foreign operations:			
- recognized in translation reserve	26	(202.8)	26.6
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit plans	29	18.6	1.5
Net change in fair value of equity instruments	27	(1.8)	-
<b>Total other comprehensive income, net of income tax</b>		<b>(186.0)</b>	<b>28.1</b>
<b>Total comprehensive income</b>		<b>(273.0)</b>	<b>222.6</b>
Basic earnings per share (in €)	10	(0.23)	0.51
Diluted earnings per share (in €)	10	(0.23)	0.51

## Consolidated statement of financial position

(In € million)	Note	As of Dec. 31, 2025	As of Dec. 31, 2024
Cash and cash equivalents	17	354.3	303.4
Trade and other receivables	16	446.0	500.2
Inventories	15	369.5	376.7
Current tax assets	31	17.4	13.9
Other current assets	9, 21	34.9	47.3
<b>Total current assets</b>		<b>1,222.1</b>	<b>1,241.5</b>
Non-current receivables	16	10.3	9.1
Investment in joint venture	27	1.0	0.7
Deferred tax assets	31	66.9	68.7
Property, plant and equipment	12	1,683.6	1,874.0
Right-of-use assets	13	277.6	322.0
Intangible assets	14	3,592.3	3,962.1
Employee benefits	29	194.1	181.8
Other non-current assets	21	23.5	29.3
<b>Total non-current assets</b>		<b>5,849.3</b>	<b>6,447.7</b>
<b>Total assets</b>		<b>7,071.4</b>	<b>7,689.2</b>

(In € million)	Note	As of Dec. 31, 2025	As of Dec. 31, 2024
Trade and other payables	18	1,001.3	1,096.4
Loans and borrowings	23	162.4	776.7
Current tax liabilities	31	35.7	50.3
Employee benefits	29	75.0	73.1
Provisions	19	31.8	14.6
Deferred revenue	20	98.0	112.4
Other current liabilities	21	14.7	9.0
<b>Total current liabilities</b>		<b>1,418.9</b>	<b>2,132.5</b>
Non-current payables	18	18.4	14.2
Loans and borrowings	23	2,330.3	1,694.4
Deferred tax liabilities	31	170.1	223.0
Employee benefits	29	97.6	104.2
Provisions	19	25.4	25.1
Deferred revenue	20	353.1	360.0
Other non-current liabilities	21	-	3.7
<b>Total non-current liabilities</b>		<b>2,994.9</b>	<b>2,424.6</b>
<b>Total liabilities</b>		<b>4,413.8</b>	<b>4,557.1</b>
Share capital	25	3.4	3.4
Additional paid-in capital		2,297.5	2,498.6
Translation reserve		(325.2)	(122.4)
Treasury shares	25	(1.6)	(1.0)
Retained earnings		683.5	753.5
<b>Total equity</b>		<b>2,657.6</b>	<b>3,132.1</b>
<b>Total liabilities and equity</b>		<b>7,071.4</b>	<b>7,689.2</b>

## Consolidated statement of changes in equity

(In € million)	Note	Share capital	Additional paid-in capital	Translation reserve	Treasury shares	Retained earnings	Total equity
<b>Equity as of January 1, 2025</b>		<b>3.4</b>	<b>2,498.6</b>	<b>(122.4)</b>	<b>(1.0)</b>	<b>753.5</b>	<b>3,132.1</b>
<b>Loss for the period</b>						<b>(87.0)</b>	<b>(87.0)</b>
<b>Other comprehensive income</b>							
<i>Items that may be reclassified to profit or loss</i>							
Currency translations of foreign operations:							
– recognized in translation reserve	26			(202.8)			(202.8)
<i>Items that will not be reclassified to profit or loss</i>							
Remeasurement of defined benefit plans	29					18.6	18.6
Net change in fair value of equity instruments	27					(1.8)	(1.8)
<b>Total other comprehensive income, net of income tax</b>		–	–	<b>(202.8)</b>	–	<b>16.8</b>	<b>(186.0)</b>
<b>Total comprehensive income for the period</b>		–	–	<b>(202.8)</b>	–	<b>(70.2)</b>	<b>(273.0)</b>
Share-based payments	30					4.3	4.3
Purchase of treasury shares	25				(3.1)		(3.1)
Settlement of share-based payment plans and arrangements	25, 30		1.6		2.5	(4.1)	–
Dividends	25		(202.7)				(202.7)
<b>Total transactions with owners</b>		–	<b>(201.1)</b>	–	<b>(0.6)</b>	<b>0.2</b>	<b>(201.5)</b>
<b>Equity as of December 31, 2025</b>		<b>3.4</b>	<b>2,297.5</b>	<b>(325.2)</b>	<b>(1.6)</b>	<b>683.5</b>	<b>2,657.6</b>

## Consolidated statement of changes in equity continued

(In € million)	Note	Share capital	Additional paid-in capital	Translation reserve	Treasury shares	Retained earnings	Total equity
<b>Equity as of January 1, 2024</b>		<b>3.4</b>	<b>2,684.9</b>	<b>(149.0)</b>	<b>(1.5)</b>	<b>559.3</b>	<b>3,097.1</b>
<b>Profit for the period</b>						<b>194.5</b>	<b>194.5</b>
<b>Other comprehensive income</b>							
<i>Items that may be reclassified to profit or loss</i>							
Currency translations of foreign operations:							
– recognized in translation reserve				26.6			26.6
<i>Items that will not be reclassified to profit or loss</i>							
Remeasurement of defined benefit plans	29					1.5	1.5
<b>Total other comprehensive income, net of income tax</b>		<b>-</b>	<b>-</b>	<b>26.6</b>	<b>-</b>	<b>1.5</b>	<b>28.1</b>
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>26.6</b>	<b>-</b>	<b>196.0</b>	<b>222.6</b>
Share-based payments	30					3.2	3.2
Purchase of treasury shares	25				(4.6)		(4.6)
Settlement of share-based payment plans and arrangements	25, 30		1.5		5.1	(5.0)	1.6
Dividends	25		(187.8)				(187.8)
<b>Total transactions with owners</b>		<b>-</b>	<b>(186.3)</b>	<b>-</b>	<b>0.5</b>	<b>(1.8)</b>	<b>(187.6)</b>
<b>Equity as of December 31, 2024</b>		<b>3.4</b>	<b>2,498.6</b>	<b>(122.4)</b>	<b>(1.0)</b>	<b>753.5</b>	<b>3,132.1</b>

## Consolidated statement of cash flows

(In € million)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
<b>Cash flows from operating activities</b>			
(Loss)/profit for the period		(87.0)	194.5
<i>Adjustments for:</i>			
Depreciation and amortization	12, 13, 14	340.6	419.5
Impairment losses	12, 13, 14	315.2	26.6
Net change in fair value of operating derivatives		5.5	(9.6)
Share-based payment expense	30	4.3	3.2
Gain on sale of property, plant and equipment and other assets		(5.0)	(1.6)
Share of profit of joint venture		(0.5)	(0.3)
Net finance expense	24	126.3	143.1
Interest paid		(107.8)	(135.1)
Payment of transaction and other costs relating to financing		(3.8)	(1.8)
Income tax expense	31	40.2	86.5
Income taxes paid, net of refunds received		(112.2)	(123.1)
		<b>515.8</b>	<b>601.9</b>
Change in trade and other receivables		35.9	(89.5)
Change in inventories		(2.2)	9.1
Change in trade and other payables, including advance payments		(70.6)	80.2
Change in provisions and employee benefits		25.2	9.5
Change in other assets and liabilities, including deferred revenue		10.2	38.0
<b>Net cash from operating activities</b>	11	<b>514.3</b>	<b>649.2</b>

(In € million)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment and intangible assets	12, 14	(285.3)	(310.0)
Sale of property, plant and equipment and other assets	9, 12, 21	17.2	2.8
Investment in securities		(0.5)	(4.4)
Interest received		4.9	3.8
<b>Net cash used in investing activities</b>	11	<b>(263.7)</b>	<b>(307.8)</b>
<b>Cash flows from financing activities</b>			
Proceeds from loans and borrowings	23	1,059.5	1,173.8
Repayment of loans and borrowings	23	(981.4)	(1,247.3)
Payment of lease liabilities	23	(55.2)	(51.7)
Purchase of treasury shares	25	(3.1)	(4.6)
Sale of treasury shares	25, 30	-	1.6
Payment of dividends	25	(202.7)	(187.8)
Other		(0.2)	(4.2)
<b>Net cash used in financing activities</b>	11	<b>(183.1)</b>	<b>(320.2)</b>
<b>Net increase in cash and cash equivalents</b>		<b>67.5</b>	<b>21.2</b>
Cash and cash equivalents as of the beginning of the period		303.4	280.9
Effect of exchange rate fluctuations on cash and cash equivalents		(16.6)	1.3
<b>Cash and cash equivalents as of the end of the period</b>	17	<b>354.3</b>	<b>303.4</b>

## Basis of preparation

This section includes information on the parent company and the Group. It further contains details about the preparation of the consolidated financial statements, including general accounting policies and topics. An overview of the structure of the consolidated financial statements is also provided. In addition, the key events and transactions in the year are highlighted.

### 1 Reporting entity and overview of the Group

SIG Group AG ("SIG" or the "Company") is domiciled in Switzerland and is listed on SIX Swiss Exchange.

The consolidated financial statements for the year ended December 31, 2025 comprise the Company and its subsidiaries (together referred to as the "Group" or the "SIG Group"). The subsidiaries and joint venture reflected in the consolidated financial statements are listed in note 27.

SIG is a leading packaging solutions provider, offering carton, bag-in-box and spouted pouch packaging solutions. The packaging solution offerings consist of filling lines and other related equipment, packaging material and after-sales services.

### 2 Preparation of the consolidated financial statements

The consolidated financial statements for the year ended December 31, 2025 have been prepared in accordance with IFRS Accounting Standards. They were approved by the Company's Board of Directors on February 27, 2026. They also comply with the Listing Rules of SIX Swiss Exchange and with Swiss company law.

The consolidated financial statements are presented in Euros ("€" or "EUR") as the Euro is deemed to be the currency most representative of the Group's activities. The functional currency of the Company is the Swiss Franc.

The consolidated financial statements are prepared on a historical cost basis except for certain financial instruments such as derivatives and equity securities, contingent purchase price obligations relating to business combinations and liabilities for cash-settled share-based payment plans that are measured at fair value. Furthermore, certain components of inventory are measured at net realizable value and defined benefit obligations are measured under the projected unit credit method. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

### 3 Structure of the consolidated financial statements

The consolidated financial statements are structured into different sections that should facilitate an overview and understanding of the Group's operations, financial position and performance. The notes are included in these sections based on their relevance and provide information that is material and relevant to the consolidated financial statements.

Basis of preparation	Our operating performance	Our operating assets and liabilities	Our financing and financial risk management	Our group structure and related parties	Our people	Other
1 Reporting entity and overview of the Group	6 Revenue	12 Property, plant and equipment	22 Capital management	27 Group entities	29 Employee benefits	31 Income tax
2 Preparation of the consolidated financial statements	7 Segment information	13 Right-of-use assets	23 Loans and borrowings	28 Related parties	30 Share-based payment plans and arrangements	32 Financial instruments and fair value information
3 Structure of the consolidated financial statements	8 Other income and expenses	14 Intangible assets	24 Finance income and expenses	25 Equity		33 Contingent liabilities
4 Key events and transactions	9 Alternative performance measures	15 Inventories	26 Financial risk management			34 Subsequent events
5 General accounting policies and topics	10 Earnings per share	16 Trade and other receivables				
	11 Cash flow information	17 Cash and cash equivalents				
		18 Trade and other payables				
		19 Provisions				
		20 Deferred revenue				
		21 Other assets and liabilities				

Potentially material accounting policies and information about management judgments, estimates and assumptions are provided in the respective notes throughout the consolidated financial statements. Potentially material accounting policies that relate to the financial statements as a whole or are relevant for several notes are included in this "Basis of preparation" section.

### 4 Key events and transactions

The following key events and transactions took place in the year ended December 31, 2025.

#### Refinancing transactions

On March 19, 2025, the Group issued €625 million of senior unsecured bonds. Proceeds from the issue of bonds, together with draw-downs of the Group's revolving credit facilities, were used to repay €550 million of senior unsecured notes and €85.5 million of unsecured *Schuldscheindarlehen* ("SSD", a private German debt placement) that were due in June 2025. See note 23 for additional details.

#### Changes in the Board of Directors and the Group Executive Board

Ola Rollén was elected as a member and chair of the Board of Directors at the Annual General Meeting on April 8, 2025. The former chair, Andreas Umbach, did not stand for re-election. Matthias Währen, Wah-Hui Chu and Laurens Last did also not stand for re-election. Niren Chaudhary and Urs Riedener were elected as new members of the Board of Directors.

On August 4, 2025, the Board of Directors and Samuel Sigrist mutually agreed on Mr. Sigrist stepping down from his position as Chief Executive Officer and member of the Group Executive Board with immediate effect. Ann-Kristin Erkens was appointed interim Chief Executive Officer, while continuing in her current role as Chief Financial Officer. On November 17, 2025, the Board of Directors announced that it has appointed Mikko Keto as the Group's new Chief Executive Officer. He is expected to join SIG on March 1, 2026.

## Impacts of strategic review and soft market conditions

in 2025, SIG's performance has been impacted by weak consumer sentiment, with prices remaining at an elevated level, the Euro strengthening across most major currencies and overall market turbulence with heightened uncertainty on tariffs and fiscal policies.

In light of these prevailing soft market conditions and latest market outlook, the Board of Directors initiated a review of the Group's strategic direction. As per the outcome of the strategic review, SIG will focus on its higher-margin, higher-growth aseptic businesses. In line with this, SIG will initiate a divestment of smaller non-aseptic businesses and address various non-core parts of the portfolio. SIG will also undertake various performance improvement activities and implement a more rigorous approach to capital investments.

Considering the soft market conditions, the updated growth forecasts and the refined strategy, a number of individual assets and cash generating units ("CGUs") were tested for impairment in the third quarter of 2025.

The total pre-tax impact of impairment losses and other charges resulting from various assessments and actions undertaken by management is €350.7 million (€295.3 million post-tax) for the year ended December 31, 2025. The majority of these charges are non-cash.

The table below provides an overview of the charges recognized for the year ended December 31, 2025 following the strategic review and soft market conditions.

(In € million, pre-tax)	Year ended December 31, 2025					Total impairment losses and other charges
	Bag-in-box and spouted pouch	Chilled carton	Markets and capacity	Innovation	Restructuring and other	
Customer relationships	63.0	43.6	-	-	-	106.6
Technology assets	16.2	6.8	-	-	-	23.0
Trademarks	5.8	-	-	-	-	5.8
Capitalized development costs	-	-	-	13.5	-	13.5
Right-of-use assets	-	11.5	24.4	3.2	-	39.1
Production equipment	20.3	23.8	29.5	0.3	-	73.9
Filling lines	-	-	21.2	28.4	-	49.6
<b>Total impairment losses</b>	<b>105.3</b>	<b>85.7</b>	<b>75.1</b>	<b>45.4</b>	<b>0.0</b>	<b>311.5</b>
Restructuring costs	-	-	-	-	8.6	8.6
Other charges	2.0	-	7.2	16.4	5.0	30.6
<b>Total other charges</b>	<b>2.0</b>	<b>0.0</b>	<b>7.2</b>	<b>16.4</b>	<b>13.6</b>	<b>39.2</b>
<b>Total charges</b>	<b>107.3</b>	<b>85.7</b>	<b>82.3</b>	<b>61.8</b>	<b>13.6</b>	<b>350.7</b>

A more detailed description of the impacts on the Group of the impairment assessments is provided below. Additional details are presented in notes 5.4, 7, 9 and 12-14. Note 14 also includes information about the Group's 2025 annual impairment test of goodwill and SIG trademarks with indefinite useful lives, which are not impaired.

### Bag-in-box and spouted pouch

The bag-in-box and spouted pouch businesses have experienced a slowdown in their end markets. Subdued consumer demand, driven by persistently high prices in the end markets we serve, has lowered the growth expectations compared to previous forecasts.

The recoverable amount, calculated in accordance with IAS 36 *Impairment of Assets*, of the bag-in-box and spouted pouch businesses (identified as the CGU tested for impairment) was assessed based on its value in use (applying a discount rate of 7.4%) and approximated €120 million (including debt).

Based on the recoverable amounts of the individual assets in the CGU, an impairment loss of €95.0 million (pre-tax) was recognized for the CGU for the year ended December 31, 2025. It mainly relates to acquisition-related assets: customer relationships (€63.0 million), technology assets (€16.2 million) and production equipment (€15.8 million). In addition, an impairment loss of €5.8 million (pre-tax) was recognized for trademarks, which were tested for impairment on an individual asset basis.

Besides the trademarks, certain production equipment of the bag-in-box and spouted pouch businesses was also tested separately for impairment. An impairment loss of €4.5 million was recognized for this production equipment. The assets tested for impairment on an individual asset basis were deemed fully impaired.

In addition, other charges of €2.0 million relating to inventory write-offs were recognized for the year ended December 31, 2025.

### Chilled carton

The chilled carton market is currently experiencing a decline driven by the down-turn of the economy, subdued consumer demand and increased competition. Considering these factors, the Board of Directors decided in its review of the Group's strategy to find a strategic partner for this business.

The recoverable amount, calculated in accordance with IAS 36 *Impairment of Assets*, of the chilled carton business (identified as the CGU tested for impairment) was assessed based on its value in use (applying a discount rate of 7.6%) and approximated €72.6 million (including debt).

Based on the recoverable amounts of the individual assets in the CGU, an impairment loss of €85.7 million (pre-tax) was recognized for the CGU for the year ended December 31, 2025. It relates to both acquisition- and production-related assets: customer relationships (€43.6 million), technology assets (€6.8 million), the leased chilled carton production plant in the form of a right-of-use asset (€11.5 million) and production equipment (€23.8 million).

#### *Sale of production plant completed*

The Group moved its production of chilled carton from Shanghai to Suzhou in 2024. The sale of the production plant in Shanghai was completed in October 2025. The assets were sold for €16.2 million, with a resulting pre-tax gain of €2.0 million. See note 9 for additional information about the impacts of the production changes on the Group in the years ended December 31, 2025 and 2024.

### Markets and capacity

In the context of the current weaker market environment and the recently updated strategic direction of the Group, management has re-assessed the required operating needs of the Group as well as the current and future customer use and demand of filling lines.

#### *Indian aseptic carton*

The aseptic carton business in India is currently experiencing lower consumer demand and strong competition. Considering the low price points and the projected outlook for the region, management has decided to pause further expansion until the Indian aseptic carton business can meet sizable economies of scale.

The recoverable amount, calculated in accordance with IAS 36 *Impairment of Assets*, of the Indian aseptic carton business (identified as the CGU tested for impairment) was assessed based on its value in use (applying a discount rate of 7.3%) and was negative. The Board of Directors still see a market opportunity in India and will focus the business on attaining economies of scale.

Based on the recoverable amounts of the individual assets in the CGU, an impairment loss of €37.6 million (pre-tax) was recognized for the CGU for the year ended December 31, 2025. It relates to production-related assets: the leased aseptic carton production plant in the form of a right-of-use asset (€21.8 million) and production equipment (€15.8 million).

In addition, other charges of €5.6 million were recognized for the year ended December 31, 2025, primarily relating to penalties for pausing further expansion of the production plant.

#### *Production equipment (own and leased)*

Management has performed an assessment of its required operating capacities in its aseptic carton production plants (outside India – see above). The assessment resulted in an impairment loss of €13.7 million (pre-tax) relating to own production equipment and an impairment loss of €2.6 million (pre-tax) relating to leased production equipment (right-of-use assets) for the year ended December 31, 2025. The impairment losses relate to a number of individual pieces of production equipment.

#### *Filling lines*

Management has performed an assessment of the recoverability of the filling lines presented as property plant and equipment on the statement of financial position. The assessment considered the current subdued market conditions and resulted in an impairment loss of €21.2 million (pre-tax) for the year ended December 31, 2025.

## Innovation

The Board of Directors decided in September 2025 to cease further marketing of and investments in the Ultima filling machine and related assets. This has resulted in an impairment loss of €45.4 million (pre-tax) for the year ended December 31, 2025, relating to capitalized development costs (€13.5 million), filling line assets (€28.4 million), and own and leased production equipment (€3.5 million in total).

In addition, other charges of €16.4 million were recognized for the year ended December 31, 2025. They relate to costs associated with recent innovations, including the Ultima project and new product releases.

## Restructuring and other

The Group has initiated a performance improvement program, which includes footprint rationalization and the alignment of headcounts to the Group's reassessed needs. Restructuring costs of €8.6 million have been recognized for the year ended December 31, 2025. These costs relate to relocation of bag-in-box and spouted pouch production from the Netherlands and Chile to other plants along with severance payments as well as to other performance improvement programs initiated in several regions of the Group.

Expenses for termination benefits of €2.5 million relating to the former Chief Executive Officer (see section "Changes in the Board of Directors and the Group Executive Board" above and note 28) and consulting costs of €2.5 million relating to 2025 strategic review topics were also incurred in the year ended December 31, 2025.

## 5 General accounting policies and topics

### 5.1 Application of material accounting policies

The accounting policies applied by the Group in the consolidated financial statements for the year ended December 31, 2025 are consistent with those applied in the consolidated financial statements for the year ended December 31, 2024.

### 5.2 Impact of new or amended standards and interpretations

One amended standard became effective for annual periods beginning on January 1, 2025. The amendment relates to the exchangeability of foreign currencies. It had no impact on the consolidated financial statements for the year ended December 31, 2025.

### 5.3 Adoption of standards and interpretations in 2026 and beyond

A number of new or amended standards and interpretations are effective for annual periods beginning on or after January 1, 2026 or later, and have not been applied in preparing these consolidated financial statements. The Group does not plan to adopt these standards and interpretations before their effective dates. Many of them are not applicable to the Group or are expected to have no, or no material, impact on the consolidated financial statements.

IFRS 18 *Presentation and Disclosure in the Financial Statements* is effective from January 1, 2027 on a retrospective basis. The adoption of this standard introduces some changes to notably the presentation of items in the statement of profit and loss and other comprehensive income but also to the presentation of items in statement of financial position and the statement of cash flows. There is also additional guidance on aggregation/disaggregation of information and requirements on disclosure and audit of certain management-defined performance measures.

The Group is in the process of finalizing its assessment of the impact of adopting IFRS 18. It is awaiting the final outcome of discussions on different interpretations of the guidance regarding presentation of items in the statement of profit and loss and other comprehensive income, including the presentation of foreign currency exchange gains and losses on intra-group positions.

In the statement of cash flows, interest payments on the Group's loans and borrowings will upon adoption of IFRS 18 be presented as net cash flows from financing activities rather than as net cash flows from operating activities. Moreover, additional disclosures will be required for each reconciling item in the Group's management-defined performance measures.

### 5.4 Significant accounting judgments, estimates and assumptions

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from estimates and assumptions made. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the current and future periods.

Management believes that the following accounting policies involve the most significant judgments, estimates and assumptions:

- Liabilities for various customer incentive programs – see notes 6 and 18.
- Impairment testing and recognition of impairment losses – see notes 4, 7, 12–14 and the section below.
- Fair value assessment of contingent consideration – see note 32.
- Measurement of obligations under defined benefit plans – see note 29.
- Determination of income tax liabilities – see note 31.
- Realization of deferred tax assets – see note 31.

The impacts of global economic uncertainty on the SIG Group are described in the following section.

## Subdued consumer confidence and challenging market dynamics

In 2025, subdued markets, lower consumer purchasing power and overall market turbulence have impacted the growth trajectory and profitability of the Group, specifically the bag-in-box, spouted pouch and chilled carton businesses. This resulted in the recognition of impairment losses for the year ended December 31, 2025 relating to both property, plant and equipment, right-of-use assets and intangible assets. See note 4 for additional details.

The assessment of recoverable amounts of assets, including goodwill, and recognition of impairment losses is associated with significant judgments, estimates and assumptions. A change in management's assumptions or changed market conditions could result in additional impairment losses or reversals of already recognized impairment losses.

## 5.5 Material accounting policies and other topics relating to the consolidated financial statements

### 5.5.1 Foreign currency

Items included in the financial statements of individual Group entities are recognized in their respective functional currency, which is the currency of the primary economic environment in which each Group entity operates.

#### Foreign currency transactions

Foreign currency transactions are translated into the respective functional currency of the Group entity at the exchange rates at the dates of the transactions, or at average rates that approximate the exchange rates at the dates of the transactions. Monetary assets and liabilities in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary assets and liabilities in foreign currencies that are measured based on historical cost are translated at the exchange rates at the dates of the transactions. Foreign currency exchange gains or losses are generally recognized in profit or loss.

#### Foreign operations

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated into Euro at the exchange rates at the reporting date. The income and expenses of foreign operations are generally translated into Euro at average rates for the reported periods as these rates generally approximate the exchange rates at the dates of the transactions. This also applies to the statement of cash flows and all movements in assets and liabilities as well as any items of other comprehensive income. The foreign currency exchange gains and losses arising on the translation of the net assets of foreign operations are recognized in other comprehensive income, in the translation reserve.

When a foreign operation is disposed of or liquidated, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal (or liquidation).

The Group does not apply hedge accounting to the foreign currency exchange differences arising between the functional currency of the foreign operation and the Euro.

## Significant exchange rates

The following significant exchange rates against the Euro applied during the periods presented:

	Average rate for the year		Spot rate as of	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Brazilian Real (BRL)	6.30273	5.80177	6.43640	6.42530
Chinese Renminbi (CNY)	8.10375	7.78606	8.22620	7.58330
Mexican Peso (MXN)	21.66785	19.70209	21.11798	21.55038
Saudi Riyal (SAR)	4.22917	4.05845	4.39921	3.89941
Swiss Franc (CHF)	0.93710	0.95260	0.93140	0.94120
Thai Baht (THB)	37.08071	38.15161	37.21804	35.67597
US Dollar (\$ or USD)	1.12699	1.08182	1.17500	1.03890

### 5.5.2 Lease accounting

#### The Group as lessor

The Group deploys filling lines and other related equipment at its customers' sites under both lease and sale contracts.

The aseptic carton filling line contracts generally contain certain terms showing that the Group retains control of the filling line and does not transfer the significant risks and rewards of ownership to the customer. Due to these contractual terms, the majority of the Group's aseptic carton filling line contracts qualify to be accounted for as operating leases in accordance with IFRS 16 *Leases*. See also notes 6, 12, 18 and 20. Sale contracts that do not contain such terms are accounted for in accordance with IFRS 15 *Revenue from Contracts with Customers*.

The Group's aseptic carton filling line lease contracts do not include unconditional rights for customers to extend the lease or to purchase the filling line at the end of the stated lease term. Due to the Group's long-term relationships with its customers and changing customer needs, contracts can be modified or terminated at any time. Customers may, for example, want to change to a different filling machine model. Filling lines taken back from customers are generally overhauled and redeployed with other existing or new customers.

Lease contracts in the bag-in-box, spouted pouch and chilled carton businesses are accounted for as operating or finance leases in accordance with IFRS 16 *Leases*. The impact of these lease contracts is not material for the Group.

## The Group as lessee

The Group leases office buildings, production-related buildings and equipment, warehouses and cars.

The majority of the Group's leased assets are recognized as right-of-use assets with corresponding lease liabilities. See notes 13 and 23 for details about the accounting for right-of-use assets and lease liabilities.

Leases of low-value assets and short-term leases (leases with a lease term of 12 months or less) are accounted for off-balance sheet. The lease payments are recognized as an expense on a straight-line basis over the lease term. Variable lease payments that are not included in the measurement of lease liabilities are also accounted for off-balance sheet and are recognized as an expense when incurred. The Group's off-balance sheet leases have an insignificant impact on the Group's result.

### 5.5.3 Impairment of non-financial assets

The carrying amounts of the Group's property, plant and equipment, right-of-use assets and intangible assets with finite useful lives are reviewed regularly and at least annually to identify whether there is an indication of impairment. If an impairment indicator exists, the asset's recoverable amount is estimated. Goodwill and the SIG trademarks with indefinite useful lives are tested for impairment on an annual basis and whenever there is an indication that they may be impaired.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount. For a CGU, an impairment loss is allocated to first reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU. Assets are not impaired below the higher of their fair value less costs of disposal, value in use and zero.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss may be reversed. The Group reviews regularly and at least annually whether there is an indication that a previously recognized impairment loss should be reversed.

Additional details on impairment testing are provided in the respective notes on property, plant and equipment, right-of-use assets and intangible assets (see notes 12, 13 and 14).

### 5.5.4 Contingent assets

Contingent assets are possible assets arising from a past event to be confirmed by future events not wholly within the control of the Group. Contingent assets are not recognized in the statement of financial position but are disclosed separately. If realization of a contingent asset becomes virtually certain, it is no longer considered contingent and is recognized as an asset.

### 5.5.5 Non-current assets or disposal groups held for sale

Non-current assets (or disposal groups) are classified as held for sale if it is highly probable that they will be recovered principally through a sale transaction rather than through continuing use. The asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups). Subject to limited exceptions, the sale must also be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (or disposal group) classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell, except for deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value. They are no longer depreciated or amortized. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in profit or loss.

