

2025 INTERIM RESULTS

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Expanding beyond the core

Ronan Cox, Group CEO
Gary McGrath, Group CFO



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Results Highlights



Ronan Cox
Group CEO

RECORD PERFORMANCE IN REVENUE & PROFIT

Results Highlights



Record H1 Sales Performance

Group revenue

- Up 9% to £77.4m
(HY24: £71.1m)

Regional revenue

- EMEA up 11% to £61.4m
(HY24: £55.3m)
- North America up 10% to £14.5m
(HY24: £13.1m)

Vertical Revenue

- Consumer & Lifestyle up 16% to £38.6m (HY24: £33.3m)
- Transport & Smart Technologies up 13% to £26.2m (HY24: £23.1m)
- Construction & Other Industrial down 14% to £12.6m (HY24: £14.7m)



Record Earnings

Margins

- Gross margin up 140 bps to 34.6%
(HY24: 33.2%)
- Operating margin increased by 220 bps to 15.8%
(HY24: 13.6%)

Profits

- Operating profit up 26% to £12.2m
(HY24: £9.7m)
- Profit before tax up 37% to £11.4m
(HY24: £8.3m)

Basic earnings per share

- Up 55% to 19.99p (HY24: 12.89p)



Record Cash Generation

Balance sheet

- Cash generation up 86% to £15.8m
(HY24: £8.5m)

Interim dividend

- Increased by 5% to 2.50p per share
(HY24: 2.38p)

Note: HY 24 includes £2.2m of MuCell operating losses





STRATEGIC HIGHLIGHTS

Underpinning our record H1 results is continued progress across our **Expanding beyond the Core** strategy.



Health & Safety

 **INDUSTRY AND
CUSTOMER FOCUS**

**From product to
industry**



 **CLOSER TO
THE CUSTOMER**

**Expanding
capabilities**



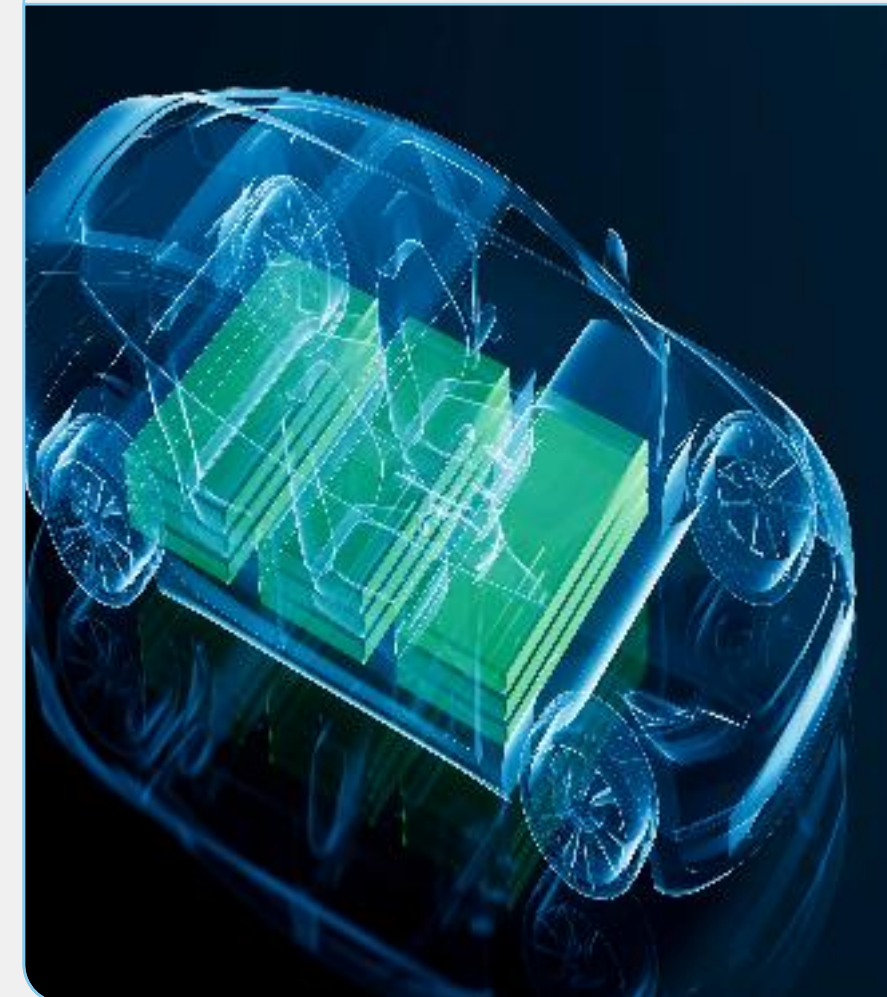
 **INNOVATION &
SUSTAINABILITY
LEADERSHIP**


