Severfield

MARKET LEADER IN STRUCTURAL STEEL ACROSS THE UK, EUROPE AND INDIA SEVERFIELD PLC

Interim results for the period ended 26 September 2026



Strong start to FY27 – High-quality order book and decisive strategic progress. Full-year expectations move towards upper end of the range

Severfield plc, the market-leading structural steel group, today announces its interim results for the six months to 26 September 2026

Overview

- **Strong growth in revenue and profit** in H1 FY27, alongside positive progress against the refreshed strategy
- **UK and Europe order book significantly higher at £629m**, comprising a mix of large, multi-year anchor projects, work in counter-cyclical sectors and higher-margin contracts – strong visibility for FY27 and into FY28
- **Record production and profitability in India** in H1 FY27, supported by a growing order book. On track to exceed 200kt production in FY27. Investment approved to support phased capacity expansion, in line with market demand
- **Decisive action taken to realign the cost base**, successfully delivering targeted net cost reductions of £6m
- FY27 underlying profit before tax **expectations increased** towards the upper end of £12m to £15m range

Interim results, half year ended 26 September 2026

£m, unless otherwise stated	H1 2027 (unaudited)	H1 2026 restated* (unaudited)	Change
Revenue	239.1	199.3	+20%
Underlying[2] operating profit before JVs and associates – continuing operations	6.8	3.4	+100%
Operating profit/(loss) before JVs and associates – continuing operations	2.0	(4.6)	+6.6
Underlying[2] profit before tax – continuing operations	7.0	1.8	+289%
Profit/(loss) before tax – continuing operations	2.1	(6.3)	+8.4
Underlying[2] basic earnings per share – continuing and discontinued operations	1.5p	0.2p	+1.3p
Basic earnings/(loss) per share – continuing and discontinued operations	0.4p	(1.9)p	+2.3p
Net debt excluding IFRS 16 lease liabilities[3]	44.8	21.7	(23.1)

Charlie Cornish, Chair, commented:

“The Board and I are encouraged by the initial progress in delivering our refreshed strategy. It’s great to see the assembly of an experienced, capable and dynamic new executive leadership team, to deliver the Group’s strategy and long-term growth.”

Paul McNerney, Chief Executive Officer, commented:

"We have delivered a strong set of results in the first half of FY27, with revenue up 20% and underlying profit up 289%. We have secured significant new contracts across our priority markets, alongside a growing contribution from India, which continues to deliver record results and offers substantial growth potential. Our order book reflects the strength of our engineering and delivery capabilities across our target sectors and provides confidence for the remainder of FY27 and into FY28."

"We are delivering on all elements of our refreshed strategy, focused on building closer client relationships, engaging earlier in project development and driving greater flexibility and efficiency across our manufacturing and delivery operations. Improving the quality of earnings and cash generation remains central to our approach. In India, our phased investment plans offer the potential for a step change in sustainable cash generation, positioning us to capture an increasing share of this rapidly growing market."

"Whilst FY27 remains a transition year, the progress made to date gives us confidence to raise our full year expectations towards the upper end of our previously guided range for FY27, and reconfirms our medium-term ambitions, as we continue to strengthen the business and deliver against our strategic priorities."

Financial highlights

- Revenue increased 20% to £239.1m, with a strong recovery in underlying profit before tax to £7.0m.
- Europe's contribution to Group revenue increased to 43%, up from 39% in H1 FY26 in line with our strategic focus
- Encouraging signs of market recovery, with increased tender activity and strong demand at steel mills, despite ongoing macroeconomic and geopolitical uncertainty
- UK and Europe order book significantly higher at £629m as at 1 November 2026, with a focus on engineering excellence and delivery experience supporting deeper client relationships and improved contract margins. Order book provides strong visibility of planned workload for FY27 and into FY28
- Net debt (pre-IFRS 16) of £44.8m (FY26: £28.2m), reflecting timing of key contract receipts and anticipated bridge remedial outflows. £14m of key legacy contract receipts now agreed in H2, underpinning the expected working capital unwind. Full year guidance of broadly flat net debt year-on-year remains unchanged

Strategic and operational highlights

- Strong progress on strategy execution, with around £6m net annualised cost savings delivered, offsetting inflation and other costs and improving our competitive position
- Reshaped and strengthened the executive leadership team with appointment of Chief Commercial Officer and Chief Technical Officer roles, alongside senior additions across Operations, Manufacturing and Clients & Markets, including a Defence sector lead, enhancing the Group's capability to deliver its growth strategy
- Clients & Markets function driving closer client relationships and targeted work winning. Significant awards across strategically focused sectors including: European pharmaceutical, data centres, Pre-construction Service Agreements (PCSAs), Network Rail framework and first contract with new partner Global
- Bridge remedial works progressing, with all factory work complete and final on-site remediation ongoing. Additional costs of £2m prudently recognised, with additional recovery being actively pursued to offset this

JSSL

- Group share of JSSL profit materially higher at £2.4m (H1 FY26: £1.0m)
- Record JSSL output, with H1 increasing to 85kt (H1 FY26: 48kt), underpinning expected FY27 output of over 200kt (FY26: 125kt). Record output at Bellary and Phase 1 of Gujarat expansion progressing to plan. Order book remains strong at ₹4,061 crore (£320m) at 1 November 2026 (₹3,440 crore (£267m) at 1 June 2026)
- Investment approved for Gujarat Phase 2 (+c.80kt) and a new facility at Odisha (+c.190kt), positioning JSSL to capitalise on strong regional growth, including expansion by our partner JSW Steel ('JSW'). Phased capacity expansion aligned with market demand and growing order book, with Severfield's share of equity investment expected to total c.£8m over FY27-FY29, of which £3-4m is planned in H2 FY27
- Approval granted to explore the purchase of suitable land in Mumbai, providing optionality for a fourth facility, subject to full investment appraisal

Outlook

- High-quality UK and Europe order book comprises large scale, higher margin projects across commercial, data centre and counter-cyclical sectors such as transport infrastructure and nuclear, providing strong visibility of workload for FY27 and into FY28
- In India, record production output, a significant and well-diversified order book, and additional phased capacity expansion; underpins confidence in full-year performance and medium-term growth prospects
- FY27 underlying profit before tax expectations lifted towards upper end of previously guided £12m-£15m range. Unchanged full year guidance of broadly flat net debt year-on-year

Analyst & Institutional Investor Presentation

A live webcast of the presentation including Q&A will be held today at 9:00 am GMT for analysts and institutional investors. The webcast can be accessed at: https://brrmedia.news/SFR_HY27. A recording will be available following the event.

Retail Investor Presentation

The management team will also host a webcast presentation, including Q&A, for retail investors at 4:00 pm GMT on Monday 30 November 2026 via the Engage Investor platform. Investors can register to attend at: https://engageinvestor.news/SFR_IP1126. Questions can be submitted in advance or during the presentation.

For further information, please contact:

Severfield	Paul McNerney Chief Executive Officer	01845 577 896
	Andrew Page Chief Financial Officer	01845 577 896
Investor Relations	Stephen Lamacraft Severfield.IR@severfield.com	07776 433916
Headland Consultancy	Andy Rivett-Carnac Henry Wallers	07968 997365 07876 562436
Jefferies International	Sam Barnett	020 7029 8000
Panmure Liberum	Nicholas How	020 3100 2167

Notes to financials

1. The mean of company compiled consensus estimates for reported full-year FY27 results are for revenue of £462m and underlying profit before tax of £12.9m. Severfield previously guided to FY27 underlying profit before tax of £12-15m and as set out in this announcement, now expected to deliver towards the upper end of that range.

2. Underlying results are stated before non-underlying items of £4.6m (H1 FY26*: £8.2m), including strategy and transformation costs, bridge testing and remedial costs, amortisation of acquired intangible assets and other non-underlying items. These items are presented separately to aid understanding of performance and year-on-year comparisons (see Note 8).

3. The Group excludes IFRS 16 lease liabilities from net debt as they are excluded from the definition of net debt as set out in the Group's borrowing facilities.

4. FY26 refers to the 52-week period ended 28 March 2026. FY27 and FY28 refer to the 52-week periods ending 27 March 2027 and 25 March 2028, respectively. The Group's accounts are made up to an appropriate weekend date around 31 March each year.

* H1 FY26 comparatives reflect the restatement for Severfield Modular Solutions as a discontinued operation and the new geographic reporting structure; see notes 5 and 7.

