

Registration number: 00251977

# Vesuvius Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2024

## **Vesuvius Holdings Limited**

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## **Vesuvius Holdings Limited Company Information**

### **Current Directors**

P André  
M Collis  
H Ahmed  
H J Knowles  
A J Matthews  
A Tomczak

### **Company secretary**

J Smith

### **Registration number**

00251977

### **Registered office**

165 Fleet Street  
London  
EC4A 2AE

### **Incorporated**

A Private Limited Company incorporated in England & Wales, United Kingdom

### **Independent Auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

## **Vesuvius Holdings Limited**

### **Strategic Report for the Year Ended 31 December 2024**

The Directors present their Strategic Report for the year ended 31 December 2024.

#### **Fair review of the business and future developments**

Vesuvius Holdings Limited (the "Company") is a holding company for investments in group undertakings, and its investing activities during the year are listed under the investments note (Note 13).

The Directors do not envisage any change to the business of the Company in the foreseeable future.

The profit before tax for the year to 31 December 2024 is £10.6m (2023: £72.6m) and the net assets are £1,411.7m (2023: £1,466.2m). The decrease in the profit before tax is due to lower intragroup dividends being paid to the Company by its subsidiaries during the financial year, higher interests expenses on loans from its subsidiaries, and an impairment loss on investments in subsidiaries of £33.1m (2023: £nil) relating to the voluntary strike off of certain subsidiaries prior to 31 December 2024.

Given the straightforward nature of the Company's business, the Directors are of the opinion that analysis using Key Performance Indicators (KPIs) is not necessary for an understanding of the development, performance or position of the business.

#### **Section 172 duties and business relationships with suppliers, customers and other stakeholders**

Under Section 172 of the Companies Act 2006 ("Section 172"), the Directors have a duty to promote the success of the Company over the long term for the benefit of its shareholders, having regard to:

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the company's employees,
- (c) the need to foster the company's business relationships with suppliers, customers and others,
- (d) the impact of the company's operations on the community and the environment,
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the company.

The activity of the Company is mainly that of a holding and administrative company for its parent, Vesuvius plc. The interests of the Company and its parent are closely aligned and Vesuvius plc, as a listed company and ultimate parent of a Group of international companies (the "Group"), has responsibility for setting strategic and policy guidance and is responsible for the Group's long-term success. In the 2024 Annual Report and Financial Statements of Vesuvius plc ("Vesuvius plc Annual Report 2024"), the board of Vesuvius plc summarises the key actions taken throughout the Group in 2024 to engage with its stakeholders, including its employees, suppliers and customers, and describes the impact of the Group's operations on the community and the environment in accordance with the requirements of Section 172.

In performance of their duties throughout the year the Directors of the Company took decisions to promote the success of the Company over the long term for the benefit of shareholders, had regard to their duties under Section 172 and remained cognisant of the need to act fairly between members of the Company and consider the potential impact on all stakeholders of the decisions they made. The interests of the Company's employees are supported by the Group's employee engagement exercise, which canvasses the opinions of employees and precipitated a series of follow-up actions aimed at supporting employees and implementing change where appropriate. With regard to the Company's need to foster business relationships with suppliers, the Company continued to agree payment terms with its suppliers and sought to pay in accordance with those terms. The Company supports the Group's environmental initiatives although as an office based Company the impact of the Company's operations on the environment is limited. The Company also continued to focus on the desirability of maintaining a reputation for high standards of business conduct with all its stakeholders, with all employees required to comply with the Group's Code of Conduct which states that Vesuvius must maintain an unquestioned reputation for integrity.

#### **Employee engagement**

The Company adopts an open and honest approach to employee communications. The Company's employees have access to the Vesuvius intranet which showcases Group news and events. Regular updates are provided to employees on all matters of interest, including direct email updates on the financial performance of the Group. The HR department is the primary point of contact for employees on employment and workplace matters, operating an open-door policy and advising employees of any local legal, tax, pension or other employment changes. Senior management, supported and facilitated by the HR department, encourage open dialogue.

The Vesuvius Group operates share incentive plans for Group senior management. All members of the Group Executive Committee participate in incentive arrangements and receive conditional awards of Vesuvius plc shares through the Vesuvius Share Plan, which are assessed for vesting in accordance with achievement of performance measures and targets set against Total Shareholder Return (TSR), Return on Invested Capital (ROIC) and ESG measures focused on gender diversity, CO<sub>2</sub>e emissions reduction, and workplace safety. The positioning of these measures helps to ensure the Group invests capital responsibly, and operates a sustainable business and a safe, diverse workplace for employees over the longer term. For certain senior managers, awards of Restricted Stock are made under the Vesuvius Medium Term Incentive Plan (MTP). These managers participate in the MTP at varying percentage levels, and awards are made in shares.

## **Vesuvius Holdings Limited**

### **Strategic Report for the Year Ended 31 December 2024 (continued)**

As part of the Vesuvius Group, the safety, diversity, personal growth and job satisfaction of the Company's employees are key to the success and growth of the business. The Group's strategic ambition is to provide a safe working environment, as part of a sustainable business, for all employees, and to deliver value to them by providing development opportunities. Details of the performance and initiatives in both Health and Safety, Human Resources and employee engagement activities are disclosed as part of the Group's Section 172 responsibility on page 64 and in Our People in the Sustainability section on pages 55 to 58 of the Vesuvius plc Annual Report 2024.

#### **Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to the following:

##### ***Recoverability of investments in subsidiaries***

The Company carries out an annual investment impairment indicator test. Where impairment indicators are identified, the recoverable amount of the investment is checked against its carrying value to assess whether any provision for impairment of the carrying value is required.

##### ***Liquidity risk***

Liquidity risk is the risk of the Company having difficulties meeting its financial obligations. The Company manages this risk by ensuring that it maintains sufficient levels of committed borrowing facilities, net intercompany positions, and cash and cash equivalents to ensure that it can meet its operational cash flow requirements and any maturing financial liabilities as they fall due.

##### ***Recoverability of intercompany receivables***

Where amounts are due from group companies with net liabilities, an assessment of their recoverability is performed to ensure that they will be able to meet their obligations as they fall due.

Other principal risks and uncertainties are integrated with the principal risks of Vesuvius plc and its subsidiary, joint venture and associated companies ('the Group') and are not managed separately.

The Company's exposure to financial risk is managed as part of the Group. Full details about the Group's exposure to financial risks and how these risks could affect the Group's future financial performance are given in Note 25 to the Vesuvius plc Annual Report 2024.

Approved by the Board on 27 March 2025 and signed on its behalf by:

*Humaira Ahmed*

Humaira Ahmed (Mar 27, 2025 11:32 GMT)

H Ahmed  
Director

## **Vesuvius Holdings Limited**

### **Directors' Report for the Year Ended 31 December 2024**

The Directors present their report and the audited financial statements for the year ended 31 December 2024. Certain disclosures required under the Companies Act 2006 to be included within the Directors' Report have been presented within the Strategic Report to avoid duplication.

#### **Information incorporated by reference**

The information that fulfils this requirement and which is incorporated by reference into, and forms part of, this report is included in the Strategic Report of the Annual Report:

- The Section 172(1) statement
- Business review including future developments

#### **Directors of the Company**

The Directors who were in office during the year and up to the date of signing the financial statements were as follows:

P André  
M Collis  
H Ahmed (appointed 18 July 2024)  
H J Knowles  
A J Matthews  
R Sykes (resigned 10 December 2024)  
G Godin (resigned 12 July 2024)  
S Fankhauser (appointed 18 July 2024 and resigned 13 December 2024)  
A Tomczak

#### **Dividends**

Interim dividends declared for the year ended 31 December 2024 were £75.9m (2023: £560.7m). Dividends of £42.7m, £18.4m, £2.1m and £12.7m were paid in May, September, November and December 2024 respectively.

#### **Political and charitable donations**

The Company has not made any charitable donation during the year (2023: £2,500 to Great Ormond Street Childrens Hospital). The Company made no political donations and did not incur any political expenditure during the year (2023: £nil).

#### **Employee engagement**

The Directors' assessment of employee engagement is presented within the Strategic Report.

#### **Directors' indemnity provisions**

The parent company of Vesuvius Holdings Limited maintains directors' indemnity cover for all Directors. The cover was in force throughout the last financial year and remains in force.

#### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 485 of the Companies Act 2006.

#### **Going Concern**

At 31 December 2024 the Company had net assets of £1,411.7m (2023: £1,446.2m). At 31 December 2024 the Company had net current assets of £1,393.4m (2023 restated: £1,225.9m). The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The going concern position of the Company is linked to that of the wider Group. The liquidity of the Company, defined as undrawn committed debt facilities plus cash on balance sheet, was £202.5m (2023: £333.6m).

The Company is the main holding company for the Vesuvius plc Group and has the ability to direct the dividend policy and in effect increase the cash that is available to it. Each year dividends are paid up to subsidiaries of the Company by operating and holding companies within the Group and as such, cash is available to be distributed to the Company by these subsidiaries if required.

Cash flow forecasts have been prepared for the Group for the period to 30 June 2026. These forecasts reflect an assessment of current and future end-market conditions, which are expected to be challenging in 2025 (as set out in the Chief Executive's Strategic Review in the Vesuvius plc Annual Report 2024), and their impact on the Group's future trading performance.

The Directors have also considered a severe but plausible downside scenario, based on an assumed volume decline and loss of profitability over the period. This downside scenario assumes:

- a decline in business activity level in 2025 and 2026 by 3% compared to 2024 performance,
- a decline in profitability (Return on Sales) of 2.1% compared to 2024 performance, and;
- working capital as a percentage of sales deteriorating by 1.0% compared to 2024.

**Vesuvius Holdings Limited**  
**Directors' Report for the Year Ended 31 December 2024 (continued)**

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 show that the Group will be able to operate within its current committed debt facilities and show continued compliance with the Group's financial 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 a period of at least 12 months from the date of signing of these financial statements and that there is no material uncertainty in respect of going concern. On 21 February 2025 the Group obtained a new committed syndicated bank facility of £475m reaching maturity in August 2029, replacing the previous one in place with the same covenants. This is considered to be a non-adjusting event after balance sheet date. Accordingly, they continue to adopt a going concern basis in preparing the financial statements of the Group and the Company.

The Directors of the Company are satisfied that there are no material events or uncertainties that they are aware of which will impact the ability of the Company to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

**Events after the Balance Sheet date**

On 21 February 2025 the Group signed a new committed syndicated bank facility for an amount of £475m and a maturity date of August 2029. The previous committed syndicated bank facility signed in 2021 for an amount of £385m was cancelled with effect from the same date. This is considered to be a non-adjusting event.

