

29 January 2026

Severfield plc

('Severfield', 'the Company' or 'the Group')

Strategic Review of the Modular Solutions Business

Severfield plc, the market-leading structural steel group, announces the discontinuation of its Modular Solutions business.

Following the appointment of new leadership, the Group has been undertaking a strategic review of its markets, operations and organisational structure. As part of this review, the Board has concluded that the Modular Solutions business represents a sub-scale, non-core activity of the Group, and following consideration of the strategic options available, has taken the decision to discontinue the business.

In the year ended 29 March 2025, Modular Solutions contributed £24.2m of revenue and £0.4m of underlying profit before tax, while its performance in the financial year to date has reflected a more challenging trading period for the business and the wider modular market. This decision does not include Construction Metal Forming ('CMF'), which will continue to operate as a separate joint venture of the Group.

The Group is working constructively with all stakeholders affected by this decision and will seek to limit the impact on employees within that business, including through appropriate consultation, redeployment, and support processes.

The Group continues to focus on its operational excellence within its core structural steelwork activities, where it remains well positioned to win work in markets and sectors with attractive long-term growth opportunities and where it benefits from a diversified order book which as at 1 January 2026 stands at £479m.

The Board confirms that the decision to discontinue Modular Solutions does not change its expectations for the continuing Group's underlying profit before tax or net debt for FY26. The results of Modular Solutions will be presented as a discontinued operation, and the Group does not expect the cash impact of discontinuing the operation to be material in the period.

Paul McNerney, Chief Executive Officer commented:

"When I joined Severfield, I was clear that my priorities were to redefine our strategy, strengthen our manufacturing and delivery capabilities, drive greater efficiency, and reinforce our focus on engineering excellence for our customers. The decision announced today follows careful consideration and is intended to support the long-term strength and sustainability of the Group.

This marks an important early step in reshaping our strategy, and we will provide a broader update on the growth strategy for our core businesses during 2026."

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Notes:

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

Notes to editors:

Severfield is the UK's market leader in the design, fabrication and construction of structural steel, with a total capacity of c.150,000 tonnes of steel per annum. The Group has seven sites, c.1,800 employees and expertise in large, complex projects across a broad range of sectors. The Group also has an established presence in the expanding Indian market through its joint venture partnership with JSW Steel (India's largest steel producer).

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

of Severfield Modular Solutions ('SMS') and of Construction Metal Forming ('CMF'), the Group's specialist cold rolled steel joint venture business.

Inside information

This announcement contains inside information as stipulated under the Market Abuse Regulation (EU) No.596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018) and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations. On the publication of this announcement via a Regulatory Information Service, such information is now considered to be in the public domain. The person responsible for arranging for the release of this announcement on behalf of Severfield is Jan Bramall, Interim Chief Financial Officer.

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