

## **Synthomer plc**

### **Receivables purchasing arrangement**

Synthomer plc ('Synthomer' or the 'Company') today announces that it has entered into a trade receivables purchasing arrangement with Rainbow State Limited, a subsidiary of its largest shareholder Kuala Lumpur Kepong Berhad Group ('KLK'). The Company has put this temporary arrangement in place with the support of KLK to provide additional short-term financial flexibility and ensure a prudent level of banking covenant headroom at year end.

Under the arrangement, the Company and KLK have agreed that KLK will purchase c.£50m of Company trade receivables due on or before 28 February 2026, which are not eligible for inclusion in the Company's existing committed €200m non-recourse receivables financing facility. It is anticipated that receivables purchased under the arrangement and in the existing committed receivables financing facility together will not exceed €200m (c.£175m). The purchasing arrangement terms have been agreed on an arms-length basis and are consistent with terms available from third party market participants for an arrangement of this nature.

#### **Related party transaction**

By virtue of KLK and its connected parties' c.27 per cent shareholding in Synthomer, KLK is considered a related party of Synthomer under the UK Listing Rules. The board of Synthomer (excluding Dato' Lee Hau Hian and Uwe Halder by reason of their relationship with KLK) considers that the purchasing arrangement is fair and reasonable as far as Synthomer shareholders are concerned, and have been so advised by Rothschild & Co acting in its capacity as sponsor in relation to this related party transaction.

#### **Post-close trading update**

Synthomer plans to publish its post-close trading update for the year ending 31 December 2025 in late January.

#### **Further information:**

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#### **Notes**

Synthomer plc is a leading supplier of high-performance, highly specialised polymers and ingredients that play vital roles in key sectors such as coatings, construction, adhesives, and health and protection - growing markets for customers who serve billions of end users worldwide. Headquartered in London, UK and listed there since 1971, we employ c.3,800 employees across our five innovation centres of excellence and 29 manufacturing sites across Europe, North America, Middle East and Asia. With more than 6,000 blue-chip customers and £2.0bn in continuing revenue in 2024, our business is built around three divisions, serving customers in attractive end markets where demand is driven by global megatrends including urbanisation, demographic change, climate change and sustainability, and shifting economic power.

In Coatings & Construction Solutions, our specialist polymers enhance the sustainability and performance of a wide range of coatings and construction products. We serve customers in applications including architectural and masonry coatings, mortar modification, waterproofing and flooring, fibre bonding, and energy solutions. In Adhesive Solutions our products help our customers bond, modify and compatibilise surfaces and components for applications including tapes and labels, packaging, hygiene, tyres and plastic modification, improving permeability, strength, elasticity, damping, dispersion and grip. In Health & Protection and Performance Materials we are a world-leading supplier of water-based polymers for medical gloves, and a major European manufacturer of high-performance binders, foams and other products serving customers in a range of end markets.

Our purpose is creating innovative and sustainable solutions for the benefit of customers and society. Around 20% of our sales volumes are from new and patent protected products. At our innovation centres of excellence in the UK, China, Germany, Malaysia and Ohio, USA we collaborate closely with our customers to develop new products and enhance existing ones tailored to their needs, with an increasing range of sustainability benefits. Our 2030 decarbonisation targets have been approved by the Science Based Targets initiative as being in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement, and since 2021 we have held the London Stock Exchange Green Economy Mark, which recognises green technology businesses making a significant contribution to a more sustainable, low-carbon economy. Find us at [www.synthomer.com](https://www.synthomer.com) or search for Synthomer on LinkedIn.

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