

Synthomer plc
Interim results for the six months ended 30 June 2025
Continued earnings growth in subdued markets

Six months ended 30 June	H1 2025	H1 2024	Change	Constant currency ¹
	£m	£m	%	%
Continuing operations²				
Revenue	925.2	1,025.6	(9.8)%	(8.8)%
Coatings & Construction Solutions (CCS)	34.5	53.0	(34.9)%	(34.2)%
Adhesive Solutions (AS)	35.4	21.9	+61.6%	+64.8%
Health & Protection and Performance Materials (HPPM)	16.6	13.5	+23.0%	+21.5%
Corporate	(8.7)	(13.7)		
EBITDA ³	77.8	74.7	+4.1%	+5.4%
EBITDA margin (%)	8.4%	7.3%		
Underlying ⁴ operating profit (EBIT)	28.3	28.2	+0.4%	+2.5%
Statutory operating loss (EBIT)	(1.0)	(2.9)		
Results from continuing and discontinued operations²				
Underlying ⁴ profit before tax	1.3	2.5		
Statutory loss before tax	(36.9)	(33.2)		
Underlying ⁴ EPS (p)	(3.6)	1.3		
Basic EPS (p)	(25.5)	(18.8)		
Free Cash Flow ⁵	(30.3)	(31.2)		
Net debt ⁶	638.3	560.6		

- **Self-help actions including robust pricing drive further gross margin, EBITDA and EBITDA margin progress in constant currency**
 - Continuing Group EBITDA +5.4% in constant currency with margin +110bps vs H1 2024
 - Self-help of c.£17m cost and reliability improvements in period; additional cost programme implemented
 - Gross margin +110bps vs H1 2024 and +400bps over three years, reflecting speciality strategy focus
 - Adhesive Solutions continues to regain share and enhance margins; Health & Protection benefited from mix in the period; Coatings & Construction Solutions was more varied, with relatively stable consumer and improving construction offset by less oil and gas drilling activity affecting the energy solutions segment
- **Lower volume and revenue reflects increased end-market demand volatility following recent tariff developments**
 - Limited direct exposure to new tariffs across Group, largely being offset through surcharges
 - Tariff changes however resulted in greater customer demand volatility in Q2, improving in June after slowing in May, with Continuing Group volume (7.1)% vs H1 2024
 - (8.8)% continuing revenue in constant currency, from volumes and pass-through of lower raw material prices
- **Net debt increased in period due to usual seasonal cash flow profile; balance sheet derisking continues**
 - Net debt increased in H1 2025 as expected, reflecting typical seasonal net working capital patterns, capital expenditure phasing and FX translation; non-recurring cash outflows reduced significantly as expected
 - Covenant net debt: EBITDA ratio of 4.8x as at end June; £430m+ in committed liquidity prior to £129m repayment of the remaining 2025 bonds in early July; covenants relaxed until end of 2026
- **Additional steps taken to advance the strategic transformation of portfolio**
 - William Blythe divestment completed in May and further plant rationalisation in period – reached strategic milestone of less than 30 manufacturing sites globally (down from 43 in 2022)
 - Other non-core sale processes advancing, with broadening of divestment programme under review
 - Additional profit opportunities secured through US medical glove technology partnership
 - New speciality adhesive investment in US onstream since mid-July
 - Focused innovation and capital deployment into key opportunities maintained – including Middle East growth, lower carbon and circular adhesives for FMCG markets, bio-based feedstocks for gloves market
- **2025 outlook: Expect some earnings progress and broadly neutral Free Cash Flow**
 - On track to deliver previously identified £25-30m in annual self-help and strategy benefits for 2025, which supports expected progress over Continuing Group EBITDA of £143.1m in 2024
 - c.£9m in H2 from newly-implemented £20-25m cost reduction programme is expected to mitigate more subdued end-market demand for the remainder of year from trade tensions

Commenting, Synthomer CEO Michael Willome said:

“We have delivered gross margin improvement and EBITDA growth in the period despite the challenging environment in our markets. Our ‘in region for region’ manufacturing strategy positions us well to weather a more protectionist trade environment while continuing to serve our customers. Given demand in our end markets has become more uncertain, we have stepped up our focus on what we can control – launching an additional cost reduction programme, taking further steps in the transformation of the portfolio and allocating resources even more rigorously to prioritise derisking the balance sheet.

“We have clear plans in place to navigate the current geopolitical and tariff-related uncertainties in our markets, and remain confident in our objective to double Synthomer’s recent earnings levels in the medium term. We have a strong track record of delivering ‘self-help’ cost actions and are pushing on with our strategy of creating a more focused portfolio of market-leading speciality products with sustainable, differentiated benefits for end-users around the world. We continue to reallocate capital towards those end markets which we believe will benefit most as demand recovers from recent lows, as European infrastructure and construction spending improves, housing market activity levels increase, the supply side for US disposable gloves evolves following the 2024 tariff changes, and governments look to support manufacturing activity and moderate energy costs.”

A webcast presentation for analysts and investors will take place at 9:00am BST today, accessible via our website at www.synthomer.com or on https://brrmedia.news/SYNT_HY25. This will also be available for playback after the event.

Further information:

Investors: Faisal Tabbah, Vice President Investor Relations
Media: Nick Hasell, FTI Consulting

Tel: +44 (0) 1279 775 306
Tel: +44 (0) 203 727 1340

Notes

- ¹ Constant currency revenue and profit measures retranslate current year results using the prior year’s average exchange rates.
- ² William Blythe, which contributed revenue of £28.9m and EBITDA of £3.6m in H1 2025 (H1 2024: £25.4m and £1.3m respectively), was divested in May 2025 and is classed as a discontinued operation throughout this announcement. Laminates, Films and Coated Fabrics, North America Paper and Carpet and the Compounds business have been classed as discontinued operations in prior periods.
- ³ Operating profit before depreciation, amortisation and Special Items.
- ⁴ Underlying performance excludes Special Items unless otherwise stated.
- ⁵ Free Cash Flow is defined as the movement in net debt before financing activities, foreign exchange and the cash impact of Special Items, asset disposals and business combinations.
- ⁶ Cash and cash equivalents together with short and long-term borrowings.
- ⁷ Operating Cash Flow is defined as Total Group EBITDA plus/minus net working capital movement less capital expenditure.

Legal Entity Identifier (LEI): 213800EHT3T11KPQQJ56. Classification as per DTR 6 Annex 1R: 1.2.

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.3,900 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 or search for Synthomer on LinkedIn.

CHIEF EXECUTIVE OFFICER'S REVIEW

We delivered earnings growth in H1 2025 against a challenging market environment and a strong period last year. While our 'in region for region' manufacturing strategy means we face limited direct tariff impact, the ongoing uncertainties around the global trade environment create volatility in end-market demand. We continue to focus on managing our costs and our balance sheet to ensure we emerge from this turbulent period for our industry in a strong position.

Earnings growth delivered, supported by self-help

Continuing Group revenue and volumes decreased by 8.8% and 7.1% respectively in the period. Through Q1 both were broadly in line with a strong prior year period, but demand conditions became considerably more volatile from the start of the second quarter following the announcement of new US tariffs, the responses from other governments and the subsequent US tariff adjustments. Across many of our markets, customers have become more cautious, with smaller order sizes and a clear 'wait and see' attitude; at the same time there is limited evidence of pre-buying ahead of tariff increases, and customers in many markets indicate inventories are low.

Notwithstanding these demand (and foreign exchange translation) headwinds, we were able to deliver some EBITDA and margin progress in constant currency in the period. On a Continuing Group basis, EBITDA increased 5.4% in constant currency to £77.8m (H1 2024: £74.7m), resulting in an EBITDA margin of 8.4% (H1 2024: 7.3%). This progress is supported by robust pricing, lower operating costs reflecting c.£17m in cost efficiency, reliability improvement and other 'self-help' programmes in the period, as well as lower bonus accrual than in H1 2024.

Given the ongoing uncertainties in our markets, we have extensively reviewed our operating and capital expenditures, and working capital balances, to identify additional savings opportunities within our control. We have also undertaken a thorough review of our headcount in line with our strategy and the transformation of our company, which has resulted in a decision to remove around 250 roles globally from the organisation. This new operating cost reduction programme is expected to deliver c.£20-25m in benefits on an annual run-rate basis by 2026, with around £9m of benefits in the second half of 2025, mainly in the CCS division and in SG&A functions. These actions are in addition to the previously identified £25-30m in expected gross benefits from delivering our self-help and strategic plans in 2025 and will help to derisk achievement of our financial objectives in what we expect to remain a subdued demand environment.

Robust divisional performances in tough markets

The strongest divisional progress in the period was achieved by the **Adhesive Solutions** (AS) division, which continues to reap the benefits of our successful performance improvement programme, with improved reliability and cost efficiency sustaining further margin expansion despite the subdued demand environment. The AS team has also taken some encouraging steps to support future growth, such as the investment to

increase APO capacity in Texas which came onstream slightly behind schedule in July.

The **Health & Protection and Performance Materials** (HPPM) division also made EBITDA progress despite near-term volumes not yet benefiting from its customers' increased competitiveness in the US medical glove market following the tariff changes announced in mid-2024 and implemented in January 2025. Sales of higher-margin reusable gloves and new income for some additional services provided to our US technology partner also helped earnings in the period.

Our **Coatings & Construction Solutions** (CCS) division faced much more mixed market conditions in the period, particularly following the US tariff announcements. Relatively stable consumer and an improving construction performance in Europe was more than offset by less oil and gas drilling activity globally, which significantly affected our high margin energy solutions segment. Activity levels in the USA across most of the division's segments were also generally muted, particularly in May. Cost reduction programmes in the division which accelerate through the year are expected to result in CCS' earnings being more balanced between the first and second halves in 2025 than is typical.

Net debt higher in period due to usual seasonal cash flow profile; balance sheet derisking continues

Net debt of £638.3m (H1 2024: £560.6m, FY 2024: £597.0m) was broadly in line with our expectations. Each year activity levels and hence net working capital balances increase significantly between the year end and the mid-year point. In the period this seasonal cash flow profile, the phasing of capital expenditure and translation of foreign currency debt was only partially offset by an increase in net receivables financing utilisation, William Blythe divestment proceeds and lower tax, pension and other cash outflows. Free Cash Flow of £(30.3)m for the first half was slightly ahead of the prior year period (H1 2024: £(31.2)m). We expect positive Free Cash Flow for the second half of the year, with a reduced capital expenditure budget, seasonal and structural improvements in working capital and lower pension and tax outflows than prior year all expected to contribute to broadly neutral Free Cash Flow for 2025 as a whole.

