

Half Year Results for the six months ended 30 June 2025

H1 results broadly in line with expectations, despite tough market conditions

Vesuvius plc, a global leader in molten metal flow engineering and technology, announces its unaudited results for the six months ended 30 June 2025.

Financial summary	H1 2025 (£m)	H1 2024 (£m)	Underlying change % ⁽¹⁾	Year-on-year change %
Headline (non-statutory)				
Revenue	907.5	936.5	(0.4%)	(3.1%)
Trading Profit ⁽²⁾ (adjusted EBITA)	77.0	97.2	(16.1%)	(20.7%)
Return on Sales (RoS) ⁽²⁾	8.5%	10.4%	(160bps)	(190bps)
Headline basic EPS ⁽²⁾ (pence)	17.1	21.8	(16.4%)	(21.6%)
Free cash-flow ⁽²⁾	(12.6)	17.8	NA	NM
Net Debt / EBITDA ⁽²⁾	2.0x	1.2x	NA	+0.8x
Statutory				
Operating Profit	65.5	84.1	(16.8%)	(22.1%)
Profit Before Tax	56.0	76.7	(21.4%)	(27.0%)
Statutory basic EPS (pence)	12.5	18.1	(24.4%)	(30.9%)
Cash generated from operations	54.9	94.0	NA	(41.6%)
Dividend (pence per share)	7.1	7.1	NA	-

⁽¹⁾ Underlying basis is at constant currency and excludes separately reported items and the impact of acquisitions and disposals.

⁽²⁾ For definitions of non-GAAP measures, refer to Note 16 in the Condensed Group Financial Statements.

NB. The above table and other tables in this results statement contains amounts and percentages derived from source data which was then rounded. The margins and percentage change figures are based on source data, not the rounded figures.

Highlights

- Challenging first half with market share gains and strong cost reduction activities only partially offsetting weak markets and a difficult pricing environment
- Steel Division
 - Steel production (World ex China, Iran, Russia and Ukraine) declined by 0.3% versus H1 2024 with particular weakness in the EU27+UK, which declined 4.9%. Strong growth in India at 9.2%
 - Overall market share gains in both Flow Control and Advanced Refractories, with the latter regaining positions in EMEA and the US
 - Pricing evolution not fully compensating cost inflation in the first half, especially in EU27+UK and China
 - Temporarily unfavourable product mix evolution as some customers prioritise cost over performance due to the difficult market conditions
 - Lower but resilient Divisional RoS of 9.0%
- Foundry Division
 - Market activity significantly lower versus H1 2024 but stable compared to H2 2024
 - Strong market share gains in all regions
 - Challenging pricing environment
 - Divisional RoS of 6.9% stable on H2 2024

- Strong progress in our cost reduction programme
 - £10.1m delivered in H1, ahead of schedule
 - 2025 in-year savings estimate increased to c. £20m
- Good progress in the integration of PiroMet
- Continued progress in R&D efficiency with Group’s New Product Sales ratio up to 19.5% (Flow Control continuing to exceed 20%)
- Strong Safety performance in H1 with a continuation of our record low level of accidents
- Interim dividend per share of 7.1p, flat versus the 2024 interim dividend

Comment from Patrick André, CEO:

“With the exception of India, we have seen a continuation of the general weakness in our end markets which we highlighted in our AGM Trading Update in May. We now anticipate that these challenging market conditions will persist for the balance of the year, particularly in Europe. The pricing environment has also been challenging during the first half, in particular in Europe and China, limiting our ability to fully recover labour cost inflation. We however anticipate progressively improving our pricing performance over the second half of the year to partially recover this cost inflation, albeit with a delayed effect.

As a result, we now expect our performance in the second half of the year to be similar to the first half.

Beyond 2025, we remain confident in the growth potential of our steel and foundry markets, and in our ability to improve our profitability thanks to the success of our cost reduction efforts. Our restructured, modernised and strategically located manufacturing footprint also ensures we are well positioned to benefit from the recovery in end-markets irrespective of which regions benefit. With our capacity investment programme now completed we are equally confident in our ability to increase our free cash flow generation and reduce leverage. This will position us favourably to return cash to shareholders and to seize on attractive M&A opportunities when they arise.”

Technical note – FX re-translation

FY24	Reported FX rates	Re-translated*
Revenue	£1,820.1m	£1763.5m
Trading profit	£188.0m	£177.0m
Return on sales	10.3%	10.0%

* Hybrid rate using H1 2025 average FX rates for 6 months and 30 June 2025 spot for 6 months

Presentation of Half Year 2025 Results

Vesuvius management will make a presentation to analysts and investors on 6 August 2025 at 09:00 UK time at the London Stock Exchange, 10 Paternoster Square, London EC4M 7LS. For those unable to attend, the event will be livestreamed and can be accessed by clicking [here](#). Participants can also join via an audio conference call. Please click [here](#) to register. Once registered, you will be provided with the information needed to join the conference, including dial-in numbers and passcodes.

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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.

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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Vesuvius plc
Half Year Results for the six months ended 30 June 2025
Results broadly in line with expectations, despite tough market conditions

£m	H1 2025 Reported	acquisition	H1 2025 Underlying	H1 2024 Reported	Currency	H1 2024 Underlying	% Change H1 '25 vs. H1 '24	
							Underlying	Reported
Revenue	907.5	(6.3)	901.2	936.5	(31.4)	905.1	(0.4%)	(3.1%)
Trading Profit	77.0	(0.3)	76.7	97.2	(5.8)	91.4	(16.1%)	(20.7%)
Return on Sales	8.5%		8.5%	10.4%		10.1%	(160bps)	(190bps)

End markets remained weak

As anticipated, Steel markets remained weak in H1. Steel production in the world excluding China, Iran, Russia and Ukraine, declined by 0.3% in H1 2025 compared with the prior period.

Steel production varied by region. India continues to grow strongly, up 9.2% on the comparative half-year period. South-East Asia also showed consistent growth in the half-year period, up 2.3% vs. prior year. North America contracted by 0.6%, with the US growing and Mexico and Canada declining, while South America declined 0.4% vs H1 2024. EMEA contracted by 3.0% (excluding Iran, Russia and Ukraine), principally due to the EU27+UK (-4.9%) while EEMEA excluding Russia, Iran and Ukraine contracted 0.2% in H1 vs the prior H1 period. (Source: World Steel Association, to June 2025). Chinese steel exports remained at a high level, similar to that seen in H2 2024 and up 5.3 million tonnes (+11.2%) versus H1 2024.

Foundry end markets remained challenging during the first half, down c. 8% versus H1 2024, although they were stable versus H2 2024. The most negatively impacted regions were EU+UK and the Americas, both North and South.

Group trading performance

In this weak market environment, the Group generated revenue of £907.5m, a decrease of 0.4% on an underlying basis compared to H1 2024 and a decline of 3.1% on a reported basis, reflecting the significant FX headwind in the period and a small contribution from PiroMet. Overall, we saw volume decline equivalent to £1.8m and pricing decline of £2.1m.

Market share gains

Within the Steel Division, both Flow Control and Advanced Refractories gained market share overall. Advanced Refractories continued to perform well in Asia but also started to regain market share in the United States and in EMEA. Flow Control gained market share in EMEA, China, South-East Asia and Brazil but progressed slightly less than the market in North America due to the closure of some important Mexican customers where we had very high market shares. Flow Control also progressed less than the market in India as a significant part of H1 steel production growth came from induction furnaces, a market where we are not present. In Foundry, we gained market share in most regions.

Mix impact

We have seen an adverse impact from H1 product mix of £13.1m, as some Steel and Foundry customers have adopted lower quality products, resulting in a lower average gross margin. This is predominantly a EU27+UK issue, which accounts for over half of the mix impact and where certain customers are prioritising cost over value in response to their own competitive environment.

Price

The challenging trading environment has made the recovery of input cost increases, particularly labour inflation, more challenging than usual, notably in the EU27+UK where customers are experiencing particular difficulties, and in China where the market is also contracting.

Accordingly, in H1, while pricing itself has been broadly flat for the Group as a whole, there has been a net negative impact on trading profit and margins relating to rising input costs of £11.7m.

Cost savings programme fully on track

The programme to deliver at least £45m annual cost savings in-year FY28, continues at pace, and is now expected to deliver £55m by 2028. We delivered £10.1m in the period and we are now on track to deliver a total of c. £20m in 2025. The projects contributing to the savings in the period include the closure of our UK Tamworth site, transfer of production to Turkey, manufacturing automation and the reorganisation of our commercial and administrative functions in our North American Steel business.

First half results broadly as expected

As a result, our trading profit (adjusted EBITA) in H1 2025 of £77m is broadly in line with our expectations. This trading profit shows a reduction of 16.1% on an underlying basis compared to H1 2024 and a reduction of 20.7% on a reported basis. The Group delivered a Return on Sales of 8.5%, down 160bps on an underlying basis, reflecting declines in both the Steel and Foundry divisions where RoS fell 180bps and 110bps respectively.

Continued improvement in our health and safety performance

The health and safety of our employees and contractors remains our first priority and we have an overall objective of zero accidents. In the half-year, we achieved a Lost Time Injury Frequency Rate (LTIFR) per million hours worked of 0.55, similar to 0.52 in 2024, which was a significant reduction versus our historic performance.

Efficient R&D drives technological differentiation and value to customers

Our focused and efficient R&D is key to maintaining technological differentiation. This is critical to our value-add proposition to customers and to growing market share and margin. We launched 16 new products in the period and delivered a new product sales ratio (defined as the percentage of sales derived from products launched in the previous 5 years) of 19.5%. This is a further improvement compared to 19.1% delivered in FY 2024 and has been driven by both Flow Control and Foundry, with Flow Control continuing to derive over 20% of its sales from new products.

In addition, the interest of our customer base in our robotics offering is continuing, with a strong pipeline of opportunities. These installations add significant value to customers by improving the quality of their steel output, the efficiency of their operations, and the safety of their employees, while securing ongoing consumable refractory sales for our business. Our installed base is enhanced by the integration of PiroMet, which brings highly complementary expertise in advanced refractories robotics and an installed base of 9 EAF robots worldwide, expanding our own base of 42 Flow Control robots and 18 Advanced Refractories robots.

