

## MEDIA RELEASE

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

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### Forbo Half-Year Report 2025

- **Net sales of CHF 546.9 million; a decline of 1.5% in local currencies**
- **Lower net sales, underutilized assets and higher costs drove profit down**
- **CEO search in advanced stage; CFO recruitment commenced**
- **Intensified product innovation reinforcing market position**
- **Solid balance sheet with net cash balance and robust equity**

Forbo Group, Baar, July 29, 2025

**In the first half of 2025, the Forbo Group reported net sales of CHF 546.9 million, compared to CHF 570.3 million in the prior-year period, representing a decline of 1.5% in local currencies and 4.1% in the reporting currency. The decline in net sales, along with lower capacity utilization, inflation-driven personnel cost increases, and adverse currency effects had a negative impact on earnings. Combined with investments in sales initiatives and intensified innovation efforts, these factors contributed to a decline in operating profit (EBIT) to CHF 42.9 million (prior-year period: CHF 61.8 million). The Flooring Systems division remained stable considering the challenging environment, while the Movement Systems division performed weaker than expected. Profit reached CHF 33.4 million (prior-year period: CHF 48.4 million).**

#### **Demand softened by economic headwinds**

The first half of 2025 was marked by a continued weak global economy, trade tensions, geopolitical conflicts, and a strong Swiss Franc all of it dampened sentiment and curbed customer investments across international markets. Demand in both divisions remained subdued. In this challenging environment, **Flooring Systems** delivered solid results, supported by targeted investments in sustainable product innovation, productivity improvements, logistics optimization, and enhanced customer orientation. **Movement Systems** achieved a weaker-than-expected result. To address this and strengthen future performance, the division focused on pricing improvements, reshoring selected tariff-affected products to US production, expanding its sustainable portfolio, and driving targeted marketing initiatives in food and logistics – resulting in more qualified leads. The new production line in Japan strengthens Forbo's operational competitiveness. Despite headwinds, momentum persisted in airport, e-commerce, and recycling-related segments.

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### Net sales and results

Forbo generated net sales of CHF 546.9 million in the first half of 2025, down 1.5% in local currencies and 4.1% in the reporting currency from CHF 570.3 million a year earlier, entirely due to lower volumes. Currency translation effects, primarily from the Euro and US dollar, negatively impacted net sales by CHF 15 million.

Operating profit before depreciation and amortization (EBITDA) came to CHF 67.6 million, corresponding to a decline of 22.1%. The EBITDA margin decreased accordingly to 12.4%. The decline in net sales, along with lower capacity utilization, inflation-driven personnel cost increases, and currency effects, brought the operating profit (EBIT) to CHF 42.9 million, from CHF 61.8 million, a year earlier. These effects were most evident in Movement Systems. Despite cost pressures, Forbo invested in sales initiatives and intensified its innovation efforts. Lower raw material prices provided only partial relief, while favorable pricing effects in Movement Systems were offset by unfavorable price developments in Flooring Systems.

Driven by lower operating profit, a slightly lower financial result, and a stable tax rate, Forbo posted a profit of CHF 33.4 million prior-year period of CHF 48.4 million.

### Equity and cash position

Equity at the end of June 2025 stood at CHF 607.6 million, corresponding to a decrease of 2.9%. The equity ratio was 63.5% (year-end 2024: 64.1%). Forbo maintains a solid balance sheet with a net cash position of CHF 34.2 million at the end of June 2025 and a robust equity position. In addition, Forbo held treasury shares valued at CHF 59.6 million, based on the share price at the end of June 2025. The decline in cash was primarily due to the dividend payout of CHF 35.3 million, seasonal increases in net working capital, and investments in fixed assets.

### Sustainability

In the first half of 2025, Forbo further expanded its ESG reporting, including the application of recognized ESG standards and the quarterly measurement of emissions across the entire value chain (Scope 1–3). **Movement Systems** completed the transition to electricity from renewable sources and improved energy efficiency, while **Flooring Systems** continued to drive the implementation of its 2030 sustainability targets and made good progress in expanding the Flotex site in Hazleton, Pennsylvania (USA).

