



18 May 2022

Coats Group plc

Trading update – 20% sales growth ¹

Coats Group plc ('Coats,' the 'Company' or the 'Group'), the world's leading industrial thread manufacturer, today announces a trading update for the period 1 January 2022 to 30 April 2022 ("the period"), ahead of its Annual General Meeting later today.

Trading Update

- Strong sales momentum through the first four months of the year
- Price and productivity gains offsetting inflationary pressure to support margins
- Strategic projects, announced alongside FY21 results, have commenced and are on track
- Strong start to the year however we remain vigilant of potential macro-economic conditions

	Revenue vs 2021	
	Reported	CER
Group	16%	20%
Apparel & Footwear	17%	21%
Performance Materials	11%	16%

All following references are on an CER basis.

Group sales for the period grew 20% year-on-year.

Apparel and Footwear: Very strong volume growth in thread driven by industry inventory restocking, buffer buying to support supply chain disruption and continued underlying market recovery along with strong pricing/mix to offset inflationary pressures, resulted in sales growth of 21% for the division.

Performance Materials: Growth of 16% was driven by strong pricing and double digit growth in both Personal Protection and Composites. We have seen strong growth across all three regions (Asia, EMEA, Americas).

Pricing and productivity actions have been successfully implemented and continue to offset inflationary pressures in the supply chain which supported margin progression across both divisions.

In March, we announced a number of strategic projects to improve margins by optimising the footprint, portfolio and improving the overall cost base efficiency. These strategic projects are now underway and on track. We will provide an update as part of our Half Year results.

We continue to focus on executing our plans in the current macro-economic conditions. Price leadership, productivity programmes and strategic projects underpin our performance. Our outlook for the year remains unchanged.

Enquiry details

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About Coats Group plc

Coats is the world's leading industrial thread company. At home in some 50 countries, Coats has a workforce of over 18,000 people across six continents. Revenues in 2021 were US\$1.5bn. Coats provides complementary and value-adding products,

¹ Constant Exchange Rates (CER)

services and software solutions to the apparel and footwear industries. It also applies innovative techniques to develop high technology performance materials threads, yarns, fabrics and composites in areas like personal protection, telecoms, energy, transportation, and household and recreation. Headquartered in the UK, Coats is a constituent of the FTSE 250 and FTSE4Good Index Series. It is a participant in the UN Global Compact, a member of the Ellen MacArthur Foundation, has approved short term Science Based Targets to 2030 and is committed to developing a long-term target to reach net-zero emissions by 2050, the highest level of ambition on climate change under the Science Based Target initiative. The pioneering history and innovative culture of Coats enable the delivery of its purpose to connect talent, textiles and technology to make a better and more sustainable world. For further information go to www.coats.com.