Severfield

Full Year Results
23 June 2026

What we'll cover today

- Year in review
- Financial results
- Strategic refresh
- Q&A

Paul McNerney
Chief Executive Officer

Andrew Page
Chief Financial Officer

Year in review

Initial observations

BUILDING ON STRONG FOUNDATIONS

- **Leaders in structural steel across UK, Europe and India**
- **Reputation for high-quality service and delivery**
- **Differentiated by engineering expertise, scale and speed**
- **Well positioned in long-term structural growth sectors**
- **Revenue and cost initiatives drive margin increase**
- **Capital light growth potential drives shareholder value**

High value, complex projects

UK AND EUROPE

Jun 2025 - Now

Agratas

Sector: Industrial

22,000 tonnes structural steel delivered

Erection complete in **26 weeks**

Showcases engineering adaptability in responding to evolving manufacturing requirements

Value: Supports the UK's electric vehicle future, delivers strong local social value, and secures long-term client confidence through expanded project packages

Aug 2023 – Aug 2025

INEOS Project ONE

Sector: Industrial

7,500 tonnes Structural steel delivered utilising our UK and European fabrication footprint

Large scale industrial project

Value: Strengthens INEOS client relationship and creates opportunities for future collaboration

Increasing exposure to higher margin sectors

INDIA

Under Construction

Iron Mountain DC, Navi Mumbai

Sector: Data Center

800k sq ft Facility Area | **14,000 tonnes** High-strength Steel | **Hyperscale** Mission-critical Facility

Value Positions JSSL in a high growth, margin accretive segment, strengthens credentials with global hyperscale operators; creates repeat business potential.

Under Construction

Amaravati HOD T4, Amaravati

Sector: Commercial (Office Building for State Gov)

40-storey landmark development | **15,000 tonnes** High-strength Steel | **India's first Dia-Grid** Government project

Value Expands exposure to government infrastructure spend; strengths credentials for similar large projects in India.

Boths projects are under construction and due to be completed in 2027

Resilient performance

IN A CHALLENGING MARKET

Revenue

£454.3m ↑ 1%

FY25: £450.9m

PBT[1]

£10.5m ↓ 42%

FY25: £18.1m

UK/EU Order book

£507m ↑

Nov 25[2]: £429m

India

Tonnage: 125 kt ↑
2025: 68 kt

PBT: £3.0m
FY25: £0.1m

Net Debt[3]

£28.2m ↓
Leverage: 1.2x

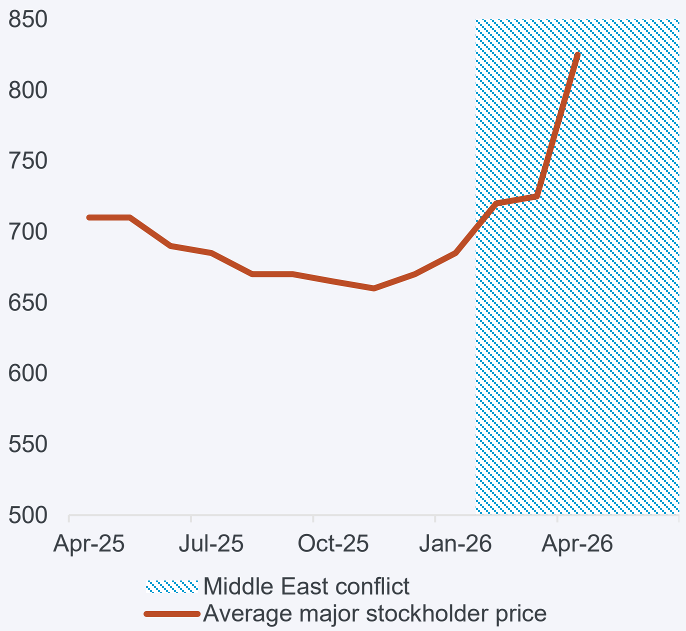
FY25: Leverage 1.4x

- Delivered performance in line with expectations in a challenging market
- Revenue stable with strong second half delivery
- Margins impacted by pricing pressure, project mix, and timing of project awards
- Diversified order book providing good forward visibility
- Continued focus on cash generation and working capital discipline, strengthening the balance sheet
- Actions taken during the year strengthen the platform for improved performance medium term

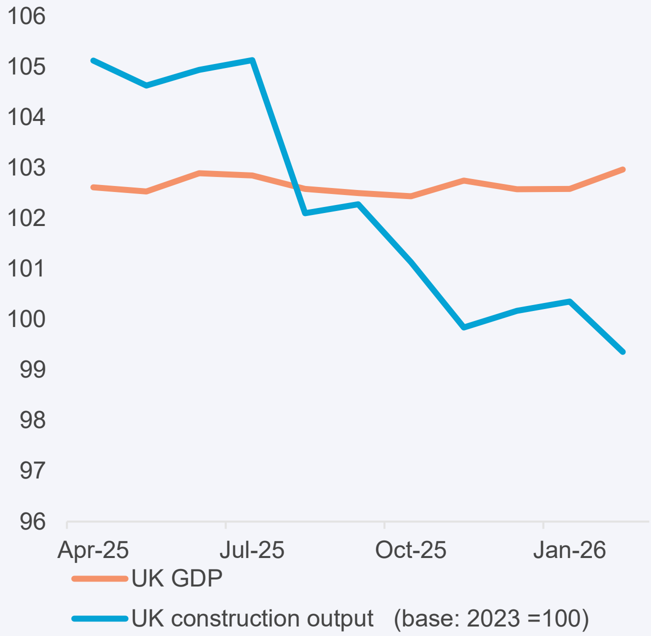
1. *Underlying result – stated before non-underlying items*
2. *Order book comparative as at 1 November 2025, being the order book announced at the FY26 half year*
3. *On a pre-IFRS-16 basis*

Challenging market conditions

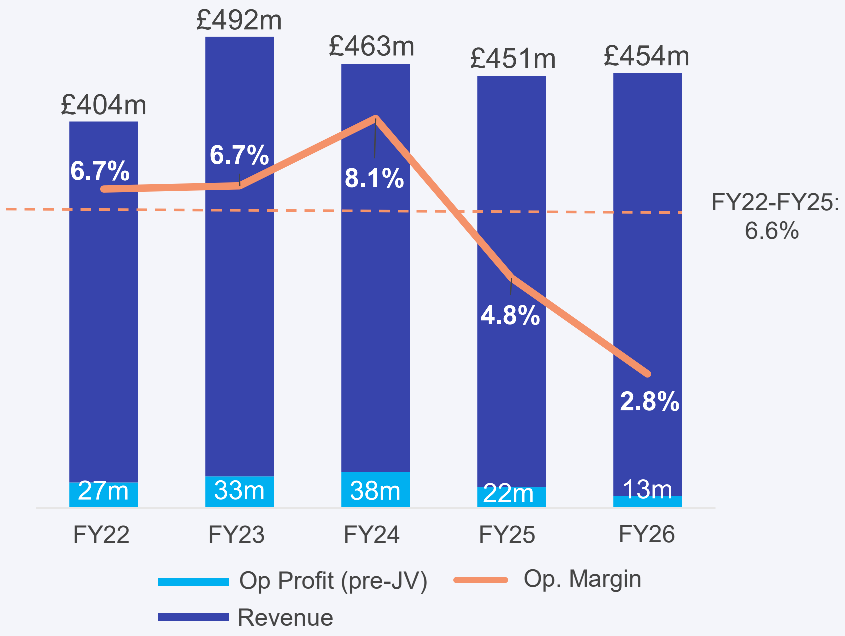
Average major stockholder steel price (£/tonne)[1]



