

Full Year Results for the twelve months ended 31 December 2025

Performance in line with expectations despite continued challenging end-market conditions

Vesuvius plc, a global leader in molten metal flow engineering and technology, announces its audited results for the twelve months ended 31 December 2025.

Financial summary	2025 (£m)	2024 (£m)	Like-for-like change ⁽¹⁾	Year-on-year change
Revenue	1,809.5	1,820.1	+0.7%	(0.6%)
Trading Profit ⁽²⁾ (Adjusted operating profit)	151.1	188.0	(17.0%)	(19.6%)
Return on Sales ⁽²⁾	8.4%	10.3%	-170bps	-190bps
Adjusted basic EPS ⁽²⁾ (pence)	34.2p	43.3p	(17.7%)	(21.0%)
Free cash flow ⁽²⁾	36.0	57.8	NA	(37.7%)
Net Debt / EBITDA ⁽³⁾	2.0x	1.3x	NA	+0.7x
Statutory				
Operating Profit	114.6	153.7	(17.5%)	(25.4%)
Profit Before Tax	97.2	138.6	(20.8%)	(29.9%)
Statutory basic EPS (pence)	21.1p	33.5p	(23.5%)	(37.0%)
Cash inflow from operations	173.4	216.7	NA	(20.0%)
Dividend (pence per share)	23.6p	23.5p		+0.4%

⁽¹⁾ Like-for-like basis is at constant currency, excluding separately reported items and the impact of acquisitions and disposals.

⁽²⁾ For definitions of Alternative Performance Measures (APMs), refer to Note 15 in the Condensed Group Financial Statements.

⁽³⁾ Net debt / EBITDA on a pro-forma basis, adjusting for a full-year EBITDA contribution from acquisitions made mid-year

Highlights

- Challenging year with difficult end market conditions, particularly in EU+UK
- Group revenue grew by 0.7% on a like-for-like basis while RoS reduced by 170bps to 8.4%. EMEA Region accounted for 80% of the trading profit reduction
- Steel Division
 - Steel production declined 1.9% overall in 2025 but grew 1.3% excluding China, Iran, Russia and Ukraine, despite a further increase of Chinese steel exports
 - Positive net pricing re-established in H2, driven by Flow Control, although insufficient to fully cover the shortfall in H1
 - Market share gains overall driven by strong performance in Asia more than compensating slight erosion in the Americas
- Foundry Division
 - Foundry markets outside of India and China remained weak
 - Market declines partially offset by market share gains
 - Net pricing remained slightly negative in H2 but very substantially improved as compared with H1
 - Temporary production inefficiencies experienced in H2 from site rationalisations
- Accelerated delivery of cost reduction programme generated £17.8m savings in-year
- New product sales ratio increased to 20.5%, reaching our 2026 target of 20% a year early, with a strong pipeline of new products for the years ahead
- Integration of acquired businesses of MMS and PiroMET proceeding well
- Proposed final dividend of 16.5p (FY24: 16.4p), bringing the full year dividend to 23.6p
- Net debt / EBITDA at year-end of 2.0x (adjusting for 12-months contribution from acquisitions)

Comment from Patrick André, CEO:

“2025 has been a challenging year for Vesuvius, specifically in EMEA where both our Steel and Foundry end-markets contracted and where we experienced significant price pressure. We were, however, able to re-establish a globally positive net pricing in the second half of the year and were also able to offset part of the negative market impact with significant and above-expectation progress on our cost reduction programme and with market share gains. We successfully completed our capacity expansion programme, positioning us ideally for the upcoming recovery of our markets. We also completed the acquisition of the PiroMET and MMS businesses, reinforcing our presence in the fast-growing steel market in Turkey and non-ferrous Foundry market.

The impact of the recent events in the Middle East remains difficult to assess, but at this stage we still anticipate that 2026 will mark a transition to recovery in the Steel and Foundry markets, with in particular the impact of trade protection measures in Steel starting to have a meaningful impact on our Steel markets as from the latter part of the year.

In 2026 our performance will benefit from the continued execution of our cost reduction programme, from the full year contribution of our recent acquisitions and some modest volume growth. On this basis, we expect our cash flow to grow in 2026, both from improved trading profit and from investment capex returning to a normalised level, both of which will also reduce leverage.

Whilst we are mindful of the current geopolitical uncertainty, absent an extended disruption, we continue to expect to deliver profit growth in 2026 in line with expectations, on a constant currency basis.

We continue to target a RoS of 12.5%, although delivery, along with our free cash flow target, has been, until now, held back by the extended weakness in our end markets. However, with the prospect of more favourable market conditions from 2027 and the support of our ongoing self-help measures, we remain confident that our business model has the potential to achieve this RoS target and to generate significant free cashflow.”

Presentation of Full Year 2025 Results

Vesuvius management will make a presentation to analysts and investors on 12 March 2026 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. Be sure to save this information in your calendar.

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The person responsible for arranging the release of this announcement on behalf of Vesuvius is Mark Collis, Chief Financial Officer.

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. Forward-looking statements can be identified by the use of terms such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'forecasts', 'may', 'targets', 'could', 'should', 'will', 'continue' or similar words.

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. Although Vesuvius makes such statements based on assumptions that it believes to be reasonable, by their nature, these forward looking statements are subject to a number of known and unknown risks, uncertainties and other factors beyond Vesuvius' control 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. In light of these risks, uncertainties and assumptions, the forward looking events discussed in this announcement might not occur and such forward looking statements are not guarantees or predictions of Vesuvius' future performance. You should not place undue reliance on such forward looking statements which speak only as of the date on which they are made. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

Neither Vesuvius nor any of its affiliates, associates, employees, directors, officers or advisers assumes any responsibility for the accuracy or completeness or undertakes any obligation, to update or revise any of these forward-looking statements to reflect any new information or any changes in events, conditions or circumstances on which any such forward-looking statement is based save in respect of any requirement under applicable law or regulation.

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Vesuvius plc

Full Year Results for the twelve months ended 31 December 2025

In 2025, we have shown resilience despite difficult market conditions, thanks to a strong focus on cost reduction and to the continuing benefits of our technology strategy.

£m	2025 Reported	Acquisitions	2025 Like-for-like	2024 Reported	Currency	2024 Like-for-like	% Change FY25 vs. FY24	
							Like-for-like	Reported
Steel	1,342.6	(14.9)	1,327.7	1,343.8	(35.0)	1,308.8	1.4%	(0.1%)
Foundry	466.9	(7.6)	459.3	476.3	(10.0)	466.3	(1.5%)	(2.0%)
Group Revenue	1,809.5	(22.5)	1,787.0	1,820.1	(45.0)	1,775.1	0.7%	(0.6%)
Steel	120.0	(1.2)	118.8	153.0	(7.5)	145.5	(18.3%)	(21.5%)
Foundry	31.1	(1.9)	29.2	35.0	(2.1)	32.9	(11.2%)	(11.1%)
Group Trading Profit	151.1	(3.1)	148.0	188.0	(9.6)	178.4	(17.0%)	(19.6%)
Steel	8.9%		9.0%	11.4%		11.1%	-210bps	-250bps
Foundry	6.7%		6.4%	7.4%		7.1%	-70bps	-70bps
Return on Sales	8.4%		8.3%	10.3%		10.0%	-170bps	-190bps

Resilient revenue

In 2025, revenue was £1,809.5m, an increase of 0.7%, like-for-like, compared to 2024, and a 0.6% decline on a reported basis, reflecting FX headwinds partially offset by the contribution from acquisitions. The small underlying increase in revenue was principally due to modest growth in both sales volume, +£4.2m, and pricing of +£7.7m. Revenue in our Steel Division grew slightly (+1.4%) on a like-for-like basis reflecting both volume growth and pricing, while in Foundry, revenue reduced by 1.5% on an underlying basis, principally reflecting lower market activity, which was only partially offset by market share gains, and broadly flat pricing.

Trading profit was £151.1m, a reduction of 17.0% on a like-for-like basis and a decrease of 19.6% on a reported basis. Our £55m multi-year cost-saving programme delivered a £17.8m in-year benefit, ahead of our initial expectations, while net pricing was -£11.5m, reflecting a net negative in H1 and a small net positive in H2. Volume and mix had a negative impact on profit, reflecting a combination of shifts in volume regionally and product rotation among customers, largely in EMEA. The Group achieved a return on sales of 8.4% in 2025, down 170 basis points versus FY24 on a like-for-like basis. This reflects the decline in our trading profit, on broadly flat revenues.

The overall decline in trading profit is principally attributable to a drop in profitability in EMEA across both divisions, which accounts for approx. 80% of the reduction in group profit year-on-year, driven by the challenging market conditions in this region.

Difficult market background in both Steel and Foundry

Global steel production remained subdued in the world with a 1.9% decline overall, including China which declined 4.4%. Excluding China, steel production increased 0.9% for the full year (Source: World Steel Association), despite a further significant increase in steel exports from China. Most of this growth was however concentrated in India (+9% year-on-year, excluding induction furnaces) and South-East Asia (+4.7%). USMCA was mostly stable (+0.8%), with growth in the US mostly compensated by a significant decline in Mexico and Canada. Steel production declined in EMEA (-1.3%) and in South America (-1.3%).

Chinese net steel exports continued to rise during the year, reaching 113 million tonnes, an increase of c. 9 million tonnes versus 2024, constraining steel production outside China. However, over 60 countries worldwide are now introducing some form of protective measures against unfair trade in steel. This, alongside domestic policy actions announced by the Chinese Government to reduce production and ensure regular payment of export taxes, is ultimately expected to support a reduction in Chinese exports and therefore support an increase in steel production outside of China. This should in particular benefit the EU and the Americas.

