

An aerial photograph of the London skyline at sunset. The sun is low on the left, casting a warm orange glow over the city. The River Thames flows through the center. The Shard is the most prominent building on the left. Other notable buildings include the London Eye, the Gherkin, and the Tate Modern. The foreground shows residential areas with trees and houses.

Severfield plc Interim Results

27 September 2025



SEVERFIELD PLC
FY26 INTERIM RESULTS

HEADLINES





Headlines

- Revenue of £206.0m (H1 2025: £252.3m)
- Underlying profit before tax of £0.6m (H1 2025: £16.1m) reflects lower volumes and challenging market conditions
- Diversified UK and Europe order book of £429m at 1 November (1 July: £444m), of which £324m is for delivery over the next 12 months
- The Group has good visibility over H2 revenues through orders already secured in the order book
- Reduction in period-end net debt (on a pre-IFRS 16 basis) to £21.7m (29 March 2025: £43.1m), includes amortising term loans of £13.8m. Receipt of £20.0m insurance proceeds in the period
- Bridge remedial works programme progressing in line with expectations



New executive management team



Paul McNerney, CEO

- Over 25 years' experience in the construction and engineering sector
- Held multiple senior executive roles at Laing O'Rourke, including MD of the £1.3bn UK construction business
- Member of the CBI President's Committee
- Proven track record in leading complex, large-scale direct-delivery businesses and delivering major building projects
- Passionate about the transformative impact the built environment has on society and focused on engineering excellence



Jan Bramall, Interim CFO

- Former CFO of Manchester Airports Group
- Held senior finance leadership roles at leading global engineering and industrial companies, including Laing O'Rourke, Tyco International and Johnson Controls
- Extensive background in major UK infrastructure programmes and large-scale transformation

Focused on redefining the strategy – prioritising enhanced delivery capability, greater efficiency, and continued engineering excellence for our customers



Financing and funding update

- Successful amendment and extension of banking facilities until December 2027 – provides enhanced liquidity and financial flexibility
- Share purchase option agreement with JSW Steel to sell up to 24.9% of JSSL for up to £20m – provides financial flexibility
- Half year liquidity headroom of £52m – Net debt of £22m
- Continued focus on cash generation and conservation:
 - Careful working capital management
 - Reduction in planned capex and disposal of the unused Bolton factory
 - Bridge insurance settlement now received (£20m)
 - Suspension of interim dividend – we recognise the importance of the dividend to shareholders and remain committed to resuming payments as soon as it is appropriate to do so



Bridge remedial works

- The issue did not affect the safety of any bridges
- Bridge remedial works programme progressing in line with expectations and a number of bridges were completed and signed off during the period
- There has been no change to the overall cost of the testing and remedial programmes
- Additional non-underlying charges reflect prudent provisions for client related costs and liquidated damages ('LDs') – we continue to work constructively with clients, and we plan to mitigate these costs where possible



Current market backdrop

- Market for structural steelwork in UK & Europe remains subdued in most sectors:
 - Competitive bidding environment continues to drive tighter prices
 - Tendering activity is improving, mainly in the distribution and data centre sectors
 - We continue to see some attractive large-scale projects coming to market, particularly for FY27 and beyond
- Our position as the UK's largest and most diverse structural steelwork specialist provides a strong competitive advantage – with a renewed focus on our engineering excellence and how we can further differentiate from our competitors
- We remain well-positioned to win work in markets with excellent longer-term growth opportunities, including within Energy and Infrastructure
- Significant growth opportunities in India – expansion plans are on track – very encouraging outlook for structural steel
- The recent budget has reaffirmed the UK Government's commitment to infrastructure spending



SEVERFIELD PLC
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FINANCIALS





Group

£m

	H1 FY26	H1 FY25	Change
Revenue	206.0	252.3	-18%
Underlying operating profit (before JVs and associates)	2.3	17.2	-87%
Results of JVs and associates	0.7	0.4	+76%
Net finance expense	(2.4)	(1.5)	-64%
Underlying profit before tax	0.6	16.1	-96%
Tax	(0.0)	(3.9)	+3.9
Underlying profit after tax	0.6	12.2	-95%



