



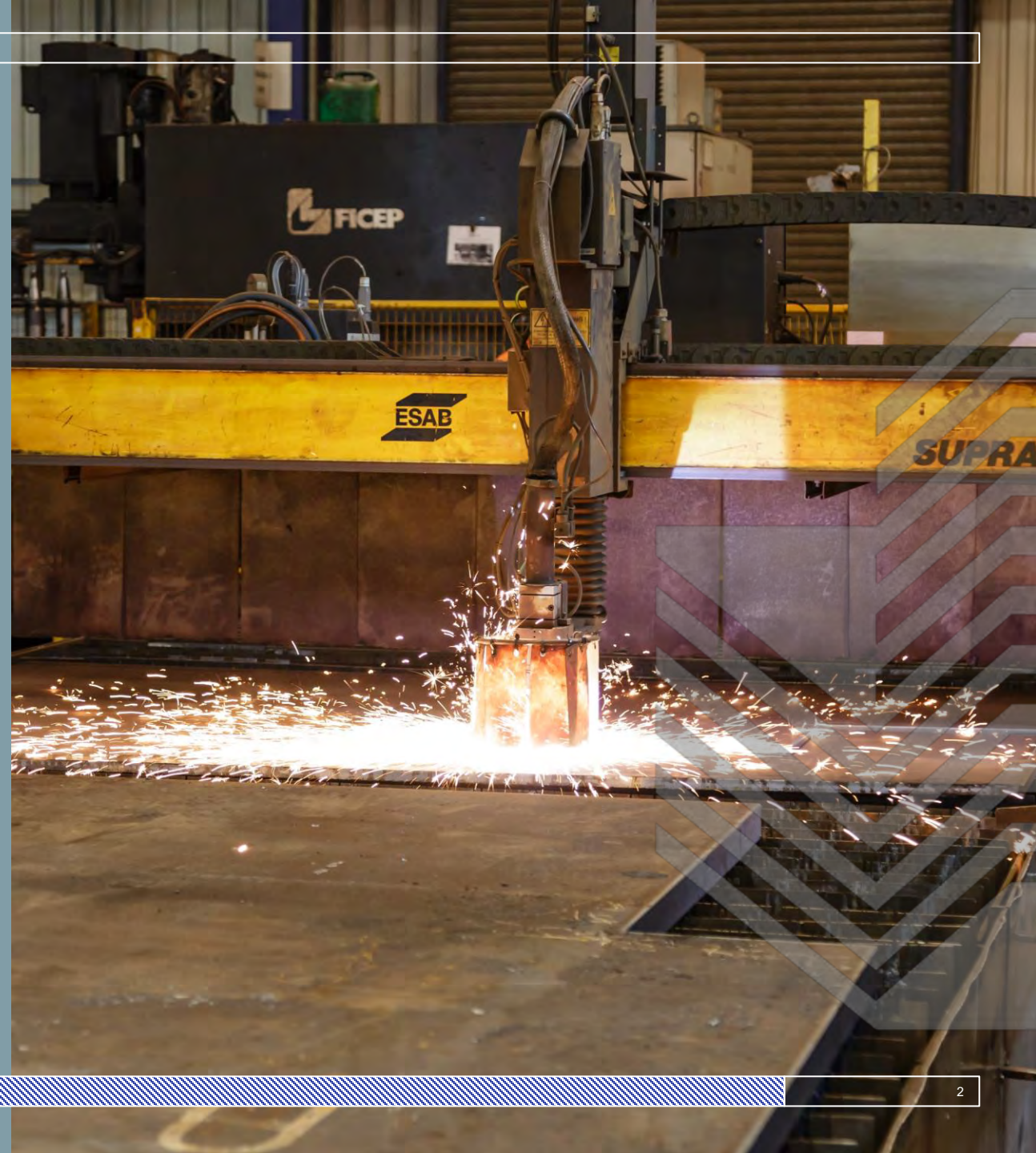
Severfield

Annual General Meeting

3 September 2020



AGM Statement





Alan Dunsmore

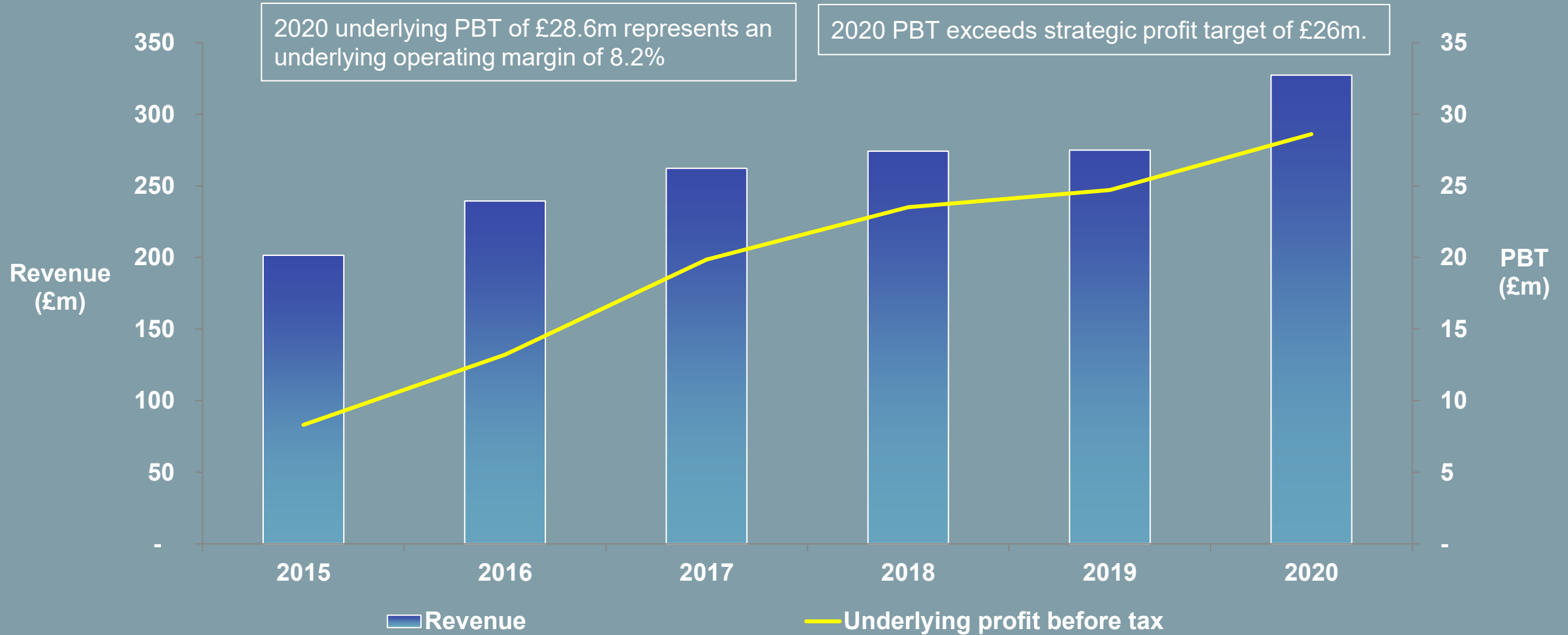
Chief Executive Officer



Highlights

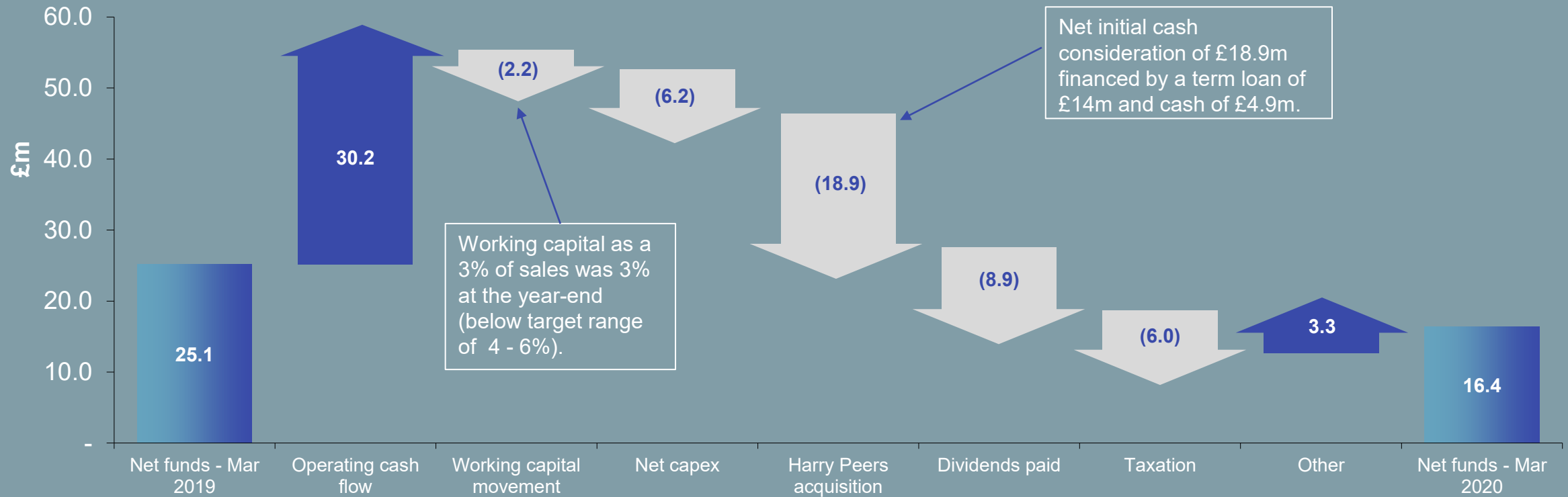
- Revenue up 19% at £327.4m – a ten year high for the Group
- Underlying profit before tax up 16% to £28.6m – ahead of strategic 2020 profit target of £26m
- Acquisition of Harry Peers for initial consideration of £18.9m, with contingent consideration of up to £7m payable in FY21
- Good cash generation resulting in net funds of £16.4m including outstanding acquisition loan of £13.1m for Harry Peers
- UK and Europe order book of £270m
- Share of profit from India up 80% at £2.2m, reflecting both revenue and margin growth
- India order book of £94m, factory expansion now complete
- Underlying basic EPS up 15% at 7.7p
- Total dividend increased by 4% to 2.9p per share

