



# DELIVERING ON OUR COMMITMENTS

**2025 Full Year Results**

**5 March 2026**

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## Rounding

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

# AGENDA

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01. Highlights

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02. Financial Results

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03. Strategic Update

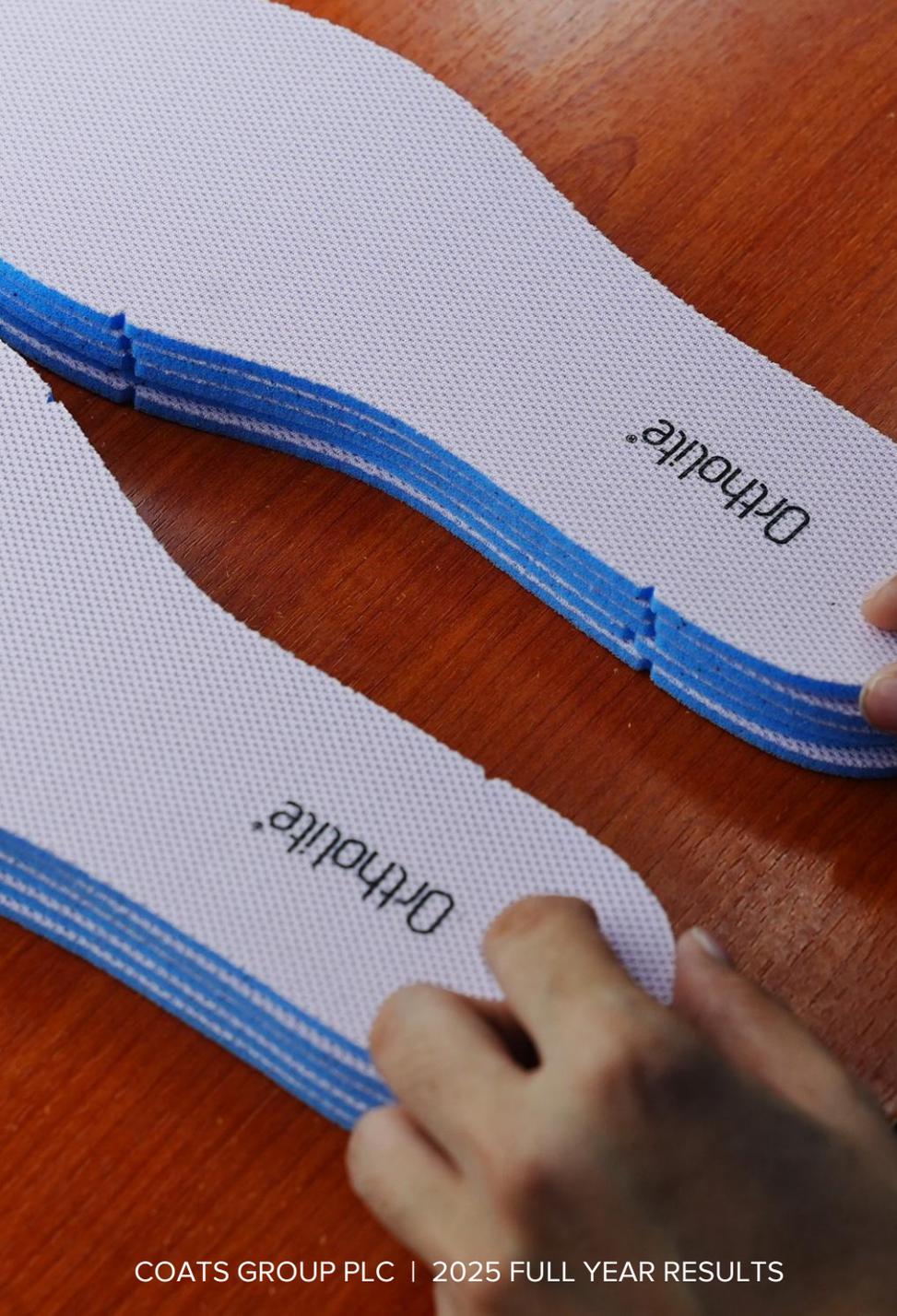
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04. Summary & Outlook

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05. Appendix





# 2025 HIGHLIGHTS



## SIGNIFICANT STRATEGIC PROGRESS MADE, WELL POSITIONED FOR 2026 AND BEYOND

Improved quality of the portfolio - OrthoLite acquisition & US Yarns disposal

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Gained further market share - Coats competitive differentiators proven

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Strong growth from organic adjacencies led by Safety Fabrics

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Record & substantial free cash flow of \$160m, ahead of expectations

# 2025 FINANCIAL RESULTS

## RESILIENT PERFORMANCE IN CHALLENGING MARKETS



**Revenue**<sup>1</sup>  
\$1,465m  
flat organic CER  
  
(2024: \$1,433m)



**EBIT**<sup>1</sup>  
\$290m  
+3% organic CER  
  
(2024: \$272m)



**EBIT Margin**<sup>1</sup>  
19.8%  
+80bps  
  
(2024: 19.0%)



**EPS**<sup>1</sup>  
9.3c  
  
(2024: 9.7c)



