SPRINGFIELD PROPERTIES
HOME CONSTRUCTION

16 September 2025

SPR.L

91p

Market Cap: £108m

SHARE PRICE (p)

12m high/low	111p/82p

Source: LSE Data (priced as at prior close)

KEY DATA

Net (debt)/cash	£(20.9)m *(at 31/05/25)*
Enterprise value	£128.9m
Index/market	AIM
Next news	AGM, 29 Oct
Shares in issue (m)	119.0
Chairman	Sandy Adam
CEO	Innes Smith
CFO	Iain Logan

COMPANY DESCRIPTION

Scotland's only quoted housebuilder, developing private, affordable and rental homes focused on the North and Highlands

www.thespringfieldgroup.co.uk

SPRINGFIELD PROPERTIES IS A RESEARCH CLIENT OF PROGRESSIVE

ANALYSTS

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Power grid deals to spark rental surge

Springfield Properties, in today's FY25 results, reveals it is in 'advanced discussions' with power infrastructure providers in the North of Scotland which could open up a new multi-year income stream from renting out homes to workers, as part of its evolving Northern-focused strategy. Results for the year to 31 May show substantial rises in profits and falls in bank debt, as expected, but with a higher than anticipated dividend, demonstrating the Group's confidence in the new strategy.

- **Results in line; dividend doubles.** Revenue increased by 5% despite challenging markets and buoyed by profitable land sales. Adjusted PBT rose 90%, with an increase in the gross margin, supported by the land sales and the exit from low margin legacy Affordable Housing contracts. The dividend was 2.0p versus our 1.5p estimate.

- **Evolving Northern strategy adds rental stream.** We highlighted last year Springfield's opportunity to build homes for the incoming workforce from infrastructure providers, while constructing major upgrades to the energy grid. But Springfield will now retain ownership and rent them rather than sell them immediately, as originally envisaged. While this modestly reduces profit expectations for FY26E and FY27E, it should provide regular income over the multi-year leases, while maximising the Group's landbank and offering 'further options for monetisation at [their] conclusion' – at a time when the region is forecast to benefit from the huge investments now underway (page 2).

- **Forecasts re-profiled, with big profit increase in FY28E.** The longer-term profile of renting rather than selling homes has led us to reduce our adjusted PBT estimates by c.12% for FY26E and FY27E. We have introduced estimates for FY28E, which show a 43% Y/Y increase in adjusted PBT. We have raised our FY26E dividend estimate from 2.5p to 3.0p and held FY27E at 4.5p. Due to the WIP investment in rental properties, net bank debt also increases over the two first forecast years (pages 3 - 6).

- **Evolving strategy.** Adding rental income to the existing revenue streams of private and affordable home sales diversifies income, reduces cyclicality and the fixed term leases will have no risk of 'voids'. This marks the latest stage in Springfield's strategy to focus on the North of Scotland, with thousands of homes required to support the Inverness & Cromarty Firth Green Freeport, power infrastructure and other initiatives (page 7).

FYE MAY (£M)	2024	2025	2026E	2027E	2028E
Revenue	266.5	280.6	244.2	220.7	204.8
Fully Adj PBT	10.6	20.1	12.4	13.2	18.9
Fully Adj EPS (p)	6.8	12.0	7.6	8.1	11.6
Dividend per share (p)	1.00	2.00	3.00	4.50	5.00
PER (x)	13.4x	7.6x	12.0x	11.2x	7.9x
Dividend yield (%)	1.1%	2.2%	3.3%	4.9%	5.5%
EV/EBITDA (x)	6.3x	4.7x	6.9x	7.0x	5.3x

Source: Company Information and Progressive Equity Research estimates.

Alternative power source: rental income

Further evolution of strategy to focus on the North of Scotland, forecast to be buoyed by huge infrastructure projects

Springfield's latest announcement represents a further evolution of its strategy of focusing its activities towards the North of Scotland, which will require thousands of new homes as it becomes Scotland's centre for energy security infrastructure and renewable development. On 17 September 2024 the Group highlighted two huge national investments which would drive housing needs – the £3bn Inverness and Cromarty Firth Green Freeport and upgrades to national power networks. On 17 February 2025, the pivot to the north was boosted with the major sale of land to Barratt Redrow, primarily in Central Scotland. Today's results indicate a further opportunity: adding rental income while building up stock in a region expected to boom over the remainder of the decade.

