Investor Meetings
Q1 2020 Financial Results
Resilient Adjusted EBITDA in spite of slightly lower revenues

Q1 2020 earnings

Net sales: -2.2%

Organic growth\(^{(1)}\)
-2.9%

€625m  Q1 2019
€611m  Q1 2020

Adjusted EBITDA\(^{(2)}\) and margin

6.9%  Q1 2019
6.9%  Q1 2020

€43.1m  Q1 2019
€42.4m  Q1 2020

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\(^{(1)}\) Organic growth or like-for-like revenue growth: at constant scope of consolidation and exchange rates (note that in the CIS segment, price increases implemented to offset currency fluctuations are not included in organic growth, which only reflects changes in volumes and the product mix).

\(^{(2)}\) Adjusted EBITDA: adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.
Covid-19 situation at Tarkett
As of April 28, 2020

North America
- All sites running except one in Canada (restart planned May 4th)
- 1 site in the US temporarily shut down early April, reopened since then
- Reduced capacity
- Furlough, home office

Sports
- All sites running
- Home office

Latin America
- Factory operating
- Home office

EMEA
- All sites running, but one temporarily shut down late April
- Reduced capacity
- Short-time work, temporary lay-offs
- Home office

CIS countries
- 2 sites in Russia temporarily stopped
- Reduced working time
- Home office

APAC
- China: 2 sites resumed production late March
- Still some supply-chain disruptions
- Home office
Ensuring business continuity

Complying with local regulations to run the business and serve our customers

Focus on Health and Safety
- Social distancing measures
- Workplace and shift pattern adaptation
- Protective equipment and disinfection procedures deployed in all sites

Enable all sites to keep shipping
- Social dialog and safety measures allowing to maintain operations
- Warehouses still open in temporarily closed production sites

Maintain solid customer relationships
- Customer services fully available in all geographies
- Project specifications remotely conducted
- Expedite deliveries for field hospitals
- Focus on our customers’ e-commerce channels and use of our BtoB portals
Recently won projects

Workplace
2 large international companies
Germany
Carpets
Company 1: 34,000 m²
Company 2: 18,000 m²

Workplace
Insurance & asset management company
Rotterdam
Carpet, ReStart & Recycling
~38,000 m²
June 2020 – Dec 2021

Sports
University of Washington
Dempsey indoor
FieldTurf Classic HD

Workplace
Large utility company
USA
Carpet, LVT, Wall base

Tarkett - Investor Meetings – Q1 2020 Financial Results - April 2020
Tarkett equips covid-19 hospitals & care centers (1/2)

**China**
Wuhan & Shenzen
Emergency hospital built in only 20 days in Wuhan
Several other hospitals in Shenzhen

**Italy**
Milano
Intensive Care Unit
8,000 sqm
200 beds
In addition: ~30,000 sqm of flooring installed in other hospitals across the country

**Spain**
Madrid
Equipment of several medicalized hotels, including a donation of 1,000 sqm of vinlyl flooring (iQ Optima)

**UK**
London
ExCeL Exhibition centre field hospital
97,000 sqm
4,000 beds facility
Delivered in 48 hours
Tarkett equips covid-19 hospitals & care centers (2/2)

Serbia
Novi Sad - Fair converted into a field hospital
4,000 sqm
Floor installed by Tarkett employees

USA
Cranston care facility – Rhode Island – NY
8,500 sqm
Delivered in 48 hours

Turkey
2 hospitals (prefabricated)
120,000 sqm
2,000 beds

USA
Sanitizer bottles produced by Beynon - Maryland
Medical gowns sewn at Kraft Drive – Georgia
Strong focus on cost reduction and cash preservation in the wake of the coronavirus crisis

Mitigate negative impacts on the profitability

**Pursue strategic initiatives to reduce cost structure**
- SG&A savings program on track
- Productivity gains and SG&A cost reduction of c. €8m in Q1
- Capex maintained for a selection of productivity projects (automation)

**Deploy actions to adapt to lower activity since mid-March**
- Temporary lay-offs and reduction in working time
- Hiring freeze
- Drastic reduction of discretionary costs
- Cancellation of projects
- Reduction in top management compensation

**Preserve cash-flows through a vigorous set of measures**
- Capex reduction: €80m vs. €125m in 2019, down 36%
- Deferral of taxes and social charges
- Strict management of working capital
- Cancellation of the initially proposed dividend
Well-positioned to benefit from the recovery

