Company Registration No. SC031286 (Scotland)

SPRINGFIELD PROPERTIES PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2026

CONTENTS

COMPANY INFORMATION

DIRECTORS:	Mr Sandy Adam Mr Innes Smith Mr Iain Logan Mr Matthew Benson (non-executive) Mr Nick Cooper (non-executive) Mr Colin Rae (non-executive) Mr Alasdair Gardner (non-executive)
SECRETARY:	Mr Andrew Todd
REGISTERED OFFICE:	Alexander Fleming House 8 Southfield Drive Elgin Morayshire IV30 6GR
COMPANY REGISTRATION NUMBER:	SC031286 (Scotland)
INDEPENDENT AUDITOR:	Johnston Carmichael LLP Clava House Cradlehall Business Park Inverness IV2 5GH
NOMINATED ADVISER AND BROKER	Cavendish Plc 125 Princes Street Edinburgh EH2 4AD
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Company Registration No. SC031286 (Scotland)

FINANCIAL STATEMENTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2026

	Note	2026 £000	2025 £000
Revenue	4	243,699	280,557
Cost of sales		(203,653)	(228,435)
Gross profit	5	**40,046**	**52,122**
Administrative expenses before exceptional items		(25,391)	(27,609)
Exceptional items	10	(948)	(1,032)
Total administrative expenses		(26,339)	(28,641)
Other operating income		1,133	711
Operating profit	6	**14,840**	**24,192**
Finance income	5	732	361
Finance costs	8	(3,640)	(5,534)
Profit before taxation		**11,932**	**19,019**
Taxation	9	(2,509)	(4,923)
Profit for the year and total comprehensive income		**9,423**	**14,096**
Profit for the year and total comprehensive income is attributable to:			
Owners of the parent company		9,423	14,096
		9,423	**14,096**
Earnings per share			
Basic	12	7.91p	11.86p
Diluted	12	7.46p	11.28p

The Group has no items of other comprehensive income.

SPRINGFIELD PROPERTIES PLC

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MAY 2026

	Note	2026 £000	2025 £000
Non-current assets			
Property, plant and equipment	**13**	6,867	6,783
Intangible assets	**14**	5,176	5,435
Deferred taxation	**22**	1,676	1,852
Trade and other receivables	**17**	5,000	11,191
		18,719	**25,261**
Current assets			
Inventories	**16**	218,296	223,892
Trade and other receivables	**17**	37,551	41,096
Cash and cash equivalents	**26**	24,154	9,388
		280,001	**274,376**
Total assets		**298,720**	**299,637**
Current liabilities			
Trade and other payables	**18**	59,734	55,735
Short-term bank borrowings	**20**	-	30,282
Deferred consideration	**23**	20,674	7,469
Short-term obligations under lease liabilities	**21**	1,305	1,351
Provisions	**24**	2,078	1,871
Corporation tax		876	2,752
		84,667	**99,460**
Non-current liabilities			
Trade and other payables	**18**	-	1,550
Long-term obligations under lease liabilities	**21**	3,627	4,160
Long-term bank borrowings	**20**	22,961	-
Deferred taxation	**22**	2,267	2,866
Deferred consideration	**23**	-	14,491
Contingent consideration	**24**	2,000	2,000
Provisions	**24**	4,240	3,855
		35,095	**28,922**
Total liabilities		**119,762**	**128,382**
Net assets		**178,958**	**171,255**
Equity			
Share capital	**25**	149	149
Share premium	**25**	78,826	78,744
Retained earnings		99,983	92,362
Equity attributable to owners of the parent company		**178,958**	**171,255**

SPRINGFIELD PROPERTIES PLC

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR TO 31 MAY 2026

Cash flows generated from operations	**Note**	**2026 £000**	**2025 £000**
Profit for the year – Adjusted for:		9,423	14,096
Exceptional items	**10**	948	1,032
Taxation charged	**9**	2,509	4,923
Finance costs	**8**	3,640	5,534
Finance income	**5**	(732)	(361)
Adjusted operating profit before working capital movement		**15,788**	**25,224**
Exceptional items	**10**	(948)	(1,032)
Gain on disposal of tangible fixed assets	**6**	(106)	(140)
Share based payments	**25**	579	139
Non-cash movement - discounting		-	899
Amortisation of intangible fixed assets	**14**	259	263
Depreciation and impairment of tangible fixed assets		1,933	2,135
Operating cash flows before movements in working capital		**17,505**	**27,488**
Decrease in inventories		5,917	19,511
Decrease/(increase) in trade and other receivables		10,211	(20,348)
Increase in trade and other payables		3,034	7,089
Net cash from operations		**36,667**	**33,740**
Taxation paid		(4,846)	(3,675)
Net cash inflow from operating activities		**31,821**	**30,065**
Investing activities			
Purchase of property, plant and equipment		(954)	(156)
Proceeds on disposal of property, plant and equipment		181	244
Interest received		68	140
Net cash (used in)/ generated from investing activities		**(705)**	**228**
Financing activities			
Deferred consideration paid on acquisition of subsidiary	**31**	(1,608)	(2,857)
Proceeds from issue of shares		82	-
Repayment of bank loans	**31**	(6,970)	(24,908)
Payment of lease liabilities	**31**	(1,871)	(2,142)
Dividends paid	**11**	(2,381)	(1,188)
Interest paid		(3,251)	(5,096)
Net cash outflow from financing activities		**(15,999)**	**(36,191)**
Net increase/(decrease) in cash and cash equivalents		**15,117**	**(5,898)**
Cash and cash equivalents at beginning of year		9,037	14,935
Cash and cash equivalents at end of year	**26**	**24,154**	**9,037**

SPRINGFIELD PROPERTIES PLC

FINANCIAL, STRATEGIC AND OPERATIONAL HIGHLIGHTS

FOR THE YEAR ENDED 31 MAY 2026

Financial Highlights

Group Revenue	Group Completions	Group Adjusted PBT*	Private Homes Revenue	Affordable Homes Revenue	Contracting Homes Revenue
2026: £243.7m	**2026: 735 homes**	**2026: £12.9m**	**2026: £165.0m**	**2026: £54.3m**	**2026: £5.1m**
2025: £280.6m	**2025: 799**	**2025: £20.1m**	**2025: £155.8m**	**2025: £49.4m**	**2025: £11.0m**

Group	2025/26 £m	2024/25 £m	Change %
Revenue	243.7	280.6	-13.2%
Gross profit	40.0	52.1	-23.2%
Gross margin	16.4%	18.6%	-220bps
Statutory profit before tax	11.9	19.0	-37.4%
Adjusted profit before tax*	12.9	20.1	-35.8%
Basic Earnings per share	7.91p	11.86p	-33.3%
Net debt**	3.7	26.4	-86.0%

*Adjusted profit before tax excludes exceptional items detailed at Note 10. This is considered an alternative performance measure.

**Net debt is defined as bank borrowings plus long-term obligations under lease liabilities plus short term obligations under lease liabilities less cash and cash equivalents. This is considered an alternative performance measure.

Strategic and Operational Highlights

- Significant reduction in net bank debt from £20.9m to a positive net bank cash position of £1.2m
- Further profitable land sales secured
- Infrastructure project agreement signed towards delivering 293 homes
- Increase in both Private and Affordable revenues
- Total land bank of 6,797 plots (2025: 7,279 plots), 60% (2025: 66%) with planning permission

SPRINGFIELD PROPERTIES PLC

STRATEGIC REPORT

The Directors present their strategic report for Springfield Properties plc (the "Company") and its Group of companies ("Springfield", "The Springfield Group" or the "Group") for the year ended 31 May 2026.

The principal activity of the Group and Company is that of residential housebuilding and land development.

EXECUTIVE CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MAY 2026

Delivering Results

The year ended 31 May 2026 marked a significant period of progress as we successfully delivered against our strategic objectives and eliminated net bank debt.

Two years ago, we set out a clear strategy to unlock value from our substantial land bank through a series of profitable land sales and to strengthen our balance sheet. Having successfully delivered those objectives, we are now entering the next phase of Springfield's development from a position of considerable financial flexibility. This transformation has enabled the Board to increase the dividend and launch a share buyback programme, reflecting our confidence in our future prospects. It is also allowing us to maximise the value of our landholdings in Central Scotland by now developing sites that we had intended to sell.

I firmly believe the investment taking place across the North of Scotland in energy security, electricity transmission and renewable infrastructure represents the most significant opportunity I have seen in my lifetime. The scale of planned infrastructure investment and the resulting demand for housing is unprecedented, and Springfield's landholdings, regional expertise and long-established presence mean we are excellently positioned to play a leading role in supporting this growth. We have spent decades building a platform in the North of Scotland, and I believe the value of that position is only now beginning to emerge.

It is very pleasing to me that the area that I was born and brought up in is going to experience a huge economic boom over the next few years.

Market

Springfield delivered a resilient performance with demand for well-located, high-quality homes being evident. While customers were cautious and decision-making cycles were often longer, reflecting the pattern of more muted demand seen across the UK housebuilding industry, the underlying need for new homes across Scotland remained strong and continued to support the long-term fundamentals of our market.

At the same time, the North of Scotland is already experiencing a different demand dynamic from the wider Scottish market. As energy infrastructure projects move forward, they are expected to create substantial requirements for both permanent housing and accommodation for the construction workforce needed to deliver them.

This year saw renewed political support for housing across all tenures from the newly elected Scottish Government. Its Programme for Government recognised the important contribution that new housing delivery can make to economic growth and tackling child poverty. However, words must now be matched by action. National Planning Framework 4 has been a disaster for housing delivery in Scotland. Land supply in Scotland is currently dwindling as we wait for new Local Development Plans to come forward, and housebuilders are competing over increasingly fewer sites. The first priority of the planning system must be to ensure that enough homes are built for Scotland's people, yet current policies are preventing this from happening. I urge the Scottish Government to address this with urgency.

Against this backdrop, Springfield is in an advantageous position with a generous land bank of high-quality sites the majority of which has planning. We remain confident that, with the right policy environment, we can play a significantly larger role in addressing Scotland's housing emergency.

People need more homes than are being built in Scotland, so demand for new homes remains strong. This, combined with the unprecedented demand for housing arising from energy and infrastructure investment in the North of Scotland, gives me confidence in the long-term prospects for both the Scottish housing market and Springfield's ability to create value within it.

EXECUTIVE CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Returns to Shareholders

We are pleased to recommend an increased dividend of 3 pence per share for the year ended 31 May 2026 (2025: 2.0 pence). We also intend to commence a share buyback programme.

The decision to launch the buyback reflects the significant progress made in strengthening our balance sheet and the Board's confidence in the Company's future prospects. The Board believes Springfield's shares remain significantly undervalued and that repurchasing shares at current levels represents an attractive opportunity to create value for shareholders, while maintaining the financial flexibility to invest in future growth.