UK GDP and construction output[2]



Revenue, profit & operating margin (excluding JV / financing costs)



- Subdued UK and European construction activity, driven by macro headwinds (geopolitics, financing costs, inflation, supply chain volatility)
- Market demand and a competitive tendering environment continuing to impact project mix and drive pricing pressures
- FY26 margin impacted (2.8% vs. 6.6% FY22–FY25 average) due to fewer high-margin projects, reduced market volumes and large operating cost base
- Despite current market pressures, we remain focused on disciplined project selection prioritising margin and cash quality while limiting lower-quality volume and positioning the business for improved returns

Source(s): 1.Stockholder pricing data. 2. Office for National Statistics

Six months of decisive action

STRENGTHENING THE BUSINESS

Nov/ Dec 25 · Jan 26 · Feb 26 · March 26 · Apr 26 · May 26 · Ongoing

Portfolio simplification & focus

- Modular Solutions exit
- Office footprint optimisation
- New Clients & Markets team established
- Infrastructure separation and refocus
- PCSA* campaign launched
- Sherburn exit
- MoU with GEG**

Operational and cost actions

- New Executive roles
- Weekly Business Plan Review process
- Cost reduction
- New operating model
- Strategic partner discussions
- Increased operational discipline
- Enhanced project execution focus
- Impairment and restructuring actions
- Resolution of bridge-related matters

Balance sheet and cash

- Strong working capital performance
- Net debt reduction achieved
- Refinancing completed

These actions strengthen the platform for improved margin quality, cash generation and future growth

* Pre-construction service agreements
** Global Engineering Group

Financial review

YEAR ENDING 28 MARCH 2026

Summary financials

Revenue
£454.3m
↑ 1%
FY25: £450.9m

Underlying[1] PBT
£10.5m
↓ 42%
FY25: £18.1m

Underlying[1] EPS
2.7p
↓ 37%
FY25: 4.3p

ROCE[5]
7.3%
↓ 200bps
FY25: 9.3%

Cash Conversion[2]
+145%
↑ 79pp
FY25: 66%

Net Debt[3]
£28.2m
Leverage: 1.2x ↓
FY25: Leverage 1.4x

UK/EU Order book
£507m ↑
Nov 25: £429m

India
Output: 125kt ↑
2025: 68kt
Order book: £344m ↑
Nov 25: £286m

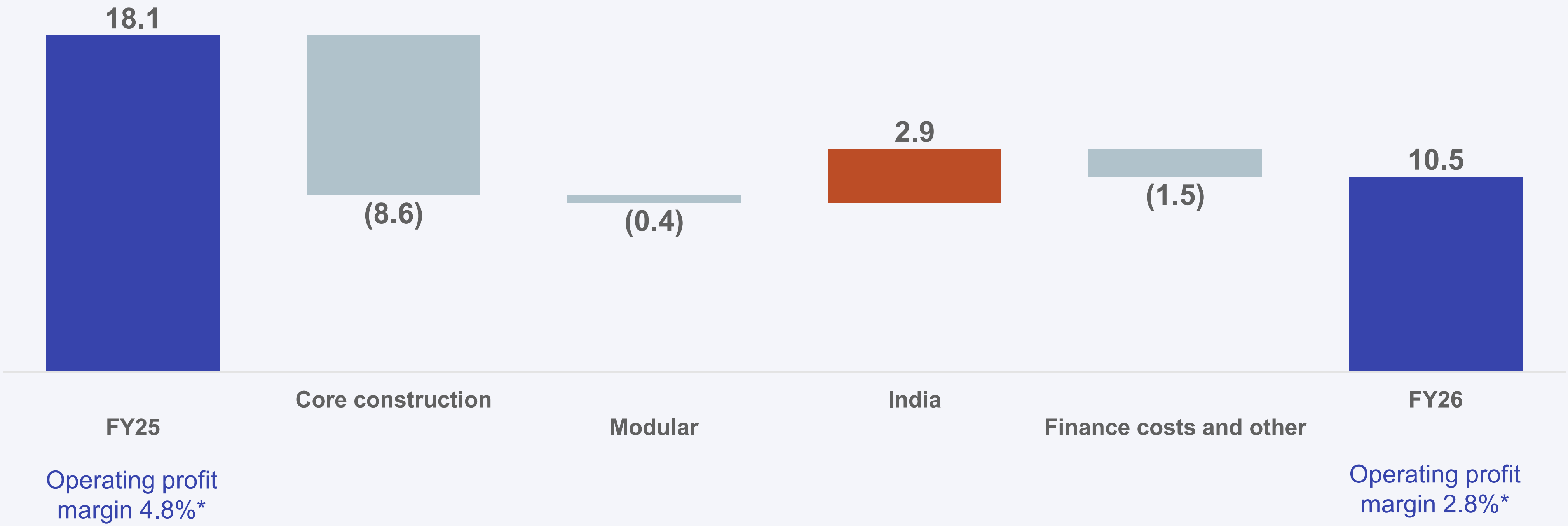
1. *Excluding non-underlying items*
2. *Cash generated from operations (before net capital expenditure, interest and tax) expressed as a percentage of underlying EBITDA (before JVs and associates)*
3. *On a pre-IFRS-16 basis*
4. *Constant currency translation: ₹10 crore = £1.0 million (₹100 million = £1.0 million). Figures shown for comparability and do not represent actual exchange rates*
5. *Underlying ROCE is calculated as underlying operating profit divided by the average of opening and closing capital employed. Capital employed is defined as shareholders' equity, excluding retirement benefit obligations (net of tax), acquired intangible assets and net debt.*

Group revenue

- Revenue broadly in line with prior year. Strong H2 despite a challenging market back drop
- Core Construction Operations revenue slightly ahead year-on-year, with a greater proportion of N&I activity (Hinkley Point C, Sellafield SRP, Bridges and Orsted projects)
- Commercial and Industrial down 9%; macro uncertainty delaying major project awards
- Modular Solutions wind-down offset underlying revenue growth

1. *Revenue split by destination*
2. *Excludes intercompany revenue*

Underlying PBT



- Underlying PBT of £10.5m reflects a more challenging UK and European trading environment
- Modular Solutions result treated as non-underlying following the decision to discontinue the business
- Competitive pricing pressure, project delays and project mix impacted profitability
- Disciplined project execution and operational performance partially mitigated market headwinds
- Record £3.0m contribution from JSSL supported Group profitability

