

ANNUAL GENERAL MEETING OF COATS GROUP PLC

Wednesday 17 May 2023



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Not a profit forecast

The financial information contained in this presentation is based on publicly available historic financial information of Coats and is not intended to be a profit forecast or profit estimate under applicable rules.

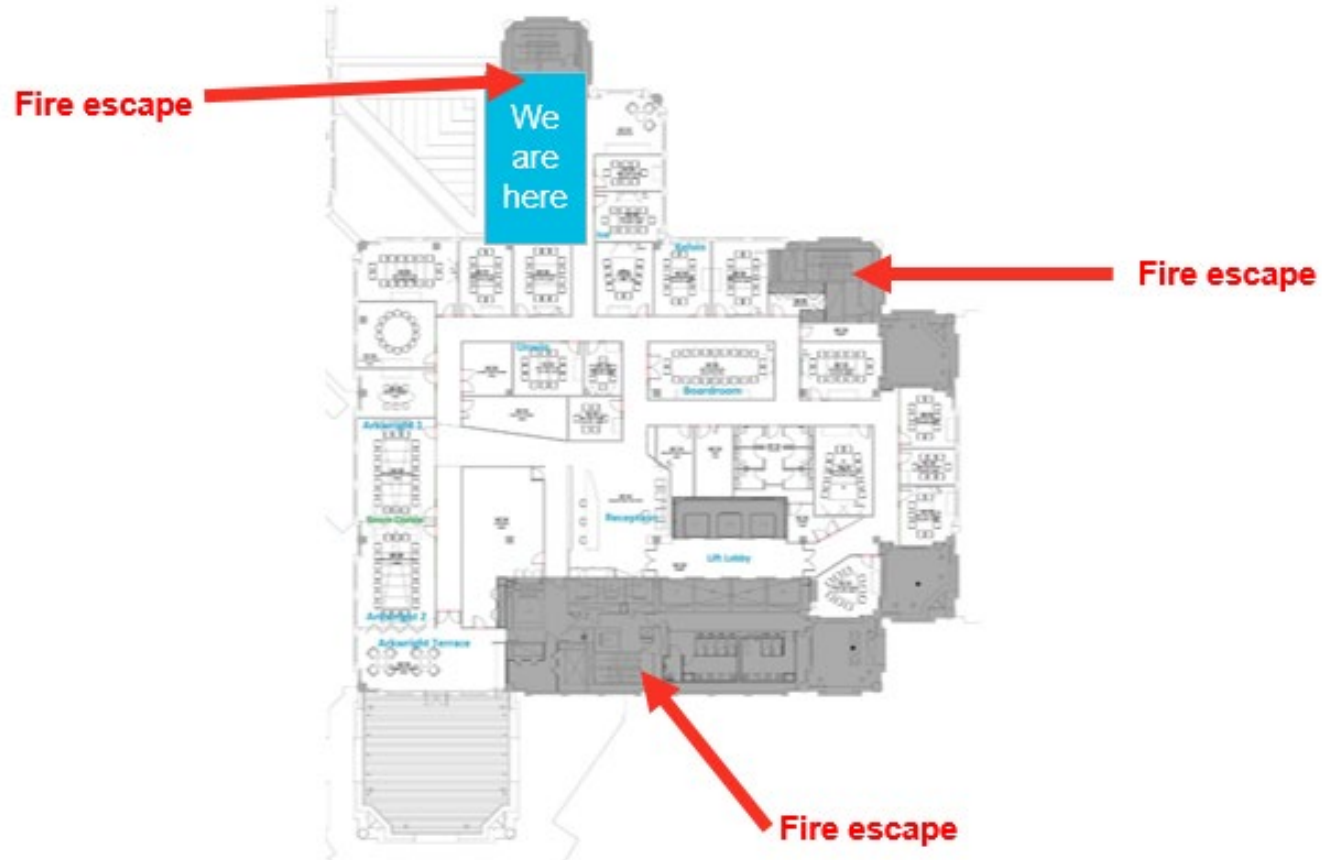
Rounding

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.