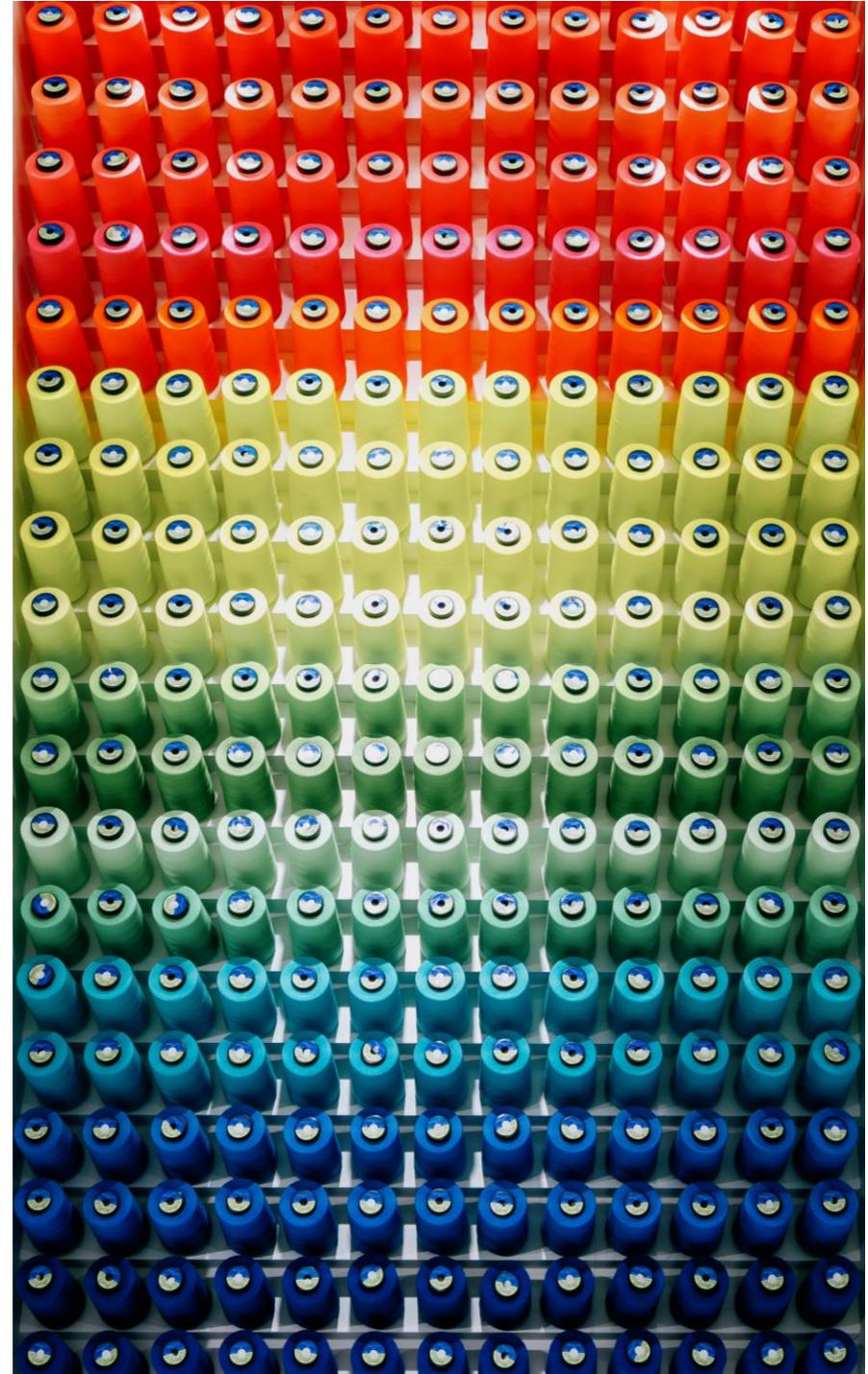
**Free Cash Flow**<sup>2</sup>  
\$160m  
  
(2024: \$2m)



**Leverage**  
2.2x  
  
(2024: 1.5x)

1. Continuing operations only (excluding Americas Yarns)

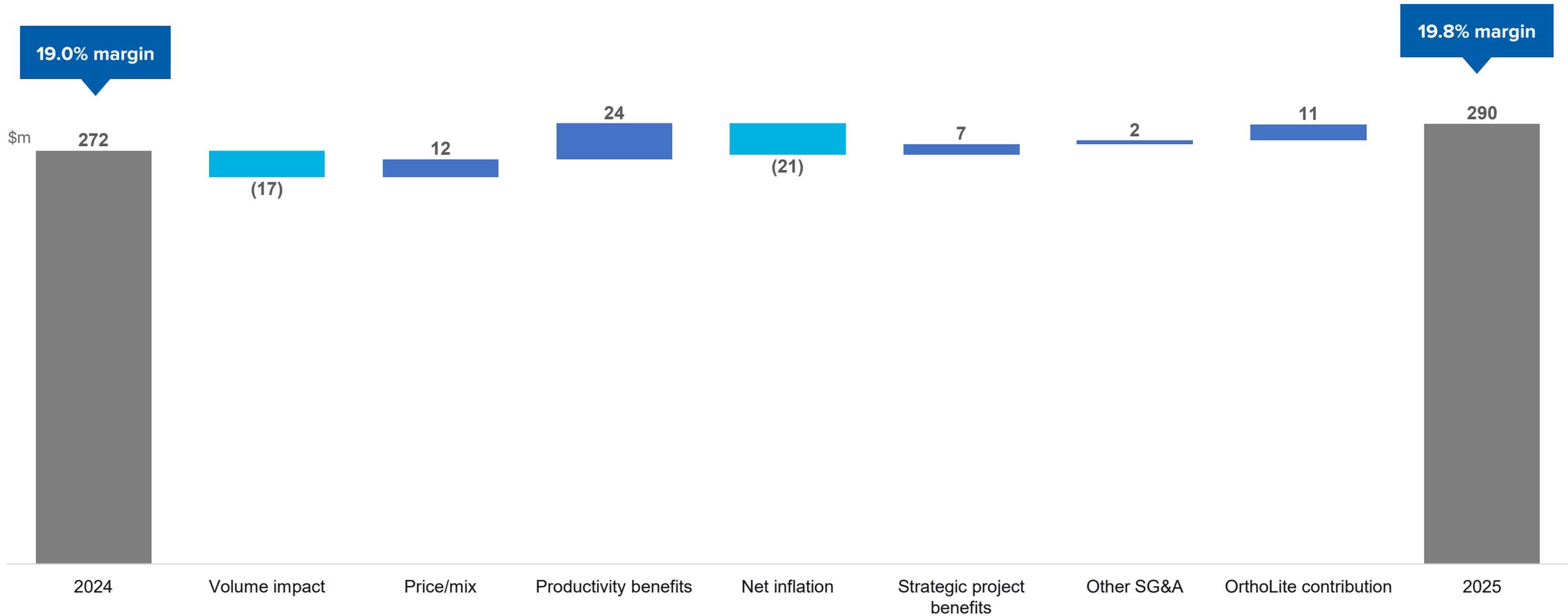
2. Free cash flow after interest, tax, minority interests and exceptionals, before dividend distribution and M&A



# OPERATING MARGIN BRIDGE



DECISIVE ACTIONS DELIVERING STRONG PROGRESS

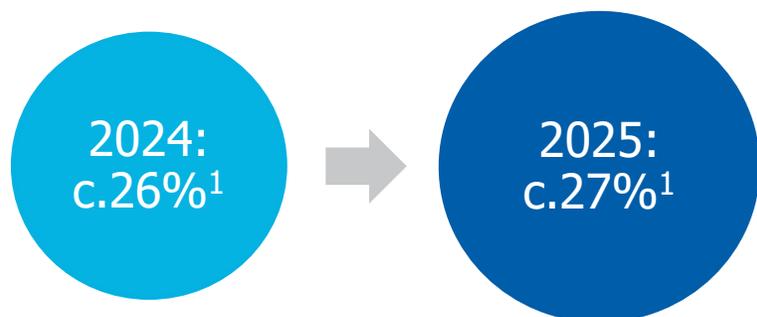




## FINANCIAL PERFORMANCE

\$m	FY 25	FY 24	Organic
<b>Revenue</b>	769	770	+1%
<b>EBIT</b>	156	151	+4%
<b>EBIT (%)</b>	20.2%	19.6%	