## Our operating performance

This section covers our operating performance at Group as well as at segment level. It includes alternative performance measures that management believes are relevant in evaluating the Group's performance and liquidity.

### 6 Revenue

Revenue derives from the sale of goods such as carton sleeves, closures, bag-in-box and spouted pouches with associated materials (barrier film and fitments), filling lines and other related equipment as well as the provision of after-sales services. Revenue is presented net of returns, trade discounts, volume rebates and other customer incentives. In addition, the Group presents income from the deployment of filling lines and other related equipment under contracts that are accounted for as leases as part of revenue.

#### Composition of revenue

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue from sale of packaging material, sale of filling lines and other related equipment, and service contracts	3,076.5	3,160.3
Revenue from filling line and other related equipment contracts accounted for as leases	172.2	168.2
<b>Total revenue</b>	<b>3,248.7</b>	<b>3,328.5</b>

Revenue from filling line and other related equipment contracts accounted for as leases is mainly composed of equipment for the aseptic carton business that is accounted for as operating leases. The impact of finance lease contracts is not material for the Group.

The Group's total revenue is disaggregated by major product/service line in the table below.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue from the sale of carton, bag-in-box and spouted pouch	2,828.4	2,889.6
Filling line and other related equipment revenue	209.8	226.7
Service revenue	210.3	212.0
Other revenue	0.2	0.2
<b>Total revenue</b>	<b>3,248.7</b>	<b>3,328.5</b>

Revenue from the sale of carton, bag-in-box and spouted pouch is mainly composed of revenue from the sale of aseptic carton sleeves and closures.

Filling line and other related equipment revenue is composed of revenue from the deployment of equipment under contracts that qualify to be accounted for as leases as well as revenue from the sale of equipment.

Service revenue relates to after-sales services in relation to the Group's equipment.

The Group's revenue is disaggregated by type of business in the table below.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue from the carton business	2,697.7	2,748.9
Revenue from the bag-in-box and spouted pouch businesses	551.0	579.6
<b>Total revenue</b>	<b>3,248.7</b>	<b>3,328.5</b>

Revenue from the carton business mainly relates to the provision of aseptic carton packaging solutions but also to the provision of chilled carton packaging solutions in Asia.

Notes 18 and 20 include information about the Group's liabilities relating to various incentive programs, advance payments from customers and deferred revenue, which had or will have an impact on the amount of revenue recognized.

### Accounting policy, significant judgments and estimates

Revenue from sale of carton, bag-in-box and spouted pouches with associated products, deployment of filling lines and other related equipment under contracts accounted for as sale contracts and provision of service is measured at the fair value of the consideration received or receivable net of returns, trade discounts, volume rebates and other customer sales incentives.

Revenue is recognized when the Group transfers control over a product or service to a customer. Transfer of control varies depending on the individual contract terms. Revenue from the sale of carton, bag-in-box and spouted pouches with associated products as well as the deployment of filling lines and other related equipment under contracts accounted for as sale contracts is recognized at a point in time, while revenue from service contracts is recognized over time.

Lease payments for filling lines and other related equipment that are deployed under operating lease contracts are recognized as revenue on a straight-line basis over the lease term. The payment (i.e. the sale price) for the use of aseptic carton filling lines that are deployed under sale contracts that qualify to be accounted for as operating leases is recognized as a deferred revenue liability in the statement of financial position, and recognized as revenue on a straight-line basis over the shorter of the period over which the customer relationship is expected to last and the ten-year estimated useful life of a filling line. The control and significant risks and rewards of ownership are retained by the Group in respect of such sale contracts (see also note 5.5.2). The present value of future lease payments for filling lines and other related equipment that are deployed under finance lease contracts is recognized as revenue at the deployment date (against a lease receivable). Interest income is recognized over the lease term.

When sales incentives are offered to customers, only the amount of revenue that is highly probable not to be reversed is recognized. The amount of sales incentives expected to be earned or taken by customers in conjunction with incentive programs is therefore estimated and deducted from revenue. Estimates in respect of the incentives are based on historical and current sales trends, which are affected by the business seasonality and competitiveness of promotional programs being offered. Estimates are reviewed quarterly for possible revisions.

## 7 Segment information

The Group has four operating segments, which are also the reportable segments: Europe; India, Middle East and Africa ("IMEA"); Asia Pacific ("APAC") and Americas. The packaging solution offered by the segments consists of filling lines and other related equipment, packaging material and after-sales services.

### Overview of the segments and Group Functions

**Europe** includes production of aseptic carton sleeves and closures, pouches as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in Europe. Europe also supplies the other segments with aseptic carton sleeves and, to a lesser extent, closures from its plants in Europe. In addition, Europe includes an assembly plant for equipment used for spouted pouches. The Group's central procurement activities, including commodity hedging, are part of Europe, with the European production entities being the main internal customers.

**IMEA** includes production of aseptic carton sleeves and closures as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in India, Middle East and Africa. In addition, IMEA includes an assembly plant for equipment used for bag-in-box and spouted pouches.

**APAC** includes production of aseptic carton sleeves, carton sleeves for the chilled market, pouches as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in China, Southeast Asia and Oceania. In addition, APAC supplies the other segments with aseptic carton sleeves. APAC also includes the aseptic carton filling machine assembly plant in China and the assembly of filling machines for the chilled market in Asia.

**Americas** includes production of aseptic carton sleeves, pouches as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in North and South America. Americas also includes an assembly plant for equipment used for bag-in-box.

The **Group Functions** include activities that support the Group's business, such as the global aseptic carton filling machine assembly, global technology (including R&D), information technology, marketing, finance, legal, human resources and other global support functions. Global filling machine assembly sells aseptic carton filling machines and spare parts, and provides assembly-related services, to all segments. The Group Functions are not involved in any significant transactions with third parties.

Inter-company transactions between the segments, and between the segments and the Group Functions, are eliminated in consolidation. These mainly relate to the sale of aseptic carton filling machines, aseptic carton sleeves and closures. Pricing is determined on a cost-plus basis. The Group has limited inter-segment sales of products related to the chilled carton business.

Information about the Group's segments is reported to the Chief Operating Decision Maker ("CODM") on a regular basis for the purposes of resource allocation and assessment of performance of the segments. The performance of the segments in 2025 has been assessed by the CODM on the basis of both adjusted EBITDA and adjusted EBIT (both measures as defined in note 9). In prior years, the performance was primarily assessed on the basis of adjusted EBITDA.

## Segment financial information

The following tables present financial information about the Group's segments and Group Functions. The same measurement basis is used when presenting the segment information as is used in the Group's consolidated financial statements.

(In € million)	Year ended December 31, 2025							Total
	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Reconciling items	
Revenue from transactions with external customers	1,035.7	445.4	892.4	874.5	<b>3,248.0</b>	0.7	-	<b>3,248.7</b>
Revenue from inter-segment transactions	389.9	9.7	45.4	6.1	<b>451.1</b>	80.2	(531.3)	-
Segment revenue	1,425.6	455.1	937.8	880.6	<b>3,699.1</b>	80.9	(531.3)	<b>3,248.7</b>
Cost of sales	(1,206.9)	(401.2)	(833.7)	(727.6)	<b>(3,169.4)</b>	(70.2)	531.3	<b>(2,708.3)</b>
Adjusted EBITDA <sup>1</sup>	296.9	113.5	224.5	164.4	<b>799.3</b>	(81.0)	-	<b>718.3</b>
<i>of which charges due to strategic review and soft market conditions</i>	33.5	5.8	11.3	6.9	<b>57.5</b>	11.8	-	<b>69.3</b>
Depreciation and amortization <sup>1</sup>	(84.7)	(42.5)	(99.7)	(50.9)	<b>(277.8)</b>	1.7	-	<b>(276.1)</b>
Adjusted EBIT <sup>1</sup>	212.2	71.0	124.8	113.5	<b>521.5</b>	(79.3)	-	<b>442.2</b>
<i>of which charges due to strategic review and soft market conditions</i>	33.5	5.8	11.3	6.9	<b>57.5</b>	11.8	-	<b>69.3</b>
Capital expenditure: <sup>2</sup>	(58.7)	(49.7)	(60.7)	(82.9)	<b>(252.0)</b>	(16.1)	-	<b>(268.1)</b>
PP&E and intangible assets <sup>3,4</sup>	(14.5)	(22.9)	(5.5)	(36.7)	<b>(79.6)</b>	(15.2)	-	<b>(94.8)</b>
Net filling lines and other related equipment <sup>4</sup>	(7.9)	(2.4)	(5.1)	(33.4)	<b>(48.8)</b>	(0.9)	-	<b>(49.7)</b>
Net capital expenditure <sup>2</sup>	(22.4)	(25.3)	(10.6)	(70.1)	<b>(128.4)</b>	(16.1)	-	<b>(144.5)</b>
Impairment losses: <sup>5</sup>								
Bag-in-box and spouted pouch (CGU)	(31.9)	(3.6)	(16.6)	(26.7)	<b>(78.8)</b>	(16.2)	-	<b>(95.0)</b>
Chilled carton (CGU)	-	-	(80.6)	-	<b>(80.6)</b>	(5.1)	-	<b>(85.7)</b>
Aseptic carton – India (CGU)	-	(37.6)	-	-	<b>(37.6)</b>	-	-	<b>(37.6)</b>
Individual assets <sup>5</sup>	(38.6)	(5.4)	(13.4)	(5.8)	<b>(63.2)</b>	(34.2)	4.2	<b>(93.2)</b>
Impairment losses due to strategic review and soft market conditions <sup>5</sup>	(70.5)	(46.6)	(110.6)	(32.5)	<b>(260.2)</b>	(55.5)	4.2	<b>(311.5)</b>
Other individual asset impairment losses	(0.3)	(2.6)	(1.1)	-	<b>(4.0)</b>	-	0.3	<b>(3.7)</b>
Total impairment losses	(70.8)	(49.2)	(111.7)	(32.5)	<b>(264.2)</b>	(55.5)	4.5	<b>(315.2)</b>

<sup>1</sup> The performance of the segments for the year ended December 31, 2025 is presented with reference to both adjusted EBITDA and adjusted EBIT, excluding intra-group trademark and royalty payments. Refer to note 9 for additional details about adjusted EBITDA and adjusted EBIT (including the treatment of depreciation and amortization). In prior years, the performance of the segments was presented with reference to adjusted EBITDA only. However, adjusted EBIT is presented also for the comparative period.

<sup>2</sup> Refer to note 11 for additional details about capital expenditure and net capital expenditure.

<sup>3</sup> PP&E (excluding filling lines and other related equipment) and intangible assets.

<sup>4</sup> Group Functions may report positive net filling lines and other related equipment capital expenditure if the capital expenditure of the global aseptic carton filling machine assembly during a period is smaller than the payments it received under intra-group sales of filling machines. This could also happen occasionally in the case of PP&E and intangible asset capital expenditure, excluding filling lines and other related equipment.

<sup>5</sup> See notes 4, 9 and 12–14 for additional information about the impairment losses. The impairment losses relating to individual assets tested separately for impairment are recognized in all segments and in Group Functions. The impairment loss of the capitalized development costs (€13.5 million) is recognized in Group Functions.

[→ Consolidated financial statements](#)

(In € million)	Year ended December 31, 2024							Total
	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Reconciling items	
Revenue from transactions with external customers	1,044.7	456.4	938.1	888.6	<b>3,327.8</b>	0.7	-	<b>3,328.5</b>
Revenue from inter-segment transactions	379.6	17.6	48.5	5.7	<b>451.4</b>	84.9	(536.3)	-
Segment revenue	1,424.3	474.0	986.6	894.3	<b>3,779.2</b>	85.6	(536.3)	<b>3,328.5</b>
Cost of sales	(1,175.4)	(370.0)	(791.6)	(682.0)	<b>(3,019.0)</b>	(74.6)	536.3	<b>(2,557.3)</b>
Adjusted EBITDA <sup>1</sup>	308.4	122.0	259.7	208.7	<b>898.8</b>	(79.3)	-	<b>819.5</b>
Depreciation and amortization <sup>1</sup>	(83.0)	(42.1)	(93.8)	(50.0)	<b>(268.9)</b>	(0.1)	-	<b>(269.0)</b>
Adjusted EBIT <sup>1</sup>	225.4	79.9	165.9	158.7	<b>629.9</b>	(79.4)	-	<b>550.5</b>
Capital expenditure: <sup>2</sup>	(79.1)	(52.9)	(110.2)	(74.8)	<b>(317.0)</b>	9.8	-	<b>(307.2)</b>
PP&E and intangible assets <sup>3,4</sup>	(27.5)	(29.5)	(35.5)	(32.0)	<b>(124.5)</b>	(2.1)	-	<b>(126.6)</b>
Net filling lines and other related equipment <sup>4</sup>	(6.6)	(3.6)	(16.4)	(22.7)	<b>(49.3)</b>	12.0	-	<b>(37.3)</b>
Net capital expenditure <sup>2</sup>	(34.1)	(33.1)	(51.9)	(54.7)	<b>(173.8)</b>	9.9	-	<b>(163.9)</b>
Impairment losses								
Chilled carton	-	-	(17.3)	-	<b>(17.3)</b>	-	-	<b>(17.3)</b>
Other	(1.6)	(2.8)	(4.3)	(0.6)	<b>(9.3)</b>	-	-	<b>(9.3)</b>
Total impairment losses	(1.6)	(2.8)	(21.6)	(0.6)	<b>(26.6)</b>	-	-	<b>(26.6)</b>

<sup>1</sup> The performance of the segments for the year ended December 31, 2025 is presented with reference to both adjusted EBITDA and adjusted EBIT, excluding intra-group trademark and royalty payments. Refer to note 9 for additional details about adjusted EBITDA and adjusted EBIT (including the treatment of depreciation and amortization). In prior years, the performance of the segments was presented with reference to adjusted EBITDA only. However, adjusted EBIT is presented also for the comparative period.

<sup>2</sup> Refer to note 11 for additional details about capital expenditure and net capital expenditure.

<sup>3</sup> PP&E (excluding filling lines and other related equipment) and intangible assets.

<sup>4</sup> Group Functions may report positive net filling lines and other related equipment capital expenditure if the capital expenditure of the global aseptic carton filling machine assembly during a period is smaller than the payments it received under intra-group sales of filling machines. This could also happen occasionally in the case of PP&E and intangible asset capital expenditure, excluding filling lines and other related equipment.

## Disaggregation of segment revenue

The following tables present revenue from transactions with external customers for the segments, split by major product/service line.

(In € million)	Year ended December 31, 2025						
	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Total
Revenue from the sale of carton, bag-in-box and spouted pouch	923.1	367.4	760.1	777.8	2,828.4	–	2,828.4
Filling line and other related equipment revenue	49.1	41.0	73.0	46.7	209.8	–	209.8
Service revenue	63.5	37.0	59.3	50.0	209.8	0.5	210.3
Other revenue	–	–	–	–	–	0.2	0.2
<b>Total revenue</b>	<b>1,035.7</b>	<b>445.4</b>	<b>892.4</b>	<b>874.5</b>	<b>3,248.0</b>	<b>0.7</b>	<b>3,248.7</b>

(In € million)	Year ended December 31, 2024						
	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Total
Revenue from the sale of cartons, bag-in-boxes and spouted pouch	910.3	391.7	799.0	788.6	2,889.6	–	2,889.6
Filling line and other related equipment revenue	72.7	29.3	75.2	49.3	226.5	0.2	226.7
Service revenue	61.7	35.4	63.9	50.7	211.7	0.3	212.0
Other revenue	–	–	–	–	–	0.2	0.2
<b>Total revenue</b>	<b>1,044.7</b>	<b>456.4</b>	<b>938.1</b>	<b>888.6</b>	<b>3,327.8</b>	<b>0.7</b>	<b>3,328.5</b>

## Geographic information

The Group operates in total 27 plants worldwide that mainly produce aseptic carton sleeves and film and fitments for bag-in-box and spouted pouches, but also chilled carton sleeves, closures and pouches. It also has a number of equipment assembly plants and training- and development-related centers.

The following table provides an overview of the location of the Group's production and equipment assembly plants and its different centers as of December 31, 2025.

	Production plants	Equipment assembly plants	Training centers	R&D centers	Technology centers	Packaging development centers
China	4	2	1	1	1	
USA	4	1		1		
Germany	3	1	1	1	1	1
India	3	1				
Brazil	2		1			
Netherlands	2					
Australia	1					
Austria	1					
Mexico	1					
Russia	1					
Saudi Arabia	1					
South Korea	1					
Switzerland	1			1		
Taiwan	1					
Thailand	1		1			
Spain		1		1		
UAE			1		1	
<b>Total Group</b>	<b>27</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>1</b>

The construction of the Group's first aseptic carton production plant in India was completed in December 2024. Production started in January 2025. In the second quarter of 2024, the Group moved its production of chilled carton in China from Shanghai to a new plant in Suzhou. These production plants are all leased by the Group.

In the third quarter of 2025, the Group initiated the closure of one of the two bag-in-box production plants in the Netherlands to streamline the European bag-in-box operations. The plant is expected to be vacated in the second half of 2026. The bag-in-box and spouted pouch production in the leased production plant in Chile was relocated to Brazil in 2025. See also notes 4, 9, 11 and 13.

The following table includes information about the Group's non-current assets on a country basis. Non-current assets exclude financial instruments, deferred tax assets and net defined benefit assets.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Germany	911.5	926.6
USA	876.3	1,022.7
China	831.0	1,012.7
United Arab Emirates	576.0	587.4
Thailand	503.5	532.0
Switzerland <sup>1</sup>	459.5	499.9
Other countries	1,415.1	1,600.1
<b>Total non-current assets</b>	<b>5,572.9</b>	<b>6,181.4</b>

<sup>1</sup> The Company's country of domicile is Switzerland.

The non-current assets are reported based on the geographic location of the business operations. The non-current assets are predominantly located in the countries in which the Group's production and assembly plants are located. The Group's intellectual property is primarily held by a company based in Switzerland.

The following table includes information about the Group's revenue from external customers on a country basis.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
USA	392.8	429.4
China	372.0	408.6
Germany	277.6	289.3
Switzerland	17.4	15.1
Other countries	2,188.9	2,186.1
<b>Total revenue from external customers</b>	<b>3,248.7</b>	<b>3,328.5</b>

Revenue is reported based on the geographic location of customers. The customer base of the Group includes international companies, large national and regional companies as well as small local companies.

## Information about major customers

The Group does not have revenue from transactions with a single external customer amounting to 10% or more of the Group's revenue in any of the periods presented.

## 8 Other income and expenses

Other income and expenses relate to activities and transactions that are outside the Group's principal revenue-generating activities. Foreign currency exchange gains and losses as well as fair value changes on commodity and foreign currency derivatives entered into as part of the operating business are also presented as other income and expenses. Activities and transactions of a significant or unusual nature are generally excluded in the calculation of the performance measures adjusted EBITDA, adjusted EBIT and adjusted net income used by management (see note 9).

### Composition of other income and expenses

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Net change in fair value of operating derivatives	–	9.6
Change in fair value of contingent consideration	3.4	52.8
Gain on sale of property, plant and equipment and other assets	5.0	1.6
Income from miscellaneous services, including rental income	2.9	3.1
Other	5.0	9.8
<b>Total other income</b>	<b>16.3</b>	<b>76.9</b>
Net foreign currency exchange loss	(10.4)	(2.9)
Net change in fair value of operating derivatives	(5.9)	–
Transaction- and acquisition-related costs	(3.2)	(3.4)
Other	(16.7)	(4.6)
<b>Total other expenses</b>	<b>(36.2)</b>	<b>(10.9)</b>

The Group recognized an unrealized net loss on commodity and foreign currency derivatives of €5.9 million for the year ended December 31, 2025 (an unrealized net gain of 9.6 million for the year ended December 31, 2024). This arose primarily because the Group entered into commodity derivative contracts fixing prices for polymers at levels above the current forward prices (below the current forward prices for polymers for the year ended December 31, 2024).

The "Other income" category includes governmental subsidies and, for the year ended December 31, 2024, also insurance claims.

See note 9 for information about the change in the fair value of the contingent consideration, the gain on sale of property, plant and equipment and other assets, and the "Other expense" category for the year ended December 31, 2025. These items are excluded in the calculation of adjusted EBITDA, adjusted EBIT and adjusted net income.

## 9 Alternative performance measures

Management uses a number of measures to assess the performance of the Group that are not defined in IFRS Accounting Standards, including adjusted EBITDA, adjusted EBIT, adjusted net income, adjusted earnings per share, net capital expenditure, free cash flow and net leverage ratio.

These alternative non-IFRS performance measures are presented as management believes that they are important supplemental measures of the Group's performance. Management believes that they are useful and widely used in the markets in which the Group operates as a means of evaluating performance. In certain cases, these alternative performance measures are also used to determine compliance with covenants in the Group's credit agreements and compensation of certain members of management. However, these alternative performance measures should not be considered as substitutes for the information contained elsewhere in these consolidated financial statements.

Adjusted EBITDA, adjusted EBIT and adjusted net income are presented in this note. See note 10 for adjusted earnings per share, note 11 for net capital expenditure and free cash flow and note 23 for the Group's net leverage ratio.

### Adjusted EBITDA

Adjusted EBITDA is used by management for business planning and to measure operational performance. Management believes that adjusted EBITDA provides investors with further transparency on the Group's operational performance and facilitates comparison of the performance of the Group on a period-to-period basis and versus peers.

EBITDA is defined by the Group as profit or loss before net finance expense, income tax expense, depreciation of property, plant and equipment and right-of-use assets, and amortization of intangible assets. Adjusted EBITDA is defined by the Group as EBITDA, adjusted to exclude certain non-cash transactions and items of a significant or unusual nature including, but not limited to, transaction- and acquisition-related costs, integration costs, restructuring costs, unrealized gains or losses on operating derivatives, gains or losses on the sale of non-strategic assets, asset impairments and write-downs, and share of profit or loss of joint ventures, and to include the cash impact of dividends received from joint ventures.

The following table reconciles profit or loss for the period to EBITDA and adjusted EBITDA.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
<b>(Loss)/profit for the period</b>	<b>(87.0)</b>	<b>194.5</b>
Net finance expense	126.3	143.1
Income tax expense	40.2	86.5
Depreciation and amortization	340.6	419.5
<b>EBITDA</b>	<b>420.1</b>	<b>843.6</b>
Adjustments to EBITDA:		
Unrealized loss/(gain) on operating derivatives	5.9	(9.6)
Impairment losses	263.2	21.3
Restructuring costs, net of reversals	10.0	9.9
Gain on sale of property, plant and equipment and other assets	(5.0)	(1.6)
Transaction- and acquisition-related costs	3.2	3.4
Change in fair value of contingent consideration	(3.7)	(51.3)
Other	24.6	3.8
<b>Adjusted EBITDA</b>	<b>718.3</b>	<b>819.5</b>
<i>of which charges due to strategic review and soft market conditions</i>	69.3	-
<b>Adjusted EBITDA, excluding charges due to strategic review and soft market conditions</b>	<b>787.6</b>	<b>819.5</b>

The impairment losses for the year ended December 31, 2025 relate to management's assessment of the recoverable amounts of a number of individual assets and CGUs triggered by the prevailing soft market conditions and the outcome of the review of the Group's strategic direction (see note 4 for additional details). Of the total amount of impairment losses of €315.2 million (pre-tax) recognized for the year ended December 31, 2025, an amount of €263.2 million (pre-tax) has been excluded from adjusted EBITDA. Impairment losses relating to projects for which regional management is held accountable, such as filling line investments or new product launches, are included in adjusted EBITDA.

The restructuring costs for the year ended December 31, 2025 mainly relate to restructuring measures undertaken as an outcome of the recent strategic review carried out by the Board of Directors (see notes 4 and 19).

The change in the fair value of the contingent consideration (including unrealized foreign currency exchange impacts) in the year ended December 31, 2025 and December 31, 2024 relates to the remeasurement of the US Dollar contingent consideration for Scholle IPN at fair value as of December 31, 2025 and December 31, 2024. See note 32 for further information.

The impairment losses and restructuring costs for the year ended December 31, 2024 mainly related to the transfer of the Group's chilled carton production in Shanghai to a new, leased production plant in the same location as its aseptic carton facilities in Suzhou in China (all in the APAC segment). Production at the new production plant started in the second quarter of 2024. The Group recognized an impairment loss of €17.3 million (pre-tax), split between an impairment of the production building and production equipment (€8.1 million) and related right-of-use assets (€9.2 million, mainly concerning a pre-paid land right-of-use) for the year ended December 31, 2024. The impairment was mainly an effect of the decline in real estate values in China.

After the initiation of a sale process and the recognition of impairment losses in the first half of 2024, the production building and the related right-of-use assets were classified as held for sale and depreciation stopped. Due to materiality reasons, these assets held for sale at the amount of €13.1 million as of December 31, 2024 were presented as part of "Other current assets" (see note 21). They were categorized as Level 3 fair value measurements in the fair value hierarchy. The Group continues to use the production equipment.

The production building and the land right-of-use were sold for €16.2 million in October 2025, resulting in a pre-tax gain of €2.0 million. As of December 31, 2025, the Group had received the majority of the sale price in cash.

In addition to the gain from the sale of the Chinese production-related assets, the Group also recognized pre-tax gains of €3.0 million in the year ended December 31, 2025, mainly relating to sales of land in Europe.

The "Other" category for the year ended December 31, 2025 primarily includes consulting costs relating to group companies' renewal of their IT systems, including the bag-in-box and spouted pouch system integration (€6.4 million), consulting costs for strategic review topics (€6.1 million), penalties for pausing further expansion of the leased aseptic carton production plant in India (€4.9 million) and termination benefits relating to the former Chief Executive Officer (€2.5 million). See also note 4.

## Adjusted EBIT

Adjusted EBIT is used by management to measure operational performance. Management believes that adjusted EBIT is a good supplementary measure as it reflects the Group's operational performance, considering also its capital investments.

EBIT is defined by the Group as profit or loss before net finance expense and income tax expense. Adjusted EBIT is defined by the Group as EBIT, adjusted to exclude adjustments made to reconcile EBITDA to adjusted EBITDA, purchase price allocation ("PPA") depreciation and amortization from the acquisition of the Group by Onex in 2015 and PPA amortization from other acquisitions.

The following table reconciles EBIT to adjusted EBIT.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
<b>EBIT (Profit from operating activities)</b>	<b>79.5</b>	<b>424.1</b>
Adjustments to EBITDA <sup>1</sup>	298.2	(24.1)
PPA depreciation and amortization – Onex acquisition <sup>2</sup>	23.1	103.4
PPA amortization – Other acquisitions	41.4	47.1
<b>Adjusted EBIT</b>	<b>442.2</b>	<b>550.5</b>
<i>of which charges due to strategic review and soft market conditions</i>	69.3	–
<b>Adjusted EBIT, excluding charges due to strategic review and soft market conditions</b>	<b>511.5</b>	<b>550.5</b>

<sup>1</sup> For the different adjustments to EBITDA, refer to the adjusted EBITDA table at the beginning of this note.

<sup>2</sup> PPA amortization relating to the Onex acquisition ceased in the first quarter of 2025.

## Adjusted net income

Adjusted net income is used by management to measure performance. Management believes that adjusted net income is a meaningful measure because by removing certain non-recurring charges and non-cash expenses, the Group's operating result directly associated with the period's performance is presented. The use of adjusted net income may also be helpful to investors because it provides better consistency and comparability with past performance and facilitates period-to-period comparisons of results of operations.

Adjusted net income is defined by the Group as profit or loss adjusted to exclude certain items of a significant or unusual nature including, but not limited to, the non-cash foreign currency exchange impact of non-functional currency loans, amortization of transaction costs, the net change in fair value of financing-related derivatives, purchase price allocation ("PPA") depreciation and amortization, adjustments made to reconcile EBITDA to adjusted EBITDA and the estimated tax impact of the foregoing adjustments. The PPA depreciation arose due to the acquisition accounting that was performed when the Group was acquired by Onex in 2015. The PPA amortization relates to all acquisitions of the Group.

The following table reconciles profit or loss for the period to adjusted net income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
<b>(Loss)/profit for the period</b>	<b>(87.0)</b>	<b>194.5</b>
Non-cash foreign currency exchange impact of non-functional currency loans and realized foreign currency exchange impact due to refinancing	0.7	9.6
Amortization of transaction costs	3.5	2.8
Net change in fair value of financing-related derivatives	2.4	3.6
PPA depreciation and amortization – Onex acquisition <sup>1</sup>	23.1	103.4
PPA amortization – other acquisitions	41.4	47.1
Net effect of early repayment of loan	–	1.6
Other	–	1.3
Adjustments to EBITDA <sup>2</sup>	298.2	(24.1)
Tax effect on above items	(51.2)	(31.7)
<b>Adjusted net income</b>	<b>231.1</b>	<b>308.1</b>
<i>of which charges due to strategic review and soft market conditions</i>	54.2	–
<b>Adjusted net income, excluding charges due to strategic review and soft market conditions</b>	<b>285.3</b>	<b>308.1</b>

<sup>1</sup> PPA amortization relating to the Onex acquisition ceased in the first quarter of 2025.

<sup>2</sup> For the different adjustments to EBITDA, refer to the adjusted EBITDA table at the beginning of this note.

## 10 Earnings per share

### Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the consolidated profit for the period by the weighted average number of shares in issue during the period, excluding the weighted average number of treasury shares.

