

Vesuvius plc - Trading Update

Vesuvius plc, a global leader in molten metal flow engineering and technology, announces the following update for the period 1 January to 30 April 2024.

Summary

- Performance in the period was in line with our expectations
- We maintain our expectations for FY 2024
- Excluding India and EEMEA, Steel markets remained subdued at the beginning of the year, as anticipated
- Foundry markets outside of India remained weak, particularly in EU27+UK and North Asia
- We continue to perform robustly due to our differentiated product offering, with a resilient pricing performance
- Flow Control gained market share in all regions except EU+UK; Foundry gained market share in all regions
- Our cost-saving programme is proceeding to plan, and we are confident in delivering both our current in-year and exit rate targets, as well as our £30m cash cost savings target by 2026
- We continue to make progress in the reduction of working capital intensity
- Market fundamentals remain attractive, and our significant investments in growth initiatives in Asia and in Flow Control remain on track

Resilient trading in weak end markets

Steel end markets remained subdued at the beginning of the year, as anticipated, except for India, which continued to grow compared to the same period last year, and EEMEA which recovered from a low base following the earthquake in Turkey in 2023. Steel production volumes in the EU27+UK area continued to be subdued in the first quarter of the year, although improved compared to the prior quarter. Chinese steel exports have continued to increase significantly, triggering the introduction of trade protection measures in some countries, notably in South America.

Foundry markets have remained weak, particularly in EU27+UK and North Asia, which represent c. 44% of Foundry sales.

Despite these difficult market conditions, we continue to perform well, achieving market share gains in Flow Control and Foundry. Advanced Refractories has not yet regained market share lost last year due to priority being given to pricing. Net pricing has remained resilient across all three business units. Our India businesses continued to perform well which reinforces our position in one of the fastest growing Steel and Foundry markets worldwide. We continue to grow at pace in that region, supported by our long-term strategy of investment in high quality manufacturing facilities, including the recently inaugurated Mold Flux plant at Vizag.

Overall, our performance was in line with our expectations.

Cost savings programme on target

The cost-savings programme is proceeding as planned. We continue to target annualised cash cost savings of £30m by 2026, with at least £3m delivered in 2024 and an exit run-rate of £10-15m by the end of 2024.

Market fundamentals remain strong and growth initiatives are on track

The fundamentals for the Steel and Foundry markets remain positive and we continue to implement our significant strategic initiatives, including capacity expansions in our higher-margin Flow Control business globally, and investment in capacity for Advanced Refractories and Foundry in Asia.

Outlook

The resilience of our business gives us continued confidence that we will deliver on our full year 2024 expectations.

Glossary

EEMEA Europe, Middle East and Africa, excluding EU+UK

CONFERENCE CALL

Patrick André (Chief Executive) and Mark Collis (Chief Financial Officer) will be hosting a conference call for analysts and investors at 08:30 (UK time) today.

To participate, please register at least 30 minutes prior to the start of the call by following the link [here](#)

A replay of the call will be available for one week on the following numbers:

United Kingdom: +44 20 3433 3849
Australia Toll-Free: +61 1800 021 202
Australia Toll: +61 2 8078 2917
US & Canada Toll-Free: +1(800) 770-2030
US Toll: +1(609) 800-9909
Canada Toll: +1(647) 362-9199
France: +33 1 73 02 81 84
Germany: +49 69 589964211
Hong Kong: +852 3018 3027
India: +91 22 5032 3279
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For further information, please contact:

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About Vesuvius plc

Vesuvius is a global leader in molten metal flow engineering and technology principally serving process industries operating in challenging high-temperature conditions.

We develop innovative and customised solutions, often used in extremely demanding industrial environments, which enable our customers to make their manufacturing processes safer, more efficient and more sustainable. 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 cost-efficient 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 they are recognised, developed and properly rewarded.

We think beyond today to create solutions that will shape the future for everyone.

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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