Reconciliations of underlying and statutory results are provided in the Alternative Performance Measures section (see note 18)

Notes to editors:

Severfield is the market leader in the design, fabrication and construction of structural steel in the UK and Europe, with total fabrication capacity of approximately 150,000 tonnes per annum across six sites and c.2,000 employees. The Group has expertise in large, complex projects across a broad range of sectors.

The Group operates through geographically focused UK and European divisions and, in India, through its joint venture with JSW Steel, JSW Severfield Structures Limited ('JSSL'), providing design and engineering, manufacturing, construction services and project management services.

Construction Metal Forming ('CMF') remains a separate joint venture; Severfield Modular Solutions is presented as a discontinued operation.

INTERIM STATEMENT

INTRODUCTION

The Group has made a strong start to FY27, delivering 20% revenue growth to £239.1m and underlying profit before tax up 289% to £7.0m (H1 FY26*: £1.8m). A significantly higher UK and Europe order book provides visibility, whilst record production and profitability in India have driven a materially higher contribution from JSSL to Group earnings. Improved operating margins and progress against our refreshed strategy underpin confidence in our upgraded full-year expectations.

We have continued to deliver major projects across our priority sectors and geographies, whilst securing new work in markets where our engineering expertise and ability to deliver complex structures are key differentiators. Key delivery milestones included significant progress at Hinkley Point C, completion of the main contract at Agratas in Somerset, with an additional work package, and completion of INEOS' Project ONE in Antwerp.

The UK and Europe order book increased to £629m at 1 November 2026 (1 June 2026: £507m) with an increasing proportion in Europe. Recent wins across nuclear, transport infrastructure, industrial and data centres sectors reflect our focus on securing complex, higher-value projects whilst maintaining a diverse order book. The improved quality and margins of the order book provide greater visibility of activity for the remainder of FY27 and into FY28.

India continues to deliver strong growth, with record production and profitability increasing the Group's share of JSSL profit to £2.4m. Phased investment of c.£8m has been approved for Gujarat Phase 2 and a new facility in Odisha, supporting an increase in manufacturing capacity to over 400kt per annum and positioning JSSL to capitalise on significant market opportunities.

The bridge remedial programme continues to progress in line with plan, with all factory work on affected structures now complete and the majority of the remaining on-site remedial works expected to conclude during FY27, with the finalisation of some programmes extending into H1 FY28 as planned. Additional costs of £2m have been prudently recognised, with recovery being actively pursued with clients. We have also substantially completed the orderly wind-down of Severfield Modular Solutions, exiting the Sherburn site, and subletting the Malton facility in partnership with a customer on a long-term project.

We have made good progress across all elements of our refreshed strategy, strengthening our executive leadership team, alongside key senior appointments. Through our new Clients & Markets function, we are deepening client relationships and sharpening our focus on priority sectors. Our transformation programmes are driving greater operational efficiency, with around £6m net annualised cost savings delivered, offsetting inflation and other costs and improving our competitive position. Together, these actions are building a stronger, more competitive business, focussed on improving the quality of earnings and cash generation.

WORK WINNING AND ORDER BOOK

At 1 November 2026, the UK and Europe order book stood at £629m (1 June 2026: £507m), comprising £354m in the UK and £275m in Europe. Of the total, £439m is scheduled for delivery over the next 12 months, providing strong visibility of planned workload for FY27 and into FY28.

Our refreshed strategy is translating into contract wins, particularly on complex, higher-value projects where our engineering expertise, problem-solving capabilities and delivery certainty differentiate us. Examples of recent wins include:

- Secured a 12kt structural steelwork package for Jacobs Solutions Inc. for a major European-based pharmaceutical project for Eli Lilly and Company.
- Awarded five data centre projects across the UK and Europe, totalling around 40kt.
- Growing PCSA activity, including recent engagements with a leading tier-one contractor and a major developer across our strategic markets, enhancing conversion opportunities and visibility of future work.
- Secured an initial contract through partnership with Global, establishing a platform for further growth in nuclear and energy.
- Appointed to Network Rail's £240m overhead line equipment (‘OLE’) steel supply framework, strengthening the Group's position in long-term UK rail infrastructure programmes.

Our dedicated Clients & Markets function is strengthening client relationships, driving repeat business and sharpening our focus on priority sectors and geographies. Through earlier client engagement, we are applying our design and engineering expertise to solve design and delivery challenges, reduce steel tonnage, improve buildability and shorten construction programmes. This approach is already translating into a growing number of PCSAs in priority sectors such as data centres and commercial offices, alongside significant new contract wins across Europe. Our focus remains on delivering better outcomes for clients and stronger project returns, while maintaining discipline around commercial terms and execution risk.

This strategic focus on more complex, higher-value work is driving materially improved margins on new contract wins, reflecting the premium placed on our technical expertise and ability to deliver with certainty. A more balanced market supply and demand environment is also supporting margin improvement. While FY27 remains a transition year, these stronger margins will progressively feed through to reported results as projects are delivered, underpinning our confidence in the quality of the order book and sustainable improvement in profitability over the medium term.

Sectors

- **Data centres** remain a significant area of activity across the UK and Europe. Recent contract wins include a hyperscale data centre project in London, alongside projects in Germany, Sweden and Finland**. In Finland** we have established a partnership with a leading power infrastructure provider, that extends beyond primary structural steelwork, to deliver integrated generator framing and modular enclosures solutions for new-build data centres.
- In **Commercial Offices,** we continue work under a PCSA for a new landmark London development, demonstrating the value of early client engagement and engineering-led solutions on complex projects.
- **Nuclear** activity spans new-build and decommissioning work at Sizewell C and Sellafield respectively.
- In **Transport Infrastructure,** we have been appointed to Network Rail's OLE Steelworks Framework to supply steel piles and foundations, supporting future UK rail electrification programmes.
- In the **Industrial** sector**,** we have secured a significant structural steelwork package for a major European pharmaceutical project, demonstrating our growing European presence and ability to secure complex, large-scale projects.
- In the **Power** sector**,** we have secured an initial contract through our partnership with Global, establishing a foothold in this market and creating a platform for further growth.

JSSL

In India, JSSL's order book increased to ₹4,061 crore (£320m) at 1 November 2026 (1 June 2026: ₹3,440 crore; £267m). Recent wins include data centre projects across South India, Mumbai, Delhi and Chennai totalling 80kt, alongside 44kt of industrial projects for our JV partner, JSW Steel. The order book provides visibility across commercial, industrial, data centre and infrastructure projects, with further detail in the India review.

STRATEGIC PROGRESS

Implementation of the Group's refreshed strategy continues to progress, with a clear focus on improving margins, the quality and consistency of earnings, cash generation and returns. We are prioritising sectors and geographies where our engineering expertise and track record of reliable delivery provide a competitive advantage, while developing a more integrated service offering encompassing project management, design & engineering, manufacturing, and delivery. We are already seeing early progress, including increasing number of PCSAs with new and existing clients, as well as the development of new partnerships, such as our partnership with Global.

Strengthening our operating model

The new geographically-led divisional structure is strengthening coordination across the Group and supporting more disciplined market and project selection. Alongside this, we have made significant progress in realigning our cost base through reduced third-party expenditure and carefully targeted headcount reductions, delivering expected net annualised overhead savings of around £6.0m. We have also taken action to align our direct labour cost base with anticipated workloads, the evolving mix of work and our priority markets, with these

efficiencies being in addition to the overhead savings. These savings were already embedded in our FY27 plan and future forecasts and are therefore not incremental.

The executive leadership team has been strengthened with the appointments of Terry Fitzmaurice as Chief Commercial Officer and Simon Nicholas as Chief Technical Officer both reporting into the Chief Executive Officer. Terry will strengthen commercial discipline and coordination across procurement, commercial and estimating activities. Recruitment is also underway for a Group Procurement Director. Simon, as Chief Technical Officer, will lead engineering and design, across Severfield's operations in the UK, Europe and India, driving greater innovation and collaboration across the Group. Earlier client engagement, including through PCSAs, will be a key priority, helping to shape designs, solve delivery challenges and improve buildability and programme certainty.

The wider leadership team has been strengthened through the appointment of a new Group Manufacturing Director, bringing extensive European manufacturing experience. Additional sector leads have also been appointed within our Clients & Markets team to strengthen focus on our priority markets, including Defence.

Together, these appointments significantly strengthen our commercial, technical and operational leadership, bringing greater discipline and ensuring closer alignment between work winning, manufacturing capacity delivery and strategic priorities.

Transformation programmes

Our four transformation programmes are translating the refreshed strategy into operational and financial improvements, supporting our medium-term ambition of £40-50m profit before tax at 7-8% margin.

