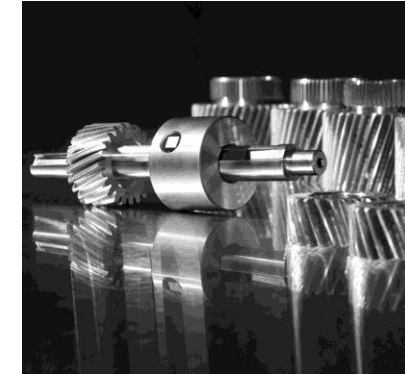
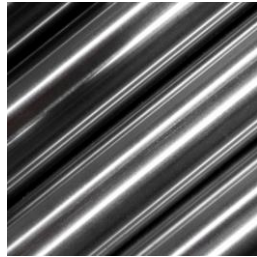
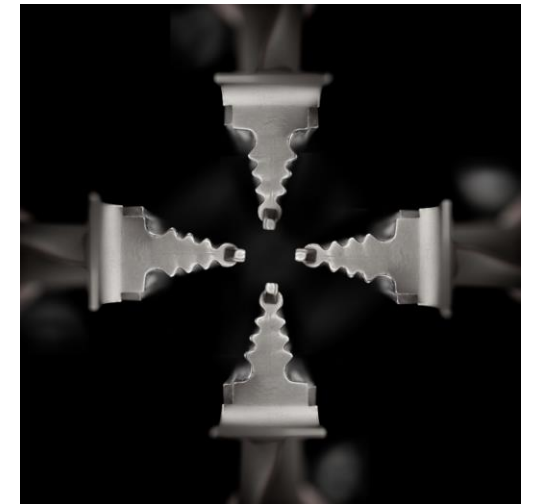
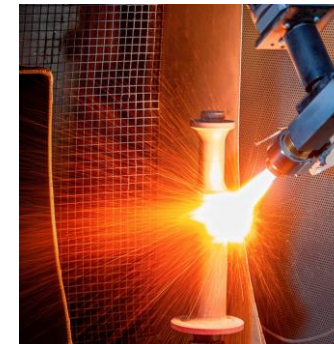




BODYCOTE.

FY24 RESULTS.

14 March 2025



Disclaimer

Bodycote plc (the 'Group') is providing the following cautionary statement: this presentation has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The presentation should not be relied on by any other party or for any other purpose. This presentation contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this presentation and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

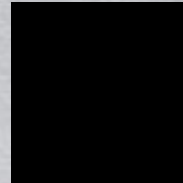
AGENDA

01 INTRODUCTION

02 FY24 RESULTS

03 STRATEGY UPDATE

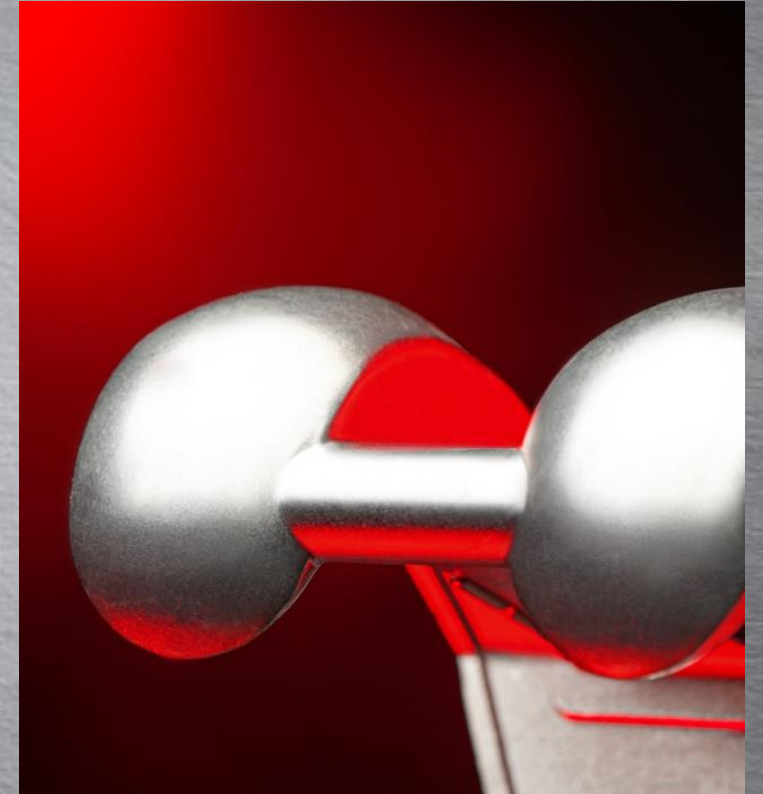
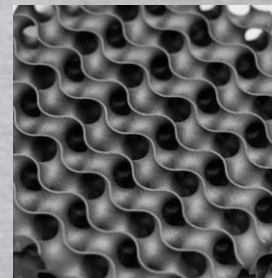
04 Q&A





INTRODUCTION.

JIM FAIRBAIRN.



Resilient performance & new strategy in place

Key highlights:

- 01 Improved financial performance in 2024 despite challenging market conditions
- 02 New reporting structure: two leading divisions delivering performance metallurgy for critical applications
- 03 Strategic clarity with new Optimise, Perform and Grow levers
- 04 Energised team focused on delivering the strategy, with good early progress



Vacuum furnace line Rotherham, UK

Creating a high performing, resilient and faster growing Bodycote

Early progress on strategic targets

TARGET	Strong growth Mid-single-digit total revenue growth through the cycle	Improved mix 35-40% revenue from Specialist Technologies by 2028	Higher margin >20% adjusted operating margin by 2028	Attractive returns 15-20% return on capital employed through the cycle	Converting to cash 80-90% average through cycle operating cash conversion
FY 2023	£747.3m Core revenue	28%	15.9%	14.8%	88%
	↓	↓	↓	↓	↓
FY 2024 progress	+1.0% Organic ¹ +2.4% incl. M&A ¹	30%	17.0%	15.7%	90%

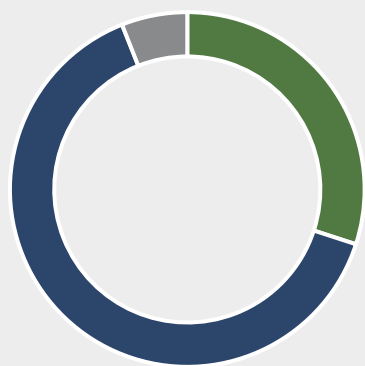
¹ Core year-on-year revenue growth at constant currency, excluding surcharges

