

Q3 2024 Revenue:

Solid organic sales growth of +2.4%

Sports division grew at a sustained pace in the most important quarter of the year

Activity remained sluggish in flooring, particularly in EMEA and the CIS countries

Third quarter 2024 results

- Organic sales growth of +2.4% compared to Q3 2023, driven by an excellent performance in Sports and a slight increase in North America
- Sales prices were broadly stable over the quarter (-0.5%)
- Sports returned to sustained growth (i.e. +8.3% organic growth) after a slight dip in the second quarter
- In EMEA, sales volumes remained stable, the prices for some products were adjusted downwards in a still slow market
- In North America, sales rose moderately (+0.7%) on the back of higher volumes than in 2023, offsetting some adjustments to selling prices
- In the CIS and APAC regions, sales declined organically, while Latin America reported growth over the quarter

Paris, October 18th, 2024

The Supervisory Board of Tarkett (Euronext Paris: FR0004188670 TKTT), has reviewed the Group's consolidated sales for the third quarter of 2024.

The Group uses alternative performance indicators (not defined by IFRS) described in detail in the appendix to this document:

Revenue in millions of euros	Q3 2024	Q3 2023	Change	Of which Organic growth
EMEA	214.1	209.4	+2.2%	-2.2%
North America	218.7	228.4	-4.2%	+0.7%
CIS, APAC & Latin America	155.0	165.6	-6.4%	-2.9%
Sports	414.2	380.8	+8.8%	+8.3%
Total Group	1 002.0	984.3	+1.8%	+2.4%

1. Revenue of the third quarter 2024

Group net sales came to €1,002 million, up +1.8% compared to the third quarter of 2023. Organic growth reached +2.4%. Sales prices remained broadly stable over the year, with a slight decline of -0.5% compared to the third quarter of 2023.

The EMEA segment generated sales of €214 million, up +2.2% compared to the third quarter of 2023, including a favourable exchange rate effect of +0.7% and a scope effect of +3.8% (integration of activities in Ukraine previously included in the CIS zone), representing organic growth of -2.2%. New construction and renovation projects remain limited by the macroeconomic environment. Germany, Southern Europe and the Netherlands reported growth over the period, while business remained weak in France and Sweden. The selective adjustment of certain selling prices has limited the decline in volumes and even improved sales in certain product categories for the residential sector.

The North America segment posted sales of €219 million, down -4.2% compared to the third quarter of 2023, due to a negative currency effect linked to the depreciation of the dollar by -1.8% and a scope effect of -3.1% (disposal of Diamond W, a flooring distribution subsidiary in California). However, North America recorded organic growth of +0.7%. Business volumes in the Commercial segment held up well during the quarter, driven mainly by vinyl rolls, carpet tiles and LVT for the education, healthcare and office sectors. The Residential and Hospitality segments reported growth after a particularly low level of activity in 2023. Selling prices remained stable in the third quarter.

Sales in **the CIS, APAC and Latin America segment** came to €155 million, down -6.4% compared to the third quarter of 2023, with an organic decline in sales by -2.9% (excluding selling price effects in CIS countries), a positive exchange rate effect (+1.3%) and a scope effect of -4.8% (integration of Ukraine into the EMEA segment). In Russia, which accounts for around 7% of the Group's total sales, the market slowed sharply, with volumes down by -16% over the quarter and -12% over the first nine months of the year, adversely affecting organic growth in the region. APAC was down slightly, reflecting weaker sales in China, partly offset by good momentum in Australia. In Latin America, volumes improved over the quarter despite the unfavourable economic environment.

Business in **the Sports segment** has been very dynamic in the third quarter despite a high basis for comparison. Sales came to €414 million, up +8.8%, including +8.3% organic growth compared with the third quarter of 2023. Growth was also driven by the positive scope effect of +1.7% (acquisition in July 2024 of Classic Turf & Tracks, specialised in the construction of tennis courts and athletics tracks) and exchange rate effect is negative due to the depreciation of the dollar against the euro (-1.3%). The level of activity was particularly good for artificial turf and running tracks in North America, and artificial turf and hybrid fields installations in Europe were also very buoyant.

2. Outlook for the end of 2024 and short-term objectives

In an uncertain geopolitical and macroeconomic context, Tarkett managed to maintain a stable level of activity over the first nine months (-0.4% organic growth) and improved its performance in the most important quarter of the year (+2.4% organic growth in Q3).

The flooring market is showing no signs of recovery, despite the reduction of interest rates. Some European countries are still experiencing a major slowdown. The Group has introduced measures to simplify its organisation and adapt its production footprint to reduce fixed costs and maintain performance in the region.

In North America, leading indicators do not point to a rapid recovery in the Residential segment (15% of Group sales in North America). The Commercial segments are performing better, but there is no clear change in trend at this stage. Nevertheless, the Group has improved its positioning and turned around its performance in this region, which offers growth opportunities.

In the CIS, the Russian market slowed sharply in the first nine months of the year (down 12% in volume), and the Group does not expect the situation to improve in the near future.