Diluted earnings per share reflects the effect of dilutive potential (registered) shares under the Group's equity-settled share-based payment plans and arrangements. Awards granted under these equity-settled plans and arrangements have been included in the determination of diluted earnings per share considering the level of achievement of the set targets (see note 30) at the reporting date, and to the extent to which they are dilutive. Awards granted with only a service condition are included in the determination of diluted earnings per share to the extent to which they are dilutive. For the year ended December 31, 2025, the Group reported a loss. All potential ordinary shares are therefore anti-dilutive and diluted earnings per share equals earnings per share.

The following table shows the weighted average number of shares outstanding before and after adjustments for the effect of all dilutive potential shares.

#### Weighted average number of registered shares

Issued shares as of January 1, 2024	382,270,872
Effect of treasury shares held	(58,324)
<b>Weighted average number of shares as of December 31, 2024 – basic</b>	<b>382,212,548</b>
Effect of share-based payment plans and arrangements	-
<b>Weighted average number of shares as of December 31, 2024 – diluted</b>	<b>382,212,548</b>
Issued shares as of January 1, 2025	382,270,872
Effect of treasury shares held	(41,937)
<b>Weighted average number of shares as of December 31, 2025 – basic</b>	<b>382,228,935</b>
Effect of share-based payment plans and arrangements <sup>1</sup>	82,979
<b>Weighted average number of shares as of December 31, 2025 – diluted</b>	<b>382,311,914</b>

<sup>1</sup> These potential ordinary shares relating to the leadership continuity plan were excluded from diluted earnings per share calculation for the year ended December 31, 2025 because they are anti-dilutive. However, they are considered in the calculation of diluted adjusted earnings per share.

The following table shows basic and diluted earnings per share.

(In € million unless indicated)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
(Loss)/profit for the period	(87.0)	194.5
Weighted average number of shares for the period – basic (in numbers)	382,228,935	382,212,548
<b>Basic earnings per share (in €)</b>	<b>(0.23)</b>	<b>0.51</b>
(Loss)/profit for the period	(87.0)	194.5
Weighted average number of shares for the period – diluted (in numbers)	382,228,935	382,212,548
<b>Diluted earnings per share (in €)</b>	<b>(0.23)</b>	<b>0.51</b>

### Adjusted earnings per share

Adjusted earnings per share is defined by the Group as adjusted net income divided by the weighted average number of shares. Management believes that adjusted earnings per share is a useful measure as adjusted net income is used to measure performance. Adjusted net income and adjusted earnings per share are not defined performance measures in IFRS (see note 9).

The following table shows basic and diluted adjusted earnings per share.

(In € million unless indicated)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Adjusted net income	231.1	308.1
Weighted average number of shares for the period – basic (in numbers)	382,228,935	382,212,548
<b>Adjusted earnings per share – basic (in €)</b>	<b>0.60</b>	<b>0.81</b>
Adjusted net income	231.1	308.1
Weighted average number of shares for the period – diluted (in numbers)	382,311,914	382,212,548
<b>Adjusted earnings per share – diluted (in €)</b>	<b>0.60</b>	<b>0.81</b>

## 11 Cash flow information

This note includes information about the Group's cash flows as well as non-cash transactions. Where more relevant for the understanding of a transaction, cash inflows and outflows are described in the notes on the respective assets or liabilities to which the cash flows relate. The same applies to non-cash transactions.

### Net capital expenditure

The Group's capital expenditure primarily relates to investments in own production, plant and equipment (PP&E capital expenditure, excluding filling lines and other related equipment) and to the assembly and deployment of filling lines and other related equipment with customers under contracts accounted for as operating leases (filling lines and other related equipment capital expenditure). The Group's investments in intangible assets are less significant. To better reflect the Group's investments in production plants and production equipment via leases, management also considers lease payments as part of capital expenditure. Lease payments are defined as payment of lease liabilities.

Net capital expenditure is defined by the Group as capital expenditure (net of proceeds from sales of PP&E, other than filling lines and other related equipment, and intangible assets) less upfront cash. Upfront cash is defined as consideration received as an upfront payment for filling lines and other related equipment from customers. Net capital expenditure is not a defined performance measure in IFRS (see note 9).

Management uses net capital expenditure as it demonstrates better than capital expenditure how cash-generative the business is. As the Group typically receives a portion of the total consideration for a filling line and other related equipment as an upfront payment from the customer (see also notes 18 and 20), the cash outflow relating to filling lines and other related equipment is generally lower than implied by the gross filling lines and other related equipment capital expenditure figure. Payments received for filling lines and other related equipment (including upfront payments) are included in cash flows from operating activities.

The following table reconciles capital expenditure to net capital expenditure and to net capital expenditure, including lease payments.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
PP&E and intangible assets (net of sales <sup>1</sup> and excluding filling lines and other related equipment)	94.8	126.6
Filling lines and other related equipment	173.3	180.6
<b>Capital expenditure</b>	<b>268.1</b>	<b>307.2</b>
Upfront cash	(123.6)	(143.3)
<b>Net capital expenditure</b>	<b>144.5</b>	<b>163.9</b>
Payment of lease liabilities	55.2	51.7
<b>Net capital expenditure, including lease payments</b>	<b>199.7</b>	<b>215.6</b>

<sup>1</sup> Includes proceeds received relating to the sale of the chilled carton production plant in Shanghai in the year ended December 31, 2025 (see notes 9 and 21).

### Free cash flow

Free cash flow is used by management to evaluate the performance of the Group. Free cash flow is defined by the Group as net cash from operating activities plus dividends received from joint ventures less capital expenditure (net of proceeds from sales of PP&E, other than filling lines and other related equipment, and intangible assets) and payments of lease liabilities. Free cash flow is not a defined performance measure in IFRS (see note 9).

The following table reconciles net cash from operating activities to free cash flow.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
<b>Net cash from operating activities</b>	<b>514.3</b>	<b>649.2</b>
Acquisition of property, plant and equipment and intangible assets (net of sales <sup>1</sup> )	(268.1)	(307.2)
Payment of lease liabilities	(55.2)	(51.7)
<b>Free cash flow</b>	<b>191.0</b>	<b>290.3</b>

<sup>1</sup> Includes proceeds received relating to the sale of the chilled carton production plant in Shanghai in the year ended December 31, 2025 (see notes 9 and 21).

The decrease in free cash flow for the year ended December 31, 2025 was primarily driven by lower EBITDA (see note 9) compared with the year ended December 31, 2024 and an increase in payments for customer incentive programs.

### Non-cash transactions

Non-cash transactions include the initial recognition of leases on the statement of financial position (see notes 13 and 23) and the granting of instruments under the Group's 2025 and 2024 share-based plans and arrangements (see note 30). Note 18 includes information about non-cash payments relating to the Group's supplier finance arrangement.

New leases mainly relate to production equipment for closures. Notably for the year ended December 31, 2024, the lease of the Group's new chilled carton production plant in China (with an initial lease liability and related right-of-use asset recognized of approximately €39 million each) and the lease of the Group's first aseptic carton production plant in India (with an initial lease liability and related right-of-use asset recognized of approximately €37 million each) commenced. These two right-of-use assets have subsequently been impaired (see note 4).

There are no other material non-cash transactions for the years ended December 31, 2025 and December 31, 2024.

### Cash outflows under lease contracts

The total cash outflow for the Group's lease contracts for the year ended December 31, 2025 was €82.5 million (€76.7 million for the year ended December 31, 2024).

## Our operating assets and liabilities

This section includes information about the Group's operating assets and liabilities. The main operating assets relate to the Group's production equipment and its deployed filling lines and other related equipment accounted for as operating leases. The Group also has right-of-use assets resulting from lease contracts entered into as a lessee. The Group's trade receivables balance is reduced by selling trade receivables under securitization and factoring programs. A substantial part of the Group's assets relates to goodwill and other intangible assets. Impairment testing of goodwill and trademarks with indefinite useful lives is described in this section. The main operating liabilities relate to trade payables, accruals for various incentive programs and deferred revenue relating to advance payments received for filling lines deployed under contracts accounted for as operating leases.

### 12 Property, plant and equipment

Property, plant and equipment ("PP&E") is mainly composed of filling lines that are deployed at customers' sites under contracts that qualify to be accounted for as operating leases (see note 5.5.2) and the Group's plant and production equipment. PP&E also includes work in progress, which relates to construction of filling machines and to filling lines and other related equipment under installation at customers' sites as well as to construction of various types of production equipment used by the Group in its production and assembly plants. The Group is a lessor in respect of its filling lines and other related equipment deployed with its customers.

#### Composition of PP&E

(In € million)	Land	Buildings	Plant and equipment	Work in progress	Filling lines	Total
Cost	104.9	291.2	1,231.9	299.2	1,655.5	<b>3,582.7</b>
Accumulated depreciation and impairment losses	(4.3)	(111.9)	(698.8)	(2.0)	(891.7)	<b>(1,708.7)</b>
<b>Carrying amount as of December 31, 2024</b>	<b>100.6</b>	<b>179.3</b>	<b>533.1</b>	<b>297.2</b>	<b>763.8</b>	<b>1,874.0</b>
Cost	95.6	289.2	1,265.1	273.2	1,688.8	<b>3,611.9</b>
Accumulated depreciation and impairment losses	(2.2)	(118.6)	(804.5)	(14.0)	(989.0)	<b>(1,928.3)</b>
<b>Carrying amount as of December 31, 2025</b>	<b>93.4</b>	<b>170.6</b>	<b>460.6</b>	<b>259.2</b>	<b>699.8</b>	<b>1,683.6</b>
<b>Carrying amount as of January 1, 2024</b>	<b>100.3</b>	<b>193.5</b>	<b>451.1</b>	<b>366.0</b>	<b>684.5</b>	<b>1,795.4</b>
Additions	–	0.6	38.6	241.0	25.0	<b>305.2</b>
Disposals	(0.3)	(0.3)	–	(0.6)	–	<b>(1.2)</b>
Depreciation	–	(15.1)	(62.0)	–	(142.8)	<b>(219.9)</b>
Impairment losses	–	(4.6)	(7.2)	(2.0)	(3.6)	<b>(17.4)</b>
Transfer to assets held for sale	–	(4.8)	–	–	–	<b>(4.8)</b>
Other transfers	–	8.8	101.6	(309.7)	195.4	<b>(3.9)</b>
Effect of movements in exchange rates	0.6	1.2	11.0	2.5	5.3	<b>20.6</b>
<b>Carrying amount as of December 31, 2024</b>	<b>100.6</b>	<b>179.3</b>	<b>533.1</b>	<b>297.2</b>	<b>763.8</b>	<b>1,874.0</b>

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(In € million)	Land	Buildings	Plant and equipment	Work in progress	Filling lines	Total
<b>Carrying amount as of January 1, 2025</b>	<b>100.6</b>	<b>179.3</b>	<b>533.1</b>	<b>297.2</b>	<b>763.8</b>	<b>1,874.0</b>
Additions	–	3.5	43.4	216.2	11.7	<b>274.8</b>
Disposals	(0.8)	(0.2)	(0.2)	–	–	<b>(1.2)</b>
Depreciation	–	(14.8)	(64.8)	–	(143.7)	<b>(223.3)</b>
Impairment losses	–	(0.4)	(72.6)	(16.9)	(36.4)	<b>(126.3)</b>
Transfers	–	11.3	59.4	(223.6)	139.9	<b>(13.0)</b>
Effect of movements in exchange rates	(6.4)	(8.1)	(37.7)	(13.7)	(35.5)	<b>(101.4)</b>
<b>Carrying amount as of December 31, 2025</b>	<b>93.4</b>	<b>170.6</b>	<b>460.6</b>	<b>259.2</b>	<b>699.8</b>	<b>1,683.6</b>

Notes 4, 7 and 9 include further information about the impairment losses. The impairment losses recognized for the year ended December 31, 2025 relating to production equipment are included in the category "Plant and equipment" in the table above. The impairment losses relating to filling line assets for the Ultima project are mainly included in the category "Work in progress" but also in "Filling lines", where impairment losses relating to other filling lines are also included.

Notes 7 and 11 include further information about the Group's capital expenditure with regard to its production equipment and filling lines and other related equipment. See note 9 for information about the chilled carton production plant in Shanghai that is classified as held for sale as of December 31, 2024.

## Depreciation of PP&E

Depreciation of PP&E is recognized in the following components in the statement of profit or loss and other comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	214.8	211.1
Selling, marketing and distribution expenses	1.7	1.7
General and administrative expenses	6.8	7.1
<b>Total depreciation</b>	<b>223.3</b>	<b>219.9</b>

## Impairment of PP&E

Impairment losses of PP&E are recognized in the following components in the statement of profit or loss and other comprehensive income (see notes 4 and 9 for additional information).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	125.5	17.4
Selling, marketing and distribution expenses	0.1	–
General and administrative expenses	0.7	–
<b>Total impairment losses</b>	<b>126.3</b>	<b>17.4</b>

## Capital expenditure commitments

As of December 31, 2025, the Group had entered into contracts to incur capital expenditure of €66.6 million for the acquisition of PP&E (€94.2 million as of December 31, 2024). The commitments relate to filling machine and other related equipment assembly, certain downstream equipment and various equipment for the Group's production plants and similar facilities.

### Accounting policy, significant judgments and estimates

Items of PP&E are measured at cost less accumulated depreciation and accumulated impairment losses. Gains and losses on disposals of items of PP&E are recognized as part of other income or expenses.

The cost of an acquired or self-constructed item of PP&E includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. The cost of the Group's filling lines and other related equipment also includes the estimated cost of dismantling, to the extent such an amount is recognized as a provision. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

Items of PP&E are depreciated on a straight-line basis over their estimated useful lives, with depreciation generally recognized in profit or loss. Land is not depreciated. The estimated useful lives for the current and comparative periods are as follows:

Buildings	15 to 40 years
Plant and equipment:	
Production-related equipment and machinery	4 to 25 years
Furniture and fixtures	3 to 8 years
Filling lines (leased assets, SIG as lessor)	10 years

### The Group as lessor – filling lines

The Group mainly deploys aseptic carton filling lines under contracts that qualify to be accounted for as operating leases (see note 5.5.2 for additional details). These filling lines are measured at cost and depreciated from the deployment date over their estimated useful life of ten years and tested for impairment when there is an impairment indicator.

### Impairment of PP&E

Items of PP&E are reviewed regularly and at least annually to identify whether there is an impairment indicator, or an indicator that a previously recognized impairment loss should be reversed. See note 5.5.3 for further details.

A change in the Group's intended use of certain assets or changed market conditions may trigger a future impairment or a reversal of an impairment loss. Value in use calculations require management to estimate the future cash flows expected to arise from an individual asset or CGU and to determine a suitable discount rate to calculate present value. See note 5.4 for additional remarks.

## 13 Right-of-use assets

The Group generally purchases its production-related buildings and equipment (see note 12). However, it also enters into lease contracts. Right-of-use assets relate to lease contracts that the Group has entered into as lessee. The contracts mainly cover leases of assets such as office buildings, production-related buildings and equipment, warehouses and cars.

### Composition of right-of-use assets

(In € million)	Land and buildings	Plant and equipment	Cars	Total
Cost	290.6	174.2	21.1	<b>485.9</b>
Accumulated depreciation and impairment losses	(76.6)	(73.4)	(13.9)	<b>(163.9)</b>
<b>Carrying amount as of Dec. 31, 2024</b>	<b>214.0</b>	<b>100.8</b>	<b>7.2</b>	<b>322.0</b>
Cost	288.5	212.9	25.0	<b>526.4</b>
Accumulated depreciation and impairment losses	(127.6)	(103.5)	(17.7)	<b>(248.8)</b>
<b>Carrying amount as of Dec. 31, 2025</b>	<b>160.9</b>	<b>109.4</b>	<b>7.3</b>	<b>277.6</b>
<b>Carrying amount as of January 1, 2024</b>	<b>170.2</b>	<b>91.3</b>	<b>5.8</b>	<b>267.3</b>
Additions	81.7	36.1	5.0	<b>122.8</b>
Depreciation	(19.8)	(24.6)	(3.3)	<b>(47.7)</b>
Impairment losses	(8.8)	(0.4)	–	<b>(9.2)</b>
Transfer to assets held for sale	(8.0)	–	–	<b>(8.0)</b>
Effect of movements in exchange rates	(1.3)	(1.6)	(0.3)	<b>(3.2)</b>
<b>Carrying amount as of Dec. 31, 2024</b>	<b>214.0</b>	<b>100.8</b>	<b>7.2</b>	<b>322.0</b>
<b>Carrying amount as of January 1, 2025</b>	<b>214.0</b>	<b>100.8</b>	<b>7.2</b>	<b>322.0</b>
Additions	18.1	39.6	3.9	<b>61.6</b>
Depreciation	(22.8)	(24.7)	(3.9)	<b>(51.4)</b>
Impairment losses	(34.1)	(5.9)	–	<b>(40.0)</b>
Effect of movements in exchange rates	(14.3)	(0.4)	0.1	<b>(14.6)</b>
<b>Carrying amount as of Dec. 31, 2025</b>	<b>160.9</b>	<b>109.4</b>	<b>7.3</b>	<b>277.6</b>

Notes 4, 7 and 9 include further information about the impairment losses. The impairment losses recognized for the year ended December 31, 2025 relating to the new leased chilled carton production plant in Suzhou, China and the leased aseptic carton production plant in India are included in the category "Land and buildings" in the table above.

See note 9 for information about a pre-paid land right-of-use in Shanghai that was classified as held for sale as of December 31, 2024, and subsequently sold as part of the sale of the chilled carton production plant in Shanghai in the year ended December 31, 2025.

The Group's most significant leases relate to its production plants in China (two of its plants), Saudi Arabia, India (one of its plants) and Mexico as well as its technology center in China. These six leases, with a remaining lease term of between 10 and 25 years, make up the larger part of the carrying amount of leased land and buildings. A purchase option, exercisable by the Group after 15 years, has been considered when estimating the lease term and the lease liability for the production plant in Mexico.

The larger part of the plant and equipment category relates to leases of production equipment for closures with a lease term of four to five years. The lease term of other assets is most commonly in the range of three to five years.

### Depreciation of right-of-use assets

Depreciation of right-of-use assets is recognized in the following components in the statement of profit or loss and other comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	40.3	37.8
Selling, marketing and distribution expenses	6.3	6.0
General and administrative expenses	4.8	3.9
<b>Total depreciation</b>	<b>51.4</b>	<b>47.7</b>

### Impairment of right-of-use assets

Impairment losses of right-of-use assets are recognized in the following components in the statement of profit or loss and other comprehensive income (see notes 4 and 9 for additional information).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	39.2	9.2
Selling, marketing and distribution expenses	0.8	–
<b>Total impairment losses</b>	<b>40.0</b>	<b>9.2</b>

### Lease commitments

The Group has entered into lease contracts that have not yet commenced. The present value of estimated future lease payments under these lease contracts was approximately €19 million as of December 31, 2025 (€28 million as of December 31, 2024).

These contracts mainly relate to leases of production equipment for closures that are expected to commence within the next six to eighteen months.

#### Accounting policy, significant judgments and estimates

At the lease commencement date, the Group recognizes a lease liability and a related right-of-use asset. The accounting for lease liabilities is described in note 23.

The right-of-use asset represents the Group's right to use the leased asset. A right-of-use asset is initially measured at cost, which in many cases will equal the amount recognized as a lease liability. However, adjustments are required for any lease payments made at or before the lease commencement date and any initial direct costs incurred. The cost also includes the estimated cost to dismantle and remove the leased asset, to restore it to the condition required under the lease contract or to restore the site on which it is located, to the extent such an amount is recognized as a provision.

Subsequent to initial recognition, a right-of-use asset is measured at cost less accumulated depreciation and impairment losses. A right-of-use asset is subsequently also adjusted for certain remeasurements of the related lease liability.

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Right-of-use assets are reviewed regularly and at least annually to identify whether there is an impairment indicator, or an indicator that a previously recognized impairment loss should be reversed. See note 5.5.3 for further details.

A change in the Group's intended use of certain leased assets or changed market conditions may trigger a future impairment or a reversal of an impairment loss. Value in use calculations require management to estimate the future cash flows expected to arise from an individual asset or CGU and to determine a suitable discount rate to calculate present value. See note 5.4 for additional remarks.

## 14 Intangible assets

The largest portion of the Group's intangible assets is goodwill. Around half of the goodwill arose as a result of the acquisition of the SIG Group by Onex in 2015. The remaining half of the goodwill mainly arose as a result of the acquisitions of the bag-in-box and spouted pouch businesses (Scholle IPN) in 2022, Evergreen's chilled carton business in Asia Pacific ("Evergreen Asia") in 2022 and the remaining shares of the joint ventures in the Middle East in 2021. The other intangible assets mainly consist of trademarks, customer relationships and technology-related assets. The SIG trademarks have indefinite useful lives.

### Composition of intangible assets

(In € million)	Goodwill	Trade- marks	Customer relation- ships	Technology and other assets	Total
Cost	3,185.3	373.8	1,025.6	263.1	<b>4,847.8</b>
Accumulated amortization and impairment losses	-	(7.9)	(715.9)	(161.9)	<b>(885.7)</b>
<b>Carrying amount as of December 31, 2024</b>	<b>3,185.3</b>	<b>365.9</b>	<b>309.7</b>	<b>101.2</b>	<b>3,962.1</b>
Cost	3,034.8	376.1	385.8	169.2	<b>3,965.9</b>
Accumulated amortization and impairment losses	-	(15.3)	(241.4)	(116.9)	<b>(373.6)</b>
<b>Carrying amount as of December 31, 2025</b>	<b>3,034.8</b>	<b>360.8</b>	<b>144.4</b>	<b>52.3</b>	<b>3,592.3</b>
<b>Carrying amount as of January 1, 2024</b>	<b>3,127.3</b>	<b>374.7</b>	<b>401.9</b>	<b>150.5</b>	<b>4,054.4</b>
Additions	-	-	-	1.4	<b>1.4</b>
Amortization	-	(3.4)	(96.2)	(52.3)	<b>(151.9)</b>
Effect of movements in exchange rates	58.0	(5.4)	4.0	1.6	<b>58.2</b>
<b>Carrying amount as of December 31, 2024</b>	<b>3,185.3</b>	<b>365.9</b>	<b>309.7</b>	<b>101.2</b>	<b>3,962.1</b>
<b>Carrying amount as of January 1, 2025</b>	<b>3,185.3</b>	<b>365.9</b>	<b>309.7</b>	<b>101.2</b>	<b>3,962.1</b>
Additions	-	-	-	12.9	<b>12.9</b>
Amortization	-	(2.5)	(43.7)	(19.7)	<b>(65.9)</b>
Impairment losses	-	(5.8)	(106.6)	(36.5)	<b>(148.9)</b>
Effect of movements in exchange rates	(150.5)	3.2	(15.0)	(5.6)	<b>(167.9)</b>
<b>Carrying amount as of December 31, 2025</b>	<b>3,034.8</b>	<b>360.8</b>	<b>144.4</b>	<b>52.3</b>	<b>3,592.3</b>

Notes 4, 7 and 9 include further information about the impairment losses. The impairment losses recognized for the year ended December 31, 2025 relating to technology assets and capitalized development costs are included in the category "Technology and other assets". The impairment losses on trademarks relate to the bag-in-box and spouted pouch trademarks.

The additions to "Technology and other assets" in the year ended December 31, 2025 are mainly due to capitalization of costs relating to the ongoing renewal of the Group's IT-systems.

### Research and development

Research and development costs (excluding depreciation and amortization expense) recognized as a component of general and administrative expenses amount to €107.5 million (€70.3 million excluding also impairment losses) for the year ended December 31, 2025 (€67.5 million for the year ended December 31, 2024).

In the year ended December 31, 2025, the Group has capitalized development costs of €1.5 million (€1.1 million in the year ended December 31, 2024). The capitalized costs (included in "Technology and other assets" in the table above) relate to minor projects. In the year ended December 31, 2025, the Group fully impaired the capitalized development cost relating to the Ultima filling machine project (see notes 4 and 7 for additional details).

### Amortization of intangible assets

Amortization of intangible assets is recognized in the following components in the statement of profit or loss and other comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	44.2	96.9
Selling, marketing and distribution expenses	2.8	3.7
General and administrative expenses	18.9	51.3
<b>Total amortization</b>	<b>65.9</b>	<b>151.9</b>

## Impairment of intangible assets

Impairment losses of intangible assets are recognized in the following components in the statement of profit or loss and other comprehensive income (see note 4 for additional information).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	106.6	–
Selling, marketing and distribution expenses	5.8	–
General and administrative expenses	36.5	–
<b>Total impairment losses</b>	<b>148.9</b>	<b>–</b>

## Annual impairment tests of goodwill and SIG trademarks with indefinite useful lives

Goodwill with a carrying amount of €3,034.8 million as of December 31, 2025 (€3,185.3 million as of December 31, 2024) and the SIG trademarks with indefinite useful lives with a carrying amount of €360.8 million as of December 31, 2025 (€357.1 million as of December 31, 2024) are tested for impairment on an annual basis and whenever there is an impairment indicator. The annual impairment tests are performed in the fourth quarter each year.

### Goodwill

The Group does not monitor goodwill at a lower level than Group level for internal management purposes but, for impairment testing purposes, goodwill must be allocated to a CGU, or group of CGUs, that is not larger than an operating segment before aggregation. The Group has allocated the goodwill for impairment testing purposes to its four operating (and reportable) segments.

The table below shows the allocation of goodwill to the Group's four segments as well as the key assumptions used in the impairment test.

(In € million or %)	Year ended December 31, 2025			Year ended December 31, 2024		
	Carrying amount	Growth rate	Pre-tax discount rate	Carrying amount	Growth rate	Pre-tax discount rate
Europe	999.0	2.50%	11.1%	999.0	2.50%	10.5%
IMEA	560.5	2.50%	11.2%	582.6	2.50%	11.1%
APAC	839.2	2.50%	9.7%	896.9	2.50%	8.7%
Americas	636.1	2.50%	11.9%	706.8	2.50%	10.5%
<b>Total goodwill</b>	<b>3,034.8</b>			<b>3,185.3</b>		

For the impairment test of goodwill, the recoverable amount of the respective segments has been estimated with reference to value in use. In assessing the value in use, the estimated future cash flows (in Euros) have been discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money as well as the risks specific to each segment. The weighted average cost of capital ("WACC") is used to determine the discount rate. Cash flows for the first five years are based on financial plans approved by management. Cash flows after the five-year internal planning period are extrapolated using terminal growth rates that are aligned with the estimated long-term inflation. The terminal growth rates used by the Group for impairment testing purposes do not exceed the estimated long-term growth rates in the packaging industry.

No impairment of goodwill was identified in either of the periods. For both the years ended December 31, 2025 and 2024, the estimated recoverable amounts of the segments significantly exceeded the respective carrying amounts. Management considers it unlikely that any reasonably possible change in the key assumptions used, including changes in the assessed future cash in- and outflows (revenue growth and EBITDA margin), terminal growth rate and WACC, would result in an impairment loss of goodwill in any of the segments. There is no assurance that the Group's experience to date, which has been reflected in the assessment of future cash flows and other assumptions, will be representative of future periods.

### SIG trademarks with indefinite useful lives

The value of the SIG trademarks with indefinite useful lives is associated with the Group as a whole. Trademarks are tested for impairment at Group level as all SIG entities benefit from the trademarks. The entities are charged a royalty fee for the use of the SIG trademarks.

For the impairment test, the recoverable amount has been estimated with reference to value in use. The assessed royalty fees have been discounted to their present value using a pre-tax discount rate at Group level of 11.2% (9.9% in the 2024 annual impairment test) and a terminal growth rate at Group level of 2.5% (2.5% in the 2024 annual impairment test). The royalty fees for the first five years are based on financial plans approved by management. The same methodology as for the goodwill impairment test is used to extrapolate cash flows after the five-year internal planning period and to determine the discount rate.

No impairment of the SIG trademarks with indefinite useful lives was identified in either of the periods. Management considers it unlikely that any reasonably possible change in the assumptions used (royalty fees, terminal growth rate and WACC) would result in an impairment loss.

### Accounting policy

Goodwill arising on business combinations is measured at cost less accumulated impairment losses. The SIG trademarks are assessed to have indefinite useful lives considering the long history of the SIG brand and its expected future continuous use. They are measured at cost less accumulated impairment losses. Other intangible assets, including customer relationships, Scholle trademarks and technology assets, have finite useful lives and are measured at cost less accumulated amortization and accumulated impairment losses. Gains and losses on disposals of intangible assets are recognized in profit or loss as part of other income or expenses.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technologically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete the development and to use or sell the asset. If the capitalization criteria are not met, development expenditure is recognized in profit or loss as incurred. Expenditure on research activities is recognized in profit or loss as incurred.

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives, with amortization generally recognized in profit or loss. The estimated useful lives of amortizable intangible assets for the current and comparative periods are as follows:

Customer relationships	10 to 15 years
Technology assets (including patented and non-patented technology and know-how)	6 to 10 years
Other intangible assets (including software)	3 to 6 years

Capitalized development costs are amortized over the period that is assessed to reflect the expected useful life of the particular innovation (up to 15 years).

