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PAGE 1 OF 3

Forbo presents transformation roadmap and 2029 financial targets at its first Capital Markets Day

Sustainable profitable growth, strengthening financial performance and disciplined capital allocation are at the core of Forbo's transformation

- **Sharper customer and market-segment focus, sales performance management and investments to drive above-market growth**
- **Operational excellence, productivity gains and disciplined pricing to improve profitability**
- **Strengthening culture, people development and innovation to reinforce Forbo's core**
- **2029 financial targets: 3-5% average annual net sales growth in local currencies; EBIT margin above 10%**
- **Disciplined capital allocation, stronger cash generation and continued attractive shareholder distributions**

Forbo Group, Baar, October 21, 2026

Forbo today holds its first Capital Markets Day in Zurich, presenting investors, financial analysts and media representatives with a comprehensive update on the Group's transformation roadmap, divisional priorities and medium-term financial targets.

Forbo's transformation is designed to return the Group to **sustainable profitable growth and stronger financial performance**. The Group operates in markets with attractive fundamentals and sees significant potential to improve execution as this lies within the Group's own control.

The transformation has three priorities: **delivering sustainable profitable growth, regaining financial strength, and strengthening Forbo's culture, people development and innovation pipeline**. Together, these priorities provide the foundation for stronger competitive positions, improved profitability and sustainable long-term value creation.

Sharper customer and market focus

Forbo will move from a predominantly product-oriented approach towards a clear customer and market-segment focus. Market segments will become the leading dimension for business steering, go-to-market strategies, innovation and investment decisions.

To achieve profitable growth, Forbo will strengthen sales performance management and invest in attractive growth opportunities from 2027 onward.

At the same time, the Group will improve its operational performance through enhanced customer service and quality, optimized core processes and production networks, and disciplined productivity management. Sales initiatives will further support margin improvement through an optimized product and customer mix, value-based pricing, and disciplined discount and rebate management.

MEDIA RELEASE

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

PAGE 2 OF 3

Digitalization will enable improvements across all functions, including the planned transition to SAP S/4HANA and further digitalization of core business processes.

Clear priorities for Flooring Systems and Movement Systems

Both divisions will contribute to the Group's profitable growth targets, with differentiated strategies reflecting their respective market opportunities and operational priorities.

Flooring Systems will further build on its differentiated product and solution portfolio and direct sales capabilities, with increased focus on attractive market segments like industry or demanding hospitality and leisure segments, and closer engagement with end customers and specifiers.

Movement Systems will leverage their technological capabilities, global footprint, direct sales and service capabilities, with particular emphasis on growth opportunities in food, logistics, industrial production and raw materials.

2029 financial targets

Forbo has defined clear medium-term financial targets to translate its strategic priorities into measurable financial outcomes.

For 2027–2029, the Group targets **average annual net sales growth of 3%–5% in local currencies**, excluding any major economic slowdown, and aims to outgrow its underlying markets. By 2029, Forbo targets an **EBIT margin above 10%**.

The divisional financial targets reflect their respective growth opportunities and profitability improvement potential:

- For 2027–2029, Flooring Systems targets average annual net sales growth of 3%–5% in local currencies, while Movement Systems targets 4%–6% in local currencies.
- By 2029, both divisions and the Group aim to achieve an EBIT margin above 10%.

Johannes Huber, CEO of Forbo, said: "Today marks an important milestone for Forbo. Forbo has strong market positions, differentiated products, an engaged team and significant untapped potential. Our priority is to translate these strengths into sustainable profitable growth. We are sharpening our customer and market focus, strengthening sales and operational execution, and investing in future growth. With clear priorities, measurable targets and accountability across both divisions, we are committed to unlocking Forbo's full potential and creating sustainable value for our customers, employees and shareholders."

Disciplined capital allocation

Capital allocation will remain an integral part of Forbo's value creation framework. The Group's priorities are to invest in profitable organic growth, maintain an attractive dividend and evaluate M&A opportunities selectively. Forbo intends to maintain a dividend payout ratio of 40%–50% of profit.

Heinz Hössli, CFO of Forbo, said: "Our financial framework sets clear priorities for growth, profitability and capital allocation. We will combine disciplined investment in the business with a strong focus on returns and shareholder distributions. The 2029 targets provide a transparent framework for measuring our progress."

MEDIA RELEASE

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

PAGE 3 OF 3

The Capital Markets Day presentation is available on Forbo's corporate website at <https://www.forbo.com/corporate/en-gl/investors/capital-market-day/ppgwde>.

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About Forbo

Forbo is a leading producer of floor coverings, building and construction adhesives, and belts for power transmission and lightweight conveyor technology. For its customers, the company offers tailored solutions that stand out for their functionality, quality, design, and sustainability. The company employs about 5,100 full-time equivalents 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).

Disclaimer

This press release contains forward-looking statements, including statements on Forbo's medium-term financial targets. These statements are based on current expectations and assumptions and are subject to risks and uncertainties that could cause actual results to differ materially. Forbo assumes no obligation to update forward-looking statements.