## GAINING MARKET SHARE



1. Coats' estimates

## A STRONG PERFORMANCE

Continuing to win share with major brands with focus on service

Revenue growth outperforming core end markets (estimated down c.3%)

Strong growth in recycled threads

Operational agility delivers success in Chinese domestic market

Margin expansion reflecting price discipline, mix and cost control

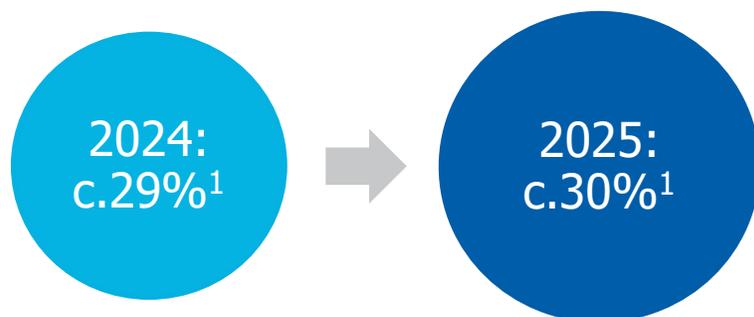
# FOOTWEAR



## FINANCIAL PERFORMANCE

\$m	FY 25	FY 24	Organic
<b>Revenue</b>	440	403	-2%
<b>EBIT</b>	105	95	0%
<b>EBIT (%)</b>	23.9%	23.5%	

## GAINING MARKET SHARE



1. Coats' estimates excluding OrthoLite

## RESILIENT PERFORMANCE, FURTHER MARGIN INCREASE

Continued end markets outperformance (estimated down c.4-5%)

Good trading until April followed by cautious customer ordering

Effective pricing strategy

Site consolidation and ramp up of Indonesia manufacturing improving margins

OrthoLite performance in line with expectations

# PERFORMANCE MATERIALS



## FINANCIAL PERFORMANCE

\$m	FY 25 <sup>1</sup>	FY 24 <sup>1</sup>	Organic
<b>Revenue</b>	256	260	0%
<b>EBIT</b>	29	26	10%
<b>EBIT (%)</b>	11.3%	10.2%	

## RETURN TO GROWTH IN H2, IMPROVED MARGINS

Market share gains in the Automotive sector

Accelerated growth in two target adjacencies: Safety Fabrics and Composite energy tapes

*Organic margin +100 bps reflecting operational improvement actions. Q4 margin run rate: 11.8%*

Exit from non-core US Yarns business in H1 improves quality of portfolio

Viz Reflectives ("VizLite") bolt-on acquisition accelerates Safety Fabrics growth strategy

# INCOME STATEMENT



## Exceptional / acquisition related items

Exceptionals: \$1.8m (2024: \$26.1m) with strategic projects now complete  
 Acquisition related: \$27.0m amortisation of acquisition intangibles and \$19.6m transaction costs, mainly OrthoLite

## Finance costs

Higher than 2024 due to 2024 pension buy in  
 Includes \$3m of one-off costs associated with OrthoLite financing

## Effective tax rate

29% in line with guidance

## Earnings per share

Adjusted EPS 9.3 cents: lower than 2024 due to higher finance costs given 2024 pension buy in payment and timing of share placing in July 2025

## Dividend

Final dividend proposed of 2.28 cents per share  
 FY25 total dividend: 3.28 cents per share, up 5% vs 2024

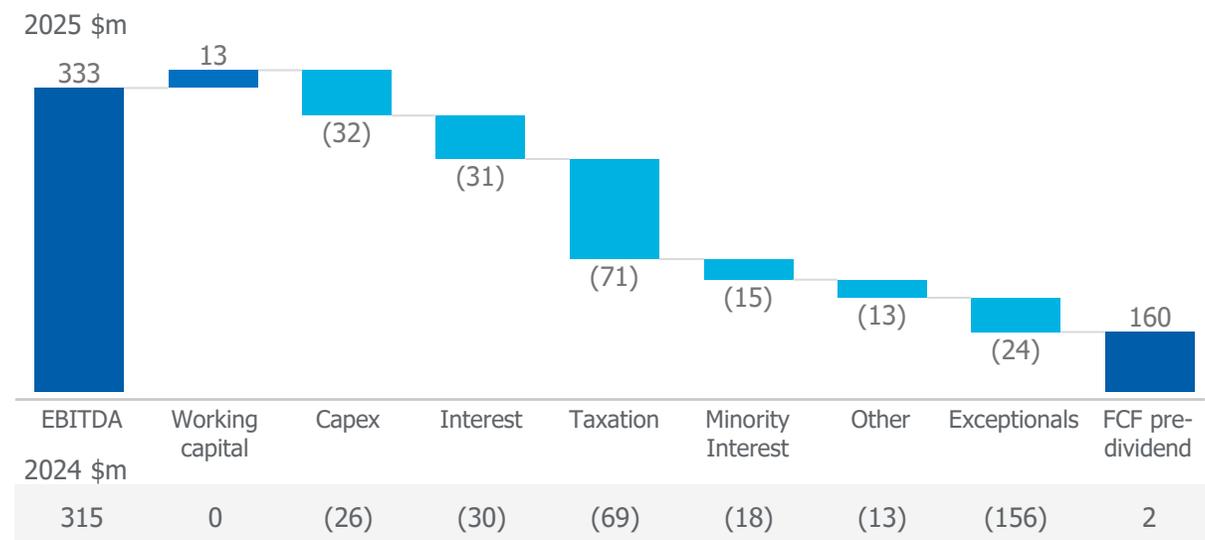
\$m	2025 <sup>1</sup>	2024 <sup>1</sup>
<b>Adjusted EBIT</b>	290	272
Exceptional / acquisition related items	(48)	(47)
<b>EBIT</b>	241	224
Share of profit from JVs	1	2
Finance costs	(41)	(28)
<b>Profit before tax</b>	202	198
Tax	(65)	(72)
<b>Profit from continuing operations</b>	137	126
Discontinued operations	(16)	(27)
<b>Profit for the year</b>	121	100
Minority interest	(18)	(20)
<b>Attributable profit</b>	103	80
<b>Adjusted EPS (cents)</b>	9.3	9.7
<b>EPS (cents)</b>	6.8	6.7
<b>Final DPS (cents)</b>	2.28	2.19