Resilient performance in 2024

+1.0% Core organic growth, excluding surcharges:

- Led by Specialist Technologies: process adoption, strong Aerospace and Energy demand and market share gains
- Precision Heat Treatment resilient despite challenging conditions in Automotive and Industrial markets
- Non-Core revenue reflects sites we plan to exit as part of our Optimise programme. Decline in sales reflects adverse end market mix and lower structural quality vs Core

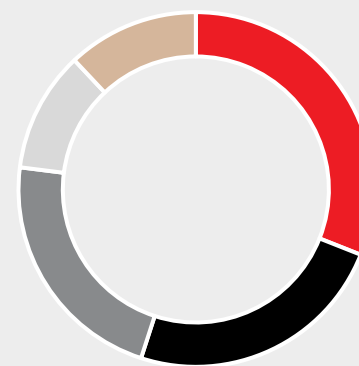
FY 2024 Revenue by division



Organic revenue growth (excluding surcharges)

30%	Specialist Technologies	▲ 5.0%
64%	Precision Heat Treatment	▼ 0.8%
Total Core		▲ 1.0%
6%	Non-Core	▼ 14.4%
Total Group		▼ 0.1%

FY 2024 Revenue by end market (Core)



Organic revenue growth (excluding surcharges)

31%	Aerospace & Defence	▲ 8.9%
24%	Industrial Markets	▼ 6.4%
22%	Automotive	▲ 1.9%
11%	Energy	▲ 11.4%
12%	Consumer, Medical & Other	▼ 11.6%
Total Core		▲ 1.0%

FY RESULTS.

BEN FIDLER.



Key highlights

Improved performance in 2024 across key metrics

Core revenue growth

+1.0%

(organic¹, excluding surcharges)

Core operating margin

17.9%

+120bps vs 2023

Cash conversion

90%

Operating cash flow
conversion (2023: 88%)

Return on capital

15.7%

+90bps vs 2023

Carbon reduction

6%

Achieving our SBTi target
six years early

Shareholder returns

>£100m

Cash returned via
dividend and buybacks

¹ Organic measures are stated at constant currency, excluding contributions from acquisitions and disposals

Results summary

Core organic revenue growth (ex. surcharges) and good margin progress delivered

£m, unless stated		FY 2024	FY 2023	Growth Organic	Growth Total
CORE	Revenue	712.5	747.3	-2.9%	-4.7%
	Revenue ex. surcharges	679.6	685.5	1.0%	-0.9%
	Adjusted operating profit	127.6	124.8	2.9%	2.2%
	Adjusted operating margin	17.9%	16.7%		+120bps
GROUP	Revenue	757.1	802.5	-3.9%	-5.7%
	Revenue ex. surcharges	721.5	735.7	-0.1%	-1.9%
	Adjusted operating profit	129.0	127.6	1.7%	1.1%
	Adjusted operating margin	17.0%	15.9%		+110bps
	Adjusted profit before tax	119.5	120.1		-0.5%
	Adjusted EPS	48.6p	48.4p		0.4%
	Full year dividend	23.0p	22.7p		1.3%

+1.0% organic Core revenue growth (ex. surcharges)

+120bps higher Core operating margins

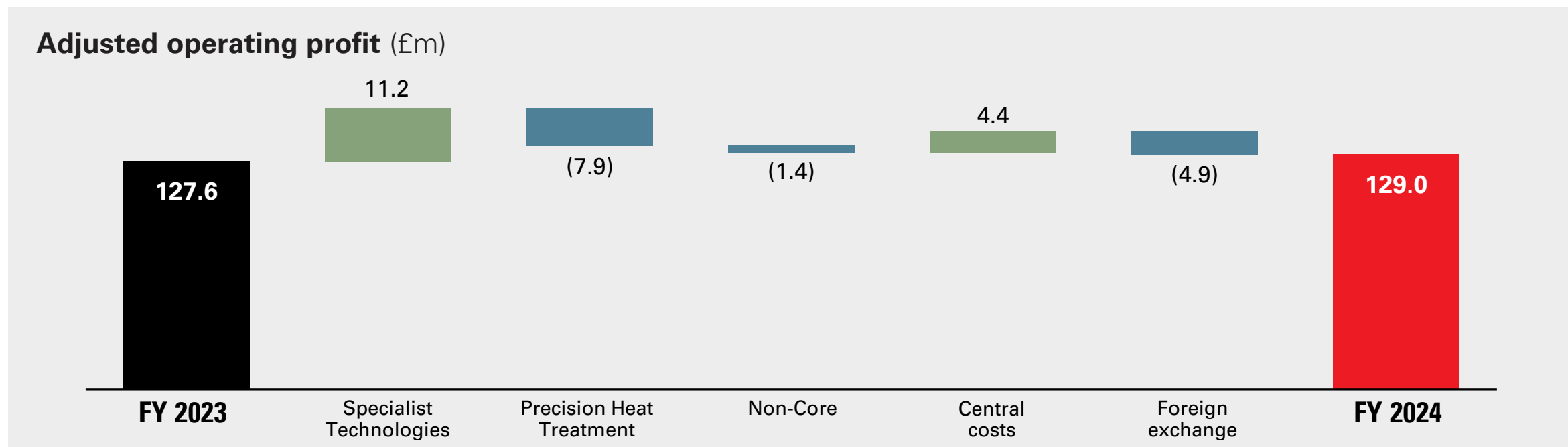
Group revenue reflects lower non-core activity

FX headwind of £24.3m to revenue and £4.9m to adjusted operating profit year-on-year