Core construction

£m	H1 FY26	H1 FY25	Change
Revenue	199.3	247.2	-19%
Underlying operating profit	3.4	17.1	-80%
Underlying profit before tax	3.4	17.1	-80%
Revenue:			
Commercial and Industrial (C&I)	143.6	205.0	-30%
Nuclear and Infrastructure (N&I)	55.7	42.2	+32%

Revenue: C&I – decreased industry demand resulting in lower levels of output in H1 – H2 volumes expected to be higher
N&I – increased activity levels reflecting larger orderbook coming into the year

Operating profit: Lower profits reflect tighter pricing and subdued market conditions



Modular Solutions

£m	H1 FY26	H1 FY25	Change
Revenue	9.6	9.8	-2%
Underlying operating profit /(loss)	(1.1)	0.1	-£1.2m
Share of profit/(loss) of CMF	(0.3)	0.3	-£0.6m
Underlying profit/(loss) before tax	(1.4)	0.4	-£1.8m

Revenue: broadly consistent with last year but lower than expected due to client driven delays on a number of Severstor projects

Operating profit/(loss): lower profitability reflects the delay to higher-margin Sevestor projects and the resultant sub-optimal mix of work which has driven lower factory overhead recoveries

CMF: loss making position reflects lower volumes driven by subdued market conditions in the SC&I division



India

£m	H1 FY26	H1 FY25	Change
Revenue	65.8	49.3	+16.5
EBITDA	6.0	3.8	+2.2
Operating profit	4.6 7.1%	2.5 5.1%	+2.1
Finance expense	(2.1)	(2.5)	+0.4
Profit before tax	2.5	-	+2.5
Group share after tax (50%)	1.0	0.1	+0.9

- Higher revenue and profit driven by increased activity – supported by a strong opening order book and a favourable product mix
- Output increased to 48,000 tonnes and increased output expected in H2
- Orderbook continues to grow (£286m) – with a strong mix of commercial work 80%



Non-underlying items

£m

Cash impacting items:

Bridge testing and remedial costs (net of insurance)

Other bridge-related costs

Refinancing costs

Other

Legacy employment tax (credit)/charge (including interest)

H1 FY26

H1 FY25

FY25

-	20.4	23.4
3.3	-	9.1
1.4	-	-
2.1	-	2.9
-	0.1	(1.4)
6.9	20.5	34.0

Non-cash impacting items:

Amortisation of acquired intangible assets

Other credits

1.3	1.3	2.6
-	0.1	(1.0)
1.3	1.4	1.6
8.2	21.9	35.6

Total non-underlying items

- Other bridge related costs include provisions for client contra charges and LDs
- Refinancing costs relate to banking facility extension in July 2025