Following the agreement reached in November 2024, on 28 February 2025 the Group completed the acquisition of a 61.65% shareholding in Piromet, a Turkish refractory company, for €26.2m. The acquisition will strengthen the Group's Advanced Refractory business in the fast-growing region of EEMEA and will also allow us to leverage Piromet's expertise in robotics and gunning worldwide. This is considered to be a non-adjusting event.

Interim dividends of £28.8m were declared and paid after the balance sheet date, for the year ended 31 December 2024. Dividends of £8.6m, £7.8m and £12.4m were paid in January, February, and March 2025 respectively. This is considered to be a non-adjusting event.

Approved by the Board on 27 March 2025 and signed on its behalf by:

  
Humaira Ahmed (Mar 27, 2025 11:32 GMT)  
.....  
H Ahmed  
Director



## **Vesuvius Holdings Limited**

### **Statement of directors' responsibilities in respect of the financial statements**

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Directors' confirmations**

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on 27 March 2025 and signed on its behalf by:

  
Humaira Ahmed (Mar 27, 2025 11:32 GMT)  
H Ahmed  
Director



# Independent auditors' report to the members of Vesuvius Holdings Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Vesuvius Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Balance Sheet as at 31 December 2024; the Profit and Loss account, the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax and anti-bribery, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management, those charged with governance, internal audit and the Group's legal counsel (internal and, where relevant, external), including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding and evaluation of the design and implementation of management's controls designed to prevent and detect irregularities, including compliance, whistleblowing arrangements and the results of management's investigation of such matters;
- Inspecting management's reports and Board minutes in relation to compliance matters;
- Testing assumptions and judgements made by management in their critical accounting estimates, in particular relating to impairment of investment in subsidiaries; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations including in respect of journals posted to cash.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.



### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Darryl Phillips (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
27 March 2025

**Vesuvius Holdings Limited**  
**(Registration number: 00251977)**

**Profit and Loss Account for the Year Ended 31 December 2024**

		2024	2023
	Note	£ 000	£ 000
Administrative expenses	3	(19,609)	(25,629)
Impairment loss on investment	3	(33,123)	-
Write-off intercompany loan (receivable)/payables		(294)	2,055
Operating loss	3	<b>(53,026)</b>	<b>(23,574)</b>
Income from shares in group undertakings	4	48,170	66,609
Other interest receivable and similar income	5	84,134	89,108
Interest payable and similar expenses	6	(68,717)	(59,544)
		<b>63,587</b>	<b>96,173</b>
Profit before taxation		<b>10,561</b>	<b>72,599</b>
Income tax credit	10	11,721	8,939
Profit for the financial year		<b>22,282</b>	<b>81,538</b>

The above results were derived from continuing operations.



**Vesuvius Holdings Limited**  
**(Registration number: 00251977)**

**Statement of Comprehensive Income for the Year Ended 31 December 2024**

		2024	2023
	Note	£ 000	£ 000
Profit for the financial year		<u>22,282</u>	<u>81,538</u>
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurements of post-employment benefit obligations	18	(1,419)	7,337
Tax relating to items that will not be reclassified		344	(2,006)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Change in the fair value of hedging instrument		4,325	(2,414)
Net change in cost of hedging		51	(26)
Amounts reclassified from the Profit and Loss Account		<u>(4,205)</u>	<u>2,161</u>
<b>Total other comprehensive (loss)/income</b>		<u>(904)</u>	<u>5,052</u>
<b>Total comprehensive income for the year</b>		<u><u>21,378</u></u>	<u><u>86,590</u></u>

The notes on pages 14 to 40 form an integral part of these financial statements.

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**Balance Sheet as at 31 December 2024**

		2024	2023
	Note	£ 000	Restated* £ 000
<b>Non-current assets</b>			
Property, plant and equipment	12	3,201	3,712
Investments	13	1,290,777	1,325,916
Net pension asset	18	30,189	30,726
		<u>1,324,167</u>	<u>1,360,354</u>
<b>Current assets</b>			
Trade and other receivables (of which non-current: 2024: £1,440,635,000 2023: £1,242,966,000)	14	1,442,830	1,245,006
Derivative financial instruments	21	4,656	635
Deferred tax asset	11	14,313	1,575
Income tax asset		3,534	3,600
Cash at bank and in hand		606	156
		<u>1,465,939</u>	<u>1,250,972</u>
<b>Creditors: Amounts falling due within one year (current)</b>			
Trade and other payables	20	(7,683)	(14,264)
Borrowings*	17	(64,833)	(10,782)
Total creditors: Amounts falling due within one year (current)		<u>(72,516)</u>	<u>(25,046)</u>
Net current assets		<u>1,393,423</u>	<u>1,225,926</u>
<b>Creditors: Amounts falling due after more than one year (non-current)</b>			
Trade and other payables	20	(897,518)	(776,070)
Borrowings*	17	(408,377)	(343,992)
Total creditors: Amounts falling due after more than one year (non-current)		<u>(1,305,895)</u>	<u>(1,120,062)</u>
<b>Net assets</b>		<u>1,411,695</u>	<u>1,466,218</u>
<b>Capital and reserves</b>			
Called up share capital	15	10	10
Share premium account	15	105	105
Other reserves	16	643,594	643,594
Cash flow hedge reserve		(689)	(860)
Profit and loss account		768,675	823,369
<b>Total Shareholders' funds</b>		<u>1,411,695</u>	<u>1,466,218</u>

\* Following the amendments to IAS1, amounts due under the committed syndicated bank facility have been reclassified as non-current, refer to Note 2.

The notes on pages 14 to 40 form an integral part of these financial statements.

The financial statements on pages 10 to 40 were approved by the Board of Directors on 27 March 2025 and signed on their behalf by:

Humaira Ahmed  
Humaira Ahmed (Mar 27, 2025 11:33 GMT)  
H Ahmed  
Director

**Vesuvius Holdings Limited**  
(Registration number: 00251977)

**Statement of Changes in Equity for the Year Ended 31 December 2024**

	Note	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Cash flow hedge reserve £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2024		10	105	643,594	(860)	823,369	1,466,218
Profit for the year		-	-	-	-	22,282	22,282
Remeasurements of post-employment benefit obligations (net)		-	-	-	-	(1,075)	(1,075)
Change in the fair value of hedging instrument		-	-	-	4,325	-	4,325
Net change in cost of hedging		-	-	-	51	-	51
Amounts reclassified from the Profit and Loss Account		-	-	-	(4,205)	-	(4,205)
<b>Total comprehensive income</b>		-	-	-	171	21,207	21,378
Dividends	22	-	-	-	-	(75,901)	(75,901)
<b>At 31 December 2024</b>		<b>10</b>	<b>105</b>	<b>643,594</b>	<b>(689)</b>	<b>768,675</b>	<b>1,411,695</b>

	Note	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Cash flow hedge reserve £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2023		10	105	643,594	(581)	1,297,209	1,940,337
Profit for the year		-	-	-	-	81,538	81,538
Remeasurements of post-employment benefit obligations (net)		-	-	-	-	5,331	5,331
Change in the fair value of hedging instrument		-	-	-	(2,414)	-	(2,414)
Net change in cost of hedging		-	-	-	(26)	-	(26)
Amounts reclassified from the Profit and Loss Account		-	-	-	2,161	-	2,161
<b>Total comprehensive income</b>		-	-	-	(279)	86,869	86,590
Dividends	22	-	-	-	-	(560,709)	(560,709)
<b>At 31 December 2023</b>		<b>10</b>	<b>105</b>	<b>643,594</b>	<b>(860)</b>	<b>823,369</b>	<b>1,466,218</b>

The notes on pages 14 to 40 form an integral part of these financial statements.

## Notes to the Financial Statements for the Year Ended 31 December 2024

### 1 General information

Vesuvius Holdings Limited (the 'Company') is a holding company. The Company is a private company limited by shares and is incorporated and domiciled in England & Wales, United Kingdom.

The address of its registered office is:

165 Fleet Street  
London  
EC4A 2AE

### 2 Accounting policies

#### Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 as applicable to companies using FRS 101. The financial statements have been prepared under the historical cost convention apart from financial assets and liabilities (including derivative instruments) which are carried at fair value through the profit or loss.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The Company has split out the amounts owed by/to Group undertakings into current and non-current, to be in line with the expected repayment time frame.

The Company's parent undertaking, Vesuvius plc includes the Company in its consolidated financial statements. Therefore the Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements.

#### Summary of material accounting policy information and other explanatory information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Summary of disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes (IAS 1 para 10(d) and IAS 7)
- A third balance sheet showing the position at the start of the earliest comparative period (IAS 1 para 10(f))
- Comparative period reconciliation for investments; (IAS 1 Para 38)
- Disclosures in respect of related party transactions with wholly owned members of the Vesuvius plc Group (IAS 24 para 17)
- Disclosures in respect of capital management (IAS 1 para 134-136)
- Disclosures in respect of fair value measurements (IFRS 13 para 91-99)
- Disclosures in respect of leases (IFRS 16 para 52, 89-91, 93)
- The effects of new but not yet effective IFRSs (IAS 8 para 30-31)

As the consolidated financial statements of the ultimate parent undertaking, Vesuvius plc, include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 (para 45(b) and 46-52) Share Based Payment in respect of Group settled share based payments;
- Certain disclosures required by IFRS 13 (para 91-99) Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

#### New and amended accounting standards effective during the year

##### *Developments in the tax position*

The Group is within the scope of the OECD Pillar Two model rules, and it applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. The Company will incur top-up taxes due to Pillar Two legislation that became effective 1 January 2024 in the UK. Under the legislation, the Company is liable to pay top-up tax for the differences between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate as the nominated filer for the Group.

The Company has estimated that the effective tax rates exceed 15% in all jurisdictions in which it operates, except for the United Arab Emirates where we have two subsidiaries. However, the amount is immaterial at less than £0.1m and has been included within income tax in the Profit and Loss Account of the Company. There are no significant impacts on the Company's financial position, performance and cash flows and earnings per share.

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 2 Accounting policies (continued)

#### New and amended accounting standards effective during the year (continued)

##### *Amendments to IAS 1 – Presentation of Financial Statements, and Non-current Liabilities with Covenants*

The amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The Company has reclassified amounts due under its committed syndicated bank facility as noncurrent as it had the right to roll over the obligations for at least 12 months after the reporting date and was compliant with all relevant covenant requirements at the reporting date. Comparatives for the year ended 31 December 2023 in these financial statements have been restated on the same basis. There are no impacts on the financial statements other than the reclassification to non-current liabilities. The amount reclassified as non-current liabilities in the comparative period was £51.6m.