Foundry markets, with the exception of India and China, remained very weak throughout 2025, in particular in Europe, which continued to be impacted by the decline in auto manufacturing. North Asia was also weak, with auto exports to China in decline due to domestic competition, and exports to the US impacted by increased tariffs. The market in South America, in particular Brazil, was also negatively impacted by Chinese castings imports and US tariffs.

Steel Division

The Steel Division delivered modest revenue growth (+1.4%, like-for-like) in 2025, mostly driven by Advanced Refractories (+3.9% revenue growth like-for-like), with stable revenue from Flow Control. On a reported basis, revenue was flat, reflecting the impact of FX headwinds, the contribution from the PiroMET acquisition and like-for-like revenue growth, supported by modest increases in both sales volume and pricing.

In the Steel Division, both Flow Control and Advanced Refractories gained market share overall, with gains in Asia and EMEA more than offsetting a slight erosion in the Americas.

Trading profit for the Steel Division fell by 18.3% on a like-for-like basis, resulting in a drop in return on sales of 210bps. The profit impact came substantially from the EMEA region due to a combination of adverse product mix and pricing. However, while pricing net of cost inflation remained negative for the full year, the Steel Division was able to re-establish a positive net pricing in H2 reflecting, in particular, the technology leadership position of Flow Control. The division was also negatively impacted by some temporary manufacturing inefficiencies in North America related to the ramp-up of production to satisfy the growing demand in the US. Steel Division profits were also supported by the strong cost reduction actions undertaken as part of the group-wide cost saving programme.

Foundry Division

Foundry revenue reduced by 1.5% on a like-for-like basis, as volume fell, reflecting the declining market in most regions outside of India and China, and only partially compensated by market share gains. On a reported basis, revenue declined by 2.0% despite the contribution of the acquired MMS business. Trading profit for the Foundry division fell 11.2% on a like-for-like basis, reflecting negative net pricing (largely in H1) and product margin mix, partially offset by an acceleration in cost savings. Return on sales declined 70 bps. The challenges in profitability arose in EMEA and South America, while other major regions grew profitably. In 2025, the EU+UK represented 32% of Foundry revenue, down from 37% five years ago.

Good cash generation and strong balance sheet

The business delivered adjusted operating cashflow of £113.3m in 2025, which represented a 75% cash conversion rate for the year. Free cash flow was £36.0m, after cash capex (net of proceeds) of £81.0m (2024: £96.5m). We maintained a strict focus on working capital management and reduced our working capital by £38m at year end versus the position at 30 June 2025, despite the addition of working capital from the MMS acquisition. Working capital

intensity was stable since the half year, at 23.4% revenue, which is a slight increase compared to intensity of 22.9% at 31 December 2024.

Our balance sheet had a net debt / EBITDA ratio of 2.0x at the year end, (31 December 2024: 1.3x; 30 June 2025: 1.8x) on a pro-forma basis, adjusting for the EBITDA contribution from acquisitions made through the year, at the top end of our 1.0 – 2.0x range (2.1x without adjustment for acquisitions). This reflects £36.0m of free cashflow, £34.8m of payments relating to the share buyback, the acquisitions of PiroMET and the MMS business (total cash outflow of £38.9m) and dividends of £57.9m. Our year-end leverage based on our covenant calculation, which among other things adjusts for acquisitions made during the year, is 2.0x. We expect leverage to fall in 2026 as cashflow benefits from lower capex, which is expected to be in the range £70m-75m in 2026, and higher trading profit.

Continued progress in the efficiency of R&D and new product development

We continue to invest in research and development despite the difficult market conditions, spending £35.3m in 2025 (1.9% of revenue). This cost was fully expensed in our income statement. Our focus areas are: (1) innovation in materials science, with an objective to continuously improve the performance of our consumables; and (2) the development of mechatronics solutions to enable our customers to substitute the operators who manipulate our consumable refractories with robots and, by doing so, improve their safety, reliability, cost and quality performance.

Our New Product Sales ratio, defined as the percentage of our sales realised from products which didn't exist five years ago, reached 20.5% for the Group in 2025. This is up from 19.1% in 2024 and exceeds our Group target of over 20% by 2026. We launched 24 new products in 2025 and have an extensive pipeline of products under development which will be progressively introduced in the market over the coming years and will support our ambition to grow our revenue and profitability.

Our robotics business is also expanding, with an increase in Flow Control robots shipped, increasing to nine in the year versus six in 2024, reflecting a significant positive momentum in orders over the last two years. Flow Control robotic systems shipped in 2025 include two robots for a major customer in Mexico for a new mill currently under construction, expanding on the success of similar systems installed at the same customer in Brazil. Our Advanced Refractories robotics solutions are seeing similar positive progress, with contracts for four robots agreed in 2025, and a strong pipeline of opportunities in the year ahead, in combination with the acquired business, PiroMET.

Cost optimisation programme delivering above expectations

Our cost optimisation programme, launched in late 2023, initially aimed to deliver £30m of recurring cash savings by 2026, and has been progressively upgraded and expanded, now with target to deliver £55m of savings by 2028. The savings reported under this programme are structural in nature meaning that we do not expect them to reverse when market conditions improve.

The programme covers all our worldwide activities and focuses on operational improvement, lean initiatives, automation and digitalisation as well as optimisation of our manufacturing footprint.

In 2025, we delivered cost savings under this programme of £17.8m, bringing the total delivered in two years to £30.8m, ahead of the initial target both in quantum and timing. Of the savings delivered in-year, slightly under half were in the Foundry Division, reflecting swift action taken to address costs in a challenging environment. We expect to deliver incremental in-year savings of c. £10m in 2026.

The one-off costs to deliver these savings are shown as separately reported items, and in FY25 were £18.9m (FY24: £14.6m).

Strategic acquisitions

On 28 February 2025 we completed the acquisition of a 61.65% shareholding in PiroMET, a Turkish refractory company. The acquisition strengthens our Advanced Refractory business in the fast-growing region of EEMEA and will also allow us to leverage PiroMET's expertise in robotics, where we have a strong order-book for the coming years.

On 12 November 2025, we completed the acquisition of the Molten Metal Systems ("MMS") business of Morgan Advanced Materials plc, which brings industry-leading technology in crucibles to our Foundry business, accelerating our exposure to the faster-growing non-ferrous market (expected to reach c. 27% of revenue in 2026, from 21%), together with increased exposure to the fast-growing Indian market.

Ongoing commitment to high safety performance

In 2025 we achieved a Lost Time Injury Frequency Rate (the number of work-related injuries necessitating a lost work-shift, per million hours worked) of 0.7, slightly higher than in 2024 due to a higher frequency rate at our newly acquired PiroMET business in Turkey, which we expect to improve as integration progresses. This still positions Vesuvius well ahead of the industry average and is the result of continuous efforts to integrate safety as the number one priority in the company culture. However, tragically, we suffered one work-related fatality in our workforce during the year, as a result of a public road traffic accident in which one of our employees, driving back from a site visit, passed away. We remain committed to our goal of zero accidents, and we will strive towards this objective.

Significant progress on our journey to net zero

We continued progressively to implement our action plan to decarbonise our activities. By the end of 2025, we had reduced our carbon intensity (CO₂e tonnes per million tonnes product sold) by 31.4% as compared with our 2019 reference year on a pro forma basis (-47.4% on a reported basis), significantly ahead of the 2025 objective of a 20% reduction. This was achieved through carbon-free electricity sourcing, improving energy efficiency, and moving from higher to lower carbon-emitting energy sources.

Dividend and share buybacks

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 recommended a final dividend of 16.5 pence per share (FY24: 16.4p), which together with the interim dividend paid of 7.1 pence per share, brings the total dividend for the year to 23.6 pence per share, a 0.4% increase compared to the total dividend for 2024 (23.5p). This represents a dividend cover of 1.5x compared to adjusted EPS for 2025.

Over 2025 we completed our second £50m share buyback (initiated in November 2024), resulting in a total cash outflow relating to share repurchases of £34.8m in FY25. In total 8.6m shares were repurchased during the year, reducing our shares in issue by c. 3%.

Outlook

The impact of the recent events in the Middle East remains difficult to assess, but at this stage we still anticipate that 2026 will mark a transition to recovery in the Steel and Foundry markets, with, in particular, the impact of trade protection measures in Steel starting to have a meaningful impact on our Steel markets as from the latter part of the year.

In 2026 our performance will benefit from the continued execution of our cost reduction programme, from the full year contribution of our recent acquisitions and some modest volume growth. On this basis, we expect our cash flow to grow in 2026, both from improved trading profit and from investment capex returning to a normalised level, both of which will also reduce leverage.

Whilst we are mindful of the current geopolitical uncertainty, absent an extended disruption, we continue to expect to deliver profit growth in 2026 in line with expectations, on a constant currency basis.

We continue to target a RoS of 12.5%, although delivery, along with our free cash flow target, has been, until now, held back by the extended weakness in our end markets. However, with the prospect of more favourable market conditions from 2027 and the support of our ongoing self-help measures, we remain confident that our business model has the potential to achieve this RoS target and to generate significant free cashflow.

Operational Review

Vesuvius comprises two Divisions, Steel and Foundry. The Steel Division operates as three business lines, Flow Control, Advanced Refractories and Sensors & Probes. Changes described are versus 2024 on a like for like basis, excluding the impact of FX and acquisitions, unless otherwise noted.