1. **Balanced portfolio** between geographies, end markets and channels

2. **A local business model** – regional manufacturing & supply, low reliance on long-distance imports

3. **Flexible manufacturing processes**, allowing social distancing in plants and rapid production ramp up

4. **Leadership positions in Healthcare / Aged care** – key segments to benefit from increased public investment

5. Long term commitment to **circular economy**
Financials

Raphaël Bauer
CFO
Q1 organic growth penalized at the end of March: -2.9% in €m

(1) Like for Like: At same perimeter and exchange rates. (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

(2) Lag effect: Net of currency impact and selling prices adjustments in the CIS countries
- **Organic growth** in line with expectations until mid-March (flat+)

- Second part of March affected by lockdown measures, particularly in Southern Europe (France, Spain, Italy)

- Nordic region remained dynamic and Germany grew slightly during the quarter

- Several manufacturing sites temporarily shutdown late March

- All sites but one running as of April 28th but operating at lower capacity

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**Net sales**

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>239</td>
<td>228</td>
<td>-4.7%</td>
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</tbody>
</table>

(1) Organic growth: At same perimeter and exchange rates.
North America Q1 2020

in €m

Net sales

- Like-for-like revenues slightly better than anticipated
- Improving trends in volume and mix during Q1 after a depressed Q4 2019
- Growth in commercial carpet excluding hospitality, already hit by travel restrictions in Q1
- Residential activities down year-over-year
- Limited impact of the lockdown measures implemented late March - Construction considered essential in many states
- Manufacturing site in Canada stopped and one site in the US temporarily closed mid-April, reopened since then

(1) Organic growth: At same perimeter and exchange rates.

Tarkett - Investor Meetings – Q1 2020 Financial Results - April 2020
CIS, APAC & Latam Q1 2020

in €m

Net sales

- **Russia & CIS**
  - Stable activity
  - Selling prices maintained, offsetting currency effect
  - No impact of the coronavirus crisis as lockdown started in April

- **Latin America**
  - Dynamic sales until mid-March
  - Selling price increases to mitigate Brazilian real depreciation
  - End of quarter penalized by lockdown measures

- **Asia-Pacific**
  - China down in February, but started recovering in March
  - Reopening of the manufacturing sites in March

(1) Organic growth: At same perimeter and exchange rates.
(NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).
Sports Q1 2020

in €m

Net sales

- Like-for-like revenues down 3% in this seasonally low quarter
- Slight growth in North America in spite of a tough comparison basis and some delays due to weather conditions
- EMEA activity affected by the covid-19 outbreak with several projects halted in the second half of March
- Slowdown in Australia due to bush fires and lockdown measures

(1) Organic growth: At same perimeter and exchange rates.
Q1 Adjusted EBITDA: stable year-over-year in €m

Adj. EBITDA margin

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<tbody>
<tr>
<td>Costs reduction (+€7.7m)</td>
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<tr>
<td>Adj. EBITDA margin</td>
<td>6.9%</td>
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(1) Lag effect: Net of currency impact and selling prices adjustments in the CIS countries

Tarkett - Investor Meetings – Q1 2020 Financial Results - April 2020
Solid level of liquidity

in €m

CREDIT LINES AS OF 31/03/2020:

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Utilisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Syndicated Revolving Credit Facility</td>
<td>700</td>
</tr>
<tr>
<td>Private Placement Schuldschein</td>
<td>614</td>
</tr>
<tr>
<td>Uncommitted credit lines</td>
<td>101</td>
</tr>
<tr>
<td>Gross Debt (excl. IFRS16 lease liability)</td>
<td>1,413</td>
</tr>
<tr>
<td>Cash</td>
<td></td>
</tr>
<tr>
<td>(Net Debt excl. IFRS 16 lease liability)</td>
<td></td>
</tr>
</tbody>
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- **Targeted leverage ratio** (1.6x to 2.6x at end of the year) suspended for 2020, as announced on April 8th

ONGOING DISCUSSIONS WITH BANKS:

- **Waiver of financial covenants** under discussion for June and December 2020
- **Short term credit facility** under review with key banks
- **PGE (Prêt garanti par l’Etat)** under preparation. Expected amount of €70 million
2020 Outlook

Fabrice Barthélemy
CEO
2020 Outlook

- **Tarkett Outlook 2020**
  - Activity penalized by pandemic spread and lockdown, in particular in Q2
  - Revenues expected to be down around -40% in April
  - Cost reduction and raw material prices to mitigate negative impacts of reduced demand and production disruptions
  - Adjusted EBITDA to be affected in Q2 and FY 2020, leverage ratio target suspended for 2020 as announced on April 8th