**Sustainable
innovation**



 **M&A BEYOND
THE CORE**

**Moving up
the value chain**



 **HIGH PERFORMING
TEAMS**

**Executing
the strategy**





REGIONAL PERFORMANCE EMEA

Key Messages

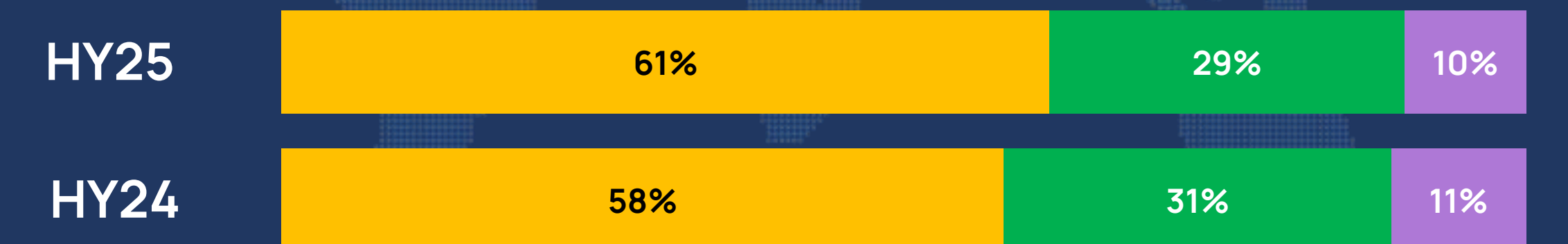
Double-digit EMEA growth driven primarily by strong Consumer & Lifestyle performance

- **Consumer & Lifestyle** up 18% to £37.9m, driven by strong ZoomX demand in new programmes and launch stock build-up
- **Transport & Smart Technologies** up 1% to £17.5m, with solid aerospace demand offset by flatter performance in packaging and other applications
- **Construction & Other Industrial** unchanged at £6.0m; growth in direct industrial sales offset by lower distributor volumes and a slow start for T-FIT in Europe
- **Segment Profit** is absorbing reorganisation, reinvestment, forex, and payroll inflation

REVENUE

£m	HY25	HY24	Change
Revenue	61.4	55.3	+11%
Segment profit	13.8	13.5	+2%
Segment margin	22.4%	24.4%	-200bps

REVENUE SPLIT BY VERTICAL



■ Consumer & Lifestyle ■ Transport & Smart Technologies ■ Construction & Other Ind.



REGIONAL PERFORMANCE NORTH AMERICA

Key Messages

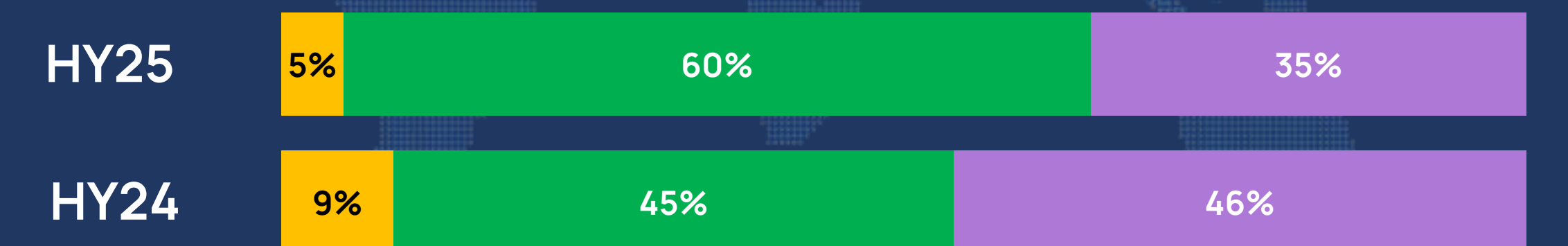
Strong growth and margin turnaround in North America, led by aerospace and operational improvements

- **Revenue** up 10% to £14.5m, with 5% volume growth and strong gains in Transport & Smart Technologies, particularly aerospace and speciality packaging
- **Transport & Smart Technologies** up 49% to £8.8m, driven by growth with existing accounts and new customer wins
- **Construction & Other Industrial** down 17% to £5.0m, as operational issues at a key customer impacted volumes; recovery plan in place for H2
- **Segment Profit** improved to £1.2m (from breakeven), with margin up to 8.6%, helped by improved mix, cost control, and lower raw material pricing

REVENUE

£m	HY25	HY24	Change
Revenue	14.5	13.1	+10%
Segment profit	1.2	0.0	-
Segment margin	8.6%	0.0%	-

REVENUE SPLIT BY VERTICAL



■ Consumer & Lifestyle ■ Transport & Smart Technologies ■ Construction & Other Ind.