#### *Impairment of goodwill and other intangible assets*

Intangible assets with finite useful lives are reviewed regularly and at least annually to identify whether there is an impairment indicator, or an indicator that a previously recognized impairment loss should be reversed. Goodwill and the SIG trademarks with indefinite useful lives are tested for impairment on an annual basis and whenever there is an impairment indicator. See note 5.5.3 for further details.

### Significant judgments and estimates

Significant judgment is involved in the annual impairment testing of goodwill and the SIG trademarks with indefinite useful lives. The judgments and assumptions used in estimating the recoverable amount are included above under "Annual impairment tests of goodwill and trademarks with indefinite useful lives", where the outcome of the annual impairment tests is also described.

A change in the Group's intended use of other intangible assets or changed market conditions may trigger a future impairment or a reversal of an impairment loss. Value in use calculations require management to estimate the future cash flows expected to arise from an individual asset or CGU and to determine a suitable discount rate to calculate present value. See note 5.4 for additional remarks.

## 15 Inventories

### Composition of inventories and other financial information

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Raw materials and consumables	122.2	130.7
Work in progress	88.2	90.3
Finished goods	159.1	155.7
<b>Total inventories</b>	<b>369.5</b>	<b>376.7</b>

As of December 31, 2025, inventories include a provision of €32.8 million due to write-downs to net realizable value (€33.2 million as of December 31, 2024).

Raw materials and consumables recognized as an expense in cost of sales in the statement of profit or loss and other comprehensive income amount to €1,346.1 million in the year ended December 31, 2025 (€1,416.8 million in the year ended December 31, 2024).

### Accounting policy

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average cost formula and includes costs incurred in acquiring the inventories and bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realizable value is the estimated selling price less the estimated costs of completion and estimated costs necessary to make the sale.

## 16 Trade and other receivables

Trade and other receivables mainly comprise trade receivables. The Group has a securitization program under which it sells a portion of its packaging material-related trade receivables without recourse. It also has a small number of minor factoring programs.

### Composition of trade and other receivables

The table below provides an overview of the Group's current and non-current trade and other receivables. Trade receivables that will be sold under the securitization and factoring programs are presented as trade receivables at fair value. Trade receivables that will not be sold are presented as trade receivables at amortized cost.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Trade receivables at amortized cost	285.0	333.7
Trade receivables at fair value	27.8	49.7
Related party trade receivables	1.6	0.6
Note receivables	8.6	–
VAT receivables	68.9	57.3
Other receivables	54.1	58.9
<b>Total current trade and other receivables</b>	<b>446.0</b>	<b>500.2</b>
Other non-current receivables	10.3	9.1
<b>Non-current receivables</b>	<b>10.3</b>	<b>9.1</b>
<b>Total current and non-current receivables</b>	<b>456.3</b>	<b>509.3</b>

The payment terms for the Group's trade receivables for packaging material are on general an average of 35 to 70 days (35 to 60 days in the comparative period).

## Trade receivables at amortized cost – loss allowance and ageing

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Current	198.9	253.6
Past due up to 29 days	36.1	38.4
Past due 30 days to 89 days	24.3	17.0
Past due 90 days or more	25.7	24.7
<b>Trade receivables at amortized cost, net of loss allowance</b>	<b>285.0</b>	<b>333.7</b>
<b>Loss allowance</b>	<b>(35.6)</b>	<b>(22.9)</b>
<b>Trade receivables at amortized cost, gross</b>	<b>320.6</b>	<b>356.6</b>

The loss allowance represents the Group's estimate of individually impaired trade receivables as well as expected credit losses on trade receivables that are not individually impaired. It primarily relates to trade receivables past due more than 90 days. The expected credit losses are calculated using a provision matrix based on historical credit loss experience and assessments of current and future conditions. The expected loss rate for trade receivables past due more than 90 days that are not individually impaired is between 25% and 100% (with an expected loss rate of 100% when past due more than 270 days). For trade receivables past due 30 to 89 days that are not individually impaired, the expected loss rate is around 5%.

Management believes that the recognized loss allowance sufficiently covers the risk of default based on historical payment behavior and assessments of future expectations of credit losses, including regular analysis of customer credit risk. See also the section "Credit risk" in note 26.

The table below shows the movements in the loss allowance for trade receivables at amortized cost.

(In € million)	2025	2024
<b>Loss allowance as of January 1</b>	<b>22.9</b>	<b>20.8</b>
Change in loss allowance recognized in profit or loss during the year	13.4	2.8
Foreign currency exchange differences	(0.7)	(0.7)
<b>Loss allowance as of December 31</b>	<b>35.6</b>	<b>22.9</b>

The increase in the loss allowance in the year ended December 31, 2025 was mainly due to additional loss allowances recognized mainly due to the current market conditions.

## Securitization program

The Group has an asset-backed securitization program under which it sells without recourse a portion of its packaging material-related trade receivables.

The trade receivables are sold to a special purpose entity. This entity is not controlled by the Group and therefore not consolidated. The trade receivables sold qualify for derecognition by the Group. The Group transfers the contractual rights to the cash flows of the trade receivables at their nominal value less a retained reserve in exchange for cash. The net amount is presented as part of other current receivables and represents the Group's right to receive this amount once the sold trade receivables have been settled by the customers.

Trade receivables sold under the securitization program amounted to €226.2 million as of December 31, 2025 (€224.3 million as of December 31, 2024), of which €202.8 million (€201.0 million as of December 31, 2024) has been derecognized and €23.4 million (€23.3 million as of December 31, 2024), representing the retained reserve, is presented as part of other current receivables. The retained reserve represents the Group's maximum exposure to any losses in respect of trade receivables previously sold under the program.

The securitization expense under the asset-backed securitization program amounted to €9.4 million for the year ended December 31, 2025 (€12.0 million for the year ended December 31, 2024) and is presented as part of other finance expenses (see note 24).

## Factoring programs

The Group has a small number of minor factoring programs under which trade receivables sold by the Group qualify for derecognition. The factored amounts totaled €43.0 million as of December 31, 2025 (€37.7 million as of December 31, 2024).

### Accounting policy

#### *Trade and other receivables at amortized cost*

Trade and other receivables that will not be sold under the Group's securitization and factoring programs are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these receivables are measured at amortized cost using the effective interest method less a loss allowance. Any subsequent recoveries of amounts previously written off relating to individually impaired trade receivables are credited to the same line item in profit or loss where the original write-off was recognized. The Group holds these trade receivables to collect the contractual cash flows, and these cash flows are solely payments of principal and interest on the principal outstanding.

#### *Trade receivables at fair value through profit or loss*

Trade receivables that will be sold under the Group's securitization and factoring programs are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are recognized at fair value. These trade receivables are sold and derecognized shortly after their initial recognition in the statement of financial position. Any change in fair value is recognized through profit or loss. The objective of these trade receivables is to realize the cash flows primarily through selling them.

#### *Derecognition of trade receivables*

A financial asset is derecognized when the contractual rights to the cash flows from the asset have expired, when the contractual rights to receive the cash flows have been transferred and the Group has transferred substantially all of the risks and rewards of ownership, or when the Group transfers a financial asset but retains the contractual rights to receive the cash flows but at the same time assumes a contractual obligation to pay the cash flows to another recipient (and remits the cash flows to the other recipient without material delay once it has collected an amount from the original asset, and is also prohibited from selling or pledging the original asset). Any interest in such a derecognized financial asset that is retained by the Group is recognized as a separate asset or liability.

## 17 Cash and cash equivalents

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Cash and cash equivalents (unrestricted)	350.4	287.8
Restricted cash	3.9	15.6
<b>Total cash and cash equivalents</b>	<b>354.3</b>	<b>303.4</b>

Cash and cash equivalents mainly consist of cash at bank but may, from time to time, also include short-term bank deposits (€3.6 million as of December 31, 2025 and €18.8 million as of December 31, 2024) with maturities of three months or less that are subject to an insignificant risk of changes in value. The restricted cash mainly relates to cash collected for the benefit of the Group's securitization partner.

## 18 Trade and other payables

Trade and other payables mainly comprise trade payables, accruals for various customer incentives and other accrued expenses.

### Composition of trade and other payables

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Trade payables	342.8	381.1
Liability for various customer incentive programs	383.0	422.1
Advance payments	133.1	131.8
VAT payables	21.0	21.7
Note payables	16.9	21.0
Accrued interest, third parties	25.4	8.0
Other current payables and accrued expenses	79.1	110.7
<b>Current trade and other payables</b>	<b>1,001.3</b>	<b>1,096.4</b>
Other non-current payables	18.4	14.2
<b>Non-current payables</b>	<b>18.4</b>	<b>14.2</b>
<b>Total current and non-current trade and other payables</b>	<b>1,019.7</b>	<b>1,110.6</b>

### Liabilities with an impact on the Group's revenue

The Group has refund and contract liabilities in respect of liabilities relating to contracts with customers accounted for under the revenue standard.

The Group's incentive programs relate to trade discounts, volume rebates and other customer incentives linked primarily to aseptic carton sleeves volumes (see also note 6). These programs generally run over a calendar year, resulting in a gradual build-up over the year of an accrual liability against revenue from the sale of aseptic carton sleeves. As of December 31, 2025 and December 31, 2024, the liabilities for customer incentive programs mainly represent incentives earned by customers under programs running over a calendar year that have not yet been settled by the Group. The remaining part represents accruals built up for incentive programs running over periods other than a calendar year (i.e. refund liabilities). The Group has recognized €10 million as revenue in the current period that was included in the balance of liabilities for customer incentive programs at the beginning of the period but was never paid out as the conditions for the incentive payments were not met (an insignificant amount in the comparative period).

The Group's contract liabilities mainly comprise advance payments received from customers in relation to the sale of aseptic carton sleeves and the sale of aseptic carton filling lines under contracts accounted for under the revenue standard, but also advance payments in relation to the bag-in-box, spouted pouch and chilled carton businesses. These advance payments are recognized as revenue within a short time frame from their initial recognition in the statement of financial position. As of December 31, 2025, the Group had contract liabilities of €30.3 million (€35.4 million as of December 31, 2024). These advance

payments are presented as part of the advance payments in the table above (see also the section below). Excluding an insignificant amount, the advance payments as of December 31, 2023 and December 31, 2024 relating to contracts accounted for under the revenue standard have been recognized as revenue in 2024 and 2025 respectively.

The Group also has advance payments received from customers relating to aseptic carton filling lines that will be deployed under contracts that qualify to be accounted for as operating leases. If payments are received from customers before the filling line deployment date, they are initially recognized as part of "Trade and other payables" and presented as part of the advance payments in the table above (€102.8 million as of December 31, 2025 and €96.4 million as of December 31, 2024). On deployment of a filling line, the related advance payments received are reclassified to "Deferred revenue". These deferred revenue liabilities are then released and recognized as revenue over a certain period (see note 20).

Other current and non-current payables include liabilities of a total of €14.9 million as of December 31, 2025 (€16.3 million as of December 31, 2024) that relate to aseptic carton filling lines that, via the involvement of a financing partner, are deployed with the Group's customers. Under such a sale and lease arrangement, the financing partner pays the Group for a filling line and enters into a filling line lease contract, generally over six years, with the Group's customer. The Group has an obligation to purchase the filling line from the financing partner at the end of the lease term. The liability towards the financing partner initially reduces the amount that is recognized as a deferred revenue liability (see the section above and note 20). The liability gets settled on the repurchase of the filling line by the Group. These arrangements qualify to be accounted for as operating leases (see also note 5.5.2). The Group generally enters into new customer contracts for the filling lines that are purchased from the financing partner at the end of these arrangements.

### Supplier finance arrangement

Trade payables include €13.9 million of trade payables as of December 31, 2025 (€6.0 million as of January 1, 2025) that have been factored in a supplier finance arrangement under which extended payment terms are offered. Of the December 31, 2025 amount, the supplier has received a payment of €3.4 million from the finance provider (these payments are considered non-cash transactions for the Group). For the trade payables that are part of the supplier finance arrangement, the payment terms are 90 days after the invoice date for the year ended December 31, 2025. Payment terms for comparable trade payables in the same country are on average 60 days after the invoice date. The cost of the arrangement is insignificant.

#### Accounting policy and significant estimates

Trade and other payables are initially recognized at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are carried at amortized cost using the effective interest method.

The liability for accruals for various customer incentives is estimated based on historical and current market trends as further described in note 6. The accruals are presented against revenue.

Trade payables under supplier finance arrangements are presented as trade payables as the Group considers the nature and function of such payables similar to other trade payables. Payments to the finance provider are presented as part of net cash from operating activities in the statement of cash flows as the Group considers the principal nature of these payments being related to the purchase of goods.

## 19 Provisions

The Group's provisions mainly relate to dismantling costs, warranties, restructuring programs as well as legal and regulatory matters.

### Composition of provisions

(In € million)	Dismantling	Product warranty	Restructuring	Other	Total
<b>Carrying amount as of January 1, 2024</b>	<b>19.2</b>	<b>10.4</b>	<b>4.2</b>	<b>7.0</b>	<b>40.8</b>
Provisions made	2.4	11.6	10.3	1.3	<b>25.6</b>
Provisions used	(0.4)	(4.2)	(10.4)	(0.6)	<b>(15.6)</b>
Provisions reversed	(2.9)	(8.0)	(0.4)	(0.3)	<b>(11.6)</b>
Effect of movements in exchange rates	0.7	(0.1)	0.1	(0.2)	<b>0.5</b>
<b>Carrying amount as of December 31, 2024</b>	<b>19.0</b>	<b>9.7</b>	<b>3.8</b>	<b>7.2</b>	<b>39.7</b>
Current	–	9.7	3.3	1.6	<b>14.6</b>
Non-current	19.0	–	0.5	5.6	<b>25.1</b>
<b>Carrying amount as of December 31, 2024</b>	<b>19.0</b>	<b>9.7</b>	<b>3.8</b>	<b>7.2</b>	<b>39.7</b>
<b>Carrying amount as of January 1, 2025</b>	<b>19.0</b>	<b>9.7</b>	<b>3.8</b>	<b>7.2</b>	<b>39.7</b>
Provisions made	3.9	24.2	10.2	5.3	<b>43.6</b>
Provisions used	(0.2)	(8.3)	(6.5)	(0.8)	<b>(15.8)</b>
Provisions reversed	(1.9)	(4.4)	(0.2)	(2.0)	<b>(8.5)</b>
Effect of movements in exchange rates	(1.0)	(0.5)	(0.1)	(0.2)	<b>(1.8)</b>
<b>Carrying amount as of December 31, 2025</b>	<b>19.8</b>	<b>20.7</b>	<b>7.2</b>	<b>9.5</b>	<b>57.2</b>
Current	1.5	20.7	6.8	2.8	<b>31.8</b>
Non-current	18.3	–	0.4	6.7	<b>25.4</b>
<b>Carrying amount as of December 31, 2025</b>	<b>19.8</b>	<b>20.7</b>	<b>7.2</b>	<b>9.5</b>	<b>57.2</b>

The provision for product warranties in the year ended December 31, 2025 includes costs related to new product releases. See note 4.

### Restructuring provision

The Group's restructuring programs are generally focused on reducing costs, streamlining the organization and adjusting headcount to be more closely aligned with the Group's needs and changing market demands. Payments are usually expected to be executed within the next one or two years.

The increase in the restructuring provision in the year ended December 31, 2025 is mainly due to the restructuring programs introduced after the recent review of the Group's strategic direction. See notes 4 and 9.

### Other provisions

Other provisions mainly relate to legal and regulatory matters.

### Accounting policy

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are discounted if the time value of money is material. The unwinding of the discount is recognized as part of finance expenses. A provision is classified as current or non-current depending on whether the expected timing of the payment of the amounts provided for is more than 12 months after the reporting date.

A provision for dismantling is recognized when the Group has an obligation to pay for dismantling costs arising on the return of a filling line and other related equipment. This obligation typically arises upon deployment of aseptic carton filling lines (see also note 12). As such, the majority of the obligations are non-current.

A provision for warranties is recognized for products under warranty as of the reporting date based on known failures and defects as well as sales volumes and past experience of the level of problems reported and products returned. Warranty claims are expected to be settled within 12 months.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been publicly announced. The provision only includes direct costs that are necessarily entailed by the restructuring and not associated with ongoing activities. No provision is made for future operating costs.

A provision for onerous contracts is recognized when the benefits expected to be derived by an entity from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

A provision for legal and regulatory matters reflects management's best estimate of the outcome based on the facts known as of the reporting date.

## 20 Deferred revenue

Deferred revenue mainly relates to aseptic carton filling lines deployed under lease and sale contracts that qualify to be accounted for as operating leases (see notes 5.5.2, 6, 12 and 18 for further details). Advance payments received under such contracts vary between contracts and customers but are recognized as a deferred revenue liability in the statement of financial position at the deployment date and released to profit or loss to achieve recognition of revenue on a straight-line basis, generally over ten years for sale contracts, and over six years for lease contracts and sale and lease arrangements. Advance payments received before the filling line deployment date are initially presented as part of "Trade and other payables" and reclassified to this balance sheet position at the deployment date (see note 18).

The table below provides an overview of the deferred revenue liability.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Current deferred revenue	98.0	112.4
Non-current deferred revenue	353.1	360.0
<b>Total deferred revenue</b>	<b>451.1</b>	<b>472.4</b>

## 21 Other assets and liabilities

Other assets mainly comprise accrued income, prepaid expenses and deferred expenditure but also smaller investments made by the Group (via SIG InnoVentures AG) in early-stage companies to support the development of future packaging solutions (see note 27). The Group's derivative assets and liabilities are presented as part of other assets or other liabilities. The derivatives primarily relate to commodity and foreign currency derivatives but also to an interest rate swap. See notes 26 and 32 for additional details about the Group's derivatives.

### Composition of other assets

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Derivative assets	8.8	11.1
Assets held for sale	–	13.1
Other current assets	26.1	23.1
<b>Other current assets</b>	<b>34.9</b>	<b>47.3</b>
Derivative assets	–	0.2
Other non-current assets	23.5	29.1
<b>Other non-current assets</b>	<b>23.5</b>	<b>29.3</b>
<b>Total other current and non-current assets</b>	<b>58.4</b>	<b>76.6</b>

See note 9 for details about the Group's chilled carton production plant in Shanghai that was classified as held for sale as of December 31, 2024, and subsequently sold in October 2025.

### Composition of other liabilities

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Derivative liabilities	14.7	9.0
<b>Other current liabilities</b>	<b>14.7</b>	<b>9.0</b>
Contingent consideration	–	3.7
<b>Other non-current liabilities</b>	<b>–</b>	<b>3.7</b>
<b>Total other current and non-current liabilities</b>	<b>14.7</b>	<b>12.7</b>

See notes 9 and 32 for details about the contingent consideration, which relates to the acquisition of Scholle IPN.

## Our financing and financial risk management

This section includes information about the Group's financing in the form of loans and borrowings and equity. The expenses for financing are also presented in this section. Lastly, the Group's financial risk management policy and exposure to liquidity, market and credit risks are described.

### 22 Capital management

The Board of Directors is responsible for monitoring and managing the Group's capital structure, which comprises equity (share capital and additional paid-in capital) as well as loans and borrowings.

The policy of the Board of Directors is to maintain an acceptable capital base to give confidence to the Group's shareholders and debtholders, and to sustain the future development of the business. The Board of Directors monitors the Group's financial position to ensure that it complies at all times with its financial and other covenants as set out in the indenture governing the senior unsecured bonds, two unsecured *Schuldscheindarlehen* ("SSD", a private German debt placement) agreements and the other credit agreements, as well as to ensure the payment of an appropriate level of dividends to the shareholders.

The Company purchases its own shares on the market. The repurchased shares are intended to be used to settle obligations under the Group's equity-settled share-based payment plans and arrangements (see also notes 25 and 30).

In order to maintain or adjust the capital structure, the Board of Directors may elect to take a number of measures, for example disposing of assets of the business, altering its short- to medium-term plans with respect to capital projects and working capital levels, or rebalancing the level of equity and debt in place.

As part of monitoring the Group's financial position, the Board of Directors evaluates the Group's net debt and development of its net leverage ratio. See "Net debt and net leverage" in note 23 for additional details about the loan covenants relating to the Group's loans and borrowings.

### 23 Loans and borrowings

The Group's loans and borrowings consist of senior unsecured Euro-denominated bonds, senior unsecured credit facilities, an unsecured US Dollar term loan and two unsecured Euro *Schuldscheindarlehen* ("SSD", a private German debt placement). The senior unsecured credit facilities consist of a Euro-denominated term loan and two committed Euro revolving credit facilities. In addition, the Group has access to local credit facilities in various locations. Liabilities under lease contracts where the Group is the lessee are also included in loans and borrowings.

#### Composition of loans and borrowings

The table below shows the carrying amount of the Group's loans and borrowings.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Senior unsecured notes	–	549.5
Unsecured SSD	–	85.5
Local credit lines	115.9	89.7
Lease liabilities	46.5	52.0
<b>Current loans and borrowings</b>	<b>162.4</b>	<b>776.7</b>
Senior unsecured bonds	621.8	–
Senior unsecured Euro term loan	49.8	49.7
Unsecured US Dollar term loan	229.6	259.5
Unsecured SSDs	1,012.7	1,011.9
Unsecured committed revolving credit facilities	140.0	100.0
Local credit lines	12.8	3.5
Lease liabilities	263.6	269.8
<b>Non-current loans and borrowings</b>	<b>2,330.3</b>	<b>1,694.4</b>
<b>Total loans and borrowings</b>	<b>2,492.7</b>	<b>2,471.1</b>

## Overview of recent financing transactions

On March 19, 2025, the Group issued €625 million of senior unsecured bonds at a fixed interest of 3.75%. The bonds are listed on SIX Swiss Exchange and mature in March 2030.

Proceeds from the issue of bonds, together with draw-downs of the Group's revolving credit facilities, were used to repay €550 million of senior unsecured notes and two tranches of a total of €85.5 million unsecured SSD that were due in June 2025. The €550 million unsecured bridge loan facility agreement that the Group signed in 2024 has been cancelled due to the timely issue of the bonds.

On April 28, 2025, SIG extended the maturity date for €490 million of its €500 million committed Euro revolving credit facilities by one year from 2029 to 2030.

On May 8, 2024, the Group issued six tranches of a total of €450 million unsecured SSD with maturities of four, five and seven years at both fixed and variable interest rates. The two largest tranches are due in 2028 and 2029.

On June 28, 2024, the Group accessed new senior unsecured credit facilities consisting of a five-year €50 million term loan and two committed Euro revolving credit facilities in the total amount of €500 million. The interest rates are variable.

The proceeds from the SSD and the new term loan, together with available cash, were used on June 28, 2024 to prepay, without premium or penalty, the Group's €550 million term loan from 2020 that was due in June 2025. In connection with this, the related €300 million committed multi-currency revolving credit facility was terminated.

On September 18, 2024, the Group repaid the €100.0 million draw-down of an unsecured credit facility, using available cash.

## Additional loans and borrowings details

The table below provides an overview of the main terms of the Group's long-term financing (excluding lease liabilities) as of December 31, 2025. Additional details about some of these loans and borrowings and more short-term financing solutions are provided below the table.

	Principal amount	Maturity date	Interest rate
US Dollar term loan	\$270 million	July 2027	Variable
Euro term loan	€50 million	June 2029	Variable
Euro revolving credit facilities	€10 million	June 2029	Variable
	€490 million	June 2030	Variable
SSD tranches (two, from 2022)	€481 million	June 2027–June 2029	Variable
SSD tranches (two, from 2022)	€83.5 million	June 2027–June 2029	Fixed 3.18%–3.66%
SSD tranches (two, from 2024)	€38 million	May 2028–May 2029	Fixed 4.24%–4.31%
SSD tranches (four, from 2024)	€412 million	May 2028–May 2031	Variable
Bonds	€625 million	March 2030	Fixed 3.75%

SIG issued a number of tranches of *Schuldscheindarlehen* ("SSD", a private German debt placement) in 2022 and 2024. The largest SSD tranche of €423.5 million from the 2022 issue is due in June 2027. Of the SSDs issued in May 2024, €282.0 million is due in May 2029. Two tranches from the 2022 issue of SSDs were repaid in June 2025 (see above).

The total amount available under the revolving credit facilities was €359.5 million as of December 31, 2025 (€398.4 million as of December 31, 2024) due to €0.5 million in letters of credits that were outstanding under an ancillary facility (€1.6 million as of December 31, 2024) and draw-downs of €140.0 million to cover cash requirements in the current year (€100.0 million as of December 31, 2024). The draw-downs are expected to be repaid within one year (see also note 26).

The Group also has access to local credit facilities in various locations. As of December 31, 2025, €128.7 million of unsecured unguaranteed local credit lines had mainly been used to cover local working capital needs (€93.2 million as of December 31, 2024).

The margins on the Group's variable interest rate loans are generally subject to adjustments based on the Group's net leverage (as defined in the respective credit agreements) and, in one case, also subject to adjustments based on the achievement of certain annual sustainability-linked targets (with reference to the Group's EcoVadis score). Interest is generally paid on a semi-annual basis.

See section "Interest rate risk" in note 26 for information on derivative contracts entered into by the Group to hedge the cash flow exposure arising on some of the debt at variable interest rates.

The obligations under the bonds, the senior unsecured credit facilities, the US Dollar term loan and the two SSDs are guaranteed by the Company on a stand-alone basis.

## Net debt and net leverage

As part of monitoring the Group's financial position, the Board of Directors evaluates the Group's net debt and development of its net leverage ratio. Net leverage is defined by the Group as net debt divided by adjusted EBITDA. Net debt comprises the Group's current and non-current loans and borrowings (including lease liabilities, and with notes and credit facilities at principal amounts) less cash and cash equivalents (including any restricted cash). See note 9 for the definition of adjusted EBITDA.

The table below presents the components of net debt and the net leverage ratio.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Gross debt	2,498.1	2,474.9
Cash and cash equivalents	(354.3)	(303.4)
<b>Net debt</b>	<b>2,143.8</b>	<b>2,171.5</b>
<b>Net leverage ratio</b>	<b>3.0x</b>	<b>2.6x</b>

The net debt as of December 31, 2025 broadly remained at the same level as of December 31, 2024. The adjusted EBITDA performance negatively impacted the net leverage ratio.

Under the credit agreements for the Group's senior unsecured credit facilities and the US Dollar term loan, the Group is required not to exceed a net leverage ratio of 4.0x (defined as net debt divided by adjusted EBITDA, excluding asset impairments). If the Group were not to comply with these covenants, the borrowings would become repayable on demand.

The Group was in compliance with all covenants and there were no events of default as of December 31, 2025 and December 31, 2024. The net leverage ratio as of December 31, 2025 was 2.8x as per the definition under the credit agreements (3.0x as per the Group's definition).

The above borrowings are classified as non-current liabilities. The Group expects to comply with the covenants for at least 12 months after the reporting date. The covenants are tested on an annual and semi-annual basis.

## Lease liabilities

A maturity analysis of the Group's lease liabilities (relating mainly to office buildings, production-related buildings and equipment, warehouses and cars) is provided below.

(In € million)	Carrying amount of lease liabilities		Interest payments		Contractual undiscounted cash flows	
	2025	2024	2025	2024	2025	2024
Less than 1 year	46.5	52.0	20.8	21.2	67.3	73.2
Between 1 and 5 years	108.4	118.4	64.2	69.7	172.6	188.1
More than 5 years	155.2	151.4	105.6	146.0	260.8	297.4
	<b>310.1</b>	<b>321.8</b>	<b>190.6</b>	<b>236.9</b>	<b>500.7</b>	<b>558.7</b>

Note 13 includes information about lease contracts to which the Group has committed but where the lease has not yet commenced.

## Changes in liabilities arising from financing activities

The following two tables present changes in liabilities arising from financing activities.

(In € million)	Cash flows from/(used in):				Effect of movements in exchange rates	Dec. 31, 2025
	Jan. 1, 2025	Financing activities	Operating activities	Non-cash movements		
Principal amount <sup>1</sup>	2,153.1	78.1	–	–	(43.2)	2,188.0
Transaction costs	(3.8)	–	(3.8)	2.2	–	(5.4)
<b>Loans and borrowings, excl. lease liabilities</b>	<b>2,149.3</b>	<b>78.1</b>	<b>(3.8)</b>	<b>2.2</b>	<b>(43.2)</b>	<b>2,182.6</b>
Lease liabilities	321.8	(55.2)	–	61.6	(18.1)	310.1
<b>Total loans and borrowings</b>	<b>2,471.1</b>	<b>22.9</b>	<b>(3.8)</b>	<b>63.8</b>	<b>(61.3)</b>	<b>2,492.7</b>
Capitalized cost for revolving credit facility	(2.5)	(0.4)	–	1.5	–	(1.4)
Interest: Accrued/(paid)	8.0	–	(107.8)	125.4	(0.2)	25.4
	<b>2,476.6</b>	<b>22.5</b>	<b>(111.6)</b>	<b>190.7</b>	<b>(61.5)</b>	<b>2,516.7</b>
Derivative (assets)/liabilities from financing activities	(3.3)	–	–	2.4	0.3	(0.6)
<b>Total (assets)/liabilities from financing activities and cash/non-cash changes</b>	<b>2,473.3</b>	<b>22.5</b>	<b>(111.6)</b>	<b>193.1</b>	<b>(61.2)</b>	<b>2,516.1</b>

<sup>1</sup> The net financing cash inflow of €78.1 million relating to the principal amount of loans and borrowings (excluding lease liabilities) shows the net effect of the issue of bonds in March 2025 (€625.0 million of cash inflow), the repayment of senior unsecured notes in June 2025 (€550.0 million of cash outflow), the repayment of two tranches of unsecured SSD in June 2025 (€85.5 million of cash outflow), draw-downs of the committed Euro revolving credit facilities and subsequent repayments (€259.2 million of cash inflows and €219.2 million of cash outflows) and draw-downs of local unsecured credit lines and subsequent repayments (€175.3 million of cash inflows and €126.7 million of cash outflows).