- **Clients & Markets** is strengthening client relationships and targeting higher-value opportunities through a coordinated sector and geographic approach, earlier engagement through PCSAs and selected partnerships that broaden our service offering.
- **Manufacturing 360** is optimising our manufacturing footprint, capacity and shift patterns, supported by improved dashboards and digital processes and selected delivery partnerships to build a more flexible, capital-light operating model while maintaining quality, delivery certainty and commercial control.
- **Engineering Excellence** is strengthening our technical capabilities through design optimisation and value engineering, reducing material requirements and improving buildability, client outcomes and project returns.
- **Performance & Productivity** is aligning the cost base with the new operating model through tighter operational discipline and project governance, with initiatives implemented to date representing net annualised savings of around £6.0m, offsetting inflation and other costs and improving our competitive position.

JSSL

Alongside the transformation programmes in the UK and Europe, we are positioning JSSL for further growth through phased, demand-led capacity expansion. Gujarat Phase 1 is progressing to plan, with investment approved for Gujarat Phase 2 (c.80kt) and a new facility in Odisha (c.190kt). Together, these investments are expected to increase JSSL's in-house capacity to >400kt per annum, expanding its presence into high-growth regional markets.

Severfield's share of equity investment is expected to total c.£8m over FY27-FY29, of which £3-4m is planned for H2 FY27, and will be funded through our existing cash flows. We are also evaluating the potential acquisition of suitable land in Mumbai, which would provide optionality for a fourth facility, subject to further appraisal and approval of any associated investment.

Capital discipline

The low level of capital expenditure in H1 reflects a disciplined approach as we refine our longer-term manufacturing strategy and priorities. Total planned investment for FY27 remains at c.£8m, reflecting targeted investment through our Manufacturing 360 transformation programme and other strategic growth priorities,

including the incremental £3-4m investment in India. The equity investment in India will be accommodated within the previously guided investment plans, with no change to the overall level of planned expenditure.

OUTLOOK

Reflecting the strong H1 performance and progress in delivering the refreshed strategy, the Board has increased confidence in the FY27 outturn with FY27 underlying PBT now expected to be towards the upper end of the £12m–£15m range. The significant growth in the UK and Europe order book to £629m provides good visibility of FY27 and FY28 activity levels and supports our medium-term ambitions. We remain on track to deliver broadly flat year-end net debt at c.£28m.

FY27 remains a transition year, as we embed our new operating model, drive improvements in operational performance and continue to enhance the quality and diversity of the order book through a disciplined focus on our target sectors and geographies. Whilst secured orders support planned activity levels, we continue to manage potential timing changes proactively through disciplined production planning, resource allocation and flexible use of our manufacturing footprint and selected delivery partners.

Our strategic focus on more complex, higher-value projects, earlier client engagement, and delivery certainty, is supporting materially improved margins on new contract wins, with a more balanced supply and demand environment providing additional support. These stronger margins will progressively flow through as the order book is delivered.

Looking further ahead, opportunities across complex commercial projects, data centres, power and energy, defence, nuclear and transport infrastructure, together with JSSL's record performance and phased capacity expansion, support confidence in the Group's medium-term prospects. Our focus remains on disciplined execution, improving the quality of earnings and cash generation, and delivering sustainable growth and long-term shareholder returns.

FINANCIAL REVIEW

The following analysis reflects the Group's geographically focussed divisional structure, with the UK and Europe shown separately and JSSL and Construction Metal Forming ('CMF') reported as joint ventures.

During the previous financial year, the Group took the strategic decision to discontinue Severfield Modular Solutions, a sub-scale, non-core business, to simplify the Group's portfolio and increase focus on its core structural steel activities. Accordingly, the H1 FY26 comparative results have been restated to reflect Modular Solutions as a discontinued operation, resulting in a reduction in reported revenue from continuing operations of £6.8m and an increase in underlying profit before tax of £1.2m, reflecting the division's loss-making performance.

Underlying performance

H1 2027 (£m)	Revenue	UOP*	UPBT*
UK	135.4	8.4	8.4
Europe	103.7	3.3	3.3
Central costs	-	(4.9)	(4.9)
JSSL (JV)	-	-	2.4
CMF (JV)	-	-	(0.2)
Net finance costs	-	-	(2.0)
Group	**239.1**	**6.8**	**7.0**

Restated comparative analysis

H1 2026* (£m)	Revenue	UOP*	UPBT*
UK	122.3	1.7	1.7
Europe	77.0	4.9	4.9
Central costs	-	(3.2)	(3.2)
JSSL (JV)	-	-	1.0
CMF (JV)	-	-	(0.3)
Net finance costs	-	-	(2.3)
Group	**199.3**	**3.4**	**1.8**

** The references to underlying operating profit (before JVs and associates) and underlying profit before tax are set out in note 8. A reconciliation of the Group's underlying results to its statutory results is provided in the Alternative Performance Measures ('APMs') section (see note 18).*

Revenue increased by 20 per cent in the period to £239.1m. The UK contributed £135.4m and Europe £103.7m reflecting the increased activity levels in H1 compared to last year and the growing mix of work generated from projects delivered in Europe.

Underlying operating profit before JVs and associates increased to £6.8m (H1 FY26*: £3.4m), with the UK contributing £8.4m and Europe £3.3m before central costs of £4.9m. The Group's underlying operating margin was 2.9 per cent, with 6.2 per cent in the UK and 3.2 per cent in Europe. The European operating margin was impacted by the timing of profit recognition on a number of significant contracts. The phasing of profit recognition across these contracts has affected reported profitability in both the current and comparative periods and is the primary driver of the year-on-year reduction in margin.

The year-on-year movement in Central costs reflects lower favourable cost offsets, including reduced steel purchase rebates recognised centrally, influenced by prevailing steel prices and our commercial arrangements with key suppliers.

The Group's share of profit from JSSL increased to £2.4m (H1 FY26: £1.0m) whilst the share of loss from CMF reduced to £0.2m (H1 FY26: £0.3m). Net finance costs decreased to £2.0m (H1 FY26*: £2.3m). This results in underlying profit before tax of £7.0m (H1 FY26*: £1.8m), an increase of £5.2m.

After non-underlying items of £4.9m and discontinued operations of £1.0m, statutory profit before tax was £1.1m. The underlying tax charge was £1.2m, representing an effective tax rate of 25 per cent. Underlying basic

earnings per share for continuing operations was 2.0p. Basic earnings per share for continuing operations was 0.7p.

Non-underlying items

Non-underlying items from continuing operations totalled £4.9m (H1 FY26*: £8.1m), comprising the following:

£m	H1 2027	H1 2026*
Bridge testing and remedial costs	2.0	-
Other bridge-related costs	-	3.3
Refinancing-related costs	-	1.4
Amortisation of acquired intangible assets	-	1.3
Strategy and transformation	2.9	1.3
Other non-underlying costs	-	0.8
Non-underlying items – continuing operations	**4.9**	**8.1**
Non-underlying items – discontinued operations	(0.3)	0.1
Total non-underlying items	**4.6**	**8.2**

**Non-underlying items relating to discontinued operations represent income and costs excluded from the reported results of Severfield Modular Solutions that meet the Group's criteria for classification as non-underlying.*

The bridge testing and remedial programme continues to progress in line with plan, with factory work on affected bridge structures now complete. We expect to complete the majority of remaining on-site remedial works during FY27, with the finalisation of some programmes extending into H1 of FY28, as planned. Additional costs of £2m have been recognised with recovery being actively pursued with the relevant clients. Discussions remain ongoing to resolve the associated commercial matters.

Severfield Modular Solutions ceased trading during the period, with its results presented as discontinued operations. The operational wind-down is now complete with the Sherburn factory exited and all redundancies concluded. The Malton factory is in the process of being sublet in partnership with a customer on a long-term project. In H1, we incurred cash costs of £1.1m against exit provisions recognised in FY26. CMF remains a separate joint venture within continuing operations.

Strategy and transformation costs relate to the Group's defined strategy and transformation programme, including redundancy costs associated with cost reduction initiatives, severance and recruitment costs linked to changes in the executive leadership team and costs of dedicated personnel supporting transformation projects.

Cash flow and financing

Net debt on a pre-IFRS 16 basis at 26 September 2026 was £44.8m (28 March 2026: £28.2m), with leverage of 1.7x and total available facility headroom of £21.8m. The increase in net debt from year end principally reflects the timing of customer receipts, a £10.5m outflow in relation to bridge remedial costs, and £1.6m in relation to the discontinuation of Modular Solutions. This temporary working capital increase has resulted in leverage of 1.7x which is marginally above our target range of 1.0-1.5x but is still well within our covenant of 3.0x.