REGIONAL PERFORMANCE

ASIA

Key Messages

Near-term challenges, but strategic investment positions region for future growth

- **Revenue** of £1.4m, down from £2.1m, reflects challenging local demand and competitive environment in T-FIT[®] insulation; actions underway to broaden offering and strengthen distribution
- **Segment profit declined to breakeven**, impacted by lower revenue and start-up costs for the Vietnam facility and Korea innovation centre
- **Joint Venture** signed with Seoheung, a footwear manufacturer with \$260m annual sales, providing technical expertise, market access and co-investment in Vietnam
- **Vietnam facility** progressing to plan, with machinery ordered, property secured and leadership appointed; \$32m project partially funded through Seoheung's \$10m investment

REVENUE

£m	HY25	HY24	Change
Revenue	1.4	2.1	-33%
Segment profit	0.0	0.6	-
Segment margin	0.0%	27.9%	-



Accelerating growth in Asia

A landmark joint venture in Vietnam, that de-risks and underpins our move into advanced footwear component manufacturing in the fastest growing country for athletic footwear production, at the same time as deepening customer partnerships.

JOINT VENTURE WITH SEOHEUNG



Transformational Step in Global Footwear Strategy

- Joint venture with Seoheung Co., Ltd, a \$260m footwear manufacturing specialist
- Supports Zotefoams' transition from foam sheet supply to advanced 3D preforms
- Positions Zotefoams at the heart of global footwear manufacturing in Vietnam



De-risking

- Access to Seoheung's local manufacturing expertise and proven supply chain capability
- Shared investment reduces financial and operational risk
- Allows Zotefoams to continue to serve and work in collaboration with all its customers in the footwear business



Investment Structure

- Seoheung to invest \$10m for 17.5% stake in Vietnam entity
- Option for Seoheung to increase to 35% for a further \$14m
- Total project cost ~\$32m; Seoheung proceeds to support commissioning



Execution Progressing to Plan

- Key machinery ordered and property arrangements finalised
- Experienced regional leader appointed to head joint venture
- Facility will enhance market access, capacity, and strategic flexibility



Results Highlights



Gary McGrath
Group CFO



HY25 KEY INCOME STATEMENT FINANCIALS

Group Revenue¹

£77.4m

Up 9%
HY24: £71.1m

Gross Margin

34.6%

Up 140 bps
HY24: 33.2%

Operating Profit^{1,2}

£12.2m

Up 26%
HY24: £9.7m

PBT^{1,2}

£11.4m

Up 37%
HY24: £8.3m

Basic EPS^{1,2}

19.99p

Up 55%
HY24: 12.89p

SGA

£14.5m

Up 5%
HY24: £13.9m

Interest

£0.8m

Down 41%
HY24: £1.4m

Tax

£1.6m

Down 18%
HY24: £2.0m

Record
Group revenue

Enhanced
margins

Record profits

¹ HY 2024 includes £0.6m of revenue and £2.2m of net losses generated in MuCell Extrusion

² This is a reported number under UK adopted IAS. Following the impairment of MuCell Extrusion assets in December 2024, there is no amortisation of acquired intangibles booked in the period and thus no difference between reported and adjusted numbers (HY 24: £0.126m)



HY25
KEY BALANCE SHEET/CASH FLOW FINANCIALS

<div>Cash From Operations £15.8m Up 86% HY24: £8.5m</div>	<div>W Capital In/ (Outflow) £0.5m Net movement +£6.4m HY24: £(5.9)m</div>	<div>Net Capital Expenditure £7.8m Down 4% HY24: £8.1m</div>
<div>Net Debt¹ £21.1m Down 39.9% FY24: £24.1m; HY24: £35.1m</div>	<div>Leverage 0.7x Down 0.2x /0.7x FY24: 0.9x; HY24: 1.4x</div>	<div>Interim Dividend 2.50p Up 5% HY24: 2.38p</div>
<div>Intangible assets £0.3m Down 25% FY24: £0.4m Down 97% HY24: £11.1m</div>	<div>Working Capital Balance £48.5m Down 2% FY24: £49.5m Down 17% HY24: £58.4m</div>	<div>Post employment benefits (pension deficit) £(0.6)m Down 60% FY24: £(1.5)m Down 61% HY24: £(1.6)m</div>

