Severfield

CREATING BETTER WAYS TO BUILD, FOR A WORLD OF CHANGING DEMANDS

Severfield plc
Interim results for the period ended 27 September 2025

DIRECTORS:

Paul McNerney
Chief Executive Officer
(Appointed 3 November 2025)

Jan Brammall
Interim Chief Financial Officer
(appointed 1 November 2025)

Alan Dunsmore
(resigned from the Board 30 June 2025)

Adam Semple
(resigned from the Board 31 October 2025)

Charlie Cornish
Chair
Non-executive chair

Mark Pegler
Senior independent director and chair of the audit committee

Cynthia Gordon
Non-executive director and chair of the remuneration committee

Ian McAulay
Non-executive director

Janice Crawford
Non-executive director and workforce engagement director

Secretary and registered office
Mark Sanderson
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Registered number 1721262
Registered in England and Wales

Interim results for the period ended 27 September 2025

Diversified order books support unchanged expectations for FY26, improved net debt position, well-positioned in markets with positive long-term growth trends

Severfield plc, the market-leading structural steel group, announces its results for the six-month period ended 27 September 2025.

£m	H1 2026 (unaudited)	H1 2025 (unaudited)	Change
Revenue	206.0	252.3	-18%
Underlying[1] operating profit (before JVs and associates)	2.3	17.2	-87%
Operating loss (before JVs and associates)	(5.9)	(4.6)	(1.3)
Underlying[1] profit before tax	0.6	16.1	-96%
Loss before tax	(7.6)	(5.8)	(1.8)
Underlying[1] basic earnings per share	0.2p	4.0p	(3.8p)
Basic loss per share	(1.9p)	(1.4p)	(0.5p)
Interim dividend per share	-	1.4p	(1.4p)

Headlines

- 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
- Underlying[1] profit before tax of £0.6m (H1 2025: £16.1m) reflects lower volumes and challenging market conditions
- Reduction in period-end net debt (on a pre-IFRS 16 basis[2]) to £21.7m (29 March 2025: £43.1m), includes amortising term loans of £13.8m
- Bridge remedial works programme progressing in line with expectations; receipt of £20.0m insurance proceeds
- Improved H1 results and continued strategic progress in India – record JSSL order book of £286m at 1 November (1 July: £240m), new production facilities in Gujarat expected to be operational in FY26
- Revolving credit facility extended to December 2027, alongside share purchase option agreement with JSW Steel, provides enhanced liquidity and financial flexibility
- New executive management team to drive future growth

Outlook

- UK and Europe:
  - Market for structural steelwork remains subdued and competitive bidding environment continues to drive tighter prices
  - Tendering activity is improving, principally in the distribution and data centre sectors
  - We continue to see some attractive large-scale projects coming to market, particularly for FY27 and beyond
- India: we are well-positioned to take advantage of significant growth opportunities, with new markets being targeted, and a very encouraging outlook for structural steel
- New Strategy and Transformation Director appointed to support future growth
- We remain well-positioned to win work in markets and sectors with excellent longer-term growth opportunities, including within Energy and Infrastructure
- The Group has good visibility over H2 revenues through orders already secured in the £429m order book
- Management expectations for FY26 are unchanged

Paul McNerney, Chief Executive Officer commented:

"I am delighted to have joined Severfield at a pivotal time in its journey. The Group has a proud heritage, strong values and deep technical capability, underpinned by resilient core operations across a diversified range of market sectors. I have worked with Severfield closely throughout my career, including most recently at the Bramley-Moore Dock Stadium in Liverpool, and I know first-hand that our teams can deliver a world class service for our customers."

"Since joining, I have initiated a strategic review of our markets, operations and organisational structure and I look forward to presenting the findings of this review in 2026. I have also engaged with a wide range of current and former customers, and it has been encouraging to hear such strong support for Severfield and the confidence they have in our expertise and delivery."

"I am focused on redefining our strategy, strengthening our manufacturing and delivery capabilities, driving greater efficiency, and on bringing an absolute focus on engineering excellence for our customers – ensuring we are well positioned for future growth. I look forward to working with the Board and the wider team to grow the business and deliver sustainable value for all stakeholders."

Notes to financials:

[1] Stated before non-underlying items of £8.2m (H1 2025: £21.9m) including bridge testing and remedial costs of £nil (H1 2025: £20.4m), other bridge related costs of £3.3m (H1 2025: £nil), refinancing-related costs of £1.4m (H1 2025: £nil), the amortisation of acquired intangible assets of £1.3m (H1 2025: £1.3m) and other non-underlying costs of £2.2m (H1 2025: £0.2m). Non-underlying items have been separately identified by virtue of their magnitude or nature to enable a full understanding of the Group's financial performance and to make year-on-year comparisons. They are excluded by management for planning, budgeting and reporting purposes and for the internal assessment of operating performance across the Group and are normally excluded by investors, analysts and brokers when making investment and other decisions (see note 7).

[2] The Group excludes IFRS 16 lease liabilities from its measure of net funds/debt as they are excluded from the definition of net funds/debt as set out in the Group's borrowing facilities.

[3] Except as otherwise stated '2025 and FY25' refer to the 52-week period ended 29 March 2025. '2026 and FY26' and '2027 and FY27' refer to the 52-week periods ending 28 March 2026 and 27 March 2027. The Group's accounts are made up to an appropriate weekend date around 31 March each year.

A reconciliation of the Group's underlying results to its statutory results is provided in the Alternative Performance Measures ('APMs') section (see note 17).

The Group delivers steel superstructures through its Core Construction Operations, separated operationally into a Commercial and Industrial division (bringing together the Group's strong capabilities in the industrial and distribution, commercial offices, stadia and leisure, data centres, retail, and health and education market sectors), which includes our European operations, and a Nuclear and Infrastructure division (encompassing the Group's market-leading positions in the nuclear, power and energy, transport (road and rail) and process industries sectors). The Group’s Modular Solutions division consists of the growing product ranges of Severfield Modular Solutions (‘SMS’) and of Construction Metal Forming (‘CMF’), our specialist cold rolled steel joint venture business.

INTERIM STATEMENT

INTRODUCTION

The results for the first half of FY26, which are in line with expectations, reflect a continued challenging market backdrop across the UK and Europe. Financial performance in H1 was impacted by lower levels of activity across the Group, driven by subdued demand, some contract delays, and a sustained period of tighter pricing, particularly for near-term work. Despite these headwinds, we have recently secured a number of significant new projects, now reflected in our diversified order books, which underpins our confidence in a stronger performance in the second half. In addition, during the period we have continued to progress work on several major projects, including the Agratas battery gigafactory in Somerset, set to supply batteries for Jaguar Land Rover and Tata Motors, an Energy from Waste facility in London, and ‘Project ONE’, a new large-scale plant for INEOS in the Port of Antwerp, Belgium.

Looking ahead, our businesses remain well positioned to secure work in markets with strong long-term growth dynamics, particularly in heavily invested infrastructure and energy sectors, including Nuclear and those supporting the green energy transition. This provides a strong platform from which to deliver our growth ambitions.

In response to the current trading pressures, we continue to implement appropriate cost reduction and cash conservation measures to support a strong balance sheet and drive improvements in ROCE. Net debt (pre-IFRS 16) at the period end was £21.7m, an improvement of c.£21m since year-end. This comprised amortising term loans of £13.8m and RCF drawings of £8.0m, providing facility headroom of over £50m as at 27 September 2025. In H2, the Group expects cash payments to include around £10m of bridge remedial costs, provided for in FY25, approximately £6m of term loan repayments, and the partial unwind of the temporarily low working capital position at the end of September 2025. Notwithstanding the focus on strong operational cash generation, the Board is prioritising the preservation of financial flexibility until market conditions improve and, as a result, is not declaring an interim dividend. The Board recognises the importance of the dividend to many shareholders and remains committed to resuming payments as soon as it is appropriate to do so.

In India, the construction sector, and the use of steel within construction, continues to grow strongly. This position is evident in JSSL’s improved H1 results and the company’s record order book at 1 November of £286m (1 July: £240m).

The bridge remedial works programme continues to progress in line with expectations. The previously announced insurance recovery of £20m, agreed with the Group’s professional indemnity insurers, has now been fully received. The Group has recognised provisions for other bridge-related costs of £3.3m comprising third-party consequential costs and claims received since the FY25 results announcement in July.