### Strong foundation, clear direction

Forbo remains committed to its proven strategy of recent years. With an attractive and competitive product portfolio across both divisions, the company continues to invest in sustainable offerings, growth markets, and enhanced digital customer experiences. Advancements in digitalization and production technologies support further efficiency gains, sustainability progress, and responsiveness to evolving customer needs. In addition, Forbo continues to explore external growth opportunities that offer clear strategic value.

### Group Executive Board

Following the Executive Board changes announced earlier – with Jens Fankhänel stepping down as CEO in April 2025 due to health reasons, and the departure of CFO Andreas Jaeger at the end of October 2025 – Forbo has taken prompt action to fill key executive roles to ensure continuity and stability. The CEO search is in an advanced stage, while the recruitment process for a new CFO has commenced. To bridge the temporary gap in the Group Executive Board, Forbo will appoint an experienced interim CFO ahead of Andreas Jaeger's departure.

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### **Focus areas for the second half of 2025**

Both divisions will remain focused on improving operational efficiency and enhancing profitability through disciplined cost management, optimized product portfolios, and better capacity utilization. Measures include addressing supply chain challenges, finalizing strategic production ramp-ups, and implementing price adjustments to respond to inflation and new tariffs. **Movement Systems** will also work on reorganizing the supply chain in Europe. Forbo will build on recent product and collection launches and continue investing in innovation, sustainability, and digital customer experience enhancements, while sharpening regional responsiveness to strengthen market performance and drive long-term value creation.

### **Outlook for the 2025 financial year**

With a solid balance sheet with a net cash balance, a robust equity position, and leading positions in targeted markets, Forbo is well equipped to navigate the ongoing challenging market environment – and well prepared to seize opportunities once the economic upswing emerges.

Assuming no further deterioration in the geopolitical or economic environment in the second half of 2025, Forbo anticipates a slight year-on-year decline in net sales (in local currencies) for the full financial year. Considering the costs associated with the initiatives and reorganization measures outlined above, Forbo anticipates a slightly improved profit in the second half of 2025 compared to the first half. However, for the full year 2025, the company expects a significant decline in profit versus the prior year.

More information: [forbo.com/en/investors](https://forbo.com/en/investors)

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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 5,200 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 1,122.0 million in the 2024 business year. The company is head-quartered 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).

### **Contact person:**

**Andrea Leiser**

**Head Corporate Marketing and Communications**

**Phone +41 58 787 25 73**

**[www.forbo.com](http://www.forbo.com)**

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### Financial overview of the Forbo Group

	First half 2025 CHF m	First half 2024 CHF m	Change	
			Corporate currency	Local currencies
<b>Net sales</b>	<b>546.9</b>	<b>570.3</b>	<b>-4.1%</b>	<b>-1.5%</b>
Flooring Systems	374.9	389.2	-3.7%	-1.4%
Movement Systems	172.1	181.2	-5.0%	-1.9%
<b>Operating profit before depreciation and amortization (EBITDA)</b>	<b>67.6</b>	<b>86.8</b>	<b>-22.1%</b>	
<b>EBITDA margin</b>	<b>12.4%</b>	<b>15.2%</b>		
<b>Operating profit (EBIT)</b>	<b>42.9</b>	<b>61.8</b>	<b>-30.6%</b>	
<b>EBIT margin</b>	<b>7.8%</b>	<b>10.8%</b>		
<b>Profit</b>	<b>33.4</b>	<b>48.4</b>	<b>-31.0%</b>	
	First half 2025	First half 2024		
<b>Earnings per share (undiluted)</b>	<b>CHF 23.70</b>	<b>CHF 34.36</b>	<b>-31.0%</b>	
	30.6.2025	31.12.2024		
<b>Equity ratio</b>	<b>63.5%</b>	<b>64.1%</b>		