We expect working capital tied up on several significant legacy contracts to unwind in H2 with £14m associated receipts already agreed since the half-year end. We have also secured favourable payment terms on a number of new contracts early in H2. Together, these developments reinforce our confidence in delivering year-end net debt broadly in line with FY26, at c.£28m.

Operating cash flow from continuing operations was an outflow of £9.5m and underlying cash conversion was 46 per cent in the period. Working capital was the primary driver and represented an outflow of £6.8m reflecting the build-up of contract investment as activity levels increase across the Group, the timing of customer receipts and several significant contracts, and the unwind of certain loss provisions recognised in the previous year. We continue to focus on billing milestones, collection of amounts due and disciplined management of contract investment.

Capital expenditure in H1 was £0.8m. The slower start reflects the ongoing refinement of the manufacturing strategy and prioritisation of investment in production capability, flexibility and sustainable returns. Full year capital expenditure guidance remains at c.£8m, which now incorporates the incremental investment in India.

On 11 June 2026, the Group completed the refinancing of its banking facilities, as previously announced in our full year results announcement on 23 June 2026. The facilities comprise a £60.0 million revolving credit facility, a term loan facility amortising through to December 2027, and an accordion option of up to £30.0 million, subject to lender consent. The facilities have an initial term to June 2029, with two one-year extension options on the revolving credit facility, subject to lender consent.

The facilities remain unsecured and replace the Group's previous banking facilities. The refinancing enhanced the Group's liquidity position and financial flexibility and was completed on improved commercial terms, including the removal of the debt service cover covenant.

Pensions

The Group's net defined benefit pension liability at 26 September 2026 was £3.7m (28 March 2026: £2.9m), with the increase primarily reflecting updated mortality assumptions. The latest triennial valuation of the Atlas Ward Pension Scheme, as at 5 April 2026, identified a funding deficit of £5.9m on a technical provisions basis.

Reflecting the previous deficit repair payments and the continued constructive relationship with the Scheme Trustees, a revised funding agreement has been reached, subject to regulatory approval, reducing annual deficit contributions from £3.0m to £2.2m for five years from April 2026. The agreement provides a stable and predictable funding framework, with the deficit expected to be eliminated by March 2029 on a technical provisions basis. The longer-term aim remains to secure members' benefits with an insurer, subject to funding levels and market conditions. Formal valuation documentation is being finalised.

Dividend

No interim dividend is proposed, with the focus remaining on strengthening the business and investing in delivery of our new strategy to support long-term shareholder returns. The Board recognises the importance of dividends to shareholders and intends to resume distributions when supported by sustainable cash generation and the Group's financial framework.

OPERATIONAL REVIEW

The operational review reflects the Group's new geographically led operating model, covering UK, Europe and India. CMF remains a separate joint venture within continuing operations, whilst Severfield Modular Solutions is reported as a discontinued operation.

UK

UK revenue increased by 10.8% to £135.4m (H1 FY26: £122.2m), with underlying operating profit increasing to £8.4m (H1 FY26*: £1.7m) and an underlying operating margin of 6.2%, compared with 1.4% in the prior period. During the period, work progressed across a broad range of priority sectors, including complex commercial developments, industrial, nuclear, energy and transport infrastructure.

Key delivery milestones included completion of our main contract at Agratas in Somerset, where an additional package of work was secured, alongside completion of Salisbury Square and South Molton Triangle in London, and a number of distribution centres. Significant progress was also made at Hinkley Point C and Fifty Fenchurch Street in London, whilst further commercial and transport infrastructure projects commenced.

Our strategy of earlier client engagement continues to gain traction, with growing PCSA and early contractor involvement (ECI) activity across priority sectors. This enables us to apply our engineering expertise earlier in the project lifecycle, strengthen client relationships and improve delivery certainty, supporting higher-value contract opportunities.

Whilst extended contract award timetables on a small number of major projects temporarily affected UK factory loading over the summer, the significant increase in the UK and Europe order book provides strong visibility over manufacturing activity for the remainder of FY27 and into FY28.

The UK order book stood at £354m at 1 November 2026, with £214m scheduled for delivery over the next 12 months. The order book comprises a diversified mix of work, including complex commercial projects, data centres, process industries, nuclear and transport infrastructure.

Europe

Europe revenue increased by 34.6% to £103.7m (H1 FY26: £77.0m). Underlying operating profit was £3.3m (H1 FY26*: £4.9m), representing an underlying operating margin of 3.2%. The year-on-year reduction in profitability reflects the timing of profit recognition on key contracts in H1 FY26, together with lower-margin work secured during an earlier period of sustained pricing pressure, which has progressively moved through delivery. New contracts are being secured at improved margins, reflecting our strategic focus on more complex, higher-value work, with the benefits expected to emerge as these projects progress.

Work progressed across data centres, process industries, port and electricity grid infrastructure, alongside completion of INEOS' Project ONE in Antwerp. Further data centre projects commenced during the period in new European countries.

Recent awards across Germany, the Netherlands and Finland reflect the strength of our engineering and delivery capabilities, supporting closer client relationships, repeat business and a more diversified order book.

European steel markets are showing signs of recovery with stronger demand, particularly in data centres, contributing to a more balance supply and demand environment. Steel mill capacity remains constrained, with growing demand across European and US markets extending lead times.

Changing international trade flows, tariffs and import quotas, together with the EU's Carbon Border Adjustment Mechanism (CBAM), continue to add complexity to procurement and cross-border delivery, with potential implications for steel availability, pricing and lead times.

Our focus on early client engagement and supplier engagement, supported by a broader European operating presence, is helping secure capacity, managing cost and programme risk, and improve delivery certainty. This greater flexibility strengthens our ability to compete for complex projects and support future growth.

The Europe order book stood at £275m at 1 November 2026, with £225m scheduled for delivery over the next 12 months, providing visibility across a growing range of priority sectors and markets.

India

The Group's share of JSSL profit increased to £2.4m in H1 FY27 (H1 FY26: £1.0m), reflecting record production and profitability in India.

The figures below present JSSL's standalone financial performance, with the Group recognising its share of JSSL'S post-tax profit.

JSSL key performance indicators

£m, unless otherwise stated	H1 2027	H1 2026	Change
Revenue	116.0	65.8	+76%
EBITDA	9.4	6.4	+47%
Operating profit	8.4	4.7	+81%
Operating margin	7.3%	7.1%	+20 bps
Finance expense	(2.4)	(2.1)	-0.3
Profit before tax	6.0	2.6	+3.4
Tax	(1.2)	(0.6)	-0.6
Profit after tax	**4.8**	**2.0**	**2.8**
Group share of profit after tax (50%)	**2.4**	**1.0**	**1.4**

JSSL delivered a strong first-half performance, with revenue increasing by 76% to £116.0m, reflecting record production volumes and increased activity across its operations. Operating profit increased by 81% to £8.4m, with an operating margin of 7.3% (H1 FY26: 7.1%). The business continues to focus on operational efficiency, procurement savings and financial discipline to support margins as volumes grow.

Production in the first half reached a record 85kt, including over 16kt in September, a record for the month. This momentum has continued into H2, with JSSL achieving a new monthly production record of c.21.5kt in October, the first time output has exceeded 20kt in a single month. These milestones demonstrate JSSL's increasing scale and delivery capability, providing a strong platform for further growth. The business remains on track to

deliver full-year output of more than 200kt, supported by the ramp-up at Gujarat and subcontracting arrangements, whilst maintaining its focus on operational efficiency, quality and financial discipline.

JSSL has secured a diversified mix of work across data centres, commercial buildings and industrial projects. Data centres remain a key growth sector, with new orders totalling c.58k tonnes during the July to October period. The business is also pursuing opportunities in commercial developments and infrastructure projects, supported by its RDSO approval for railway-related structures.

JSSL's phased capacity expansion is progressing in line with its growth strategy and market demand. Phase 1 of the Gujarat facility will have annual production capacity of c.70kt, when commissioning is complete, with investment approved for phase 2, adding c.80k tonnes to bring total site capacity to c.150kt per annum. Alongside the approved new facility in Odisha (c.190kt), this supports planned in-house capacity growth to over 400kt per annum. In parallel, approval has also been granted to explore the purchase of suitable land in Mumbai, providing optionality for a potential fourth facility, with any further investment subject to full appraisal and approval.

Alongside this, JSSL is implementing operational improvements across its Bellary and Gujarat facilities and subcontracting operations, including more integrated production planning, improved utilisation of fabrication space, and tighter operational controls. These initiatives are intended to increase throughput, reduce inefficiencies and support the delivery of higher volumes.