Steel Division

Steel Division	2025 (£m)	2024 (£m)	Like-for-like change	Change
Flow Control Revenue	750.9	769.0	0.1%	(2.4%)
Advanced Refractories Revenue	555.6	535.6	3.9%	3.7%
Steel Sensors & Probes Revenue	36.1	39.2	(4.5%)	(7.9%)
Total Steel Revenue	1,342.6	1,343.8	1.4%	(0.1%)
Total Steel Trading Profit	120.0	153.0	(18.3%)	(21.5%)
Total Steel Return on Sales	8.9%	11.4%	-210bps	-250bps

Our Steel Division reported revenues of £1,342.6m in 2025, an increase of 1.4% on a like-for-like basis but flat on a reported basis (-0.1%), reflecting currency headwinds. The slight like-for-like revenue growth was driven by market share gains and modest pricing increases.

Trading profit in the Steel Division fell by 18.3% on a like-for-like basis to £120.0m, as a result of inflationary costs not being entirely covered by price rises during the first half, especially in EMEA and China. The Division reverted to positive net pricing during the second half of the year, although not sufficiently to compensate for the negative impact of the first half. We also saw some customers, especially in EMEA, temporarily switching to lower value, lower margin products. EMEA accounted for 72% of the year-on-year fall in profit. Our cost-saving programme has delivered in line with expectations, partially offsetting some of these negative impacts. The drop in trading profit on broadly flat revenue has resulted in the Division's return on sales reducing to 8.9%, a fall of 210bps.

Flow Control

Flow Control Revenue	2025 (£m)	2024 (£m)	Like-for-like change	Change
Americas	287.2	297.8	0.4%	(3.6%)
Europe, Middle East & Africa (EMEA)	234.0	241.3	(3.3%)	(3.0%)
Asia-Pacific	229.7	230.0	3.3%	(0.1%)
Total Flow Control Revenue	750.9	769.0	0.1%	(2.4%)

In 2025, revenue in the Group's Flow Control business was flat on a like-for-like basis at £750.9m (a decline of 2.4% on a reported basis reflecting FX headwinds). This performance was driven by positive pricing and broadly flat sales volumes.

In the Americas, like-for-like revenue grew 0.4%, with positive pricing partially offset by slightly negative volume growth.

In EMEA, our revenue declined 3.3% on a like-for-like basis compared to 2024 with positive pricing and volume growth in EEMEA not compensating a significant volume decline in EU+UK.

In Asia Pacific, revenue grew 3.3% on a like-for-like basis, driven by ongoing good growth in India, double digit volume growth in South-East Asia and high single-digit volume growth in China, despite the steel market contracting in this country.

Advanced Refractories

Advanced Refractories Revenue	2025 (£m)	2024 (£m)	Like-for-like change	Change
Americas	182.5	188.2	0.6%	(3.0%)
Europe, Middle East & Africa (EMEA)	183.8	167.6	1.1%	9.6%
Asia-Pacific	189.3	179.7	10.1%	5.3%
Total Advanced Refractories Revenue	555.6	535.6	3.9%	3.7%

Advanced Refractories reported revenue of £555.6m in 2025, an increase of 3.9% on a like-for-like basis. This principally reflected an increase in sales volume (both market growth and market share gains across the business) and a small contribution from price increases. In Asia-Pacific, revenue grew 10.1% like-for-like, driven by double-digit volume growth in India, outperforming a strong market, and good growth in China, despite a declining market. In the Americas, positive volume growth in the US and South America was offset by significant declines in Canada and Mexico. In EMEA, our sales progressed moderately, driven by market share gains in EU+UK.

Sensors & Probes

	2025 (£m)	2024 (£m)	Like-for-like change	Change
Steel Sensors & Probes Revenue				
Americas	26.0	28.3	(2.5%)	(8.1%)
Europe, Middle East & Africa (EMEA)	9.7	10.5	(9.2%)	(7.6%)
Asia-Pacific	0.4	0.4	0%	0%
Total Steel Sensors & Probes Revenue	36.1	39.2	(4.5%)	(7.9%)

Revenue in Sensors & Probes was £36.1m in 2025, down 4.5% year-on-year on a like-for-like basis, driven by declining demand in Europe, Canada, Mexico, and South America, only partially compensated by growth in the US.

Foundry Division

	2025 (£m)	2024 (£m)	Like-for-like change	Change
Foundry Revenue				
Americas	111.1	119.3	(3.4%)	(6.9%)
Europe, Middle East & Africa (EMEA)	180.2	183.6	(4.5%)	(1.9%)
Asia-Pacific	175.6	173.4	3.2%	1.3%
Total Foundry Revenue	466.9	476.3	(1.5%)	(2.0%)
Total Foundry Trading Profit	31.1	35.0	(11.2%)	(11.1%)
Total Foundry Return on Sales	6.7%	7.4%	-70bps	-70bps

Our Foundry Division continued to experience a difficult trading environment in 2025, with reported revenue of £466.9m in 2025, a like-for-like decrease of 1.5%, reflecting contracting revenue in the Americas (-3.4%) and EMEA (-4.5%), which were only partially offset by strong growth in Asia-Pacific (+3.2%), supported by India which delivered double-digit growth despite disruption related to US tariffs and China which grew mid-single digit, like-for-like. The fall in revenue in EMEA and the Americas was due to market volume declines and slightly negative sales prices evolution, only partially offset by market share gains.

The Division benefited from the acquisition of the MMS business, completed in November 2025. This acquisition is delivering as expected.

Trading profit and return on sales contracted 11.2% and 70bps respectively, on a like-for-like basis, principally reflecting the decline in overall volumes and the negative net pricing performance during the first half of the year. Net pricing, while remaining slightly negative, improved significantly in H2. This, together with ambitious new cost saving projects and the delivery of synergies from the acquisition of the MMS business, should provide a solid foundation for trading profit growth in 2026.

Financial Review

2025 performance overview

Income statement

2025 was a challenging year, with broadly flat revenue and a decline in like-for-like trading profit and return on sales, due to adverse pricing and product mix. Cashflow reduced along with profit, while cash conversion was good at 75%. This has enabled the Board to recommend a final dividend slightly increased compared to the amount per share in 2024 alongside the buyback of shares earlier in 2025 and the delivery of two strategic acquisitions.

Revenue for the year decreased by 0.6% on a reported basis and grew by 0.7% on a like-for-like basis, reflecting an FX headwind of 2.5% and a small contribution from acquisitions in the year. Like-for-like revenue performance was driven by modest volume growth of 0.2%, a small increase in headline pricing of 0.4%. On a reported basis, the Steel and Foundry Division revenue decreased by 0.1% and 2.0%, respectively, in the year. Acquisitions added a further 1.3% to top-line growth.

We achieved a trading profit of £151.1m, down 19.6% on a reported basis of which 17.0% was like-for-like performance and 5.1% related to FX headwinds, partially offset by a contribution from acquisitions. Within the like-for-like profit changes, there was a £30.4m decline due to the drop-through from volume and product mix, and a £11.5m decline from net pricing. The full-year impact of net pricing was driven by a -£11.7m impact in H1 and neutral net pricing in H2. In addition, there was a further contribution from our ongoing cost-saving programme of £17.8m and a net -£2.0m relating to one-off impacts that will reverse in 2026, being the impact of lower incentive payments, offset by £6.0m in one-off inefficiencies earlier described. There was also a -£4.3m impact to trading profit relating to other items. Return on sales of 8.4% was down 170bps on a like-for-like basis.

Investment in R&D is central to our strategy of delivering market-leading product technology and services to customers. In 2025 we spent £35.3m on R&D activities (2024: £36.6m, on a constant currency basis), which represents 1.9% of our revenue (2024: 2.1%) and a small decrease in expenditure on a constant currency basis.

Net Interest cost for FY25 increased to £18.4m (2024: £16.2m), due to a combination of a rise in interest due to a higher debt balance, and a reduction in finance income due to a reduction in deposits held in Argentina, partially offset by lower interest rates charged on our RCF.

Profit from joint ventures and associates was broadly flat year-on-year at £1.0m (2024: £1.1m).

Separately reported items of £36.5m were recognised in FY25 compared to £34.3m in FY24. £10.6m relates to amortisation of acquired intangible assets (FY24: £10.0m), which is consistently excluded from our adjusted profit measure. In addition, one-off costs of £18.9m were incurred relating to our cost saving programme (FY24: £14.6m)

and £7.0m in relation to integration and acquisition costs. Due to the one-off nature of both these charges, they are shown as separately reported.

Adjusted profit before tax was £133.7m, down 22.7% versus last year (£172.9m) on a reported basis. Including separately reported items, PBT of £97.2m was 29.9% lower than last year (£138.6m).

The Group's Adjusted Effective Tax Rate ("ETR"), based on the income tax costs associated with adjusted performance of £36.5m (2024: £47.2m), was 27.5% (2024: 27.5%). The Group's total income tax costs for the period include a credit within separately reported items of £4.1m (2024: £8.9m).

We expect the Group's ETR in 2026 to be in line with that in 2025, dependent on profit mix and any one-off items.

Non-controlling interests principally comprise the minority holdings in Indian subsidiaries. Profit attributable to non-controlling interests decreased slightly to £12.6m in 2025 (2024: £13.1m) reflecting some decline in the profit after tax in those subsidiaries plus a currency headwind.

Adjusted EPS at 34.2p was 17.7% lower on a like-for-like basis than 2024 (43.3p), reflecting lower earnings, partially offset by a reduction in average shares in issue from 260.0m to 247.1m (basic), reflecting the conclusion of the second share buyback programme. Reported EPS of 21.1p is 37.0% lower than the prior year (2024: 33.5p) reflecting the factors described above.

Dividend

The Board has recommended a final dividend of 16.5 pence per share (2024: 16.4 pence) to be paid, subject to shareholder approval, on 6 July 2026 to shareholders on the register on 29 May 2026. When added to the 2025 interim dividend of 7.1 pence per share, this represents a full-year dividend of 23.6 pence per share. The last date for receipt of elections from shareholders for the Vesuvius Dividend Reinvestment Plan will be 12 June 2026.

