ONGOING MARKET OUTPERFORMANCE

2026 Half Year Results

28 July 2026

COATS

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AGENDA

HY26 HIGHLIGHTS

GOOD MARKET PROGRESS

1% Organic revenue growth

19.8% Group adjusted EBIT margin maintained

Mid-single digit market outperformance in Apparel

Organic Footwear acceleration in Q2 (+6% YoY)

Significant OrthoLite sales synergies identified

HY26 FINANCIAL RESULTS

ONGOING MARKET OUTPERFORMANCE

Revenue $837m +1% organic CER (H1 2025: $705m)	**EBIT** $166m (2%) organic CER (H1 2025: $140m)	**EBIT Margin** 19.8% +0bps (H1 2025: 19.8%)
EPS 4.4c (H1 2025: 4.7c)	**Free Cash Flow[1]** $30m (H1 2025: $38m)	**Leverage** 2.3x (FY 2025: 2.2x)

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

APPAREL

FINANCIAL PERFORMANCE

$m	H1 26	H1 25	Organic CER
Revenue	486	482	1%
EBIT	92	93	(2%)
EBIT (%)	18.9%	19.4%	

CONTINUED STRONG PERFORMANCE

Apparel thread market estimated down mid-single digit

Broad-based share gains, including China domestic and automotive

Strengthened market leadership in 100% recycled thread

Targeted investments in Coats Digital and technology

Exceptional agility, price and cost management

FOOTWEAR

FINANCIAL PERFORMANCE

$m	H1 26	H1 25	Organic CER
Revenue	351	223	0%
EBIT	74	47	(2%)
EBIT (%)	21.1%	20.8%	

GROWTH AND MARGIN IMPROVEMENT

Footwear market estimated down mid-single digit

Sequential growth acceleration in Q2 in a soft market

Share gains in thread and components, strong growth in energy

OrthoLite sales down on pro forma basis due to market and temporary capacity issues in Indonesia. Returning to growth in H2

OrthoLite 70bps accretion to margin

INCOME STATEMENT

Exceptional / acquisition related items

Exceptional: $7m costs to deliver OrthoLite integration and divisional structure change, partly offset by $4m property sales benefit

Acquisition related: increase in acquisition intangibles due to OrthoLite

Finance costs

Higher than H1 2025 due to interest on OrthoLite financing

Effective tax rate

29% in line with guidance

Earnings per share

Adjusted EPS 4.4 cents: lower than H1 2025 due to higher finance costs and increased shares in issuance

Interim Dividend

5% increase to 1.05 cents per share, reflecting confidence in the full year and medium-term outlook

$m	H1 2026	H1 2025
Adjusted EBIT	166	140
Exceptional items	(3)	(1)
Acquisition related items	(28)	(10)
EBIT	135	128
Share of profit from JVs	1	1
Finance costs	(32)	(18)
Profit before tax	104	111
Tax	(32)	(34)
Profit from continuing operations	72	77
Discontinued operations	-	(7)
Profit for the period	72	70
Minority interest	(11)	(11)
Attributable profit	61	59
Adjusted EPS (cents)	4.4	4.7
EPS (cents)	3.2	4.1
Interim DPS (cents)	1.05	1.00

CASH FLOW AND LEVERAGE

STRONG FREE CASH FLOW

H1 2025 $m

160	(31)	(12)	(18)	(33)	(8)	(9)	(12)	38

FCF $30m including positive contribution from OrthoLite net of higher interest cost

