

12 May 2021

AGM Trading Update

Vesuvius plc (“Vesuvius”, the “Group”), a global leader in molten metal flow engineering, releases the following Trading Update in conjunction with its Annual General Meeting being held today.

Q1 TRADING

Steel production in Q1 2021 increased by 3.7% compared to Q1 2020 in the world excluding China and by 15.6% in China, as reported by the World Steel Association. This is a broad-based improvement with all regions, except for the US and Mexico, reporting production increases compared to Q1 2020.

Trends were also positive across key foundry end-markets in Q1 2021. Global light vehicle and heavy commercial vehicle production have increased by 10.5% and 6.5%, respectively, compared to Q1 2020, as reported by IHS.

This positive market environment and some market share gains are reflected by a constant currency growth in Q1 Group revenue of 7% in comparison with the same period last year, although Group revenues remain lower than the same period in 2019.

Whilst in the first four months of the year we experienced some supply chain disruptions in the sea freight market and at some raw material suppliers, these have had only a limited impact on our ability to meet customer orders. They have, however, resulted in some temporary friction costs, which are expected to reduce throughout the remainder of the year.

Selling price increases are being implemented to compensate for raw material cost increases, thereby offsetting the impact on profit margins.

WORKING CAPITAL

Working capital growth due to end market recovery has been successfully managed and we have made further progress in terms of working capital efficiency with our Trade Working Capital / Sales ratio improving to 22.3% (12m average) compared to 23.1% at year-end 2020.

FINANCIAL POSITION

Our balance sheet remains strong and as a result of the recovery in trading performance we expect leverage at the half-year to be largely unchanged versus year-end 2020, despite the impact on net debt from working capital growth and the 2020 final dividend payable in May.

FOREIGN EXCHANGE

The implied impact on our expected 2021 results of average Q1 2021 exchange rates, when compared to average 2020 FX rates, is a headwind of 5% on our 2021 Trading Profit.

OUTLOOK

Although it is still early in the year and with the uncertainty remaining in how the pandemic might still impact some key regions like India and Brazil, based on the good commercial performance in Q1 and clear evidence of end markets continuing to improve, we expect to deliver Group trading profit (EBITA¹) moderately ahead of the current consensus of £138m² for the full year 2021.

Notes:

1. Excludes separately reported items
2. Company-compiled consensus

CONFERENCE CALL

Patrick André (Chief Executive) and Guy Young (Chief Financial Officer) will be hosting a conference call for analysts and investors at 09:30 (UK time) today (12 May).

To participate, please register at least 30 minutes prior to the start of the call by logging on to: <https://cossprereg.btc.com/prereg/key.process?key=PGHNTU8BE>

A replay of the call will be available approximately one hour after the event for two weeks on the following number:

Replay:

UK Freephone: 0800 032 9687

UK Direct: 0207 136 9233

Replay Access: <http://www.conferencingsupport.com/globalaccess/?bid=00&itfn=1&ddi=1&ref>

Passcode: 22719312

FUTURE EVENTS

The Vesuvius final 2020 dividend of 14.3 pence per share will be paid, subject to approval at the Annual General Meeting, on 21 May 2021 to shareholders on the register as at 16 April 2021.

Vesuvius' half year results for the six months ending 30 June 2021 are expected to be announced on Thursday, 29 July 2021.

For further information, please contact:

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About Vesuvius plc

Vesuvius is a global leader in molten metal flow engineering principally serving the steel and foundry industries.

We develop innovative and customised solutions, often used in extremely demanding industrial environments, which enable our customers to improve their manufacturing processes, enhance product quality and reduce energy consumption. These include flow control solutions, advanced refractories and other consumable products and – increasingly – related technical services including data capture.

We have a worldwide presence. We serve our customers through a network of low-cost manufacturing plants located close to their own facilities, and embed our industry experts within their operations, who are all supported by our global technology centres.

Our core competitive strengths are our market and technology leadership, strong customer relationships, well established presence in developing markets and our global reach, all of which facilitate the expansion of our addressable markets.

Our ultimate goal is to create value for our customers, and to deliver sustainable, profitable growth for our shareholders giving a superior return on their investment whilst providing each of our employees with a safe workplace where he or she is recognised, developed and properly rewarded.

Forward looking statements

This announcement contains certain forward looking statements which may include reference to one or more of the following: the Group's financial condition, results of operations, cash flows, dividends, financing plans, business strategies, operating efficiencies or synergies, budgets, capital and other expenditures, competitive positions, growth opportunities for existing products, plans and objectives of management and other matters.

Statements in this announcement that are not historical facts are hereby identified as "forward looking statements". Such forward looking statements, including, without limitation, those relating to the future business prospects, revenue, working capital, liquidity, capital needs, interest costs and income, in each case relating to Vesuvius, wherever they occur in this announcement, are necessarily based on assumptions reflecting the views of Vesuvius and involve a number of known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied by the forward looking statements. Such forward looking statements should, therefore, be considered in light of various important factors that could cause actual results to differ materially from estimates or projections contained in the forward looking statements. These include without limitation: economic and business cycles; the terms and conditions of Vesuvius' financing arrangements; foreign currency rate fluctuations; competition in Vesuvius' principal markets; acquisitions or disposals of businesses or assets; and trends in Vesuvius' principal industries.

The foregoing list of important factors is not exhaustive. When considering forward looking statements, careful consideration should be given to the foregoing factors and other uncertainties and events, as well as factors described in documents the Company files with the UK regulator from time to time including its annual reports and accounts.

You should not place undue reliance on such forward looking statements which speak only as of the date on which they are made. Except as required by the Rules of the UK Listing Authority and the London Stock Exchange and applicable law, Vesuvius undertakes no obligation to update publicly or revise any forward looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward looking events discussed in this announcement might not occur.

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