Looking to the Future

Springfield entered FY 2027 in a position of strength. Having successfully delivered the objectives of our debt reduction strategy through completed land sales resulting in a strengthened financial position, we are now focused on the next phase of growth. This position has been enhanced further following the final payment for the Mactaggart & Mickel housebuilding business, made earlier than originally anticipated. Our strong balance sheet and agile operating model provide the flexibility to be selective in our decision-making and to capitalise on opportunities that we believe will deliver the greatest value for shareholders. In addition to a strategic focus on the North, this will include investment in new private and affordable sites in Central Scotland.

The long-term fundamentals of the Scottish housing market remain compelling. Scotland continues to require significant investment in housing across all tenures. This gives us confidence that, with the right policy environment, we can play a significantly larger role in increasing housing delivery across Scotland.

Most importantly, we are only at the beginning of a transformational period for the North of Scotland. The scale of investment planned in energy infrastructure, electricity transmission and renewable developments is unprecedented and will require significant numbers of new homes to support a growing workforce. Having spent decades building our land position, local relationships and operational presence across the region, Springfield is exceptionally well placed to help meet this demand.

The opportunities before us are significant and I look to the future with confidence.

Thanks

I would like to thank our employees for their dedication and hard work. Their commitment has enabled Springfield to successfully deliver against its objectives, strengthen its balance sheet and position the business for future growth. As a result, in addition to our strategic focus on the North, we will be retaining a highly skilled workforce in Central Scotland.

I would also like to thank our customers, subcontractors, suppliers and wider business partners who continue to play an important role in Springfield's success. The strong relationships we have built over many years remain one of the foundations of our business.

Finally, I would like to thank our shareholders for their continued support. Over recent years, Springfield has remained focused on reducing debt and strengthening the business for the long term. We are now entering an exciting new phase, with significant opportunities ahead of us, and remain committed to creating sustainable long-term value.

Sandy Adam
Executive Chairman
14 September 2026

STRATEGIC REPORT

CHIEF EXECUTIVE OFFICER'S REVIEW
FOR THE YEAR ENDED 31 MAY 2026

This was an excellent year for Springfield. We achieved a key strategic priority of eliminating our net bank debt, which was significantly ahead of market expectations.

We made significant progress in implementing our strategy to capitalise on the substantial opportunities in the North of Scotland, which are being driven by the requirement for housing to support the delivery of the incoming energy security infrastructure and renewable development. Most notably, we signed an initial agreement to deliver almost 300 homes across six sites in the North of Scotland to a major energy infrastructure provider as part of their investment programme to upgrade the national electricity transmission grid, and we will be signing the main contract for the first site imminently. In addition, and as described further below, the significant strengthening of our balance sheet has enabled the Board to make the decision to develop our remaining sites in Central Scotland rather than pursue their sale.

Total revenue was £243.7m (2025: £280.6m), as expected, and reflects the contribution from significant land sales in the previous year. Our underlying business remained resilient, with a year-on-year increase in revenue in both private and affordable housing and significant growth in Group adjusted profit before tax when excluding the contribution from land sales. This was achieved against a backdrop of subdued demand across the UK housebuilding industry. While inflation and interest rates began to stabilise and affordability gradually improved, demand across the market was generally more measured than the levels experienced prior to the economic disruption of recent years.

Significant Progress in the North of Scotland

We reached an important milestone in entering an initial agreement with a major energy infrastructure provider in the North of Scotland towards the build and lease of 293 homes at six sites across the Highlands, Moray and Aberdeenshire. The initial funding received under this agreement enabled works to progress on multiple sites while we advanced negotiations on the main works agreement. We expect to sign the first main works agreement for a site totalling 39 homes imminently.

We will receive a significant payment upon handover of the homes followed by recurring monthly rental income for the duration of each lease, providing enhanced visibility of future cash flows while creating additional optionality at the end of the lease. Once handed over, the furnished and serviced homes will accommodate workers involved in the partner's energy upgrade projects.

At the conclusion of the multi-year lease period, as well as transferring homes to affordable providers, we will have multiple attractive options, including making the housing available for private housing sales or sales to private rented sector providers.

We are continuing to discuss further opportunities with other infrastructure providers to deliver new housing on a similar basis to support the upgrade of crucial energy infrastructure in the North of Scotland. We continue to see substantial opportunities in the region for the years to come. Independent research commissioned by the Scottish Futures Trust estimates that accommodating the transient construction workforce to deliver the Highlands and Islands' energy pipeline will require 10.5 million bed nights between now and 2040. At conservatively estimated prices, this represents £1.3 billion of expenditure on accommodating this workforce. Our position to help deliver this housing is also strengthened by the expansion of our land bank in the region as described below.

Land Bank

As at 31 May 2026, we had a total of 3,535 owned plots (2025: 3,912), of which 72% had planning permission (2025: 72%), and 3,262 contracted plots (2025: 3,367), of which 48% had planning permission (2025: 58%). This includes 4,104 owned and contracted plots (2025: 4,030) across 57 sites (2025: 50) in the North of Scotland.

In addition, Springfield has established a significant strategic land bank with options over 6,211 plots as at 31 May 2026 (2025: 6,293), of which 4,570 plots (2025: 4,652) are in the North of Scotland.

The slight reduction primarily reflects the conversion of strategic plots in the North of Scotland to owned and contracted plots as we continued to strengthen our landholdings in the region. The objective of the National Planning Framework 4 (NPF4), Scotland’s national planning policy, to deliver more housing is currently failing. Fewer sites are coming forward through the planning system and access to development land is becoming more constrained as Local Authorities across Scotland work through the process of adopting new Local Development Plans. This reinforces the value of Springfield’s high-quality land bank, which provides a substantial pipeline of deliverable sites.

To further strengthen this position, during the year and post period we promoted land through emerging Local Development Plans across the North of Scotland, and we have been actively securing options over this land. In addition, the Highland Council's Masterplan Consent Areas are accelerating the planning process for two of our strategically important sites, which will enable us to respond more quickly to growing housing demand across the region.

The total owned and contracted land bank equated to nine years of activity and had a gross development value at 31 May 2026 of £1.8bn (2025: £1.8bn).

At year-end, we were active on 36 developments (2025: 40). During the year, 15 developments were completed and 11 new developments became active.

During the year, we completed profitable land sales of £14.1m (2025: £60.5m). This primarily represents the sale of the final site under our agreement with Barratt Redrow plc that was entered in FY 2025. In addition, post year end, we sold land at one of our sites in Central Scotland, equating to 170 plots, for £12.0m. We used £6.5m of the proceeds from this profitable land sale to pay our final deferred consideration for the acquisition of the Scottish housebuilding business of Mactaggart & Mickel Group, removing that liability from our balance sheet. Two years ago, we set out a clear strategy to unlock value from our substantial land bank through a series of profitable land sales, and this transaction marks the successful completion of that programme.

Maximising Value of Land Bank

On 17 February 2025, we announced that we had agreed to profitably sell to Barratt Redrow 2,480 plots of undeveloped land primarily in Central Scotland for £64.2m in cash – with the proceeds to be used to accelerate the removal of our bank debt and to capitalise on the significant opportunities in the North of Scotland, which became our strategic focus. We intended to build out and sell our existing live private and affordable housing sites in Central Scotland over a number of years and maintain a long-term presence in the region through our village developments in Dundee and Perth. We would seek to sell the remaining undeveloped land in Central Scotland, with new projects and land buying becoming focused on the North of Scotland.

Our strategy continues to be to capitalise on the significant opportunities in the North of Scotland, which the Board believes will be the primary driver of growth. However, with the strengthening of the balance sheet – including reaching a net cash position and making the final deferred consideration payment for the Mactaggart & Mickel acquisition earlier than expected – we now have greater financial flexibility. Accordingly, and as part of our ongoing assessment of how to maximise value from our landholdings, the Board has taken the decision to develop our remaining landholdings in Central Scotland rather than pursue their sale. We believe that developing these sites for private and affordable housing will generate greater value than if they were to be sold. We may also seek to purchase land in Central Scotland where the terms are attractive. With our strengthened financial position, we are now able to maximise the value of our landholdings in Central Scotland without impacting our ability to capitalise on what the Board believes are the greater opportunities in the North of Scotland.

While our operations in Central Scotland will continue to reduce as sites are completed, this will be to a lesser extent than previously expected as more of our workforce will be retained for the development of sites that we had intended to sell. However, overheads being higher than previously anticipated is expected to be offset by increased revenue resulting in greater profit in the medium term.

Private Housing

In private housing, there was an increase in average selling price ("ASP") to £348k (2025: £313k), primarily due to housing mix but also reflecting a slight uplift in underlying pricing. This served to more than offset the reduction, as expected, in completions to 474 (2025: 497). Gross margin also improved as a result of housing mix. The number of reservations at 31 May 2026 was broadly in line with the same point of the previous year. Since year end, while consumer sentiment has remained cautious, we are pleased to note that the private housing reservation rate has remained stable and in line with management's expectations.

As at 31 May 2026, Springfield was active on 21 private housing developments (2025: 25), with four active developments added during the year and eight developments completed. In total, as at 31 May 2026, the owned private housing land bank consisted of 2,344 plots (2025: 2,598 plots), of which 67% had planning permission (2025: 68%).

Affordable Housing

The number of completions in affordable housing grew to 243 (2025: 237) and the ASP increased to £224k (2025: £207k). The change in ASP reflects the increased pricing across the sector following the Scottish Government making higher levels of grant subsidy available to affordable housing providers. We also continued to secure new contracts in line with management's expectations. With the Scottish Government continuing to implement supportive measures, including a further increase in funding for its affordable housing supply programme in the 2026-27 Budget as part of a commitment to a record investment of £4.9 billion over the next four years, we remain optimistic for our prospects in this market. Springfield's strong relationships with housing associations and local authorities position us well to support this objective and to continue to play an important role in the delivery of affordable housing across Scotland.

The number of active affordable housing developments was 14 as at 31 May 2026 (2025: 14), with seven active developments added and seven developments completed during the year. As at 31 May 2026, the total owned affordable housing land bank consisted of 1,191 plots (2025: 1,314), of which 82% had planning permission (2025: 82%).

Contract Housing

In contract housing, Springfield provides development services to third party private organisations and receives revenue based on costs incurred plus fixed markup. To date, this has largely consisted of services provided to Bertha Park. As at 31 May 2026, the contract housing land bank with planning consent consisted of 482 plots (2025: 500). The 18 homes completed during the year (2025: 65) were private homes at Bertha Park (2025: 42 private homes and 23 affordable homes completed at Bertha Park). As anticipated, completions were lower than the prior year due to the planned timing of construction and handovers at Bertha Park.

Customer Satisfaction

I am delighted that our customer satisfaction score increased to 97% for FY 2026, up from 96% in the previous year. This achievement reflects the dedication of our teams across the business and their continued focus on delivering high-quality homes and an excellent customer experience.

