Press Release

Carraro Group: stable volumes and profitability in 2025

Revenue of €725 million and EBITDA of €76.1 million (10.5% of revenue)

The beginning of 2026 shows a gradual recovery in demand and in the order backlog

Campodarsego (Padua), March 12, 2026 – The Board of Directors of Carraro SpA, a world leader in transmission systems for off-highway vehicles and specialized tractors, examined the draft Financial Statements for 2025 earlier today.

"2025 was a year that confirmed the industrial solidity and managerial discipline of the Carraro Group. Despite an environment marked by uncertainty, we maintained substantially stable volumes, with revenues reaching 725 million € and EBITDA at 76.1 million, preserving a 10.5% margin despite market pressures – commented Enrico Carraro, Chairman of the Group – These results stem from a careful management and a clear industrial vision that enabled us to respond effectively to the geopolitical tensions that arose during the year. In 2025 we continued to invest in innovation and R&D, which remain fundamental pillars of our growth strategy".

"The first signals from 2026, supported by the launch of new products and by a progressive improvement in the order portfolio, strengthen our confidence in maintaining profitability levels in line with 2025. All of this, naturally, net of any potential impacts that may arise from the evolving geopolitical situation in the Middle East", concluded **Enrico Carraro**.

Revenues and EBITDA

Even in the frame of a highly complex market environment, the Group managed to maintain substantially stable volumes, with consolidated revenues reaching €725 million as of December 31, 2025 — a slight 1.6% decrease compared to the €736.7 million recorded in the previous year.

Thanks to the careful utilization of production capacity on a global scale, along with product cost optimization and improvements in the supply chain, the Group's profitability remained overall satisfactory. EBITDA as of December 31, 2025 amounted to €76.1 million (10.5% of revenues), down in absolute value, but substantially stable in percentage terms compared to the €80.2 million (10.9% of revenues) of 2024.

The main reference sectors displayed varying trends in 2025.

In the agricultural segment several geopolitical factors and the adoption of protectionist policies by the United States increased market fragmentation, leading to a year-end decline in traditional Western markets. On the other hand, India continued to record significant growth, surpassing one million units sold, while positive results were also observed across the rest of Asia and South America.

In the earth-moving and construction machinery sectors a global slowdown in sales persisted. As already observed in the previous year, the decline was more pronounced in private construction, both residential and commercial, although notable differences remained among regional market trends.

Investments

Despite the challenging and unstable environment, the Group continued to invest in the technological evolution of its production facilities, also in view of the launch of future product platforms. Capital expenditures for the 2025 financial year were optimized, reaching a total of 30.9 million euros.

Research and Development

In 2025 the Group once again confirmed its strong focus on innovation and continuous improvement, consistently pursuing investments in Research and Development. Particular attention was devoted both to the development of technologically advanced transmission systems and to the design of specialized tractors intended for high-potential markets.

In 2025, the Group's total financial commitment to R&D activities—both product and process—amounted to approximately 3.6% of revenues, fully in line with the strategic targets set (3.6% of revenues in 2024).

Net Financial Position

The consolidated net financial position as of December 31, 2025 was negative at 196.492 million €, compared with a negative 131.445 million € as of December 31, 2024. The deterioration is mainly attributable to a slight decrease in revenues and to the reduction of trade payables. This effect was partially offset by the optimization of capital expenditures.

Business Outlook

Despite the continued signs of uncertainty across markets in 2026, the increase in revenues driven by the launch of new products, together with the gradual recovery in demand, led to a progressive improvement in the order backlog in the early months of the year. The international landscape remains unstable, mainly due to uncertainties surrounding the implementation of protectionist measures in the United States and the evolving geopolitical situation in the Middle East, with potential implications for macroeconomic stability, trade flows, and the volatility of raw material and energy prices. Profitability in 2026 is, at this stage, expected to remain in line with the results achieved in 2025.

Carraro (www.carraro.com) is a leading international group designing and manufacturing transmission systems for *off-highway* vehicles and specialized tractors. The Group's activities are divided into two Business Areas:

- Transmission systems (axles and transmissions) and components mainly for agricultural and earthmoving machinery, as well as a wide range of gears for highly differentiated sectors: from automotive to material handling, and from agricultural applications to earthmoving.

- Specialized tractors (vineyard and orchard) and Utility, between 60 and 135 horsepower aimed at third parties and engineering services aimed at the design of innovative ranges of tractors.

The Group is headquartered in Campodarsego (Padua), employs 3,752 people as of 31.12.2025 – of which 1,661 are located in Italy – and with production facilities in Italy (4), India, China and Argentina.

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