

At a glance and highlights

We are the global market leader in apparel threads, structural components and threads for footwear, and innovative pioneers in performance materials.

We are manufacturers of sustainability-led innovative products, and trusted partner to leading brands across all three segments and multiple industries.

A FTSE250 company and a FTSE4Good Index constituent, Coats takes part in the UN Global Compact and is committed to Science Based sustainability targets for 2030 and beyond.

50+

Countries

17,000

Employees

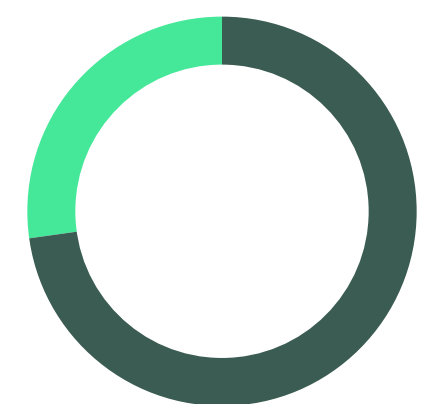
34,000

Customers globally

>250

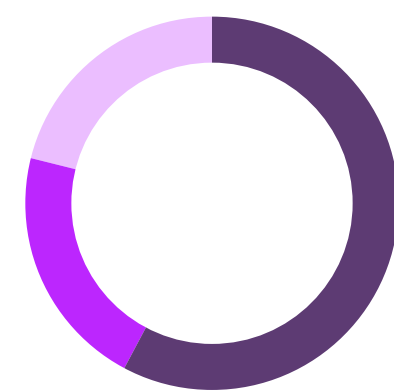
Years of textiles experience

Revenue by division



■ Apparel & Footwear 73%
■ Performance materials 27%

Revenue by region



■ Asia 58%
■ Americas 21%
■ EMEA 21%

Highlights

Accelerating profitable sales growth

- Group organic growth of 10%; Apparel & Footwear 9%, Performance Materials 13%
- Thread market share gains up over 100bps to 24%
- Recycled product revenues up 37% to \$127m
- 17 new innovative products brought to market
- Adjusted operating margin up 120bps to 14.8%
- Price/mix and self-help offset inflationary pressures of \$118m
- Strong free cash flow of \$114m, pro forma leverage after acquisitions of 1.4x
- Adjusted earnings per share increased 14% to 8.2c and dividend per share by 15%, full year dividend 2.43c

Transforming the business

- Acquisition of Rhenoflex and Texon creates global market leader in footwear components
- Significant momentum in strategic projects to optimise the portfolio and footprint, and improve the overall cost base efficiency. As a result, we now expect to achieve an added \$20m in Operating Profit in 2024, up to \$70m
- Divested our Brazil and Argentina business, exited from Russia and direct operations in South Africa. Rationalised plants in Hungary and the USA and sold our units in Mauritius and Madagascar
- Sustainability ambitions upgraded in line with our net zero commitments. Substantially delivered on 2022 goals. New 2030 targets announced
- Positive progress in relation to de-risking of UK pension scheme; £350m buy-in completed. On/off contribution trigger agreed with Pension Trustees

Financial performance

Continuing operations	FY 2022	FY 2021 ³	FY2022 vs FY 2021		
			Reported	^A CER	^A Organic
Revenue*	\$1,584m	\$1,447m	9%	16%	10%
Adjusted ^A					
Operating profit*	\$235m	\$198m	19%	27%	22%
EBITDA*	\$284m	\$243m			
Basic earnings per share*	8.2c	7.2c			
Free cash flow*	\$114m	\$124m			
Net debt (excl. IFRS 16)	\$394m	\$147m			
Pro forma leverage* ²	1.4x	0.7x			
Reported¹					
Operating profit	\$181m	\$178m	2%	9%	9%
Basic earnings per share	4.8c	5.8c			
Net cash generated by operating activities	\$96m	\$129m			
Final dividend per share	1.73c	1.50c			
Total dividend per share	2.43c	2.11c			

^A Alternative Performance Measures – see note 37.

* Indicates our KPI measures. See pages 30-31 for more details and historical performance.

1. Reported metrics refer to values contained in the IFRS column of the primary financial statements in either the current or comparative period.

2. Leverage calculated on a pro forma and frozen GAAP basis and therefore excludes the impact of IFRS 16 on both adjusted EBITDA and net debt and includes a full 12 months of EBITDA for Texon and Rhenoflex.

3. Restated to reflect the results of the Brazil and Argentina business, divested in 2022, as a discontinued operation.

Some of our customers

INDITEX



American Apparel

Columbia

COMMSCOPE

DECATHLON

EUROPROTECT
Technical fabrics for protective apparel.