Strong cash generation reduces net debt & leverage

Strong working capital focus

Interim dividend up 5%

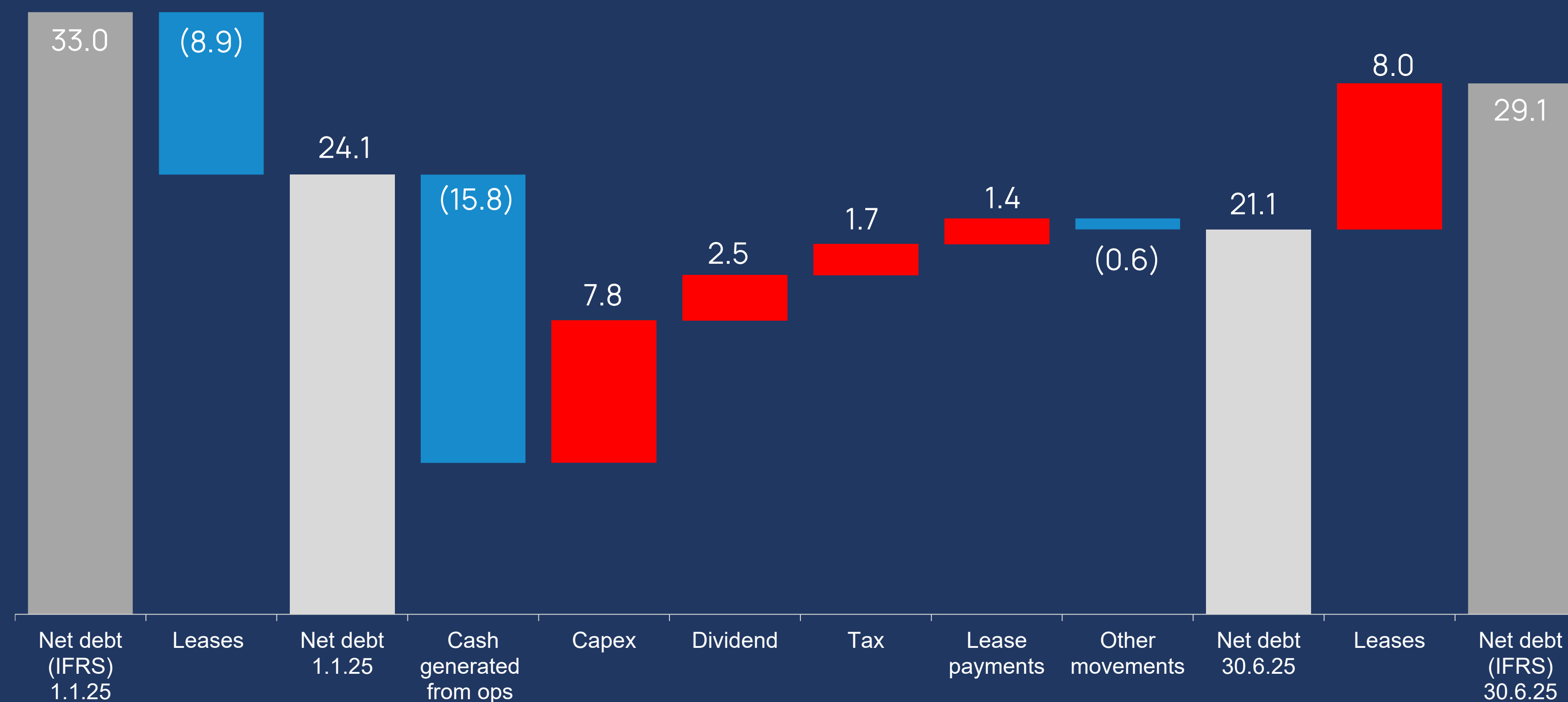
¹ Net debt (covenant basis) is that defined under the bank facility, adjusted for the impact of IFRS16. The main adjustment is the elimination of Shincell (£5.9m), treated as a right-of-use asset and a corresponding lease liability



HY25 KEY FINANCIALS

MOVEMENT IN NET DEBT DURING THE PERIOD

£m



Cash generated from operations up £7.3m vs HY24

H1 capex focus on US low-pressure vessel switches to H2 focus on Vietnam facility - cash out supported by joint venture investment