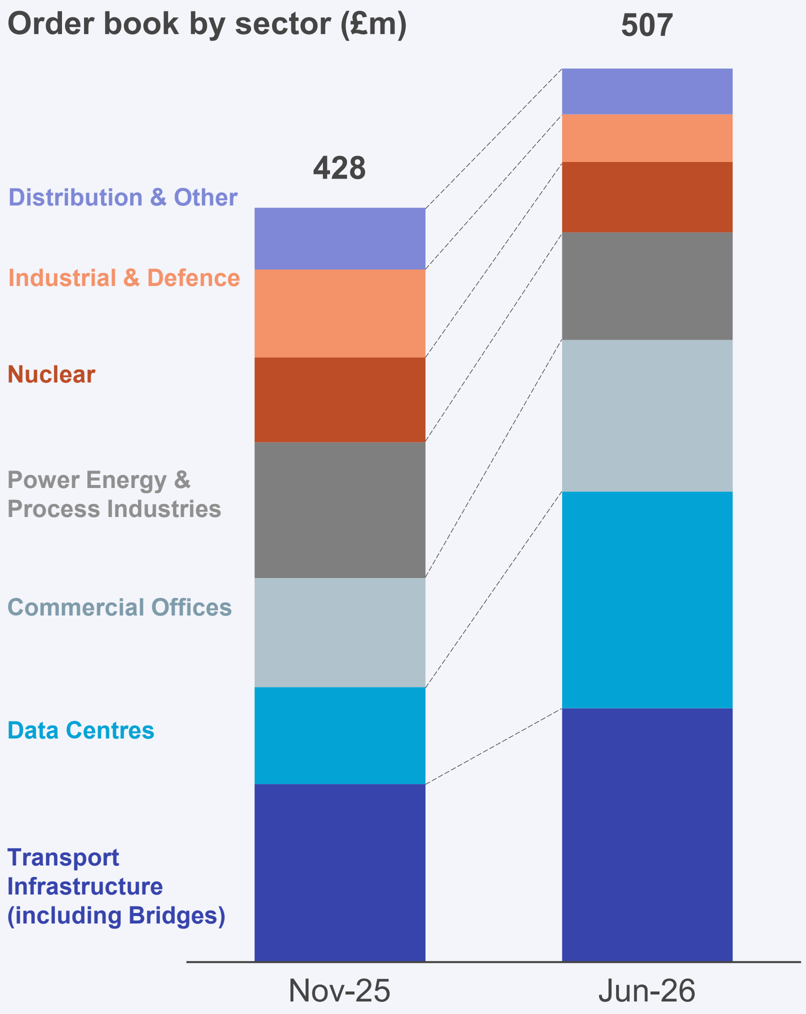
*before JVs

Non-underlying costs

£m	FY26	FY25
Underlying PBT		
Modular Solutions closure costs	**12.6**	–
Bridge testing and remedial costs (net of insurance)	**5.7**	23.4
Other bridge-related costs	**2.6**	9.1
Other (including redundancy and severance costs)	**4.6**	2.9
Legacy employment tax (credit)/charge (including interest)	**–**	(1.4)
	25.5	34.0
Non-cash impacting items:		
Amortisation of acquired intangible assets	**2.6**	2.6
Asset impairment charge	**22.2**	–
Other credits	**–**	(1.0)
	24.8	1.6
Total non-underlying items	**50.3**	35.6
Statutory loss before tax	***(39.9)***	*(17.5)*

- Modular Solutions exit; associated closure and restructuring costs
- Bridge testing and remedial programme expected to be substantially complete in FY27; £7.5m additional insurance recoveries received during FY26
- Other items include strategic transformation, Executive management changes and refinancing costs
- Non-cash impairment charges primarily reflect a prudent reassessment of Infrastructure goodwill and the Group's investment in CMF
- Net £11.0m of cash outflows in FY26 relating to non-underlying items; expected cash outflow of c.£20m in FY27, predominantly relating to bridge remedial costs

UK/Europe order book by sector

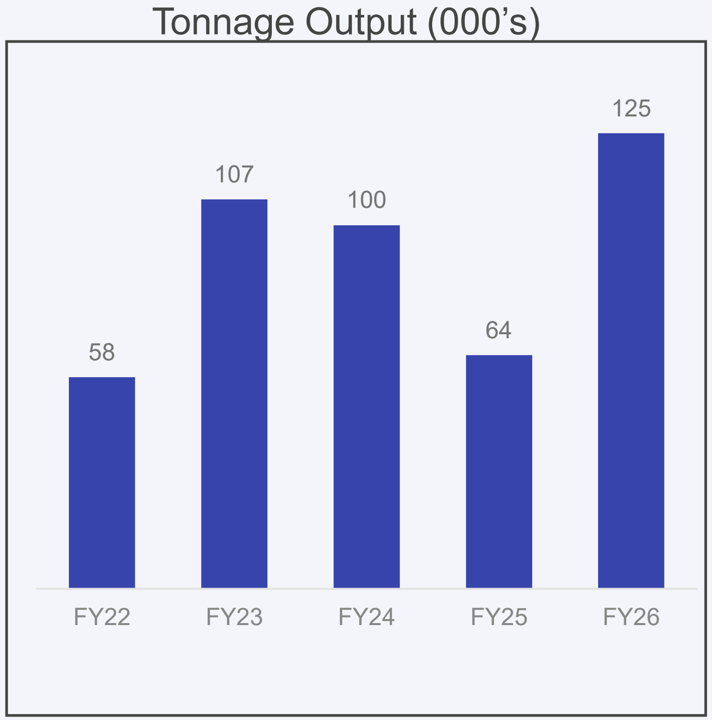


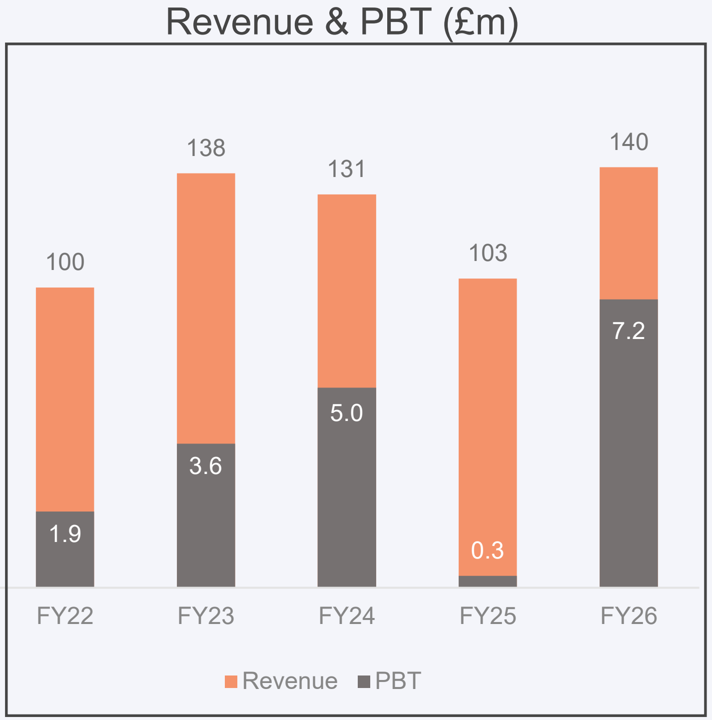
	Nov-25	Jun-26
UK	74%	72%
Europe	26%	28%