Announcement of 'advanced stage' negotiations on forming rental portfolio a further distillation of strategy

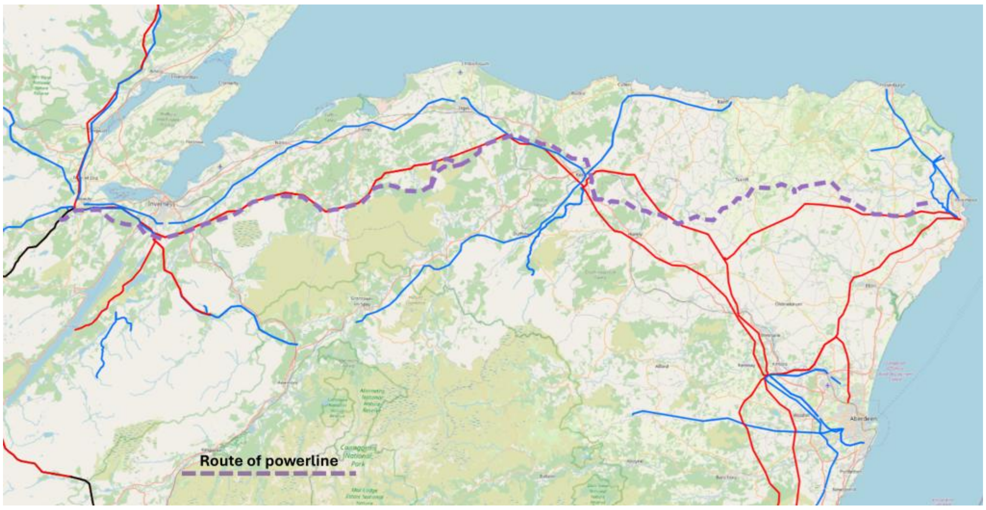
The initial plans, envisaged Springfield building homes to temporarily house workers while the new powerlines were constructed via its Contract Housing division – building and selling the homes onto a vehicle. The model now confirmed has Springfield retaining the homes during the fixed term lease period. When construction completes the homes would then be transferred to local housing providers and sold into the private market.

Today's announcement of 'advanced stage' discussions with infrastructure providers for the build and commercial multi-year leases, would allow Springfield to receive regular income during the lease as well as having 'further options for monetisation at its conclusion'. This will allow Springfield to build up stock, with the Group indicating a period of around four years, that can be sold on to private market and to affordable and private rental sector (PRS) providers when the longer term opportunity in the region drives further demand and house prices.

Rental diversifies income streams, reduces cyclicality risk and provides flexibility to maximise assets

In the meantime, adding rental to the existing private and affordable home sales diversifies income and reduces cyclicality. This opportunity comes at a time of under-supply of new rental homes in Scotland, which has led rents to grow at among the fastest pace among UK regions. Holding homes over the longer term should allow Springfield flexibility to maximise the value of its landbank. As well as straightforward private sales, one recent example of future opportunities we have observed to 'monetise' rental homes is increasing interest from private equity and pension funds in UK portfolios, according to the FT.

Figure 1: Planned route of substantial new powerline from Peterhead to Beauly



Source: SSEN, September 2024 Progressive Equity Research

Re-profiling of profits with rental income ramping up from FY28E

Reduction of Contract Housing income will start to be overtaken by Rental profits from FY28E in significant recovery

Our new estimates indicate a reduction in adjusted PBT of approximately 12% in both FY26E and FY27E (Figure 1). The main contributor to the decline is a reduction in our revenue and gross profit assumptions for the Contract Housing (CH) division (Figures 2 and 3). This had originally assumed to be the vehicle for delivering the homes for infrastructure providers. Revenue and profit in the newly created 'Rental and other' line will only partly mitigate the reduction of profit from CH. However, Rental and other revenue will start to ramp up rapidly in FY28E and our internal assumptions are that this will carry a higher gross margin – leading to a significant recovery in profit growth, with an estimated 43% Y/Y increase in adjusted PBT.

Medium-term working capital build-up to support rental roll-out

The main balance sheet change will come in FY27E, with a build up of working capital – since the costs of the rental properties will remain in WIP on the balance sheet until they are sold in the future. The infrastructure groups will likely be paying rent up front to help the funding element – hence Springfield remaining with estimated net bank debt of £20m for both FY27E and FY28, rather than moving to positive cash.