Revenue and profit



Cash flow

Net funds bridge – year ended 31 March 2020



Market sectors



Power and energy



Stadia and leisure



Health and education



Industrial and distribution



Nuclear



Retail



Commercial



Transport



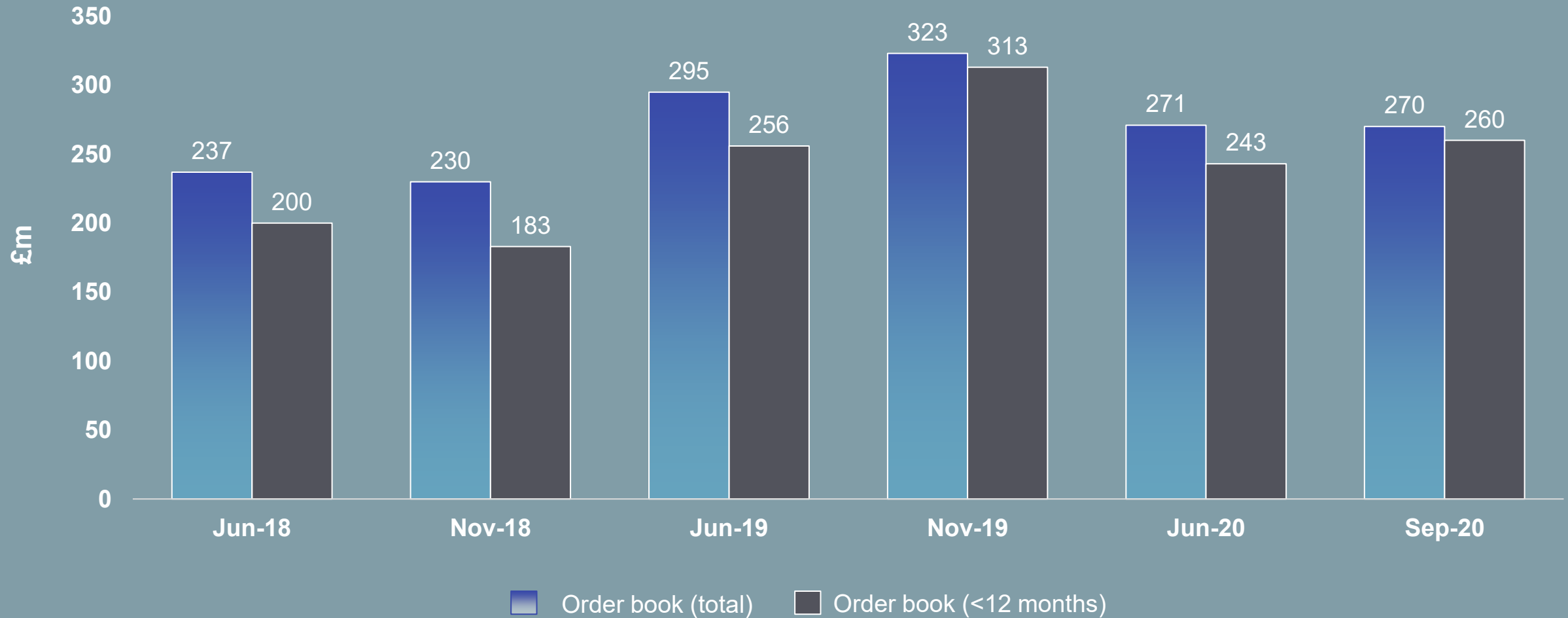
Data centre and other



Process industries



High quality UK and Europe order book



Current major projects

Endorsing Severfield's leading market position

103 Colmore Row Birmingham



ESS Lund Sweden



Logistics Operations Centre Solihull



Data Centre Dublin



Bankside Yards London



Current major projects

Endorsing Severfield's leading market position



Google Headquarters King's Cross London



Lord's Cricket Ground London



Unity Square Nottingham