The Group's net debt: EBITDA for the purposes of the leverage ratio covenant increased from 4.6x at 31 December 2024 to 4.8x at 30 June 2025, within the required covenant. Alongside our operational focus on cash, the Group's financial position continues to be derisked. The recent covenant relaxation agreement

with our banking syndicate extends the period of additional headroom through 2026 in the event of a more drawn-out recovery in demand. The net debt:EBITDA covenant ratios required under the Group's Revolving Credit Facility and the UK Export Finance facilities have been increased from not more than 4.75x in December 2025, 3.5x in June 2026 and 3.25x in December 2026 to 5.25x, 4.5x and 4.25x respectively.

The Group's committed liquidity at 30 June 2025 was in excess of £430m, reducing by £129m immediately after the period end following repayment of the stub 2025 bonds, and our next significant debt maturity is now in July 2027.

Advancing the strategic transformation of the portfolio

In the period we made further progress with the speciality solutions strategy we launched in October 2022, alongside our sustained focus on generating cash flow and reducing leverage. Supported by our strategic and operational focus on speciality products, we have improved the Group's gross margin by more than 400bps since H1 2022.

Portfolio management

In May we completed the divestment of William Blythe Limited, our non-core inorganic chemicals business, to its management team alongside H2 Equity Partners. The William Blythe divestment included a large manufacturing site in Lancashire, UK, and we also reorganised our antioxidants production activity in China, closing a small plant in Ningbo in the period as a result. Through these actions, we achieved an important milestone of the new strategy in October 2022: our global manufacturing footprint has now been successfully reduced from 43 to below 30, simplifying and increasing the focus of the business while reducing capital intensity.

We have two other formal non-core divestment processes currently underway, and are giving consideration to broadening the divestment programme in order to accelerate the Group's deleveraging and focus the business portfolio further.

Innovation and sustainability

Notwithstanding recent market uncertainties, the Group remains committed to building and leveraging its intellectual property and know-how, embedded customer relationships and other intangible assets for long-term value creation.

In the period the AS division delivered a number of innovative projects relating to lower carbon and circular economy adhesive products for customers, including a

novel whole-value-chain partnership with Henkel which leverages Synthomer's new CLIMA brand for certified lower carbon products.

The CCS division launched a number of new products for the construction segment in the period and is at the customer sampling stage for many more across the portfolio intended for formal launch in the second half.

Health & Protection leveraged its strengths as a global market leader in NBR manufacturing with significant technology and manufacturing expertise to develop a bio-based nitrile latex offering for customers in partnership with Neste and PCS.

Meanwhile we were encouraged by a further four-point improvement in our annual Net Promotor Score survey of our customers completed in March 2025. Detailed survey data by business line and region is being used by our teams globally to improve our product offering for customers.

In June we retained our silver rating in EcoVadis' annual sustainability assessment, which is awarded to the top-performing 15% of all companies assessed, and with an advanced rating for carbon management.

Outlook

Our strategy of manufacturing close to our customers globally substantially mitigates our direct exposure to recent tariff announcements, which to-date we are largely offsetting through surcharges. At the same time, tariff changes and geopolitical tensions have made end-market demand more unpredictable, particularly in the USA, which represented approximately 25% of our 2024 revenue.

In light of this, we now expect to deliver some earnings progress in 2025 compared with Continuing Group EBITDA of £143.1m in 2024, and for a positive cash performance in the second half to result in Free Cash Flow to be broadly neutral for the year as a whole. We expect our newly-implemented cost reduction programme (over and above the previously-identified self-help and strategic plans) to mitigate the more subdued end-market demand conditions that we expect to persist for the remainder of year.

In the medium term, we remain committed to our ambition to double Synthomer's earnings, through a combination of continued self-help actions, end-market volume recovery and strategic delivery.

Michael Willome

Chief Executive Officer
5 August 2025

DIVISIONAL REVIEW – CONTINUING OPERATIONS

Coatings & Construction Solutions (CCS)

CCS faced a very mixed demand environment across its end markets in the period, with energy solutions products in particular affected by a slowdown in oil and gas drilling activity. In response, our most speciality-focused division has initiated further cost efficiency measures while continuing to invest in its long-term profitable growth opportunities.

Six months ended 30 June	H1 2025	H1 2024	Change	Constant currency ¹
	£m	£m	%	%
Revenue	372.5	430.4	(13.5)%	(12.2)%
Volumes (ktes)	254.2	271.8	(6.5)%	
EBITDA	34.5	53.0	(34.9)%	(34.2)%
EBITDA % of revenue	9.3%	12.3%		
Operating profit – underlying	22.2	40.6	(45.3)%	(45.1)%
Operating profit – statutory	9.3	31.0		

¹ Constant currency revenue and profit retranslate current year results using the prior year's average exchange rates.

Performance

Divisional revenue decreased by 12.2% in constant currency to £372.5m (H1 2024: £430.4m), driven by a 6.5% decrease in volume compared with H1 2024, changes in mix and lower pricing, reflecting pass-through of raw material costs. The first half of the prior year was a very strong period for our high-margin energy solutions business, which began to see a reprofiling of orders from certain key customers in the second half of 2024, with changes in oil and gas drilling activity resulting in overstocking. This weakness has persisted through the current period as customer inventories normalise. Activity levels in our coatings and consumer end markets were volatile during the second quarter, with increased caution and smaller order sizes from customers particularly in the US, following the global tariff changes. By contrast, our performance in the construction segment has begun to show modest signs of improvement mainly in European markets, albeit from low levels.

Divisional gross margin performance was similarly mixed, with a strong improvement in construction reflecting new products and relatively stable performances in coatings and consumer segments being offset by energy solutions. However, mix effects and negative operating leverage to the lower volumes affected EBITDA and margin. CCS generated £34.5m of EBITDA (H1 2024: £53.0m) in the period, equating to an EBITDA margin of 9.3% (H1 2024: 12.3%). CCS launched a number of cost reduction initiatives in the period which are expected to accelerate in the second half of the year. Typically the most seasonally weighted of our divisions, we expect these cost actions to help make CCS' EBITDA contribution more balanced between the first and second half this year.

Strategy

In response to market conditions, we have accelerated and reprioritised a number of our asset optimisation projects and other cost and capacity management activities, including temporarily idling excess capacity, reducing shift patterns and undertaking a broader review of operating costs including headcount. The division is also implementing a number of inventory management measures to enhance cash flow.

Alongside these critical near-term actions, we continue to develop our opportunities for future value creation with projects that enhance our organic growth capability. In particular, we are embedding a more end-market aligned approach, with key account management and value selling, allowing us to leverage our leading market positions in niche European markets into other markets globally. In the period the Group's customer relationship management system was upgraded, with the new Software as a Service implementation supported by the experience and expertise built up by CCS in key account management in recent years.

In line with our more value-based approach to innovation, our investments are becoming more end-customer focused and faster to market with new and often more sustainable products, with construction benefitting in the first half and a number of bio-based launches expected in coatings in the second.

Even as we focus on cost and capital efficiency, we continue to find the means to support key growth opportunities, including the localisation of certain products in our USA plants which were previously only imported from Europe, as well as leveraging the new China Innovation Centre to win additional business.

Adhesive Solutions (AS)

Underlying market conditions remained subdued but solid progress on cost and reliability improvement and an increasing focus on global growth initiatives continues to drive earnings and margin momentum in the division.

Six months ended 30 June	H1 2025	H1 2024	Change	Constant currency ¹
	£m	£m	%	%
Revenue	298.4	308.7	(3.3)%	(1.4)%
Volumes (ktes)	137.8	140.3	(1.8)%	
EBITDA	35.4	21.9	+61.6%	+64.8%
EBITDA % of revenue	11.9%	7.1%		
Operating profit – underlying	19.2	5.2	+269.2%	+275.0%
Operating profit/(loss) – statutory	8.9	(8.6)		

¹ Constant currency revenue and profit retranslate current year results using the prior year's average exchange rates.

Performance

Divisional revenue decreased 1.4% in constant currency to £298.4m (H1 2024: £308.7m), broadly in line with the overall volume performance in the period. The division experienced a slowing in demand in Q2, with customers responding cautiously to the announcement of global tariff changes. In addition, an operational shutdown at one of the division's sites in Texas, USA led to temporary constraints in deliveries of a speciality product to customers.

Overall the division demonstrated resilient pricing and gross margin progress in the period, led by the speciality product areas (c.60% of AS revenue in the period), while some base product areas remain under ongoing pricing pressure from global competitors. Divisional revenue was resilient in the USA and China, but slower in Europe in the period. From an end-market perspective, tapes and labels had a robust period while packaging and tyre revenues were more subdued.

Within the division, speciality products continue to build a differentiated innovation and geographic opportunity pipeline with customers. In our more base chemical products we remain focused on further reliability improvements for our customers and on improving our cost competitiveness.

Divisional EBITDA increased by 64.8% in constant currency to £35.4m (H1 2024: £21.9m), with EBITDA margin rising to 11.9% (H1 2024: 7.1%). This was principally due to lower operating costs, including from the reliability and performance improvement programme put in place in July 2023 by the incoming divisional management team. This delivered a further £5m in benefits in the period.

Strategy

Over the last two years the division has prioritised the dedicated performance improvement programme, which has succeeded in transforming the adhesive resin business acquired in 2022. By reducing costs and improving end-to-end operations, from supplier network improvement to production site efficiency and delivery logistics, the programme has enabled

improvements in reliability for customers and achieved c.£30m in cumulative benefits to date. The programme continues, targeting a total of at least £35m in cumulative benefits by the end of 2026.

In the first half of 2025, the division also made progress with a number of strategic growth initiatives designed to build on our leading positions in a range of speciality adhesive applications in attractive end markets and our multi-year relationships with many high-quality customers, supported by a global production network and comprehensive technology and service platform. For example, in April we announced a strategic partnership and supply agreement with Henkel, focused on enabling carbon emission reductions in its hot melt adhesive product portfolio. This partnership approach to whole-value-chain sustainability improvements follows our recent launch of CLIMA-branded products, which deliver at least a 20% reduction cradle-to-gate in certified product carbon footprint, supported by our investment in ISCC PLUS certification of our major manufacturing sites and other innovations.

In line with Group strategy, the majority of our investment for future growth aims to strengthen our speciality portfolio. In the period our key investment project to increase APO capacity at our Texas facility commenced a number of weeks behind schedule due to third-party contractor issues, but has been onstream and working well since July, and will contribute to divisional earnings in the second half.

Meanwhile, in accordance with our differentiated steering strategy, in the more volatile and competitive base product areas (c.40% of divisional revenue) we continue to focus any investment on enhancing cost competitiveness or reliability. Our project launched in 2024 to strengthen our supply chain for hydrocarbon resin production in Europe is managed under contract by Dow at its site in Böhlen, Germany, which is now scheduled for closure in Q4 2027. In the period we identified and began implementing additional plans in Europe and the USA to build on this successful project.