Strong working capital efficiency. H1 outflow in line with typical seasonality

H1 taxation cash flows included expected $6m one-off tax payment

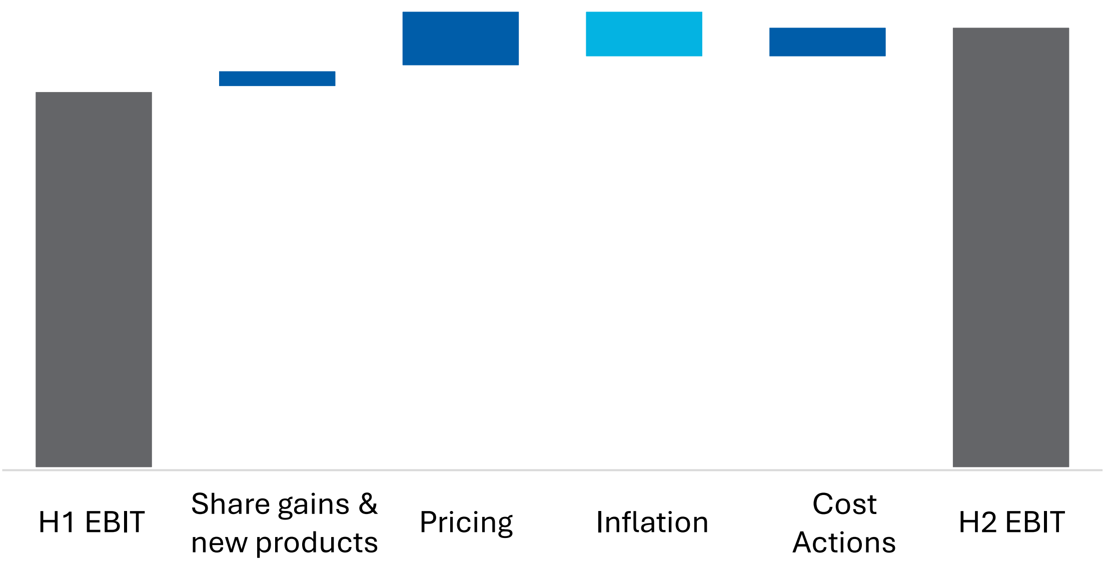
Fully on track for leverage to fall to 2x or below by end 2026, given strong H2 cash generation

$m	H1 2026	H1 2025
Free cash flow[1]	30	38
Acquisitions and disposals	(13)	16
Dividends paid to equity shareholders	(43)	(35)
FX and other movements	(2)	(1)
Movement in leases (IFRS 16)	12	14
Change in net debt (incl. IFRS 16)	(17)	31
Group net debt (excl. IFRS 16)	(842)	(430)
Leases (IFRS 16)	(82)	(71)
Group net debt (incl IFRS 16)	(924)	(501)
Proforma leverage (excl IFRS 16)	2.3x	1.4x

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

MODELLING GUIDANCE

CONFIDENCE IN H2 EBIT IMPROVEMENT



Assumes modest market decline in H2
Volume growth driven by accelerated share gains and new product/programme launches
Secured pricing fully offsets expected inflation impacts
Incremental cost actions deliver c.$15m benefit including OrthoLite synergies

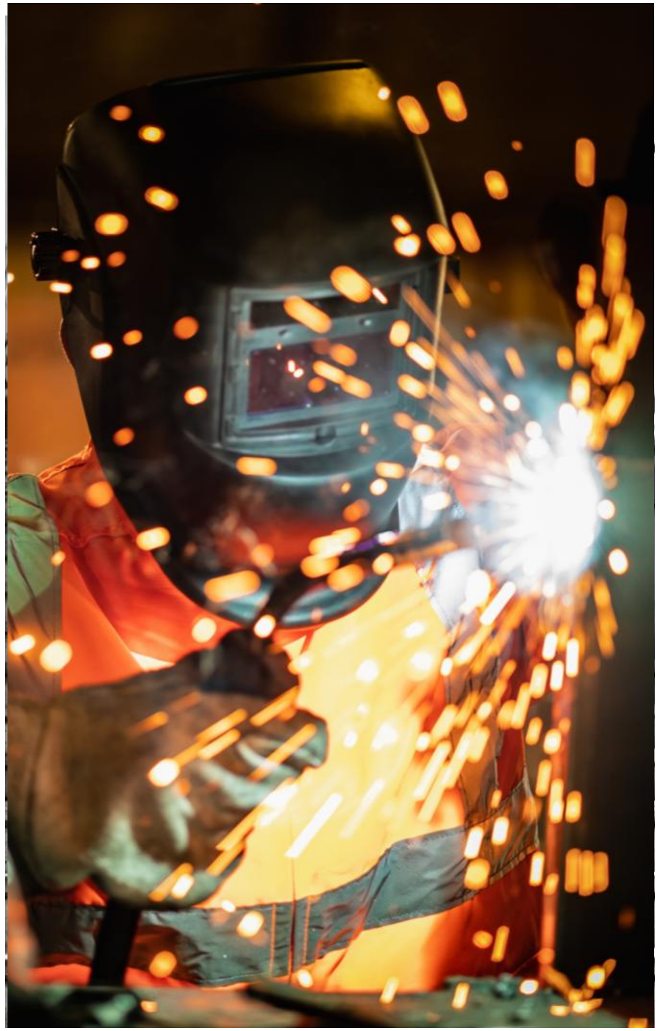
2026 GUIDANCE UNCHANGED

Working Capital	c.12% of sales Expect H2 working capital unwind based on typical seasonality
Capital Expenditure	c.$40-45m Plus $5m related to OrthoLite integration capex (see below)
Finance costs	$60-65m Cash interest expected to be lower
Taxation	Effective tax rate: c.29% Cash tax rate expected to be higher due to one off items
OrthoLite cost synergies	c.$5m in year
OrthoLite integration costs	c.$10m cash outlay Including c.$5m integration capex for Indonesia capacity