OUTLOOK

The Group is on track to achieve its full year earnings expectations and has good visibility over H2 revenues through orders already secured in the order book

The market backdrop remains uncertain, reflecting subdued business confidence in the UK economy. This is leading to some projects, including key ‘anchor’ projects, either not being awarded or progressing more slowly than expected and, in the near term, reduced industry demand is contributing to significant pricing pressure. The Group’s strong competitive position continues to support an improvement in tendering activity and a healthy pipeline of project opportunities, particularly for FY27 and beyond, with several already secured. The Group is also actively mitigating the impact of these market conditions through ongoing cost reduction and cash conservation measures, in support of a strong balance sheet. Working alongside the new Executive management team, the appointment of a Strategy and Transformation Director is intended to bring greater focus to and drive improvements in Severfield’s operational efficiency and future growth.

Looking further ahead, we are seeing significant opportunities across sectors such as industrial manufacturing, commercial offices, including increased activity in London, and data centres, where demand is being accelerated by the growth of Artificial Intelligence (‘AI’) applications and the resulting reliance on data infrastructure. Many of our target markets continue to exhibit favourable long-term fundamentals. We hold a prominent position in sectors with strong growth potential and are well placed to secure projects that support the low-carbon transition and enhance energy security, aided by growing clarity around the UK's infrastructure agenda. In the Autumn budget, the UK Government has reaffirmed its commitment to infrastructure and its £725 billion 10-year infrastructure strategy and National Infrastructure Pipeline, which provides greater certainty for the industry, enabling the UK construction supply chain to plan more effectively and invest in capability. These prospects underpin the Board's confidence in the Group's ability to deliver attractive shareholder returns over the long term.

FINANCIAL REVIEW

H1 2026 (£m)	**Revenue**	**UOP***	**UPBT***
Core Construction Operations	199.2	3.4	3.4
Modular Solutions	9.6	(1.1)	(1.4)
India	-	-	1.0
Central items / eliminations	(2.8)	-	(2.4)
Group	**206.0**	**2.3**	**0.6**

H1 2025 (£m)	**Revenue**	**UOP***	**UPBT***
Core Construction Operations	247.2	17.1	17.1
Modular Solutions	9.8	0.1	0.4
India	-	-	0.1
Central items / eliminations	(4.7)	-	(1.5)
Group	**252.3**	**17.2**	**16.1**

**The references to underlying operating profit (before JVs and associates) and underlying profit before tax are defined in the 'notes to financials' and reconciled to the statutory measures in note 17.*

Revenue of £206.0m (H1 2025: £252.3m) represents a decrease of £46.3m (18 per cent) compared to the prior period. This reflects a decrease in revenue from our Core Construction Operations, mainly representing lower production activity in the period. The underlying operating profit (before JVs and associates) of £2.3m (H1 2025: profit of £17.2m) represents a reduction in profit of £14.9m over the prior period. This reflects the reduction in revenue (and activity levels) which has resulted in the under recovery of fixed factory overheads, together with the impact of ongoing pricing pressure. The statutory operating loss (before JVs and associates), which includes non-underlying items, was £5.9m (H1 2025: £4.6m), a reduction in earnings of £1.3m over the prior period.

The share of profit from the Indian joint venture in the period was £1.0m (H1 2025: £0.1m). The significant improvement in H1 profit reflects increased revenue and a strong operating performance against a prior period comparative which was impacted by project delays around the Indian elections in June 2024.

The Group's underlying profit before tax was £0.6m (H1 2025: profit of £16.1m), a reduction in profit of £15.5m compared to the previous period. The statutory loss before tax was £7.6m (H1 2025: £5.8m), a reduction in profit of £1.8m over the prior period.

An underlying tax charge of £0.0m is reported for the period (H1 2025: charge of £3.9m). This tax credit is recognised based on the best estimate of the Group's average effective tax rate for the full financial year, which is consistent with the statutory rate in the UK and the Netherlands of c.25% (H1 2025: c.25%). The total tax credit of £2.0m (H1 2025: £1.5m) includes a non-underlying tax credit of £2.0m (H1 2025: £5.4m).

Underlying basic earnings per share is 0.2p (H1 2025: 4.0p). This calculation is based on the underlying profit after tax of £0.6m (H1 2025: £12.2m) and 295,586,440 shares (H1 2025: 307,188,953 shares) being the weighted average number of shares in issue during the period. Basic loss per share, which is based on the statutory loss after tax, is 1.9p (H1 2025: 1.4p).

Non-underlying items

Non-underlying items for the period of £8.2m (H1 2025: £21.9m) consisted of the following:

£m	H1 2026	H1 2025
Bridge testing and remedial costs	-	20.4
Other bridge-related costs	3.3	-
Refinancing-related costs	1.4	-
Amortisation of acquired intangible assets	1.3	1.3
Other non-underlying costs	2.2	0.2
Non-underlying items	**8.2**	**21.9**

The bridge remedial works programme continues to progress in line with expectations. Since the year-end announcement, we have made good progress, with several programmes now complete and the remaining works progressing in line with expectations. The estimated cost of the testing and remedial programmes remain materially unchanged from those reported in the FY25 full-year results.

The Group is working closely with customers to deliver remedial programmes and has recognised a further £3.3m of provisions for certain third-party consequential costs. Whilst the Group continues to challenge certain elements of these claims, a conservative provision has been recognised. All third-party items, including those recorded in FY25, remain subject to continued detailed review, ongoing dialogue and legal process, as well as the application of contractual liability caps. In addition to the PI insurance recoveries already agreed, the Group continues to actively pursue all other potential avenues of recovery, including further insurance recoveries and contributions to our costs by third parties. However, no amounts have been recognised in respect of these further potential recoveries at this stage as these are not yet certain.

Refinancing-related costs of £1.4m were incurred in connection with the amendment and extension of the Group's core debt facilities in July 2025. These costs primarily consist of arrangement fees, legal fees, and advisory expenses, and reflect the extension of the facility's maturity to December 2027. The amortisation of acquired intangible assets of £1.3m represents the non-cash amortisation of customer relationships and order books which are being amortised over a period of 12 months to five years. Other non-underlying costs of £2.2m include certain one-off business transformation, legal and consultancy costs.

Cash flow and financing

Net debt (pre-IFRS-16 basis) at the period-end was £21.7m, which represented amortising term loans of £13.8m and RCF drawings of £8.0m, providing facility headroom of over £50m. In light of the current trading pressures, there is an enhanced focus on cash generation and conservation including careful working capital management, a reduction in planned capital expenditure, the disposal of certain non-core assets, and other ongoing cost reduction actions in support of a stronger balance sheet and our objective of improving ROCE.

Operating cash flow before working capital movements and bridge-remedial related costs was an inflow of £1.3m (H1 2025: £0.4m). Net working capital reduced by £13.4m, largely due to the unwind of contract investment on key projects. Working capital has been adjusted to exclude the impact of insurance proceeds and net movement in the provision for bridge testing and remedial cost in the period. Net capital proceeds of £1.6m (H1 2025: £3.1m expenditure), including £1.4m of capital expenditure and £3.0m of proceeds from the disposal of the mothballed ex-Harry Peers factory in Bolton, reflect a reduced capital investment programme consistent with the Group's focus on cash conservation. This compares to annual depreciation of £5.5m (H1 2025: £4.8m), of which £1.9m (H1 2025: £1.3m) relates to right-of-use assets under IFRS 16.

In July 2025, the Group successfully negotiated an amendment and extension to its existing £60m Revolving Credit Facility ('RCF') with its lenders, HSBC Bank and Virgin Money. The facility's maturity has been extended to December 2027, providing the Group with enhanced liquidity and financial flexibility. The Group remains committed to maintaining a strong financial position and, following this extension, confirms it has sufficient liquidity to meet its current and anticipated funding requirements. At the same time, the Group also entered into a share purchase option agreement with JSW Steel, its partner in the Indian joint venture, JSSL, granting it the right, but not the obligation, to dispose of an interest of up to 24.9 per cent in JSSL for up to £20m, exercisable, at its sole discretion, at any time on or before 31 March 2026. The option reflects the Board's prudent approach to strategic planning and provides the Group with additional financial flexibility if required. The Board confirms there is no current intention to exercise the option as JSSL remains a strategically important venture for the Group.

Pensions

The Group's net defined benefit pension liability at 27 September 2025 was £5.0m (scheme liabilities of £28.9m offset by scheme assets of £23.9m), a decrease of £1.9m from the year-end position of £6.9m. The deficit has reduced as a result of a higher discount rate, reflecting an increase in bond yields, lower inflation assumptions and employer deficit contributions over the period.