Listening to our customers remains an important part of our business. The feedback we receive helps us understand where we are performing well and where we can continue to improve, ensuring we maintain a customer-first approach throughout the homebuying journey.

During the year, we also continued our strong performance against the standards set by the New Homes Quality Board. We were recognised for achieving 100% compliance across all on-site audits conducted in 2025 and successfully passed a randomly selected compliance self-assessment audit, reinforcing the strength of our customer care practices and our commitment to meeting the requirements of the New Homes Quality Code.

These results, together with our improved customer satisfaction score, demonstrate the consistently high standards being delivered across Springfield.

Environment and People – ESG

ESG remains an integral part of Springfield's long-term strategy, supporting the sustainable growth of the business while creating positive outcomes for our customers, colleagues, communities and wider stakeholders.

Sustainability is embedded in the way we build, with 100% of our homes manufactured off-site in our timber frame factories. New homes in Scotland are already being delivered to significantly higher environmental standards than elsewhere in the UK, with low-carbon heating systems replacing traditional gas boilers and EV chargers provided as standard. As homes become increasingly electrified, investment in upgrading Scotland’s electricity network becomes ever more important to ensure there is enough capacity to support them.

Our activities in the North of Scotland continue to support the delivery of high-quality housing in areas experiencing increasing demand linked to the energy transition. As investment in renewable energy and energy security infrastructure continues across the region, we are playing an important role in helping to house the workforce required to support these projects, contributing to both local economic growth and the UK’s wider transition to a more sustainable energy future.

Developing the next generation of talent also remains a key priority. Building on our long-standing commitment to skills development, we recruited a further 28 apprentices during the year. This brings our total number of apprentices to 64, representing 20% of our site-based workforce, providing valuable career opportunities and helping to address skills requirements across the construction industry. Investing in apprenticeships supports both the future growth of our business and the communities in which we operate.

We are pleased with the progress made during the year and remain focused on ensuring that Springfield continues to create lasting value for all stakeholders.

Outlook

Our reservation rate has been steady and in line with our expectations. This is supported by our ability to offer a range of high-quality homes and in desirable areas across Scotland. In affordable housing, we have continued to secure new contracts on favourable terms. The housebuilding industry continues to navigate macroeconomic uncertainty, however we are experiencing only modest build cost inflation and have not had any supply shortages. In addition, we remain focused on cost discipline and continue to expect to reduce overhead costs in FY 2027 as well as benefit from lower interest expenses due to the reduced bank debt.

The Board remains very excited about Springfield’s prospects in the North of Scotland. Forecasts for expected housing demand in the region are substantial, which we are well-placed to meet thanks to our strong land bank and established position as a housebuilder of scale in the area. We have already made great progress with a major energy infrastructure provider in the region, and we are receiving increasing interest from other organisations who are looking for solutions to their worker accommodation requirements.

STRATEGIC REPORT

CHIEF EXECUTIVE OFFICER'S REVIEW (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

The strengthening of our balance sheet – including reaching a net bank cash position and paying the final deferred consideration for the Mactaggart & Mickel acquisition earlier than expected – has provided us with greater financial flexibility to maximise value from our landholdings across Scotland. Accordingly, and as described above, the Board has taken the strategic decision to develop more of our Central Scotland sites rather than pursue their sale, which is expected to enhance the Group's revenue and profit in the medium term.

Innes Smith
Chief Executive Officer
14 September 2026

STRATEGIC REPORT

CHIEF FINANCIAL OFFICER'S REVIEW
FOR THE YEAR ENDED 31 MAY 2026

For the year ended 31 May 2026, we delivered revenue and profit in line with expectations and significantly accelerated the reduction of our bank debt.

In summary, revenue was £243.7m (2025: £280.6m), adjusted profit before tax and exceptional items was £12.9m (2025: £20.1m) and statutory profit before tax was £11.9m (2025: £19.0m). We achieved net bank cash at 31 May 2026 of £1.2m compared with net bank debt of £20.9m at 31 May 2025.

There was a year-on-year increase in revenue and gross margin in our core activities of private and affordable housing. The reduction in total Group revenue and profit reflects the exceptional contribution from significant land sales, which had a higher margin, in FY 2025.

Revenue	**2026 £'000**	**2025 £'000**	**Change**
Private housing	164,960	155,776	5.9%
Affordable housing	54,334	49,380	10.0%
Contract housing	5,098	10,976	(53.6)%
Land sales	14,123	60,507	(76.7)%
Other	5,184	3,918	32.3%
TOTAL	**243,699**	**280,557**	**(13.1)%**

For the year ended 31 May 2026, revenue was £243.7m (2025: £280.6m). Private housing remained the largest contributor to Group revenue, accounting for 67.7% of total sales (2025: 55.5%). Affordable housing contributed 22.3% (2025: 17.6%) and contract housing accounted for 2.1% (2025: 3.9%). Land sales accounted for 5.8% (2025: 21.6%) and other revenue for 2.1% (2025: 1.4%).

Gross margin was 16.4% (2025: 18.6%). This reflects the exceptional gross margin of the significant land sales in the prior year. There was an increase in gross margin in private housing and slight improvement in gross margin in affordable housing. Gross profit for the year was £40.0m (2025: £52.1m) reflecting the lower Group revenue and gross margin.

Administrative expenses, excluding exceptional items, were reduced to £25.4m (2025: £27.6m). This reflects a continued focus on carefully managing costs across the Group and restructuring in line with the Group's new strategy.

Exceptional items were £0.9m (2025: £1.0m), relate to restructuring costs and legal fees.

Operating profit was £14.8m (2025: £24.2m) and, excluding exceptional items, it was £15.8m (2025: £25.2m). The reduction was due to the lower gross profit.

Net finance costs were reduced to £2.9m (2025: £5.2m) as a result of lower bank interest payments primarily due to the significant reduction in bank debt, but also lower interest rates.

Statutory profit before tax was £11.9m (2025: £19.0m) and adjusted profit before tax and exceptional items was £12.9m (2025: £20.1m). This reflects the reduction in operating profit, which was partly mitigated by the lower net finance costs.

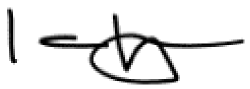
Basic earnings per share (excluding exceptional items) was 8.51 pence (2025: 12.66 pence) and statutory basic earnings per share was 7.91 pence (2025: 11.86 pence). Return on capital employed was 7.4% (2025: 12.6%), which reflects the lower profit.

We continued to focus on reducing our debt and exercising disciplined cost control and were delighted to have achieved net bank cash at 31 May 2026 of £1.2m (2025: net bank debt of £20.9m). To give us the headroom to be able to capitalise on opportunities as they arise, we secured a new revolving credit facility for three years until August 2028 with an initial facility limit of £77.5m that reduced to £47.5m in August 2026. We also have an overdraft facility of £2.5m until August 2027. Since year end, our balance sheet has been further strengthened as we have made the final deferred consideration payments for the acquisition of the Scottish housebuilding business of Mactaggart & Mickel Group Limited, which completed in June 2022.

CHIEF FINANCIAL OFFICER'S REVIEW (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Alternative performance measures

The Directors use alternative performance measures (for example adjusted profit before taxation, which takes statutory profit before taxation and adds back exceptional items and basic earnings per share excluding exceptional items as well as return on capital employed) as this allows a better assessment of how the Group is performing by excluding costs not associated with trading. Key Performance Indicators are detailed on the financial highlights page and are discussed throughout the annual report.



Iain Logan
Chief Financial Officer
14 September 2026

STRATEGIC REPORT

GROUP OVERVIEW AND RISKS
FOR THE YEAR ENDED 31 MAY 2026

The principal activity of the Group and Company is that of residential housebuilding and land development.

Climate Change Risks

The homes we deliver in key locations across Scotland are designed to be energy efficient. We adopt measures to make them more environmentally sustainable, taking designs beyond the latest environmental standards to reduce the environmental impact of our homes. We develop sites taking account of natural resources, to protect biodiversity in the area for future generations. We have delivered over 60 developments without fossil fuels, using air source technology as a successful alternative. We also have a head start on modern methods of construction with two timber kit factories and all our homes built off-site from sustainable timber.

Alongside this report, our ESG strategy update is published, and we have covered the risks and opportunities we have identified against the four pillars of Governance, Strategy, Risk Management and Metrics and Targets within our Climate Related Financial Disclosures on pages 20 to 34.

Quality Management

As a business, we are accredited in ISO 9001 and 14001. We secured ISO 45001, an occupational and Health and Safety management standard, in November 2025.

Key Risks and Uncertainties

The principal risks and uncertainties identified and mitigated against include:

- market risk;
- credit risk;
- liquidity risk;
- changes in consumer demand;
- future funding risk;
- resources risk;
- legal and regulatory risk;
- health and safety risk;
- land supply risk;
- planning risk;
- funding risk; and
- interest rate risk.

Market, credit and liquidity risks are dealt with in Note 28 of the consolidated financial statements. Further details on how risks are managed are set out in pages 17-19.

Changes in Consumer Demand

The risk of reduced sales rates due to a reduction in demand is mitigated by the following factors:

- regular reviews of market conditions, product range, pricing and geographic spread to make sure the right homes are delivered in the right places at a profitable price;
- customer service, quality of build and customer satisfaction are monitored to maintain reputation;
- monitoring of and representations in relation to changes in government housing policy, including by the CEO as an executive board member of Homes for Scotland, allows forward planning to mitigate risks identified as result of changes in policy; and
- our diversified geographical and product offering across tenures.

STRATEGIC REPORT

GROUP OVERVIEW AND RISKS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Future Funding Risk

Represents the risk that there is not sufficient funding in place to support the Group's future strategy.

Detailed budgeting and regular review of our forecasts allows efficient management of future cash flows as part of managing any liquidity risk.

The Group has bank facilities, securing funding until August 2028, which include covenants and have sufficient headroom in place. The Group and funders communicate regularly. The Group also monitors interest rates to ensure forecasting takes into account projected future rates.

Resources Risk

The Scottish labour market is competitive, particularly in the North of Scotland where we compete for labour with the renewables sector. Strategies in place to maintain Springfield's reputation as a good employer and ensure the appropriate supply of skills include:

- annual remuneration and reward review;
- annual training review for every employee;
- a Board led culture of empowerment;
- private health care for all staff; and
- satellite television discount and gym membership.

In light of inflationary pressures arising from conflict in the middle east, prices are continually being managed by:

- actively seeking alternative suppliers and materials;
- standardising materials and products across the Group to add to buying power;
- negotiating deals directly with manufacturers; and
- the growth of the Group, and recent acquisition of competitors, has strengthened our purchasing power and access to materials.

Legal and Regulatory Risk

The Group has an in-house legal department consisting of three experienced solicitors which advises and supports the Group with legal compliance to ensure the Group reduces its legal and regulatory risks (e.g. disruption to trade, fines or other penalties) and helps ensure contracts are robust across the business.