1. Continuing operations only (excluding Americas Yarns)

# CASHFLOW AND LEVERAGE



## STRONG FREE CASHFLOW



Tight working capital control and OrthoLite working capital timing benefit

Lower exceptional cash flows due to cessation of UK pension payments

\$160m FCF<sup>1</sup> pre dividends & M&A, a record for the Group

Net debt \$815m, proforma leverage 2.2x following OrthoLite acquisition

**Expect leverage to fall <2x by end 2026, given strong cash generation**

\$m	2025	2024
Adjusted free cashflow	184	158
Exceptionals and other (incl. pension)	(24)	(156)
<b>Free cash flow<sup>1</sup></b>	<b>160</b>	<b>2</b>
Acquisitions and disposals	(793)	(13)
Equity raise proceeds	323	0
Dividends paid to equity shareholders	(54)	(46)
FX and other movements	(3)	(5)
Movement in leases (IFRS 16)	(8)	1
<b>Change in net debt (incl IFRS 16)</b>	<b>(375)</b>	<b>(62)</b>
<b>Group net debt (excl IFRS 16)</b>	<b>(815)</b>	<b>(449)</b>
Leases (IFRS 16)	(93)	(83)
Group net debt (incl IFRS 16)	(908)	(533)
<b>Proforma leverage (excl IFRS 16)</b>	<b>2.2x</b>	<b>1.5x</b>

1. Free cash flow after interest, tax, minority interests and exceptionals, before dividend distribution and M&A

# MODELLING GUIDANCE



GUIDANCE AREA	2026	MEDIUM TERM (2027 ONWARDS)
Working Capital	c.12% of sales Including working capital outflow for OrthoLite	c.12% sales
Capital Expenditure	c.\$40-45m including OrthoLite run rate	c.2.5% of sales
Finance costs	Net finance costs c.\$60-65m Cash interest expected to be lower	Reducing interest costs as balance sheet de-levers Group retains capital allocation optionality
Taxation	Effective tax rate: c.29% Cash tax rate expected to be higher due to one off items	Effective tax rate reducing to c.28% within 3 years Cash tax rate expected to be similar to ETR
Minority Interests	Growth in line with revenue	
Pension	No further cash contributions to UK scheme	
OrthoLite cost synergies	c.\$5m in year	c.\$20m annualised synergies achieved by end 2028
OrthoLite integration costs	c.\$5-10m cash outlay	c.\$35m total cash outlay across three years
Other exceptionals	Minimal other exceptional cash outflows expected	



**Built to Perform,  
Trusted to Deliver**

**Strategic Update**

# STRATEGIC HIGHLIGHTS



## Portfolio Enhancement

Exited non-core US Yarns  
Completed the acquisition of OrthoLite

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## New divisional structure: Apparel and Footwear

Sharper focus and increased efficiency  
Better alignment to underlying technologies

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## Continued market share gains

Flat revenue in LSD-MSD declining markets  
Continued significant growth in sustainable threads - up 43% on CER basis

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## 1 ppt of Group revenue growth from target organic adjacencies