OPERATIONAL REVIEW

UK AND EUROPE

Maintaining a disciplined approach to contract selection and bidding remains central to the Group's strategy, ensuring a balanced risk profile across our order book. The vast majority of our projects continue to be secured through negotiated, framework, or two-stage procurement routes, consistent with our established principles of commercial discipline and robust risk management. As at 1 November, the UK and Europe order book stood at £429m (1 July: £444m), with £324m scheduled for delivery over the next 12 months. The order book remains well-diversified across our core market sectors, including continental Europe and Ireland, which represent 22 per cent of the total (1 July: 22 per cent), reflecting our strong market position and access to growth opportunities in these regions. During the first half of the year, we secured approximately £190m of new work across the UK and Europe, albeit some of these projects were secured at lower margins than historically achieved, reflecting ongoing pricing pressure and subdued demand for structural steelwork.

Many of our target markets continue to exhibit favourable long-term fundamentals. The Group holds a prominent position in sectors with strong growth potential and is well placed to secure projects that support the transition to a low-carbon economy and enhance energy security, aided by increasing clarity around the UK's infrastructure agenda. The UK Government has begun to make tangible progress toward its objective of stimulating economic growth through infrastructure investment, including support for private financing of public assets, planning reform, and initiatives in clean energy, transport, and critical national infrastructure, all of which are expected to benefit the Group. The Group is seeing increased activity in the London commercial sector and in data centres, where demand is being accelerated by the growth of AI applications and the resulting reliance on data infrastructure.

Looking ahead, future opportunities across our Commercial and Industrial and Nuclear and Infrastructure segments include battery manufacturing plants, energy-efficient buildings, renewable energy facilities, and offshore wind projects, alongside work in transport, nuclear, and the broader power and energy sectors. These opportunities align closely with the Group's core capabilities and have the potential to strengthen the quality and resilience of the future order book.

Core Construction Operations

£m	H1 2026	H1 2025	Change
Revenue	199.3	247.2	-19%
Underlying operating profit (before JVs and associates)	3.4	17.1	-80%
Underlying profit before tax	3.4	17.1	-80%
Revenue:			
Commercial and Industrial	143.5	205.0	-30%
Nuclear and Infrastructure	55.8	42.2	+32%

Revenue of £199.3m (H1 2025: £247.2m) represents a decrease of £47.9m (19 per cent) compared to the prior period, reflecting lower activity levels in the current period. Underlying operating profit of £3.4m was down 80 per cent on the prior period (H1 2025: £17.1m), reflecting the impact of the current challenging market conditions, including lower revenue (and activity levels) which has resulted in the under recovery of fixed factory overheads, and tighter pricing in certain market sectors.

Commercial and Industrial
Revenue has decreased by 30 per cent to £143.5m (H1 2025: £205.0m), reflecting the impact of the lower levels of industry demand. Notwithstanding this, work progressed during the period on the battery gigafactory for Agratas in Somerset, which will initially supply batteries for Jaguar Land Rover and Tata Motors, together with ongoing works on the Energy from Waste facility in London, and the 'Project ONE' contract for INEOS in Antwerp. This represents the construction of a new ethane cracker (a steam cracker that converts ethane into ethylene for use in the chemicals industry) and is the largest investment in European chemicals industry in the past 25 years. We have also worked on a number of data centre projects including two for Google in Finland and a package of data centres in Sweden, together with various mid-sized office developments, mainly in London (including Salisbury Square, 105 Victoria, South Molton Triangle and the EDGE building, which is designed to be the most sustainable office tower in London).

The Commercial and Industrial order book at 1 November was £202m (1 July: £214m). This includes projects secured in the period such as new industrial facilities, commercial offices, data centres, and several distribution centres. Encouragingly, the short-cycle distribution sector is showing early signs of recovery, and recent wins in this area reflect renewed momentum in what has historically been an important market for the Group. We have already secured a number of attractive large-scale projects for FY27 and continue to see strong opportunity in sectors driving the green energy transition including energy-efficient buildings, renewable energy manufacturing facilities, offshore wind developments, and new battery gigafactories across the UK and Europe. The Group's engineering excellence, manufacturing scale, speed of construction, and proven on-time delivery leave us well positioned to win work on these projects, the majority of which are expected to be steel-intensive in design. Demand for data centres in the UK and Europe remains strong, and we are also seeing the emergence of a pipeline of large commercial office opportunities in London. We are currently tendering for several of these projects, with delivery expected to commence in FY27.

Nuclear and Infrastructure (N&I)
Revenue has increased by 32 per cent to £55.8m (H1 2025: £42.2m), reflecting increased activity levels driven by the large N&I order book coming into the financial year. During the period, the Group progressed several significant projects, including a process industries scheme in Hull and a major offshore wind contract with Ørsted for the Hornsea 3 development, marking a key step forward in our expansion into the renewables market. We also continued work on multiple road and rail bridge schemes for a range of clients, including the Black Cat bridge in Cambridgeshire, the Baker Viaduct on the Transpennine Route Upgrade, and the York Central bridges. In the nuclear sector, the Group continues to deliver work at Hinkley Point, including secondary steelwork and supply-only packages, alongside several large-scale projects at Sellafield.

The N&I order book at 1 November was £220m (1 July: £224m) of which 46 per cent (1 July: 48 per cent) represents transport infrastructure, 43 per cent (1 July: 42 per cent) represents power and energy (including nuclear) and 11 per cent (1 July: 10 per cent) represents process industries projects.

The outlook for the Group's core markets remains positive through the medium term. The UK Government has begun to make tangible progress with its objective to stimulate economic growth through infrastructure investment, including in Severfield's key growth areas of energy and transport infrastructure, both of which are central to the green energy transition. These ambitions were reaffirmed in June with the publication of the £725 billion 10-year infrastructure strategy and National Infrastructure Pipeline, which provide greater clarity and certainty for the construction industry as a whole.

In the UK energy sector, the long-term upgrade of the national energy infrastructure is well underway, supporting improvements in energy security and accelerating the green transition. This includes significant and timely investment in both generation and network capacity. We are seeing a growing pipeline of opportunities across new nuclear (including Sizewell C, small modular reactors, and fusion energy) as well as in onshore and offshore wind, solar, carbon capture, and hydrogen production. In the defence sector, government plans to enhance national security and modernise defence infrastructure are generating new project opportunities, including investment in munitions facilities, the majority of which are expected to be steel-intensive. Transport infrastructure also remains a key area of growth for the Group, and we welcome the Government's continued focus on improving connectivity and unlocking regional opportunity. We are making good progress on HS2 station opportunities, including Birmingham Interchange, and on the TransPennine Route Upgrade. More broadly, recent announcements have included investment in local transport schemes across England's city regions, rail network enhancements, a new pipeline of major road network projects, and support for the Heathrow expansion, all of which are expected to create further opportunities for the Group.

In Europe, the outlook is similarly positive, with the green energy transition driving sustained public investment in infrastructure. We are seeing a notable increase in the volume of power transmission and distribution projects coming to market, alongside continued investment in transport and energy infrastructure.

Modular Solutions

£m	H1 2026	H1 2025	Change
Revenue	9.6	9.8	-2%
Underlying operating profit/(loss) (before JVs and associates)	(1.1)	0.1	(1.2)
Share of results of CMF	(0.3)	0.3	(0.6)
Underlying profit/(loss) before tax	(1.4)	0.4	(1.8)

Revenue of £9.6m (H1 2025: £9.8m) represents a slight decrease compared to the prior period, and the division reported an underlying operating loss of £1.1m (H1 2025: profit of £0.1m). The lack of growth in H1 reflects delays to higher-margin Severstor orders, which are now expected to be delivered in H2, whilst lower profitability reflects a sub-optimal mix of work which has driven lower factory overhead recoveries. The divisional underlying loss before tax of £1.4m (H1 2025: £0.4m) includes the post-tax share of loss from CMF of £0.3m (H1 2025: profit of £0.3m). The reduced profitability at CMF was driven by lower volumes during the period, reflecting subdued H1 activity levels in the Group's Commercial and Industrial division, where projects typically include substantial metal decking and purlin packages.

SMS delivered a mixed performance in H1, with challenging market conditions contributing to delays in the conversion and delivery of several large projects. Nonetheless, the modular frames business made encouraging progress, securing new contracts across a range of sectors and strengthening relationships with new customers.