JSSL's order book increased to ₹4,061 crore (equivalent to £320m) at 1 November 2026 (1 June 2026: ₹3,440 crore, equivalent to £267m), providing strong visibility over future activity. The diversified order book spans data centres, commercial developments and industrial facilities. JSSL remains focused on converting its opportunities into secured work whilst maintaining discipline in contract selection and margins.

The Indian market outlook continues to strengthen, supported by continued investment in data centre infrastructure, commercial office space and industrial development. The increasing acceptance of structural steel as an alternative to traditional concrete construction provides further growth opportunities. Against this backdrop, JSSL remains focused on selective work winning, delivery excellence and disciplined working capital management to support sustainable growth and returns.

The continued weakening of the Indian rupee against sterling has impacted JSSL's reported contribution to the Group. The average exchange rate during H1 FY27 was approximately ₹128/£1, compared with ₹116/£1 in H1 FY26 and ₹107/£1 two years ago. At current exchange rates, the sterling value of equivalent rupee earnings is approximately 9% lower than a year ago and 16% lower than two years ago. This translation headwind partially offsets JSSL's strong underlying growth in local currency.

CMF

CMF remains a separate joint venture reported within continuing operations. The Group is assessing strategic options for the joint venture.

The Group's share of CMF's post-tax loss was £0.2m (H1 FY26: £0.3m). Performance remains affected by weakness in the distribution market, with subdued demand for decking and purlins. This has been partially offset by stronger demand from the data centre sector and increased activity across the Group’s European projects, supporting prospects for improved performance in the second half.

Paul McNerney
Chief Executive Officer

Andrew Page
Chief Financial Officer

Condensed consolidated interim financial statements
Consolidated income statement

	Six months ended 26 September 2026 (unaudited)			Six months ended 27 September 2025 (unaudited)			Year ended 28 March 2026 (audited)		
	Underlying £000	**Non-underlying £000**	**Total £000**	Underlying £000	Non-underlying £000	Total £000	Underlying £000	Non-underlying £000	Total £000
Revenue	**239,110**	**–**	**239,110**	199,264	–	199,264	442,471	–	442,471
Operating costs	**(232,277)**	**(4,874)**	**(237,151)**	(195,845)	(8,028)	(203,873)	(429,774)	(37,679)	(467,453)
Operating profit/(loss) before share of results of JVs and associates	**6,833**	**(4,874)**	**1,959**	3,419	(8,028)	(4,609)	12,697	(37,679)	(24,982)
Share of results of JVs and associates	**2,219**	**–**	**2,219**	706	–	706	2,477	–	2,477
Operating profit/(loss)	**9,052**	**(4,874)**	**4,178**	4,125	(8,028)	(3,903)	15,174	(37,679)	(22,505)
Net finance expense	**(2,031)**	**–**	**(2,031)**	(2,371)	(12)	(2,383)	(4,716)	(12)	(4,728)
Profit/(loss) before tax	**7,021**	**(4,874)**	**2,147**	1,754	(8,040)	(6,286)	10,458	(37,691)	(27,233)
Taxation	**(1,204)**	**1,218**	**14**	(302)	2,007	1,705	(2,353)	3,603	1,250
Profit/(loss) for the period continuing operations	**5,817**	**(3,656)**	**2,161**	1,452	(6,033)	(4,581)	8,105	(34,088)	(25,983)
(Loss)/ Profit after tax from discontinued operations	**(1,251)**	**222**	**(1,029)**	(878)	(98)	(976)	(2,882)	(6,745)	(9,627)
Total profit/(loss) for the year	**4,566**	**(3,434)**	**1,132**	574	(6,131)	(5,557)	5,223	(40,833)	(35,610)
Earnings/(loss) per share (continuing and discontinued operations):									
Basic	**1.54p**	**(1.16)p**	**0.38p**	0.19p	(2.07)p	(1.88)p	1.77p	(13.80)p	(12.03)p
Diluted	**1.53p**	**(1.15)p**	**0.38p**	0.19p	(2.07)p	(1.88)p	1.77p	(13.80)p	(12.03)p
Earnings/(loss) per share (continuing operations):									
Basic	**1.97p**	**(1.24)p**	**0.73p**	0.49p	(2.04)p	(1.55)p	2.74p	(11.52)p	(8.78)p
Diluted	**1.95p**	**(1.23)p**	**0.72p**	0.49p	(2.04)p	(1.55)p	2.74p	(11.52)p	(8.78)p

Further details of non-underlying items are disclosed in note 8 to the condensed consolidated financial statements.

Consolidated statement of comprehensive income

	Six months ended 26 September 2026 (unaudited) £000	Six months ended 27 September 2025 (unaudited) £000	Year ended 28 March 2026 (audited) £000
Items that will not be reclassified to income statement:			
Actuarial (loss)/gain on defined benefit pension scheme	**(2,296)**	582	1,432
Tax relating to components that will not be reclassified	**574**	(146)	(358)
	(1,722)	436	1,074
Items that are or may be reclassified to income statement:			
Cash flow hedges – reclassified to income statement	**129**	287	201
Exchange difference on foreign operations	**(712)**	(641)	(1,719)
Tax relating to components that may be reclassified	**(246)**	238	145
Gains/(losses) taken to equity on cash flow hedges	**854**	(1,237)	(840)
	25	(1,353)	(2,213)
Other comprehensive expense for the period from continuing operations	**(1,697)**	(917)	(1,139)
Profit/(Loss) for the period from continuing operations	**2,161**	(4,581)	(25,983)
Loss for the period from discontinued operations net of tax	**(1,029)**	(976)	(9,627)
Total comprehensive expense for the period attributable to equity shareholders of the parent	**(565)**	(6,474)	(36,749)

Consolidated balance sheet

	At 26 September 2026 (unaudited) £000	At 27 September 2025 (unaudited) £000	At 28 March 2026 (audited) £000
ASSETS			
Non-current assets			
Goodwill	**86,715**	98,401	86,780
Other intangible assets	**105**	1,472	136
Property, plant and equipment	**85,947**	92,839	88,728
Right-of-use assets	**16,310**	19,356	17,945
Interests in JVs and associates	**24,627**	31,964	23,027
Deferred tax assets	**1,398**	1,584	1,398
Contract assets, trade and other receivables	**649**	2,900	658
	215,751	248,516	218,672
Current assets			
Inventories	**7,454**	9,988	7,419
Contract assets, trade and other receivables	**117,804**	85,645	110,471
Current tax asset	**2,051**	3,569	2,238
Derivative financial instruments	**744**	–	–
Cash and cash equivalents	**6,823**	31,963	24,361
	134,876	131,165	144,489
Total assets	**350,627**	379,681	363,161
LIABILITIES			
Current liabilities			
Trade and other payables	**(103,706)**	(82,910)	(98,239)
Provisions	**(17,184)**	(27,797)	(31,711)
Derivative financial instruments	**–**	(747)	(507)
Financial liabilities – borrowings	**(3,800)**	(8,100)	(3,800)
Financial liabilities – leases	**(3,073)**	(3,641)	(3,550)
	(127,763)	(123,195)	(137,807)
Non-current liabilities			
Provisions	**(5,897)**	(2,305)	(6,529)
Retirement benefit obligations	**(3,742)**	(5,002)	(2,873)
Financial liabilities – borrowings	**(47,850)**	(45,700)	(48,800)
Financial liabilities – leases	**(13,464)**	(15,972)	(14,896)
Deferred tax liabilities	**(5,285)**	(11,314)	(5,615)
	(76,238)	(80,293)	(78,713)
Total liabilities	**(204,001)**	(203,488)	(216,520)
NET ASSETS	**146,626**	176,193	146,641
EQUITY			
Share capital	**7,405**	7,405	7,405
Share premium	**88,522**	88,522	88,522
Other reserves	**(4,548)**	(3,877)	(3,925)
Retained earnings	**55,247**	84,143	54,639
TOTAL EQUITY	**146,626**	176,193	146,641

Consolidated statement of changes in equity

	Share Capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Total equity £000
At 29 March 2026	7,405	88,522	(3,925)	54,639	146,641
Total comprehensive income for the period	–	–	270	(835)	(565)
Equity settled share-based payments	–	–	(893)	1,443	550
At 26 September 2026 (unaudited)	7,405	88,522	(4,548)	55,247	146,626

	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 30 March 2025	7,405	88,522	(924)	87,957	182,960
Total comprehensive expense for the year	–	–	(2,358)	(34,391)	(36,749)
Equity settled share-based payments	–	–	(643)	1,073	430
At 28 March 2026 (audited)	7,405	88,522	(3,925)	54,639	146,641