+110bps higher Group operating margins

Increased profit despite challenging markets

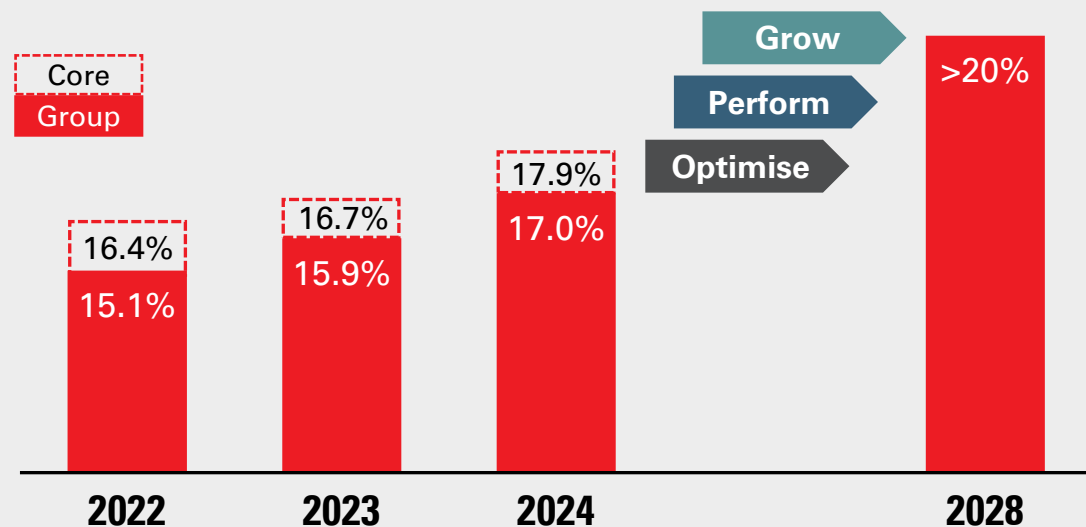
- Revenue growth and better operational performance driving profit and margin improvement in Specialist Technologies
- Lower volumes impacting Precision Heat Treatment, with margins held broadly stable through cost actions
- Lower Central costs includes benefits from cost control and from reduced share-based payments charge



Good progress towards >20% margin

- Significant margin improvement delivered in 2024 for both Core and total Group
- Optimise, Perform and Grow initiatives in place to drive improvement to >20% by 2028

Adjusted operating margin including surcharges)



FY 2024 improvement

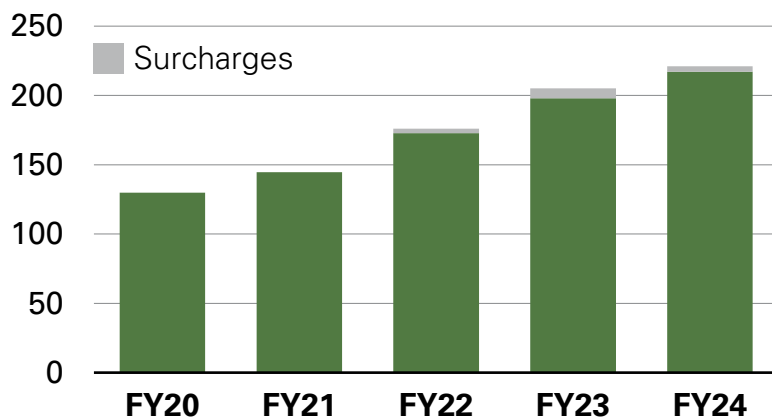
- **Core margins increased by 120bps to 17.9%**
(Group margins +110bps to 17.0%)
- **Led by Specialist Technologies** (+c.300bps to 29.0%)
driven by volume growth and operational improvement
- Decisive cost control actions enabled **resilient Precision Heat Treatment margins** (-60bps to 17.0%)
- **Central costs closely managed**

Specialist Technologies

Continued growth and significant expansion in operating margins

£m	FY 2024	FY 2023	Growth Organic	Growth Total
Revenue	224.2	212.4	3.3%	5.5%
Adjusted operating profit	65.0	55.2	12.8%	17.7%
Adjusted operating margin	29.0%	26.0%		+300bps

Revenue (constant currency)



- Total growth of 5.5%, with positive contribution from Lake City (c.£10m) partly offset by FX headwinds (-£5m)
- 3.3% organic growth, **+5.0% excluding surcharges**
- Good growth in A&D, Energy growth supported by step-up in Oil & Gas project activity (now completed)
- **+300bps margin improvement to 29%;** improved utilisation, better operational performance in HIP, and pricing improvements

FY 2024 Revenue by end market



Organic revenue growth (excluding surcharges)

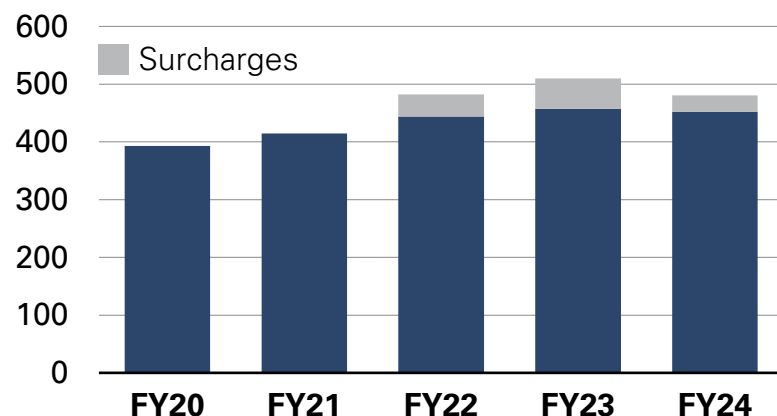
37%	Aerospace & Defence	▲ 9.1%
16%	Industrial Markets	▼ 9.8%
9%	Automotive	▲ 8.1%
22%	Energy	▲ 19.4%
16%	Consumer, Medical & Other	▼ 8.6%
Total Specialist Technologies		▲ 5.0%

Precision Heat Treatment

Proactive cost base management in response to challenging market backdrop

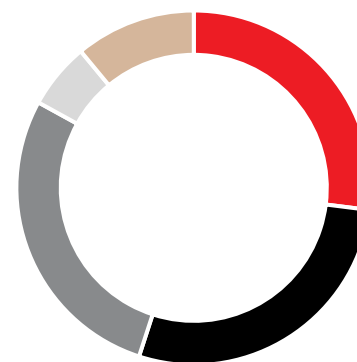
£m	FY 2024	FY 2023	Growth Organic	Growth Total
Revenue	488.3	534.9	-5.3%	-8.7%
Adjusted operating profit	83.0	94.4	-8.4%	-12.1%
Adjusted operating margin	17.0%	17.6%		-60bps