	2023	2023
	Restated	Published
	£ 000	£ 000
Borrowings - falling due within one year	(10,782)	(62,405)
Borrowings - falling due after more than one year	(343,992)	(292,369)
<b>Total borrowings</b>	<b>354,774</b>	<b>354,774</b>

#### Going concern

At 31 December 2024 the Company had net assets of £1,411.7m (2023: £1,446.2m). At 31 December 2024 the Company had net current assets of £1,393.4m (2023 restated: £1,225.9m). The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The going concern position of the Company is linked to that of the wider Group. The liquidity of the Company, defined as undrawn committed debt facilities plus cash on balance sheet, was £202.5m (2023: £333.6m).

The Company is the main holding company for the Vesuvius plc Group and has the ability to direct the dividend policy and in effect increase the cash that is available to it. Each year dividends are paid up to subsidiaries of the Company by operating and holding companies within the Group and as such, cash is available to be distributed to the Company by these subsidiaries if required.

Cash flow forecasts have been prepared for the Group for the period to 30 June 2026. These forecasts reflect an assessment of current and future end-market conditions, which are expected to be challenging in 2025 (as set out in the Chief Executive's Strategic Review in the Vesuvius plc Annual Report 2024), and their impact on the Group's future trading performance.

The Directors have also considered a severe but plausible downside scenario, based on an assumed volume decline and loss of profitability over the period. This downside scenario assumes:

- a decline in business activity level in 2025 and 2026 by 3% compared to 2024 performance,
- a decline in profitability (Return on Sales) of 2.1% compared to 2024 performance, and;
- working capital as a percentage of sales deteriorating by 1.0% compared to 2024.

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 show that the Group will be able to operate within its current committed debt facilities and show continued compliance with the Group's financial 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 a period of at least 12 months from the date of signing of these financial statements and that there is no material uncertainty in respect of going concern. On 21 February 2025 the Group obtained a new committed syndicated bank facility of £475m reaching maturity in August 2029, replacing the previous one in place with the same covenants. This is considered to be a non-adjusting event after balance sheet date. Accordingly, they continue to adopt a going concern basis in preparing the financial statements of the Group and the Company.

The Directors of the Company are satisfied that there are no material events or uncertainties that they are aware of which will impact the ability of the Company to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.



## **Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)**

### **2 Accounting policies (continued)**

#### **Changes in accounting policy**

There have been no changes in accounting policies during the year, except for the change in presentation resulting from amendments to IAS 1 described in Note 2.

#### **Foreign currency transactions and balances**

The financial statements are presented in 'Pounds Sterling (£)', which is also the Company's functional currency. Transactions in currencies other than the Company's functional currency are initially recorded at the rates of exchange prevailing at the end of the preceding month or at the executed rates of the transaction itself. At each subsequent balance sheet date foreign currency items are retranslated at the rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised either in the Profit and Loss Account or the Statement of Comprehensive Income.

#### **Tax**

Tax expense represents the sum of current tax and deferred tax. Current and deferred tax are recognised in the Profit and Loss Account except to the extent that they relate to items charged or credited in the Statement of Comprehensive Income or Statement of Changes in Equity, in which case the associated tax is also recognised in those statements. In arriving at its current tax charge, the Company also makes careful assessment of the likely impact of tax law changes.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### **Leases**

Lease liabilities are recognised at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease if that rate could be readily determined. If that rate cannot be readily determined the lessee's incremental borrowing rate was used, calculated as the local government bond rate plus an interest rate spread. In cases where there was an option to terminate or extend a lease, the duration of the lease assumed for this purpose reflected the Group's existing intentions regarding such options. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Leases of low-value assets and short-term leases (shorter than 12 months) are classified as operating leases and neither the asset nor the corresponding liability to the lessor is recognised in the Balance Sheet. Rentals payable under operating leases are charged to the Group Income Statement on a straight-line basis over the term of the lease. Benefits received and receivable as an incentive to enter an operating lease are also spread on a straight-line basis over the lease term.

## **Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)**

### **2 Accounting policies (continued)**

#### **Tangible fixed assets**

Tangible fixed assets are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

- Leasehold property: between 2 to 10 % per annum straight line
- Right of use asset – Land and Buildings: over the expected term of the lease
- Land and Buildings – Owned: 10% per annum straight line, (land is not depreciated)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, and they are recognised within 'Other income' in the Profit and Loss Account.

#### **Investments**

Shares in subsidiaries are stated at cost less any impairment in value.

#### **Impairment of Investment in Subsidiaries**

The Company carries out an annual investment impairment indicator test. Where impairment indicators are identified, the recoverable amount of the investment is checked against its carrying value to assess whether any provision for impairment of the carrying value is required.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, and short-term deposits with original maturity of three months or less.

#### **Financial assets**

The Company holds all financial assets at amortised cost with the exception of derivative financial instruments which are held at fair value through the profit or loss account. These are set out in Note 19.

IFRS 13 Fair Value Measurement requires classification of financial instruments within a hierarchy that prioritises the inputs to fair value measurement. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly
- Level 3 - Inputs that are not based on observable market data

Trade and other receivables are amounts due from other subsidiaries in the Group. Trade receivables are recognised initially at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows (held to collect) and therefore measures them subsequently at amortised cost using the effective interest method.

#### *Impairment of financial assets*

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a 12-month expected loss allowance for all debtor balances. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was also immaterial

#### **Trade and other payables**

Trade and other payables are initially recognised at fair value and subsequently measured at amortised costs, using the effective interest method.

#### **Borrowings**

Loans and borrowings are initially recognised at fair value net of directly attributable transaction costs. After initial recognition they are measured at amortised cost, using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### *Derivative financial instruments*

The Company uses derivative financial instruments ('Derivatives') to manage the financial risks associated with the underlying activities of the Group and the financing of those activities. Derivatives are measured at fair value using market prices at the balance sheet date. Any Derivatives which form part of a hedge accounting relationship are designated as such on the date on which they are executed. Any Derivatives which do not form part of a designated hedge accounting relationship are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period, otherwise they are presented as non-current assets or liabilities.

## **Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)**

### **2 Accounting policies (continued)**

#### ***Cash flow hedges***

Changes in the fair value of Derivatives designated as cash flow hedges are recognised in comprehensive income to the extent that the hedges are effective. Any ineffective portion would immediately be recognised in net finance costs in the profit or loss. If a forecast transaction is no longer expected to occur, the amounts previously recognised in comprehensive income would be transferred to net finance costs in the profit or loss.

The hedging reserve includes the cash flow hedge reserve and the costs of hedging reserve. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently reclassified from profit or loss as appropriate.

#### **Dividend Income**

Dividend income is recognised when the right to receive payment is established.

#### **Management charges**

Management charges are invoiced to other Vesuvius group companies where costs incurred by the Company are for the benefit of other group companies. Invoices are issued and settled quarterly.

#### **Provisions for liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

#### **Impairment of non-financial assets**

The Directors regularly review the performance of the business and the external business environment to determine whether there is any indication that the Company's tangible assets have suffered an impairment loss. If such indication exists, the higher of the value in use and the fair value less costs to sell of the asset is estimated and compared with the carrying value in order to determine the extent, if any, of the impairment loss. For the purpose of impairment testing, the recoverable amount of an asset is the higher of (i) its fair value less costs to sell and (ii) its value in use.

#### **Issued share capital**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### **Dividends**

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are paid.

#### **Defined contribution pension obligation**

The amount charged to the Profit and Loss Account represents the contributions payable to each plan for the year. Differences between the contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### **Defined benefit pension obligation**

The net surplus recognised in the balance sheet for the Company's defined benefit plan is the present value of the defined benefit obligation at the balance sheet date, less the fair value of the plan assets. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method and by discounting the estimated future cash flows using interest rates on high-quality corporate bonds that have terms to maturity approximating the terms of the related pension liability. Any asset recognised in respect of a surplus arising from this calculation is limited to the asset ceiling, where this is the present value of any economic benefits available in the form of refunds or reductions in future contributions in respect of the plans. The Company has an unconditional right to a refund of surplus, as defined under IFRIC 14, and considers that the possibility that a surplus could be reduced or extinguished by discretionary actions by the Trustee does not affect the existence of the asset at the end of the reporting period. The Group therefore recognises a pension asset with respect to the scheme valued on an IAS 19 basis. No liability is recognised with respect to further funding contributions.

The expense for the Company's defined benefit plans is recognised in the Profit and Loss Account. Actuarial gains and losses arising on the assets and liabilities of the plan are reported within the Statement of Comprehensive Income; and gains and losses arising on settlements and curtailments are recognised in the Profit and Loss Account in the same line as the item that gave rise to the settlement or curtailment or, if material, separately reported as a component of operating profit.

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 2 Accounting policies (continued)

The Company is the sponsoring employer of a group wide defined benefit pension plan. As there is no contractual agreement or stated group policy for charging the net defined benefit cost of the plan to participating entities, the net defined benefit cost of the pension plan is recognised fully by the sponsoring employer, which is the Company.

The Company's financial statements include the costs and obligations associated with the provision of pension and other post-retirement benefits to current and former employees. It is the Directors' responsibility to set the assumptions used in determining the key elements of the costs of meeting such future obligations. These assumptions are set after consultation with the actuaries and include those used to determine regular service costs and the financing elements related to the plans' assets and liabilities. Whilst the Directors believe that the assumptions used are appropriate, a change in the assumptions could affect the profit and financial position. The pension obligations are most sensitive to a change in the discount rate and therefore could materially change in the next financial year if the discount rate changes significantly. Sensitivity disclosures are included in Note 18.

#### Share based payments

The Company's immediate parent company, Vesuvius plc, operates equity-settled share based payment arrangements for employees of the Group. The Company bears the expense attributable to those awards made to its employees. Equity-settled share based payments are measured at fair value at the date of grant. The fair value determined at the grant date takes account of the effect of market-based conditions, such as the Total Shareholder Return target upon which vesting for some of the awards is conditional and is expensed on a straight-line basis over the vesting period with a corresponding increase in equity. The cumulative expense recognised is adjusted for the best estimate of the shares that will eventually vest and for the effect of other non-market-based vesting conditions, such as growth in headline earnings per share, which are not included in the fair value determined at the date of grant. For grants with market-based conditions attaching to them, fair value is measured using a form of stochastic option pricing model. For all other grants, fair value is measured using the Black-Scholes model.

#### Critical Accounting Estimates

Determining the carrying amount of some assets and liabilities requires the estimation of the effect of uncertain future events. The major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets or liabilities are noted below.

#### *Impairment and valuation of investments*

The Company assesses its investments in subsidiaries and other companies for impairment at year-end or whenever events or changes in circumstances indicate that the recoverable amount of the investment could be less than the carrying amount of the investment. If this is the case, the investment is considered to be impaired and is written down to its recoverable amount. Judgement is required in the determination of the recoverable amount as the Company evaluates various factors related to the operational and financial position of the relevant investee business, appropriate discounting and long-term growth rates.

