



**Coats
Group plc**



2019 Annual General Meeting

Thursday 23 May 2019



Housekeeping

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Not a profit forecast

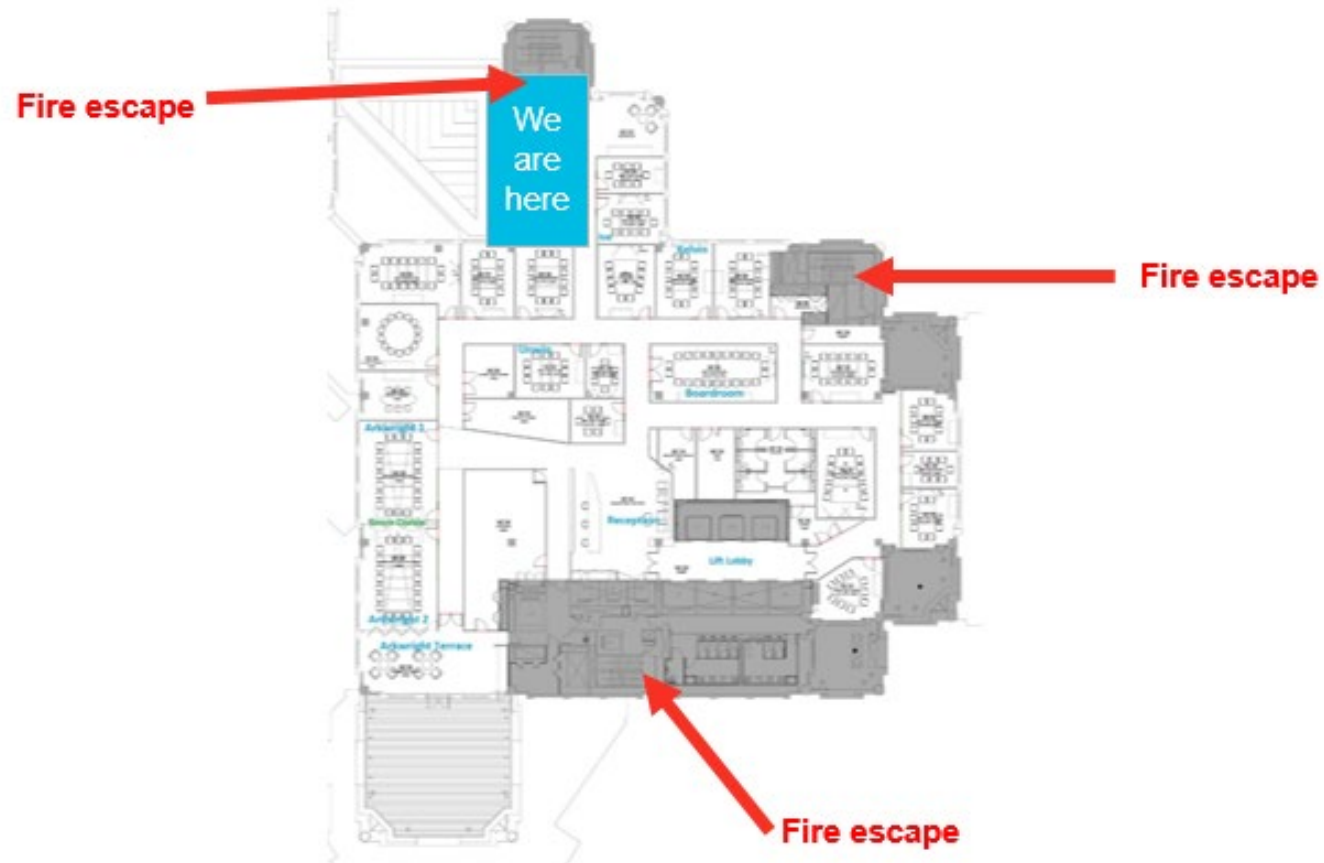
The financial information contained in this presentation is based on publicly available historic financial information of Coats and is not intended to be a profit forecast or profit estimate under applicable rules.

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.


