

# Coats Group plc

## AGM Trading Update



20 May 2026

### Robust performance year-to-date, full-year expectations unchanged

Coats Group plc ('Coats' or the 'Group'), a world-leading Tier 2 supplier of critical components to the apparel and footwear industries, today announces a trading update for the four month period 1 January to 30 April 2026 (the 'period') ahead of its Annual General Meeting to be held later today.

Continuing operations	1 <sup>st</sup> January to 30 <sup>th</sup> April 2026 revenue versus same period in 2025	
	Organic CER	Reported
Apparel	1%	1%
Footwear	(4)%	55%
<b>Group</b>	<b>(1)%</b>	<b>18%</b>

All following references are at organic constant exchange rates (CER) unless specified.

The Group delivered a robust performance with revenue 1% lower against a solid pre-tariff comparator period.

Apparel revenue was up 1%, strongly outperforming the core thread end market, driven by our key differentiators of operational agility, enduring customer relationships and our global manufacturing capabilities. The division continues to win market share across its portfolio including in China domestic and also saw strong growth in automotive thread.

In line with our expectations, Footwear revenue was 4% lower on an organic basis, which we estimate to be inline with industry trends, as customer caution persisted and inventory levels remained low. OrthoLite revenue was lower than the same period last year on a proforma basis against a very strong prior year comparator and temporary capacity challenges in Indonesia, where we are expanding our footprint. Our plans to realise cost synergies are on track and we are increasingly positive on sales synergies. We remain confident in OrthoLite's growth prospects.

Group EBIT margin was slightly higher than the same period last year, reflecting the benefits of the 2025 footprint consolidation in Footwear and the positive contribution from OrthoLite.

While the ongoing tensions in the Middle East have not had a material impact on trading to date, we are monitoring conditions closely. We have promptly enacted our well-honed operational and commercial playbook ensuring optimal pricing and cost discipline. We will continue to take action as required to mitigate supply chain pressures and raw material and energy cost increases.

#### Outlook

The Group's full year outlook remains unchanged with a modest second half profit weighting due to expected inflation cost recovery timing.

We expect full year free cash flow generation to remain strong, enabling the Group to continue to reduce leverage into our target range of 1-2x by year-end.

The Group will release its interim results on Tuesday 28 July 2026.

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**Enquiry details**

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**About Coats Group plc**

*Coats is a world-leading Tier 2 manufacturer and trusted partner for the apparel and footwear industries. We deliver essential materials, components, and software solutions that help our customers grow, compete and win.*

*With over 250 years of industry expertise, we're shaping the future of the apparel and footwear supply chain through insight-led innovation, impactful sustainability practices, and digital technologies that unlock better product quality, efficiency and performance.*

*Headquartered in the UK, Coats is a FTSE 250 company and a constituent of the FTSE4Good Index. In 2025, we generated \$1.5 billion in revenue and employed c.19,000 people worldwide – all united by a spirit of innovation, quality and service. Learn more at [www.coats.com](http://www.coats.com) or follow us on LinkedIn.*

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**Cautionary statement**

*Certain statements in this trading update are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Because these statements contain risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.*