Revenue (constant currency)



- Organic revenue decline of 5.3% driven by surcharges. Resilient underlying performance, **down 0.8% excluding surcharges**
- Soft conditions in Industrial Markets and Consumer products
- Good growth in Aerospace and Defence, and outperformed a challenging market backdrop in Automotive
- Margins of 17.0%** (-60bps), reflecting decisive cost control actions

FY 2024 Revenue by end market



Organic revenue growth (excluding surcharges)

27%	Aerospace & Defence	▲ 8.7%
28%	Industrial Markets	▼ 5.4%
28%	Automotive	▲ 1.0%
6%	Energy	▼ 0.9%
11%	Consumer, Medical & Other	▼ 13.1%
Total Precision Heat Treatment		▼ 0.8%

Exceptional Items

£m, unless stated	FY 2024	FY 2023
Adjusted operating profit	129.0	127.6
Amortisation of acquired intangible assets	(10.4)	(8.1)
Acquisition costs	(2.4)	(0.3)
Exceptional items	(78.3)	-
Operating profit	37.9	119.2

£78.3m total exceptional charge

£31.9m

Restructuring charge

- Optimise programme to improve portfolio
- Total P&L charge of c.£60m (by FY 2026)
- Net cash costs of £25-30m (2024: £3.9m)
- Run-rate savings of £12-14m to be delivered by end of 2026

£18.0m

Goodwill impairment

- Non-cash write-down of goodwill in North America
- Related to legacy automotive and industrial heat treatment businesses
- Challenging market environment; actions being taken to improve performance

£28.4m

ERP Program write-off

- Non-cash write-down
- Announced in H1 2024
- Decision to cease the roll-out of ERP operations programme

Strong cash conversion

£m	FY 2024	FY 2023	Change
Adjusted operating profit	129.0	127.6	+1.4
Depreciation & amortisation	75.3	74.0	+1.3
Other	(5.6)	(2.7)	-2.9
Adjusted EBITDA	198.7	198.9	-0.2
Capital expenditure	(60.5)	(72.0)	+11.5
Principal element of lease payments	(13.5)	(13.0)	-0.5
Provisions movement	(7.3)	(0.9)	-6.4
Working capital movement	(1.9)	(0.8)	-1.1
Adjusted operating cash flow	115.5	112.2	+3.3
Restructuring	(3.9)	(1.6)	-2.3
Net financing costs	(8.9)	(6.4)	-2.5
Net tax	(32.1)	(9.0)	-23.1
Free cash flow	70.6	95.2	-24.6

Adjusted EBITDA stable year-on-year

Lower capex spend (largely phasing of projects) partly offset by one-off provision outflow

90% operating cash conversion (FY23: 88%)

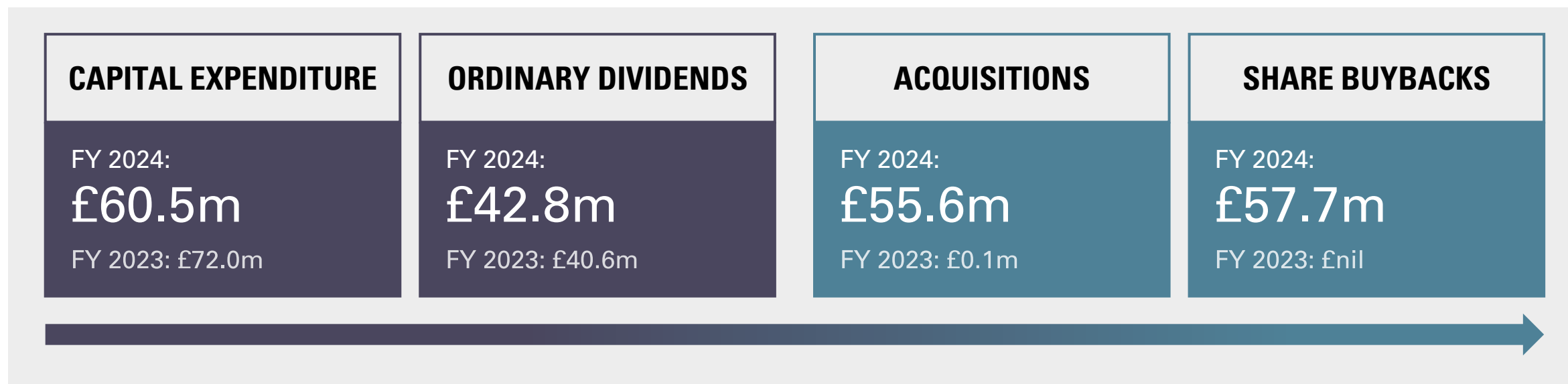
Lower FCF reflects increased cash tax due to non-repeat of prior-year refund

In line with the H1 2024 presentation, prior year cash flow has been restated to:

- Include outflows from expansionary capital expenditure (previously reported below free cash flow); and
- To include the cash impact of lease payments and exclude non-cash additions of right-of-use assets (FY2023 net restatement to FCF of £0.5m)

Disciplined and balanced capital allocation

- Net debt (excluding leases) of £68.3m at year-end; **leverage remains low at ~0.3x net debt/EBITDA**
- Continued capex investment and successful **acquisition of Lake City**
- Return on capital employed **up 90bps to 15.7%** (2023: 14.8%), reflecting continued discipline around investments
- **Over £100m returned to shareholders** via ordinary dividend (£42.8m) and £60m share buyback. Further £30m extension to share buyback announced and underway



Technical guidance

Translational foreign exchange¹	FY 2024	FY 2025 Guidance
Revenue impact	£(24.3)m	~£(7)m
Adjusted operating profit impact	£(4.9)m	~£(1)m

Expected translational FX impacts for FY 2025 based on latest FX rates¹

Other items	FY 2024	FY 2025
Capital expenditure	£60.5m	~£85m
Share-based payment charge	£0.6m	£3-5m
P&L net finance charge	£9.5m	£10-12m
P&L adjusted tax rate	23.8%	~24.5%
Cash tax	£32.1m	~£30m
Weighted average share count	186m	178-179m

2024 capex included phasing benefits; disciplined growth investment planned in 2025

Low level of share-based bonus charge in 2024; return to more typical levels in 2025