HOUSE KEEPING

Fire escapes

There are three fire escapes located on the 9th floor. No fire drills are planned for this afternoon.



AGENDA

- 01** **Welcome and Chair's presentation - David Gosnell, Chair**
- 02** Trading update - Rajiv Sharma, Group Chief Executive
- 03** Questions and answers
- 04** Notice of meeting and Poll Vote on resolutions
- 05** Close of meeting and proxy totals

WELCOME

Introduction of Board members

- David Gosnell OBE, Chair
- Rajiv Sharma, Executive Director and Group Chief Executive
- Jackie Callaway, Executive Director and Group Chief Financial Officer
- Nicholas Bull, Senior Independent Non-Executive Director
- Echo Lu, Independent Non-Executive Director
- Steve Murray, Independent Non-Executive Director
- Fran Philip, Independent Non-Executive Director
- Jakob Sigurdsson, Independent Non-Executive Director
- Stuart Morgan, Chief Legal and Risk Officer and Group Company Secretary is also in attendance today



DAVID GOSNELL CHAIR

- Our people and culture
- Sustainability
- Pensions
- Dividend
- Board changes

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RAJIV SHARMA **GROUP CHIEF EXECUTIVE**



2022 BUSINESS AND FINANCIAL HIGHLIGHTS

Strong organic revenue (10%) and adjusted EBIT growth (22%)

>100bps gains in thread with market share to estimated c.24%

Acquisitions of Texon and Rhenoflex

Substantially delivered against ambitious 2022 sustainability targets; new 2026 targets

Proposed final dividend of 1.73 cents per share, +15%, reflecting confidence in the business

TEXON AND RHENOFLEX

WELL-POSITIONED IN FOOTWEAR COMPONENTS MARKETS

7-8%
growth

**Large
addressable
market of
\$1.8bn**



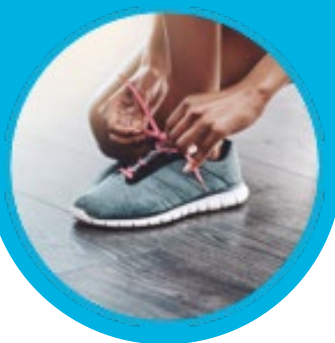
23%
combined
share

**Clear
market
number 1**



~13%
growth

**Focus on
outperforming
sports and
athleisure
sub-segment**



>65%
consumers

**Preference
for
sustainable
brands**



**c.1,000
people**

**Talented,
innovative
people**



Rhenoprint™






**Texon
Reform 2.0**



THREE NEW DIVISIONS FROM 1 JANUARY 2023






REFLECTS CHANGING SHAPE OF THE GROUP

	Apparel 	Footwear 	Performance Materials 	New structure facilitates
Revenue ¹	50%	25%	25%	End-to-end accountability
Revenue Growth ²	3-4%	c.8%	6-9%	Customer intimacy
EBIT Margin ³	15-16%	>20%	13-14%	Speed & agility
Customers	25,000	3,000	6,000	Enhanced transparency
Factories	31	8	9	

1.Proforma FY2022 %age of Group revenue. 2.Medium-term CAGR 3.2024 goal

SUSTAINABILITY

SUBSTANTIALLY DELIVERED AGAINST AMBITIOUS 2022 TARGETS; NEW TARGETS SET

PILLAR	2022 TARGET	% ACHIEVEMENT VS TARGET	PILLAR	METRIC	2022 BASELINE	2026 TARGET
 WATER	40% Reduction	95%	WATER	Increase in Water Recycling Rate	25%	33% increase
 ENERGY	7% Reduction	143%	ENERGY	Reduction in Scope 1&2	214k tonnes	22% reduction
 EFFLUENT & EMISSIONS	100% compliance with ZDHC	92%	WASTE	Waste to Landfill	1,959 tonnes	0
				ZDHC compliance	92%	100%
 SOCIAL	80% GPTW Coverage	108%	PEOPLE	GPTW coverage	86%	88%
				Women in leadership roles	21%	30%
 MATERIALS	25% Waste Reduction	100%	MATERIALS	Recycled or bio materials	26%	60%