Health & Protection and Performance Materials (HPPM)

Health & Protection unit margins have benefited from favourable mix, but near-term customer demand particularly for the USA market has been affected by the running down of their global competitors' stocks which were purchased ahead of tariffs announced in 2024. William Blythe was divested in May 2025 and our portfolio rationalisation plans continue to progress.

Six months ended 30 June (continuing) ¹	H1 2025	H1 2024	Change	Constant currency ²
	£m	£m	%	%
Revenue	254.3	286.5	(11.2)%	(11.6)%
Volumes (ktes)	270.6	301.3	(10.2)%	
EBITDA	16.6	13.5	+23.0%	+21.5%
EBITDA % of revenue	6.5%	4.7%		
Operating profit – underlying	1.2	0.4	+200.0%	+250.0%
Operating loss – statutory	(4.3)	(5.0)		

¹ Compounds and William Blythe businesses have been reclassified as discontinued operations.

² Constant currency revenue and profit retranslate current year results using the prior year's average exchange rates.

Continuing divisional performance

Divisional revenue was £254.3m (H1 2024: £286.5m), driven by a 10.2% decrease in volume and lower prices reflecting reduced raw materials costs.

Volumes in Health & Protection decreased by 15.5% compared to H1 2024 as our latex glove manufacturing customers reacted to market developments in the USA, where the announcement in summer 2024 of tariff increases on their global competitors from 1 January 2025 drove some pre-buying activity. This is expected to moderate in the second half as underlying hygiene demand growth globally remains strong. Unit margins remain low by historical standards but benefited in the period from mix effects as demand for higher margin material for reusable gloves remained robust. In the period, we secured another income stream for additional services from our multi-year technology partnership to support growth in the onshore US glove market.

In our Performance Materials portfolio, volumes decreased by 6.0% as market conditions for Acrylate Monomers and SBR for carpet and foam in Europe in particular remained volatile and two manufacturing plants undertook extended shutdowns during the period. Speciality Vinyl Polymers, Antioxidants and European Paper activities were relatively more robust.

The division is making EBITDA and margin progress through operating cost reductions including from further efficiency programmes as well as the closure of a small manufacturing plant in China in June. Divisional EBITDA increased by 21.5% in constant currency to £16.6m (H1 2024: £13.5m), an EBITDA margin of 6.5% (H1 2024: 4.7%).

Strategy

Recognising much of the division has base chemicals characteristics, our differentiated steering approach is to focus on improving cost efficiency across our value

chains while enhancing our overall value proposition to each business' customers through selective investment in process and product innovation and sustainability. An example is our partnership with suppliers Neste and PCS to manufacture bio-based nitrile latex for the glove industry, which was signed in the period, while our acrylate monomers business has developed bio-based monomers for customers. We also have a number of projects underway in the division which reduce the ISCC PLUS-certified carbon emissions of our production processes, which confers sustainability benefits for customers.

In our Health & Protection business we continue to focus on opportunities to leverage our position as a global market leader in NBR manufacturing with significant technology and manufacturing expertise. We are actively supporting our customers as the latex glove demand environment evolves, particularly in the USA as a result of tariff changes. We also continue to support our US partner with further technology licensing and manufacturing expertise as they work to begin construction of onshore US capacity for nitrile latex and glove manufacture, and are actively exploring other potential partnership opportunities for this business with little or no capital investment. The division's growth potential is also beginning to benefit from Synthomer's new China Innovation Centre.

In May 2025 we completed the divestment of William Blythe limited, our non-core inorganic chemistry business, to its management team alongside H2 Equity Partners, for consideration of £30m. The transaction further reduces the complexity of our site portfolio and enables greater focus of capital, time and other resources on core operations.

In the period we continued to make progress on a range of other potential portfolio rationalisation activities, as described elsewhere.

Safety

Maintaining our strong track record of overall safety performance receives a high level of focus and diligence across the Group. In the first half we saw an increase in safety incidents at a small number of sites and have implemented local intervention plans in each of them to drive improvements.

We are proud of our safety performance while recognising that there is always more to do, in particular to complete the process of bringing more recently acquired sites up to the standards of safety achieved elsewhere in the portfolio. Parts of the Group are now achieving consistently world-class safety performance but there is broad scope to bring other facilities up to these levels. In particular, three sites managed by CCS had a disappointing period for safety incidents in the first half, which we are addressing with bespoke local intervention plans at each site.

The overall Recordable Case Rate (RCR) for the Group remains good for our industry, led by the AS division which has experienced no recordable injuries to employees and contractors for 21 months. A significant amount of hard work goes into continuously embedding, maintaining and strengthening the safety systems and tools we have in place across the Group.

Although our overall Process Safety Event Rate (PSER) was good, and broadly in line with prior period levels, there remains considerable variation between the performances of the three divisions. Asset integrity issues and human error together account for the majority of process safety events we experience. The former are being addressed through our ongoing

capital expenditure programmes, while we have a human factor analysis programme in place to address the latter. More broadly, we continue to focus primarily on mitigating high potential-for-harm process safety incidents (where the Group's performance improved in the period), while improving reporting of near-miss and minor incidents which help us to focus our risk mitigation activities.

We also continue to monitor and evolve our approach to safety performance improvements, focusing on both the headline 'lagging' indicators RCR and PSER and also increasingly on several 'leading' indicators. We also maintain an ongoing programme of deep dives into our change management processes on sites, looking at strengthening our assessments and approvals processes, as well as proactive checking of the status of our major accident hazard preventative barriers.

Encouragingly, the longer-term SHE trends continue to demonstrate that the more time sites spend on our SHE management system as part of Synthomer, the better their performance. Our functional experts continue to support our newer sites to help them accelerate their SHE improvement through strong systems and by learning from others.

Six months ended 30 June (continuing)	H1 2025	H1 2024	Change
RCR per 100,000 hours for employees and contractors			Absolute
CCS	0.40	0.24	+0.16
AS	-	-	-
HPPM	0.13	-	+0.13
Continuing Group	0.24	0.12	+0.12
PSER per 100,000 hours for employees and contractors			Absolute
CCS	0.35	0.19	+0.16
AS	0.47	0.69	(0.22)
HPPM	0.07	0.13	(0.06)
Continuing Group	0.26	0.25	+0.01

FINANCIAL REVIEW

Group revenue, EBITDA and operating profit – continuing operations

Revenue for the continuing Group of £925.2m (H1 2024: £1,025.6m) decreased by 8.8% in constant currency. This principally reflects a 7.1% decrease in volume relative to the prior year, driven by volatile end-market demand following recent tariff changes.

EBITDA for the continuing Group was £77.8m (H1 2024: £74.7m), with gross margin improvement and lower costs driven mainly by our self-help actions.

Corporate costs decreased to £8.7m in the period (H1 2024: £13.7m), while depreciation and amortisation was slightly higher at £49.5m (H1 2024: £46.5m). As a result, underlying operating profit for the continuing Group was £28.3m (H1 2024: £28.2m).

On a statutory basis, including the Special Items excluded from underlying measures (see below), this resulted in an operating loss for the continuing Group of £(1.0)m (H1 2024: £(2.9)m).

Six months ended 30 June 2025, £m	CCS	AS	HPPM	Corp.	Continuing operations	Dis-continued	Total Group
Revenue	372.5	298.4	254.3	-	925.2	28.9	954.1
EBITDA	34.5	35.4	16.6	(8.7)	77.8	3.6	81.4
EBITDA % of revenue	9.3%	11.9%	6.5%		8.4%		8.5%
Operating profit – underlying	22.2	19.2	1.2	(14.3)	28.3	3.1	31.4
Operating profit/(loss) – statutory	9.3	8.9	(4.3)	(14.9)	(1.0)	(5.8)	(6.8)

Six months ended 30 June 2024, £m	CCS	AS	HPPM	Corp.	Continuing operations	Dis-continued	Total Group
Revenue	430.4	308.7	286.5	-	1,025.6	35.2	1,060.8
EBITDA	53.0	21.9	13.5	(13.7)	74.7	3.9	78.6
EBITDA % of revenue	12.3%	7.1%	4.7%		7.3%		7.4%
Operating profit – underlying	40.6	5.2	0.4	(18.0)	28.2	3.2	31.4
Operating profit/(loss) – statutory	31.0	(8.6)	(5.0)	(20.3)	(2.9)	(0.1)	(3.0)

Full year ended 31 December 2024, £m	CCS	AS	HPPM	Corp.	Continuing operations	Dis-continued	Total Group
Revenue	790.5	588.4	554.2	-	1,933.1	63.5	1,996.6
EBITDA	85.9	47.9	33.0	(23.7)	143.1	6.1	149.2
EBITDA % of revenue	10.9%	8.1%	6.0%		7.4%		7.5%
Operating profit – underlying	60.6	15.0	6.1	(33.6)	48.1	4.7	52.8
Operating profit/(loss) – statutory	32.5	(9.5)	(11.6)	(37.6)	(26.2)	0.3	(25.9)

Special Items – continuing operations

The following items of income and expense have been reported as Special Items – continuing operations and have been excluded from EBITDA and other underlying metrics:

Six months ended 30 June	H1 2025 £m	H1 2024 £m	FY 2024 £m
Amortisation of acquired intangibles	(22.3)	(22.8)	(45.1)
Restructuring and site closure costs	(4.6)	(6.7)	(15.3)
Acquisition costs and related gains	-	(1.2)	(0.6)
Sale of businesses	(1.8)	(0.4)	(3.2)
Impairment charge	-	-	(5.7)
SaaS implementation	(0.6)	-	-
Pension past service costs	-	-	(4.4)
Total impact on operating profit – continuing operations	(29.3)	(31.1)	(74.3)
Loss on extinguishment of financing facilities	-	(1.3)	(1.4)
Total impact on loss before taxation – continuing operations	(29.3)	(32.4)	(75.7)
Taxation Special Items	-	-	7.5
Taxation on Special Items	2.4	3.0	7.1
Total impact on loss for the period – continuing operations	(26.9)	(29.4)	(61.1)

Amortisation of acquired intangibles reflects the amortisation on the customer lists, patents, trademarks and trade secrets that arose on historic acquisitions, including the 2022 acquisition of the adhesive resins

business. The intangible assets arising on the acquisition are amortised over a period of 8-20 years.

Restructuring and site closure costs in H1 2025 mainly comprised a £1.1m charge in relation to the ongoing integration of the adhesive resins business acquired in 2022, a £1.7m charge in relation to the closure of the Ningbo antioxidants plant and a further £0.6m in site rationalisation and restructuring costs.

Sale of businesses (continuing operations) costs of £1.8m comprise costs incurred associated with potential future divestments.

Software as a service (SaaS) implementation costs of £0.6m represent the cost of setting up a new customer relationship management tool.

The tax on Special Items for continuing operations was a £2.4m tax credit (H1 2024: £3.0m; FY 2024: £7.1m). This mainly relates to deferred tax arising on the amortisation of acquired intangibles.

