

Q1 2022 Net Sales:

Solid performance driven by sustained activity and the acceleration in selling price increases

Results for the first quarter 2022

- Strong increase in revenue up by +22.5% compared to Q1 2021, of which +12.9% in selling price increases, +6.4% volume and +3.3% exchange rate effect
- Sustained volumes in North America with a slight decrease in EMEA and the CIS
- Very good start to the year in the Sports segment with a particularly high backlog
- Step-up in selling price increases, +15% reached in March (compared to March 2021), offsetting 95% of the inflation in purchasing costs
- Continued inflation in raw materials driven by the increase in energy prices - New selling price increases announced aiming at offsetting the impact of inflation in purchasing costs in 2022

Paris, 27 April 2022: The Supervisory Board of Tarkett (Euronext Paris: FR0004188670 TKTT), which met today, reviewed the Group's consolidated net sales for the first quarter of 2022.

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

Revenue in millions of euros	Q1 2022	Q1 2021	Change	Of which organic growth	Organic change including price changes in CIS ⁽¹⁾
EMEA	238.4	220.5	+8.1%	+8.6%	+8.6%
North America	204.2	160.4	+27.3%	+18.1%	+18.1%
CIS, APAC & Latin America	133.6	112.5	+18.7%	+0.5%	+20.5%
Sports	108.5	65.4	+66.0%	+55.7%	+55.7%
Group Total	684.7	558.8	+22.5%	+15.2%	+19.2%

(1) Selling price adjustments in the CIS countries are historically intended to offset currency movements and are therefore excluded from the "organic growth" indicator (see Appendix 1). Significant price increases were implemented in 2021 and 2022 to offset the effects of inflation in purchasing costs, therefore the Group also measures the change in like-for-like sales including price adjustments in the CIS countries.

1. Revenue for the first quarter 2022

Net revenue was 685 million euros, up by +22.5% compared to the first quarter of 2021. Organic growth reached +19.2% including selling price increases in the CIS countries implemented to offset the inflation in purchasing costs and the devaluation of the rouble ⁽¹⁾. The total effect of the selling price increases implemented across all segments is +12.9% on average compared to the first quarter of 2021.

The EMEA segment achieved revenue of 238 million euros, an increase of +8.1% compared to the first quarter of 2021 due to the acceleration of selling price increases. Volumes fell slightly given anticipated orders in December 2021 ahead of selling price increases, as well as a selective approach in the Residential segment due to a procurement environment for raw materials that remains strained. Commercial sales are more sustained, mostly due to the good performance of luxury vinyl tiles and commercial carpets.

The North America segment reported revenue of 204 million euros, an increase of +27.3% compared to the first quarter of 2021, reflecting solid like-for-like growth of +18.1% and a positive exchange rate effect. Volumes and selling prices contributed to organic growth, particularly sustained in the Commercial Health and Education segments using vinyl or rubber accessories and flooring. Business in the office and hospitality segments was also strong, confirming the positive trend seen in the fourth quarter of 2021.

Revenue in the **CIS, APAC and Latin America segment** was 134 million euros, an increase of +18.7% compared to the first quarter in 2021 despite a negative foreign exchange effect linked to the rouble, partially offset by the appreciation of the Brazilian real. Like-for-like sales increased by +0.5%, or +20.5% including selling price increases in the CIS countries implemented to offset inflation and the devaluation of the rouble.

Volumes are falling in the CIS due to the cessation of sales in Ukraine since the beginning of the conflict on 24 February 2022 and slower business in Russia and Kazakhstan. Beyond selling price increases planned for the beginning of the year, an additional significant increase was rolled out urgently in Russia in early March to offset the devaluation of the rouble. Sales in Russia made up approximately 9% of total Group sales in the first quarter of 2022. The APAC region is growing and the LATAM region achieved an excellent quarter with strong growth in volumes while maintaining higher price levels.

As expected, business grew strongly in the **Sports segment**. Revenue was 109 million euros, up by +66.0% and including +55.7% organic growth compared to the first quarter of 2021. North America is the strongest geographical region thanks to sustained demand and success of the Tarkett range. Backlog remains at a particularly high level.

2. 2022 Environment and Outlook

The macroeconomic environment and the geopolitical situation in Ukraine and Russia have created a particularly unpredictable situation and make it difficult to assess the change in demand across our different markets.