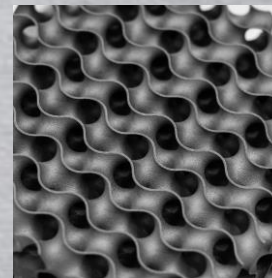
Share count assumes completion of current £30m buyback during H1 at current share price

¹ Impact calculated based on FX rates as of 13/03/2025, including:

- GBP/USD: 1.29
- GBP/EUR: 1.19
- GBP/SEK: 13.20
- GBP/TRY: 47.37

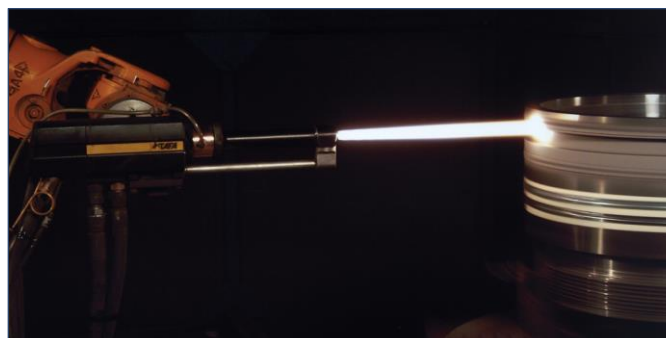
STRATEGY UPDATE.

JIM FAIRBAIRN.



Clear strategy now in place

Two strong platforms with defined focus areas



Specialist Technologies

- Highly differentiated processes
- Leading technology positions
- Growing addressable market