Fulham Football Club Riverside Stand Development London



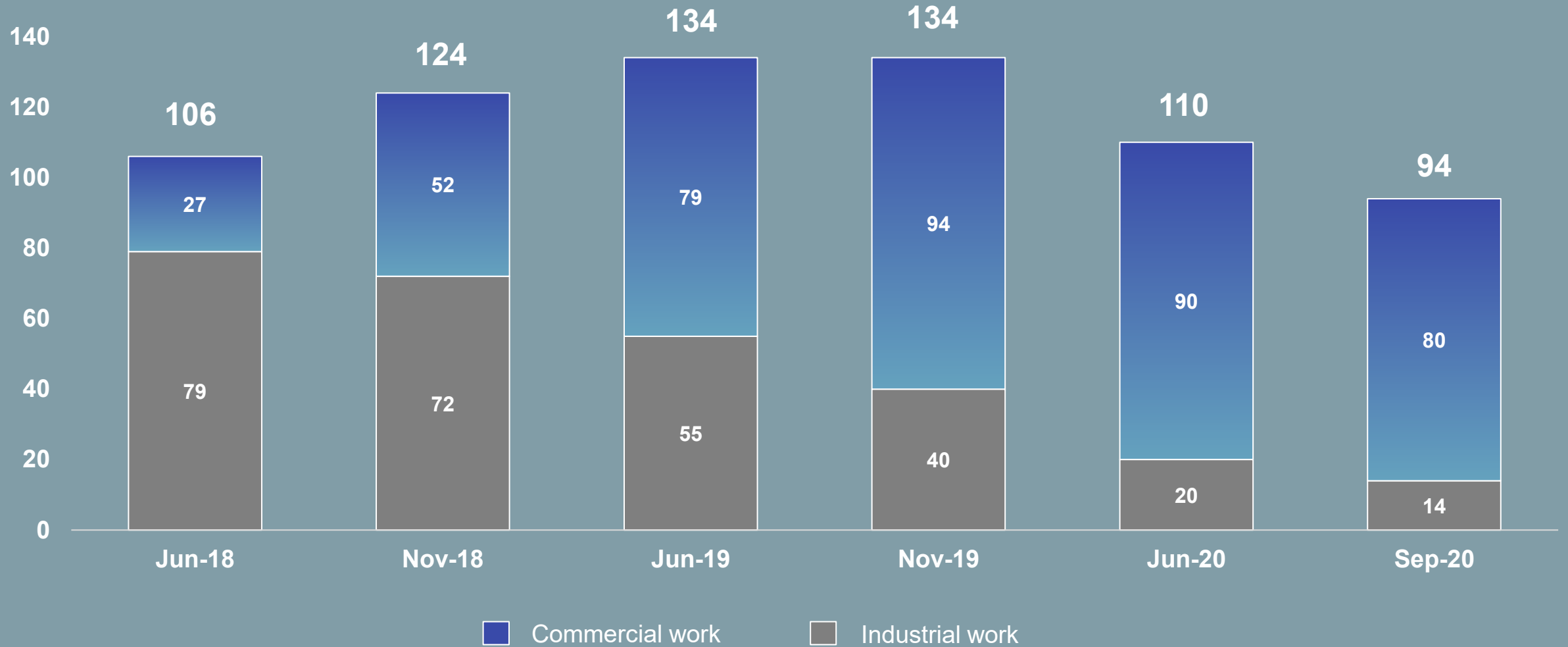
One Sherwood Street London



India - overview

- Strong FY20 results reflecting further expansion of the business and margin improvement
- Good order pipeline which includes a number of commercial projects for key developers and established clients
- Expansion of Bellary factory is now complete
- COVID-19 is disrupting operations in FY21
- Share of steel in construction remains well below other developing countries which will benefit long term development of Indian market
- We remain positive about the long term value creation potential of JSSL, given ongoing political, commercial, social changes and the government's focus on simplifying regulation, and expansion of the business to date