Determining whether investments are impaired requires an estimation of the value-in-use. The value-in-use calculation requires estimation of future cash flows expected to arise, the selection of suitable discount rates and the estimation of long-term growth rates. The annual investment impairment test is described in Note 13 below.

#### *Employee benefits*

The Company's Financial Statements include the costs and obligations associated with the provision of pension and other post-retirement benefits to current and former employees. It is the Directors' responsibility to set the assumptions used in determining the key elements of the costs of meeting such future obligations. These assumptions are set after consultation with the Group's actuaries and include those used to determine regular service costs and the financing elements related to the plans' assets and liabilities. Whilst the Directors believe that the assumptions used are appropriate, a change in the assumptions could affect the Group's profit and financial position. The pension obligations are most sensitive to a change in the discount rate and therefore could materially change in the next financial year if the discount rate changes significantly. Sensitivity disclosures are included in Vesuvius plc Annual Report 2024 Note 27.3.

#### *Impairment of intercompany balances*

Intercompany balances are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a 12-month expected loss allowance for amounts due from other group companies. As determining such assumptions is inherently uncertain and subject to future factors, there is the potential these may differ in subsequent periods and therefore materially change the conclusions reached.

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 3 Operating Loss

Arrived at after charging

	2024	2023
	£ 000	£ 000
Impairment loss on investment (Refer to Note 13)	33,123	-
Employee benefits expense (Refer to Note 7)	12,846	13,265
Depreciation expense (Refer to Note 12)	533	525

Details of auditors' remuneration is set out in Note 9.

### 4 Income from shares in group undertakings

	2024	2023
	£ 000	£ 000
Intra-group management charges	15,163	23,220
Intra-group dividend received	33,007	43,389
	<u>48,170</u>	<u>66,609</u>

### 5 Other interest receivable and similar income

	2024	2023
	£ 000	£ 000
Interest income on bank deposits	1,671	1,376
Interest income from loans to Group undertakings	81,035	86,655
Net interest on pension asset	1,389	1,077
Other finance income	39	-
	<u>84,134</u>	<u>89,108</u>

### 6 Interest payable and similar expenses

	2024	2023
	£ 000	£ 000
Interest on bank overdrafts and borrowings	18,111	16,278
Interest expense on loans from Group undertakings	49,263	38,663
Other finance costs	1,343	4,603
	<u>68,717</u>	<u>59,544</u>

### 7 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2024	2023
	£ 000	£ 000
Wages and salaries	8,875	9,097
Social security costs	1,287	1,508
Other short-term employee benefits	490	398
Pension costs, defined contribution scheme	443	432
Pension costs, defined benefit scheme	712	600
Share-based payment charge	1,039	1,230
	<u>12,846</u>	<u>13,265</u>



## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 7 Staff costs (continued)

The monthly average number of persons employed by the Company (including Directors) during the year, analysed by category was as follows:

	2024	2023
	No.	No.
Administration and support	40	38

### 8 Directors' remuneration

The Directors' remuneration for the year was as follows:

	2024	2023
	£ 000	£ 000
Remuneration	1,560	2,343
Contributions paid to money purchase schemes	43	24
	<u>1,603</u>	<u>2,367</u>

The Directors in office at the end of the year received no remuneration in respect of their appointments as Directors. Remuneration disclosed relates to that received in relation to the ordinary course of employment as employees of Vesuvius Holdings Limited. The remuneration of Directors employed by Vesuvius plc (including that of the highest paid Director) is disclosed in the Vesuvius plc Annual Report 2024. No recharge is made to the Company in respect of remuneration borne by Vesuvius plc.

During the year the number of Directors who were receiving benefits and awards under long term incentive plans was as follows:

	2024	2023
	No.	No.
Received or were entitled to receive shares under long term incentive schemes	6	5
Exercised options during the year	5	5
Accruing benefits under money purchase pension scheme	4	4

For Directors of the Company, who are also Directors of Vesuvius plc and other group companies, share options granted and exercised are in respect of the services provided to the Company.

In respect of the highest paid Director:

	2024	2023
	£ 000	£ 000
Remuneration	2,280	2,290
Company contributions to money purchase pension schemes	129	122
	<u>2,409</u>	<u>2,412</u>

The highest paid Director is remunerated by Vesuvius plc directly.

The value of share options exercised by the highest paid Director is presented in the Directors' Remuneration Report in the Vesuvius plc Annual Report 2024.

During the year the highest paid Director received or was entitled to receive, from a Group company, shares under a long term incentive scheme. This Director also received or was entitled to receive a pension allowance which could be used to participate in Vesuvius' pension arrangements, be invested in their own pension arrangements or be taken as a cash supplement.

### 9 Auditors' remuneration

Amounts receivable by the Company's auditors and their associates in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Vesuvius plc. An allocated audit fee was borne by the ultimate parent undertaking, Vesuvius plc, on behalf of the Company of £9,742 (2023: £9,322).

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 10 Income tax credit

	2024 £ 000	2023 £ 000
<b>Current taxation</b>		
UK corporation tax on profits for the year	673	317
<b>Total current tax charge</b>	<b>673</b>	<b>317</b>
<b>Deferred tax</b>		
Adjustment in respect of prior years	(12,308)	(9,818)
Origination and reversal of timing differences	(86)	562
Total deferred tax credit	(12,397)	(9,256)
<b>Total tax credit in the Profit and Loss Account</b>	<b>(11,721)</b>	<b>(8,939)</b>

The tax credit for the year is based on the standard rate of corporation tax in the UK of 25.0%. (2023: 23.50%).

The differences are reconciled below:

	2024 £ 000	2023 £ 000
Profit before taxation	10,561	72,599
Profit multiplied by the standard rate of tax in the UK of 25% (2023: 23.5%)	2,640	17,061
Adjustment in respect of prior years	(12,308)	(9,818)
Dividend income not taxable	(8,252)	(10,960)
Increase from effect of expenses not deductible for tax purposes	452	315
Impairments	8,281	-
Group relief not settled	(2,564)	(5,592)
Deferred tax not recognised in the period	(49)	-
Irrecoverable taxes	79	21
Restatement of deferred tax due to rate change	-	34
<b>Total income tax credit</b>	<b>(11,721)</b>	<b>(8,939)</b>

### Factors that may affect future tax charges

The rate of corporation tax remains at 25% and no further adjustments have been proposed.

The Group is within the scope of the OECD Pillar Two model rules, and it applies the IAS 12 exception to recognising and disclosing information about deferred tax asset and liabilities related to Pillar Two income taxes. The group will incur top-up taxes due to Pillar Two legislation that became effective 1 January 2024 in the UK. Under the legislation, the group is liable to pay top-up tax for the differences between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate.

The Group has estimated that the effective tax rates exceed 15% in all jurisdictions in which it operates, except for United Arab Emirates where we have two subsidiaries. However, the amount is immaterial at less than £0.1m and has been included within income tax in the statement of profit or loss of Vesuvius Holdings Limited because the group has nominated this company to meet Pillar Two reporting compliance in United Kingdom and make the tax payment accordingly.

### 11 Deferred tax asset

Deferred tax assets recognised at rate of 25% as at 31 December 2024 (2023: 25%)

	2024 £ 000	2023 £ 000
Tax losses	21,476	9,256
Fixed assets & provisions	384	-
Retirement benefits	(7,547)	(7,681)
	<b>14,313</b>	<b>1,575</b>

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 11 Deferred tax asset (continued)

The deferred tax movement on the balance sheet is as follows:

	2024 £ 000	2023 £ 000
At start of year	1,575	(5,676)
Deferred tax credit in the Profit and Loss Account – prior year	12,308	9,256
Deferred tax credit in the Profit and Loss Account – current year	86	-
Deferred tax credit/(charge) in reserves	344	(2,005)
<b>Deferred tax asset at end of year</b>	<b>14,313</b>	<b>1,575</b>

Management considers to what extent it is probable that the deferred tax assets will be realised. The ultimate realisation of the deferred tax asset is dependent upon the generation of future taxable profits during the periods in which tax loss carry-forwards become deductible.

The company continues to partially recognise deferred tax and has £4.9m (2023: £0.2m) of deductible temporary differences, £43.3m (2023: £54.9m) of unused tax losses and £47.5m (2023: £47.5m) of unused capital losses for which no deferred tax asset is recognised.

### 12 Property, plant and equipment

Movement in net book value Cost	Right of use asset – Land and Buildings £ 000	Land and Buildings - Owned £ 000	Plant and Machinery – Owned £ 000	Total £ 000
As at 1 January 2023	3,599	1,571	22	5,192
Capital expenditure additions	-	-	49	49
Disposals	-	-	-	-
<b>As at 31 December 2023</b>	<b>3,599</b>	<b>1,571</b>	<b>71</b>	<b>5,241</b>
Capital Expenditure additions	-	-	22	22
Disposals	-	-	-	-
<b>As at 31 December 2024</b>	<b>3,599</b>	<b>1,571</b>	<b>93</b>	<b>5,263</b>

Accumulated depreciation	Right of use asset – Land and Buildings £ 000	Land and Buildings - Owned £ 000	Plant and Machinery – Owned £ 000	Total £ 000
As at 1 January 2023	720	262	22	1,004
Depreciation Charge	360	157	8	525
Disposals	-	-	-	-
<b>As at 31 December 2023</b>	<b>1,080</b>	<b>419</b>	<b>30</b>	<b>1,529</b>
Depreciation charge	360	157	16	533
Disposals	-	-	-	-
<b>As at 31 December 2024</b>	<b>1,440</b>	<b>576</b>	<b>46</b>	<b>2,062</b>

Net Book Value	Right of use asset – Land and Buildings £ 000	Land and Buildings - Owned £ 000	Plant and Machinery – Owned £ 000	Total £ 000
31 December 2024	2,159	995	47	3,201
31 December 2023	2,519	1,152	41	3,712
31 December 2022	2,879	1,309	-	4,188

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments

	Subsidiaries £ 000
<b>Cost or valuation</b>	
At 1 January 2024	1,433,610
Additions	-
Write off	(49,860)
At 31 December 2024	<u>1,383,750</u>
<b>Provision</b>	
At 1 January 2024	107,693
Provision for impairment	33,123
Write off	(47,843)
At 31 December 2024	<u>92,973</u>
<b>Carrying amount</b>	
At 31 December 2024	<u>1,290,777</u>
At 31 December 2023	<u>1,325,916</u>

The Group carried out its investment impairment test as at 31 December 2024 (2023: 31 December 2023). The recoverable amount of the investment is inferior to (2023: exceeded) the carrying value of all existing investments, therefore an impairment charge has been recognised of £33.1m (2023: £nil) in the frame of subsidiaries strike off. The subsidiaries were struck off with Companies House effective December 2024. These entities reduced their share capital to £1 and returned the surplus capital ahead of being struck off. Prior to that all retained earnings were remitted as a dividend.