Focus on Innovation and Operational Excellence

Strategic Update

STRATEGIC HIGHLIGHTS



MSD% of market outperformance in H1

Market-leading manufacturing footprint with system-driven operational agility
Broadest product portfolio, leader in sustainability, increased focus on innovation

Footwear division enhanced to drive accelerated growth

Four product P&Ls with dedicated leadership and specialised sales forces
Investments in commercial and operational excellence initiatives delivering results

Target adjacencies delivering 1% of Group growth

Particularly strong performance from composite energy tapes
New product acceleration across the five adjacencies

Strengthened confidence in OrthoLite shareholder value creation

On track to deliver $5m cost synergies in 2026 and at least $20m annually by 2028
$40m+ incremental annual sales synergies by 2030 not included in acquisition case

OUR BUILDING BLOCKS FOR GROWTH

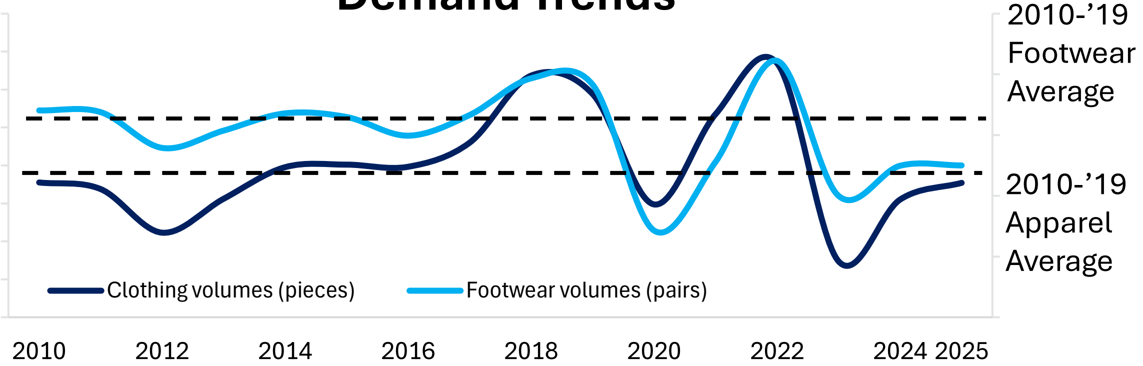
	MARKET GROWTH	SHARE GAINS	TARGET ADJACENCIES	GROUP TOTAL
				
MEDIUM-TERM GUIDANCE	3% CAGR	+ 1-2% CAGR	+ c.1% CAGR	= >5% CAGR[1]
H1 2026 PERFORMANCE	c.(MSD%)	+c.MSD%	+1%	+1%
	Cautious customer ordering; Tariffs + Middle East conflict	Strong share gains across product lines	Strong growth in composite energy tapes	MSD outperformance vs. market