Cost saving programme

At the start of 2024 we initiated an efficiency programme to realise recurring savings of £30m per annum by 2026, of which £30.8m has been delivered by the end of 2025 (£13.0m in 2024 and £17.8m in 2025), significantly ahead of schedule as we accelerated our savings in response to the difficult trading environment. Our target is now to deliver in aggregate £55m savings by 2028. We expect to deliver further cost savings of c. £10m in 2026. These restructuring costs are excluded from trading profit, allowing for a clear measure of our operating performance.

Cash flow and balance sheet

Our cash management performance was solid, achieving a 75% cash conversion (2024: 69%), reflecting broadly flat trade working capital with a -£1.9m outflow, a reduction of £10.6m in other working capital and the conclusion of our investment in strategic capacity expansion, resulting in a reduction in net cash capex from £96.5m in 2024 to £81.0m in 2025.

We measure working capital both in terms of actual cash flow movements, and as a percentage of sales revenue. Trade working capital intensity in 2025 increased slightly to 23.4% (2024: 22.9%), measured on a 12-month moving average basis. The change was principally due to an increase in debtor days on a 12-month average basis by 1.6 days, partially offset by a slight increase in creditor days by 0.4 days and a reduction in inventory days by 1.3. These changes were largely driven by Flow Control, where working capital intensity improved modestly due to a material reduction in

inventory offset by an increase in debtors, while trade working capital slightly increased at both Foundry and Advanced Refractories, due to a small movement in inventory.

Free cash flow was £36.0m in 2025 (2024: £57.8m).

Capital expenditure

Net cash capital expenditure in 2025 was £81.0m (2024: £96.5m) and £99.6m including capitalised leases (2024: £116.1m) of which £75.8m was in the Steel Division (2024: £92.2m) and £23.8m in the Foundry Division (2024: £23.9m). Net cash capex in 2026 is expected to be c. £70m-75m, reflecting lower growth capex, having concluded our investment programme earlier in 2025.

Net debt

Net debt on 31 December 2025 was £452.4m, a £123.2m increase compared to £329.2m on 31 December 2024, due to free cash flow of £36.0m offset principally by dividends of £57.9m, share buybacks of £34.8m and acquisitions in the year of £38.9m.

At the end of 2025, the pro-forma net debt to EBITDA ratio was 2.0x (2024: 1.3x) and EBITDA to interest was 14.1x (2024: 18.4x). These ratios are monitored regularly to ensure that the Group has sufficient financing available to run the business and fund future growth.

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, and to adjust for acquisitions or disposals part-way through the financial year. On a covenant calculation basis, the net debt to EBITDA ratio at 31 December 2025 was 2.0x.

The Group had committed borrowing facilities of £751.6m as of 31 December 2025 (2024: £669.6m), of which £195.5m was undrawn (2024: £202.5m).

Return on invested capital (ROIC)

Our ROIC (excluding goodwill on our balance sheet from the acquisition of Foseco in 2008), for 2025 was 10.5% (2024: 14.4%). ROIC is our key measure of return from the Group's invested capital and excludes the impact of goodwill and intangibles that arose on the acquisition of Foseco in 2008, as we believe that this removes the distortive effects of that acquisition and provides a clearer measure of management performance.

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. All of 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.

The Group's net pension liability at 31 December 2025 was £31.6m (2024: £37.4m liability).

Technical guidance for 2026

Depreciation in 2026 is expected to be in the range £75m – £80m and the net finance charge is expected to be c. £20m – 21m. We anticipate expenses (excluding any impairments) in relation to the cost-reduction programme of c. £10m-12m. We anticipate a non-controlling interest charge of c. £15.5m. Based on 28 February 2026 FX rates, FY25 revenue would retranslate to £1,804.4m (a £5.1m headwind) and trading profit to £147.6m (a £3.5m headwind).

Financial Risk Factors

The Group's approach to risk management, including the mitigations in place for our principal risks, is detailed below. We consider the main financial risk faced by the Group to be a material business interruption incident leading to reduced revenue and profit. We also manage broad financial risks such as cost inflation, bank financing and capital market activity and to a lesser extent foreign exchange and interest rate movements (see Note 25 to the Group Financial Statements). We mitigate liquidity risk by financing using both the bank and private placement debt markets and we mitigate refinancing risk by seeking to avoid a concentration of debt maturities in any one calendar year.

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 reviewed the Principal Risks and Uncertainties facing the Group during 2025 as part of their normal process and in the context of the preparation for changes to the UK Corporate Governance Code. As a result of this review the Board resolved to remove the previously identified principal risk of Protectionism and Globalisation as a separate principal risk and incorporate the relevant elements into the End-market risk. In addition, the material elements of the formerly identified principal risk of Environmental, Social and Governance focused on ensuring that the Group's products remain relevant to customers in meeting their own ESG requirements, and this has now been included within the existing principal risk of Failure to Secure Innovation. As a consequence, we have ceased to identify Environmental, Social and Governance as a separate principal risk. The Principal Risks which could have a material impact on the Group's performance are as follows:

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

Risk update

During 2025 certain issues arose that are reflected in the Group's Principal Risks and Uncertainties. In each case, the business impact was limited by the mitigations already in place and by the Group's risk management processes. These were: End-market risks, where 2025 saw continuing volatility in our markets, with lower than anticipated economic activity in certain key markets such as Europe, and where unpredictable systems of tariffs and trade protections introduced and subsequently amended drove uncertainty in our end-markets; Business interruption, where cyber security continues to present a significant risk and is an issue that grows both in its scope and sophistication; Product Quality failure, where whilst the financial impact on the Group from any product quality issues is well understood, we have increased our focus on this critical

area; and People, culture and performance, where the environment to attract and retain high-calibre people across all levels of our business continues to be increasingly competitive in many of our labour markets. Each of these risks has the potential to impact the Principal Risks facing the Group; specifically End market risk; Complex and changing regulatory environment; People, culture and performance; and the risk of Business interruption.

Further information on these Principal Risks and the way in which the Group manages them are detailed in the 2025 Annual Report.

Group Income Statement

For the year ended 31 December 2025

	Notes	2025			2024		
		Adjusted ⁽¹⁾ £m	Separately ⁽¹⁾ reported items £m	Total £m	Adjusted ⁽¹⁾ £m	Separately ⁽¹⁾ reported items £m	Total £m
Revenue	2	1,809.5	-	1,809.5	1,820.1	-	1,820.1
Costs of goods sold		(1,348.8)	-	(1,348.8)	(1,316.4)	-	(1,316.4)
Administration, selling and distribution costs		(309.6)	-	(309.6)	(315.7)	-	(315.7)
Trading profit (adjusted operating profit)⁽¹⁾	2	151.1	-	151.1	188.0	-	188.0
Cost reduction programme expenses ⁽²⁾	3	-	(15.0)	(15.0)	-	(13.0)	(13.0)
Asset impairments ⁽²⁾	3	-	(3.9)	(3.9)	-	(1.6)	(1.6)
Acquisition and integration expenses	3	-	(7.0)	(7.0)	-	-	-
Provision for future water treatment at disused mine	3	-	-	-	-	(9.7)	(9.7)
Amortisation of acquired intangible assets	2	-	(10.6)	(10.6)	-	(10.0)	(10.0)
Operating profit/(loss)		151.1	(36.5)	114.6	188.0	(34.3)	153.7
Finance expense		(26.6)	-	(26.6)	(27.1)	-	(27.1)
Finance income		8.2	-	8.2	10.9	-	10.9
Net finance costs	4	(18.4)	-	(18.4)	(16.2)	-	(16.2)
Share of post-tax income of joint ventures and associates		1.0	-	1.0	1.1	-	1.1
Profit/(loss) before tax		133.7	(36.5)	97.2	172.9	(34.3)	138.6
Income tax (charge)/credit	5	(36.5)	4.1	(32.4)	(47.2)	8.9	(38.3)
Profit/(loss) after tax		97.2	(32.4)	64.8	125.7	(25.4)	100.3
Profit/(loss) attributable to:							
Owners of the parent		84.6	(32.4)	52.2	112.6	(25.4)	87.2
Non-controlling interests		12.6	-	12.6	13.1	-	13.1
Profit/(loss)		97.2	(32.4)	64.8	125.7	(25.4)	100.3
Earnings per share⁽³⁾ — pence	6						
Continuing and total operations — basic		34.2⁽¹⁾		21.1	43.3⁽¹⁾		33.5
— diluted		33.8⁽¹⁾		20.9	42.7⁽¹⁾		33.1

(1) Adjusted Performance Measures. See Note 15.

(2) Cost reduction programme expenses and Asset impairments for 2024 have been restated to be consistent with their presentation in 2025.

(3) Earnings per share are attributable to the ordinary equity holders of the parent.

Of the pre-tax separately reported items, £32.6m (2024: £34.3m) would form part of Administration, selling and distribution costs, which including these amounts would total £342.2m (2024: £350.0m) and £3.9m (2024: £nil) would form part of Cost of goods sold, which including these amounts would total £1,352.7m (2024: £1,316.4m).

