

RIETER

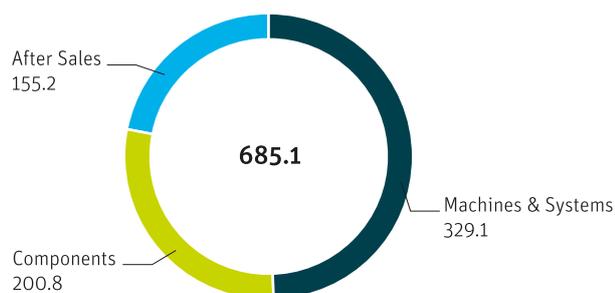
Annual Report

25

Rieter at a glance

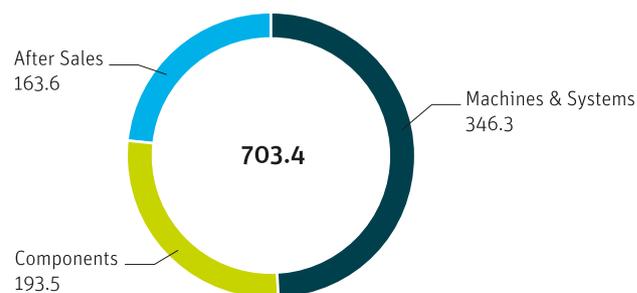
Sales by division

CHF million



Order intake by division

CHF million



CHF million	2024	2025	Difference
Order intake ¹	725.5	703.4	- 3%
Sales	859.1	685.1	- 20%
EBITDA ¹	82.9	13.1	- 84%
- in % of sales	9.6	1.9	
Operating EBIT ¹	33.9	2.5	- 93%
- in % of sales	3.9	0.4	
EBIT ¹	28.0	- 43.9	- 257%
- in % of sales	3.3	- 6.4	
Net profit	10.4	- 63.4	- 710%
- in % of sales	1.2	- 9.3	
Capital expenditure ¹	- 25.6	- 15.2	- 41%
Net debt (-) / net liquidity (+) ¹	- 230.3	184.3	180%
Dividend per share (in CHF) ²	2.00	0.00	
Equity ratio ¹	33.7	53.3	
Number of employees (excluding temporaries) ¹	4 785	4 220	- 12%

¹ Definition in [alternative performance measures](#).

² [Motion of the Board of Directors](#).

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Letter to shareholders



Thomas Oetterli, Chairman and Chief Executive Officer

Dear shareholder

Rieter successfully completed the acquisition of Barmag on February 2, 2026, and reached an important milestone in the company's repositioning. Barmag will be integrated into the Rieter Group as the "Man-Made Fiber" Division. With this strategically transformative acquisition, Rieter is expanding its core business beyond the short-staple fiber business in a targeted way. This positions Rieter as the global market leader along the entire value chain for natural and man-made fibers. In addition, as a complete systems supplier, Rieter is further strengthening its technological leadership in the areas of automation and digitization.

The transaction is a consistent step in implementing Rieter's long-term growth strategy and builds on previous acquisitions that have systematically expanded the portfolio. Since acquiring the automatic winding machine in the 2021 financial year, Rieter has been the only system supplier covering the entire production process from fiber preparation to all four end-spinning technologies.

Through the acquisition of Barmag, Rieter is expanding its sales markets to include the structurally growing man-made fiber market. With this additional technological breadth, Rieter increases its resilience and reduces dependence on cyclical fluctuations in individual end markets. This paves the way for Rieter to capitalize on the expected recovery of the global textile machinery market. At the same time, the Man-Made Fiber Division strengthens Rieter's market position in the long term in the strategically important Asia region.

Order intake

Order intake remained constant on a currency-adjusted basis. It amounted to CHF 703.4 million in 2025 (2024: CHF 725.5 million). The expected wider market recovery

has been delayed due to the ongoing global trade conflict (particularly the punitive US tariffs) and geopolitical uncertainty.

The **Machines & Systems** Division posted an order intake of CHF 346.3 million (2024: CHF 364.2 million). While the Machines & Systems Division recorded an increase in demand, order completion was significantly impacted by uncertainty surrounding customs tariffs and the geopolitical and economic situation.

The **Components** Division generated an order intake of CHF 193.5 million (2024: CHF 206.6 million) and is suffering under lower demand for components for new machines, mainly due to the cautious investment activity in the market.

The **After Sales** Division recorded a pleasing 6% increase in its order intake to CHF 163.6 million (2024: CHF 154.7 million). This positive development confirms the strategic growth initiatives that have been launched. Incoming orders are benefiting from increased sales activities in the target markets, such as Central Asia and China, as well as from the ongoing expansion of the service and repair network.

Sales

The Rieter Group closed the 2025 financial year with sales of CHF 685.1 million (2024: CHF 859.1 million), thus remaining 20% below the previous year's period.

The **Machines & Systems** Division posted sales of CHF 329.1 million, down 23% on the previous year (2024: CHF 424.9 million). Sales in the **Components** Division fell by 19% year on year to CHF 200.8 million (2024: CHF 247.6 million). The **After Sales** Division posted sales of CHF 155.2 million, down 17% over the previous year (2024: CHF 186.6 million).

Order backlog

At the end of 2025, the company had an order backlog of around CHF 510 million (December 31, 2024: CHF 530 million).

Operating EBIT, net profit, free cash flow

Despite the decline in sales, Rieter achieved a **positive operating EBIT** of CHF 2.5 million (before restructuring and transaction costs). This is primarily attributable to the consistent implementation of additional cost measures. Owing to extraordinary restructuring expenses and transaction costs in connection with the acquisition of Barmag in the amount of CHF 54.2 million, Rieter closed the 2025 financial year with a net loss of CHF 63.4 million (2024: net profit of CHF 10.4 million).

Free cash flow was CHF -40.6 million (2024: CHF 14.1 million). Owing to the capital increase already completed to finance the acquisition of Barmag, net liquidity amounted to CHF 184.3 million (2024: CHF -230.3 million).

The **equity ratio** increased to 53.3% as of December 31, 2025 (previous year: 33.7%), which was due in particular to the capital increase completed in October 2025 in connection with the Barmag acquisition. The acquisition was completed on February 2, 2026.

Dividends

The Board of Directors proposes to the shareholders that no dividend be distributed in view of the negative Group result. The company continues to adhere to its fundamental dividend policy of distributing at least 40% of net profit.

New medium-term targets

Rieter is pursuing a soft integration approach for Barmag. In this context, Rieter confirms a preliminary synergy assumption of at least CHF 20 million resulting from the acquisition. These synergies are reflected in the new medium-term targets. An update on the realization of synergies will be provided with the results for the first half of 2026.

Rieter sees strong potential for the combined company beyond 2026. To this end, it has defined three new market scenarios following the successful realization of synergies from the Barmag acquisition:

Low scenario

In a subdued market environment with slow recovery in terms of demand and ongoing price pressure, sales of around CHF 1.4 billion are expected, with an operating EBIT margin of 2 to 5%.

Medium scenario

In a normalized market environment with stable demand, sales of around CHF 1.8 billion are expected, with an operating EBIT margin of 5 to 8%.

High scenario

In a strong market environment with broad-based demand and high capacity utilization, sales could reach CHF 2.2 billion, with an operating EBIT margin of 8 to 11%.

Outlook for 2026

In 2026, a year of transition, Rieter expects sales in the range of CHF 1.3 to CHF 1.5 billion.

The outlook for 2026 reflects the integration of Barmag and the restructuring measures announced in 2025, which are yet to be fully implemented. As a result, a positive operating EBIT margin in the range of 0 to 3% is expected. Financing for the further development of the combined company is fully secured.

Thank you

I would like to express my sincere thanks to all our employees for their hard work and daily commitment in a challenging environment. I would like to take this opportunity to once again express our appreciation to you, our shareholders, for your great trust and support. A thank-you also goes to our partners for their constructive cooperation and our customers, who make our success possible in the first place.

Winterthur, February 25, 2026

A handwritten signature in black ink, appearing to read 'T. Oetterli', with a small dot at the end.

Thomas Oetterli

Chairman and Chief Executive Officer

Rieter Group



Rieter develops cutting-edge technology for the smart and sustainable production of yarn. Headquartered in Winterthur (Switzerland), the company provides leading solutions for resource-conserving production of yarn from synthetic and natural fibers and their blends, while ensuring maximum economic efficiency.

After the closing of the planned acquisition of Barmag, Rieter will also become a leading supplier of filament spinning systems for manufacturing man-made fibers, texturing machines, BCF (Bulked Continuous Filament) systems, staple fiber spinning and nonwovens solutions. Backed by more than 230 years of industry experience, the company puts a strategic focus on smart digitization and automation solutions to give its customers a lasting competitive edge.

Rieter applies its extensive textile expertise to help customers achieve their sustainability goals. The company deploys energy-efficient machines, systems and solutions and leading recycling technologies that help decarbonize the textile value chain and advance circularity.

Thousands of customers worldwide rely on the technologies developed by Rieter and its subsidiaries. The company has a global network of state-of-the-art innovation and technology centers that drive the development of automation, digitization and recycling solutions. The Rieter Group holds around 1 750 patents and 555 patent applications worldwide and invests around 5.9 percent of its annual sales in research and development.

The company is present in nine countries and operates production facilities in 17 locations. The Group's 4 220 employees – 15.4 percent of whom are based in Switzerland – are passionate about enabling customer success.

With a sales and service organization that reaches around the world, Rieter is well positioned as the market leader in the global competitive landscape. Rieter constantly strives to achieve sustained growth in enterprise value for the benefit of shareholders,

customers and employees. To this end, Rieter aims to steadily increase its sales and profitability over the textile industry's investment cycle.

Three divisions

The **Machines & Systems Division** develops, produces and distributes spinning systems and single machines. Blowroom and carding machines are used for fiber preparation; draw frames, combing systems and roving frames are deployed for spinning preparation; and ring, compact-, rotor and air-jet spinning and winding machines are used for end spinning. The offering is complemented by automation solutions and ESSENTIAL, the digital platform for the entire spinning mill. In addition, the division offers planning and ancillary services.

The **Components Division** develops, produces and distributes technology components for staple fiber spinning machines, precision winding machines and solutions for filament and nonwovens production. Technology components come into contact with the raw material and influence the product characteristics; they are used in new machines and require regular replacement during the production process.

The **After Sales Division** develops, produces and markets spare parts as well as conversions and upgrades for Rieter staple fiber spinning machines. In addition, After Sales offers services that enable Rieter's customers to improve the efficiency and effectiveness of their spinning mills.

As communicated on November 24, 2025, Rieter will adjust the Group structure as of January 1, 2026, in connection with the planned Barmag acquisition. Further information on the new organizational structure is available [here](#).

Rieter with new Group structure



The planned acquisition of the “Barmag” Division of OC Oerlikon will create the leading system provider worldwide for the production and processing of natural and man-made fibers. The Rieter Group is therefore adjusting its Group structure as of January 1, 2026, to take this acquisition into account and to be able to provide an even more agile response to market challenges.

The integration of Barmag brings together two companies united by a shared commitment to world-class quality, technology leadership and customer focus. The new Rieter Group represents a unique combination that will set a new benchmark in the textile market.

As of January 1, 2026, Alexander A. Özbahadır will lead the new "Short-Staple Fiber" Division, responsible for the short-staple fiber business. It results from the merger of Machines & Systems and After Sales. The new division creates synergies in sales and service activities and enhances customer centricity through a geographic approach.

Roger Albrecht will head up the Components and Technology Division, focusing on developing cutting-edge technology solutions, driving innovation and expanding growth in the key components business. This organizational change strengthens Rieter's technological leadership and intensifies collaboration between Rieter and its subsidiaries Accotex, Bräcker, Graf, Novibra, Suessen, SSM and Temco.

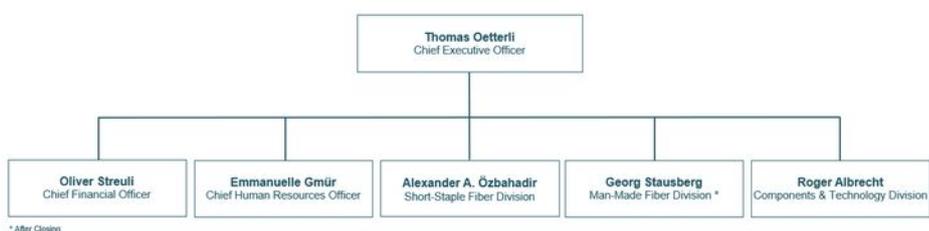
Serge Entleitner has decided to step down from the Group Executive Committee as of December 31, 2025, and will support the company on various projects until his retirement in 2027.

Following the successful closing of the Barmag acquisition, the "Man-Made Fiber" Division will be integrated into the Rieter Group. Georg Stausberg will continue to lead

this division and report to Thomas Oetterli, CEO of Rieter. He will also take a seat on the Group Executive Committee.

As of January 1, 2026, or following the closing of the planned acquisition of Barmag, the Group Executive Committee of Rieter will consist of the following members:

- Thomas Oetterli, Chief Executive Officer
- Oliver Streuli, Chief Financial Officer
- Emmanuelle Gmür, Chief Human Resources Officer
- Alexander A. Özbahadır, Head of Short-Staple Fiber Division
- Georg Stausberg (after closing), Head of Man-Made Fiber Division
- Roger Albrecht, Head of Components and Technology Division



The new, streamlined organization sharpens customer focus, strengthens technology leadership, increases productivity and promotes synergies.

Barmag acquisition: strategic rationale



Rieter's planned acquisition of Barmag paves the way for a new global leader in natural and man-made fibers, headquartered in Winterthur, Switzerland. By broadening its range of applications, Rieter is ideally positioned to seize opportunities in expanding markets, generate more resilient returns and in addition create value for customers, employees, shareholders and the communities in which it operates.

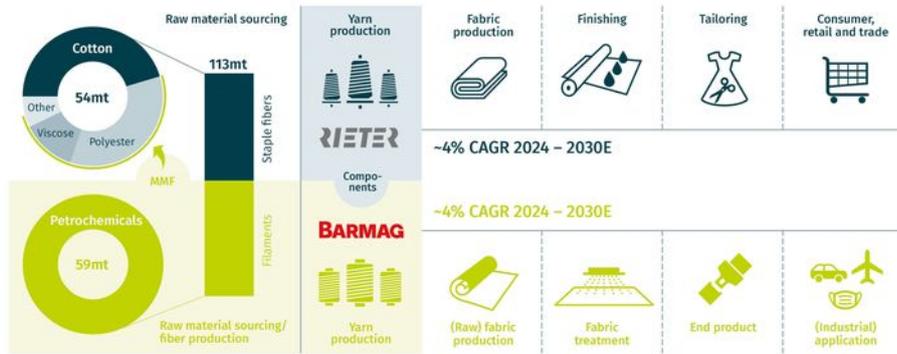
With the planned acquisition of Barmag at the beginning of February 2026, a global market leader in equipment for producing man-made fibers, Rieter has accelerated its growth strategy to become the undisputed leader in the textile machinery industry, with a strong presence in both natural and man-made fibers. The transaction is fully in line with Rieter's strategy and follows previous acquisitions, in which the company complemented its portfolio in short-staple fiber machinery and expanded its presence in components and machinery for man-made fiber production.

Barmag comprises the established product brands Barmag, Neumag and Nonwoven. Under the Barmag brand, the company offers spinning systems and texturing machines for filament yarns. Neumag offers systems for the production of carpet yarn as well as plants for the production of synthetic staple fibers. Barmag Nonwoven provides stand-alone machines and turnkey production lines for nonwoven products. The company also offers engineering services and solutions across the entire textile value chain. Barmag, Neumag, and their Nonwoven brand enjoy an excellent reputation and hold strong market positions in China, India, Türkiye and the United States. The innovative and technologically advanced products are developed in Remscheid and Neumünster (Germany) as well as Suzhou and Wuxi (China).

As fiber consumption is set to rise, man-made fibers are expected to account for the bulk of the growth, rising at twice the rate of natural fibers. The expansion of natural fibers like cotton and linen has natural limitations. Although both fiber markets are cyclical, the difference in the timing and scale of their respective cycles will provide more effective protection from future market fluctuations. Through this acquisition,

Rieter enters complementary technologies, solutions and end markets, with appealing growth prospects.

Range of applications for man-made fibers



An important benefit of this transaction is the diversification of end-market applications. While the greatest advantage of cotton-based yarn is the touch and feel of the fabric in an apparel application, products based on man-made fibers are often unparalleled in terms of functional characteristics such as strength, weight, durability and cost. Rieter is mainly active in the end markets for fashion and functional wear. Beyond serving these same markets, Barmag also covers the flooring, infrastructure, packaging, medical, and filters markets, which are projected to deliver above-average growth in the future. A more diverse customer base will put the company's growth ambitions on a firmer foundation. The acquisition brings about a step change in scale and profitability.

Global reach and end markets



The combined platform allows Rieter to leverage the recovery of the global filament and short-staple fiber spinning markets and to reduce cyclicity through diversifying end markets. The acquisition further enhances Rieter's position in the important Asia-Pacific region and provides access to Barmag's filament expertise, which will help to further scale Rieter's own capabilities and improve digitization solutions and product sustainability.

Both Rieter and Barmag are system suppliers, offering customers the whole value chain in fiber production and processing, for both natural and man-made fibers. Rieter is ideally positioned to address the increasing demand for integrated solutions in textile applications, regardless of the input material or the technology. Barmag is also committed to automating and digitizing its systems. Together with Barmag, Rieter will continue to advance its vision to further digitize and automate the whole yarn manufacturing process and create smart, connected factories.

Barmag's business is supported by strong service organizations in key markets, ensuring a smooth operation of the production systems, supported by digital and automation solutions.

About Barmag



Barmag is a leading supplier of filament spinning systems for manufacturing man-made fibers, texturing machines, bulked continuous filament systems and staple fiber systems and nonwoven solutions.

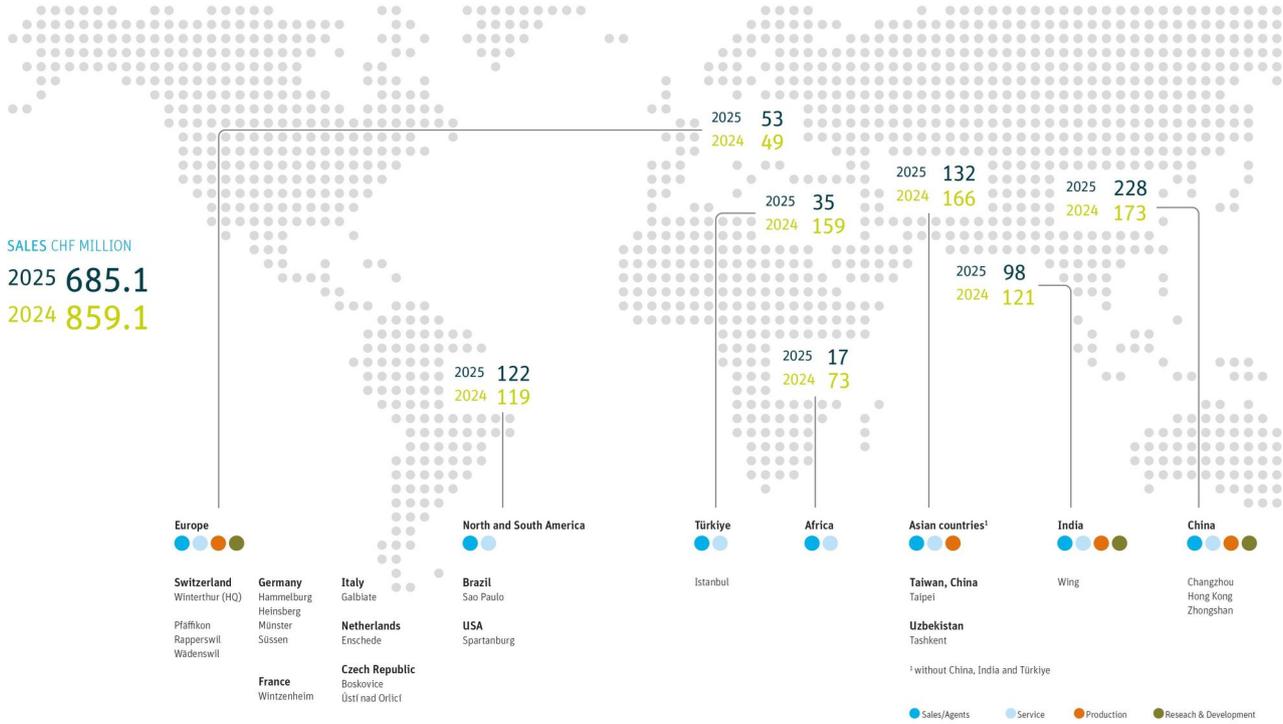
After receiving all regulatory approvals, Barmag will operate as a stand-alone division called “Man-made Fiber” within the Rieter Group. Barmag includes the established product brands Barmag, Neumag and Nonwoven. Along with its range of polycondensation and extrusion systems and their key components, Barmag covers the entire manufacturing process – from monomer to textured yarn – while also offering customer-focused engineering services. Automation and digitization solutions complete its product portfolio. In addition, Barmag provides high-precision gear metering pumps for the textile industry and other sectors, including the automotive, chemical and paint industries.

The main markets for Barmag’s product portfolio are located in Asia – in particular in China, India, Türkiye and the United States. Barmag employs around 2 600 people worldwide and is represented by production, sales and service organizations in 120 sales markets. At its research and development centers in Remscheid, Neumünster (Germany) and Suzhou (China), highly qualified engineers, technologists and technicians develop innovative and technologically pioneering products.

Barmag’s research and development activities focus on energy and resource efficiency. Since 2004, its e-save sustainability program has been helping customers to save CO₂, with the overall figure sitting at more than 15 million tons to date. The Neumag EvoSteam staple fiber line bears the bluesign VERIFIED DATA label for the production of PET staple fibers. bluesign is an independent verification system in the textile industry that assesses and certifies the environmental impact of production, such as water consumption, use of spinning preparations, thermal and electrical energy requirements and carbon footprint.

Global presence

RIETER GROUP



Textile market and spinning process

Around 125 million tons of fiber were processed world-wide in 2025, mainly for clothing, technical textiles and home textiles. Fiber consumption is growing – along with the world’s population and disposable income – on average between two and three percent per year. It is estimated that it will reach around 140 million tons by 2030.



Yarn production

Rieter is the only systems provider that covers the complete manufacturing process globally in spinning mills: from fiber preparation through to the four end-spinning technologies.

The process from fiber to textile begins with fiber production. A yarn is produced from the fibers; for example, from cotton, linen, polyester or viscose. A textile is then produced from the yarn via various processing steps, such as weaving, knitting, dyeing or finishing. Yarn manufacturing is a highly technological step in the textile value chain and can heavily influence the performance of downstream process steps.

Yarn is basically produced in two ways. The first method is by spinning staple fibers with a length of either 23 to 60 mm (short-staple fibers) or of more than 60 mm (long-staple fibers). The second method is by processing filaments to make continuous filament yarn. The yarns resulting from filaments have different properties from those produced from staple fibers. In the clothing industry, the yarn produced from staple fiber predominates because it offers pleasant wearing comfort. Global fiber consumption is roughly composed as follows: staple fiber yarns account for around 40 percent, while filament yarns already make up around 60 percent today.

Rieter is mainly engaged in yarn production from staple fibers. The most important staple fibers in 2025 were cotton (around 26 million tons), polyester (around 19 million

tons) and viscose (around eight million tons). Cotton is a slow growing product due to natural limitations, but production of viscose and polyester is projected to grow in the coming years.

The process for producing a yarn from staple fibers consists of three stages: fiber preparation, spinning preparation and end spinning.

Fiber and spinning preparation



The fibers, which are delivered in bales, are separated, cleaned if necessary, and aligned. This takes place during opening and carding. Spinning preparation involves the homogenization and drawing of the sliver, and the machine used for this is known as the draw frame. In cotton processing, the comber also plays a role: here, short fibers are combed out in order to produce a higher quality yarn. By the end of the spinning preparation stage, a uniform sliver or roving has been produced.

Spinning process

In the end-spinning stage, the fiber mesh is further drawn (up to about 40 fibers in cross-section for very fine yarns) and spun into a yarn by twisting. Twisting takes place by means of a rotating spindle (ring spinning, compact spinning), by rotation of a rotor (rotor spinning) or by an air flow (air-jet spinning). Compact spinning is a variant of ring spinning that uses an auxiliary device to achieve yarn with a higher density as a result of improved fiber integration.

Winding

After spinning, imperfections are removed from the yarn. The yarn is then wound on a package to present it in a suitable form for the subsequent process steps in the textile production chain. The winding machine serves as the final quality assurance in the ring spinning and compact-spinning process, and is crucial in the performance of the following steps. Yarn faults that are not detected here can result in machine downtimes during downstream processing, problems during the dyeing process, or faults in woven or knitted fabric.

Measured variables for capacity

Production of yarn from staple fibers is measured in spindle equivalents, with the production capacity of a ring spindle serving as the basis. The spinning unit of a rotor spinning machine corresponds to the productivity of five to six ring spindles, whereas that of an air-jet spinning machine corresponds to the productivity of 20 ring spindles.

A total of more than 250 million spindle equivalents worldwide were used in 2025 to produce yarn from the roughly 60 million tons of staple fibers, with about 100 million in China, 60 million in India, 72 million in Asian countries (excluding China, India and Türkiye) and 14 million in Türkiye. Every year, between 9 and 16 million spindle equivalents are installed on average. In addition, spinning mills require consumables, wear & tear and spare parts for ongoing operation.

Market

Rieter is the leading supplier in the global market for staple fiber machines, which has an annual volume of CHF 2 200 million to CHF 4 000 million.



(Sources: ITMF, Gherzi, estimation Rieter)

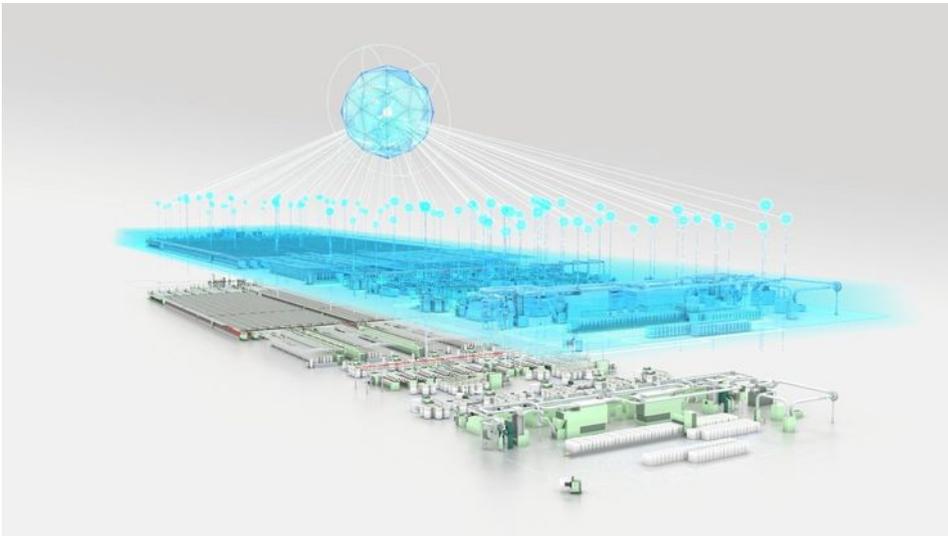
Business with new machines, consumables, wear & tear and spare parts



The business with new machines is cyclical. The tendency to invest in the spinning industry is mainly influenced by expectations of fiber consumption and the margins that can be achieved through sale of yarns. Fiber consumption is dependent on the economy, while the margins for yarn depend on the movement of raw material prices, capacity utilization, production costs of the spinning mills and foreign exchange rates. Government programs also have an influence.

Rieter aims to balance out the cyclical nature of the machines business with consumables, wear & tear and spare parts, and after-sales services. This less cyclical business is driven by the degree of capacity utilization of operational spinning mills, which require consumables, wear & tear and spare parts.

Product and service offering



Rieter plans spinning mills, develops, produces and supplies the machines for fiber preparation, spinning preparation and end spinning, and supervises the installed machines throughout their life cycle. The company's vision is to automate and digitize the complete value stream of the spinning process, making it more resource-efficient and improving performance.

Rieter, with all its brands, is established worldwide as a premium supplier. Innovative products and services from Rieter enable spinning mill owners to be more competitive. Success factors are either low yarn production costs, which are achieved through savings on raw materials, energy, labor and productivity advantages and therefore enable sustainable yarn production, or through the production of special yarns that can be used to achieve higher prices.

Professionalism and the availability of the service are also a key aspects when customers decide to buy Rieter solutions.

Vision 2027: the fully automated spinning mill



Spinning mills, like many other areas of the manufacturing industry, are facing a severe labor shortage. In numerous regions, companies are unable to fully utilize their production capacity due to staff shortages and the resulting knowledge gaps, leading to an adverse impact on their productivity and efficiency. This issue is set to intensify in the future. Automation is thus essential to remain competitive. Rieter is therefore planning to realize a fully automated spinning mill by 2027.

Staple fibers are converted into yarn in three main stages: fiber preparation, spinning preparation, and end spinning and winding. The number of steps in the process varies depending on the end-spinning technology used and encompasses up to ten steps, including combing for ring, compact and air-jet spinning. This work is demanding and exhausting, which makes it difficult to recruit and retain workers.

Rieter is very familiar with the challenges faced by its customers, which is why it has long focused on the automation of key process steps. One example of this is combing, which plays a key role in yarn quality in ring and especially compact spinning. For this process, Rieter was able to reduce personnel requirements by using a fully automated combing system with the automated lap change and batt piecing system ROBOLap in combination with the fully automated lap transport system SERVOLap.

Another example is end spinning. Rieter's automated piecing robot ROBOSpin automates yarn repairs in the event of breakages during ring spinning, which reduces manual effort enormously.

Further automation, step by step

Rieter is now working step by step in pursuit of fully automated production by 2027. An overview of the degree of a spinning mill's automation level is obtained by comparing the number of qualified operators to a defined number of spindles and kilograms of yarn produced per shift. In a manual spinning mill, a compact yarn – meaning a high-quality standard yarn – currently requires around 20.6 operators per 10 000 spindles and 1.9 tons of yarn per shift. Rieter plans to produce 1.9 tons of yarn per shift per day by 2027 with just three qualified employees per 10 000 spindles. This corresponds to automation of around 85 percent of the activities that were previously performed manually.

Customers can already make their processes more productive using the following automation technologies presented by Rieter at ITMA 2025 in Singapore:

- efficient bale transport with driverless transport system,
- flexible transport of the corresponding size cans between machines by means of a driverless transport system, and
- packaging solutions including steaming, palletizing and labeling.

This interim step reduces the number of qualified operators required: Instead of 20.6 operators for 10 000 spindles, only 5.6 are now needed.

One significant advancement is the automation of can transport, which takes care of physically demanding tasks and relieves operating personnel of this burden throughout the spinning process. At the same time, it increases process reliability and efficiency in the production workflow. The automated packaging line, from packing the yarn package to palletizing and labeling, also sets new standards: it replaces numerous manual tasks with highly precise, fully automated processes. These new automation solutions pave the way for full automation, making work in the spinning mill far simpler. They also provide valuable insights for the ongoing transition to fully automated spinning.

Vision 2027: a fully automated production process



A milestone in textile automation is set to be reached in 2027: the unveiling of a fully automated benchmark plant. This vision extends far beyond conventional approaches. At the heart of this plant is a fully automated, integrated production process with intelligent, digitally networked systems. Automation starts with the raw materials: the time-consuming and potentially dangerous manual removal of the steel strips from the bales is replaced by robot-assisted solutions. It ends with a packed yarn package, which is ready for shipment ex-works.

Automation and digitization go hand in hand in this respect. The use of Rieter's digital spinning suite ESSENTIAL ensures full control over the automation solutions and allows for complete traceability of all process steps. All relevant data is recorded here and made available in real time. This transparency is a key competitive advantage, particularly with regard to the traceability of textile products.

A profitable investment with vision

As fascinating as state-of-the-art robot technology, digital networking, and autonomous systems are, one question matters above all else at the end of the day: will the investment pay off? The answer is clearly in the affirmative. The introduction of a fully automated system is a strategic investment in efficiency, quality assurance and future viability. Operating costs – encompassing personnel, defects, scrap, and downtime – account for a much higher proportion over the life cycle of a plant than the initial investment in the technology.

Automation reduces dependence on human resources, ensures reproducible quality, and enables stable, predictable production processes, regardless of shift work or location. This is why spinning mills that want to remain competitive in the future already rely on automation solutions from Rieter today. From 2027, they will be able to fully automate their operating processes with Rieter and reach all new heights in terms of efficiency and performance.

Rieter brand



True to the company's tag line, "Rieter makes the difference", customers around the world rely on Rieter technology every day to achieve more with less and gain the necessary competitive edge in the market.

Mission

Rieter provides leading technology for fiber processing – pioneering, innovative and sustainable. Rieter continuously pushes boundaries and sets new standards. The company's textile technologists are the industry's best and brightest. Building on more than 230 years of experience, Rieter's unmatched expertise in processing fiber to yarn sets the standard for the next generation of smarter, more efficient and sustainable spinning technology.

Brand

The company logo, which is around 40 years old, is the centerpiece of Rieter's corporate appearance. To maintain its distinctive visual presence, the logo is enhanced with color, a corporate typeface, additional graphic elements and an image style unique to Rieter.

Corporate design guidelines regulate how the different elements should interact for a consistent overall appearance. The signature petrol green has become a hallmark in the spinning industry standing for exceptional quality and relentless performance.



Marketing

Satisfied customers are the basis for the brand's enduring strength, which is why they are at the heart of Rieter's corporate strategy. The company conducts annual Net Promoter Score (NPS) surveys and aims to achieve a score of over 50. Given that committed employees are decisive for customer satisfaction, this ambitious goal is part of Rieter's efforts to expand its position as a leading employer in the textile industry. Progress is measured annually through surveys conducted among all employees of the Rieter Group.

Moreover, Rieter participates in selected industry fairs every year to present key innovations. At the leading ITMA trade fair in Singapore in October 2025, the company unveiled its vision for a fully automated spinning mill for the first time, which will be presented at ITMA in Hanover (Germany) in 2027.

The Rieter website – which is available in four languages – is the heart of the company's digital strategy, registering around 500 000 page views every year. It is continuously optimized for search engines in order to reach all target groups as effectively as possible. In addition, the company regularly publishes the digital newsletter "Rieter World" and the customer magazine "link".

Social media channels such as LinkedIn, YouTube, WeChat and Douyin (TikTok for China) help to push current company news and innovations. Rieter's LinkedIn channel surpassed the milestone of 50 000 followers in 2025, confirming the company's position at the vanguard of the industry.

To present new products and services, Rieter launches advertising campaigns across relevant trade media and publishes in-depth background information in the form of specialist articles and case studies. In addition, the company publishes research results that support Rieter's customers with process recommendations and machine settings.

The technical documentation team at Rieter provides accurate, understandable and easily accessible information on all of its products, systems and services. To ensure Rieter's customers can use the company's products and services safely and effectively, they receive comprehensive training from its field service engineers before, during and after installation. Customer training courses are held on site as well as at the company's headquarters in Winterthur and various other key locations.

All technical documents are also made available to all customers in digital format via ESSENTIAL, Rieter's digital platform. The platform also gives customers access to specialist publications on key topics relating to yarn production.

Trademark protection

Rieter's brand architecture combines a strong umbrella brand with mono brands for independent products. The Rieter brand and the brands of its subsidiaries Accotex, Bräcker, Graf, Novibra, Suessen, SSM and Temco are distinctive and well-known trademarks. The fact that imitators have tried to replicate the company's visual identity and market positioning underlines the tremendous intangible value of the company.

The Rieter umbrella brand and the brands of its subsidiaries hone the company's competitive edge. The crucial role of trademark protection is thus performed both globally at Group level and locally at national level. The Rieter Group has around 1 150 trademark registrations in approximately 80 countries and constantly monitors its brands. In the event of infringements Rieter takes appropriate legal action.



In addition, the Rieter Group protects its global developments through comprehensive patent protection. The very first company patent was filed in 1855 during the Paris World Exhibition. Today, the company holds around 1 750 patents and 550 patent applications.

Corporate culture

Rieter's employees are its greatest asset. The can-do spirit, dedication and drive of the company's employees make all the difference to customers, shareholders and the communities in which Rieter operates. The following company values inspire them in their daily work:

- “We put customers first”: At Rieter, customer-centricity is an integral part of the company's DNA.
- “Quality starts with me”: As a company with Swiss roots, Rieter is held to the highest quality standards. The Rieter team is on a mission to meet and beat those expectations every day.
- “We are passionate”: At Rieter, everyone is united by a deep passion to enable customer success.

Corporate governance

The reporting on corporate governance follows the Directive on Information relating to Corporate Governance issued by the SIX Exchange Regulation in its current version, which applies to all issuers whose equity securities have a primary or main listing on the SIX Swiss Exchange Ltd.

Unless otherwise indicated, the information below is as of December 31, 2025. The information is regularly updated on the Rieter website [here](#).

Group structure and shareholders

Group structure

Rieter Holding Ltd. is a company incorporated under Swiss law, with registered office in Winterthur. Its place of listing, market capitalization, Swiss securities identification number and ISIN code are published [here](#). Rieter Holding Ltd. is the only listed company within the Rieter Group and as a holding company directly or indirectly controls all companies that are members of the Rieter Group. Some 30 companies worldwide are members of the Rieter Group as of December 31, 2025. An overview of the companies included in the consolidation of Rieter Holding Ltd., including company names, registered offices, share capital and the percentage of shares held by Rieter Holding Ltd., is published [here](#). Companies of which Rieter Holding Ltd., directly or indirectly, holds 50 percent or less of the voting rights are not consolidated. The management organization of the Rieter Group is independent of the legal structure of the Rieter Group and the individual companies.

Significant shareholders

The following significant shareholders within the meaning of Art. 120 para. 1 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMIA) held more than three percent of the voting rights or share capital of Rieter Holding Ltd. recorded in the commercial register as of December 31, 2025:

PCS Holding AG, Frauenfeld (Switzerland), Shareholder Group	33.11%
BigPoint Holding AG, Cham (Switzerland), Shareholder Group	15.70%

The required disclosure notifications have been reported to the SIX Swiss Exchange and published on its electronic publication platform [here](#).

Cross-shareholdings

The Rieter Group has no cross-shareholdings with other companies exceeding five percent, in terms of capital or of votes.

Capital structure

Capital and shares

According to the commercial register entry, the issued share capital of Rieter Holding Ltd. as of December 31, 2025, totals CHF 1 360 577.08 and is divided into 136 057 708 fully paid-in registered shares with a nominal value of CHF 0.01 each. The shares are listed on the SIX Swiss Exchange (Swiss securities identification number 367144; ISIN code CH0003671440; Investdata RIEN). Rieter's market capitalization on December 31, 2025, was CHF 433.2 million. With the exception of treasury shares held by Rieter Holding Ltd., each share entered into the share register with voting rights entitles the holder to one vote at the Annual General Meeting and each share, whether entered into the share register or not, entitles the holder to dividends. Pursuant to §35 of the [Articles of Association](#), any dividends not collected within five years of their due date are forfeited to Rieter Holding Ltd.

Capital band and conditional capital

Rieter Holding Ltd. has a capital band of between CHF 1 292 548.23 (lower limit) and CHF 1 496 634.78 (upper limit). Within the capital band, the Board of Directors is authorized to increase or reduce the share capital once or multiple times, and by any amount, until September 18, 2030, or until the capital band expires if earlier, or to acquire or sell shares directly or indirectly. A capital increase or a capital reduction may be effected by issuing up to 13 605 770 fully paid-in registered shares with a par value of CHF 0.01 each, or by canceling up to 6 802 885 registered shares with a par value of CHF 0.01 each, or by increasing or decreasing the par value of the existing registered shares within the limits of the capital band.

In the event of a capital increase, the Board of Directors determines the number of shares, the issue price, the type of contribution (including cash payment, contribution in kind, set-off and conversion of reserves or retained earnings into share capital), the issue date, the conditions for exercising subscription rights and the start of dividend entitlement. The Board of Directors may issue new shares by means of a firm underwriting by a bank or other third party and a subsequent offer to existing shareholders. The Board of Directors is authorized to limit or exclude trading in preemptive rights. The Board of Directors may allow unexercised preemptive rights to lapse, or place them on the shares for which preemptive rights have been granted but not exercised at market conditions, or otherwise use them in the interest of the company.

The Board of Directors is also authorized to withdraw or limit the preemptive rights of shareholders and to allocate preemptive rights to individual shareholders or third parties:

- a. for acquiring companies, parts of companies or investments in companies, or for financing or refinancing such transactions, or financing new investment projects by the company;

- b. for the purpose of broadening the shareholder structure in certain financial or investor markets, for the participation of strategic partners, or in connection with the listing of the shares on domestic or foreign stock exchanges.

If the share capital is reduced within the scope of the capital band, the Board of Directors will, if necessary, determine the appropriation of the amount of the reduction.

As of December 31, 2025, the Rieter Group has no conditional capital.

Changes in capital

Changes in the capital structure of Rieter Holding Ltd.:

CHF million	December 31, 2024	December 31, 2025
Share capital	23.4	1.4
Reserves	125.9	633.1
Balance sheet profit	36.6	27.6

Further information on changes in the capital structure is published in the financial section of the current 2025 Annual Report [here](#) on page 199; the financial sections of the 2024 company reports can be viewed [here](#) on page 197.

Limitations on transferability and nominee registrations

Those persons entered in the share register are recognized as voting shareholders. Rieter shares may be bought and sold without any restrictions. Pursuant to Article 4 of the Articles of Association, entry in the share register may be denied in the absence of an explicit declaration that the shares are held in the applicant's own name and for the applicant's own account. No other restrictions on registration exist.

Shares held in a fiduciary capacity are not entered in the share register. As an exception to this rule, Anglo-Saxon nominee companies are entered in the register if the company in question has concluded a nominee agreement with Rieter. The nominee company may exercise its voting rights at the Annual General Meeting. At Rieter's request, the nominee company is obliged to disclose the name of the person on whose behalf it holds shares.

Convertible bonds and options

Rieter Holding Ltd. has no convertible bonds or shareholders' options outstanding.

Participation certificates and dividend-right certificates

Rieter Holding Ltd. has issued neither participation certificates nor dividend-right certificates.