Accelerated growth in Safety Fabrics and Energy tapes

# TWO INDUSTRY LEADING DIVISIONS



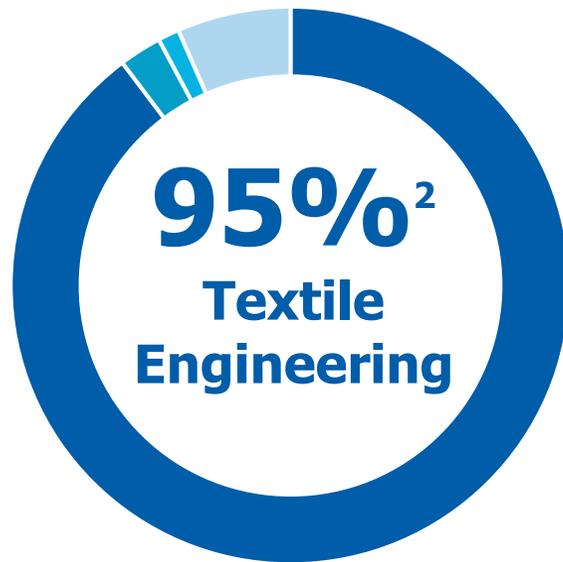
## APPAREL

Apparel  
Threads

Personal  
Protection (PPE)<sup>1</sup>

Industrials<sup>1</sup>

Revenue c.\$1bn / EBIT c.20%



■ Thread ■ Safety Fabrics ■ Coats Digital ■ Others

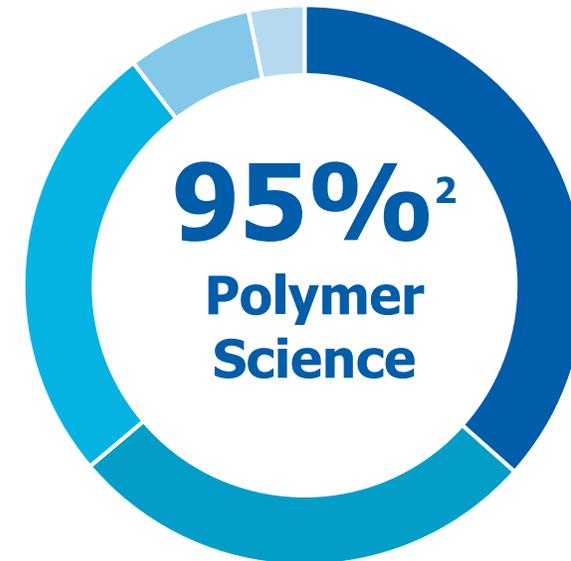
## FOOTWEAR

Coats Footwear

OrthoLite

Telecom &  
Energy<sup>1</sup>

Revenue c.\$725m / EBIT c.21%



■ OrthoLite ■ Thread ■ Structural Components  
■ Composites ■ Other

# OUR BUILDING BLOCKS FOR GROWTH



EXPANDING SHARE OF WALLET WITH EXISTING CUSTOMER BASE

MARKET  
GROWTH



3% CAGR<sup>1</sup>

SHARE  
GAINS



1-2% CAGR<sup>1</sup>

ORGANIC  
ADJACENCIES



c.1% CAGR

INORGANIC  
ADJACENCIES



Medium term organic revenue target of >5% CAGR through the cycle

1. Including contribution from OrthoLite

# KEY DIFFERENTIATORS FOR DRIVING SHARE GAINS



## WIN WHERE IT MATTERS

### SUSTAINABILITY

Sustainable portfolio  
Sustainable operations  
& suppliers

### INNOVATION

Customer breadth and depth  
Scale & financial power

### DIGITAL

ShopCoats digital platform  
Transparency & compliance

### OPERATIONAL EXCELLENCE

Global footprint  
Consistent quality & speed of delivery

### COMMERCIAL EXCELLENCE

Global brand management  
Local tech support

### PEOPLE & CULTURE

Trusted relationships  
Proven track record

# ENHANCED LEADERSHIP IN SUSTAINABILITY



## AHEAD OF 2026 TARGETS



Scope 1&2 Emissions	-30% vs 2022
Non-virgin oil-based materials	52%
Water recycling	+25% vs 2022
Waste to landfill	Zero <sup>1</sup>
Women in leadership	33%

Note: Baseline numbers were previously restated to reflect divestment 1. Operational waste excluding medical and asbestos waste

## ORTHOLITE A SUSTAINABILITY LEADER



Sustainability also a key strategic pillar

Leading recycled content product

Breakthrough sustainability innovation – Cirql

Similar sustainability manufacturing KPIs

# ORGANIC ADJACENCIES



**One-step adjacencies**  
**Known customers**

**Combined TAM c.\$2bn<sup>1</sup>**  
**Growing >5% CAGR**

**Differentiated Coats offerings**  
**2025 sales c.\$45m**

**SAFETY  
FABRICS**



**ENERGY  
TAPES**



**COATS  
DIGITAL**



**PROWEAVE**



**LIFESTYLE**



**1 ppt of Group Organic Growth in 2025, good prospects for 2026**

1. \$2bn includes "high-visibility trims" which were not previously included

# ORGANIC ADJACENCIES: SAFETY FABRICS



## CASE STUDY

### FIRE RESISTANT FABRICS

Growing demand for multi-blend solutions, combining protection with comfort: \$0.4bn addressable market growing at >10% p.a.

Coats is developing an innovative portfolio of IP-protected materials and a cost-competitive supply chain in Asia, and has access to global customers

FlamePro ARC launched in 2025: lightest weight / most comfortable fabric in the market with HRC 2 Arc Flash protection



### HIGH-VISIBILITY TRIMS

Coats portfolio of solutions for fluorescent, retro-reflective, and phosphorescent trims. \$0.8bn addressable market growing at >5% p.a.

Acquisition of VizLite in 2025 adds complementary IP ("glow in the dark") powering new Signal Lucence product line

Signal Lucence is specified for UK fire fighters, with substantial growth opportunities across other geographies and applications



# INORGANIC ADJACENCIES: ORTHOLITE



## INTEGRATING TWO GLOBAL LEADERS, STRONG INITIAL PROGRESS

### REVENUE SYNERGIES

OrthoLite strength with brands

Coats strength with Tier 1s

Mutual cross-selling

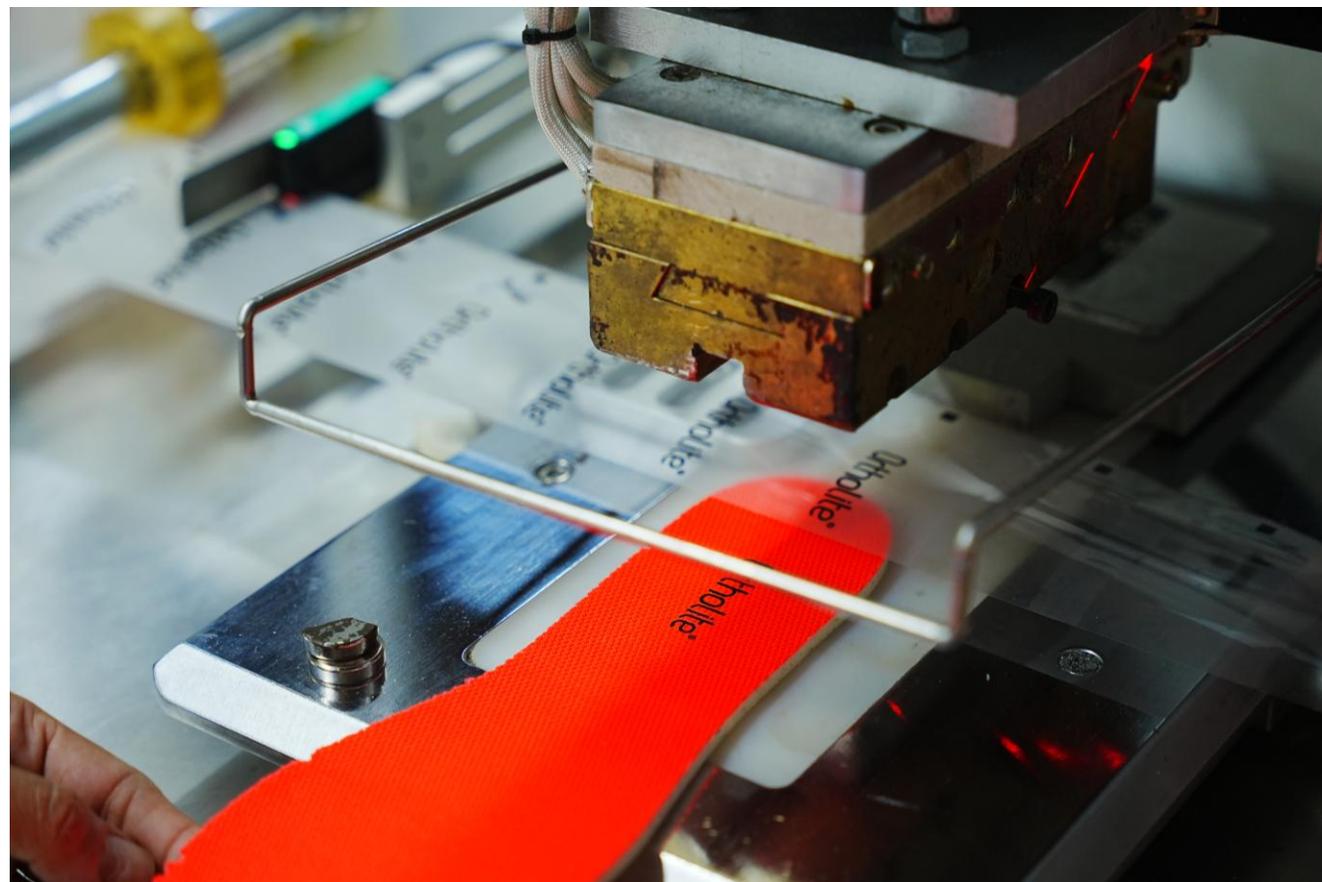
Innovation synergies

### COST SYNERGIES

Footprint consolidation opportunities

Supply chain optimisation

Systems implementation



Expect to achieve cost synergies of \$5m in 2026, on track to achieve \$20m by 2028