1. Group revenue growth target is >5% on average through the cycle

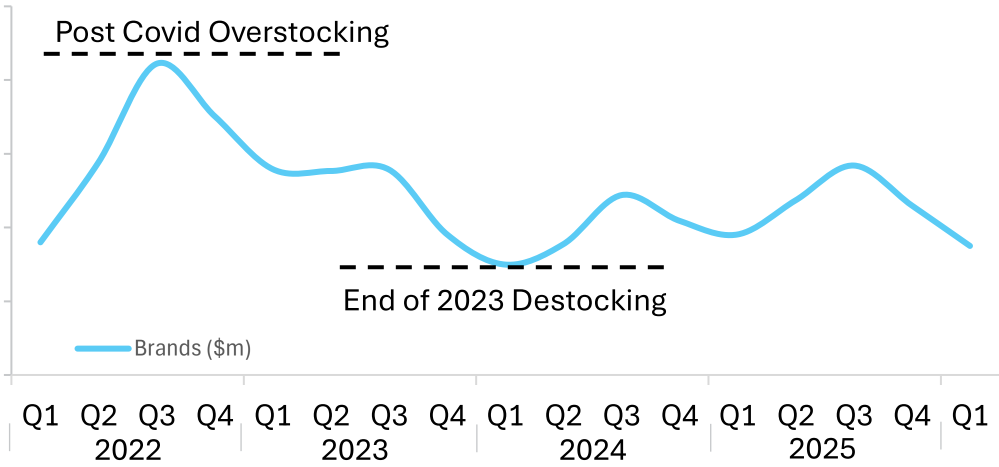
INDUSTRY ENVIRONMENT

LEAN INVENTORIES FOLLOWING THREE QUARTERS OF INDUSTRY DESTOCKING

Demand Trends[1]



Brand Inventory Levels[2]



Industry demand below historical averages

Both apparel and footwear volumes below 2010-19 average

Low inventories at brands

Three consecutive quarters of inventory reduction
Lower absolute levels since Covid

End of destocking cycle could drive upside

Not assuming recovery in H2, ongoing modest declines

Data sources:

1. *Combined volume imports to US, EU, Japan. Sources: US – USITC, EU – EUROSTAT, Japan – Trade Statistic of Japan*
2. *Company compiled Brand Inventories, source is Factset, normalised for inflation*

CONTINUED SHARE GAIN MOMENTUM

MID-SINGLE DIGIT MARKET OUTPERFORMANCE IN H1

INDUSTRY CONSOLIDATION TRENDS	COATS' DIFFERENTIATION
Faster fashion cycles → Shorter lead times	Fast prototyping; Production planning systems
Tier 1 productivity → Product quality and consistency	Best quality and consistency; colour management
Inventory control → Smaller order patterns	Investments in small batch manufacturing equipment
Changing tariffs → Change in production countries	Best global footprint & capability
Sustainability → Recycled product leadership	Largest recycled product portfolio and scale
Product performance & design → Innovation crucial	Scale to invest; capability in polymers / textile
New regulations → Supply chain transparency	Investments in digital technology

H1 share gains across the portfolio

ACCELERATION IN FOOTWEAR

+6% GROWTH IN Q2 YEAR-ON-YEAR IN A DECLINING MARKET, BUILDING MOMENTUM

SIGNIFICANT STRUCTURAL CHANGE IN H2 25

From 3 to 2 Divisions

IMPACT

- New Divisional CEO
- Four product P&Ls with dedicated MDs
- From shared to product-focused sales teams
- Significant leadership talent infusion
- Strengthened innovation teams

Increased growth focus & stronger talent

ENHANCING A WORLD-CLASS «DELIVERY» ORGANISATION

PROGRESS:

Commercial Excellence

- Strengthening brand & Tier 1 management
- Enhancing technical competence
- Deploying value selling playbook

Operational Excellence

- Lean deployment
- Investments in Digital & planning

INVESTING FOR THE FUTURE – ACCELERATING INNOVATION

Rhenoprint 2.0

Structural Components

SCF[1] Insoles

Light Insoles

ProWeave

Engineered Uppers

Cirql 2.0

Sustainable high-performance midsoles

1. SCF: Supercritical Foam Insoles

INVESTMENT IN TARGET ADJACENCIES

1% OF GROUP REVENUE GROWTH IN H1, ONGOING INVESTMENT TO SUPPORT FUTURE GROWTH

One-step adjacencies Known customers	Combined TAM c.$2bn Growing >5% CAGR	Differentiated Coats offerings

SAFETY FABRICS

ENERGY TAPES

COATS DIGITAL

PROWEAVE

LIFESTYLE

H1 PROGRESS

SAFETY FABRICS	ENERGY TAPES	COATS DIGITAL	PROWEAVE	LIFESTYLE
• New product launches	• New product launches	• New product launches • AI acceleration	• Customer expansion	• New product range