Board of Directors



Peter Spuhler

Member of the Board of Directors

Peter Spuhler (1959)

Member of the Board of Directors

Swiss national

Independent member

First election to Board

2009

Educational and professional background

Owner of Stadler Rail AG, Bussnang, until IPO in April 2019; largest shareholder (40 percent) since IPO; Group CEO a. i. from May 2020 until December 31, 2022.

Other activities and interests

Since 1989 Chairman of the Board at Stadler Rail AG, Bussnang (and several other companies of the Stadler Rail Group); since 2006 at PCS Holding AG, Frauenfeld; since 2018 at Aebi Schmidt Holding AG, Frauenfeld; since 2007 at Rana Aps AG, Warth-Weiningen; since 2008 at DSH Holding AG, Warth-Weiningen, Vice Chairman; since 2013 at Allreal Holding AG, Baar, member of the Board of Directors; since 2018 at European Loc Pool AG, Frauenfeld; since 2022 at Sönmez Transformer Company (STS), Dilovasi (Türkiye); since

2024 at PMT Management AG, Frauenfeld; since 2022 at Florhof Immobilien AG, Zurich; since 2024 at Wohnpark Promenade AG, Frauenfeld; since 2017 at Chesa Sül Spelm AG, Frauenfeld; since 2019 at Robert Bosch GmbH, Stuttgart (Germany), member of the Supervisory Board; since 2019 at Robert Bosch Industrietreuhand KG, Stuttgart (Germany), listed partner; since 2004 at Tele D, Diessenhofen, member of the Board of Trustees; since 2011 at Swissmem, Zurich, member of the Executive Committee; since 1999 at LITRA, Berne, member of the Executive Committee and Vice President; 1999–2012 member of the Swiss federal parliament (Nationalrat).

Committees

–

Executive/non-executive

Non-executive.



Thomas Oetterli

Chairman of the Board of Directors

Thomas Oetterli (1969)

Chairman

Swiss national

–

First election to Board

2023; Chairman since 2024

Educational and professional background

Lic. oec., University of Zurich

Since 2024 Rieter Holding Ltd., Winterthur, Chairman of the Board of Directors; since 2023 Rieter Management AG (since 2024 Rieter Ltd.), Winterthur, Chief Executive Officer and member of the Group Executive Committee of Rieter Holding Ltd., Winterthur; 2022 Nokera Group, Rüschtikon, CEO; 2016–2022 Schindler Group, Ebikon, CEO; 2013–2016 Schindler Group China, Shanghai, CEO; 2010–2013 Schindler Europe North & East, Ebikon, President; 2006–2009 Schindler Schweiz, Ebikon, Managing Director; 2003–2006 Schindler Germany, Berlin, CFO; 2002–2003 C. Haushahn Aufzüge GmbH & Co. KG, Stuttgart, Managing Director; 2000–2001 Haushahn Group, Stuttgart, CFO.

Other activities and interests

SFS Group, Heerbrugg, Chairman of the Board of Directors; Swissmem, Zurich, member of the Council.

Committees

–

Executive/non-executive

Executive.



Roger Baillod

Vice Chairman of the Board of Directors

Lead independent Director
Member of the Remuneration Committee
and the Nomination Committee

Roger Baillod (1958)

Vice Chairman of the Board of Directors
Lead Independent Director

Swiss national

Independent member

First election to Board

2016; Vice Chairman since 2022

Educational and professional background

Degree in Business Economics FH, certified Public Accountant; since 2017 Professional Board Member; 1996–2016 Bucher Industries AG, Niederweningen (Switzerland), Chief Financial Officer and member of the Group Management.

Other activities and interests

Since 2021 Geistlich Pharma AG, Wolhusen, member of the Board of Directors; since 2013 BKW AG, Berne, member of the Board of Directors and since 2021 Chairman of the Board of Directors.

Committees

Member of the Remuneration Committee and the Nomination Committee.

Executive/non-executive

Non-executive.



Carl Illi

Member of the Board of Directors

Member of the Audit Committee

Carl Illi (1961)

Member of the Board of Directors

Swiss national

Independent member

First election to Board

2017

Educational and professional background

Lic. oec. HSG; since 2014 CWC Textil AG Group, Zurich, co-owner; since 2009 CWC Textil AG, Zurich, and Swisstulle AG, Mönchwilten, Chairman of the Board of Directors.

Other activities and interests

Since 2024 Bremen Cotton Exchange, Bremen, Member of the Board of

Directors; Since 2017 Swiss Textiles – Swiss Textile Federation, Zurich, Chairman; since 2014 Swiss Textile College Genossenschaft, Zurich, member of the Board of Directors; 1999–2011 Swiss Association of Textile Specialists, Reinach, Chairman; since 2020 economiesuisse, Zurich, member of the Board Committee.

Committees

Member of the Audit Committee.

Executive/non-executive

Non-executive.



Sarah Kreienbühl

Member of the Board of Directors

Chairwoman of the Remuneration Committee and the Nomination Committee

Sarah Kreienbühl (1970)

Member of the Board of Directors

Swiss and French national

Independent member

First election to Board

2022

Educational and professional background

Lic. phil. I, University of Zurich; since 2023 Kühne+Nagel International AG, Schindellegi, member of the Management Board, Chief Human Resources Officer with additional responsibility for the Group's Environmental, Social and Governance (ESG) as well as the Quality, Health, Safety and Environment (QSHE) strategy; 2018–2022 Federation of Migros Cooperatives, member of the Executive Board; Migros Group, Head Human Resources and Corporate Communications; 2004–2017 Sonova Group, Stäfa, Group VP Corporate Human Resources and from 2012 Group VP Corporate Communications.

Other activities and interests

Since May 2025 Member of the Board of Directors and Chairwoman of the Nomination and Compensation Committee at Bauwerk Group AG.

Committees

Chairwoman of the Remuneration Committee and the Nomination Committee.

Executive/non-executive

Non-executive.



Jennifer Maag

Member of the Board of Directors

Chairwoman of the Audit Committee.

Jennifer Maag (1969)

Member of the Board of Directors

Swiss and German national

Independent member

First election to Board

2024

Educational and professional background

BA Political Economy, University of California, Berkeley; 1999–2024 Founder and Managing Partner of Capital Concepts International AG, Zurich; 1996–1999 Senior Manager KPMG Corporate Finance, Zurich; 1992–1996 Deloitte & Touche, Zurich and Munich.

Other activities and interests

Since 2024 Artemis Holding AG, Hergiswil, Chairwoman of the Board; since 2022 Kardex Holding AG, Zurich, Member of the Board, Chairwoman Audit Committee, Chairwoman ESG Steering Group; since 2020 Weidmann Holding AG, Rapperswil, Member of the Board; since 2020 UZH Foundation (University of Zurich), Zurich, member of the Foundation Board and of the Investment Committee.

Committees

Chairwoman of the Audit Committee.

Executive/non-executive

Non-executive.



Daniel Grieder

Member of the Board of Directors

Member of the Remuneration Committee and the Nomination Committee

Daniel Grieder (1961)

Member of the Board of Directors

Swiss national

Independent member

First election to Board

2022

Educational and professional background

HWV; since June 2021 HUGO BOSS AG, Metzingen (Germany), CEO; 2010–2020 various positions at PVH; most recently as Global CEO Tommy Hilfiger and

CEO PVH Europe; from 2004 various roles with Tommy Hilfiger; 1985–2004 management of own sales agency, from 1997 also active for Tommy Hilfiger.

Other activities and interests

Owner of Fountain Holding SA, Brissago.

Committees

Member of the Remuneration Committee and the Nomination Committee.

Executive/non-executive

Non-executive.

Members of the Board of Directors

Pursuant to the Articles of Association, the Board of Directors of Rieter Holding Ltd. consists of at least five and at most nine members. At the 2025 Annual General Meeting, Hans-Peter Schwald, Member of the Board of Directors, stepped down from his position. Thomas Oetterli was re-elected as the Chairman of the Board of Directors at the 2025 Annual General Meeting, and since the 2024 Annual General Meeting has held the dual position of CEO and Chairman. Roger Baillod was appointed as Lead Independent Director in order to ensure good corporate governance. Except for Thomas Oetterli, no other member of the Board of Directors serves in an executive capacity. All other directors are independent in accordance with the Swiss Code of Best Practice for Corporate Governance. The management structure within the Board of Directors is periodically reviewed.

Competence profile of the Board of Directors

The current composition of the Board of Directors covers in particular the following key competencies:

Competencies:	Thomas Oetterli	Roger Baillod	Peter Spuhler	Carl Illi	Sarah Kreienbühl	Daniel Grieder	Jennifer Maag
Executive Experience	●	●	●	●	●	●	●
Legal, regulatory and risk management	●	●	●	●	●	●	●
Stock exchange and communication	●	●	●	●	●	●	●
Finance	●	●	●	●	●	●	●
Human Resources	●	●	●	●	●	●	●
Research & Development and Technology	●	●	●	●	●	●	●
Sales and Marketing	●	●	●	●	●	●	●
Environment, Social und Governance (ESG)	●	●	●	●	●	●	●
IT, digitization, cyber and information security	●	●	●	●	●	●	●
Experience in the industrial and textile sector or other sectors relevant to Rieter	●	●	●	●	●	●	●
Average experience	●						
High level of expertise	●						

In connection with the nomination of the Chairman of the Board of Directors, the members of the Board of Directors and the Committees, the Nomination Committee draws up a profile of the requirements to be met by the candidates, prepares the selection according to these criteria and submits proposals to the Board of Directors.

Group Secretary

Patrick Houweling, attorney-at-law, lic. iur., Executive-M.B.L.-HSG, General Counsel of Rieter Holding Ltd., has been Secretary to the Board of Directors since April 2024; he is not a member of the Board of Directors.

Election and term of office

Each person elected to the Board of Directors serves a term of office of one year. Nominations for election to the Board of Directors are made with a view to achieving a balanced composition of this body. Consideration is given to industrial expertise, particularly in the machinery and textile industries, international management and professional experience, as well as various aspects of diversity. Rieter aims to increase the proportion of women on the Board of Directors to 30 percent as from the Annual General Meeting 2024.

Directorships outside the Group

No member of the Board of Directors may hold more than 15 other directorships, of which no more than five may be with listed companies. This limitation does not apply to the following:

- a. directorships with companies controlled by the Group,
- b. directorships held by a member of the Board of Directors on behalf of the Group or companies controlled by it,
- c. directorships with companies that do not qualify as companies within the meaning of Art. 727 para. 1 no. 2 CO,
- d. directorships with non-profit associations and foundations as well as employee benefit plans.

Directorships within the meaning of c) and d) are limited to 20.

Internal organization

The Board of Directors is responsible for the overall management of the Rieter Group and the Group companies. It exercises a supervisory function over the persons who have been entrusted with the management of the business. It takes decisions on all matters assigned to it by law, the Articles of Association and the management regulations. It draws up the annual report, makes preparations concerning the annual general meeting and takes the necessary steps to implement the resolutions adopted at the annual general meeting.

The Board of Directors has the following decision-making powers:

- composition of the business portfolio and the strategic direction of the Group,
- definition of the Group's structure,
- appointment and dismissal of the Chairman of the Group Executive Committee (CEO),
- appointment and dismissal of the other members of the Group Executive Committee,
- definition of the powers and duties of the Chairman and the Committees of the Board of Directors and of the members of the Group Executive Committee,
- organization of accounting, financial control and financial planning,
- approval of strategic and financial planning, the budget, the annual financial statements and the annual report,
- principles of financial and investment policy, personnel and social policy, management and communication,
- signature regulations and delegation of authority,
- principles of internal auditing,
- decisions on projects involving expenditure exceeding CHF 10 million,
- issuance of bonds and other financial market transactions,
- incorporation, acquisition, sale and liquidation of subsidiaries.

The Board of Directors consists of the Chairman, the Vice Chairman and the other members. The Chairman is elected at the annual general meeting; otherwise the Directors allocate their responsibilities among themselves. The Vice Chairman deputizes for the Chairman in the latter's absence. The Board of Directors has a quorum when the majority of its members are present. Motions are passed by a simple majority. In the event of a tie, the Chairman has the casting vote. The Board of Directors has formed an Audit Committee, a Remuneration Committee and a Nomination Committee to assist it in its work. However, decisions are taken by the Board of Directors as a whole.

The Board of Directors meets at least six times a year at the invitation of the Chairman. The Board of Directors held eight meetings in the 2025 financial year. Each meeting lasted between half a day and a full day. As a rule, the members of the Board of Directors are informed in advance by the CEO about the topics.

With ten exceptions, all members of the Board of Directors attended all board meetings in 2025.

	28. Jan.	12. Mar.	24. Apr.	3. Jul.	2. Sep.	17. Sep.	4 Nov.	10 Dec
Thomas Oetterli	X	X	X	X	X	X	X	X
Roger Bailod	X	X	X	X	X	X	X	X
Peter Spuhler	X	X	X	X	X	– ¹	– ¹	X
Hans-Peter Schwald (until end of April 2025)	X	– ¹	X	–	–	–	–	–
Carl Illi	X	X	X	X	X	– ¹	X	X
Sarah Kreienbühl	X	X	X	X	– ¹	– ¹	X	X
Daniel Grieder	– ¹	– ¹	X	X	X	– ¹	X	– ¹
Jennifer Maag	X	X	X	X	X	X	X	X

¹ excused

In addition, the Board of Directors held five conference calls.

The agendas for the meetings of the Board of Directors are drawn up by the Chairman. Any member of the Board of Directors may also propose items for inclusion on the agenda. The Board of Directors usually makes an annual visit to one Group location. As a rule, the members of the Group Executive Committee also attend the meetings of the Board of Directors. They present the strategy and the results of their operating units, as well as the projects requiring the approval of the Board of Directors. In exceptional cases, external consultants may also be invited to discuss specific items on the agenda.

Once a year, the Board of Directors holds a special meeting to review its internal working methods and cooperation with the Group Executive Committee as part of the self-assessment process.

Audit Committee

The Audit Committee consisted of four members of the Board of Directors until the end of April 2025. The Chairman was Roger Baillod, the other members were Carl Illi, Hans-Peter Schwald and Jennifer Maag. As of May 2025, the Audit Committee consists of two members: Jennifer Maag is the new Chairwoman and Carl Illi remains a member.

In the 2025 financial year, none of the members of the Audit Committee exercised executive functions. The Chairwoman/Chairman is elected for one year. The Audit Committee meets at least twice a year. The Head of Internal Audit, representatives of the statutory auditors KPMG AG, the Chairman of the Board of Directors, the CEO and the CFO, and other members of the Group Executive Committee and management as appropriate also attended the meetings in 2025.

Main duties of the Audit Committee:

- to elaborate principles for external and internal audits for submission to the Board of Directors and provide information on their implementation,
- to assess the work of the external and internal auditors as well as their mutual cooperation and report to the Board of Directors,
- to assess the audit reports and management letters submitted by the statutory auditors as well as the invoiced costs,
- overall supervision of risk management and approval of the Group Executive Committee's risk report addressed to the Board of Directors,
- to assess risk management and security policies in the areas of IT security and data security,
- to report to the Board of Directors and assist the Board of Directors in nominating the statutory auditors and the Group auditors for consideration by the annual general meeting,
- to review the results of internal audits, approve the audit plan for the following year and nominate the Head of Internal Audit,
- the Chairwoman/Chairman of the Audit Committee is responsible for receiving complaints (whistleblowing) in connection with the Code of Conduct (Regulations regarding Conduct in Business Relationships).

The Audit Committee held three regular meetings in 2025. Each meeting lasted between half a day and a full day. With one exception, all Committee members attended all the meetings and regularly received the written reports of the internal

auditors. The Chairwoman/Chairman of the Audit Committee met separately with the external statutory auditors and the Head of Internal Audit three times during the year.

Internal audit

The internal audit function is organizationally independent and reports to the Audit Committee. At the administrative level, the internal audit reports to the CFO. Audits are performed on the basis of an audit plan approved by the Audit Committee. A total of 11 ordinary audits were carried out in 2025. The audits specifically examined the definition and implementation of the key controls.

Internal auditing also includes various compliance audits. Finally, additional risks and controls in connection with the business processes were examined. Each audit includes a review of the implementation of recommendations from previous audits.

The implementation and reliability of the internal controls were reviewed through self-assessments to ensure that deviations were identified and appropriate corrective actions were taken. Internal audit reports are provided to the members of the Audit Committee, the Chairman of the Board of Directors, the members of the Group Executive Committee and the relevant members of management.

Remuneration Committee

The Remuneration Committee consists of a minimum of three and a maximum of five members, each of whom is elected at the annual general meeting for a term of office of one year. The majority of its members must be independent as defined in the Swiss Code of Best Practice for Corporate Governance, and have the necessary experience in the area of remuneration planning and policy. The Chairwoman/Chairman of this Committee is appointed by the Board of Directors. Sarah Kreienbühl has held this position since the 2022 Annual General Meeting.

Duties of the Remuneration Committee:

- periodic review of the remuneration plans and policies within the Group,
- elaboration of the basic features and key data of the Rieter Top Management Incentive System, the Group Bonus Program and the Long-Term Incentive Plan,
- elaboration of the proposals for the remuneration of the Board of Directors and the Group Executive Committee for submission to the Board of Directors,
- review of the extent to which the defined performance objectives have been achieved and elaboration of a proposal for the payment of variable elements of remuneration,
- examination of the remuneration report and confirmation to the Board of Directors that the remuneration paid in the year under review complies with the resolutions of the annual general meeting, the principles governing the remuneration policy and the remuneration plans and regulations.

The Committee held five meetings in 2025. Each meeting lasted half a day and also included topics of the Nomination Committee. All Committee members were present at the meetings.

Nomination Committee

The Nomination Committee consists of a minimum of three and a maximum of five members, each of whom is elected by the Board of Directors for a term of office of one year. The Chairwoman/Chairman of this Committee is appointed by the Board of Directors. Sarah Kreienbühl has held this position since the 2022 Annual General Meeting.

Duties and competencies of the Nomination Committee:

- succession planning for the Board of Directors, the Chairman and the Committees,
- organization of the performance assessment of the Board of Directors and its members,
- definition of the selection criteria, evaluation and recommendation of candidates for the attention of the Board of Directors concerning the positions of Chairman of the Group Executive Committee (CEO), members of the Group Executive Committee and key management positions,
- regular receipt of information concerning succession planning in the Group and management development activities,
- review of developments in the area of corporate governance that are not covered by the Audit Committee or the Remuneration Committee,
- review of regulations.

The Committee held five meetings in 2025. Each meeting lasted half a day and also included topics of the Remuneration Committee. All Committee members were present at the meetings.

Allocation of authority

The Board of Directors has delegated the operational management of the Rieter Group to the CEO. The members of the Group Executive Committee report to the CEO. The division of responsibilities and cooperation between the Board of Directors, the CEO and the Group Executive Committee are stipulated in the Group management regulations. The CEO draws up the strategic and financial planning statements and the budget together with the Group Executive Committee, and submits them to the Board of Directors for approval. He reports regularly on the course of business as well as on risks in the Group and changes in personnel at management level. He is obliged to inform the Board of Directors immediately of any fundamentally important matters arising between the regular reporting periods.

Information and control instruments vis-à-vis the Group Executive Committee

Once a month, the Board of Directors receives a written report from the Group Executive Committee on the key figures of the Group and the divisions, including information on the balance sheet, cash flow and income statements, capital expenditure and projects. The figures are compared with the budget and figures from the previous year. The Board of Directors is also informed at each meeting about the course of business, major projects and risks, as well as rolling earnings and liquidity planning. If the Board of Directors has to decide on major projects, a written proposal is submitted in advance of the meeting. Projects approved by the Board of Directors are monitored within the framework of a special project controlling system. Once a year, the Board of Directors discusses the strategic plans drawn up by the Group Executive Committee and the financial budget for the Group and the divisions. The financial statements are prepared for publication twice a year. The Group Executive Committee normally meets once a month. 12 meetings were held in 2025. In addition, two closed-door meetings were held.

Group Executive Committee



Thomas Oetterli

Chief Executive Officer (CEO)

Thomas Oetterli (1969)

Chief Executive Officer (CEO)

Swiss national

Member of the Group Executive Committee

2023

Educational and professional background

Lic. oec., University of Zurich.

Since 2023 Rieter Management AG (since 2024 Rieter Ltd.), Winterthur, Chief Executive Officer and member of the Group Executive Committee of Rieter Holding Ltd., Winterthur; since 2024 Rieter Holding Ltd., Winterthur, Chairman of the Board of Directors; since 2023 Rieter Holding Ltd., Winterthur, Member of the Board of Directors; 2022 Nokera Group, Rüschtikon, CEO; 2016–2022 Schindler Group, Ebikon, CEO; 2013–2016 Schindler Group China, Shanghai, CEO; 2010–2013 Schindler Europe North & East, Ebikon, President; 2006–2009 Schindler Schweiz, Ebikon, Managing Director; 2003–2006 Schindler Germany, Berlin, CFO; 2002–2003 C. Haushahn Aufzüge GmbH & Co. KG, Stuttgart, Managing Director; 2000–2001 Haushahn Group, Stuttgart, CFO.

Other activities and interests

SFS Group, Heerbrugg, Chairman of the Board of Directors; Swissmem, Zurich, member of the Council.

**Roger Albrecht**

Head of the Machines & Systems Division

Roger Albrecht (1982)

Head of the Machines & Systems Division

Swiss national**Member of the Group Executive Committee**

2021

Educational and professional background

Bachelor in Business Administration, University of Applied Sciences Zurich (ZHAW), Switzerland, and Master of Accounting and Finance, University of St. Gallen (HSG), Switzerland.

Since March 2021 Rieter Management AG (since 2024 Rieter Ltd.), Winterthur, Head of the Machines & Systems Division and member of the Group Executive Committee of Rieter Holding Ltd., Winterthur; 2018–2021 Spindelfabrik Suessen GmbH, Suessen, Managing Director; 2015–2017 Rieter Management AG, Winterthur, Senior Vice President Finance, Controlling & Projects, Business Group Components; 2012–2015 Hilti Canada, Mississauga/ Ontario, Director of Finance, Finance Business Partner; 2008–2012 Hilti Group, Schaan, Business Unit Controller, BU Chemicals and BU Direct Fastening.

Other activities and interests

None.

**Serge Entleitner**

Head of the Components Division

Serge Entleitner (1964)

Head of the Components Division

Austrian national**Member of the Group Executive Committee**

2017

Educational and professional background

Master of social and economic sciences, Leopold-Franzens University

Innsbruck; SKU Swiss Programs in Management, Brunnen and ETH Zurich, Switzerland, and London Business School, United Kingdom.

Since 2017 Rieter Management AG (since 2024 Rieter Ltd.), Winterthur, Head of the Components Division and member of the Group Executive Committee of Rieter Holding Ltd., Winterthur; 2011–2016 Bühler AG, Uzwil, Head of Business Area Consumer Foods; 2008–2010 Conzzeta AG, Zurich, Head of Business Unit Coatings and member of the Executive Board; 2005–2008 Schmid-Rhyner AG, Adliswil, Managing Director; 2000–2005 Sefar AG, Division Printing, Thal/SG, Head of Marketing & Sales MSC EUROW (Europe and Rest of the World, without USA and Asia Pacific), Vice President and member of the Division Management; 1991–2000 Saurer Sticksysteme AG, Arbon, several managing positions in sales.

Other activities and interests

None.



Alexander A. Özbahadır

Head of the After Sales Division

Alexander A. Özbahadır (1978)

Head of the After Sales Division

German national

Member of the Group Executive Committee

2025

Educational and professional background

EMBA from Tsinghua University, China (2015), EMBA from INSEAD Singapore, France and Abu Dhabi (2015), Master in Finance, Marketing, Logistics from the Business and Information Technology School, Iserlohn, Germany (2004).

Since January 2025 Rieter Ltd., Winterthur, Head of the After Sales Division and member of the Group Executive Committee of Rieter Holding Ltd., Winterthur; 2024 Schindler Group, Ebikon, Senior Vice President, Global Account Management Europe; 2021–2024 C. Haushahn GmbH & Co. KG, Stuttgart, Chief Executive Officer, Schindler Deutschland AG & Co. KG, Berlin, Head of Acquisitions and further positions; 2020–2021 Schindler Group China, Shanghai, Senior Vice President New Installations (NI) and Head of “China Growth”; 2017–2019 Schindler Management Ltd., Ebikon, Head of Global Sales and Marketing; 2015–2017 Jungheinrich-Heli Industrial Truck Rental Co., Ltd., Shanghai, Member of the Board; 2015–2017 Jungheinrich AG, Hamburg, Vice President, Partner Sales, Jungheinrich Export AG & Co. KG, Hamburg, Managing Director; 2011–2016 Jungheinrich Lift Truck (Shanghai) Co. Ltd. Shanghai, Managing Director China [from 2014 Head of the Executive Committee incl. Jungheinrich Lift Truck Manufacturing (Shanghai) Co. Ltd.].

Other activities and interests

Since 2021 Gebrüder Eickhoff Maschinenfabrik and Eisengiesserei GmbH, Bochum, Member of the Advisory Board.

**Emmanuelle Gmür**

Chief Human Resources Officer

Emmanuelle Gmür (1976)

Chief Human Resources Officer

French/Swiss national**Member of the Group Executive Committee**

2025

Educational and professional background

Core MBA from Helsinki University of Technology, Helsinki, Finland (1998); Master of Science in Business, École supérieure de commerce de Reims, Reims, France (1998).

Since January 2025, Rieter Ltd., Winterthur, Chief Human Resources Officer and member of the Group Executive Committee of Rieter Holding Ltd., Winterthur; 2013–2024 Triumph Group, Bad Zurzach, Chief Human Resources Officer and Global Head of Communication, member of the global Management Board; 2020–2024 Triumph France SA, Obernai, member of the Supervisory Board; 2015–2024 Triumph Austria AG, Vienna/Wiener Neustadt, Vice Chairwoman of the Supervisory Board; 2010–2013 Triumph Group, Bad Zurzach, Global Head of Learning and Development; 2007–2010 Qualintra SA, Geneva, Head of Consulting; 2005–2006 British Telecom plc, London (United Kingdom), Leadership and Organizational Development Consultant; 1999–2004 Syntegra (British Telecom plc), London, Business Transformation Consultant.

Other activities and interests

Since 2018 ZHAW School of Management and Law, Winterthur, Sounding Board International Management Institute.



Oliver Streuli

Chief Financial Officer (CFO)

Oliver Streuli (1988)

Chief Financial Officer (CFO)

Swiss national

Member of the Group Executive Committee

2023

Educational and professional background

Master of Arts in Accounting and Corporate Finance HSG, University of St. Gallen; Bachelor of Arts in Business Administration HSG, University of St. Gallen.

Since 2023 Rieter Management AG (since 2024 Rieter Ltd.), Winterthur, Chief Financial Officer and member of the Group Executive Committee of Rieter Holding Ltd., Winterthur; 2019–2023 PCS Holding AG, Frauenfeld, CEO; 2022–2024 Swiss Steel Group, Lucerne, Member of the Board of Directors; 2022–2023 Sönmez Transformatör Sanayi ve Ticaret A.Ş., Dilovası/Kocaeli, Türkiye, member of the Supervisory Board; 2020–2023 Traktionssysteme Austria GmbH, Wiener Neudorf, member of the Supervisory Board; 2021–2022 Rolling Stock Finance AG, Frauenfeld, Chairman of the Board; 2020–2022 Estonian Train Finance AG, Frauenfeld, Chairman of the Board; 2020–2022 Nordic Train Finance AG, Frauenfeld, Chairman of the Board; 2019–2022 Austrian Train Finance AG, Frauenfeld, Chairman of the Board; 2017–2019 Stadler Rail Management AG, Frauenfeld, Assistant Group CEO and Executive Chairman.

Other activities and interests

Since 2021 Autoneum Holding AG, Winterthur, member of the Board of Directors; 2022–2023 Flux Mobility AG, Winterthur, member of the Board of Directors.

Risk management

Rieter has an Internal Control System (ICS) designed to ensure the effectiveness and efficiency of the company's operations, the reliability of the financial accounting, and compliance with legal requirements. The ICS is an important component of the risk management system.

The risk management process is regulated by the "Rieter Risk Management System" directive. This directive defines the important risk categories on which risk management is based, and the functions that deal with the various risks within the Group. In addition, the directive sets out the procedures for identifying, reporting and handling risks, the criteria for qualitative and quantitative risk assessment, and the thresholds for reporting identified risks to the competent management levels.

Once a year, under the direction of the General Counsel, a workshop is held to evaluate risks in terms of probability of occurrence and impact on the Group, and to identify the necessary risk management measures.

Market and business risks arising from developments in the relevant markets and the products offered are also assessed as part of strategic planning. In addition, as is the case with the operational risks, they are regularly discussed at the monthly meetings of the Group Executive Committee. Other risks that could cause actual results to deviate from the financial plan are also dealt with at these meetings. In the process, necessary corrective measures are discussed, defined and monitored. Significant individual risks are reported to the Board of Directors in the monthly reports.

Risks resulting from acquisitions or other major projects are recorded and dealt with at the corporate level within the scope of the authorization competencies and in the corresponding project organizations. Such projects are discussed at the Group Executive Committee meetings and evaluated regularly for submission to the Board of Directors.

Periodic reports are prepared for selected risks. This applies, in particular, to environmental and occupational safety risks at the various production sites, financial risks from sales activities, risks arising from the work of the treasury, and risks from litigation and legal compliance.

Cyber security risks

Companies are exposed to the risk of cyber-attacks. Such attacks use a variety of methods to target computer information systems, infrastructures, computer networks and/or personal computing devices.

Rieter organizes its IT infrastructure in such a way as to provide the best possible protection against cyber-attacks. In addition, comprehensive processes have been introduced to detect and respond to cyber-attacks at an early stage and to ensure IT continuity. This is achieved by deploying internal staff and state-of-the-art technology, supported by an external Security Operations Center.

Rieter employees receive regular training on how to identify cyber risks and how to deal with them properly.

Cyber maturity is subject to regular audits. The Board of Directors and management assign high priority to the cyber security roadmap and monitor changes very closely.

Since 2022, all employees are regularly trained in online fraud prevention. The training aims to raise awareness of cyber fraud, especially among those employees most exposed to such risks. Fraud prevention training is also mandatory for new employees.

An overall assessment of the identified risks and the instruments and measures taken to deal with these risks takes place once a year. The results of this assessment are reported to the Board of Directors annually.

Code of Conduct

The Code of Conduct is part of every employee's contract of employment. The Code of Conduct is explained to the employees in the individual business units. Centralized coaching is also provided for members of management in the form of an e-learning program. Compliance with the Code of Conduct is regularly verified in the context of internal audits and by additional audits. The Code of Conduct can be accessed [here](#).

Employees can report violations of the Code of Conduct via an external [whistleblowing office](#).

The [Supplier Code of Conduct](#), which also addresses environmental sustainability issues, was updated in 2022.

Directorships outside the Group

No member of the Group Executive Committee may hold more than four directorships, of which no more than two may be with listed companies. This limitation does not apply to the following:

- a. directorships with companies controlled by the Group,
- b. directorships held by a member of the Group Executive Committee on behalf of the Group or companies controlled by it,
- c. directorships with companies that do not qualify as companies within the meaning of Art. 727 para. 1 no. 2 CO,
- d. directorships with non-profit associations and foundations as well as employee benefit plans.

Directorships within the meaning of c) and d) are limited to 20.

Members of the Group Executive Committee must have their mandates approved by the Board of Directors prior to acceptance.

Management contracts

There are no management contracts between Rieter Holding Ltd. and third parties.

Remuneration, participation and loans

Pursuant to §27 of the Articles of Association, the motions of the Board of Directors regarding the maximum remuneration of the Board of Directors and the Group Executive Committee are adopted at the annual general meeting for the financial year following the annual general meeting.

Pursuant to §28 of the Articles of Association, the members of the Board of Directors receive a fixed remuneration, which is paid either wholly in cash or partly or wholly in the form of shares. The target value of the variable remuneration is 100 percent of the base salary. Provided that the financial, strategic and/or personal targets are met, the members of the Group Executive Committee are entitled to a variable remuneration of a maximum of 150 percent of the base salary. The amount is calculated based on the weighted sub targets, which are determined in advance on an annual basis.

Pursuant to §29 of the Articles of Association, the company is authorized to pay additional remuneration to members of the Group Executive Committee who join the company or are promoted to the Group Executive Committee after the approval of the remuneration by the Annual General Meeting, provided that such additional remuneration does not exceed 40 percent of the most recently approved amount.

Pursuant to §33 of the Articles of Association, the company may grant loans on market terms and conditions to members of the Board of Directors and the Group Executive Committee, provided that the amount of the loan does not exceed three times the last annual remuneration.

For other aspects, please refer to the [Remuneration Report](#).

Shareholders participatory rights

Shareholder rights relating to the remuneration of the [Board of Directors](#) and the [Group Executive Committee](#) are described in the [Remuneration Report](#) of this Annual Report.

Proxy voting

A shareholder may be represented at the Annual General Meeting by his legal representative, by a proxy of his choice or by the independent voting proxy. All shares held by a shareholder may only be represented by one person. Proxies can be granted either in writing or electronically.

Independent voting proxy

An independent voting proxy is elected each year at the Annual General Meeting. The term of office of the independent voting proxy runs until the end of the next Annual General Meeting. Re-election is possible. Removal is effective at the close of the Annual General Meeting at which the independent voting proxy is removed. Natural persons or legal entities are eligible for election.

In the financial year 2025, at the Annual General Meeting on April 24, 2025, the shareholders elected Ulrich B. Mayer, attorney, of Winkel (Switzerland), as the independent voting proxy until the next Annual General Meeting.

The Articles of Association of Rieter Holding Ltd. do not contain any provisions regarding instructions to the independent voting proxy. The Board of Directors determines the requirements for proxies and instructions in accordance with the law and may issue regulations to this effect. The Board provides details of this with the invitation to the Annual General Meeting. In the financial year 2025, all shareholders received a form together with the invitation to the Annual General Meeting, enabling them to authorize the independent voting proxy in writing or via the Internet and to give instructions to the independent voting proxy on the individual motions. Instructions were limited to approval, disapproval or abstention for each motion. With respect to additional or amended motions, shareholders could give a general instruction to either accept, reject or abstain from voting on the motions proposed by the Board of Directors. Shareholders were given until April 17, 2025, 3:30 p.m., to authorize voting proxies and issue instructions via the Internet.

Statutory quorum

The Annual General Meeting passes resolutions by an absolute majority of the voting shares represented, unless the law or the Articles of Association provide otherwise. In particular, the remuneration of the Board of Directors and the Group Executive Committee, resolutions on the appropriation of available earnings and, in particular, the distribution of dividends are decided by a majority of the votes cast, with abstentions not counting as votes cast. A majority of at least two-thirds of the votes represented is required for the resolutions referred to in Art. 704 para. 1 CO and for all other amendments to the Articles of Association.

Convocation of shareholders' meetings and agenda items

Shareholders' meetings are convened by the Board of Directors in writing at least 20 days before the event, with details of the agenda, pursuant to §8 of the Articles of Association, and are published in the company's official publication medium (Swiss Official Commercial Gazette).

Pursuant to §9 of the Articles of Association, shareholders representing shares with a nominal value of 0.5 percent of the share capital or voting rights may, within a period of time to be announced by the company, request in writing that an item be included on the agenda of the Annual General Meeting, or submit a motion with a brief statement of grounds for the inclusion of an item on the agenda.

Entries in the share register

No entries are made in the share register ten days before the Annual General Meeting. In the invitation to the Annual General Meeting, the Board of Directors announces the cut-off date for registration in the share register, which is the decisive date for determining the right to attend and to vote.

Change of control and defensive measures

Obligation to submit an offer

There are no statutory provisions on opting up or opting out, i.e. the statutory provisions on public takeover offers pursuant to the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMIA) apply in full.

Change of control clauses

There are no change of control clauses in favor of the members of the Board of Directors or the Group Executive Committee.

Statutory auditors

Duration of mandate and term of office of the lead auditor

KPMG AG, Zurich (Switzerland), has been appointed statutory auditor of Rieter Holding Ltd. and the Rieter Group since 2023. The statutory auditors are elected at the Annual General Meeting each year on a motion proposed by the Board of Directors. Roman Wenk has served as lead auditor for the mandate since the 2023 financial year.

Auditing fees

In the financial year 2025, KPMG and other auditors charged the Rieter Group around CHF 1.2 million, respectively, CHF 0.1 million for services in connection with auditing of the annual financial statements of the Group companies and Rieter's consolidated financial statements.

Additional fees

Additional consulting fees invoiced by the statutory auditors in 2025 amounted to less than CHF 0.1 million and mainly concerned consulting services.

Supervisory and monitoring instruments vis-à-vis the auditors

The Audit Committee of the Board of Directors discusses the audit plan, the audit focus, the audit schedule and the audit results with the auditors on an annual basis. The Audit Committee of the Board of Directors annually assesses the performance, remuneration and independence of the auditors and submits a proposal for the election of the auditors to the annual general meeting. Further information on auditing is published [here](#).

Information policy

Rieter maintains regular and transparent communication with the company's shareholders and the capital market. Shareholders entered in the share register are informed of the Group's annual financial statements by means of a letter to shareholders. In addition, shareholders and the capital market are informed via the media of significant current changes and developments. Events relevant to the share price are published in accordance with the ad-hoc publicity requirements of the SIX Swiss Exchange. Rieter also maintains a dialogue with investors and the media at special events.

The annual report is available at www.rieter.com. Press releases for the public, financial and trade media, as well as presentations, share price information and contact details are also available at this website. The Board of Directors and the Group Executive Committee provide information on the financial statements and the course of business of the company and answer shareholders' questions at the Annual General Meeting.

Ad-hoc announcements

The push and pull links for the dissemination of ad-hoc announcements are published in compliance with the directive on ad-hoc publicity and can be accessed [here](#).

Blackout periods

Addressees of blackout periods are the members of the Board of Directors and the Group Executive Committee as well as employees who (i) regularly deal with insider information or information covered by the SIX regulation on ad hoc publicity due to their employment duties and responsibilities, or (ii) have access to insider information due to their employment duties or factual circumstances.

The addressees of the ordinary blackout periods are maintained in a list that is continuously updated by the General Counsel. Extraordinary blackout periods are determined individually by the CEO acting on the advice of the General Counsel in the event of circumstances that may qualify as insider information. For projects or circumstances involving inside information a list of insiders is created and maintained in accordance with applicable market abuse rules and market practice.

The following ordinary black-out periods for trading in Rieter shares apply:

- From January 1 until the end of the trading day after the official publication of the annual financial statements of Rieter Holding Ltd.
- From July 1 until the end of the trading day after the official publication of the half-year financial statements of Rieter Holding Ltd.
- From April 1 and October 1 until the end of the trading day after the official publication of the quarterly financial results of Rieter Holding Ltd.

An exception to the above-mentioned ordinary blackout periods was granted in the 2025 financial year. Due to the capital increase and in the interest of the equal treatment of all shareholders, the start of the ordinary blackout period on October 1 was shifted to October 7.

Contacts

For investors and financial analysts:

Oliver Streuli

Chief Financial Officer

Phone: +41 52 208 70 15

investor@rieter.com

For the media:

Relindis Wieser

Head Group Communication and Marketing

Phone: +41 52 208 70 45

media@rieter.com

Financial calendar

Date	Event
April 16, 2026	Annual General Meeting 2026
July 17, 2026	Semi-Annual Report 2026
October 28, 2026	Investor Update 2026
February 24, 2027	Results Press Conference 2027
March 3, 2027	Deadline for Proposals Regarding the Agenda of the Annual General Meeting
April 15, 2027	Annual General Meeting 2027
July 20, 2027	Semi-Annual Report 2027
October 27, 2027	Investor Update 2027

Materiality analysis



As part of its regular review of material topics, Rieter updated its materiality assessment in 2025 to further sharpen its focus and better reflect its current sustainability context.

The assessment serves as the foundation for Rieter's sustainability reporting and strategy with the goal to align the company's material topics with stakeholder expectations. It is a critical tool to help prioritize sustainability topics and allocate resources to areas where they can generate the greatest impact.

This process is a crucial step toward becoming an organization that is resilient and responsible, achieving sustainable value creation for all stakeholders.

Methodology

Part of the double materiality assessment involved identifying and prioritizing relevant sustainability topics both from a financial perspective (impacts on Rieter) and from an external impact perspective (impacts of Rieter on the environment and society). This approach is based on regulatory provisions and, in particular, on those of the European Sustainability Reporting Standard (ESRS).

The process started with in-depth desk research to understand Rieter's sustainability context. Research considered the business model, operational activities, geographical presence and value chain exposure, as well as key stakeholders and sustainability commitments.

The reviewed information came from both internal and external sources:

Internal sources:

- Strategy documents
- Company risk evaluation

- Regulatory requirements

External sources:

- ESG ratings and benchmarks (MSCI, Sustainalytics, CDP and EcoVadis)
- Publicly available risk analysis and frameworks on biodiversity loss (WWF biodiversity risk filter), water stress and scarcity (Aqueduct Water Risk Atlas) and climate transition risks
- Sustainability frameworks
- Regulatory and industry trends

The initial research phase allowed for a preliminary mapping of sustainability risks and opportunities relevant to Rieter and its broader ecosystem. Furthermore, a long list of potential material topics was created, which was primarily based on those set out in the general requirements of the ESRS and tailored to Rieter's specific context.

ESRS topics that were not relevant because they lack applicability to the business model, sector or geographical footprint were excluded.

The remaining topics were subsequently reviewed based on their financial and impact materiality. The same impact scale was applied to both the financial and impact materiality assessment as well as the general risk assessment. As part of this step, stakeholder interviews were conducted to capture insights from individuals with diverse perspectives and expertise.

These interviews were aimed at identifying risks and opportunities of strategic relevance and understanding stakeholder expectations.

Internal stakeholders:

- Members of the Board of Directors
- Group Executive Committee and senior management
- Global department heads with functional responsibilities (e.g. supply chain, logistics, field service or sales)
- Site managers and representatives, e.g. operations, local facility management or Environment, Health and Safety (EHS)
- Risk and compliance representatives

External stakeholders:

- Financial advisors
 - Customers and business partners
 - Industry associations and sector experts
 - Academia
-

Material topics

The outcome of the materiality assessment was visualized in a matrix, which illustrates the perceived risks and opportunities, as well as their strategic relevance. The materiality assessment was reviewed by the Sustainability Committee, subsequently endorsed by the Group Executive Committee and formally approved by the Board of Directors.