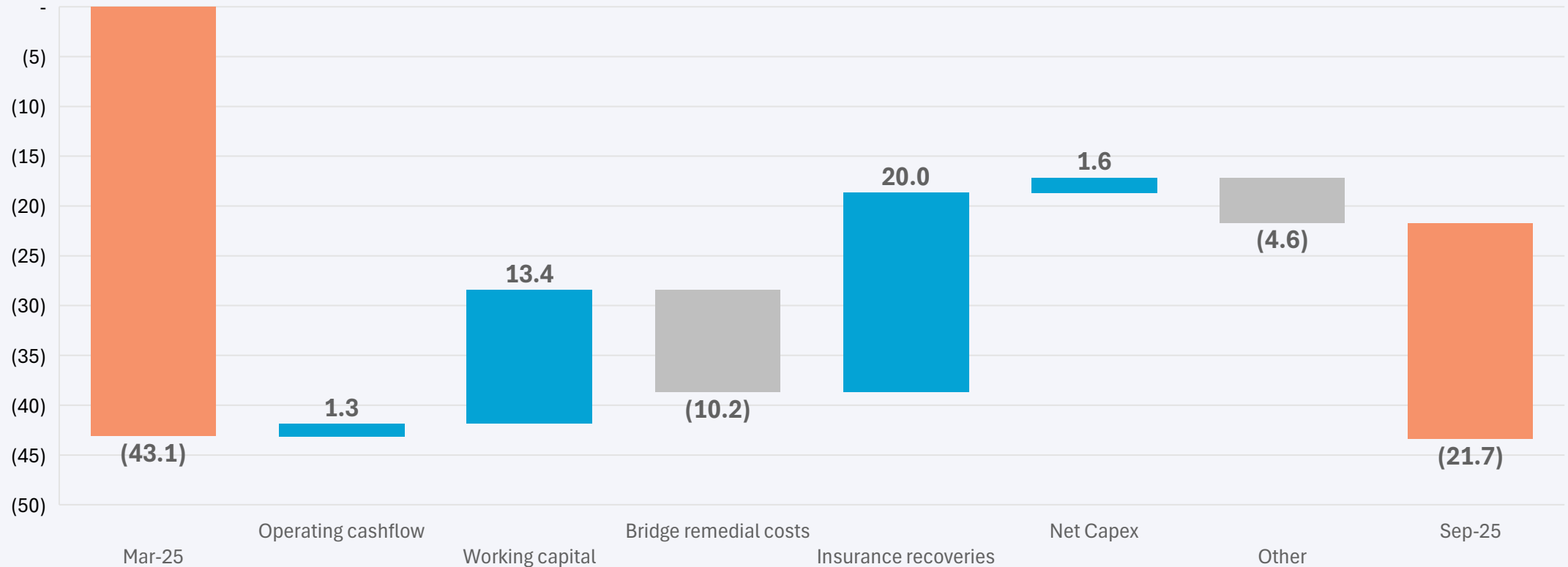


Balance sheet

£m		27 Sept 2025	29 Mar 2025
Non-current assets		248.5	254.3
Current assets	Inventories	10.0	11.8
	Trade and other receivables	85.6	116.5
	Cash and cash equivalents	32.0	15.5
	Current tax asset	3.6	2.8
		131.2	146.6
Total assets		379.7	400.9
Liabilities	Trade and other payables	(113.8)	(120.2)
	Borrowings (includes IFRS 16 leases)	(73.4)	(79.3)
	Retirement benefit obligations	(5.0)	(6.9)
	Deferred tax liabilities	(11.3)	(11.5)
		203.5	217.9
Net assets		176.2	183.0



Net debt bridge



- Working capital inflow of £13.4m (excluding bridge remedial costs and insurance) – reflects expected unwind of contract investment
- Bridge remedial cash costs of £10.2m incurred in H1 FY26
- Insurance proceeds of £20.0m received in July 2025