Higher dividend signals long-term income and cashflow benefits of new portfolio

However, we interpret today's higher than expected dividend, and our increase to FY26E, as reflecting the potential for strong rental income from FY28E, at the same time as maximising the value of the landbank in a strong growth region.

Figure 2: Main estimate changes

Year-end May	2025			2026E			2027E			2028E
	Old	Actual	*Diff.*	Old	New	*Diff.*	Old	New	*Diff.*	New
Completions	800	799	*-0.1%*	935	780	*-16.6%*	870	665	*-23.6%*	630
ASAP (£000)	269.4	270.5	*0.4%*	271.7	288.5	*6.2%*	255.2	298.5	*17.0%*	300.5
Revenue (£m)	279.9	280.6	*0.2%*	262.0	244.2	*-6.8%*	226.0	220.7	*-2.3%*	204.8
Gross profit (£m)	52.0	52.1	*0.3%*	42.3	38.6	*-8.7%*	37.2	36.9	*-0.8%*	39.0
Gross margin (%)	*18.6%*	*18.6%*		*16.1%*	*15.8%*		*16.5%*	*16.7%*		*19.0%*
Operating profit (£m)	25.5	25.2	*-0.9%*	18.3	15.9	*-13.1%*	16.2	15.7	*-3.1%*	21.4
Operating margin (%)	*9.1%*	*9.0%*		*7.0%*	*6.5%*		*7.2%*	*7.1%*		
PBT pre-exc, g/w (£m)	20.3	20.1	*-1.0%*	14.1	12.4	*-12.1%*	14.9	13.2	*-11.4%*	18.9
EPS, dil., pre-exc (p)	12.4	12.0	*-2.6%*	8.7	7.6	*-12.2%*	9.2	8.1	*-11.6%*	11.6
Dividend (p)	1.5	2.0	*33.3%*	2.5	3.0	*20.0%*	4.5	4.5	*0.0%*	5.0
NAV (p)	143.9	143.9	(0.0)	150.6	148.0	(2.6)	154.7	151.3	(3.5)	158.0
Net cash/(debt)* (£m)	(21.0)	(20.9)	0.1	(6.2)	(10.0)	(3.8)	15.3	(20.0)	(35.3)	(20.0)
Net assets (£m)	171.3	171.3	(0.1)	178.7	176.2	(2.5)	183.6	180.1	(3.5)	188.1

*Source: Company Information and Progressive Equity Research estimates * pre-IFRS leases*