Material topics are those that are considered to be of medium to high importance.

Based on the results of the double materiality assessment, a set of sustainability topics were identified as material to Rieter’s long-term value creation and the company’s broader environmental and social impacts.

Among the key environmental topics, energy-efficient products, climate action and the development of circular products emerged as priorities, highlighting the company’s commitment to reducing its environmental footprint and supporting customers with resource-efficient products and solutions, as well as advanced recycling technology.

In the social area, material issues included employee health and safety, a culture of belonging and growth and the fair treatment of workers across the value chain.

From a governance perspective, ethical business conduct and anti-corruption measures were identified as essential to fostering partnerships built on trust.

Material Topic	Definition
Environment	
<ul style="list-style-type: none"> · Climate action · Energy efficient products · Circular products, enabling sustainable fiber processing 	<ul style="list-style-type: none"> · Rieter mitigates operational risk and ensures long-term cost efficiency, reducing its emissions and improving energy performance across its sites. · Rieter develops energy-efficient spinning technology, thereby driving customer value and helping to decarbonize the value chain. · Rieter captures new market opportunities by developing circular products that enable sustainable fiber processing.
Social	
<ul style="list-style-type: none"> · Health and Safety · Culture of belonging and growth · Workers in the value chain and human rights 	<ul style="list-style-type: none"> · Rieter protects its workforce and boosts productivity by prioritizing the health and safety of its employees. · Rieter creates an environment in which employees feel valued and supported in their growth, thereby strengthening talent retention and organizational performance. · Rieter upholds human rights and promotes fair labor practices across its value chain to manage risks and support responsible sourcing.
Governance	
<ul style="list-style-type: none"> · Anti-corruption · Ethical conduct 	<ul style="list-style-type: none"> · Rieter enforces comprehensive anti-corruption measures to safeguard operations in high-risk regions and ensure integrity across all business practices. · Rieter upholds business integrity by promoting transparency in partnerships and maintaining responsible practices throughout its operations.

Sustainability strategy



Guided by its materiality assessment, Rieter has developed a strategy that positions sustainability as a catalyst for future readiness and responsible growth. The sustainability strategy also supports the textile industry's transition toward greater circularity.

The textile industry remains one of the most resource-intensive sectors globally. With an estimated **1.7 billion tons of CO₂e** emitted annually, it is responsible for around six to eight percent of global emissions, making it a significant contributor to climate change. Spinning is a small and highly technological step in the overall textile manufacturing process, yet it can enable positive effects in downstream processes, saving raw materials and energy while promoting circularity.

Spinning: an enabler of decarbonization and circularity

Spinning accounts for about **30 percent of the energy** used in garment manufacturing, much of which occurs in regions where electricity generation is still heavily reliant on fossil fuels. As a leading supplier of spinning technology, Rieter recognizes the critical role it plays in shaping a more sustainable future.

Rieter actively contributes to the decarbonization of the textile value chain: The company drives innovation in energy efficiency, supports the shift to low-emission technology and helps customers to reduce their environmental footprint.

Despite growing awareness of sustainability, textile recycling remains critically underdeveloped. Currently, less than **1 percent** of used garments are recycled into new clothing, while the majority ends up in landfill or incineration. This represents a missed opportunity in closing the loop within the textile value chain.

One of the key challenges lies in the complexity of reprocessing recycled fibers, which limits the scalability of circular solutions. Rieter works continuously on developing

advanced spinning technology that supports the processing of recycled fibers, including both post-consumer and post-industrial textile waste.

Rieter's state-of-the-art technology and in-depth textile expertise is designed to handle the unique characteristics of recycled materials, such as shorter fiber lengths and variable quality, and at the same time maintain high yarn quality. Thus, the company supports the transition toward a circular textile economy.

Sustainability strategy: engineered the Rieter way

Rieter has developed a targeted sustainability strategy. It addresses the most relevant environmental, social, and governance topics for the business and its stakeholders based on the findings of its materiality assessment and the identified material topics.

The strategy is grounded in a structured approach under the acronym Rieter (Risks, Impact, Efficiency, Transformation, Empowerment, Resilience). It begins by evaluating risks and understanding their impact, then focuses on enhancing resource efficiency within its own operations and through Rieter technology in the spinning process. Rieter drives transformation through innovation, fosters empowerment among its people and partners, and strengthens its own resilience to ensure long-term sustainability and responsible growth. This strategic approach ensures that sustainability is not only a commitment, but a core driver of Rieter's future readiness and responsible growth.

The following sustainability targets are integral to Rieter's long-term strategy and business model. They support the company's ambition to lead the spinning technology sector in sustainable innovation, ensuring operational resilience and creating lasting value for key stakeholders and the planet.

Environmental targets

Renewable energy usage	Rieter plans to transition to 90 percent renewable energy use at all production sites by 2030, significantly reducing its operational carbon emissions.
Net zero emissions	Rieter is committed to achieving net-zero greenhouse gas emissions by 2040, and thereby aims to decouple its growth from its environmental impact.
Sustainable product sales	By planning to triple the sales share from sustainable solutions, particularly repair services and retrofitting, from 2022 to 2030, Rieter plans to promote circular economy principles and extend the lifecycle of the machine base.

Social and Governance targets

Workplace safety	Rieter plans to maintain a high safety standard. The goal is to target fewer than two occupational accidents per million hours worked, reflecting the company's commitment to a safe working environment.
Diversity and inclusion	Rieter is committed to increasing the proportion of women in the company. The aim is to ensure that by 2030, at least 30 percent of leadership positions are held by women. With this, Rieter aims to promote the creation of a more inclusive and diverse leadership team.

Sustainability governance

The Board of Directors of Rieter Holding Ltd. defines the company's sustainability strategy at the Group level and sets goals and priorities, while the Group Executive Committee is responsible for implementing the sustainability strategy at the operational level.

The internal Sustainability Committee, which was formed in 2024, comprises leaders from the areas of supply chain, finance, legal, occupational safety and environmental protection, communications and human resources as well as sustainability. The Committee meets every two months to review the progress on sustainability initiatives. In 2025, the Committee met six times, chaired by the CEO. The finance department collects the non-financial data, thus providing the basis for transparent reporting. Product and market-related measures, such as optimizing the energy consumption of individual spinning systems, are the responsibility of the respective country organization. The Rieter subsidiaries are accountable for site-specific measures in the areas of energy, GHG emissions, waste, biodiversity and occupational safety. They are supported by technical experts at Group level.

Board of Directors	The Board of Directors defines the goals and priorities of the sustainability strategy.
Group Executive Committee	The Group Executive Committee implements the sustainability strategy at the operational level and monitors progress and target achievement. Sustainability is a regular agenda item.
Sustainability Committee	The Sustainability Committee develops the conceptual framework for the implementation of the sustainability strategy.
Finance department	The finance department collects the non-financial data and ensures transparent reporting.
Country organization	Product and market-related measures are the responsibility of the respective division.
Corporate risk management	Corporate risk management supports the local Rieter companies with site-specific measures.

Exchange with dialogue groups



Rieter maintains a lively exchange with internal and external dialogue groups. In this way, the company ensures the inclusion of diverse viewpoints in corporate management and the creation of long-term value. Openness and transparency are the cornerstones of this dialogue.

The most important stakeholder groups for Rieter are customers, employees, suppliers, the financial community, investors, the local community and NGOs, regulatory authorities and industry associations, universities (research and partnerships), the public and the media.

Customers

Rieter offers its customers state-of-the-art technology to enable them to maintain and expand their competitiveness in a challenging environment. The sales, textile technology, service and customer training teams are in close contact with customers and help them to exploit the full potential of Rieter's products and systems through knowledge transfer and training. The company continuously conducts targeted Net Promoter Score surveys and develops specific measures to increase customer satisfaction.

Employees

Rieter is an innovative technology leader thanks to the know-how, expertise and passion of its employees. A high level of employee engagement is essential for achieving top performance. For the second consecutive year in 2025, the company conducted a company-wide PULSE survey based on the Net Promoter Score (NPS)

methodology. As a global company, promoting diversity is a key issue. Next to gender diversity, this also includes cultural and age-related diversity.

Suppliers

Suppliers play a critical role in the implementation of the sustainability strategy. Rieter works with its suppliers to minimize social and environmental risks along the supply chain. Rieter encourages its suppliers to integrate sustainable practices into their production chains by specifying environmental standards and social criteria in its procurement guidelines.

Financial community



Rieter maintains an active dialogue with the financial community to ensure transparency and build trust. To this end, Rieter cooperates with [ESG rating agencies](#) and addresses questions from non-governmental organizations on sustainability issues.

The Rieter Group regularly informs shareholders about the course of business through the integrated annual report, the semi-annual report and at the annual general meeting. The company also maintains regular contact with institutional investors holding Rieter shares through roadshows and conferences. With transparent communication, Rieter strives to achieve a broadly diversified, international shareholder base with a long-term orientation.

Local community and NGOs

At its most important locations, Rieter is one of the largest employers in the respective region, for example in Changzhou (China), Ústí nad Orlicí (Czech Republic), Wing (India) and Winterthur (Switzerland). In these locations in particular, the company is heavily involved in cultural, educational and charitable activities.

Regulatory authorities and industry associations

As a leading company in textile machinery technology, Rieter is an active member of important industry associations such as Swissmem.

Universities – research and partnerships

For decades, Rieter has cooperated with top-class research institutes worldwide in order to further expand its technological leadership. In conjunction with the Johann Jacob Rieter Foundation, Rieter supports an Endowed Professorship for Industrial Artificial Intelligence at the ZHAW School of Engineering in Winterthur (Switzerland). Rieter has a network of partnerships with academic institutions. The company works with these institutions on projects aimed at increasing the recycled content of fine cotton ring spun yarns.

Public and media

Rieter informs the public and the media in a transparent and open manner. The financial media, in particular, play an important role. Daily newspapers are also serviced because of their importance to the local population.



Ratings and certifications



Rieter engages regularly with ESG rating agencies and the company's sites are certified to industry standards.

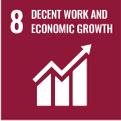
Performance Rating Agency	Scoring	2024	2025
Sustainalytics	Negligible risk (0 – 10) Low risk (10 – 20) Medium risk (20 – 30) High risk (30 – 40)	27.1	35.8
CDP Climate	A – F		D
CDP Water	A – F		C
EcoVadis	0 – 100 points		34

Certifications	Unit of measurement	2024	2025
ISO 9001 (sites)	Quantity	13	14
ISO 9001 (% of employees)	%	81.8	87.3
ISO 14001 and EMAS (sites)	Quantity	1	1
ISO 14001 and EMAS (% of employees)	%	1.9	2.0
ISO 50001 (sites)	Quantity	–	2
ISO 50001 (% of employees)	%	–	6.1
Rieter production sites	Quantity	18	17

United Nations sustainable development goals

The United Nations Sustainable Development Goals (SDGs) are a call for collective action to reduce poverty, to protect the planet, and to enable peace and prosperity for all by 2030. This is to be attained on the basis of 17 goals. Achievement of these goals requires concerted action from governments, businesses and individuals alike.

Rieter’s sustainability strategy advances the United Nations’ global agenda through the following five SDGs:

SDG	Target ¹	Rieter’s activity
 <p>4 QUALITY EDUCATION</p>	4.3.1	<p>Rieter offers a wide range of training opportunities to improve the qualifications of its employees. These range from apprenticeships to internships, student projects and other continuous professional development opportunities.</p> <p>As part of its learning culture, Rieter invests in ongoing employee training by providing suitable training opportunities and granting employees paid leave in order to learn. The aim is to achieve a training rate of more than three days annually per employee. Rieter offers a wide range of courses through a continuously expanded global digital learning platform.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	8.7.1	<p>Rieter respects the human rights of its employees. The company provides its employees with a professional, safe and secure working environment. Rieter does not employ child labor in any of its companies and respects the minimum working age according to local laws.</p> <p>Rieter requires its tier 1 suppliers to sign its Supplier Code of Conduct in which the company stipulates that fundamental human rights (including child labor laws) must be upheld.</p>
	8.8.1	<p>Rieter’s global Environment Health & Safety (EHS) Management System applies to all sites and employees. The company implements its local management systems based on the Corporate Management System and local regulatory and legal requirements. EHS professionals conduct incident investigations and carry out regular risk assessments in order to identify hazards and develop corrective and preventative measures, thus ensuring a safe working environment for all personnel.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	9.4.1	<p>Rieter monitors its Greenhouse Gas (GHG) emissions (scope 1 and 2) following the guidelines of the GHG Protocol. In addition, Rieter also aims to reduce CO₂ emissions in the textile value chain by continuously improving the energy efficiency of its products and machines. This is the company’s most effective means of reducing the industry’s carbon footprint.</p>
	9.5.1	<p>In 2025, Rieter has invested about CHF 40.5 million, or 5.9 percent of sales, in the development and commercialization of technology that is of strategic importance to the company’s future growth. As of December 31, 2025, Rieter employs 4 220 employees.</p>
	9.5.2	<p>In 2025, Rieter has invested about CHF 40.5 million, or 5.9 percent of sales, in the development and commercialization of technology that is of strategic importance to the company’s future growth. As of December 31, 2025, Rieter employs 4 220 employees.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	12.4.2	<p>Rieter monitors the amount of hazardous and non-hazardous waste generated, as well as the disposal method. Efforts to reduce the amount of waste generated focus on packaging optimization.</p>
	12.7.1	<p>As a leading supplier to the textile industry, Rieter is committed to upholding the highest ethical principles in its dealings with employees, shareholders, customers, suppliers, competitors, governments, society and the environment. Rieter expects its suppliers to uphold the same ethical principles and integrity in their activities with stakeholders and the environment. These sustainable procurement expectations are set out in the Supplier Code of Conduct.</p>
 <p>13 CLIMATE ACTION</p>	13.2.2	<p>In 2024, Rieter has committed to developing science-based targets in line with the net-zero goals of the SBTi.</p> <p>Rieter monitors its GHG emissions (scope 1 and 2) according to the reporting guidelines of the GHG</p>

SDG**Target¹ Rieter's activity**

Protocol. By 2030, the company aims to have significantly reduced its scope 1 and 2 emissions by switching to renewable energy. The company aims to achieve net zero by 2040.

¹ [Sustainable Development Goals](#)

Planet

Progress 2025

After delivering consistently strong environmental performance from 2021 to 2024, Rieter closed the 2025 reporting cycle having missed four out of five intensity targets, mainly due to the sharp decline in sales during the year. On the positive side, absolute figures for energy consumption, greenhouse gas emissions (scope 1 and 2), water withdrawal and waste generation declined year-on-year, despite the additional energy consumption resulting from the integration of Prosino S.r.l. (Borgosesia, Italy) and Petit Spare Parts SAS (Aubenas, France). These subsidiaries, acquired in 2024, were included in the reporting for the first time in the year under review. Rieter made further notable progress: The share in renewable energy consumption in 2025 alone increased by 10.1 percentage points to 38.7 percent. Rieter is on track with its plan to transition to 90 percent renewable sources for purchased electricity, gas and crude oil by 2030 and the company’s continued waste management efforts helped raise the recycling rate to 84.1 percent. Reporting against the new targets begins in 2026, aligned with the latest materiality assessment.

PLANET

	Material topic	Unit	Target 2025	Base year 2020	Performance 2025	Progress*	
	Energy consumption Energy consumption intensity	MWh/CHF 1 000 sales	< 0.10	0.170	0.120	●●●●● Not achieved	
	Greenhouse gas emissions GHG intensity scope 1 and 2 (market-based)	tCO ₂ e/CHF 1 000 sales	< 0.045	0.050	0.028	●●●●● Achieved	
	Acidification NOx and SO ₂ intensity	kg/CHF 1 000 sales	< 0.010	0.0144	0.0136	●●●●● Not achieved	
	Water consumption Water withdrawal intensity	m ³ /CHF 1 000 sales	< 0.275	0.424	0.304	●●●●● Not achieved	
	Waste and recycling Waste intensity	kg/CHF 1 000 sales	< 10	11.3	11.2	●●●●● Not achieved	

* Progress made toward achieving the target.

Environmental disclosures

Environmental topics, such as energy consumption and emissions reduction, water conservation, waste management and pollution prevention, are essential for sustainable development and for safeguarding natural resources for future generations. Addressing these issues minimizes ecological impacts, ensures operational efficiency and helps Rieter to comply with regulations while reducing operational risks. One means of defining environmental priorities is Rieter's risk assessment process, as set out in its Risk Management Policy.

Rieter's [Code of Conduct](#) reinforces these environmental priorities by setting expectations for responsible and sustainable behavior, guiding employees and stakeholders to act with integrity in ways that protect the environment. The [Supplier Code of Conduct](#) extends these values to the entire supply chain, ensuring that suppliers also adhere to standards that minimize pollution, waste and water consumption. Rieter introduced a new [Environmental, Health and Safety](#) (EHS) policy in 2025, which focuses on managing environmental impacts at the site level and sets clear requirements for employees and any other individuals who work on site.

Climate action

Material impacts, risks and opportunities

The double materiality analysis identifies climate action and energy efficiency as material issues in the short, medium and long term. This is due to the energy requirements of manufacturing machinery and production facilities, as well as the high cost and volatility of energy prices. In addition, the risk of a global energy crisis remains. The company's GHG emissions are presented on a global scale, with Rieter's sites distributed worldwide. For more information on the anticipated material physical and transitional risks and potential opportunities with regard to climate change, see the [TCFD](#) statement.

Energy consumption by source	Unit of measurement	Target 2025	2024	2025
Consumption of purchased electricity, heat, steam, and cooling from renewable sources	MWh		15 906.2	25 334.3
Consumption of self-generated solar energy	MWh		6 069.6	6 141.3
Fuel consumption from renewable sources (biomass, biogas, non-fossil fuel waste, hydrogen)	MWh		2 047.0	264.7
Energy consumption from renewable sources	MWh		24 022.8	31 740.3
Consumption of purchased electricity from fossil sources	MWh		19 681.8	12 124.4
Consumption of purchased electricity from nuclear sources	MWh		8 059.2	5 420.4
Consumption of purchased heat from fossil sources	MW		0.0	740.2
Fuel consumption from natural gas (heating)	MWh		24 541.9	23 684.6
Fuel consumption from other gases (heating)	MWh		4 318.1	4 355.2
Fuel consumption from crude oil (heating)	MWh		1 047.3	1 546.7
Fuel consumption from petroleum, diesel, and gas (vehicle fleet)	MWh		2 356.5	2 462.3
Fuel consumption from coal and coal products (heating)	MWh		0.0	0.0
Energy consumption from non-renewable sources	MWh		60 004.8	50 333.8
Energy consumption	MWh		84 027.6	82 074.1
Energy consumption intensity	MWh/CHF 1 000 sales	< 0.100	0.098	0.120

Share of energy consumption from renewable sources	Unit of measurement	Target 2030	2024	2025
Energy consumption from renewable sources	MWh		24 022.8	31 740.3
Energy consumption	MWh		84 027.6	82 074.1
Share of energy consumption from renewable sources	%	90.0	28.6	38.7

Absolute energy consumption decreased by 2.3 percent to 82 074.1 MWh, driven by targeted energy efficiency measures and initiatives derived from energy audits. This reduction came despite the first-time inclusion of the two newly acquired subsidiaries. Energy consumption intensity reached 0.120 MWh per CHF 1 000 sales, falling short of the 0.100 MWh intensity target due to the decline in sales.

Rieter's European sites were the main consumers of purchased electricity from both renewable and nuclear sources whereas those in Asia were the main consumers of purchased electricity from fossil sources. Rieter's company-owned sites in China, India and the Czech Republic collectively offer a total capacity of 6 100 MWh of self-generated solar energy. The increase in the share of energy consumption from renewable sources from 28.6 percent to 38.7 percent was driven by changes in procured renewable energy contracts at three European sites. Rieter is currently developing a plan to switch consumption of purchased electricity, gas and crude oil to 90 percent renewable sources by 2030.

Transition plan to climate change mitigation

Rieter is committed to minimizing its impact on the environment in line with the Paris Agreement.

Rieter began its transition plan by assessing its greenhouse gas (GHG) emissions footprint, including scope 1 (direct emissions), scope 2 (indirect emissions from purchased energy) and scope 3 (other indirect emissions). Due to the nature of Rieter's business, scope 1 and 2 emissions are estimated to be low compared to the company's overall footprint.

Rieter has identified the following decarbonization levers for scope 1 and 2 emissions, as well as associated targets:

Decarbonization lever	Description	Target
Technical equipment	Phase-out of fossil-fuel powered equipment used for heating and cooling at sites	90% renewable energy until 2030
Purchased electricity	Electricity supplied to the sites is being switched to a renewable energy electricity mix	90% renewable energy until 2030
Energy efficiency	Reduce energy consumption at sites through the implementation of energy saving equipment, as identified by Group-wide energy audits	
Self-generated electricity	Increase of self-generated energy through the installation of solar systems	
Vehicle fleet	Switch to renewable vehicle drives for the vehicle fleet	Electrify vehicle fleet by 2030

In 2024, Rieter committed to submit a net-zero GHG emission target for validation by the Science Based Target initiative. Scope 1 and 2 emissions are managed centrally by the global Sustainability and Environment, Health and Safety (EHS) department. Local EHS is responsible for projects related to infrastructure, while projects related to GHG emissions are identified and implemented by the managing directors of each site.

Scope 1 and 2 GHG emissions	Unit of measurement	Target 2025	2024	2025
Scope 1	tCO ₂ e		7 194.7	7 445.5
Scope 2 (market-based)	tCO ₂ e		17 374.8	11 745.0
Scope 2 (location-based)	tCO ₂ e		19 089.0	18 227.6
Scope 1 and 2 (market-based)	tCO₂e		24 569.5	19 190.5
Scope 1 and 2 (location-based)	tCO₂e		26 283.7	25 673.1
GHG intensity scope 1 and 2 (market-based)	tCO₂e/CHF 1 000 sales	<0.045	0.029	0.028
GHG intensity scope 1 and 2 (location-based)	tCO₂e/CHF 1 000 sales		0.031	0.038

Under its long-term commitment to boost energy efficiency and the use of renewable resources, Rieter reduced its market-based GHG intensity to 0.028 tCO₂e per CHF 1 000 sales, well below the target upper limit of 0.045 tCO₂e per CHF 1 000 sales.

Scope 1 GHG emissions by source	Unit of measurement	2024	2025
Natural gas (heating)	tCO ₂ e	5 262.8	5 079.0
Other gases (heating)	tCO ₂ e	1 029.5	1 038.1
Crude oil (heating)	tCO ₂ e	281.8	411.5
Petroleum, diesel, and gas (vehicle fleet)	tCO ₂ e	620.6	644.9
Refrigerants (cooling) ¹	tCO ₂ e	–	272.0
Coal and coal products (heating)	tCO ₂ e	0.0	0.0
Scope 1	tCO₂e	7 194.7	7 445.5

¹ Emissions from refrigerant consumption were calculated in 2025 for the first time.

GHG emissions by category	Unit of measurement	2024	2025	Share in % ¹
Scope 1	tCO₂e	7 194.7	7 445.5	0.2
Scope 2 (market-based)	tCO₂e	17 374.8	11 745.0	0.2
Category 1 Purchased goods and services	tCO ₂ e	94 000	81 000	1.7
Category 2 Capital goods	tCO ₂ e	6 000	2 000	0.0
Category 4 Transportation and distribution	tCO ₂ e	20 000	20 000	0.4
Category 5 Waste generated in operations	tCO ₂ e	200	200	0.0
Category 6 Business travel	tCO ₂ e	1 600	1 450	0.1
Scope 3 from upstream activities	tCO₂e	121 800	104 650	2.2
Category 11 Use of sold products	tCO ₂ e	4 100 000	4 700 000	97.4
Scope 3 from downstream activities	tCO₂e	4 100 000	4 700 000	97.4
Scope 3	tCO₂e	4 221 800	4 804 650	99.6
Total emissions (scope 1, 2 market-based, and 3)	tCO₂e	4 246 369.5	4 823 840.5	100.0

¹ Share in percent related to 2025.

Methodologies and assumptions

Energy data is mainly derived from utility invoices and meter readings. For offices in shared buildings or small areas, energy consumption was allocated based on an estimated share of square meters wherever possible. Energy consumption for 2025 is drawn from direct data for the first nine months, while October through December were estimated based on prior-year or projected values.

Calculation of GHG emissions is performed according to the GHG Protocol and covers all GHG emissions as agreed by the Kyoto Protocol (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃).

GHG emissions related to refrigerants were collected for the first time, resulting in an increase of overall scope 1 emissions. Scope 1 and 2 emissions are related to the energy consumption of Rieter's owned or leased sites and other assets (e.g. vehicles) and are therefore calculated based on the operational control assumption. Rieter accounts for 100 percent of emissions from operations over which it has operational control.

None of Rieter's scope 1 emissions were regulated in emission trading schemes. Emission factors used for scope 1 emissions calculation are in line with the emission factors presented by the United Kingdom Department for Environment, Food and Rural affairs (DEFRA), which is widely recognized as an industry benchmark in this area.

Location-based scope 2 emissions purchased from renewable and non-renewable electricity sources were calculated using the most recent country-specific electricity grid emission factors. The respective emission factors were released by Carbon Footprint Ltd., a British-based carbon calculator consultancy, and were based on the Statistical Review of World Energy 2025 from the Energy Institute, an organization for professionals in energy-related fields. The emission factors represent fuel mix data from 2024 published in 2025.

Market-based scope 2 emissions were calculated by each site using supplier-specific emission factors requested from the respective energy suppliers. If a supplier did not provide specific emission factors, the location-based factor referenced above was applied. The most recent emission factor data available was from 2024.

GHG emissions from the use of sold products (category 11) have by far the greatest impact on Rieter's GHG footprint – over 95 percent – and are attributable to the Machines & Systems Division. Emissions in this category were calculated based on the annual energy consumption of different machine types (ring spinning, air-jet spinning machines etc.), an expected useful life of 15 years, and an average global emission factor.

Scope 3 GHG emissions from upstream activities (categories 1, 2, 5 and 6) use indirect sources such as industry-average emission factors converting expenditure into CO₂e and covering 74.0 percent of sales. Emission factors used are in line with spend-based emission factors presented by the [US Environmental Protection Agency](#). In 2025, Rieter further refined its scope 3 emissions calculation methodology, particularly in relation to logistics and distribution. For categories 4 and 9, Rieter transitioned from a spend-based to a supplier-specific emission calculation approach by collecting and incorporating emissions data directly provided by suppliers.

All categories not listed in the [table on GHG emissions](#) are expected to be less significant.

Other emissions (acidification)	Unit of measurement	Target 2025	2024	2025
Nitrogen oxide emissions (NO _x)	t		8.0	8.0
Sulfur dioxide emissions (SO ₂)	t		1.6	1.3
NO_x and SO₂ emissions	t		9.6	9.3
NO_x and SO₂ intensity	kg/CHF 1 000 sales	< 0.0100	0.0112	0.0136

With a NO_x and SO₂ intensity of 0.0136 kg per CHF 1 000 sales, Rieter missed its target of 0.0100 kg per CHF 1 000 sales.

Nitrogen oxide (NO_x) and sulfur dioxide (SO₂) emissions are related to the energy consumption of Rieter's owned or leased sites and other assets (e.g. vehicles).

SO₂ and NO_x emissions are formed in industrial plants when fossil fuels are burned during the production process. Emergency generators are also used at some sites to maintain production capacity in the event of a power outage. Legally required air purification systems and filters at all Rieter production sites help reduce acidification. Emission factors used for calculating NO_x and SO₂ emissions are in line with the emission factors presented by DEFRA.

Resource efficiency and circular economy

Material impacts, risks and opportunities

Two key factors in resource efficiency are water reduction and waste avoidance. While water is a critical resource globally, it is of limited relevance in the company's operations and in the spinning process overall. As such, the latest materiality assessment does not identify water as a topic of high relevance, and reporting on this topic will cease after 2025. Nonetheless, Rieter remains committed to the responsible use of water throughout its operations.

Local EHS departments are responsible for compliance with local legislation, the management of water permits and reporting requirements.

Water withdrawal by source	Unit of measurement	Target 2025	2024	2025
Ground water	m ³		177 271.7	71 564.3
Surface water	m ³		40 727.0	136 629.1
Water withdrawal	m³		217 998.7	208 193.4
Water withdrawal intensity	m³/CHF 1 000 sales	< 0.275	0.254	0.304

Due to low sales volumes in the year under review, Rieter's water withdrawal intensity amounted to 0.304 m³ per CHF 1 000 sales, falling short of its target of 0.275 m³ per CHF 1 000 sales for the first time. In absolute terms, however, the company succeeded in reducing its water withdrawal for the year to 208 193.4 m³. Close collaboration with local water utilities also saw a large proportion of groundwater sources reclassified as surface water. This change explains the noticeable shift in categorization of water sources in the 2025 data.

Methodologies and assumptions

Groundwater withdrawal includes water that is purchased from local authorities and stored in their reservoirs. In contrast, surface water is drawn from rivers or lakes near Rieter sites. Before entering a Rieter site, the withdrawn groundwater is treated at sewage plants operated by local authorities. Water withdrawal was measured for owned and leased sites in line with the operational control approach. The data is mainly sourced from invoices and meter readings. For offices in shared buildings or small areas, water withdrawal was allocated based on an estimated share of square meters wherever possible. Water withdrawal for 2025 is drawn from direct data for the first nine months, with October to December estimated based on prior-year or projected values.

Waste generation, treatment and disposal are significant for Rieter as they directly impact operational efficiency, regulatory compliance and environmental sustainability. Poor waste management poses significant risks, including legal penalties, increased disposal costs and reputational damage. Through waste reduction and waste recovery, Rieter can reduce costs as well as strengthen its environmental footprint and its reputation among stakeholders as an environmentally conscious company. Local Environment, Health and Safety (EHS) departments are responsible for waste management and increasing the recycling rate. The local EHS management receives special training for this purpose.

Waste generated by type	Unit of measurement	Target 2025	2024	2025
Non-hazardous waste	t		0.0	221.6
Hazardous waste	t		0.0	0.0
Waste diverted from disposal	t		0.0	221.6
Non-hazardous waste	t		7 173.0	7 053.3
Hazardous waste	t		630.1	648.1
Waste directed to disposal	t		7 803.1	7 701.4
Waste intensity	kg/CHF 1 000 sales	< 10.0	9.1	11.2

Waste generated by disposal method	Unit of measurement	2024	2025
Reuse/internal recycling	t	0.0	221.6
Waste diverted from disposal	t	0.0	0.0
Landfill	t	54.8	70.7
Incineration (with and without energy recovery)	t	1 242.5	1 154.5
Recycling	t	6 505.9	6 476.2
Waste directed to disposal	t	7 803.2	7 701.4

Recycling rate	Unit of measurement	2024	2025
Recycled waste directed to disposal	t	6 505.8	6 476.2
Total waste generated	t	7 803.1	7 701.4
Recycling rate	%	83.4	84.1

In 2025, Rieter generated a total of 7 701.4 tons of waste directed to disposal, a slight reduction compared to the previous year, despite the first-time inclusion of the two newly acquired subsidiaries. However, the waste intensity of 11.2 kg per CHF 1 000 sales fell short of the target of 10.0 kg per CHF 1 000 sales, which was once again primarily attributable to lower sales volumes.

The recycling rate increased by 0.7 percentage points year-on-year to 84.1 percent, driven by Rieter's ongoing commitment to improving recycling practices.

Methodologies and assumptions

Hazardous waste includes all classes of waste defined as "hazardous" by local legislation, and mainly includes the disposal of sludge, electronic and chemical waste, lubrication and grease. Non-hazardous waste includes metal, plastic and other kinds of waste (e.g. composting or paper waste). Recycling covers waste that has been re-entered into the process, either by creating a product of equal quality (closed loop), another product of lesser value or a new raw material (open loop). Rieter

differentiates between internal recycling, where waste is diverted from disposal and re-used internally, and external recycling, where waste is disposed to external recycling services providers. More than 95.0 percent of recycled waste is disposed to external recycling services providers. As a consequence, Rieter's recycling rate includes only external recycling.

Waste was measured for owned and leased sites in line with the operational control approach. The data are mainly primary data sourced from invoices of waste suppliers. For offices in shared buildings or small areas, waste was allocated based on an estimated share of square meters wherever possible. For 2025, waste was collected for the first nine months based on direct data, while October through December were estimated based on prior-year or projected values.

People

Progress 2025

Rieter closed its social target reporting cycle, achieving three of five objectives and demonstrating ongoing improvement. The targeted safety trainings in the year under review are clearly paying off. The absolute number of occupational accidents was reduced by around thirty percent to 21, which in turn led to an improvement in the accident rate per million hours worked to 2.7. Amid a challenging market environment, the absence rate for sick and accident leave reached 3.5 percent in 2025. With 20.1 percent women in leadership positions, Rieter exceeded the targeted level of 20.0 percent for the first time. This was enabled by systematically embedding a focus on diversity into all human resources processes and across the entire employee lifecycle. The labor turnover rate rose slightly to 6.1 percent, but still lies below the 10.0 percent target. Training days per employee dropped slightly to 1.4 in 2025. From 2026 onward, Rieter will work toward new social targets for 2030 as defined in its latest materiality assessment, with a particular emphasis on driving growth and a sense of belonging.

PEOPLE

	Material topic	Unit	Target 2025	Base year 2020	Performance 2025	Progress*
	Employer of choice Labor turnover rate	%	< 10	12.0	6.1	Achieved
	Health and safety Absence rate	%	< 2	3.9	3.5	Not achieved
	Total recordable work-related accidents	per 1 000 000 hours worked	< 3	5.3	2.7	Achieved
	Diversity Women in Group Executive and management roles	%	> 20	12	20.1	Achieved
	Training and development Training days per employee	days per employee	> 3	1.6	1.4	Not achieved

* Progress made toward achieving the target.

Social disclosures

Social topics, including diversity, equality, fair treatment and employee well-being, are crucial for fostering an inclusive, respectful and high-performing workplace. These issues drive organizational success by ensuring equal opportunity, promoting diversity, supporting employee growth and creating safe and healthy work environments that attract and retain talent.

Rieter's [Code of Conduct](#) establishes ethical standards for equal treatment, non-discrimination and respect across the organization, promoting a culture where

everyone has equal opportunities. The [Supplier Code of Conduct](#) extends these expectations to business partners, promoting respect for labor rights and fair treatment throughout the supply chain. Rieter's [Human Rights Policy](#) further reinforces this commitment by highlighting the company's commitment to upholding globally recognized labor standards defined by the United Nations and the International Labor Organization (ILO). They include the minimum working age, maximum working hours, freedom of association and safe working conditions, especially for vulnerable groups. The [Health and Safety Policy](#) prioritizes a safe and healthy work environment, complying with legal regulations and aiming to reduce accidents.

Working conditions and social engagement

Material impacts, risks and opportunities

Rieter's employees are at the center of the company's success. Attracting, developing and retaining a highly-skilled workforce is essential to Rieter's business strategy. Working conditions are highly significant for an industrial company with worldwide operations, including sites in Germany, India, China, the Czech Republic and other countries, due to their direct impact on performance, legal compliance and reputation. Secure employment, adequate wages and working time regulation can reduce employee turnover, increase employee motivation and mitigate labor disputes, thereby lowering operational risks.

Employees by region	Unit of measurement	December 31, 2024	December 31, 2025
Asia	Headcount	2 027	1 828
North and South America	Headcount	99	85
Europe	Headcount	2 733	2 365
Number of employees	Headcount	4 859	4 278

In recent years, Rieter has taken strategic steps to refine its global organizational structure to better support long-term competitiveness and customer proximity. This transformation involved the reallocation of selected functions from Europe to dynamic growth regions such as China and India, where market proximity offers strategic advantages. Additionally, streamlined operations and targeted efficiency initiatives led to a reduction in the overall workforce, impacting all locations.

To support its transformation, Rieter has invested in reskilling and strategically reshaping its workforce to align with forward-looking business objectives and tap into regional growth opportunities. Thanks to these changes, Rieter now has a more agile and competitive organizational structure and is optimally positioned for sustainable growth and innovation.

Labor turnover and satisfaction	Unit of measurement	Target 2025	December 31, 2024	December 31, 2025
Voluntary staff departures	Headcount		221	280
Labor turnover rate	%	< 10.0	4.5	6.1
Employee Net Promoter Score (eNPS)			- 10.0	- 2.0

Due to the significant reorganization of the workforce and the ongoing performance program, the labor turnover rate rose to 6.1 percent in 2025, but still remained below

the 10.0 percent target. This confirms the strength of Rieter's corporate culture. Rieter measures the involuntary fluctuation of employees using the labor turnover rate.

In addition, the Employee Net Promoter Score (eNPS) is monitored annually. The eNPS is a key indicator that reflects how likely Rieter employees are to recommend Rieter as a place to work to their families and friends. By definition, the eNPS ranges between -100 and +100. The participation rate rose by 25 percentage points, reaching 73 percent. In October 2025, the actual eNPS score at Group-level improved by eight points to -2 (2024: -10), with more than 78 percent of all entities showing an improvement in scores. The global and local results were shared with the subsidiaries' leaders and employees, and corresponding actions to improve the employee referral rate have been implemented.

Methodologies and assumptions

The number of employees (headcount and full-time equivalent, FTE) includes all employees working for Rieter excluding apprentices and non-employees. The respective data includes all Rieter subsidiaries in line with the operational control approach. Non-employees consist of staff hired through a third-party agency for a temporary period, as well as individual contractors.

In calculating the labor turnover rate, Rieter puts the focus on voluntary staff departures without taking redundancies into account. Voluntary staff departures include the number of Rieter employees who left Rieter on a voluntary basis because they found what they consider to be a better alternative. Retirements and early retirements are excluded. This allows Rieter to better measure employee satisfaction and the strength of its corporate culture. The labor turnover rate is calculated by dividing the number of voluntary staff departures through the yearly average headcount.

The Group human resources department distributes, collects and evaluates the eNPS questionnaire on an annual basis. The survey is translated into all local languages to drive participation, and includes all sites and all permanent employees of subsidiaries.

Following the survey, focus groups are now used to build detailed action plans. Group human resources also facilitates a global program of best practice exchange.

Culture of Belonging and Growth

Material impacts, risks and opportunities

Equal treatment and equal opportunity are critical for a global manufacturing company as they directly influence workforce diversity and employee morale across sites in different countries. Ensuring non-discriminatory practices in hiring, promotion and compensation, regardless of gender, race, age or background, helps the company to access a broader talent pool and foster creativity and resilience within its teams. Disparities in opportunity can lead to dissatisfaction, resulting in higher turnover. Rieter therefore aims to create an environment where employees feel valued and supported in their professional growth, thereby strengthening talent retention and enhancing overall organizational performance.

Offering equal treatment promotes an inclusive work environment where employees feel valued and are more motivated, resulting in higher performance and loyalty. Furthermore, companies that champion diversity and equal opportunity are often

perceived more favorably by customers, investors and business partners, enhancing the brand reputation of the company globally. From a financial perspective, investing in equality reduces the risk of lawsuits, costly settlements and reputational damage, while attracting top talent and potentially improving company performance through a more diverse and engaged workforce.

Employees by gender	Unit of measurement	Target 2025	December 31, 2024	December 31, 2025
Female	FTE ¹		950	851
Male	FTE		3 835	3 369
Number of employees	FTE		4 785	4 220
Women in workforce	%		19.9	20.2
Women in Group executive and management positions	%	> 20.0	15.0	20.1

¹ Full-time equivalent, FTE

The share of women in leadership and management positions rose to 20.1 percent, surpassing the targeted level of 20.0 percent for the first time. The diversity initiative “women@rieter”, launched in 2023, was continued successfully in 2025. As part of its broader talent development initiative, Rieter offers mentoring opportunities that connect emerging talents with senior leaders, fostering personal growth and strategic insight. Complementing this, the company hosts regular roundtable sessions as part of the “Empowering Voices” series. These sessions serve as a platform for open dialog on topics such as inclusive leadership, navigating change, cross-cultural collaboration and authentic communication.

Age distribution

The following table presents the percental distribution of the number of employees to age classes:

Age distribution	Unit of measurement	December 31, 2024	December 31, 2025
Below 30 years	%	8.8	7.5
Between 30 and 39 years	%	28.3	27.1
Between 40 and 49 years	%	30.9	32.0
Between 50 and 59 years	%	23.4	24.3
Above 60 years	%	8.6	9.1
Number of employees	FTE¹	4 785	4 220

¹ Full-time equivalent, FTE

Methodologies and assumptions

Women in the workforce include women employed by Rieter, but excludes temporaries and apprentices. Management includes employees that are employed in the executive career band defined centrally by the human resources department. Data relating to women in the workforce, women in management positions and age distribution are collected in the BOFC, with the underlying data coming primarily from local human resource systems. The respective data includes all Rieter subsidiaries in line with the operational control approach.

Equal pay

The principle of equal pay is a key focus for Rieter, which is also set out in the company-wide Human Rights Policy. Rieter has carried out a comparative analysis of remuneration for men and women at all its sites except Germany per the end of 2025. No analysis was conducted in Germany, where over 90 percent of employees are covered by collective agreements that support fair and transparent pay structures by defining standardized wage levels and working conditions. In 2024, Rieter conducted an analysis of its sites in Switzerland and China, followed by assessments of the sites in India and the Czech Republic in 2025.

The equal pay analysis revealed no structural differences in pay between men and women. Individual, unexplainable differences are being monitored and reduced through measures, such as regular salary reviews, standardized performance evaluations, unconscious bias training for managers, implementing clear and transparent promotion criteria and providing mentorship programs to support career development for underrepresented groups.

The equal pay analysis was conducted using the self-assessment tool “Diagnosis of Equal Remuneration” created by [UN Women](#), the United Nations entity dedicated to gender equality and the empowerment of women. During this analysis, job roles with similar qualifications and requirements were grouped together. To improve transparency across all sites, job roles were standardized in the second half of 2024. In 2025, a job grading was carried out on this basis to standardize the equal pay analysis process. In 2026, the overall compensation framework will be revised, and regular equal pay analyses will be conducted. The new harmonized framework is expected to further strengthen payment practices in line with equal pay standards.