SEVERFIELD PLC
FY26 INTERIM RESULTS

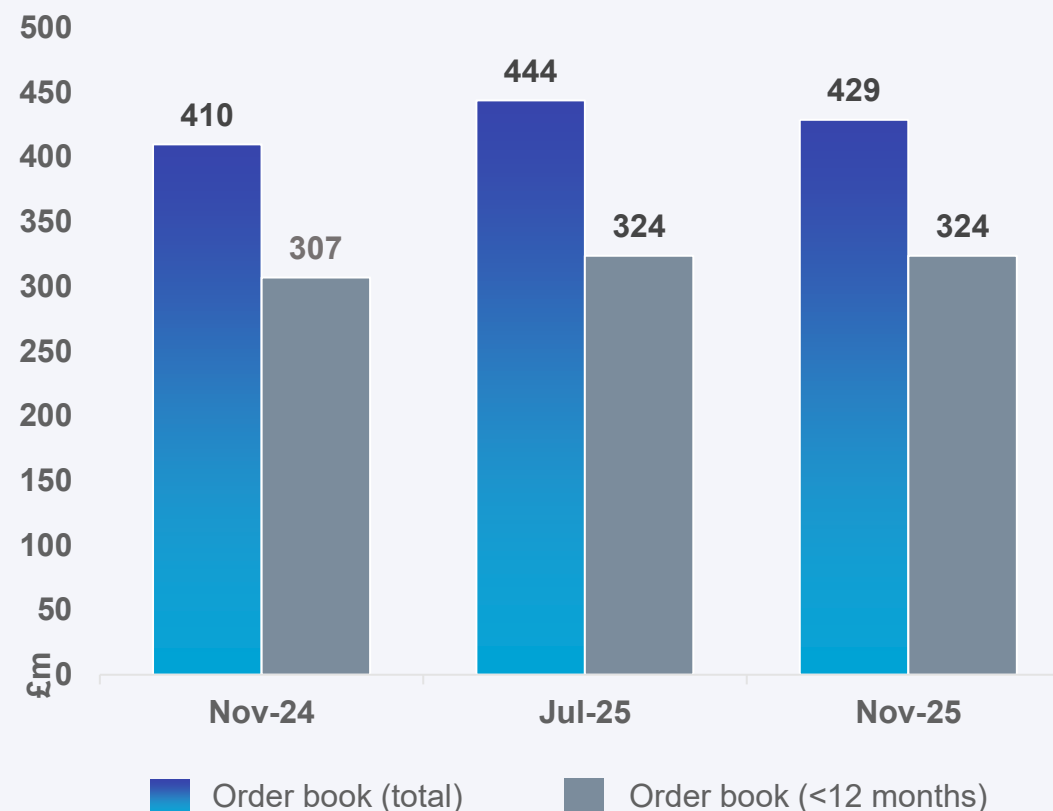
UK AND EUROPE





Diversified UK and Europe order book

Divisional mix (£m)	Nov-25	Jul-25
Group	429	444
Commercial and Industrial	202	214
Nuclear and Infrastructure	220	224
Modular Solutions	5	6
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UK	78%	78%
Europe and Ireland	22%	22%





Commercial and industrial Order book

	Nov-25 £202m	Jul-25 £214m	Future trend for Severfield
Commercial offices	31%	35%	▲
Industrial	24%	35%	■
Data centres and other	27%	26%	▲
Distribution	16%	2%	▲
Stadia and leisure	—	1%	▲
Health and education	2%	1%	▲
TOTAL	100%	100%	
UK	61%	61%	
Europe and Ireland	39%	39%	

- Increased tendering activity across all sectors
- Continued strong European order book – growing European delivery capabilities, with multiple projects successfully delivered over the past 12 months
- Opportunities for data centres driven by AI – with significant demand across UK and Europe

Group strengths

- Our position as the UK's largest and most diverse structural steelwork specialist provides a strong competitive advantage
- Large and complex projects align with our core strengths in engineering excellence and proven operational execution



Nuclear and Infrastructure

Order book

	Nov-25 £220m	Jul-25 £224m	Future trend for Severfield
Transport infrastructure	46%	48%	▲
Nuclear	22%	23%	▲
Power and energy	21%	19%	▲
Process Industries	11%	10%	■
TOTAL	100%	100%	

- Government is committed to growing the UK economy through infrastructure spend
- Pipeline of opportunities in energy (including nuclear), transport and defence
- Offshore wind – Hornsea 3 (Ørsted) is a major step into renewables market – more near-term opportunities

Group strengths

- Capabilities aligned with UK infrastructure growth requirements
- Proven end-to-end delivery for complex projects
- Extensive experience in regulated Nuclear sector
- High-quality, precision engineering for Nuclear-grade tolerances