Figure 3: Divisional revenue analysis

Year-end May (£m)	FY23	H1 24	H2 24	FY24	H1 25	H2 25	FY25	FY26E	FY27E	FY28E
Private Housing										
Completions	**866**	279	305	**584**	230	267	**497**	**500**	**430**	**475**
YoY change (%)	*21.6%*	*-35.0%*	*-30.2%*	*-32.6%*	*-17.6%*	*-12.5%*	*-14.9%*	*0.6%*	*-14.0%*	*10.5%*
ASP (£000)	**292.6**	314.2	318.2	**316.3**	313.3	313.5	**313.4**	**334.0**	**348.8**	**333.7**
YoY change (%)	*19.4%*	*13.6%*	*3.2%*	*8.1%*	*-0.3%*	*-1.5%*	*-0.9%*	*6.6%*	*4.4%*	*-4.3%*
Revenue	**253.4**	87.7	97.1	**184.7**	72.1	83.7	**155.8**	**167.0**	**150.0**	**158.5**
Affordable Housing										
Completions	**328**	144	126	**270**	95	142	**237**	**250**	**200**	**120**
YoY change (%)	-19.0%	*-17.7%*	*-17.6%*	*-17.7%*	*-34.0%*	*12.7%*	-12.2%	5.5%	-20.0%	-40.0%
ASP (£000)	**164.4**	176.8	170.8	**174.0**	215.1	203.9	**208.4**	**214.0**	**215.0**	**210.8**
YoY change (%)	3.6%	*11.1%*	*0.2%*	*5.8%*	*21.7%*	*19.3%*	19.8%	2.7%	0.5%	-1.9%
Revenue	**53.9**	25.5	21.5	**47.0**	20.4	28.9	**49.4**	**53.5**	**43.0**	**25.3**
Contract Housing										
Completions	**107**	9	15	**24**	36	29	**65**	**30**	**35**	**35**
YoY change (%)	*-14.4%*	*-87.0%*	*-60.5%*	*-77.6%*	*300.0%*	*93.3%*	170.8%	-53.8%	16.7%	0.0%
ASP (£000)	**183.9**	206.9	208.9	**208.1**	167.0	171.2	**168.9**	**150.0**	**157.1**	**157.1**
YoY change (%)	*39.4%*	*34.2%*	*-12.3%*	*13.2%*	*-19.3%*	*-18.0%*	-18.9%	-11.2%	4.8%	0.0%
Revenue	**19.7**	1.9	3.1	**5.0**	6.0	5.0	**11.0**	**4.5**	**5.5**	**5.5**
Total completions	**1,301**	432	446	**878**	361	438	**799**	**780**	**665**	**630**
YoY change (%)	*4.8%*	*-35.8%*	*-29.0%*	*-32.5%*	*-16.4%*	*-1.8%*	-9.0%	-2.4%	-14.7%	-5.3%
Total ASP (£000)	**251.3**	266.2	272.9	**269.6**	272.9	268.5	**270.5**	**288.5**	**298.5**	**300.5**
Land sales	**5.2**	6.7	23.1	**28.1**	5.1	55.4	**60.5**	**17.0**	**13.5**	**-**
Rental, other	**-**	-	-	**1.8**	2.1	1.9	**3.9**	**2.2**	**8.7**	**15.5**
Total revenue	**332.1**	121.7	144.8	**266.5**	105.6	174.9	**280.6**	**244.2**	**220.7**	**204.8**
YoY change (%)	*29.2%*	*-24.9%*	*-14.9%*	*-19.8%*	*-13.2%*	*20.8%*	5.3%	-13.0%	-9.6%	-7.2%

Source: Company Information and Progressive Equity Research estimates

Figure 4: P&L, per share data

Year-end May (£m)	FY23	H1 24	H2 24	FY24	H1 25	H2 25	FY25	FY26E	FY27E	FY28E
Group revenue	**332.1**	**121.7**	**144.8**	**266.5**	**105.6**	**174.9**	**280.6**	**244.2**	**220.7**	**204.8**
Gross profit	**48.0**	17.9	25.4	**43.4**	18.7	33.4	**52.1**	**38.6**	**36.9**	**39.0**
Margin	*14.4%*	*14.7%*	*17.6%*	*16.3%*	*17.7%*	*19.1%*	*18.6%*	*15.8%*	*16.7%*	*19.0%*
Admin, other income	(27.3)	(12.3)	(13.1)	(25.5)	(12.3)	(14.6)	(26.9)	(22.7)	(21.2)	(17.6)
Operating profit	**20.7**	**5.6**	**12.3**	**17.9**	**6.4**	**18.8**	**25.2**	**15.9**	**15.7**	**21.4**
Margin	*6.2%*	*4.6%*	*8.5%*	*6.7%*	*6.1%*	*10.7%*	*9.0%*	*6.5%*	*7.1%*	*10.4%*
Exceptionals	(0.7)	(0.9)	(0.0)	(0.9)	**(0.3)**	**(0.7)**	(1.0)	(1.0)	(2.5)	(0.8)
Interest	(4.7)	(3.6)	(3.7)	(7.3)	**(2.6)**	**(2.6)**	(5.2)	(3.5)	(2.5)	(2.5)
PBT, reported	**15.3**	**1.2**	**8.5**	**9.7**	**3.5**	**15.5**	**19.0**	**11.4**	**10.7**	**18.1**
U-lying tax rate (%)	*20.5%*	*7.0%*	*23.5%*	*20.9%*	***23.7%***	***25.3%***	*25.0%*	*25.0%*	*25.0%*	*25.0%*
Reported tax	(3.2)	0.0	(2.1)	(2.1)	**(0.8)**	**(4.1)**	(4.9)	(2.9)	(2.7)	(4.5)
Net attrib. profit	**12.1**	**1.2**	**6.4**	**7.5**	**2.7**	**11.4**	**14.1**	**8.6**	**8.0**	**13.6**
PBT pre-exc	**16.0**	**2.0**	**8.8**	**10.6**	**3.8**	**16.2**	**20.1**	**12.4**	**13.2**	**18.9**
EBITDA	**23.2**	**1.3**	**19.2**	**20.5**	**1.3**	**20.1**	**27.6**	**18.7**	**18.4**	**24.1**
Wtd shares (million)	118.5	118.5		118.6	118.8		118.8	118.8	118.8	118.8
Dil shares (million)	122.0	122.7		123.4	124.1		124.9	122.3	122.3	122.3
EPS, basic (p)	10.2	1.00		6.4	2.27		11.9	7.2	6.8	11.4
EPS, dil, pre-exc (p)	**10.4**	**1.53**		**6.8**	2.36		**12.0**	**7.6**	**8.1**	**11.6**
DPS - declared (p)	**-**	-	1.0	**1.0**	-	2.0	**2.0**	**3.0**	**4.5**	**5.0**
Dividend cover (x)	na	na		7.0	na	na	6.3	2.6	1.9	2.4
FCFPS (p)	na	na		30.6	na	na	26.9	13.0	6.0	11.4
NAV (p)	127.1	127.5	133.3	133.3	134.4	143.9	143.9	148.0	151.3	158.0
TNAV (p)	122.1	122.6	128.5	128.5	129.7	139.3	139.3	144.1	147.8	155.1