Sports remains the most buoyant segment, driven by a market that continues to grow, although at a slower pace than in previous years. The Group intends to continue to strengthen its leadership position and is ready to consider additional external growth opportunities to extend its geographical coverage and add complementary products to its existing portfolio.

For 2024, Tarkett's objective is to achieve a solid improvement in financial performance (measured by the Adjusted EBITDA indicator) and to deliver significantly positive free cash flow to reduce debt and continue to improve debt leverage.

This press release may contain forward-looking statements. These statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets. These statements are by their nature subject to risks and uncertainties as described in the Company's Registration Document available on its website (<https://www.tarkett-group.com/en/category/urd/>). They do not reflect the future performance of the Company, which may differ significantly. The Company does not undertake to provide updates to these statements.

Financial calendar

- 20 February 2025: Financial results for Q4 and FY2024 – Press release after close of trading
- 24 April 2025: Financial results for Q1 2025 – Press release after close of trading

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About Tarkett

With a history of more than 140 years, Tarkett is a worldwide leader in innovative and sustainable flooring and sports surface solutions, generating turnover of € 3.4 billion in 2023. The Group has close to 12,000 employees, 23 R&D centers, 8 recycling centers and 34 production sites. Tarkett creates and manufactures solutions for hospitals, schools, housing, hotels, offices, stores and sports fields, serving customers in over 100 countries. To build "The Way to Better Floors," the Group is committed to circular economy and sustainability, in line with its Tarkett Human-Conscious Design® approach. Tarkett is listed on the Euronext regulated market (compartment B, ISIN: FR0004188670, ticker: TKTT) www.tarkett-group.com

Appendices

1/ Definition of alternative performance indicators (not defined by IFRS)

- Organic growth measures the change in net sales compared with the same period of the previous year, excluding the effect of exchange rates and changes in the scope of consolidation. The currency effect is obtained by applying the previous year's exchange rates to the current year's sales and calculating the difference with the current year's sales. It also includes the effect of price adjustments in CIS countries designed to offset changes in local currencies against the euro.
- The effect of changes in Group structure comprises:
 - current-year sales generated by entities not included in the scope of consolidation over the same period in the previous year, up to their anniversary date of consolidation,
 - the reduction in sales relating to divested businesses, not included in the scope of consolidation for the current year but included in sales for the same period in the previous year, until the anniversary date of the divestment.

Revenue in millions of euros	2024 Revenue	2023 Revenue	Change	Of which volume	Of which selling price	Of which selling price in CIS	Of which exchange rate effect	Of which scope effect
Total Group Q1	668.1	698.5	-4.3%	-2.3%	-0.3%	+0.5%	-2.2%	+0.0%
<i>Of which organic growth</i>				-2.7%				
<i>Of which selling price increase</i>					+0.2%			
Total Group Q2	890.5	909.8	-2.1%	-1.7%	-0.2%	+0.4%	-0.7%	+0.0%
<i>Of which organic growth</i>				-1.8%				
<i>Of which selling price increase</i>					+0.2%			
Total Group S1	1 558.7	1 608.3	-3.1%	-2.1%	-0.2%	+0.4%	-1.3%	+0.0%
<i>Of which organic growth</i>				-2.2%				
<i>Of which selling price increase</i>					+0.2%			
Total Group Q3	1 002.0	984.3	+1.8%	+2.9%	-0.5%	+0.3%	-0.8%	-0.1%
<i>Of which organic growth</i>				+2.4%				
<i>Of which selling price increase</i>					-0.2%			
Total Group 9M	2 560.7	2 592.6	-1.2%	-0.1%	-0.3%	+0.4%	-1.1%	+0.0%
<i>Of which organic growth</i>				-0.4%				
<i>Of which selling price increase</i>					+0.1%			

Revenue in millions of euros	9M 2024	9M 2023	Change	Of which organic growth	Organic change incl. CIS price changes (1)
EMEA	653,4	652,5	+0,1%	-3,2%	-3,2%
North America	665,0	686,4	-3,1%	-1,2%	-1,2%
CIS, APAC & Latin America	398,8	443,5	-10,1%	-3,4%	-1,1%
Sports	843,5	810,1	+4,1%	+4,1%	+4,1%
Total Group	2 560,7	2 592,6	-1,2%	-0,4%	-0,1%

2/ Bridge in millions of euros 2023-2024

Q3 2023	984.3
+/- EMEA	-4.7
+/- North America	+1.5
+/- CIS, APAC & Latin America	-4.9
+/- Sports	+31.5
Q3 2024 at constant scope and exchange rates	1 007.7
+/- Scope effect	-0.4
+/- Currencies	-9.5
+/- « Lag effect » in CIS	+4.3
Q3 2024	1 002.0

9M 2023	2 592.6
+/- EMEA	-21.1
+/- North America	-8.5
+/- CIS, APAC & Latin America	-14.9
+/- Sports	+32.8
9M 2023 Like-for-Like	2 580.8
+/- Scope effect	-0.5
+/- Currencies	-11.1
+/- « Lag effect » in CIS	-8.6
9M 2024	2 560.7