INDIA

£m	H1 2026	H1 2025	Change
Revenue	65.8	49.3	+34%
EBITDA	6.4	3.8	+68%
Operating profit	4.7	2.5	+88%
Operating margin	7.1%	5.1%	+200 bps
Finance expense	(2.1)	(2.5)	+0.4
Profit before tax	2.6	-	+2.6
Tax	0.6	0.2	+0.4
Profit after tax	2.0	0.2	1.8
Group share of profit after tax (50%)	1.0	0.1	0.9

In the first half of FY26, JSSL recorded an output of 48,000 tonnes, including sub-contracted work, an improvement of 17,000 tonnes on the prior period output of 31,000 tonnes. This increased activity is evident in the Group's higher after-tax share of profit of £1.0m (H1 2025: £0.1m). The improved performance reflects an increase in revenue of 34 per cent to £65.8m and improved operating margins of 2 per cent, mainly reflecting a better mix of work and improved overhead recoveries driven by higher factory activity levels. Financing expenses of £2.1m (H1 2025: £2.5m) are £0.4m lower than the previous year, reflecting a reduction in borrowings, and result in a profit before tax of £2.6m (H1 2025: £nil).

India's construction sector continues to grow strongly, with rising demand for steel driven by sustained public and private investment in manufacturing, energy, and transport infrastructure. This momentum is reflected in a record order book at 1 November of £286m (1 July: £240m), comprising a strong mix of higher-margin commercial work at 80 per cent (1 July: 86 per cent). The order book comprises a number of major data centre projects, together with substantial industrial buildings packages and work across the commercial, data centre and broader industrial sectors.

The expanding market landscape is also evident in a strengthening pipeline of potential orders and numerous growth opportunities across target sectors, including commercial real estate, data centres, warehousing, infrastructure, and manufacturing, notably in steel, cement, and speciality chemicals. JSSL is actively pursuing opportunities in emerging sectors and export markets, leveraging its brand and reputation for delivering high-quality steel solutions.

Development of the new 55-acre site at Gujarat commenced in FY25, with new open yard and factory production facilities expected to be completed and operational within the current year. This will increase JSSL's in-house production capacity from approximately 114,000 tonnes to around 184,000 tonnes. Further expansion at Gujarat is planned in future years which, once complete, will increase JSSL's combined factory capacity (Bellary and Gujarat) to approximately 265,000 tonnes, or around 350,000 tonnes including sub-contracted work. The majority of this investment is being financed through debt facilities provided directly to JSSL by Indian lenders.

Value continues to build in JSSL, which remains well positioned to capitalise on the favourable outlook for the Indian economy and the strong underlying demand for structural steel. We remain confident in the long-term growth trajectory of the market and the value creation potential of the business.

Paul McNerney
Chief Executive Officer

Jan Bramall
Interim Chief Financial Officer

Condensed consolidated interim financial statements
Consolidated income statement

	Six months ended 27 September 2025 (unaudited)			Six months ended 28 September 2024 (unaudited)			Year ended 29 March 2025 (audited)		
	Underlying £000	**Non-underlying £000**	**Total £000**	Underlying £000	Non-underlying £000	Total £000	Underlying £000	Non-underlying £000	Total £000
Revenue	**206,046**	**–**	**206,046**	252,253	–	252,253	450,913	–	450,913
Operating costs	**(203,770)**	**(8,159)**	**(211,929)**	(235,102)	(21,769)	(256,871)	(429,260)	(35,475)	(464,735)
Operating profit/(loss) before share of results of JVs and associates	**2,276**	**(8,159)**	**(5,883)**	17,151	(21,769)	(4,618)	21,653	(35,475)	(13,822)
Share of results of JVs and associates	**706**	**–**	**706**	402	–	402	101	–	101
Operating profit/(loss)	**2,982**	**(8,159)**	**(5,177)**	17,553	(21,769)	(4,216)	21,754	(35,475)	(13,721)
Net finance expense	**(2,399)**	**(12)**	**(2,411)**	(1,465)	(85)	(1,550)	(3,621)	(170)	(3,791)
Profit/(loss) before tax	**583**	**(8,171)**	**(7,588)**	16,088	(21,854)	(5,766)	18,133	(35,645)	(17,512)
Taxation	**(9)**	**2,040**	**2,031**	(3,928)	5,442	1,514	(5,195)	8,620	3,425
Profit/(loss) for the period	**574**	**(6,131)**	**(5,557)**	12,160	(16,412)	(4,252)	12,938	(27,025)	(14,087)
Earnings/(loss) per share:									
Basic	**0.19p**	**(2.07)p**	**(1.88)p**	3.96p	(5.34)p	(1.38)p	4.28p	(8.92)p	(4.66)p
Diluted	**0.19p**	**(2.07)p**	**(1.88)p**	3.96p	(5.34)p	(1.38)p	4.28p	(8.92)p	(4.66)p

Further details of non-underlying items are disclosed in note 7 to the condensed consolidated financial statements.

Consolidated statement of comprehensive income

	Six months ended 27 September 2025 (unaudited) £000	Six months ended 28 September 2024 (unaudited) £000	Year ended 29 March 2025 (audited) £000
Items that will not be reclassified to income statement:			
Actuarial gain on defined benefit pension scheme	**582**	1,170	2,313
Tax relating to components that will not be reclassified	**(146)**	(293)	(578)
	436	877	1,735
Items that are or may be reclassified to income statement:			
Cash flow hedges – reclassified to income statement	**287**	(647)	(1,529)
Exchange difference on foreign operations	**(641)**	(269)	(5,663)
Tax relating to components that may be reclassified	**238**	69	175
Gains/(losses) taken to equity on cash flow hedges	**(1,237)**	374	808
	(1,353)	(473)	(6,208)
Other comprehensive income/(expense) for the period	**(917)**	404	(4,473)
Loss for the period from continuing operations	**(5,557)**	(4,252)	(14,087)
Total comprehensive expense for the period attributable to equity shareholders of the parent	**(6,474)**	(3,848)	(18,560)

Consolidated balance sheet

	At 27 September 2025 (unaudited) £000	At 28 September 2024 (unaudited) £000	At 29 March 2025 (audited) £000
ASSETS			
Non-current assets			
Goodwill	**98,401**	98,469	97,587
Other intangible assets	**1,472**	4,159	2,809
Property, plant and equipment	**92,839**	95,815	96,699
Right-of-use assets	**19,356**	18,078	20,051
Interests in JVs and associates	**31,964**	37,763	32,936
Deferred tax assets	**1,584**	1,828	1,584
Contract assets, trade and other receivables	**2,900**	3,236	2,618
	248,516	259,348	254,284
Current assets			
Inventories	**9,988**	10,872	11,809
Contract assets, trade and other receivables	**85,645**	100,582	116,393
Current tax asset	**3,569**	7,028	2,793
Derivative financial instruments	**–**	669	103
Cash and cash equivalents	**31,963**	9,422	15,520
	131,165	128,573	146,618
Total assets	**379,681**	387,921	400,902
LIABILITIES			
Current liabilities			
Overdraft	**–**	(4,307)	–
Trade and other payables	**(82,910)**	(96,322)	(82,092)
Provisions	**(27,797)**	(23,860)	(30,508)
Derivative financial instruments	**(747)**	–	–
Financial liabilities – borrowings	**(8,100)**	(6,200)	(6,200)
Financial liabilities – leases	**(3,641)**	(2,616)	(4,097)
	(123,195)	(133,305)	(122,897)
Non-current liabilities			
Trade and other payables	**–**	(540)	(130)
Provisions	**(2,305)**	–	(7,581)
Retirement benefit obligations	**(5,002)**	(9,145)	(6,855)
Financial liabilities – borrowings	**(45,700)**	(10,700)	(52,600)
Financial liabilities – leases	**(15,972)**	(15,754)	(16,364)
Deferred tax liabilities	**(11,314)**	(11,825)	(11,515)
	(80,293)	(47,964)	(95,045)
Total liabilities	**(203,488)**	(181,269)	(217,942)
NET ASSETS	**176,193**	206,652	182,960
EQUITY			
Share capital	**7,405**	7,639	7,405
Share premium	**88,522**	85,590	88,522
Other reserves	**(3,877)**	3,435	(924)
Retained earnings	**84,143**	109,988	87,957
TOTAL EQUITY	**176,193**	206,652	182,960

Consolidated statement of changes in equity

	Share Capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Total equity £000
At 30 March 2025	7,405	88,522	(924)	87,957	182,960
Total comprehensive expense for the period	–	–	(1,591)	(4,883)	(6,474)
Equity settled share-based payments	–	–	(1,362)	1,069	(293)
At 27 September 2025 (unaudited)	7,405	88,522	(3,877)	84,143	176,193

	Share Capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Total equity £000
At 31 March 2024	7,739	88,522	4,728	119,762	220,751
Total comprehensive expense for the period	–	–	(542)	(3,306)	(3,848)
Equity settled share-based payments	–	–	(920)	1,808	888
Purchase of shares	–	–	(4,128)	–	(4,128)
Allocation of owned shares	–	–	1,265	(1,265)	–
Shares cancelled	(100)	(2,932)	3,032	–	–
Dividend provided for or paid*	–	–	–	(7,011)	(7,011)
At 28 September 2024 (unaudited)	7,639	85,590	3,435	109,988	206,652

*The 2024 final dividend of £7.0m was paid to shareholders on 11 October 2024.