Strong balance sheet provides flexibility for inorganic growth



Summary & Outlook



Ronan Cox
Group CEO



HY25 SUMMARY



Record H1 2025 Performance

- Revenue up 9% to £77.4m
- Profit before tax up 37% to £11.4m



Vertical Performance

- Consumer & Lifestyle up 16% to £38.6m
- Transport & Smart Technologies up 13% to £26.2m
- Construction & Other Industrial down 14% to £12.6m



Progress on Strategy

- Good progress already made since March Capital Markets Day



Strategic Investment in Asia

- Joint venture partnering with Seoheung in Vietnam



North America Capacity

- Second low-pressure vessel remains on track for Q3 2025 commissioning



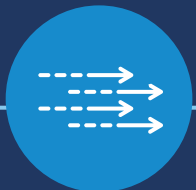
FULL YEAR OUTLOOK



Solid progress on market verticals and commercial transformation



Operational momentum is expected to continue



Investment in Expanding Beyond the Core strategy gathering pace



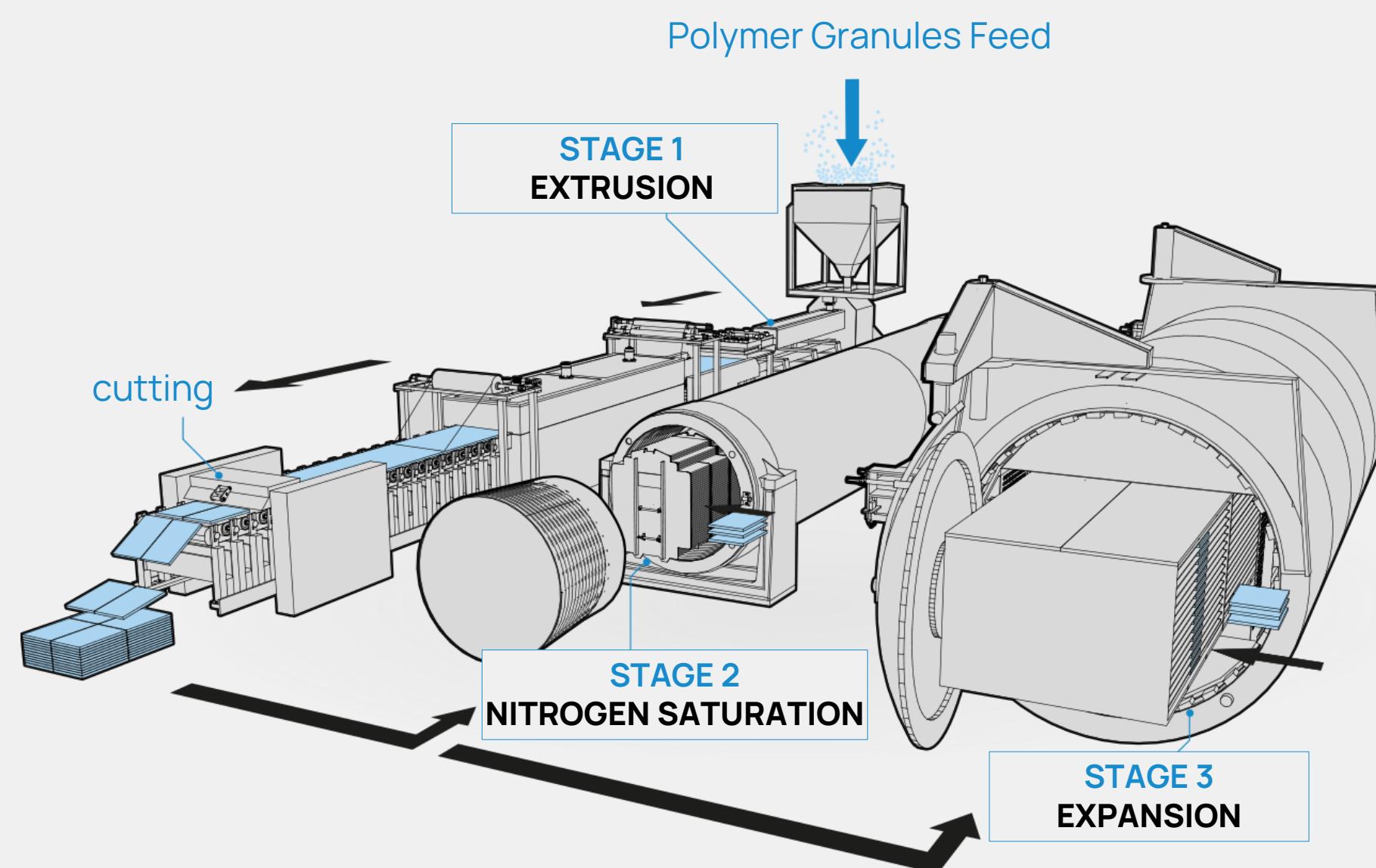
Good momentum gives confidence that full-year profit before tax will be ahead of expectations



Appendices



HOW OUR UNIQUE FOAMS BUSINESS WORKS



At the heart of what we do is a unique, environmentally friendly **three-stage process** that uses **nitrogen gas** to produce a range of **premium & high-performance** closed cell, cross-linked foams.

