

**Castings PLC**

**Trading Update and Notice of Results**

Castings PLC announces a trading update in respect of the year ended 31 March 2023, with the result anticipated to be ahead of market expectations.

In November 2022 we reported strong demand from the commercial vehicle sector (70% of group revenue), reflecting the high build rates that the heavy truck OEMs require to satisfy their order books. This situation continued during the remainder of the financial year with customers increasing schedules through that period.

We have seen an increase in the total weight of castings despatched during the year. However, significant production rebalancing has been necessary to accommodate the higher volumes, which have been skewed towards certain production lines. This has caused some production inefficiencies, particularly in the second half of the year, but these are now largely behind us.

Input price changes in respect of raw materials and energy have been recovered from our customers through established escalators. The most significant increase related to electricity following the end of a fixed price contract on 30 September 2022; the additional cost for power was surcharged to our customers and resulted in an increased revenue in the second half of the year. This did not adversely affect group profit as it is a pass-through of a direct cost increase. Further price increases are being negotiated in respect of other cost rises.

The balance sheet remains strong with neutral cash flow following an increase in working capital and the payment of the supplementary dividend.

At this early stage of the new financial year, the forward demand schedules continue to reflect the strong order books across our customer base.

**Notice of Results**

The group intends to announce its results for the year ending 31 March 2023 on 14 June 2023.

*This announcement contains inside information.*

**S J Mant, Director and Company Secretary**

**Castings plc, Lichfield Road, Brownhills, West Midlands WS8 6JZ**

**28 April 2023**

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@seg.com](mailto:ms@seg.com) or visit [www.ms.com](http://www.ms.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

TSTUBSRROAUSUAR