The Group unequivocally condemns the war in Ukraine and is monitoring the situation closely. Since the beginning of the conflict, priority has been given to the safety of teams in Ukraine with whom daily contact is maintained. Tarkett is actively supporting its 375 employees and their families, notably with salary continuance and temporary accommodation measures. The Group has also set up an internal solidarity fund allowing to provide financial aid to the teams based in Ukraine. Sales have resumed at a very slow pace, however the production site located in the west of the country is currently able to continue operating.

In Russia, the Group has been producing flooring for the Residential market for over 20 years. Aware of its responsibility as an employer, particularly to its 1,550 local employees, the Group continues to operate in the country in full compliance with international & local regulations. However, the Group has frozen all significant new investments in Russia. Anticipating a fall in demand and increase in supply restrictions, the Group expects a marked slowdown in the second quarter, although it is currently impossible to quantify.

In Europe, the combination of inflation and the geopolitical situation could affect demand, particularly in the Residential segment. Trends at the beginning of the year were stronger in North America, however the Residential segment could also level off. In Sports, a good level of business is expected throughout the year due to the good backlog.

(1) Price adjustments in the CIS are historically implemented to offset currency fluctuations and therefore excluded from organic growth. Excluding those price adjustments, organic growth reached +15.2% (see Appendix 1).

Tarkett is continuing the roll out of new product ranges and its ambitious circular economy strategy, notably with innovative and significant investments in its recycling capabilities. The Group also announced its new Climate Roadmap for 2030 with the objective to reduce greenhouse gas emissions from its entire value chain by 30% and increase the recycled content of its products to 30% by 2030. These objectives will be assessed and approved by the independent organization Science Based Targets (SBTi) by the end of the year.

Actions to reduce the cost structure are well underway and the Group is forecasting around 30 million euros of annual structural savings in 2022.

The significant increase in oil and energy prices will contribute to the increase in purchasing costs now valued at 250 million euros compared to 2021 (against an estimated 220 million euros at the beginning of the year).

The Group continues to implement selling price increases across all its geographies to offset the effect of increased purchasing costs over the year. At the current level of purchasing prices, the Group is targeting a neutral inflation balance over the year (selling price effect compared to 2021 minus purchasing price effect).

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 (www.tarkett-group.com). 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

- 29 April 2022: Annual Shareholder meeting
- 26 July 2022: H1 2022 financial results - *press release after close of trading*
- 25 October 2022: Q3 2022 Net Sales - *press release after close of trading*

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About Tarkett

With a 140-year history, Tarkett is a worldwide leader in innovating flooring and sports surface solutions, with revenue of 2.8 billion euros in 2021. Offering a wide range of products, including vinyl, linoleum, rubber, carpet, parquet and laminates, artificial grass and athletic tracks, the Group serves its customers in over 100 countries worldwide. Tarkett has more than 12,000 employees and 34 industrial sites, and sells 1.3 million square metres of flooring every day for hospitals, schools, housing, hotels, offices or shops and sports fields. Committed to changing the game with circular economy and to reducing its carbon footprint, the Group has implemented an eco-innovation strategy based on Cradle to Cradle® principles, aligned 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 under IFRS)

- **Organic growth** measures the change in revenue as compared with the same period in the prior year, outside of the exchange rate effect and changes in scope. The exchange rate effect is obtained by applying the prior year's exchange rate to sales for the current year and calculating the difference with sales for the current year. It also includes the effect of price adjustments in the CIS countries intended to offset the change in local currencies against the euro.
- **The effect of changes in scope** is composed of:
 - current year sales by entities not included in the scope of consolidation in the same period of the prior year, until the anniversary of their consolidation;
 - the reduction in sales due to discontinued operations that are not included in the current year's scope of consolidation but were included in sales for the same period of the prior year, until the anniversary of their disposal.

In millions of euros	Q1 2022 revenue	Q1 2021 revenue	Change	Of which volume	Of which selling prices	Of which CIS selling prices	Of which exchange rate effect	Of which effect of changes in scope
Group Total Q1	684.7	558.8	+22.5%	+6.4%	+8.8%	+4.1%	+3.3%	-
<i>Of which organic growth</i>				+15.2%				
<i>Of which selling price increases</i>					+12.9%			

2/ Bridges in millions of euros Q1 2022

Revenue by segment

Q1 2021	558.8
+/- EMEA	+19.0
+/- North America	+29.1
+/- CIS, APAC & Latin America	+0.5
+/- Sports	+36.2
Q1 2022 Like-for-like	643.7
+/- Scope effect	+0.2
+/- Currencies	+22.8
+/- Lag effect in CIS	+18.0
Q1 2022	684.7
