James Fisher and Sons plc
Pioneering Sustainably

Presentation of Results for year ended 31 December 2025

Speakers:

Jean Vernet, Chief Executive Officer

Karen Hazen-Smith, Chief Financial Officer

Thursday 12 March 2026

Jean Vernet, Chief Executive Officer

Hello, everyone, and welcome to our 2025 full-year results earning call, where I'm joined by our Chief Financial Officer, Karen Hazen-Smith. I will start by going through the key highlights for the year. Then Karen will take us through the financial results, both at Group and Division level. And I will follow with an update on our business turnaround, and how the actions taken over the past three years are positioning us for growth. This will be followed by our outlook before we conclude with Q&A.

So let's start with the highlights. 2025 was a turning point for James Fisher. It's marked a year in which our efforts to focus, simplify, and deliver have shown results and laid the groundwork for future growth. Over the past three years, we have both streamlined and strengthened the Group, creating a more resilient business and a coherent platform that can unlock our strategic potential.

In 2025, we delivered a solid financial performance with a 4% uplift in like-for-like revenue and 60 basis points improvement in underlying operating margin to 7.6% as well as a 250-basis points improvement in ROCE to 8.6%. We ended the year with covenant leverage down to 1.3x at the midpoint of our target range. We have made continued progress on our turnaround and expect further benefits from the initiatives already underway. In addition, we have strengthened our defence Division capabilities where operational readiness is critical.

As we look ahead to 2026, the focus, discipline, and execution we demonstrated over the past three years will remain. We are investing in new technology and products aligned with our customer-led geographic expansion plans. Also, as a service company, we are developing a global talent pool that will ensure consistent levels of services delivery around the world. These three areas are the hallmark of James Fisher's competitive position, and I will come back to this later.

Before we move on, I would like to address the ongoing conflict in the Middle East. James Fisher has operations in the region, and our number one priority is the safety of our people. To that effect, we have mobilised our emergency response team since March 1st, working closely with customers to manage the situation responsibly. At this stage, it is too early to estimate the business impact of the conflict, but we are monitoring developments.

As a reminder, we have an agile model and are adept at managing change. Over the long term, this rose into focus the increasing importance of energy and maritime security, which are at the intersection of our business.

Let me now give a quick snapshot of James Fisher. Today, our company is organised around three Divisions- Defence, Energy, and Maritime Transport, where we solve our customers' complex challenges in the blue economy. The defence Division supports and rescues lives underwater through our global leadership in submarine rescue, rebreathers, and mobility solutions for special forces. Our Energy Division provides upstream services across oil and gas and offshore wind, so energy companies can meet increasing demand more efficiently, safely, and sustainably. Maritime Transport ensures on-time delivery of refined products through coastal shipping and provides global ship-to-ship transfer of oil and gas cargoes to third parties.

With that, I'll hand over to Karen to take you through the financial results.

Karen Hazen-Smith, Chief Financial Officer

Thank you, Jean, and good morning, everyone. As we outlined at the recent trading update, we have continued to make progress, and I'm pleased that we've been able to deliver a solid set of results.

Trading followed the usual seasonal trend, with a stronger second-half. And the Group managed to replace the majority of profitability lost from the disposals of RMS Pumptools and Martek in '24. Our underlying operating profit margin also increased as we focused on our key improvement levers.

Starting with the headlines, disposals in '24 and the IRM closures in '25 impacted the financial comparatives. So we have chosen to show the movements on the slides adjusted for these. Revenue was up over 4% across the Group when compared to '24, with operating profit up just over 56%, resulting in a margin of 7.6%. And net debt improved from the half year, ending the year at 54 million. For covenant purposes, this gives a leverage ratio of 1.3, which is comfortably within our target range. Lastly, returning capital employed also increased to 8.6%, a 250-basis point uplift.