Health and Safety Risk

There are health and safety risks inherent to construction. Health and safety is the first agenda item at every Board meeting. The Group has an in-house Safety Health Environment and Quality (SHEQ) Team which ensures overall compliance by:

- monitoring health and safety standards across sites with regular visits;
- taking action where required, including addressing extreme weather events;
- advising on safe practice at the outset of projects;
- initiating training;
- introducing or updating applicable policies or procedures; and
- ensuing health surveillance is carried out across the Group.

STRATEGIC REPORT

GROUP OVERVIEW AND RISKS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Land Supply Risk

The risk of securing sufficient land is reduced by a large land bank owned or secured by contract in a spread of geographic locations which will appeal to our range of customers. In 2025-26, we have pursued profitable land sales in Central Scotland to realise value with new land acquisitions going forward within the Highlands, Moray and Aberdeenshire. We are building on our significant land bank in the North by promoting additional sites for residential development to Highland Council for inclusion in both their next Local Plan and separately through masterplan consent area schemes to support them with their efforts to double housing output to meet growing demand.

Our strong land bank, with planning, ensures that the Group can bring forward developments even if land buying market conditions are unfavourable. Prospective sites are brought forward from the land bank, through the planning system, in tranches considered by the Board to be sufficient to allow the Group to achieve its plans for growth.

Planning Risk

Delays in receiving planning consents could interrupt business. Planning is dealt with internally by expert planners who have good relationships with local authorities and who are supported by a full architectural and design team. The Board reviews the balance of land held at the various stages of planning to ensure an appropriate flow of consented land. Risk is also lower because of the high proportion of land that we have with planning in place. Planning risk is also reduced in the North of Scotland, where Local Authorities are proactive and keen to support housing development to meet demand and maximise economic opportunities in the area.

Financial Risk Management Objectives

Details of the Group's financial risk management objectives are set out in Note 28 to the consolidated financial statements.

Charitable Donations and Community Support

Across the Group we understand the importance of community and seek to support and engage those in the areas where we are building. Aligning with our new strategy, our support this period has focused on initiatives in the North of Scotland where our impact is visible. We specifically look to help young people achieve more and to help those who are disadvantaged and have a sponsorship form available on our Group website where charities, groups and organisations can request funding. Staff visit schools to support a variety of initiatives including careers information, mentoring, and charitable programmes. During the year, the Group made payments of £38,962 (2025: £88,047).

In addition to local support, we have invested in youth sports teams and individual athletes including amateur golfers Fraser Brown and Summer Elliott. We continue to support Shinty, a historic sport valued greatly in the North of Scotland, through Tulloch's sponsorship of the annual Camanachd Cup.

Our work with the community also extends to young people as they prepare for the future. We work closely with initiatives like Developing the Young Workforce and Career Ready where young people join us for work placements to give them an insight into the world of work whilst showcasing the various avenues into the many disciplines available within the sector.

TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE FOR THE YEAR ENDED 31 MAY 2026

1. Governance pillar:

a. The Board's oversight of climate-related risks and opportunities

The Board determines the strategy, purpose, governance, and risk management of the company. Environmental Social and Governance (ESG) is a standing item on the agenda for Board meetings, and climate-related risks and opportunities are discussed within ESG Committee meetings. The terms of reference for the Board and Audit Committee also include responsibilities for climate change. Members of the Board and ESG Committee have been trained on climate change by external experts. The governance structure is presented in the table below to show the levels of governance and key roles and responsibilities. A new ESG structure has been agreed by the Board for the next financial year (2026 / 2027) and details are presented at the foot of the table:

<table>
<tr><th colspan="2">Board of Directors</th></tr>
<tr><td colspan="2">Meeting frequency in 2025 / 2026: 9 meetings
Key role: Oversees climate-related risks and opportunities.
The Board includes a non-executive director appointed as ESG lead (since 2021).
Board responsibilities include:
• Review strategic planning to ensure full integration of climate-related risks and opportunities
• Oversee major capital expenditures, acquisitions, divestments with consideration of climate change
• Ensure the interests of all stakeholders are considered in decision making</td></tr>
<tr><td>Informing</td><td>Reporting</td></tr>
<tr><th colspan="2">The Board delegates specific ESG matters to its Committees</th></tr>
<tr><th>ESG Committee: 2 Meetings in 2025 / 2026</th><th>Audit Committee: 2 meetings in 2025 / 2026</th></tr>
<tr><td>The ESG Committee's responsibilities include:
• Oversee implementation of the ESG strategy, including climate-related matters
• Recommend policies and practices to the Board to improve performance
Chaired by the CEO, with:
• Non-Executive Director (responsible for ESG)
• Group SHEQ Director
• Group Corporate Communications Director
• Group HR Director
• Group Environmental Manager
• Senior Group Counsel (Secretariat of Committee)</td><td>The Audit Committee is chaired by a Non-Executive Director and responsible for:
• Monitoring climate-related risks as part of the review over principal risks
• Receiving and reviewing reports from management and the auditors relating to the annual report
• Overseeing the internal controls system</td></tr>
<tr><td>Informing</td><td>Reporting</td></tr>
<tr><th colspan="2">Executive Leadership Team</th></tr>
<tr><td colspan="2">The CEO is responsible for ESG performance, including climate change and implementing and achieving the ESG strategy, including the management of climate-related risks and opportunities. The Group Operational Directors are process owners against ESG objectives and report to the CEO through Group Director meetings. Examples of ESG responsibilities, assessing the feasibility of electric commercial vehicles.</td></tr>
<tr><td>Informing</td><td>Reporting</td></tr>
<tr><th colspan="2">Operational Management</th></tr>
<tr><td>ESG Team
The Group Environmental Manager is responsible for implementing the ESG strategy e.g. collecting carbon emissions data, assessing climate-related risks on the risk register.</td><td>Operational Management
The management team supports the Operational Directors in implementing their ESG and climate change considerations in line with the group strategy. An example action includes supporting the trial and / or adoption of low carbon plant and equipment such as electric forklifts at the factory.</td></tr>
</table>

STRATEGIC REPORT

TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

a. The Board's oversight of climate-related risks and opportunities (continued)

<table>
<tr><td colspan="2">New ESG Structure for 2026 / 2027
The new structure will retain the existing Audit Committee, alter the ESG Board Committee and create a new ESG Operational Committee:</td></tr>
<tr><td>ESG Operational Committee
To discuss and report on ESG Objectives and update Board on changes of statutory requirements and change of direction that may be needed.
Chaired by the Group Corporate Comms Director with:
• Group SHEQ Director
• Regional Commercial Director (North & Tulloch)
• Architectural Manager – North
• Group Environmental Manager
• MD Moray Firth Homes
• Group HR Director</td><td>ESG Board Committee
To accept and approve strategic directions of ESG strategy.

Chaired by the CEO with:
• Non-Executive Director
• Group SHEQ Director
• Group Corporate Comms Director
• Group HR Director
• MD Moray Firth Homes
• Company Secretary</td></tr>
</table>

b. Management's role in assessing and managing climate-related risks and opportunities:

The members of the Group Operational Board are responsible for setting management's role in assessing and managing climate-related risks and opportunities. The Operational Directors will delegate day to day management of the ESG objectives to their senior leadership teams. The Group Operational Board includes:

- CEO
- CFO
- General Counsel
- Group SHEQ Director
- Group HR Director
- Group Corporate Communications Director
- Moray Firth Homes Managing Director
- Springfield North Managing Director
- Glassgreen Hire Managing Director
- Tulloch Homes Managing Director
- Springfield Central Managing Director
- Springfield Partnerships Managing Director

An example of climate change consideration during the year is the review of how ESG is managed within the company and the creation of a new ESG Operational Committee to update the board and help deliver on ESG objectives such as reducing carbon emissions.

2. Risk management pillar:

a. The organisation's processes for identifying and assessing climate-related risks:

Climate change is a principal risk and is assessed and managed in line with the Group's risk management framework, as detailed under recommendation c. of the risk management pillar below.

The process of identifying and assessing climate-related risks followed the below stages:

1. A range of climate-related risks were considered across both transitional and physical risks.
2. The impacts of each climate-related risk were considered as part of a workshop with the executive team and function directors / heads of departments. Each risk's potential impact on the Group's business model and future strategy was discussed using qualitative scenario analysis over the defined short, medium, and long term time horizons.
3. For the material climate-related risks, additional quantitative scenario analysis was performed (see recommendation a. of the strategy pillar for more details).
4. Material climate risks were added to the risk register. Where appropriate, climate-related risks were also included in functional risk registers by business areas e.g. health and safety.

STRATEGIC REPORT

TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

2. Risk management pillar (continued):

5. The potential impact of each risk was coded as low, medium, or high (see recommendation b. under the risk management pillar for more details).
6. High impact risks identified were added to the principal risk register where the CEO or CFO will be the risk owner.

The climate risk register is updated at least annually by assessing the relevance of the identified risks.

b. Processes for managing climate-related risks:

The climate risk register includes details of the potential impact and risk grading for each risk, these are classified as low, medium, or high for both grade and impact. The grading system is based on the senior management team's professional judgement and a materiality assessment across different business functions:

- Risks categorised as low are not actively managed as the risk is unlikely to affect the organisational strategy.
- Medium risks require management and have a senior manager as the risk owner.
- High impact risks are included on the principal risk register. The risk owners are the CEO and/or CFO of the group. The principal risk register is reviewed by the Audit Committee and the Board as described under governance pillar.

Risk registers are maintained within each department and centralised risk reporting is in place to consolidate Group level risks. As the main activity of the majority of subsidiaries are the construction of homes, most risks are consolidated at a Group level. The timber kit factories are exposed to a different profile of risks. Mitigation methods are identified and assessed against the risks outlined on functional risk registers. Risks are assigned with new grading scores after considering mitigation measures. Mitigation for climate-related risks is detailed under recommendation b. of the strategy pillar.

c. How processes for identifying, assessing and managing climate-related risks are integrated into the Group's overall risk management:

Climate-related risks are identified considering a longer time frame than is typically considered in the enterprise risk process. Therefore, it is appropriate to maintain a climate risk register. Climate risks from this register may be included in the functional risk registers, where they are assessed and managed using the same principles of the established risk process in the short term. For example, climate risks within the functional risk register are subject to the same assessments of grade and impact as other risks.

3. Strategy pillar:

a. Climate-related risks and opportunities the organisation has identified in the short, medium, long term:

The time horizon for the risk and opportunities assessment have been defined as follows:

Timeframe	Years	Reason
Short	1 – 3 years 2024 - 2027	Aligns to time horizon considered in the business strategy and reflects changes to legislation including the New Build Heat Standard.
Medium	4 – 9 years 2028 – 2033	Aligns to planning and site development time horizon.
Long	10 – 21 years 2034 - 2045	Aligns with the Group's net zero carbon target to reach net zero emissions by 2045. This target is consistent to Scottish Government's net zero target.