SEVERFIELD PLC
FY26 INTERIM RESULTS

INDIA





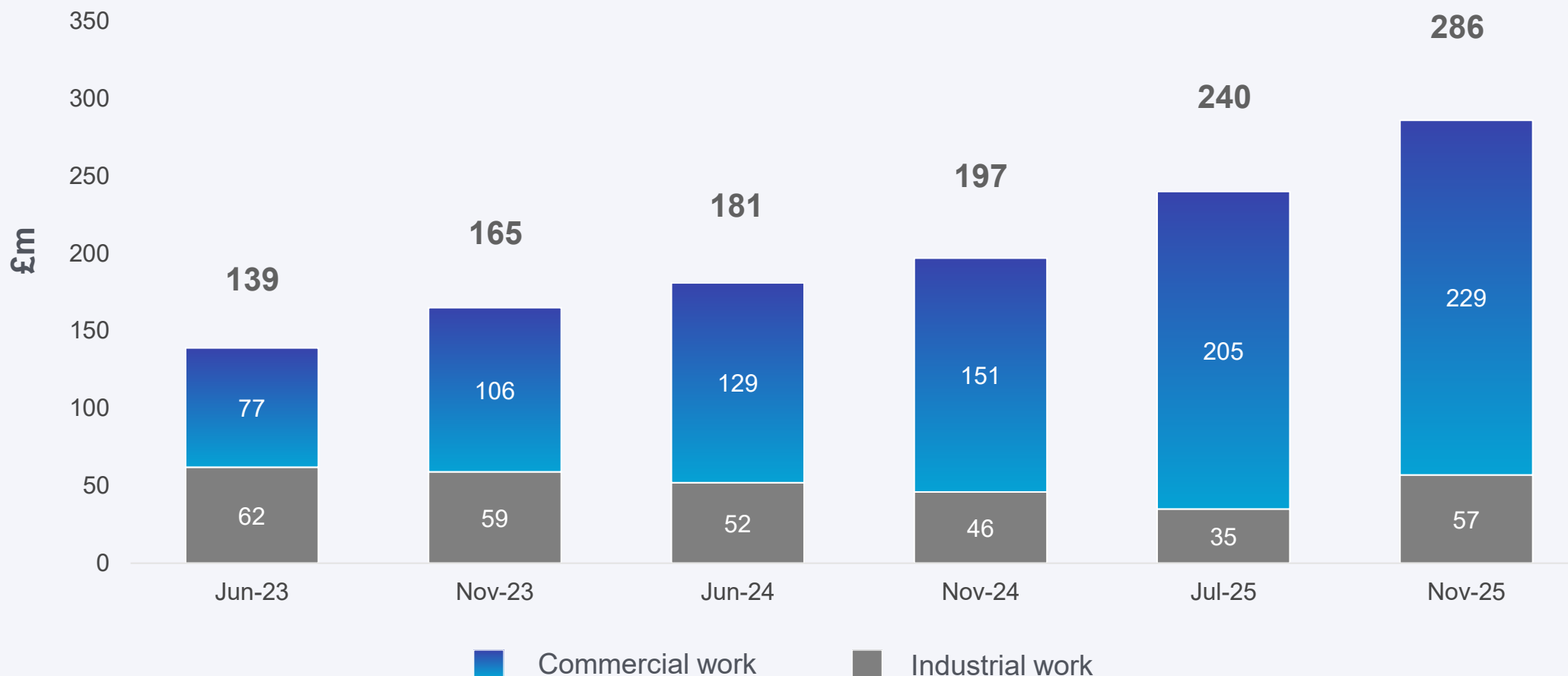
Building value in India

- Record order book of £286m with a strong pipeline of high-quality projects
- Expansion at new Gujarat site is underway – new production facilities expected to be operational in H2 FY26 – in-house capacity increase to 184,000 tonnes
- India's economy is forecast to rise to over \$7 trillion by 2030 and is on track to become the world's third-largest economy by that time
- Sustained GDP growth of c. 6-7% per annum over that period – the construction sector, including steel usage, remains a key growth driver
- The steel sector is expected to benefit significantly from government infrastructure programmes and urbanisation, with demand projected to increase significantly
- JSSL's increased capacity, technical expertise, and strong project delivery record, position it well to capitalise on the significant growth in demand



Record Indian order book

Record order book growth and a strong commercial mix provide increased visibility on future earnings





Summary

- Structural steelwork market remains subdued, but tendering activity has strengthened, particularly in data centre and distribution sectors
- Continued support from governments for infrastructure spend in the UK and Europe
- Pricing remains competitive, though increased activity is supporting gradual improvement
- Order books remain large, well diversified, and good visibility for H2 and into FY27
- Bridge remedial programmes progressing to plan and in line with expected costs
- Net debt and liquidity position improved; banking facilities extended to December 2027
- Expansion in India advancing well, with new production facilities expected to be operational in H2 FY26



Outlook

- Executive team strengthened with significant sector expertise
- New leadership team focused on redefining strategy – prioritising enhanced delivery capability, greater efficiency, and to bring an absolute focus on engineering excellence for our customers
- Our position as the UK's largest and most diverse structural steelwork specialist remains a strong competitive advantage
- We continue to see attractive large-scale projects coming to market, particularly for FY27 and beyond
- Well positioned to win work in structurally growing energy and infrastructure markets, reinforced by continued government commitment to long-term infrastructure spending
- Very encouraging outlook for India and significant value creation opportunities
- Expectations for FY26 are unchanged