[→ Consolidated financial statements](#)

(In € million)	Cash flows from/(used in):			Net effect of early repayment of loans	Non-cash movements	Effect of movements in exchange rates	Dec. 31, 2024
	Jan. 1, 2024	Financing activities	Operating activities				
Principal amount <sup>1</sup>	2,206.4	(73.5)	–	–	–	20.2	2,153.1
Transaction costs	(5.2)	–	(1.8)	0.9	2.4	(0.1)	(3.8)
Original issue discount	(0.5)	–	–	0.3	0.2	–	–
<b>Loans and borrowings, excl. lease liabilities</b>	<b>2,200.7</b>	<b>(73.5)</b>	<b>(1.8)</b>	<b>1.2</b>	<b>2.6</b>	<b>20.1</b>	<b>2,149.3</b>
Lease liabilities	251.1	(51.7)	–	–	122.8	(0.4)	321.8
<b>Total loans and borrowings</b>	<b>2,451.8</b>	<b>(125.2)</b>	<b>(1.8)</b>	<b>1.2</b>	<b>125.4</b>	<b>19.7</b>	<b>2,471.1</b>
Capitalized cost for revolving credit facility	(0.5)	(2.6)	–	0.4	0.2	–	(2.5)
Interest: Accrued/(paid)	8.2	–	(135.1)	–	134.7	0.2	8.0
	<b>2,459.5</b>	<b>(127.8)</b>	<b>(136.9)</b>	<b>1.6</b>	<b>260.3</b>	<b>19.9</b>	<b>2,476.6</b>
Derivative (assets)/liabilities from financing activities	(6.6)	–	–	–	3.6	(0.3)	(3.3)
<b>Total (assets)/liabilities from financing activities and cash/non-cash changes</b>	<b>2,452.9</b>	<b>(127.8)</b>	<b>(136.9)</b>	<b>1.6</b>	<b>263.9</b>	<b>19.6</b>	<b>2,473.3</b>

<sup>1</sup> The financing cash outflow of €73.5 million relating to the principal amount of loans and borrowings (excluding lease liabilities) shows the net effect of the issue of six tranches of unsecured SSD in May 2024 (€450.0 million of cash inflow), the new unsecured Euro term loan from June 2024 (€50.0 million of cash inflow), the repayment in June 2024 of the Euro term loan that was due in 2025 (€550.0 million of cash outflow), the repayment in September 2024 of a draw-down of an unsecured credit facility (€100.0 million of cash outflow), draw-downs and the repayment of the committed multi-currency revolving credit facility that was terminated in June 2024 (€290.0 million of cash inflows and €290.0 million of cash outflows), draw-downs of the new committed Euro revolving credit facilities that were accessed in June 2024 and subsequent repayments (€284.4 million of cash inflows and €184.4 million of cash outflows) and draw-downs of local unsecured credit lines and subsequent repayments (€99.4 million of cash inflows and €122.9 million of cash outflows).

### Accounting policy

Loans and borrowings (excluding lease liabilities) are initially recognized at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. Loans and other borrowings are classified as current or non-current liabilities depending on whether the Group has a right to defer settlement at the reporting date for at least twelve months after the reporting period. The right to defer must also have substance. The classification of liabilities as current or non-current is not impacted by the Group's intentions or expectations about whether it will exercise a right to defer settlement or will choose to settle early.

The accounting for a change to the cash flows of a financial liability measured at amortized cost (such as the Group's notes, SSDs and term loans) depends on the nature of the change. If a floating-rate debt instrument is modified to change its interest rate, the modification is regarded as a repricing to the new market interest rate, which is accounted for prospectively by adjusting the effective interest over the remaining life of the debt instrument. A floating-rate instrument is one whose original contractual terms contain a provision such that the cash flows will (or might) be reset to reflect movements in market interest rates. If a change in cash flows arises due to renegotiation or other modifications (including modifications that do not reflect movements in market interest rates), and the renegotiation or modification does not result in the derecognition of the financial liability, the gross carrying amount is recalculated and any gain or loss recognized in profit or loss as part of the net finance expense. If a renegotiation or modification represents a settlement of the original debt, it is accounted for as being extinguished.

A financial liability (or a part of it) is derecognized when it is extinguished, i.e. when the contractual obligations are discharged, cancelled, expired or replaced by a new liability with substantially modified terms. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished and the consideration paid is recognized in profit or loss as part of the net finance expense. Any costs or fees incurred are recognized as part of the gain or loss on extinguishment.

### Lease liabilities

The Group's lease liabilities are initially measured at the present value of the lease payments outstanding as of the lease commencement date, discounted at the interest rate implicit in the lease or, if that rate cannot be determined (which is normally the case), at the incremental borrowing rate. Lease payments included in the measurement of the lease liabilities include fixed lease payments and variable lease payments that depend on an index. Other variable lease payments are recognized in profit or loss. The Group does not separate non-lease components from lease components in its lease contracts. Extension, termination and purchase options that, at the lease commencement date, are reasonably certain to be exercised are considered when assessing the lease term and/or measuring the lease liability.

Subsequent to initial recognition, the lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liability (applying the effective interest method); reducing the carrying amount to reflect lease payments made; and remeasuring the carrying amount to reflect any contract modifications or reassessments relating to, for example, changed future lease payments linked to changes in an index and changes in the assessment of whether an extension, termination or purchase option will be exercised. When a lease liability is remeasured, the corresponding adjustment is generally made to the carrying amount of the related right-of-use asset (see note 13).

## 24 Finance income and expenses

The Group's finance income and expenses are mainly related to finance expenses for its loans and borrowings, fair value changes on associated derivative instruments and foreign currency exchange gains and losses relating to the loans and borrowings.

### Composition of net finance expense

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Interest income	4.8	4.6
Net foreign currency exchange gain	0.4	–
Net interest income on interest rate swap	3.5	6.5
<b>Finance income</b>	<b>8.7</b>	<b>11.1</b>
Interest expense on:		
– Loan and borrowings (excluding lease liabilities)	(88.2)	(104.7)
– Lease liabilities	(22.8)	(18.9)
Amortization of transaction costs	(3.5)	(2.8)
Net foreign currency exchange loss	–	(3.8)
Net change in fair value of financing-related derivatives	(2.4)	(3.6)
Net effect of early repayment of loan	–	(1.6)
Securitization expense	(9.4)	(12.0)
Other	(8.7)	(6.8)
<b>Finance expenses</b>	<b>(135.0)</b>	<b>(154.2)</b>
<b>Net finance expense</b>	<b>(126.3)</b>	<b>(143.1)</b>

See notes 26 and 32 for details about the net change in fair value of financing-related derivatives (an interest rate swap and forward interest rate agreements) and the net interest income on the interest rate swap.

Other finance expenses primarily consist of revolver commitment fees, factoring expenses and interest expense on current tax liabilities.

## 25 Equity

This note includes information about the Company's share capital and dividend payments. The other components of equity consist of additional paid-in capital, the translation reserve, treasury shares and retained earnings.

### Issued share capital

The Company had 382,270,872 shares in issue as of December 31, 2025 and December 31, 2024, all fully paid and with a nominal value of CHF 0.01 per share. The shares in issue as of December 31, 2025 represent €3.4 million (CHF 3.8 million) of share capital (€3.4 million as of December 31, 2024).

### Capital band and conditional share capital

As of December 31, 2025 and December 31, 2024, the Company had conditional share capital of CHF 640,106.48 and a capital band ranging from CHF 3,440,437.85 (lower limit) to CHF 4,587,250.46 (upper limit).

The Board of Directors is authorized to increase the share capital by up to 20% of the current share capital if shareholders' subscription rights are granted, and by up to 10% if shareholders' subscription rights are excluded. The Board of Directors may also reduce the share capital by up to 10% through cancellation of shares or nominal value reduction or by a simultaneous reduction and re-increase of the share capital. The authorization under the capital band is limited until April 20, 2026 or the full use of the capital band.

The total number of registered shares issued from (i) the capital band, where the shareholders' subscription rights are excluded, and (ii) the conditional share capital, where the shareholders' advance subscription rights for equity-linked financing instruments are excluded, may not exceed 38,227,087 registered shares. Within the limit outlined above, the proportion of new shares assigned to each of the categories is stipulated by the Board of Directors.

The proceeds from an issue of new shares under the capital band can be used for various purposes. This provides flexibility to seek additional capital, if required, for investment and acquisition opportunities or to take advantage of favorable market conditions to further improve the Group's capital position.

The conditional share capital is divided into CHF 160,026.62 for employee benefit plans and CHF 480,079.86 for equity-linked financing instruments as of December 31, 2025 (also as of December 31, 2024).

## Treasury shares

The Company purchases its own shares on the market to settle its obligations under the Group's equity-settled share-based payment plans and arrangements (see note 30). The Company held 173,734 shares for this purpose as of December 31, 2025 (39,172 shares as of December 31, 2024), representing an amount of €1.8 million, or €1.6 million including foreign currency exchange movements (€0.8 million as of December 31, 2024, or €1.0 million including foreign currency exchange movements). All treasury shares are carried at acquisition cost.

In the year ended December 31, 2025, the Company transferred 120,438 treasury shares (225,111 treasury shares in the year ended December 31, 2024), representing €2.5 million (€5.1 million for the year ended December 31, 2024) to participants in the Group's equity-settled share-based payment plans and arrangements.

The table below provides an overview of the Group's treasury shares.

(Number of treasury shares or in € million)	2025		2024	
	Number	Amount	Number	Amount
<b>Balance as of January 1</b>	<b>39,172</b>	<b>(1.0)</b>	<b>39,985</b>	<b>(1.5)</b>
Purchases	255,000	(3.1)	224,298	(4.6)
Transfer under equity-settled share-based payment plans and arrangements	(120,438)	2.5	(225,111)	5.1
<b>Balance as of December 31</b>	<b>173,734</b>	<b>(1.6)</b>	<b>39,172</b>	<b>(1.0)</b>

## Dividends

The Board of Directors has decided to pause the dividend payment for the year ended December 31, 2025, and will therefore not propose a distribution of a dividend at its 2026 Annual General Meeting to be held on April 16, 2026.

A dividend of CHF 0.49 per share, totaling CHF 187.3 million (€202.7 million), was paid to shareholders from the capital contribution reserve (additional paid-in capital) in April 2025. A dividend of CHF 0.48 per share, totaling CHF 183.5 million (€187.8 million), was paid from the capital contribution reserve in April 2024.

### Accounting policy

Incremental costs directly attributable to the issue of shares and purchase of treasury shares are recognized as a deduction from equity. Any resulting tax effects of any transaction costs that are recognized in equity are also reflected in equity.

#### Treasury shares

The cost of repurchased shares is presented as a deduction from equity, in the separate category treasury shares. When treasury shares are subsequently transferred to settle the Group's obligations under its equity-settled share-based payment plans and arrangements (or sold, if applicable), the related amount recognized as a share-based payment expense (or any amount received under a sale) is recognized as an increase in equity. Any resulting surplus or deficit is presented as an adjustment to additional paid-in capital. The Group applies the average cost method to calculate the surplus or deficit on the transfer or sale of treasury shares.

## 26 Financial risk management

In the course of its business, the Group is exposed to a number of financial risks: liquidity risk, market risk (including currency risk, commodity risk and interest rate risk) and credit risk. This note presents the Group's objectives, policies and processes for managing its exposure to these financial risks. Note 32 includes an overview of the derivative financial instruments that the Group has entered into to mitigate its market risk exposure.

Exposure to liquidity, market and credit risks arises in the normal course of the Group's business. Management and the Board of Directors have overall responsibility for the establishment and oversight of the Group's financial risk management framework. Management has established a treasury policy that identifies risks faced by the Group and sets out policies and procedures to mitigate those risks. Financial risk management is primarily carried out by the Group's Treasury function. Management has delegated authority levels and authorized the use of various financial instruments to a restricted number of personnel within the Treasury function.

### Liquidity risk

Liquidity risk is the risk that the Group will not meet its contractual obligations as they fall due. The Group evaluates its liquidity requirements on an ongoing basis using various cash and financial planning analyses and ensures that it has sufficient cash to meet expected operating expenses, repayments of and interest payments on its debt and lease payments.

The Group generates sufficient cash flows from its operating activities to meet obligations arising from its financial liabilities. The Group had unrestricted cash and cash equivalents of €350.4 million as of December 31, 2025 (€287.8 million as of December 31, 2024). It has two committed Euro revolving credit facilities in place to cover potential shortfalls and access to local credit facilities in various locations, which are available if needed to support the cash management of local operations. In the year ended December, 2025, the Group refinanced its loans and borrowings that matured in June 2025. See also notes 4 and 23.

The following table includes information about the remaining contractual maturities for the Group's non-derivative financial liabilities as of December 31, 2025. The table includes both interest and principal cash flows.

(In € million)	Carrying amount	Contractual cash flows				
		Total	Up to 1 year	1–2 years	2–5 years	More than 5 years
<b>As of December 31, 2025</b>						
Trade and other payables	(998.7)	<b>(998.7)</b>	(980.3)	(6.5)	(8.6)	(3.3)
Loans and borrowings:						
– Senior unsecured bonds	(621.8)	<b>(742.2)</b>	(23.4)	(23.5)	(695.3)	–
– Senior unsecured Euro term loan	(49.8)	<b>(55.9)</b>	(1.7)	(1.7)	(52.5)	–
– Unsecured US Dollar term loan	(229.6)	<b>(249.4)</b>	(11.2)	(238.2)	–	–
– Unsecured SSDs	(1,012.7)	<b>(1,108.7)</b>	(35.9)	(507.0)	(518.9)	(46.9)
– Unsecured committed revolving credit facilities	(140.0)	<b>(148.3)</b>	(142.1)	(1.8)	(4.4)	–
– Local credit lines	(128.7)	<b>(136.5)</b>	(120.7)	(1.0)	(14.8)	–
– Lease liabilities	(310.1)	<b>(500.7)</b>	(67.3)	(58.5)	(114.1)	(260.8)
<b>Total non-derivative financial liabilities</b>	<b>(3,491.4)</b>	<b>(3,940.4)</b>	<b>(1,382.6)</b>	<b>(838.2)</b>	<b>(1,408.6)</b>	<b>(311.0)</b>

The agreements with the Group's bond holders and other lenders contain covenants and/or certain clauses that may require repayments earlier than indicated in the table above. The Group monitors the covenants as well as the aforementioned clauses on a regular basis to ensure that it is in compliance with the agreements at all times.

The interest payments on the two term loans, six of the SSD tranches and draw-downs of the revolving credit facilities and local credit lines are variable. The interest rate amounts included in the table above that relate to those borrowings will therefore change if the market interest rates (Euribor or SOFR) change. The interest rate amounts are also subject to change depending on the Group's net leverage or the achievement of sustainability-linked targets. See note 23.

The Group has entered into an interest rate swap that fixes the variable interest rate on its US Dollar term loan for one year, which is not considered in the table above (see also section "Interest rate risk" in this note). As of December 31, 2025, the interest rate swap is estimated to reduce the interest payments on the US Dollar term loan by approximately €0.8 million until it matures in July 2026.

Amounts used under the Group's unsecured committed revolving credit facilities are classified as non-current as the Group has the right to roll-over the used amount for more than twelve months. However, the related cash outflows are presented in the table above as occurring within one year as the Group uses the facilities for short-term net working capital needs. The cash outflows after one year relate to commitment fees.

Trade and other payables include liabilities that relate to arrangements where aseptic carton filling lines are deployed with customers via the involvement of a financing partner (see note 18). The majority of the outstanding obligations for the Group to repurchase the filling lines from the financing partners are expected to be settled within two to five years.

The future cash flows relating to the contingent consideration for Scholle IPN is assessed to be zero as of December 31, 2025 (see note 32).

The Group enters into derivative contracts as part of operating the business and may, from time to time, also enter into financing-related derivatives. Commodity derivative contracts are net cash-settled. Foreign currency derivative contracts and financing-related derivative contracts are net or gross cash-settled. The related derivative assets and liabilities recognized as of December 31, 2025 and December 31, 2024 represent the Group's liquidity exposure as of that date (see note 32). The cash flows resulting from a settlement of the derivative contracts may change as commodity prices, exchange rates and interest rates change. However, the overall impact on the Group's liquidity from the derivative contracts is not deemed to be significant. The expected impact of the Group's interest rate swap is described above. See sections "Currency risk" and "Commodity price risk" in this note for additional details about the Group's outstanding foreign currency and commodity derivative contracts.

See note 18 for information about the Group's participation in a supplier finance arrangement, which provides the Group with extended payment terms with one supplier.

The following table includes information about the remaining contractual maturities for the Group's non-derivative financial liabilities as of December 31, 2024.

(In € million)	Carrying amount	Contractual cash flows				
		Total	Up to 1 year	1-2 years	2-5 years	More than 5 years
<b>As of December 31, 2024</b>						
Trade and other payables	(1,088.9)	<b>(1,088.9)</b>	(1,074.8)	(1.5)	(9.5)	(3.1)
Loans and borrowings:						
– Senior unsecured notes	(549.5)	<b>(555.5)</b>	(555.5)	–	–	–
– Senior unsecured Euro term loan	(49.7)	<b>(58.9)</b>	(2.0)	(2.0)	(54.9)	–
– Unsecured US Dollar term loan	(259.5)	<b>(300.6)</b>	(14.8)	(14.8)	(271.0)	–
– Unsecured SSD	(1,097.4)	<b>(1,253.0)</b>	(128.8)	(41.6)	(1,033.4)	(49.2)
– Unsecured committed revolving credit facilities	(100.0)	<b>(109.0)</b>	(102.6)	(1.7)	(4.7)	–
– Local credit lines	(93.2)	<b>(97.4)</b>	(92.8)	(0.3)	(4.3)	–
– Lease liabilities	(321.8)	<b>(558.7)</b>	(73.2)	(67.8)	(120.3)	(297.4)
Contingent consideration	(3.7)	–	–	–	–	–
<b>Total non-derivative financial liabilities</b>	<b>(3,563.7)</b>	<b>(4,022.0)</b>	<b>(2,044.5)</b>	<b>(129.7)</b>	<b>(1,498.1)</b>	<b>(349.7)</b>

## Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates, commodity prices and interest rates, will affect the cash flows or the fair value of the Group's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Group buys and sells derivatives in the ordinary course of business to manage market risks. The Group does not enter into derivative contracts for speculative purposes. Hedge accounting under IFRS 9 is not applied.

## Currency risk

As a result of the Group's international operations, it is exposed to foreign currency risk on sales, purchases, borrowings and dividend payments that are denominated in currencies that are not the functional currency of the entity involved in the transaction (see notes 8 and 24). The Group is also exposed to translation currency risk arising from the translation of the assets, liabilities and results of its foreign entities from their respective functional currencies into Euro, the Group's presentation currency. The functional currencies of the subsidiaries are mainly Euro, US Dollar, Swiss Franc, Chinese Renminbi, Thai Baht, Brazilian Real and Mexican Peso. Notably for year ended December 31, 2025, the strengthening of the Euro against the US Dollar, Chinese Renminbi, Thai Baht and Saudi Riyal negatively impacted the Group's translation reserve in equity.

In accordance with the Group's treasury policy, the Group seeks to minimize transaction currency risk via natural offsets wherever possible. Therefore, when commercially feasible, the Group incurs costs in the same currencies in which cash flows are generated. In addition, the Group systematically hedges its major transactional currency exposures (by entering into foreign currency derivative contracts), using a 12-month rolling layered approach. See also note 8. The Group does not hedge its exposure to translation gains or losses related to the results of its entities with a functional currency other than the Euro.

The following table provides an overview of the outstanding foreign currency derivative contracts entered into as part of the operating business as of December 31, 2025.

Type	Contract type	Currency	Contracted volume	Counter-currency	Contracted conversion range	Contracted date of maturity
Non-deliverable forwards	Buy	EUR	16,240,000	BRL	6.3710–7.1134	Jan. 2026–Oct. 2026
Non-deliverable forwards	Sell	USD	13,300,000	BRL	5.4811–5.8145	Feb. 2026–Nov. 2026
Currency forwards	Buy	EUR	38,398,437	THB	35.2263–38.0343	Jan. 2026–Dec. 2026
Currency swaps	Buy	USD	17,600,000	THB	31.3720–31.3720	Jan. 2026–Jan. 2026
Currency forwards	Sell	USD	53,900,000	THB	30.4350–33.1889	Jan. 2026–Dec. 2026
Currency forwards	Buy	EUR	5,819,000	AUD	1.7721–1.8041	Jan. 2026–Dec. 2026
Currency forwards	Buy	EUR	15,000,000	CNY	8.2188–8.3637	Apr. 2026–Apr. 2026
Currency forwards	Buy	EUR	56,450,000	USD	1.0580–1.1945	Jan. 2026–Dec. 2026
Currency forwards	Buy	USD	577,000	AUD	0.6484–0.6486	Jan. 2026–Mar. 2026
Currency forwards	Buy	USD	51,750,000	MXN	18.3032–21.3001	Jan. 2026–Dec. 2026
Currency swaps	Sell	EUR	15,000,000	USD	1.1788–1.1788	Jan. 2026–Jan. 2026

The following table provides an overview of the outstanding foreign currency derivative contracts entered into as part of the operating business as of December 31, 2024.

Type	Contract type	Currency	Contracted volume	Counter-currency	Contracted conversion range	Contracted date of maturity
Non-deliverable forwards	Buy	EUR	16,240,000	BRL	5.6325–6.7070	Jan. 2025–Nov. 2025
Non-deliverable forwards	Sell	USD	8,400,000	BRL	5.4616–6.5075	Jan. 2025–Sep. 2025
Currency forwards	Buy	EUR	53,930,000	THB	35.4194–39.5778	Jan. 2025–Dec. 2025
Currency swaps	Buy	USD	12,300,000	THB	34.0750–34.0750	Jan. 2025–Jan. 2025
Currency forwards	Sell	USD	21,500,000	THB	31.7127–36.2377	Jan. 2025–Dec. 2025
Currency forwards	Buy	EUR	1,900,000	CNY	7.7405–7.7605	Feb. 2025–Mar. 2025
Currency forwards	Buy	USD	15,870,000	CNY	7.0230–7.2978	Apr. 2025–Apr. 2025
Currency swaps	Buy	CNY	200,000,000	EUR	7.6432–7.6477	Feb. 2025–Feb. 2025
Currency forwards	Buy	EUR	3,780,000	AUD	1.6169–1.6216	Jan. 2025–Mar. 2025
Currency forwards	Buy	EUR	59,450,000	USD	1.0602–1.1329	Jan. 2025–Dec. 2025
Currency forwards	Buy	USD	750,000	AUD	0.6515–0.6517	Jan. 2025–Mar. 2025
Currency swaps	Buy	USD	13,700,000	EUR	1.0418–1.0436	Jan. 2025–Jan. 2025
Currency forwards	Buy	USD	43,000,000	MXN	17.4952–21.8298	Jan. 2025–Dec. 2025

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The Group's primary unhedged transaction currency exposure as of December 31, 2025 relates to intra-group Euro-denominated loan receivables of entities with the Swiss Franc as their functional currency. A 5% weakening of the Euro against the Swiss Franc as of December 31, 2025 would have resulted in an unrealized foreign currency exchange loss of €16.2 million as of December 31, 2025.

The Group's primary unhedged transaction currency exposure as of December 31, 2024 relates to intra-group Euro-denominated loan receivables of entities with the Swiss Franc as their functional currency. A 5% weakening of the Euro against the Swiss Franc as of December 31, 2024 would have resulted in an unrealized foreign currency exchange loss of €47.2 million as of December 31, 2024.

### Commodity price risk

Commodity price risk is the risk that changes in the prices of commodities purchased by the Group and used as inputs in the production process may impact the Group, as such commodity price changes cannot always be passed on to the customers on a timely basis. The majority of the customer contracts in the bag-in-box and spouted pouch businesses include clauses that enable commodity price fluctuations to be passed on to the customers. This is normally not the case for the customer contracts in the carton business, where there is generally a time lag between increased commodity prices and the implementation of higher customer prices.

The Group's exposure to commodity price risk arises principally from the purchase of polymers and aluminum. The Group's objective is to ensure that the commodity price risk exposure in the current year is kept at an acceptable level. The Group generally purchases commodities at spot market prices and uses derivatives to hedge the exposure in relation to the cost of polymers (and their feedstocks) and aluminum. This strategy means that the Group is able to fix the raw material prices for the majority of its anticipated polymer and aluminum purchases, which substantially reduces the exposure to raw material price fluctuations over that period. The Group also hedges a part of its electricity price exposure in continental Europe.

The realized gain or loss arising from derivative commodity contracts is recognized in cost of sales, while the unrealized gain or loss associated with derivative commodity contracts is recognized in other income or expenses.

The Group recognized an unrealized loss of €4.2 million for the year ended December 31, 2025 and an unrealized gain of €8.9 million for the year ended December 31, 2024 relating to its derivative commodity contracts as a component of other income. It recognized a realized loss of €4.7 million for the year ended December 31, 2025 and a realized loss of €7.7 million for the year ended December 31, 2024 relating to its derivative commodity contracts as a component of cost of sales.

The following table provides an overview of the outstanding commodity derivative contracts as of December 31, 2025.

Type	Unit of measure	Contracted volume	Contracted price range	Contracted date of maturity
Aluminum swaps	metric ton	26,250	\$2,467-\$2,912	Jan. 2026-Dec. 2026
Aluminum premium swaps	metric ton	7,160	\$277.50-\$325	Jan. 2026-Dec. 2026
Polymer swaps	metric ton	17,400	€2,055-€2,161	Jan. 2026-Dec. 2026
Polymer swaps	metric ton	8,400	€1,440-€1,490	Jan. 2026-Dec. 2026
Polymer swaps	metric ton	32,520	\$960-\$1,215	Jan. 2026-Dec. 2026
Monomer swaps	metric ton	42,420	€1,127-€1,230	Jan. 2026-Dec. 2026
Electricity swaps	megawatt hour	49,342	€74.80-€102.50	Jan. 2026-Jan. 2027

The following table provides an overview of the outstanding commodity derivative contracts as of December 31, 2024.

Type	Unit of measure	Contracted volume	Contracted price range	Contracted date of maturity
Aluminum swaps	metric ton	23,040	\$2,350-\$2,710	Jan. 2025-Dec. 2025
Aluminum premium swaps	metric ton	5,400	\$291-\$334	Jan. 2025-Dec. 2025
Polymer swaps	metric ton	16,680	€1,936-€2,108	Jan. 2025-Dec. 2025
Polymer swaps	metric ton	6,720	€1,525-€1,615	Jan. 2025-Dec. 2025
Polymer swaps	metric ton	28,920	\$1,109-\$1,325	Jan. 2025-Dec. 2025
Monomer swaps	metric ton	33,360	€1,180-€1,230	Jan. 2025-Dec. 2025
Electricity swaps	megawatt hour	51,304	€74.80-€150.00	Jan. 2025-Jan. 2027

Assuming a 10% parallel upward or downward movement in the price curve used to value the commodity derivative contracts with all other variables remaining constant, a remeasurement of commodity derivative contracts as of December 31, 2025 would have had an impact of €19.1 million on the Group's profit before income tax (an impact of €18.1 million on the profit before income tax as of December 31, 2024).

## Interest rate risk

The Group's interest rate risk arises primarily from variable interest rates on its Euro and US Dollar term loans, six of the tranches of its two SSDs, and draw-downs of its revolving credit facilities and local credit lines, but also from cash and cash equivalents. The Group pays a fixed interest rate on its bonds and four of the tranches of its two SSDs.

In July 2025, the Group entered into an interest rate swap that hedges the cash flow exposure arising on the US Dollar term loan at variable interest rate. It replaced an interest rate swap that matured at the same date. The Group's forward interest rate agreements that hedged the cash flow exposure arising on the Euro term loan and the SSD tranches at variable interest rates matured in the second quarter of 2025. The interest-rate derivatives are presented as financing-related derivatives as part of other current assets. The fair value changes are recognized in finance income or finance expenses. See section "Liquidity risk" and note 32 for additional details.

The interest rate profile of the Group's significant interest-bearing financial instruments as of December 31, 2025 and December 31, 2024 is presented in the following table.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
<b>Fixed rate instruments</b>		
Financial assets	3.1	2.6
Financial liabilities	(1,056.6)	(1,002.3)
	<b>(1,053.5)</b>	<b>(999.7)</b>
Effect of interest rate derivatives	(134.0)	(623.1)
	<b>(1,187.5)</b>	<b>(1,622.8)</b>
<b>Variable rate instruments</b>		
Financial assets	354.3	303.4
Financial liabilities	(1,441.5)	(1,472.6)
	<b>(1,087.2)</b>	<b>(1,169.2)</b>
Effect of interest rate derivatives	134.0	623.1
	<b>(953.2)</b>	<b>(546.1)</b>

A 100 basis point increase in the variable component of the interest rate on the Euro term loan, the SSD tranches at variable interest rates and the draw-downs of the revolving credit facilities and local credit lines would have increased the annual interest expense by €13.1 million as of December 31, 2025.