Maximise Growth



Precision Heat Treatment

- Clear market leader
- Global scale & network
- Deep customer partnerships

Quality & Performance

Three clear strategic levers

Optimise



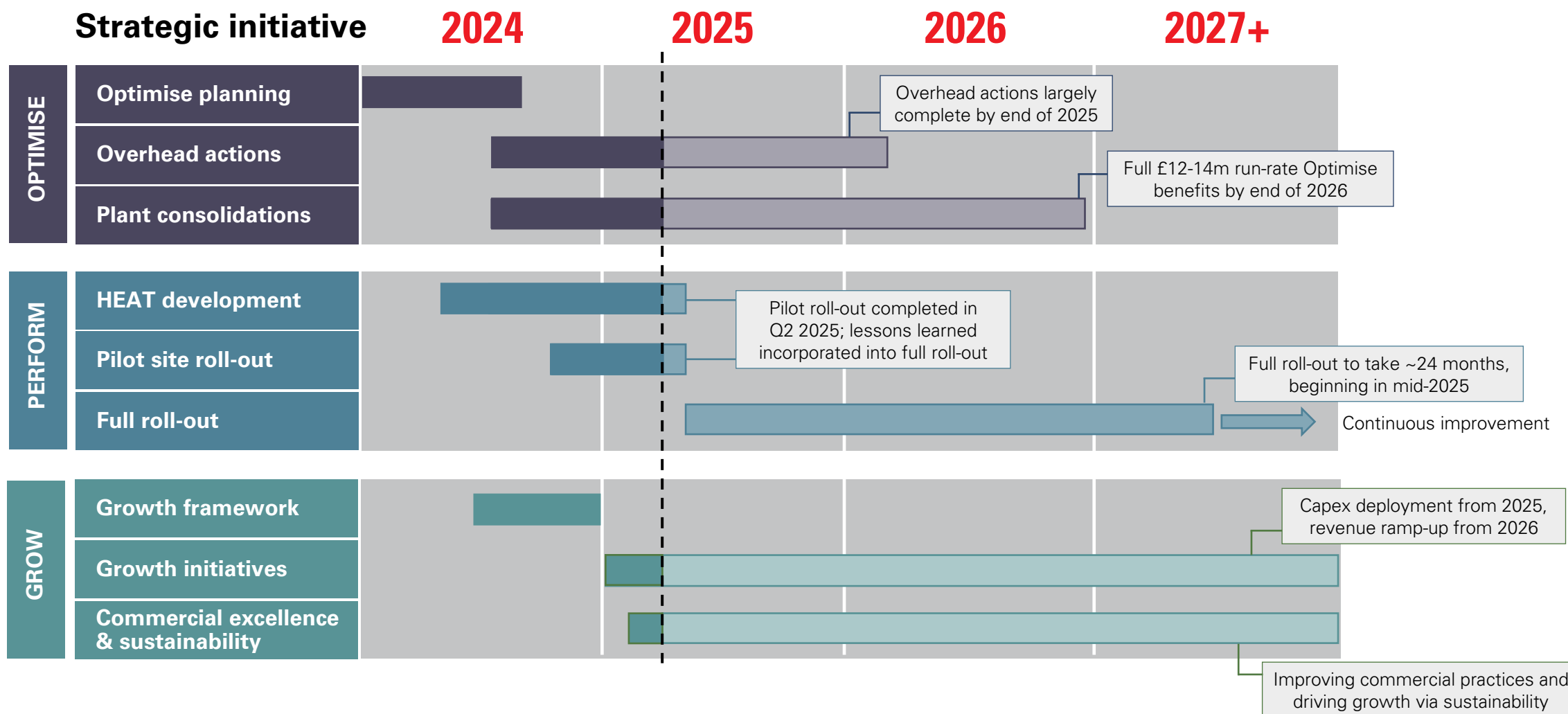
Perform



Grow



Early progress, with acceleration in 2025 and 2026



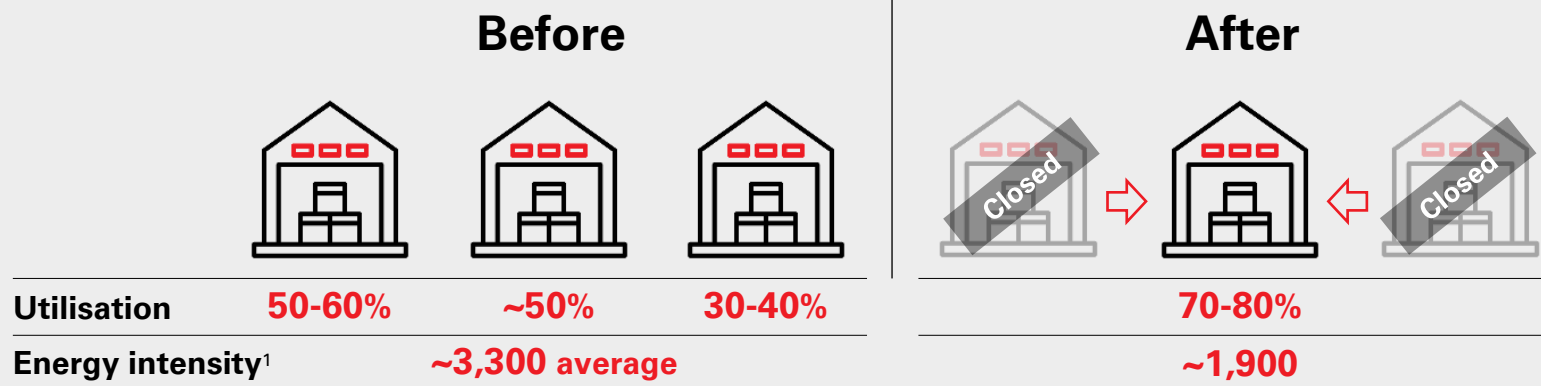
Progressing at pace with footprint optimisation

- Plan to exit non-core activities (retaining a third of revenue at higher margins), and deliver a reduction in overhead costs
- Actions underway, with consolidation commenced at >1/3 of target sites and ~1/3 of overhead reductions completed
- £12-14m recurring profit benefit, with low-to-mid single-digit million delivered in FY 2025 and full run-rate by end of 2026

CASE STUDY

US consolidation - Indiana

- Consolidation of three underperforming sites within ~100-mile radius in Indiana
- High carbon and low differentiation processes exited; higher quality sales transferred



Outcomes:

- ~40% of closed site sales retained
- ~50% equipment reduction
- Improved utilisation
- ~\$1m profit uplift
- 40% lower energy intensity

1. MWh / \$m sales



Improving our performance



HEAT will drive consistent higher quality operational and financial performance

HEAT: Enhanced service quality

- We have a reputation for quality and expertise, but turnaround time, customer experience, and productivity are variable
- We are rolling out **lean problem-solving tools** and training to help local teams to improve performance
- **Early wins being delivered by our pilot programme, with over 10% of sites now enrolled**

CASE STUDY

Productivity improvements in Camas, OR

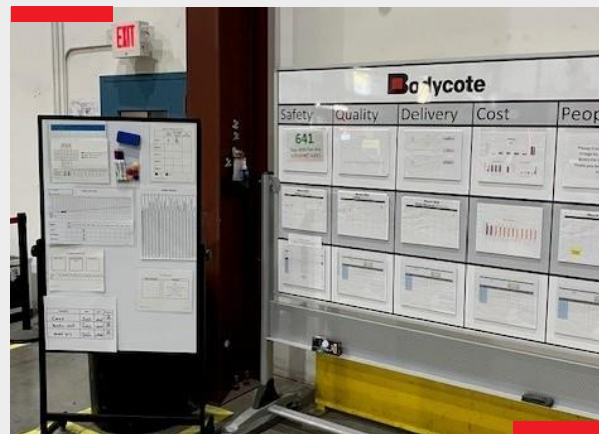
Issue

- Poor customer experience due to lengthy turnaround times

Outcome

- Error proofed working environment
- Turnaround time reduced by 65%
- Cost of quality in cell reduced by 93%

New Daily Management Board



Camas HIP working area

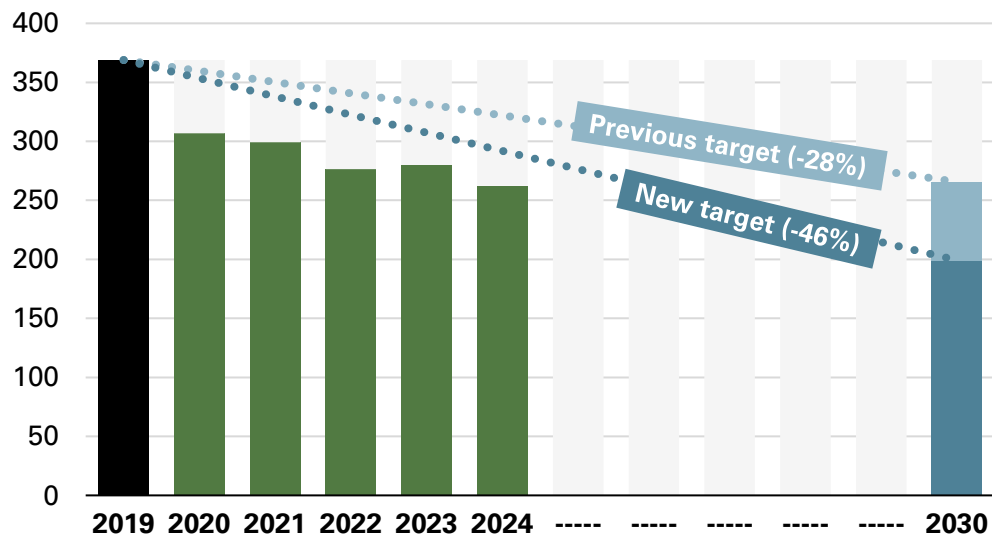


HEAT: Transition to a sustainable future

- 6% reduction delivered in CO₂e emissions in 2024
- Achieved existing SBTi approved target of 28% reduction versus 2019 levels, six years early
- New target set: 46% lower Scope 1&2 emissions by 2030

SBTi progress: reducing our carbon emissions

kt CO₂e (market-based)



CASE STUDIES

Improving our energy efficiency

Furnace Load Optimisation in China

- Optimised furnace efficiency across Chinese sites (load size & cycle time)
- Delivered ~£100k profit benefit and 370 annual tonnes CO₂ saving

Bodycote Kunshan, China



Adiabatic cooling in Derby, UK

- Efficient closed-loop adiabatic cooling system installed
- Replaces evaporative cooling towers
- >£350k p.a. total saving, including ~15% lower site electricity use

Bodycote Derby, UK



Lower energy usage reduces processing cost and enhances our sustainability offering to customers