# ACCELERATING INNOVATION IN ORTHOLITE



## EXPANDING INTO ADJACENCIES IN INSOLES, ADDING TO GROWTH POTENTIAL

### NEW END MARKET: SAFETY SHOES



Adding open-cell foam comfort to  
ESD protection shoes

#### PROGRESS:

- Under testing by a leading European safety shoe brand
- Planned launch in 2026

### NEW CATEGORY: SUPERCritical FOAM INSOLES



Superior rebound and lighter weight  
for trail and road running

#### PROGRESS:

- Under testing by two global sports brands
- Planned launch in 2026

### NEW CATEGORY: CARBON PLATES



Integrating OrthoLite insoles and Coats  
carbon plates for performance running

#### PROGRESS:

- Under testing by a leading global running brand
- Planned launch in aftermarket in 2026

# UPGRADED MEDIUM TERM TARGETS



TARGETS ANNOUNCED IN MARCH 2025	
Revenue % (CAGR)	>5%
EBIT %	19-21%
FCF <sup>1,2</sup> (cumulative)	>\$750m over 5yrs
Organic EPS <sup>2,4</sup> (CAGR)	HSD% <sup>5</sup>
Total EPS <sup>2,3,4</sup> (CAGR)	>10%



UPGRADED TARGETS	
Revenue Growth	>5% on average through the cycle 200+bps outperformance vs market
EBIT %	21-23%
FCF <sup>1,2</sup> (cumulative)	c.\$1bn over 5 yrs
Total EPS <sup>1</sup> (CAGR)	>10%

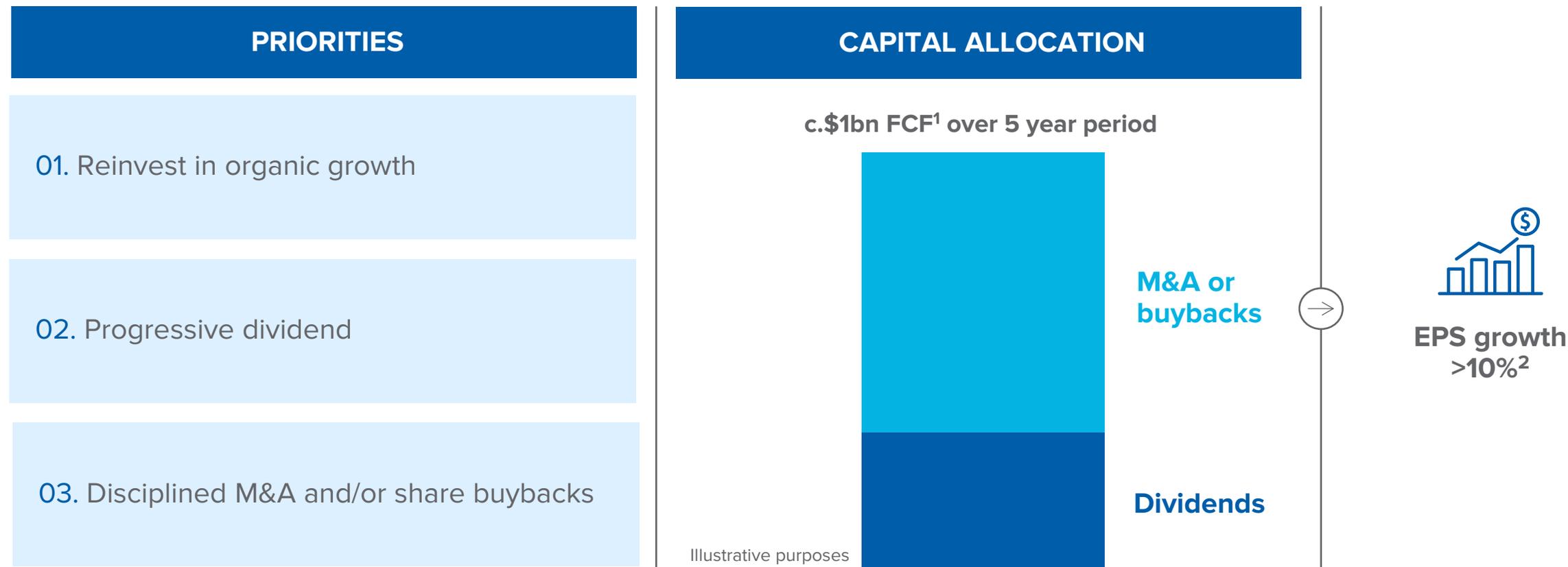
1. Adjusted free cashflow after interest and tax, before dividend distribution and M&A  
 2. From a 2025 baseline  
 3. Post M&A or share buyback  
 4. From 2025 baseline  
 5. HSD - High single digits

1. From a 2026 baseline  
 2. Free cash flow after interest, tax, minority interests and exceptionals, before dividend distribution and M&A