STRATEGIC REPORT

TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

3. Strategy pillar (continued):
Physical risks relate to changing weather patterns. *Transition* risks relate to policy, legal, market and technology changes that will occur as part of the transition to a low carbon economy. Both types of climate risk and transitional opportunities are included in a climate risk register which is updated at least annually, and details the potential impact of the risk, the risk grading, any mitigating actions, and the risk owner. The risks and opportunities included in this report are deemed to be material as they have the greatest potential impact and greatest likelihood of materialising.

b. The impact of climate-related risks and opportunities on the business, strategy, and financial planning:

The impact of climate risks has been assessed over the short, medium, and long-term time horizons using qualitative and quantitative scenario analysis and data from a range of sources (detailed in Appendix A). The medium-term time horizon helps to identify business risks in relation to interim carbon reduction targets. The long-term time horizon helps identify business risks in relation to future climate risks.

Limited data sets for 2045 means we have used the year 2050 as a proxy to understand climate-related risks and opportunities over the long-term horizon. Two scenarios have been utilised, in line with TCFD recommendations, which illustrate the contrasting possible future pathways of climate change, we have used a “below 2°C” and “above 4°C” temperature outlook. Two different sources are used for physical and transitional risks for medium- and long-term analysis, and are summarised below:

Temperature rise post 2050	Scenario used	Risks observed	Example type of risks
Below 2°C	Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) 2.6	Physical risks	Overheating Homes; Floods; Drought stress; Precipitation; Windstorms in the UK; Heat stress; Wildfire
3 – 4°C	IPCC RCP 6.0	Physical risks	Overheating Homes; Floods; Drought stress; Precipitation; Windstorms in the UK; Heat stress; Wildfire
1.8°C	Shared Socioeconomic Pathways (SSP) 1 - 2.6	Transition risks	Potential carbon prices and future energy mix
Above 4°C	SSP 5 - 6.0	Transition risks	Potential carbon prices and future energy mix

Please note, Shared Socioeconomic Pathways (SSP) scenarios for global carbon price do not reflect the regional context of carbon price in EU and UK. Consideration of actual carbon price in the EU ETS and UK ETS were in place in the impact analysis.

3.1. Summary of material physical risks:

The table below details the material physical risks with the potential impact classified as low, medium or high risk. The grading of the risks is subjective, but we are aiming to financially quantify the risk grading in future. The mitigation actions were identified by the Operational Directors’ response for the area of the business.

3.1. Summary of material physical risks (continued):

Risk	Term Rating	Impact on Springfield	Mitigation and adaptation
Storms Greater severity of storm-related damage is expected in an above 4 °C scenario. Increased frequency of storms will disrupt construction activities. Storms can also affect the origin of raw materials, with greater uncertainty expected in the supply chain over the longer term.	Short Term - Low Medium Term - Medium Long Term - High	**Impact on construction sites in Scotland** Increase in expected damage from tropical cyclones in the UK compared to 2015 reference year, specifically: • Short term: increase by 6% (both RCP 2.6 and 6.0) • Medium term: increase by 9% (both RCP 2.6 and 6.0) • Long term: increase by 14% / 17% (RCP 2.6 / 6.0) The storms will impact the Group through: • Disrupt construction activities e.g. strong winds could delay progress on site and delivery of materials • Damage to infrastructure on site and in local area e.g. damage to power supply or roads **Impact on Supply Chain** Our supply chain is global with most tier 1 suppliers in the UK importing raw materials such as timber from North America and Scandinavia. These locations may also experience higher levels of storm-related disruption.	We comply with all current regulation regarding wind design to mitigate risk from damage on construction sites. It is expected that planning requirements will adapt to the future risk profile of storms. The impact of storms on the supply chain is mitigated by using several suppliers through offering alternatives in times of product shortage, delay, or price increase. This includes exploring options for Scottish timber production. The procurement team are in regular contact with suppliers to manage the supply of materials.
Extreme weather events Sudden changes in temperature and increased frequency of extreme weather events are expected in the UK. This can include extreme cold and changes in rainfall patterns.	Short Term - Low Medium Term - High Long Term - High	Extreme cold conditions or other extreme weather are expected to increase in frequency and severity under an RCP 6.0 scenario. This may lead to disruptions or emergency stops for construction work. This could affect working conditions on site and progress of projects. Our current sites are all based in Scotland. There are currently no sites exposed to a high risk of drought. However, this could be an emerging risk, and we will continue to monitor drought risk.	We comply with health and safety regulations for the safety of construction workers in extreme weather conditions. It is expected that regulation will adapt to provide guidance for emerging extreme weather events. In extreme heat, shift patterns may need to change for workers to avoid the hottest parts of the day where local building regulations allow earlier start times.

3.2. Summary of material transition risks:

Risks	Term Rating	Impact on Springfield	Mitigation and adaptation
Carbon Price A higher carbon price may increase material costs but lead to a reduction in embodied carbon in construction materials. Embodied carbon is the carbon dioxide emissions associated with the materials used in construction. There may be an introduction of carbon price across all materials. The risk may be amplified by an increased demand for lower carbon materials, for example, as all house builders move towards modern methods of construction.	Short Term - Low Medium Term - High Long Term - High	Our suppliers of certain construction materials are exposed to carbon prices through policy mechanisms like the UK Emissions Trading Scheme (UK ETS). Materials exposed to carbon price currently include bricks, concrete and other energy intensive materials. Other suppliers may offset emissions voluntarily to sell carbon neutral products. Suppliers may pass these costs on to the Group. Higher carbon prices are expected with scenario SSP 1 – 2.6 (1.8°C) compared to the SSP 5-6.0 (Above 4°C) especially over the medium and long term. Please see Appendix A – page 34. Based on data from the UK ETS and EU ETS, we expect the price of carbon in the medium and long term to increase further than current projections.	Supplier and industry initiatives are reducing the embodied carbon in construction materials. This would reduce the exposure to the cost of carbon through UK ETS. Timber frame construction has a lower embodied carbon than materials used in traditional building methods, such as bricks and concrete. Modern methods of construction mean more timber is used than traditional building materials.
Supply chain Transitional risks in the supply chain relate to the housing sectors objectives to reduce embodied carbon. Modern methods of construction, including the use of timber kits, is expected to increase.	Short Term - Medium Medium Term - High Long Term - Low	The increase in timber used by national house builders could increase demand and costs of materials. This is expected to increase over the short to medium term in line with building regulations and company targets to reduce embodied carbon. In the long term, the demand may remain consistent with the medium term.	The impact of increased demand for timber is mitigated by using several suppliers to provide alternate options in times of shortages or price increases. For example, exploring opportunities for Scottish timber. The procurement team are in regular contact with suppliers to manage the supply of materials.

3.2. Summary of material transition risks (continued):

Risks	Term Rating	Impact on Springfield	Mitigation and adaptation
Housing regulations The Scottish Government has increased the stringency of building regulations to improve the energy efficiency of homes and reduce the reliance on fossil fuel heating systems.	Short Term - High Medium Term - Medium Long Term - Low	The New Build Heat Standard (Scotland), and other building regulations, increases the sustainability requirements of homes built. Failure to keep up with the regulation and standards could lead to financial damages. There may be increased costs for research and development, including trialling new technology to meet the building regulations. There may also be increased costs to comply with the regulations as additional or different materials are required to build a home. There may be supply shortages of in demand products, including solar panels and air source heat pumps. The risk is higher in the short term but is expected to become part of business as usual in the medium to long term.	Involvement with industry groups and regulators can help understand expectations to comply with evolving regulations. Immediate changes in building regulations have been incorporated into home design and updates to planning applications. Springfield has ongoing R&D projects lead by the in-house architectural team that look beyond regulatory requirements when designing and building homes.
New technology New technology is required to decarbonise Springfield's own operations, as well as reducing the energy used in new homes. Failure to adopt new technology may lead to Springfield not meeting carbon reduction targets. The adoption of new technology could lead to higher capital costs.	Short Term – Medium Medium Term – High Long Term – Low	New technology includes alternatives to fossil fuel heating and construction, such as air source heat pumps and solar batteries. A high capital investment is expected with new technologies. This includes trialling new technology to see how they work against more carbon intensive alternatives. The workforce may need to be upskilled to install new technology in homes. Competitors may adopt new technology earlier which would result in a poor sustainability profile compared to competitors. Failure to find and adopt alternatives to diesel generators will mean we do not meet carbon reduction targets.	The Group has been designing and building homes with low carbon technologies for several years and this work has gained momentum through our ESG projects, led by our in-house architectural team. This includes air source heat pumps, and hybrid or solar powered solutions.

3.3. Summary of opportunities:

Opportunities	Details	Impact
Green finance	Increased offering of sustainability linked loans and other finance solutions can help provide the capital to accelerate the transition to a low carbon and more energy secure future.	There may be a small reduction in interest payments from sustainability linked loans by meeting ESG targets. In preparation of the increased availability of green finance, we have been involved with a sustainability benchmarking programme for UK housebuilders. There may also be increased access to additional investors by demonstrating strong ESG performance.
Modern methods of construction	The UK housing market is moving towards using modern methods of construction approaches driven by industry initiatives and government regulation.	The Group has two timber kit factories as part of our operations which offers a competitive advantage over other housebuilders. We have already started a review to increase the percentage of the home that is built in the timber factory before reaching site. There is an opportunity to increase the output of the timber kit factories, including selling further timber kits to other house builders who do not have their own infrastructure. There are opportunities for us to conduct pilot projects with locally sourced materials, including timber. This will assess the feasibility and quality of Scottish grown timber. Local supply chains can also reduce logistics costs, cutting both transport related expenses and reducing carbon emissions.
Location of land bank	The location of the Group's current land bank has limited exposure to flood risk, and other physical climate risks.	Scenario analysis on physical risks faced by Scotland has identified some areas (in the West Highlands) that would be prone to flooding under both below 2°C scenario and above 4°C degree scenario. Strategic selection of land at our targeted areas are not significantly affected by climate change. For instance, flood maps produced by Scottish Environmental Protection Agency (SEPA) have been incorporated in the existing land acquisition process. The consideration of physical risks of climate change on land acquisition creates a competitive advantage for the group to secure future value of land.
Green homes	Improved energy efficiency in new homes may create a competitive advantage in that it helps to reduce carbon emissions and contribute towards energy security compared to older housing stock. Green mortgage products for customers may be available for those buying energy efficient homes.	The early adoption of low carbon products and low carbon technology can create competitive advantage over other house builders in the market. Examples of consumer demand for low carbon technologies include solar panels and battery storage for solar energy. Our homes are significantly more energy efficient than older housing stock and therefore customers may be able to qualify for green mortgage products. This could increase customer demand for the new homes we build.