Discontinued operations

On 30 May 2025, the Group completed the divestment of William Blythe Limited to its management team alongside H2 Equity Partners, resulting in a net cash inflow of £24.2m including transaction costs of £0.9m. The loss on disposal was £8.9m. William Blythe is reported as discontinued in these results.

In the period, £8.9m of losses were recognised in relation to Special Items – discontinued operations (H1 2024: £3.3m loss) relating to the William Blythe sale.

Finance costs

Six months ended 30 June	H1 2025	H1 2024	FY 2024
	£m	£m	£m
Interest payable	(32.1)	(33.8)	(68.0)
Interest receivable	4.0	6.8	12.1
Net interest expense on defined benefit obligation	(0.3)	(0.9)	(1.7)
Interest element of lease payments	(1.7)	(1.0)	(2.4)
Finance costs – underlying	(30.1)	(28.9)	(60.0)
Loss on extinguishment of financing facilities	-	(1.3)	(1.4)
Finance costs – statutory	(30.1)	(30.2)	(61.4)

Underlying finance costs increased to £30.1m (H1 2024: £28.9m) and comprise interest on the Group's financing facilities and cash and cash equivalents, interest rate swaps, amortisation of associated debt costs and IAS 19 pension interest costs in respect of our defined benefit pension schemes.

No finance costs were recognised in special items (H1 2024: £1.3m).

Taxation

The group has calculated its best estimate of the annual effective corporate income tax rate we expect for the full year, resulting in a half year underlying tax charge of £7.1m for continuing operations. As in the prior year period the estimated tax rate is very dependent on the level and the geographical mix of the underlying profit or loss. This year the rate is also being impacted by the partial de-recognition of a US deferred tax asset. Therefore, there is significant fluctuation in the effective tax rate applied when comparing the respective periods (H1 2025: (400.0)%, H1 2024: 200.0%). The Group expects the effective tax rate to trend towards 25% over time.

Non-controlling interest

The Group continues to hold 70% of Revertex (Malaysia) Sdn Bhd and its subsidiaries. These entities form a relatively minor part of the Group, so the impact on underlying performance from non-controlling interests is not significant.

Earnings per share

Earnings per share is calculated based on the weighted average number of shares in issue during the year. The weighted average number of shares for H1 2025 was 163.5m (H1 2024: 163.5m). As at 5 August 2025, the Company had 163.6m shares in issue.

Underlying earnings per share is (3.6) pence for the year, down from 1.3 pence in H1 2024, reflecting the reduced earnings. The statutory earnings per share is (25.5) pence (H1 2024: (18.8) pence).

Currency

The Group presents its consolidated financial statements in sterling and conducts business in many currencies. As a result, it is subject to foreign currency risk due to exchange rate movements, which affect the Group's translation of the results and underlying net assets of its operations. To manage this risk, the Group uses foreign currency borrowings, forward contracts and currency swaps to hedge non-sterling net assets, which are predominantly denominated in euros, US dollars and Malaysian ringgits.

In H1 2025 the Group experienced a translation headwind of £0.9m on EBITDA, with average FX rates against our three principal currencies of €1.19, \$1.30 and MYR 5.68 to the pound.

Given the global nature of our customer and supplier base, the impact of transactional foreign exchange can be very different from translational foreign exchange. We are able to partially mitigate the transaction impact

by matching supply and administrative cost currencies with sales currencies. To reduce volatility which might affect the Group's cash or income statement, the Group hedges net currency transaction exposures at the point

of confirmed order, using forward foreign exchange contracts. The Group's policy is, where practicable, to hedge all exposures on monetary assets and liabilities.

Cash performance

The following table summarises the movement in net debt and is in the format used by management:

Six months ended 30 June	H1 2025	H1 2024	FY 2024
	£m	£m	£m
Opening net debt	(597.0)	(499.7)	(499.7)
Underlying operating profit (excluding joint ventures)	31.0	30.5	51.2
Movement in working capital	(44.1)	(28.9)	(24.9)
Depreciation of property, plant and equipment	43.7	41.9	84.3
Amortisation of other intangible assets	6.3	5.3	12.1
Capital expenditure	(44.1)	(38.2)	(83.2)
Operating Cash Flow¹	(7.2)	10.6	39.5
Net interest paid	(27.5)	(26.1)	(54.6)
Tax received/(paid)	7.5	(6.9)	(18.1)
Pension funding	(2.6)	(9.8)	(19.8)
Adjustment for gain on sale of assets	(1.9)	-	(4.3)
Adjustment for share-based payments charge	1.4	0.8	1.6
Dividends received from joint ventures	-	0.2	1.0
Free Cash Flow	(30.3)	(31.2)	(54.7)
Cash impact of SaaS implementation costs	(0.6)	-	-
Cash impact of restructuring and site closure costs	(8.0)	(10.4)	(20.2)
Cash impact of acquisition costs	(0.4)	(0.9)	(1.7)
Payment of EC fine settlement amount	-	(39.1)	(39.1)
Proceeds on sale of business	22.3	24.3	20.5
Rights issue costs	-	(4.7)	(4.7)
Repayment of principal portion of lease liabilities	(7.6)	(6.7)	(12.1)
Dividends paid to non-controlling interests	(2.1)	(0.2)	(0.5)
Foreign exchange and other movements	(14.6)	8.0	15.2
Movement in net debt	(41.3)	(60.9)	(97.3)
Closing net debt	(638.3)	(560.6)	(597.0)

¹ Operating Cash Flow is defined as Total Group EBITDA plus/minus net working capital movement less capital expenditure.

Underlying operating profit increased to £31.0m reflecting the trading performance described above. The net working capital outflow of £44.1m (H1 2024: £28.9m outflow) comprised typical seasonal movements in inventories, payables and receivables totalling £(70.9)m (H1 2024: £(46.3)m), offset by an increase in net receivables financing utilisation in the period of £26.8m (H1 2024: £17.4m).

In December 2022, the Group put in place two-year, non-recourse receivables financing facilities for a maximum committed amount of €200m. Factored receivables assigned under the facilities amounted to £114.1m net at 30 June 2025 (30 June 2024: £128.0m net, 31 December 2024: £87.3m net). Under the facilities, the risks and rewards of ownership are transferred to the assignees. The duration of the committed facilities has been extended to 31 January 2027.

Depreciation increased reflecting the capital expenditure profile, whilst amortisation of other intangibles increased due to the Pathway business transformation programme. Capital expenditure

(principally for Pathway and recurring SHE and sustenance expenditure) increased to £44.1m in the period (H1 2024: £38.2m), reflecting phasing of project spend. The Group now anticipates modestly lower levels of capital expenditure for FY 2025 as a whole compared with the prior year.

Net interest paid increased to £27.5m (H1 2024: £26.1m) reflecting higher interest costs on financing facilities including the new senior unsecured notes and lower interest receipts on cash balances.

Net tax received was £7.5m (H1 2024: £6.9m paid), including refunds of tax payments made in the prior year.

The cash impact of Special Items including restructuring and site closure costs, SaaS implementation and acquisition costs was an outflow of £9.0m (H1 2024: outflow of £11.3m).

Group debt is denominated in euros and dollars. The euro strengthened relative to sterling during H1 2025,

leading to a foreign exchange loss in net debt, more than offsetting the weakening of the dollar.

Financing and liquidity

At 30 June 2025, net debt was £638.3m (30 June 2024: £560.6m, 31 December 2024: £597.0m). The increase since the year end principally reflects the Free Cash Flow movements noted above, cash restructuring and site closure costs and translation of foreign currency debt, partially offset by the proceeds on the sale of business.

As at 30 June 2025, committed borrowing facilities principally comprised: a €300m RCF maturing in July 2027, €350m of five-year 7.375% senior unsecured loan notes maturing May 2029, the remaining €150m outstanding of five-year 3.875% senior unsecured loan notes maturing July 2025 and the UK Export Finance (UKEF) facilities of €288m and \$230m both maturing October 2027. At 30 June 2025, the UKEF facilities were fully drawn and the RCF was partially drawn (£73.0m) to provide additional liquidity for repayment of the remaining €150m outstanding of 3.875% senior unsecured loan notes on 1 July 2025 and manage seasonal working capital movements.

The Group's committed liquidity at 30 June 2025 was in excess of £430m, reducing by £129m immediately after the period end following repayment of the 3.875% senior unsecured loan notes.

The Group's net debt: EBITDA for the purposes of the leverage ratio covenant increased from 4.6x at 31 December 2024 to 4.8x at 30 June 2025, principally due to the higher net debt at the period end, as described elsewhere. The RCF and the UKEF facilities are subject to a net debt:EBITDA leverage ratio covenant. Note that the definitions used for the covenant test include a number of adjustments to the net debt and EBITDA figures shown elsewhere in this announcement; typically these definitional adjustments increase the covenant ratio by 0.4-0.5x compared with using reported net debt and EBITDA.

The Group agreed in June 2025 to extend the period of temporary covenant relaxation to ensure that

appropriate headroom was maintained. Accordingly, the net debt: EBITDA ratios required under the covenant have been set at not more than 5.25x in December 2025, 4.5x in June 2026 and 4.25x in December 2026. Reducing leverage further towards our 1-2x medium-term target range remains a key priority for the Group.

The Group expects net financing costs of c.£60-65m in 2025 reflecting recent interest rate movements, the bond refinancing and other changes to the Group's financing arrangements.

Balance sheet

Net assets of the Group decreased by 10.0% to £996.6m at 30 June 2025, reflecting balance sheet foreign exchange translation movements and the loss in the period.

Provisions

The Group provisions balance decreased to £30.4m compared with a balance of £35.3m as at 31 December 2024, mainly reflecting cash utilisation in the period, most notably in relation to onerous contracts and restructuring and site rationalisation activities, and the transfer of provisions relating to the William Blythe divestment.

Retirement benefit plans

The Group's principal funded defined benefit pension schemes are in the UK and the USA and are both closed to new entrants and future accrual. The Group also operates an unfunded defined benefit scheme in Germany and various other defined contribution overseas retirement benefit arrangements.

The Group's net retirement obligation decreased by £3.1m to £46.6m at 30 June 2025 (30 June 2024: £50.7m, 31 December 2024: £49.7m), and reflects the market value of assets and the valuation of liabilities in accordance with IAS 19, including an asset of £28.5m for the UK scheme. This reduction largely comprised £3.5m of cash contributions and actuarial gains of £2.4m.