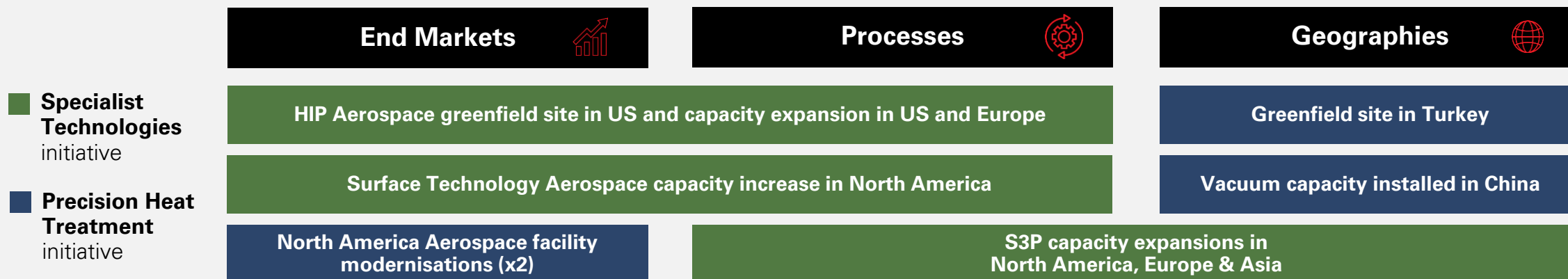


Driving our growth strategy

- Investment focused on target areas with high growth and margin potential, where Bodycote has a strong ability to win
- Organic capital projects either underway or approved to start in the next 6-12 months, aligned to our growth strategy

Ongoing organic investments

Aligned to our target dimensions



- Additional growth boosts from:
 - Aligned M&A:** accelerate growth with selective, attractive acquisitions
 - Commercial excellence:** segment planning, key account management and greater inter-divisional collaboration
 - Sustainability:** carbon calculator now live; sustainability offering discussions underway with multiple customers

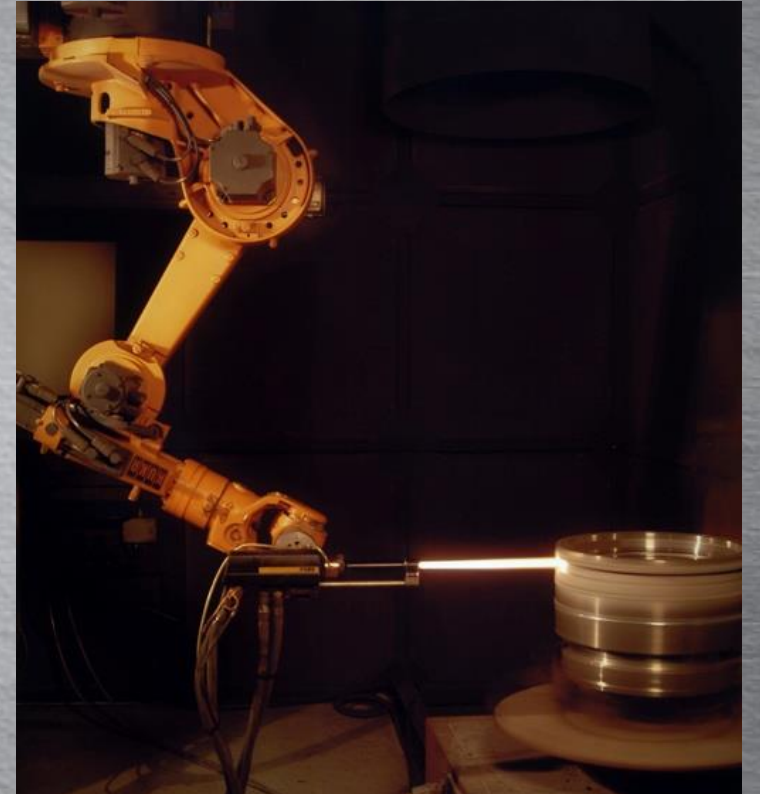
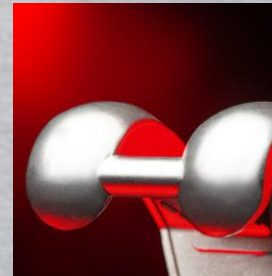
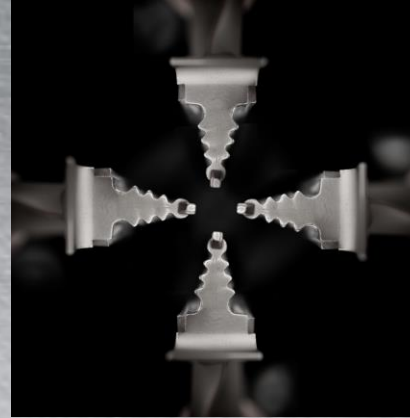
2025 Outlook

All guidance is provided on an organic constant currency basis:

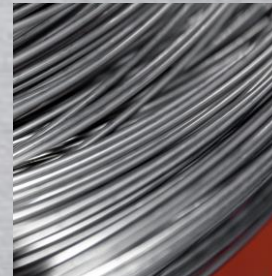
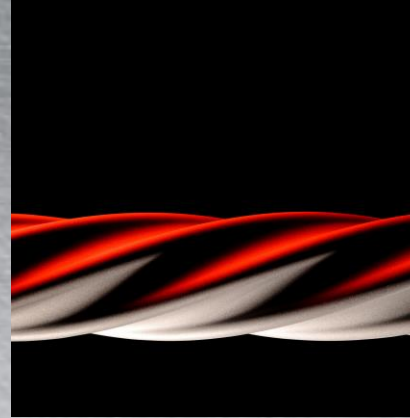
- End markets remain mixed, with challenging conditions in Automotive and Industrial. Structural demand in Aerospace & Defence remains strong, although there continues to be a temporary impact from industry-wide supply chain disruption
- Reflecting this backdrop, current run-rate profit performance is at a broadly similar level to H2 2024. We are successfully executing our Optimisation programme, which will deliver additional profit benefits as we move into H2 2025
- **Our continued focus on cost control and progressing our strategic actions is ensuring we are well positioned to capitalise when markets recover. We remain confident in the delivery of our medium-term financial targets**