Consolidated cash flow statement

	Six months ended 26 September 2026 (unaudited) £000	Six months ended 27 September 2025 (unaudited) £000	Year ended 28 March 2026 (audited) £000
Net cash flow (used in)/from operating activities – continuing operations	**(9,468)**	24,949	26,772
Net cash flow (used in)/from operating activities – discontinued operations	**(2,332)**	(509)	(3,897)
Net cash (used in)/from operating activities	**(11,800)**	24,440	22,875
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment	**23**	172	762
Proceeds on disposal of land and buildings	–	3,004	3,004
Purchases of other property, plant and equipment	**(830)**	(1,614)	(2,838)
Net cash (used in)/ generated by investing activities – continuing operations	**(807)**	1,562	928
Net cash generated by investing activities – discontinued operations	**129**	1	26
Net cash (used in)/generated by investing activities	**(678)**	1,563	954
Cash flows from financing activities			
Interest paid	**(1,974)**	(2,371)	(4,782)
Repayment of borrowings	**(950)**	(5,000)	(6,200)
Repayment of lease liabilities	**(2,009)**	(2,062)	(3,934)
Net cash used in financing activities – continuing operations	**(4,933)**	(9,433)	(14,916)
Net cash used in financing activities – discontinued operations	**(76)**	(127)	(252)
Net cash used in financing activities	**(5,009)**	(9,560)	(15,168)
Effect of exchange rate	**(51)**	–	180
Net (decrease)/ increase in cash and cash equivalents	**(17,538)**	16,443	8,841
Cash and cash equivalents at beginning of period	**24,361**	15,520	15,520
Cash and cash equivalents at end of period	**6,823**	31,963	24,361

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 28 March 2026 were approved by the board of directors on 23 June 2026 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 26 September 2026 was approved for issue by the board of directors on 23 November 2026.

2. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 26 September 2026 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 28 March 2026, which were prepared in accordance with UK-adopted International Accounting Standards (IFRS) and the requirements of the Companies Act 2006.

Going concern

In assessing whether it is appropriate to prepare the consolidated interim financial statements on a going concern basis, the Directors have considered the Group's current financial position, projected performance and cash flows, available liquidity, borrowing facilities and associated covenant requirements, together with the principal risks and uncertainties facing the business and the wider economic environment.

In reaching their conclusion, the Directors considered, among other matters:

- The Group's secured order book in the UK and Europe and pipeline of identified future opportunities;
- The Group's cash position and committed borrowing facilities which, following the refinancing in June 2026, are available until June 2029, together with the associated financial covenants; and
- Current trading conditions and the potential impact of downside risks associated with the Group's principal risks.

During the period, the Group achieved strong growth in revenue and profitability, reflecting progress against its strategic objectives and improved market conditions. Although liquidity headroom has been temporarily affected by the timing of key receipts in several legacy contracts, and increased working capital investment on a number of major contracts, these working capital pressures are expected to ease in the second half of the financial year. The Group delivered underlying profit before tax of £7.0m for the six-month period and held an order book of £629m as at 1 November 2026, providing strong earnings visibility over the assessment 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 assessment included consideration of forecasts under both a base case and a severe but plausible downside scenario.

The base case forecast, which reflects the Directors' current expectations of future trading and cash performance, indicates that the Group will maintain adequate liquidity and covenant headroom throughout the assessment period.

A severe but plausible downside scenario was also modelled to assess the Group's resilience to adverse trading conditions. The scenario included:

- A lower conversion of identified opportunities into secured orders over the next 12 months;
- Additional one-off contract losses and associated cash outflows;
- Additional bridge remedial cash outflows;
- The implementation of mitigating actions within management's control, including reductions in discretionary operating expenditure, non-essential capital expenditure and bonus payments.

Under the severe but plausible downside scenario, the Group is forecast to retain sufficient liquidity throughout the assessment period and remain in compliance with its covenant requirements.

Having considered the results of this assessment, and after making appropriate enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of approval of these financial statements. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the consolidated interim financial statements.

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 28 March 2026, 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.

Discontinued operations
Discontinued operations comprise a component of the Group whose operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group, and which represents a separate major line of business or geographical area of operations.

A component is classified as a discontinued operation when it has been disposed of or meets the criteria to be classified as held for sale. Where a qualifying operation is being closed rather than sold, its results are presented as discontinued operations once its substantive trading activities have ceased and it is no longer used for its former business operations.

In the Consolidated income statement, the results of discontinued operations are presented separately from continuing operations as a single post-tax amount, including any applicable gains or losses arising on disposal. Corresponding notes to the Consolidated income statement exclude amounts for discontinued operations, unless stated otherwise.

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 28 March 2026.

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 27 March 2027, other than as disclosed below, have not changed from those

disclosed on pages 82 to 93 of the strategic report included in the annual report for the year ended 28 March 2026. The annual report is available on the Company's website www.severfield.com. These risks and uncertainties include, but are not limited to:

1. Health and safety
2. Supply chain
3. People
4. Commercial and market environment
5. Mispricing a contract (at tender)
6. Cyber security
7. Failure to mitigate onerous contract terms
8. 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 £20,000,000 to a loss of £13,000,000, 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 £55,379,000 (28 March 2026: £50,737,000).

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.

The Group previously reported three operating segments: Core Construction Operations, Modular Solutions and JSSL. During H1 FY27, the Group implemented a number of strategic and organisational changes, resulting in the adoption of a new geographically led operating model. Consequently, the Chief Operating Decision Maker ('CODM') now assesses the performance of the Group's core operations on a geographical basis, alongside its joint ventures. Management has therefore concluded that the Group has four operating segments: UK, Europe, India (JSSL) and CMF.

There is no difference between the Group's operating segments and reportable segments.

The UK and Europe segments generate revenue from contracts for the design, fabrication and construction of structural steelwork, with revenue recognised over time. These segments are distinguished by the geographical location of the contracts undertaken. There is no material trading between segments. The CODM also separately reviews the operating results and performance of the Group's joint ventures, JSSL and CMF.

The Executive Committee assesses the performance of the UK and Europe segments based on revenue, underlying operating profit and underlying profit before tax. Group central costs are not allocated to these segments. The performance of JSSL and CMF is assessed based on the Group's share of profit from these joint ventures.

The geographical segments are determined by the location of the contract, rather than the legal entity holding the contract or the manufacturing facility undertaking the work.

Segment assets and liabilities are not disclosed, as this information is not regularly reported to the CODM.

Comparative segment information has been restated to reflect the revised operating structure and align with the information now regularly reviewed by the CODM.

	UK	**Europe**	**JSSL**	**CMF**	**Central costs/ elimination**	**Total**
Period ended 26 September 2026:	£000	£000	£000	£000	£000	£000
Revenue	135,415	103,695	–	–	–	**239,110**
Underlying operating profit	8,377	3,301	–	–	(4,845)	**6,833**
Underlying operating profit margin	*6.2%*	*3.2%*				*2.9%*
Result from joint ventures						
– CMF	–	–	–	(161)	–	**(161)**
– JSSL	–	–	2,380			**2,380**
Finance costs	–	–	–	–	(2,031)	**(2,031)**
Underlying profit/(loss) before tax	**8,377**	**3,301**	**2,380**	**(161)**	**(6,876)**	**7,021**
Non-underlying items (note 8)	(4,874)	–	–	–	–	**(4,874)**
Profit/(loss) before tax	**3,503**	**3,301**	**2,380**	**(161)**	**(6,876)**	**2,147**

Period ended 27 September 2025:	UK £000	Europe £000	JSSL £000	CMF £000	Central costs/ elimination £000	Total £000
Revenue	122,220	77,044	–	–	–	199,264
Underlying operating profit	1,706	4,920	–	–	(3,207)	3,419
Underlying operating profit margin	*1.4%*	*6.4%*				*1.7%*
Result from joint ventures						
- CMF	–	–	–	(304)	–	(304)
- JSSL	–	–	1,010	–	–	1,010
Finance costs	–	–	–	–	(2,371)	(2,371)
Underlying profit/(loss) before tax	**1,706**	**4,920**	**1,010**	**(304)**	**(5,578)**	**1,754**
Non-underlying items (note 8)	(4,890)	(419)	–	–	(2,731)	(8,040)
(Loss)/profit before tax	(3,184)	4,501	1,010	(304)	(8,309)	(6,286)

52 week ended 28 March 2026:	UK £000	Europe £000	JSSL £000	CMF £000	Central costs/ elimination £000	Total £000
Revenue	273,883	168,588	–	–	–	**442,471**
Underlying operating profit	9,249	12,928	–	–	(9,479)	**12,697**
Underlying operating profit margin	*3.4%*	*7.7%*				*2.9%*
Result from joint ventures						
– CMF	–	–	–	(489)	–	**(489)**
– JSSL	–	–	2,966	–	–	**2,966**
Finance costs	–	–	–	–	(4,716)	**(4,716)**
Underlying profit/(loss) before tax	**9,249**	**12,928**	**2,966**	**(489)**	**(14,195)**	**10,458**
Non-underlying items (note 8)	(18,497)	–	–	(9,872)	(9,322)	**(37,691)**
(Loss)/profit before tax	**(9,248)**	**12,928**	**2,966**	**(10,361)**	**(21,517)**	**(27,233)**

Revenue

All revenue is derived from construction contracts and related assets.