Pay gap in percent by region	Unit of measurement	2025
China	%	7
Switzerland	%	< 5
Czech Republic	%	8
India	%	2

Health and Safety

Material impacts, risks and opportunities

Poor health and safety standards can result in accidents and costly legal claims. Furthermore, maintaining a healthy work-life balance and promoting a safe working environment can improve employee well-being and productivity, reducing absenteeism, and increasing efficiency. Non-compliance with local labor laws or international standards could lead to fines, reputational damage and strained relations with stakeholders.

Local EHS managers are responsible for ensuring healthy and safe workplaces at each operating site and in each situation.

Absence rate and work-related accidents	Unit of measurement	Target 2025	2024	2025
Absence rate	%	< 2.0	4.1	3.5
Total recordable work-related accidents	Quantity		29	21
Total recordable work-related accidents per million hours worked	Quantity/million hours worked	< 3.0	3.3	2.7

The absence rate for sick and accident leave decreased to 3.5 percent in 2025, which is still above the target of a maximum of 2.0 percent.

The absolute number of occupational accidents dropped by around thirty percent to 21. As a result, occupational accidents per million hours worked improved slightly to 2.7 in 2025. The improved accident rate is attributable to more intensive preventive measures and the implementation of targeted safety training at Rieter sites. Each incident is thoroughly examined to identify its root cause, and the findings are documented in a detailed case analysis that outlines corrective actions to prevent recurrence. The results are communicated to all locations for implementation and adaptation. Monthly online meetings with all personnel responsible for occupational health and safety ensure a continuous exchange of knowledge. Rieter's goal is to prevent all accidents at work.

Methodologies and assumptions

Rieter continuously tracks the number of work-related accidents and incidents, as well as the absence rate, to identify risks in the workplace and ensure employee health, safety and well-being. Absences include lost working hours due to sickness and work-related accidents. Total recordable work-related accidents include lost time accidents (LTAs) and accidents that require medical treatment beyond first aid, result in restricted work or lead to a transfer to another job. The respective data includes all Rieter subsidiaries in line with the operational control approach.

Training and development

Material impacts, risks and opportunities

Continuing training and education are vital for the long-term success of Rieter. Well-trained employees are more efficient as they have the necessary skills and knowledge to complete their tasks faster and more accurately. Targeted training sessions enable employees to optimize their work processes, which leads directly to higher productivity. In addition, good development prospects may result in better job satisfaction for employees.

Group and local human resources departments are responsible for the implementation of the training and development approach within Rieter.

	Unit of measurement	Target 2025	December 31, 2024	December 31, 2025
Training days per employee	Days/number of employees	> 3.0	2.0	1.4

Training days per employee dropped slightly to 1.4 in 2025 and fell short of the target of at least 3.0 days. Rieter offers around 2 700 courses via its digital learning platform on diverse business-related topics, helping to improve the personal and professional development of its employees. In addition to digital training sessions, Rieter intends

to collect the number of external and physical training and development sessions through this platform in future.

Methodologies and assumptions

Training days include the total number of training days of employees working for Rieter. This includes both internal and external training programs, either initiated by Rieter or financially supported by the company through full or partial coverage of the costs. The data is mainly from time recording systems or invoices from external training providers. Internal trainings, such as security or compliance training, are also included. In 2025, internal data collection processes were improved. The respective data includes all Rieter subsidiaries in line with the operational control approach.

Corporate governance in non-financial matters



Rieter's corporate culture is based on integrity and trust. These core values are enshrined in the company's Code of Conduct and Supplier Code of Conduct, as well as in its mission and vision.

Code of conduct

The Code of Conduct requires all employees of the Rieter Group to act at all times in a correct, fair and professional manner in connection with their business activities. Rieter complies with the laws and regulations applicable in all countries in which the Group operates. There are corporate and local guidelines on a range of topics, with specific requirements and instructions. Where national and international regulations impose stricter requirements, the stricter standard is applied to the extent possible and reasonable.

Compliance organization

Management is responsible for implementing the corporate principles and guidelines. The compliance organization consists of the Group Compliance Officer, regional Compliance Officers and local Compliance Officers. They support the Group and local management in the implementation of the guidelines and are the points of contact for employees.

Business ethics

Rieter's business relationships with its partners are based on the principles of honesty and trust. The safety of Rieter's products for the customers and their operating and maintenance personnel in all phases of the product life cycle is of paramount importance to Rieter. Rieter and its business partners work closely together to achieve a high standard and continuously improve performance in this area.

Human rights

Rieter respects the human rights of its employees and provides them with a professional, safe and hazard-free working environment. Rieter also requires its suppliers to respect human rights, rejects any form of forced or compulsory labor and does not tolerate any form of abusive disciplinary measures. Working hours are always in accordance with applicable local legislation. Rieter is committed to complying with the fundamental conventions of international labor organizations, the OECD Guidelines for Multinational Enterprises and the principles against the systematic exploitation of natural resources and raw materials.

Anti-corruption

Rieter prohibits all forms of bribery and other corrupt business practices. In particular, Rieter employees and agents may not offer, promise or give anything of value to public officials, representatives of customers, suppliers or other business partners of Rieter in order to obtain an improper advantage.

Taxes

As a company and as an employer, Rieter complies in good faith with the applicable tax laws and obligations of all countries in which the company operates. This applies to all direct and indirect taxes. Rieter also complies with international agreements and tax guidelines. In accordance with the "Base Erosion and Profit Shifting" (BEPS) campaigns of the OECD, Rieter prepares the Country-by-Country Report (CbCR) for the entire Rieter Group and makes it available to the Swiss tax authorities. Rieter shares the CbCR with the competent authorities of the countries that have signed the relevant agreements. Rieter recognizes that all taxes it pays and collects for governments are an integral part of its corporate social responsibility.

Data privacy

Rieter takes the protection of personal information very seriously. This includes all information that can be used to identify an individual. The privacy statement provides information about what personal data Rieter collects and how Rieter uses and protects the collected data. Rieter takes appropriate technical and organizational measures to protect personal data against manipulation, loss or access by unauthorized third parties. These measures are continuously reviewed and improved in accordance with new technological developments.

Risk management

Rieter has implemented a comprehensive risk management system that also identifies and manages non-financial risks. The risk management process is governed by the “Rieter Risk Management System” directive. This directive defines the procedures for identifying, reporting and handling risks, the criteria for qualitative and quantitative risk assessment, and the thresholds for reporting identified risks to the appropriate management levels.

Environmental risks are also evaluated and assessed as part of the risk assessment. As a result, various areas for action have already been identified and risk mitigation measures have been implemented. At least once a year, the risks are assessed in a workshop led by the Head of Legal Services (General Counsel) and documented in a report to the Board of Directors.

Conflict minerals and child labor

The Federal Act on Transparency in Non-Financial Matters and the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDTrO) entered into force in January 2023. In reviewing the import volumes of minerals and metals containing tin, tantalum, tungsten or gold, Rieter did not identify any relevant imports exceeding the legal minimum volumes in 2025. An additional duty of care for minerals and metals from conflict areas pursuant to Art. 964j of the Swiss Code of Obligations is therefore not required. With regard to child labor, Rieter’s assessment in 2025 found no evidence to suggest there was any reasonable suspicion of child labor in the manufacture or provision of the company’s products or services.

Web-based whistleblower system

Employees can report violations of the Code of Conduct, laws or internal guidelines to their supervisor or the compliance organization. Alternatively, employees and third parties may anonymously report actual or suspected compliance violations through the web-based [Whistleblower](#) system. Safeguards are in place to ensure that actual or suspected compliance violations are investigated and evaluated by impartial individuals.

TCFD Report

In conformity with the Swiss Ordinance on Mandatory Climate Disclosures, Rieter has been implementing reporting on climate-related matters in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) since January 1, 2024. This report outlines how Rieter identifies and manages the physical and transitional risks and opportunities associated with climate change that could have a financial impact on the Group. The eleven disclosures, as recommended by the TCFD, are divided into the sections Corporate Governance, Strategy, Risk Management, and Key Figures as well as Targets.

Corporate governance

Oversight of Board of Directors

The Board of Directors of Rieter Holding Ltd. defines the company's sustainability strategy at the Group level and sets objectives and priorities. Climate-related matters are embedded in Rieter Group's sustainability strategy. The Board of Directors has committed to addressing sustainability aspects, including climate-related issues, separately in three Board meetings each year. In 2025, this took place as planned in three meetings.

In 2024, the Board of Directors mandated the Group Executive Committee to establish a Sustainability Committee to develop the conceptual framework for the implementation of the sustainability strategy. Climate-related matters are embedded in these activities. The Committee includes leaders from the areas of supply chain, finance, legal, occupational safety and environmental protection, communications, human resources and sustainability. The Committee meets every two months to assess progress on sustainability initiatives. Under the leadership of the CEO of Rieter, the Committee met six times in 2025.

For more information on Board oversight, see the Sustainability Strategy section under [Sustainability Governance](#).

Role of the Group Executive Committee

The Group Executive Committee is responsible for implementing the sustainability strategy at the operational level and for monitoring the achievement of sustainability goals. Climate-related matters are embedded in Rieter's sustainability strategy and supported by corresponding goals. The Group Executive Committee has committed itself to address sustainability issues, including climate-related matters, in at least three Executive Committee Meetings. This took place as planned three times in 2025.

For more information on the role of the Group Executive Committee, see the Sustainability Strategy section under [Sustainability Governance](#).

Strategy

Climate-related risks and opportunities

Rieter continuously identifies, monitors and manages climate-related risks and opportunities on a short-term (one year), medium-term (two to five years) and long-term (more than five years) basis. Two categories of climate-related risks and opportunities are differentiated: physical risks and opportunities associated with changing climatic conditions, and risks and opportunities associated with the transition to a low-carbon economy. The risks and opportunities identified by Rieter are summarized in the subsequent [table](#).

Impact of climate-related risks and opportunities

Physical risks and opportunities include on one hand the effects of short-term, acute extreme weather events such as severe storms, heavy rain/flooding, wildfires and landslides. These can result in damage to the Group's own infrastructure or disruptions in the supply chain, such as supply bottlenecks, or can significantly impact logistics due to disrupted transportation routes. On the other hand, the physical risks and opportunities also include the longer-term chronic, localized effects of climate change. These include the effects of rising average temperatures and/or sea levels, as well as increased and longer periods of heat and drought.

Transitional risks arise from new political, legal, technological, social, market and reputational developments triggered by climate change. These include the pricing of CO₂, compliance with new climate change legislation and regulations to protect the climate, the reliability of energy supply in the context of the energy transition, changing customer preferences towards sustainable products, the development of sustainable technologies, and the redirection of capital flows towards sustainable investments.

The climate-related risks and opportunities identified by Rieter, their impact on the Group and the measures taken are described in the following table. A distinction is made between the impacts, risks and opportunities for in-house production (own environmental footprint) and for Rieter's customers and suppliers (supply chain).

Physical risks and opportunities

Type	Impacts on Rieter: risks and opportunities	Measures
Acute		
<p>Extreme weather events (storms, flooding, landslides, wildfires) and earthquakes</p>	<p>Risks</p> <p>Own production</p> <ul style="list-style-type: none"> · Damage to the Group’s own infrastructure can result in unforeseen costs for repairs or replacements, or in production downtime and the associated loss of sales. <p>Supply chain</p> <ul style="list-style-type: none"> · Supply bottlenecks due to damage at suppliers can result in production downtime and the associated loss of sales. · Disruptions to sea and road transportation routes can result in higher costs due to rescheduling and delays. <p>Opportunities</p> <p>Supply chain</p> <ul style="list-style-type: none"> · Rieter can assist its customers in assessing the damage and provide appropriate advice. · Rieter can expedite repairs and inspections of damaged machines. · Rieter can assist its customers in restoring production capacity. 	<p>Risk mitigation and exploitation of opportunities</p> <p>Own production</p> <ul style="list-style-type: none"> · Rieter ensures that dealing with extreme weather events is integrated into the contingency plan at all sites. · Rieter maintains its critical infrastructure on a regular basis. <p>Own production and supply chain</p> <ul style="list-style-type: none"> · To ensure the resilience and stable management of the supply chain, Rieter conducts regular risk assessments in accordance with an annual audit plan.
Chronic		
<p>Long-term local impacts (rising average temperature and sea level, more frequent and prolonged heat waves)</p>	<p>Risks</p> <p>Own production and supply chain</p> <ul style="list-style-type: none"> · Rising average temperatures can lead to higher energy requirements for cooling machines and workplaces in the summer. This can result in higher operating and capital costs and increased greenhouse gas (GHG) emissions. · Rising sea levels may lead to the relocation of the Group’s own sites, such as in the Netherlands, as well as the relocation of suppliers’ and customers’ sites at or near sea level. This can result in higher operating and capital costs. In addition, supply bottlenecks may occur, which could have a negative impact on the Group’s sales. · More frequent and longer heat waves can have a negative impact on the availability and quality of cotton, resulting in higher procurement costs and/or a shortage of cotton. In addition, heat waves can affect the availability and quality of drinking water and water levels needed for cotton production. 	<p>Risk mitigation and exploitation of opportunities</p> <p>Own production</p> <ul style="list-style-type: none"> · Regular assessment of chronic physical risks as part of the risk management system ensures resource efficiency, energy-efficient production, and maintenance of business continuity. <p>Supply chain</p> <ul style="list-style-type: none"> · In addition, annual supplier risk assessments increase resilience by requiring diversification of the supplier base and identifying alternative transportation routes.

Type	Impacts on Rieter: risks and opportunities	Measures
	<p data-bbox="422 237 560 259">Opportunities</p> <p data-bbox="422 271 751 293">Own production and supply chain</p> <ul data-bbox="438 304 895 618" style="list-style-type: none"> <li data-bbox="438 304 895 383">· Rising average temperatures reduce the need for heating in winter. This can result in cost savings and reduced GHG emissions. <li data-bbox="438 394 895 517">· A shortage of cotton on the world market may lead to increased demand for resource-efficient technologies and Rieter’s recycling solutions. <li data-bbox="438 528 895 618">· Rieter’s technological expertise can help to develop new fiber types and further expand the company’s market leadership. 	
Biodiversity	<p data-bbox="422 629 475 651">Risks</p> <p data-bbox="422 663 751 685">Own production and supply chain</p> <ul data-bbox="438 696 895 808" style="list-style-type: none"> <li data-bbox="438 696 895 808">· Increasing textile consumption has a negative impact on biodiversity due to resource intensity, the global supply chain and water intensity during the use phase. <p data-bbox="422 875 560 898">Opportunities</p> <p data-bbox="422 909 751 931">Own production and supply chain</p> <ul data-bbox="438 943 895 1055" style="list-style-type: none"> <li data-bbox="438 943 895 1055">· Collaboration with various stakeholders in the industry strengthens the company’s ability to innovate, which in turn underscores Rieter’s leading role in sustainability. <p data-bbox="422 1122 549 1144">Supply chain</p> <ul data-bbox="438 1155 895 1238" style="list-style-type: none"> <li data-bbox="438 1155 895 1238">· If demand for sustainable products increases, Rieter is able to supply the appropriate technology. 	<p data-bbox="936 629 1417 651">Risk mitigation and exploitation of opportunities</p> <p data-bbox="936 663 1265 685">Own production and supply chain</p> <ul data-bbox="952 696 1428 775" style="list-style-type: none"> <li data-bbox="952 696 1428 775">· Increased collaboration with industry and academia will help to facilitate a circular textile industry.

Transitional risks and opportunities

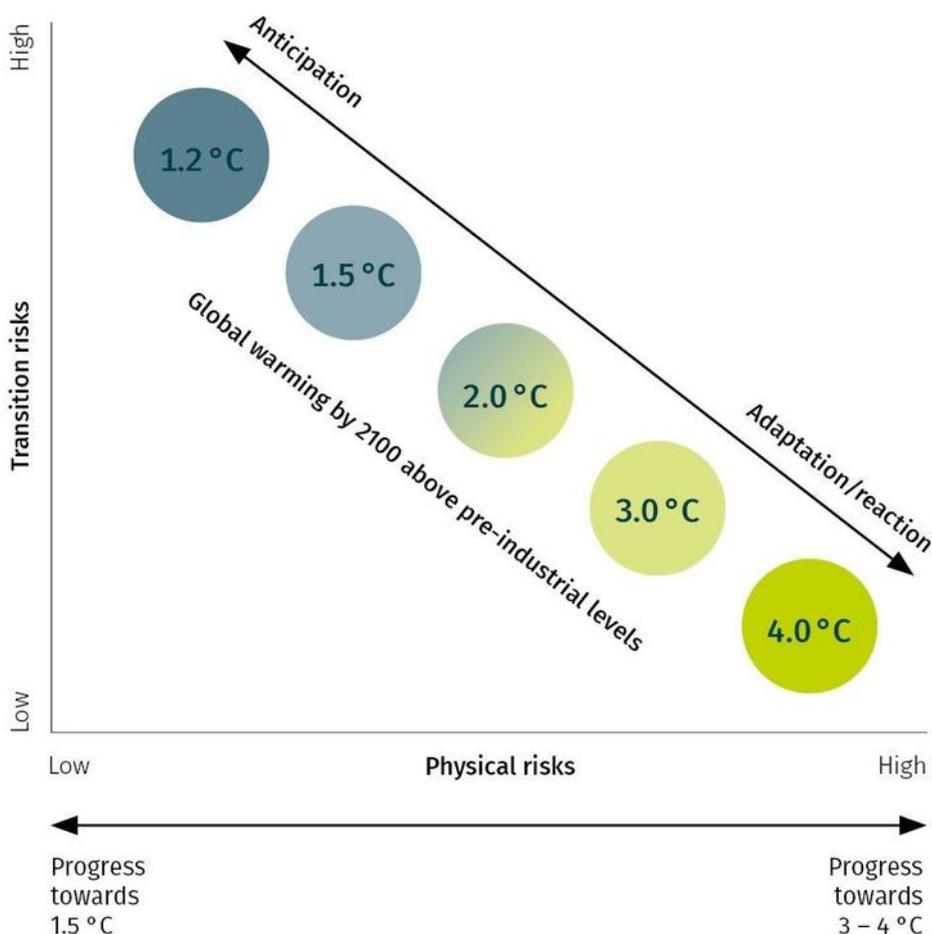
Type	Impacts on Rieter: risks and opportunities	Measures
Regulatory and legal		
Pricing of greenhouse gases (e.g. in the form of a CO ₂ tax on fossil fuels)	<p>Risks</p> <p>Own production and supply chain</p> <ul style="list-style-type: none"> CO₂ pricing can lead to higher direct and indirect operating costs, as well as increased investment in renewable technologies. <p>Opportunities</p> <p>Supply chain</p> <ul style="list-style-type: none"> Thanks to its energy- and emission-efficient product range, Rieter can help its customers to reduce any CO₂ taxes and further expand their market share. 	<p>Risk mitigation and exploitation of opportunities</p> <p>Own production</p> <ul style="list-style-type: none"> In line with its strategy to achieve net-zero emissions by 2040, Rieter plans to switch to renewable energies to further improve energy efficiency, and thus further improve the reduction of emissions at its production sites. <p>Supply chain</p> <ul style="list-style-type: none"> The aim is to improve the energy efficiency of all Rieter spinning systems by achieving corresponding targets. The optimized design of Rieter machines and components helps to reduce the CO₂ footprint.
Introduction of new regulations and expansion of existing regulations at the local, national or global level	<p>Risks</p> <p>Own production and supply chain</p> <ul style="list-style-type: none"> Increasing regulatory requirements can increase direct and indirect operating costs through taxes, etc., or result in capital costs due to the mandatory switch to renewable energies. <p>Opportunities</p> <p>Supply chain</p> <ul style="list-style-type: none"> Thanks to its energy- and emission-efficient product range, Rieter can help its customers to reduce any CO₂ taxes and further expand their market share. 	<p>Risk mitigation and exploitation of opportunities</p> <p>Own production</p> <ul style="list-style-type: none"> In line with its strategy to achieve net-zero emissions by 2040, Rieter plans to switch to renewable energies to further improve energy efficiency, and thus reduce emissions at its production sites. <p>Supply chain</p> <ul style="list-style-type: none"> The aim is to improve the energy efficiency of all Rieter spinning systems by achieving corresponding targets. The optimized design of Rieter machines and components helps to reduce the CO₂ footprint.
Market		
Changing customer needs and preferences	<p>Risks</p> <p>Supply chain</p> <ul style="list-style-type: none"> New customer expectations and trends are identified too late and therefore cannot be met (e.g. in the area of recycling). Competitors catch up with sustainable products. Both can lead to a decline in sales volume and a reduction in market share. <p>Opportunities</p> <p>Supply chain</p> <ul style="list-style-type: none"> Rieter can respond quickly to changing demand with its broadly diversified product portfolio, which enables the economically optimal processing of natural and man-made fibers as well as their blends. 	<p>Risk mitigation and exploitation of opportunities</p> <p>Supply chain</p> <ul style="list-style-type: none"> In the context of strategic development, Rieter uses customer surveys to regularly assess customer needs and preferences.

Type	Impacts on Rieter: risks and opportunities	Measures
Reputation		
Stakeholder expectations	<p>Risks</p> <p>Own production and supply chain</p> <ul style="list-style-type: none"> · Rieter is not sufficiently perceived as a leader in sustainability because meeting its climate targets could be challenging. This could result in damage to its reputation, which could adversely affect sales, access to suppliers and service providers, personnel and capital. <p>Opportunities</p> <p>Own production and supply chain</p> <ul style="list-style-type: none"> · Rieter is strengthening its position as a leading company in the areas of sustainability and the fight against climate change, and can therefore increase its attractiveness among key stakeholders. 	<p>Risk mitigation and exploitation of opportunities</p> <p>Own production and supply chain</p> <ul style="list-style-type: none"> · The company ensures transparent communication on climate-related issues throughout the Group.
Technology		
Market penetration of new technologies for energy efficiency and the reduction of GHG emissions in own production and product range	<p>Risks</p> <p>Own production</p> <ul style="list-style-type: none"> · The need to purchase new production equipment as part of the strategy to achieve net zero by 2040 may result in higher capital expenditures. · Under certain circumstances, production processes may need to be modified. <p>Opportunities</p> <p>Supply chain</p> <ul style="list-style-type: none"> · As the market leader, Rieter has the technological expertise and product range of energy-efficient and climate-friendly spinning systems to strengthen its market position. 	<p>Risk mitigation and exploitation of opportunities</p> <p>Own production</p> <ul style="list-style-type: none"> · Rieter is constantly renewing its infrastructure and investing in the latest technologies to achieve carbon neutrality. <p>Supply chain</p> <ul style="list-style-type: none"> · Rieter regularly reviews its research and development strategy and adapts it to the latest technological requirements. · Rieter is continuously improving the energy efficiency of its portfolio of spinning systems on offer.

Strategy resilience

The faster climate change progresses, the greater the impact of physical risks. To slow global warming accordingly, various measures are needed, which tend to lead to higher transition risks.

Climate risks vary according to scenario



In a net-zero scenario, **transition risks** such as policy, regulatory and legal risks dominate.

Physical risks, such as extreme weather events, storms, hurricanes and rising sea levels dominate in a low decarbonization and adaptation scenario.

Risk management

Process to identify and assess climate-related risks

The climate-related risks and opportunities described in the [table](#) were identified by the Corporate Risk and Insurance Management department and reviewed and confirmed by the Sustainability Committee. They were then integrated into existing workflows in all three divisions.

Processes for managing climate-related risks

The measures identified to manage climate-related risks are described in the [table](#).

Integration of processes to identify, assess and manage climate-related risks

Rieter has implemented a comprehensive risk management system that also identifies and manages non-financial risks. The risk management process is governed by the “Rieter Risk Management System” directive. This directive defines the procedures for identifying, reporting and handling risks, the criteria for qualitative and quantitative risk assessment, and the thresholds for reporting identified risks to the appropriate management levels.

Environmental risks are also evaluated and assessed as part of the risk assessment. As a result, various areas for action have already been identified and risk mitigation measures have been implemented. At least once a year, the risks are assessed in a workshop led by the Head of Legal Services (General Counsel) and documented in a report to the Board of Directors.

Key figures and goals

Key figures to assess climate-related risks and opportunities

Rieter assesses its environmental footprint using the following key figures:

- greenhouse gas (GHG) emissions [scope 1](#), [scope 2](#) and partially [scope 3](#),
- [energy consumption and share of energy consumption in renewable sources](#),
- amount of [waste](#) generated during production and recycling rate as well as
- [water withdrawal](#).

Water withdrawal in production has a smaller impact on Rieter’s environmental footprint than GHG emissions, energy consumption and waste volumes, as most processes are not water intensive. Rieter’s current materiality analysis therefore does not identify water as a topic of high relevance, and reporting on this topic will be discontinued after 2025. Nevertheless, Rieter continues to promote responsible water management throughout its operations.

GHG emissions and associated risks

Scope 1 GHG emissions include direct greenhouse gas emissions from sources owned or controlled by Rieter, such as emissions from a gas-powered heating system or a gasoline-powered company-owned vehicle.

Scope 2 GHG emissions include indirect GHG emissions from the generation of acquired or received electricity, steam, heat or cooling, such as emissions from purchased electricity.

Scope 3 GHG emissions include all indirect GHG emissions not covered by scope 2 that occur in Rieter’s upstream and downstream value chain.

Climate-related risks and opportunities

To reduce its own environmental footprint, Rieter has set [targets](#) in the following climate-related areas for the financial year 2025:

- Reduction of energy consumption at own locations,
- reduction of GHG emissions (scope 1 and scope 2),
- reduction of waste in the production of Rieter spinning systems and
- reduction of water withdrawal.

About this report



Rieter Holding Ltd. (Rieter) reports on non-financial matters for the period from January 1, 2025 to December 31, 2025 in accordance with the Swiss Code of Obligations (Art. 964a et seq. CO). In conformity with Article 964b CO, this includes reporting on climate-related matters based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In addition, this report provides supply chain information on child labor and conflict minerals in compliance with the requirements of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour.

This Sustainability Report has been prepared in reference to the Global Reporting Initiative (GRI) and the European Sustainability Reporting Standards (ESRS). The report can be downloaded as a PDF file from the [Rieter website](#). Publication in XBRL format or any other internationally recognized format was omitted due to the lack of a uniformly applicable taxonomy.

Organization and Reporting

The company is organized as a corporation under Swiss law with its registered office in Winterthur (Switzerland), and is listed on the SIX Swiss Exchange. This report covers all Group subsidiaries according to the Annual Report 2025 [here](#) unless otherwise stated. The report was published on February 26, 2026. As an integral part of the annual report, it shows how the company formulates, implements and measures its sustainability strategy. The focus is on the latest materiality assessment conducted in 2025, the sustainability strategy developed in response to it and the 2025 targets in the areas of Planet and People. The report is structured as follows:

- [Materiality analysis](#)
- [Sustainability strategy](#)
- [Exchange with dialogue groups](#)
- [Ratings and certifications](#)
- [United Nations Sustainable Development Goals](#)

- [Planet](#)
- [People](#)
- [Corporate governance in non-financial matters](#)
- [TCFD report](#)
- [About this report](#)

Restatement of information

Rieter updated its materiality assessment in 2025 to further sharpen its focus and better reflect its current sustainability context.

Corporate Governance

The Board of Directors is responsible for non-financial reporting.

The Board of Directors delegates the implementation of the sustainability strategy to the Group Executive Committee. The Sustainability Committee advises the Group Executive Committee on the implementation of the sustainability strategy. Further information on the management structure, composition and nomination of the Board of Directors is published in the [Corporate Governance Report](#). Information on the remuneration of the Board of Directors can be found in the [Remuneration Report](#).

External Audit

An external audit has not been carried out by the auditors. The report has been reviewed by the Board of Directors and will be submitted to the Annual General Meeting in 2026 for approval.

1 Foreword by the Chairwoman of the Remuneration Committee

Dear shareholders,

I am pleased to present the Remuneration Report 2025 on behalf of the Board of Directors and the Remuneration Committee. The report contains all the relevant information on the remuneration policy, the remuneration system and the disclosure of remuneration for the Board of Directors and the Executive Committee in the 2025 financial year.

The Remuneration Committee also fulfilled its responsibilities in the area of remuneration in 2025. This included the annual review of the remuneration programs, the setting of performance targets for the Group Executive Committee at the beginning of the year as well as their assessment at the end of the year. In addition, the competency profile of the Board of Directors and the composition of the committees were revised. The Committee also proposed the remuneration of the members of the Board of Directors and the Group Executive Committee, prepared the Remuneration Report and prepared the votes for the Annual General Meeting. In the reporting year, the focus was also on reviewing the bonus system for the 2026 financial year in view of the planned acquisition of the Barmag Division from OC Oerlikon. The compatibility of the salary structures with the remuneration system was reviewed and approved.

The 2025 financial year was very challenging for the Rieter Group, with the weak order situation increasing the pressure to act. The Group responded to the situation with consistent cost reductions and structural optimizations, thus laying the foundations for future profitable growth. Rieter pursues a pay-for-performance approach. The challenging business development in the reporting year had a corresponding impact on the variable component of the remuneration of the Group Executive Committee members. No variable remuneration in the form of short-term incentives or sales bonuses was paid in the 2025 financial year. In addition, senior executives and management worldwide waived part of their remuneration in the form of salary reductions or unpaid vacation days. The members of the Board of Directors waived part of their basic remuneration. This was a clear sign of solidarity with the employees on short-time work from executive management, management and the Board of Directors.

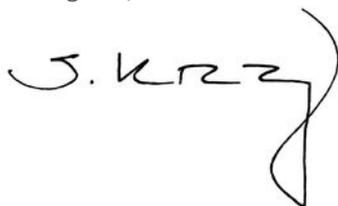
Since the ordinary Annual General Meeting 2024, Rieter aims to increase the proportion of women on the Board of Directors to 30 percent. Currently, two women are represented on the seven-member Board of Directors, which corresponds to a quota of 28 percent. As Chairwomen, they lead the Compensation Committee, the Remuneration Committee and the Audit Committee. Since January 1, 2025, the proportion of women in the Group Executive Committee has also increased positively with the appointment of the Chief Human Resources Officer.

In the 2025 financial year, the proportion of women in management and leadership positions was raised to 20.1 percent. Rieter is committed to further increasing the proportion of women in the company. Dedicated programs are being implemented to this end. In the reporting year, the Personnel Committee also dealt with the long-term planning of positions in and below the Group Executive Committee. Measures for diversity and inclusion as well as for the development of skills, leadership and talent were intensified. Rieter conducts an annual Net Promoter Score survey among employees. In 2025, the participation rate increased by 25 percentage points to 73 percent, with almost 80 percent of all units achieving an improvement in the score.

Equal treatment and diversity among employees are of central importance to Rieter. In the 2024 and 2025 financial years, all main locations were therefore reviewed with regard to pay equity. The analysis did not reveal any significant deviations, and action plans were drawn up for a few areas.

Rieter's compensation system is designed to ensure that performance is rewarded in a balanced and appropriate manner in the future, while also taking into account the interests of shareholders. We will therefore continue to ensure that our compensation programs are fit for purpose in a constantly changing corporate environment.

Kind regards,

A handwritten signature in black ink, appearing to read 'S. Kreienbühl', with a large, stylized flourish extending downwards and to the right.

Sarah Kreienbühl

Member of the Board of Directors and Chairwoman of the Remuneration Committee

2 Remuneration policy

The Rieter Group's remuneration policy is derived from its strategy, which is aligned with the interests of all stakeholder groups. The members of the Board of Directors and Group Executive Committee are incentivized to generate a sustainable increase of the company's value through a competitive remuneration system. The principles of the remuneration system are set out in Articles 27 to 30 of the Articles of Association of Rieter Holding Ltd. The Remuneration Report provides an overview of the remuneration principles and packages of Rieter Holding Ltd. It outlines the process for determination of remuneration and includes detailed information on the remuneration paid to the Board of Directors and the Group Executive Committee for financial year 2025.

The total remuneration for the Board of Directors and Group Executive Committee is subject to approval at the annual general meetings. The Remuneration Report for the 2025 financial year will be submitted to the shareholders for a consultative vote at the Annual General Meeting on April 16, 2026, allowing them to comment on the remuneration policy, the remuneration system and remuneration disclosure.

The remuneration paid to the Board of Directors is not related to performance. The remuneration paid to the members of the Group Executive Committee consists of a base salary, plus an additional variable remuneration based on the achievement of specific performance targets. To ensure consistent alignment with long-term shareholder interests, 50 percent of the variable remuneration is paid out in the form of restricted shares. The three-year vesting period for the allocated shares ensures a strong correlation between the share-based remuneration and the long-term development of Rieter's enterprise value.

Equal pay is a key concern for Rieter. In addition to the salary analyses carried out in Switzerland, all of which confirmed that Rieter complies with the principle of equal pay, similar audits of the remuneration structures were carried out at all main locations in 2024 and 2025.

The tables listed in section 3 have been audited by the statutory auditor.

The report was prepared in accordance with the requirements of the Swiss Code of Obligations (CO), the Directive on Information relating to Corporate Governance of the SIX Swiss Exchange, the "Swiss Code of Best Practice for Corporate Governance" of *economiesuisse* and the Articles of Association of Rieter Holding Ltd.

Annual general meeting – shareholders' participation rights

Under Section 13 in conjunction with Section 27 of the Articles of Association, the annual general meeting approves the maximum total remuneration for the Board of Directors and the maximum total remuneration for the Group Executive Committee for the financial year following the meeting.

The annual general meeting recognizes the Remuneration Report for the past financial year through a consultative vote.

In recent years, Rieter has made additional efforts to improve the transparency and level of detail in the disclosure of its remuneration principles and packages. In addition, Rieter submits the Remuneration Report to the annual general meeting for a consultative vote in order to give shareholders the opportunity to express their views on the remuneration system.

Remuneration Committee

The Remuneration Committee comprises a minimum of three and a maximum of five members of the Board of Directors. These members are proposed to the annual general meeting by the Board of Directors and elected at that meeting. The term of office is one year until the end of the next annual general meeting. The chairwoman/ chairman of the Remuneration Committee is elected by the Board of Directors.

The Remuneration Committee assists the Board of Directors in setting and reviewing the remuneration policy, remuneration guidelines and performance targets, and in preparing the proposals for the annual general meeting on the total amount of remuneration of the members of the Board of Directors and the Group Executive Committee. It prepares the Remuneration Report for submission to the Board of Directors.

The basic principles of the remuneration policy are reviewed annually. The chairwoman of the Remuneration Committee may invite the CEO and the Head Group Human Resources to the meetings as required. The CEO does not attend the meetings at which his own remuneration is determined.

The Remuneration Committee held five meetings during the 2025 financial year. The minutes are available to the entire Board of Directors.

3 Remuneration structure and remuneration in the 2025 financial year

3.1 Board of Directors

The members of the Board of Directors receive fixed, non-performance-related remuneration that is based on their role and activities on the committees of the Board of Directors. They can choose whether to receive all remuneration in cash or in a combination of cash and shares. The cash component of the remuneration is usually paid in December of the current financial year. For remuneration paid in shares, the number of shares is calculated based on the average market value of the Rieter share on the first ten trading days of the new financial year, minus an amount of approximately 16.0380 percent as set by the Federal Tax Administration to account for the vesting period. The shares are transferred on the following trading day. The shares are restricted for a period of three years from the date of transfer. Rieter Holding Ltd. covers the statutory employer contributions for social security, accident and illness. Members of the Board of Directors also receive an annual lump-sum expense allowance.

Remuneration types	CEO	RC ¹	BoD ²
Remuneration of members of the Board of Directors		proposes	approves

¹ RC = Remuneration Committee

² BoD = Board of Directors

The total remuneration for the Board of Directors for the period up to the next annual general meeting will be submitted for approval at the 2026 Annual General Meeting.

3.1.1 Employment contracts

Employment and mandate contracts for members of the Board of Directors may be concluded for a fixed term of up to 12 months or for an indefinite term with a notice period of up to 12 months. Renewal is permitted.

The agreement of a non-competition clause for the period following the termination of an employment contract is permissible. To compensate such a non-competition clause, remuneration may be paid for a maximum of two years, the amount of which may not exceed a total of 50 percent of the last annual remuneration paid to that member.

3.1.2 Remuneration for the 2025 financial year

In the case of a new appointment to the Board of Directors, the remuneration is included from the date on which the member assumes the relevant position. The same applies to departures from the company.

No severance pay is provided for the Board of Directors under the regulations and none was paid out in the 2025 financial year.

The total remuneration paid to the Board of Directors in the 2025 financial year amounted to CHF 1 223 456 (2024: CHF 1 459 038) and was within the maximum remuneration of CHF 2 000 000 approved by the 2024 Annual General Meeting for that term.

Remuneration of the Board of Directors	CHF	
Base remuneration Chairman	300 000	
Vice Chairman	120 000	
Members of the Board of Directors	100 000	
Lead Independent Director	20 000	
Member of a committee	30 000	Audit, Personnel and Remuneration Committee
Chairwoman/Chairman of a committee	50 000	
Fixed expenses for members of the Board of Directors	20 000	
Fixed expenses for Chairman	30 000	

A total of 62 345 Rieter shares were allocated to two members of the Board of Directors on January 19, 2026, as part of their share option. The cost of these shares, amounting to CHF 206 986, was charged to the 2025 income statement.

3.1.3 External mandates of members of the Board of Directors

The following table lists all external mandates according to Art. 734e CO held during the financial year 2025 by members of the Board of Directors in comparable functions at other companies with an economic purpose within the meaning of Art. 626 para. 2 no. 1 CO (including companies belonging to the same group).

(Audited by KPMG)	Company name	Function	Membership in committees
Thomas Oetterli	SFS Group AG	Chairman of the Board of Directors	
	Swissmem	Member of the Executive Committee	
Roger Bailod	BKW AG	Chairman of the Board of Directors	Member of the Personnel and Remuneration Committee
	Cascina Immobilien AG	Member of the Board of Directors	
	Configest AG	Chairman of the Board of Directors	
	Geistlich Pharma AG	Member of the Board of Directors	Chairman of the Audit and Risk Committee
	Obere Au happy car AG	Member of the Board of Directors	
	T/O AG	Member of the Board of Directors	
Peter Spuhler	Aebi Schmidt Holding AG	Member of the Board of Directors	
	Allreal Holding AG	Member of the Board of Directors	
	Chesa Sül Spelm AG	Member of the Board of Directors	
	DSH Holding AG	Vice Chairman of the Board of Directors	
	European Loc Pool AG	Member of the Board of Directors	

	Florhof Immobilien AG	Member of the Board of Directors	
	PCS Holding AG	Chairman of the Board of Directors	
	PMT Management AG	Member of the Board of Directors	
	RANA APS AG	Chairman of the Board of Directors	
	Robert Bosch GmbH	Member of the Supervisory Board	
	Robert Bosch Industrietreuhand KG	Limited Partner	
	Sönmez Transformer Company (STS)	Member of the Board of Directors	
	Stadler Rail AG	Chairman of the Board of Directors	Member of the Nomination and Compensation Committees, Chairman of the Strategy and Investment Committee
	· Stadler Deutschland GmbH	Member of the Advisory Board	
	· Stadler Signalling AG	Member of the Board of Directors	
	· Stadler Trains Magyarország Vasúti Szolgáltató Zrt.	Member of the Board of Directors	
	· Stadler US Inc.	Member of the Board of Directors	
	· AngelStar S.r.l.	Member of the Board of Directors	
	Wohnpark Promenade AG	Member of the Board of Directors	
	LITRA	Member of the Executive Committee and Vice President	
	Swissmem	Member of the Executive Committee	
	Tele D	Member of the Board of Trustees	
Carl Illi	CWC Textil AG	Chairman of the Board of Directors	
	Schweizerische Textilfachschule Genossenschaft	Member of the Board of Directors	
	swisstulle AG	Chairman of the Board of Directors	
	· swisstulle Co. UK Ltd.	Chairman of the Board of Directors	
	· swisstulle Qingdao Ltd.	Member of the Board of Directors	
	economiesuisse	Member of the Board Committee	
	Swiss Textiles Textilverband Schweiz	Chairman	
	Bremer Baumwollbörse	Member of the Board of Directors	
Sarah Kreienbühl	Kühne + Nagel International AG	Member of the Group Management Board	
	Bauwerk Group AG	Member of the Board of Directors	Chairwoman of the Nomination and Compensation Committee
Daniel Grieder	Fountain Holding SA	Member of the Board of Directors	
	HUGO BOSS AG	Chief Executive Officer	
Jennifer Maag	Artemis Holding AG	Chairwoman of the Board of Directors	
	Kardex Holding AG	Member of the Board of Directors	Chairwoman of the Audit Committee and the ESG Steering Group
	Weidmann Holding AG	Member of the Board of Directors	
	UZH Foundation (University of Zurich Foundation)	Member of the Board of Trustees	Member of the Investment Committee

The external mandates held by the members of the Board of Directors in the previous year are published in the 2024 Annual Report under this [link](#) on pages 113 to 115.

3.1.4 Shares held by the Board of Directors

The following table provides information on the Rieter shares held by members of the Board of Directors as at December 31, 2025 and December 31, 2024:

(Audited by KPMG)	Number of shares as of December 31, 2024	Number of shares as of December 31, 2025 ²
Thomas Oetterli ¹	8 304	467 199
Roger Baillod	3 992	103 142
Peter Spuhler	1 547 860	45 076 952
Hans-Peter Schwald	8 217	- ³
Carl Illi	3 370	101 972
Sarah Kreienbühl	965	49 920
Daniel Grieder	2 100	31 100
Jennifer Maag	-	11 250
Total	1 574 808	45 841 535

¹ The total number of shares is listed both under the Board of Directors and the Group Executive Committee.

² Shareholdings have increased following the subscription rights offering.

³ Hans-Peter Schwald resigned from the Board of Directors at the end of April 2025, which is why his shares will no longer be reported as of December 31, 2025.

3.1.5 Remuneration of the Board of Directors for the 2025 financial year

The total remuneration paid to the current members of the Board of Directors in the 2025 financial year amounts to CHF 1 223 486. At the 2024 Annual General Meeting, the Board of Directors was granted a maximum total remuneration of CHF 2 000 000 for the 2025 financial year, which means that its remuneration for 2025 is within the approved limit. No loans, credits, additional fees or remuneration that is not customary to the market were paid to the current or former members of the Board of Directors or parties related to them.