TARGET ADJACENCIES: ENERGY TAPES

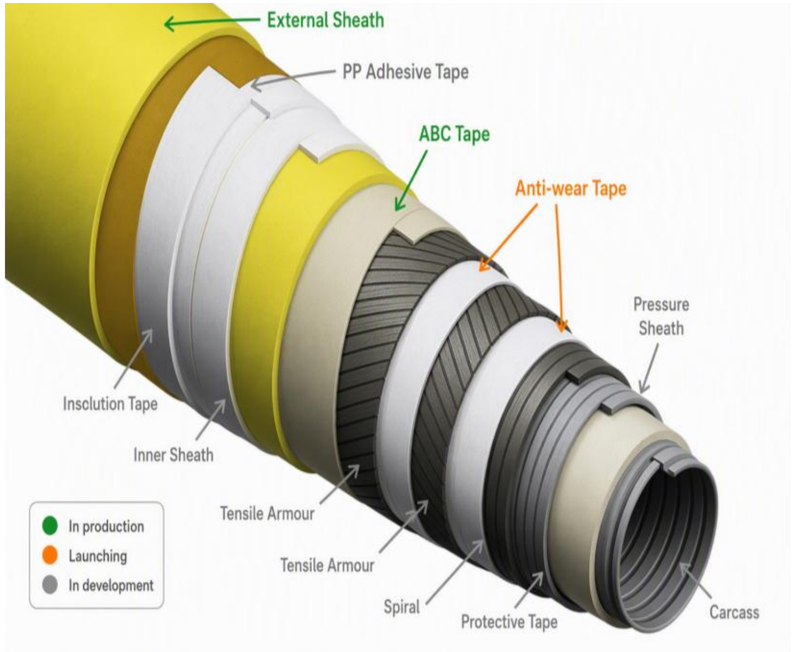
$11M OF SALES IN 2025, $40M+ POTENTIAL BY 2030

INDUSTRY DRIVERS

Increased deepwater oil exploration in the Americas driving high pipe demand
Engineered polymer tapes displacing steel layers in pipes due to harsh environment
Concentrated customer base with long qualification cycles
Coats' addressable market $220m, growing at 5% p.a.

COATS DIFFERENTIATION

Deep know-how in polymer science and textile engineering
Proprietary product and process technology
Established customer relationships and reputation; world-class manufacturing
Expanding product portfolio from 2 to 8+ tape types



ORTHOLITE: PROGRESS SINCE ACQUISITION

AT LEAST $20M ANNUALISED COST SYNERGIES BY FY28 FOR c.$35M ONE-OFF COST

CURRENT PERFORMANCE

- **Footwear market decline in H1**
- **Indonesia capacity issues, impacting growth**
- **Strong new product and programme growth expected in H2**

SOURCES OF COST SYNERGIES

Operational Management	**Footprint optimisation** **Operational excellence and automation**	**On Track** Indonesia in progress Pleret insole production Q1 27 China & Vietnam in 2027-28
Procurement	**Strategic procurement** **Direct and indirect cost focus**	**On Track** Wave 1: direct/indirect achieved Wave 2: in planning
Support Functions	**Cost optimisation** **Supported by phased ERP implementation**	**On Track** SAP in Indonesia in Q1 2027 China & Vietnam in 2027-28

$40M+ ORTHOLITE SALES SYNERGIES

EXPANDED TAM OPENS SALES SYNERGY OPPORTUNITY, NOT INCLUDED IN ACQUISITION CASE

2030 TOTAL ADDRESSABLE MARKET

Core Business — $700m in 2024; c.**$1 billion** by 2030

Adjacencies — Not in acquisition case

- Safety Insoles
- SCF Insoles
- Carbon Plates
- Cirql midsoles

$600m by 2030 (~10% CAGR)

2030 Annual Sales Synergy target $40m+

Supporting OrthoLite **High Single Digit CAGR** to 2030

2026 PROGRESS

Safety Insoles

Product qualified by 5 brands

Expect first launch in H2

SCF Insoles

First launch by Chinese brand in H2

In qualification by another global brand

Carbon Plate

Ongoing testing by 2 global brands

Target launch in 2027

Cirql midsoles

First launch expected in H2

Technology selected by EU brand

Industrialisation in H2

Initial sales in H2

CIRQL: INNOVATION IN MIDSOLE

SUSTAINABLE MIDSOLES FOR NEW EU REGULATION

WHY CIRQL?
New EU ESPR regulation (2027-30) will drive carbon footprint reduction in footwear
Midsole represents 25-30% of total shoe carbon footprint
Cirql is a step change in sustainability for “low-density” (SCF) foam midsoles
Demonstrated up to 39% carbon-footprint reduction from Cirql vs. alternative midsole

STATUS OF COMMERCIALISATION
Strong IP protection of the chemistry and process
EU customer has selected the technology for launch; moving to industrialisation phase in H2
Initial launch with polymer compound sale to a Tier 1; Tier 1 will make the midsole