Group Statement of Comprehensive Income

For the year ended 31 December 2025

	2025 £m	2024 £m
Profit after tax	64.8	100.3
Remeasurement of defined benefit assets/liabilities	4.4	3.6
Income tax relating to items not reclassified	(2.2)	(0.8)
Items that will not subsequently be reclassified to income statement	2.2	2.8
Exchange differences on translation of the net assets of foreign operations	(42.8)	(49.1)
Exchange differences on translation of net investment hedges	(7.6)	7.1
Net change in costs of hedging	0.5	(0.1)
Change in the fair value of the hedging instrument	(1.3)	1.5
Amounts reclassified from Net finance costs	1.1	(1.2)
Items that may subsequently be reclassified to income statement	(50.1)	(41.8)
Other comprehensive loss net of income tax	(47.9)	(39.0)
Total comprehensive income	16.9	61.3
Total comprehensive income attributable to:		
Owners of the parent	13.7	49.5
Non-controlling interests	3.2	11.8
Total comprehensive income	16.9	61.3

Group Statement of Cash Flows

For the year ended 31 December 2025

	Notes	2025 £m	2024 ⁽¹⁾ £m
Cash flows from operating activities			
Cash generated from operations	9	173.4	216.7
Interest paid ⁽¹⁾		(23.7)	(23.9)
Interest received		5.7	9.0
Income taxes paid		(38.8)	(46.1)
Net cash inflow from operating activities⁽¹⁾		116.6	155.7
Cash flows from investing activities			
Purchases of property, plant and equipment		(78.1)	(88.1)
Purchases of intangible assets		(12.3)	(12.7)
Proceeds from the sale of property, plant and equipment		9.4	4.3
Acquisition of subsidiaries and joint ventures, net of cash acquired		(38.9)	-
Proceeds from the sale of investments		1.2	-
Proceeds from the sale of associates		-	0.4
Dividends received from joint ventures		0.9	0.7
Net cash outflow from investing activities		(117.8)	(95.4)
Net cash inflow before financing activities		(1.2)	60.3
Cash flows from financing activities			
Proceeds from borrowings		274.3	134.8
Repayment of borrowings		(144.2)	(13.0)
Payment of lease liabilities (principal) ⁽¹⁾		(16.7)	(15.2)
Cash inflow relating to derivatives		1.2	-
Purchase of ESOP shares		-	(17.1)
Share buyback		(34.8)	(63.4)
Dividends paid to owners of the Parent	7	(57.9)	(61.1)
Dividends paid to non-controlling shareholders		(1.7)	(2.5)
Net cash outflow from financing activities⁽¹⁾		20.2	(37.5)
Net increase in cash and cash equivalents	8	19.0	22.8
Cash and cash equivalents at 1 January		178.6	160.8
Effect of exchange rate fluctuations on cash and cash equivalents	8	(10.1)	(5.0)
Cash and cash equivalents at 31 December		187.5	178.6

(1) For the year ended 31 December 2024, Net cash inflow from operating activities (Interest paid) and Net cash outflow from financing activities (Payment of lease liabilities (principal)) have been updated as a result of the reclassification of £3.0m for interest on lease liabilities to be consistent with its presentation in 2025.

Group Balance Sheet

As at 31 December 2025

	Notes	2025 £m	2024 £m
Assets			
Property, plant and equipment		539.2	482.6
Intangible assets		747.9	690.9
Interests in joint ventures and associates		10.8	11.0
Deferred tax assets		102.3	109.9
Other receivables		26.6	26.7
Investments		-	0.2
Derivative financial instruments		-	1.1
Employee benefits - net surpluses	10	35.5	34.1
Total non-current assets		1,462.3	1,356.5
Cash and short-term deposits	8	190.6	186.4
Trade and other receivables		451.0	438.9
Inventories		287.3	295.4
Income tax receivable		18.8	12.9
Derivative financial instruments	14	0.1	3.6
Total current assets		947.8	937.2
Total assets		2,410.1	2,293.7
Liabilities			
Interest-bearing borrowings	8	24.3	80.4
Trade and other payables		359.7	363.4
Income tax payable		7.5	6.6
Provisions	13	11.6	10.3
Derivative financial instruments	14	0.2	0.1
Total current liabilities		403.3	460.8
Interest-bearing borrowings	8	617.6	439.8
Other payables		5.3	6.9
Provisions	13	54.0	54.8
Deferred tax liabilities		23.2	16.3
Derivative financial instruments	14	1.0	-
Employee benefits - net liabilities	10	67.1	71.5
Total non-current liabilities		768.2	589.3
Total liabilities		1,171.5	1,050.1
Net Assets		1,238.6	1,243.6
Equity			
Issued share capital		25.5	26.4
Retained earnings		2,610.4	2,645.7
Other reserves		(1,511.7)	(1,503.7)
Equity attributable to the owners of the parent		1,124.2	1,168.4
Non-controlling interests		114.4	75.2
Total equity		1,238.6	1,243.6

Group Statement of Changes in Equity

For the year ended 31 December 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 2024	27.7	(1,464.6)	2,691.2	1,254.3	65.9	1,320.2
Profit	-	-	87.2	87.2	13.1	100.3
Other comprehensive income/(loss), net of income tax	-	(40.5)	2.8	(37.7)	(1.3)	(39.0)
Total comprehensive income/(loss)	-	(40.5)	90.0	49.5	11.8	61.3
Share-based payments	-	-	6.2	6.2	-	6.2
Purchase of ESOP shares	-	-	(17.1)	(17.1)	-	(17.1)
Share buyback	(1.3)	1.4	(63.5)	(63.4)	-	(63.4)
Dividends paid (Note 7)	-	-	(61.1)	(61.1)	(2.5)	(63.6)
Total transactions with owners	(1.3)	1.4	(135.5)	(135.4)	(2.5)	(137.9)
As at 31 December 2024	26.4	(1,503.7)	2,645.7	1,168.4	75.2	1,243.6
Profit	-	-	52.2	52.2	12.6	64.8
Other comprehensive income/(loss), net of income tax	-	(40.7)	2.2	(38.5)	(9.4)	(47.9)
Total comprehensive income/(loss)	-	(40.7)	54.4	13.7	3.2	16.9
Share-based payments	-	-	3.0	3.0	-	3.0
Acquisitions (Note 12)	-	-	-	-	13.9	13.9
Issue of shares to non-controlling interest (Note 12)	-	31.8	-	31.8	23.8	54.7
Share buyback	(0.9)	0.9	(34.8)	(34.8)	-	(34.8)
Dividends paid (Note 7)	-	-	(57.9)	(57.9)	(1.7)	(59.6)
Total transactions with owners	(0.9)	32.7	(89.7)	(57.9)	36.0	(21.9)
As at 31 December 2025	25.5	(1,511.7)	2,610.4	1,124.2	114.4	1,238.6

Notes to the Group Financial Statements

1 Basis of preparation

1.1 Basis of preparation

The financial information in this preliminary announcement has been extracted from the audited Group Financial Statements for the year ended 31 December 2025 and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The Group Financial Statements and this preliminary announcement were approved by the Board of Directors on 11 March 2026.

The auditors have reported on the Group Financial Statements for the years ended 31 December 2025 and 31 December 2024 under section 495 of the Companies Act 2006. The auditors' reports are unqualified and do not contain a statement under section 498(2) or (3) of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2024 have been filed with the Registrar of Companies and those for the year ended 31 December 2025 will be filed following the Company's Annual General Meeting.

The Group financial statements have been prepared in accordance with UK-adopted international accounting standards (IFRS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared under the historical cost convention, with the exception of fair value measurement applied to defined benefit pension plans, investments, share-based payments and derivative financial instruments.

The same accounting policies, presentation and computation methods are followed in this preliminary announcement as in the preparation of the Group Financial Statements. The accounting policies have been applied consistently by the Group.

1.2 Going concern

The Group's available liquidity stood at £386.1m at 31 December 2025, down from £389.0m at 31 December 2024. The Directors have prepared cash flow forecasts for the Group for the period to 30 June 2027. These forecasts reflect an assessment of current and future end-market conditions, and their impact on the Group's future trading performance.

The Directors have also considered a severe but plausible downside scenario, based on a combination of lower business activity and lower profitability over the going concern period. This downside scenario assumes:

- a decline in business activity level in 2026 and 2027 by 5% compared to 2025 performance,
- a decline in profitability (Return on Sales) of 1.5% compared to 2025 performance,
- working capital intensity increases by 1.5% vs 2025

On a full-year basis relative to 2025, this implies a c.22% decline in Trading Profit.

The Group has two covenants; net debt / EBITDA (under 3.25x) and an interest cover requirement of at least 4.0x. In this downside scenario, the forecasts show that the Group's maximum net debt / EBITDA (pre-IFRS 16 in-line with the covenant calculation) does not exceed 1.9x, compared to a leverage covenant of 3.25x, and the minimum interest cover reached is 17x compared to a covenant minimum of 4.0x.

The forecasts, including the severe but plausible downside scenario, show that the Group will be able to operate within its current committed debt facilities and continue to comply with the Group's debt covenants. On the basis of the exercise described above and the Group's available committed debt facilities, the Directors consider that the Group and the Company have adequate resources to continue in operational existence for the period at least to 30 June 2027. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Presentational currency

The financial statements are presented in millions of pounds sterling, which is the presentational currency of the Group and the company and rounded to one decimal place. Foreign operations are included in accordance with the policies set out in Note 15.

Notes to the Group Financial Statements

1.4 Disclosure of “separately reported items”

The Group separately discloses certain items on the face of the income statement using a columnar presentation, as the Directors consider that this assists in understanding the trading performance of the business and in making projections of future results.

Such items may include significant items which occur infrequently, such as major restructuring activity, and those that are not closely related to trading activity, such as amortisation charges relating to acquired intangible assets, costs associated with M&A activity, profits or losses arising on the disposal of operations, and the taxation effect of such items.