The total remuneration paid to members of the Board of Directors in the **2025 financial year** comprised the following:

(Audited by KPMG)	Cash remuneration ³	Share allocation ¹	Social benefits and other remuneration ²	Total 2025	Expense allowance
CHF					
Thomas Oetterli , Chairman of the Board of Directors	145 000	170 931	20 484	336 415	30 000
Roger Baillod , Vice Chairman, Lead Independent Director, Chairman of the Audit Committee, until end of April 2025, Member of the Nomination Committee and Remuneration Committee, since May 2025	166 667	-	9 743	176 410	20 000
Peter Spuhler	90 000	-	4 759	94 759	20 000

Hans-Peter Schwald , Member of the Audit Committee, the Remuneration Committee and the Nomination Committee until end of April 2025	53 333	–	3 103	56 436	6 667
Carl Illi , Member of the Audit Committee	120 000	–	9 121	129 121	20 000
Sarah Kreienbühl , Chairwoman of the Remuneration Committee and the Nomination Committee	140 000	–	10 642	150 642	20 000
Daniel Grieder , Member of the Nomination Committee and the Remuneration Committee	120 000	–	9 121	129 121	20 000
Jennifer Maag , Member of the Audit Committee until end of April 2025, Chairwoman of the Audit Committee, since May 2025	93 333	47 114	10 135	150 582	20 000
Members of the Board of Directors	928 333	218 045	77 108	1 223 486	156 667

¹ The shares were valued at CHF 3.32 for the total remuneration. The amount is paid after deduction of social insurance contributions.

² The social benefits include the employer's contributions to the social insurance schemes. Employees' contributions are stated in the other compensation items.

³ The members of the Board of Directors holding their mandate as of December 31, 2025, are waiving CHF 10 000 of their base remuneration.

The total remuneration paid to members of the Board of Directors in the **2024 financial year** comprised the following:

(Audited by KPMG)	Cash remuneration	Share allocation ¹	Social benefits and other remuneration ²	Total 2024	Expense allowance
CHF					
Thomas Oetterli , Chairman of the Board of Directors since April 17, 2024	–	283 133	17 233	300 366	26 667
Roger Bailod , Vice Chairman, Chair of the Audit Committee and Lead Independent Director	190 000	–	11 260	201 260	20 000
Peter Spuhler	100 000	–	5 500	105 500	20 000
Hans-Peter Schwald , Member of the Audit Committee, the Remuneration Committee and the Nomination Committee	160 000	–	10 129	170 129	20 000
Carl Illi , Member of the Audit Committee	86 667	51 117	9 882	147 666	20 000
Sarah Kreienbühl , Chairwoman of the Remuneration Committee and the Nomination Committee	75 000	88 429	11 382	174 811	20 000
Daniel Grieder	130 000	–	9 882	139 882	20 000
Jennifer Maag from April 17, 2024, Member of the Audit Committee	86 667	–	6 588	93 255	13 333
Bernhard Jucker , Chairman of the Board of Directors until April 17, 2024	–	118 157	8 012	126 169	10 000
Members of the Board of Directors	828 334	540 836	89 868	1 459 038	170 000

¹ The shares were valued at CHF 87.58 for the total remuneration. The amount is paid after deduction of social insurance contributions.

² Social contributions include the employer's social security contributions as well as contributions for accident and illness insurance. Employees' contributions are stated in the other compensation items.

3 Remuneration structure and remuneration in the 2025 financial year

3.2 Group Executive Committee

To determine the amount of remuneration of the Group Executive Committee, salaries are regularly reviewed, which takes into account and compares similar listed Swiss companies in the machine manufacturing industry. Individual responsibility and experience of the members of the Group Executive Committee is also taken into account. No external consultants are involved in setting the remuneration structures.

Remuneration types	CEO	RC ¹	BoD ²
Base salary of the CEO		proposes	approves
Base salary for other members of Group Executive Committee	proposes	reviews	approves
Definition of targets for performance-related components of the Group Executive Committee		proposes	approves
Definition of the CEO's individual targets		proposes	approves
Definition of individual targets for the other members of the Group Executive Committee	proposes	reviews	approves

¹ RC = Remuneration Committee

² BoD = Board of Directors

The maximum total remuneration of the Group Executive Committee for the 2026 financial year will be presented for approval at the 2027 Annual General Meeting.

The remuneration of the Group Executive Committee is defined in a regulation adopted by the Board of Directors. It comprises the following components:

- Base salary
- Variable remuneration: Rieter short-term incentive (RSTI)
- Share-based remuneration: Rieter long-term incentive (RLTI)
- Pension and social benefit contributions
- Expense allowance

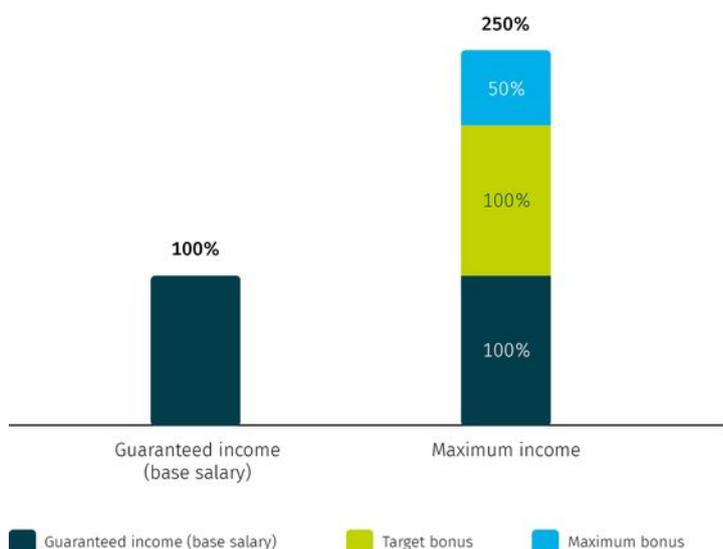
	Package	Tool	Purpose	Plan/ performance period	Key performance figures 2025
Base salary	Annual base salary	Monthly cash payment	Remuneration for role		
Variable remuneration Short-term incentive (RSTI)	50% variable remuneration of RSTI	Annual variable cash remuneration	Performance-related remuneration	One-year performance period	60–100% EBIT b.r.a.i. and free cash conversion ratio 0–40% profitability of the divisions
	50% share-based remuneration (RLTI)	Restricted shares at a reduced subscription price	Performance-related remuneration, alignment with shareholder interests	One-year performance period Three-year vesting period for shares	60–100% EBIT b.r.a.i. and free cash conversion ratio 0–40% profitability of the divisions
Pension and social benefit contributions	Retirement provision	Rivora Sammelstiftung	Statutory and regulatory pension and social contributions and employee contributions for accident and illness		
Expense allowance	Expense allowance	Expense allowance	Representation costs		

The following underlying key figures:

- Earnings before interest and taxes (EBIT) before restructuring expenses and impairment (EBIT b.r.a.i. of the Group)
- Free cash flow divided by net profit (free cash flow conversion ratio of the Group)
- Profitability of the divisions

and their weighting reflect the Rieter Group’s focus on sustainable profitability, equity ratio and liquidity security.

Remuneration model of the Group Executive Committee



Base salary

The base salary for members of Group Executive Committee consists of a salary paid monthly. All members of the Group Executive Committee have a Swiss employment contract. The employer covers the statutory and regulatory pension and social contributions, including employee contributions for accident and illness. Members of the Group Executive Committee receive a lump-sum expense allowance for representation costs in accordance with the expense guidelines approved by the tax authorities.

Variable remuneration

The members of the Group Executive Committee receive variable remuneration based on the achievement of specific performance targets. These performance targets may, in accordance with Article 28 of the Articles of Association, include financial, strategic and/or personal targets, taking into account the function and level of responsibility of the recipient.

The target value of the variable remuneration is 100 percent of the base salary. Provided that the financial, strategic and/or personal targets are met, the members of the Group Executive Committee are entitled to a variable remuneration of a maximum of 150 percent of the base salary. The amount is calculated based on the weighted sub targets, which are determined in advance on an annual basis.

The Board of Directors determines the weighting of the performance targets and the respective target values annually in advance, and reports on this in the Remuneration Report.

Half of the variable remuneration is paid in cash, with the other half paid in shares.

For remuneration paid in shares, the number of shares is calculated based on the average market value of the Rieter share on the first ten trading days of the new financial year, minus an amount of approximately 16.0380 percent as set by the Federal Tax Administration to account for the vesting period. The restricted shares are transferred in April. The shares are restricted for a period of three years from the date of transfer. The purpose of the three-year vesting period for the allocated shares is to ensure that the share-based remuneration is aligned with the long-term growth of the enterprise value. Rieter Ltd. covers the statutory employer contributions for social security, accident and illness. Members of the Group Executive Committee also receive an annual lump-sum expense allowance.

For each sub target, a lower threshold of 50 percent, an upper threshold of 150 percent and a target value of 100 percent are defined. If the lower threshold is not reached, no payment is made for this sub target. Within the range between the target and threshold values, the variable remuneration is calculated linearly.

Special provisions

The Board of Directors has the authority to pay a maximum of three percent of the total salary of the Group Executive Committee to members of the Group Executive Committee for extraordinary individual achievements.

According to Article 29 of the Articles of Association, the company is authorized to pay additional remuneration to members of the Group Executive Committee who join the company or are promoted to the Group Executive Committee after the date on which the remuneration is approved by the annual general meeting and if the amount already approved for this period is insufficient, provided that the total amount does

not exceed 40 percent of the most recently approved remuneration of the Group Executive Committee.

In the event of termination of an employment relationship, the following provisions apply to shares acquired under the RSTI:

Reason for termination		Restricted shares
Good Leaver	Retirement	Regular disposal restriction
	Disability	
	Other reasons	Immediate lifting of the disposal restriction
	Liquidation/change of control ¹	
	Death	
Bad Leaver	Inadequate performance/inadequate conduct ²	Regular disposal restriction

¹ This rule applies only if the employment contract is terminated following a change of control or liquidation (double trigger).

² For members of the Group Executive Committee, inappropriate performance or conduct is determined by the Board of Directors at its professional discretion.

Performance management

The actual remuneration paid to the members of the Group Executive Committee in a given year is based on the company's performance and the individual achievements. The latter is assessed as part of the formal annual performance management process. Company targets and individual performance targets are set at the beginning of the financial year, and the actual results are compared with these targets at the end of the year. Actual remuneration is determined based on the performance evaluation of the company targets.

Targets (December/January)	Mid-year assessment (July)	Year-end assessment (December/January)	Determination of remuneration (February/March)
Setting of individual targets	Mid-year review of performance to date in relation to the defined targets	Self-assessment and performance evaluation	Determination of the actual variable remuneration

3.2.1 Employment contracts

Employment and mandate contracts for members of the Group Executive Committee may be concluded for a fixed term of up to 12 months or for an indefinite term with a notice period of up to 12 months. Renewal is permitted.

The agreement of a non-competition clause for the period following the termination of an employment contract is permissible. To compensate such a non-competition clause, remuneration may be paid for a maximum of two years, the annual amount of which may not exceed a total of 50 percent of the last annual remuneration paid to that member.

3.2.2 Remuneration for the 2025 financial year

The remuneration for the Group Executive Committee is reported using the accrual method as the performance-related salary components are paid out or allocated only in the following year. In the case of a new appointment to the Group Executive Committee, the remuneration is included from the date on which the member assumes the corresponding position. The same applies to departures from the company. The members of the Group Executive Committee do not receive their remuneration from Rieter Holding Ltd. but from an operating subsidiary.

No severance pay is provided for the Group Executive Committee under the regulations, and none was paid out in the 2025 financial year.

Total remuneration

The total remuneration paid to the Group Executive Committee in 2025 amounted to a total of CHF 3 316 194 (2024: CHF 5 809 222) and was within the maximum remuneration of CHF 6 800 000 approved by the 2024 Annual General Meeting for the 2025 financial year. Of the total remuneration, CHF 2 608 715 is allocated to the base salary and CHF 0 to the variable remuneration, along with the corresponding pro rata social insurance contributions.

In the 2025 financial year, the focus remained on the implementation of the performance program, which is intended to strengthen sales excellence and customer focus, improve cost efficiency in production and optimize fixed cost structures.

Underlying key figures	2024 financial year	2025 financial year
EBIT b.r.a.i. of the Group	3.9%	- 0.9%
Free cash flow divided by net profit (free cash flow conversion ratio of the Group)	135.8%	63.0%
EBIT b.r.a.i. margin Machines & Systems Division	- 0.9%	- 9.8%
EBIT b.r.a.i. margin After Sales Division	17.5%	9.7%
EBIT b.r.a.i. margin Components Division	3.9%	1.1%

Since the targets defined in the performance program were not achieved in the 2025 financial year, the basic requirement for a payout of the variable remuneration component was not met (2024: 103.3%).

3.2.3 External mandates of members of the Group Executive Committee

The following table lists all external mandates according to Art. 734e CO held during the financial year 2025 by members of the Group Executive Committee in comparable functions at other companies with an economic purpose within the meaning of Art. 626 para. 2 no. 1 CO (including companies belonging to the same group):

(Audited by KPMG)	Company name	Function	Membership in committees
Thomas Oetterli	SFS Group AG	Chairman of the Board of Directors	
	Swissmem	Member of the Council	
Roger Albrecht	No further mandates		
Serge Entleitner	No further mandates		
Alexander A. Özbahadır	Gebrüder Eickhoff Maschinenfabrik and Eisengiesserei GmbH	Member of the Advisory Board	
Emmanuelle Gmür	No further mandates		
Oliver Streuli	Autoneum Holding AG	Member of the Board of Directors	Member of the Compensation, the Nomination and the Strategy and Sustainability Committee

The external mandates held by the members of the Group Executive Committee in the previous year are published in the 2024 Annual Report under this [link](#) on page 122.

3.2.4 Shares held by the Group Executive Committee

The following table provides information on Rieter shares held by members of the Group Executive Committee and their entitlement to shares as at December 31, 2025 and December 31, 2024:

(Audited by KPMG)	Number of shares as of December 31, 2024	Number of shares as of December 31, 2025 ²
Thomas Oetterli ¹	8 304	467 199
Roger Albrecht	2 417	18 745
Serge Entleitner	3 427	74 001
Alexander A. Özbahadır	– ³	56 188
Emmanuelle Gmür	– ³	–
Oliver Streuli	168	70 668
Rico Randegger	2 692	– ⁴
Total	17 008	686 801

¹ The total number of shares is listed both under the Board of Directors and the Group Executive Committee.

² Shareholdings have increased following the subscription rights offering.

³ Emmanuelle Gmür and Alexander A. Özbahadır only joined the Group Executive Committee on January 1, 2025.

⁴ Rico Randegger was a member of the Group Executive Committee until December 31, 2024.

3.2.5 Remuneration of the Group Executive Committee

In the 2025 financial year, the total remuneration paid to the members of the Group Executive Committee amounted to CHF 3 316 194. Of this amount, CHF 1 047 853 was paid to the CEO. No remuneration was paid to former members of the Group Executive Committee. At the 2024 Annual General Meeting, the Group Executive Committee was granted a maximum total remuneration of CHF 6 800 000 for the 2025 financial year, which is within the approved limit. The total remuneration paid to members of the Group Executive Committee in the 2025 financial year comprised the following:

(Audited by KPMG)	Base salary ⁴	Cash bonus ³	Share-based compensation ³	Pension and social benefit contributions ²	Total 2025	Expense allowance
CHF						
Thomas Oetterli, Chief Executive Officer ¹	779 165		–	268 688	1 047 853	16 000
Other six members of the Group Executive Committee	1 829 550		–	438 791	2 268 341	88 000
Members of the Group Executive Committee	2 608 715	–	–	707 479	3 316 194	104 000

¹ Highest single remuneration.

² Pension and social benefit contributions include the employer's contributions to social insurance and pension funds, as well as contributions for accident, illness and special payments. Employee contributions are included in the other remuneration items.

³ The basic condition for a variable remuneration component (cash bonus and share allocation) was not met.

⁴ The current members of the Group Executive Committee waived a portion of their salary in the 2025 financial year. The remuneration includes all payments to the five current Group Executive Committee members as well as to one former Group Executive Committee member.

The total remuneration paid to members of the Group Executive Committee in the **2024 financial year** comprised the following:

(Audited by KPMG)	Base salary	Cash bonus ³	Share-based compensation ³	Pension and social benefit contributions ²	Total 2024	Expense allowance
CHF						
Thomas Oetterli, Chief Executive Officer ¹	850 000	462 400	578 000	308 622	2 199 022	16 000
Other four members of the Group Executive Committee	1 504 500	946 627	706 991	452 082	3 610 200	64 000
Members of the Group Executive Committee	2 354 500	1 409 027	1 284 991	760 704	5 809 222	80 000

¹ Highest single remuneration.

² Pension and social benefit contributions include the employer's contributions to social insurance and pension funds, and contributions for accident and illness. Employee contributions are included in the other remuneration items.

³ The variable remuneration amounts to 114.4 percent of the base salary.

4 Benefits to former members of governing bodies

In the reporting year 2025 and in the previous year, no remuneration was paid to former members of governing bodies.

5 Benefits to related parties under non-market conditions

In the 2025 financial year as well as in the previous year, no benefits were paid to related parties of members of the Board of Directors or members of the Group Executive Committee under non-market conditions.

6 Loans and credits

As at December 31, 2025, there were neither loans nor credits outstanding to members of the Board of Directors or the Group Executive Committee, former members of these bodies, nor to persons closely related to them.



7 Statutory auditor's report on the remuneration report

To the General Meeting of Rieter Holding Ltd., Winterthur Report on the audit of the remuneration report

Opinion

We have audited the Remuneration Report of Rieter Holding Ltd. (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 109 to 112 and pages 118 to 119 of the Remuneration Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying Remuneration Report complies 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 Remuneration Report" 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. 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.

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 tables marked "audited" in the Remuneration Report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

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

In connection with our audit of the Remuneration Report, our responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the audited financial information in the Remuneration Report 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 remuneration report

The Board of Directors is responsible for the preparation of a Remuneration Report 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 a Remuneration Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is 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 this Remuneration Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Remuneration Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

KPMG AG

Roman Wenk
Licensed Audit Expert
Auditor in Charge



Daniel Baumgartner
Licensed Audit Expert

Zurich, 25 February 2026

Enclosure:

– [Remuneration Report](#)

Consolidated financial statements

Consolidated financial statements

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Alternative performance measures

The annual report includes performance measures defined in accordance with the International Financial Reporting Standards (IFRS) as well as selective alternative performance measures. Alternative performance measures provide important information for readers of the annual report about Rieter's performance and financial position. They are used as an essential element of the financial management of the Group.

The following table includes the definitions of alternative performance measures as used by Rieter:

Alternative performance measure	Reference in the annual report	Rieter definition
Order intake	<ul style="list-style-type: none"> · Rieter at a glance · Letter to the shareholders 	<p>Order intake includes firm orders received from third-party customers for Rieter products and services in the reporting period. Orders are reported as order intake if the following criteria have been met:</p> <ul style="list-style-type: none"> · Receipt of a written, legally binding confirmation from the customer; · Production capacity is available if manufacturing is required; · The order is financially secured. <p>Orders are financially secured by means of advance payment, irrevocable letter of credit, bank guarantee, credit insurance, or other instruments. In addition, customer credit limits are used, mainly in the After Sales and Components businesses.</p> <p>Order intake comprises the total gross order value excluding value-added taxes. Additions to existing orders and cancellations are also included in order intake.</p>
Order backlog	<ul style="list-style-type: none"> · Letter to the shareholders 	<p>The order backlog is defined as the total undiscounted value of open customer orders at the end of the reporting period. The order backlog is expected to turn into sales in the future.</p>
Operating result before interest, taxes, depreciation, amortization, and impairment (EBITDA)	<ul style="list-style-type: none"> · Rieter at a glance · Review 2021 to 2025 	<p>Operating result before interest and taxes (EBIT), excluding depreciation and impairment of property, plant, and equipment, and amortization and impairment of intangible assets.</p>
Operating result before interest, taxes, restructuring, impairment and transaction costs (Operating EBIT)	<ul style="list-style-type: none"> · Letter to the shareholders · Note 3.1 · Note 3.5 · Review 2021 to 2025 	<p>Operating result before interest and taxes (EBIT), excluding restructuring charges, impairment and transaction-related costs. Restructuring charges include restructuring costs (e.g. personnel expenses and other costs directly associated with restructuring measures) and reversals of existing restructuring provisions. Impairment contains impairment losses on property, plant, and equipment and intangible assets. Transaction costs are expenses recognized above the EBIT result, directly associated with acquisitions and divestments.</p>
Operating result before interest, taxes, restructuring, and impairment	<ul style="list-style-type: none"> · Remuneration report 	<p>Operating result before interest and taxes (EBIT) excluding restructuring charges and impairment.</p>

Alternative performance measure	Reference in the annual report	Rieter definition
(EBIT before restructuring and impairment; EBIT b.r.a.i.)		Restructuring charges include restructuring costs (e.g. personnel expenses and other costs directly associated with restructuring measures) and reversals of existing restructuring provisions. Impairment contains impairment losses on property, plant, and equipment and intangible assets.
Operating result before interest and taxes (EBIT)	<ul style="list-style-type: none"> · Rieter at a glance · Consolidated income statement · Note 3.1 · Note 3.5 · Review 2021 to 2025 	Operating result before financial income and expenses as well as income taxes.
Capital expenditure	<ul style="list-style-type: none"> · Rieter at a glance 	Purchase of property, plant, and equipment, and intangible assets (excluding additions to right-of-use assets).
Free cash flow	<ul style="list-style-type: none"> · Letter to the shareholders · Note 5.1 · Review 2021 to 2025 	Cash flow from operating activities adjusted by cash flow from investing activities. Acquisitions and divestments of business are excluded.
Free cash flow conversion ratio	<ul style="list-style-type: none"> · Remuneration report 	Free cash flow divided by the net profit.
Liquid funds	<ul style="list-style-type: none"> · Note 8.5 (Liquidity risk) 	Liquid funds contain cash and cash equivalents as well as marketable securities and time deposits with a maturity of less than twelve months.
Net liquidity or net debt	<ul style="list-style-type: none"> · Rieter at a glance · Letter to the shareholders · Note 5.1 · Review 2021 to 2025 	Liquid funds (see definition above) minus current and non-current financial debt. Lease liabilities are included in financial debt.
Dividend payout ratio	<ul style="list-style-type: none"> · Letter to the shareholders · Note 5.4 · Review 2021 to 2025 	Dividend per share paid or expected to be paid to shareholders of Rieter Holding Ltd. (based on the resolution of the Annual General Meeting of shareholders or the proposal of the Board of Directors) as a percentage of basic earnings per share of the respective period.
(Operating) net working capital	<ul style="list-style-type: none"> · Consolidated cash flow statement · Note 3.1 	<p>Operating net working capital consists of trade receivables, inventories, and advance payments to suppliers, less trade payables and advance payments from customers.</p> <p>Net working capital equals to operating net working capital plus other short-term receivables non-interest-bearing less other short-term payables non-interest-bearing. Assets or liabilities are non-interest-bearing, when no receipt/ payment of interest is agreed between Rieter and the counterparty (e.g. current income tax receivables/payables or deferred revenue).</p>
Equity ratio	<ul style="list-style-type: none"> · Rieter at a glance · Letter to the shareholders · Note 8.5 (Capital management) · Review 2021 to 2025 	Shareholders' equity as a percentage of total assets.
Return on net assets (RONA)	<ul style="list-style-type: none"> · Review 2021 to 2025 	Net profit before interest expenses and write-offs of financial assets as a percentage of the average of the last 13 month-end balances of total assets less liabilities (excluding financial debt).
Market capitalization	<ul style="list-style-type: none"> · Corporate Governance (Capital structure) 	Shares outstanding multiplied by share price at the Swiss Exchange (SIX).

Alternative performance measure	Reference in the annual report	Rieter definition
	<ul style="list-style-type: none">· Review 2021 to 2025	
Price/earnings ratio	<ul style="list-style-type: none">· Review 2021 to 2025	Share price as listed on SIX divided by basic earnings per share.
Dividend yield	<ul style="list-style-type: none">· Review 2021 to 2025	Dividend per share as a percentage of share price at the SIX.
Number of employees	<ul style="list-style-type: none">· Rieter at a glance· Review 2021 to 2025	Total number of employees working for Rieter, excluding temporaries and apprentices.

Consolidated income statement

CHF million	Notes	2024	2025
Sales	(3.1 / 3.2)	859.1	685.1
Cost of sales		- 595.7	- 513.6
Gross profit		263.4	171.5
Research and development expenses		- 50.0	- 40.5
Selling, general, and administrative expenses		- 203.4	- 151.6
Other income	(3.3)	35.8	35.8
Share in profit of associated companies	(6.3)	2.9	0.0
Other expenses	(3.3)	- 20.7	- 59.1
Operating result before interest and taxes (EBIT)		28.0	- 43.9
Financial income	(5.6)	2.0	1.7
Financial expenses	(5.6)	- 13.5	- 21.4
(Loss) / profit before taxes		16.5	- 63.6
Income taxes	(8.1)	- 6.1	0.2
Net (loss) / profit		10.4	- 63.4
Attributable to shareholders of Rieter Holding Ltd.		10.5	- 63.3
Attributable to non-controlling interests		- 0.1	- 0.1
Basic earnings per share (CHF)	(5.4)	1.42	- 1.26
Diluted earnings per share (CHF)	(5.4)	1.40	- 1.26

Notes are an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

CHF million	Notes	2024	2025
Net (loss) / profit		10.4	- 63.4
Remeasurement of defined benefit plans	(7.2)	14.5	- 9.9
Income taxes on remeasurement of defined benefit plans	(8.1)	- 2.9	1.9
Items that will not be reclassified to the income statement, net of taxes		11.6	- 8.0
Currency translation differences		15.1	- 16.9
Cash flow hedges	(8.5)	6.3	- 0.3
Income taxes on cash flow hedges	(8.1 / 8.5)	- 1.3	0.1
Items that may be reclassified to the income statement, net of taxes		20.1	- 17.1
Total other comprehensive income		31.7	- 25.1
Total comprehensive income		42.1	- 88.5
Attributable to shareholders of Rieter Holding Ltd.		42.3	- 88.4
Attributable to non-controlling interests		- 0.2	- 0.1

Notes are an integral part of the consolidated financial statements.

Consolidated balance sheet

CHF million	Notes	December 31, 2024	December 31, 2025
Assets			
Cash and cash equivalents	(5.2)	103.2	453.6
Marketable securities and time deposits		0.2	0.2
Trade receivables	(4.1)	106.4	101.5
Other current receivables	(4.2)	41.1	35.5
Current income tax receivables		3.6	2.2
Inventories	(4.3)	259.0	240.0
Current assets		513.5	833.0
Property, plant, and equipment	(4.4)	258.7	223.3
Intangible assets	(4.5)	108.7	96.7
Goodwill	(4.5 / 4.6)	192.0	189.0
Investments in associated companies	(6.3)	14.3	13.9
Defined benefit plan assets	(7.2)	75.2	59.3
Deferred income tax assets	(8.1)	46.0	44.4
Other non-current assets	(8.2)	9.4	5.7
Non-current assets		704.3	632.3
Assets		1 217.8	1 465.3
Liabilities and shareholders' equity			
Current financial debt	(5.3)	104.9	45.2
Trade payables		102.4	100.6
Other current liabilities	(4.7)	134.6	106.8
Advance payments from customers	(3.2)	60.8	50.3
Current income tax liabilities		43.0	37.5
Current provisions	(4.8)	46.0	47.1
Current liabilities		491.7	387.5
Non-current financial debt	(5.3)	228.8	224.3
Defined benefit plan liabilities	(7.2)	25.9	24.9
Deferred income tax liabilities	(8.1)	39.9	31.7
Non-current provisions	(4.8)	21.1	16.3
Non-current liabilities		315.7	297.2
Liabilities		807.4	684.7
Equity attributable to shareholders of Rieter Holding Ltd.		410.9	781.2
Equity attributable to non-controlling interests		- 0.5	- 0.6
Shareholders' equity		410.4	780.6
Liabilities and shareholders' equity		1 217.8	1 465.3

Notes are an integral part of the consolidated financial statements.

Consolidated statement of changes in equity

CHF million	Notes	Share capital	Treasury shares	Hedge reserve	Currency translation differences	Retained earnings	Total attributable to Rieter shareholders	Attributable to non-controlling interests	Total consolidated equity
At January 1, 2024		23.4	- 23.2	- 6.4	- 199.1	581.9	376.6	0.1	376.7
Net (loss) / profit		0.0	0.0	0.0	0.0	10.5	10.5	- 0.1	10.4
Total other comprehensive income		0.0	0.0	5.1	15.1	11.6	31.8	- 0.1	31.7
Total comprehensive income		0.0	0.0	5.1	15.1	22.1	42.3	- 0.2	42.1
Distribution of a dividend	(5.4)	0.0	0.0	0.0	0.0	- 13.5	- 13.5	0.0	- 13.5
Changes in non-controlling interests		0.0	0.0	0.0	5.8	- 5.1	0.7	- 0.4	0.3
Share-based compensation		0.0	1.8	0.0	0.0	1.7	3.5	0.0	3.5
Changes in treasury shares		0.0	1.8	0.0	0.0	- 0.5	1.3	0.0	1.3
Total contributions by and distributions to owners of the company		0.0	3.6	0.0	5.8	- 17.4	- 8.0	- 0.4	- 8.4
At December 31, 2024		23.4	- 19.6	- 1.3	- 178.2	586.6	410.9	- 0.5	410.4
Net (loss) / profit		0.0	0.0	0.0	0.0	- 63.3	- 63.3	- 0.1	- 63.4
Total other comprehensive income		0.0	0.0	- 0.2	- 16.9	- 8.0	- 25.1	0.0	- 25.1
Total comprehensive income		0.0	0.0	- 0.2	- 16.9	- 71.3	- 88.4	- 0.1	- 88.5
Capital increase	(5.4)	1.3	0.0	0.0	0.0	463.7	465.0	0.0	465.0
Capital decrease (par value reduction)	(5.4)	- 23.3	0.0	0.0	0.0	23.3	0.0	0.0	0.0
Distribution of a dividend	(5.4)	0.0	0.0	0.0	0.0	- 9.1	- 9.1	0.0	- 9.1
Share-based compensation		0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.3
Changes in treasury shares		0.0	6.5	0.0	0.0	- 4.0	2.5	0.0	2.5
Total contributions by and distributions to owners of the company		- 22.0	6.5	0.0	0.0	474.2	458.7	0.0	458.7
At December 31, 2025		1.4	- 13.1	- 1.5	- 195.1	989.5	781.2	- 0.6	780.6

Notes are an integral part of the consolidated financial statements.

Consolidated cash flow statement

CHF million	Notes	2024	2025
Net (loss) / profit		10.4	- 63.4
Depreciation, amortization, and impairment	(3.4)	54.9	57.0
Interest income	(5.6)	- 1.5	- 1.1
Interest expenses	(5.6)	10.4	19.7
Income taxes	(8.1)	6.1	- 0.2
Gain on disposals of property, plant, and equipment	(3.3)	- 2.0	- 17.6
Other non-cash income and expenses		- 0.7	6.3
Change in net working capital		- 17.3	- 21.8
Change in long-term provisions		- 7.7	- 4.7
Dividends received from associated companies	(6.3)	1.6	0.2
Interest received		1.4	1.0
Interest paid		- 10.5	- 15.3
Income taxes paid		- 8.8	- 10.4
Cash flow from operating activities		36.3	- 50.3
Acquisition of subsidiaries, net of cash acquired	(2.1)	1.1	-
Divestment of subsidiaries, net of cash disposed	(6.1)	-	1.8
Purchase of property, plant, and equipment, and intangible assets		- 25.6	- 15.2
Proceeds from disposals of property, plant, and equipment		2.9	23.6
Sale/purchase of marketable securities and time deposits		0.5	1.3
Cash flow from investing activities		- 21.1	11.5
Dividend paid to shareholders of Rieter Holding Ltd.	(5.4)	- 13.5	- 9.1
Sale of treasury shares		1.3	2.5
Proceeds from issue of new shares	(5.4)	-	469.7
Proceeds from issue of fixed-rate bond	(5.3)	69.9	-
Proceeds from bank and other financial debt	(5.3)	26.9	8.8
Repayment of fixed-rate bond	(5.3)	- 75.0	-
Repayments of bank and other financial debt	(5.3)	- 52.2	- 65.1
Repayments of lease liabilities	(5.3)	- 7.7	- 8.6
Cash flow from financing activities		- 50.3	398.2
Currency effects on cash and cash equivalents		2.7	- 9.0
Change in cash and cash equivalents		- 32.4	350.4
Cash and cash equivalents at January 1	(5.2)	135.6	103.2
Cash and cash equivalents at December 31	(5.2)	103.2	453.6

Notes are an integral part of the consolidated financial statements.

Notes to the consolidated financial statements

1 General information

Rieter Holding Ltd. (the “Company”) is a company incorporated in Switzerland with its registered office at Klosterstrasse 20 in Winterthur. The Company together with its subsidiaries (“Rieter” or “Group”) is the world’s leading supplier of systems for manufacturing yarn from staple fibers in spinning mills.

The consolidated financial statements were approved for publication by the Board of Directors on February 25, 2026. They are also subject to approval by the Annual General Meeting of shareholders.

1.1 Basis for preparation

The consolidated financial statements have been prepared in accordance with the IFRS Accounting standards as issued by the International Accounting Standards Board (IASB).

The material accounting policies applied in preparing these consolidated financial statements are included in the respective notes. General types of material accounting policies are set out in note 8.8. These policies have been consistently applied to all the reporting periods presented unless otherwise stated. Changes in accounting policies are disclosed in note 8.7.

The consolidated financial statements are based on historical cost, with the exception of certain financial instruments and defined benefit plan assets which are measured at fair value.

The consolidated financial statements are presented in Swiss francs, the functional and presentation currency of Rieter Holding Ltd.

1.2 Use of estimates and judgments

Financial reporting requires management to make estimates and exercise judgment in applying the Group's accounting policies, both of which can affect the reported amounts of assets, liabilities, contingent liabilities, and contingent assets at the date of the financial statements, and reported amounts of income and expenses during the reporting period. These accounting estimates and judgments are periodically reviewed. During the year, Rieter updated the method used to estimate the inventory allowance by extending the historical consumption look back period from 24 to 36 months. The change reflects updated information indicating longer consumption cycles and improved predictive reliability. The change is accounted for as a change in accounting estimates and applied prospectively.

The areas involving significant accounting estimates and judgments are related to the accounting of the acquisitions in 2026 and 2024 (see notes [2.1](#) and [8.9](#)) as well as the topics included in the following notes:

Note	Description of significant accounting estimates and judgments
4.3 Inventories	Assumptions associated with the allowance for inventories
4.5 Intangible assets	Assumptions associated with the capitalization of development costs for research and development activities
4.6 Goodwill	Assumptions associated with the impairment test
4.8 Provisions	Estimates associated with the measurement of provisions
7.2 Employee benefit plans	Assumptions in relation to defined benefit plans
8.1 Income taxes	Assumptions in relation to the measurement of income tax assets and liabilities

2 Significant events

2.1 Acquisitions

Significant pending transaction

On May 5, 2025, Rieter Holding Ltd. (Winterthur, Switzerland) signed a definitive agreement to acquire Barmag from OC Oerlikon at an upfront purchase price of CHF 713.4 million.

With this acquisition, Rieter strengthens and expands its technology position in the textile industry and positions itself in the growing market for man-made fibers. The transaction is fully in line with Rieter's strategy and follows previous acquisitions, where Rieter complemented its portfolio in short-staple fiber machinery and expanded its footprint in components and machinery for man-made fiber production. The combined platform allows to leverage the recovery of global filament and short-staple fiber spinning markets and to reduce cyclicity due to diversification of end-markets. The acquisition will further enhance Rieter's position in the important Asia-Pacific region and provide access to Barmag's filament expertise, which will help to further scale Rieter's own capabilities and improve digitization solutions and product sustainability.

Barmag comprises the established product brands Oerlikon Barmag, Oerlikon Neumag, and Oerlikon Nonwoven, which are providers of filament spinning systems used in the manufacturing of man-made fibers, texturing machines, Bulk Continuous Filament systems, staple fiber spinning, and nonwoven solutions and – as an engineering services provider – offers solutions along the textile value chain. In the financial year 2024, the company generated sales of CHF 734.0 million with around 2 600 employees.

The transaction values Barmag at an enterprise value of CHF 850.0 million. The enterprise value of CHF 850.0 million represents a through-the-cycle EV/EBITDA of 6.3x (excluding synergies). If certain financial criteria are achieved by 2028, an earn-out component of up to CHF 100.0 million will be paid to the seller. A maximum of CHF 36.8 million will be paid to the seller with respect to the future cash savings generated from the utilization of existing tax loss carry-forwards during a limited period of five years.

The acquisition financing was secured by a bridge loan facility of CHF 852.4 million from UBS. Refinancing the bridge facility happened through a fully underwritten CHF 400.0 million rights issue with tradable subscription rights, a CHF 77.4 million non-preemptive private placement, which was fully committed and subscribed by Rieter's two largest shareholders and will happen through bank financing. The fully secured financing ensures the balance sheet stability of Rieter.

The acquisition of Barmag was closed on February 2, 2026.

The acquisition related transaction costs amounted to CHF 16.4 million, thereof CHF 8.6 million recorded in other expenses and CHF 7.8 million in financial expenses in the consolidated income statement 2025.

Significant past transactions

On January 5, 2024, Rieter Holding Ltd. (Winterthur, Switzerland) acquired 100 percent of the shares of Petit Spare Parts SAS (Aubenas, France). This entity is active in the business of spare parts for textile machines and employs ten full-time employees. The purchase price amounted to CHF 1.4 million. The acquired net assets primarily consist of inventories. No goodwill resulted from the acquisition.

On November 1, 2024, Rieter Holding Ltd. (Winterthur, Switzerland) acquired 11 percent of the shares of Prosino S.r.l. (Borgosesia, Italy), thereby increasing its investment to 60 percent. The company manufactures rings for spinning machines and had been a previous supplier of Rieter. Prosino S.r.l. employs 90 full-time employees. With the acquisition of Prosino S.r.l., Rieter has strengthened its portfolio of high-quality ring components, particularly spinning and twisting rings, which was allocated to the Components segment.

A further 10 percent of the shares were bought on January 1, 2025, and an additional 10 percent will be bought on July 1, 2026, at the same valuation as the initial transaction in 2024. For the remaining 20 percent of the shares, Rieter Holding Ltd. has a call option effective from January 1, 2027, while the seller is granted a put option effective from January 1, 2028. The exercise prices for the call and put options are based on an EBITDA multiple including a cap and a floor. The redemption amount for this part of financial liability has been determined considering these clauses. The maximum amount to be paid is EUR 4.4 million (CHF 4.1 million).

Under the anticipated-acquisition method the contract was accounted for as if the forwards (purchase obligations of 10 percent on January 1, 2025, and 10 percent on July 1, 2026) had been satisfied by the non-controlling shareholders and the put option (effective from January 1, 2028) had been exercised already. Accordingly, Rieter did not recognize a non-controlling interest in the consolidated financial statements and accounted for the business combination as if it had acquired a 100 percent stake. The respective forward and put liabilities for the remaining shareholding of 30 percent were recognized as financial liabilities in the consolidated balance sheet.

The purchase price of the shares amounted to EUR 2.2 million (CHF 2.1 million) and was settled against cash. The transaction resulted in goodwill of CHF 5.0 million. The goodwill is attributable to the acquired workforce and the complementary nature of the acquired business. It is not deductible for tax purposes. The acquired business contributed sales of CHF 1.4 million and a net result of CHF -0.1 million to the Group for the period from November 1 to December 31, 2024. If the acquisition had occurred on January 1, 2024, consolidated pro-forma sales and the net result for the year ended December 31, 2024, would have been CHF 866.3 million and CHF 12.1 million, respectively. These amounts were calculated based on the business results, adjusted by the differences in the accounting policies between Rieter and Prosino S.r.l., and by the additional depreciation and amortization that would have been charged assuming the fair value adjustments to inventories, property, plant, and equipment, and intangible assets had applied from January 1, 2024, together with the consequential tax effects.

The following table presents a breakdown of assets acquired and liabilities assumed at November 1, 2024:

CHF million	Notes	Prosino S.r.l.
Cash and cash equivalents		4.6
Trade receivables		0.9
Other current receivables		1.1
Inventories		4.4
Property, plant, and equipment		8.6
Intangible assets		2.2
Other non-current assets		1.4
Assets		23.2
Trade payables		2.0
Other current liabilities		3.5
Advance payments from customers		0.1
Non-current financial debt		2.8
Deferred income tax liabilities		0.6
Other non-current liabilities		0.3
Non-current provisions		0.5
Liabilities		9.8
Fair value of pre-existing interest in voting rights (49%)		9.2
Consideration paid in cash (11%)		2.1
Forward and put liabilities (40%)		7.1
Total consideration (51%)		9.2
Fair value of net identifiable assets acquired		13.4
Goodwill	(4.6)	5.0

There have been no adjustments to the purchase price allocation presented in the Annual Report 2024.

The identified intangible assets comprise the value of customer relationships (CHF 1.3 million) and the related brands and trademarks (CHF 0.9 million). The fair value of the acquired trade receivables amounted to CHF 0.9 million. The gross contractual amount of invoiced trade receivables was CHF 1.0 million, with a respective allowance of CHF 0.1 million recognized at the acquisition date.

Transaction costs of CHF 0.1 million relating directly to the acquisition were recognized as other expenses in the consolidated income statement 2024 as incurred in the second half of 2024.

2.2 Disposals of land and buildings

On May 27, 2025, Rieter sold the land and buildings no longer required for operations at Klosterstrasse in Winterthur (Switzerland) to Töss Campus AG (Winterthur, Switzerland), an entity controlled by foundations related to Rieter. The transaction was conducted at a market value of CHF 15.7 million. The gain on the disposal of the land and buildings in Winterthur amounted to CHF 13.6 million and was internally reported as "Corporate".

Additionally, the Group sold land and buildings in the Netherlands and in Germany no longer required for operations. The transaction in the Netherlands was treated as a sale and leaseback transaction. The cumulative gain of these two transactions amounted to CHF 3.0 million and has been allocated to the Components segment.

The following table summarizes the effects of the disposals on the consolidated income statement 2025:

	CHF million
Disposal consideration (gross) ¹	22.6
Carrying amount of land and buildings	– 5.7
Costs directly attributable to the transaction	– 0.1
Gain on disposals of property, plant, and equipment²	16.8
Thereof recognized as a sale and leaseback transaction	0.2
Thereof recognized in the consolidated income statement	EBIT 16.6

¹ Included in the line item "Proceeds from disposals of property, plant, and equipment" in the consolidated cash flow statement.