- **Tarkett key priorities for 2020**
  - Protect the health and safety of employees and partners
  - Ensure the continuity of production with the required level of service to customers
  - Drastically reduce costs to mitigate negative impacts on the profitability
  - Manage cash tightly to preserve liquidity
  - Pursue strategic initiatives of the Change to Win plan, including long term commitment to circular economy
Q&A Session

Fabrice Barthélemy
CEO
Appendices
Complementary products and attractive end-markets exposure

**Net sales by product categories**
- Vinyl & Linoleum: 45%
- Commercial Carpet: 18%
- Sports: 22%
- Rubber & Accessories: 8%
- Wood & Laminate: 7%

**Net sales by end-markets**
- Renovation: 80%
- New construction: 20%
- Commercial: 70%
- Residential: 30%
Net sales by segment and geographies

in % 2019 turnover

Net sales by reporting segments

- North America: 28%
- Sports: 22%
- EMEA: 30%
- CIS, APAC & LATAM: 20%

Net sales by geographies

- North America (incl. Sports): 46%
- EMEA: 34%
- CIS, APAC & LATAM: 20%

80% in North America
20% in EMEA
Russia: consumer confidence, real retail sales and real wages

Source: Rosstat.
Tarkett - Investor Meetings – Q1 2020 Financial Results - April 2020
## Sales performance and adjusted EBITDA by quarter in €m

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>Q1 2020</th>
<th>Q1 2019</th>
<th>% growth</th>
<th>Organic growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMEA</strong></td>
<td>227.7</td>
<td>239.0</td>
<td></td>
<td>-4.7%</td>
<td>-3.7%</td>
</tr>
<tr>
<td><strong>North America</strong></td>
<td>196.1</td>
<td>195.8</td>
<td></td>
<td>+0.2%</td>
<td>-2.8%</td>
</tr>
<tr>
<td><strong>CIS, APAC &amp; LATAM</strong></td>
<td>109.7</td>
<td>112.5</td>
<td></td>
<td>-2.5%</td>
<td>-1.1%</td>
</tr>
<tr>
<td><strong>Sports</strong></td>
<td>77.1</td>
<td>77.2</td>
<td></td>
<td>-0.0%</td>
<td>-3.3%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>610.7</td>
<td>624.5</td>
<td></td>
<td>-2.2%</td>
<td>-2.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>Q1 2020</th>
<th>Q1 2019</th>
<th>Q1 2020 Margin</th>
<th>Q1 2019 Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>42.4</td>
<td>43.1</td>
<td>6.9%</td>
<td>6.9%</td>
<td></td>
</tr>
</tbody>
</table>
## Adjusted EBITDA before IFRS 16 application in €m

<table>
<thead>
<tr>
<th></th>
<th>Q1 2020</th>
<th>Q1 2019</th>
<th>Q1 2020 margin</th>
<th>Q1 2019 margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA excl. IFRS 16</td>
<td>34.6</td>
<td>35.8</td>
<td>5.7%</td>
<td>5.7%</td>
</tr>
<tr>
<td>IFRS 16 impact</td>
<td>7.8</td>
<td>7.3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Reported adjusted EBITDA</td>
<td>42.4</td>
<td>43.1</td>
<td>6.9%</td>
<td>6.9%</td>
</tr>
</tbody>
</table>
Shareholder composition

As of March 31, 2020

- Deconinck family group: 51.26%
- Free float: 47.93%
- Treasury shares: 0.81%
Executive Committee
An international, diverse & entrepreneurial leadership team

- Customer-driven culture
- Operational agility thanks to a decentralized and aligned organization

Fabrice Barthélemy
CEO and President of the Management Board

Eric Daliere
Tarkett Sports President

Jeff Fenwick
North America President

Slavoljub Martinovic
Eastern Europe President

Francesco Penne
EMEA & LATAM President

Pierre Barrard
EVP Strategic Marketing, Digital & Innovation

Raphaël Bauer
Chief Financial Officer

Séverine Grosjean
EVP Group Human Resources

Wendy Kool-Foulon
Group General Counsel

Gilles Lebret
VP Customer Operations Group CIO

Antoine Prevost
EVP Research & Development and Operations

Executive Committee
An international, diverse & entrepreneurial leadership team

- Customer-driven culture
- Operational agility thanks to a decentralized and aligned organization
Disclaimer

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