Source: Company Information and Progressive Equity Research estimates

Figure 5: Adjusted cashflow and summary balance sheet

Year-end May (£m)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Adjusted cashflow								
Group op profit, inc exceptionals	19.1	21.5	20.0	17.0	24.2	14.9	13.2	20.6
Depreciation	2.2	1.7	2.3	2.3	2.1	2.1	2.1	2.1
Intangible amort.	-	-	0.3	0.3	0.3	0.7	0.6	0.6
Other	0.5	12.4	0.1	(0.2)	0.9	-	-	-
Working cap changes	35.2	(16.5)	(14.5)	25.1	6.3	4.0	(3.7)	(2.8)
Operating cash flow	**57.0**	**19.1**	**8.1**	**44.5**	**33.7**	**21.7**	**12.2**	**20.5**
Capex	0.0	(0.1)	(0.1)	0.1	0.1	0.1	0.1	0.1
Interest	(1.3)	(1.6)	(3.8)	(6.5)	(5.0)	(3.5)	(2.5)	(2.5)
Tax	(4.2)	(3.5)	(2.9)	(1.8)	(3.7)	(2.9)	(2.7)	(4.5)
Free cashflow	**51.5**	**13.8**	**1.4**	**36.2**	**25.2**	**15.5**	**7.2**	**13.6**
M&A, investments	0.3	(44.0)	(21.4)	(12.1)	(2.9)	(1.0)	(13.0)	(8.0)
Dividends - paid	(3.3)	(6.3)	(5.6)	-	(1.2)	(3.6)	(4.2)	(5.6)
Financing	(34.2)	37.1	18.0	(18.1)	(27.1)	-	-	-
Net cashflow	**14.3**	**0.6**	**(7.5)**	**6.0**	**(5.9)**	**10.9**	**(10.0)**	**0.0**
Summary balance sheet								
Intangible fixed assets	1.6	5.8	6.0	5.7	5.4	4.7	4.1	3.5
Tangible fixed assets	4.5	5.8	7.8	7.2	6.8	4.6	2.3	0.1
Investments, other FA	6.0	8.3	6.8	6.8	13.0	13.0	13.0	13.0
Working capital	128.8	182.9	244.4	221.0	209.3	205.3	209.0	211.8
Provisions, other	(8.9)	(21.2)	(46.7)	(37.0)	(36.9)	(35.9)	(22.9)	(14.9)
Net bank cash/(debt), IFRS16	(20.8)	(38.1)	(67.7)	(45.4)	(26.4)	(15.5)	(25.5)	(25.5)
Net assets	**111.2**	**143.5**	**150.6**	**158.2**	**171.3**	**176.2**	**180.1**	**188.1**
Net cash/(debt), pre-IFRS16 leases	*(18.2)*	*(34.1)*	*(61.8)*	*(39.9)*	*(20.9)*	*(10.0)*	*(20.0)*	*(20.0)*

Source: Company Information and Progressive Equity Research estimates

Springfield in brief: unique model in resilient market

Scottish market underpinned by long-term growth prospects and a distinctive home-buying model. Springfield offers a differentiated and lower-risk model

Springfield was founded as a housebuilder by current chairman Sandy Adam in Moray in the 1990s and it was admitted to AIM in October 2017. We continue to believe that economic and political dynamics are likely to support growth in housebuilding volumes and prices in Scotland, where values have lagged most of the UK. With a refocus on the North of Scotland and with significant land holdings in the area, Springfield is well placed to capitalise on the opportunities across the region. See our Springfield research section on Progressive's website.