² Included in the line item "Gain on disposal of property, plant, and equipment" in other income (see note 3.3).

2.3 Restructuring and impairment

As a result of the persistently difficult market conditions and economic environment in various key markets, Rieter recorded a low order intake. In response to this development, Rieter initiated further restructuring measures. Rieter intends to relocate customer-focused functions to its sales markets, combine resources and simplify processes. The implementation of the respective measures started in the second half of 2024, continued in 2025, and will be concluded within the next twelve months. In 2025, restructuring costs (net) in the amount of CHF 33.6 million (2024: CHF 4.7 million) include mainly severance payments, outplacement costs and consulting costs directly related to the restructuring measures. In addition, impairment losses on property, plant, and equipment were recognized in the amount of CHF 4.2 million (2024: CHF 1.1 million).

3 Operating performance

3.1 Segment performance

Segment information is based on the Group's organization and management structure and internal reporting to the Chief Operating Decision Maker up to the level of EBIT. The Chief Operating Decision Maker at Rieter is the Chief Executive Officer. Segment reporting is based on the same accounting policies as those used for the preparation of the consolidated financial statements. The Group consists of three reportable segments: Machines & Systems, Components, and After Sales. There is no aggregation of operating segments. Rieter Machines & Systems develops, produces and distributes machinery and systems used to convert natural and man-made fibers and their blends into yarns. Rieter Components supplies precision winding machines and technology components to spinning mills and textile machinery manufacturers. Rieter After Sales serves customers with spare parts, value-adding after sales services and solutions over the entire product life cycle.

Segment information 2025

CHF million	Machines & Systems	Components	After Sales	Total reportable segments
Total segment sales	329.1	248.0	155.2	732.3
Inter-segment sales	0.0	47.2	0.0	47.2
Sales	329.1	200.8	155.2	685.1
Operating EBIT ¹	- 33.0	2.7	15.2	- 15.1
Operating result before interest and taxes (EBIT)	- 48.0	- 11.9	7.1	- 52.8
Purchase of property, plant, and equipment, and intangible assets	- 6.6	- 4.0	- 0.4	- 11.0
Depreciation and amortization	- 11.2	- 25.3	- 3.0	- 39.5
Impairment losses	- 1.7	- 2.2	0.0	- 3.9
Restructuring costs (net)	- 13.2	- 12.3	- 8.1	- 33.6
Operating net working capital	72.6	73.4	58.0	204.0

Segment information 2024

CHF million	Machines & Systems	Components	After Sales	Total reportable segments
Total segment sales	424.9	303.0	186.6	914.5
Inter-segment sales	0.0	55.4	0.0	55.4
Sales	424.9	247.6	186.6	859.1
Operating EBIT ¹	- 3.8	11.7	32.9	40.8
Operating result before interest and taxes (EBIT)	- 8.4	11.3	32.3	35.2
Purchase of property, plant, and equipment, and intangible assets	- 4.0	- 9.7	- 0.9	- 14.6
Depreciation and amortization	- 12.3	- 25.5	- 3.1	- 40.9
Impairment losses	- 0.9	0.0	0.0	- 0.9
Restructuring costs (net)	- 3.6	- 0.4	- 0.7	- 4.7
Operating net working capital	76.9	81.2	60.3	218.4

¹ The definitions of the APM used are published on the Rieter [website](#).

Reconciliation of segment results

CHF million	2024	2025
Operating result before interest and taxes (EBIT) of reportable segments	35.2	- 52.8
Gain on disposal of land and buildings in Winterthur ¹	-	13.6
Restructuring costs and impairment losses which are not allocated to reportable segments ²	- 0.1	- 0.1
Share in profit of associated companies ³	2.9	0.0
Other result that is not allocated to reportable segments	- 10.0	- 4.6
Operating result before interest and taxes (EBIT), Group	28.0	- 43.9
Financial income	2.0	1.7
Financial expenses	- 13.5	- 21.4
(Loss) / profit before taxes	16.5	- 63.6

¹ See note 2.2.

² Mainly related to the additional restructuring measures in 2024 and 2025 (see note 2.3).

³ See note 6.3.

The result that is not allocated to reportable segments includes all those elements of income and expenses that are not allocated on a reasonable basis to the other segments, such as certain costs of central functions and infrastructure (internally reported as “Corporate”).

Sales and non-current assets by country

CHF million	Sales 2024 ¹	Sales 2025 ¹	Non-current assets 2024 ²	Non-current assets 2025 ²
Switzerland (domicile of Rieter Holding Ltd.)	5.1	1.7	144.1	124.9
Foreign countries	854.0	683.4	415.3	384.1
Group	859.1	685.1	559.4	509.0

The following countries accounted for more than 10% of sales or non-current assets:

Switzerland (domicile of Rieter Holding Ltd.)	5.1	1.7	144.1	124.9
China	172.8	227.7	29.2	23.6
Germany	17.1	23.0	294.2	284.7
India	121.2	97.8	23.1	17.3
Türkiye	158.9	35.0	1.7	1.7

¹ By location of customer.

² Property, plant, and equipment, intangible assets, and goodwill by country of location.

No individual customer accounted for more than 10 percent of consolidated sales in 2025 and 2024. The greatest granularity available for products and product groups is segment level, which is reflected in the segment reporting shown above.

3.2 Sales

CHF million	2024	2025
Sales of products	805.7	643.3
Sales of services	53.4	41.8
Sales	859.1	685.1

Revenue from sales of services is mainly incurred at Rieter After Sales.

Advance payments from customers at December 31, 2025 amounted to CHF 50.3 million (December 31, 2024: CHF 60.8 million). Of the advance payments at December 31, 2024, CHF 41.9 million were recognized as sales in 2025 and therefore included in the consolidated income statement 2025.

Material accounting policies

Rieter sells textile machinery and systems on a global scale. The respective customer contracts may include further elements such as installation. Installation is treated as a separate performance obligation due to the nature of the service rendered. Revenue from textile machinery and systems sales is recognized when control is transferred to the customer. In general, this happens at the point in time when products are handed over to the customer or its freight carrier based on contractually agreed terms (International Commercial Terms or Incoterms). Upon handover, the customer assumes physical control as well as significant risks and future rewards. Prior to delivery, Rieter ensures that machinery and systems comply with contractually agreed performance criteria. As a consequence, no significant unfulfilled obligations exist for Rieter upon handover, with the exception of installation. Installations are invoiced at the same time as the delivery of the machinery and systems, although the service is rendered at a later date. Revenue from installation services is therefore deferred as contract liability in the line item deferred revenue and is recognized in the period when the service is rendered (see note 4.7). The progress of the activities is determined based on accumulated working hours or expenses compared to total expected working hours or expenses (over time). Estimates of total expected working hours or expenses are adjusted in the event of changes. The effects of such adjustments are recognized in the respective period. The total selling price agreed in machinery and systems contracts (including discounts granted) is allocated to individual performance obligations based on relative stand-alone selling prices.

The Group also distributes technology components and spare parts for textile machinery and systems. Revenue from these products is recognized when control is transferred to the customer. In general, this happens at the point in time when products are handed over to the customer or its freight carrier based on the relevant contractually agreed terms (Incoterms). Upon handover, the customer assumes physical control as well as significant risks and future rewards.

In addition, Rieter offers a wide range of services and solutions over the entire life cycle of textile machinery and systems (e.g. mill assessments and preventive maintenance as well as upgrade and conversion packages). Revenue from such services rendered at customers' machinery and systems is usually fixed and is recognized in the period when the service is rendered. The progress of the activities is determined based on accumulated working hours or expenses compared to total expected working hours or expenses (over time).

In the case of customers' advance payments for goods or services, the respective contract liability is accrued separately in the line item advance payments from customers.

For receivables which are not covered by advance payments, the general payment term is normally between 30 and 60 days. Since payment terms of more than one year are not generally granted, customer contracts do not normally include any financing component.

3.3 Other income and expenses

CHF million	2024	2025
Rental income	0.8	0.9
Gain on disposals of property, plant, and equipment	2.0	17.6
Gain on existing interest	3.3	–
Disposals of materials for recycling purposes	1.2	1.7
Miscellaneous other income	28.5	15.6
Other income	35.8	35.8
Restructuring costs ¹	– 4.7	– 33.6
Impairment losses on property, plant, and equipment ¹	– 1.1	– 4.2
Transaction costs related directly to the acquisition ²	– 0.1	– 8.6
Losses from accounts receivable	– 0.2	– 0.8
Foreign exchange differences (net)	– 0.5	– 2.2
Miscellaneous other expenses	– 14.1	– 9.7
Other expenses	– 20.7	– 59.1

¹ See note 2.3.

² See notes 2.1 and 8.9.

The gain on existing interest in 2024 resulted from the revaluation of the investment in Prosino S.r.l. (Borgosesia, Italy) at fair value due to the increased interest in voting rights (see note 2.1 and 6.3).

Miscellaneous other income includes income that is not presented as sales, such as income from export incentive schemes and income from government grants. In 2024, this also includes a portion of the insurance compensation received for the earthquake in Türkiye in 2023 and the release of the environmental provision relating to the sold land and buildings in Ingolstadt (Germany) (see note 4.8).

Miscellaneous other expenses include expenses that are not directly linked to cost of sales, or which cannot be allocated to research and development expenses or selling, general, and administrative expenses. Such expenses include costs related to cancelled customer projects and losses from onerous customer contracts.

3.4 Depreciation, amortization, and impairment

CHF million	2024	2025
Property, plant, and equipment	– 39.3	– 41.4
Intangible assets	– 15.6	– 15.6
Depreciation, amortization, and impairment	– 54.9	– 57.0

3.5 Operating result before interest, taxes, restructuring, impairment and transaction costs (Operating EBIT)

The operating result before interest, taxes, restructuring, impairment and transaction costs (Operating EBIT) is used by Rieter as an alternative performance measure. The table below contains a reconciliation of Operating EBIT:

CHF million	2024	2025
Operating result before interest and taxes (EBIT)	28.0	- 43.9
Restructuring costs, net	4.7	33.6
Impairment losses	1.1	4.2
Transaction costs related directly to the acquisition	0.1	8.6
Operating result before interest, taxes, restructuring, impairment and transaction costs (Operating EBIT)¹	33.9	2.5

¹ The definitions of the APM used are published on the Rieter [website](#).

4 Operating assets and liabilities

4.1 Trade receivables

CHF million	December 31, 2024	December 31, 2025
Trade receivables (gross)	110.2	106.0
Allowance for trade receivables	- 3.8	- 4.5
Trade receivables	106.4	101.5

Trade receivables are divided into the following major currencies:

CHF million	December 31, 2024	December 31, 2025
CHF	59.5	33.2
CNY	5.9	14.8
EUR	24.5	41.8
INR	6.7	4.9
USD	9.0	6.0
Other	0.8	0.8
Trade receivables	106.4	101.5

For further information on credit risks, aging structure of trade receivables, and movements in the allowance for trade receivables, see note 8.5.

Material accounting policies

Trade receivables are initially recognized at their transaction price and subsequently measured at amortized cost, which is usually the original invoice value less an allowance for expected credit losses. The allowance for trade receivables is determined based on lifetime expected credit losses, which are calculated as the present value of expected cash shortfalls. Changes are recognized in the income statement as other income or expenses.

4.2 Other current receivables

CHF million	December 31, 2024	December 31, 2025
Receivables from indirect taxes and customs duties	22.4	15.9
Advance payments to suppliers	5.3	3.8
Prepaid expenses and deferred charges	3.7	7.1
Derivative financial instruments (positive fair values)	3.5	1.1
Miscellaneous current receivables	6.2	7.6
Other current receivables	41.1	35.5

Other current receivables do not include any overdue or impaired items.

4.3 Inventories

CHF million	December 31, 2024	December 31, 2025
Raw materials and consumables	72.1	54.8
Finished and semi-finished goods, trading goods	260.1	252.6
Work in progress	6.3	6.9
Allowance for inventories	- 79.5	- 74.3
Inventories	259.0	240.0

The allowance for inventories developed as follows:

CHF million	2024	2025
Allowance for inventories at January 1	- 75.5	- 79.5
Utilization	2.0	2.3
Additions (-) / reversals (+), (net)	- 5.3	1.4
Currency translation differences	- 0.7	1.5
Allowance for inventories at December 31	- 79.5	- 74.3

Significant accounting estimates and judgments

When assessing the value of inventories, estimates of their recoverability are necessary. The recoverability of the respective items is based on the expected consumption. The allowance for inventories is calculated at item level using a range of coverage analysis. The assumptions used in this analysis are reviewed annually and modified if necessary. Changes in sales volumes, the production process, or other circumstances may result in carrying amounts having to be adjusted accordingly (see Note 1.2).

Material accounting policies

Raw materials, consumables, and trading goods are measured at the lower of average cost or net realizable value. Semi-finished and finished goods are stated at the lower of manufacturing cost or net realizable value. The net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Allowances on inventories are recognized for slow-moving items and excess stock.

4.4 Property, plant, and equipment

CHF million	Land and buildings	Machinery, plant equipment, tools, IT equipment, furniture, and vehicles	Property, plant, and equipment under construction	Right-of-use assets	Total property, plant, and equipment
Carrying amount at January 1, 2024	74.6	98.9	18.4	34.2	226.1
Acquisitions ¹	5.7	2.0	0.5	0.6	8.8
Additions	5.6	14.2	4.9	36.6 ²	61.3
Disposals	- 0.5	- 0.2	0.0	-	- 0.7
Depreciation	- 4.0	- 25.8	0.0	- 8.4	- 38.2
Impairment losses	0.0	- 1.1	0.0	-	- 1.1
Reclassifications	- 8.8	21.8	- 13.0	0.0	0.0
Changes in leases	-	-	-	- 1.5	- 1.5
Currency translation differences	1.5	1.6	0.2	0.7	4.0
Carrying amount at December 31, 2024	74.1	111.4	11.0	62.2	258.7
Cost at December 31, 2024	162.8	436.7	11.0	88.2	698.7
Accumulated depreciation at December 31, 2024	- 88.7	- 325.3	0.0	- 26.0	- 440.0
Carrying amount at December 31, 2024	74.1	111.4	11.0	62.2	258.7
Additions	2.4	5.9	2.4	5.6	16.3
Disposals	- 5.7	- 0.3	0.0	-	- 6.0
Divestment	- 0.1	- 0.8	0.0	-	- 0.9
Depreciation	- 4.2	- 24.8	0.0	- 8.2	- 37.2
Impairment losses	0.0	- 4.0	0.0	- 0.2	- 4.2
Reclassifications	0.1	7.7	- 7.0	-	0.8 ³
Changes in leases	-	-	-	-	-
Currency translation differences	- 1.5	- 2.0	- 0.1	- 0.6	- 4.2
Carrying amount at December 31, 2025	65.1	93.1	6.3	58.8	223.3
Cost at December 31, 2025	136.2	416.0	6.3	91.9	650.4
Accumulated depreciation at December 31, 2025	- 71.1	- 322.9	0.0	- 33.1	- 427.1
Carrying amount at December 31, 2025	65.1	93.1	6.3	58.8	223.3

¹ See note 2.1.

² This includes the right-of-use asset of the Campus in Winterthur in the amount of CHF 34.9 million.

³ In 2025, there has been a reclassification of CHF 0.8 million from other current receivables to property, plant, and equipment.

No land and buildings are pledged as security for financial debt. At the end of 2025, open purchase commitments in respect of major investments in tangible fixed assets amounted to CHF 0.4 million (December 31, 2024: CHF 0.8 million).

Material accounting policies

Property, plant, and equipment are recognized at historical cost and depreciated on a straight-line basis over the estimated useful life. Depreciation of an asset starts when it is available for use. Historical cost also includes expenditure that is directly attributable to the acquisition. Useful life is determined based on the expected period of utilization of individual assets. The respective ranges are as follows:

Buildings	20 – 50 years
Machinery and plant equipment	5 – 15 years
Tools/IT equipment/furniture	3 – 10 years
Vehicles	3 – 5 years

Assets under construction that are not yet available for use, as well as land, are not depreciated. Value adjustments are recognized if required. Where components of significant assets have differing useful lives, these are depreciated separately.

All gains or losses arising from the disposal of property, plant, and equipment are recognized in the income statement. Cost related to repair and maintenance is charged to the income statement as incurred.

Investment grants received for capital projects are deferred and credited to the income statement on a straight-line basis over the expected useful life of the related assets.

Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the acquisition costs of the qualifying asset.

For accounting policies in relation to right-of-use assets see note [8.3](#).

4.5 Intangible assets

CHF million	Customer relationships	Patents and technology	Brands and trademarks	Software and other intangible assets	Goodwill	Total
Carrying amount at January 1, 2024	54.1	42.4	14.9	8.0	184.3	303.7
Acquisitions ¹	1.3	0.0	0.9	0.1	5.0	7.3
Additions	–	–	–	0.9	–	0.9
Amortization	– 6.7	– 4.7	– 1.7	– 2.5	–	– 15.6
Currency translation differences	0.7	0.8	0.1	0.1	2.7	4.4
Carrying amount at December 31, 2024	49.4	38.5	14.2	6.6	192.0	300.7
Cost at December 31, 2024	84.9	60.0	21.7	19.5	192.0	378.1
Accumulated amortization at December 31, 2024	– 35.5	– 21.5	– 7.5	– 12.9	–	– 77.4
Carrying amount at December 31, 2024	49.4	38.5	14.2	6.6	192.0	300.7
Additions	–	–	–	4.5	–	4.5
Amortization	– 6.8	– 4.6	– 1.8	– 2.4	–	– 15.6
Currency translation differences	– 0.3	– 0.4	– 0.1	– 0.1	– 3.0	– 3.9
Carrying amount at December 31, 2025	42.3	33.5	12.3	8.6	189.0	285.7
Cost at December 31, 2025	84.4	59.5	21.5	23.8	189.0	378.2
Accumulated amortization at December 31, 2025	– 42.1	– 26.0	– 9.2	– 15.2	–	– 92.5
Carrying amount at December 31, 2025	42.3	33.5	12.3	8.6	189.0	285.7

¹ See note 2.1.

Software consists of capitalized cost for internally generated software. Brands and trademarks with a definite useful life include SSM, Accotex, Temco, Schlafhorst, Autoconer and Prosino. Technology consists only of capitalized costs for acquired technology in connection with acquisitions.

Significant accounting estimates and judgments

In the year under review, development costs in the amount of CHF 3.5 million have been capitalized (2024: none). In 2025, software in the amount of CHF 1.0 million has been capitalized (2024: CHF 0.9 million).

Material accounting policies

Intangible assets acquired from third parties such as product licenses, patents, trademark rights (brands), and customer relationships are recognized in the balance sheet at historical cost and are amortized on a straight-line basis over the expected useful life of up to 15 years. Rieter does not hold any intangible assets with an indefinite useful life.

Internally generated software is capitalized as intangible asset only if the costs can be measured reliably, the completion of the project is intended, and it can be demonstrated that the software project is technically and financially feasible and will generate a future economic benefit. All other costs associated with internally generated software are recognized in the income statement as incurred. Internally generated software is amortized over a period of up to five years.

The respective ranges of useful life are as follows:

Customer relationships	10 – 15 years
Patents and technology	8 – 15 years
Brands and trademarks	5 – 15 years
Software and other intangible assets	1 – 5 years

Research and development activities focus on the expansion and improvement of Rieter's product and service portfolio. Expenses related to research activities are recognized in the income statement as incurred. Expenditure in connection with development projects is capitalized as an intangible assets only if the costs can be measured reliably and it can be demonstrated that the project is technically and financially feasible and will generate a future economic benefit. Otherwise, the respective costs are expensed as incurred.

Goodwill resulting from business combinations represents the difference between the purchase considerations paid and the fair value of net assets acquired. Due to its indefinite useful life, it is subject to an impairment test performed at least on an annual basis.

4.6 Goodwill

For impairment testing, goodwill acquired through business combinations and brands with an indefinite useful life are allocated to the respective cash-generating unit (CGU) and monitored by management. Rieter tests whether goodwill and intangible assets with an indefinite useful life have suffered any impairment on an annual basis. For 2025 and 2024, the recoverable amount of the CGUs was determined on value-in-use calculations.

A segment-level summary of allocation of goodwill, the CGU, and the respective key assumptions used, are presented below:

CHF million	Machines & Systems	SSM	Accotex	Temco	Bräcker	After Sales	2025
Machines & Systems	56.1	–	–	–	–	–	56.1
Components	–	43.5	16.0	19.5	5.0	–	84.0
After Sales	–	–	–	–	–	48.9	48.9
Goodwill							189.0

Key assumptions:

Sales volume (% growth)	–	15.8%	16.9%	12.6%	8.6%	–
Long-term sales growth rate	1.9%	1.2%	2.0%	2.0%	1.6%	1.7%
Pre-tax discount rate	14.5%	13.1%	15.3%	14.4%	14.0%	13.7%

CHF million	Machines & Systems	SSM	Accotex	Temco	Bräcker	After Sales	2024
Machines & Systems	57.0	–	–	–	–	–	57.0
Components	–	43.5	16.2	19.7	5.0	–	84.4
After Sales	–	–	–	–	–	50.6	50.6
Goodwill							192.0

Key assumptions:

Sales volume (% growth)	–	18.7%	10.6%	12.2%	–	–
Long-term sales growth rate	1.7%	1.5%	2.0%	2.0%	–	1.8%
Pre-tax discount rate	14.2%	12.9%	14.1%	12.2%	–	13.2%

Based on the performed impairment tests using the key assumptions mentioned above, there is no need for an impairment charge at December 31, 2025 and 2024.

Gross profit and cash flows depend on sales volume, sales growth and related cost of goods sold. The results of the impairment tests for Machines & Systems, SSM, Bräcker and After Sales confirm the carrying amount of the respective CGUs without an indication of impairment. No reasonably possible changes in key assumptions would cause the recoverable amount to equate to the carrying amount of goodwill.

Regarding Accotex and Temco, there is currently no indication of a long-term decrease in the market, the market share, or the profitability. Gross profit and cash flows depend on sales volume, sales growth and related cost of goods sold. The results of the impairment tests confirm the carrying amount of the CGUs without an indication for impairment, but showed only a small headroom for Accotex and Temco. Rieter performed sensitivity analyses in order to determine which reasonably possible changes in key assumptions would cause the recoverable amount to fall short of the carrying amount of goodwill.

The sensitivity analysis for Accotex showed that the recoverable amount would fall short of the carrying amount of Accotex if the pre-tax discount rate would be increased by 1.0 percentage points (2024: +2.0 percentage points), the sales volume growth would be reduced by 1.5 percentage points (2024: -3.4 percentage points), or the long-term

sales growth rate would be decreased by 1.2 percentage points (2024: -2.2 percentage points). The recoverable amount of Accotex exceeds the carrying amount by CHF 3.6 million (2024: CHF 7.9 million).

The sensitivity analysis for Temco showed that the recoverable amount would fall short of the carrying amount of Temco if the pre-tax discount rate would be increased by 0.5 percentage points (2024: no reasonable change), the sales volume growth would be reduced by 0.6 percentage points (2024: no reasonable change), or the long-term sales growth rate would be decreased by 0.6 percentage points (2024: no reasonable change). The recoverable amount of Temco exceeds the carrying amount by CHF 2.2 million (2024: CHF 16.8 million).

Sales growth rates are calculated as compound average growth rate derived from the underlying business plans. Long-term sales growth rates are based on long-term inflation assumptions assuring rates are in line or below external market information provided by industry specialists. Pre-tax discount rates are determined on the basis of the weighted cost of capital using market participants information.

Significant accounting estimates and judgments

For the goodwill impairment test, Rieter uses financial plans for the next four years as approved by the Board of Directors and the Group Executive Committee. These plans are extrapolated to a period of five years. Management thereby makes assumptions related to sales growth rates and profit margins. Expected future cash flows are discounted with a market-specific discount rate.

4.7 Other current liabilities

CHF million	December 31, 2024	December 31, 2025
Accrued expenses	36.9	35.4
Deferred revenue	35.7	27.0
Accrued holidays and overtime	5.9	2.9
Sales commissions payable to agents	9.1	5.8
Derivative financial instruments (negative fair values) ¹	2.4	1.4
Current liabilities to employees	23.6	5.8
Liabilities from supplier finance arrangements ¹	–	6.5
Miscellaneous current liabilities	21.0	22.0
Other current liabilities	134.6	106.8

¹ See note 8.5.

Deferred revenue consists mainly of revenue for installations of machines and components at Rieter customer sites, which were invoiced already but have not yet been completed. Of the deferred revenue at December 31, 2024, CHF 19.6 million were recognized as sales and therefore included in the consolidated income statement 2025. Additional significant changes comprise services invoiced in 2025, which were either recognized as sales in 2025 or which are still included in deferred revenue at December 31, 2025. The majority of deferred revenue is recognized as revenue within twelve months. Miscellaneous current liabilities consist primarily of payables to customers, accounts receivable with a credit balance, and payables for VAT and social insurance.

4.8 Provisions

CHF million	Restructuring provisions	Personnel provisions	Guarantee and warranty provisions	Environmental provisions	Other provisions	Total provisions
Provisions at December 31, 2024	9.0	6.6	32.6	3.0	15.9	67.1
Utilization	- 8.1	- 1.3	- 19.0	-	- 2.1	- 30.5
Release	- 1.4	- 0.5	- 8.0	-	- 6.8	- 16.7
Additions	28.3	0.4	10.1	-	6.8	45.6
Currency translation differences	- 0.6	- 0.2	- 0.9	-	- 0.4	- 2.1
Provisions at December 31, 2025	27.2	5.0	14.8	3.0	13.4	63.4
Of which current	27.2	0.1	12.8	-	7.0	47.1
Of which non-current	-	4.9	2.0	3.0	6.4	16.3

CHF million	Restructuring provisions	Personnel provisions	Guarantee and warranty provisions	Environmental provisions	Other provisions	Total provisions
Provisions at December 31, 2023	34.9	5.9	30.1	10.5	15.8	97.2
Acquisitions	-	0.4	-	-	-	0.5
Utilization	- 29.8	- 0.6	- 22.5	0.0	- 3.7	- 56.6
Release	- 1.8	0.0	- 1.3	- 7.7	- 1.5	- 12.3
Additions	5.1	0.7	25.8	0.0	5.0	36.6
Currency translation differences	0.6	0.2	0.5	0.2	0.2	1.7
Provisions at December 31, 2024	9.0	6.6	32.6	3.0	15.9	67.1
Of which current	9.0	0.5	27.7	-	8.7	46.0
Of which non-current	0.0	6.1	4.9	3.0	7.2	21.1

Restructuring provisions cover legal and constructive obligations in connection with restructuring measures. In 2025, additional restructuring measures (see note 2.3) resulted in an increase in provisions of CHF 28.3 million. The respective obligations mainly include expected severance payments, outplacement costs and consulting expenses. The utilization of restructuring provisions relates to the additional restructuring measures launched in 2024 and 2025 (see note 2.3).

Personnel provisions include provisions for part-time arrangements for older employees, long-service awards, and other long-term benefits attributable to employees.

Guarantee and warranty provisions are recorded in the context of product deliveries and services and are based on past experience. Non-current warranty provisions are expected to result in outflows of resources in one or two years on average.

Environmental provisions contain obligations for site restoration associated with the disposal of land and buildings in Ingolstadt (Germany) in 2019 and in Winterthur (Switzerland) in 2022. The respective provisions are expected to be utilized in the years after 2026.

Rieter has recognized other provisions mainly for ongoing legal proceedings, for onerous contracts (where the unavoidable direct cost of performance exceeds the expected financial benefit), or for contracts with benefits linked to conditions that have to be fulfilled in the future (e.g. government grants). Non-current other provisions are expected to be utilized in the years after 2026.

Significant accounting estimates and judgments

In the course of the ordinary operating activities of Rieter, obligations can arise from restructuring measures, warranty claims, ongoing legal proceedings, site restoration, or onerous contracts. Provisions for the respective obligations are measured on the basis of expected cash outflows when accounts are drawn up. However, the outcome of the events mentioned above may result in claims against the Group that are higher or lower than the respective provisions and which are not – or only partially – covered by a relevant insurance benefit.

Material accounting policies

Provisions for restructuring, personnel, warranty claims, ongoing legal proceedings, site restoration, or onerous contracts are recognized if Rieter has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic resources will be required to settle the obligation, and the amount can be estimated reliably. Provisions are discounted if the impact is considered to be significant.

5 Liquidity and financing

5.1 Net debt/liquidity and free cash flow

Rieter uses net debt and liquidity and free cash flow as alternative performance measures. Net debt and liquidity is calculated as follows:

CHF million	December 31, 2024	December 31, 2025
Cash and cash equivalents	103.2	453.6
Marketable securities and time deposits	0.2	0.2
Current financial debt	- 104.9	- 45.2
Non-current financial debt	- 228.8	- 224.3
Net debt (-)/net liquidity (+)	- 230.3	184.3
Lease liabilities ¹	62.0	58.7
Net debt (-)/net liquidity (+) (without lease liabilities)	- 168.3	243.0

¹ See notes 5.3 and 8.5.

Free cash flow consists of:

CHF million	2024	2025
Cash flow from operating activities	36.3	- 50.3
Cash flow from investing activities	- 21.1	11.5
Less cash flow from acquisition/divestment of subsidiaries ¹	- 1.1	- 1.8
Free cash flow	14.1	- 40.6

¹ See note 2.1.

5.2 Cash and cash equivalents

CHF million	December 31, 2024	December 31, 2025
Cash and banks	102.2	449.7
Time deposits with original maturities of up to three months	1.0	3.9
Cash and cash equivalents	103.2	453.6

Material accounting policies

Cash and cash equivalents include bank accounts, investments in money market funds, and current time deposits with original maturities of up to three months.

5.3 Financial debt

CHF million	Fixed-rate bonds	Bank debt	Lease liabilities	Other financial debt	Total December 31, 2025
Maturity					
Less than 1 year	0.0	34.1	9.1	2.0	45.2
1 to 5 years	169.6	0.0	29.0	5.1	203.7
5 or more years	0.0	0.0	20.6	0.0	20.6
Financial debt	169.6	34.1	58.7	7.1	269.5

CHF million	Fixed-rate bonds	Bank debt	Lease liabilities	Other financial debt	Total December 31, 2024
Maturity					
Less than 1 year	0.0	92.5	8.7	3.7	104.9
1 to 5 years	169.5	0.0	27.6	6.0	203.1
5 or more years	0.0	0.0	25.7	0.0	25.7
Financial debt	169.5	92.5	62.0	9.7	333.7

On November 27, 2024, Rieter placed a fixed-rate bond amounting to CHF 70.0 million. This bond has a term of five years with a maturity date on November 27, 2029, a fixed interest rate of 3.5 percent p.a. and is listed on the SIX Swiss Exchange. The fair value of this bond amounted to CHF 70.0 million at December 31, 2025 (December 31, 2024: CHF 71.5 million). The effective interest expenses in the amount of CHF 2.5 million were charged to the income statement 2025 (2024: CHF 0.4 million). On November 25, 2021, Rieter issued a fixed-rate bond with a nominal value amounting to CHF 100.0 million. This bond has a term of six years with a maturity date on November 24, 2027, a fixed interest rate of 1.4 percent p.a. and is listed on the SIX Swiss Exchange. The fair value of this bond amounted to CHF 97.5 million at December 31, 2025 (December 31, 2024: CHF 98.0 million). The effective interest expenses in the amount of CHF 1.4 million were charged to the income statement 2025 (2024: CHF 1.4 million). On September 17, 2024, Rieter repaid the existing fixed-rate bond in the amount of CHF 75.0 million. The bond had a term of four years, a fixed interest rate of 1.55 percent and was listed on the SIX Swiss Exchange. The effective interest expenses were CHF 0.9 million in 2024.

By currency, financial debt is divided up as follows:

CHF million	December 31, 2024	December 31, 2025
CHF	249.6	205.5
EUR	52.7	27.6
INR	30.7	35.5
Other currencies	0.7	0.9
Financial debt	333.7	269.5

Financial debt changed as follows:

CHF million		2024	2025
Financial debt at January 1		327.1	333.7
Acquisitions ¹	No cash flow	3.1	–
Proceeds from issue of fixed-rate bond	Cash flow	69.9	–
Repayment of fixed-rate bond	Cash flow	– 75.0	–
Proceeds from bank and other financial debt	Cash flow	26.9	8.8
Repayments of bank and other financial debt	Cash flow	– 52.2	– 65.1
Recognition of other financial debt	No cash flow	7.1	–
Recognition of lease liabilities	No cash flow	35.0	5.7
Repayments of lease liabilities	Cash flow	– 7.7	– 8.6
Changes in leases	No cash flow	– 1.5	–
Changes in amortized cost	No cash flow	0.1	0.3
Other changes in values ²	No cash flow	– 0.2	–
Currency translation differences	No cash flow	1.1	– 5.3
Financial debt at December 31		333.7	269.5

¹ See note 2.1.

² Exchange rate differences of financial debt in currencies other than the functional currency of the respective Group companies.

Material accounting policies

Financial debt is recognized initially at fair value, net of transaction costs incurred. Financial debt is subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the term of the obligation using the effective interest rate method. Contingent considerations for acquisitions are recognized at fair value. Contingent considerations are subsequently measured at fair value. Changes in the fair value of contingent considerations are recorded in the income statement. Financial debt is classified as a current liability, unless Rieter has a contractually agreed right to defer settlement for at least twelve months after the balance sheet date. For accounting policies in relation to lease liabilities, see note 8.3.

5.4 Share capital, earnings and dividend per share

		December 31, 2024	December 31, 2025
Shares issued	Number of shares	4 672 363	136 057 708
Treasury shares	Number of shares	151 962	94 012
Shares outstanding	Number of shares	4 520 401	135 963 696
Nominal value per share	CHF	5.00	0.01
Nominal value of share capital¹	CHF	23 361 815	1 360 577

¹ Share capital consists solely of registered shares and is fully paid in.

On September 18, 2025, the Extraordinary General Meeting (EGM) of Rieter Holding Ltd. approved a par value reduction of CHF 4.99 per share. The resulting amount of CHF 23.3 million was allocated to retained earnings. Simultaneously, the EGM approved a capital increase by means of issuance of 131 385 345 new shares via a subscription rights offering and a private placement. The net proceeds exceeding the par value of the newly issued shares in the amount of CHF 463.7 million were allocated to retained earnings. The transaction costs related to the capital increase have been deducted from the gross proceeds and are presented in equity.

The following table presents the calculation of basic and diluted earnings per share:

	2024	2025
Net (loss) / profit attributable to shareholders of Rieter Holding Ltd. (CHF million)	10.5	- 63.3
Average number of shares outstanding (undiluted)	7 384 511	50 281 594
Average number of shares outstanding (diluted)	7 390 259	50 281 594
Basic earnings per share (CHF)	1.42	- 1.26
Diluted earnings per share (CHF)	1.40	- 1.26

The basic and diluted earnings per share in 2024 have been restated to incorporate the bonus element arising from the rights issue offering executed in September 2025.

The dividend paid in 2025 amounted to CHF 9.1 million and was distributed from retained earnings (2024: CHF 13.5 million). Based on the financial statements of Rieter Holding Ltd. at December 31, 2025, the Board of Directors proposes to the Annual General Meeting not to distribute a dividend.

The table below summarizes the dividend payout ratio of the financial years 2025 and 2024:

	2024	2025
Dividend per share (CHF)	2.00	0.00 ¹
Basic earnings per share (CHF)	1.42	- 1.26
Dividend payout ratio in %	140.8	0.0

¹ See [proposal of the Board of Directors](#).

Material accounting policies

Earnings per share are calculated by dividing net profit attributable to Rieter Holding Ltd. shareholders by the average number of shares outstanding. Diluted earnings per share additionally take into account the effects of the potential dilution as if all rights relating to the long-term incentive plan (see note 7.3) were to be exercised.

5.5 Non-controlling interests in subsidiaries

In 2025, Rieter increased its stake in Prosino S.r.l. (Borgosesia, Italy) from 60 percent to 70 percent, following an increase from 49 percent to 60 percent in 2024. Under the anticipated-acquisition method Rieter does not recognize a non-controlling interest for this business combination (see note 2.1). In 2024, Rieter Holding Ltd. also purchased share capital of Rieter India Pvt. Ltd. with a nominal value of INR 0.2 million (CHF 0.0 million), acquiring the remaining non-controlling interests. Furthermore, Rieter Ltd. sold 30 percent of Rieter Textilsystemen LLC (Tashkent, Uzbekistan) to an external investor, resulting in a non-controlling interest of 30 percent.

Material accounting policies

Net profit or loss and each component of other comprehensive income are attributed to the shareholders of Rieter Holding Ltd. and to the non-controlling interests in subsidiaries, even if this results in a deficit balance of non-controlling interests.

5.6 Financial income and expenses

CHF million	2024	2025
Interest income	1.5	1.1
Other financial income	0.5	0.6
Financial income	2.0	1.7
Interest expenses ¹	- 10.4	- 19.7
Net loss on monetary position ²	- 1.0	- 0.7
Other financial expenses and exchange rate differences (net)	- 2.1	- 1.0
Financial expenses	- 13.5	- 21.4

¹ Financing transaction costs directly related to the acquisition of Barmag in the amount of CHF 7.8 million are included.

² The net loss on monetary position is related to the impact of hyperinflation accounting in the Turkish subsidiary (see accounting policy in note 8.8).

6 Group structure

6.1 Changes in Group structure

In 2025, Rieter sold the subsidiary Gomitex S.A. (Stembert, Belgium). The sale had an insignificant effect on the consolidated financial statements 2025. Furthermore, the subsidiary SSM Vertriebs AG (Steinhausen, Switzerland) was merged with SSM Schärer Schweiter Mettler AG (Wädenswil, Switzerland). In addition, the subsidiary Wilhelm Stahlecker GmbH (Suessen, Germany) was merged with Spindelfabrik Suessen GmbH (Suessen, Germany) and Rieter Deutschland GmbH & Co OHG (Ingolstadt, Germany) with Rieter Vertriebs GmbH (Ingolstadt, Germany).

In 2024, the subsidiary Rieter Management AG (Winterthur, Switzerland) was merged with Maschinenfabrik Rieter AG (Winterthur, Switzerland), which in turn changed its name to Rieter Ltd. (Winterthur, Switzerland). Moreover, the subsidiary Hogra Holding AG (Freienbach, Switzerland) was merged with Tefina Holding-Gesellschaft AG (Zug, Switzerland). Furthermore, Rieter Ingolstadt GmbH (Ingolstadt, Germany) was merged with Spindelfabrik Suessen GmbH (Suessen, Germany). Additionally, Rieter acquired Petit Spare Parts SAS (Aubenas, France, see note 2.1). As part of a reorganization, Changzhou Rieter Textile Machinery Trading Co., Ltd. (Changzhou, China) was incorporated as a subsidiary of Rieter China Textile Instruments Co. Ltd. (Changzhou, China). Rieter also increased its interest in voting rights in Prosino S.r.l. (Borgosesia, Italy) from 49 percent to 60 percent, changing from equity accounting to full consolidation (see note 2.1).

6.2 Subsidiaries and associated companies

						Group's share in capital and voting rights			
At December 31, 2025		Capital							
Brazil	Rieter Brasil Comércio e Representação de Máquinas e Sistemas Têxteis Ltda., São Paulo	BRL	51 615 323	100%		●			
China	Rieter China Textile Instruments Co. Ltd., Changzhou	EUR	38 640 000	100%	●	●	●		
	Changzhou Rieter Textile Machinery Trading Co., Ltd., Changzhou	CNY	1 000 000	100%		●			
	European Excellent Textile Components Co. Ltd., Changzhou	CNY	35 287 000	100%		●	●		
	Graf Cardservices Far East Ltd., Hong Kong	HKD	30 000	100%		●			
Czech Republic	SSM (Zhongshan) Ltd., Zhongshan	USD	600 000	100%	●	●	●		
	Rieter CZ s.r.o., Ústí nad Orlicí	CZK	316 378 000	100%	●	●	●		
France	Novibra Boskovice s.r.o., Boskovice	CZK	40 000 000	100%	●	●	●		
	Bräcker S.A.S, Wintzenheim	EUR	1 000 000	100%		●	●		
Germany	Petit Spare Parts SAS, Aubenas	EUR	8 000	100%		●			
	Rieter Vertriebs GmbH der Maschinenfabrik Rieter AG, Ingolstadt	EUR	15 645 406	100%		●			●
Germany	Rieter Automatic Winder GmbH, Heinsberg	EUR	1 000 000	100%	●	●	●		
	Rieter Components Germany GmbH, Hammelburg	EUR	1 000 000	100%	●	●	●		●
	Spindelfabrik Suessen GmbH, Suessen	EUR	5 050 100	100%	●	●	●		
India	Rieter India Pvt. Ltd., Wing	INR	51 898 280	100%		●	●		
	SSM Italy S.r.l., Galbiate	EUR	100 000	100%	●	●	●		
Italy	Prosino S.r.l., Borgosesia	EUR	50 000	70%	●	●	●		
	Graf Holland B.V., Enschede	EUR	113 500	100%		●	●		
Netherlands	Graf Holland B.V., Enschede	EUR	113 500	100%		●	●		
Spain	Electro-Jet S.L., Gurb ¹	EUR	120 200	25%	●	●	●		●
Switzerland	Tefina Holding-Gesellschaft AG, Zug	CHF	5 000 000	100%					●
	Unikeller Sona AG, Winterthur	CHF	500 000	100%					●
	Rieter Ltd., Winterthur	CHF	8 500 000	100%	●	●			●
	Graf + Cie AG, Rapperswil	CHF	1 000 000	100%	●	●	●		●
	Bräcker AG, Pfäffikon	CHF	1 000 000	100%	●	●	●		●
Switzerland	SSM Schärer Schweiter Mettler AG, Wädenswil	CHF	6 000 000	100%	●	●	●		●
	Rieter Asia (Taiwan) Ltd., Taipeh	TWD	5 000 000	100%		●			
Türkiye	Rieter Textile Machinery Trading & Services Ltd., Istanbul	TRY	331 722 000	100%		●			
USA	Rieter America, LLC, Spartanburg	USD	1 249	100%		●			
	Graf Metallic of America, LLC, Spartanburg	USD	50 000	100%		●			
	Rieter North America, Inc., Spartanburg	USD	1 000	100%					●
Uzbekistan	Rieter Textilsystemen LLC, Tashkent	UZS ²	5 800	70%		●			

¹ Associated company.