Moving to the next slide, which shows the movements in revenue over the period. Overall, adjusted revenue increased to 377 million, as I said, a 4% uplift. This was from a mix of increased volume in defence and better utilisation in tank ships.

Moving on to operating profit. As we forecast, we experienced a stronger second-half with an increase in profit to 28.6 million, a 56% increase. This was largely due to turning around the decommissioning business that had been loss-making, improved flow-through from execution and defence, and a strong finish for Fendercare, as well as efficiency savings across the Group. We did this whilst continuing to invest in capabilities and transforming to a higher quality cost base.

The next slide keeps track of the margin improvements we have made over the last few years, demonstrating progress as we move towards an overall profit margin of 10%. As you can see, the margin dropped to around 5% following the disposals, but has now increased to 7.6%, and we've been able to return to a margin greater than we had pre-disposals.

As some of you will be aware, we have identified 4 levers to increase margins, and in '25, we made incremental improvements in all of these, namely self-help, cost reductions, supply chain savings, defence volume flow through and turning around underperforming businesses. As we turn our attention to revenue growth, we will continue to balance investing in the requirements for growth with margin improvements.

I'll now spend a few minutes on the Divisions, starting with defence. The defence Division have a stronger second-half as it increased revenue, mainly from a new special forces tactical diving vessel contract. Year-on-year revenue increased by around 11% to just under 89 million. The increase in revenue flowed through together with cost and supply chain improvements, increasing operating profit to 5.5 million with an increase in margin to 6.2%. The Division has continued to replenish its orders, finishing the year with an order book of 317 million and around 50 million of orders under framework agreements. Together with a 15 million annual run rate in commercial diving, the Division enters '26 with strong revenue coverage.

Moving to Energy. Overall, Energy had a solid year and revenues up 2% to 141 million. And Energy Services' overall performance improved with a change in the mix across the product lines. Well services had a solid performance in the first half of '25, but as we flagged in September last year, we experienced some softening in Africa as projects were phased further out. Subsea and decommissioning had a strong performance with continued improvement in the business in the second half.

In renewables, '25 was steady on the offshore wind construction activities, which uses our bubble curtain technology. The blades and cable repair business in the offshore wind aftermarket made progress, but some other areas are not yet performing at our hurdle rates and will continue to work on these.

Despite the ups and downs I've just mentioned, overall operating profit in the Division was up around 23% to 17.6 million and margin increased to 12.4%.

Moving on to maritime transport, tank ships saw revenue up over 7.5% to 86.5 million and this was the result of improved rates and good utilisation. And the Cattedown business also had a solid year with petroleum and dry cargo volumes remaining pretty consistent through the port.

Although Fendercare's revenue was down slightly year on year to just over 60 million, it had a strong second-half, driven by a high number of operations in South America, reflecting increased activity in the region. It also simplified its site portfolio, positioning to higher margin areas.

Therefore, overall, the Maritime Transport Division delivered operating profit improvement of over 44% to 20.8 million and increased margins to 14%.

Just moving on to the income statement. Looking at the breakdown, the full year benefit from the debt reduction and refinancing in '24 can now be clearly seen, with finance interest down from just over 16 million to 9.5 million. Interest expense on leases increased in the period by 2 million to 6.4 million, mainly as a result of additional vessel lease interest in Fendercare. The tax expense on underlying profits from continuing operations for the year is 5 million, with the increase in the prior period being driven by increased taxable profits in higher tax rate countries such as Brazil.

Turning to the cash flow, I will just pick up a few points on this slide. Overall, our operational cash flow improved in the year. We had over a 10 million inflow in working capital, which included strong data collection, including recovery of cash on the Mozambique contract, some of which had been outstanding in '24, and also recovery of some historic debts. Included within working capital, inventory increased by 5 million to support growth contracts.

CapEx was 25 million with spend on new compressors, including building new ones to assist in electrification requirements together with tankships deposits. And we continue to focus on innovation, spending 8 million on development expenditure in the year, which was mainly in relation to new products in the Defence Division.