India order book



Current major projects - India



IKEA Bengaluru



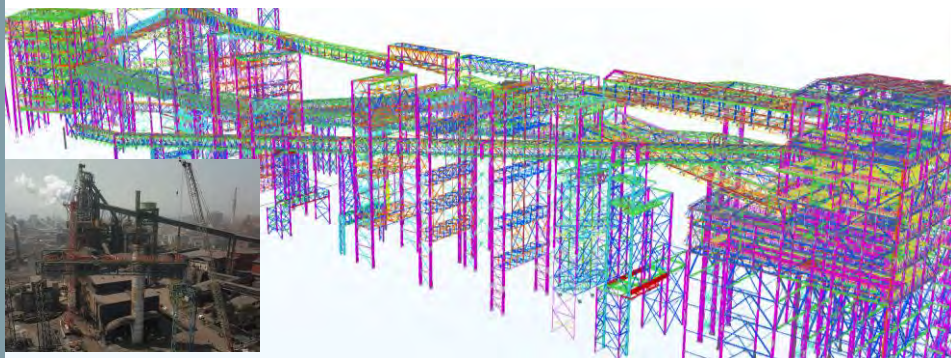
Phoenix BHUB Hyderabad



Sattva Knowledge Park Hyderabad



JSW RMHS II Dolvi



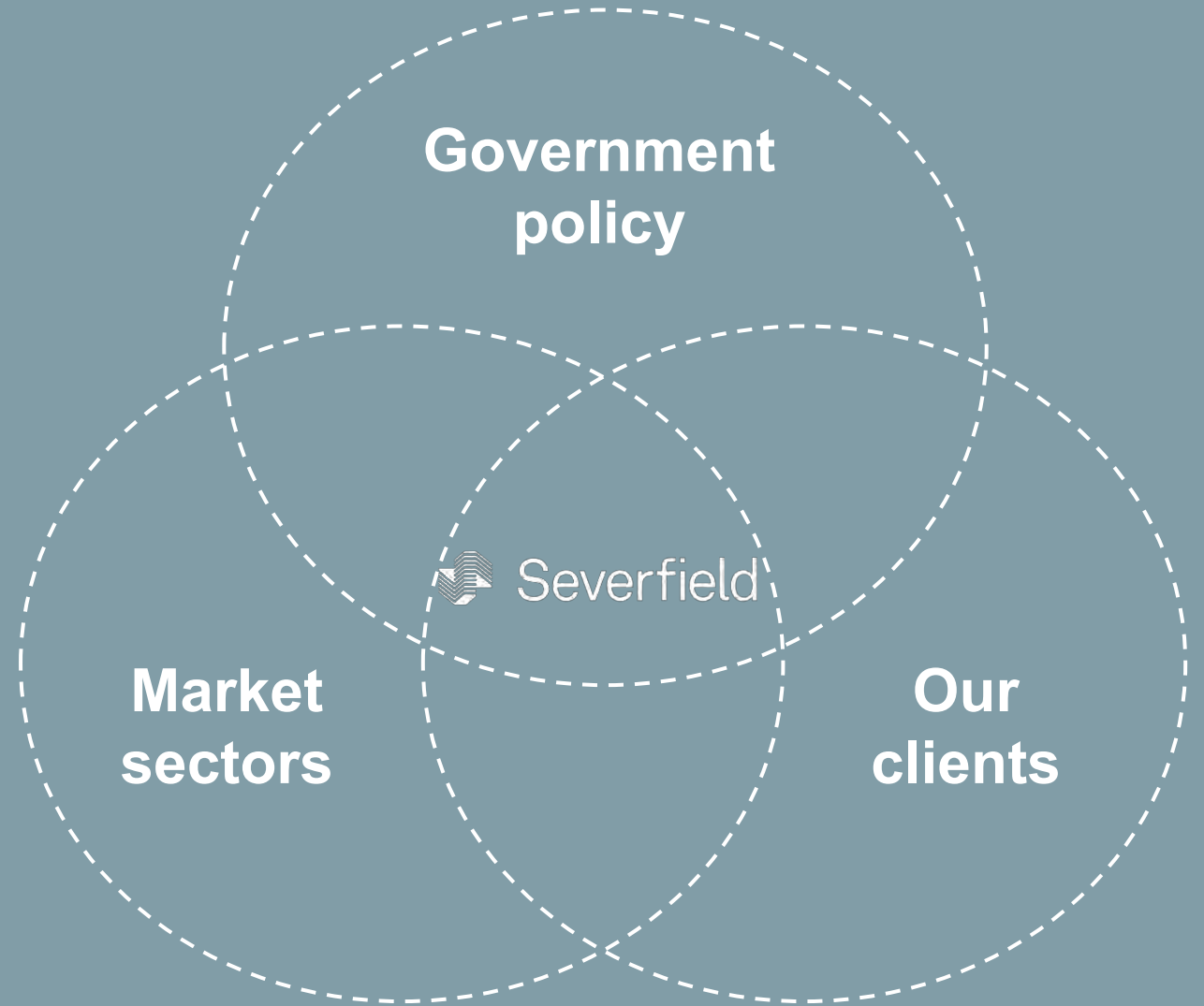
Phoenix Centaurus Hyderabad



Responding to the 'new normal'



Our capability and agility to respond to the post COVID-19 market dynamics is greater than it has ever been before



Driving future growth

New revenue streams

- Acquisition of Harry Peers
 - Nuclear, process industries and power sectors
 - Capability in modular steel offerings
- European business
 - First contract (ESS Lund) in delivery phase
 - Developing its high-quality pipeline
 - Assisting UK operations with European work
- Severfield (Products & Processing)
 - Orders being delivered to expanding customer base
 - Focus on further developing pipeline of opportunities
 - New 'Severstor' and 'Seversilo' product ranges added
- Residential solution – several potential opportunities but longer gestation period
- CMF – more cold rolled products

Smarter, Safer, more Sustainable

- 'SSS' operational improvement initiatives form part of continuous improvement cycle, with increased focus on manufacturing efficiency
- Innovation
- Systems
- People
- Risk management, control and safety



Summary

- Strong annual results with:
 - Increased revenue
 - Excellent profit growth – exceeding strategic profit target
 - Good cash generation
- Continued progress with ‘SSS’ initiatives with an increased focus on manufacturing efficiency
- Acquisition of Harry Peers