	Share Capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Total equity £000
At 31 March 2024	7,739	88,522	4,728	119,762	220,751
Total comprehensive income for the year	–	–	(6,383)	(12,177)	(18,560)
Equity settled share-based payments	–	–	(920)	2,115	1,195
Purchase of shares	–	–	(9,262)	–	(9,262)
Cancellation of owned shares	(334)	–	9,596	(9,262)	–
Allocation of owned shares	–	–	1,317	(1,317)	–
Dividend provided for or paid	–	–	–	(11,164)	(11,164)
At 29 March 2025 (audited)	7,405	88,522	(924)	87,957	182,960

Consolidated cash flow statement

	Six months ended 27 September 2025 (unaudited) £000	Six months ended 28 September 2024 (unaudited) £000	Year ended 29 March 2025 (audited) £000
Net cash flow from operating activities	**24,440**	6,817	(522)
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment	**210**	242	909
Proceeds on disposal of land and buildings	**3,004**	–	–
Purchases of land and buildings	–	–	(32)
Purchases of other property, plant and equipment	**(1,651)**	(3,109)	(7,796)
Payment of deferred and contingent consideration	–	(120)	(120)
Net cash generated by/(used in) investing activities	**1,563**	(2,987)	(7,039)
Cash flows from financing activities			
Interest paid	**(2,399)**	(1,115)	(3,185)
Dividends paid	–	–	(11,164)
Proceeds from borrowings	–	–	45,000
Repayment of borrowings	**(5,000)**	(3,100)	(6,200)
Repayment of lease liabilities	**(2,161)**	(1,399)	(3,208)
Purchase of shares (net of SAYE cash received)	–	(3,495)	(8,556)
Net cash (used in)/generated from financing activities	**(9,560)**	(9,109)	12,687
Net increase/(decrease) in cash and cash equivalents	**16,443**	(5,279)	5,126
Cash and cash equivalents at beginning of period	**15,520**	10,394	10,394
Cash and cash equivalents at end of period	**31,963**	5,115	15,520

Notes to the condensed consolidated interim financial information

1) General information

Severfield plc ('the Company') is a company incorporated and domiciled in the UK. The address of its registered office is Severs House, Dalton Airfield Industrial Estate, Dalton, Thirsk, North Yorkshire, YO7 3JN. The Company is listed on the London Stock Exchange.

The condensed consolidated interim financial information does not constitute the statutory financial statements of the Group within the meaning of section 435 of the Companies Act 2006. The statutory financial statements for the year ended 29 March 2025 were approved by the board of directors on 24 July 2025 and have been delivered to the registrar of companies. The report of the auditors on the statutory financial statements was unqualified, did not draw attention to any matters by way of emphasis, and did not contain any statement under section 498 of the Companies Act 2006.

The condensed consolidated interim financial information for the six months ended 27 September 2025 was approved for issue by the board of directors on 1 December 2025.

2) Basis of preparation

The condensed consolidated interim financial statements for the six months ended 27 September 2025 have been prepared in accordance with the UK-adopted International Accounting Standard 34 'Interim Financial Reporting' as adopted for use in the UK and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

The interim financial statements have been prepared using the same accounting policies and presentation as those applied in the preparation of the statutory financial statements for the year ended 29 March 2025, which were prepared in accordance with UK-adopted International Accounting Standards (IFRS) and the requirements of the Companies Act 2006.

Going concern

In determining whether the Group's consolidated financial statements should be prepared on a going concern basis, the Directors have considered all factors likely to affect its future development, performance and financial position, including cash flows, liquidity, borrowing facilities, and risks and uncertainties relating to the Group's business activities and the wider economic environment. Relevant considerations included:

• The Group's latest forecast for the period
• The Group's secured order book in the UK and Europe and pipeline of potential future orders
• The Group's cash position and committed borrowing facilities which are available until December 2027, including associated financial covenants
• Current trading conditions and the potential impact of downside risks linked to the Group's principal risks

In the current financial year (along with the prior financial year), the Group's profitability and cash flows were adversely impacted by challenging market conditions and the costs associated with the ongoing programme of bridge remedial works. Nevertheless, the Group delivered an underlying profit before tax of £0.6m, generated strong operating cashflows and had maintained a strong order book of £429m as at 1 November 2025, providing a good volume of secured work and earnings visibility over the going concern period.

The Directors have assessed the Group's ability to continue as a going concern for at least 12 months from the date of approval of the financial statements. This included reviewing financial forecasts under a base case and a 'severe but plausible' (downside) scenario. The base case scenario indicates that the Group will maintain sufficient liquidity and covenant headroom over the going concern period. Stress testing to assess the Group's resilience to potential adverse outcomes was performed by adopting severe but plausible downside scenarios, including:

• Securing a reduced proportion of uncontracted work over the next 12 months
• Incurring one-off contract losses or additional bridge remedial costs

In July 2025, the Group entered into a share purchase option agreement with JSW Steel, granting it the right, but not the obligation, to dispose of an interest of up to 24.9 per cent in JSSL, for up to £20m, exercisable, at the Group's sole discretion, at any time on or before 31 March 2026. The option reflects the Board's prudent approach to strategic planning and provides the Group with additional financial flexibility in order to meet covenants in severe downside scenarios. The Board confirms there is no current intention to exercise the option and any decision to do so, and to dispose of any of its shareholding in JSSL, would only be made following a rigorous business case assessment.

Under the downside scenario, the Group maintains adequate liquidity throughout the going concern assessment period and, continues to meet all covenant requirements.

Based on the above and having made appropriate enquiries, the Directors consider it reasonable to assume that the Group has adequate resources to continue for the going concern period and assesses that it will remain in compliance with financial covenants and, for this reason, have continued to adopt the going concern basis in preparing the condenses consolidated interim financial information.

3) Accounting policies

The accounting policies applied in this interim report are consistent with those used in the Group's financial statements for the year ended 29 March 2025, except as noted below:

Taxation

Taxes on profits and losses in interim periods are accrued using the tax rate that is expected to be applicable to total earning for the full year based on enacted rates at the interim date.

No new accounting standards or interpretations that became effective during the current reporting period have had a material impact on the Group's disclosures, financial position, or performance.

Critical accounting judgements and estimates

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies, together with the key sources of estimation uncertainty, are consistent with those applied in the consolidated financial statements for the year ended 29 March 2025.

4) Risks and uncertainties

The principal risks and uncertainties which could have a material impact upon the Group's performance over the remaining six months of the year ending 28 March 2026, other than as disclosed below, have not changed from those disclosed on pages 82 to 87 of the strategic report included in the annual report for the year ended 29 March 2025. The annual report is available on the Company's website www.severfield.com. These risks and uncertainties include, but are not limited to:

- Health and safety
- Supply chain
- People
- Commercial and market environment
- Mispricing a contract (at tender)
- Cyber security
- Failure to mitigate onerous contract terms
- Industrial relations
- Product risk

The preparation of the condensed consolidated interim financial statements under IFRS requires management to make judgements, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Assumptions and estimates are reviewed on an ongoing basis and any revisions to them are recognised in the period in which they are revised.

Revenue and profit recognition
Revenue recognition under long-term construction contracts involves significant estimation uncertainty. In accordance with IFRS 15, the Group recognises revenue and profit over time based on the proportion of work completed. This requires management to estimate both total contract consideration and total contract costs, which are then used to determine the stage of completion, assess the recoverability of contract assets, and evaluate whether a contract loss provision is required.

These estimates are based on management's assessment of the recovery of pre-contract costs, surveys of progress against the construction programme, changes in design and work scope, the contractual terms and site conditions under which the work is being performed, delays, costs incurred, claims received by the Group, external certification of the work performed and the recoverability of any unagreed income from claims and variations.

Where the total estimated costs exceed total contract revenue, a contract loss provision is recognised. This is measured at the present value of the lower of expected costs of terminating the contract and the expected net costs to complete, based on both the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract.

Management continually reviews the estimated final outturn on contracts and makes adjustments where necessary. The Group has considered the nature of the estimates involved in determining these contract outcomes and concluded that it is reasonably possible, on the basis of existing knowledge, that actual results within the next financial year may differ from the assumptions applied at the balance sheet date and could result in a material adjustment to the carrying amounts of related assets and liabilities.