3.3. Summary of opportunities: (continued)

Opportunities	Details	Impact
New technologies and resource efficiency	Improved technology for onsite machinery can reduce energy usage leading to cost savings. The decarbonisation of the UK energy supply will result in lower operational emissions. Diversifying the energy mix and becoming less reliant on overseas markets will also improve overall energy security.	Diesel machinery is used on site. There will be financial and environmental gains achieved by using more efficient machinery. Alternatives to diesel generators on site can include accessing the grid energy supply at an earlier stage of the development.
Attracting more talent	Employees are increasingly motivated to work with companies with strong ESG credentials.	Increasing the positive brand image for environmentally and socially friendly operations and the delivery of green homes can help attract more talent. Internal training programmes can also be planned to upskill the current workforce to incorporate sustainability in their current roles and responsibilities.

c. The resilience of the Group's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario:

We have assessed the resilience of the strategy and business model through scenario analysis and have climate change mitigation strategies in place that increase the resilience to potential risks. For example, climate risks are assessed when performing land valuations.

The main impacts of a below 2°C scenario are:

Carbon price

A carbon price is assumed to be incorporated in high emitting sectors covering construction materials, such as steel, concrete and bricks. Under this scenario, our suppliers could pass on the cost to the Group in the short and medium term. Prices may be consistent in the long term. The assumptions in a below 2°C model is that regulations become more stringent to transition to a low carbon economy. The carbon price is modelled on several countries and sectors.

Our analysis found, in a below 2°C scenario, the SSP 1 - 2.6 model projected a medium-term carbon price of circa £27 per tonne of CO_2e by 2030, while the long-term global carbon price for 2050 was projected to be £82 per tonne of CO_2e. These figures are likely to have increased and we are updating our assessment for future reporting.

Based on our previous analysis, approximately 12.21 tonnes of CO_2e are attributed to bricks per average house built and 10.41 tonnes of CO_2e from the concrete used in an average house built. By using the expected carbon costs for bricks and concrete as an example, the overall increase in construction materials would be £0.6m (1%) for 2030 and £1.8m (2%) for 2050 (using a FY 2022 baseline level of output). It should be noted that, the average price for carbon in UK Emission Trading Scheme reached £97 per tonne of CO_2e in 2022, which has already exceeded the projected price by SSP 1 - 2.6 model.

Therefore, it is likely that we will be exposed to a higher cost of materials. We are engaging with our value chain to reduce greenhouse gas emissions of materials, including understanding suppliers' own carbon reduction plans.

Regulatory requirements

The Housing to 2040 strategy from the Scottish Government includes a target for all residential properties in Scotland to have an Energy Performance Certificate (EPC) with a minimum of a 'C' rating. Most new homes in Scotland which have been consented from 2024 onwards, must have zero direct emissions. It means no gas boilers or other fossil-fuel-based heat or power. Overall, the measures will see the equivalent to a 68% reduction in emissions from heat in buildings by 2030 based on 2020. Scotland has a net zero target of 2045 and housing is expected to make-up a significant part of the emission reduction efforts.

Impact on current and future sites

We have assessed the Group's land bank locations for future and current sites against several physical climate risks, using the data sources documented under recommendation b. of the strategy pillar and Climate Impact Explorer. The impact of physical climate risks on the land bank has been assessed over the medium and long term.

The results of this are shown in the table below:

	Overheating Homes	Flood	Heat stress	Precipitation	Wildfires
Medium term (% of sites exposed to increased risk)	0%	0%	0%	4%	4%
Long term (% of sites exposed to increased risk)	0%	0%	0%	14%	6%

As shown above, expected increased rainfall could increase risk of flooding and require additional flood defences on the site and may delay construction work. The location of future homes may not be in close proximity to the woodland or forest. Therefore, the analysis only indicates that sites are closely located to woodland or forest areas with an increased wildfire risk so will feed into planning decisions. The impact from precipitation and wildfires are relatively low risk. The other physical risks are not likely to impact our current sites under the below 2°C scenario. As the analysis is based on the current land bank, the risk profile of future sites is likely to change.

The main impact of above 4°C scenario includes:

Impact on operations

Physical risks under the above 4°C scenario analysis manifest over a longer timeframe. There will likely be an increase of extreme weather in Scotland including flooding, and unusually high or low temperatures. The results of this scenario are shown in the table below:

	Overheating Homes	Flood	Heat stress	Precipitation	Wildfires
Medium term (% of sites exposed to increased risk)	0%	0%	0%	4%	4%
Long term (% of sites exposed to increased risk)	21%	0%	0%	94%	6%

The physical risks in the above 4°C scenario may be more extreme but take longer to materialise in Scotland. The analysis is based on the current land bank, which is subject to change over the longer term.

Scotland will experience an increase in precipitation in all locations, apart from certain areas of Northern Scotland. Over the long term, homes in urban areas are more exposed to overheating due to the heat island effect. The overheating of homes has not been identified as material risk as mitigations for heat stress are expected to feature in future building regulations over the longer term.

While we did not identify any sites at risk of flooding, there is a high risk of flooding around some parts of the Highlands and in some parts of Aberdeenshire. The Group does not currently have any land in the areas affected. The impact from wildfires is consistent with the RCP 2.6 scenario.

<u>Impact on supply chain</u>

The physical risks of climate change will also impact the Group's suppliers differently, depending on their locations. An increased risk of extreme weather events could damage supplier facilities or access, quality, and availability of raw materials.

We use timber as a key material in the kit factories, sourced from Northern Europe and Canada. These locations are exposed to different physical risks. If these risks materialise, it could cause a reduction in the quality of the timber, shortages of supply due to increased demand or damaged stock leading to increased costs of material. Demand for timber is expected to increase as more UK housebuilders opt for timber as a lower carbon alternative to traditional brick construction. Whilst this presents competition for supplies, it may present an opportunity to work with local Scottish suppliers to source quality Scottish timber.

Overall assessment of resilience

The Group has taken steps to understand the business impact from climate-related risks by analysing risks and opportunities through engaging with external consultants on climate issues. The highest impact risk expected over the medium term is carbon price costs leading to an increased cost of raw materials under a below 2°C scenario. There are several industry led initiatives to reduce the carbon intensity of construction materials. In addition, we have set a Net Zero target, including Scope 3 emissions, for 2045.

The highest impact risk expected over the long term are physical climate risks. Climate risks are assessed when purchasing land, and when developing the land through planning permission requirements. However, there may be challenges in the future where land in certain locations is in scarce supply or require significant climate mitigation costs. The impact of physical climate risks will be monitored at least annually.

4. Metrics and targets pillar:

a. Detailed below the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process:

STRATEGIC REPORT

TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

4. Metrics and targets pillar (continued):

We monitor emissions, in accordance with the GHG Protocol Corporate Standard. Other metrics have been identified to show progress towards climate-related risks or opportunities:

Metric	Linked risk or opportunity	Target	Performance in FY26	Performance in FY25
Average Standard Assessment Procedure (SAP) rating on all homes built in the past year.	Future Homes Standard, incl. varying standards across UK, requiring improved energy efficiency and reduced carbon.	86	87	87
Homes completed in the past year with no fossil fuel access (%).	Improved energy efficiency in homes and competitive advantage in offering low carbon homes.	We are assessing feasibility of setting a target.	66%	50%
Ultra Low Emission Vehicles in company fleet (%).	Failure to adopt new technology may lead to Springfield not meeting carbon reduction targets.	We are assessing feasibility of setting a target.	Electric company cars: 100% Electric company vans: 2% Overall company-owned electric vehicles: 55%	Electric company cars: 100% Electric company vans: 3% Overall company-owned electric vehicles: 56%

b. Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks:

Scope 1 and Scope 2 carbon emissions are disclosed as part of the Streamlined Carbon and Energy Reporting (SECR) in the annual report. In addition to our mandatory disclosures for SECR, we have voluntarily calculated upstream Scope 3 emissions for FY 2025 / 26. The Scope 3 emissions have been calculated following guidance from the GHG Protocol and includes both upstream and downstream sources. The data and summary approach taken to calculate each emission source is detailed in the table below:

Scope 3 data (GHG Protocol category)	**2026 tonnes CO_2e**	**2025 tonnes CO_2e**	**Commentary and summary of approach taken** (emission factors from Department for Energy Security and Net Zero, and Department for Business, Energy, and Industrial Strategy)
Purchased goods and services (construction and non-construction materials) / capital goods / upstream transportation (category 1, 2 & 4)	47,552.09	51,962	*Emissions decreased by 8% year-on-year. Construction material emissions reduced primarily due to fewer homes being completed during FY25/26 (735 compared with 799 in FY24/25), together with lower material emission factors for certain product categories. Emissions from non-construction purchased goods and services also decreased following updates to SIC code emission factors, inflation adjustments and changes in expenditure across the Group.*
Fuel and energy-related activities (category 3)	538.29	505.5	*Emissions increased by 6% year-on-year, primarily due to higher electricity and gas consumption across operational sites and factories. This was partially offset by lower DESNZ emission factors for several fuel types.*

4. Metrics and targets pillar (continued):

Scope 3 data (GHG Protocol category)	**2026 tonnes CO_2e**	**2025 tonnes CO_2e**	**Commentary and summary of approach taken** (emission factors from Department for Energy Security and Net Zero, and Department for Business, Energy, and Industrial Strategy)
Waste from operations (category 5)	54.43	65.94	*Waste emissions decreased by 17% year-on-year, primarily driven by the reduction in housing completions and Springfield's high recycling rate of 94.5%, which reduced the proportion of waste sent to landfill. Updates to DESNZ waste treatment, transportation and electricity emission factors also contributed to the reduction.*
Business travel (category 6)	50.51	69.64	*Emissions decreased by 27% year-on-year, primarily driven by a significant reduction in flight activity and lower spend on travel-related expenditure categories compared with FY24/25.*
Employee commuting (category 7)	598.19	620.90	*Employee commuting emissions decreased by 4% year-on-year, primarily reflecting a reduction in employee numbers from 619 employees in FY24/25 to 597 employees in FY25/26.*
Total upstream and own operations	**48,793.50**	**53,224.14**	*Overall upstream emissions decreased by 8% year-on-year. The reduction was primarily driven by fewer housing completions, lower purchased goods and services emissions, reduced business travel activity and updated DESNZ and spend-based emission factors.*
Use of sold products (category 11)	14,545.88	20,550.09*	*Emissions decreased by 29% due primarily to a higher proportion of non-gas homes within the FY25/26 completions profile, lower projected electricity and gas emission factors, and fewer completed homes during the year. Non-gas homes represented 66% of FY25/26 completions compared with a significantly lower proportion in the prior year, reducing projected use-phase emissions over the assumed 60-year dwelling life.*
End of life treatment of sold products (category 12)	1239.45	1,368.02	*Emissions decreased by 9% overall, driven by an 8% reduction in home completions, from 799 to 735. Updated emission factors also contributed, with lower recycling factors applied to several materials, including wood, plasterboard, plastics and electrical items.*
Total scope 3 under consideration	**64,617.83**	**75,142.25****	*Overall, Scope 3 emissions decreased by 14% year-on-year. The reduction was primarily driven by lower emissions from purchased goods and services, fewer housing completions, a reduction in projected use-phase emissions from sold homes and lower business travel emissions. These reductions were partially offset by an increase in fuel and energy-related emissions associated with operational activity.*

*Restated from 20,333.72 tCO2e following adoption of the DESNZ natural gas kWh (Gross CV) emission factor
**Increased from 74,925.88 tCO2e due to the category 11 increase

4. Metrics and targets pillar (continued):

c. The targets used by the Group to manage climate-related risks and opportunities and performance against targets:

A net zero target for Scope 1 and Scope 2 is set for 2045. An interim carbon reduction target has been set at 39% by 2030 for location-based scope 1 & 2 emissions and 47% for market-based emissions. The interim target ensures that actions to improve energy efficiency and reduce carbon emissions are prioritised in the short term.