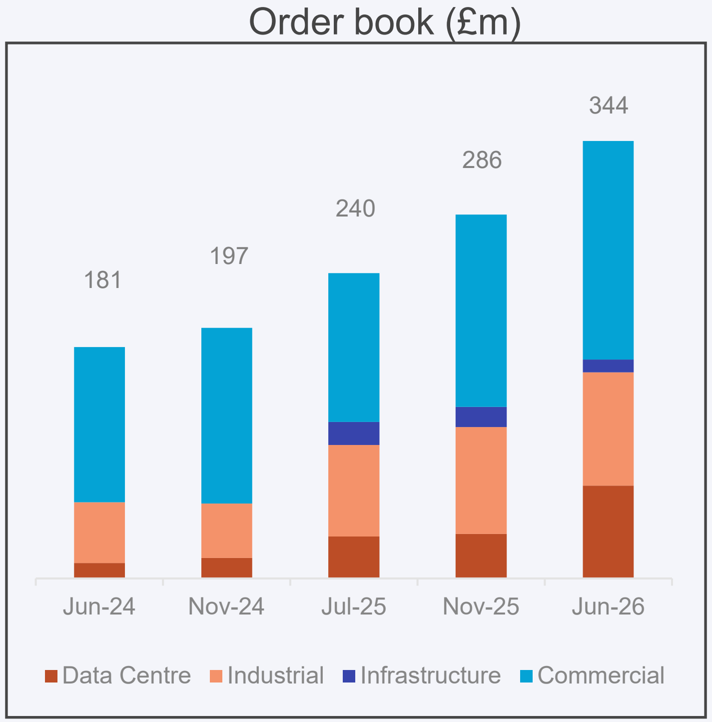
Increasing exposure to complex, high-value projects supports future growth and margin progression

- Stable activity in core sectors across UK and Europe
- Strong growth in Data Centres, Commercial Offices and Transport Infrastructure
- Energy transition driving sustained investment across renewables, grid infrastructure and industrial sectors
- Data centre growth, underpinned by AI, cloud and digital infrastructure demand
- Pipeline of further commercial developments in London
- Major transport and infrastructure programmes providing long-term visibility across the UK and Europe

India – JSSL



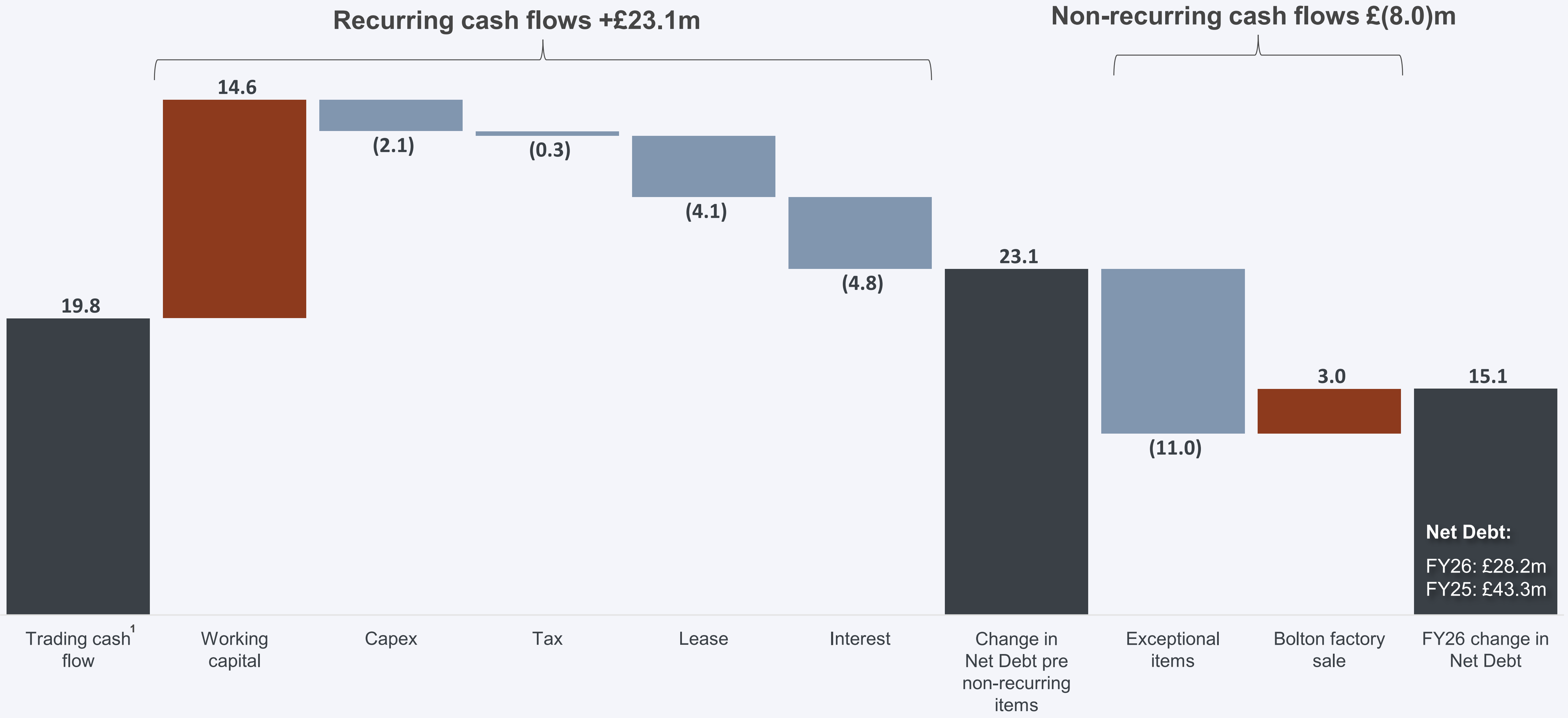




- Record output, profitability and order intake in FY26
- Profit increase driven by volume, utilisation and project mix. Record EBITDA of £14.4m
- Record order book provides strong forward visibility, with increasing exposure to higher-margin commercial, data centre and more complex projects

**Severfield share is 50% of profit after tax*

Cash flows



1. *Trading cash flow excluding exceptional items*

Financial position

Net Debt[1]

£28.2m ⬇ £15.1m

FY25: £43.3m

Liquidity headroom

£ 39.3m ⬆ £8.8m

FY25: £30.5m

Cash Conversion

+145% ⬆

FY25: 66%

Leverage[3]