Housekeeping

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




Housekeeping

Today's slides will be available on our website www.Coats.com (investors / shareholder centre / general meetings) later today



Results, reports and presentations

 Share

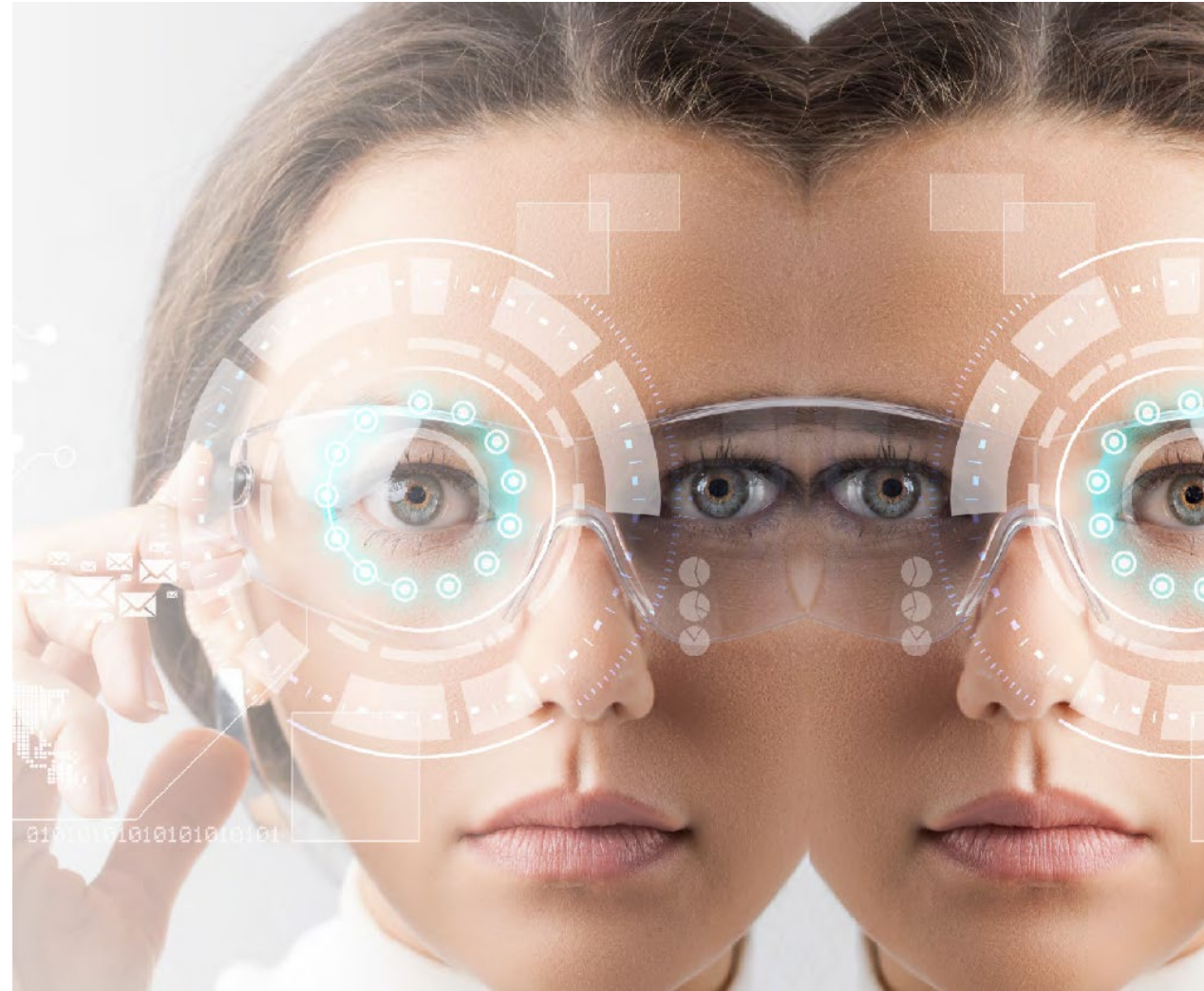
All **AGM** Annual Reports Other Results

All ▾

16 MAY 2018	Annual General Meeting 2018 - presentation	Download PDF (1.5Mb)
18 MAY 2017	AGM 2017 presentation	Download PDF (1.6Mb)