An engagement target is used for Scope 3 emissions to reduce the emissions from our value chain, with a focus on purchased goods and services. Based on guidance from the science-based target initiative (SBTi), within an engagement target, the coverage of suppliers should reach at least 67% of Scope 3 emissions. The Group has started to monitor additional ESG data, including the metrics included under recommendation b. of the metrics and targets pillar. Performance across the metrics is monitored by the ESG Committee.

Appendix A. Scenario Analysis Sources

The following sources were used to aid our scenario analysis:

Scenario element	Sources	Extra information
Site locations	Locations covered both current sites and future sites across the Group.	No extra information.
Physical risk scenarios	Climate Impact Explorer was used as the basis for 2030 and 2050 scenario analysis, comprising of RCP 2.6 and RCP 6.0 scenarios. The Climate Impact Explorer provides projections for future climate impacts at different warming levels and for several policy-relevant greenhouse gas emission scenarios. The Climate Impact Explorer was developed by Climate Analytics, together with Flavio Gortana, the Potsdam Institute for Climate Impact Research and ETH Zürich. Its development was supported by ClimateWorks Foundation and Bloomberg Philanthropies in the context of a collaboration with the Network for Greening the Financial System, as well as the German Ministry for Education and Research.	The physical risks reviewed include overheating homes, floods, drought stress, precipitation, windstorms in the UK, heat stress and wildfire.
Transition risk scenarios	Data Explorer: IPCC scenarios was used as the source for carbon price scenarios, comprising the Shared Socioeconomic Pathways scenarios. The Shared Socioeconomic Pathways are a set of scenarios which are central to the work of the UN climate reports produced by the Intergovernmental Panel on Climate Change (IPCC). The data presented on Data Explorer: IPCC scenarios was based on the work of Keywan Riahi et a. (2017), which brings together the results of independent researchers that have mapped out a range of socioeconomic scenarios for how the world could change in the coming decades. Reference: Riahi, K., Van Vuuren, D. P., Kriegler, E., Edmonds, J., O'neill, B. C., Fujimori, S. & Tavoni, M. (2017). The shared socioeconomic pathways and their energy, land use, and greenhouse gas emissions implications: an overview. Global environmental change, 42, 153-168.	The actual carbon price as reflected from UK and EU emission trading schemes can be referenced from the carbon price tracker by Ember. (https://ember-energy.org/data/european-electricity-prices-and-costs/) Under the SSP 1-2.6 – global carbon price is expected to be $11.72 (£10) per tonne in 2030 and $99.97 (£82) per tonne in 2050. Under the SSP 5-6.0, the expected carbon price is $11.72 (£10) per tonne in 2030 and $26.28 (£22) per tonne in 2050.

Sandy Adam
Executive Chairman
14 September 2026

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

Sandy Adam, Executive Chairman
(Sits on Nomination Committee)

Sandy is the grandson of the founder of Springfield and has worked for the Company since the 1980s. Sandy led the Company during its change from a market garden business into a housebuilder in 1988. Sandy has been Chairman of the Company since 2004 and has been the driver behind many key commercial decisions including the focus on affordable housing, the geographic expansion out of Moray in 2010, the acquisition of Redrow's Scottish assets/operations in 2011, the listing of Springfield on AIM in 2017 and the acquisition of Dawn Homes in 2018, Walker Group in 2019, Tulloch Homes in 2021 and Mactaggart & Mickel's Scottish housebuilding business in 2022. Sandy has decades of experience in the Scottish housing and property markets, including his role as Chairman of Homes for Scotland between 2014 and 2015.

Innes Smith, Chief Executive Officer
(Chair of ESG Committee)

After graduating from Heriot Watt University in 1991, Innes qualified as a Chartered Accountant with KPMG before moving into industry as financial controller at SGL Technic, a subsidiary of RK Carbon Fibres (now called SGL Carbon Fibres Limited), a NASDAQ and Deutsche Börse listed Company. Subsequently Innes was promoted to Finance Director at SGL Technic and after five years moved to Gael Force. Innes joined Springfield in 2005 as Finance Director and was appointed Chief Executive Officer at Springfield in October 2012 after seven years with the Company. Innes was appointed to the Board of Homes for Scotland in 2016.

Iain Logan, Chief Financial Officer

Iain has over 15 years professional experience working in a Plc environment. Iain qualified as a Chartered Accountant in 2002 with PricewaterhouseCoopers in Edinburgh. He then spent eight years with Murray International Holdings Limited gaining extensive corporate finance experience working on all aspects of acquisitions, disposals and fund raising within its investment company. He also held the Financial Controller role for its residential and property development company.

Iain then spent nine years as Group Financial Controller of Omega Diagnostics Plc where he had full responsibility for all financial reporting and management of finance teams in the UK, Germany and India.

Iain joined Springfield in 2020 as Group Financial Controller and was promoted to Finance Director in 2021 leading all aspects of financial operations and establishing strong relationships with external stakeholders. He played a key role in the acquisitions of Tulloch Homes in 2021 and the Scottish housebuilding division of Mactaggart & Mickel in 2022 and was appointed as CFO in 2023.

Matthew Benson, Non-Executive Director
(Chair of Audit Committee, sits on Remuneration, ESG and Nomination Committees)

Matthew graduated from Oxford University and began his career with Morgan Stanley, working in international finance in London. Matthew then established his own consultancy business focused on the structuring and planning of high quality residential and leisure projects. Matthew joined Rettie & Co as a Director in 2002 with responsibility for land and development, new homes and rural projects. He was appointed to the Springfield Board as a Non-Executive Director in 2011. Matthew has a number of other responsibilities including member of the Advisory Board of Kleinwort Hambros private bank, Trustee of Project Scotland and Director of Edinburgh Arts Festival. Matthew was also the founding Chair of bio-tech businesses EctoPharma Limited and Ryboquin Limited.

BOARD OF DIRECTORS (CONTINUED)

Nick Cooper, Non-Executive Director
(Sits on Audit, Remuneration, ESG and Nomination Committees)

Nick is a qualified solicitor with over 20 years board experience with UK-listed and private companies including General Counsel of the Football Association and as a member of the Group Leadership Team at Johnson Matthey Plc, firstly as Group General Counsel and Company Secretary and then as Head of Global Business Services. From 2010 to 2015, he was Corporate Services Director at Cable & Wireless Communications Plc, which he joined from Cable & Wireless Plc, where from 2006 to 2010 he was General Counsel and Company Secretary. His previous in-house legal and corporate experience includes roles at Energis Communications Ltd, JD Wetherspoon Plc, The Sage Group Plc and Asda Group Plc. Nick joined Springfield as a Non-Executive Director in 2018.

Colin Rae, Non-Executive Director
(Sits on Audit, Remuneration, ESG and Nomination Committees)

Colin brings to the Board, over 35 years of experience in the property development sector, where he is widely regarded as a trusted advisor. Amongst other roles he currently serves as Senior Advisor to the Housing Growth Partnership, supporting strategic funding and delivery initiatives across the UK housing landscape. Previously, Colin held the role of Group Executive Development Director at Places for People, where he led a nationwide mixed-tenure housing programme valued at approximately £200 million. This role stands as a career highlight, reflecting his deep commitment to building high-performing teams and delivering vibrant, sustainable communities. A Member of the Royal Institution of Chartered Surveyors (MRICS), Colin holds a BSc in Quantity Surveying. He maintains a strong interest in ESG (Environmental, Social, and Governance) principles and innovative construction methods, particularly off-site solutions. At Springfield, he contributes his expertise across the ESG, Audit, Remuneration, and Nomination Committees.

Alasdair Gardner, Non-Executive Director
(Sits on Audit, Remuneration and Nomination Committee)

With a wealth of experience in the banking sector, Alasdair joined the Springfield Board as a Non-Executive Director in October 2025. Having studied in Edinburgh, he graduated with a Bachelor of Commerce in 1987 before joining Lloyds Bank in the same year. During his 36 years with the bank, he worked in a variety of roles, including Managing Director of Commercial Banking between 2009 and 2016, MD of Large Corporates North America between 2016 and 2019 and CEO of Lloyds International Bank until 2023. It was in his time with Lloyds that Alasdair was involved with the merging of Bank of Scotland and Lloyds Commercial Business in 2009. Other career highlights include his work with charities to offer support and time to help those in need. In 2009, he helped set up the Bank of Scotland Foundation and also served as a trustee for the LLoyds Channel Islands Foundation and with CrossRoads Scotland Charity.

Full Board biographies can be found at www.thespringfieldgroup.co.uk/about/the-board

CORPORATE GOVERNANCE

QCA CODE COMPLIANCE
FOR THE YEAR ENDED 31 MAY 2026

This report provides shareholders with an overview of the Group's corporate governance arrangements and their operation during the year and how we comply with the Quoted Companies Alliance’s 2023 Edition Corporate Governance Code for Small and Mid-Size Quoted Companies (“the QCA Code”).

The QCA Code provides a robust framework for the Group to maintain high standards of corporate governance. It sets out ten principles. Each principle and the Group's actions are set out below. Sandy Adam, as Chairman, is responsible for ensuring the ten principles are followed across the Group.

A copy of this statement will be available on our website through its inclusion in this annual report.

1. Strategy and Business Model

The Group delivers homes across housing tenures in developments of different sizes and locations across Scotland. The Group’s focus is on the delivery of private and affordable homes, and, under contract housing, we provide development services to third party private organisations which has included homes for PRS, particularly in the North of Scotland to support future national infrastructure projects. We believe this combination is key to sustained long term growth and ability to weather economic uncertainty.

Our markets section within our Chairman’s statement, on page 8, provides an overview of the market in relation to private, affordable and contract housing delivery, and our CEO statement details macro factors and our actions within the year for private (page 12), affordable (page 12) and contract housing (page 12).