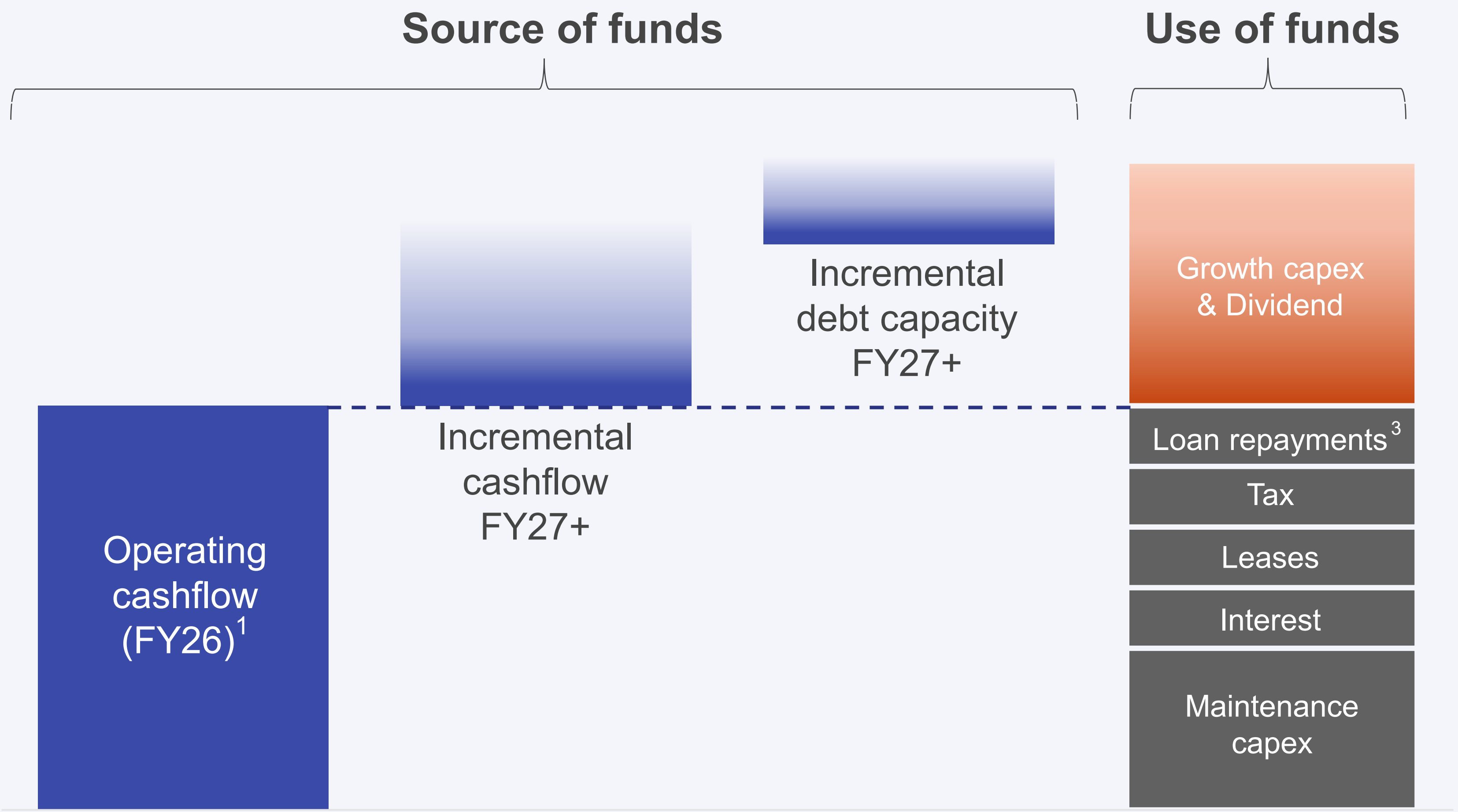
1.2x ⬇ 0.2x

FY25: 1.4x

- Strong cash generation driven by working capital discipline
  - Net debt reduced by £15.1m to £28.2m, with leverage improved to 1.2x
  - Year-end liquidity headroom increased to £39.3m
- New banking facilities extend debt maturity profile to 2029, with 2x 1-year extension options and a £30m accordion facility – strengthening financial flexibility
- JSSL Option agreement no longer required – Option lapsed earlier this year and not replaced
- Target leverage of 1.0x – 1.5x
  - FY27 leverage to reflect expected £20m outflow on non-underlying costs, partially offset by £10m contract advance
  - Continued tight focus from management on working capital; objective of maintaining net debt flat year-on-year in FY27

1. *On a pre-IFRS-16 basis*
2. *Cash generated from operations (before net capital expenditure, interest and tax) expressed as a percentage of underlying EBITDA (before JVs and associates)*
3. *Leverage is calculated based on Underlying EBITDA (excluding India JV) : Net debt (pre IFRS 16)*

Capital allocation



Leverage target range

- Net Debt/EBITDA[2]: 1.0 – c.1.5x
- Covenant: <3.0x

Growth capex criteria

- Within financial capacity
- Value accretive; IRR>WACC
- Capital requirements minimised through tight working capital management and use of strategic partnerships

Dividend policy

- Future intention to reinstate dividend, subject to sustainable cash generation & financial framework

[1] Operating cash flow presented on a pre-capex basis, excluding working capital movements and the Indian JV
[2] Net debt, on a Pre IFRS16 basis : Underlying EBITDA (excluding the India JV)
[3] Loan repayments relate to the amortising term loan, with cash repayments of £3.8m in FY27 and FY28, after which the term loan will be fully repaid