- **Scottish Government commitment to housebuilding.** The Scottish Government remains committed to a target to build 110,000 affordable homes by 2031-32, reinforced by the Budget announcement for financial year 2025-26. The Scottish Government has announced a multi-year budget for affordable housing and all tenure target for 10% growth in housing supply. A dedicated Cabinet Secretary for Housing was appointed in June 2025 to put housing higher up the political agenda. In her first Parliamentary statement this month, Màiri McAllan confirmed the Scottish Government's intention to move forward with a legislative exemption for any rent caps introduced in local markets for Build to Rent homes. The Group envisages substantial growth in this tenure and intends to play a key role in the expansion of PRS to accommodate the incoming working population in the North.
- **Scottish missive system.** With buyers legally bound much earlier than in England and Wales, the missive system offers high revenue visibility and a secure income stream.
- **A differentiated model.** Springfield has a differentiated business model that focuses on two differing markets, both of which have high demand and, arguably, a lower risk profile: family housing and affordable housing (the latter is provided both as part of planning requirements in the private housing division as well as in its own right in the affordable housing division). Springfield buys land mainly 'off market' at more attractive prices than in the mainstream market, preferring more complex long-term projects, demonstrated particularly in its 'village' sites.
- **New strategy focuses on North.** Springfield unveiled a new strategy focusing on the North of Scotland at its 17 February interim results (see Profits head north. Debt heading south). It sold a large portion of its land in the 'Central Belt' to Barratt Redrow and the two groups are also in non-binding discussions regarding the sale of additional future land holdings on a number of sites. This will allow Springfield to focus its growth in the North, where it has significant land holdings and opportunities. The region stands to benefit from major economic growth brought by the Inverness & Cromarty Firth Green Freeport and major investment from infrastructure providers including £20bn from SSEN for the upgrading of the power network.
- **Distinctive village communities.** A cornerstone of Springfield's strategy is a focus on its mid-sized village communities. All of these are set in a rural context but close to fast-growing cities. The Group currently has three active Village developments in Dundee, Perth and Elgin. A factor in Springfield's success in securing these sites has been its close co-operation with local councils and other stakeholders; a key differentiator for the group, in our view. While the new strategy places a focus on the North, the Group remains committed to delivering its active villages, including Bertha Park in Perth and Dykes of Gray in Dundee.
- **Evolving ESG credentials.** Springfield has had a longstanding commitment to ESG and an inherent culture of looking after people and the environment. The Group published its first formal ESG Strategy in 2022 with updates reported annually.

Financial Summary: Springfield Properties

Year end: May (£m unless shown)