Capital investment projects to support growth concluded

Capex in 2025 is now trending back to a sustaining run-rate, having concluded the growth capex programme which was initiated in 2021. Capex, excluding leases, in FY25 is now expected to be £75-80m, reduced from our initial guidance of £80-85m, reflecting current trading conditions, and should reduce to c. £70m in 2026 and beyond. This capex includes investment to maintain our facilities to a high-quality level, IT infrastructure, customer installations and investment supporting our sustainability targets.

Costs of restructuring as planned

We incurred costs of £4.3million in H1 relating to our cost-saving programme. These are separately reported items, and the majority relate to redundancy costs of £2.4m, with the remainder being other costs including site-closure costs. The total one-off P&L costs relating to the cost-saving programme in 2025 are expected to be c. £15m reflecting the further cost reductions to be delivered in EMEA in the second half.

Cashflow

Trade working capital increased by £48.1m versus 31 December 2024, representing 23.5% sales on a 12-month basis. This is an increase of +0.6% versus the 31 December 2024 level, largely reflecting usual seasonality and the impact of PiroMet. Compared to 30 June 2024, working capital intensity was +0.3% higher, reflecting the temporary impact of safety inventories built to maintain product availability to customers while we transfer production between plants following restructuring decisions in Europe.

The Group generated adjusted operating cashflow of £25.8m, representing cash conversion of 33% (H1 2024: 49%). Net capital expenditure in the period has started to reduce as planned, at £36.4m (H1 2024: £49.9m). Free cash flow was an outflow of £12.6m (H1 2024: inflow of £17.8m) reflecting lower EBITDA and the temporary trade working capital outflow noted above.

The second share buyback programme for £50m commenced in November 2024 and was completed on 2 April 2025, around four-and-a-half months from initiation with 12.2 million shares purchased. This was the second share buyback delivered since our November 2023 Capital Markets Event. In aggregate, we have bought back £100m worth of shares as part of our strategy to return cash to shareholders.

At 30 June 2025, net debt stood at £452.4m (31 December 2024: £329.2m), reflecting the negative free cashflow from lower EBITDA, the cash outflow from the share buy-back (£34.8m) and acquisition of PiroMet (£18.6m), and the H1 payment of the 2024 full year dividend (£40.4m). Net debt / EBITDA

at 30 June 2025 stood at 2.0x (31 December 2024: 1.3x) reflecting the increased net debt as described above combined with lower EBITDA. This increase in gearing since 31 December 2024 is partially attributable to FX translation; on a constant currency basis, the net debt / EBITDA ratio at 31 December 2024 would have been 1.4x. In addition, it reflects the impact of the full cash consideration for PiroMet while only part of a year of profit contribution.

Response to the trading environment

We remain committed to executing our cost optimisation strategy to adapt to the trading environment.

We have now mostly completed our programme to reposition the majority of our manufacturing capacity outside of the EU and U.K., towards the faster growing Asian, EEMEA and North American regions. We are however maintaining enough capacity in Europe to benefit from a potential rebound in this region should it occur. Those capacities maintained in Europe benefit from an ambitious automation program, supporting their long-term competitiveness.

In parallel, we continue to deliver structural reductions in the cost of our overhead functions, through increased digitalisation and reduced exposure to high-cost countries. In the short-term, we are maintaining a very tight control on all discretionary expenses.

Regarding pricing, we initiated a process of price rises in the second quarter to progressively recover cost inflation. We have seen early successes and expect a further improvement in the second half of the year.

With our capacity expansion program now completed, our capital expenditure will stabilise to a lower level. We also remain focused on optimising our working capital. We are thus confident in our ability to increase our free cash flow generation and reduce leverage going forward.

Interim Dividend

Vesuvius has a progressive dividend policy. As a minimum we will maintain our dividend per share year-on-year and increase it, through the cycle, in line with earnings per share growth. In addition, where cash is not required for additional investment in the business and while maintaining a strong and prudent balance sheet, we will return cash to shareholders via other means, such as share buybacks.

The Board has declared an interim dividend of 7.1 pence per share for H1 2025, similar to the interim dividend for 2024. The interim dividend will be paid on 19 September 2025 to shareholders on the register at the close of business on 15 August 2025. The ex-dividend date will be 14 August 2025. Any shareholder wishing to participate in the Vesuvius Dividend Reinvestment Plan (DRIP) needs to have submitted their election to do so by 1 September 2025. The DRIP is provided by Equiniti Financial Services Limited and enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at www.shareview.co.uk/info/drip.

Current trading and outlook

With the exception of India, we have seen a continuation of the general weakness in our end markets which we highlighted in our AGM Trading Update in May. We now anticipate that these challenging market conditions will persist for the balance of the year, particularly in Europe. The pricing environment has also been challenging during the first half, in particular in Europe and China, limiting our ability to fully recover labour cost inflation. We however anticipate progressively improving our pricing performance over the second half of the year to partially recover this cost inflation, albeit with a delayed effect.

As a result, we now expect our performance in the second half of the year to be similar to the first half.

Beyond 2025, we remain confident in the growth potential of our steel and foundry markets, and in our ability to improve our profitability thanks to the success of our cost reduction efforts. Our restructured, modernised and strategically located manufacturing footprint also ensures we are well positioned to benefit from the recovery in end-markets irrespective of which regions benefit. With our capacity investment programme now completed we are equally confident in our ability to increase our free cash flow generation and reduce leverage. This will position us favourably to return cash to shareholders and to seize on attractive M&A opportunities when they arise.

Operating and Financial Review

Operating review

Vesuvius comprises two Divisions, Steel and Foundry. The Steel Division operates as three business units, Flow Control, Advanced Refractories and Sensors & Probes. Changes described are versus H1 2024 on an underlying basis, excluding the impact of FX and the acquisition of PiroMet (on 28 February 2025), unless otherwise noted. There were no other acquisitions or disposals in 2024 or H1 2025.

See Note 16.1 to the Condensed Group Financial Statements for the definition of headline performance and Note 16.2 to the Condensed Group Financial Statements for the definition of underlying performance.

Steel Division

Steel Division	H1 2025 (£m)	H1 2024 (£m)	Change % underlying	Change % reported
Flow Control Revenue	378.1	393.7	(0.5%)	(4.0%)
Advanced Refractories Revenue	273.0	270.3	1.6%	1.0%
Steel Sensors & Probes Revenue	18.8	21.7	(5.8%)	(13.2%)
Total Steel Revenue	670.0	685.7	0.2%	(2.3%)
Steel Trading profit	60.6	76.5	(16.4%)	(20.8%)
Steel Return on Sales	9.0%	11.2%	-180bps	-220bps

Steel revenue was flat on an underlying basis, reflecting a slight fall in volumes related to declining markets, offset by a slight gain in market share. Pricing was flat in the period.

Trading profit in Steel fell 16.4% principally reflecting flat pricing and rising labour costs, and adverse mix with some customer switching to lower value, lower performance but also lower margin, products. These effects have been partially offset by strong cost savings. As a result, Return on Sales for the Steel Division decreased 180bps to 9.0%

Flow Control

Flow Control Revenue	H1 2025 (£m)	H1 2024 (£m)	Change % underlying	Change % reported
Americas	144.9	157.6	(3.2%)	(8.1%)
Europe, Middle East & Africa (EMEA)	118.0	123.7	(2.9%)	(4.6%)
Asia-Pacific	115.2	112.4	6.0%	2.6%
Total Flow Control Revenue	378.1	393.7	(0.5%)	(4.0%)

Flow Control saw a decline in markets and in our volumes in EMEA and the Americas, and growth in Asia in the period, with an overall slight 0.5% reduction in volumes across the regions. Flow Control gained market share in EMEA, in Brazil, in China and in South-East Asia, while our market share slightly

declined in North America due to the closure of some customers where we enjoyed very high market share. Our growth in India has been positive but has somewhat lagged behind market growth during the first half as induction furnace-based steel production (a market into which we do not participate) has outgrown the EAF and Blast furnace-based steel production during the period. Pricing increased modestly.

Advanced Refractories

Advanced Refractories Revenue	H1 2025 (£m)	H1 2024 (£m)	Change % underlying	Change % reported
Americas	92.9	98.5	(8.5%)	(5.7%)
Europe, Middle East & Africa (EMEA)	89.0	83.5	8.0%	6.6%
Asia-Pacific	91.1	88.3	6.7%	3.2%
Total Advanced Refractories Revenue	273.0	270.3	1.6%	1.0%

In Advanced Refractories we gained market share overall with volume growth higher than the market in Asia, both in India and China, in EMEA (excluding Iran, Russia and Ukraine), and in the US partially offset by market share decline in Latin America. As a result, revenue growth was driven by volume increases, while pricing declined very modestly over the period.

Sensors & Probes

Sensors & Probes Revenue	H1 2025 (£m)	H1 2024 (£m)	Change % underlying	Change % reported
Americas	13.3	15.3	(3.2%)	(13.5%)
Europe, Middle East & Africa (EMEA)	5.4	6.1	(11.0%)	(12.2%)
Asia-Pacific	0.2	0.2	(20.9%)	(20.5%)
Total Sensors & Probes Revenue	18.8	21.7	(5.8%)	(13.2%)

During the first six months of 2025, Sensors & Probes sales recorded double-digit growth in North America, which was more than offset by declining sales in South America. Within EMEA, sales in the EU+UK were flat year-on-year, reflecting weak market demand, while sales in Türkiye, the Middle East, and Africa declined.

Foundry Division

Foundry Division	H1 2025 (£m)	H1 2024 (£m)	Change % underlying	Change % reported
Americas	57.9	63.7	(2.6%)	(9.1%)
Europe, Middle East & Africa (EMEA)	92.9	101.6	(7.7%)	(8.5%)
Asia-Pacific	86.7	85.5	5.1%	1.4%
Total Foundry Revenue	237.5	250.8	(2.1%)	(5.3%)
Foundry Trading Profit	16.4	20.7	(15.0%)	(20.4%)
Foundry Return on Sales	6.9%	8.2%	-110bps	-130bps

Foundry end markets were negative in all major regions with the exception of India, with the greatest impact being in EMEA, followed by North America and persistent weakness also in South America and South-East Asia. The negative market conditions impacted revenue by c. 8%, partially offset by market share gains of c. 6.8%, while headline pricing was modestly negative. As a result, Foundry revenue fell 2.1% as compared with H1 2024.