For a limited number of long-term contracts, revenue and profit has been recognised based on estimates that are sensitive to future events and assumptions. These include estimates relating to the recoverability of claims, future cost escalation, and entitlement to variations. However, due to the level of uncertainty, combination of cost and income variables and timing across a large portfolio of contracts at different stages of their contract life, it is impracticable to provide a quantitative analysis of the estimates that are made at a portfolio level.

Within this portfolio, there are a limited number of long-term contracts that contain variable consideration subject to the IFRS 15 constraint. Accordingly, revenue and profit have been recognised only to the extent that management has determined it is highly probable that a significant reversal of cumulative revenue will not arise. There are a host of factors affecting potential outcomes in respect of these entitlements, including claim recoverability, entitlement to variations, and cost forecasts, which could result in a range of reasonably possible outcomes on these contracts in the following financial year, ranging from a gain of £12,000,000 to a loss of £8,000,000, excluding the impact of bridge testing and remedial costs.

Management has assessed the range of reasonably possible outcomes on this limited number of contracts based on facts and circumstances that were present and known at the balance sheet date. As with any contract applying long-term contract accounting, these estimates are affected by a variety of uncertainties that depend on future events and are therefore subject to change as the contracts progress.

At the balance sheet date, amounts due from construction contract customers, included in contract assets, trade and other receivables was £32,860,000 (29 March 2025: £47,685,000).

5) Segmental analysis

In line with the requirements of IFRS 8, operating segments are identified on the basis of the information that is regularly reported and reviewed by the chief operating decision maker ('CODM'). The Group's CODM is deemed to be the Executive Committee, who are primarily responsible for the allocation of resources and the assessment of performance of the segments. Consistent with previous periods, management continues to identify multiple operating segments, primarily at an individual statutory entity level, which are reported and reviewed by the CODM. For the purpose of presentation under IFRS 8, the individual operating segments meet the aggregation criteria that allows them to be aggregated and presented as one reportable segment for the Group.

- Core Construction Operations – comprising the combined results of the Commercial and Industrial ('C&I') and Nuclear and Infrastructure ('N&I') divisions, including the results of our European operations.
- Modular Solutions – comprising Severfield Modular Solutions ('SMS') and the Group's share of profit (50 per cent) from the joint venture company, Construction Metal Forming Limited ('CMF').

The constituent operating segments that make up 'Core Construction Operations' have been aggregated because the nature of the products across the businesses, whilst serving different market sectors, are consistent in that they relate to the design, fabrication and erection of steel products. They have similar production processes and facilities, types of customers, methods of distribution, regulatory environments and economic characteristics. This is reinforced through the use of shared production facilities across the Group.

The C&I and N&I divisions presented in the interim statement were established in April 2022 to provide better client service and increased organisational clarity, both internally and externally. These still meet the aggregation criteria to be presented as one reportable segment under IFRS 8 and are therefore presented as such.

Segment assets and liabilities are not presented as these are not reported to the CODM.

Segmental results

Period ended 27 September 2025:	**Core Construction Operations** £000	**Modular Solutions** £000	**JSSL** £000	**Central costs/ elimination** £000	**Total** £000
Revenue	199,265	9,614	–	(2,833)	**206,046**
Underlying operating profit	3,419	(1,143)	–	–	**2,276**
Underlying operating profit margin	*1.7%*	*(11.9)%*			*1.1%*
Result from joint ventures					
– CMF	–	(304)	–	–	**(304)**
– JSSL	–	–	1,010		**1,010**
Finance costs	–	–	–	(2,399)	**(2,399)**
Underlying profit before tax	**3,419**	**(1,447)**	**1,010**	**(2,399)**	**583**
Non-underlying items (note 7)	(8,159)	–	–	(12)	**(8,171)**
(Loss)/profit before tax	**(4,740)**	**(1,447)**	**1,010**	**(2,411)**	**(7,588)**
Other material items of income and expense:					
– Depreciation of owned property, plant and equipment	(3,404)	(189)	–	–	**(3,593)**
– Depreciation of right-of-use assets	(1,919)	(42)	–	–	**(1,961)**
– Other operating income	923	120	–	–	**1,043**

Period ended 28 September 2024:	Core Construction Operations £000	Modular Solutions £000	JSSL £000	Central costs/ elimination £000	Total £000
Revenue	247,171	9,794	–	(4,712)	252,253
Underlying operating profit	17,137	14	–	–	17,151
Underlying operating profit margin	*6.9%*	*0.1%*			*6.8%*
Result from joint ventures					
- CMF	–	351	–	–	351
- JSSL	–	–	51		51
Finance costs	–	–	–	(1,465)	(1,465)
Underlying profit before tax	17,137	365	51	(1,465)	16,088
Non-underlying items (note 7)	(21,769)	–	–	(85)	(21,854)
Profit before tax	(4,632)	365	51	(1,550)	(5,766)
Other material items of income and expense:					
– Depreciation of owned property, plant and equipment	(3,442)	(78)	–	–	**(3,520)**
– Depreciation of right-of-use assets	(1,248)	(21)	–	–	**(1,269)**
– Other operating income	1,512	251	–	–	**1,763**

52 week ended 29 March 2025:	Core Construction Operations £000	Modular Solutions £000	JSSL £000	Central costs/ elimination £000	Total £000
Revenue	435,448	24,152	–	(8,687)	**450,913**
Underlying operating profit	21,285	368	–	–	**21,653**
Underlying operating profit margin	*4.9%*	*1.5%*			*4.8%*
Result from joint ventures					
– Bouwcombinatie Van Wijnen	6	–	–	–	**6**
– CMF	–	8	–	–	**8**
– JSSL	–	–	87	–	**87**
Finance costs	–	–	–	(3,621)	**(3,621)**
Underlying profit before tax	**21,291**	**376**	**87**	**(3,621)**	**18,133**
Non-underlying items (note 7)	(36,610)	–	–	965	**(35,645)**
Profit before tax	**(15,319)**	**376**	**87**	**(2,656)**	**(17,512)**
Other material items of income and expense:					
– Depreciation of owned property, plant and equipment	(7,028)	(189)	–	–	**(7,217)**
– Depreciation of right-of-use assets	(2,687)	(42)	–	–	**(2,729)**
– Other operating income	2,557	344	–	–	**2,901**

Revenue

All revenue is derived from construction contracts and related assets. Additional disclosures are made under IFRS 15 to enable users to understand the relative size of the divisions. An analysis of the Group's revenue is as follows:

	Half year		Year ended 29 March
	2026	2025	2025
	£000	£000	£000
Construction contracts:			
– Commercial and Industrial	**143,524**	205,016	349,588
– Nuclear and Infrastructure	**55,741**	42,155	85,860
Core Construction Operations	**199,265**	247,171	435,448
Modular Solutions	**9,614**	9,794	24,152
Elimination of inter-segment revenue	**(2,833)**	(4,712)	(8,687)
Total Group revenue	**206,046**	252,253	450,913

Geographical information

The following table presents revenue according to the primary geographical markets in which the Group operates. This disaggregation of revenue is presented for the Group's two operating segments.

	Half year		Year ended 29 March
	2026	2025	2025
Core Construction Operations – revenue by destination	**£'000**	£'000	£'000
United Kingdom	**121,432**	157,411	265,300
Republic of Ireland and continental Europe	**77,833**	89,760	170,148
	199,265	247,171	435,448

	Half year		Year ended 29 March
	2026	2025	2025
Modular Solutions – revenue by destination	**£'000**	£'000	£'000
United Kingdom	**9,533**	9,135	23,007
Republic of Ireland and continental Europe	**81**	659	1,145
	9,614	9,794	24,152
Elimination of intercompany revenue (UK)	**(2,833)**	(4,712)	(8,687)
	6,781	5,082	15,465

6) Seasonality

There are no seasonal variations which impact the split of revenue between the first and second half of the financial year. Underlying movements in contract timing and phasing, which are an ongoing feature of the business, will continue to drive moderate fluctuations in half yearly revenues and profits.