Consolidated income statement

for the six months ended 30 June 2025

	30 June 2025 (unaudited)			30 June 2024 (unaudited)		
	Underlying performance £m	Special Items £m	IFRS £m	Underlying performance £m	Special Items £m	IFRS £m
Continuing operations						
Revenue	925.2	-	925.2	1,025.6	-	1,025.6
Company and subsidiaries operating profit before Special Items	27.9	-	27.9	27.3	-	27.3
Amortisation of acquired intangibles	-	(22.3)	(22.3)	-	(22.8)	(22.8)
Restructuring and site closure costs	-	(4.6)	(4.6)	-	(6.7)	(6.7)
Acquisition costs and related gains	-	-	-	-	(1.2)	(1.2)
Sale of business	-	(1.8)	(1.8)	-	(0.4)	(0.4)
Software as a service implementation	-	(0.6)	(0.6)	-	-	-
Pension past service costs	-	-	-	-	-	-
Impairment charge	-	-	-	-	-	-
Company and subsidiaries operating profit / (loss)	27.9	(29.3)	(1.4)	27.3	(31.1)	(3.8)
Share of joint ventures	0.4	-	0.4	0.9	-	0.9
Operating profit / (loss)	28.3	(29.3)	(1.0)	28.2	(31.1)	(2.9)
Interest payable	(32.1)	-	(32.1)	(33.8)	-	(33.8)
Interest receivable	4.0	-	4.0	6.8	-	6.8
Loss on extinguishment of financing facilities	-	-	-	-	(1.3)	(1.3)
Net interest expense on defined benefit obligations	(0.3)	-	(0.3)	(0.9)	-	(0.9)
Interest element of lease payments	(1.7)	-	(1.7)	(1.0)	-	(1.0)
Finance costs	(30.1)	-	(30.1)	(28.9)	(1.3)	(30.2)
Loss before taxation	(1.8)	(29.3)	(31.1)	(0.7)	(32.4)	(33.1)
Taxation	(7.1)	2.4	(4.7)	(0.2)	3.0	2.8
Loss for the period from continuing operations	(8.9)	(26.9)	(35.8)	(0.9)	(29.4)	(30.3)
Profit / (loss) for the period from discontinued operations attributable to the equity holders of the parent	3.1	(8.9)	(5.8)	2.6	(3.3)	(0.7)
(Loss) / profit for the period	(5.8)	(35.8)	(41.6)	1.7	(32.7)	(31.0)
Profit / (loss) attributable to non-controlling interests	0.1	-	0.1	(0.4)	0.1	(0.3)
(Loss) / profit attributable to equity holders of the parent	(5.9)	(35.8)	(41.7)	2.1	(32.8)	(30.7)
	(5.8)	(35.8)	(41.6)	1.7	(32.7)	(31.0)
Earnings per share						
– Basic from continuing operations	(5.4)p	(16.5)p	(21.9)p	(0.6)p	(17.9)p	(18.5)p
– Diluted from continuing operations	(5.4)p	(16.5)p	(21.9)p	(0.6)p	(17.9)p	(18.5)p
– Basic	(3.6)p	(21.9)p	(25.5)p	1.3p	(20.1)p	(18.8)p
– Diluted	(3.6)p	(21.9)p	(25.5)p	1.3p	(20.1)p	(18.8)p

Consolidated income statement

for the six months ended 30 June 2025 (continued)

	Year ended 31 December 2024 (audited)		
	Underlying performance £m	Special Items £m	IFRS £m
Continuing operations			
Revenue	1,933.1	-	1,933.1
Company and subsidiaries operating profit before Special Items	46.5	-	46.5
Amortisation of acquired intangibles	-	(45.1)	(45.1)
Restructuring and site closure costs	-	(15.0)	(15.0)
Acquisition costs and related gains	-	(0.6)	(0.6)
Sale of business	-	(3.2)	(3.2)
Software as a service implementation	-	-	-
Pension past service costs	-	(4.4)	(4.4)
Impairment charge	-	(5.7)	(5.7)
Company and subsidiaries operating profit / (loss)	46.5	(74.0)	(27.5)
Share of joint ventures	1.6	(0.3)	1.3
Operating profit / (loss)	48.1	(74.3)	(26.2)
Interest payable	(68.0)	-	(68.0)
Interest receivable	12.1	-	12.1
Loss on extinguishment of financing facilities	-	(1.4)	(1.4)
Net interest expense on defined benefit obligations	(1.7)	-	(1.7)
Interest element of lease payments	(2.4)	-	(2.4)
Finance costs	(60.0)	(1.4)	(61.4)
Loss before taxation	(11.9)	(75.7)	(87.6)
Taxation	4.2	14.6	18.8
Loss for the year from continuing operations	(7.7)	(61.1)	(68.8)
Profit / (loss) for the year from discontinued operations attributable to the equity holders of the parent	3.9	(4.4)	(0.5)
Loss for the year	(3.8)	(65.5)	(69.3)
Profit attributable to non-controlling interests	0.3	3.0	3.3
Loss attributable to equity holders of the parent	(4.1)	(68.5)	(72.6)
	(3.8)	(65.5)	(69.3)
Earnings per share			
– Basic from continuing operations	(4.9)p	(39.2)p	(44.1)p
– Diluted from continuing operations	(4.9)p	(39.2)p	(44.1)p
– Basic	(2.5)p	(41.9)p	(44.4)p
– Diluted	(2.5)p	(41.9)p	(44.4)p

Consolidated statement of comprehensive income

for the six months ended 30 June 2025

	30 June 2025 (unaudited)			30 June 2024 (unaudited)		
	Equity holders of the parent £m	Non-controlling interests £m	Total £m	Equity holders of the parent £m	Non-controlling interests £m	Total £m
(Loss)/profit for the period	(41.7)	0.1	(41.6)	(30.7)	(0.3)	(31.0)
Actuarial gains	2.4	-	2.4	3.5	-	3.5
Tax relating to components of other comprehensive income	(0.9)	-	(0.9)	1.9	-	1.9
Total items that will not be reclassified to profit or loss	1.5	-	1.5	5.4	-	5.4
Exchange differences on translation of foreign operations	(55.8)	(0.5)	(56.3)	(8.1)	(0.7)	(8.8)
Exchange differences recycled on sale of business	-	-	-	4.4	-	4.4
Fair value (loss)/gain on hedged interest derivatives	(2.4)	-	(2.4)	1.2	-	1.2
(Loss)/gain on net investment hedges taken to equity	(9.0)	-	(9.0)	5.7	-	5.7
Total items that may be reclassified subsequently to profit or loss	(67.2)	(0.5)	(67.7)	3.2	(0.7)	2.5
Other comprehensive (expense) / income for the period	(65.7)	(0.5)	(66.2)	8.6	(0.7)	7.9
Total comprehensive expense for the period	(107.4)	(0.4)	(107.8)	(22.1)	(1.0)	(23.1)

	Year ended 31 December 2024 (audited)		
	Equity holders of the parent £m	Non-controlling interests £m	Total £m
(Loss) / profit for the year	(72.6)	3.3	(69.3)
Actuarial losses	(2.1)	-	(2.1)
Tax relating to components of other comprehensive income	0.1	-	0.1
Total items that will not be reclassified to profit or loss	(2.0)	-	(2.0)
Exchange differences on translation of foreign operations	3.8	(0.8)	3.0
Exchange differences recycled on sale of business	4.4	-	4.4
Fair value loss on hedged interest derivatives	(3.3)	-	(3.3)
Gains on net investment hedges taken to equity	11.9	-	11.9
Total items that may be reclassified subsequently to profit or loss	16.8	(0.8)	16.0
Other comprehensive income/(expense) for the year	14.8	(0.8)	14.0
Total comprehensive (expense)/income for the year	(57.8)	2.5	(55.3)

Consolidated statement of changes in equity

for the six months ended 30 June 2025

	Share capital £m	Share premium £m	Capital redemption reserve £m	Hedging & translation reserve £m	Retained earnings £m	Total equity holdings of the parent £m	Non-controlling interests £m	Total Equity £m
At 1 January 2025	1.6	925.9	0.9	27.2	136.7	1,092.3	15.4	1,107.7
(Loss)/profit for the period	-	-	-	-	(41.7)	(41.7)	0.1	(41.6)
Other comprehensive (expense) / income for the period	-	-	-	(67.2)	1.5	(65.7)	(0.5)	(66.2)
Total comprehensive expense for the period	-	-	-	(67.2)	(40.2)	(107.4)	(0.4)	(107.8)
Dividends	-	-	-	-	-	-	(2.1)	(2.1)
Share-based payments	-	-	-	-	(1.2)	(1.2)	-	(1.2)
At 30 June 2025 (unaudited)	1.6	925.9	0.9	(40.0)	95.3	983.7	12.9	996.6

	Share capital £m	Share premium £m	Capital redemption reserve £m	Hedging & translation reserve £m	Retained earnings £m	Total equity holdings of the parent £m	Non-controlling interests £m	Total Equity £m
At 1 January 2024	1.6	925.9	0.9	10.4	209.8	1,148.6	13.4	1,162.0
Loss for the period	-	-	-	-	(30.7)	(30.7)	(0.3)	(31.0)
Other comprehensive income/(expense) for the period	-	-	-	3.2	5.4	8.6	(0.7)	7.9
Total comprehensive income/(expense) for the period	-	-	-	3.2	(25.3)	(22.1)	(1.0)	(23.1)
Share-based payments	-	-	-	-	1.3	1.3	-	1.3
At 30 June 2024 (unaudited)	1.6	925.9	0.9	13.6	185.8	1,127.8	12.4	1,140.2

	Share capital £m	Share premium £m	Capital redemption reserve £m	Hedging & translation reserve £m	Retained earnings £m	Total equity holdings of the parent £m	Non-controlling interests £m	Total Equity £m
At 1 January 2024	1.6	925.9	0.9	10.4	209.8	1,148.6	13.4	1,162.0
(Loss)/profit for the year	-	-	-	-	(72.6)	(72.6)	3.3	(69.3)
Other comprehensive income/(expense) for the year	-	-	-	16.8	(2.0)	14.8	(0.8)	14.0
Total comprehensive income / (expense) for the year	-	-	-	16.8	(74.6)	(57.8)	2.5	(55.3)
Dividends	-	-	-	-	-	-	(0.5)	(0.5)
Share-based payments	-	-	-	-	1.5	1.5	-	1.5
At 31 December 2024 (audited)	1.6	925.9	0.9	27.2	136.7	1,092.3	15.4	1,107.7