Starting with a core process

- Proprietary three-stage process
- Meaningful and sustainable competitive advantage

Making the best use of our assets

- Running full with a focus on high margin products
- Regional supply for everyday materials and global supply for advanced technical solutions

Adding more value for customers, and to our business

- Unique and advanced properties across our product portfolio help meet stringent regulations and offer better solutions in chosen markets and industries
- Extensive high margin opportunities, at times further up the value chain

Working with partners to deliver our innovation-led product portfolio to key industries

- AZOTE® foams offer best-in-class performance for durable everyday requirements
- ZOTEK® advanced technical foams meet stringent regulatory standards & deliver smart material features
- T-FIT® insulation minimises heat loss or gain while providing hygienic protection for critical environments

Ensuring sufficient capacity to meet growing demand

- Significant growth opportunity backed up by recent high levels of capacity investment
- State of the art facilities outside the UK improve local service offering





BUSINESS OVERVIEW

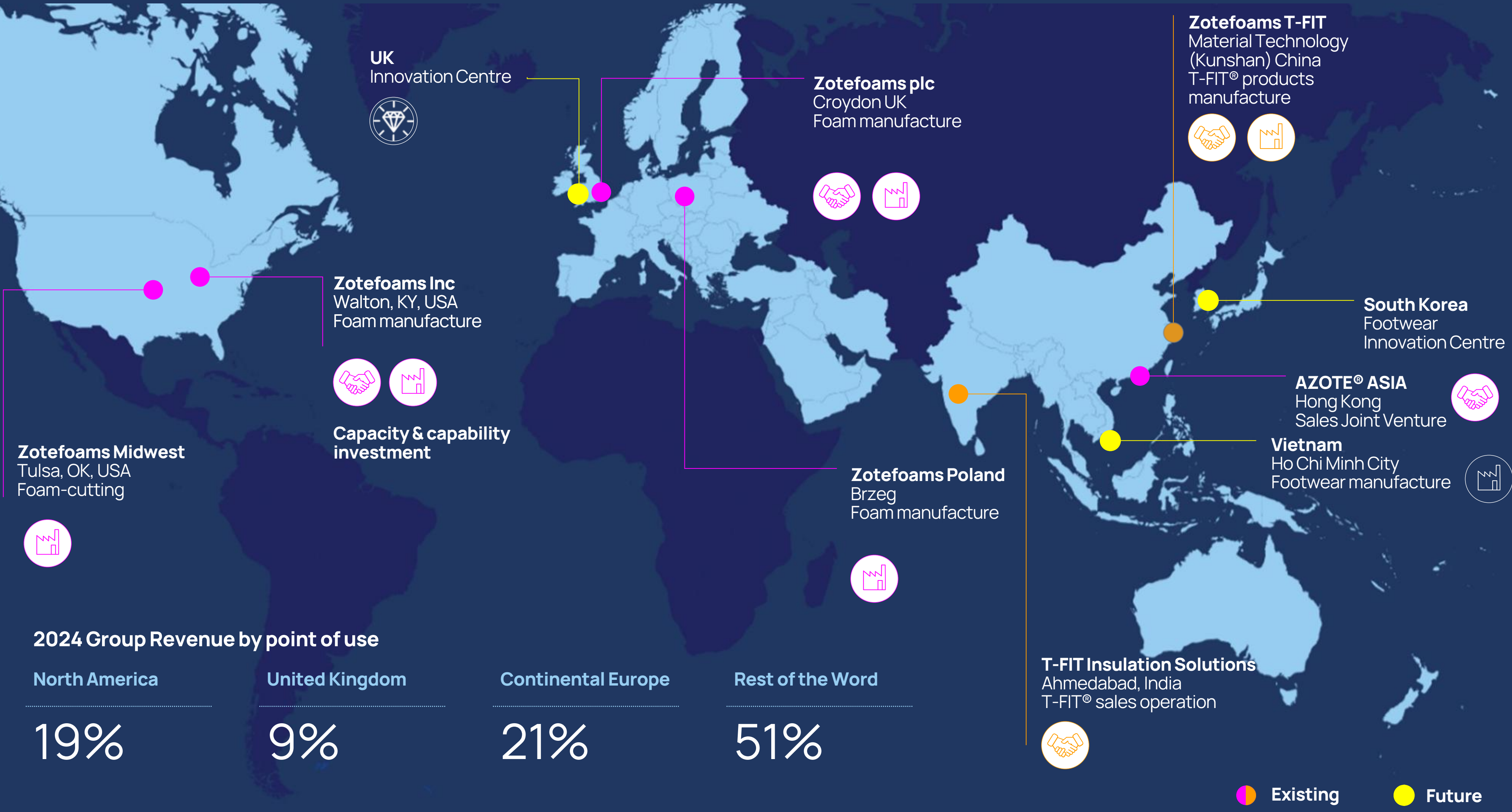
Factory / Plant Sales office Innovation Centre