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

The Group’s operating segments are determined taking into consideration how the Group’s components are reported to the Group’s Chief Executive Officer, who make the key operating decisions and are responsible for allocating resources and assessing performance of the component. Taking into account the Group’s management and internal reporting structure, the operating segments are Steel Flow Control, Steel Advanced Refractories, Steel Sensors & Probes and Foundry division. The principal activities of each of these segments are described in the Operational Review.

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 takes into account the economic characteristics of these operating segments which include a similar nature of products, customers, production processes and margins.

Segmental analysis	2025					
	Flow Control	Advanced Refractories	Sensors & Probes	Steel £m	Foundry £m	Total £m
Segment revenue	750.9	555.6	36.1	1,342.6	466.9	1,809.5
Segment adjusted EBITDA *				168.0	48.9	216.9
Segment depreciation and amortisation				(48.0)	(17.8)	(65.8)
Segment trading profit/adjusted operating profit				120.0	31.1	151.1
<i>Return on sales</i>				8.9%	6.7%	8.4%
Cost reduction programme expenses				(12.3)	(6.6)	(18.9)
Acquisition and integration expenses				(3.6)	(3.4)	(7.0)
Amortisation of acquired intangible assets						(10.6)
Operating profit						114.6
Net finance costs						(18.4)
Share of post-tax profit of joint ventures						1.0
Profit before tax						97.2
Capital expenditure				75.8	23.8	99.6
Inventory				231.7	55.6	287.3
Trade receivables				273.8	87.4	361.2
Trade payables				183.5	64.8	248.3

Notes to the Group Financial Statements

2 Segment information (continued)

Segmental analysis	2024					
	Flow Control	Advanced Refractories	Sensors & Probes	Steel £m	Foundry £m	Total £m
Segment revenue	769.0	535.6	39.2	1,343.8	476.3	1,820.1
Segment adjusted EBITDA *				197.2	53.0	250.2
Segment depreciation and amortisation				(44.2)	(18.0)	(62.2)
Segment trading profit/adjusted operating profit				153.0	35.0	188.0
<i>Return on sales</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 receivables				259.7	82.0	341.7
Trade payables				180.1	61.6	241.7

* Adjusted EBITDA is defined in note 15.13

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 adjusted performance and shown as separately reported items outside of Trading Profit (adjusted operating profit), allowing for a clear measure of the Group's operating performance.

During 2025, cost reduction programme expenses reported as separately reported items were £18.9m (2024: £14.6m). The charges reflect redundancy costs of £10.2m (2024: £10.8m), other closure & professional expenses of £4.8m (2024: £2.2m), and non-cash asset impairments of £3.9m (2024: £1.6m). The net tax credit attributable to these cost reduction programme expenses was £4.7m (2024: £2.6m).

Acquisition and integration expenses of £7.0m (2024: £nil) have been drawn out as a separately reported item. As these expenses are not related to current trading, separate disclosure will assist users in better understanding financial performance.

Notes to the Group Financial Statements

4 Net finance costs

	2025 £m	2024 £m
Interest payable on borrowings		
Loans, overdrafts and factoring arrangements	18.2	19.3
Interest on lease liabilities	2.7	3.0
Amortisation of capitalised borrowing costs	1.5	1.0
Total interest payable on borrowings	22.4	23.3
Interest on net retirement benefits obligations	1.2	1.6
Adjustments to discounts on provisions and other liabilities	3.0	2.2
Adjustments to discounts on receivables	(1.2)	(1.2)
Interest income	(7.0)	(9.7)
Total net finance costs	18.4	16.2

Within the table above, total finance costs are £26.6m (2024: £27.1m) and total finance income is £8.2m (2024: £10.9m).

5 Income tax

The Group's adjusted effective tax rate, based on the income tax costs associated with adjusted performance of £36.5m (2024: £47.2m), was 27.5% (2024: 27.5%).

The Group's total income tax costs include a credit on separately reported items of £4.1m (2024: £8.9m), which primarily relates to the amortisation of acquired intangible assets and cost reduction programme expenses.

The net tax charge reflected in the Group Statement of Comprehensive Income in the year amounted to £2.2m (2024: £0.8m), which primarily relates to tax on net actuarial gains and losses on pensions.

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 Group Income Statement. The table below reconciles these different profit measures.

	2025 £m	2024 £m
Profit attributable to owners of the parent	52.2	87.2
Adjustments for separately reported items:		
Cost reduction programme expenses	18.9	14.6
Acquisition and integration expenses	7.0	-
Provision for future water treatment at disused mine	-	9.7
Amortisation of acquired intangible assets	10.6	10.0
Income tax (credit)/charge	(4.1)	(8.9)
Adjusted profit attributable to owners of the parent	84.6	112.6

Notes to the Group Financial Statements

6 Earnings per share ("EPS") (continued)

6.2 Weighted average number of shares

	2025 millions	2024 millions
For calculating basic and adjusted EPS	247.1	260.0
Adjustment for potentially dilutive ordinary shares	3.0	3.7
For calculating diluted and diluted adjusted EPS	250.1	263.7

For the purposes of calculating diluted and diluted adjusted EPS, the weighted average number of ordinary shares is adjusted to include the weighted average number of ordinary shares that would be issued on the conversion of all potentially dilutive ordinary shares expected to vest, relating to the Company's share-based payment plans. Potential ordinary shares are only treated as dilutive when their conversion to ordinary shares would decrease EPS or increase loss per share.

6.3 Per share amounts

	2025 pence	2024 pence
Earnings per share - reported basic	21.1	33.5
- reported diluted	20.9	33.1
- adjusted basic ⁽¹⁾	34.2	43.3
- adjusted diluted ⁽¹⁾	33.8	42.7

⁽¹⁾ For definition of adjusted earnings per share, refer to Note 15.

7 Dividends

	2025 £m	2024 £m
Amounts recognised as dividends and paid to equity holders during the period		
Final dividend for the year ended 31 December 2023 of 16.20p per ordinary share	-	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	-
Interim dividend for the year ended 31 December 2025 of 7.10p per ordinary share	17.5	-
	57.9	61.1

In addition to the above dividends, since year end the Directors have recommended the payment of a final dividend of 16.50 pence (2024: 16.40 pence) per ordinary share (TDIM: VSVS and ISIN: GB00B82YXW83).

This is subject to approval by shareholders at the Company's Annual General Meeting on 28 May 2026. If approved, the dividend is expected to be paid on 6 July 2026 to holders of ordinary shares on the register on 29 May 2026. The ordinary shares will be quoted ex-dividend on 28 May 2026. Any shareholder wishing to participate in the Vesuvius Dividend Reinvestment Plan needs to have submitted their election to do so by 12 June 2026.

Notes to the 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) £m	Non-cash movements ⁽¹⁾ £m	Cash flow ⁽²⁾ £m	Balance as at 31 Dec 2025 £m
Cash and cash equivalents						
Cash at bank and in hand	186.4	(9.9)	-	-	14.1	190.6
Bank overdrafts	(7.8)	(0.2)	-	-	4.9	(3.1)
	178.6	(10.1)	-	-	19.0	187.5
Borrowings, excluding bank overdrafts						
	(513.2)	(2.3)	-	(9.2)	(116.9)	(641.6)
Capitalised arrangement fees	0.8	-	-	(1.5)	3.5	2.8
Derivative financial instruments	4.6	1.2	(5.7)	-	(1.2)	(1.1)
Net debt	(329.2)	(11.2)	(5.7)	(10.7)	(95.6)	(452.4)

	Balance as at 1 Jan 2024 £m	Foreign exchange adjustments £m	Fair value gains/ (losses) £m	Non-cash movements £m	Cash flow ⁽²⁾ £m	Balance as at 31 Dec 2024 £m
Cash and cash equivalents						
Cash at bank and in hand	164.2	(5.1)	-	-	27.3	186.4
Bank overdrafts	(3.4)	0.1	-	-	(4.5)	(7.8)
	160.8	(5.0)	-	-	22.8	178.6
Borrowings, excluding bank overdrafts						
	(400.6)	9.2	-	(18.2)	(103.6)	(513.2)
Capitalised arrangement fees	1.8	-	-	(1.0)	-	0.8
Derivative financial instruments	0.5	-	4.1	-	-	4.6
Net debt	(237.5)	4.2	4.1	(19.2)	(80.8)	(329.2)

(1) £8.4m (2024: £15.2m) of new leases were entered into during 2025 and £0.7m (2024: £nil) of leases were acquired (note 14).

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

The Group routinely rolls over the principal of borrowings drawn under the committed syndicated bank facility. The procedure may be repeated, depending on liquidity requirements of the Group, until maturity date of the credit facility.

During the year the Group refinanced its committed syndicated bank facility. The refinancing was contractually structured as repayment and extinguishment of the existing facility of £385m and the utilisation of the replacement facility of £475m, executed on 21st February 2025. The commitments under the replacement facility were subsequently increased to £522.5m with effect from 30th May 2025. The settlement of principal amounts was performed by the facility agent on behalf of the participating banks and did not result in any cash inflows or outflows through accounts controlled by the Group.