Consolidated balance sheet

as at 30 June 2025

	30 June 2025 (unaudited) £m	30 June 2024 (unaudited) £m	31 December 2024 (audited) £m
Non-current assets			
Goodwill	435.3	454.9	455.1
Acquired intangible assets	362.4	429.1	407.1
Other intangible assets	71.1	70.4	70.6
Property, plant and equipment	666.4	680.5	688.5
Deferred tax assets	46.4	46.7	55.7
Defined benefit asset	28.5	22.2	26.0
Investment in joint ventures	7.9	7.7	8.1
Total non-current assets	1,618.0	1,711.5	1,711.1
Current assets			
Inventories	321.0	342.7	348.2
Trade and other receivables	242.4	271.7	227.2
Current tax assets	2.7	5.2	15.6
Cash and cash equivalents	266.4	273.3	225.8
Derivative financial instruments	1.2	6.1	2.8
Assets classified as held for sale	-	5.5	6.5
Total current assets	833.7	904.5	826.1
Total assets	2,451.7	2,616.0	2,537.2
Current liabilities			
Borrowings	(128.8)	(0.4)	(124.2)
Trade and other payables	(346.4)	(424.1)	(391.6)
Lease liabilities	(10.6)	(12.5)	(12.3)
Current tax liabilities	(12.5)	(25.9)	(17.6)
Provisions for other liabilities and charges	(7.9)	(11.2)	(7.8)
Derivative financial instruments	(2.8)	(2.0)	(1.6)
Total current liabilities	(509.0)	(476.1)	(555.1)
Non-current liabilities			
Borrowings	(775.9)	(833.5)	(698.6)
Trade and other payables	(0.1)	(0.2)	(0.1)
Lease liabilities	(45.3)	(36.3)	(43.6)
Deferred tax liabilities	(27.2)	(30.4)	(28.9)
Retirement benefit obligations	(75.1)	(72.9)	(75.7)
Provisions for other liabilities and charges	(22.5)	(26.4)	(27.5)
Total non-current liabilities	(946.1)	(999.7)	(874.4)
Total liabilities	(1,455.1)	(1,475.8)	(1,429.5)
Net assets	996.6	1,140.2	1,107.7
Equity			
Share capital	1.6	1.6	1.6
Share premium	925.9	925.9	925.9
Capital redemption reserve	0.9	0.9	0.9
Hedging and translation reserve	(40.0)	13.6	27.2
Retained earnings	95.3	185.8	136.7
Equity attributable to equity holders of the parent	983.7	1,127.8	1,092.3
Non-controlling interests	12.9	12.4	15.4
Total equity	996.6	1,140.2	1,107.7

Consolidated cash flow statement

for the six months ended 30 June 2025

	Six months ended 30 June 2025 (unaudited) £m	Six months ended 30 June 2024 (unaudited) £m	Year ended 31 December 2024 (audited) £m
Operating			
Cash generated/(used) from operations (Note 5)	24.8	(10.6)	39.2
– Interest received	4.0	6.8	12.1
– Interest paid	(29.8)	(31.9)	(64.3)
– Interest element of lease payments	(1.7)	(1.0)	(2.4)
Net interest paid	(27.5)	(26.1)	(54.6)
– UK corporation tax received	0.8	-	0.7
– Overseas corporate tax received/(paid)	6.7	(6.9)	(18.8)
Total tax received/(paid)	7.5	(6.9)	(18.1)
Net cash inflow / (outflow) from operating activities	4.8	(43.6)	(33.5)
Investing			
Dividends received from joint ventures	-	0.2	1.0
Purchase of property, plant and equipment and other intangible assets	(45.2)	(38.2)	(90.6)
Proceeds from sale of property, plant and equipment	1.1	-	7.4
Proceeds from sale of business	22.3	24.3	20.5
Net cash outflow from investing activities	(21.8)	(13.7)	(61.7)
Financing			
Dividends paid to non-controlling interests	(2.1)	(0.2)	(0.5)
Proceeds on issue of shares	-	(4.7)	(4.7)
Settlement of equity-settled share-based payments	-	(0.1)	(0.2)
Repayment of principal portion of lease liabilities	(7.6)	(6.7)	(12.1)
Repayment of borrowings	-	(315.9)	(327.9)
Proceeds of borrowings	71.6	298.8	299.5
Net cash inflow/(outflow) from financing activities	61.9	(28.8)	(45.9)
Increase/ (Decrease) in cash, cash equivalents and bank overdrafts during the period	44.9	(86.1)	(141.1)
Cash and cash equivalents and bank overdrafts at 1 January	225.5	370.6	370.6
Foreign exchange	(4.1)	(11.6)	(4.0)
Cash and cash equivalents and bank overdrafts at period end	266.3	272.9	225.5

See note 10 for further details of cash flows from discontinued operations.

Notes to the consolidated financial statements

for the six months ended 30 June 2025

1 Basis of preparation

Synthomer plc is a public company limited company incorporated in the United Kingdom and registered in England under the Companies Act. The Company is listed on the London Stock Exchange and the address of the registered office is Temple Fields, Harlow, Essex CM20 2BH. These interim financial statements for the six month period ended 30 June 2025 have been prepared on the basis of the policies set out in the 2024 annual financial statements and in accordance with UK adopted International Accounting Standard 34 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority. These interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006 and do not include all the notes normally included in annual financial statements. Statutory accounts for the year ended 31 December 2024 were approved by the Board of Directors on 11 March 2025 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

These interim financial statements have been reviewed, not audited.

Going concern

The Group meets its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty, particularly over the level of demand for the Group's products. The Group's forecasts and projections take account of reasonably possible changes in trading performance and a severe but plausible downside scenario has been prepared, linked to our principal risks. Various mitigating actions have been identified so that, should such a scenario crystallise, the Group could take action quickly to significantly reduce costs and cash outflows as demonstrated during the course of the COVID-19 pandemic in 2020.

As at 30 June 2025, the consolidated balance sheet reflects a net asset position of £996.6m and the liquidity of the Group had headroom of more than £430m of cash and undrawn committed facilities. At the half year, the net debt position was £638.3m and our covenant ratio was 4.8x. Our severe but plausible downside scenario, offset by mitigation actions as required, does not indicate a debt leverage covenant break on any of the dates through to December 2026. Having considered the outcome of these assessments, the Directors have, at the time of approving the interim report and financial statements, a reasonable expectation that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Goodwill and acquired intangible assets

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. Due to recent reductions in our market capitalisation an impairment test was performed at 30 June 2025. No impairment was identified.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out in the 2024 Annual Report. Estimates and underlying assumptions are reviewed on an ongoing basis and at 30 June 2025 there were no changes to existing estimates and assumptions and no new sources of estimation uncertainty were identified.

2. Accounting policies

The annual financial statements of Synthomer plc are prepared in accordance with UK-adopted International Accounting Standards and the requirements of the Companies Act 2006. The same accounting policies and methods of computations are followed in these financial statements as in the most recent audited annual financial statements. Effective from 1 January 2025, no updates to IFRSs have been made that would affect the Group.

3 Special Items

IFRS and Underlying performance

The IFRS profit measures show the performance of the Group as a whole and as such include all sources of income and expense, including both one-off items and those that do not relate to the Group's ongoing businesses. To provide additional clarity on the ongoing trading performance of the Group's businesses, management uses 'Underlying' performance as an Alternative Performance Measure to plan for, control and assess the performance of the segments. Underlying performance differs from the IFRS measures as it excludes Special Items.

Special Items

Special Items are disclosed separately in order to provide a clearer indication of the Group's Underlying performance.

Special Items are either irregular, and therefore including them in the assessment of a segment's performance would lead to a distortion of trends, or are technical adjustments which ensure the Group's financial statements are in compliance with IFRS but do not reflect the operating performance of a segment in the period, or both. An example of the latter is the amortisation of acquired intangibles, which principally relates to acquired customer relationships. The Group incurs costs, which are recognised as an expense in the income statement, in maintaining these customer relationships. The Group considers that the exclusion of the amortisation charge on acquired intangibles from Underlying performance avoids the potential double counting of such costs and therefore excludes it as a Special Item from Underlying performance.

The following are consistently disclosed separately as Special Items in order to provide a clearer indication of the Group's Underlying performance:

- Restructuring and site closure costs;
- Sale of a business or significant asset;
- Acquisition costs and related gains;
- Amortisation of acquired intangible assets;
- Impairment of non-current assets;
- Software as a service implementation costs;
- Fair value adjustments in respect of derivative financial instruments where hedge accounting is not applied;
- Items of income and expense that are considered material, either by their size and / or nature;
- Tax impact of above items; and
- Settlement of prior period tax issues.

Special Items comprise:

	Six months ended 30 June 2025 (unaudited) £m	Six months ended 30 June 2024 (unaudited) £m	Year ended 31 December 2024 (audited) £m
Amortisation of acquired intangibles	(22.3)	(22.8)	(45.1)
Restructuring and site closure costs (including share of JV)	(4.6)	(6.7)	(15.3)
Acquisition costs and related gains	-	(1.2)	(0.6)
Sale of business	(1.8)	(0.4)	(3.2)
Software as a service implementation	(0.6)	-	-
Pension past service cost	-	-	(4.4)
Impairment charge	-	-	(5.7)
Total impact on operating profit	(29.3)	(31.1)	(74.3)
Finance costs			
Loss on extinguishment of financing facilities	-	(1.3)	(1.4)
Total impact on loss before taxation	(29.3)	(32.4)	(75.7)
Taxation Special Items	-	-	7.5
Taxation on Special Items	2.4	3.0	7.1
Total impact on loss for the period – continuing operations	(26.9)	(29.4)	(61.1)
Discontinued Operations			
Restructuring and site closure costs	-	(0.4)	(1.2)
Sale of business	(8.9)	(2.9)	(3.2)
Total impact on profit for the period – discontinued operations	(8.9)	(3.3)	(4.4)
Total impact on (loss) / profit for the period	(35.8)	(32.7)	(65.5)

3 Special Items (continued)

Amortisation of acquired intangibles reflects the amortisation on the customer lists, patents, trademarks and trade secrets that arose on historic acquisitions, including the 2022 acquisition of the adhesive resins business. The intangible assets arising on the acquisition are amortised over a period of 8-20 years.

Restructuring and site closure costs in H1 2025 comprise:

- A £1.1m charge in relation to the ongoing integration of the acquired adhesive resins business into the Adhesive Solutions division.
- A £1.7m charge in relation to the closure of the Ningbo antioxidants plant
- A further £0.6m in site rationalisation and restructuring costs.

Restructuring and site closure costs in H1 2024 comprised a £1.6m charge in relation to site closure costs associated with mothballing our NBR plant in Kluang, Malaysia, a £1.2m charge in relation to the integration of the acquired adhesive resins business into the Adhesive Solutions division, a £1.2m charge in relation to the onerous contract arising from the earlier divestment of the European tyre cord business, a further £2.8m, in relation to enacting the new strategy and the alignment of the business into its new division.

Sale of business (continuing operations) costs of £1.8m comprise costs incurred associated with potential future divestments.

Sale of business (discontinued operations) represents the loss recognised on the sale of the William Blythe business, which completed on 30 May 2025. Refer to note 10 for further details. In the prior year sale of business principally comprised of the sale of the latex compounding ("Compounds") operations after recycling of FX reserves.

Software as a service implementation of £0.6m representing the cost of setting up a new customer relationship management tool.