# CAPITAL ALLOCATION



## TAKING A DISCIPLINED AND RETURNS BASED APPROACH TO CAPITAL ALLOCATION



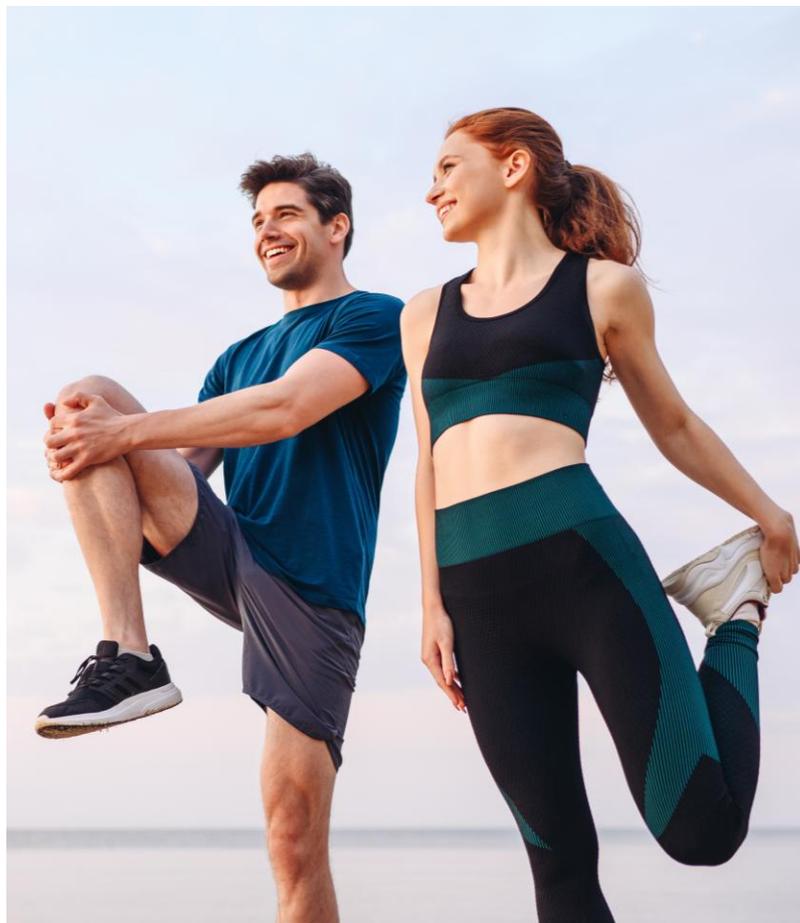
Targeting leverage ratio of 1-2x net debt to EBITDA

1. Free cash flow after interest, tax, minority interests and exceptionals, before dividend distribution and M&A  
2. Post M&A or share buybacks, from 2026 baseline

# SUMMARY AND OUTLOOK



## STRONG STRATEGIC PROGRESS, WELL POSITIONED FOR 2026



Delivered on our commitments in 2025

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2026 another year of progress expected

Positive organic growth supported by market share and organic adjacencies

OrthoLite to significantly outperform underlying market

Organic margin progression plus OrthoLite benefits

Strong free cash generation

Mindful of the potential impact from conflict in the Middle East

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A highly cash-generative business, well set for growth

Enhanced quality of the Group

Upgraded medium-term targets



Q&A



# APPENDIX



# THE COATS INVESTMENT CASE



1. Free cash flow after interest, tax, minority interests and exceptionals, before dividend distribution and M&A

# 2025 DIVISIONAL ANALYSIS



Continuing Operations	FY 2025	FY 2024 <sup>1</sup>	Reported change	CER <sup>2</sup>	Organic <sup>3</sup>
Revenue (\$m)					
Apparel	769	770	0%	1%	1%
Footwear	440	403	9%	8%	-2%
Performance Materials	256	260	-1%	0%	0%
<b>Group Revenue</b>	<b>1,465</b>	<b>1,433</b>	<b>2%</b>	<b>3%</b>	<b>0%</b>
EBIT (\$m)					
Apparel	156	151	3%	4%	4%
Footwear	105	95	11%	11%	0%
Performance Materials	29	26	10%	10%	10%
<b>Group EBIT</b>	<b>290</b>	<b>272</b>	<b>7%</b>	<b>7%</b>	<b>3%</b>
EBIT margin (%)					
Apparel	20.2%	19.6%	70 bps	60 bps	60 bps
Footwear	23.9%	23.5%	40 bps	60 bps	60 bps
Performance Materials	11.3%	10.2%	110 bps	110 bps	100 bps
<b>Group EBIT margin</b>	<b>19.8%</b>	<b>19.0%</b>	<b>80 bps</b>	<b>80 bps</b>	<b>70 bps</b>
Adj. EPS (cents)	9.26	9.71			
Adj. free cashflow (\$ million)	160	2			
Final dividend per share (cents)	2.28	2.19			

1. Continuing operations only excluding Americas Yarns

2. CER is 2024 figures at 2025 exchange rates

3. Organic is CER excluding contributions from acquisition during the year

# NEW REPORTING STRUCTURE: FY 2025 INDICATIVE



Continuing Operations	FY 2025	FY 2024 <sup>1</sup>	Reported change	CER <sup>2</sup>	Organic <sup>3</sup>
<b>Revenue (\$m)</b>					
Apparel	974	974	0%	2%	2%
Footwear	491	459	7%	6%	-4%
<b>Group Revenue</b>	<b>1,465</b>	<b>1,433</b>	<b>2%</b>	<b>3%</b>	<b>0%</b>
<b>EBIT (\$m)</b>					
Apparel	186	181	3%	4%	4%
Footwear	103	91	13%	13%	3%
<b>Group EBIT</b>	<b>290</b>	<b>272</b>	<b>7%</b>	<b>7%</b>	<b>3%</b>
<b>EBIT margin (%)</b>					
Apparel	19.1%	18.5%	60 bps	50 bps	40 bps
Footwear	21.1%	19.9%	120 bps	140 bps	120 bps
<b>Group EBIT Margin</b>	<b>19.8%</b>	<b>19.0%</b>	<b>80 bps</b>	<b>80 bps</b>	<b>70 bps</b>

- Our organisation structure has been streamlined into two divisions: Apparel and Footwear, to reduce internal complexity and align the divisions more closely with the underlying textile engineering and polymer science technologies.
- The central overhead allocation methodology has also been updated to reflect the two divisional structure.
- We will report under this new structure at our half year results in August 2026.

1. Continuing operations only excluding Americas Yarns

2. CER is 2024 figures at 2025 exchange rates

3. Organic is CER excluding contributions from acquisition during the year

# NEW REPORTING STRUCTURE: H1 2025 INDICATIVE



Continuing Operations	H1 2025	H1 2024 <sup>1</sup>	Reported change	CER <sup>2</sup>
<b>Revenue (\$m)</b>				
Apparel	482	478	1%	3%
Footwear	223	226	-1%	-1%
<b>Group Revenue</b>	<b>705</b>	<b>704</b>	<b>0%</b>	<b>2%</b>
<b>EBIT (\$m)</b>				
Apparel	93	87	7%	9%
Footwear	47	46	1%	1%
<b>Group EBIT</b>	<b>140</b>	<b>133</b>	<b>5%</b>	<b>7%</b>
<b>EBIT margin (%)</b>				
Apparel	19.4%	18.3%	110 bps	110 bps
Footwear	20.8%	20.3%	50 bps	60 bps
<b>Group EBIT Margin</b>	<b>19.8%</b>	<b>18.9%</b>	<b>90 bps</b>	<b>100 bps</b>