A 100 basis point increase in the variable component of the interest rate on the Euro term loan, the SSD tranches at variable interest rates and the draw-downs of the revolving credit facilities and local credit lines would have increased the annual interest expense by €8.5 million as of December 31, 2024.

The effect of the Group's interest rate derivative contracts is considered in the above analyses.

## Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure.

Credit risk arises principally from the Group's receivables from its customers. Historically, there has been a low level of losses resulting from default by customers. This is also the case in the current market environment (see note 5.4).

The credit risk relating to trade receivables is influenced mainly by the individual characteristics of each customer. Given the diverse global operations and customers across the Group, credit control procedures are jointly managed by the Group's Treasury function and each of the operating businesses within the Group. These joint responsibilities include, but are not limited to, reviewing the individual characteristics of new customers for creditworthiness before accepting the customer and agreeing on purchase limits and terms of trade as well as regularly reviewing the creditworthiness of existing customers and previously agreed purchase limits and terms of trade.

The Group limits its exposure to credit risk by executing a credit limit policy, requiring advance payments in certain instances, taking out insurance for specific debtors as well as utilizing securitization and non-recourse factoring programs. See also note 16.

In addition, concentration of credit risk is limited due to the customers comprising a diversified mix of international companies, large national and regional companies as well as small local companies, most of which have been customers of the Group for many years.

Management believes that the recognized loss allowance sufficiently covers the risk of default based on historical payment behavior and assessments of future expectations of credit losses, including regular analysis of customer credit risk.

In line with its treasury policy, the Group generally enters into transactions only with banks and financial institutions having a credit rating of at least investment grade (long term: BBB or Baa rating or higher and short term: A-2 or P-2 rating or higher as per Standard & Poor's or Moody's).

## Our group structure and related parties

This section provides information about the Group's subsidiaries and other related parties.

### 27 Group entities

#### Overview of Group entities

The following table provides an overview of all the Group's subsidiaries and joint venture. The ownership interests are the same as of December 31, 2025 and December 31, 2024, unless specifically stated. The ownership and voting interests are the same for all Group entities. The Group owns 100% of the shares and the reporting date of the entities is December 31, unless specifically stated. The joint venture does not have any subsidiaries.

Companies and countries	As of December 31, 2025		
	Share capital <sup>1</sup>		Interest
<b>Parent company</b>			
<b>Switzerland</b>			
SIG Group AG, Neuhausen am Rheinfall <sup>2</sup>	3,822,709	CHF	100%
<b>Subsidiaries</b>			
<b>Algeria</b>			
EURL SIG Combibloc Algeria, Algiers	1,500,000	DZD	100%
<b>Argentina</b>			
Combibloc S.R.L., Buenos Aires <sup>3</sup>	6,765,005,520	ARS	100%
<b>Australia</b>			
Scholle IPN Pty Ltd., Edinburgh North	2	AUD	100%
SIG Australia Holding Pty Ltd., Canberra	32,100,000	AUD	100%
SIG Combibloc Australia Pty Ltd., Broadmeadows Moonee Ponds	40,000,001	AUD	100%
<b>Austria</b>			
SIG Austria GmbH, Saalfelden <sup>4,5</sup>	1,000,000	EUR	100%
SIG Combibloc GmbH, Saalfelden	35,000	EUR	100%
SIG Combibloc GmbH & Co. KG, Saalfelden <sup>4</sup>			-
<b>Bangladesh</b>			
SIG Combibloc Bangladesh Ltd., Dhaka	50,000,000	BDT	100%
<b>Brazil</b>			
Scholle Ltda., Vinhedo	86,258,020	BRL	100%
SIG Beverages Brasil Ltda., São Paulo	109,327,434	BRL	100%
SIG Combibloc do Brasil Ltda., São Paulo	722,386,462	BRL	100%

Companies and countries	As of December 31, 2025		
	Share capital <sup>1</sup>		Interest
<b>Canada</b>			
Scholle IPN Canada Ltd., Toronto	1,000	CAD	100%
<b>Chile</b>			
Scholle IPN SpA, Santiago	9,006,501,235	CLP	100%
SIG Combibloc Chile SpA, Santiago	5,016,722,134	CLP	100%
<b>China</b>			
Scholle IPN Packaging (Suzhou) Co. Ltd., Suzhou	15,400,000	USD	100%
SIG Combibloc (Suzhou) Co. Ltd., Suzhou	283,000,000	USD	100%
SIG Combibloc (Suzhou) Technology Co. Ltd., Suzhou	3,800,000	USD	100%
SIG Packaging (Shanghai) Co., Ltd., Shanghai	98,374,102	CNY	100%
<b>Czechia</b>			
SIG Combibloc s.r.o., Hradec Králové	200,000	CZK	100%
<b>Egypt</b>			
SIG Combibloc Egypt LLC, Cairo	10,000	EGP	100%
<b>France</b>			
SIG Combibloc S.à.r.l., Courbevoie	31,000	EUR	100%
<b>Germany</b>			
Scholle IPN Germany GmbH, Eisfeld	25,000	EUR	100%
SIG Combibloc GmbH, Linnich	34,494,382	EUR	100%
SIG Combibloc Systems GmbH, Linnich	1,000,000	EUR	100%
SIG Combibloc Zerspanungstechnik GmbH, Alsdorf	256,000	EUR	100%
SIG Euro Holding GmbH, Linnich	10,000,000	EUR	100%
SIG Information Technology GmbH, Linnich	500,000	EUR	100%
SIG International Services GmbH, Linnich	1,000,000	EUR	100%
<b>India</b>			
Bossar Packaging Private Ltd., Pune <sup>6,7,8</sup>	17,649,000	INR	99.7%
Scholle IPN India Packaging Private Ltd., Palghar <sup>6</sup>	15,290,240	INR	100%
Scholle Packaging (India) Private Ltd., Palghar <sup>9</sup>			-
SIG Combibloc India Private Ltd., Gurgaon, Haryana <sup>6</sup>	964,721,600	INR	100%
<b>Indonesia</b>			
P.T. SIG Combibloc Indonesia, Jakarta Selatan	13,549,682,000	IDR	100%
<b>Italy</b>			
SIG Combibloc S.r.l., Parma	101,400	EUR	100%
<b>Luxembourg</b>			
SIG Combibloc Holdings S.à r.l., Munsbach	2,000,001	EUR	100%
SIG Combibloc PurchaseCo S.à r.l., Munsbach	4,012,500	EUR	100%

[→ Consolidated financial statements](#)

Companies and countries	As of December 31, 2025		
	Share capital <sup>1</sup>		Interest
<b>Malaysia</b>			
Scholle IPN Packaging (SEA) SDN. BHD, Kuala Lumpur	445,500 MYR		100%
SIG Combibloc Malaysia SDN. BHD, Kuala Lumpur	1,000,000 MYR		100%
<b>Mexico</b>			
SIG Combibloc Manufacturing México, S. de R.L. de C.V., Queretaro	142,010,000 MXN		100%
SIG Combibloc México, S.A. de C.V., Mexico City	1,000,000 MXN		100%
<b>Netherlands</b>			
Clean Flexible Packaging B.V., Tilburg <sup>10</sup>			–
SIG Netherlands Solutions, B.V., Tilburg <sup>10,11</sup>	2 EUR		100%
Scholle IPN Europe B.V., Tilburg <sup>10</sup>			–
Scholle IPN Europe Holding B.V., Tilburg	18,000 EUR		100%
Scholle IPN Holding B.V., Tilburg	20,220 EUR		100%
Scholle IPN IP B.V., Tilburg <sup>10</sup>			–
Scholle IPN Netherlands B.V., Tilburg	18,000 EUR		100%
SIG Combibloc B.V., Tilburg	40,000 EUR		100%
<b>New Zealand</b>			
Scholle IPN New Zealand Ltd., Auckland	10 NZD		100%
SIG Combibloc New Zealand Ltd., Auckland	100 NZD		100%
<b>Nigeria</b>			
SIG Combibloc Nigeria Ltd., Lagos	100,000,000 NGN		100%
<b>Pakistan</b>			
SIG Combibloc Pakistan (SMC – Private) Ltd., Lahore	100,000 PKR		100%
<b>Poland</b>			
SIG Combibloc Sp. z o.o., Warsaw	249,934 PLN		100%
<b>Romania</b>			
SIG Combibloc Services S.R.L., Cluj	1,000,000 RON		100%
<b>Russia</b>			
OOO SIG Combibloc, Moscow	5,000,000 RUB		100%
Scholle IPN Eastern Europe LLC, Voronezh <sup>8</sup>	221,331,321 RUB		99.9%
<b>Saudi Arabia</b>			
Al Obeikan SIG Combibloc Company Ltd., Riyadh	75,000,000 SAR		100%
<b>Serbia</b>			
SIG South East Europe d.o.o. Beograd, Beograd	939,200 RSD		100%
<b>Singapore</b>			
SIG Combibloc Singapore Private Ltd., Singapore	1,000 SGD		100%
<b>South Africa</b>			
SIG Combibloc (South Africa) Pty. Ltd., Cape Town	1,000 ZAR		100%

Companies and countries	As of December 31, 2025		
	Share capital <sup>1</sup>		Interest
<b>South Korea</b>			
SIG Combibloc Korea Ltd., Seoul	260,000,000 KRW		100%
SIG Packaging Korea Ltd., Seoul	899,480,000 KRW		100%
<b>Spain</b>			
Bossar Packaging S.L.U., Barbera del Valles	1,248,000 EUR		100%
SIG Combibloc S.A.U., Madrid	330,550 EUR		100%
<b>Sweden</b>			
SIG Combibloc AB, Eslöv	100,000 SEK		100%
<b>Switzerland</b>			
SIG allCap AG, Neuhausen am Rheinfall	7,000,000 CHF		100%
SIG InnoVentures AG, Neuhausen am Rheinfall <sup>12</sup>	1,000,000 CHF		100%
SIG Procurement AG, Neuhausen am Rheinfall	2,000,000 CHF		100%
SIG Receivables Management AG, Neuhausen am Rheinfall <sup>13</sup>			–
SIG Services AG, Neuhausen am Rheinfall	37,931,400 CHF		100%
SIG Schweizerische Industrie-Gesellschaft GmbH, Neuhausen am Rheinfall <sup>13</sup>	20,000 CHF		100%
<b>Taiwan</b>			
SIG Combibloc Taiwan Ltd., Taipei	15,000,000 TWD		100%
SIG Packaging (Taiwan) Co., Ltd., Hsinchu Hsien	1,000,000 TWD		100%
<b>Thailand</b>			
SIG Combibloc Ltd., Rayong	3,070,693,000 THB		100%
<b>Turkey</b>			
SIG Combibloc Paketleme ve Ticaret Ltd. Şirketi, Istanbul <sup>9</sup>	170,000 TRY		100%
<b>United Kingdom</b>			
Scholle IPN UK Ltd., Gateshead	1 GBP		100%
SIG Combibloc Ltd., Gateshead	250,000 GBP		100%
<b>UAE</b>			
SIG Combibloc FZCO, Dubai	24,000,000 AED		100%
SIG Packaging Materials Trading LLC, Dubai	10,000 AED		100%
<b>USA</b>			
Clean Flexible Packaging Inc., Northlake <sup>14</sup>			–
Scholle IPN Atlanta Corporation, Peachtree City	0 USD		100%
SIG Combibloc Inc., Northlake <sup>15</sup>	27,000,000 USD		100%
SIG Combibloc US Acquisition Inc., Northlake <sup>16</sup>			–
SIG Combibloc US Acquisition II Inc., Northlake	10 USD		100%
SIG Holding USA, LLC, Northlake <sup>15</sup>			–

## As of December 31, 2025

Companies and countries	Share capital <sup>1</sup>		Interest
<b>USA continued</b>			
SIG Packaging LLC, Northlake	10,000	USD	100%
SIG US LLC, Northlake <sup>14</sup>	10,000	USD	100%
<b>Vietnam</b>			
SIG Vietnam Ltd., Ho Chi Minh City	2,000,000,000	VND	100%
<b>Joint venture</b>			
<b>Japan</b>			
DNP • SIG Combibloc Co. Ltd., Tokyo	75,000,000	JPY	50%

1 Unaudited.

2 The registered address of SIG Group AG is Laufengasse 18, 8212 Neuhausen am Rheinfall, Switzerland.

3 Argentina and Turkey are regarded as hyperinflationary as of December 31, 2025 and 2024. The impacts of applying hyperinflationary accounting as per IAS 29 *Financial Reporting in Hyperinflationary Economies* are not material to the Group.

4 SIG Combibloc GmbH & Co KG was merged into SIG Austria Holding GmbH in the third quarter of 2025 (now SIG Austria GmbH).

5 Previously SIG Austria Holding GmbH. The name was changed to SIG Austria GmbH in the third quarter of 2025.

6 The reporting date is March 31. Financial information prepared as of December 31 is used for consolidation purposes.

7 In the acquisition of Scholle IPN in 2022, the Group initially only acquired 84.71% of the shares of Bossar Packaging Private Ltd. It acquired 14.99% of the shares for an insignificant amount in the second quarter of 2024.

8 The non-controlling interests are not significant, which is why the Group does not make a distinction between profit or loss, total comprehensive income and equity attributable to the owners of the Company and the non-controlling interests.

9 Scholle Packaging (India) Private Ltd. was liquidated in the second quarter of 2025.

10 Clean Flexible Packaging B.V., Scholle IPN Europe B.V. and Scholle IPN IP B.V. were merged into Clean Flexible Packaging Holding B.V. in the third quarter of 2025.

11 Previously Clean Flexible Packaging Holding B.V. The name was changed to SIG Netherlands Solutions, B.V. in the third quarter of 2025.

12 SIG InnoVentures AG invests in early-stage companies to support the development of future packaging solutions. The investments are not significant. They are presented as part of other non-current assets (see note 21) and measured at fair value. The Group has elected to present fair value changes on these investments in other comprehensive income. The net fair value changes are presented as part of the retained earnings in the statement of changes in equity. The investments are categorized as Level 3 fair value measurements in the fair value hierarchy.

13 SIG Receivables Management AG was merged into SIG Schweizerische Industrie-Gesellschaft GmbH in the second quarter of 2025.

14 Clean Flexible Packaging Inc. was merged into SIG US LLC in the second quarter of 2025.

15 SIG Holding USA LLC was merged into SIG Combibloc Inc. in the second quarter of 2025.

16 SIG Combibloc US Acquisition Inc. was liquidated in the second quarter of 2025.

## Joint venture in Japan

The Group has a small investment in a joint venture in Japan (DNP • SIG Combibloc Co. Ltd). It is accounted for using the equity method.

The Japanese joint venture was formed in 2018 with the joint venture partner DNP and provides aseptic carton packaging solutions in Japan. There have been no significant transactions with the joint venture in the years ended December 31, 2025 and December 31, 2024. Its net assets are also not significant.

### Accounting policy/basis of consolidation

#### Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from their respective acquisition date, which is the date on which the Group obtains control, until the Group loses control.

#### Intra-group transactions and balances

Intra-group transactions and balances are eliminated on consolidation.

## 28 Related parties

The Company has related party relationships with its shareholders, subsidiaries, joint venture in Japan and key management. Certain information and updates about the Company's related parties are provided in this note.

### Shareholders

The members of the Group Executive Board directly held 0.02% and indirectly held 0.03% of the Company's shares as of December 31, 2025 (directly 0.06% and indirectly 0.05% as of December 31, 2024). The members of the Board of Directors directly held 0.13% of the Company's shares as of December 31, 2025 (directly 0.10% and indirectly 10.3% as of December 31, 2024).

Laurens Last (via CLIL Holding B.V., subsequently renamed Clean Holding B.V) received 33.75 million shares in the Company as part of the consideration for Scholle IPN in 2022. Laurens Last was a related party to the Company via his representation on the Company's Board of Directors until the Annual General Meeting on April 8, 2025, when he did not stand for re-election. Accordingly, the ownership percentages as of December 31, 2025 in the section above do not include his shareholding in the Company as of that date.

Laurens Last indirectly held 10.0% of the Company's shares as of December 31, 2024 according to the disclosure notifications reported to the Company by Laurens Last. As of December 31, 2024, he also directly held blocked shares received as compensation for being a member of the Company's Board of Directors (0.003%). He received an insignificant number of blocked shares as compensation for his time as a member of the Board of Directors in 2025.

## Key management

The Company's key management includes the members of the Group Executive Board and the Board of Directors.

See note 4 for organizational changes in the Group Executive Board and the Board of Directors that took place in the year ended December 31, 2025.

The table below includes information about compensation to the Group Executive Board.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Short-term employee benefits	7.8	6.8
Post-employment benefits	0.5	0.5
Share-based payments	1.6	1.7
Termination benefits	2.5	–
<b>Total compensation to the Group Executive Board</b>	<b>12.4</b>	<b>9.0</b>

The termination benefits for the year ended December 31, 2025 relate to the former Chief Executive Officer. The termination has been reflected in the measurement of the amount recognized as a share-based payment expense, considering the good and bad leaver clauses in the share-based payment plans in which the former Chief Executive Officer participated.

Compensation to the members of the Board of Directors totaled €2.7 million for the year ended December 31, 2025 (€2.7 million for the year ended December 31, 2024). The members of the Board of Directors receive part of their compensation in blocked shares.

Information about the participation of the members of the Group Executive Board and the Board of Directors in share-based payment plans and arrangements is included in note 30. Further information about compensation paid to the members of the Group Executive Board and the Board of Directors can be found in the Compensation Report included in the 2025 Annual Report. Details about these persons' SIG shareholdings are included in the section "Shareholders" above and in the Compensation Report.

## Other related parties

The Group's subsidiaries are listed in note 27. Certain information about the Group's joint venture is also included in note 27.

## Related party transactions

The nature of the Company's related party relationships, balances and transactions for the year ended December 31, 2025 has not changed compared with information disclosed in the consolidated financial statements for the year ended December 31, 2024 except for the Company's relation with Laurens Last (see section "Shareholders" above).

Note 32 includes information about the contingent portion of the consideration for Scholle IPN. There were no significant transactions and there were no outstanding balances as of December 31, 2024 relating to companies controlled or jointly controlled by Laurens Last.

In the year ended December 31, 2025, the Group recognized revenue of €8.2 million for sales of goods and provision of services to its joint venture in Japan (€2.8 million in the year ended December 31, 2024). It had an outstanding trade receivable balance of €1.6 million relating to the joint venture as of December 31, 2025 (€0.6 million as of December 31, 2024).

In the year ended December 31, 2024, the Group acquired 14.99% of the non-controlling interest of one of the acquired Scholle IPN Indian entities on an arm's length basis. See note 27.

There were no other significant related party transactions during the years ended December 31, 2025 and December 31, 2024.

As of December 31, 2025 and December 31, 2024, the Group had no commitments to incur capital expenditure with related parties.

## Our people

This section covers information about the Group's employee-related expenses and pension plans as well as the Group's share-based payment plans and arrangements. Details about compensation concerning the Group's key management are included in note 28 on related parties.

### 29 Employee benefits

The Group operates various defined benefit plans. The largest defined benefit plan is in Switzerland. In addition, the Group has a number of defined contribution plans.

#### Overview of employee benefits

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Salaries and wages accrued	60.9	57.3
Provision for annual leave	14.1	15.8
Provision for other employee benefits	5.6	6.0
Net defined benefit obligations:		
Pension benefit liabilities	92.0	98.2
<b>Total employee benefit liabilities</b>	<b>172.6</b>	<b>177.3</b>
Current	75.0	73.1
Non-current	97.6	104.2
<b>Total employee benefit liabilities</b>	<b>172.6</b>	<b>177.3</b>

The Group had a net defined benefit asset of €194.1 million as of December 31, 2025 (€181.8 million as of December 31, 2024). This relates to the defined benefit pension plan in Switzerland. The Group's net defined benefit liabilities relate to defined benefit pension plans in other countries.

#### Personnel expenses

Personnel expenses recognized in the statement of profit or loss and other comprehensive income were €640.7 million in the year ended December 31, 2025 (€620.8 million in the year ended December 31, 2024), of which €41.4 million relates to contributions to defined contribution plans (€35.9 million in the year ended December 31, 2024).

#### Defined benefit pension plans

The Group makes contributions to defined benefit pension plans. It operates defined benefit pension plans in countries including Austria, France, Germany, India, Indonesia, Saudi Arabia, Switzerland, Taiwan, Thailand, the UAE and the USA. The majority of the Group's pension obligations are in Switzerland. The retirement plans are subject to governmental regulations relating to how they are funded. The Group usually funds its retirement plans at an amount equal to the annual minimum funding requirements specified by the government regulations covering each plan.

This note generally includes aggregated disclosures in respect of the Group's pension plans as the plans are not exposed to materially different risks. However, certain information relating to the Swiss retirement plan is disclosed separately as it is the Group's largest pension plan.

As of December 31, 2025, the Swiss retirement plan comprised 73% of the present value of the Group's pension plan obligations (72% as of December 31, 2024). As of December 31, 2025, the fair value of the assets of the Swiss retirement plan exceeded the present value of its pension obligations by €194.1 million (€181.8 million as of December 31, 2024). See also the section "Expense recognized in other comprehensive income" below. For the years ended December 31, 2025 and December 31, 2024, the amount recognized as a net defined benefit asset did not exceed the asset ceiling.

Expected annual contributions to the Group's defined benefit pension plans during the year ending December 31, 2026 are estimated to be €6.5 million. The Group's pension plans had a weighted average duration of 14 years as of December 31, 2025 (14 years as of December 31, 2024).

### Movement in net defined benefit obligation

Information about the net defined benefit obligation as of and for the years ended December 31, 2025 and December 31, 2024 is included below.

(In € million)	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability/(asset)	
	2025	2024	2025	2024	2025	2024
<b>Carrying amount as of the beginning of the year</b>	<b>538.4</b>	<b>532.6</b>	<b>(622.0)</b>	<b>(620.1)</b>	<b>(83.6)</b>	<b>(87.5)</b>
Service cost	11.2	9.2	-	-	11.2	9.2
Interest expense/(income)	9.1	11.5	(7.5)	(10.7)	1.6	0.8
Administrative expenses	-	-	0.6	0.6	0.6	0.6
Curtailments and settlements	-	0.2	-	-	-	0.2
<b>Total expense/(income) recognized in profit or loss</b>	<b>20.3</b>	<b>20.9</b>	<b>(6.9)</b>	<b>(10.1)</b>	<b>13.4</b>	<b>10.8</b>
Actuarial losses arising from:						
Demographic assumptions	9.9	14.5	-	-	9.9	14.5
Financial assumptions	(11.0)	5.0	-	-	(11.0)	5.0
Return on plan assets, excluding interest income	-	-	(21.6)	(22.9)	(21.6)	(22.9)
<b>Total remeasurement (gains)/losses included in other comprehensive income</b>	<b>(1.1)</b>	<b>19.5</b>	<b>(21.6)</b>	<b>(22.9)</b>	<b>(22.7)</b>	<b>(3.4)</b>
Contributions by the Group	-	-	(5.6)	(7.6)	(5.6)	(7.6)
Contributions by plan participants	2.0	1.9	(2.0)	(1.9)	-	-
Benefits paid by the plans	(45.3)	(34.0)	45.3	34.0	-	-
Settlement of plan	(1.7)	-	1.9	-	0.2	-
Effect of movements in exchange rates	(2.9)	(2.5)	(0.9)	6.6	(3.8)	4.1
<b>Total other movements</b>	<b>(47.9)</b>	<b>(34.6)</b>	<b>38.7</b>	<b>31.1</b>	<b>(9.2)</b>	<b>(3.5)</b>
<b>Carrying amount as of the end of the year</b>	<b>509.7</b>	<b>538.4</b>	<b>(611.8)</b>	<b>(622.0)</b>	<b>(102.1)</b>	<b>(83.6)</b>
Comprised of:						
Swiss retirement plan	374.2	389.3	(568.3)	(571.1)	(194.1)	(181.8)
All other plans	135.5	149.1	(43.5)	(50.9)	92.0	98.2
<b>Carrying amount as of the end of the year</b>	<b>509.7</b>	<b>538.4</b>	<b>(611.8)</b>	<b>(622.0)</b>	<b>(102.1)</b>	<b>(83.6)</b>
Included in the statement of financial position as:						
Employee benefits (asset)					(194.1)	(181.8)
Employee benefits liability					92.0	98.2
<b>Total net defined pension benefits</b>					<b>(102.1)</b>	<b>(83.6)</b>

### Expense recognized in profit or loss

The net pension expense is recognized in the following components in the statement of profit or loss and comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	6.1	5.0
Selling, marketing and distribution expenses	1.5	1.7
General and administrative expenses	5.8	4.1
<b>Total net pension expense</b>	<b>13.4</b>	<b>10.8</b>
thereof the Swiss retirement plan	6.7	4.0

### Expense recognized in other comprehensive income

The remeasurement of the Group's defined benefit pension plans as of December 31, 2025 resulted in a €18.6 million net increase (a €1.5 million net increase as of December 31, 2024) in other comprehensive income (net of tax), of which a €14.6 million increase relates to the Group's Swiss retirement plan (€2.3 million decrease as of December 31, 2024).

### Plan assets

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Equity instruments	164.2	147.0
Debt instruments	252.0	274.2
Real estate	170.8	164.5
Other	24.8	36.3
<b>Total plan assets</b>	<b>611.8</b>	<b>622.0</b>

Approximately 93% of total plan assets were held by the Swiss retirement plan as of December 31, 2025 (92% as of December 31, 2024). The debt instruments consist principally of corporate and government bonds. The equity and debt instrument values are based on quoted market prices in active markets. The real estate is held through unlisted funds. The investment policy of the Swiss retirement plan is to target an asset mix of around 30% equity instruments, 40% debt instruments and 25% real estate funds, and to hold 5% in cash. An assessment of the investment policy for the Swiss retirement plan is performed yearly.

### Actuarial assumptions

The amounts recognized under the Group's defined benefit pension plans are determined using actuarial methods. The actuarial valuations involve assumptions regarding discount rates, expected salary increases and the retirement age of employees. These assumptions are reviewed at least annually and reflect estimates as of the measurement date. Any change in these assumptions will impact the amounts reported in the statement of financial position, plus the net pension expense or income that may be recognized in future years. The mortality table used for the Swiss retirement plan for 2025 and for 2024 was BVG 2020 GT.

While the Swiss retirement plan does not provide for compulsory benefit increases for pensioners, increases have been granted from time to time at the discretion of the foundation board, depending on the funding situation at the time.

The discount rate and future salary increases are the assumptions with the most significant effect on the defined benefit obligation. They are presented in the table below.

(In %)	Swiss retirement plan		All plans	
	As of Dec. 31, 2025	As of Dec. 31, 2024	As of Dec. 31, 2025	As of Dec. 31, 2024
Discount rates	1.3%	0.95%	1.2%–6.9%	0.95%–7.0%
Future salary increases	1.5%	1.5%	0.0%–9.0%	0.0%–9.0%

The table below shows the effect on the defined benefit obligation of a change in the discount rate and future salary increases.

(In € million)	Swiss retirement plan		All plans	
	As of Dec. 31, 2025	As of Dec. 31, 2024	As of Dec. 31, 2025	As of Dec. 31, 2024
<b>Discount rates</b>				
50 basis points increase	(7.9)	(7.4)	(14.9)	(15.8)
50 basis points decrease	8.6	8.1	16.2	17.2
<b>Future salary increases</b>				
50 basis points increase	1.5	1.5	3.0	3.2
50 basis points decrease	(1.4)	(1.4)	(2.8)	(2.9)

## Accounting policy

### *Short-term employee benefits*

Short-term employee benefits are expensed in profit or loss as the related services are provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans and outstanding annual leave balances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

### *Defined benefit plans*

The Group's obligation with respect to its defined benefit plans is calculated separately for each plan by estimating the amount of the future benefits to which employees are entitled in return for their services in the current and prior years, discounting that amount to determine the present value of the Group's obligation and then deducting the fair value of any plan assets. The discount rate used is the yield on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have maturity dates approximating the terms of the Group's obligations. The calculations are performed annually by qualified actuaries using the projected unit credit method.

If the calculation results in a potential asset for the Group (such as for the Group's Swiss retirement plan), the recognized asset is limited to the present value of economic benefits available in the form of reductions in future contributions to the plan (the case for the Swiss retirement plan) or any future refunds from the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined liability, comprising actuarial gains and losses, the return on plan assets (excluding interest) and, if any, the effects of the asset ceiling (excluding interest), are recognized immediately in other comprehensive income.

The net interest expense/(income) on the net defined benefit liability/(asset) for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined liability/(asset) as of that time, taking into account any changes from contributions and benefit payments. Net interest expense and other plan expenses are recognized in profit or loss.

If the benefits of a plan are changed or a plan is curtailed, the resulting change in benefit that relates to past services or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### *Defined contribution plans*

The Group's obligation for contributions to defined contribution plans is expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. The Group has no further obligations once the contributions have been paid.

### *Termination benefits*

Termination benefits, when applicable, are payable when employment is terminated by the Group before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for such benefits. Termination costs are expensed when the Group can no longer withdraw the offer of the benefits or when the Group recognizes any related restructuring costs, whichever occurs earlier.

