

**Press Release**  
**Morgan Advanced Materials plc**  
**22 August 2025**

### **Sale of Molten Metal Systems business ("MMS")**

Morgan Advanced Materials plc ("Morgan" or the "Group"), the global manufacturer of advanced carbon and ceramic materials for complex and technologically demanding applications, announces that it has reached an agreement to sell its MMS business unit, including the Group's 75.0% shareholding in Morganite Crucible (India) Ltd ("MCIL"), to Vesuvius plc ("Vesuvius"). The total consideration payable to Morgan is £75.8m, as set out in further detail below. The transaction is expected to complete by early October 2025.

The disposal of MMS simplifies Morgan, and is in line with the Group's strategy to accelerate its organic growth and generate higher returns by focusing on specific faster growing markets. The sale is expected to improve the financial position of the Group and provide optionality both for investment in growth and enhanced shareholder returns in line with our capital allocation priorities.

MMS is part of Morgan's Thermal Products segment and provides crucibles products and melting solutions used in the production of non-ferrous metals, including zinc, aluminium, copper, brass, bronze and precious metals. It has operations in China, Germany and India and in 2024 generated revenue of £42.5m (4% of Morgan's total 2024 revenue) and adjusted operating profit of £5.2m. The total consideration payable to Morgan of £75.8m represents a multiple of 14.6x MMS' 2024 adjusted operating profit. After allowing for capital gains tax of c. £7.3m on the disposal of the shareholding in MCIL, the adjusted total consideration represents a multiple of 13.2x 2024 adjusted operating profit.

The transaction is structured as an acquisition of Morgan's 75% shareholding in its Indian listed subsidiary, MCIL, by Vesuvius' Indian listed subsidiary, Foseco India Ltd ("FIL"), with consideration for the acquisition being the issuance of new FIL shares to Morgan (the "Indian Transaction"), plus a cash acquisition of the remainder of the MMS business by Vesuvius (the "Rest of World Transaction"). As consideration for the Indian Transaction, Morgan will receive 1.2m shares in FIL, which represents a c. 15% shareholding in FIL valued at approximately £55.8m. In addition, Morgan will receive £20m in cash as gross consideration for the Rest of World Transaction (subject to customary post-completion cash, debt and working capital adjustments and prior to any taxes, fees and other expenses related to the overall MMS transaction). Morgan's shareholding in FIL will represent a smaller relative shareholding in a larger, more liquid publicly traded Indian company than its shareholding in MCIL today. Morgan's FIL shares will be subject to a 6 month lock-up period post completion, in accordance with applicable Indian regulations.

**Damien Caby, Chief Executive Officer, said:**

"This disposal demonstrates the disciplined approach we take to our portfolio. It leaves Morgan more simple and better aligned to our strategy. We remain focused on delivering against our strategic initiatives and believe that today's transaction will realise significant value for shareholders, as well as better positioning the Group to deliver higher organic growth returns."

The transaction is conditional on the approval of the Indian Transaction by FIL shareholders. Vesuvius, which indirectly holds 75.0% of FIL shares, has undertaken to Morgan to vote in favour of the Indian Transaction. The transaction is not subject to the approval of the shareholders of either Morgan or Vesuvius.

Gleacher Shacklock acted as financial adviser to Morgan on the transaction.

#### **For further enquiries:**

Richard Armitage, CFO	Morgan Advanced Materials	01753 837 000
Nicholas Frost, Investor Relations		

Nina Coad	Brunswick	0207 404 5959
-----------	-----------	---------------

#### **Financial information and bases of calculation:**

The agreed share exchange ratio for the Indian Transaction is 0.274 FIL shares for every 1 MCIL share currently owned by Morgan, in accordance with applicable Indian regulations. The 1.2m FIL shares that Morgan will receive under the Indian Transaction in respect of its 4.2m MCIL shares have a current value of £55.8m. Under the transaction structure of the Indian Transaction, the share exchange ratio is set within certain Indian regulatory limits.

Total gross consideration receivable by Morgan is therefore expected to have a value of approximately £75.8m, being the aggregate of: (i) £55.8m, being the current value of the 1.2m FIL shares to be issued to Morgan on completion of the Indian Transaction; and (ii) £20m cash proceeds from the Rest of World Transaction.

On an enterprise value basis, the transaction implies a total enterprise value for MMS of £92.7m, calculated based on the total consideration of £75.8m plus the value of the 25% minority interest in MCIL, representing 1.4m shares valued at the same implied price per share received by Morgan in the Indian Transaction (implying total minorities value of £18.6m), less the MCIL net cash balance of 202m INR (£1.7m) per the latest published balance sheet dated 31 March 2025.

The following exchange rates have been used in the above calculations: £1 = 117 INR.

In the Group's last full financial year, the year ended 31 December 2024, the MMS business unit generated revenue of £42.5m, out of reported revenue of £418.2m for the Thermal Products segment which MMS sits within, and adjusted operating profit of £5.2m, out of reported Thermal Products adjusted operating profit of £40.0m.

#### **Important notice:**

*This announcement contains forward-looking statements. These statements have been made in good faith based on the information available up to the time of the approval of this announcement. No assurance can be given that these expectations will prove to have been correct. By their nature, forward-looking statements involve risks, uncertainties or assumptions that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. As such, undue reliance should not be placed on forward-looking statements.*

*The Directors undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.*

*Gleacher Shacklock LLP ("Gleacher Shacklock") is authorised and regulated by the Financial Conduct Authority (the "FCA") in the United Kingdom, is acting as financial adviser exclusively for the Group and no one else in connection with the transaction and the matters set out in this announcement and will not regard any other person (whether or not a recipient of this announcement) as its client in relation to the transaction and will not be responsible to anyone other than the Group for providing the protections afforded to clients of Gleacher Shacklock or its affiliates, or for providing advice in relation to the transaction or any other matters referred to in this announcement or any other matter referred to herein.*

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 [rs@seg.com](mailto:rs@seg.com) or visit [www.rs.com](http://www.rs.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

DISGUGDIUXDDGUD