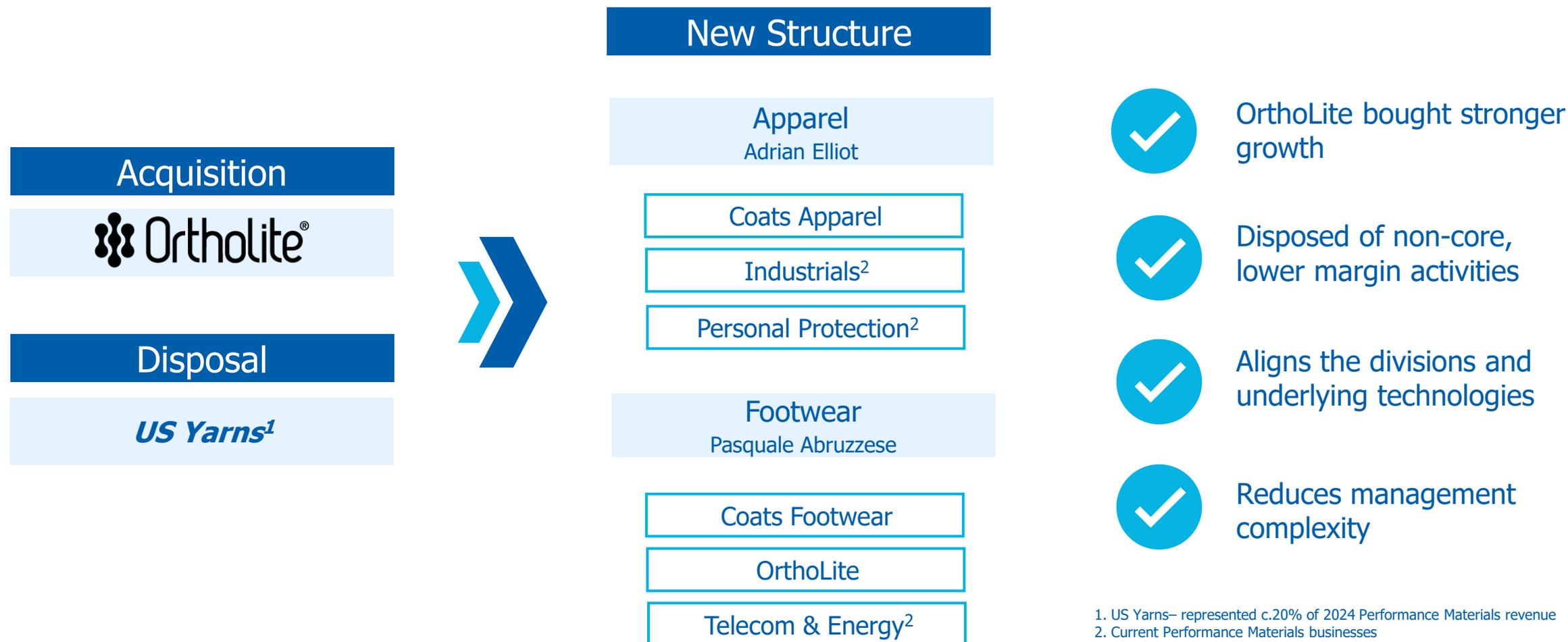
1. Continuing operations only excluding Americas Yarns

2. CER is 2024 figures at 2025 exchange rates

3. Organic is CER excluding contributions from acquisition during the year

# IMPROVED PORTFOLIO QUALITY

RECENT TRANSFORMATIONAL CHANGES – c.200 BPS MARGIN UPLIFT, HIGHER GROWTH



1. US Yarns– represented c.20% of 2024 Performance Materials revenue  
2. Current Performance Materials businesses

# STRATEGIC RATIONALE FOR ORTHOLITE



## COMBINING MARKET LEADING PLATFORMS TO CREATE A HIGH GROWTH MARKET LEADER

		<b>COATS</b> Footwear	<b>OrthoLite</b>	Strategic rationale
1	Creating a leading 'Tier 2' in the footwear segment	<b>#1</b> Global #1 in threads Global #1 structural components	<b>#1</b> Global #1 open-cell foam insoles	Greater scale, deep brand intimacy; enhanced innovation and sustainability
2	Strong customer relationships	c.350 brand partners 30% market share <sup>1</sup>	c.550 brand partners c.36% market share <sup>3</sup>	Further access to brands and Tier 1s - additional opportunities
3	Clear product category leaders	✓ Quality ✓ Sustainability ✓ Innovation	✓ Quality ✓ Sustainability ✓ Innovation	Strong alignment on key growth enablers
4	Synergy optimisation	Strong track record of M&A integration	Geographic footprint overlap Consolidation opportunities	Initial \$20m joint cost synergies; significant revenue synergy potential
5	Attractive financial profile	24% EBIT margins <sup>2</sup>	>26% EBIT margins <sup>4</sup>	Margin accretive business

Source: OrthoLite's Confidential Information Presentation, Coats FY24 Results.

1 Coats' Footwear market share in FY25, excluding OrthoLite.

2 Coats' Footwear EBIT margin in H1 2025 (pre-OrthoLite, PM businesses added).

3

OrthoLite market share of open cell insoles (pairs) in FY24.

4

OrthoLite medium-term targets.

# SUSTAINABILITY

## SUPPORTING OUR COMMERCIAL SUCCESS

Pillar	Metric	2022 Baseline	2026 Target	2025 Actual	% of 2026 target achieved
	ENERGY Reduction in Scope 1&2 emissions	182k tonnes	22% reduction from 2022 baseline	30% reduction	136%
	MATERIALS % non-virgin oil-based materials	25%	60%	52%	87%
	WATER Increase in Water Recycling Rate	24%	33% increase from 2022 baseline	25% increase	76%
	WASTE Waste to Landfill <sup>1</sup>	2,278 tonnes	Zero	Zero	100%
	Effluent Compliance <sup>2</sup> (Roadmap to Zero Programme)	99.76%	100%	99.97%	99.97%
	PEOPLE GPTW coverage	86%	88%	99%	113%
	Women in leadership roles	21%	30%	33%	110%

Note: Baseline numbers were previously restated to reflect divestment, OrthoLite is not included in these numbers. 1. Operational waste excluding medical and asbestos waste . 2. Effluent Compliance now measured on the percentage of tested effluent analytes which meet the specification limits under the ZDHC Guidelines; a standard above local regulatory requirements