The tax on Special Items for continuing operations was a £2.4m tax credit (H1 2024: £3.0m tax credit; FY 2024: £7.1m tax credit). This mainly relates to deferred tax arising on the amortisation of acquired intangibles.

4 Segmental analysis

The Group's Executive Committee, chaired by the Chief Executive Officer, examines the Group's performance. The Group's reportable segments are as follows:

Coatings & Construction Solutions (CCS)

Our specialist polymers enhance the sustainable performance of a wide range of coatings and construction products. We work across architectural and masonry coatings, mortar modification, waterproofing and flooring, fibre bonding, and energy solutions.

Adhesive Solutions (AS)

Our adhesive solutions bond, modify and compatibilise surfaces and components for products including tapes and labels, packaging, hygiene, tyres and plastic modification, helping improve permeability, strength, elasticity, damping, dispersion and grip.

Health & Protection and Performance Materials (HPPM)

We help enhance protection and performance in a wide range of industries including medical glove manufacture, speciality paper, food packaging, carpet and artificial turf, gel foam elastomers, and vinyl-coated seating fabrics.

The Group's Executive Committee is the chief operating decision maker and primarily uses a measure of earnings before interest, tax, depreciation and amortisation (EBITDA) to assess the performance of the operating segments. No information is provided to the Group's Executive Committee at the segment level concerning interest income, interest expense, income tax or other material non-cash items.

No single customer accounts for more than 10% of the Group's revenue.

A segmental analysis of Underlying performance and Special Items is shown below.

	Six months ended 30 June 2025 (unaudited)						Total £m
	Continuing Operations					Discontinued Operations	
	Coatings & Construction Solutions £m	Adhesive Solutions £m	Health & Protection and Performance Materials £m	Corporate £m	Total £m	£m	
2025							
Revenue							
Total revenue	372.5	298.4	256.6	-	927.5	28.9	956.4
Inter-segmental revenue	-	-	(2.3)	-	(2.3)	-	(2.3)
	372.5	298.4	254.3	-	925.2	28.9	954.1
EBITDA	34.5	35.4	16.6	(8.7)	77.8	3.6	81.4
Depreciation and amortisation	(12.3)	(16.2)	(15.4)	(5.6)	(49.5)	(0.5)	(50.0)
Operating profit / (loss) before Special Items	22.2	19.2	1.2	(14.3)	28.3	3.1	31.4
Special Items	(12.9)	(10.3)	(5.5)	(0.6)	(29.3)	(8.9)	(38.2)
Operating profit / (loss)	9.3	8.9	(4.3)	(14.9)	(1.0)	(5.8)	(6.8)
Finance costs							(30.1)
Loss before taxation							(36.9)

4 Segmental analysis (continued)

Six months ended 30 June 2024 (unaudited)							
2024	Continuing Operations					Discontinued Operations	Total
	Coatings & Construction Solutions £m	Adhesive Solutions £m	Health & Protection and Performance Materials £m	Corporate £m	Total £m	£m	Total £m
Revenue							
Total revenue	430.4	308.7	288.2	-	1,027.3	35.2	1,062.5
Inter-segmental revenue	-	-	(1.7)	-	(1.7)	-	(1.7)
	430.4	308.7	286.5	-	1,025.6	35.2	1,060.8
EBITDA	53.0	21.9	13.5	(13.7)	74.7	3.9	78.6
Depreciation and amortisation	(12.4)	(16.7)	(13.1)	(4.3)	(46.5)	(0.7)	(47.2)
Operating profit / (loss) before Special Items	40.6	5.2	0.4	(18.0)	28.2	3.2	31.4
Special Items	(9.6)	(13.8)	(5.4)	(2.3)	(31.1)	(3.3)	(34.4)
Operating profit / (loss)	31.0	(8.6)	(5.0)	(20.3)	(2.9)	(0.1)	(3.0)
Finance costs							(30.2)
Loss before taxation							(33.2)
Year ended 31 December 2024 (audited)							
2024	Continuing Operations					Discontinued Operations	Total
	Coatings & Construction Solutions £m	Adhesive Solutions £m	Health & Protection and Performance Materials £m	Corporate £m	Total £m	£m	Total £m
Revenue							
Total revenue	790.5	588.4	557.7	-	1,936.6	63.5	2,000.1
Inter-segmental revenue	-	-	(3.5)	-	(3.5)	-	(3.5)
	790.5	588.4	554.2	-	1,933.1	63.5	1,996.6
EBITDA	85.9	47.9	33.0	(23.7)	143.1	6.1	149.2
Depreciation and amortisation	(25.3)	(32.9)	(26.9)	(9.9)	(95.0)	(1.4)	(96.4)
Operating profit / (loss) before Special Items	60.6	15.0	6.1	(33.6)	48.1	4.7	52.8
Special Items	(28.1)	(24.5)	(17.7)	(4.0)	(74.3)	(4.4)	(78.7)
Operating profit / (loss)	32.5	(9.5)	(11.6)	(37.6)	(26.2)	0.3	(25.9)
Finance costs							(61.4)
Loss before taxation							(87.3)

5 Reconciliation of operating loss to cash generated from operations

	Six months ended 30 June 2025 (unaudited) £m	Six months ended 30 June 2024 (unaudited) £m	Year ended 31 December 2024 (audited) £m
Continuing and discontinued operations:			
Operating loss	(6.8)	(3.0)	(25.9)
Less: share of profits of joint ventures	(0.4)	(0.9)	(1.6)
	(7.2)	(3.9)	(27.5)
Adjustments for:			
– Depreciation of property, plant and equipment	35.5	35.8	73.2
– Depreciation of right of use assets	8.2	6.1	11.1
– Amortisation of other intangibles	6.3	5.3	12.1
– Share-based payments	1.4	0.8	1.6
– (Gain) on sale of underlying assets	(1.9)	-	(4.3)
– Special Items	38.2	34.4	78.7
Cash impact of restructuring and site closure costs	(8.0)	(10.4)	(20.2)
Cash impact of acquisition costs and related gains	(0.4)	(0.9)	(1.7)
Cash impact of software as a service implementation	(0.6)	-	-
Pension funding in excess of service cost	(2.6)	(9.8)	(19.8)
Decrease/(Increase) in inventories	6.1	(8.1)	(15.5)
Increase in trade and other receivables	(17.8)	(69.7)	(23.4)
(Decrease)/Increase in trade and other payables	(32.4)	48.9	14.0
Payment of EC fine settlement amount	-	(39.1)	(39.1)
Cash generated/(used) from operations	24.8	(10.6)	(39.2)

6 Taxation

The group has calculated its best estimate of the annual effective corporate income tax rate we expect for the full year, resulting in a half year underlying tax charge of £7.1m for continuing operations. We estimate the rate by applying the expected corporate income tax rates for each tax jurisdiction in which we operate. As in the prior year the estimated tax rate is very dependent on the level of underlying profit or loss and the geographical mix of that profit or loss. This year the rate is also being impacted by the partial de-recognition of the US deferred tax asset due to there being insufficient evidence that the asset will reverse in the short to medium term. Therefore, there is some fluctuation in the effective tax rate applied when comparing the relative periods: H1 2025 (400.0)%, H1 2024: 200.0%; FY 2024: 43.8%.

The tax on Special Items for continuing operations was a £2.4m (H1 2024: £3.0m; FY 2024: £14.6m). This mainly relates to deferred tax arising on the amortisation of acquired intangibles.

The group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in the United Kingdom, the jurisdiction in which the parent company is incorporated, and is effective from 1 January 2024. The group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Under the legislation, the group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The group has estimated weighted average effective tax rates that exceed 15% in all jurisdictions in which it operates and therefore does not expect to be subject to the global minimum top-up tax in the year ending 31 December 2025.

7 Earnings per share

		Six months ended 30 June 2025 (unaudited)			Six months ended 30 June 2024 (unaudited)		
		Underlying performance	Special Items	IFRS	Underlying performance	Special Items	IFRS
(Loss)/profit attributable to equity holders of the parent							
- continuing	£m	(8.9)	(26.9)	(35.8)	(0.9)	(29.4)	(30.3)
- total	£m	(5.9)	(35.8)	(41.7)	2.1	(32.8)	(30.7)
Number of shares							
Weighted average number of ordinary shares – basic	'000			163,490			163,474
Effect of dilutive potential ordinary shares	'000			4,272			852
Weighted average number of ordinary shares – diluted	'000			167,762			164,326
Earnings per share for profit from continuing operations							
Basic earnings per share	pence	(5.4)	(16.5)	(21.9)	(0.6)	(17.9)	(18.5)
Diluted earnings per share	pence	(5.4)	(16.5)	(21.9)	(0.6)	(17.9)	(18.5)
Earnings per share for profit from discontinued operations							
Basic earnings per share	pence	1.8	(5.4)	(3.6)	1.8	(2.0)	(0.2)
Diluted earnings per share	pence	1.8	(5.4)	(3.6)	1.8	(2.0)	(0.2)
Earnings per share for profit attributable to equity holders of the parent							
Basic earnings per share	pence	(3.6)	(21.9)	(25.5)	1.3	(20.1)	(18.8)
Diluted earnings per share	pence	(3.6)	(21.9)	(25.5)	1.3	(20.1)	(18.8)

		Year ended 31 December 2024 (audited)		
		Underlying performance	Special Items	IFRS
Loss attributable to equity holders of the parent				
- continuing	£m	(8.0)	(64.1)	(72.1)
- total	£m	(4.1)	(68.5)	(72.6)
Number of shares				
Weighted average number of ordinary shares – basic	'000			163,473
Effect of dilutive potential ordinary shares	'000			1,078
Weighted average number of ordinary shares – diluted	'000			164,551
Earnings per share for profit from continuing operations				
Basic earnings per share	pence	(4.9)	(39.2)	(44.1)
Diluted earnings per share	pence	(4.9)	(39.2)	(44.1)
Earnings per share for profit from discontinued operations				
Basic earnings per share	pence	2.4	(2.7)	(0.3)
Diluted earnings per share	pence	2.4	(2.7)	(0.3)
Earnings per share for profit attributable to equity holders of the parent				
Basic earnings per share	pence	(2.5)	(41.9)	(44.4)
Diluted earnings per share	pence	(2.5)	(41.9)	(44.4)

8 Analysis of net debt

	30 June 2025 (unaudited) £m	30 June 2024 (unaudited) £m	31 December 2024 (audited) £m
Bank overdrafts	(0.1)	(0.4)	(0.3)
€520m 3.875% senior unsecured loan notes due 2025	(128.7)	-	(123.9)
Current bank borrowings	-	-	-
Current liabilities	(128.8)	(0.4)	(124.2)
Bank loans	(480.1)	(416.0)	(414.2)
€520m 3.875% senior unsecured loan notes due 2025	-	(126.7)	-
€350m 7.375% senior unsecured loan notes due 2029	(295.8)	(290.8)	(284.4)
Non-current liabilities	(775.9)	(833.5)	(698.6)
Total borrowings	(904.7)	(833.9)	(822.8)
Cash and cash equivalents	266.4	273.3	225.8
Net Debt	(638.3)	(560.6)	(597.0)

Net debt is defined in the glossary of terms. Capitalised debt costs, which have been recognised as a reduction in borrowings in the financial statements, amounted to £11.8m at 30 June 2025 (30 June 2024: £15.7m, 31 December 2024: £12.8m).