For determining the value in use cash flow predictions are based on financial budgets and strategic plans approved by the Board. These assume a level of revenue and profits which are based on both past performance and expectations for future market development and consider the cyclical nature of the business in which the Group operates. In assessing the cash flows of the Company's investment in its subsidiaries, the amounts payable by the parent to subsidiaries are also taken into account. Cash flows beyond the period of the strategic plans have been extrapolated using a perpetuity growth rate of 2.5% (2023: 2.5%). The key assumptions and methodology in determining the value in use of the Group are disclosed in Note 16.2 to the Vesuvius plc Annual Report 2024. A sensitivity analysis was carried out using reasonably possible changes to the key assumptions set out in Note 16.2 of the Vesuvius plc Annual Report 2024.

The scenarios give relevant information about the estimation uncertainty or the need for increased impairment as a result of a reasonably possible change in one or more of the key assumptions used in the value in use calculation for these CGUs.

The subsidiaries, joint ventures and associates of Vesuvius Holdings Limited and the countries in which they are incorporated are set out below. At 31 December 2024, the ordinary share capital of those marked with \* was directly owned by Vesuvius Holdings Limited and the ordinary share capital of the remaining companies was owned by a subsidiary of the Company. As with Vesuvius Holdings Limited, all of the companies listed below have a 31 December year-end.

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments (continued)

Name of subsidiary	Country	Registered office
Advent Process Engineering Inc.	Canada	333 Prince Charles Drive, Welland, Ontario, L3B 5P4, Canada
BMI Refractory Services Inc.	US (Pennsylvania)	600 N, 2nd Street, Suite 401 Harrisburg, PA 17101-1071, United States
Brazil 1 Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
CCPI Inc.	US (Delaware)	Suite 201, 910 Foulk Road, Wilmington, New Castle, Delaware, 19803, United States
Cookson Dominicana, SRL	Dominican Republic	Km 7 1/2, Autopista San Isidro, Edificio Modelo A, Zona Franca San Isidro, Santo Domingo Oeste, Dominican Republic
Flo-Con Holding, Inc.	US (Delaware)	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, Delaware, 19801, United States
Foseco (FS) Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Foseco (Jersey) Limited	Jersey	44 Esplanade, St Helier, JE4 9WG, Jersey
Foseco (UK) Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Foseco Canada Limited	Canada	181 Bay Street, Suite 1800, Toronto, Ontario, M5J 2T9, Canada
Foseco Española S.A.	Spain	5, Barrio Elizalde, Izurza, Bizkaia, 48213, Spain
Foseco Foundry (China) Co. Limited	China	Room 819, Shekou Zhaoshang Building, Nanshan District, Shenzhen, Guangdong, 518067, China
Foseco Fundación Holding (Española), S.L.	Spain	5, Barrio Elizalde, Izurza, Bizkaia, 48213, Spain
Foseco Holding (Europe) Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Foseco Holding (South Africa) (Pty) Limited	South Africa	12, Bosworth Street, Alrode, Alberton, 1449, South Africa
Foseco Holding BV	Netherlands	165 Fleet Street, London, EC4A 2AE, England (Branch registration in England)
Foseco Holding International Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Foseco Holding Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England



## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments (continued)

Name of subsidiary	Country	Registered office
Foseco Industrial e Comercial Ltda.	Brazil	Km 15, Rodovia Raposo Tavares, Butanta Cep, Sao Paulo, 05577-100, Brazil
Foseco International Holding (Thailand) Limited	Thailand	170/69, 22nd Floor Ocean Tower 1, Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand
Foseco International Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Foseco Japan Ltd.	Japan	9th Floor, Orix Kobe Sannomiya Building, 6-1-10, Goko dori, Chuo-ku, Kobe Hyogo, 651-0087, Japan
Foseco Korea Limited	Republic of Korea	74 Jeongju-ro, Bucheon-si, Gyeonggi-do, 14523, South Korea
Foseco Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Foseco Metallurgical Inc.	US (Delaware)	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, Delaware, 19801, United States
Foseco Nederland BV	Netherlands	Binnenhavenstraat 20, 7553 GJ Hengelo (OV), Netherlands
Foseco Overseas Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Foseco Portugal Produtos Para Fundição Lda.	Portugal	Rua Manuel Pinto de Azevedo, No 626 4100-320 Porto, Portugal
Foseco S.A.S.	France	Le Newton C, 7 Mail Barthélémy Thimonnier, 77185 Lognes, France
Foseco Steel (UK) Limited	England & Wales	1 Midland Way, Central Park, Barlborough Links, Derbyshire, S43 4XA, England
Foseco Technology Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
J. H. France Refractories Company	US (Delaware)	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, Delaware, 19801, United States
John G. Stein & Company Limited *	England & Wales	1 Midland Way, Central Park, Barlborough Links, Derbyshire, S43 4XA, England
Mainsail Insurance Company Limited*	Bermuda	Victoria Place, 5th Floor, 31 Victoria Street, Pembroke, Hamilton HM10, Bermuda

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments (continued)

Name of subsidiary	Country	Registered office
New Foseco (UK) Limited	England & Wales	1 Midland Way, Central Park, Barlborough Links, Derbyshire, S43 4XA, England
Process Metrix, LLC	US (California)	6622 Owens Drive, Pleasanton, California, 94588, United States
PT Foseco Indonesia	Indonesia	Jl. Rawa Gelam 2/5, Kawasan Industri Pulogadung, Jakarta, 13930, Indonesia
PT Foseco Trading Indonesia	Indonesia	Jl. Rawa Gelam 2/5, Kawasan Industri Pulogadung, Jakarta, 13930, Indonesia
Realisations 789, LLC	US (Delaware)	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, Delaware, 19801, United States
S G Blair & Company Limited	England & Wales	1 Midland Way, Central Park, Barlborough Links, Derbyshire, S43 4XA, England
SIDERMES Inc. Vesuvius Sensors and Probes	Canada	175, montée Calixa-Lavallée, Verchères, Québec J0L2R0, Canada
SIR Feuerfestprodukte GmbH	Germany	Siegener Strasse 152, Kreuztal, D-57223, Germany
Soled S.A.S. Vesuvius Sensors and Probes France	France	Centre d'Activités Economiques Zone Industrielle de Franchepré, 54240 Joeuf, France
Vesuvius (Thailand) Co., Ltd	Thailand	170/69, 22nd Floor Ocean Tower 1, Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand
Vesuvius (V.E.A.R.) S.A.	Argentina	Street Urquiza, 919, Floor 2, Rosario, Provincia de Santa Fé, Argentina
Vesuvius Advanced Ceramics (Anshan) Co.,Ltd.	China	Xiaotaizi Village, Ningyuan Town, Qianshan District, Anshan, Liaoning Province, 114011, China
Vesuvius Advanced Ceramics (China) Co., Ltd	China	221 Xing Ming Street, China-Singapore Suzhou Ind Park, Suzhou, Jiangsu Province, 215021, China
Vesuvius America, Inc.	US (Delaware)	1209 Orange Street, Wilmington, Delaware, 19801, United States
Vesuvius Australia (Holding) Pty Limited	Australia	40-46 Gloucester Boulevard, Port Kembla, NSW, 2505, Australia

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments (continued)

Name of subsidiary	Country	Registered office
Vesuvius Australia Pty Limited	Australia	40-46 Gloucester Boulevard, Port Kembla, NSW, 2505, Australia
Vesuvius Belgium N.V.*	Belgium	Zandvoordestraat 366, Oostende, B-8400, Belgium
Vesuvius Canada Inc.	Canada	181 Bay Street, Suite 1800, Toronto, Ontario, M5J 2T9, Canada
Vesuvius Ceramics Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius China Holdings Co. Limited	Hong Kong	86/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Vesuvius China Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Colombia S.A.S.	Colombia	Calle 90 No. 13 A 31, Piso 6, Bogota City 110911, Colombia
Vesuvius Corporation S.A.*	Switzerland	Via Nassa, 17, Lugano, CH 6900, Switzerland
Vesuvius CSD Sp.z.o.o.	Poland	ul. Jasnogórska 11, Kraków, 31-358, Poland
Vesuvius Emirates FZE	United Arab Emirates	Warehouse No: 1J-09/3, P O Box 49261, Hamriyah Free Zone, Sharjah, United Arab Emirates
Vesuvius Europe GmbH	Germany	Gelsenkirchener Strasse 10, Borken, D-46325, Germany
Vesuvius Europe S.A.	Belgium	17 Rue de Douvrain, Ghlin, 7011, Belgium
Vesuvius Europe S.A.S.	France	41 Boulevard Marcel Sembat, 69200 Vénissieux, France
Vesuvius Financial 1 Limited*	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Finland OY	Finland	Pajamäentie 8D7, 00360 Helsinki, Finland
Vesuvius Foundry Products (Suzhou) Co., Ltd.	China	12 Wei Wen Road, China-Singapore Suzhou Ind Park, Suzhou, Jiangsu Province, 215122, China
Vesuvius Foundry Technologies (Jiangsu) Co. Ltd China		2, Changchun Road, Economic Development Area, Changshu, Jiangsu, 215537, China
Vesuvius France S.A.	France	Rue Paul Deudon 68, Boite Postale 19, Feignies, F-59750, France
Vesuvius GmbH	Germany	Gelsenkirchener Strasse 10, Borken, D-46325, Germany
Vesuvius Group Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Group S.A.	Belgium	17 Rue de Douvrain, Ghlin, 7011, Belgium
Vesuvius Holding Deutschland GmbH	Germany	Gelsenkirchener Strasse 10, Borken, D-46325, Germany
Vesuvius Holding France S.A.S	France	68 Rue Paul Deudon, BP 19, Feignies 59750, France

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments (continued)