Agenda

- 1 **Welcome and Chairman's presentation**
Mike Clasper, Chairman
- 2 Trading update
Rajiv Sharma, Group Chief Executive
- 3 Questions and answers
- 4 Notice of Meeting and Poll Vote on resolutions
- 5 Close of meeting and proxy totals



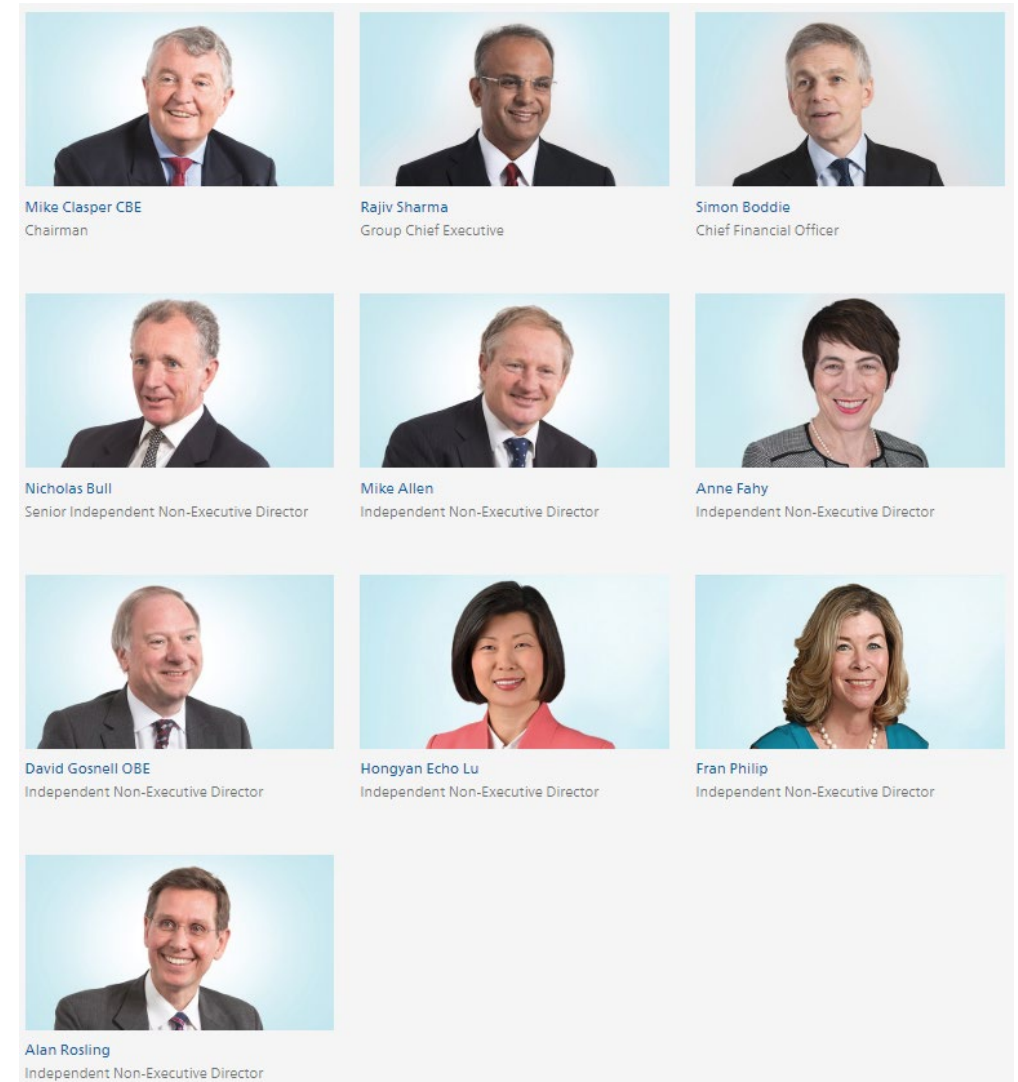
Welcome

Introductions

Present today we have the members from our Board

- Mike Clasper CBE, Chairman
- Rajiv Sharma, Executive Director and Group CEO
- Simon Boddie, Executive Director and Group CFO
- Nicholas Bull, Senior Independent Non-Executive Director
- Mike Allen, Independent Non-Executive Director
- Anne Fahy, Independent Non-Executive Director
- David Gosnell OBE, Independent Non-Executive Director
- Echo Lu, Independent Non-Executive Directors
- Fran Philip, Independent Non-Executive Director
- Alan Rosling CBE, Independent Non-Executive Director