7) Non-underlying items

	At 27 September 2025 £000	At 28 September 2024 £000	At 29 March 2025 £000
Operating costs	**(8,159)**	(21,769)	(35,475)
Finance expense	**(12)**	(85)	(170)
Non-underlying items before tax	**(8,171)**	(21,854)	(35,645)
Tax on non-underlying items	**2,040**	5,442	8,620
Non-underlying items after tax	**(6,131)**	(16,412)	(27,025)

	At 27 September 2025 £000	At 28 September 2024 £000	At 29 March 2025 £000
Non-underlying items before tax consist of:			
Amortisation of acquired intangible assets	**(1,305)**	(1,305)	(2,609)
Bridge testing and remedial costs	**–**	(20,364)	(43,367)
Insurance recovery	**–**	–	20,000
Refinancing-related costs	**(1,424)**	–	–
Legacy employment tax charge	**–**	(100)	1,373
Other bridge-related costs	**(3,329)**	–	(9,159)
Other non-underlying costs	**(2,101)**	–	(2,848)
Unwinding of discount on contingent consideration	**(12)**	(85)	(170)
FV adjustment to contingent consideration	**–**	–	1,135
Non-underlying items before tax	**(8,171)**	(21,854)	(35,645)

Amortisation of acquired intangible assets represents the amortisation of customer relationships, order books and brand name, which were identified on the acquisition of DAM Structures and the Voortman Steel Construction Group.

Refinancing-related costs of £1.4m were incurred in connection with the amendment and extension of the Group's core debt facilities in July 2025. These costs primarily consist of arrangement fees, legal fees, and advisory expenses, and reflect the extension of the facility's maturity to December 2027.

In the prior year we recognised bridge testing and remedial costs of £43.4m related to the ongoing programme of bridge remedial work. This was partially offset by £20m of insurance recoveries which was received during the period to 27 September 2025. During the year the testing and remedial programmes have continued to progress in line with expectation and there has been no change to the forecast costs.

Other bridge-related costs of £3.3m comprise provisions for third-party consequential costs and claims received since the FY25 results announcement in July. Whilst the Group continues to challenge certain elements of these claims, a conservative provision has been recognised. All third-party items, including those recorded in FY25, remain subject to continued detailed review, ongoing dialogue and legal process, as well as the application of contractual liability caps.

Other non-underlying costs of £2.1m include certain one-off business transformation, legal and consultancy costs, together with executive director severance and recruitment costs.

Non-underlying items have been separately identified by virtue of their magnitude or nature to enable a full understanding of the Group's financial performance and to make year-on-year comparisons. They are excluded by management for planning, budgeting and reporting purposes and for the internal assessment of operating performance across the Group and are normally excluded by investors, analysts and brokers when making investment and other decisions. For an item to be considered as non-underlying, it must satisfy at least one of the following criteria:

- A significant item, which may span more than one accounting period
- An item directly incurred as a result of either a business combination, disposal, or related to a major business change or restructuring programme
- An item which is unusual in nature (outside the normal course of business)

Non-underlying items have included the non-cash amortisation of acquired intangible assets, acquisition and related transaction costs, and fair value adjustments for contingent consideration, all of which arise from business combinations and are classified as non-underlying due to the nature and infrequency of the events giving rise to them. Other non-underlying items have included, but are not limited to, significant rectification and remedial contract costs, business transformation costs, executive director recruitment and severance costs, certain one-off legal and consultancy costs, redundancy costs arising from transformation activities, and impairments.

Non-underlying items are presented as a separate column within their related consolidated income statement category on a consistent basis for each half year and full year results. The exclusion of non-underlying items may result in underlying earnings being materially higher or lower than total earnings. In particular, when items associated with purchase price allocations on business combinations are excluded, underlying earnings will be higher than total earnings.

Accordingly, certain alternative performance measures ('APMs') have been used throughout this report to supplement rather than replace the measure provided under IFRS, see note 17 for further details.

8) Taxation

The corporation tax expense reflects the estimated effective tax rate of 25 per cent on the profit/loss before taxation for the Group for the period ending 27 September 2025.

9) Dividends

	Six months ended 27 September 2025 £000	Six months ended 28 September 2024 £000	Year ended 29 March 2025 £000
2024 final – 2.3p per share	**–**	(7,011)	(7,013)
2025 interim – 1.4p per share	**–**	–	(4,151)
2025 final – nil per share	**–**	–	–
	–	(7,011)	(11,164)

No interim dividend has been declared for the period ended 27 September 2025 (H1 2025: 1.4p per share), and the associated dividend payment is therefore £nil (H1 2025: £4,151,000).

10) Earnings per share

Earnings per share is calculated as follows:

	Six months ended 27 September 2025 £000	Six months ended 28 September 2024 £000	Year ended 29 March 2025 £000
Earnings for the purposes of basic earnings per share being net (loss)/profit attributable to equity holders of the parent company	**(5,557)**	(4,252)	(14,087)
Earnings for the purposes of underlying basic earnings per share being underlying net profit attributable to equity holders of the parent company	**574**	12,160	12,938
Number of shares	Number	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	**295,586,440**	307,188,953	302,512,024
Effect of dilutive potential ordinary shares and under share plans	–	–	–
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**295,586,440**	307,188,953	302,512,024
Basic (loss)/earnings per share	**(1.88)p**	(1.38)p	(4.66)p
Underlying basic earnings per share	**0.19p**	3.96p	4.28p
Diluted (loss)/earnings per share	**(1.88)p**	(1.38)p	(4.66)p
Underlying diluted earnings per share	**0.19p**	3.96p	4.28p

11) Property, plant and equipment

During the period, the Group acquired land and buildings of £nil (H1 2025: £nil) and other property, plant and equipment of £1,651,000 (H1 2025: £3,109,000). The Group also disposed of land and buildings of £3,004,000 (H1 2025: £nil) and other property, plant and equipment for £210,000 (H1 2025: £242,000) resulting in a gain on disposal of £1,120,000 (H1 2025: £134,000).

12) Provisions

	Legacy employment taxes £000	Bridge testing and remedial costs £000	Loss provisions £000	**Total £000**
Balance at 30 March 2024	3,373	–	8,446	**11,819**
Provisions made during the year	–	43,367	4,445	**47,812**
Provisions released during the year	(1,373)	–	–	**(1,373)**
Provisions used during the year	–	(16,036)	(4,133)	**(20,169)**
Balance at 29 March 2025	**2,000**	**27,331**	**8,758**	**38,089**
Provisions made during the period	–	3,233	4,588	**7,821**
Provisions used during the period	(994)	(10,244)	(4,570)	**(15,808)**
Balance at 27 September 2025	**1,006**	**20,320**	**8,776**	**30,102**

Current	**1,006**	**20,320**	**6,471**	**27,797**
Non - current	–	–	**2,305**	**2,305**

Legacy employment tax charge
During 2024, HMRC raised an assessment for historical income tax and national insurance ('NIC') liabilities. The Group reached a final settlement with HMRC during the prior year, reducing the liability to £2.0m and therefore recording a credit of £1.4m in non-underlying items. During the period we have partially paid the settlement, with the remaining payment due in the second half of the year.

Loss provisions
The Group has recognised provisions for contract losses where the expected costs of fulfilling construction contract obligations exceed the forecast revenue. These assessments are performed in accordance with the criteria set out in IFRS 15 and as described in the accounting policy note in the financial statements for the year ended 29 March 2025.

Bridge remedial provisions
The provision for bridge remedial costs relates to the Group's ongoing bridge testing and remedial programme and reflects management's best estimate of the total expected costs associated with all the affected bridge projects together with an assessment of third-party consequential costs and claims. Based on current estimated programme durations, the provision is expected to be utilised over the next 12 months. The provision has increased in the year for third party contra claims and a corresponding charge has been recognised in non-underlying items.

The Group is able to reliably estimate the direct costs associated with the testing and remedial programme and certain third-party costs and claims. All third-party items, including those recorded in FY25, remain subject to continued detailed review, ongoing dialogue and legal process, as well as the application of contractual liability caps. See note 16 on contingent liabilities for further details.

13) Net debt

	At 27 September 2025 £000	At 28 September 2024 £000	At 29 March 2025 £000
Borrowings	**(53,800)**	(16,900)	(58,800)
Cash and cash equivalents	**31,963**	5,115	15,520
Unamortised debt arrangement costs	**107**	193	150
Net debt (pre-IFRS 16)	**(21,730)**	(11,592)	(43,130)
IFRS 16 lease liabilities	**(19,613)**	(18,370)	(20,461)
Net debt (post-IFRS 16)	**(41,343)**	(29,962)	(63,591)

The Group also presents net debt/funds on a pre-IFRS 16 basis as lease liabilities are excluded from the definition of net debt/funds as set out in the Group's borrowing facilities.