PROFIT & LOSS	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Revenue	266.5	280.6	244.2	220.7	204.8
Adj EBITDA	20.5	27.6	18.7	18.4	24.1
Adj EBIT	17.9	25.2	15.9	15.7	21.4
Reported PBT	9.7	19.0	11.4	10.7	18.1
Fully Adj PBT	10.6	20.1	12.4	13.2	18.9
NOPAT	14.2	18.9	11.9	11.8	16.1
Reported EPS (p)	6.4	11.9	7.2	6.8	11.4
Fully Adj EPS (p)	6.8	12.0	7.6	8.1	11.6
Dividend per share (p)	1.0	2.0	3.0	4.5	5.0
CASH FLOW & BALANCE SHEET	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Operating cash flow	44.5	33.7	21.7	12.2	20.5
Free Cash flow	36.2	25.2	15.5	7.2	13.6
FCF per share (p)	30.6	21.2	13.0	6.0	11.4
Acquisitions	(12.1)	(2.9)	(1.0)	(13.0)	(8.0)
Disposals					
Net cash flow	6.0	(5.9)	10.9	(10.0)	0.0
Overdrafts / borrowings					
Cash & equivalents					
Net (Debt)/Cash, post-IFRS 16	(45.4)	(26.4)	(15.5)	(25.5)	(25.5)
Net (Debt)/Cash, pre-IFRS 16	(39.9)	(20.9)	(10.0)	(20.0)	(20.0)
NAV AND RETURNS	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Net asset value	158.2	171.3	176.2	180.1	188.1
NAV/share (p)	133.3	143.9	148.0	151.3	158.0
Net Tangible Asset Value	152.5	165.8	171.5	176.0	184.6
NTAV/share (p)	128.5	139.3	144.1	147.8	155.1
Average equity	154.4	164.7	173.7	178.2	184.1
Post-tax ROE (%)	7.8%	4.6%	8.1%	4.8%	4.4%
METRICS	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Revenue growth	29.2%	(19.8%)	5.3%	(13.0%)	(9.6%)
Adj EBITDA growth	(4.5%)	(11.6%)	34.7%	(32.2%)	(1.6%)
Adj EBIT growth	(8.4%)	(13.4%)	40.9%	(37.0%)	(1.3%)
Adj PBT growth	(23.1%)	(34.0%)	89.8%	(38.2%)	6.5%
Adj EPS growth	(31.6%)	(35.1%)	77.7%	(36.9%)	6.5%
Dividend growth	(100.0%)	N/A	100.0%	50.0%	50.0%
Adj EBIT margins	6.7%	9.0%	6.5%	7.1%	10.4%
VALUATION	**2024**	**2025**	**2026E**	**2027E**	**2028E**
EV/Sales (x)	0.5	0.5	0.5	0.6	0.6
EV/EBITDA (x)	6.3	4.7	6.9	7.0	5.3
PER (x)	13.4	7.6	12.0	11.2	7.9
Dividend yield (%)	1.1%	2.2%	3.3%	4.9%	5.5%
P/NAV (x)	0.68	0.63	0.61	0.60	0.58
FCF yield	33.6%	23.3%	14.3%	6.6%	12.6%

Source: Company information and Progressive Equity Research estimates

Progressive
EQUITY RESEARCH

16 September 2025

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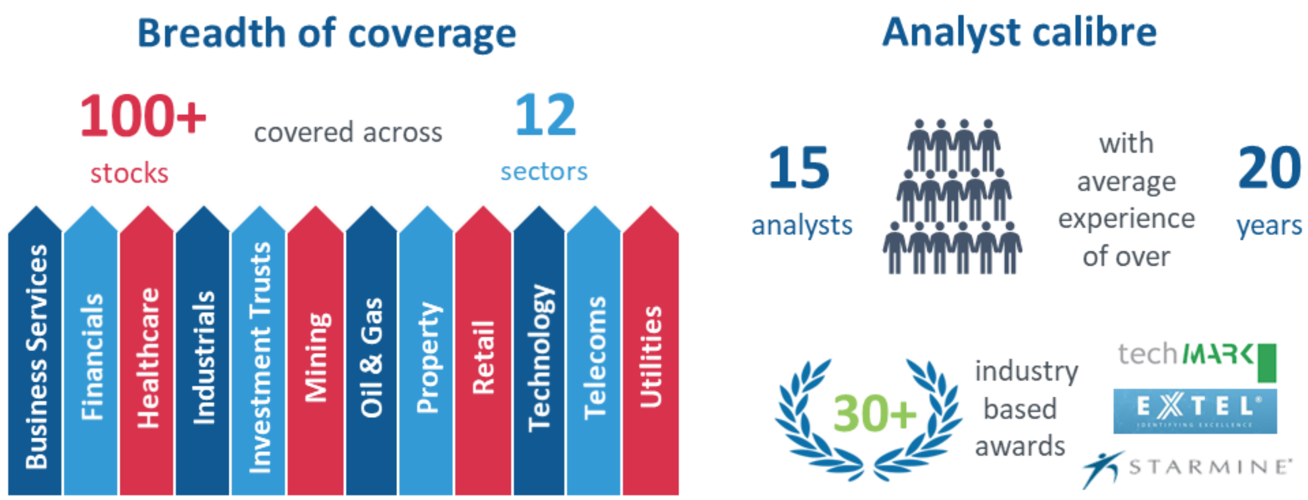

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