5+
Manufacturing
Plants

600
Employees
Globally

41%
Ethnically
Diverse

30%
Female
Employees





OUR MARKET VERTICALS
& TYPICAL APPLICATIONS



Consumer & Lifestyle

Footwear	Premium & performance soles
Sports & Leisure	Protective gear Recreational sports equipment



Transport & Smart Technologies

Aerospace	Ducting Thermal Insulation Noise Vibration Harshness (NVH)	Interior Trim Low Dielectric
Transport	Thermal Insulation NVH Trim/Luxury Trim Gap Filler	EV Battery Seals Cell Dividers Shock Absorbers Crash Protection
Industrial Packaging	Case Packaging Conductive Protective Inserts	ESD protection Lux. & HV goods
Medical	Packaging Toolkits Medical Insoles Medical Dev/Equip	Prosth. & Ortho. Medical Insoles MRI & CT scanning



Construction & Other Industrial

Construction & Insulation	Equipment & Skid Insulation Pipe Insulation Expansion Joint & Seals
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HY25 KEY FINANCIALS

OPERATING PERFORMANCE

£m	HY25	HY24	Change
Group revenue	77.4	71.1	9%
Gross profit	26.8	23.6	14%
Gross profit margin	34.6%	33.2%	140bps
SGA	14.5	13.9	(5%)
Operating profit	12.2	9.7	26%
Operating profit margin	15.8%	13.6%	220bps

INTEREST & TAX

£m	HY25	HY24	Change
Net finance charges	0.8	1.4	(41%)
Profit before tax	11.4	8.3	37%
Tax charge	1.6	2.0	(18%)
Profit after tax	9.8	6.3	55%
Effective tax rate	14.5%	24.2%	

EARNINGS & DIVIDEND

p	HY25	HY24	Change
EPS	19.99	12.89	55%
Interim DPS	2.50	2.38	5%

BUSINESS UNIT PERFORMANCE

%	HY25	HY24	Change
Segment margin - EMEA	22.4	24.4	(200 bps)
Segment margin - NA	8.6	0.0	-



BALANCE SHEET

£m	Jun-25	Jun-24	Dec 24
<i>Intangible assets</i>	<i>0.3</i>	<i>11.1</i>	<i>0.4</i>
<i>Property, Plant & Equipment</i>	<i>93.3</i>	<i>93.3</i>	<i>92.1</i>
<i>Right of use assets</i>	<i>8.8</i>	<i>9.9</i>	<i>9.4</i>
Tangible & intangible fixed assets	102.4	114.3	101.9
Net working capital	48.5	58.4	49.5
Post-employment benefits	(0.6)	(1.5)	(1.6)
Net debt (including IFRS 16)	(29.1)	(44.6)	(33.0)
Net deferred tax liability	(5.7)	(4.2)	(4.6)
Net derivatives	2.9	0.0	(1.1)
Other assets/ (liabilities)	(0.3)	(2.2)	(1.8)
Total net assets	118.0	120.3	109.4
Issued share capital	2.4	2.4	2.4
Share premium	44.2	44.2	44.2
Retained earnings	68.1	69.7	59.8
Other reserves	3.3	4.0	3.0
Total equity	118.0	120.3	109.4