Geographical information

The following table presents revenue according to the primary geographical markets in which the Group operates. This disaggregation of revenue is aligned to the segmental disclosure above.

	Half year		Year ended 28 March
	2027	2026	2026
Revenue by destination	**£'000**	£'000	£'000
United Kingdom	**135,415**	122,220	273,883
Republic of Ireland and continental Europe	**103,695**	77,044	168,588
	239,110	199,264	442,471

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. Discontinued operations

On 29 January 2026, the Group announced its decision to discontinue the Severfield Modular Solutions business and commence an orderly wind-down of its operations. Following this decision, the Group restricted new sales and tendering activity, withdrew from awarded and prospective contracts and suspended recruitment. By 26 September 2026, the business had ceased all revenue-generating activities and production of modular units at its manufacturing facility had stopped.

Severfield Modular Solutions previously formed a separate reportable segment of the Group, reflecting its distinct operations and activities. Management has therefore concluded that the business represents a separate major line of business, with operations and cash flows that are clearly distinguishable from the Group's continuing operations. Furthermore, as the business had ceased operations by the reporting date, management has concluded that the criteria for classification as a discontinued operation under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations have been met.

Accordingly, the results of Severfield Modular Solutions have been presented separately from continuing operations for all periods presented, with the post-tax result disclosed as a single amount in the consolidated income statement and reflected in the consolidated statement of comprehensive income. Comparative information has been re-presented on a consistent basis. Earnings per share (EPS) has been presented separately for continuing and discontinued operations, while the cash flows attributable to the discontinued operation have been separately disclosed in the consolidated statement of cash flows.

The summarised income statements for Severfield Modular Solutions for the six-month periods ended 26 September 2026 and 27 September 2025, and the year ended 28 March 2026, are presented below:

	Six months ended 26 September 2026 (unaudited)			Six months ended 27 September 2025 (unaudited)			Year ended 28 March 2026 (audited)		
	Underlying £000	**Non-underlying £000**	**Total £000**	Underlying £000	Non-underlying £000	Total £000	Underlying £000	Non-underlying £000	Total £000
Revenue	**3,104**	**–**	**3,104**	6,781	–	6,781	11,782	–	11,782
Operating costs	**(4,764)**	**296**	**(4,468)**	(7,924)	(131)	(8,055)	(15,575)	(8,797)	(24,372)
Operating (loss)/profit	**(1,660)**	**296**	**(1,364)**	(1,143)	(131)	(1,274)	(3,793)	(8,797)	(12,590)
Net finance expense	**(8)**	**–**	**(8)**	(28)	–	(28)	(50)	–	(50)
(Loss)/profit before tax	**(1,668)**	**296**	**(1,372)**	(1,171)	(131)	(1,302)	(3,843)	(8,797)	(12,640)
Taxation	**417**	**(74)**	**343**	293	33	326	961	2,052	3,013
Total (loss)/profit for the year from discontinued operations	**(1,251)**	**222**	**(1,029)**	(878)	(98)	(976)	(2,882)	(6,745)	(9,627)
Earnings/(loss) per share discontinued operations:									
Basic			**(0.35)p**			(0.33)p			(3.25)p
Diluted			**(0.34)p**			(0.33)p			(3.25)p

8. Non-underlying items

	Six months ended 26 September 2026 £000	Six months ended 27 September 2025 £000	Year ended 28 March 2026 £000
Operating costs – continuing operations	**(4,874)**	(8,028)	(37,679)
Finance expense – continuing operations	**–**	(12)	(12)
Non-underlying items before tax -continuing operations	**(4,874)**	(8,040)	(37,691)
Operating costs – discontinued operations	**296**	(131)	(8,797)
Non-underlying items before tax – continuing and discontinued operations	**(4,578)**	(8,171)	(46,488)
Tax on non-underlying items – continuing operations	**1,218**	2,007	3,603
Tax on non-underlying items – discontinued operations	**(74)**	33	2,052
Non-underlying items after tax	**(3,434)**	(6,131)	(40,833)

	Six months ended 26 September 2026 £000	Six months ended 27 September 2025 £000	Year ended 28 March 2026 £000
Non-underlying items before tax consist of:			
Amortisation of acquired intangible assets	**–**	(1,305)	(2,606)
Impairment charges	**–**	–	(22,186)
Bridge testing and remedial costs	**(2,000)**	–	(13,208)
Insurance recoveries	**–**	–	7,500
Refinancing-related costs	**–**	(1,424)	–
Other bridge-related costs	**–**	(3,329)	(2,571)
Other non-underlying costs	**(2,874)**	(1,970)	(4,608)
Unwinding of discount on contingent consideration	**–**	(12)	(12)
Non-underlying items before tax – continuing operations	**(4,874)**	(8,040)	(37,691)
Modular Solutions closure costs	**296**	(131)	(8,797)
Non-underlying items before tax – continuing and discontinued operations	**(4,578)**	(8,171)	(46,488)

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. These assets are fully amortised as at 28 March 2026, therefore there is no amortisation charge in the period.

The March 2026 impairment charges of £22,186,000 include the non-cash impairments of the Infrastructure goodwill of £11,474,000 and our joint venture investment in CMF of £9,872,000. No further impairments were required in the period to 26 September 2026.

The bridge testing and remedial programme continued during the period, with factory work on affected bridge structures now complete. We expect to complete the majority of remaining on-site remedial works during FY27, with the finalisation of some programmes extending into H1 FY28. Additional costs of £2.0m have been recognised, with recovery being actively pursued with the relevant clients. Discussions remain ongoing to resolve the associated commercial matters.

Modular solutions closure costs have now been moved to discontinued operations following the cessation of revenue generating activities within the period.

Other non-underlying costs of £2,874,000 comprise of £657,000 relating to changes within the executive management team during the year including the recruitment costs of the new Executive Directors and severance costs. The charge also includes £2,008,000 relating to transformation related expenditure incurred in support of the Group's strategic transformation programme and the delivery of the Board's refreshed strategy.

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 18 for further details.

9. 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 26 September 2026.

10. Dividends

No interim dividend has been declared for the period ended 26 September 2026 (H1 2026: no interim dividend), and the associated dividend payment is therefore £nil (H1 2026: £nil).

11. Earnings per share

Earnings per share is calculated as follows:

	Six months ended 26 September 2026 £000	Six months ended 27 September 2025 £000	Year ended 28 March 2026 £000
Earnings from continuing and discontinued operations for the purposes of basic earnings per share being net (loss)/profit attributable to equity holders of the parent company	**1,132**	(5,557)	(35,610)
Earnings from continuing and discontinued operations for the purposes of underlying basic earnings per share being underlying net profit attributable to equity holders of the parent company	**4,566**	574	5,223
Earnings from continuing operations for the purposes of basic earnings per share being net (loss)/profit attributable to equity holders of the parent company	**2,161**	(4,581)	(25,983)
Earnings from continuing operations for the purposes of underlying basic earnings per share being underlying net profit attributable to equity holders of the parent company	**5,817**	1,452	8,105
Weighted average number of ordinary shares for the purposes of basic earnings per share	295,971,987	295,586,440	295,900,490
Effect of dilutive potential ordinary shares and under share plans	2,797,041	–	–
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**298,769,028**	295,586,440	295,900,490
Basic earnings/(loss) per share from continuing and discontinued operations	**0.38p**	(1.88)p	(12.03)p
Underlying basic earnings per share from continuing and discontinued operations	**1.54p**	0.19p	1.77p
Diluted earnings/(loss) per share from continuing and discontinued operations	**0.38p**	(1.88)p	(12.03)p
Underlying diluted earnings per share from continuing and discontinued operations	**1.53p**	0.19p	1.77p
Basic earnings/(loss) per share from continuing operations	**0.73p**	(1.55)p	(8.78)p
Underlying basic earnings per share from continuing operations	**1.97p**	0.49p	2.74p
Diluted earnings/(loss) per share from continuing operations	**0.72p**	(1.55)p	(8.78)p
Underlying diluted earnings per share from continuing operations	**1.95p**	0.49p	2.74p

12. Property, plant and equipment

During the period, for continuing operations, the Group acquired other property, plant and equipment of £830,000 (H1 2026: £1,651,000). The Group also disposed of land and buildings of £nil (H1 2026: £3,004,000) and other property, plant and equipment for £23,000 (H1 2026: £210,000) resulting in a gain on disposal of £3,000 (H1 2026: £1,089,000).