Stuart Morgan, Chief Legal and Risk Officer and Group Company Secretary is also in attendance today

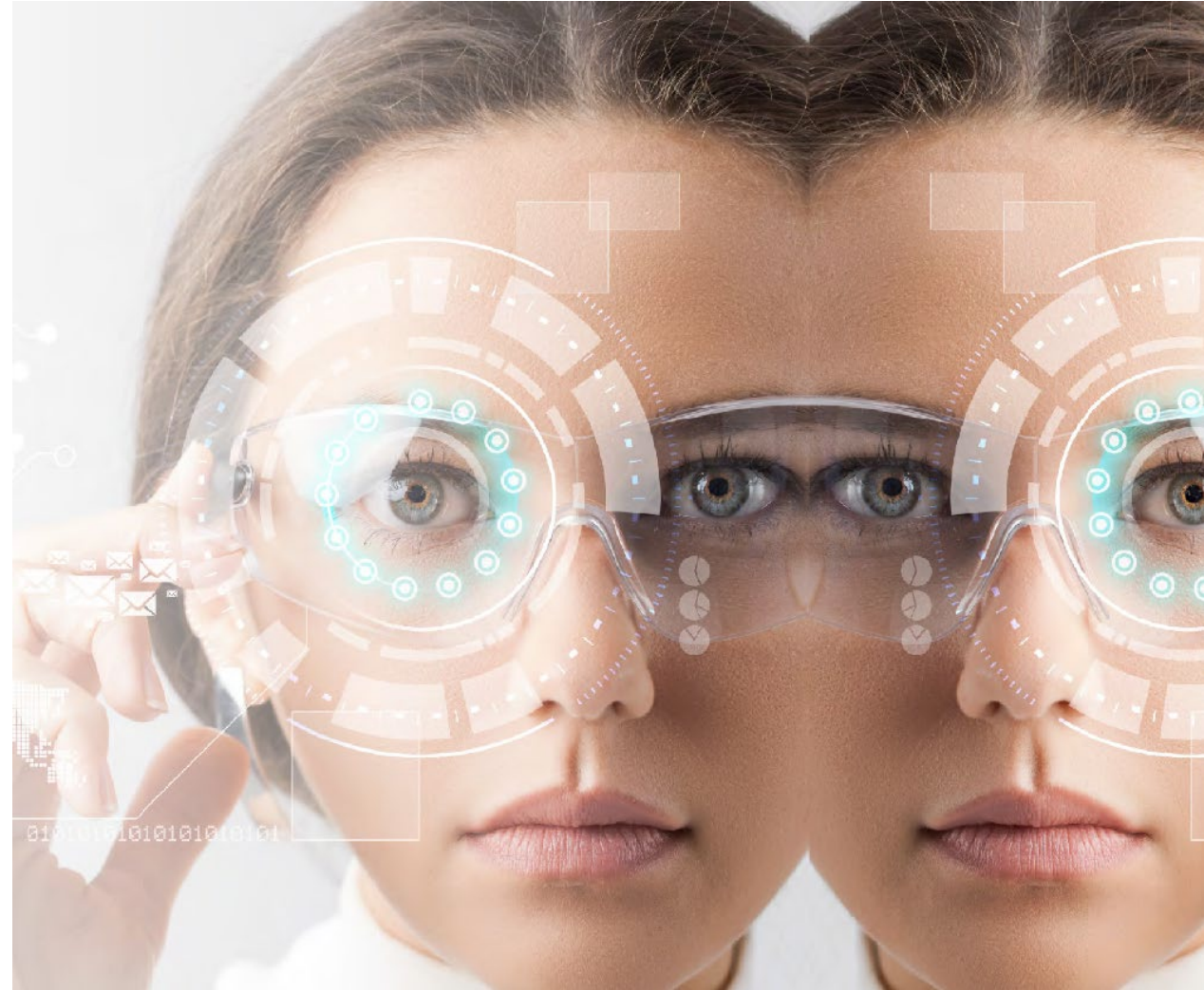


Chairman's presentation

- Innovation
- Governance
- Board changes
- Dividend

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Business update – the world’s leading industrial thread manufacturer