Addressable market of $140m by 2030 for polymer compound sales

SUMMARY AND OUTLOOK

MARKET LEADING POSITION STRENGTHENED

Full year expectations unchanged

Assuming modest market decline in H2 despite low inventory levels

Good year-on-year earnings growth in full year

Continued outperformance from share gains

Secured pricing will offset expected inflation

New platform and product launches

Incremental c.$15m of benefits from cost actions (including synergies)

Strong free cash flow in full year

Confidence in highly resilient H2 cash generation

Full year performance consistent with cumulative c.$1bn 5-year cash target


Q&A
COATS

APPENDIX

THE COATS INVESTMENT CASE

c.$1bn

of free cash flow[1] to be generated over the next 5 years

World leader in our markets

A leading Tier 2 supplier of critical components to the apparel and footwear industry

Consistently outperforming our markets

Unrivalled global manufacturing capability, proprietary technology platforms & continued innovation

Improved quality of portfolio - now focused on delivery

Acquired the number one supplier of premium footwear insoles; sold underperforming US Yarns business

Track record of improving operating margins

Reflects value to customers and operational excellence

Strong cash generation

Powerful dynamic of high margins and low capital intensity

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

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

MEDIUM TERM MODELLING GUIDANCE

GUIDANCE AREA	2026	MEDIUM TERM (2027 ONWARDS)
Working Capital	c.12% of sales Expect H2 working capital unwind based on typical seasonality	c.12% of sales
Capital Expenditure	c.$40-45m including OrthoLite run rate Plus $5m related to OrthoLite integration capex (see below)	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	At least $20m annualised synergies achieved by end 2028
OrthoLite integration costs	c.$10m cash outlay Including c.$5m integration capex for Indonesia capacity	c.$35m total cash outlay across three years
Other exceptionals	Minimal other exceptional cash outflows expected	

MEDIUM TERM TARGETS

ANNOUNCED IN MARCH 2026

Medium-term financial framework	
Revenue Growth[1]	>5% on average through the cycle 200+bps outperformance vs market
EBIT %	21-23%
FCF[1,2] (cumulative)	c.$1bn over 5 years
Total EPS[1] (CAGR)	>10%

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

PRIORITIES

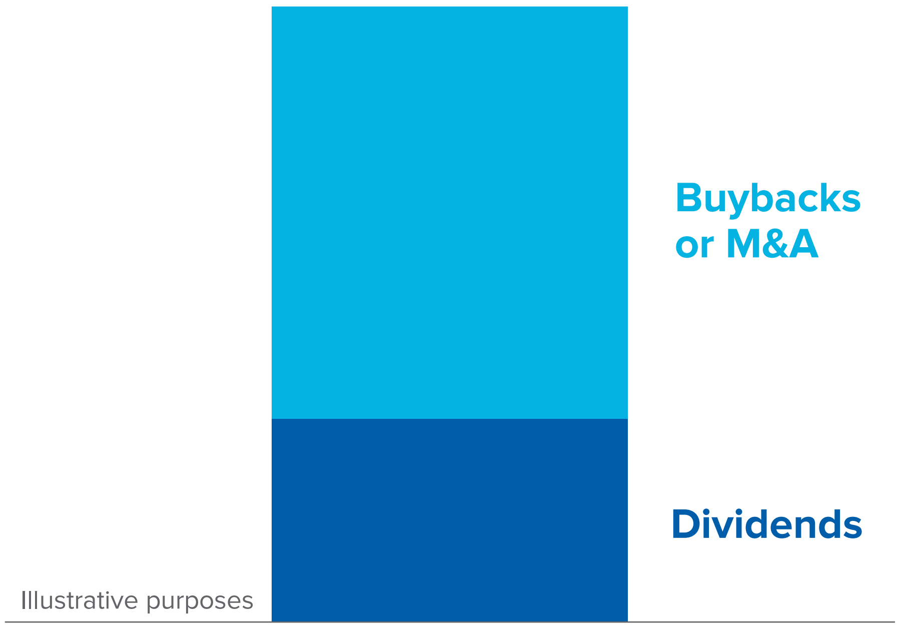
01. Reinvest in organic growth

02. Progressive dividend

03. Share buybacks and / or disciplined M&A

CAPITAL ALLOCATION

c.$1bn FCF[1] over 5 year period



EPS growth >10%[2]

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

OPERATING MARGIN BRIDGE

RESILIENT MARGIN THROUGH STRONG EXECUTION AND ACQUISITIONS CONTRIBUTION