At the trading profit line, Foundry was also impacted by rising costs not covered by price increases, and a negative product mix. The Division's trading profit fell 15.0% versus H1 2024 and Return on Sales reduced by 110bps to 6.9%.

Financial Review

H1 2025 performance overview

Income statement

Group revenue of £907.5m is down 3.1% on a reported basis (H1 2024: £936.5m) and -0.4% on an underlying basis; trading profit fell 20.7% on a reported basis to £77.0m (H1 2024: £97.2m), as set out in the operating review above, and fell 16.1% on an underlying basis.

Operating profit decreased 22.1% on a reported basis to £65.5m (H1 2024: £84.1m), reflecting the changes in trading profit described above, before amortisation of acquired intangible assets of £5.0m

(H1 2024: £5.1m), cost-reduction programme expenses of £4.3m (H1 2024: £8.0m) and acquisition related costs of £2.2m. These three items have been treated as separately reported items.

In H1 2025, we spent £17.7m on R&D activities (H1 2024: £19.7m), which represents 1.9% of our revenue (H1 2024: 2.1%).

Headline PBT was £67.5m (H1 2024: £89.8m), a reduction of 24.8% on a reported basis, reflecting the reduction in operating profit and an increase in net finance cost to £10.0m (H1 2024: £8.0m) due to a combination of higher debt, and reduced financial income.

PBT including amortisation of acquired intangibles was 27.0% lower at £56.0m (H1 2024: £76.7m), on a reported basis.

Headline EPS from continuing operations fell 21.6% on a reported basis to 17.1p (H1 2024: 21.8p), reflecting the lower trading profit described above partially offset by a reduction in the non-controlling interest (£6.6m; H1 2024 £7.6m). This was also partially offset by a reduction in our average number of shares in issue from 264.7m (HY 2024) to 248.0m, due to the share buy-back undertaken last year, and the second share buyback commenced in November 2024 and completed in April 2025.

Taxation

The Group's effective tax rate is the income tax associated with headline performance of H1 2025, £18.4m, (H1 2024: £24.5m), divided by the headline profit before tax and before the Group's share of post-tax profit of joint ventures. The Group's headline effective tax rate was 27.5% in H1 2025 as previously guided (H1 2024: 27.5%). We expect the Group's effective tax rate to be 27.5% for the full year 2025.

The tax debit of £0.1m in separately reported items includes a debit of £2.8m related to the withholding tax related to one-off dividend remittances, offset against a credit of £1.3m relating to the amortisation of intangible assets, and a balancing amount relating to deferred tax, as set out in note 5 to the accounts.

Cash flow

The Group generated adjusted operating cash flows of £25.8m, a 46.1% decrease versus H1 2024 (£47.9m). This implies a cash conversion rate in H1 2025 of 33% (H1 2024: 49%). H1 2025 cash conversion reflected a reduced cash generated from continuing operations of £54.9m (H1 2024:

£94.0m) partially offset by a decrease in net capex of £36.4m (H1 2024: £49.9m). Free cash flow was an outflow of £12.6m in H1 2025 (H1 2024: inflow of £17.8m).

Working capital

Trade working capital, measured as a percentage of sales on a 12-month moving average basis, has trended broadly flat, at 23.5% as at 30 June 2025 (30 June 2024: 23.2%; 31 Dec 2024 22.9%), with the rise versus the level at 31 December 2024 reflecting usual seasonality.

In absolute terms, on a constant currency basis, trade working capital increased by £50.1m in H1 2025 to £441.9m compared to the balance as at 31 December 2024. The increase was due to a rise in inventory (+£30.3m) and debtors (+£48.0m), partially offset by an increase in creditors (+£28.2m). On a reported basis, the increase in trade working capital was £48.1m (H1 2024: £34.2m), including working capital relating to PiroMet of c. £6m.

Capital expenditure

Net cash capital expenditure in H1 2025 was £36.4m (H1 2024: £49.9m). Including additional fixed assets resulting from capitalised leases and the net repayment of capital expenditure creditors, total capital expenditure additions were £37.9m (H1 2024: £47.9m), of which £28.1m (H1 2024: £39.2m) related to the Steel Division and £9.8m (H1 2024: £8.7m) related to the Foundry Division.

Balance sheet

Financial position

At 30 June 2025, Net Debt was £452.4m, (31 December 2024: £329.2m), due to an outflow at the free cash flow line of £12.6m plus dividend payments (£40.4m), share buybacks (£34.8m), consideration in relation to the acquisition of PiroMet (£18.6m) and other factors.

The net debt to EBITDA ratio increased to 2.0x versus 31 December 2024 (1.3x), principally reflecting the increase in net debt and also the fall in the trailing last-12-months EBITDA.

EBITDA to interest was 15.0x (31 December 2024: 18.4x). The Group had committed borrowing facilities of £761.2m as at 30th June 2025 (31 December 2024: £669.6m), of which £238.5m was undrawn (31 December 2024: £202.5m). Liquidity stood at £402.9m on 30 June 2025 (31 December 2024: £389m), defined as undrawn committed debt facilities plus our cash on balance sheet, less cash used as collateral against loans.

The Group's debt facilities have two financial covenants: the ratios of net debt to EBITDA (maximum 3.25x limit) and EBITDA to interest (minimum 4x limit). Certain adjustments are made to the net debt

calculations for bank covenant purposes, the most significant of which is to exclude the impact of IFRS 16.

Return on Invested Capital

In March 2025, the Board decided to re-define ROIC for the purpose of remuneration targets, to exclude the impact of goodwill and intangibles that arose on the acquisition of Foseco in 2008, as the Remuneration Committee believes that this approach removes the distortive effects of that acquisition, and provides a clearer measure of management performance.

Accordingly, ROIC is now defined as trading profit less amortisation of acquired intangibles (excluding Foseco) plus share of post-tax profit of joint ventures and associates for the previous 12 months after tax, divided by the average invested capital. Invested capital is defined as total assets excluding cash and non-interest-bearing liabilities, less the goodwill and intangibles that arose under IFRS3 in respect of the Foseco acquisition in 2008, averaged between the closing balance sheet date and the balance sheet date twelve months prior, at year-to-date foreign exchange rates. In the period, ROIC (excluding the Foseco intangible assets) was 12.0%, down from 14.4% at 31 December 2024, principally reflecting the reduction in rolling 12-month trading profit.

ROIC on the previous methodology was 7.1% (31 December 2024: 8.4%)

Pensions

The Group has a limited number of historical defined benefit plans located mainly in the UK, USA, Germany and Belgium. The main plans in the UK and USA are closed to further benefits accrual. In the funded UK plan, an insurance asset from PIC matches the remaining pension liabilities of the UK Plan, with the result that the Company no longer bears any investment, longevity, interest rate or inflation risks in respect of this UK Plan. The Group's net pension liability on 30 June 2025 was £33.5m (2024 full year: £37.4m). There is no one driver for the reduction in liability as movements in all plans remained relatively flat.

Principal Risks and Uncertainties

The Board exercises oversight of the Group's Principal Risks and reviews the way in which the Group manages those risks. The Board takes overall responsibility for establishing and maintaining a system of risk management and internal control and for reviewing its effectiveness.

The Board has reviewed the Principal Risks and Uncertainties facing the Group and consider that these remain unchanged compared with those published in the Annual Report for the year ended 31 December 2024.

The Principal Risks which could have a material impact on the Group's performance for the remainder of the financial year are as follows:

- End-market risks
- Protectionism and globalisation
- Product quality failure
- Complex and changing regulatory environment
- Failure to secure innovation
- Business interruption
- People, culture and performance
- Health and safety
- Environmental, Social and Governance criteria

Further information on these Principal Risks and the way in which the Group manages them is detailed on pages 67-73 of the 2024 Annual Report. A copy of the 2024 Annual Report is available to view in unedited full text, on the Vesuvius website at www.vesuvius.com and on the National Storage Mechanism at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

There was no material change to the level of risks facing the Group during the period under review.

Half Year Results for the six months ended 30 June 2025
Directors' responsibility statement

The Directors confirm that these condensed interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 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 DTR 4.2.7 and DTR 4.2.8, namely:

- 1) 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
- 2) material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The names and functions of the Directors of Vesuvius plc are as follows:

Carl-Peter Forster	Chairman
Patrick André	Chief Executive
Mark Collis	Chief Financial Officer
Eva Lindqvist	Independent Non-executive Director and Senior Independent Director
Italia Boninelli	Independent Non-executive Director and Chair of the Remuneration Committee
Robert MacLeod	Independent Non-executive Director and Chair of the Audit Committee
Carla Bailo	Independent Non-executive Director
Dinggui Gao	Independent Non-executive Director
Friederike Helfer	Non-executive Director

On behalf of the Board

Mark Collis
Chief Financial Officer
5 August 2025

Independent review report to Vesuvius plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Vesuvius plc's condensed consolidated interim financial statements (the "interim financial statements") in the Half Year Results of Vesuvius plc for the six months ended 30 June 2025 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Group Balance Sheet as at 30 June 2025;
- the Condensed Group Income Statement and Condensed Group Statement of Comprehensive Income for the period then ended;
- the Condensed Group Statement of Cash Flows for the period then ended;
- the Condensed Group Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Half Year Results of Vesuvius plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Half Year Results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Half Year Results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Half Year Results in accordance with the Disclosure Guidance

and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Half Year Results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Half Year Results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
5 August 2025