STRATEGIC PROJECTS

ACCELERATED PROGRESS & TOTAL SELF-HELP BENEFITS INCREASED TO \$70M



Benefits



Cash Cost

March 2022

Original Scope

\$50m

\$35m

March 2023

Expanded Scope

\$70m

\$50m

**Delivered \$20m benefits (originally
\$5-10m) in 2022**



TRADING UPDATE – 1 JANUARY 2023 TO 30 APRIL 2023

Market conditions and Group trading in the period in line with our expectations

Constant currency decline of 7%; organic CER¹ revenue down 20%, against a very strong comparator

Operating profit margins resilient, supported by strategic projects and tight cost control

Full year expectations remain unchanged

¹ Constant exchange rate

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NOTICE OF MEETING AND POLL VOTE

On today's agenda there are 19 resolutions:

- Resolutions 1 to 15 inclusive are proposed as Ordinary Resolutions
- Resolutions 16 to 19 inclusive are proposed as Special Resolutions

The full text of the resolutions and an explanation of each can be found in your Notice of Meeting.

Procedure to complete your poll card:

- You should enter your full name in block capitals.
- You should cast your votes on each separate resolution by putting a cross in one of the boxes marked “for”, “against” or “vote withheld”.
- If you are not voting your total holding in the company's shares, would you please also write down the number of shares you wish to vote.

Please make sure you have signed your poll card and then return this to the Registrars as you leave.

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PROXY TOTALS

Resolution		For + Discretion		Against		Total Votes cast as % of Issued Share Capital	Votes Withheld
		Votes	%	Votes	%	%	Votes
1	Receipt of Annual Report 2022	1,407,425,023	100	1,027	0	88.08	3,324,769
2	Approval of Remuneration Report	1,407,064,434	99.74	3,655,177	0.26	88.29	31,208
3	Approval of Remuneration Policy	1,407,038,449	99.74	3,641,947	0.26	88.29	70,423
4	Approval of dividend	1,410,743,643	100	1,027	0	88.29	5,772
5	Re-election of Nicholas Bull	1,401,631,277	99.36	9,092,910	0.64	88.29	26,632
6	Re-election of Jacqueline Callaway	1,396,328,725	98.98	14,409,541	1.02	88.29	12,553
7	Re-election of David Gosnell	1,380,387,081	97.85	30,336,106	2.15	88.29	27,632
8	Re-election of Hongyan Echo Lu	1,401,632,564	99.36	9,091,623	0.64	88.29	26,632
9	Re-election of Frances Philip	1,401,631,590	99.36	9,090,920	0.64	88.29	28,309
10	Re-election of Rajiv Sharma	1,410,710,769	100	20,568	0	88.29	19,482
11	Re-election of Jakob Sigurdsson	1,401,684,115	99.36	9,038,073	0.64	88.29	28,631
12	Election of Stephen Murray	1,410,650,140	99.99	76,514	0.01	88.29	24,165
13	Appointment of Auditor	1,406,316,328	99.69	4,359,015	0.31	88.29	75,476
14	Approval of Auditor remuneration	1,409,866,638	99.94	849,311	0.06	88.29	34,870
15	Authority to allot relevant securities	1,281,417,560	91.06	125,806,194	8.94	88.07	3,527,065
16	Authority to disapply pre-emption rights	1,407,766,235	99.79	2,962,915	0.21	88.29	21,669
17	Authority to disapply pre-emption rights in connection with acquisitions and specified capital investments	1,404,312,730	99.55	6,416,420	0.45	88.29	21,669
18	Authority to purchase own shares	1,406,929,108	99.75	3,587,298	0.25	88.28	233,237
19	Authority to call general meetings on clear 14 days' notice	1,398,377,795	99.12	12,362,786	0.88	88.29	10,238

Note:

- All percentages are rounded to three decimal places.
- Any proxy appointments which gave discretion to the Chair have been included in the “for” column.
- A vote “withheld” is not a vote in law and is not counted in the calculation of the “votes for” or “against” the resolution nor in the calculation of the total votes cast as % of issued share capital.