Q&A



Appendices



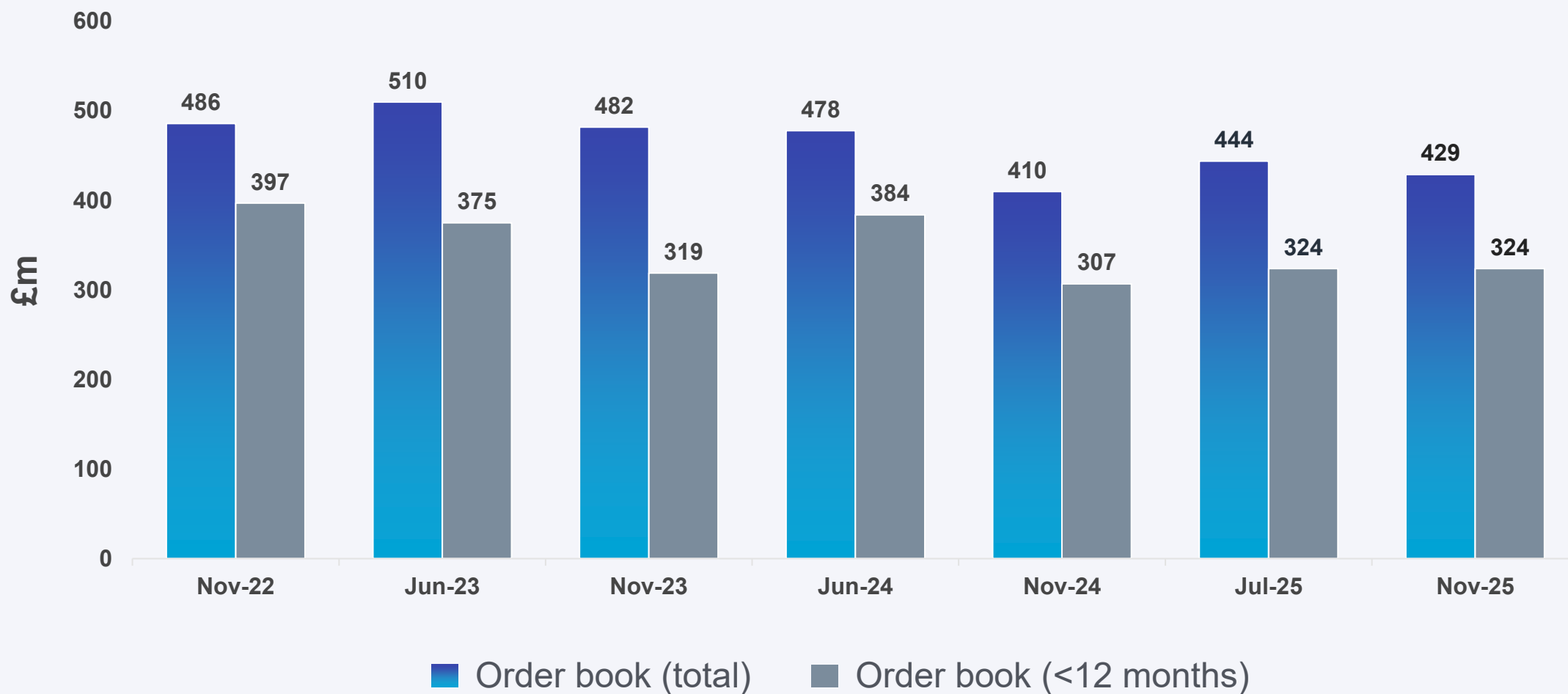
Severfield at a glance

- UK and Europe's leading structural steel group
 - UK steel market: circa 900,000 tonnes
 - Strong market position in Europe
 - Fabrication facilities offer c.150,000 tonnes capacity
 - Established blue chip client base
 - Reputation for high-quality service and delivery
 - High barriers to entry
- Delivering on well-defined strategic goals and performance targets
 - Strategy unchanged – based on growth, both organic and through selective acquisitions
 - Good momentum with digital transformation (Project Horizon), operational improvements and ESG initiatives
 - Market sector, geographical and client diversity
- Strong shareholder returns profile
 - Cash generative business model
 - Strengthened balance sheet position
 - Progressive dividend policy
- Track record of consistent and resilient performance





Diversified UK and Europe order book





India: increasing demand in target sectors





Shareholder analysis summary

JO Hambro Capital Management	13.17%
M&G Investment Management	9.53%
Artemis Investment Management	7.80%
Unicorn Asset Management	6.63%
Aberforth Partners	6.20%
Chelverton Asset Management	5.75%
Hargreaves Lansdown Asset Management	4.50%
Interactive Investor Services	4.31%
Threadneedle Asset Management	3.15%
Jupiter Asset Management	2.80%