Customers include



Apparel and Footwear (A&F)

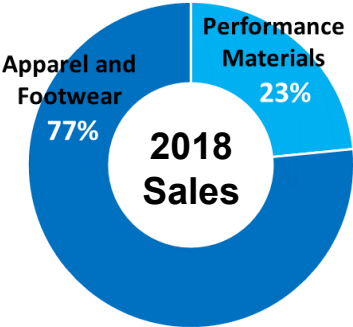
- Apparel, footwear and accessories thread
- Zips and trims products
- Software solutions



Performance Materials

- High technology threads and yarns from performance materials

Customers include



Global footprint

- 18,000 employees
- Some 50 sites
- Sales in 100+ countries
- Global distribution network
- UK headquartered, COA:LSE
- FTSE 250 member

Group	2018
Sales	\$1.4bn
Operating profit	\$195m
Adj EPS growth	21%
Adj free cash flow	\$96m
ROCE	43%

2018: good strategic progress

**Sale of North
America
Crafts**

**Strategic
investments**
Threadsol /
Twine

**Connecting for
Growth**
Acceleration of
benefits

**Successful
UK pensions
triennial
valuation**

**Digital and
innovation**

A robust financial platform for future growth

**Solid 6%
sales
growth**

**13.8%
operating
margin**

**\$96m
free cash flow**

**1.0x
leverage**

**15%
dividend
growth**

Delivering our strategy



Trading update

YTD (Jan-Apr) sales performance

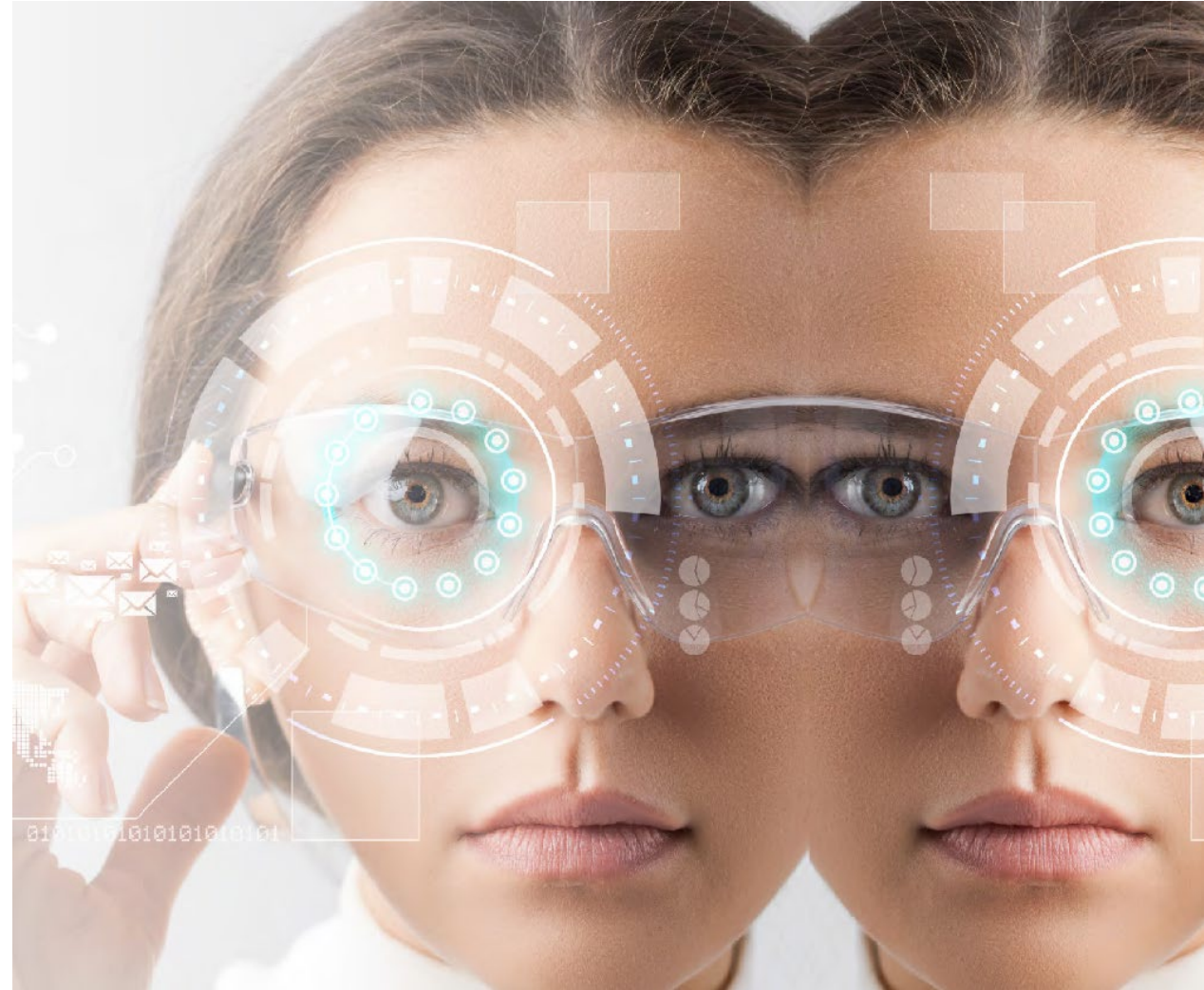
- **+2%** Group sales growth at CER
- Apparel and Footwear **+2%**
(thread **+3%**)
- Performance Materials **+4%**;
double digit growth in hi-tech end
uses (incl. Gotex)
- Anticipated H1 FX headwinds
drives marginal decline on
reported basis