Name of subsidiary	Country	Registered office
Vesuvius Holding Italia Srl	Italy	Via Mantova 10, 20835 Muggio MB, Italy
Vesuvius Iberica Refractarios, S.A.	Spain	Capitán Haya, 56 - 1ºH, 28020 Madrid, Spain
Vesuvius International Corporation	US (Delaware)	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, Delaware, 19801, United States
Vesuvius Investments Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Istanbul Refrakter Sanayi ve Ticaret AS	Turkey	Gebze OSB2 Mh. 1700., Sok No:1704/1, Cayirova, Kocaeli, 41420, Turkey
Vesuvius IT and Shared Services Private Limited	India	10th Floor, Unit No. 2, Fountainhead-Tower 3, B Wing, Phoenix Market City, Viman nagar, Pune, Pune- 411014, Maharashtra, India
Vesuvius Italia S.p.A.	Italy	Via Mantova 10, 20835 Muggio MB, Italy
Vesuvius Japan Inc.	Japan	9th Floor, Orix Kobe Sannomiya Building 6-1-10, Goko dori, Chouku, Kobe Hyogo, 651-0087, Japan
Vesuvius K.S.R. Limited*	England & Wales	1 Midland Way, Central Park, Barlborough Links, Derbyshire, S43 4XA, England
Vesuvius Life Plan Trustee Limited*	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius LLC	Russia	502, 5th floor, 1 Myasicsheva str., Zhukovsky, Moscow region, 140180, Russian Federation
Vesuvius Malaysia Sdn Bhd	Malaysia	Unit 30-01, Level 30 Tower A. Vertical Business Suite Avenue 3. Bangsar South. No 8 Jalan Krinchi, Kuala Lumpur Wilayah Persekutuan, 59200, Malaysia
Vesuvius Management Services Limited*	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Mexico S.A. de C.V.	Mexico	Av. Ruiz Cortinez, Num. 140, Colonia Jardines de San Rafael, Guadalupe, Nuevo León, CP 67119, Mexico
Vesuvius Mid-East Limited	Egypt	56, St 15, Apt 103, Maadi, Cairo, 11728, Egypt
Vesuvius Moravia, s.r.o	Czech Republic	Konska c.p. 740, Trinec, 739 61, Czech Republic
Vesuvius Mulheim GmbH	Germany	Gelsenkirchener Strasse 10, Borken, D-46325, Germany
Vesuvius NC, LLC.	US (Delaware)	Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, DE 19801, United States
Vesuvius New Zealand Limited	New Zealand	Level 5 Deloitte Centre, 1 Queen Street, Auckland, 1010, New Zealand
Vesuvius Overseas Investments Limited*	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Overseas Limited *	England & Wales	165 Fleet Street, London, EC4A 2AE, England

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments (continued)

Name of subsidiary	Country	Registered office
Vesuvius Penn Corporation	US (Delaware)	CT Corporation, 1209 Orange Street, Wilmington, DE 19801, United States
Vesuvius Pension Plans Trustees Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Peru S.A.C.	Peru	Calle Dean Valdivia 148, Piso 11 - Oficina 1134, Edificio Platinum Plaza - San Isidro, Lima 27, Peru
Vesuvius Poland Sp. z o.o	Poland	Ul Tyniecka 12, Skawina, 32-050, Poland
Vesuvius Process Metrix S.A.S.	France	41 Boulevard Marcel Sembat, 69200 Vénissieux, France
Vesuvius Ras Al Khaimah FZ-LLC	United Arab Emirates	Street No. F14, RAK Investment Authority Free Zone, Al Hamra, Ras Al Khaimah, PO Box 86408, United Arab Emirates
Vesuvius Refractorios de Chile S.A.	Chile	Street San Martin 870, Room 308, Tower B, Concepcion, Chile
Vesuvius Refractories S.r.l.	Romania	Galati, Marea Unire avenue 107, Galati county, 800329, Romania
Vesuvius Refratarios Ltda	Brazil	Av Brasil, 49550, Distrito Industrial de Palmares, Campo Grande, Rio de Janeiro, 23065-480, Brazil
Vesuvius Refractory India Private Limited	India	Room No. 9, 3rd Floor, 7 Ganesh Chandra Avenue, Kolkata, WB 700013, India
Vesuvius Scandinavia AB	Sweden	4, Forradsgatan, Amal, S-662 34, Sweden
Vesuvius Sensors & Probes Europe S.p.A.	Italy	10 Via Mantova, Muggio, Monza e Brianza, 20835, Italy
Vesuvius-SERT S.A.S.	France	41 Boulevard Marcel Sembat, 69200 Vénissieux, France
Vesuvius Services Peru S.A.C.	Peru	Calle Dean Valdivia 148, Piso 11 - Oficina 1134, Edificio Platinum Plaza - San Isidro, Lima 27, Peru
Vesuvius Solar Crucible (Suzhou) Co., Ltd	China	1/F, building 3, No. 12, Weiwen Road China-Singapore Suzhou Ind Park, Suzhou, Jiangsu Province, 215122, China
Vesuvius South Africa (Pty) Ltd	South Africa	Pebble Lane, Private Bag X2, Olifantsfontein, Gauteng Province, 1665, South Africa
Vesuvius Sp.z.o.o	Poland	ul. Jasnogórska 11, Kraków, 31-358, Poland
Vesuvius SSC Sp.z.o.o	Poland	ul. Jasnogórska 11, Kraków, 31-358, Poland
Vesuvius UK Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Vesuvius Ukraine LLC	Ukraine	27, Udarnykyv Street, City of Dnipropetrovsk, 49000, Ukraine
Vesuvius USA Corporation	US (Illinois)	CT Corporation, 208 South LaSalle Street, Chicago, Cook County, Illinois, IL 60604, United States

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 13 Investments (continued)

Name of subsidiary	Country	Registered office
Vesuvius VA Limited	England	165 Fleet Street, London, England, EC4A 2AE
Vesuvius Vietnam Limited	Vietnam	7th Floor, Peakview Tower Building, No.36 Hoang Cau Street, O Cho Dua Ward, Don Da District, Hanoi City, Vietnam
Vesuvius Zyarock Ceramics (Suzhou) Co., Ltd	China	1/F, building 3, No. 12, Weiwen Road China-Singapore Suzhou Ind Park, Suzhou, Jiangsu Province, 215122, China
Vesuvius-Premier Refractories (Holdings) Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Wilkes-Lucas Limited	England & Wales	165 Fleet Street, London, EC4A 2AE, England
Yingkou Bayuquan Refractories Co., Ltd.	China	Cui Tun Village, Hai Dong Office, Bayuquan District, Liaoning Province, YingKou, 115007, China
Yingkou YingWei Magnesium Co., Ltd.	China	50 Wanghai New District, Bayuquan District, Yinkou City, Liaoning Province, 115007, China

### Non-wholly owned subsidiaries

Details of the associates and non-controlling interests as at 31 December 2024 and 31 December 2023 are as follows:

Name of non-wholly owned subsidiary	Proportion of ownership interest and voting rights held		Country of incorporation and principal place of business
	2024	2023	
Foseco (Thailand) Limited	Group A 100%	Group A 100%	170/69, 22nd Floor Ocean Tower 1, Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand
	Group B 49%	Group B 49%	
Foseco Golden Gate Company Limited	51%	51%	6 Kung Yeh 2nd Road, Ping Tung Dist, Ping Tung, 90049, Taiwan
Foseco India Limited	74.98%	74.98%	922/923 Gat, Sanaswadi, Taluka, Shirur, Pune, 412208, India
Newshelf 480 Proprietary Limited*	45%	45%	144 Oxford Road, Rosebank, Melrose, Johannesburg, 2196, South Africa
Vesuvius India Limited	55.57%	55.57%	P-104 Taratala Road, Kolkata, 700 088, India
Vesuvius Ceska Republika, a.s.	60%	60%	Prumyslová 726, Kanská, Trinec, 739 61, Czech Republic
Sapotech Oy	-	12.6%	Paavo Havaksen tie 5 D, 90570 Oulu, Finland
Wuhan Wugang-Vesuvius Advanced CCR Co., Limited	50%	50%	Gongnong Village Qingshan District, Wuhan, Hubei Province, 430082, China
Wuhan Wugang-Vesuvius Advanced Ceramics Co., Limited	50%	50%	Gongnong Village Qingshan District, Wuhan, Hubei Province, 430082, China

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 14 Trade and other receivables

	2024 £ 000	2023 £ 000
<b>Non-current trade and other receivables</b>		
Amounts due from other group companies	1,440,635	1,242,966
Loans between companies within the Vesuvius Group typically bear interest at a market convention reference rate appropriate to each currency plus a margin. The margin is typically 2% (2023: 2%) for loans between UK companies, 2.5% (2023: 2.5%) for loans from UK to non-UK companies and 1.05% (2023: 1.05%) for loans from non-UK to UK companies. Loans with dormant companies within the Vesuvius Group are typically interest free. Repayment dates across all loans are variable and include loans repayable on demand but able to be renewed as required.		
	2024 £ 000	2023 £ 000
<b>Current trade and other receivables</b>		
Receivables from other group companies	1,542	1,358
Prepayments and other receivables	653	682
	<u>2,195</u>	<u>2,040</u>

### 15 Called up share capital

#### Allotted, called up and fully paid shares

	2024		2023	
	No. 000	£ 000	No. 000	£ 000
Ordinary share capital of £0.00004 each (2023: £0.00004)	278,468	10	278,468	10

The issued and fully paid share capital of the Company was 278,468,201 shares of £0.000035913 each at 31 December 2024 and 31 December 2023. The Company had one deferred share of £1.00 in issue at 31 December 2024 and 31 December 2023. All shareholders enjoy the same rights in relation to these shares, including rights in relation to voting at General Meetings of the Company, distribution of dividends and repayment of capital.

The share premium of £0.1m (2023: £0.1m) arose as a result of the demerger of the Cookson Group plc in 2012, where certain executives were entitled to exercise share awards granted by the Company, and exchange their shares in the Company for shares in Vesuvius plc.

### 16 Other reserves

Other reserves at the year-end of £643.6m (2023: £643.6m) consist of £73.0m (2023: £73.0m) relating to dividends in specie on distribution of investments from subsidiaries and £570.6m (2023: £570.6m) relating to unrealised gains on the sale of demerged subsidiaries, where the consideration was left outstanding as a related party receivable, and will remain within non-distributable reserves until such time as qualifying consideration is received.

### 17 Borrowings

	2024 £ 000	2023 Restated £ 000
<b>Non-current borrowings</b>		
Bank borrowings	406,644	342,450
Capitalised arrangement fees	(287)	(888)
Lease liability	2,020	2,430
	<u>408,377</u>	<u>343,992</u>
	2024 £ 000	2023 restated £ 000
<b>Current borrowings</b>		
Bank borrowings	60,420	10,000
Bank overdrafts	4,685	1,459
Lease liability	329	283
Capitalised arrangement fees	(601)	(960)
	<u>64,833</u>	<u>10,782</u>



## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 17 Borrowings (continued)

As at 31 December 2024, the Company had committed borrowing facilities of £669.6m (2023: £685.8m), of which £202.5m (2023: £333.4m) were undrawn. 100% of these undrawn facilities were due to expire in August 2026. On 21 February 2025 the Group signed a new committed syndicated bank facility for an amount of £475.0m with maturity date of August 2029. The previous committed syndicated bank facility signed in 2021 for an amount of £385.0m was cancelled with effect from the same date. The Company's borrowing requirements are met by the USPP and a multi-currency committed syndicated bank facility of £475.0m (2023: £385.0m).

USPP Notes issued as at 31 December 2024 amounted to £284.6m (\$116.0m, €198.0m and £28.0m) and had a weighted average period to maturity of 3.5 years. €15.0m and \$60.0m are repayable in 2025, €100.0m and \$26.0m in 2027, \$30.0m in 2028, €50.0m in 2029 and €33.0m and £28.0m in 2031.