² In UZS million.

Legend

● Research & development ● Sales / trading / services ● Production ● Management / financing

Material accounting policies

The consolidated financial statements comprise the financial statements of Rieter Holding Ltd. and its subsidiaries (or Group companies) at December 31, 2025. Subsidiaries are all entities over which Rieter has control. Control is achieved when Rieter 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 fully consolidated from the date on which control is transferred to Rieter. They are deconsolidated from the date that control ceases.

Intercompany transactions and balances as well as unrealized gains on transactions between Group companies are eliminated. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

6.3 Investments in associated companies

The table below summarizes the development of investments in associated companies:

CHF million	2024	2025
Investments in associated companies at January 1	18.8	14.3
Share in profit/loss	2.9	0.0
Dividends received	- 1.6	- 0.2
Change in scope of consolidation	- 5.9	-
Currency translation differences	0.1	- 0.2
Investments in associated companies at December 31	14.3	13.9

Rieter holds 25 percent of the share capital and the voting rights of Electro-Jet S.L. based in Gurb (Spain). Until October 31, 2024, investments in associated companies also included the investment of 49 percent in Prosino S.r.l. incorporated in Borgosesia (Italy). On November 1, 2024, Rieter increased its interest in voting rights in Prosino S.r.l. (Borgosesia, Italy) from 49 to 60 percent, changing from equity accounting to full consolidation. As a consequence of the change to full consolidation, the existing investment of 49 percent was revalued at a fair value of CHF 9.2 million, resulting in a gain of CHF 3.3 million. The revaluation gain on the existing investment is presented in the consolidated income statement in other income (see note 3.3). Aside from the revaluation gain, the effects of the associated companies on the consolidated financial statements were insignificant.

In 2025, Rieter purchased products from associated companies with a total value of CHF 4.5 million (2024: CHF 14.1 million). The respective open trade payable balances at December 31, 2025, were interest free and amounted to CHF 1.0 million (December 31, 2024: CHF 0.1 million). In addition, Rieter sold products to associated companies with a total value of CHF 0.0 million in 2025 (2024: CHF 0.1 million). At December 31, 2025 and 2024, Rieter had no open trade receivables out of these sales.

Rieter's total share in profit of individually immaterial associated companies resulted from continuing operations. The share in other comprehensive income was insignificant.

Material accounting policies

Associated companies are entities over which Rieter has significant influence, generally through a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize Rieter's share in profit or loss of associated companies after the date of acquisition.

7 Employee remuneration

7.1 Personnel expenses

CHF million	2024	2025
Wages and salaries	- 224.6	- 190.9
Social security and other personnel expenses	- 55.6	- 46.0
Personnel expenses excluding restructuring	- 280.2	- 236.9
Personnel related restructuring costs	- 6.0	- 28.7
Personnel expenses	- 286.2	- 265.6

7.2 Employee benefit plans

Defined contribution plans

The expense for defined contribution plans amounted to CHF 3.6 million in 2025 (2024: CHF 3.9 million).

Defined benefit plans

Defined benefit plans in accordance with IAS 19 exist mainly in Switzerland and Germany.

In Switzerland, the Group contributes to several pension plans, all of which are funded. One of these is a collective fund that administrates the pension plans of Group companies and unrelated companies. Plan participants are insured against the financial consequences of old age, disability, and death. The amount of risk benefits provided by the plans in the event of disability or death depends on the insured salary of the employee. Life-long retirement benefits are calculated by multiplying the individual retirement savings capital at the date of retirement by the conversion rate defined and guaranteed in the plan's regulations.

The plans are administered by independent and legally autonomous foundations under government supervision. The pension plans' most senior governing body (board of trustees) comprises an equal number of employee and employer representatives.

All material risks (financial and actuarial risks) are borne by the foundations. These risks are monitored on an ongoing basis and addressed by the board of trustees. If a plan is underfunded, the board of trustees has to perform an overall assessment of the financial situation, identify the reasons for the deficit, and decide on appropriate measures to eliminate the shortfall.

Pursuant to the Swiss Federal Law on Occupational Retirement, Survivors', and Disability Pension Plans (BVG), the trustees of the foundations are responsible for the definition and the execution of the investment strategy. The investment strategy defined by the trustees aims at aligning the plan assets and liabilities in the medium and long term.

In Germany, the Group operates several pension plans, thereof three funded and six unfunded. German pension arrangements are governed by the German Occupational Pensions Act (BetrAVG). The employer is required by German law to increase pension payments every three years according to price inflation, as measured by the Consumer Price Index ("Verbraucherpreisindex - VPI") or according to comparable pay grades. In the case of unfunded pension plans, the Group pays the pensions of retired employees directly from its own financial resources. Funded pension plans are administered through a Contractual Trust Agreement (CTA), where the assets are outsourced to an independent entity (e.g. a trust), that has the sole purpose of financing, paying out and ensuring benefits. The transferred assets are completely segregated from the employer's assets to protect these assets against risk of employer insolvency. The employer is free to determine the scope and kind of assets that are

transferred to the trust and used to fund the pension liabilities. No minimum funding requirements or regular funding obligations apply to a CTA. Based on a special trust agreement between the employer and the trust, the trust acquires legal title in the transferred assets, while the economic ownership rests with the employer. Through creation of a CTA, the employer ensures additional insolvency protection for the beneficiaries.

The status of defined benefit plans was as follows:

	December 31, 2025			
CHF million	Funded plans (Switzerland)	Funded plans (mainly Germany)	Unfunded plans (mainly Germany)	Total
Actuarial present value of defined benefit plan obligations (funded plans)	- 842.2	- 16.1	-	- 858.3
Fair value of defined benefit plan assets (funded plans)	1 366.0	10.9	-	1 376.9
Impact of asset ceiling	- 464.7	0.0	-	- 464.7
Overfunding (+)/Underfunding (-)	59.1	- 5.2	-	53.9
Actuarial present value of defined benefit plan obligations (unfunded plans)	-	-	- 19.5	- 19.5
Net defined benefit plan asset/liability recognized in the balance sheet	59.1	- 5.2	- 19.5	34.4
- thereof as defined benefit plan assets	59.1	0.2	-	59.3
- thereof as defined benefit plan liabilities	-	- 5.4	- 19.5	- 24.9

	December 31, 2024			
CHF million	Funded plans (Switzerland)	Funded plans (other countries)	Unfunded plans (mainly Germany)	Total
Actuarial present value of defined benefit plan obligations (funded plans)	- 880.0	- 15.9	-	- 895.9
Fair value of defined benefit plan assets (funded plans)	1 316.6	11.5	-	1 328.1
Impact of asset ceiling	- 361.4	0.0	-	- 361.4
Overfunding (+)/Underfunding (-)	75.2	- 4.4	-	70.8
Actuarial present value of defined benefit plan obligations (unfunded plans)	-	-	- 21.5	- 21.5
Net defined benefit plan asset/liability recognized in the balance sheet	75.2	- 4.4	- 21.5	49.3
- thereof as defined benefit plan assets	75.2	-	-	75.2
- thereof as defined benefit plan liabilities	-	- 4.4	- 21.5	- 25.9

The defined benefit plan obligations changed as follows:

CHF million	2024	2025
Defined benefit plan obligations at January 1	885.9	917.4
Current service cost	8.3	8.0
Interest expenses	13.7	9.2
Employee contributions	6.3	5.4
Actuarial gains/losses (net)	62.9	6.3
Benefits paid	- 61.3	- 69.0
Past service cost	0.7	1.3
Currency translation differences	0.9	- 0.8
Defined benefit plan obligations at December 31	917.4	877.8

Past service costs are related to restructuring measures described in note 2.3. The weighted average duration of the defined benefit plan obligations is 11.0 years (2024: 11.5 years).

The fair value of defined benefit plan assets developed as follows:

CHF million	2024	2025
Fair value of defined benefit plan assets at January 1	1 294.3	1 328.1
Interest income	19.2	12.7
Return on defined benefit plan assets (excluding interest income)	64.1	96.2
Employer contributions	5.3	4.1
Employee contributions	6.3	5.4
Benefits paid	- 61.3	- 69.0
Currency translation differences	0.2	- 0.6
Fair value of defined benefit plan assets at December 31	1 328.1	1 376.9

The total result on plan assets was CHF 108.9 million in the year under review (2024: CHF 83.3 million). The Group expects employer contributions in the amount of CHF 8.0 million to its defined benefit plans in 2026.

The major categories of plan assets were as follows:

CHF million	December 31, 2024	December 31, 2025
Cash and cash equivalents	40.0	36.7
Equity instruments	519.9	581.5
Debt instruments	295.5	279.3
Real estate	405.0	410.5
- thereof owner occupied	65.8	65.0
Other	67.7	68.9
Fair value of defined benefit plan assets	1 328.1	1 376.9

At the end of 2025, plan assets included no Rieter Holding Ltd. bonds (December 31, 2024: none). No Rieter shares were held at the end of 2025 and 2024. Cash equivalents (e.g. money market instruments), equity instruments and 53 percent of the debt instruments have a quoted market price on an active market. Real estate and other assets, which include private equity investments, do not usually have a quoted market price.

The impact of the asset ceiling developed as follows:

CHF million	December 31, 2024	December 31, 2025
Asset ceiling at January 1	369.4	361.4
Included in the income statement	5.3	3.5
Included in other comprehensive income	- 13.3	99.8
Asset ceiling at December 31	361.4	464.7

Expenses recognized in the income statement for the defined benefit plans include:

CHF million	2024	2025
Current service cost	- 8.3	- 8.0
Net interest result	0.2	0.0
Past service cost	- 0.7	- 1.3
Expenses recognized in the income statement	- 8.8	- 9.3

Remeasurements of defined benefit plans recognized as other comprehensive income contain:

CHF million	2024	2025
Actuarial gains/losses arising from:		
- Changes in demographic assumptions	0.0	- 0.2
- Changes in financial assumptions	- 44.1	24.9
- Experience adjustments	- 18.8	- 31.0
Return on defined benefit plan assets (excluding interest income)	64.1	96.2
Impact of changes in asset ceiling	13.3	- 99.8
Remeasurements of defined benefit plans	14.5	- 9.9

Main actuarial assumptions used at year-end are:

Weighted average in %	December 31, 2024	December 31, 2025
Discount rate	1.1	1.4
Future wage growth	0.8	0.8
Future pension growth	0.1	0.1
Mortality assumptions:		
- Switzerland	BVG 2020G	BVG 2020G
- Germany	Heubeck 2018G	Heubeck 2018G

The global interest rate levels remain volatile. After a decrease in 2024, in particular long-term interest rates increased again in 2025 by 0.3 percentage points.

The measurement of the defined benefit plan obligations is particularly sensitive to changes in the discount rate and the assumptions regarding future pension growth. The table below shows the potential impact of a change of 0.5 percentage points in the discount rate and a change of 0.5 percentage points in the assumed future pension growth rate on the defined benefit plan obligations:

CHF million	December 31, 2024	December 31, 2025
Increase in the discount rate by 0.5 percentage points	– 50.7	– 46.4
Decrease in the discount rate by 0.5 percentage points	56.2	51.5
Increase in the future pension growth rate by 0.5 percentage points ¹	44.1	40.7

¹ Reduction in the future pension growth rate by 0.5 percentage points was not considered in the sensitivity analysis as the respective rate was zero.

A change in the assumption of future wage growth rate by 0.5 percentage points would impact defined benefit plan obligations by less than 1 percent (same as 2024).

The sensitivity analysis above considers the change in one assumption while leaving the other assumptions unchanged. Interdependencies were not taken into account.

Significant accounting estimates and judgments

Defined benefit plans require actuarial calculations in order to determine defined benefit plan obligations. These calculations are based on assumptions such as discount rates, future trends in wages and pensions as well as the employee share in the costs of the future benefits. Statistical data such as mortality tables and staff turnover probability rates are also used to calculate defined benefit plan obligations. If these parameters change, actual future results can deviate from the actuarial calculations. Such deviations can have an effect on the defined benefit plan obligations.

Material accounting policies

Employee benefit plans are operated by certain subsidiaries, depending upon the level of coverage provided by government post-employment benefit facilities in the respective countries. Such employee benefit plans exist on the basis of both defined contributions and defined benefits.

Contributions to defined contribution plans are recognized as personnel expenses in the period in which they are incurred.

For defined benefit plans, the benefit plan obligation is determined using the projected unit credit method, with valuations being carried out by independent actuaries, usually at the end of each year. The present value of the defined benefit plan obligation less the fair value of the defined benefit plan assets is recognized in the balance sheet as a liability. When the calculation results in a potential asset, the respective defined benefit plan asset recognized is limited to the present value of the economic benefits available in the form of reductions of future contributions to the plan (asset ceiling). Remeasurements of the net defined benefit plan assets and liabilities, which comprise actuarial gains and losses, the return on defined benefit plan assets (excluding interest), and the effect of the asset ceiling, are recognized immediately as other comprehensive income. Contributions by employees are recognized as a reduction of service cost in the period in which the related service is rendered.

Net interest on the net defined benefit plan assets and liabilities is determined by applying the discount rate used to measure the defined benefit plan obligation at the beginning of the year. Service cost and net interest are recognized as personnel expenses.

7.3 Share-based compensation

The members of the Board of Directors can choose whether to receive all or part of their remuneration in Rieter shares. In the context of their remuneration for 2025, two members of the Board of Directors received in total 62 345 shares on January 19, 2026. The cost of CHF 0.3 million was charged to the consolidated income statement 2025. On January 17, 2025, four members of the Board of Directors received in total 5 868 shares in connection with their remuneration for 2024. The market value of the shares granted was CHF 0.5 million and was charged to the consolidated income statement 2024. The shares are taken from treasury shares of Rieter Holding Ltd. and cannot be sold for three years.

In the context of the variable remuneration for 2025, the members of the Group Executive Committee will not receive any Rieter shares as the pre-condition for variable remuneration has not been fulfilled. In the context of the variable remuneration for 2024, the members of the Group Executive Committee received 14 913 shares with a market value of CHF 1.3 million on April 1, 2025. The respective cost of CHF 1.3 million was charged to the consolidated income statement 2024. These shares are taken from treasury shares of Rieter Holding Ltd. and cannot be sold for three years.

Rieter operates an incentive plan for the members of the senior management (excluding the members of the Group Executive Committee). In January 2024, it was decided that a defined percentage of the existing short-term incentive will be settled by transferring it to the new incentive plan. In the context of the incentive plan for 2025, the participants in the long-term incentive plan will not receive any shares since the pre-condition for variable compensation has not been fulfilled. In the context of the long-term incentive plan for 2024, the participants received Rieter shares with a market value of CHF 2.1 million in April 2025. The respective cost of CHF 2.1 million was charged to the consolidated income statement 2024. The shares are taken from treasury shares of Rieter Holding Ltd. and cannot be sold for three years.

The previous long-term incentive plan, granting the participants rights to receive a certain number of Rieter shares free of charge or to receive cash compensation in the amount of the same number of shares at the market price after three years, expired on May 4, 2025.

The movement of the outstanding rights was as follows:

Number of rights	2024	2025
Outstanding rights at January 1	5 172	4 257
Granted	–	–
Exercised/paid-out	–	– 3 859
Expired	– 915	– 398
Outstanding rights at December 31 (non-exercisable)	4 257	0

In 2025, the expiration of the long-term incentive plan resulted in an income in the amount of CHF 0.1 million affecting the income statement (2024: CHF 0.1 million). There was no liability recognized in the balance sheet at December 31, 2025 (December 31, 2024: CHF 0.4 million).

Material accounting policies

Rieter uses share-based awards in the context of the compensation of the members of the Board of Directors, the Group Executive Committee, and senior management. The plans are equity settled share based payment awards.

Share-based payments are measured at fair value at the grant date and recognized in the consolidated income statement over the vesting period. For share-based payments that are settled with equity instruments, a corresponding increase in equity is recognized.

8 Other disclosures

8.1 Income taxes

CHF million	2024	2025
Current income taxes	- 7.8	- 6.5
Deferred income taxes	1.7	6.7
Income taxes	- 6.1	0.2

The following deferred income tax effects were recognized in other comprehensive income:

CHF million	2024	2025
Income taxes on remeasurement of defined benefit plans	- 2.9	1.9
Income taxes on cash flow hedges	- 1.3	0.1
Income taxes recognized in other comprehensive income	- 4.2	2.0

The reconciliation of expected and actual income taxes is as follows:

CHF million	2024	2025
Expected income taxes on (loss) / profit before taxes of CHF -63.6 million (2024: CHF 16.5 million) at an average rate of 28.3% (2024: 20.1%)	- 3.3	18.0
Impact of non-deductible expenses	- 1.0	- 1.5
Impact of income/expenses taxed at different rates	3.9	- 2.9
Impact of non-taxable income	0.3	1.0
Impact of losses and loss carry-forwards	- 7.4	- 12.8
Impact of changes in tax rates and tax legislation	- 0.2	0.0
Tax effects from previous periods	2.0	0.2
Withholding taxes on payments from subsidiaries	- 0.4	- 1.7
Other effects	0.0	- 0.1
Income taxes	- 6.1	0.2

The expected weighted average tax rate increased by 8.2 percentage points compared to the prior year. The increase was mainly driven by changes in the profitability of certain Group companies.

Deferred income taxes

The following table summarizes the movement in the net deferred income tax positions:

CHF million	2024	2025
Deferred income tax assets, net at January 1	8.9	6.1
Deferred income taxes recognized in the income statement	1.7	6.7
Deferred income taxes recognized as other comprehensive income	- 4.2	2.0
Acquisitions ¹	- 0.6	-
Currency translation differences	0.3	- 2.1
Deferred income tax assets, net at December 31	6.1	12.7

¹ See note 2.1.

Deferred income tax assets and liabilities result from the following balance sheet items:

CHF million	Deferred income tax assets December 31, 2024	Deferred income tax liabilities December 31, 2024	Deferred income tax assets December 31, 2025	Deferred income tax liabilities December 31, 2025
Property, plant, and equipment excluding right-of-use assets	5.8	- 7.6	7.5	- 6.7
Right-of-use assets	0.0	- 6.3	0.0	- 5.7
Intangible assets	13.6	- 24.7	22.0	- 36.7
Defined benefit plan assets	0.0	- 15.0	0.0	- 11.8
Inventories	8.3	- 1.8	8.7	- 2.5
Other assets	0.8	- 11.6	2.3	- 11.4
Derivative financial instruments	0.3	0.0	0.4	0.0
Lease liabilities	7.6	0.0	6.7	0.0
Provisions	2.5	- 0.2	2.8	0.0
Defined benefit plan liabilities	2.0	- 0.1	3.0	0.0
Other liabilities	10.6	- 4.6	11.5	- 6.2
Tax loss carry-forwards and tax credits	26.5	0.0	28.8	0.0
Total	78.0	- 71.9	93.7	- 81.0
Offsetting	- 32.0	32.0	- 49.3	49.3
Deferred income tax assets/liabilities	46.0	- 39.9	44.4	- 31.7

The utilization of deferred tax assets on unused tax losses and unused tax credits is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences. Some of the subsidiaries that have recognized deferred tax assets in this category have also suffered losses in the current and/or preceding periods in the tax jurisdictions to which the deferred tax assets relate. Management analyzed estimated future taxable profits and considers it probable that future taxable profit will be available in the next five years against which these tax losses and tax credits can be recognized.

Deferred tax liabilities have not been recognized for withholding tax and other taxes that would be payable on the remittance of earnings of subsidiaries, where such amounts are currently regarded as permanently reinvested. The total unremitted earnings of the Group as of December 31, 2025 amounted to CHF 351.2 million (December 31, 2024: CHF 395.5 million).

The table below discloses tax loss carryforward by their year of expiry:

CHF million	Recognized 2024	Non- recognized 2024	Recognized 2025	Non- recognized 2025
Less than 3 years	2.3	0.0	27.3	9.4
In 3 to 7 years	37.4	0.0	16.6	0.0
Thereafter	50.9	96.8	54.3	128.2
Total at December 31	90.6	96.8	98.2	137.6

Significant unused tax losses, for which no deferred tax asset has been recognized, primarily concern countries with a tax rate between 15 and 31 percent (2024: 15 to 35 percent).

Significant accounting estimates and judgments

Assumptions in relation to income tax expenses also include interpretations of the tax regulations in countries where Rieter has business activities. The adequacy of these interpretations is assessed by tax authorities and competent courts, a process that can result in changes to income taxes at a later stage. In addition, whether a deferred income tax asset is recognized for tax losses carried forward, is based on management's estimate of the availability of future taxable profits to offset the respective losses carried forward.

Material accounting policies

The expected income tax charge is calculated and accrued on the basis of taxable income for the year under review at the applicable income tax rate for each jurisdiction adjusted by the use of accumulated tax losses.

Deferred income tax assets and liabilities on temporary differences arising between the carrying amounts reported as part of the Group's consolidated financial statements and the tax basis of assets and liabilities used for local tax purposes are calculated using the liability method. Deferred income tax assets and liabilities are determined using local tax rates that are fully or substantially enacted at the end of the reporting period and are expected to apply when the respective timing differences reverse. Deferred income tax assets and liabilities are offset to the extent that this is permitted by law. Changes in deferred income tax assets and liabilities are recognized as income tax expenses in the income statement unless they relate to items recognized directly in equity or other comprehensive income.

Deferred income tax liabilities on retained earnings of Group companies are recognized only in cases where a distribution of profits is planned. Therefore, no deferred income tax liabilities on retained earnings of Group companies are recognized if Rieter is able to control the timing of the reversal of the temporary difference and it is probable that retained earnings will not be distributed in the foreseeable future.

Deferred income tax assets are capitalized only to the extent that it is probable that sufficient future taxable income will be available to offset the respective temporary differences or tax losses in the foreseeable future.

Obligations in connection with uncertain tax balances are classified as income tax liabilities.

The Group is within the scope of the OECD Pillar Two model rules requiring that applicable multinational corporations pay a minimum effective corporation tax rate of 15 percent. Pillar Two rules have been enacted in many jurisdictions where Rieter operates. Switzerland introduced the "Swiss domestic minimum tax rule" starting from January 1, 2024. Effective from 2025, Switzerland has also introduced the Income Inclusion Rule (IIR). In 2025, these new rules have not resulted in a top-up tax to the Group. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as current tax when it is incurred.

8.2 Other non-current assets

CHF million	December 31, 2024	December 31, 2025
Financial assets	3.1	1.8
Long-term receivables from customers	1.8	–
Miscellaneous non-current assets	4.5	3.9
Other non-current assets	9.4	5.7

Long-term receivables from customers were mainly related to the acquisition of the automatic winding machine business in 2022.

8.3 Leases

Rieter leases offices, warehouses, equipment, and vehicles, complementing property, plant, and equipment owned by Group companies. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The total carrying amount of right-of-use assets as presented in note 4.4 can be allocated to the following asset classes:

CHF million	December 31, 2024	December 31, 2025
Land and buildings	59.1	56.1
Vehicles and furniture	3.1	2.7
Right-of-use assets	62.2	58.8

Depreciation associated with right-of-use assets can be allocated to the following asset classes:

CHF million	2024	2025
Land and buildings	– 7.5	– 7.0
Vehicles and furniture	– 0.9	– 1.2
Depreciation associated with right-of-use assets	– 8.4	– 8.2

The following table summarizes other expenses charged to the income statement in relation to leases:

CHF million		2024	2025
Expenses associated with short-term leases	EBIT	– 3.0	– 3.1
Expenses associated with leases of low-value assets	EBIT	– 0.1	– 0.1
Interest expenses on lease liabilities	Financial result	– 2.1	– 1.8

Movements in the carrying amount of right-of-use assets are presented in note 4.4. Lease liabilities and the respective maturity analysis are included in notes 5.3 and 8.5.

Total cash outflows for leases amounted to CHF 13.6 million in 2025 (2024: CHF 12.9 million).

At December 31, 2025, future cash outflows in connection with lease arrangements that were committed, but have not commenced, amounted to CHF 0.1 million (December 31, 2024: CHF 0.7 million).

Leases as lessor

The Group leases out selected buildings, parts thereof and machines. All leases are classified as operating leases from a lessor perspective. In 2025, the Group recognized rental income of CHF 0.9 million (2024: CHF 0.8 million).

Material accounting policies

For contracts that are or contain a lease, a lease liability reflecting future lease payments and a right-of-use asset are recognized on the balance sheet.

Lease liabilities are measured at present value of the outstanding lease payments at the date of commencement. Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used (interest rate payable to borrow the funds necessary to purchase an asset of similar value in a similar economic environment with similar terms and conditions). Lease payments include fixed payments, variable payments that are based on an index or a rate, and the exercise price of a purchase option if the lessee is reasonably certain to exercise that option. Options for extension of the lease term are included in the calculation of the lease liability if management is reasonably certain to execute that option. Lease payments are divided into a component reducing the lease liability and interest expense recognized in the financial result. Lease liabilities are included in either current or non-current financial debt, depending on their maturity date.

Right-of-use assets represent the underlying assets leased by Rieter. The respective assets are measured at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, initial direct costs, and restoration costs. Right-of-use assets are depreciated over the shorter of the assets' useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as expenses in the income statement. Short-term leases are leases with a non-cancelable lease term of twelve months or less. Low value assets comprise IT-equipment and small items of office furniture.

8.4 Financial instruments

The following tables summarize all financial instruments held at December 31, 2025, and 2024, grouped according to the categories defined in the material accounting policies. In addition, the tables provide information regarding the fair value hierarchy of IFRS 13. The carrying amounts of financial instruments measured at amortized cost approximate fair values due to their mainly short-term nature.

CHF million	December 31, 2024	December 31, 2025
Cash and banks	102.2	449.7
Time deposits with original maturities of up to three months	1.0	3.9
Time deposits with original maturities of more than three months	0.2	0.2
Trade receivables	106.4	101.5
Other current receivables	6.2	7.6
Long-term receivables from customers	1.8	0.0
Other non-current assets	1.7	1.0
Financial assets at amortized cost	219.5	563.9
Other financial assets ¹	1.3	1.3
Derivative financial instruments (positive fair values) ¹	3.5	1.1
Financial assets at fair value through profit and loss (mandatorily)	4.8	2.4
Marketable securities ²	0.1	0.0
Other financial assets ³	0.5	0.5
Financial assets at fair value through other comprehensive income	0.6	0.5
Financial assets	224.9	566.8

¹ Measured at fair values which are based on directly or indirectly observable input parameters (level 2).

² Measured at fair values which are based on quoted prices in active markets (level 1).

³ Measured at fair values which are based on unobservable inputs (level 3).

CHF million	December 31, 2024	December 31, 2025
Trade payables	102.4	100.6
Other current liabilities	67.0	69.7
Bank debt	92.5	34.1
Current lease liabilities	8.7	9.1
Other current financial debt	3.7	2.0
Fixed-rate bonds ¹	169.5	169.6
Non-current lease liabilities	53.3	49.6
Other non-current financial debt	6.0	5.1
Financial liabilities at amortized cost	503.1	439.8
Derivative financial instruments (negative fair values) ²	2.4	1.4
Financial liabilities at fair values through profit and loss (mandatorily)	2.4	1.4
Financial liabilities	505.5	441.2

¹ The fair value of the fixed-rate bonds as disclosed in note 5.3 is based on a quoted price in an active market (level 1).

² Measured at fair values which are based on directly or indirectly observable input parameters (level 2).

There were no transfers among the categories and the valuation techniques have been applied consistently.

Financial instruments measured at level 2 consist mainly of derivatives held for hedging purposes entered into with reputable financial institutions. The fair value of the derivative financial instruments is determined with the help of valuation techniques that use foreign exchange rates and interest rates as observable input parameters. At December 31, 2025, contract values of all outstanding forward exchange contracts amounted to CHF 263.6 million (December 31, 2024: CHF 377.4 million).

8.5 Financial risk management

Financial risk factors

As a result of its worldwide activities, Rieter is exposed to various financial risks, such as market risks (fluctuations in exchange rates and interest rates as well as other price risks), credit risks, and liquidity risks. Rieter's financial risk management aims to minimize the potential adverse impact of developments on the financial markets on the Group's financial position and to secure its financial stability. Respective measures include the use of derivative financial instruments in order to hedge certain risk exposures.

Rieter's financial risk management is essentially centralized in accordance with directives issued by the Board of Directors and the Group Executive Committee. Financial risks are identified centrally by the treasury department, evaluated, and hedged in close cooperation with the Group's operating units.

Foreign exchange risk

Foreign exchange risks arise from net investments in foreign Group companies (translation risk) and when future business transactions or assets and liabilities recognized on the balance sheet are denominated in a currency other than the functional currency of the respective group company (transaction risk). In order to hedge such transaction risks, subsidiaries use foreign currency contracts with corporate headquarters as counterparty, if permitted by legislation. The central treasury department manages these positions by entering into foreign currency spot, forward, and swap contracts with financial institutions.

Rieter's risk management policy is to minimize the effects of fluctuations in currency exchange rates on committed or highly probable transactions. For this purpose, the main objective is to minimize transaction risks arising from firm sales and purchase commitments in non-functional currencies of the respective group companies associated with large machinery and systems sales orders in order to secure the profit margin as negotiated at contract inception. In addition, the transaction risks for bulk business and other operating type transactions are hedged for significant group companies. Foreign currency gains and losses resulting from loans to/from Group companies, which form part of the net investment in a foreign operation, are recognized in other comprehensive income directly in equity until Rieter's control over the respective entity ceases. Other significant intercompany loans and loans from third parties are hedged and changes in the fair values of the respective derivative financial instruments are recognized in the income statement.

Hedge accounting is applied to significant firm sales and purchase commitments associated with machinery and systems sales orders to avoid a temporary distortion of the operating result due to fair value gains and losses resulting from derivative financial instruments. The hedge accounting policy is included in the other material accounting policies (see note 8.8). Rieter aims to achieve a hedge ratio of between 80 and 100 percent. The hedge ratio is defined as the nominal value of the foreign currency forward contract (hedging instrument) divided by the value of the unrecognized firm commitment (hedged transaction/item).

Hedged transactions may be subject to changes (e.g. changes in volumes and/or in the timing of committed transactions). Depending on the nature of the change, the hedging relationship may be adjusted by entering into additional foreign currency forward and/or swap contracts in order to ensure that the hedge ratio remains within the target range of 80 to 100 percent and/or that the timing of the hedging instrument continues to match the hedged transaction. Ineffectiveness may occur if the value of the hedged sale or purchase transaction decreases to a level below the nominal value of the hedging instrument.

Rieter is primarily exposed to foreign exchange risks versus the Chinese renminbi and the Euro. The table below shows the impact of a five percent change in the respective exchange rates against the Swiss franc on profit before taxes, based on the assumption that all other variables remained constant:

CHF million	Change	Impact 2024	Impact 2025
CNY/CHF	+ 5%	0.6	1.0
CNY/CHF	- 5%	- 0.6	- 1.0
EUR/CHF	+ 5%	6.7	0.6
EUR/CHF	- 5%	- 6.7	- 0.6

These impacts would mainly be due to foreign exchange gains/losses on cash and cash equivalents and accounts receivable/payable balances. The table only shows sensitivity in relation to risks arising from the revaluation of financial assets and liabilities in a currency other than the functional currency at year-end spot rates. Translation effects, which are recognized as other comprehensive income, are not taken into account.

Effects of hedge accounting

The tables below present the impact of derivative financial instruments designated as hedging instruments in a hedging relationship on the consolidated balance sheet at December 31, 2025, and 2024:

December 31, 2025	Carrying amount of the hedging instruments			Change in the fair value of the hedging instrument used as a basis for recognizing hedge ineffectiveness
	Derivative financial instruments (positive fair values)	Derivative financial instruments (negative fair values)	Nominal amount	
CHF million				
Foreign exchange risks				
Current foreign currency forward and swap contracts (maturity date within twelve months) ¹	0.4	0.3	103.7	0.0

¹ Fair values are recognized in other current receivables/liabilities.

December 31, 2024	Carrying amount of the hedging instruments			Change in the fair value of the hedging instrument used as a basis for recognizing hedge ineffectiveness
	Derivative financial instruments (positive fair values)	Derivative financial instruments (negative fair values)	Nominal amount	
CHF million				
Foreign exchange risks				
Current foreign currency forward and swap contracts (maturity date within twelve months) ¹	1.4	0.8	129.7	- 4.5

¹ Fair values are recognized in other current receivables/liabilities.

The change in value of the hedged transactions used as a basis for recognizing hedge ineffectiveness amounted to CHF 0.0 million in 2025 (2024: CHF -4.5 million).

The following hedging relationships affected the consolidated income statement and the consolidated statement of comprehensive income 2025 and 2024:

CHF million	2024	2025
Foreign exchange risks		
Hedging gains/losses recognized in other comprehensive income	6.3	- 0.3
Hedge ineffectiveness recognized in the income statement ¹	- 0.5	0.0
Hedged future transactions no longer expected to occur ¹	- 0.2	0.0
Amount reclassified from the hedge reserve into the income statement ¹	0.7	0.0

¹ Included in other income or other expenses in the consolidated income statement.

The following table provides a summary of the development of the hedge reserve in 2025 and 2024:

CHF million	2024	2025
Foreign exchange risks		
Hedge reserve at January 1	- 6.4	- 1.3
Hedging gains/losses recognized in other comprehensive income ¹	6.3	- 0.3
Hedge ineffectiveness recognized in the income statement ¹	- 0.5	0.0
Hedged future transactions no longer expected to occur ¹	- 0.2	0.0
Amount reclassified from the hedge reserve into the income statement ¹	0.7	0.0
Income taxes	- 1.2	0.1
Hedge reserve at December 31	- 1.3	- 1.5

¹ Included in cash flow hedges in the consolidated statement of comprehensive income.

The hedge reserve includes the spot and the forward element of the fair values of foreign currency forward and swap contracts not yet matured (effective portion) as well as realized gains/losses from foreign currency contracts, where the respective hedged transaction has not yet been accounted for (effective portion).

The following tables provide information about the nominal amounts, the maturity as well as average forward exchange rates of foreign currency forward and swap contracts designated as hedging instruments at December 31, 2025, and 2024:

December 31, 2025	Period of maturity				Total	
	2026 long ¹	2026 short ²	2027 and later long ¹	2027 and later short ²	Total long ¹	Total short ²
Foreign exchange risks						
CNY exposure hedged by Group companies whose functional currency is CHF						
- Nominal amount (CHF million, long +/short -)	22.8	-	-	-	22.8	-
- Average forward foreign exchange rate (CNY 100/CHF)	11.13				11.13	
EUR exposure hedged by Group companies whose functional currency is CHF						
- Nominal amount (CHF million, long +/short -)	39.4	- 41.2	-	-	39.4	- 41.2
- Average forward foreign exchange rate (EUR/CHF)	0.92	0.92			0.92	0.92
USD exposure hedged by Group companies whose functional currency is CHF						
- Nominal amount (CHF million, long +/short -)	-	- 0.3	-	-	-	- 0.3
- Average forward foreign exchange rate (USD/CHF)		0.80				0.80

¹ "long" is a position owned in a transaction.

² "short" is a position owed in a transaction.

December 31, 2024	Period of maturity				Total	
	2025 long ¹	2025 short ²	2026 and later long ¹	2026 and later short ²	Total long ¹	Total short ²
Foreign exchange risks						
CNY exposure hedged by Group companies whose functional currency is CHF						
- Nominal amount (CHF million, long +/short -)	39.9	-	-	-	39.9	-
- Average forward foreign exchange rate (CNY 100/CHF)	12.06				12.06	
EUR exposure hedged by Group companies whose functional currency is CHF						
- Nominal amount (CHF million, long +/short -)	58.6	- 26.9	-	-	58.6	- 26.9
- Average forward foreign exchange rate (EUR/CHF)	0.94	0.93			0.94	0.93
USD exposure hedged by Group companies whose functional currency is CHF						
- Nominal amount (CHF million, long +/short -)	-	- 4.3	-	-	-	- 4.3
- Average forward foreign exchange rate (USD/CHF)		0.84				0.84

¹ "long" is a position owned in a transaction.

² "short" is a position owed in a transaction.

Interest rate risk

With the exception of cash, time deposits, and long-term receivables from customers, Rieter held no material interest-bearing assets during 2025 and 2024, thus both income and cash flow from operations are largely unaffected by changes in market interest rates.

Interest rate risks can arise from interest-bearing financial debt. Financial debt with variable interest rates exposes the Group to interest-rate related cash flow risks, while fixed-rate financial liabilities may represent a fair value interest rate risk. However, Rieter measures financial liabilities at amortized cost and hence is not exposed to fair value risks.

Cash flow sensitivity analysis: A one percentage point increase in interest rates would have an impact on profit before taxes of CHF -0.7 million in 2025 (2024: CHF -1.0 million).

Price risk

Holding marketable financial assets exposes Rieter to a risk of price fluctuation. The Group's balance of marketable financial assets was not significant at the end of 2024 and 2025.

Credit risk

Rieter is exposed to credit risks if counterparties fail to make payments as they fall due. Credit risks arise mainly from financial assets held with financial institutions, such as cash and time deposits (see note 5.2), as well as from trade receivables (see note 4.1). Recovery of these receivables is monitored on a regular basis and respective credit risks are considered to be low. Credit risks related to the remaining financial assets are expected to be insignificant.

Financial institutions

Relationships with financial institutions are mainly entered into with counterparties that have an investment grade rating. In order to limit a concentration of risk, Rieter uses various banks that operate on an international scale and have a sound rating. The central treasury department monitors counterparty exposure (e.g. based on the rating of the respective financial institutions).

Trade receivables

Rieter aims to secure the credit risk exposure arising from larger individual customer receivables by means of advance payment, irrevocable letter of credit, bank guarantee, credit insurance, or other instruments. This is mainly relevant for the Division Machines & Systems as well as for larger sales orders in the other two divisions. For the remaining business, credit risk is limited due to the large number of customers with individually smaller open balances and the wide geographical spread of these customers. As a result, management is of the opinion that there is no concentration of credit risk. At December 31, 2025, no open unsecured receivable balance from individual customers exceeded 10 percent of total trade receivables (December 31, 2024: none).

For open receivable balances secured by accepted instruments, no loss allowance is recognized unless there are indications that the instrument securing the open balance may be subject to failure. For trade receivables that are not secured and not overdue by more than 90 days, expected credit losses are determined by using publicly available credit default probabilities for the textile industry per country. These default probabilities incorporate forward-looking information. If at this stage information indicating a higher collection risk for individual customers is available, individual allowances are recognized for the respective balances. The risk of a credit loss increases significantly for open trade receivable balances that are overdue for more than 90 days. Unless the open balance is negligible, an individual assessment is performed to estimate expected credit losses. Individual assessments incorporate forward-looking information such as macroeconomic forecasts and external credit ratings where available.

The following tables show the average expected loss rate for trade receivables per age category at December 31, 2025, and 2024:

December 31, 2025		No more than 90 days overdue	91 to 180 days overdue	181 days to one year overdue	More than 1 year overdue	Total
CHF million	Not due					
Expected loss rate	0.6%	1.2%	15.6%	17.5%	91.7%	4.2%
Trade receivables (gross)	68.6	25.5	3.2	6.3	2.4	106.0
Allowance for trade receivables	0.4	0.3	0.5	1.1	2.2	4.5

December 31, 2024		No more than 90 days overdue	91 to 180 days overdue	181 days to one year overdue	More than 1 year overdue	Total
CHF million	Not due					
Expected loss rate	0.6%	1.6%	23.8%	60.0%	95.0%	3.4%
Trade receivables (gross)	86.7	18.4	2.1	1.0	2.0	110.2
Allowance for trade receivables	0.5	0.3	0.5	0.6	1.9	3.8

The following table summarizes the movement in the allowance for trade receivables in 2025 and 2024:

CHF million	2024	2025
Allowance for trade receivables at January 1	- 3.4	- 3.8
Acquisitions ¹	- 0.1	0.0
Changes to expected credit losses on trade receivables	- 2.0	- 0.9
Write-off of trade receivables/reversal of unused amount	1.7	0.1
Currency translation differences	0.0	0.1
Allowance for trade receivables at December 31	- 3.8	- 4.5

¹ See note 2.1.

Trade receivables are written off when there is no reasonable expectation of recovery.

The following table provides a summary of the credit risk exposure at December 31, 2025, and 2024:

CHF million	December 31, 2024	December 31, 2025
Trade receivables	110.2	106.0
Comprising:		
- Trade receivables secured by letters of credit or similar instruments	45.5	42.7
- Trade receivables unsecured	64.7	63.3
Allowance for trade receivables	- 3.8	- 4.5
Trade receivables	106.4	101.5

Customers provide letters of credit from local and international banks as security. Rieter monitors credit risks related to the respective banks (e.g. by using official ratings). Where the ratings are unsatisfactory, management may seek additional security. At December 31, 2025, and 2024, no loss allowances were recorded for secured trade receivables.

Liquidity risk

Rieter's liquidity risk management includes holding adequate reserves of liquid funds and time deposits, the option of financing via an appropriate level of committed and uncommitted credit lines, and the ability to place issues on the capital market. In light of the dynamic nature of the business environment in which Rieter operates, the goal is to ensure financial stability and retain the necessary flexibility by financing operations with adequate free cash flow and maintaining unutilized credit lines. For this purpose, Rieter transferred the bilaterally committed credit facilities negotiated with several banks into a Revolving Credit Facility (RCF) with a maturity on October 30, 2026. The total amount of CHF 250 million of the RCF has not been utilized at December 31, 2025.

In connection with the planned acquisition of Barmag (see note 2.1), Rieter has entered into two bridge loan agreements to secure towards the seller the purchase price of Barmag. The two facilities have not been drawn. The bridge to equity loan in the amount of CHF 477.4 million was cancelled after the successful issuance of new shares (see note 5.4). The bridge to debt facility in the amount of CHF 375.0 million was cancelled in December 2025. The costs related to these facilities has been recorded in financial expenses.

Supplier finance agreements

The Group operates several supplier finance arrangements. These arrangements either provide Rieter's suppliers with early payment terms compared with the related invoice payment due date, or they provide Rieter with extended payment terms compared with the related invoice payment due date. The supplier finance arrangements are perpetual with no fixed expiration date. They carry a liquidity risk related to concentration on a small number of counterparties.