VESUVIUS PLC

Condensed Group Income Statement

For the six months ended 30 June 2025

	Notes	Half year 2025 (Unaudited)			Half year 2024 (Unaudited)			Full year 2024		
		Headline performance ¹⁾	Separately reported items ⁽¹⁾	Total	Headline performance ⁽¹⁾	Separately reported items ⁽¹⁾	Total	Headline performance ⁽¹⁾	Separately reported items ⁽¹⁾	Total
		£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue	2	907.5	-	907.5	936.5	-	936.5	1,820.1	-	1,820.1
Manufacturing costs		(670.2)	-	(670.2)	(666.9)	-	(666.9)	(1,316.4)	-	(1,316.4)
Administration, selling & distribution costs		(160.3)	-	(160.3)	(172.4)	-	(172.4)	(315.7)	-	(315.7)
Trading profit⁽²⁾	2	77.0	-	77.0	97.2	-	97.2	188.0	-	188.0
Cost reduction programme expenses	3	-	(4.3)	(4.3)	-	(8.0)	(8.0)	-	(14.6)	(14.6)
Acquisition related expenses	3	-	(2.2)	(2.2)	-	-	-	-	-	-
Provision for future water treatment at disused mine		-	-	-	-	-	-	-	(9.7)	(9.7)
Amortisation of acquired intangible assets		-	(5.0)	(5.0)	-	(5.1)	(5.1)	-	(10.0)	(10.0)
Operating profit/(loss)	2	77.0	(11.5)	65.5	97.2	(13.1)	84.1	188.0	(34.3)	153.7
Finance expense		(14.5)	-	(14.5)	(13.3)	-	(13.3)	(27.1)	-	(27.1)
Finance income		4.5	-	4.5	5.3	-	5.3	10.9	-	10.9
Net finance costs	4	(10.0)	-	(10.0)	(8.0)	-	(8.0)	(16.2)	-	(16.2)
Share of post-tax profit of joint ventures and associates		0.5	-	0.5	0.6	-	0.6	1.1	-	1.1
Profit/(loss) before tax	2	67.5	(11.5)	56.0	89.8	(13.1)	76.7	172.9	(34.3)	138.6
Income tax (charge)/credits	5	(18.4)	(0.1)	(18.5)	(24.5)	3.2	(21.3)	(47.2)	8.9	(38.3)
Profit/(loss)		49.1	(11.6)	37.5	65.3	(9.9)	55.4	125.7	(25.4)	100.3
Profit/(loss) attributable to:										
Owners of the parent		42.5	(11.6)	30.9	57.7	(9.9)	47.8	112.6	(25.4)	87.2
Non-controlling interests		6.6	-	6.6	7.6	-	7.6	13.1	-	13.1
Profit/(loss)		49.1	(11.6)	37.5	65.3	(9.9)	55.4	125.7	(25.4)	100.3
Earnings per share — pence	6									
Total operations — basic		17.1 ⁽¹⁾		12.5 ⁽¹⁾	21.8 ⁽¹⁾		18.1	43.3 ⁽¹⁾		33.5
— diluted		17.0 ⁽¹⁾		12.3 ⁽¹⁾	21.6 ⁽¹⁾		17.9	42.7 ⁽¹⁾		33.1

(1) *Headline performance and separately reported items are non-GAAP measures. Headline performance is defined in Note 16.1 and separately reported items are defined in Note 1.5.*

(2) *Trading profit is a non-GAAP measure and is defined in Note 16.4.*

The above results were derived from continuing operations. Manufacturing costs are costs of goods sold. The pre-tax separately reported items would form part of Administration, selling & distribution costs if classified within headline performance, which including these amounts would total £171.8m (2024 half year: £185.5m, 2024 full year: £350.0m).

Condensed Group Statement of Comprehensive Income

For the six months ended 30 June 2025

	Notes	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Profit		37.5	55.4	100.3
Items that will not subsequently be reclassified to income statement:				
Remeasurement of defined benefit assets/liabilities		3.8	7.0	3.6
Income tax relating to items not reclassified	5	(0.9)	(2.5)	(0.8)
Items that will not subsequently be reclassified to income statement		2.9	4.5	2.8
Items that may subsequently be reclassified to income statement:				
Exchange differences on translation of foreign operations		(58.2)	(31.9)	(49.1)
Exchange differences arising on translation of net investment hedges		(2.5)	6.0	7.1
Net change in costs of hedging		0.3	0.1	(0.1)
Change in the fair value of the hedging instrument		(1.6)	0.6	1.5
Amounts reclassified from Net finance costs		1.4	(0.5)	(1.2)
Items that may subsequently be reclassified to income statement		(60.6)	(25.7)	(41.8)
Other comprehensive loss, net of income tax		(57.7)	(21.2)	(39.0)
Total comprehensive (loss)/ income		(20.2)	34.2	61.3
Total comprehensive income attributable to:				
Owners of the parent		(20.8)	26.7	49.5
Non-controlling interests		0.6	7.5	11.8
Total comprehensive (loss)/ income		(20.2)	34.2	61.3

Condensed Group Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Cash flows from operating activities				
Cash generated from operations	9	54.9	94.0	216.7
Interest paid		(10.4)	(8.9)	(20.9)
Interest received		2.7	4.4	9.0
Income taxes paid		(21.8)	(20.3)	(46.1)
Net cash inflow from operating activities		25.4	69.2	158.7
Cash flows from investing activities				
Purchases of property, plant & equipment		(34.6)	(46.8)	(88.1)
Purchases of intangible assets		(5.6)	(3.7)	(12.7)
Proceeds from the sale of property, plant and equipment		3.8	0.6	4.3
Acquisition of subsidiaries and joint ventures, net of cash acquired		(18.6)	-	-
Proceeds from sale of associate		-	-	0.4
Dividends received from joint ventures		-	-	0.7
Net cash outflow from investing activities		(55.0)	(49.9)	(95.4)
Cash flows from financing activities				
Proceeds from borrowings	8	238.4	111.7	134.8
Repayment of borrowings	8	(131.7)	(10.0)	(13.0)
Payment of lease liabilities		(9.0)	(8.4)	(18.2)
Cash outflow relating to derivatives		(1.2)	-	-
Purchase of ESOP Shares		-	(17.1)	(17.1)
Share buyback		(34.8)	(30.2)	(63.4)
Dividends paid to equity shareholders	7	(40.4)	(42.7)	(61.1)
Dividends paid to non-controlling shareholders		(1.6)	(1.5)	(2.5)
Net cash inflow / (outflow) from financing activities		19.7	1.8	(40.5)
Net increase/(decrease) in cash and cash equivalents	8	(9.9)	21.1	22.8
Cash and cash equivalents at 1 January		178.6	160.8	160.8
Effect of exchange rate fluctuations on cash and cash equivalents		(9.3)	(3.2)	(5.0)
Cash and cash equivalents at the end of the reporting period	8	159.4	178.7	178.6
Free cash flow				
Net cash inflow from operating activities	16.11	25.4	69.2	158.7
Purchases of property, plant & equipment		(34.6)	(46.8)	(88.1)
Purchases of intangible assets		(5.6)	(3.7)	(12.7)
Proceeds from the sale of property, plant and equipment		3.8	0.6	4.3
Proceeds from the sale of associates		-	-	0.4
Dividends received from joint ventures		-	-	0.7
Dividends paid to non-controlling shareholders		(1.6)	(1.5)	(2.5)
Free cash flow¹	16.11	(12.6)	17.8	60.8

⁽¹⁾For definitions of alternative performance measures, refer to Note 16

Condensed Group Balance Sheet

As at 30 June 2025

	Notes	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Assets				
Property, plant and equipment		485.6	464.1	482.6
Intangible assets		689.3	692.6	690.9
Interests in joint ventures and associates		10.8	11.2	11.0
Deferred tax assets		101.7	112.4	109.9
Other receivables		24.5	27.9	26.7
Investments		0.9	0.7	0.2
Derivative financial instruments	15	0.7	0.6	1.1
Employee benefits – surpluses	10	35.8	35.5	34.1
Total non-current assets		1,349.3	1,345.0	1,356.5
Cash and short-term deposits	8	164.4	180.0	186.4
Trade and other receivables		472.5	468.0	438.9
Inventories		315.0	309.1	295.4
Income tax receivable		18.7	14.0	12.9
Derivative financial instruments	15	0.1	1.8	3.6
Total current assets		970.7	972.9	937.2
Total assets		2,320.0	2,317.9	2,293.7
Liabilities				
Interest-bearing borrowings	8	28.1	221.2	80.4
Trade and other payables		380.5	374.7	363.4
Income tax payable		9.4	13.0	6.6
Provisions	14	9.3	10.9	10.3
Derivative financial instruments	15	0.3	0.2	0.1
Total current liabilities		427.6	620.0	460.8
Interest-bearing borrowings	8	587.3	276.2	439.8
Other payables		6.4	8.8	6.9
Provisions	14	50.6	48.0	54.8
Deferred tax liabilities		19.3	23.9	16.3
Derivative financial instruments	15	1.9	-	-
Employee benefits - liabilities	10	69.3	74.0	71.5
Total non-current liabilities		734.8	430.9	589.3
Total liabilities		1,162.4	1,050.9	1,050.1
Net assets		1,157.6	1,267.0	1,243.6
Equity				
Issued share capital		25.5	27.1	26.4
Retained earnings		2,607.9	2,658.2	2,645.7
Other reserves		(1,557.4)	(1,490.2)	(1,503.7)
Equity attributable to the owners of the parent		1,076.0	1,195.1	1,168.4
Non-controlling interests		81.6	71.9	75.2
Total equity		1,157.6	1,267.0	1,243.6

