

Zotefoams plc
("Zotefoams" or "Group")
22 January 2026

Full Year Trading Update

Ahead of market expectations, with strong revenue growth and record profitability.

Zotefoams, a world leader in supercritical foams, today provides a trading update for the Group's financial year ended 31 December 2025 (unaudited).

The Board is pleased to announce that, following a strong performance in Q4, the Group expects to report full year revenue of £158.5m (2024: £147.8m). This is slightly ahead of market expectations and represents strong year-on-year growth (+7.2%).

Adjusted profit before tax¹ for the year is expected to be £21.1m (2024: £15.3m), up 37.9%, which is a Group record and ahead of market expectations.²

Year-on-year performance for the Group's three regions on a reported basis were as follows:

- EMEA - 9.4% growth to £123.9m (2024: £113.3m), reflecting another exceptional year in Consumer & Lifestyle, driven by footwear revenue which benefitted from builds of new ranges and the broader footwear supply chain migration of production from China to Vietnam. The Group is finalising plans for the complex transition from manufacturing block foams in the UK to 3D midsole preforms in our new Vietnam facility that is being established through 2026 and 2027. After an extended period of strong growth, we anticipate that demand from our footwear customer will moderate in 2026 reflecting normalising inventory requirements. EMEA revenue also includes £2.0m from the recently acquired Overseas Konstellation Company S.A. ("OKC").
- North America - 6.7% growth to £30.1m (2024: £28.1m) underpinned by a strong performance in Transport & Smart Technologies. Pleasingly, the Construction & Other Industrial segment saw strengthening demand in Q4, following a subdued first half of the year.
- Asia revenue was £4.2m (2024: £5.1m) primarily in the Construction & Other Industrial vertical. This region will grow in importance once the Group's Vietnam footwear manufacturing facility begins operations.

The Group balance sheet remains strong, with significant financial headroom and a year-end leverage multiple³ expected to be at around 0.8x (2024: 0.9x), reflecting good operational cash generation and ongoing focus on working capital management, which have helped fund the strategic capital investment and the acquisition of OKC.

The Group has also agreed a new £90 million Multicurrency Revolving Credit Facility with £30m accordion option, on improved terms, with an enlarged syndicate that now includes, NatWest, Handelsbanken and HSBC. This facility, replacing the current £50m Multicurrency Revolving Credit Facility, will provide funding to support our strategic objectives and disciplined approach to capital allocation, including the ongoing strategic investments and selective M&A in line with our focused criteria.

The Group expects to publish its preliminary results for the year ended 31 December 2025 in March 2026.

Commenting on the update Ronan Cox, Group CEO of Zotefoams, said:

"In what remain challenging market conditions, we are delighted to have closed the year strongly, with good sales growth and, for a third year running, record profits ahead of market expectations.

The strategic progress we have made this year has been very pleasing. We were delighted to complete the acquisition of OKC, our first significant transaction under our 'Expanding Beyond the Core' strategy, which is

performing well and is expected to make a meaningful contribution to the Group. Our commercial transformation into market-focused verticals continues to progress well, with our pipeline of opportunities growing across all three market verticals. Our partnership with Seoheung in Vietnam, the appointment of Brandon Thomas to lead our Asian operations, the signing of our South Korea Footwear Innovation Centre lease, and the start of work on the Global Innovation Hub at Croydon all demonstrate our commitment to positioning Zotefoams for long-term sustainable growth in line with our stated medium-term targets.

Our strong balance sheet and focus on cash generation with our new revolving credit facility mean we are well positioned for future strategic investment including disciplined M&A where opportunities meet our stringent criteria and align with our strategy."

¹ Adjusted profit before tax excludes exceptional items, amortisation of acquired intangibles and other significant one-off items.

² Zotefoams-compiled consensus expectations, for the year ending 31 December 2025, are £155.2m for net revenue and £20.5m for adjusted profit before income tax as at 22 January 2026.

³ Leverage multiple is calculated as Group net debt divided by EBITDA (before exceptional items), where Group net debt is adjusted from IFRS by the impacts of IFRS2 and IFRS16 under the bank facility definition.

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About Zotefoams plc

Zotefoams plc (LSE - ZTF) is a world leader in supercritical fluid foam technology, delivering optimal material solutions for the benefit of society. Utilising a variety of unique manufacturing processes, including environmentally friendly nitrogen expansion for lightweight AZOTE® and ZOTEK® high-performance foams, Zotefoams sells to diverse markets worldwide across three market verticals, Consumer & Lifestyle, Transport & Smart Technologies, and Construction & Other Industrial. Zotefoams uses its own materials to manufacture T-FIT® advanced insulation for demanding industrial markets.

Zotefoams is headquartered in Croydon, UK, with additional manufacturing sites in Kentucky, USA, Brzeg, Poland (foam manufacture), Anglesola and Burgos, Spain, and foam products conversion in Oklahoma, USA and Jiangsu Province, China (T-FIT).

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