Q&A

 **Bodycote**



Appendix

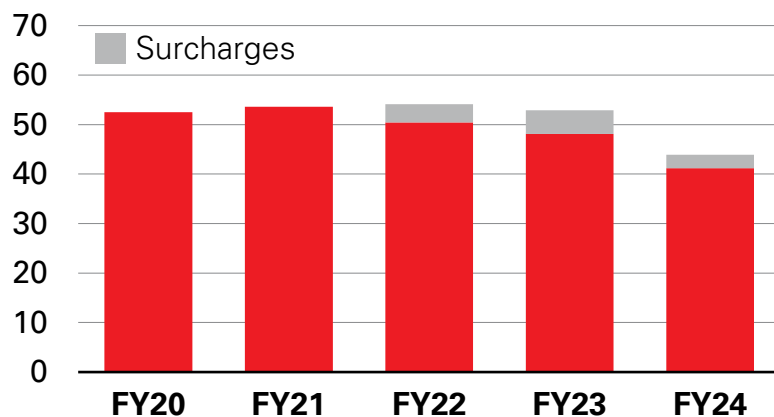


Non-core

Reduced revenue and profitability; Optimise programme underway to exit activity

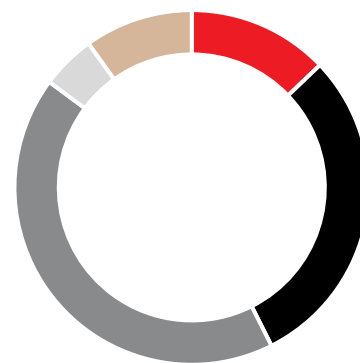
£m	FY 2024	FY 2023	Growth Organic	Growth Total
Revenue	44.6	55.2	-17.1%	-19.2%
Adjusted operating profit	1.4	2.8	-52.7%	-50.0%
Adjusted operating margin	3.1%	5.1%		-200bps

Revenue (constant currency)



- Plan to exit all Non-Core sites as part of the Optimise programme
- Revenue reduction reflects:
 - High exposure to Automotive and Industrial Markets
 - More commoditised processes with greater competition
 - Early impact of first site closures in H2 2024
- Further revenue reduction

FY 2024 Revenue by end market



Organic revenue growth (excluding surcharges)

13%	Aerospace & Defence	▲ 20.1%
30%	Industrial Markets	▼ 15.3%
43%	Automotive	▼ 20.6%
5%	Energy	▼ 32.4%
9%	Consumer, Medical & Other	▼ 1.8%
Total Non-core		▼ 14.4%

FY 2024 Statutory income statement

£m	FY 2024	FY 2023
Revenue	757.1	802.5
Adjusted operating profit	129.0	127.6
Amortisation of acquired intangible assets	(10.4)	(8.1)
Acquisition costs	(2.4)	(0.3)
Exceptional items	(78.3)	-
Operating profit	37.9	119.2
Net finance charge	(9.5)	(7.5)
Profit before taxation	28.4	111.7
Earnings per share (basic)	10.8p	45.1p
Adjusted earnings per share (basic)	48.6p	48.4p

FY 2024 Cash flow statement

£m	FY 2024	FY 2023
Adjusted EBITDA	198.7	198.9
Net capital expenditure	(60.5)	(72.0)
Principal element of lease payments	(13.5)	(13.0)
Provisions movement	(7.3)	(0.9)
Working capital movement	(1.9)	(0.8)
Adjusted operating cash flow	115.5	112.2
Restructuring	(3.9)	(1.6)
Net financing costs	(8.9)	(6.4)
Net tax	(32.1)	(9.0)
Free cash flow	70.6	95.2
Net lease liability additions and disposals	(0.7)	(0.5)
Ordinary dividend	(42.9)	(40.6)
Acquisition spend, net	(55.6)	(0.1)
Ordinary shares purchased for share buyback programme	(57.7)	-
Own shares purchased less share based payments	0.6	(8.1)
(Increase)/decrease in net debt	(85.7)	45.9
Opening net debt	(51.7)	(99.4)
Foreign exchange movements	5.6	1.8
Closing net debt	(131.8)	(51.7)
Lease liabilities	63.5	64.3
Net (debt)/cash excluding lease liabilities	(68.3)	12.6

Cash flow has been restated to:

- Include outflows from expansionary capital expenditure (previously reported below free cash flow); and
- To include the cash impact of lease payments and exclude non-cash additions of right-of-use assets (FY2023 net restatement to FCF of £0.5m)

Foreign Exchange

B/S currency

(at closing rates)

	FY 2024	FY 2023
EUR	1.21	1.15
USD	1.25	1.27
SEK	13.84	12.76
TRY	44.29	37.59

P&L currency

(at average rates)

	FY 2024	FY 2023	% of FY 2024 revenue	Annual revenue sensitivity ¹	Annual profit sensitivity ¹
EUR	1.18	1.15	34%	~£2.5m	~£0.5m
USD	1.27	1.24	36%	~£3m	~£0.4m
SEK	13.50	13.18	7%	~£0.5m	~£0.1m
TRY	41.77	28.37	1%	~£0.1m	~£0.05m

¹ Estimated impact of a 1% change in FX rate on annual revenue and adjusted operating profit

Definitions

Term	Definition
Organic measures	At constant currency, and excluding corporate acquisition and disposal activities from the current and comparative periods
Adjusted operating profit	Operating profit before acquisition costs, exceptional items and amortisation of acquired intangibles
Adjusted profit before tax	Profit before tax, acquisition costs, exceptional items and amortisation of acquired intangibles
Adjusted EBITDA	Earnings before interest, tax, depreciation, amortisation, impairment of fixed assets, profit or loss on disposal of property, plant and equipment, exceptional items and acquisition costs
Adjusted operating margin	Adjusted operating profit divided by revenue
Adjusted operating cash flow	Adjusted EBITDA including working capital movements, provisions, capital expenditure and the principal element of lease payments
Free cash flow	Adjusted operating cash flow less restructuring cash flows, finance costs and taxes paid
Free cash flow conversion	Free cash flow as a percentage of adjusted operating profit
Adjusted EPS	Earnings per share excluding acquisition costs, exceptional items and amortisation of acquired intangible assets
RCF	Revolving Credit Facility
Exceptional items	Significant (by virtue of size or incidence) events or transactions including, but not limited to, impairment charges, costs associated with significant restructuring and reorganisation costs and other one-off items