Condensed Group Statement of Changes in Equity

For the six months ended 30 June 2025

	Issued share capital £m	Other reserves £m	Retained earnings £m	Owners of the parent £m	Non- controlling interests £m	Total equity £m
As at 1 January 2025	26.4	(1,503.7)	2,645.7	1,168.4	75.2	1,243.6
Profit	-	-	30.9	30.9	6.6	37.5
Remeasurement of defined benefit assets/liabilities	-	-	3.8	3.8	-	3.8
Income tax relating to items not reclassified	-	-	(0.9)	(0.9)	-	(0.9)
Exchange differences on translation of the net assets of foreign operations	-	(52.2)	-	(52.2)	(6.0)	(58.2)
Exchange differences arising on translation of net investment hedges	-	(2.5)	-	(2.5)	-	(2.5)
Net change in costs of hedging	-	0.3	-	0.3	-	0.3
Change in the fair value of the hedging instrument	-	(1.6)	-	(1.6)	-	(1.6)
Amounts reclassified from Net finance costs	-	1.4	-	1.4	-	1.4
Other comprehensive (loss)/income, net of income tax	-	(54.6)	2.9	(51.7)	(6.0)	(57.7)
Total comprehensive (loss)/income	-	(54.6)	33.8	(20.8)	0.6	(20.2)
Share-based payments	-	-	3.6	3.6	-	3.6
Business acquisition	-	-	-	-	7.4	7.4
Share buyback	(0.9)	0.9	(34.8)	(34.8)	-	(34.8)
Dividends paid (Note 7)	-	-	(40.4)	(40.4)	(1.6)	(42.0)
Total transactions with owners	(0.9)	0.9	(71.6)	(71.6)	5.8	(65.8)
As at 30 June 2025	25.5	(1,557.4)	2,607.9	1,076.0	81.6	1,157.6

	Issued share capital £m	Other reserves £m	Retained earnings £m	Owners of the parent £m	Non- controlling interests £m	Total equity £m
As at 1 January 2024	27.7	(1,464.6)	2,691.2	1,254.3	65.9	1,320.2
Profit	-	-	47.8	47.8	7.6	55.4
Remeasurement of defined benefit assets/liabilities	-	-	7.0	7.0	-	7.0
Income tax relating to items not reclassified	-	-	(2.5)	(2.5)	-	(2.5)
Exchange differences on translation of the net assets of foreign operations	-	(31.8)	-	(31.8)	(0.1)	(31.9)
Exchange differences arising on translation of net investment hedges	-	6.0	-	6.0	-	6.0
Net change in costs of hedging	-	0.1	-	0.1	-	0.1
Change in the fair value of the hedging instrument	-	0.6	-	0.6	-	0.6
Amounts reclassified from Net finance costs	-	(0.5)	-	(0.5)	-	(0.5)
Other comprehensive income/(loss), net of income tax	-	(25.6)	4.5	(21.1)	(0.1)	(21.2)
Total comprehensive income/(loss)	-	(25.6)	52.3	26.7	7.5	34.2
Share-based payments	-	-	4.1	4.1	-	4.1
Purchase of ESOP shares	-	-	(17.1)	(17.1)	-	(17.1)
Share buyback	(0.6)	-	(29.6)	(30.2)	-	(30.2)
Dividends paid (Note 7)	-	-	(42.7)	(42.7)	(1.5)	(44.2)
Total transactions with owners	(0.6)	-	(85.3)	(85.9)	(1.5)	(87.4)
As at 30 June 2024	27.1	(1,490.2)	2,658.2	1,195.1	71.9	1,267.0

Notes to the Condensed Group Financial Statements

1. Basis of preparation

1.1 Basis of accounting

These Condensed Group Financial Statements of Vesuvius plc (“Vesuvius” or the “Company”) and its subsidiary and joint venture companies (the “Group”) have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

These Condensed Group Financial Statements have been prepared using the same accounting policies as used in the preparation of the Group’s Annual financial statements for the year ended 31 December 2024, except for income taxes which are calculated using the effective tax rate which is expected to apply for the full year. The assessment of the Group’s critical accounting estimates and judgements remain consistent with the 2024 Annual Report and Financial Statements. The Group’s Annual report and financial statements for the year ended 31 December 2024 was prepared in accordance with UK-adopted international accounting standards (IFRS) and the requirements of the Companies Act 2006.

The Condensed Group Financial Statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year-ended 31 December 2024. The financial information presented in this document is unaudited but has been reviewed by the Company’s auditor.

These Condensed Group Financial Statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The comparative figures for the financial year ended 31 December 2024 have been extracted from the Group’s Annual Report and Financial Statements for that financial year. Those accounts have been reported on by the Company’s auditor and delivered to Companies House. The report of the auditor was unqualified, did not include reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Notes to the Condensed Group Financial Statements

1.2 Going concern

The Directors have prepared cash flow scenarios for the Group for a period of at least 12 months from the date of approval of the 2025 Interim Condensed Financial Statements. These forecasts reflect an assessment of current and future end market conditions, and their impact on the Group's future trading performance.

The analysis includes a severe but plausible downside scenario which assumes for a 5% decline in business activity, compared to the previous year combined with a declining of Return on Sales by 1.5% over the period under review. Debt maturing during the period is assumed to be re-financed and a consistent level of dividend payments continues.

In this scenario, the forecast shows that the Group maintains considerable headroom against its covenants. The Net debt / EBITDA leverage ratio never exceeds 2.25x, compared to a covenant of 3.25x and the interest coverage covenant (EBITDA / interest, never falls below 12.5x compared to a covenant of 4.0x.

The analysis also included a stress test to determine how much the Group's revenues could decrease before breaching at least one of the debt covenants.

Based on the exercise described above and the Group's available committed liquidity which currently stands at £402.9m, the Directors consider that the Group and the Company have adequate resources to continue in operational existence for a period of at least 12 months from the date of signing of these Interim Condensed Financial Statements. Accordingly, they continue to adopt a going concern basis in preparing the Condensed Financial statements of the Group and the Company.

1.3 Presentational currency

The financial statements are presented in millions of pounds sterling and rounded to one decimal place.

1.4 Disclosure of "separately reported items"

Columnar presentation

The Group has adopted a columnar presentation for its Group Income Statement, with certain items drawn out as 'separately reported' from headline performance, as the Directors consider that this gives a useful view of the core results of the ongoing business. The 'separately reported items' column includes the effect of any components of financial performance that the Directors consider separate disclosure would assist users understanding of the financial performance in a given year and in making projections of future results.

Notes to the Condensed Group Financial Statements

Disclosure of “separately reported items” (continued)

Separately reported items

Both materiality and the nature of the components of income and expense are considered in deciding upon such presentation. Such items may include, inter alia, the financial effect of exceptional items which occur infrequently, such as major restructuring activity, cost reduction programme expenses, significant merger and acquisition activity costs, and items reported separately for consistency, such as amortisation charges relating to acquired intangible assets, profits or losses arising on the disposal of continuing or discontinued operations and the taxation impact of the aforementioned items.

The amortisation charge in respect of intangible assets recognised on business combinations is excluded from the trading results of the Group since they are non-cash charges and are not considered reflective of the core trading performance of the Group. As headline results include the benefits of major acquisitions but exclude this amortisation charge, they should not be regarded as a complete picture of the Group’s financial performance.

The Company applies an even-handed approach to both gains and losses and aims to be both consistent and clear in its disclosure of such items. The exclusion of separately reported items may result in headline earnings being materially higher or lower than total earnings.

1.5 New and revised IFRS

None of the new standards, amendments or interpretations that became effective in the period had a material impact on the Group, and none of the standards which have been issued but are not yet effective are expected to have a material impact on the Group.

2 Segment information

Operating segments for continuing operations

The Group’s operating segments are determined by how the Group’s components are reported to the Group’s Chief Executive Officer, who makes the key operating decisions and is responsible for allocating resources and assessing performance of the components. In line with the Group’s management and internal reporting structure, the operating segments are Steel Flow Control, Steel Advanced Refractories, Steel Sensors & Probes and the Foundry Division. The principal activities of each of these segments are described in the Operating Review.

The Steel Flow Control, Steel Advanced Refractories and Steel Sensors & Probes operating segments are aggregated into the Steel reportable segment. In determining that aggregation is appropriate, judgement is applied which considers the economic characteristics of these operating segments including the similar nature of products, customers, production processes and margins.

Notes to the Condensed Group Financial Statements

2 Segment information (continued)

Segmental analysis

	Unaudited Half Year 2025					
	Flow Control	Advanced Refractories	Sensors & Probes	Steel	Foundry	Total
	£m	£m	£m	£m	£m	£m
Segment revenue	378.1	273.0	18.8	670.0	237.5	907.5
<i>At a point in time</i>				667.9	237.5	905.4
<i>Over time</i>				2.1	-	2.1
Segment adjusted EBITDA ⁽¹⁾				84.1	24.9	109.0
Segment depreciation and amortisation				(23.5)	(8.5)	(32.0)
Segment trading profit				60.6	16.4	77.0
<i>Return on sales % ⁽²⁾</i>				9.0%	6.9%	8.5%
Cost reduction programme expenses						(4.3)
Amortisation of acquired intangible assets						(5.0)
Acquisition related expenses						(2.2)
Operating profit						65.5
Net finance costs						(10.0)
Share of post-tax profit of joint ventures						0.5
Profit before tax						56.0
Capital expenditure				28.1	9.8	37.9
Inventory				257.0	58.0	315.0
Trade debtors				282.8	92.8	375.6
Trade creditors				197.6	62.9	260.5
	Unaudited Half Year 2024					
	Flow Control	Advanced Refractories	Sensors & Probes	Steel	Foundry	Total
	£m	£m	£m	£m	£m	£m
Segment revenue	393.7	270.3	21.7	685.7	250.8	936.5
<i>At a point in time</i>				684.4	250.8	935.2
<i>Over time</i>				1.3	-	1.3
Segment adjusted EBITDA ⁽¹⁾				98.0	29.4	127.4
Segment depreciation and amortisation				(21.5)	(8.7)	(30.2)
Segment trading profit				76.5	20.7	97.2
<i>Return on sales % ⁽²⁾</i>				11.2%	8.2%	10.4%
Cost reduction programme expenses						(8.0)
Amortisation of acquired intangible assets						(5.1)
Operating profit						84.1
Net finance costs						(8.0)
Share of post-tax profit of joint ventures						0.6
Profit before tax						76.7
Capital expenditure				39.2	8.7	47.9
Inventory				256.9	52.2	309.1
Trade debtors				278.2	93.0	371.2
Trade creditors				(186.3)	(60.5)	(246.8)

Notes to the Condensed Group Financial Statements

2 Segment information (continued)

	Full Year 2024					
	Flow Control	Advanced Refractories	Sensors & Probes	Steel	Foundry	Total
	£m	£m	£m	£m	£m	£m
Segment revenue	769.0	535.6	39.2	1,343.8	476.3	1,820.1
<i>At a point in time</i>				1,339.9	476.3	1,816.2
<i>Over time</i>				3.9	-	3.9
Segment adjusted EBITDA ⁽¹⁾				197.2	53.0	250.2
Segment depreciation and amortisation				(44.2)	(18.0)	(62.2)
Segment trading profit				153.0	35.0	188.0
<i>Return on sales % ⁽²⁾</i>				11.4%	7.4%	10.3%
Cost reduction programme expenses				(5.8)	(8.8)	(14.6)
Provision for future water treatment at disused mine						(9.7)
Amortisation of acquired intangible assets						(10.0)
Operating profit						153.7
Net finance costs						(16.2)
Share of post-tax profit of joint ventures						1.1
Profit before tax						138.6
Capital expenditure				92.2	23.9	116.1
Inventory				241.7	53.7	295.4
Trade debtors				259.7	82.0	341.7
Trade payables				(180.1)	(61.6)	(241.7)

⁽¹⁾ Adjusted EBITDA is defined in note 16.13

⁽²⁾ Return on sales is defined in note 16.3

Notes to the Condensed Group Financial Statements

3 Separately reported items

Cost reduction programme expenses

In November 2023 the Group initiated an efficiency programme with the aim of realising recurring cash cost savings. The programme covers all of the Group's activities worldwide and focuses on operational improvement, lean initiatives, automation and digitalisation as well as further optimisation of the manufacturing footprint.

