

MEDIA RELEASE

AD HOC ANNOUNCEMENT PURSUANT TO ARTICLE 53 OF THE SIX EXCHANGE REGULATION LISTING RULES

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Forbo 2025 Financial Year

- **Only slight decline in net sales despite challenging market environment**
- **Lower capacity utilization and higher costs weigh on operating result**
- **Leadership team successfully appointed**
- **Production capacities expanded in Japan and USA**
- **Unchanged dividend of CHF 25.00 per share proposed**

In the 2025 financial year, the Forbo Group reported net sales of CHF 1,085.4 million (previous year: CHF 1,122.0 million) in a challenging market environment. This corresponds to a decrease of 0.3% in local currencies and 3.3% in the reporting currency. The operating result (EBIT) decreased by 27.2% to CHF 87.8 million (previous year: CHF 120.6 million). Profit stood at CHF 68.9 million (previous year: CHF 95.1 million).

Baar, March 3, 2026

The 2025 financial year was shaped by a challenging macroeconomic and geopolitical environment. Rising tariffs and mounting tensions in trade policy caused uncertainty for companies and consumers worldwide. High energy costs, regulation and fiscal pressure weighed on Europe's industry. In the USA, inflation expectations dampened investment and consumption, while in China, growth was slowed by the weak construction sector and declining exports to the USA. The fragile global environment also led to a further appreciation of the Swiss franc.

For Forbo, the focus was on the long-term stabilization of its business as well as on the appointment of new members to Group leadership as a prerequisite for the Group's continued strategic and structural development. With the appointment of Bernhard Merki as Chairman of the Board of Directors in April 2025, Johannes Huber as CEO effective January 1, 2026, and Heinz Hösli as CFO effective July 1, 2026, the leadership team has been strengthened with experienced executives. The priority now is to systematically develop the divisions, accelerate the implementation of innovations, and enhance operational excellence, with the aim of returning to sustainable, profitable growth and long-term value creation.

Important operational initiatives were advanced in the reporting year, key innovations were brought to market readiness, and the product portfolio was strategically expanded. The **Movement Systems** division continued to expand its manufacturing capacity in Japan, while **Flooring Systems** strengthened its presence in the USA. These measures reduced Forbo's exposure to trade barriers and strengthened the long-term robustness of its supply chains. They have increased Forbo's structural resilience and created a solid foundation for positive development in the years ahead.

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Sales in local currencies nearly on a par with the previous year

Forbo achieved net sales of CHF 1,085.4 million in the 2025 financial year, which corresponds to a decline of 3.3% to the previous year (previous year: CHF 1,122.0 million). In local currencies, sales decreased by 0.3%. The development by region was mixed. While sales in Europe increased slightly in local currencies, the Asia/Pacific and the Americas both saw slight decreases.

Operating result impacted

Declining sales, lower capacity utilization, the appreciation of the Swiss franc, and higher costs had a negative effect on the operating result. Earnings before interest, taxes, depreciation, and amortization (EBITDA) fell by 17.7% to CHF 136.8 million (previous year: CHF 166.3 million). At CHF 87.8 million, earnings before interest and taxes (EBIT) came in 27.2% lower than in the previous year (previous year: CHF 120.6 million). This resulted in an EBITDA margin of 12.6% (previous year: 14.8%) and an EBIT margin of 8.1% (previous year: 10.7%).

Profit, cash flow, and investments

As a result of the lower operating profit and a lower tax rate of 20.7% (previous year: 21.8%), Forbo generated a profit of CHF 68.9 million (previous year: CHF 95.1 million), which corresponds to a decline of 27.5%. Earnings per share (undiluted) decreased by 27.7% to CHF 48.75 (previous year: CHF 67.45). Investments of CHF 47.0 million (previous year: CHF 46.1 million) were financed fully from the operating cash flow of CHF 74.0 million (previous year: CHF 135.6 million).

Solid balance sheet

Forbo continues to have a solid balance sheet. The equity ratio at the end of 2025 was 66.8% (previous year: 64.1%). The Group is debt-free and has a net cash position.