Notes to the Group Financial Statements

8 Reconciliation of movement in net debt (continued)

Lease liabilities and associated right of use assets

	2025	2024
	£m	£m
The carrying amounts of lease liabilities and the movements during the year:		
As at 1 Jan	46.2	48.2
Exchange adjustments	(0.3)	(2.0)
Capital expenditure additions	8.4	15.2
Acquired through business combinations	0.7	-
Interest on lease liabilities	2.7	3.0
Payment of lease liabilities	(19.4)	(18.2)
As at 31 December	38.3	46.2

	2025	2024
	£m	£m
The following are the amounts recognised in the consolidated income statement:		
Depreciation charge	15.3	15.6
Interest on lease liabilities	2.7	3.0
Expense relating to short-length leases	1.8	2.4
Expense relating to leases of low-value items	0.7	0.6
	20.5	21.6

	Land & buildings	Plant & equipment	Total
	£m	£m	£m
The carrying amounts of right-of-use assets recognised and the movements during the year:			
As at 1 Jan 2024	37.1	20.5	57.6
Exchange adjustments	(1.0)	(0.6)	(1.6)
Capital expenditure additions	4.0	11.2	15.2
Disposals	(0.2)	(0.7)	(0.9)
Depreciation charge	(6.1)	(9.5)	(15.6)
As at 31 Dec 2024 and 1 Jan 2025	33.8	20.9	54.7
Exchange adjustments	(1.3)	0.1	(1.2)
Capital expenditure additions	4.2	4.2	8.4
Acquired through business combinations	0.4	0.6	1.0
Disposals	(2.3)	(0.5)	(2.8)
Depreciation charge	(5.8)	(9.5)	(15.3)
Impairment charge	(0.1)	-	(0.1)
As at 31 Dec 2025	28.9	15.8	44.7

Notes to the Group Financial Statements

9 Cash generated from operations

	2025	2024
	£m	£m
Operating profit	114.6	153.7
Adjustments for:	-	
Cost reduction programme expenses	18.9	14.6
Acquisition and integration expenses	7.0	-
Provision for future water treatment at disused mine	-	9.7
Amortisation of acquired intangible assets	10.6	10.0
Trading profit (adjusted operating profit)	151.1	188.0
(Profit)/loss on disposal of fixed assets	(3.7)	(2.2)
Depreciation	63.5	60.9
Amortisation of software	2.3	1.3
Defined benefit retirement plans net charge	5.2	5.0
Net (increase)/decrease in inventories	10.8	(14.3)
Net (increase)/decrease in trade receivables	(19.8)	1.9
Net increase in trade payables	7.6	11.8
Net decrease in other working capital ⁽¹⁾	(14.2)	(16.6)
Defined benefit retirement plans cash outflows	(9.7)	(9.4)
Outflow related to cost reduction programme	(16.0)	(7.9)
Outflow related to restructuring charges	(0.4)	(1.0)
Outflow related to acquisition and integration expenses	(2.6)	-
Water treatment at disused mine cash outflows	(0.7)	(0.8)
Cash generated from operations	173.4	216.7

(1) Net increase/(decrease) in other working capital includes a movement in notes receivable of £8.6m in 2025 arising from a reduction in bankers drafts in China.

Notes to the Group Financial Statements

10 Employee benefits

The net employee benefits liability as at 31 December 2025 was £31.6m (2024: £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.

	2025 £m	2024 £m
Employee benefits — net surpluses		
UK defined benefit pension plans	32.4	31.8
ROW defined benefit pension plans	3.1	2.3
Net surpluses	35.5	34.1
Employee benefits — net liabilities		
UK defined benefit pension plans	(1.0)	(1.0)
US defined benefit pension plans	(10.1)	(12.1)
Germany defined benefit pension plans	(36.6)	(38.1)
ROW defined benefit pension plans	(10.4)	(11.0)
Other post-retirement long-term benefit plans	(9.0)	(9.3)
Net liabilities	(67.1)	(71.5)
Total net liabilities	(31.6)	(37.4)

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

	2025 £m	2024 £m
In arriving at trading profit — within cost of sales	1.0	1.1
(adjusted operating profit) — within administration, selling and distribution costs	4.0	3.9
In arriving at profit before tax — within net finance costs	1.2	1.6
Total net charge	6.2	6.6

11 Related parties

All transactions with related parties are conducted on an arm's length basis and in accordance with normal business terms. Transactions between related parties that are Group subsidiaries are eliminated on consolidation.

	2025 £m	2024 £m
Transactions with joint ventures and associates		
Sales to joint ventures	3.9	4.2
Purchases from joint ventures	25.3	27.1
Dividends received	0.9	0.7
Trade payables owed to joint ventures	8.5	8.1
Trade receivables due from joint ventures	0.9	1.0

Notes to the Group Financial Statements

12 Acquisitions

Piromet AS

On 28 February 2025 the Group acquired a 61.65% stake in Piromet AS, a Turkish refractory business, for £21.9m. 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.

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

	£m
Cash and short term deposits	1.7
Property, plant and equipment	14.3
Intangible assets (customer relationships and non-compete agreements)	7.6
Inventories	3.2
Trade and other receivables	4.2
Trade and other payables	(6.9)
Income tax payable	(2.7)
Deferred tax liabilities	(4.1)
Net identifiable assets acquired	17.3
Goodwill	11.2
Less: non-controlling interest	(6.6)
Consideration	21.9

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 cash generating unit.

Identifiable intangible assets acquired are customer relationships of £7.1m and non-compete arrangements with former Directors of £0.5m and are expected to be tax deductible.

In the period since acquisition, Piromet has contributed £14.9m to revenue and £1.2m to operating profit.

The net cash outflow on acquisition is £20.2m, being cash consideration of £21.9m less cash and cash equivalents acquired of £1.7m.

Molten Metal Systems

On 12 November 2025 the Group acquired the Molten Metal Systems ('MMS') business from Morgan Advanced Materials Plc ('Morgan') for £75.2m. This brings industry-leading technology in crucibles to our Foundry business, accelerating our exposure to the faster-growing non-ferrous market, together with increased exposure to the fast-growing Indian market. A 75.0% stake of the MMS business in India was acquired through the issue of 1,150,800 shares in Foseco India Limited ('FIL') to the previous shareholders of Morganite Crucible (India) Limited ('MCIL') with a total value of £54.7m.

100% of the MMS businesses in Germany, China and the United States (Rest of World, 'ROW') were acquired for cash consideration of £20.5m.

Notes to the Group Financial Statements

12 Acquisitions (continued)

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

	£m
Cash and short-term deposits	3.2
Property, plant and equipment	30.2
Intangible assets (customer relationships & brands)	14.7
Inventories	5.1
Trade and other receivables	7.5
Income tax receivable	0.5
Trade and other payables	(7.6)
Interest bearing borrowings	(0.7)
Deferred tax liabilities	(5.4)
Net identifiable assets acquired	47.5
Goodwill	34.7
Less: non-controlling interest	(7.0)
Consideration	75.2

The goodwill is attributable to MMS's reputation in the marketplace and the synergies that Vesuvius expects to gain from gain from integrating its non-ferrous operations into the Foundry cash generating unit.

Identifiable intangible assets acquired are customer relationships of £10.2m and brands of £4.5m and are expected to be tax deductible.

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, MMS has contributed £7.6m to revenue and £1.9m to operating profit.

The net cash outflow on acquisition was £17.3m, being cash consideration of £20.5m less cash and cash equivalents acquired of £3.2m.

If the acquisition had occurred on 1 January, consolidated pro-forma revenue and trading profit for the year ended 31 December 2025 would have been £1,849.3m and £158.2m respectively.

Pursuant to the Mandatory Tender Offer, which was completed on 13 January 2026, FIL acquired 99,081 additional shares in MCIL, representing 1.76% of the issued share capital. FIL is required to sell sufficient share to reduce its holding in MCIL below 75% by 23 January 2027. At 31 December 2025 the Group elected not to recognise a liability for this additional share purchase.

Other acquisitions

A further immaterial acquisition was made in 2025, for cash consideration of for £1.4m. The consideration represented £0.8m intangible assets (customer relationships), £0.3m property, plant and equipment and £0.3m goodwill.

Notes to the Group Financial Statements

12 Acquisitions (continued)

Non-controlling interests

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 and Molten Metal Systems, the group elected to recognise the non-controlling interests at their proportionate share of the acquired net identifiable assets.

During the year £13.9m has been recognised in respect of the non-controlling interests share of the identifiable net assets acquired. For the MMS acquisition, the issue of shares resulted in a £23.8m increase in non-controlling interest.

13 Provisions

	Disposal, closure and environmental costs £m	Other £m	Total £m
As at 1 January 2024	51.9	6.7	58.6
Exchange adjustments	1.2	(0.2)	1.0
(Release)/charge to Group Income Statement – trading profit/adjusted operating profit	(0.6)	7.5	6.9
Charge to Group Income Statement – separately reported items	9.7	2.6	12.3
Adjustment to discount	2.2	-	2.2
Cash spend	(5.4)	(10.5)	(15.9)
As at 31 December 2024	59.0	6.1	65.1
	Disposal, closure and environmental costs £m	Other £m	Total £m
As at 1 January 2025	59.0	6.1	65.1
Exchange adjustments	(3.9)	-	(3.9)
Charge to Group Income Statement – trading profit/adjusted operating profit	2.0	6.8	8.8
Charge to Group Income Statement – separately reported items	-	22.0	22.0
Adjustment to discount	3.0	-	3.0
Cash spend	(4.7)	(26.9)	(31.6)
Acquisitions (Note 12)	-	0.9	0.9
Transferred (to)/from other balance sheet rows	-	1.3	1.3
As at 31 December 2025	55.4	10.2	65.6

In assessing the probable costs and realisation certainty of provisions, or related assets, reasonable assumptions are made. Changes to the assumptions used could significantly alter the Directors' assessment of the value, timing or certainty of the costs or related amounts.

Notes to the Group Financial Statements

14 Financial instruments

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 2024.

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:

	2025		2024	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Investments (Level 2)	-	-	0.2	-
Derivatives not designated for hedge accounting purposes (level 2)	0.1	(0.2)	0.1	(0.1)
Derivatives designated for hedge accounting purposes (level 2)	-	(1.0)	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. 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 Income Statement. The reclassification had a net impact on Income Statement of nil, as the CCIRS cash flows perfectly offset those of the US Private Placement Loan Notes.