14) Net cash flow from operating activities

	Six months ended 27 September 2025 £000	Six months ended 28 September 2024 £000	Year ended 29 March 2025 £000
Loss before tax	**(7,588)**	(5,766)	(17,512)
Adjustments:			
Net finance expense	**2,411**	1,550	3,791
Depreciation of property, plant and equipment	**3,593**	3,520	7,217
Right-of-use asset depreciation	**1,939**	1,269	2,729
Gain on disposal of other property, plant and equipment	**(1,120)**	(134)	(413)
Amortisation of intangible assets	**1,338**	1,350	2,699
Movements in pension scheme liabilities	**(1,271)**	(1,149)	(2,296)
Share of results of JVs and associates	**(706)**	(402)	(101)
FX movements	**122**	(82)	100
Share-based payments	**(286)**	256	489
Operating cash flows before movements in working capital	**(1,568)**	412	(3,297)
Decrease/(increase) in inventories	**1,821**	776	(161)
Decrease/(increase) in receivables	**31,840**	(13,310)	(30,597)
(Decrease)/increase in payables	**(7,281)**	21,548	27,999
Cash generated from operations	**24,812**	9,426	(6,056)
Tax paid	**(372)**	(2,609)	5,534
Net cash flow from operating activities	**24,440**	6,817	(522)

15) Related party transactions

There have been no changes in the nature of related party transactions as described in note 31 on page 208 of the annual report for year ended 29 March 2025 and there have been no new related party transactions which have had a material effect on the financial position or performance of the Group in the six months ended 27 September 2025, except as stated below.

During the period, the Group provided services in the ordinary course of business to its Indian joint venture, JSW Severfield Structures ('JSSL') and in the ordinary course of business contracted with and purchased services from its UK joint venture, Construction Metal Forming Limited ('CMF'). The Group's share of the retained profit in JVs and associates of £706,000 (H1 2025: £402,000) for the period reflects a profit from JSSL of £1,010,000 (H1 2025: £51,000) and a loss from CMF of £304,000 (H1 2025: £351,000 profit).

During the period, the Group has sold services to its Indian joint venture ('JSSL') of £nil (H1 2025: £274,000). The amount due from JSSL at 27 September 2025 was £137,000 (29 March 2025: £27,000).

During the period, the Group has purchased services from CMF of £4,028,000 (H1 2025: £6,381,000). The amounts due to and from CMF at 27 September 2025 were £nil (29 March 2025: £697,000) and £847,000 (29 March 2025: £nil) respectively.

16) Contingent assets and liabilities

Liabilities have been recorded for the directors' best estimate of uncertain contract positions, known legal claims, legal actions in progress and circumstances that could give rise to claims or actions. The Group takes legal advice as to the likelihood of the success of, and the likely value of, such claims and actions and no liability is recorded where the directors consider, based on that advice, that the claim or action is unlikely to succeed, or that the Group cannot make a sufficiently reliable estimate of the potential obligation or liability arising out of such claim or action.

During the prior year, the Group identified a number of bridge structures that did not comply with clients' weld specification requirements. These issues related primarily to a specific bridge design specification and associated welding procedures applied across a number of projects.

A non-underlying charge was recognised in the prior year in respect of the estimated costs of testing and remediation across affected structures, together with provisions for certain related receivables and third-party consequential costs and claims. A corresponding insurance recovery was also recognised for amounts agreed with the Group's professional indemnity insurers. Expenditure has continued during the current period, with remaining obligations reflected within provisions and contract balances, as appropriate.

The Group continues to estimate the direct costs of completing the testing and remedial programme, as well as certain client consequential costs. In the period, the provision increased by £3.3m following notification of additional consequential costs. Although the ultimate financial impact of any further claims or revisions to cost estimates remains subject to uncertainty, based on information currently available, the Group is not aware of any obligations that would require recognition beyond the amounts provided. This will continue to be reassessed as the testing and remedial programmes progress.

In addition to the insurance recoveries recognised to date, the Group continues to pursue other potential avenues of recovery, including further insurance recoveries and contributions from third parties. No amounts have been recognised for these potential recoveries at this stage as they are not yet sufficiently certain.

The Company and its subsidiaries have provided unlimited multilateral guarantees to secure any bank overdrafts and loans of all other Group companies. At 27 September 2025, this amounted to £nil (29 March 2025: £nil). The Group has also given performance bonds in the normal course of trade.

17) Alternative performance measures

Our alternative performance measures ('APM's) present useful information, which supplements the financial statements. These measures are not defined under IFRS and may not be directly comparable with APMs for other companies. The APMs represent important measures for how management monitors the Group and its underlying business performance. In addition, APMs enhance the comparability of information between reporting periods by adjusting for non-underlying items. The APMs are not intended to be a substitute for, or superior to, any IFRS measures of performance.

To facilitate understanding of the APMs used by the Group, and their relationship to reported IFRS measures, definitions and numerical reconciliations are set out below.

Alternative performance measure ('APM')	Definition	Rationale
Underlying operating profit (before JVs and associates)	Operating profit before non-underlying items and the results of JVs and associates.	Profit measure reflecting underlying trading performance of wholly owned subsidiaries.
Underlying profit before tax	Profit before tax before non-underlying items.	Profit measure widely used by investors and analysts.
Underlying basic earnings per share ('EPS')	Underlying profit after tax divided by the weighted average number of shares in issue during the year.	Underlying EPS reflects the Group's operational performance per ordinary share outstanding.
Net funds/(debt) (pre-IFRS 16)	Balance drawn down on the Group's revolving credit facility, with unamortised debt arrangement costs added back, less cash and cash equivalents (including bank overdrafts) before IFRS-16 lease liabilities.	Measure of the Group's cash indebtedness before IFRS-16 lease liabilities, which are excluded from the definition of net funds/(debt) in the Group's borrowing facilities. This measure supports the assessment of available liquidity and cash flow generation in the reporting period.

Reconciliations to IFRS measures

Underlying operating profit/(loss) (before JVs and associates)	**Six months ended 27 September 2025 (unaudited) £000**	Six months ended 28 September 2024 (unaudited) £000	Year ended 29 March 2025 (audited) £000
Underlying operating profit (before JVs and associates)	**2,276**	17,151	21,653
Non-underlying operating items	**(8,159)**	(21,769)	(35,475)
Share of results of JVs and associates	**706**	402	101
Operating Loss	**(5,177)**	(4,216)	(13,721)

Underlying profit/(loss) before tax	**Six months ended 27 September 2025 (unaudited) £000**	Six months ended 28 September 2024 (unaudited) £000	Year ended 29 March 2025 (audited) £000
Underlying profit before tax	**583**	16,088	18,133
Non-underlying items	**(8,171)**	(21,854)	(35,645)
Loss before tax	**(7,588)**	(5,766)	(17,512)

Underlying basic earnings per share	**Six months ended 27 September 2025 (unaudited) £000**	Six months ended 28 September 2024 (unaudited) £000	Year ended 29 March 2025 (audited) £000
Underlying net profit attributable to equity holders of the parent Company	**574**	12,160	12,938
Non-underlying items after tax	**(6,131)**	(16,412)	(27,025)
Net loss attributable to equity holders of the parent Company	**(5,557)**	(4,252)	(14,087)
Weighted average number of ordinary shares	**295,586,440**	307,188,953	302,512,024
Underlying basic earnings per share	**0.19p**	3.96p	4.28p
Basic loss per share	**(1.88)p**	(1.38)p	(4.66)p

Net debt	**Six months ended 27 September 2025 (unaudited) £000**	Six months ended 28 September 2024 (unaudited) £000	Year ended 29 March 2025 (audited) £000
Borrowings	**(53,800)**	(16,900)	(58,800)
Cash and cash equivalents	**31,963**	5,115	15,520
Unamortised debt arrangement costs	**107**	193	150
Net debt (pre-IFRS 16)	**(21,730)**	(11,592)	(43,130)
IFRS 16 lease liabilities	**(19,613)**	(18,370)	(20,461)
Net debt (post-IFRS 16)	**(41,343)**	(29,962)	(63,591)

18) Cautionary statement

The condensed interim financial statements (interim report) have been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The report should not be relied on by any other party or for any other purpose.

The interim report 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 report but 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.

19) Statement of directors' responsibilities

The directors confirm that, to the best of their knowledge, the condensed consolidated interim financial information has been prepared in accordance with IAS 34 as adopted for use in the UK, and that the interim report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- An indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- Material related party transactions that have occurred in the first six months of the financial year and any material changes in the related party transactions described in the last annual report and financial statements.

The maintenance and integrity of the Severfield plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the board

Paul McNerney	Jan Bramall
Chief Executive Officer	Interim Chief Financial Officer
1 December 2025	1 December 2025