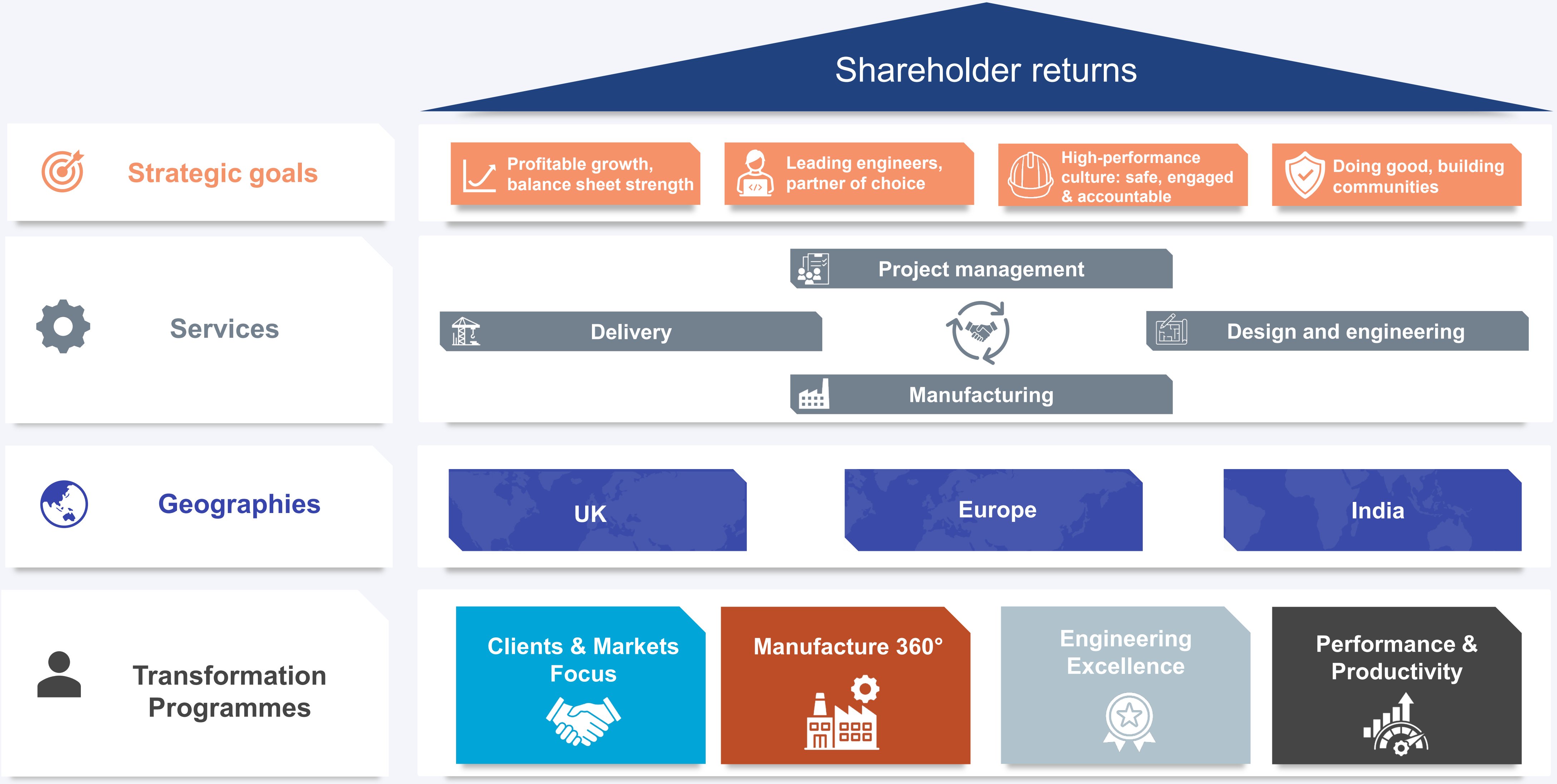
Financial summary

- Stable revenue with margin impacted by challenging market backdrop
- Strong cash generation, improved liquidity and extended banking facilities provide long-term financial flexibility
- Strong platform for growth in India with record output and increasing capacity
- The UK & Europe order book, growing JSSL contribution and attractive pipeline of opportunities provide confidence in the Group's medium-term outlook
- FY27 is expected to be a transition year – FY27 underlying profit before tax expected to be in the previously communicated range of £12–£15m

Strategy

Stakeholder value creation

SUSTAINABLE SHAREHOLDER RETURNS



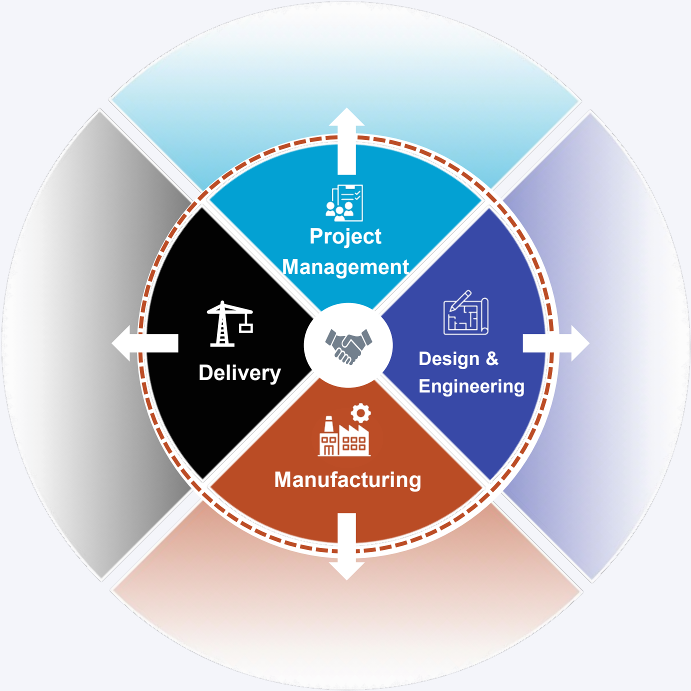
Building from strength | CLIENT LED, INTEGRATED, CAPITAL LIGHT DELIVERY MODEL

Project management

- End-to-end programme integration and project delivery
- Partnered and collaborative delivery models
- Driving efficiency, risk management and consistency across complex project

Delivery

- Proven delivery of complex, high risk projects
- Flexible, scalable execution models tailored to project needs
- Efficient logistics, plant and lifting driving productivity and cost control



Design & Engineering

- Integrated design, technical and engineering capability
- Specialist expertise in complex, high-value structures
- Delivering efficient, assured and optimised solutions

Manufacturing

- High value-add manufacturing and fabrication
- Expertise in complex, precision and specialist steelwork
- Flexible delivery models and strong procurement driving efficiency and quality

Evolving our UK & Europe geographies

Geographies

OUR DELIVERY MODEL

UK

High margin focus

Industrial | Data Centres | Bridges

Commercial | Nuclear | Defence | Stadia

- Focus on high margin sectors
- Established leadership
- Complex projects expertise
- Profitable utilisation

Europe

Major projects focus

Industrial | Commercial | Transport | Nuclear

Netherlands & future focused expansion

- Major projects focus
- Strong base in the Netherlands
- Flexible model
- Platform for sector and geographic expansion

- Leading structural steel position in the UK and expanding European footprint, with established capabilities in the Netherlands
- Focus on complex, higher-value projects across defence, infrastructure, energy and data centres
- Leveraging local presence and global expertise to expand across European markets
- Expanding integrated offering, supported by delivery partners to deliver capital light model
- Strengthening project selection, pricing discipline and execution
- Evolution supports improved margin quality and more consistent delivery

India

JOINT VENTURE REACHES TIPPING POINT

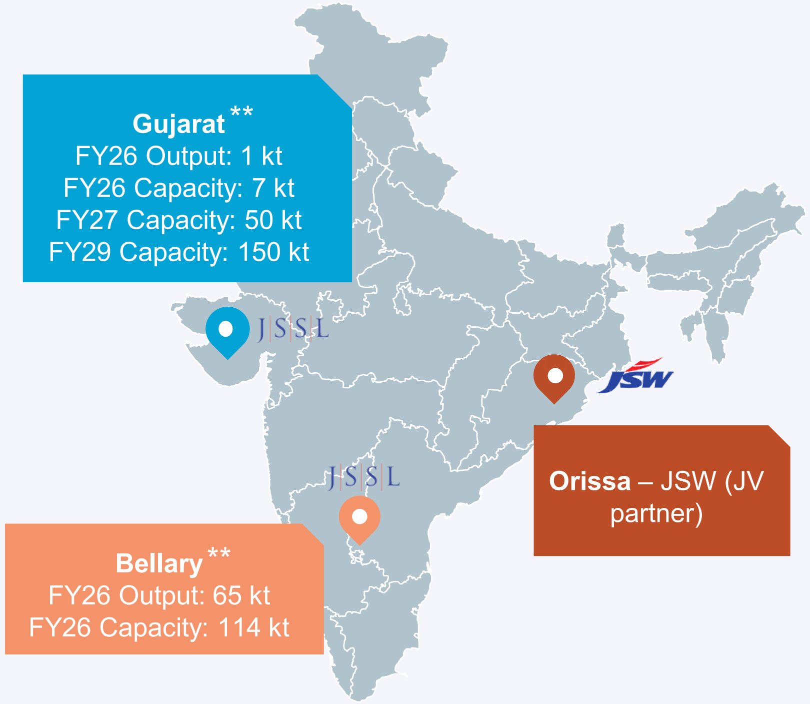
J|S|S|L → JSW 50% + Severfield 50%

Focus industries:

Industrial | Commercial | Infrastructure | Data Centres

Focus services:

Full service | Contract manufacturing



- Strategic partnership with JSW Steel (JSW) provides scale, capability and growth momentum
- Structurally attractive Indian market (c.8% GDP growth) driven by urbanisation and infrastructure investment
- Rapidly scaling platform with strong order book, output growth and increasing operating leverage
- Expansion into higher-value sectors e.g. commercial, data centres, advanced manufacturing, transport infrastructure
- Increasing use of subcontracting to enhance flexibility and capital efficiency
- JSW's steel capacity growing from 35.7mt p.a. in FY26 to 62.0mt p.a. by FY32 (FY26 US market 82mt p.a. India 164mt p.a.)