The loans, lease liabilities and bank overdrafts are repayable as follows:

	2024	2023
	£ 000	Restated £ 000
On demand or within one year	65,435	11,742
In the second year	182,841	132,555
In the third year	103,905	362
In the fourth year	24,341	87,077
In the fifth year	41,743	23,930
After five years	55,833	100,956
Capitalised arrangement fees	(888)	(1,848)
	<u>473,210</u>	<u>354,774</u>

Lease repayments included in the table above are £1.5m (2023: £1.7m) up to and including the fifth year and £0.6m (2023: £1.2m) after five years.

Capitalised arrangement fees shown in the table above, which have been recognised as a reduction in borrowings in the financial statements, amounted to £0.9m as at 31 December 2024 (2023: £1.9m), of which £0.5m (2023: £0.7m) related to the USPP and £0.4m (2023: £1.2m) related to the syndicated bank facility.

### 18 Pension and other schemes

#### Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £442,965 (2023: £432,087).

#### Defined benefit pension schemes

##### Vesuvius Pension Plan

The Company also operates a defined benefit plan and accounts for it in accordance with IAS 19. The plan is closed to new members and to future benefit accrual and was established under a trust deed. It is subject to the Pensions Act 2004 and guidance issued by the UK Pensions Regulator.

The benefits of the UK plan are based upon the final pensionable salaries of plan members. The assets of these plans are held separately from the Company in trustee-administered funds. The trustees are required to act in the best interests of the plan's beneficiaries.

There is a 'long-term scheme-specific funding standard' in Part 3 of the Pensions Act 2004. In terms of Part 3, the UK plan is subject to a requirement ('the statutory funding objective') that it must have sufficient and appropriate assets to cover its technical provisions. Such technical provisions are determined as part of the triennial valuation. Under the rules of the UK Plan, the Trustees, after consultation with the Company, have the power to set the funding contributions taking into account the results of the triennial valuation, and the Pension Act 2004 legislation. Contributions payable to the pension scheme at the end of the year are £Nil (2023: £Nil). The expected contributions to the UK Plan for the next reporting period are £Nil.

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 18 Pension and other schemes (continued)

In November 2021, the Trustee of the Vesuvius Pension Plan signed a pension insurance buy-in agreement with Pension Insurance Corporation plc (PIC). This buy-in 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. All benefits in the UK Plan (with the exception of a small amount of benefits expected to arise in future as a result of guaranteed minimum pensions (GMP) equalisation) are now insured with PIC.

A full actuarial valuation of the UK Plan is carried out every three years by an independent actuary for the UK Plan Trustee in line with the requirements of the Pensions Act 2004, and the last full valuation was carried out as at 31 December 2021. At that date, the market value of plan assets was £608.7m and this represented a funding level of 103% of the accrued plan benefits at the time of £592.5m.

As at 31 December 2024, of the UK Plan's total assets, 88.2% (2023: 89.3%) were represented by the annuity insurance contracts covering the UK Plan's pension liabilities; 6.0% (2023: 5.1%) were allocated to equities and 5.8% (2023: 5.5%) to cash.

### Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2024	2023
	£ 000	£ 000
Fair value of scheme assets	320,243	359,762
Present value of scheme liabilities	(290,054)	(329,036)
Defined benefit pension scheme surplus	<u>30,189</u>	<u>30,726</u>

### Scheme assets

Change in the fair value of scheme assets are as follows:

	2024	2023
	£ 000	£ 000
Fair value at start of year	359,762	348,590
Interest income	15,867	16,165
Return on plan assets, excluding amounts included in interest income	(32,731)	16,521
Employer contributions	45	31
Benefits paid	(21,988)	(20,945)
Administrative expenses paid	(712)	(600)
Fair value at end of year	<u>320,243</u>	<u>359,762</u>

### Analysis of assets

	2024	2023
	£ 000	£ 000
Equities	19,334	18,519
Insurance contracts	282,462	321,274
Other assets	18,447	19,969
	<u>320,243</u>	<u>359,762</u>

All equity securities and bonds have quoted prices in active markets.

### Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	Defined benefit pension plans	Other post-retirement benefits	Total
	£ 000	£ 000	£ 000
Present value at 1 January 2024	328,368	668	329,036
Actuarial gains arising from changes in demographic assumptions	(1,373)	(2)	(1,375)
Actuarial gains arising from changes in financial assumptions	(28,739)	(25)	(28,764)
Actuarial gains arising from experience adjustments	(1,166)	(7)	(1,173)
Interest cost	14,450	28	14,478
Benefits paid	(21,988)	-	(21,988)
Benefits paid directly by employer	(97)	(63)	(160)
Present value at 31 December 2024	<u>289,455</u>	<u>599</u>	<u>290,054</u>

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 18 Pension and other schemes (continued)

	Defined benefit pension plans	Other post- retirement benefits	Total
	£ 000	£ 000	£ 000
Present value at 1 January 2023	325,175	713	325,888
Actuarial gains arising from changes in demographic assumptions	(5,503)	(17)	(5,520)
Actuarial losses arising from changes in financial assumptions	5,912	2	5,914
Actuarial gains arising from experience adjustments	8,767	23	8,790
Interest cost	15,056	32	15,088
Benefits paid	(20,945)	-	(20,945)
Benefits paid directly by employer	(94)	(85)	(179)
Present value at 31 December 2023	<b>328,368</b>	<b>668</b>	<b>329,036</b>

#### *Analysed as*

	2024	2023
	£ 000	£ 000
Present value of scheme liabilities arising from unfunded schemes	599	668
Present value of scheme liabilities arising from wholly or partly funded schemes	289,455	328,368
	<b>290,054</b>	<b>329,036</b>

#### *Principal actuarial assumptions*

The significant actuarial assumptions used to determine the present value of the defined benefit obligation at the statement of financial position date are as follows:

	2024	2023
	%	%
Discount rate	5.50	4.55
Future pension increases	2.90	2.85
Inflation - RPI	3.10	3.05
Inflation CPI	2.60	2.45

#### *Post retirement mortality assumptions*

	2024	2023
	Years	Years
Current UK pensioners at retirement age - Male	86.8	86.8
Current UK pensioners at retirement age - Female	88.6	88.6
Future UK pensioners at retirement age - Male	87.0	87.0
Future UK pensioners at retirement age - Female	90.1	90.0

#### *Amounts recognised in the profit and loss account*

	2024	2023
	£ 000	£ 000
Amounts recognised in operating loss		
Administrative expenses paid	712	600
GMP equalisation charge	-	-
Recognised in arriving at operating loss	<b>712</b>	<b>600</b>

#### *Amounts recognised in Other interest receivable and similar income*

	2024	2023
	£ 000	£ 000
Net interest	1,389	1,077
Total gain recognised in the profit and loss account	<b>(677)</b>	<b>(477)</b>

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 18 Pension and other schemes (continued)

#### Amounts taken to the Statement of Comprehensive Income

	2024	2023
	£ 000	£ 000
Actuarial gain arising from changes in demographic assumptions	1,375	5,520
Actuarial gains/(losses) arising from changes in financial assumptions	28,764	(5,914)
Actuarial gains/(losses) arising from experience adjustments	1,173	(8,790)
Charge of plan assets, excluding amounts included in interest (expense)/income	(32,731)	16,521
Amounts recognised in the Statement of Comprehensive Income	<b>(1,419)</b>	<b>7,337</b>

#### Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	2024		2023	
	0.10%	(0.10)%	0.10%	(0.10)%
	£ 000	£ 000	£ 000	£ 000
Adjustment to discount rate				
Increase / (decrease) in present value of obligation	(3,100)	3,100	(3,700)	3,700
Increase / (decrease) in fair value of plan assets	(3,100)	3,100	(3,700)	3,700
	<b>2024</b>		<b>2023</b>	
	0.10%	(0.10)%	0.10%	(0.10)%
	£ 000	£ 000	£ 000	£ 000
Adjustment to rate of inflation				
Increase / (decrease) in present value of obligation	2,200	(2,200)	2,600	(2,600)
Increase / (decrease) in fair value of plan assets	2,200	(2,200)	2,600	(2,600)
	<b>2024</b>		<b>2023</b>	
	+ 1 Year	- 1 Year	+ 1 Year	- 1 Year
	£ 000	£ 000	£ 000	£ 000
Adjustment to mortality age rating assumption				
Increase / (decrease) in present value of obligation	12,000	(12,000)	15,100	(15,100)
Increase / (decrease) in fair value of plan assets	12,000	(12,000)	15,100	(15,100)

The main assumptions used in calculating the costs and obligations of the Group's defined benefit pension plans, as detailed below, are set by the Directors after consultation with independent professionally qualified actuaries and include those used to determine regular service costs and the financing elements related to the plans' assets and liabilities. It is the Directors' responsibility to set the assumptions used in determining the key elements of the costs of meeting such future obligations. Whilst the Directors believe that the assumptions used are appropriate, a change in the assumptions used could affect the Group's profit and financial position.

For the UK Plan, the assumptions used have been derived from the Self-Administered Pension Schemes ('SAPS S3') All table, with future longevity improvements in line with the 'core' mortality improvement tables published in 2023 by the Continuous Mortality Investigation (CMI), with a long-term rate of improvement of 1.25% per year. The discount rate used to determine the liabilities of the UK Plan for IAS 19 accounting purposes is required to be determined by reference to market yields on high-quality corporate bonds. The UK discount rate in the above table is based on analysis using the expected future cashflows of the Vesuvius Pension Plan and the AON AA yield curve. The assumptions for UK price inflation are set by reference to the difference between yields on longer-term conventional government bonds and index-linked bonds, except for CPI, for which no appropriate bonds exist, which is assumed to be 0.5 points lower (2023: 0.6 points lower) than RPI-based inflation.

The average duration of the obligations to which the liabilities of the Company's principal pension plans relate is 11 years (2023: 12 years).

#### GMP equalisation

A UK High Court ruling was made on 26 October 2018 in respect of the gender equalisation of guaranteed minimum pensions (GMPs) for occupational pension schemes. The impact of GMP equalisation as at 31 December 2018 was estimated to be £4.5m.

A second UK High Court GMP equalisation ruling was issued on 20 November 2020. This second ruling considered the treatment of historic transfers out, i.e. those members who had transferred out before 26 October 2018. The 2020 ruling covers both individual and bulk transfers out. It does not revisit any of the issues addressed in the 2018 ruling. The impact of GMP equalisation for the second ruling is estimated to be £0.8m at 31 December 2020. The increase in pension liabilities resulting from these judgements have been treated for IAS 19 purposes as plan amendments and resulted in an increase in the pension deficit in the balance sheet and a corresponding past service cost in the Profit and Loss Account. These amendments have been treated as separately reported items so that there has been no impact on headline performance.