Cost reduction programme expenses are excluded from headline performance and shown as separately reported items outside of Trading Profit, allowing for a clear measure of the Group's operating performance.

During 2025, cost reduction programme expenses reported as separately reported items were £4.3m (2024 half year £8.0m; full year: £14.6m). The charges reflect redundancy costs £2.4m (2024 half year £5.0m; full year: £10.8m), advisory costs £1.1m (2024 half year £nil; full year £nil) plant closure costs £0.8m (2024 half year £2.2m; full year: £2.2m), and non-cash asset impairments of nil (2024 half year £0.8m; full year: £1.6m). The net tax credit attributable to these cost reduction programme expenses was £0.5m (2024 half year £1.9m; full year: £2.6m).

Acquisition related expenses

Costs of £2.2m have been drawn out as a separately reported item (2024 half year £nil; full year £nil). These are professional fees incurred in relation to acquisition related activity. As these expenses are not related to current trading, separate disclosure will assist users in better understanding financial performance.

4 Net finance costs

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Interest payable on borrowings			
Loans, overdrafts and factoring arrangements	10.2	9.3	19.3
Interest on lease liabilities	1.3	1.5	3.0
Amortisation of capitalised arrangement costs	0.9	0.5	1.0
Total interest payable on borrowings	12.4	11.3	23.3
Interest on net retirement benefits obligations	0.6	0.8	1.6
Adjustments to discounts on provisions and other liabilities	1.5	1.2	2.2
Adjustments to discounts on receivables	(0.6)	(0.6)	(1.2)
Interest income	(3.9)	(4.7)	(9.7)
Total net finance costs	10.0	8.0	16.2

Within the table above, total finance costs are £14.5m (2024 half year: £13.3m, 2024 full year: £27.1m) and total finance income is £4.5m (2024 half year: £5.3m, 2024 full year: £10.9m).

Notes to the Condensed Group Financial Statements

5 Income tax

The Group's headline effective tax rate was in-line with expectations at 27.5% in H1 2025 (2024 half year 27.5%; 2024 full year 27.5%) giving a headline income tax charge of £18.4m (2024 half year £24.5m; 2024 full year £47.2m).

The headline income tax charge reflected in the Condensed Group Income Statement excludes a debit of £0.1m (2024 half year credit £3.2m; 2024 full year credit £8.9m) relating to separately reported items comprising a credit of £1.3m (2024 half year £1.3m; 2024 full year £2.6m) relating to the amortisation of intangible assets, a debit of £2.8m (2024: nil) for withholding tax on exceptional dividends and the rest relates to the anticipated current and deferred tax impact of cost reduction programme expenses.

The Group's total net income tax charge reflected in the Condensed Group Statement of Comprehensive Income was £0.9m (2024 half year £2.5m; 2024 full year: £0.8m). It was in respect of tax on net actuarial gains and losses on employee benefits.

6 Earnings per share ("EPS")

6.1 Earnings for EPS

Basic and diluted EPS from continuing operations are based upon the profit attributable to owners of the parent, as reported in the Condensed Group Income Statement. The table below reconciles these different profit measures.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Profit attributable to owners of the parent	30.9	47.8	87.2
Adjustments for separately reported items:			
Cost reduction programme expenses	4.3	8.0	14.6
Provision for future water treatment at disused mine	-	-	9.7
Acquisition related expenses	2.2	-	-
Amortisation of acquired intangible assets	5.0	5.1	10.0
Income tax (credit)/charge	0.1	(3.2)	(8.9)
Headline profit attributable to owners of the parent	42.5	57.7	112.6

6.2 Weighted average number of shares

	Unaudited Half year 2025 millions	Unaudited Half year 2024 millions	Full year 2024 millions
For calculating basic and headline EPS	248.0	264.7	260.0
Adjustment for potentially dilutive ordinary shares	2.3	3.0	3.7
For calculating diluted and diluted headline EPS	250.3	267.7	263.7

The adjustment for potentially dilutive ordinary shares used for calculating diluted EPS relates to options under the Company's share based payment plans.

Notes to the Condensed Group Financial Statements

6 Earnings per share ("EPS") continued

Per share amounts

	Unaudited Half year 2025 Pence	Unaudited Half year 2024 Pence	Full year 2024 pence
Earnings per share - reported basic	12.5	18.1	33.5
- reported diluted	12.3	17.9	33.1
- headline basic ⁽¹⁾	17.1	21.8	43.3
- headline diluted ⁽¹⁾	17.0	21.6	42.7

⁽¹⁾ For definition of headline earnings per share, refer to Note 16.8

7 Dividends

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Amounts recognised as dividends and paid to shareholders			
Final dividend for the year ended 31 December 2023 of 16.20p per ordinary share	-	42.7	42.7
Interim dividend for the year ended 31 December 2024 of 7.10p per ordinary share	-	-	18.4
Final dividend for the year-ended 31 December 2024 of 16.40p per ordinary share	40.4	-	-
	40.4	42.7	61.1

The Directors have declared an interim dividend of 7.1p in respect of the year-ending 31 December 2025.

Notes to the Condensed Group Financial Statements

8 Reconciliation of movement in net debt

	Balance as at 1 Jan 2025 £m	Foreign exchange adjustments £m	Fair value gains/ (losses)	Non-cash movements*	Cash flow** £m	Balance as at 30 June 2025 £m
Cash and cash equivalents						
Cash at bank and in hand	186.4	(9.2)	-	-	(12.8)	164.4
Bank overdrafts	(7.8)	(0.1)	-	-	2.9	(5.0)
	178.6	(9.3)	-	-	(9.9)	159.4
Borrowings, excluding bank overdrafts	(513.2)	6.2	-	(5.6)	(101.1)	(613.7)
Capitalised arrangement costs	0.8	-	-	(0.9)	3.4	3.3
Derivative financial instruments	4.6	(1.2)	(6.0)	-	1.2	(1.4)
Net debt	(329.2)	(4.3)	(6.0)	(6.5)	(106.4)	(452.4)

* £4.4m (2024 half year: £7.6m) of new leases were entered into during the period.

** Borrowings, excluding bank overdrafts include proceeds from borrowings, repayment of borrowings and payment of lease liabilities.

	Balance as at 1 Jan 2024 £m	Foreign exchange adjustments £m	Fair value gains/ (losses)	Non-cash movements*	Cash flow** £m	Balance as at 30 June 2024 £m
Cash and cash equivalents						
Cash at bank and in hand	164.2	(3.2)	-	-	19.0	180.0
Bank overdrafts	(3.4)	-	-	-	2.1	(1.3)
	160.8	(3.2)	-	-	21.1	178.7
Borrowings, excluding bank overdrafts	(400.6)	5.6	-	(9.1)	(93.3)	(497.4)
Capitalised arrangement costs	1.8	-	-	(0.5)	-	1.3
Derivative financial instruments	0.5	-	1.7	-	-	2.2
Net debt	(237.5)	2.4	1.7	(9.6)	(72.2)	(315.2)

Net debt is a measure of the Group's net indebtedness to banks and other external financial institutions and comprises the total of cash and short-term deposits, current and non-current interest-bearing borrowings, derivative financial instruments and lease liabilities.

Cash is held both centrally and in operating territories. There is no restricted cash. For certain territories including Argentina, China, Egypt, India and Russia cash is more readily used locally than for broader group purposes.

Notes to the Condensed Group Financial Statements

9 Cash Generated from Operations

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Operating profit	65.5	84.1	153.7
Adjustments for:			
Cost reduction programme expenses	4.3	8.0	14.6
Acquisition related expenses	2.2	-	-
Provision for future water treatment at disused mine	-	-	9.7
Amortisation of acquired intangible assets	5.0	5.1	10.0
Trading Profit	77.0	97.2	188.0
Gain on disposal of non-current assets	(1.7)	(0.4)	(2.2)
Depreciation and amortisation	32.0	30.2	62.2
Defined benefit retirement plans net charge	2.8	2.9	5.0
Net increase in inventories	(27.7)	(24.5)	(14.3)
Net (increase)/decrease in trade receivables	(46.7)	(24.3)	1.9
Net increase in trade payables	26.3	14.6	11.8
Net increase/(decrease) in other working capital	4.0	5.5	(16.6)
Outflow related to restructuring charges	(0.2)	(0.1)	(1.0)
Defined benefit retirement plans cash outflows	(3.8)	(3.4)	(9.4)
Outflow related to cost reduction programme	(5.9)	(3.2)	(7.9)
Outflow related to acquisition related expenses	(0.9)	-	-
Water treatment at disused mine cash outflows	(0.3)	(0.5)	(0.8)
Cash generated from operations	54.9	94.0	216.7

Notes to the Condensed Group Financial Statements

10 Employee benefits

The net employee benefits liability as at 30 June 2025 was £33.5m (2024 half year: £38.5m; 2024 full year: £37.4m) derived from an actuarial valuation of the Group's defined benefit pension and other post-retirement obligations as at that date.