***Plus 150Kt potential from subcontracting. Supported by additional JSW investment*

Driving improvements

IN MARGIN QUALITY, CASH & RETURNS OVER TIME

Strategic Goals

Transformation Programmes

FY26 PBT
£10.5m

FY27 PBT
£12-15m
(guidance)

Efficiency gains
Supporting efficiency and margin improvement

4. Performance & Productivity

Productivity actions
Optimising our factories whilst balancing supply and demand

2. Manufacture 360°

4. Performance & Productivity

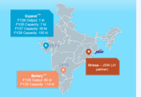
Disciplined project selection & improved sector mix
Improving quality and consistency of earnings

1. Clients & Markets Focus

Flexible, capital-light delivery
Enhancing returns and scalability and growing partnerships

1. Clients & Markets Focus

3. Engineering Excellence



Scaling India
Delivering growth and operating leverage

1. Clients & Markets Focus

Medium Term Ambition

PBT
£40–50m

2.8% | c.3% → c.7-8%

Operating Margin

Note. 5-year avg. £28m PBT (FY21-25)

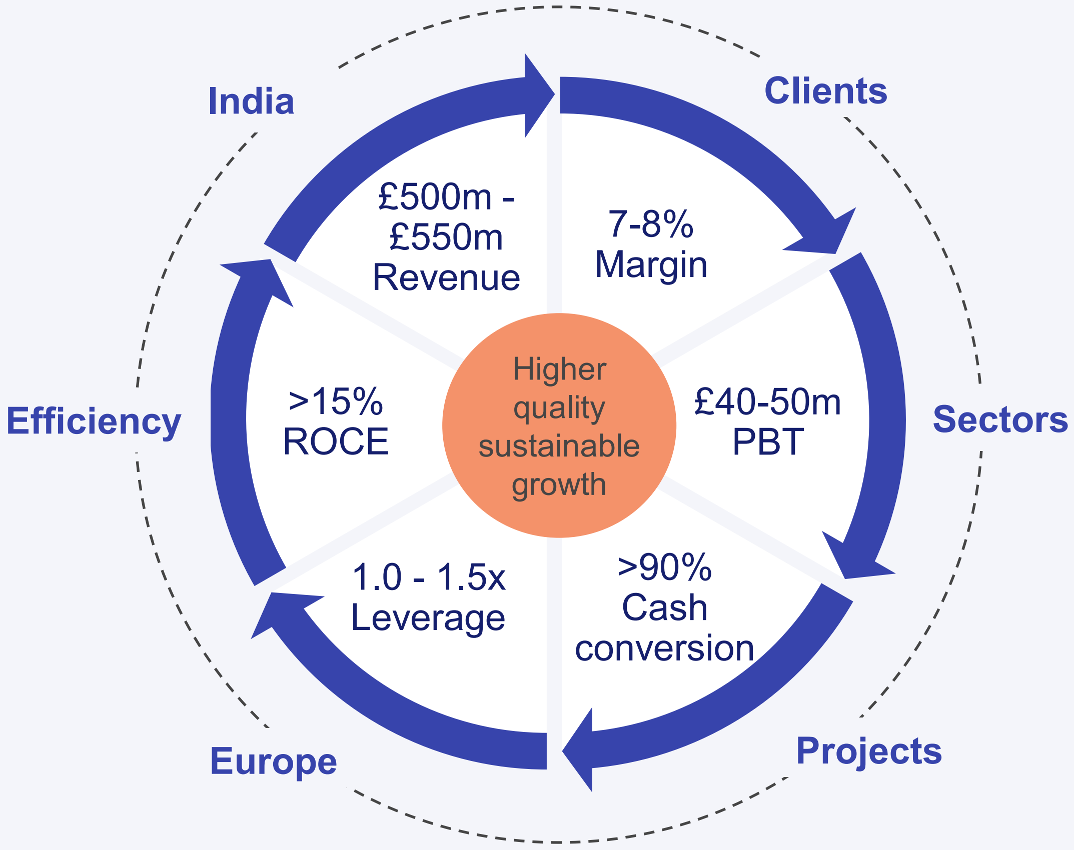
Refocused Strategy

Strategic Goals

HIGHER-QUALITY, CASH GENERATIVE, RELIABLE GROWTH

Clearly **defined strategic goals**, with 4 **distinct service areas**, a **clear geographic focus** and 4 **key enablers**, drives:

- Efficiency and productivity focus to **consistently improve margin**
- **Deepening client relationships** through a differentiated engineering and integrated services offering
- Shift towards **higher-value and growth sectors**, including data centres, nuclear and energy transition
- Increased **European penetration** leveraging leading UK position, targeting major projects across growth sectors
- Evolution to a more flexible, **capital-light operating model**, increasing use of partnerships and integrated delivery
- **Expansion of high-growth India platform** supported by capacity expansion and strong structural demand



Q&A

Appendix

High value, complex projects across UK and Europe

York Central Bridges

955 tonnes
High-strength Steel

Sellafield SRP

272 tonnes
High-strength Steel

Baker Viaduct

2,389 tonnes
High-strength Steel

- Increased exposure to infrastructure, energy transition and data centre markets
- Demonstrates capability across large, technically complex projects

Increasing exposure to higher margin sectors in India

TEL Semiconductor Factory, Dholera

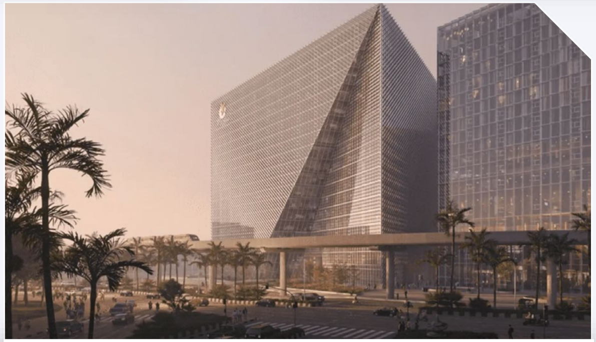
11,000 tonnes
High-strength Steel

Nxtra Data Center, Mumbai

8,025 tonnes
High-strength Steel

CapitaLand MTB 7, Bengaluru

4,761 tonnes
High-strength Steel



Prestige BKC, Mumbai

2,789 tonnes
High-strength Steel

SRM University, Chennai

3,000 tonnes
High-strength Steel

- Strong demand and increasing scale across data centres, commercial , infrastructure and industrial sectors
- Supports continued growth in output, order book and profitability.