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 18 Pension and other schemes (continued)

We are working with the trustees of our UK pension plan and our actuarial and legal advisers to understand the extent to which these judgements crystallise additional liabilities for the UK pension plan.

#### Risks to which the defined benefit pension plans expose the Company

The principal risks faced by these plans comprise: (i) the risk that the value of the plan assets is not sufficient to meet all plan liabilities as they fall due; (ii) the risk that plan beneficiaries live longer than envisaged, causing liabilities to exceed the available plan assets; and (iii) the risk that the market-based factors used to value plan liabilities and assets change materially adversely to increase plan liabilities over the value of available plan assets.

#### *Asset volatility*

> The liabilities are calculated using a discount rate set with reference to corporate bond yields; if assets underperform against this yield, this will create a deficit. To reduce this risk, the pension plans are largely invested in government and corporate bonds.

#### *Counterparty risk*

> This is mitigated by using a diversified range of counterparties of high standing and ensuring positions are collateralised as required.

#### *Changes in bond yields*

> A decrease in corporate bond yields will increase the scheme liabilities, although this will be partially offset by an increase in the value of the schemes' bond holdings.

#### *Inflation risk*

> Much of the UK scheme's benefit obligations are linked to inflation and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect against extreme inflation). The UK scheme also holds index-linked government bonds to provide protection against this risk.

#### *Life expectancy*

> The majority of the plans' obligations are to provide benefits for the life of the member and in some cases their spouse on death of the member, so increases in life expectancy will result in an increase in the liabilities.

> The UK Plan Trustee has entered into a pension insurance buy-in agreement with the Pension Insurance Corporation (PIC), whereby the UK Plan Trustee has paid insurance premiums to PIC to insure all of the UK Plan's liabilities. Under this arrangement, the value of the PIC insurance contract matches the value of the liabilities for current benefits because the inflation, interest rate, investment and longevity risks for Vesuvius in respect of these liabilities are eliminated. The buy-in agreement ensures that the UK pension plan obligations in respect of all its members and their approved dependants are insured.

#### **Virgin Media vs NTL Pension Trustee case**

In June 2023, the High Court judged in the Virgin Media vs NTL Pension Trustee case that certain amendments made to the NTL Pension Plan were invalid because the scheme's actuary had not provided the necessary confirmations (Section 37 Certificates). This decision was upheld in July 2024. It could have wider ranging implications affecting other schemes that were contracted-out on a salary-related basis and made amendments between April 1997 and April 2016.

The Trustee has taken legal advice on the impact of the Virgin Media case on the Plan and intends to keep the position under review, taking into account any further legal developments during 2025.

### 19 Financial assets and financial liabilities

The Company holds the following financial assets at amortised cost:

	2024	2023
	£ 000	£ 000
Amounts due from other group companies – non-current (Note 14)	1,440,635	1,242,966
Amounts due from other group companies - current (Note 14)	1,542	1,358
Cash at bank and in hand	606	156
Other receivables - current (Note 14)	653	682
	<b>1,443,436</b>	<b>1,245,162</b>

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 19 Financial assets and financial liabilities (continued)

The Company holds the following financial liabilities at amortised cost:

	2024	2023
	£ 000	£ 000
Non-current borrowings (Note 17)	408,377	343,992
Current borrowings (Note 17)	64,833	10,782
Amounts due to other group companies – non-current (Note 20)	897,518	776,070
Amounts due to other group companies - current (Note 20)	1,399	998
Accrued expenses and other payables - current (Note 20)	5,372	12,291
	<b>1,377,499</b>	<b>1,144,133</b>

### 20 Trade and other payables

	2024	2023
	£ 000	£ 000
<b>Non-current trade and other payables</b>		
Amounts due to other group companies	897,518	776,070

Interest on loans from other companies within the Vesuvius Group are calculated at market convention reference rate appropriate to each currency plus a margin of 2% (2023: 2%) for loans between UK companies and 1.05% (2023: 1.05%) for loans from non-UK to UK companies. Interest on loans from dormant companies within the Vesuvius Group are typically interest free. Repayment dates across all loans are variable and include loans repayable on demand but able to be renewed as required.

	2024	2023
	£ 000	£ 000
<b>Current trade and other payables</b>		
Accrued expenses and other payables	5,372	12,291
Amounts due to other group companies	1,399	998
Other Taxes and Social security	912	975
	<b>7,683</b>	<b>14,264</b>

### 21 Financial risk review

The Company's exposure to financial risk is managed as part of the Group. Full details about the Group's exposure to financial risks and how these risks could affect the Group's future financial performance are given in Note 25 to the Vesuvius plc Annual Report 2024.

#### Foreign currency risk

The Company Profit and Loss Account is exposed to currency risk on monetary items that are denominated in currencies other than sterling. Derivatives are only used for economic hedging purposes and not as speculative investments. The fair value of the derivatives designated for hedge accounting purposes is £4.7m asset (2023: asset £0.6m).

In June 2020, the Company issued US\$86m of US Private Placement Notes. The Company also executed a US\$86m cross-currency interest rate swap (CCIRS) with three of its relationship banks. The effect of this is to convert the \$86m Private Placement Notes into €76.6m. The timing and amount of the US dollar cash flows under the CCIRS exactly mirror those of the Private Placement Notes and the maturity date of the CCIRS also matches the repayment date of the Notes. The CCIRS would by default be revalued through the Profit and Loss Account; however, as it is in a designated hedging relationship it is instead revalued through comprehensive income. More specifically, the US dollar exposure is designated as a cash flow hedge of the underlying Private Placement Notes and the euro exposure is designated as a cash flow hedge of foreign exchange gains and losses on €76.6m intercompany loan receivables. The CCIRS is presented as a non-current asset as it is expected to be settled more than 12 months after the end of the reporting period.

Hedge effectiveness is determined at inception of the hedge relationship and through periodic effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument. As all principal and interest amounts under the CCIRS exactly mirror those under the USPP Notes and the intercompany loans, the cash flow hedges are each highly effective. It is noted that hedge ineffectiveness would arise in the event there was a change in the contractual terms of either the USPP Notes, the CCIRS or the intercompany loan. The amounts recognised in 2024 in the cash flow hedge reserve are £4.3m (2023: £(2.4)m) in respect of the change in the fair value of the CCIRS excluding the basis spread, cost of hedging attributable to the foreign currency basis spread of £0.1m (2023: nil) and £(4.2)m (2023: £2.2m) in respect of foreign exchange translation on US\$86m Private Placement Notes and €76.6m intercompany loan receivables reclassified from the Profit and Loss Account.

## Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

### 21 Financial risk review (continued)

#### Foreign currency risk (continued)

All of the fair values at year end are classified under IFRS 13 as Level 2 measurements which have been calculated using quoted prices from active markets, where similar contracts are traded and the quotes reflect actual transactions in similar instruments. All of the derivative assets and liabilities not designated for hedge accounting purposes will mature within a year of the balance sheet date.

#### Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instrument assets and deposits with banks and financial instruments, as well as credit exposures to outstanding receivables.

#### *Risk management*

For banks and financial institutions, the Company policy is that only independently rated entities with a minimum rating of 'A-' are accepted as counterparties.

#### *Impairment of financial assets*

The Company subjects receivables from other group companies to the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Receivables from other group companies are subject to IFRS 9's expected credit loss model. Impairment provision has been determined using a 12-month expected credit loss model and the identified impairment loss was immaterial. Receivables from other group companies are considered to have low credit risk. Management consider 'low credit risk' to be when they have a low risk of default and the issuer has strong capacity to meet its contractual cash flow obligations in the near term.

#### Liquidity risk

Liquidity risk is the risk that the Company might have difficulties in meeting its financial obligations. This risk is integrated with the principal risks of Vesuvius plc and its subsidiary and joint venture companies ('the Group') and are not managed separately. Details of how the Group manages this risk is set out in Note 25 'Financial Risk Management' in the Vesuvius plc Annual Report 2024.

#### Interest rate risk

The Company's interest rate risk principally arises in relation to its borrowings. Where borrowings are held at floating rates of interest, fluctuations in interest rates expose the Company variability in the cash flows associated with its interest payments, and where borrowings are held at fixed rates of interest, fluctuations in interest rates expose the Company to changes in the fair value of its borrowings. The Group's policy is to maintain an appropriate mix of fixed and floating rate borrowings based on the Vesuvius trading environment, market conditions and other economic factors.

### 22 Dividends

Interim dividends declared for the year ended 31 December 2024 were £75.9m (2023: 560.7m). Dividends of £42.7m, £18.4m, £2.1m and £12.7m were paid in May, September, November and December 2024 respectively.

### 23 Financial Guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee. Guarantees provided by the Company as at 31 December 2024 in respect of the liabilities of its subsidiary companies amounts to £27.7m (2023: £25.4m).

### 24 Contingent liabilities

Vesuvius has extensive international operations and is subject to various legal and regulatory regimes, including those covering taxation and environmental matters. Several of the Company's subsidiaries are parties to legal proceedings, certain of which are insured claims arising in the ordinary course of the operations of the company involved, and are aware of a number of issues which are, or may be, the subject of dispute with tax authorities. Whilst the outcome of litigation and other disputes can never be predicted with certainty, having regard to legal advice received and the insurance arrangements of the Company and its subsidiaries, the Directors believe that none of these matters will, either individually or in the aggregate, have a materially adverse effect on the Company's financial condition or results of operations.

## **Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)**

### **25 Related party transactions**

As the Company is a wholly owned subsidiary of Vesuvius plc, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the Vesuvius plc group.

### **26 Parent and ultimate parent undertaking**

The Company's immediate parent and ultimate parent is Vesuvius plc.

The most senior parent entity producing publicly available financial statements is Vesuvius plc. These financial statements are available upon request from the Company Secretary, Vesuvius plc, 165 Fleet Street, London EC4A 2AE.

### **27 Events after the Balance Sheet date**

On 21 February 2025 the Group signed a new committed syndicated bank facility for an amount of £475m and a maturity date of August 2029. The previous committed syndicated bank facility signed in 2021 for an amount of £385m was cancelled with effect from the same date. This is considered to be a non-adjusting event.

Following the agreement reached in November 2024, on 28 February 2025 the Group completed the acquisition of a 61.65% shareholding in Piromet, a Turkish refractory company, for €26.2m. The acquisition will strengthen the Group's Advanced Refractory business in the fast-growing region of EEMEA and will also allow us to leverage Piromet's expertise in robotics and gunning worldwide. This is considered to be a non-adjusting event.

Interim dividends of £28.8m were declared and paid after the balance sheet date, for the year ended 31 December 2024. Dividends of £8.6m, £7.8m and £12.4m were paid in January, February, and March 2025 respectively. This is considered to be a non-adjusting event.