Net finance interest paid was 7.2 million, made-up of 9.4 million bank interest, with an average interest rate of around 8.5%, offset by 2.2 million of interest income. And then overall, net debt reduced to 54 million at the end of '25.

I'll now look at our borrowing and funding position. On a covenant basis, the net debt to EBITDA ratio was 1.3, with interest cover of 6.9x. Right of use liabilities increased, related primarily to new vessel laces and tankships in Fendercare. And this week we signed an amendment to our banking facilities with the support of our lenders, adding a new bank to the existing RCF to provide 25 million of additional headroom, increasing our facilities to 117.5 million. Our leverage target remains unchanged even with the additional funding.

The next slide shows our priorities in relation to capital allocation, with the first being to continue to invest for organic growth. Our CapEx, including development expenditure to depreciation ratio, was 1.5 for the year. And we have also called it innovation as an investment priority, given the focus as a driver for growth, which can take the form of new product developments and also small investments in corporate venture opportunities. We will continue to keep our dividend policy under consideration, and we'll also begin developing our inorganic pipeline. This would be underpinned by ensuring we retain a strong balance sheet and a disciplined approach in investment decisions.

Therefore, just wrapping up on the financial update, we had a strong second-half and delivered a solid set of results. We made progress on our turnaround actions. Margins improved through cost efficiencies and supply chain, and we turned around underperforming businesses. And we'll continue to focus on those areas not yet meeting our hurdle rates. Our cash position was strengthened, and we invested for growth whilst maintaining discipline and debt levels.

And I'll now hand back to Jean, who can take us through the rest of your presentation.

Jean Vernet, Chief Executive Officer

Over the past three years, we have been through a fundamental turnaround for the Group. The first two years, we're focused on simplifying the organisation with a one-company approach. fixing what was broken or missing and stabilising the business. In 2025, we became a more focused, financially resilient business with a simplified portfolio, a strengthened balance sheet, and a clear leadership structure through the One James Fisher operating model.

We also made good progress to define, refine, and establish our core business model guided by the voice of the customer. Through leadership and accountability, we have improved our UOP margin and a ROCE and exited more low-quality and non-core businesses.

We are also feeling the impact of our operational and functional investment, including a stronger supply chain, enhanced governance controls, and a set of self-help initiatives that are improving efficiency and effectiveness. The Defence Division's order intake has increased, and the Decommissioning Product Line within Energy returned to profit in 2025.

Also, we are now three years into implementing our five-year people strategy, building a vibrant and proactive people management culture while technology and innovation are taking centre stage. All these measures and achievements contributed to these improved results.

Let me now take you through our path to reaching our 10% UOP margin, which has been a key measure of our turnaround. We ended 2025 with a profit margin of 7.6%. We are in the process of closing the subsea Middle East and Africa business. In addition, we turned around the decommissioning business and positioned it for growth. The disciplined self-help programs we launched in 2024 are starting to bear fruit, supporting the Divisions as they scale and improve productivity, leading to a higher profit fall-through.

Defence made good progress in the second half with a strengthened order book and improved order intake across most product lines. We entered 2026 with the right foundations to focus on operational delivery. The integration of our supply chain delivered $4.6 million of savings in 2025, while also improving key supplier relationships and processes. Our three-year supply chain integration plan will continue, allowing us to build our operations in support to our strategy.

Beyond this, we see further scope to improve these key metrics as we grow, thanks to market tailwinds, differentiating through our people expertise, and technology innovation. Let me now talk you through the growth approach that we are taking.

Top-line growth will be propelled by three engines. First, customer intimacy. We're deepening relationships with tier one customers who already trust us, giving us a strong base to increase share in our existing markets. We're introducing global key account managers to build these relationships and drive higher quality, repeatable business, enhanced by product managers who are focused on sharpening the value of our offering.

