

3 June 2024

Springfield Properties plc
("Springfield", the "Company", the "Group" or the "Springfield Group")

Springfield enters Strategic Collaboration with Barratt for Durieshill
Landmark agreement set to accelerate building of infrastructure and homes in the new village

Springfield Properties plc (AIM: SPR), a leading housebuilder in Scotland focused on delivering private and affordable housing, is delighted to announce that it has entered into a strategic collaboration agreement (the "Agreement") with BDW Trading Limited ("Barratt"), the principal operating subsidiary of Barratt Developments PLC, for the development of the Group's Durieshill site, creating a new village near Stirling.

With planning in place for 3,000 private and affordable homes alongside new schools, local shops and other business opportunities, community woodlands and greenspace, Durieshill involves the creation of a new standalone sustainable village near Stirling and within commuting distance of Edinburgh and Glasgow. Spanning nearly 600 acres, Durieshill is the largest detailed planning application for housing development to be approved in Scotland to date.

Under the terms of the Agreement, Barratt will, in consideration for half of the land at Durieshill, provide and fund the infrastructure development for the entire site, expected to be over the next five years, and has made a cash payment of £10m to Springfield. The provision of site infrastructure by Barratt will significantly accelerate the development of the site, whilst eliminating Springfield's requirement to tie up capital for the next five years.

Springfield has received £10m from the profitable sale of the initial 34 acres of land. The remaining land will be exchanged for the provision of site infrastructure over the coming years as development milestones are achieved. The cash proceeds from the profitable land sale will contribute to reducing Springfield's debt. The Group expects to report bank debt of c. £41m as at 31 May 2024, ahead of its stated target of £55m.

Innes Smith, CEO of Springfield Properties, said: "We are delighted to collaborate with Barratt on this exciting project at Durieshill. Our shared values and goals in constructing quality homes and fostering sustainable communities, combined with Barratt's five-star reputation, will offer customers increased choice and accelerate delivery in this premier development. We are eager to work with Barratt to establish a thriving village at Durieshill.

"Due to the substantial size of this site, this partnership marks a significant milestone for Springfield, emphasising the worth of our extensive land holdings with planning permission in sought after locations throughout Scotland. The infrastructure support provided by Barratt in this collaboration will enhance Springfield's growth prospects in the medium term, minimise risks and optimise our return on capital."

Enquiries

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Analyst Research

Equity Development and Progressive Equity produce freely available research on Springfield Properties plc, including financial forecasts. This is available to view and download here:

<https://www.thespringfieldgroup.co.uk/news/updates-and-analyst-reports>

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