## Significant judgments and estimates

Amounts recognized under the Group's defined benefit pension plans are determined using actuarial methods. These actuarial valuations involve various assumptions that reflect estimates as of the measurement date. See the section "Actuarial assumptions" above for an overview of the impact of any change in these assumptions.

## 30 Share-based payment plans and arrangements

The Group has share-based long-term incentive plans for certain members of management and other key employees and talents. The members of the Board of Directors receive a part of their total compensation under share-based payment arrangements. These plans and arrangements have an insignificant impact on the Group's result.

The Group expects to settle its obligations under its equity-settled plans and arrangements using own shares (treasury shares) or, alternatively, using shares issued from its conditional share capital (see note 25). The majority of the Group's share-based payment plans and arrangements are equity-settled.

### Share-based long-term incentive plans for SIG employees

#### Performance share unit plan

The Group grants performance share units ("PSUs") to the members of the Group Executive Board and certain other members of management on an annual basis. The PSU plans have equivalent terms and vesting conditions, including a three-year service vesting condition.

One PSU represents the contingent right to receive one SIG share. The number of granted PSUs is determined by dividing each participant's award under the plan by the volume-weighted average of the closing prices of the SIG share over the last 20 trading days prior to the grant date as per the PSU regulations. The number of PSUs that vest depends on the Group's long-term performance over the three-year vesting period. The plans include the following vesting conditions:

- Service condition: Continuous employment through to the vesting date.
- Two non-market performance conditions: Achievement of a cumulative diluted adjusted earnings per share target and a cumulative free cash flow target.
- One market performance condition: Achievement of a relative total shareholder return target, measured relative to the SMI MID (SMIM) Total Return Index (with a vesting factor capped at 1.0 for a negative absolute TSR).

At vesting, the three performance conditions are first assessed individually to determine the level of achievement of the set targets (in a range from 0% to 200%). The achievement percentage of each performance condition is then combined based on a relative weighting of the performance conditions (50% for the relative total shareholder return target and 25% each for the earnings per share and cash flow targets). The combined vesting multiple determines how many shares the plan participants are entitled to receive at the end of the vesting period.

The fair value of one PSU is calculated based on a Monte Carlo simulation model, which reflects the probability of over- or underachieving the market performance condition. The model also takes into account various inputs such as the closing share price of one SIG share on the grant date and adjusts for expected dividends (discounted at a risk-free interest rate) to which the plan participants are not entitled until the PSUs vest after three years.

The table below provides an overview of the annual management PSU plans.

	Overview of PSU plans				
	2025	2024	2023	2022	2021
Grant date	April 1, 2025	April 2, 2024	April 3, 2023	June 13, 2022	April 1, 2021
Vesting date	April 1, 2028	April 1, 2027	April 1, 2026	March 31, 2025	March 31, 2024
Grant date fair value (one PSU)	15.32 CHF	19.99 CHF	23.35 CHF	19.56 CHF	22.31 CHF
Number of participants	18	17	16	15	9
Granted number of PSUs	281,293	240,757	231,648	234,753	201,707
thereof to members of the Group Executive Board	243,859	214,412	217,846	215,169	187,139
Vested number of PSUs	-	-	-	174,415	154,642
thereof to members of the Group Executive Board at vesting date	-	-	-	125,231	109,818
Shares transferred	-	-	-	45,359	71,139
thereof to members of the Group Executive Board at vesting date	-	-	-	32,562	50,518

The Group settled its obligation under the 2022 and 2021 PSU plans by delivering treasury shares (see note 25). The total amount of €2.5 million recognized as a share-based payment expense for the 2022 PSU plan has been recognized as a decrease in equity (€3.5 million for the 2021 PSU plan). The difference between this amount and the cost of the delivered treasury shares is presented as an adjustment of additional paid-in capital.

The table below provides a reconciliation of the outstanding management PSUs.

Number of PSUs	Outstanding PSUs	
	2025	2024
<b>As of January 1</b>	<b>608,679</b>	<b>524,024</b>
Granted PSUs	281,293	240,757
Vested PSUs (2022 plan)	(174,415)	-
Vested PSUs (2021 plan)	-	(154,642)
Forfeited PSUs	(155,693)	(1,460)
<b>As of December 31</b>	<b>559,864</b>	<b>608,679</b>
thereof held by members of the Group Executive Board	392,985	507,116

Any resignation of members of the Group Executive Board results in forfeitures of a certain number of granted PSUs as per the good and bad leaver clauses in the PSU plan regulations. 132,817 of the forfeited PSUs in 2025 relate to a member of the Group Executive Board.

14,893 of the forfeited PSUs in 2025 relate to a conversion of a one-time grant of PSUs to a member of the Group Executive Board in 2023 into a new RSU grant in 2025 (see the section below).

### Restricted share unit plan

The Group grants a small number of restricted share units ("RSUs") to a limited number of employees on an annual basis. One RSU represents the contingent right to receive one SIG share, subject to the fulfilment of an in general three-year service vesting condition.

RSUs under the 2022 and 2021 RSU plans vested on March 31, 2025 and March 31, 2024, respectively. The Group settled its obligation by delivering treasury shares. In the year ended December 31, 2025, two employees were granted in total 42,082 RSUs, of which 25,322 RSUs relate to a member of the Group Executive Board (none under the 2024 RSU plan).

### Equity investment plan

The Group has an annual equity investment plan ("EIP") for a wider group of management in leadership positions and other key employees and talents, under which the participants may choose to invest in SIG shares at market value. The shares are blocked for three years. For each purchased share, the Group grants the participants two matching options to purchase another two shares at a predefined exercise price at the end of a three-year vesting period. The options can be exercised during a ten-month period after the vesting date. The fair value of one option is calculated using the Black-Scholes model.

The table below provides an overview of the annual EIPs.

	Overview of EIP plans				
	2025	2024	2023	2022	2021
Grant date	May 30, 2025	May 31, 2024	June 2, 2023	May 27, 2022	May 31, 2021
Vesting date	June 1, 2028	June 1, 2027	June 1, 2026	June 1, 2025	June 1, 2024
Grant date fair value (one option)	2.55 CHF	3.06 CHF	4.58 CHF	2.74 CHF	3.63 CHF
Number of participants	53	51	60	69	64
Granted number of options	125,366	123,536	130,212	149,450	124,680
Vested number of options	-	-	-	117,840	97,112
Exercised options as of December 31	-	-	-	0	0
Exercised options within the ten-month exercise period after the vesting date	-	-	-	0	0

A total of 353,194 not yet vested options under all EIPs were outstanding as of December 31, 2025, of which 9,150 options were held by a member of the Group Executive Board (369,758 options as of December 31, 2024, of which 18,640 options were held by a member of the Group Executive Board).

### Integration plans

As part of the integration of Scholle IPN and Evergreen Asia into the Group, 41 employees who are key to the integration were granted a total of 302,792 PSUs under two smaller PSU integration plans in August 2022. One of the plans is cash-settled. One PSU represents the contingent right to receive one SIG share. The number of PSUs that vest depends on the achievement of certain targets, including targets linked to the performance and integration of the two acquired businesses.

A total of 221,866 PSUs under the integration plans were outstanding as of the vesting date of December 31, 2025, of which 10,469 PSUs were held by a member of the Group Executive Board (234,128 PSUs as of December 31, 2024, of which 10,469 PSUs were held by a member of the Group Executive Board). No shares vested as the set targets were not achieved.

### Leadership continuity plan

In the context of the ongoing transformation and recent leadership changes (see note 4), the Board of Directors has approved a RSU grant for the core leadership team, including the Group Executive Board. The purpose of this one-off RSU plan is to reinforce stability during a period of strategic repositioning and to support the consistent execution of the Company's long-term strategic priorities. One RSU represents the contingent right to receive one SIG share, subject to the fulfilment of a one-year service vesting condition. Vested shares are blocked for two years.

25 employees were granted a total of 264,348 RSUs under the leadership continuity plan on October 1, 2025, of which 154,710 RSUs relate to members of the Group Executive Board. The fair value of one RSU was CHF 8.04 as of the grant date. The RSUs outstanding as of December 31, 2025 remain unchanged compared to the grant date.

## Share-based payment arrangements for members of the Board of Directors

The members of the Board of Directors receive 40% of their total compensation in SIG shares that are blocked for three years. The grant date is the date of the Annual General Meeting (normally held in April), when the total compensation package for the next term of office is approved. The compensation is paid out four times during the one-year term of office (i.e. there are four award dates, each relating to work performed during the quarter before the respective award date). The fair value of one blocked share is calculated based on the closing share price of one SIG share on the grant date.

The Group granted 70,333 blocked shares to the members of the Board of Directors in the year ended December 31, 2025 (54,740 blocked shares in the year ended December 31, 2024). The fair value of one granted instrument was CHF 15.09 as of the grant date in the year ended December 31, 2025 (CHF 19.36 in the year ended December 31, 2024). The blocked shares have been delivered using treasury shares.

## Share-based payment expense

The share-based payment expense recognized as a personnel expense for the year ended December 31, 2025 relating to the PSU, RSU, equity investment, integration and leadership continuity plans for SIG employees amounts to €3.0 million, of which €1.6 million relates to members of the Group Executive Board.

The share-based payment expense (including adjustments due to varying plan performance) recognized as a personnel expense for the year ended December 31, 2024 relating to the above plans for all SIG employees totaled €1.5 million. The share-based payment expense for only the members of the Group Executive Board amounted to €1.7 million.

The share-based payment expense recognized as part of general and administrative expenses for the year ended December 31, 2025 relating to the arrangement for the Board of Directors amounts to €1.0 million (€1.0 million for the year ended December 31, 2024).

### Accounting policy

The Group's share-based payment plans and arrangements are primarily equity-settled payment arrangements.

For the equity-settled plans, the grant date fair value of the awards is recognized as an expense, with a corresponding increase in equity (retained earnings), over the vesting period. The amount recognized as an expense is adjusted to reflect the number of instruments awarded for which the related service and any non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of instruments awarded that meet the related service and any non-market performance conditions at the vesting date. Any market performance conditions are reflected in the grant date fair valuation of the instruments awarded and there is no true-up during the vesting period or at the vesting date for differences between expected and actual outcomes.

For cash-settled plans, the fair value of the amounts payable to employees is recognized as an expense, with a corresponding increase in liabilities (employee benefits), over the vesting period. The liability is remeasured at each reporting date and at the settlement date so that the ultimate liability equals the cash payment on the settlement date. Any changes in the fair value of the liability are recognized in profit or loss.

## Other

This section provides details about the Group's income tax exposure and different categories of financial instruments (including derivative instruments). It further covers fair value information, off-balance sheet items and subsequent events.

## 31 Income tax

This note covers the Group's current and deferred income tax exposure, with corresponding impacts on the statement of profit or loss and other comprehensive income and the statement of financial position.

Management believes that its accruals for tax liabilities are sufficient for all open tax years based on its assessment of existing facts, prior experiences and interpretations of tax laws.

### Amounts recognized in profit or loss

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Current year	(94.1)	(124.4)
Adjustments for prior years	1.0	7.2
<b>Current tax expense</b>	<b>(93.1)</b>	<b>(117.2)</b>
Origination and reversal of temporary differences	55.4	38.8
Tax rate modifications	-	(0.1)
Recognition of previously unrecognized tax losses	0.4	0.2
Adjustments for prior years	(2.9)	(8.2)
<b>Deferred tax benefit</b>	<b>52.9</b>	<b>30.7</b>
<b>Income tax expense</b>	<b>(40.2)</b>	<b>(86.5)</b>

### Amounts recognized in other comprehensive income

The Group has recognized in other comprehensive income a deferred tax expense of €4.1 million relating to the remeasurement of defined benefit plans for the year ended December 31, 2025 (a deferred tax expense of €1.9 million for the year ended December 31, 2024).

## Reconciliation of effective tax expense

The following table presents the Group's reconciliation between profit before income tax and the income tax expense. The reconciliation is based on the Company's applicable Swiss tax rate and adjusts for the effect of tax rates applied by Group companies in other jurisdictions because the Group's business activities and taxable income are mostly located outside Switzerland. The effect of tax rates in foreign jurisdictions comprises the difference between the Company's applicable Swiss tax rate and the statutory tax rates per each individual jurisdiction. The Company's applicable Swiss tax rate changed to 15.08% for the year ended December 31, 2025 compared to the comparative period (15.19%).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
<b>(Loss)/profit before income tax</b>	<b>(46.8)</b>	<b>281.0</b>
Income tax using the Swiss tax rate of 15.08% (2024: 15.19%)	7.1	(42.7)
Effect of tax rates in foreign jurisdictions	1.4	(31.1)
Non-deductible expenses	(19.6)	(10.2)
Tax-exempt income	70.9	19.8
Withholding tax	(9.8)	(12.6)
Tax rate modifications	–	(0.1)
Recognition of previously unrecognized tax losses	0.4	0.2
Unrecognized tax losses and temporary differences	(85.8)	(4.4)
Tax uncertainties	(5.9)	0.9
Tax on undistributed profits	5.7	(3.4)
Adjustments for prior years	(1.9)	(1.0)
Current tax expense from global minimum top-up tax	(2.7)	(1.9)
<b>Income tax expense</b>	<b>(40.2)</b>	<b>(86.5)</b>

The effective rate for the year ended December 31, 2025 was –86.0% (30.8% for the year ended December 31, 2024).

## Current tax assets and liabilities

Current tax assets of €17.4 million as of December 31, 2025 (€13.9 million as of December 31, 2024) represent the amount of income taxes recoverable with respect to current and prior periods and arise from the payment of tax in excess of the amounts due to the relevant tax authorities. Current tax liabilities of €35.7 million as of December 31, 2025 (€50.3 million as of December 31, 2024) represent the amount of income taxes payable with respect to current and prior periods.

## Recognized deferred tax assets and liabilities

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Included in the statement of financial position as:		
Deferred tax assets	66.9	68.7
Deferred tax liabilities	(170.1)	(223.0)
<b>Total recognized net deferred tax liabilities</b>	<b>(103.2)</b>	<b>(154.3)</b>

The following table provides details about the components of deferred tax assets and liabilities.

(In € million)	PP&E and right-of-use assets	Intangible assets	Inventories	Receivables	Other payables	Deferred revenue	Unremitted earnings	Other items	Net deferred tax assets/ (liabilities)
<b>Carrying amount as of January 1, 2024</b>	<b>(145.6)</b>	<b>(132.6)</b>	<b>32.0</b>	<b>0.9</b>	<b>37.2</b>	<b>74.1</b>	<b>(46.1)</b>	<b>(3.5)</b>	<b>(183.6)</b>
Recognized in profit or loss	(24.8)	23.6	(4.3)	(3.1)	(6.4)	17.7	(3.3)	31.3	30.7
Recognized in other comprehensive income	-	-	-	-	-	-	-	(1.9)	(1.9)
Effect of movements in exchange rates	(2.4)	(1.0)	(0.1)	-	0.8	2.0	-	1.2	0.5
<b>Carrying amount as of December 31, 2024</b>	<b>(172.8)</b>	<b>(110.0)</b>	<b>27.6</b>	<b>(2.2)</b>	<b>31.6</b>	<b>93.8</b>	<b>(49.4)</b>	<b>27.1</b>	<b>(154.3)</b>
<b>Carrying amount as of January 1, 2025</b>	<b>(172.8)</b>	<b>(110.0)</b>	<b>27.6</b>	<b>(2.2)</b>	<b>31.6</b>	<b>93.8</b>	<b>(49.4)</b>	<b>27.1</b>	<b>(154.3)</b>
Recognized in profit or loss	19.0	35.4	(2.6)	6.0	1.4	(7.6)	5.6	(4.3)	52.9
Recognized in other comprehensive income	-	-	-	-	-	-	-	(4.1)	(4.1)
Effect of movements in exchange rates	7.3	4.5	(0.4)	-	(2.3)	(3.3)	-	(3.5)	2.3
<b>Carrying amount as of December 31, 2025</b>	<b>(146.5)</b>	<b>(70.1)</b>	<b>24.6</b>	<b>3.8</b>	<b>30.7</b>	<b>82.9</b>	<b>(43.8)</b>	<b>15.2</b>	<b>(103.2)</b>

Other payables mainly include a deferred tax asset relating to liabilities for various customer incentive programs. Other items mainly include net deferred tax assets or liabilities relating to employee benefits and tax loss carry-forwards. Tax loss carry-forwards recognized as a deferred tax asset amount to €9.9 million as of December 31, 2025 (€20.5 million as of December 31, 2024).

## Unrecognized deferred tax assets

Deferred tax assets of €107.3 million have not been recognized as of December 31, 2025 with respect to mainly tax losses (€12.1 million as of December 31, 2024) because management has assessed that it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

The increase of unrecognized deferred tax assets in the year ended December 31, 2025 is mainly due the write-off of current and prior-year tax losses in the aseptic carton business in India that no longer qualify to be recognized as deferred tax assets. Impairment of assets in the year ended December 31, 2025 (see note 4) also had an impact on the recognition of deferred tax assets as well as downward value adjustments in the statutory financial statements of certain of the Company's subsidiaries in the bag-in-bag box, spouted pouch and chilled carton businesses.

Under the current applicable tax legislation, €121.2 million of the unrecognized tax losses as of December 31, 2025 does not expire while €5.3 million expires in two to five years and €385.4 million expires after more than five years.

## OECD Pillar Two model rules

In 2021, the OECD published a regulatory framework for a global minimum top-up income tax (the OECD Pillar Two model rules). The rules are designed to ensure that multinational companies within the scope of the rules pay a minimum tax rate of 15% in each jurisdiction where they operate.

The Group became subject to the global minimum 15% top-up tax under the OECD Pillar Two Model Rules from January 1, 2024. The Group applies the transitional safe harbor rules for the jurisdiction it operates. It recognized a current tax expense of €2.7 million for the year ended December 31, 2025 (€1.9 million for the year ended December 31, 2024) relating to top-up tax in UAE (statutory tax rate of 9%). The top-up tax for 2024 was levied on one of the Group's subsidiaries in Luxembourg. For 2025, the top-up tax is paid in UAE.

The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

### Accounting policy

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

For subsidiaries in which the profits are not considered to be permanently reinvested, the additional tax consequences of future dividend distributions are recognized as income tax expense.

#### *Current tax*

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years. Current tax assets and liabilities are only offset if certain criteria are met.

#### *Deferred tax*

Deferred tax is recognized, using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future and the Group is in a position to control the timing of the reversal of the temporary differences. Deferred tax is also not recognized in relation to Pillar Two income taxes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. The recoverability of deferred tax assets is reviewed at each reporting date. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are only offset if certain criteria are met.

### Significant judgments and estimates

Determining the Group's worldwide income tax liability requires significant judgment and the use of estimates and assumptions, some of which are highly uncertain. Each tax jurisdiction's laws are complex and subject to different interpretations by the taxpayer and the respective tax authorities. Significant judgment is required in evaluating the Group's tax positions, including evaluating uncertainties. To the extent actual results differ from these estimates relating to future periods and depending on the tax strategies that the Group may implement, the Group's financial position may be directly affected.

Deferred tax assets represent deductions available to reduce taxable income in future years. The Group evaluates the recoverability of deferred tax assets by assessing the adequacy of future taxable income, including reversal of taxable temporary differences, forecasted earnings and available tax planning strategies. Determining the sources of future taxable income relies heavily on the use of estimates. The Group recognizes deferred tax assets when the Group considers it probable that the deferred tax assets will be recoverable.

## 32 Financial instruments and fair value information

This note provides an overview of the Group's financial instruments, including derivative financial instruments, and their categorization under IFRS. Further details about the different types of financial assets and financial liabilities are provided throughout these consolidated financial statements. This note also contains information about the fair value of the Group's financial instruments and some general accounting policies covering more than one type of financial assets and liabilities.

### Categories of financial instruments and fair value information

The following tables present the carrying amounts of the Group's different categories of financial assets and liabilities as of December 31, 2025 and December 31, 2024. They also present the respective levels in the fair value hierarchy for financial assets and liabilities measured at fair value.

(In € million)	Carrying amount as of December 31, 2025			Fair value hierarchy Level		
	At amortized cost	At fair value through profit or loss (mandatorily)	Total	1	2	3
Cash and cash equivalents	354.3		<b>354.3</b>			
Trade and other receivables	357.6	27.8	<b>385.4</b>		x	
Derivatives		8.8	<b>8.8</b>		x	
Other financial assets		7.2	<b>7.2</b>			x
<b>Total financial assets</b>	<b>711.9</b>	<b>43.8</b>	<b>755.7</b>			
Trade and other payables	(998.7)		<b>(998.7)</b>			
Loans and borrowings:						
– Senior unsecured bonds	(621.8)		<b>(621.8)</b>			
– Senior unsecured Euro term loan	(49.8)		<b>(49.8)</b>			
– Unsecured US Dollar term loan	(229.6)		<b>(229.6)</b>			
– Unsecured SSDs	(1,012.7)		<b>(1,012.7)</b>			
– Unsecured committed revolving credit facilities	(140.0)		<b>(140.0)</b>			
– Local credit lines	(128.7)		<b>(128.7)</b>			
– Lease liabilities	(310.1)		<b>(310.1)</b>			
Derivatives		(14.7)	<b>(14.7)</b>			x
<b>Total financial liabilities</b>	<b>(3,491.4)</b>	<b>(14.7)</b>	<b>(3,506.1)</b>			

(In € million)	Carrying amount as of December 31, 2024			Fair value hierarchy Level		
	At amortized cost	At fair value through profit or loss (mandatorily)	Total	1	2	3
Cash and cash equivalents	303.4		<b>303.4</b>			
Trade and other receivables	400.8	49.7	<b>450.5</b>		x	
Derivatives		11.3	<b>11.3</b>		x	
Other financial assets		8.1	<b>8.1</b>			x
<b>Total financial assets</b>	<b>704.2</b>	<b>69.1</b>	<b>773.3</b>			
Trade and other payables	(1,088.9)		<b>(1,088.9)</b>			
Loans and borrowings:						
– Senior unsecured notes	(549.5)		<b>(549.5)</b>			
– Senior unsecured Euro term loan	(49.7)		<b>(49.7)</b>			
– Unsecured US Dollar term loan	(259.5)		<b>(259.5)</b>			
– Unsecured SSD	(1,097.4)		<b>(1,097.4)</b>			
– Multi-currency revolving credit facility	(100.0)		<b>(100.0)</b>			
– Local credit lines	(93.2)		<b>(93.2)</b>			
– Lease liabilities	(321.8)		<b>(321.8)</b>			
Derivatives		(9.0)	<b>(9.0)</b>			x
Contingent consideration		(3.7)	<b>(3.7)</b>			x
<b>Total financial liabilities</b>	<b>(3,560.0)</b>	<b>(12.7)</b>	<b>(3,572.7)</b>			

### Fair value of financial assets and liabilities at amortized cost

The carrying amount of the financial assets and liabilities that are not measured at fair value is a reasonable approximation of fair value. Excluding transaction costs, this is also the case for the Euro and US Dollar term loans, the two SSDs and draw-downs of the Group's revolving credit facilities and local credit lines. The fair value of the Group's bonds due in 2030 was €633 million as of December 31, 2025 (€545 million as of December 31, 2024 for the notes that were repaid in June 2025).

### Fair value of trade receivables to be sold under securitization and factoring programs

Trade receivables that will be sold under the Group's securitization and factoring programs are categorized as measured at fair value through profit or loss. They are sold shortly after being recognized by the Group and the amount initially recognized for these trade receivables is representative of their fair value. These trade receivables are categorized as Level 2 fair value measurements in the fair value hierarchy.

## Fair value of derivatives

The following tables show the types of derivatives the Group had as of December 31, 2025 and December 31, 2024, and their presentation in the statement of financial position. The derivatives have been entered into as part of the Group's strategy to mitigate operational risks (commodity and foreign currency derivatives) and to mitigate financing risks (interest rate swap and forward interest rate agreements).

(In € million)	Current assets	Non-current assets	Total derivative assets	Current liabilities	Non-current liabilities	Total derivative liabilities
Commodity derivatives	6.7	–	6.7	(11.1)	–	(11.1)
Foreign currency derivatives	1.5	–	1.5	(3.6)	–	(3.6)
<b>Total operating derivatives</b>	<b>8.2</b>	<b>–</b>	<b>8.2</b>	<b>(14.7)</b>	<b>–</b>	<b>(14.7)</b>
Interest rate derivatives	0.6	–	0.6	–	–	–
<b>Total financing-related derivatives</b>	<b>0.6</b>	<b>–</b>	<b>0.6</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total derivatives as of December 31, 2025</b>	<b>8.8</b>	<b>–</b>	<b>8.8</b>	<b>(14.7)</b>	<b>–</b>	<b>(14.7)</b>

(In € million)	Current assets	Non-current assets	Total derivative assets	Current liabilities	Non-current liabilities	Total derivative liabilities
Commodity derivatives	3.1	0.2	3.3	(3.5)	–	(3.5)
Foreign currency derivatives	4.7	–	4.7	(5.5)	–	(5.5)
<b>Total operating derivatives</b>	<b>7.8</b>	<b>0.2</b>	<b>8.0</b>	<b>(9.0)</b>	<b>–</b>	<b>(9.0)</b>
Interest rate derivatives	3.3	–	3.3	–	–	–
<b>Total financing-related derivatives</b>	<b>3.3</b>	<b>–</b>	<b>3.3</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total derivatives as of December 31, 2024</b>	<b>11.1</b>	<b>0.2</b>	<b>11.3</b>	<b>(9.0)</b>	<b>–</b>	<b>(9.0)</b>

The Group measures derivative assets and liabilities at fair value. The fair value is calculated based on valuation models commonly used in the market. These include consideration of credit risk, where applicable, and discount the estimated future cash flows based on the terms and maturity of each contract, using forward interest rates extracted from observable yield curves and forward market exchange rates at the reporting date.

The derivatives are categorized as Level 2 fair value measurements in the fair value hierarchy because the measurements of fair value are based on significant observable market data, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Changes in fair value are recognized in profit or loss as the Group generally does not apply hedge accounting under IFRS 9.

## Fair value of contingent consideration

The consideration for Scholle IPN (acquired in 2022) was split between cash payments, SIG shares and contingent consideration. The contingent consideration of maximum \$300 million was dependent on the acquired bag-in-box and spouted pouch businesses outperforming the top end of the Group's mid-term revenue growth guidance of 4-6% per year for the years ended December 31, 2023, 2024 and 2025. The performance of the bag-in-box and spouted pouch businesses during these years did not exceed a revenue growth of 6%. Accordingly, no liability for contingent consideration is recognized as of December 31, 2025.

The fair value of the contingent consideration was €3.7 million as of December 31, 2024. The unrealized gain of €3.7 million for the year ended December 31, 2025 (an unrealized gain of €51.3 million for the year ended December 31, 2024) is presented as part of other income and expenses (see notes 8 and 9). See also notes 26 and 33.

Significant judgments and estimates were made by management relating to the assessments of the fair value of the contingent consideration in prior periods. As significant unobservable inputs were used in the assessment of the fair value, the contingent consideration was categorized as a Level 3 fair value measurement in the fair value hierarchy. The fair value was assessed using a Monte Carlo simulation, under which the simulated contingent consideration payments (for each of the three payment streams) were discounted to present value at a corresponding risk-free rate.

### Accounting policy

The specific accounting policies for the Group's different types of financial assets and liabilities are included in other sections of these consolidated financial statements. This section includes the accounting policy for topics that are covered in more than one note.

#### *Initial recognition of financial assets and liabilities*

The Group initially recognizes loans and receivables and any debt issued on the date when they are originated. All other financial assets and liabilities are initially recognized on the trade date when the entity becomes party to the contractual provisions of the financial instrument.

#### *Offsetting*

Financial assets and financial liabilities are only offset and the net amount presented in the statement of financial position if the Group currently has a legally enforceable right to offset the amounts and intends to either settle them on a net basis or realize the asset and settle the liability simultaneously.

#### *Derivatives*

Derivatives are measured at fair value with any related transaction costs expensed as incurred. Derivatives with a positive fair value are presented as other current or non-current assets in the statement of financial position, while derivatives with a negative fair value are presented as other current or non-current liabilities.

The gain or loss on remeasurement to fair value is recognized in profit or loss. Net changes in the fair value of derivatives entered into as part of the operating business are presented as part of profit from operating activities, while net changes in the fair value of derivatives entered into in relation to the financing of the Group (if any) are presented in other finance income or expenses. The Group does not generally apply hedge accounting under IFRS 9.

A derivative embedded in another contract is separated and accounted for separately if its economic characteristics and risks are not closely related to those of its host contract, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the host contract is not measured at fair value with the fair value changes recognized in profit or loss. Changes in the fair value of a separated embedded derivative are recognized immediately in profit or loss.

#### *Contingent consideration*

Contingent consideration for acquired subsidiaries is measured at fair value at the acquisition date. When contingent consideration is payable in cash, and therefore recognized as a financial liability, it is remeasured to fair value at each reporting date until it is settled. Any changes in the fair value are recognized as part of other income and expenses.

### 33 Contingent liabilities

The Group has contingent liabilities relating to legal, tax and other matters arising in the ordinary course of business. Based on legal and other advice, management is of the view that the outcome of any such proceedings will have no significant effect on the financial position of the Group beyond the recognized provision.