Outlook

- Remain cautious around current
macroeconomic uncertainties
- Despite this, anticipate delivering
2019 full year performance in line
with expectations

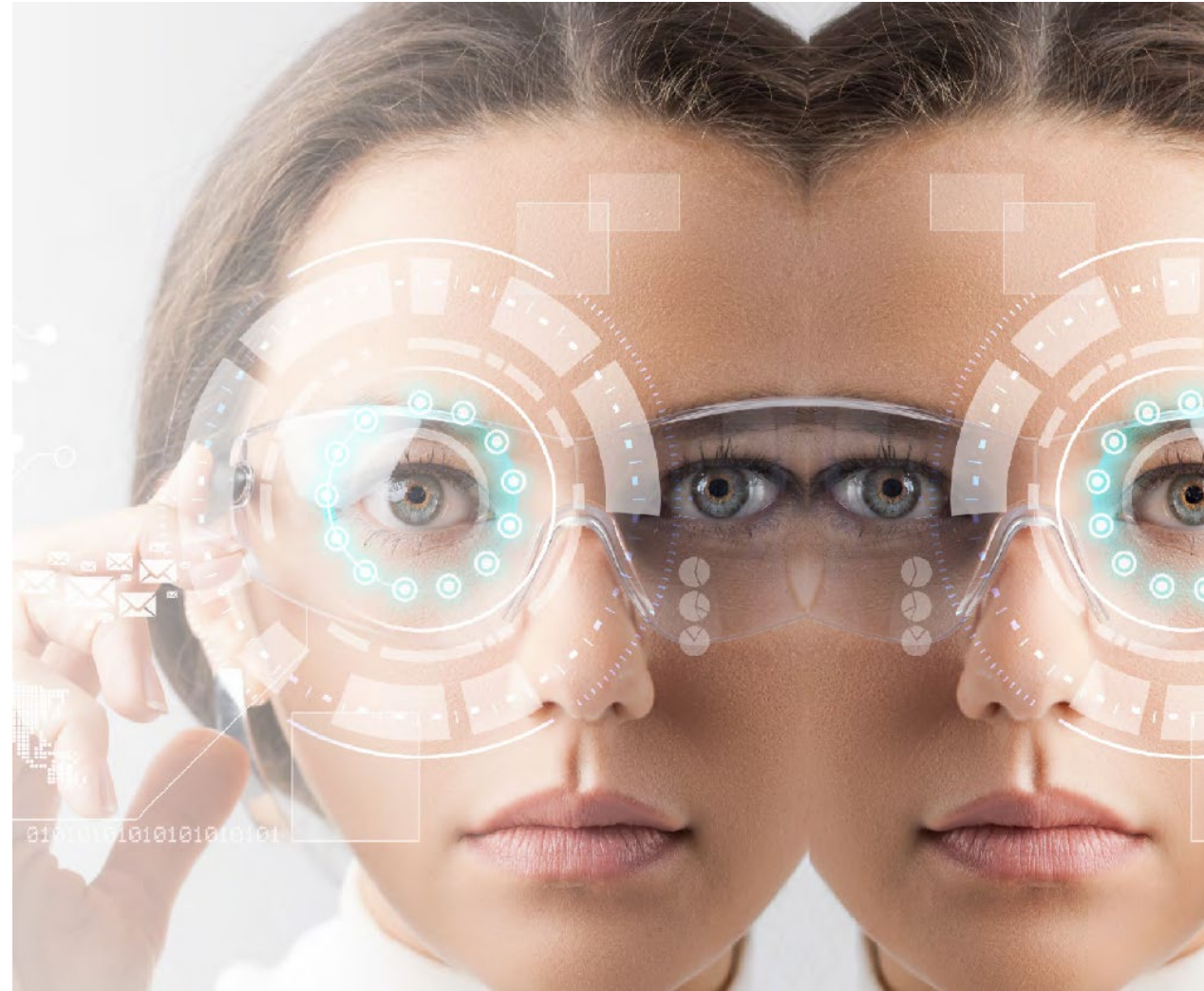
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Notice of Meeting and Poll Vote on resolutions