CASH FLOW

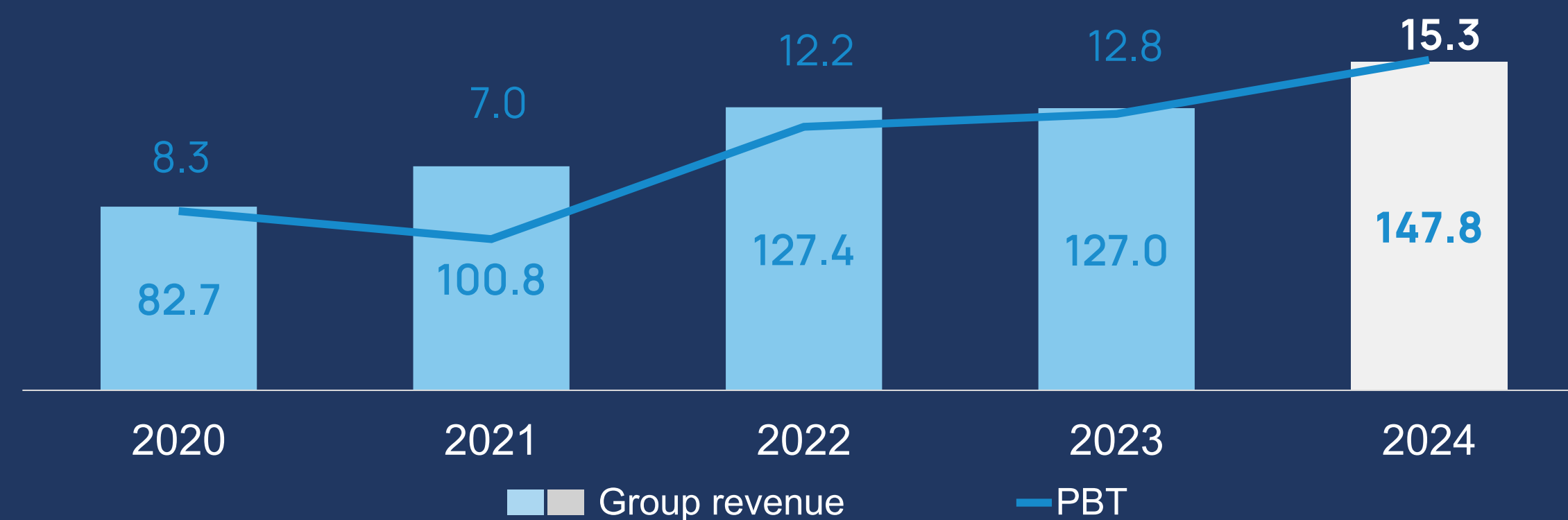
£m	Jun-25	Jun-24
Profit before tax	11.4	8.3
Depreciation/Amortisation	4.3	4.2
Finance costs	0.8	1.4
Net exchange differences	(1.6)	0.2
Other	0.9	0.7
O.P. before movements in W/C & Provisions	15.8	14.8
Pension contributions	(0.4)	(0.4)
<i>Movement in receivables</i>	<i>(3.6)</i>	<i>(3.3)</i>
<i>Movement in inventories</i>	<i>0.7</i>	<i>(5.1)</i>
<i>Movement in payables</i>	<i>3.3</i>	<i>2.5</i>
Net movement in working capital	0.5	(5.9)
Cash generated from operations	15.8	8.5
Net interest paid	(0.5)	(1.2)
Net capital expenditure	(7.8)	(8.1)
Free cash flow	7.5	(0.8)
Tax paid	(1.7)	(1.1)
Lease payments	(1.4)	(1.0)
Dividend paid	(2.5)	(2.4)
Increase/decrease in debt	1.9	(5.3)
Opening net debt (ex IFRS 16)	(24.1)	(30.2)
Loan revaluation/FX	1.1	0.4
Closing net debt (ex IFRS 16)	(21.1)	(35.1)



FIVE-YEAR TRADING HISTORY

REVENUE & PROFIT¹

£m



£m	2024	2023	2022	2021	2020
Revenue	147.8	127.0	127.4	100.8	82.7
Operating profit ¹	18.1	15.1	13.9	8.1	9.1
Profit before tax ¹	15.3	12.8	12.2	7.0	8.3
Profit before tax	0.2	12.8	12.2	7.0	8.3
(Loss) Profit after tax	(2.8)	9.2	10.0	4.4	7.2

CAPITAL EXPENDITURE & CASH GENERATION

£m

	2024	2023	2022	2021	2020
Capital expenditure (including intangibles)	13.3	8.5	7.0	7.0	12.7
Cash generated from operations	30.4	12.1	23.0	12.2	13.0

EARNINGS & ROCE

£m	2024	2023	2022	2021	2020
Basic earnings per share ¹ (p)	26.0	19.0	20.6	9.0	14.9
Basic earnings per share (p)	(5.7)	19.0	20.6	9.0	14.9
Dividends per ordinary share (p)	7.5	7.2	6.8	6.5	6.3
ROCE%	11.7	10.3	10.1	6.1	9.0

¹ Excluding 2024 exceptional item of £15.2m