Second, we are expanding the sale of existing products and services into new geographies, acquiring new customers. In 2025, we entered Japan, Uruguay, and the US, bringing the full capability and track records of One James Fisher, leveraging sub-segments where we can compete effectively, scale, and earn attractive returns.

And finally, innovation, is a core differentiator and a driver for us. Clients rely on us to solve their complex challenges. And for James Fisher, investing in new products and technologies is critical to increase value across the customer value chain.

Together, these three drivers provide clarity to deliver targeted growth across the Group. Now, if I look at the market backdrop, our sales strategy is underpinned by powerful megatrends impacting across all three Divisions. The first is a sustained long-term growth in global energy demand, now increasingly influenced by energy security, with decarbonisation and reliability of supply remaining critical necessities.

The second is rising geopolitical tensions, alongside accelerating digitalisation, which is reshaping how our customers operate, with a greater emphasis on local content. As One James Fisher, these trends provide clear tailwinds for our growth focus, which is what I will unpack now for you.

We have identified 8 sub-segments within Defence and across Energy with superior growth potential across a range of mature as well as emerging markets. In defence, this includes submarine rescue, military diving rebreathers for both combat and demining, commercial diving, and tactical diving vehicles.

In Energy, they include bubble curtain for offshore wind construction, cables and blades repair for offshore wind aftermarket, and decommissioning across both oil and gas and offshore wind, as well as well testing for oil and gas. In all these segments, which vary in degree of maturity, we compete by bringing disruptive technologies that create substantial values to our customers. We're investing in our people, strengthening our talents bench to deliver greater consistency of service worldwide.

In 2025, we introduced strategic workforce planning and targeted areas of development centred around leadership and technical training. These programs are central to customer service and operational excellence. Our technology and innovation program is centred around disciplined new product development. Our stage gate process has embedded well, and we have developed six new products across all Divisions in 2025. The rigor, combined with our entrepreneurial spirit, has seen our vitality index increase to 9.9% this year, moving towards our 15% mid-year target.

To complement our internal efforts, our James Fisher Corporate Venture Practice is scouting for disruptive emerging technologies across the world, with entrepreneurial partners who can expand our breadth. In February this year, we made our first investment, securing a minority stake in Ocean Aero, a US-based technology company which has brought to market the only sustainable automated underwater vehicle in existence today.

Now let's turn back to our Division in more detail. In defence, growing geopolitical tensions are translating into increasing defence spending across many markets. And we see this as a long-term trend. Against that backdrop, we expect strong demand for specialist capabilities, particularly in submarine rescue, military diving, and tactical diving vehicles, where operational readiness, reliability, and interoperability are critical.

During the year, we deepened relationships with leading global defence partners in Europe and INDOPAC through new engagements and strategic wins. Notably, we secured a material contract with the Polish Navy to deliver a submarine rescue and saturation diving system. And in February, we secured an important long-term service contract in support of our TDVs in Asia. These wins further improve the quality and visibility of our order book.

To ensure that we are well positioned to meet the rising market demand, we invested in new service centres across the UK and Australia, enhancing both delivery capability and customer proximity. We are also advancing our technology roadmap, including the soft launch of our stealth multirole military diving rebreather. Further developments and enhancements are underway, including for our carrier seal tactical diving vehicle used in covert special forces operations, as well as our biometric platforms for divers.

On the business development front, we are thrilled by the headway we are making in the US, where we have established a special security agreement that allows us direct commercial engagement with the US military. Together with our strategic partnership, including Saab and Singapore-based ST Engineering, this enhances our ability to serve customers globally. We also have the opportunity to support AUKUS, a security partnership between Australia, the UK, and the US.

Now let's turn to Energy. We operate in global energy markets shaped by energy security and decarbonisation, with oil and gas inherently cyclical, as we saw in 2025, when oversupply led to soft level of activities. However, the long-term supply imperative is clear. Global oil demand is expected to grow to 110 million barrels per day by 2035. But in addition, as production rates from existing fields will decline by more than two-thirds by 2035, extra exploration and production effort is required to meet that demand, which is good for oil field services.