13. Provisions

	Legacy employment taxes £000	Bridge testing and remedial costs £000	Loss provisions £000	Onerous leases £000	**Total £000**
Balance at 29 March 2025	2,000	27,331	8,758	–	**38,089**
Provisions made during the year	–	13,208	8,460	4,075	**25,743**
Provisions used during the year	(2,000)	(19,800)	(3,792)	–	**(25,592)**
Balance at 28 March 2026	**–**	**20,739**	**13,426**	**4,075**	**38,240**
Provisions made during the period	–	2,000	431	–	**2,431**
Provisions used during the period	–	(10,410)	(7,180)	–	**(17,590)**
Balance at 26 September 2026	**–**	**12,329**	**6,677**	**4,075**	**23,081**
Current	–	**12,329**	**4,219**	**636**	**17,184**
Non - current	–	–	**2,458**	**3,439**	**5,897**

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 28 March 2026.

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. Additional costs of £2m have been recognised, with recovery being actively pursued with the relevant clients. Discussions remain ongoing to resolve the associated commercial matters.

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 remain subject to continued detailed review, ongoing

dialogue and legal process, as well as the application of contractual liability caps. See note 17 on contingent liabilities for further details.

Onerous lease
The provision relates to a property contract for which practical completion had not been achieved at the reporting date. As the property was not available for use by the Group as at 26 September 2026, a right-of-use asset and corresponding lease liability had not been recognised under IFRS 16. Accordingly, the contract has been assessed under IAS 37 and a provision recognised where the unavoidable costs associated with the contract exceed the expected economic benefits to be derived from it.

The provision is measured at the present value of the estimated net unavoidable costs arising under the contract, taking account of expected sublease income and other anticipated economic benefits. The provision therefore represents management's best estimate of the expenditure required to settle the obligation at the reporting date and is reassessed as facts and circumstances evolve.

14. Net debt

	At 26 September 2026 £000	At 27 September 2025 £000	At 28 March 2026 £000
Borrowings	**(51,650)**	(53,800)	(52,600)
Cash and cash equivalents	**6,823**	31,963	24,361
Unamortised debt arrangement costs	**751**	107	64
Net debt (pre-IFRS 16)	**(44,076)**	(21,730)	(28,175)
IFRS 16 lease liabilities	**(16,537)**	(19,613)	(18,446)
Net debt (post-IFRS 16)	**(60,613)**	(41,343)	(46,621)

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.

15. Net cash flow from operating activities

	Six months ended 26 September 2026 £000	Six months ended 27 September 2025 £000	Year ended 28 March 2026 £000
Profit/(Loss) before tax	**2,147**	(6,286)	(27,233)
Adjustments:			
Net finance expense	**2,031**	2,383	4,728
Depreciation of property, plant and equipment	**3,378**	3,463	6,752
Right-of-use asset depreciation	**1,725**	1,939	3,812
Gain on disposal of other property, plant and equipment	**(3)**	(1,089)	(1,076)
Fixed asset impairments	**-**	-	21,984
Amortisation of intangible assets	**30**	1,338	2,673
Movements in pension scheme liabilities	**(1,427)**	(1,271)	(2,550)
Share of results of JVs and associates	**(2,219)**	(706)	(2,477)
FX movements	**224**	122	(355)
Share-based payments	**550**	(286)	434
Operating cash flows before movements in working capital	**6,436**	(393)	6,692
(Increase)/decrease in inventories	**(184)**	1,777	3,260
(Increase)/decrease in receivables	**(8,401)**	30,078	5,609
(Decrease)/increase in payables	**(7,794)**	(6,141)	11,563
Cash (used in)/ generated from operations	**(9,943)**	25,321	27,124
Tax received/(paid)	**475**	(372)	(352)
Net cash flow from operating activities – continuing operations	**(9,468)**	24,949	26,772

16. Related party transactions

There have been no changes in the nature of related party transactions as described in note 30 on page 202 of the annual report for year ended 28 March 2026 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 26 September 2026, 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 £2,219,000 (H1 2026: £706,000) for the period reflects a profit from JSSL of £2,380,000 (H1 2026: £1,010,000) and a loss from CMF of £161,000 (H1 2026: £304,000 loss).

During the period, the Group has sold services to its Indian joint venture ('JSSL') of £90,000 (H1 2026: £nil). The amount due from, and to, JSSL at 26 September 2026 was £43,000 (28 March 2026 £155,000) and £170,000 (28 March 2026: £143,000) respectively.

During the period, the Group has purchased services from CMF of £4,201,000 (H1 2026: £4,028,000). The amounts due from, and to, CMF at 26 September 2026 were £1,750,000 (28 March 2026: £2,168,000) and £646,000 (28 March 2026: £313,000) respectively.

During the period, the Group purchased services in the ordinary course of business from Fabsec Limited ('Fabsec') at a cost of £24,000 (H1 2026: £40,000). The amount due to Fabsec at 26 September 2026 was £113,000 (28 March 2026: £117,000).

17. 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 FY24, 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.

Non-underlying charges have been recognised in the prior years 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. 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, additional costs of £2.0m have been booked. 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 substantially come to completion over the next 12 months.

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.

18. 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) from continuing operations	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 from continuing operations	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 plus the term loan, excluding unamortised debt arrangement costs, 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) from continuing operations	**Six months ended 26 September 2026 (unaudited) £000**	Six months ended 27 September 2025 (unaudited) £000	Year ended 28 March 2026 (audited) £000
Underlying operating profit (before JVs and associates) from continuing operations	**6,833**	3,419	12,697
Non-underlying operating items continuing operations	**(4,874)**	(8,028)	(37,679)
Share of results of JVs and associates	**2,219**	706	2,477
Operating Profit/ (Loss) from continuing operations	**4,178**	(3,903)	(22,505)

Underlying profit/(loss) before tax from continuing operations	**Six months ended 26 September 2026 (unaudited) £000**	Six months ended 27 September 2025 (unaudited) £000	Year ended 28 March 2026 (audited) £000
Underlying profit before tax from continuing operations	**7,021**	1,754	10,458
Non-underlying items from continuing operations	**(4,874)**	(8,040)	(37,691)
Profit/(loss) before tax from continuing operations	**2,147**	(6,286)	(27,233)

Underlying basic earnings per share	**Six months ended 26 September 2026 (unaudited) £000**	Six months ended 27 September 2025 (unaudited) £000	Year ended 28 March 2026 (audited) £000
Underlying net profit attributable to equity holders of the parent Company from continuing and discontinued operations	**4,566**	574	5,223
Non-underlying items after tax from continuing and discontinued operations	**(3,434)**	(6,131)	(40,833)
Net profit/ loss attributable to equity holders of the parent Company	**1,132**	(5,557)	(35,610)
Weighted average number of ordinary shares	**295,971,987**	295,586,440	295,900,490
Underlying basic earnings per share from continuing and discontinued operations	**1.54p**	0.19p	1.77p
Basic earnings/ loss per share from continuing and discontinued operations	**0.38p**	(1.88)p	(12.03)p

Net debt	**Six months ended 26 September 2026 (unaudited) £000**	Six months ended 27 September 2025 (unaudited) £000	Year ended 28 March 2026 (audited) £000
Borrowings	**(6,650)**	(13,800)	(7,600)
Revolving credit facility	**(45,000)**	(40,000)	(45,000)
Cash and cash equivalents	**6,823**	31,963	24,361
Unamortised debt arrangement costs	**751**	107	64
Net debt (pre-IFRS 16)	**(44,076)**	(21,730)	(28,175)
IFRS 16 lease liabilities	**(16,537)**	(19,613)	(18,446)
Net debt (post-IFRS 16)	**(60,613)**	(41,343)	(46,621)

19. 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.

20. 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:

1. 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

2. 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	**Andrew Page**
Chief Executive Officer	Chief Financial Officer
24 November 2026	24 November 2026