Divisional performance

In **Flooring Systems**, the construction and renovation market was sluggish and very competitive during the financial year, particularly in the core European markets. Additional tariffs imposed at short notice on exports from Switzerland and the EU to the US also negatively affected earnings. Thanks to continuous product innovation, optimizations in the supply chains, and the implementation of key sales initiatives, the resilience of the business unit was further strengthened. Flooring Systems achieved net sales of CHF 738.2 million in 2025 (previous year: CHF 765.6 million), a decline of 3.6% (- 1.2% in local currency). Sales volumes and prices both decreased by 0.6% year on year. The operating result declined by 18.7% to CHF 80.5 million (previous year: CHF 99.0 million).

At **Movement Systems**, customer reluctance to invest in the US led to a decline in sales in the region in local currencies, while sales growth was achieved in Europe and the Asia/Pacific (APAC) region. Sales price increases could not fully offset the higher costs associated with targeted positioning in structurally attractive markets such as food processing and food logistics, airport and aviation applications, and e-commerce. Movement Systems achieved net sales of CHF 347.2 million in the reporting year (previous year: CHF 356.4 million), a decline of 2.6% (+ 1.7% in local currency). Sales volumes decreased by 0.2% year on year, while prices increased by 1.9%. The operating result fell by 49.3% to CHF 15.4 million (previous year: CHF 30.4 million).

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Sustainability

Sustainability is a core pillar of the Forbo Group's corporate strategy. A significant proportion of Forbo's products is based on sustainable materials, such as the natural product Marmoleum (linoleum), which is climate positive from cradle-to-gate without offsetting. In 2025, ESG reporting was further expanded, and systematic steps were taken towards implementing the sustainability goals. Sustainable products, process optimization, energy efficiency, and the circular economy remain integral parts of Forbo's strategy.

Information and motions to the Ordinary General Meeting

Change to the Board of Directors

The Board of Directors will propose to the Forbo Ordinary General Meeting the election of Ilias Läber as a new member of the Board of Directors. Ilias Läber is Co-Founder and Managing Partner of SEO Management AG and currently serves on the boards of several companies operating at national and international levels. With Ilias Läber, the Board of Directors will be strengthened by a personality with broad industrial and entrepreneurial expertise relevant to both of Forbo's divisions.

All current members of the Board of Directors will stand for re-election for a further one-year term.

Stable dividends

In view of the solid balance sheet and equity ratio, the Board of Directors will propose to the Forbo Ordinary General Meeting an unchanged dividend of CHF 25.00 per share.

Outlook for the 2026 financial year

Forbo expects the market environment to remain challenging for the 2026 financial year. At present, there are no signs of a broad-based economic recovery. Forbo is pursuing clear strategic priorities: a stronger customer focus, more efficiency in sales, a focus on innovation, operational excellence, and strict cost discipline. This puts Forbo in a good position to respond flexibly to market changes and strengthen the basis for sustainable, profitable growth.

For the 2026 financial year, Forbo expects slightly lower sales due to currency effects and slightly higher profit than in the previous year.

Further information:

forbo.com/en/investors

The Forbo Group will hold a live audio webcast in German on the results of the 2025 financial year on March 3, 2026, at 10:30 a.m. (CET). Registration is available via the following [link](#).

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About Forbo

Forbo is a leading producer of floor coverings, building and construction adhesives, as well as belts for power transmission and lightweight conveyor technology. For its clients, the company offers tailored solutions that stand out for their functionality, quality, design, and sustainability. The company employs about 5,050 people and has an international network of 25 sites with production and distribution, 6 fabrication centers, and 47 sales organizations in a total of 39 countries around the world. The company generated net sales of CHF 1,085.4 million in the 2025 business year. The company is headquartered in Baar in the canton of Zug, Switzerland.

The Group company Forbo Holding Ltd is listed on SIX Swiss Exchange (security number 354151, ISIN CH0003541510, Bloomberg FORN SW, Reuters FORN.S).

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