All the liabilities in the UK were insured following a buy-in agreement with Pension Insurance Corporation plc ("PIC") in 2021. This buy-in agreement secured an insurance asset from PIC that matches the remaining pension liabilities of the UK Plan, with the result that the Company no longer bears any investment, longevity, interest rate or inflation risks in respect of the UK Plan.

As disclosed in note 27 of the 2024 Annual Report and Financial Statements, the above amounts may materially change in the next 12 months if there is a change in assumptions.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Employee benefits - net surpluses			
UK defined benefit pension plans	33.4	33.7	31.8
ROW defined benefit pension plans	2.4	1.8	2.3
	35.8	35.5	34.1
Employee benefits - net liabilities			
UK defined benefit pension plans	(1.0)	(1.1)	(1.0)
US defined benefit pension plans	(10.0)	(14.3)	(12.1)
Germany defined benefit pension plans	(37.3)	(38.2)	(38.1)
ROW defined benefit pension plans	(11.5)	(10.7)	(11.0)
Other post-retirement benefit plans	(9.5)	(9.7)	(9.3)
	(69.3)	(74.0)	(71.5)
Net liabilities	(33.5)	(38.5)	(37.4)

The expense recognised in the Condensed Group Income Statement in respect of the Group's defined benefit retirement plans and other post-retirement benefit plans is shown below.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
In arriving at trading profit — within other manufacturing costs	0.7	0.6	1.1
(as defined in Note 16.4) — within administration, selling and distribution costs	2.1	2.3	3.9
In arriving at profit before tax — within net finance costs	0.6	0.8	1.6
Total net charge	3.4	3.7	6.6

Notes to the Condensed Group Financial Statements

11 Contingent liabilities

Vesuvius has extensive international operations and is subject to various legal and regulatory regimes, including those covering taxation and environmental matters.

Certain of Vesuvius' subsidiaries are subject to legacy matter lawsuits, predominantly in the US, relating to a small number of products containing asbestos manufactured prior to the acquisition of those subsidiaries by Vesuvius. These suits usually also name many other product manufacturers. To date, Vesuvius is not aware of there being any liability verdicts against any of these subsidiaries. Each year a number of these lawsuits are withdrawn, dismissed or settled. The amount paid, including costs, in relation to this litigation has not had a material adverse effect on Vesuvius' financial position or results of operations.

As the settlement of many of the obligations for which reserve is made is subject to legal or other regulatory process, the timing and amount of the associated outflows is subject to some uncertainty (see Note 32 of the 2024 Annual Report and Financial Statements for further information). The amount paid, including costs in relation to this litigation, has not had a material effect on Vesuvius' financial position or results of operations in the current period.

12 Related parties

The nature of related party transactions in H1 2025 are in line with those transactions disclosed in Note 33 of the 2024 Annual Report and Financial Statements. All transactions with related parties are conducted on an arm's length basis and in accordance with normal business terms. Transactions with joint ventures and associates are consistent with those disclosed in Note 33 of the 2024 Annual Report and Financial Statements. Transactions between related parties that are Group subsidiaries are eliminated on consolidation.

	Unaudited Half year 2025	Unaudited Half year 2024
	£m	£m
Transactions with joint ventures and associate		
Sales to joint ventures	1.8	2.0
Purchases from joint ventures	13.1	13.6
Trade payables owed to joint ventures	9.6	12.1
Trade receivables owed by joint ventures	1.1	1.3

Notes to the Condensed Group Financial Statements

13 Business combinations

On 28 February 2025 the Group acquired a 61.65% stake in Piromet AS, a Turkish refractory business, for €27.1m. The acquisition will strengthen the Group's Advanced Refractory business in the fast-growing region of EEMEA and will also allow the Group to leverage Piromet's expertise in robotics and gunning worldwide.

Provisional fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	£m
Cash and cash equivalents	1.6
Property, plant and equipment	14.8
Intangible asset (customer relationships and non-compete agreements)	7.6
Inventories	3.6
Trade and other receivables	2.8
Payables	(4.7)
Income tax payable	(2.5)
Deferred tax	(4.2)
Net identifiable assets acquired	19.0
Goodwill	10.8
Less: non-controlling interest	(7.4)
Consideration	22.4

The goodwill is attributable to Piromet's reputation in the marketplace and the synergies that Vesuvius expects to gain from integrating its robotics and gunning into the Advanced Refractories business unit and is expected to be tax deductible.

Identifiable intangible assets acquired are customer relationships of £7.0m and non-compete arrangements with former Directors of £0.6m.

The fair value accounting of this acquisition is provisional pending final determination of the fair value of the assets and liabilities acquired, as valuations have not yet been finalised. Any adjustments to the fair values recognised will be made within 12 months of the acquisition date.

In the period since acquisition, Piromet has contributed £6.3m to revenue and £0.3m to operating profit.

The net cash outflow on acquisition is expected to be £20.8m, being cash consideration of £22.4m less cash and cash equivalents acquired of £1.6m. As at 30 June 2025 there has been an initial net cash outflow of £18.6m, with £2.2m being deferred and subject to finalisation of working capital values.

The group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in Piromet AS, the group elected to recognise the non-controlling interests at their proportionate share of the acquired net identifiable assets.

Notes to the Condensed Group Financial Statements

14 Provisions

	Disposal, closure and environmental		
	costs	Other	Total
	£m	£m	£m
As at 1 January 2025	59.0	6.1	65.1
Exchange adjustments	(5.3)	(0.1)	(5.4)
Charge to Condensed Group Income Statement	-	7.8	7.8
Adjustment to discount	1.6	-	1.6
Cash spend	(2.3)	(10.0)	(12.3)
Transferred from accruals	-	3.1	3.1
As at 30 June 2025	53.0	6.9	59.9

	Disposal, closure and environmental		
	costs	Other	Total
	£m	£m	£m
As at 1 January 2024	51.9	6.7	58.6
Exchange adjustments	0.4	-	0.4
Charge to Condensed Group Income Statement	2.6	3.9	6.5
Adjustment to discount	1.1	-	1.1
Cash spend	(2.7)	(4.5)	(7.2)
Transferred to accruals	(0.5)	-	(0.5)
As at 30 June 2024	52.8	6.1	58.9

Of the total provision balance at 30 June 2025 of £59.9m (30 June 2024: £58.9m), £50.6m (30 June 2024: £48.0m) is recognised in the Group Balance Sheet within non-current liabilities and £9.3m (30 June 2024: £10.9m) within current liabilities.

15 Financial instruments

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's 2024 Annual Report and Financial Statements, in which further details of these financial risks were disclosed in Note 25. There have been no changes in the risk management policies and in the method in which financial assets and financial liabilities are measured and presented since year end.

The following table summarises Vesuvius' financial instruments measured at fair value, and shows the level within the fair value hierarchy in which the financial instruments have been classified:

Notes to the Condensed Group Financial Statements

15 Financial instruments (continued)

	Unaudited Half year 2025		Unaudited Half year 2024		Full year 2024	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	£m	£m	£m	£m	£m	£m
Investments (Level 2)	0.9	-	0.7	-	0.2	-
Derivatives not designated for hedge accounting purposes (Level 2)	0.1	(0.3)	-	(0.2)	0.1	(0.1)
Derivatives designated for hedge accounting purposes (Level 2)	0.7	(1.9)	2.4	-	4.6	-

All of the derivative financial instruments not designated for hedge accounting purposes reported in the table above will mature within a year of the balance sheet date and have been booked through the Income Statement. There were no transfers between fair value hierarchies during the period. Fair value disclosures have not been made in respect of other financial assets and liabilities on the basis that the carrying amount is deemed to be a reasonable approximation of fair value.

\$60m of the Group's \$86m cross-currency interest rate swap (CCIRS) matured in June 2025. The remaining \$26m is scheduled to mature in June 2027. Upon maturity of the \$60m CCIRS and the corresponding \$60m of US Private Placement Loan Notes, amounts previously recognised in the cash flow hedge reserve were reclassified to profit or loss. The reclassification had a net impact on profit or loss of nil, as the CCIRS cash flows perfectly offset those of the US Private Placement Loan Notes.

The fair value liability of £1.9m attributable to the Group's \$26m CCIRS is presented within non-current liabilities (2024 half year: nil; full year: nil) with the asset of £0.7m presented within non-current assets (2024 half year: £0.6m; full year: £1.1m).

As at 30 June 2025, €430.2m (2024 half year: €338.6m; full year: €374.6m), \$30.0m (2024 half year: \$30.0m; full year: \$168.0m) and ¥3,472.1m (2024 half year: nil; full year: nil) of borrowings were designated as hedges of net investments in overseas foreign operations of equivalent worth. All net investment hedges are 100% effective with no ineffectiveness.

As at 30 June 2025, the Group had an equivalent of £238.7m (2024 half year: £287.6m; full year: £284.6m) of USPP notes outstanding, which carry a fixed rate of interest, representing 41% (2024 half year: 64%; full year: 60%) of the Group's total borrowings.

16 Alternative Performance Measures

The Company uses a number of Alternative Performance Measures (APMs) in addition to those reported in accordance with IFRS. The Directors believe that these APMs, listed below, are important when assessing the underlying financial and operating performance of the Group and its Divisions, providing management with key insights and metrics in support of the ongoing management of the Group's performance and cash flow. A number of these align with KPI's and other key metrics used in the business and therefore are considered useful to also disclose to the users of the financial statements. The following APMs do not have standardised meaning prescribed by IFRS and therefore may not be directly comparable to similar measures presented by other companies.

Notes to the Condensed Group Financial Statements

16 Alternative performance measures (continued)

16.1 Headline performance

Headline performance is from continuing operations and before separately reported items. This is reconciled to the statutory measures on the face of the Condensed Group Income Statement.