Increasing performance through transformation

1. Clients & Markets Focus

Better connecting client needs with technical and operational capabilities

2. Manufacture 360°

Optimising manufacturing performance and production capability

3.Engineering Excellence

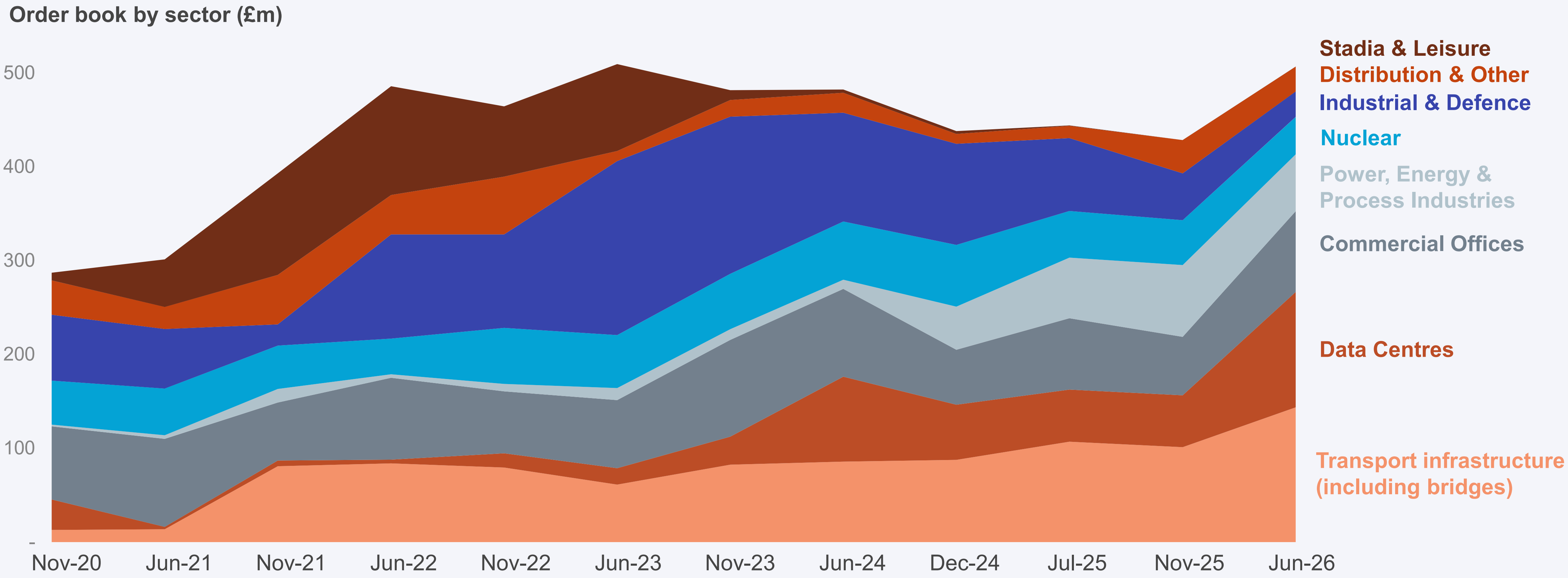
Strengthening technical capability, innovative solutions and market leadership

4. Performance & Productivity

Improving agility, controls, cash generation and cost competitiveness

Underpinned by our focus on sustainable outcomes and ESG (People, Planet, Partners)

UK/Europe order book by sector



- Order book has remained relatively consistent during the year
- Data centre market continues to form a growing proportion of the order book
- Transport infrastructure has continued to grow due to the Old Oak Common awards
- Industrial and Distribution markets have remained subdued

Group revenue

£m	FY26	FY25
Revenue from Construction contracts		
– Commercial and Industrial	320,408	349,588
– Nuclear and Infrastructure	122,064	85,860
Total revenue from Core Construction Sectors	442,472	435,448
Modular Solutions	16,323	24,152
Elimination of inter-segment revenue	(4,541)	(8,687)
Total Group revenue	454,254	450,913

Profit before tax

52 week ended 28 March 2026 £000	Core Construction Contracts	Modular Solutions	CMF	JSSL	Central costs/ elimination	Total
Revenue	442,472	16,323	–	–	(4,541)	**454,254**
Underlying operating profit	12,697	-	–	–	–	**12,697**
Underlying operating profit margin	***2.9%***	***0.0%***				***2.8%***
Result from joint ventures						
– Construction Metal Forming Limited	–	-	(489)	–	–	**(489)**
– JSSL	–	–	–	2,966		**2,966**
Finance costs	–	–	–	–	(4,716)	**(4,716)**
Underlying profit before tax	**12,697**	**-**	**(489)**	**2,966**	**(4,716)**	**10,458**
Non-underlying items	(25,004)	(12,848)	(9,872)	–	(2,607)	(50,331)
Profit before tax	**(12,307)**	**(12,848)**	**(10,361)**	**2,966**	**(7,323)**	**(39,873)**

Add back	
Non-underlying	**50,331**
Joint ventures	**(2,477)**
Finance costs	**4,716**
Fixed asset depreciation	**6,998**
ROUA depreciation	**3,812**
Amortisation	**67**
EBITDA*	**23,574**

Underlying EBITDA before IFRS 16 and excluding the Group's share of results from Joint Ventures

India

£m	FY26	FY25	Change
Revenue	**154.8**	103.3	+51.5
EBITDA	**14.0**	7.1	+6.9
Operating profit	**11.5** **7.4%**	4.5 4.3%	+7.0
Finance expense	**(3.7)**	(4.2)	+0.5
Profit before tax	**7.8**	0.3	+7.5
Group share after tax (50%)	**3.0**	0.1	+2.9

Modular Solutions

Revenue
£16.3m ⬇ 33%
FY25: £24.2m

Op. profit/(loss)
£– ⬇ £0.4m
FY25: £0.4m

Non-underlying
£(12.6)m
FY25: £–

- Strategic decision to exit a sub-scale, non-core activity to allow increased focus on core sectors
- Controlled wind-down underway, with remaining client commitments being fulfilled in the next few months
- Result for the year treated as non-underlying, following decision to exit. Non-underlying costs include a £4.1m onerous lease

Balance sheet

	£m	28 Mar 2026	29 Mar 2025
	Non-current assets[1]	218.7	254.3
Current assets	Inventories	7.4	11.8
	Trade and other receivables[2]	110.5	116.5
	Cash and cash equivalents	24.4	15.5
	Current tax asset	2.2	2.8
		144.5	146.6
	Total assets	363.2	400.9
Liabilities	Trade and other payables	(98.6)	(82.1)
	Provisions[3]	(38.2)	(38.1)
	Leases (IFRS 16)	(18.4)	(20.5)
	Term loans	(7.6)	(13.8)
	Revolving credit facility	(45.0)	(45.0)
	Retirement benefit obligations	(2.9)	(6.9)
	Deferred tax liabilities	(5.8)	(11.5)
		216.5	217.9
	Net assets	146.7	183.0

1. Reduction largely due to c.£22m of impairments
2. Prior year balance included a £20m insurance receivable
3. Provisions includes £24.8m relating to non-underlying items (FY25: £29.3m)

Cashflow

£m	FY26		FY25	
Operating profit	12.7		21.7	
Non-cash items	9.7		10.2	
Pension contributions	(2.6)		(2.3)	
Trading cash flow excluding exceptional items		**19.8**		**29.6**
Working capital movements	14.6		(8.7)	
Net CAPEX	(2.1)		(7.0)	
Tax	(0.3)		5.5	
Interest	(4.8)		(3.2)	
Leases	(4.1)		(3.2)	
		3.3		**(16.6)**
Dividends	–		(11.2)	
Share purchases	–		(8.6)	
Total shareholder distributions		**–**		**(19.8)**
Operating profit	(50.3)		(35.5)	
Non-cash items	25.6		2.6	
Working capital movements[1]	13.7		6.0	
Sale of Bolton	3.0		–	
Total non-underlying cashflows		**(8.0)**		**(26.9)**
Repayment of term loans		(6.2)		(6.2)
Other		**0.1**		**–**
		8.8		**(39.9)**

1. Working capital movements relating to non-underlying items – £20.0m insurance received in FY26, recognised as an insurance asset in FY25, net of provision movements for costs booked in FY25, but incurred in FY26