Carrying amount of liabilities under supplier finance arrangements

CHF million	2024	2025
Carrying amount of liabilities under supplier finance agreement	–	6.5
- Thereof reported under trade payables	–	0.0
- Thereof reported under other current liabilities	–	6.5
Of which suppliers have received payment from the arrangement provider	–	6.5

Average payment due dates

Days after invoice date	2024	2025
Liabilities under supplier finance arrangement	–	40.1
Comparable trade payables that are not part of the supplier finance arrangement	–	60.8

The following tables show the contractual maturities of the Group's financial liabilities (including interest) at December 31, 2025, and 2024:

December 31, 2025	Carrying amount	Contractual cash flows			Total cash flows
		Within 1 year	In 1 to 5 years	In 5 or more years	
CHF million					
Non-derivatives					
Trade payables	100.6	100.6	0.0	0.0	100.6
Other current liabilities	69.7	69.7	0.0	0.0	69.7
Fixed-rate bonds	169.6	3.9	178.8	0.0	182.7
Bank debt	34.1	34.1	0.0	0.0	34.1
Lease liabilities	58.7	10.9	36.2	29.6	76.7
Other financial debt	7.1	2.0	5.1	0.0	7.1
Total non-derivatives	439.8	221.2	220.1	29.6	470.9
Derivatives					
Foreign currency forward and swap contracts	1.4	0.2	0.0	0.0	0.2
- Thereof outflows		54.6	0.0	0.0	54.6
- Thereof inflows		- 54.4	0.0	0.0	- 54.4
Total derivatives	1.4	0.2	0.0	0.0	0.2
Total	441.2	221.4	220.1	29.6	471.1

December 31, 2024	Carrying amount	Contractual cash flows			Total cash flows
		Within 1 year	In 1 to 5 years	In 5 or more years	
CHF million					
Non-derivatives					
Trade payables	102.4	102.4	0.0	0.0	102.4
Other current liabilities	67.0	67.0	0.0	0.0	67.0
Fixed-rate bonds	169.5	3.9	186.5	0.0	190.4
Bank debt	92.5	92.5	0.0	0.0	92.5
Lease liabilities	62.0	10.8	36.0	36.2	83.0
Other financial debt	9.7	3.7	6.0	0.0	9.7
Total non-derivatives	503.1	280.3	228.5	36.2	545.0
Derivatives					
Foreign currency forward and swap contracts	2.4	2.4	0.0	0.0	2.4
- Thereof outflows		22.4	0.0	0.0	22.4
- Thereof inflows		- 20.0	0.0	0.0	- 20.0
Total derivatives	2.4	2.4	0.0	0.0	2.4
Total	505.5	282.7	228.5	36.2	547.4

Capital management

The capital managed by the Group is equal to the consolidated equity. Rieter's objectives in terms of capital management are to safeguard the Group's financial stability, its financial independence, and its ability to continue as a going concern in order to generate returns for shareholders and respective benefits for other stakeholders. In addition, capital management aims to maintain an optimal capital structure. The equity ratio is 53 percent at December 31, 2025 (December 31, 2024: 34 percent). As an industrial group, Rieter strives to have a strong balance sheet with an equity ratio of at least 35 percent.

In order to maintain or change the capital structure, the Group may – as the need arises – adjust dividend payments to shareholders, return capital to shareholders, issue new shares, or dispose of assets in order to reduce debt.

In connection with existing, but unutilized committed credit facilities, Rieter is subject to externally imposed requirements (financial covenants) defining minimum equity and maximum gearing. Rieter complies with these requirements and this compliance is monitored on a continuous basis.

8.6 Related parties

Related parties include associated companies, members of the Board of Directors and the Group Executive Committee, employee benefit plans (foundations) as well as companies controlled by significant shareholders. Transactions with related parties are generally conducted at arms' length.

Total compensation of the Board of Directors and the Group Executive Committee consisted of:

CHF million	2024	2025
Cash compensation	4.6	3.5
Employee benefit contributions and social security	0.9	0.8
Share-based compensation	1.8	0.2
Total	7.3	4.5

Refer to the [remuneration report](#) of Rieter Holding Ltd. in accordance with Swiss law.

On May 27, 2025, Rieter sold land and buildings no longer needed for operations in Winterthur to Töss Campus AG, an entity controlled by foundations related to Rieter. The transaction was conducted at market value (see note 2.2). Töss Campus AG has also provided Rieter Ltd. (Winterthur, Switzerland) with the leasing rights to the Campus. The conditions of this contract have been agreed at arm's length. In total, the mentioned transaction with the related party amounts to CHF 4.1 million (2024: 4.1 million) in annual lease payments. In 2025, outstanding receivables and payables were not material. With the exception of transactions involving associated companies (see note 6.3), remuneration to the Board of Directors and Group Executive Committee, and standard contributions to employee benefit plans (see note 7.2), no additional related party transactions are subject to disclosure.

8.7 Changes in material accounting policies

The following new or amended standards and interpretations became effective in 2025:

New or amended standards and interpretations

Lack of Exchangeability (Amendments to IAS 21)¹

¹ The application of this new or amended provisions had no significant impact on the consolidated financial statements 2025 and the comparative period.

The new or amended standards and interpretations listed below have been issued by the International Accounting Standards Board (IASB), but are not yet effective:

New or amended standards and interpretations	Effective date	Planned application by Rieter
Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7 ¹	January 1, 2026	Financial year 2026
Contracts Referencing Nature-dependent Electricity—Amendments to IFRS 9 and IFRS 7 ¹	January 1, 2026	Financial year 2026
Annual Improvements to IFRS Accounting Standards—Volume 11 ¹	January 1, 2026	Financial year 2026
IFRS 19 Subsidiaries without Public Accountability: Disclosures ¹	January 1, 2027	Financial year 2027
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027	Financial year 2027

¹ No impact or no significant impact is expected on the consolidated financial statements.

IFRS 18 will replace IAS 1 and is applicable for the first time for the financial year 2027 with mandatory retrospective implementation. The new standard introduces the following new key requirements:

- Entities are required to classify all income and expenses into five categories in the income statement, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.
- Management defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the consolidated cash flow statements when presenting cash flows under the indirect method.

Rieter is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's income statement, the cash flow statement and the additional disclosures required for MPMs. Rieter is also assessing the impact on how information is grouped in the consolidated financial statements, including for items currently labelled as "other".

8.8 Other material accounting policies

This section includes material accounting policies that are of a general nature or apply to items contained in more than one of the notes.

Foreign currency translation

Items included in the financial statements of each Group company are recognized using the currency of the primary economic environment in which the company operates (functional currency).

Transactions in foreign currencies are translated into the functional currency by applying the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at closing exchange rates are recognized in the income statement.

For consolidation purposes, items in the balance sheet of foreign Group companies are translated into Swiss francs at closing exchange rates, while income statement items are translated at average rates for the respective period. The resulting currency translation differences are recognized in other comprehensive income. In the event of an entity's deconsolidation, currency translation differences are reclassified to the income statement as part of the gain or loss on the entity's divestment or liquidation.

The following foreign exchange rates of importance for Rieter were used in the preparation of the consolidated financial statements as well as for the financial statements of Group companies:

Country/region	Currency (unit)	Average annual CHF rates		Year-end CHF rates	
		2024	2025	2024	2025
China	CNY 100	12.24	11.56	12.40	11.31
Czech Republic	CZK 100	3.79	3.79	3.74	3.85
Euro countries	EUR 1	0.95	0.94	0.94	0.93
India	INR 100	1.05	0.95	1.06	0.88
USA	USD 1	0.88	0.83	0.91	0.79

Hyperinflation accounting

Since 2022, the Turkish economy experienced inflation of over 100 inflation points in the last 36 months, based on consumer price indexes (CPI). As a result, the Turkish economy is considered to be hyperinflationary in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies. This standard requires financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the reporting date. In 2025 and the previous year, the financial statements of the Turkish subsidiary were restated accordingly before being translated and included in the consolidated financial statements. The respective restatement impact is recorded in other comprehensive income.

Impairment of non-financial assets

Assets that are subject to regular depreciation or amortization are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may no longer be recoverable. Goodwill is tested for impairment at least annually. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. Non-financial assets that have suffered an impairment loss in the past are reviewed for possible reversal of the respective loss at each reporting date. Impairment losses related to goodwill are not reversed in subsequent periods.

Financial assets

Rieter classifies its financial assets as “at amortized cost”, “at fair value through profit or loss” or “at fair value through other comprehensive income (OCI)”.

At initial recognition, financial assets are measured at fair value plus transaction costs that are directly attributable to the acquisition of the asset, except for financial assets held at fair value through profit or loss where transaction costs are expensed immediately to the income statement.

Debt instruments

The classification of debt instruments (e.g. receivables or loans) depends on the company’s business model for managing the respective asset and the cash flow characteristics of the asset. There are three measurement categories for the classification of debt instruments.

Debt instruments held for collection of contractual cash flows, where those cash flows represent solely repayments of principal amount and interest on the principal amount, are measured “at amortized cost”. Gains or losses on a debt instrument subsequently measured at amortized cost are recognized in the income statement when the asset is sold or impaired. Interest income is included in the income statement using the effective interest rate method.

Rieter held no debt instruments classified as “at fair value through profit or loss” or as “at fair value through other comprehensive income (OCI)” at December 31, 2025, and 2024.

Credit risks related to debt instruments at amortized cost held by Rieter at December 31, 2025, and 2024, are considered to be low. Therefore, Rieter determines the impairment allowance as the credit losses expected in the next twelve months. If the credit risk were to increase and no longer be regarded as low risk, lifetime expected credit losses would have to be recognized. For trade receivables a separate approach is applied for measuring impairment (see note 4.1 and 8.5).

Debt instruments are included in current assets, except for maturity dates more than twelve months after the balance sheet date. In that case, they are presented as non-current assets.

Equity instruments

A minor balance of equity instruments was designated as “at fair value through other comprehensive income (OCI)” at the acquisition date. Apart from that, Rieter held no financial assets at December 31, 2025, and 2024, that complied with the criteria for equity instruments.

Other financial instruments

Holdings in investment funds (equity or debt funds) cannot usually be treated as either equity or debt instruments for classification purposes. Rieter’s holdings in investment funds are classified as “financial assets at fair value through profit or loss”, and changes in fair values as well as profit distributions are included in the income statement. Holdings in investment funds are presented as current assets if they are either held for trading purposes or are likely to be sold within twelve months after the balance sheet date.

Derivative financial instruments and hedge accounting

Rieter concludes foreign currency contracts in order to hedge foreign currency risks. Hedge accounting is applied to selected transactions.

Derivative financial instruments – without hedge accounting

Derivative financial instruments are initially recognized at fair value on the date a derivative contract is concluded and are subsequently remeasured to the respective fair value at each reporting date. The resulting gains and losses

are recognized immediately as other income/expenses or financial income/expenses depending on the nature of the underlying transaction.

The respective positive and negative fair values are recognized in the balance sheet as derivative financial instruments in other current receivables or other current liabilities if their maturity date is within twelve months after balance sheet date, and otherwise in other non-current assets or other non-current liabilities.

Derivative financial instruments – with hedge accounting

Rieter designates selected foreign currency forward and swap contracts as hedges for firm sale and purchase commitments in non-functional currencies of the respective Group companies with the aim of securing the profit margin against fluctuations in foreign exchange rates. At inception of the hedged transaction, the hedge relationship between the unrecognized firm commitment (hedged transaction/item) and the foreign currency forward or swap contract (hedging instrument) is documented.

Rieter designates the hedged risk as changes in the forward rate. Changes in the full fair value of the forward or swap contracts are deferred and recognized in other comprehensive income (hedge reserve) until the hedged transaction has been accounted for in the consolidated income statement.

Once the hedged transaction is accounted for in the financial statements, the fair value is reclassified from the hedge reserve to the income statement (other income/expenses). Any ineffective portion of the fair value of the hedging instrument is recognized immediately in the income statement. If the hedged transaction is no longer expected to occur, the fair value of the respective hedging instrument is immediately reclassified to the income statement.

8.9 Events after balance sheet date

On May 5, 2025, Rieter Holding Ltd. (Winterthur, Switzerland) signed a definitive agreement to acquire Barmag from OC Oerlikon. The acquisition was closed on February 2, 2026.

With this acquisition, Rieter strengthens and expands its technology position in the textile industry and positions itself in the growing market for man-made fibers. The transaction is fully in line with Rieter's strategy and follows previous acquisitions, where Rieter complemented its portfolio in short-staple fiber machinery and expanded its footprint in components and machinery for man-made fiber production. The combined platform allows leverage of recovery of global filament and short-staple fiber spinning markets and reduces cyclicity due to diversification of end-markets. The acquisition enhances Rieter's position in the important Asia-Pacific region and provides access to Barmag's filament expertise, which will help to further scale Rieter's capabilities and improve digitization solutions and product sustainability.

Goodwill of CHF 482.6 million is attributable to the acquired workforce, synergies and the complementary nature of the acquired business to the Rieter strategy. Goodwill is not deductible for tax purposes.

Details of the consideration transferred are:

CHF million	
Cash	715.9
Contingent consideration	48.7
Total	764.6

The contingent consideration consists of two independent components; an earn-out consideration and a tax loss utilization compensation. If the average EBITDA of Barmag for the financial years 2025 – 2027 exceeds CHF 118.0 million, the earn-out compensation amounts to CHF 100.0 million, an average EBITDA of Barmag of CHF 100.0 million corresponds to an earn-out consideration of CHF 50.0 million. For an average EBITDA between CHF 100.0 million and CHF 118.0 million the respective earn-out consideration is interpolated. In case the 2025 – 2027 average EBITDA of Barmag is below CHF 100.0 million and the Barmag EBITDA for the year 2028 exceeds CHF 145.0 million, the 2027 EBITDA will be replaced by the 2028 EBITDA for the purpose of the average EBITDA calculation. In such a case, the earn out consideration would be limited to CHF 50.0 million. The fair value of the earn-out consideration was determined by applying a Monte Carlo simulation on the underlying business plan. It will be classified as financial liability.

The tax loss utilization compensation is contingent on the utilization of pre-existing tax losses against future taxable income in taxable periods until 2029. The respective tax losses amount to CHF 36.8 million. The fair value of the tax loss utilization contingent consideration has been determined by discounting the expected utilization of the tax loss carry forwards to their present value. It will be classified as a financial liability.

At the time of the acquisition, Rieter had trade receivables in the amount of CHF 0.5 million outstanding towards Barmag entities.

The provisionally determined fair values of the assets and liabilities of Barmag as at the date of the acquisition are as follows:

CHF million	
Cash and cash equivalents	201.5
Marketable securities and time deposits	4.7
Trade receivables	47.2
Other current receivables	33.1
Current income tax receivables	6.5
Inventories	114.8
Contract assets	18.7
Property, plant, and equipment	174.4
Intangible assets: Customer relationships	219.6
Intangible assets: Technology	138.2
Intangible assets: Brand	105.3
Other intangible assets	0.5
Investments in associated companies	12.7
Deferred income tax assets	111.5
Other non-current assets	7.4
Assets	1 196.1
Current financial debt	206.3
Trade payables	161.7
Other current liabilities	79.4
Contract liabilities	137.6
Current income tax liabilities	3.0
Current provisions	29.6
Non-current financial debt	37.4
Defined benefit plan liabilities	109.6
Deferred income tax liabilities	137.0
Non-current provisions	2.5
Liabilities	904.1
Consideration paid in cash	715.9
Contingent consideration	48.7
Non-controlling interest	10.0
Fair value of net identifiable assets acquired	- 292.0
Goodwill	482.6

The acquisition related transaction costs amounted to CHF 16.4 million, thereof CHF 8.6 million recorded in other expenses and CHF 7.8 million in financial expenses in the consolidated income statement 2025.

The fair value of the acquired trade receivables amounted to CHF 47.2 million. The gross contractual amount of invoiced trade receivables was CHF 50.4 million, with a respective allowance of CHF 3.2 million recognized at the acquisition date.

The non-controlling interest will be recognized at their proportionate share of the acquired net identifiable assets of the respective subsidiary of the Barmag Group.

At the time when the financial statements were authorized for issue, the Group had not yet completed the accounting for the acquisition of Barmag. In particular, the fair values of the assets and liabilities disclosed above

have only been determined provisionally, since the independent valuations have not been finalized. It is also not yet possible to provide detailed information about each class of acquired receivables and any contingent liabilities of the acquired entity.

The consolidated financial statements were approved for publication by the Board of Directors on February 25, 2026. Furthermore, the consolidated financial statements are subject to approval at the Annual General Meeting.



Statutory auditor's report

To the General Meeting of Rieter Holding Ltd., Winterthur

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Rieter Holding Ltd. and its subsidiaries (the Group), which comprise the [consolidated balance sheet](#) as at 31 December 2025, the [consolidated income statement](#), [statement of comprehensive income](#), the [consolidated statement of changes in equity](#) and the [consolidated cash flow statement](#) for the year then ended, and [notes to the consolidated financial statements](#), including material accounting policy information.

In our opinion, the consolidated financial statements (page 130 to page 191) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards 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 those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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.

Key audit matters



VALUATION OF GOODWILL



REVENUE RECOGNITION

Key audit matters are those matters that, in our professional judgment, 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 separate opinion on these matters.



VALUATION OF GOODWILL

Key audit matter

As at December 31, 2025, the consolidated financial statements included goodwill amounting to CHF 189.0 million (2024: CHF 192 million).

Goodwill has to be assessed for impairment by management at least on a yearly basis by determining the value in use, which is then compared to the carrying amount.

As part of the goodwill impairment testing the discounted cash flow (DCF) method is applied. This method requires the use of a number of key assumptions and estimates by management, including assumptions regarding expected future cash flows, long-term growth rates and applicable discount rates.

In relation to total assets and net assets as per December 31, 2025, goodwill is of material importance. There is a risk of impairment of the Group's significant goodwill balance due to weak global demand, uncertainty related to the world-wide supply chain and related forecasts.

Our response

For selected cash-generating units (CGUs), identified based on quantitative and qualitative factors, our audit procedures included, amongst others, the following:

- Evaluating the methodical and mathematical accuracy of the model used for the impairment tests, the appropriateness of the assumptions used, and the methodology used by management to prepare its cash flow forecasts. We used our own valuation specialists to support our procedures;
- Assessing the reasonableness of the plans and forecasts by back-testing historical forecasts to actual results;
- Comparing business plan data against the latest board-approved plans and management approved forecasts;
- Challenging the robustness of the key assumptions used to determine the recoverable amount, forecasted cash flows, long-term growth rates and the discount rates based on our understanding of the commercial prospects of the related CGUs and by comparing them with publicly available data;
- Conducting sensitivity analysis, taking into account the historical forecasting accuracy of the Group; and
- Recalculating the difference between the carrying value and the recoverable amount to assess the headroom.

We also considered the appropriateness of disclosures in relation to impairment sensitivities in the financial statements.

For further information on valuation of goodwill refer to the following:

- Note 4.6 to the consolidated financial statements



REVENUE RECOGNITION

Key audit matter

Total consolidated sales for the financial year amounted to CHF 685.1 million (2024: CHF 859.1 million). Sales are a key performance indicator for Rieter's performance and are therefore in the focus of internal and external stakeholders.

Sales comprise the sales of machines and systems as well as sales from services. In line with IFRS 15, Rieter recognizes sales of machines and systems when a performance obligation is satisfied by transferring control of the goods to the customer. Service sales are recognized over time in accordance with the progress to completion of the performance obligation.

Due to the high volume of transactions close to year end and the value of individual transactions, there is a risk that sales are not recognized in the correct accounting period (cut-off).

For further information on revenue recognition refer to the following:

- Note 3.1 to the consolidated financial statements
- Note 3.2 to the consolidated financial statements

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 consolidated financial statements, the stand-alone financial statements of Rieter Holding Ltd., 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 the consolidated financial statements, which 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

Our response

Our audit procedures included, amongst others, the following:

- Inquiring with management regarding processes and controls in relation to revenue recognition. Additionally, performing walkthroughs to gain an understanding of processes and controls, including management reviews, with respect to revenue recognition;
- Reconciling on a sample basis sales with the corresponding supporting documents such as sales orders, shipping documents, invoices and timesheets to assess that sales were recognized accurately;
- Verifying that sales transactions at the end of the financial year and at the beginning of the new financial year have been recognized in the correct accounting period by comparing sales close to the balance sheet date with the respective supporting documentation.

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.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our group audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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

KPMG AG



Roman Wenk
Licensed Audit Expert
Auditor in Charge



Daniel Baumgartner
Licensed Audit Expert

Zurich, 25 February 2026

Financial statements

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Income statement of Rieter Holding Ltd.

CHF million	Notes	2024	2025
Income			
Income from investments		24.1	22.5
Financial income		7.5	4.1
Other income	(2.1)	4.7	3.4
Release of value adjustments and provisions	(2.3)	0.0	5.1
Total income		36.3	35.1
Expenses			
Administrative expenses		- 5.9	- 7.7
Financial expenses	(2.2)	- 9.4	- 26.7
Increase in value adjustments and provisions	(2.3)	- 15.0	- 0.6
Total expenses		- 30.3	- 35.0
Net profit		6.0	0.1

Balance sheet of Rieter Holding Ltd.

CHF million	Notes	December 31, 2024	December 31, 2025
Assets			
Cash and cash equivalents	(2.4)	4.3	316.4
Other current receivables	(2.5)	7.9	25.1
Prepaid expenses and accrued income	(2.6)	1.4	1.4
Current assets		13.6	342.9
Other financial assets	(2.7)	67.5	64.4
Investments	(2.8)	577.6	579.7
Non-current assets		645.1	644.1
Assets		658.7	987.0
Liabilities and shareholders' equity			
Other current liabilities	(2.9)	0.5	4.6
Current interest-bearing liabilities	(2.10)	289.2	138.6
Accrued expenses and deferred income	(2.6)	1.8	5.5
Current liabilities		291.5	148.7
Non-current interest-bearing liabilities	(2.11)	170.0	170.0
Provisions	(2.12)	11.3	6.2
Non-current liabilities		181.3	176.2
Liabilities		472.8	324.9
Share capital	(2.13)	23.4	1.4
Reserves from capital contributions	(2.13)	–	502.3
Legal retained earnings in the narrower sense		27.5	27.5
Voluntary retained earnings	(2.14)	118.0	116.4
Treasury shares	(2.15)	– 19.6	– 13.1
Available earnings			
- Balance carried forward		30.6	27.5
- Net profit		6.0	0.1
Shareholders' equity		185.9	662.1
Liabilities and shareholders' equity		658.7	987.0

Notes to the financial statements of Rieter Holding Ltd.

1 Summary of significant accounting policies

1.1 General principles

The financial statements of Rieter Holding Ltd. have been prepared in accordance with the provisions of Swiss accounting law.

Significant accounting policies that are not specified by the Swiss Code of Obligations are listed below.

1.2 Investments

In principle, investments are measured individually. If management and internal performance assessment are combined for a group of investments, impairment testing for these investments may also be combined. Investments are recognized in the balance sheet at acquisition cost less necessary accumulated value adjustments.

1.3 Treasury shares

Treasury shares are recognized at historical cost and presented as a negative component of equity. If treasury shares are sold or reissued subsequently, any resulting gains or losses are directly recognized against voluntary retained earnings.

1.4 Foreign currencies

All monetary assets and liabilities in foreign currencies are translated at year-end exchange rates. Losses from the revaluation of non-current receivables and payables are recorded in the income statement, whereas the respective gains are not recognized. Income and expenses as well as all transactions in foreign currencies are translated using the exchange rate prevailing on the date of the transaction. The resulting foreign currency gains and losses are recognized in the income statement.

1.5 Derivative financial instruments

Derivative financial instruments are recognized only on the balance sheet if unrealized losses exist.

1.6 Waiver of cash flow statement and additional disclosures in the notes

Rieter Holding Ltd. has prepared its consolidated financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). Therefore, Rieter Holding Ltd. has applied the exemption included in Art. 961d, para. 1 Swiss Code of Obligations and has not prepared additional disclosures on interest-bearing liabilities and audit fees as well as a separate cash flow statement.

2 Details of balance sheet and income statement items

2.1 Other income

Other income consists mainly of the contractually agreed compensation payments from group companies.

2.2 Financial expenses

Financial expenses consist mainly of interest payable on the fixed-rate bonds and liabilities payable to banks and group companies as well as the foreign exchange result. In addition, the costs related to financial instruments for the announced Barmag acquisition are included.

2.3 Increase in value adjustments and provisions / release of value adjustments and provisions

In the previous financial year, general business risks led to an increase in value adjustments by CHF -15.0 million, which was reflected in a corresponding reduction of the investments in subsidiaries. In 2025, the financial statements reflect a write-off of long-term receivables associated with the disposal of a subsidiary. The release of value adjustments and provisions in 2025 includes the reversal of provisions amounting to CHF 5.1 million.

2.4 Cash and cash equivalents

Cash and cash equivalents include bank accounts and increased in 2025 as a result of the capital increase.

2.5 Other current receivables

CHF million	December 31, 2024	December 31, 2025
Receivables from third parties	0.1	0.2
Receivables from group companies	7.8	24.9
Current receivables	7.9	25.1

Receivables from group companies consist mainly of current account credit facilities granted to subsidiaries based on market terms and conditions in the context of central cash management.

2.6 Prepaid expenses and accrued income / accrued expenses and deferred income

Prepaid expenses and accrued income consist mainly of financing costs and accrued taxes. Accrued expenses and deferred income include mainly accrued taxes, interest and cost related to financial instruments.

2.7 Other financial assets

CHF million	December 31, 2024	December 31, 2025
Loans to group companies	67.5	64.4
Other financial assets	67.5	64.4

The financing requirements of the subsidiaries were covered with non-current loans, granted by Rieter Holding Ltd. based on market terms and conditions.

2.8 Investments

CHF million	December 31, 2024	December 31, 2025
Investments in group companies	566.3	568.4
Investments in associated companies	11.3	11.3
Investments	577.6	579.7

Below is a list of all investments. SSM Vertriebs AG has been merged into SSM Schärer Schweiter Mettler AG in 2025.

Company	Domicile	Capital in 1 000		Share in voting and capital rights, in %	
		December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025
Bräcker AG	Pfäffikon, Switzerland	CHF 1 000	CHF 1 000	100%	100%
Rieter Ltd.	Winterthur, Switzerland	CHF 8 500	CHF 8 500	100%	100%
Novibra Boskovice s.r.o.	Boskovice, Czech Republic	CZK 40 000	CZK 40 000	100%	100%
Petit Spare Parts SAS	Aubenas, France	EUR 8	EUR 8	100%	100%
Prosino S.r.l.	Borgosesia, Italy	EUR 50	EUR 50	60%	70%
Rieter Automatic Winder GmbH	Heinsberg, Germany	EUR 1 000	EUR 1 000	100%	100%
Rieter Components Germany GmbH	Hammelburg, Germany	EUR 1 000	EUR 1 000	100%	100%
Rieter CZ s.r.o.	Ústí nad Orlicí, Czech Republic	CZK 316 378	CZK 316 378	100%	100%
Rieter India Pvt. Ltd.	Wing, India	INR 51 898	INR 51 898	100%	100%
Rieter Vertriebs GmbH der Maschinenfabrik Rieter AG	Ingolstadt, Germany	EUR 15 339	EUR 15 645	100%	100%
SSM Schärer Schweiter Mettler AG	Wädenswil, Switzerland	CHF 6 000	CHF 6 000	100%	100%
SSM Vertriebs AG	Steinhausen, Switzerland	CHF 100	n.a.	100%	n.a.
Tefina Holding-Gesellschaft AG	Zug, Switzerland	CHF 5 000	CHF 5 000	100%	100%
Unikeller Sona AG	Winterthur, Switzerland	CHF 500	CHF 500	100%	100%
Electro-Jet S.L.	Gurb, Spain	EUR 120	EUR 120	25%	25%

2.9 Other current liabilities

CHF million	December 31, 2024	December 31, 2025
Liabilities to third parties	0.2	4.6
Liabilities to group companies	0.3	0.0
Total other current liabilities	0.5	4.6

The increase in 2025 relates to accrued expenses associated with the Barmag transaction.

2.10 Current interest-bearing liabilities

CHF million	December 31, 2024	December 31, 2025
Liabilities to group companies	226.9	138.5
Bank debt	62.3	0.0
Current interest-bearing liabilities	289.2	138.5

Rieter Holding Ltd. manages cash and cash equivalents of group companies in the central cash pool.

In 2024, Rieter Holding Ltd. drew down short-term bank loans at various financial institutions with different terms to secure liquidity. These were repaid in 2025.

2.11 Non-current interest-bearing liabilities

On November 25, 2021, Rieter Holding Ltd. issued a fixed-rate bond with a nominal value amounting to CHF 100.0 million. This bond has a term of six years with a maturity date on November 24, 2027, a fixed interest rate of 1.4 percent p.a. and is listed on the SIX Swiss Exchange. Additionally on November 27, 2024, a fixed-rate bond with a nominal value amounting to CHF 70.0 million was issued. This bond has a term of five years with a maturity date on November 27, 2029, a fixed interest rate of 3.5 percent p.a. and is also listed on the SIX Swiss Exchange.

2.12 Provisions

Provisions were recognized for foreign exchange risks and guarantee commitments.

2.13 Share capital

At December 31, 2025, the share capital of Rieter Holding Ltd. amounted to CHF 1 360 577.08 (2024: CHF 23 361 815.00). It is divided into 136 057 708 fully paid registered shares with a nominal value of CHF 0.01 each (2024: 4 672 363 shares with a nominal value of CHF 5.00).

On September 18, 2025, the Extraordinary General Meeting (EGM) of Rieter Holding Ltd. approved a par value reduction of CHF 4.99 per share. The resulting amount of CHF 23 315 091.37 has been allocated to reserves from capital contributions. Simultaneously, the EGM approved a capital increase by means of issuance of 131 385 345 new shares via a subscription rights offering and a private placement. The proceeds exceeding the par value of the shares have been allocated to reserves from capital contributions.

According to §3a of the Articles of Association, Rieter Holding Ltd. has implemented a capital band of between CHF 1 292 548.23 (lower limit) and CHF 1 496 634.78 (upper limit). Within the capital band, the Board of Directors is authorized to increase or reduce the share capital once or several times, and in any amount, until September 18, 2030, or until the capital band expires earlier, or to acquire or sell shares directly or indirectly. The capital increase or reduction may be effected by issuing up to 13 605 770 fully paid registered shares with a nominal value of CHF 0.01 each, or by cancelling up to 6 802 885 registered shares with a nominal value of CHF 0.01 each, or by increasing or decreasing the nominal value of existing registered shares within the limits of the capital band.

2.14 Voluntary retained earnings

CHF million	December 31, 2024	December 31, 2025
Opening balance	118.9	118.0
Losses from treasury shares	– 0.9	– 1.6
Free reserves	118.0	116.4

2.15 Treasury shares

Treasury shares are held directly by Rieter Holding Ltd.. Consequently, there is no need for a separate reserve for treasury shares.

	2024		2025	
	Average price (CHF)	Number	Average price (CHF)	Number
Stock beginning of year		180 549		151 962
Sale	85.5	– 15 000	57.6	– 26 909
Buy		0	3.0	20
Allocation to Board of Directors	86.7	– 7 880	87.6	– 5 868
Allocation to Management	126.0	– 5 707	72.5	– 25 193
Stock at the end of the year		151 962		94 012

At the balance sheet date, the acquisition cost of the directly held treasury shares totaled CHF 13.1 million (2024: CHF 19.6 million).

3 Additional information

3.1 Legal form, registered office, and number of full-time employees

Rieter Holding Ltd. is a limited company (“Aktiengesellschaft”) with its registered office in Winterthur (Switzerland). The company did not employ any personnel throughout 2025 (unchanged to 2024).

3.2 Guarantees to third parties

CHF million	December 31, 2024	December 31, 2025
Guarantees	0.0	31.5

Guarantees to third parties consist of sureties issued to financial institutions for loans granted.

3.3 Participation rights for the Board of Directors and Management

As part of the compensation package, treasury shares were allocated to the Board of Directors and Management as follows:

	2024		2025	
	Number	Value (CHF)	Number	Value (CHF)
Allocation to Board of Directors	7 880	682 960	5 868	513 919
Allocation to Management	5 707	719 082	25 193	1 826 697

3.4 Release of hidden reserves

In the financial year 2025 CHF 5.1 million (2024: CHF 0.0 million) of hidden reserves were released.

3.5 Events after balance sheet date

On February 2, 2026, the previously announced acquisition of Barmag from OC Oerlikon has been closed. Rieter Holding Ltd. has paid the agreed purchase price of CHF 713.3 million to OC Oerlikon in exchange for 100 percent of the shares of OC Oerlikon Textile Holding AG (Pfäffikon, Switzerland) and its subsidiaries. Additionally, a contingent consideration liability will be recorded in the balance sheet. The purchase price was financed via the share capital increase (see note 2.13) and a syndicated bank loan.

There were no other events after the balance sheet date.

Proposal of the Board of Directors

For the appropriation of available earnings

CHF	2025
Retained earnings carried forward from previous year	27 493 759
Net Profit of the year	110 678
Total available earnings at disposal of the Annual General Meeting	27 604 437
Proposal:	
Distribution of dividend ¹	0
Balance to be carried forward	27 604 437
	27 604 437

¹ Shares held by Rieter Holding Ltd. at the time of distribution are not entitled to dividend. The amount distributed will be reduced accordingly at the time of distribution.



Statutory auditor's report

To the General Meeting of Rieter Holding Ltd., Winterthur Report on the audit of the financial statements

Opinion

We have audited the financial statements of Rieter Holding Ltd. (the Company), which comprise the [balance sheet](#) as at 31 December 2025, and the [income statement](#) for the year then ended, and [notes to the financial statements](#), including a summary of significant accounting policies.

In our opinion, the financial statements (page 198 to page 206) 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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 consolidated financial statements, the stand-alone financial statements of the Company, 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 the 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.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the

key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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

KPMG AG



Roman Wenk
Licensed Audit Expert
Auditor in Charge

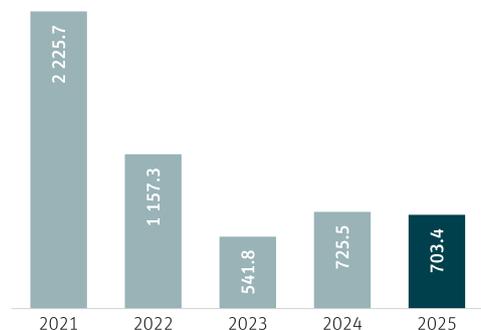


Daniel Baumgartner
Licensed Audit Expert

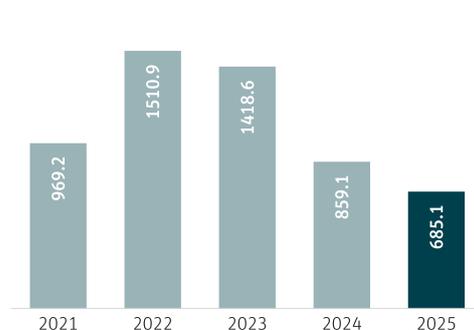
Zurich, 25 February 2026

Review 2021–2025

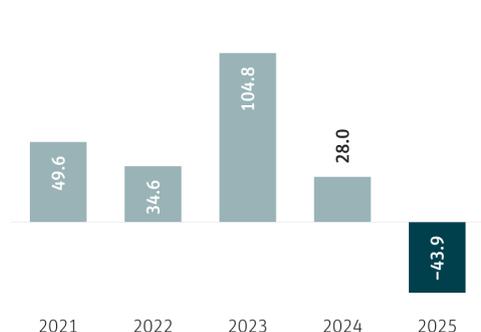
Order Intake
CHF million



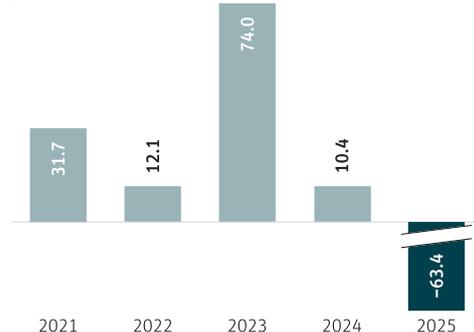
Sales
CHF million



Operating Result Before Interest and Taxes (EBIT)
CHF million



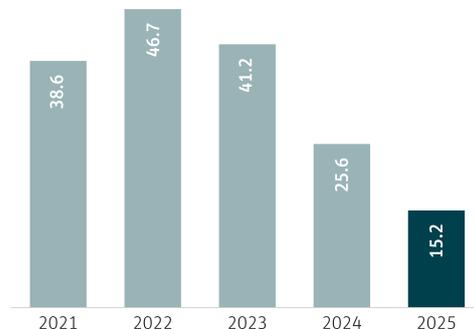
Net Profit
CHF million



Shareholder's Equity
CHF million (at December 31)



Capital Expenditure
CHF million



		2021	2022	2023	2024	2025
Consolidated income statement						
Sales	CHF million	969.2	1 510.9	1 418.6	859.1	685.1
- Asian countries (without China/India/Türkiye)	CHF million	319	473	362	166	132
- China	CHF million	135	169	188	173	228
- India	CHF million	126	197	225	121	98
- Türkiye	CHF million	182	266	221	159	35
- North and South America	CHF million	150	209	183	119	122
- Europe	CHF million	43	123	76	49	53
- Africa	CHF million	14	74	165	73	17
EBITDA ¹	CHF million	87.0	87.4	163.5 ²	82.9	13.1
- in % of sales		9.0	5.8	11.5	9.6	1.9
Operating EBIT ¹	CHF million	52.4	36.9	159.4 ²	33.9	2.5
- in % of sales		5.4	2.4	11.2	3.9	0.4
EBIT ¹	CHF million	49.6	34.6	104.8 ²	28.0	- 43.9
- in % of sales		5.1	2.3	7.4	3.3	- 6.4
Net (loss) / profit	CHF million	31.7	12.1	74.0	10.4	- 63.4
- in % of sales		3.3	0.8	5.2	1.2	- 9.3
RONA ¹	%	5.6	2.8	11.5	2.8	- 5.4

Consolidated cash flow statement

Cash flow from operating activities	CHF million	165.7	- 76.2	69.3	36.3	- 50.3
Cash flow from investing activities	CHF million	- 352.9	- 30.2	49.4	- 21.1	11.5
Cash flow from financing activities	CHF million	151.4	34.9	- 151.6	- 50.3	398.2
Free cash flow ¹	CHF million	128.1	- 98.6	118.7	14.1	- 40.6

Number of employees at December 31¹		4 907	5 629	5 081	4 785	4 220
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Consolidated balance sheet at December 31

Current assets	CHF million	718.3	843.9	641.5	513.5	833.0
Non-current assets	CHF million	718.0	697.0	668.5	704.3	632.3
Current liabilities	CHF million	744.8	890.5	717.2	491.7	387.5
Non-current liabilities	CHF million	295.4	290.4	216.1	315.7	297.2
Equity attributable to shareholders of Rieter Holding Ltd.	CHF million	395.8	359.9	376.6	410.9	781.2
Equity attributable to non-controlling interests	CHF million	0.3	0.1	0.1	- 0.5	- 0.6
Total assets	CHF million	1 436.3	1 540.9	1 310.0	1 217.8	1 465.3
Equity ratio ¹	%	27.6	23.4	28.8	33.7	53.3
Cash and cash equivalents	CHF million	248.7	175.7	135.6	103.2	453.6
Marketable securities and time deposits	CHF million	0.7	0.4	0.3	0.2	0.2
Current financial debt	CHF million	- 209.7	- 262.5	- 198.1	- 104.9	- 45.2
Non-current financial debt	CHF million	- 201.6	- 199.2	- 129.0	- 228.8	- 224.3
Net debt (-) / net liquidity (+)¹	CHF million	- 161.9	- 285.6	- 191.2	- 230.3	184.3

¹ Definition in [alternative performance measures](#).

² Including the gain on disposal of land and buildings in Winterthur (Switzerland) amounting to CHF 72.5 million.

Rieter Holding Ltd. share (RIEN)

			2021	2022	2023	2024	2025
Market capitalization ¹	December 31	CHF million	795	470	405	384	433
Market capitalization/EBITDA ratio			9.1	5.4	2.5	4.6	33.1
Share price at SIX Swiss Exchange	December 31	CHF	177.0	105.0	90.1	84.9	3.2
	high	CHF	234.5	204.5	117.6	136.6	11.7
	low	CHF	91.3	80.6	74.6	80.8	3.0
Equity attributable to shareholders of Rieter Holding Ltd. per share	December 31	CHF	88.08	80.34	83.83	90.90	5.75
Basic earnings per share		CHF	7.04	2.70	16.48	1.42	-1.26
Price/earnings ratio ¹			25.1	38.9	5.5	59.8	-2.5
Dividend per share		CHF	4.00	1.50	3.00	2.00	0.00 ²
Dividend payout ratio ¹		%	56.8	55.6	18.2	140.8	0.0
Dividend yield ¹		%	2.3	1.4	3.3	2.4	0.0

¹ Definition in [alternative performance measures](#).

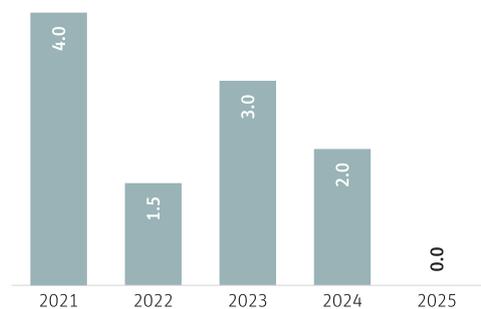
² See [proposal of the Board of Directors](#).

Share Price

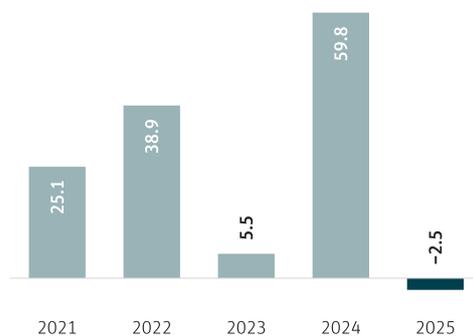


Dividend

CHF (per share)



Price/Earnings Ratio



Imprint

All statements in this report which do not refer to historical facts are forecasts which offer no guarantee whatsoever with respect to future performance; they embody risks and uncertainties which include – but are not confined to – future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors which are outside the company's control.

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