16.2 Underlying revenue, underlying trading profit and underlying return on sales

Underlying revenue, underlying trading profit and underlying return on sales are the headline equivalents of these measures after adjustments to exclude the effects of changes in exchange rates, business acquisitions and disposals. Reconciliations of underlying revenue and underlying trading profit can be found in the Financial Summary. Underlying revenue growth is one of the Group's key performance indicators and provides an important measure of organic growth of Group businesses between reporting periods, by eliminating the impact of exchange rates, acquisitions and disposals.

16.3 Return on Sales ('ROS')

ROS is calculated as trading profit divided by revenue. It is one of the Group's key performance indicators and is used to assess the trading performance of Group businesses. A calculation of ROS is included in Note 2.

16.4 Trading profit/adjusted EBITA

Trading profit/adjusted EBITA is defined as operating profit before separately reported items. It is one of the Group's key performance indicators and is used to assess the trading performance of Group businesses.

16.5 Headline profit before tax

Headline profit before tax is calculated as the net total of trading profit, plus the Group's share of post-tax profit of joint ventures and total net finance costs associated with headline performance. It is one of the Group's key performance indicators and is used to assess the financial performance of the Group as a whole.

16.6 Headline effective tax rate ('ETR')

The Group's headline ETR is calculated on the income tax costs associated with headline performance, divided by headline profit before tax and before the Group's share of post-tax profit of joint ventures.

16.7 Headline earnings

Headline earnings is profit after tax before separately reported items attributable to owners of the parent.

16.8 Headline earnings per share

Headline earnings per share is calculated by dividing headline profit before tax less associated income tax costs, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year. It is one of the Group's key performance indicators and is used to assess the underlying earnings performance of the Group as a whole. It is also used as one of the targets against which the annual bonuses of certain employees are measured. Headline earnings per share is disclosed in Note 6.

Notes to the Condensed Group Financial Statements

16 Alternative performance measures (continued)

16.9 Adjusted operating cash flow

Adjusted operating cash flow is cash generated from operations before separately reported items but after deducting capital expenditure net of asset disposals. It is used in calculating the Group's cash conversion.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Cash generated from continuing operations	54.9	94.0	216.7
Add: Outflows relating to restructuring charges	0.2	0.1	1.0
Add: Outflows relating to cost reduction programme expenses	5.9	3.2	7.9
Add: Outflows relating to acquisition related expenses	0.9	-	-
Add: Outflows relating to water treatment at disused mine	0.3	0.5	0.8
Less: Purchases of property, plant & equipment	(34.6)	(46.8)	(88.1)
Less: Purchases of intangible assets	(5.6)	(3.7)	(12.7)
Add: Proceeds from the sale of property, plant and equipment	3.8	0.6	4.3
Add: Proceeds from the sale of associates	-	-	0.4
Adjusted operating cash flow	25.8	47.9	130.3
Trading Profit	77.0	97.2	188.0
Cash Conversion	33%	49%	69%

16.10 Cash conversion

Cash conversion is calculated as adjusted operating cash flow divided by trading profit. It is useful for measuring the rate at which cash is generated from trading profit. It is also used as one of the targets against which the annual bonuses of certain employees are measured. The calculation of cash conversion is detailed in Note 16.9 above.

16.11 Free cash flow

Free cash flow is defined as net cash flow from operating activities after net outlays for the purchase and sale of property, plant and equipment, dividends from joint ventures and dividends paid to non-controlling shareholders. It is one of the Group's key performance indicators and is used to assess the underlying cash generation of the Group and is one of the measures used in monitoring the Group's capital. A reconciliation of free cash flow is included underneath the Condensed Group Statement of Cash Flows.

Notes to the Condensed Group Financial Statements

16 Alternative performance measures (continued)

16.12 Average trade working capital to sales ratio

The average trade working capital to sales ratio is calculated as the percentage of average trade working capital balances to the total revenue for the previous 12 months, at constant currency. Average trade working capital (comprising inventories, trade receivables and trade payables) is calculated as the average of the 13 previous month-end balances. It is one of the Group's key performance indicators and is useful for measuring the level of working capital used in the business and is one of the measures used in monitoring the Group's capital.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Average trade working capital	418.6	431.5	416.5
Last 12 months total revenue	1,784.7	1,859.6	1,820.1
Average trade working capital to sales ratio	23.5%	23.2%	22.9%

16.13 Adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA)

Adjusted EBITDA is calculated as the total of trading profit before depreciation and amortisation of non-acquired intangible assets. It is used in the calculation of the Group's interest cover and net debt to adjusted EBITDA ratios. A reconciliation of adjusted EBITDA is included in Note 2.

16.14 Net interest payable on borrowings

Net interest payable on borrowings is calculated as total interest payable on borrowings less finance income, excluding interest on net retirement benefit obligations, adjustments to discounts and any item separately reported. It is used in the calculation of the Group's interest cover ratio.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Total interest payable on borrowings (note 4)	12.4	11.3	23.3
Interest income (note 4)	(3.9)	(4.7)	(9.7)
Net interest payable on borrowings	8.5	6.6	13.6

16.15 Interest cover

Interest cover is the ratio of adjusted EBITDA for the last 12 months to net interest payable on borrowings for the last 12 months. This measure is also a component of the Group's covenant calculations.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Last 12 months adjusted EBITDA	231.8	252.7	250.2
Last 12 months net interest payable on borrowings	15.5	10.9	13.6
Interest cover	15.0x	23.2x	18.4x

Notes to the Condensed Group Financial Statements

16 Alternative performance measures (continued)

16.16 Net debt

Net debt comprises the net total of current and non-current interest-bearing borrowings (including IFRS16 lease liabilities), cash and short-term deposits and derivative financial instruments. Net debt is a measure of the Group's net indebtedness to banks and other external financial institutions. A reconciliation of the movement in net debt is included in Note 8.

16.17 Net debt to adjusted EBITDA

Net debt to adjusted EBITDA is the ratio of net debt at the year-end to adjusted EBITDA for that year. It is one of the Group's KPIs and is used to assess the financial position of the Group and its ability to fund future growth and is one of the measures used in monitoring the Group's capital.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Net debt (note 8)	452.4	315.2	329.2
Last 12 months adjusted EBITDA	231.8	252.7	250.2
Net debt to adjusted EBITDA	2.0x	1.2x	1.3x

16.18 Return on invested capital (ROIC)

The Group has adopted ROIC as its key measure of return from the Group's invested capital. It is also used as one of the targets against which the annual bonuses of certain employees are measured. In March 2025, the Board decided to re-define ROIC for the purpose of remuneration targets, to exclude the impact of goodwill and intangibles that arose on the acquisition of Foseco in 2008, as the Remuneration Committee believes that this approach removes the distortive effects of that acquisition and provides a clearer measure of management performance.

ROIC is calculated as trading profit less amortisation of acquired intangibles (excluding Foseco) plus share of post-tax profit of joint ventures and associates for the previous 12 months after tax, divided by the average invested capital. Invested capital is defined as total assets excluding cash and non-interest-bearing liabilities, less the goodwill and intangibles that arose under IFRS3 in respect of the Foseco acquisition in 2008, averaged between the closing balance sheet date and the balance sheet date twelve months prior at year to date foreign exchange rates.

The table below shows a reconciliation between the previous definition of ROIC and the re-defined basis of calculation.

Notes to the Condensed Group Financial Statements

16 Alternative performance measures (continued)

16.18 Return on invested capital (ROIC) (continued)

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Average invested capital	1,601.7	1,574.2	1,556.2
Less: average Foseco goodwill and intangible assets	(592.1)	(615.2)	(609.5)
Adjusted average invested capital	1,009.6	959.0	946.7
Trading profit (note 16.4)	166.5	191.2	188.0
Amortisation of acquired intangible assets	(10.0)	(10.1)	(10.0)
Share of post-tax profit of joint ventures and associates	1.0	0.9	1.1
Tax on trading profit and amortisation of acquired intangible assets	(43.0)	(49.8)	(48.9)
Return	114.5	132.2	130.2
Add: amortisation of Foseco intangible assets	8.7	8.8	8.7
Less: tax on amortisation of Foseco intangible assets	(2.4)	(2.4)	(2.4)
Adjusted return	120.8	138.6	136.5
ROIC	7.1%	8.4%	8.4%
ROIC excluding Foseco goodwill and intangible assets	12.0%	14.5%	14.4%

16.19 Constant currency

Figures presented at constant currency represent 2024 amounts retranslated at average 2025 exchange rates.

16.20 Liquidity

Liquidity is the Group's cash and short-term deposits plus undrawn committed debt facilities less cash used as collateral on loans and any gross up of cash in notional cash pools.

	Unaudited Half year 2025 £m	Unaudited Half year 2024 £m	Full year 2024 £m
Cash and short term deposits	164.4	180.0	186.4
Undrawn committed debt facilities	238.5	222.7	202.5
Liquidity	402.9	402.7	388.9

Notes to the Condensed Group Financial Statements

17 Exchange rates

The principal exchange rates used were as follows:

	Income and expense				
	Average rates				
	Half year 2025	Half year 2024	Full year 2024	Half year to Half year change	Full year to Half year change
US Dollar	1.30	1.27	1.28	2.4%	1.6%
Euro	1.19	1.17	1.18	1.7%	0.8%
Chinese Renminbi	9.42	9.14	9.21	3.1%	2.3%
Japanese Yen	192.51	192.54	193.57	0.0%	-0.5%
Brazilian Real	7.47	6.43	6.89	16.2%	8.4%
Indian Rupee	111.71	105.27	106.92	6.1%	4.5%
South African Rand	23.85	23.68	23.41	0.7%	1.9%

	Assets and liabilities				
	Period end rates				
	Half year 2025	Half year 2024	Full year 2024	Half year to Half year change	Full year to Half year change
US Dollar	1.37	1.26	1.25	8.7%	9.6%
Euro	1.16	1.18	1.21	-1.7%	-4.1%
Chinese Renminbi	9.83	9.23	9.18	6.5%	7.1%
Japanese Yen	197.77	203.32	196.65	-2.7%	0.6%
Brazilian Real	7.46	7.07	7.74	5.5%	-3.6%
Indian Rupee	117.68	105.38	107.04	11.7%	9.9%
South African Rand	24.37	22.99	23.58	6.0%	3.4%