As at 31 December 2025, €465.0m, \$30.0m and ¥3,598.9 (2024: €298.0m, \$146.0m and ¥nil) of borrowings were designated as hedges of net investments in €465.0m, \$30.0m and ¥3,598.9 (2024: €298.0m, \$146.0m and ¥nil) worth of foreign operations. In addition, the €23.2m (2024: €76.6m) CCIRS liability has been designated as a net investment hedge of a further €23.2m (2024: €76.6m) worth of foreign operations. All net investment hedges are 100% effective with no ineffectiveness.

As at 31 December 2025, the Group had \$56.0m, €183.0m and £28.0m (£229.1m in total) of US Private Placement (USPP) Notes outstanding (2024: \$116.0m, €198.0m and £28.0m (£284.6m in total)), which carry a fixed rate of interest, representing 38% (2024: 60%) of the Group's total borrowings outstanding at that date. Maturities of the corresponding USPP Notes were disclosed in Note 25 to the 2025 Annual Report and Financial Statements.

As at 31 December 2025, the Group had committed borrowing facilities of £751.6m (2024: £669.6m), of which £195.5m (2024: £202.5m) were undrawn. At December 2025, 100% of these undrawn facilities was due to expire in August 2029; however in February 2026 the Group exercised its option to request an extension to the committed syndicated bank facility and 100% of these undrawn facilities is now due to expire in August 2030.

Notes to the Group Financial Statements

15 Alternative performance measures – unaudited

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 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 key performance indicators (KPIs) 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 a standard definition prescribed by IFRS and therefore may not be directly comparable with similar measures presented by other companies. Adjusted measures, (previously disclosed as 'Headline' measures), are presented before items reported separately on the face of the Group Income Statement.

15.1 Like-for-like measures

Like-for-like ('LFL') measures, (previously disclosed as 'Underlying' measures), are adjusted to exclude the effects of changes in exchange rates, business acquisitions and disposals. Reconciliations of like-for-like revenue and like-for-like trading profit (adjusted operating profit) can be found in the Financial Summary. Like-for-like revenue growth is one of the Group's KPIs and provides an important measure of organic growth of the business.

15.2 Return on Sales ('ROS')

ROS is calculated as trading profit (adjusted operating profit) divided by revenue. It is one of the Group's KPIs and is used to assess the trading performance of Group businesses. ROS is disclosed in Note 2.

15.3 Trading profit (adjusted operating profit)

Trading profit (adjusted operating profit) 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.

15.4 Adjusted profit before tax

Adjusted profit before tax is calculated as the net trading profit (adjusted operating profit), plus the Group's share of post-tax profit of joint ventures and net finance costs associated with adjusted performance. It is used to assess the financial performance of the Group as a whole.

15.5 Adjusted effective tax rate ('ETR')

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

15.6 Adjusted earnings

Adjusted earnings is profit after tax before separately reported items attributable to owners of the parent. See Note 6.

15.7 Adjusted earnings per share

Adjusted earnings per share is calculated by dividing adjusted earnings 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 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. Adjusted earnings per share is disclosed in Note 6.

Notes to the Group Financial Statements

15 Alternative performance measures (continued)

15.8 Adjusted operating cash flow

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

	2025	2024
	£m	£m
Cash generated from operations	173.4	216.7
Add: Outflows relating to restructuring charges	0.4	1.0
Add: Outflows relating to cost reduction programme expenses	16.0	7.9
Add: Outflows relating to acquisition and integration expenses	2.6	-
Add: Outflows relating to water treatment at disused mine	0.7	0.8
Less: Purchases of property, plant & equipment	(78.1)	(88.1)
Less: Purchases of intangible assets	(12.3)	(12.7)
Add: Proceeds from the sale of property, plant and equipment	9.4	4.3
Add: Proceeds from the sale of investments	1.2	-
Add: Proceeds from the sale of associates	-	0.4
Adjusted operating cash flow	113.3	130.3
Trading Profit (adjusted operating profit)	151.1	188.0
Cash Conversion	75%	69%

15.9 Cash conversion

Cash conversion is calculated as adjusted operating cash flow divided by trading profit (adjusted operating profit). It is useful for measuring the rate at which cash is generated from trading profit (adjusted operating 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 15.8 above.

15.10 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 KPIs and is used to assess the cash generation of the Group and is one of the measures used in monitoring the Group's capital.

	2025	2024 ⁽¹⁾
	£m	£m
Net cash inflow from operating activities	116.6	155.7
Purchases of property, plant & equipment	(78.1)	(88.1)
Purchases of intangible assets	(12.3)	(12.7)
Proceeds from the sale of property, plant and equipment	9.4	4.3
Proceeds from the sale of investments	1.2	-
Proceeds from the sale of associates	-	0.4
Dividends received from joint ventures	0.9	0.7
Dividends paid to non-controlling shareholders	(1.7)	(2.5)
Free cash flow	36.0	57.8

(1) For the year ended 31 December 2024, Net cash inflow from operating activities (Interest paid) and Net cash outflow from financing activities (Payment of lease liabilities (principal)) have been updated as a result of the reclassification of £3.0m for interest on lease liabilities to be consistent with its presentation in 2025.

Notes to the Group Financial Statements

15 Alternative performance measures (continued)

15.11 Trade working capital intensity

Trade working capital intensity 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 used to assess the control of working capital, which is a key variable component in achieving our ROIC target. It is also used as one of the targets against which the annual bonuses of certain employees are measured.

	2025 £m	2024 £m
Average trade working capital	424.0	416.5
Total revenue	1,809.5	1,820.1
Trade working capital intensity	23.4%	22.9%

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

Adjusted EBITDA is calculated as the total of trading profit (adjusted operating profit) before depreciation and amortisation of non-acquired intangibles charges. 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.

15.13 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.

	2025 £m	2024 £m
Total interest payable on borrowings (note 4)	22.4	23.3
Interest income (note 4)	(7.0)	(9.7)
Net interest payable on borrowings	15.4	13.6

15.14 Interest cover

Interest cover is the ratio of adjusted EBITDA to net interest payable on borrowings for the last 12 months. It is one of the Group's key performance indicators and is used to assess the profit available to service the Group's interest costs. This measure is also a component of the Group's covenant calculations.

	2025 £m	2024 £m
Adjusted EBITDA (note 2)	216.9	250.2
Net interest payable on borrowings	15.4	13.6
Interest cover	14.1x	18.4x

Notes to the Group Financial Statements

15 Alternative performance measures (continued)

15.15 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 the fair value of derivative financial instruments. Net debt is a measure of the Group's net indebtedness to banks and other external financial institutions. A movement reconciliation in net debt is included in Note 8.

15.16 Net debt to adjusted EBITDA

Net debt to adjusted EBITDA is the ratio of net debt at the year-end to adjusted EBITDA for the last 12 months. It is one of the Group's key performance indicators 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.

	2025 £m	2024 £m
Net debt (note 8)	452.4	329.2
Adjusted EBITDA (note 2)	216.9	250.2
Net debt to adjusted EBITDA	2.1x	1.3x

On a pro-forma basis, adjusting for the EBITDA contribution from acquisitions made through the year, the balance sheet had a debt leverage ratio of 2.0x (2024:1.3x).

15.17 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 re-defined 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 (adjusted operating 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. This is calculated as the average of the closing balance sheet and opening balance sheet, at average foreign exchange rates.

	Full year 2025 £m	Full year 2024 £m
Average invested capital	1,623.0	1,556.2
Less: average Foseco goodwill and intangible assets	(588.5)	(609.5)
Adjusted average invested capital	1,034.5	946.7
Trading profit/adjusted operating profit (note 15.4)	151.1	188.0
Amortisation of acquired intangible assets	(10.6)	(10.0)
Share of post-tax profit of joint ventures and associates	1.0	1.1
Tax on trading profit/adjusted operating profit and amortisation of acquired intangible assets	(38.6)	(48.9)
Return	102.9	130.2
Add: amortisation of Foseco intangible assets	8.7	8.7
Less: tax on amortisation of Foseco intangible assets	(2.4)	(2.4)
Adjusted return	109.2	136.5
ROIC	6.3%	8.4%
ROIC excluding Foseco goodwill and intangible assets	10.5%	14.4%

Notes to the Group Financial Statements

15 Alternative performance measures (continued)

15.18 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.

	2025 £m	2024 £m
Cash and short term deposits	190.6	186.4
Undrawn committed debt facilities	195.5	202.5
Liquidity	386.1	388.9

16 Exchange rates

The Group reports its results in pounds sterling. A substantial portion of the Group's revenue and profits are denominated in currencies other than pounds sterling. It is the Group's policy to translate the income statements and cash flow statements of its overseas operations into pounds sterling using average exchange rates for the year reported (except when the use of average rates does not approximate the exchange rate at the date of the transaction, in which case the transaction rate is used) and to translate balance sheets using year-end rates. The principal exchange rates used were as follows:

	Income and expense			Assets and liabilities		
	Average rates			Year-end rates		
	2025	2024	Change	2025	2024	Change
US Dollar	1.32	1.28	3.1%	1.35	1.25	8.0%
Euro	1.17	1.18	(0.8%)	1.15	1.21	(5.0%)
Chinese Renminbi	9.48	9.21	2.9%	9.4	9.18	2.4%
Japanese Yen	197.3	193.57	1.9%	211.05	196.65	7.3%
Brazilian Real	7.36	6.89	6.8%	7.38	7.74	(4.7%)
Indian Rupee	114.94	106.92	7.5%	121.06	107.04	13.1%
South African Rand	23.55	23.41	0.6%	22.31	23.58	(5.4%)