9 Defined benefit schemes

We have updated the value of the defined benefit plan assets to reflect their market value as at 30 June 2025. Actuarial gains or losses are recognised in the Consolidated Statement of Comprehensive Income in accordance with the Group's accounting policy. We have updated the liabilities to reflect the change in the discount rate and other assumptions. The Group's net pension liability decreased by £3.1m to £46.6m, which includes an asset of £28.5m for the UK scheme. This £3.1m reduction was largely driven by £3.5m of cash contributions and actuarial gains of £2.4m partially offset by interest, service cost and foreign exchange movements.

10 Discontinued operations

On 30 May 2025, the Group sold William Blythe Limited to Hamsard 3806 Bidco Limited.

A summary of the proceeds and disposed assets is set out below:

	Total £m
Consideration	
Cash Consideration	30.0
Total	30.0

Net assets sold:

Goodwill	8.0
Intangible assets	0.2
Property Plant and equipment	4.4
Inventory	12.8
Cash and cash equivalents	4.9
Deferred tax assets	1.6
Trade and other receivables	13.5
Trade and other payables	(7.4)
Total	38.0
Transaction costs in the period	(0.9)
Loss on sale before tax	(8.9)
Tax expense on sale	-
Loss on sale after tax	(8.9)

	Total £m
Cash Inflow of sale of business	
Cash Consideration	30.0
Transaction costs paid in the period	(0.9)
Cash consideration after transaction costs	29.1
Cash outflow with business	(4.9)
Net proceeds from disposal of business	24.2

The total proceeds were £30.0m and the total transaction costs were £0.9m, giving total proceeds after transaction costs of £29.1m.

10 Discontinued operations (continued)

Financial performance and cash flow information

Financial information in respect of the discontinued operation during the period and the impact of the transaction is set out below:

All businesses disclosed as discontinued operations below formed part of the Health & Protection and Performance Materials division.

	Six months ended 30 June 2025 (unaudited)					Six months ended 30 June 2024 (unaudited)				
	William Blythe £m	Compounds £m	Laminates, Films and Coated Fabrics £m	NA Paper and Carpet £m	Total £m	William Blythe £m	Compounds £m	Laminates, Films and Coated Fabrics £m	NA Paper and Carpet £m	Total £m
Revenue	28.9	-	-	-	28.9	25.4	9.8	-	-	35.2
EBITDA	3.6	-	-	-	3.6	1.3	2.6	-	-	3.9
Depreciation and amortisation – Underlying performance	(0.5)	-	-	-	(0.5)	(0.5)	(0.2)	-	-	(0.7)
Operating Profit – Underlying performance	3.1	-	-	-	3.1	0.8	2.4	-	-	3.2
Special Items	(8.9)	-	-	-	(8.9)	(0.1)	(3.0)	0.2	(0.4)	(3.3)
Operating (loss) / profit - IFRS	(5.8)	-	-	-	(5.8)	0.7	(0.6)	0.2	(0.4)	(0.1)
Financial costs	-	-	-	-	-	-	-	-	-	-
(Loss) / profit before taxation	(5.8)	-	-	-	(5.8)	0.7	(0.6)	0.2	(0.4)	(0.1)
Taxation	-	-	-	-	-	-	(0.6)	-	-	(0.6)
(Loss) / profit for the period	(5.8)	-	-	-	(5.8)	0.7	(1.2)	0.2	(0.4)	(0.7)

	Year ended 31 December 2024 (audited)				
	William Blythe £m	Compounds £m	Laminates, Films and Coated Fabrics £m	NA Paper and Carpet £m	Total £m
Revenue	53.7	9.8	-	-	63.5
EBITDA	3.5	2.6	-	-	6.1
Depreciation and amortisation – Underlying performance	(1.2)	(0.2)	-	-	(1.4)
Operating Profit – Underlying performance	2.3	2.4	-	-	4.7
Special Items	(0.2)	(3.3)	0.2	(1.1)	(4.4)
Operating Profit / (loss) - IFRS	2.1	(0.9)	0.2	(1.1)	0.3
Financial costs	-	-	-	-	-
Profit / (loss) before taxation	2.1	(0.9)	0.2	(1.1)	0.3
Taxation	-	(0.8)	-	-	(0.8)
Profit / (loss) for the period	2.1	(1.7)	0.2	(1.1)	(0.5)

The prior-year comparatives of the consolidated income statement and the consolidated statement of cash flows have been adjusted in accordance with IFRS 5 to report the discontinued operations separately from continuing operations.

10 Discontinued operations (continued)

Cash flows from discontinued operations

	Six months ended 30 June 2025 (unaudited)					Six months ended 30 June 2024 (unaudited)				
	William Blythe £m	Compounds £m	Laminates, Films and Coated Fabrics £m	NA Paper and Carpet £m	Total £m	William Blythe £m	Compounds £m	Laminates, Films and Coated Fabrics £m	NA Paper and Carpet £m	Total £m
Net cash inflow / (outflow) from operating activities	0.8	-	-	-	0.8	1.1	(3.6)	-	(0.4)	(2.9)
Net cash inflow / (outflow) from investing activities	24.2	(0.1)	-	-	24.1	(0.3)	18.5	(0.1)	-	18.1

	Year ended 31 December 2024 (audited)				
	William Blythe £m	Compounds £m	Laminates, Films and Coated Fabrics £m	NA Paper and Carpet £m	Total £m
Net cash inflow / (outflow) from operating activities	0.7	(3.6)	-	(1.1)	(4.0)
Net cash (outflow) / inflow from investing activities	(0.7)	17.5	(0.1)	-	16.7

11 Capital commitments

The capital expenditure authorised but not provided for in the interim financial statements as at 30 June 2025 was £16.6m (30 June 2024: £15.7m; 31 December 2024: £5.0m).

12 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not included in this note. Other than the relationships with defined benefit pension schemes as disclosed in note 29 of the 2024 Annual Report, there were no other related party transactions requiring disclosure.

Kuala Lumpur Kepong Berhad holds 27% of the Company's shares and is considered to be a related party.

13 Seasonality

Historically, there has been no visible fixed pattern to seasonality in H1 compared to H2 performance in the Group, but the seasonality of the business is more significantly impacted by macroeconomic conditions which remain uncertain.

14 Post balance sheet events

After the end of the reporting period it was communicated to employees that a decision to remove around 250 roles globally from the organisation had been taken as part of an operating cost reduction programme. This constitutes a non-adjusting event under IAS 10. The total expected cost associated with the headcount reduction exercise is expected to be in the range of £8–11m.

15 Risks and uncertainties

The Group faces a number of risks which, if they arise, could affect our ability to achieve our strategic objectives. As with any business, risk assessment and the implementation of mitigating actions and controls are vital to successfully achieving the strategy. The Directors are responsible for determining the nature of these risks and ensuring appropriate mitigating actions are in place to manage them.

These principal risks are categorised into the following types:

- Strategic
- Operational
- Compliance
- Financial

These risks are detailed on pages 49 to 56 of the 2024 Annual Report which is available on our website at www.synthomer.com/IR.

The Directors continuously monitor the Group's risk environment and have not identified any significant new or emerging risks or uncertainties which would have a material impact on the Group's performance in the remaining part of the year.

We continue to mitigate these risks by following, at a minimum, any government mandated health and safety requirements at our sites, by ensuring that we have multiple sources of raw materials, and by maintaining a diverse customer base.

16 Glossary of terms

EBITDA	EBITDA is calculated as operating profit from continuing operations before depreciation, amortisation and Special Items.
Operating profit	Operating profit represents profit from continuing activities before finance costs and taxation.
Gross margin	Revenue less cost of raw materials, packaging and freight, as a percentage of revenue.
Special Items	<p>Special Items are irregular items, whose inclusion could lead to a distortion of trends, or technical adjustments which ensure the Group's financial statements are in compliance with IFRS, but do not reflect the operating performance of the segment in the year, or both.</p> <p>These include the following, inter alia, which are disclosed separately as Special Items in order to provide a clearer indication of the Group's Underlying performance:</p> <ul style="list-style-type: none"> • Restructuring and site closure costs; • Sale of a business or significant asset; • Acquisition costs and related gains; • Amortisation of acquired intangible assets; • Impairment of non-current assets; • Software as a service implementation costs; • Fair value adjustments in respect of derivative financial instruments where hedge accounting is not applied; • Items of income and expense that are considered material, either by their size and / or nature; • Tax impact of above items; and • Settlement of prior period tax issues.
Underlying performance	This represents the statutory performance of the Group under IFRS, excluding Special Items.
Free Cash Flow	The movement in net debt before financing activities, foreign exchange and the cash impact of Special Items, asset disposals and business combinations.
Net debt	Net debt represents cash and cash equivalents less short- and long-term borrowings.
Leverage	<p>Net debt divided by EBITDA as defined in documentation agreed with finance providers.</p> <p>Amongst other differences to net debt and EBITDA reported elsewhere in this document, the Group's financial covenants are calculated using the accounting standards adopted by the Group at 31 December 2018 and accordingly, leverage excludes the impact of IFRS 16 Leases.</p>
Ktes	Kilotonnes or 1,000 tonnes (metric).

Important notice

This announcement contains 'forward-looking statements' which includes all statements other than statements of historical fact, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this announcement. None of the Group or its Affiliates undertakes or is under any duty to update this announcement or to correct any inaccuracies in any such information which may become apparent or to provide you with any additional information, other than any requirements that the Group may have under applicable law or the Listing Rules, the Prospectus Rules, the Disclosure Guidance and Transparency Rules or MAR. To the fullest extent permissible by law, such persons disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this announcement. The information in this announcement is subject to change without notice.

Statement of Directors' responsibilities

The Directors confirm that these condensed interim financial statements have been prepared in accordance with UK adopted IAS 34 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by the DTR 4.2.7 R and DTR 4.2.8 R, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the 2024 Annual Report.

The Directors of Synthomer plc are listed in the Synthomer plc annual report for 31 December 2024.

A list of current directors is maintained on the Synthomer plc website: www.synthomer.com.

The Directors are responsible for the maintenance and integrity of, amongst other things, the financial and corporate governance information as provided on the Synthomer website. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

On behalf of the Board of Directors

M Willome
Chief Executive Officer
4 August 2025

L Liu
Chief Financial Officer