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

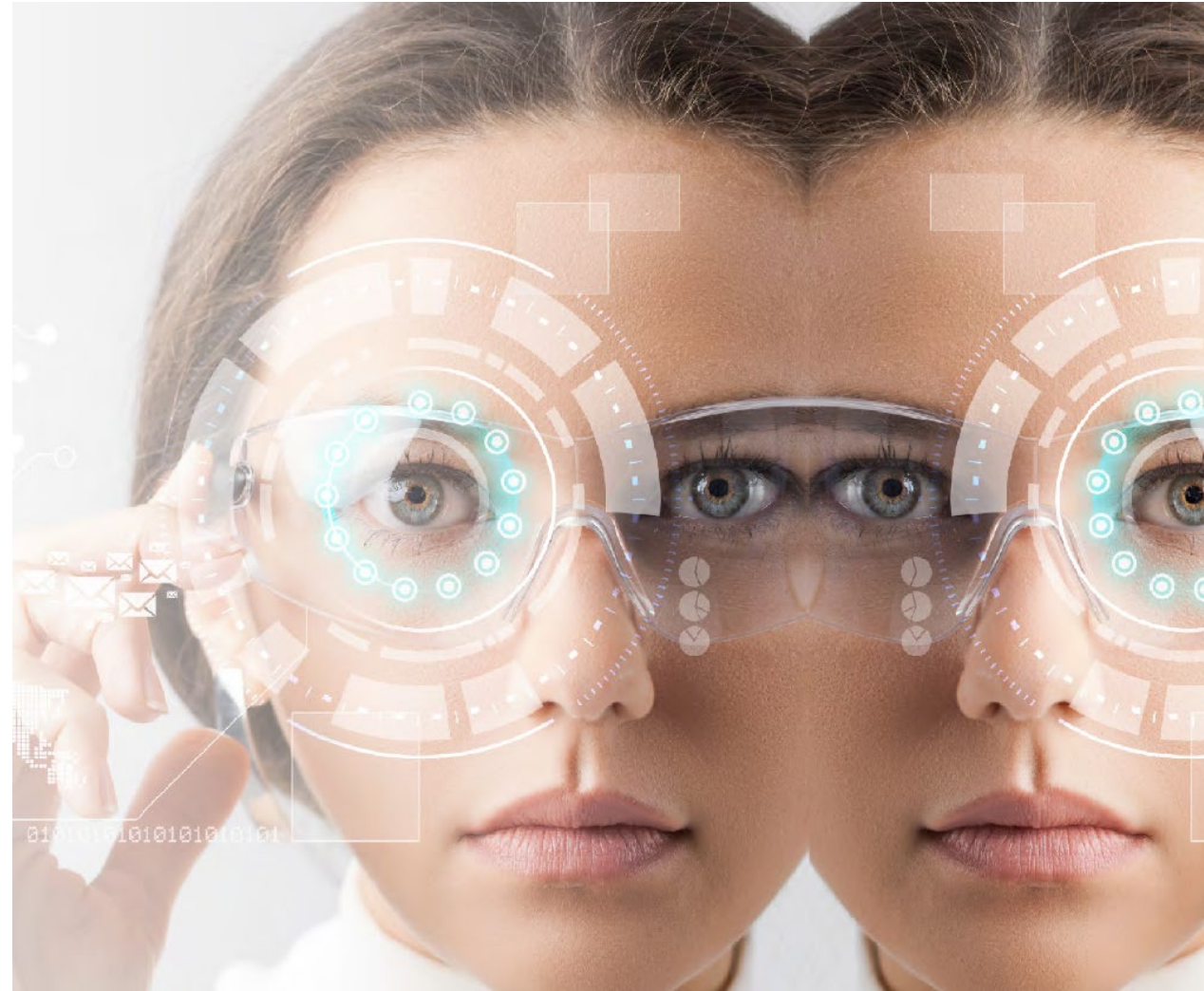
Procedure to complete your poll card:

- 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		Total Votes For and Discretionary		Total Votes Against		Total Votes cast as % of Issued Share Capital	Votes Withheld
			%		%	%	
1	Receipt of Annual Report 2018	1,148,191,662	99.999	7,615	0.001	79.615	1,015,207
2	Approval of Remuneration Report	1,140,653,759	99.260	8,503,589	0.740	79.682	57,136
3	Approval of Dividend	1,149,213,013	100.000	945	0.000	79.686	526
4	Re-election of Simon Boddie	1,148,994,002	99.981	215,666	0.019	79.685	4,816
5	Re-election of Nicholas Bull	1,149,193,492	99.999	15,503	0.001	79.685	5,489
6	Re-election of Mike Clasper	1,097,463,793	99.544	5,022,415	0.456	76.446	46,728,276
7	Re-election of Anne Fahy	1,099,621,340	95.685	49,590,695	4.315	79.685	1,504
8	Re-election of David Gosnell	1,148,778,427	99.962	431,672	0.038	79.685	4,294
9	Re-election of Hongyan Echo Lu	1,149,165,221	99.998	20,258	0.002	79.684	28,914
10	Re-election of Fran Philip	1,149,171,014	99.997	36,994	0.003	79.685	6,476
11	Re-election of Alan Rosling	1,149,174,351	99.998	22,619	0.002	79.684	17,514
12	Re-election of Rajiv Sharma	1,121,542,801	97.593	27,666,349	2.407	79.685	5,334
13	Reappointment of Auditor	1,041,134,757	98.531	15,517,830	1.469	73.267	92,561,897
14	Approval of Auditor remuneration	1,134,400,164	98.711	14,811,264	1.289	79.685	3,056
15	Authority to allot relevant securities	1,148,760,006	99.961	444,669	0.039	79.685	9,809
16	Authority to disapply pre-emption rights	1,148,550,650	99.948	603,170	0.052	79.681	60,664
17	Authority to disapply pre-emption rights in connection with acquisitions and specified capital investments	1,099,180,988	95.652	49,970,158	4.348	79.681	63,338
18	Authority to purchase own Shares	1,149,065,797	99.994	68,087	0.006	79.680	80,600
19	Authority to call general meetings on clear 14 days' notice	1,123,421,152	97.756	25,792,922	2.244	79.686	410

Note:

- All percentages are rounded to three decimal places.
- Any proxy appointments which gave discretion to the Chairman 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.