Clean Holding B.V., owned by Laurens Last, has filed a request for arbitration with regard to the contingent consideration for the Scholle IPN acquisition in 2022. Refer to note 32 for further information on the contingent consideration, which is limited to a maximum of \$100 million per year for the years ended December 31, 2023, 2024 and 2025.

#### Accounting policy

Contingent liabilities are possible obligations arising from a past event to be confirmed by future events not wholly within the control of the Group, or present obligations arising from a past event for which an outflow of economic benefits is not probable, or which cannot be measured reliably. Contingent liabilities are not recognized in the statement of financial position, except for certain items assumed in a business combination, but are disclosed separately. If it becomes probable that an outflow of economic benefits will be required for an item previously disclosed as a contingent liability, a provision is recognized when the change in probability occurs.

### 34 Subsequent events

There have been no events between December 31, 2025 and February 27, 2026 (the date these consolidated financial statements were approved) that would require an adjustment to or disclosure in these consolidated financial statements.

**Report of the statutory auditor**  
to the General Meeting of SIG Group AG, Neuhausen am Rheinfall

**Report on the audit of the consolidated financial statements**

**Opinion**

We have audited the consolidated financial statements of SIG Group AG and its subsidiaries (the Group), which comprise the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2025, the consolidated statement of financial position as at December 31, 2025, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 223 to 289) give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

**Basis for opinion**

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

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



**Our audit approach**



**Overview**

Overall group materiality: €32 million

The entities addressed by our full scope audit work as well as specified procedures contribute to 83% of the Group's revenues

As key audit matters the following areas of focus have been identified:

- Recoverability of goodwill
- Impairment of intangible and other long-lived assets

**Materiality**

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

<b>Overall group materiality</b>	€32 million
<b>Benchmark applied</b>	Revenue
<b>Rationale for the materiality benchmark applied</b>	We chose revenue as the benchmark as, in our view, it is the most appropriate measure considering the Group's current year's result is impacted by effects from purchase price accounting and impairment losses as well as other charges. It is further a generally accepted benchmark.

We agreed with the Audit and Risk Committee that we would report to them misstatements above €3 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

## Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Recoverability of goodwill

#### Key audit matter

As at December 31, 2025, the carrying amount of goodwill was €3,034.8 million, allocated to different groups of cash generating units (CGUs), which for impairment testing purpose are the four operating (and reportable) segments.

The recoverable amounts of the respective group of CGUs are calculated based on their value in use. Deriving the value in use requires significant management judgement specifically in determining future cash flows, discount rates and terminal growth rates. Management also used third-party valuation support.

We consider the recoverability of goodwill to be a key audit matter, as management applies significant judgement in this area.

Refer to the consolidated financial statements Note 14 – Intangible assets and Note 5.4 – Significant accounting judgements, estimates and assumptions as well as Note 5.5.3 Impairment of non-financial assets.

#### How our audit addressed the key audit matter

We assessed whether the CGUs identified by Management are appropriate.

We further assessed whether the allocation of goodwill to the respective group of CGUs is the appropriate basis for impairment testing.

With the involvement of our internal valuation experts, we assessed the methodology used to perform the impairment test in accordance with the provisions of IAS 36 and evaluated and challenged Management's value in use calculation for each group of CGUs.

This included an assessment of the appropriateness of the model used, as well as challenging the key assumptions made by Management.

- With the involvement of our internal valuation experts, we evaluated the reasonableness of the discount rates and terminal growth rates, as determined by Management.
- We ensured consistency of Management's cash flow assumptions by comparing them to the Group's 5-year business plan as approved by the Board of Directors.
- We challenged Management's cash flow assumptions and sensitivity analyses.
- We evaluated the planning accuracy of Management's forecast model by comparing historical forecasts to actual results.
- We verified the mathematical accuracy of the model and recalculated the headroom for each group of CGUs.

We further performed independent sensitivity analyses around the key assumptions to ascertain the extent of changes in those assumptions that either individually or collectively would be required for the goodwill to be impaired and verified proper disclosure of these sensitivities in the notes.

We also considered the market capitalisation of the Group in comparison with the Group's equity value.

## Impairment of intangible and other long-lived assets

### Key audit matter

As announced on September 18, 2025, following a strategic review of the business and in light of the prevailing soft market conditions, the Group has recognized impairment losses and other charges of €350.7 million pre-tax.

The total charges include an impairment of €95 million to the value of the bag-in-box and spouted pouch business reflecting weak consumer sentiment and business performance, an impairment of €85.7 million to the value of the chilled carton business principally reflecting weak market conditions in China. Another €37.6 million impairment related to the Indian aseptic carton business.

The recoverable amounts of the related businesses and operating capacities are calculated based on the higher of their value in use and fair value less costs of disposal.

Deriving the value in use or fair value less costs of disposal requires significant management judgement specifically in determining future cash flows, discount rates and terminal growth rates. Management also used third-party valuation support.

We consider the impairment of intangible and other long-lived assets to be a key audit matter, as management applies significant judgement in this area.

Refer to the consolidated financial statements Note 4 – Key events and transactions, Note 12 – Property, plant and equipment, Note 13 – Right-of-use assets, Note 14 – Intangible assets and Note 5.4 – Significant accounting judgements, estimates and assumptions.

### How our audit addressed the key audit matter

We assessed whether the businesses identified by Management are the appropriate basis for impairment testing.

With the involvement of our internal valuation experts, we assessed the methodology used to perform the impairment test in accordance with the provisions of IAS 36 and evaluated and challenged Management's value in use calculation for each business, identified as a cash generating unit.

This included an assessment of the appropriateness of the model used, as well as challenging the key assumptions made by Management.

- With the involvement of our internal valuation experts, we evaluated the reasonableness of the discount rates and terminal growth rates, as determined by Management, by assessing the cost of capital for the business, as well as by considering regional specific factors.
- We challenged Management's cash flow assumptions.
- We evaluated the planning accuracy of Management's forecast model by comparing historical forecasts to actual results.
- We verified the mathematical accuracy of the model.

We also involved our internal valuation experts to evaluate Management's fair value less costs of disposal calculation for individual assets.

We verified whether the allocation of the impairment charges to intangible assets, property, plant and equipment and right-of-use assets categories have been in accordance with IAS 36, and we also verified that the disclosures in the consolidated financial statements are in accordance with IFRS Accounting Standards.

## Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports 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 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.

### Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, 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.

## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives 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 auditor's 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 Swiss law, ISA and SA-CH 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

## Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Joanne Burgener

Tobias Handschin

Licensed audit expert  
Auditor in charge

Licensed audit expert

Basel, February 27, 2026

## In this section

### Financial statements for the year ended December 31, 2025

#### SIG Group AG

- 294** Income statement
- 295** Balance sheet
- 295** Notes
- 300** Proposal of the Board of Directors for the appropriation of the retained earnings
- 300** Proposal of the Board of Directors for the appropriation of the capital contribution reserve
- 301** Report of the statutory auditor on the audit of the financial statements

## Income statement

(in CHF thousand)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Income from investments	3.1	184,951.8	194,396.4
Other income	3.2	8,829.9	6,484.6
<b>Total income</b>		<b>193,781.7</b>	<b>200,881.0</b>
Personnel expenses	3.8	(8,229.5)	(4,251.7)
Other operating expenses	3.2	(16,606.2)	(11,941.6)
<b>Total operating expenses</b>		<b>(24,835.7)</b>	<b>(16,193.3)</b>
<b>Profit from operating activities</b>		<b>168,946.0</b>	<b>184,687.7</b>
Finance income		333.1	268.4
Finance expenses		(414.3)	(403.4)
<b>Profit before income tax</b>		<b>168,864.8</b>	<b>184,552.7</b>
Income tax expense		-	-
<b>Profit for the period</b>		<b>168,864.8</b>	<b>184,552.7</b>

## Balance sheet

(in CHF thousand)	Note	As of Dec. 31, 2025	As of Dec. 31, 2024
Cash and cash equivalents		186.2	106.0
Trade receivables		1,420.7	4.8
– Due from Group companies	3.3	1,420.7	4.8
Current interest-bearing receivables		103,954.3	136,779.1
– Due from Group companies	3.4	103,954.3	136,779.1
Other current receivables		7.8	17.3
– Due from third parties		7.8	17.3
Accrued income and prepaid expenses		636.0	518.2
<b>Total current assets</b>		<b>106,205.0</b>	<b>137,425.4</b>
Investments	3.5	3,456,752.9	3,456,752.9
<b>Total non-current assets</b>		<b>3,456,752.9</b>	<b>3,456,752.9</b>
<b>Total assets</b>		<b>3,562,957.9</b>	<b>3,594,178.3</b>
Trade payables		2,281.4	3,605.4
– Due to third parties		2,147.4	3,320.2
– Due to Group companies	3.6	134.0	285.2
Current interest-bearing liabilities		154.4	12,759.8
– Due to Group companies	3.7	154.4	12,759.8
Other current liabilities		2,862.1	1,439.3
– Due to third parties	3.8	2,862.1	1,439.3
Accrued expenses	3.9	2,679.6	2,235.3
<b>Total current liabilities</b>		<b>7,977.5</b>	<b>20,039.8</b>
Non-current liabilities		2,101.9	1,940.0
– Due to third parties	3.10	2,101.9	1,940.0
<b>Total non-current liabilities</b>		<b>2,101.9</b>	<b>1,940.0</b>
<b>Total liabilities</b>		<b>10,079.4</b>	<b>21,979.8</b>
Share capital	3.11	3,822.7	3,822.7
Legal reserves		2,638,333.9	2,825,631.7
– Capital contribution reserve	3.12	2,638,333.9	2,825,631.7
Retained earnings		912,388.9	743,524.1
– Profit brought forward		743,524.1	558,971.4
– Profit for the period		168,864.8	184,552.7
Treasury shares	3.13	(1,667.0)	(780.0)
<b>Total shareholders' equity</b>		<b>3,552,878.5</b>	<b>3,572,198.5</b>
<b>Total liabilities and shareholders' equity</b>		<b>3,562,957.9</b>	<b>3,594,178.3</b>

## Notes

### 1 General information

SIG Group AG ("SIG" or the "Company") is domiciled in Neuhausen am Rheinfall, Switzerland, and is listed on SIX Swiss Exchange. References to the "Group" are to the Company and its consolidated subsidiaries.

### 2 Summary of significant accounting policies

The financial statements of the Company for the year ended December 31, 2025 have been prepared in accordance with Swiss law. Where not prescribed by law, the significant accounting and valuation policies applied are described below.

#### 2.1 Exclusion of a cash flow statement and certain note disclosures

SIG Group AG prepares its annual consolidated financial statements in accordance with IFRS Accounting Standards. It further includes a management report (Financial review) in its annual report. In accordance with Swiss law (Art. 961d para 1 of the Swiss Code of Obligations), the Company has therefore elected not to include a cash flow statement and a management report in its financial statements.

#### 2.2 Foreign currency translation

The Company maintains its accounting in Swiss Francs (CHF), which is also its functional currency. The balance sheet and income statement are also presented in this currency.

The exchange rates used for the balance sheet items are the closing rates as of December 31, 2025 and December 31, 2024. Balances denominated in foreign currencies are translated into CHF as follows:

- Investments expressed in a currency other than CHF are translated into CHF at the exchange rate at the date of their acquisition. At the balance sheet date, such investments are maintained at their historical exchange rate. Liabilities which are economically linked to investments and expressed in a currency other than CHF are maintained at their historical exchange rate at the end of the year.
- All other monetary assets and liabilities expressed in a currency other than CHF are translated into CHF at the exchange rate prevailing at year-end. All exchange differences resulting from this translation are presented in the income statement. Any unrealized exchange gains included therein are not considered significant.

Income and expenses denominated in foreign currencies are translated into CHF at the rate at the transaction date.

The following significant exchange rates have been applied.

	Average rate for the year		Spot rate as of	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
EUR to CHF	0.93710	0.95260	0.93140	0.94120
USD to CHF	0.83151	0.88055	0.79268	0.90596

## 2.3 Investments

The Company's Investments are initially recognized at acquisition cost plus any directly attributable transaction costs. They are subsequently carried at acquisition cost and adjusted for additional capital contributions and impairment losses. The investments are analyzed on an annual basis for impairment indicators and are, if needed, adjusted to their recoverable amount. The recoverable amount is the higher of the net realizable value (estimated sale price) and the value in use (discounted expected future cash flows).

## 2.4 Treasury shares

Own shares held by the Company are accounted for as treasury shares. Treasury shares are initially recognized at acquisition cost and deducted from equity with no subsequent remeasurement. If the treasury shares are disposed of, the resulting gain or loss is recognized in the income statement.

## 3 Information relating to income statement and balance sheet items

### 3.1 Income from investments

Income from investments for the year ended December 31, 2025 consists of a dividend of CHF 184,951.8 thousand from SIG Combibloc Holdings S.à r.l. (a dividend of CHF 194,396.4 thousand for the year ended December 31, 2024).

### 3.2 Other income and other operating expenses

Other income primarily consists of management fees charged to direct or indirect subsidiaries. Other operating expenses primarily consist of compensation paid to the Board of Directors and consultancy costs.

### 3.3 Trade receivables

Trade receivables due from Group companies mainly consist of management fees charged to direct or indirect subsidiaries.

### 3.4 Current interest-bearing receivables

As of December 31, 2025, current interest-bearing receivables due from Group companies consist of an interest-bearing intercompany Swiss Franc loan of CHF 102,632.1 thousand (CHF 136,779.1 thousand as of December 31, 2024) due from SIG Schweizerische Industrie-Gesellschaft GmbH and an interest-bearing intercompany Swiss Franc loan of CHF 1,322.2 thousand (nil as of December 31, 2024) due from SIG Services AG.

### 3.5 Investments

The following subsidiary is directly held by the Company.

Name and legal form	Registered office	As of Dec. 31, 2025		As of Dec. 31, 2024	
		Capital	Votes	Capital	Votes
SIG Combibloc Holdings S.à r.l.	6C, rue Gabriel Lippmann L-5365 Munsbach Grand Duchy of Luxembourg	100%	100%	100%	100%

The subsidiaries indirectly held by the Company are listed in note 27 of the consolidated financial statements of the Company for the year ended December 31, 2025.

### 3.6 Trade payables

Trade payables due to Group companies as of December 31, 2025 and December 31, 2024 mainly relate to intragroup recharges.

### 3.7 Current interest-bearing liabilities

As of December 31, 2025, current interest-bearing liabilities due to Group companies consist of an interest-bearing intercompany Euro loan of CHF 154.4 thousand (CHF 5,627.3 thousand as of December 31, 2024) from SIG Services AG. As of December 31, 2024, there was also an interest-bearing intercompany Swiss Franc loan of CHF 7,132.5 thousand from SIG Services AG.

### 3.8 Other current liabilities

Other current liabilities primarily consist of liabilities arising due to share-based payment plans and arrangements for certain members of management and the Board of Directors and, for the year ended December 2025, also of the current portion of a liability for termination benefits to the former Chief Executive Officer of the Group (see note 4 of the consolidated financial statements of the Company for the year ended December 31, 2025). In the year ended December 31, 2025, the Company recognized an expense for termination benefits relating to the former Chief Executive Officer of CHF 2,359.7 thousand as part of personnel expenses.

In the year ended December 31, 2025, the performance share units ("PSUs") that were granted to current and former members of management of the Company under the 2022 PSU plan vested. The settlement of this 2022 PSU plan in April 2025 resulted in an expense reduction of CHF 673.0 thousand (excluding social charges) recognized as part of personnel expenses for the year ended December 31, 2025. The settlement of the vested PSUs under the 2021 PSU plan in April 2024 resulted in an expense reduction of CHF 1,159.1 thousand (excluding social charges) for the year ended December 31, 2024.

For additional information about the share-based payment plans and arrangements, see note 30 of the consolidated financial statements of the Company for the year ended December 31, 2025. See also notes 3.10 and 4.3.

### 3.9 Accrued expenses

Accrued expenses for the year ended December 31, 2025 include employee benefit obligations of CHF 1,733.2 thousand (CHF 1,858.2 thousand as of December 31, 2024). There were no payments outstanding to the pension funds as of December 31, 2025 or December 31, 2024.

### 3.10 Non-current liabilities

Non-current liabilities primarily consist of liabilities arising due to share-based payment plans (granted in prior years) for certain members of management and, for the year ended December 2025, the non-current portion of a liability for termination benefits to the former Chief Executive Officer of the Group. See also notes 3.8 and 4.3.

### 3.11 Share capital

As of December 31, 2025 and December 31, 2024, the share capital consisted of 382,270,872 shares, issued and fully paid, representing CHF 3.8 million of share capital.

#### Capital band and conditional share capital

As of December 31, 2025 and December 31, 2024, the Company had conditional share capital of CHF 640,106.48 and a capital band ranging from CHF 3,440,437.85 (lower limit) to CHF 4,587,250.46 (upper limit).

The Board of Directors is authorized to increase the share capital by up to 20% of the current share capital if shareholders' subscription rights are granted, and by up to 10% if shareholders' subscription rights are excluded. The Board of Directors may also reduce the share capital by up to 10% through cancellation of shares or nominal value reduction or by a simultaneous reduction and re-increase of the share capital. The authorization under the capital band is limited until April 20, 2026 or the full use of the capital band.

The total number of registered shares issued from (i) the capital band, where the shareholders' subscription rights are excluded, and (ii) the conditional share capital, where the shareholders' advance subscription rights for equity-linked financing instruments are excluded, may not exceed 38,227,087 registered shares. Within the limit outlined above, the proportion of new shares assigned to each of the categories is stipulated by the Board of Directors.

The proceeds from an issue of new shares under the capital band can be used for various purposes. This provides flexibility to seek additional capital, if required, for investment and acquisition opportunities or to take advantage of favorable market conditions to further improve the Group's capital position.

The conditional share capital is divided into CHF 160,026.62 for employee benefit plans and CHF 480,079.86 for equity-linked financing instruments as of December 31, 2025 (also as of December 31, 2024).

### 3.12 Capital contribution reserve

The capital contribution reserve consists of the following:

(In CHF thousand)	Balance
<b>Capital contribution reserve as of January 1, 2024</b>	<b>3,009,082.5</b>
Dividend payment of CHF 0.48 per share from the capital contribution reserve	(183,490.0)
Dividend not paid on treasury shares held by the Company	39.2
<b>Capital contribution reserve as of December 31, 2024</b>	<b>2,825,631.7</b>
<b>Capital contribution reserve as of January 1, 2025</b>	<b>2,825,631.7</b>
Dividend payment of CHF 0.49 per share from the capital contribution reserve	(187,312.7)
Dividend not paid on treasury shares held by the Company	14.9
<b>Capital contribution reserve as of December 31, 2025</b>	<b>2,638,333.9</b>

Withholding tax-exempt distributions from the capital contribution reserve of Swiss listed companies are generally only permissible to the extent that at least the same amount is distributed from other reserves. These provisions do not apply to repayments of "foreign capital contribution reserves".

The Company has a capital contribution reserve of CHF 2,638.3 million as of December 31, 2025 (CHF 2,825.6 million as of December 31, 2024), which is confirmed by the Swiss Federal Tax Administration. Foreign capital contribution reserves included in the capital contribution reserve amount to CHF 1,404.3 million (CHF 1,591.6 million as of December 31, 2024).

The whole dividend paid in 2024 and 2025 was distributed from foreign capital contribution reserves.

The Board of Directors has decided to pause the dividend payment for the year ended December 31, 2025, and will therefore not propose a distribution of a dividend at its 2026 Annual General Meeting to be held on April 16, 2026.

### 3.13 Treasury shares

The Company purchases its own shares on the market to settle its obligations under the Group's equity-settled share-based payment plans and arrangements. The Company held 173,734 shares for this purpose as of December 31, 2025 (39,172 shares as of December 31, 2024), representing an amount of CHF 1,667.0 thousand (CHF 780.0 thousand as of December 31, 2024).

In the year ended December 31, 2025, the Company transferred 120,438 treasury shares (225,111 treasury shares in the year ended December 31, 2024), representing CHF 1,978.7 thousand (CHF 4,480.0 thousand for the year ended December 31, 2024) to participants in the Group's equity-settled share-based payment plans and arrangements.

The table below provides an overview of the Group's treasury shares.

(Number of treasury shares or in CHF thousand)	2025		2024	
	Number	Amount	Number	Amount
<b>Balance as of January 1</b>	<b>39,172</b>	<b>(780.0)</b>	<b>39,985</b>	<b>(923.1)</b>
Purchases	255,000	(2,865.7)	224,298	(4,336.9)
Transfer under equity-settled share-based payment plans and arrangements	(120,438)	1,978.7	(225,111)	4,480.0
<b>Balance as of December 31</b>	<b>173,734</b>	<b>(1,667.0)</b>	<b>39,172</b>	<b>(780.0)</b>

No treasury shares are held by the Company's subsidiaries or joint venture.

## 4 Other information

### 4.1 Employees

The number of full-time equivalent employees in 2025 and 2024 did not exceed ten on an annual average basis.

### 4.2 Significant shareholders

According to the disclosure notifications reported to the Company and published by the Company via the electronic publishing platform of SIX Swiss Exchange, the following shareholders had holdings of 3% or more of the voting rights or purchase positions for shares of the Company as of December 31, 2025 and December 31, 2024.

Significant shareholders	Voting rights/ purchase positions as of	
	Dec. 31, 2025	Dec. 31, 2024
Laurens Last, Christopher Lawrence Last, India Louisa Last, Lyam Last, Lorenzo Last, Roque Last <sup>1</sup>	11.72%	10.00%
UBS Fund Management (Switzerland) AG	10.29%	10.00%
Haldor Foundation <sup>2</sup>	9.95%	9.95%
BlackRock Inc	3.92%/0.07%	5.0%/0.24%
Swisscanto Fondsleitung AG	3.13%	3.13%
Lars Förberg, Christer Gardell, Göran Casserlöv, Paine & Partners Capital Fund III GP Ltd <sup>3</sup>	3.05%	<3%
al Obeikan Fahad <sup>4</sup>	<3%	5.00%

- The direct shareholder is Clean Holding B.V. (formerly CLIL Holding B.V., "CLIL"), which is 100% owned by Laurens Last. Laurens Last was a related party to the Company via his representation on the Company's Board of Directors until the Annual General Meeting on April 8, 2025, when he did not stand for re-election. The Company acquired its bag-in-box and spouted pouch businesses from CLIL in 2022. Laurens Last indirectly held 38,224,658 shares as of December 31, 2024 via his 100% shareholding in Clean Holding B.V. according to the disclosure notifications reported to the Company. As of December 31, 2024, he also directly held blocked shares received as compensation for being a member of the Company's Board of Directors (9,732 shares). He received an insignificant number of blocked shares as compensation for his time as a member of the Board of Directors in 2025.
- The direct shareholder is Winder Pte Ltd.
- The direct shareholder is Cevian Capital II Master Fund L.P.
- The direct shareholder was Al Obeikan Group for Investment Company CJS.

For further details about the significant shareholders as of December 31, 2025, refer to section 1.2 of the Corporate Governance Report. To the best of the Company's knowledge, no other shareholder held 3% or more of SIG Group AG's total share capital and voting rights as of December 31, 2025 and 2024.

### 4.3 Granting of instruments under share-based payment plans

The members of the Board of Directors receive 40% of their total compensation in SIG shares that are blocked for three years. The Company granted 70,333 blocked shares to the members of the Board of Directors in the year ended December 31, 2025 (54,740 blocked shares in the year ended December 31, 2024), representing a value of CHF 1,061.3 thousand based on the grant date fair value (CHF 1,060.0 thousand for the year ended December 31, 2024).

The members of the Group Executive Board participate in a management share-based long-term incentive plan under which they are granted PSUs on an annual basis. One PSU represents the contingent right to receive one SIG share after a three-year vesting period. In the year ended December 31, 2025, the Company granted 80,448 PSUs under the 2025 PSU plan to members of the Group Executive Board employed by the Company, representing a value of CHF 1,232.4 thousand based on the grant date fair value. In the year ended December 31, 2024, 134,582 PSUs were granted under the 2024 PSU plan to members of the Group Executive Board employed by the Company, representing a value of CHF 2,690.3 thousand.

In the year ended December 31, 2025, 113,319 restricted share units ("RSUs") were granted under the Group's one-off leadership continuity plan to employees of the Company, of which 91,844 RSUs relate to members of the Group Executive Board employed by the Company, representing a total value of CHF 911.1 thousand based on the grant date fair value. One RSU represents the contingent right to receive one SIG share, subject to the fulfilment of a one-year service vesting condition. Vested shares are blocked for two years.

In the year ended December 31, 2025, 25,322 RSUs were also granted under the Group's 2025 RSU plan to a member of the Group Executive Board employed by the Company, representing a value of CHF 385.9 thousand based on the grant date fair value.

Further details about compensation and shareholdings of the Board of Directors and Group Executive Board are included in the Compensation Report (see the sections marked as "audited"). Additional information about the share-based payment plans and arrangements is included in note 30 of the consolidated financial statements for the year ended December 31, 2025. Note 4 of the consolidated financial statements for the year ended December 31, 2025 includes information about organizational changes in the Group Executive Board and the Board of Directors.

## 4.4 Other

### Guarantee obligations

The Company is the guarantor on a stand-alone basis for the Group's obligations under its bonds, its senior unsecured credit facilities (including outstanding letters of credit), its US Dollar term loan and its two unsecured *Schuldscheindarlehen* ("SSD"). As of December 31, 2025, the guaranteed debt totaling €2,059.8 million (€2,061.5 million as of December 31, 2024) is taken up by indirectly held subsidiaries of the Company. For further details, see note 23 of the consolidated financial statements of the Company for the year ended December 31, 2025.

### Contingent liabilities

Clean Holding B.V., owned by Laurens Last, has filed a request for arbitration with regard to the contingent consideration for the Scholle IPN acquisition in 2022. Refer to note 32 of the consolidated financial statements of the Company for the year ended December 31, 2025 for further information on the contingent consideration, which is limited to a maximum of \$100 million per year for the years ended December 31, 2023, 2024 and 2025.

### Impacts of strategic review and soft market conditions

In 2025, subdued markets, lower consumer purchasing power and overall market turbulence have impacted the growth trajectory and profitability of the Group. With these impacts in mind, the Board of Directors initiated a review of the Group's strategic direction. As a consequence of updated growth projections and a refined strategy for SIG, impairment losses and other charges were recognized in subsidiaries in the Group for the year ended December 31, 2025. See note 4 of the consolidated financial statements of the Company for the year ended December 31, 2025 for additional details. With the exception of the expense incurred for termination benefits relating to the former Chief Executive Officer and increased consulting charges compared to the prior year, the Company was not significantly impacted by the strategic review and the soft market conditions (see notes 3.2 and 3.8).

### Subsequent events

There have been no events subsequent to December 31, 2025 that would require an adjustment to or disclosure in these financial statements.

There are no further items to disclose according to Art. 959c of the Swiss Code of Obligations.

## Proposal of the Board of Directors for the appropriation of the retained earnings

(In CHF thousand)	As of Dec. 31, 2025	As of Dec. 31, 2024
Profit brought forward from previous period	743,524.1	558,971.4
Profit for the period	168,864.8	184,552.7
<b>Retained earnings at the end of the period</b>	<b>912,388.9</b>	<b>743,524.1</b>
<b>Retained earnings to be carried forward</b>	<b>912,388.9</b>	<b>743,524.1</b>

The Board of Directors will propose to the Annual General Meeting to be held on April 16, 2026 to carry forward retained earnings of CHF 912.4 million.

## Proposal of the Board of Directors for the appropriation of the capital contribution reserve

(In CHF thousand)	
<b>Capital contribution reserve as of December 31, 2024</b>	<b>2,825,631.7</b>
Dividend payment of CHF 0.49 per share in April 2025 from the capital contribution reserve	(187,312.7)
Dividend not paid in April 2025 on treasury shares held by the Company	14.9
Proposed dividend of CHF 0.00 per share in April 2026	-
<b>Capital contribution reserve carried forward</b>	<b>2,638,333.9</b>

The Board of Directors has decided to pause the dividend payment for the year ended December 31, 2025, and will therefore not propose a distribution of a dividend at its 2026 Annual General Meeting to be held on April 16, 2026. See also note 3.12.

## Report of the statutory auditor to the General Meeting of SIG Group AG, Neuhausen am Rheinfall

# Report on the audit of the financial statements



## Opinion

We have audited the financial statements of SIG Group AG (the Company), which comprise the income statement for the year ended December 31, 2025, the balance sheet as at December 31, 2025, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 294 to 300) comply with Swiss law and the Company's articles of incorporation.

## Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

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

## Our audit approach

### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

<b>Overall materiality</b>	CHF 17.8 million
<b>Benchmark applied</b>	Total assets
<b>Rationale for the materiality benchmark applied</b>	We chose total assets as the benchmark because it is a relevant and generally accepted measure for materiality considerations relating to a holding company.

We agreed with the Audit and Risk Committee that we would report to them misstatements above CHF 1.78 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

## Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

## Key audit matters

We have determined that there are no key audit matters to communicate in our report.

## Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

## Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the Board of Directors is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 Swiss law and SA-CH 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

### Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Joanne Burgener

Tobias Handschin

Licensed audit expert  
Auditor in charge

Licensed audit expert

Basel, February 27, 2026