In offshore wind, the industry met some big challenges in 2025, but longer term, the industry is expected to add another 225 gigawatt by 2030, this excluding China. Technology and digitisation will be key to improve industry efficiency and meet environmental targets.

In addition, an increasing proportion of assets are coming out of warranty for offshore wind, providing us with additional services opportunities. Against this backdrop, we continue to integrate our offering by providing specialist services across the asset lifecycle.

In 2025, we expanded our presence in key regions across Asia-Pacific and Latin America, securing well-test contracts in the Philippines and multi-rig services in Brazil and Suriname. We also expanded our presence in Guyana and Japan, providing commissioning services for Japan's largest offshore wind farm.

We tested the offshore wind market by delivering the first decommissioning project, completing a 10-meter monopile cutting job in the US. This is an example of how we can apply our expertise across sectors.

Innovation was a priority for Energy in 2025, with several products developed or enhanced. Highlight included next-generation electric air compressors out of Norway. We expanded the use case and capabilities of SEABASS, our game-changing subsea well plugging and abandonment tool. And we further deployed and sea trialled our cable guardian solution for offshore wind.

Finally, we are expanding our presence geographically with key opportunities in decommissioning and subsidy ranching across all regions for oil and gas and renewables. In offshore wind, Europe is forecast to see the largest increase in construction, creating attractive opportunities for our high-voltage blades and cables offering. At the same time, the scale of industry challenges around cable and blades reinforces the case for targeted investment in disruptive technologies that will increase customer efficiency.

Now turning to maritime transport, conditions for this market remained supportive in 2025, with global vessel supply tightening in Northwest Europe, as demand for sub-intermediate shipping remaining stable. Across the sector, customers are increasingly prioritising safety, reliability, service quality, and decarbonisation, in line with evolving environmental and safety regulation.

Against this backdrop, utilisation across our tankship fleet remained high during the year, with 80% of fleet on long-term contracts. During the year, we also expanded our ship-to-ship services to Uruguay and acquired additional vessels to consolidate our Caribbean coastal shipping position in tankships. We also signed an agreement to support operations at the UK strategic defence base.

Looking ahead, fleet modernisation in tankship is path critical to our strategy and maintain the franchise. Four new tankers are scheduled for delivery across 2026 and 2027, perpetuating the James Fisher's name in shipping and supporting our sustainability ambitions while improving operational efficiency. We are also pursuing selective expansions into new territories and markets within Fendercare, with one new Fender product introduced in the market in 2025.

Finally, our success depends on our ability to scale, maturing our core operating model, and deploying our services consistently as One James Fisher. Delivering more consistently will be helped by an integrated supply chain, supported by stronger governance, closer supplier relationships, and process consistency, and by a more mature manufacturing standardised across all our locations. We will continue to execute our delivery strategy, managing risk and creating the operational foundation required to support the next stage of growth.

Now looking ahead, and to summarise what we covered today, we ended the year with stronger foundations and greater clarity on our path forward. Over the past three years, the actions we have taken have transformed James Fisher. And we continue to invest in technology, commercial excellence, and our people to enable the next phase of our success.

The Group operates in largely supportive end markets, while we monitor geopolitical development in the Middle East in particular, including the potential for more macroeconomic impact. We also now have a stronger financial foundation with increased headroom. to allow targeted investment in strategic markets.

We entered 2026 as a more focused, resilient, and coherent business. We are moving towards our medium-term financial targets of 10% underlying operating profit margin and 15% ROCE. Trading has started in line with management expectation for 2026.

In conclusion, I would also like to acknowledge our colleagues who remain focused on serving our customers, working as One James Fisher, and staying responsive in a fast-paced environment. I thank them for the commitment, resilience, and passion that is driving our future. Thank you very much, and back to you, Matt.