2. Statement and Understanding Shareholder Needs and Expectations

Sandy Adam, as Chairman, is responsible for establishing and maintaining appropriate communication channels between Executive Directors and shareholders. Maintaining positive relationships with shareholders is important to the Board.

Shareholders communicate with the Board by email, telephone and in person meetings throughout the year including bi-annual investor presentations organised by our nominated advisor, Cavendish Plc. In addition, we offer a webinar of both our interim and annual results which is open to all and promoted through the RNS. The Board believes the feedback from these presentations provide it with vital information to understand the needs and expectations of Springfield’s shareholders.

We maintain a corporate website (www.thespringfieldgroup.co.uk). It contains a range of information required by AIM Rule 26 including our annual and half year reports, trading statements and all regulatory announcements. We regularly distribute press releases to national and local press with news and updates on the Group’s current projects which can also be found on the corporate website.

We have an expert analyst working with us - Equity Development - to help potential investors and existing shareholders understand our business, offer independent views on company performance and provide an outlook including projections looking forward. Analyst notes are published on our corporate website for reference.

Details of this year’s AGM will be available to download from our corporate website. The Board recognises the AGM as an important opportunity for shareholders to vote on resolutions, to meet the Board and to ask questions.

3. Wider Stakeholder and Social Responsibilities

The Group operates across Scotland and recognises that it must maintain strong relationships with all stakeholders. These include employees; customers; suppliers; national & local government; and local communities. Springfield creates a climate where everyone can thrive. The Group had 596 employees as at 31 May 2026, seeks to promote from within, develops staff with training, supports work placements and apprenticeships and has an Equality, Diversity and Inclusion (EDI) policy in place which is regularly reviewed.

3. Wider Stakeholder and Social Responsibilities (continued)

This year alone we have proudly welcomed 28 apprentices to the team, predominately on sites in the North of Scotland and have celebrated 12 employees marking 20-year milestones with the company and 30 who have progressed into promoted roles.

Engaging with all employees across the Group is an integral part of the ethos within the business. The Chairman and CEO meet employees' departmental groups on a bi-annual basis. The meetings provide an opportunity for employees to hear of future plans, to raise any concerns and to ask questions. Each office also has regular Employee Representative meetings where questions can be raised, and issues discussed with minutes of the meetings published on our intranet for reference. The intranet which, along with useful information for staff from policy information to staff contact details, also shares news and updates from across the business keeping employees engaged on Group activities on a daily basis and we are regularly seeking feedback from staff to ensure the platform remains useful and informative.

Customers: Customer views are sought via In-House Research Limited who contact our customers between four and six weeks after handover of their home and gather feedback. Each Managing Director actions any points required because of this feedback. Of those customers responding, 97% would recommend one of the Group's homes to friends or family.

National & Local Government: Our CEO is a Director of Homes for Scotland, the voice of the home building industry in Scotland, representing some 200 companies and organisations which together deliver 95% of new homes built for sale each year and a significant proportion of Affordable Housing. Through Homes for Scotland, we engage with the Scottish Government, local government and utility companies. Any direct contact with the Members of Scottish Parliament (MSPs) is governed by the Lobbying (Scotland) Act 2016 and we comply with all requirements of that legislation.

Communities: For individual projects, we work with local communities as part of the planning process. Any new development that has more than 50 homes or covers two hectares requires us to hold two community consultations. These events allow members of the local community to gather information on the proposed development, ask questions and provide their feedback on the proposals. We can then reflect any comments within our applications. In addition, building upon our existing engagement with schools, for each major planning application we will offer a local primary school a visit to feed into the curriculum and raise awareness of sponsorship opportunities that may be available.

Environment: Alongside this report, we annually publish an update to our ESG Strategy: Environment and People. A Committee of the Board for ESG meets regularly to monitor progress against the ESG Strategy with the CEO as Chairman.

4. Embedding Risk Management

Springfield operates processes to identify, measure, manage and monitor those risks which impact the Group's business. The focus of our risk management framework is to ensure we are managed in a sustainable and controlled way within our risk tolerance. Material risks and control matters are reported to the Board via regular reports from the Group's senior executive team who in turn meet on a regular basis with risk and control issues being discussed at those meetings. Given the environment in which it operates, the Board has a strong focus and attention on Health and Safety issues. It receives a personal report from the CEO on health and safety matters at each meeting and meets regularly with the Group Safety Health Environment & Quality (SHEQ) Director so matters can be discussed directly. A full review of risk management was also completed during this year resulting in stronger and more efficient risk management processes.

4. Embedding Risk Management (continued)

The Board also maintains a system of internal controls to safeguard shareholders' investment and assets. The Board is responsible for reviewing its effectiveness on an ongoing basis. Annual budgets are prepared, and detailed management reports are presented to the Board and used to monitor financial performance and compliance with the Group's policies and procedures. All controls are covered including financial and operational controls to manage risk. Board meetings are also used to consider the Group's major risks. All potential areas of financial risk are regularly monitored and reviewed by Directors and management and preventative or corrective measures are taken as necessary.

As outlined in our Company Overview and Risk section on page 17, we are accredited in ISO 9001 and 14001 and secured ISO 45001 within the 2025/26 financial year to support our continued work towards an accredited Integrated Management System (IMS).

5. Maintaining a Well-Functioning Board

The skills and experience of the Board are set out in their biographical details on pages 35-36. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The Board meets at least bi-monthly with seven meetings during the year with 100% attendance other than Nick Cooper who missed one meeting. The Non-Executive Directors time commitment is approximately 20 days a year to attend to Board matters. The Board consider Colin Rae and Nick Cooper to be independent Directors for the purpose of the QCA Code. From 1 September 2026, Matthew Benson will have completed 15 years' service as a Director. Having considered Matthew's independence in the context of the QCA Code, the Board is satisfied that Matthew Benson will remain independent notwithstanding his length of service.

Andrew Todd, as Company Secretary, attends all Board meetings. Andrew is a solicitor qualified in Scotland, England & Wales and ensures Board and committee meetings are conducted in accordance with all relevant legal and regulatory requirements. Andrew also attends all audit and nomination committee meetings. Senior Group Counsel, Erin Grant, a solicitor qualified in Scotland, attends all ESG and remuneration committee meetings.

One third of the Directors retire annually in rotation in accordance with Springfield's articles of association. This enables the shareholders to decide on the election of the Board.

6. Director Skills and Capabilities

As mentioned under principle 5, all Directors and their professional experience, are set out on pages 35-36. The skills, experience and knowledge of each Director gives them the ability to constructively challenge strategy and decision making and scrutinise performance. All Directors are offered appropriate coaching and training to develop their knowledge and ensure they remain up to date in relevant matters for which they have responsibility as a member of the Board.

All members of the Board bring relevant sector experience through their extensive and varied careers throughout the housing, financial, consulting, and legal sectors. The Board believes that its members possess the required qualities and skills necessary to effectively oversee and execute the Group's strategy.

7. Evaluation of Board Performance

The Board understand the importance of Board performance evaluation. A formal review process was undertaken post year end in June – August 2026. The results are being evaluated by the Chairman and the Board.

QCA CODE COMPLIANCE (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

8. Corporate Culture

The Board believes that everyone has the right to a decent home. There is a pressing need for good quality housing in Scotland which is evidenced by the Housing Emergency declared by the Scottish Government. Where this need is not met, Springfield aims to provide high quality homes for people who need them across all tenures: homes for private sale, affordable homes for councils or housing associations and homes for the PRS.

Dedication to customers is at the heart of the Springfield culture. Customer satisfaction statistics are an integral part of how we manage our business and incentivise our key people and the satisfaction statistics for each brand are shared at every Board meeting.

9. Maintaining Good Governance

The Board recognises the importance of applying sound governance principles in the successful running of the Group. The Chairman and the Board takes responsibility for ensuring the Group maintains appropriate corporate governance practices. In addition, the Chairman and CEO take responsibility for obtaining feedback from key stakeholders. Due to the Group's size, it does not believe separate shareholder approval is required for the Group's remuneration report or for all Director's to be re-appointed annually. The Board will keep the QCA's recommendation under review and will monitor market practice and will continue to seek feedback from its advisors.

Springfield operates processes to identify, measure, manage and monitor risks which impact the Group's business within acceptable limits identified by the Board. Further details on our approach to risk are set out in response to principle 4 above.

The Board is supported by the Audit, Remuneration, Nomination and ESG committees.

The Audit Committee is responsible for determining and reviewing matters relating to the financial affairs of the Group. The Audit Committee examines reports received from management and the Group's auditor in relation to the financial statements, as well as the internal control systems utilised throughout the Group.

The Remuneration Committee reviews and sets the terms and conditions of the Directors' appointment, along with their remuneration and benefits package and makes recommendations to the Board in relation to the allocation of share options to employees under our Share Plans. The Remuneration Committee meets at least three times a year.

The Nomination Committee's role is to consider the selection and re-appointment of Directors, and make recommendations for the nominations of candidates to fill vacancies on the Board. The Nomination Committee also regularly reviews the structure, size and composition of the Board, providing recommendations for change where appropriate.

The Environmental, Social and Governance (ESG) Committee oversees the implementation of the Group's overall ESG strategy. The Committee also monitors current and emerging issues which may impact the business, performance or image of the Company. Additionally, the Committee studies investor feedback and oversees the Company's reporting and disclosure with regard to ESG matters. The Committee makes recommendations to the Board concerning any policies, practices or disclosures which need adjusted in order to improve the performance with regard to ESG matters and adapt to an ever-evolving market.

Further information on the Audit and Remuneration Committees can be found in the Audit and Remuneration Committees' reports on pages 44-52.

10. Communicating Governance and Performance

The Group recognises the importance of maintaining a good relationship with shareholders and stakeholders, communicating to them through the Annual and Half-Year Reports, the Annual General Meeting (AGM), biannual presentations and other trading updates. These updates, along with wider business news, are shared on the Springfield Group website.

Results from the AGM are announced to the market and displayed on the Group's website after the meeting.

Andrew Todd
Company Secretary
14 September 2026

CORPORATE GOVERNANCE

SECTION 172 STATEMENT
FOR THE YEAR ENDED 31 MAY 2026

The Companies (Miscellaneous Reporting) Regulations 2018 (2018 MRR) require Directors to explain how they considered key stakeholders' interests, and the broader matters set out in Section 172(1) (a) to (f) of the Companies Act 2006 (S172) when performing their duty. In particular, the Directors consider stakeholders' interests which may affect the long-term success of the company.

This S172 statement explains how the Directors:

- engaged with employees, suppliers, customers and others; and
- considered how principal decisions were taken during the financial year to reflect employee interests; the need to foster business relationships with suppliers; and the effect on customers and others.

The S172 statement focuses on matters of strategic importance to the Group, and the level of information disclosed is consistent with the size and the complexity of the Group's businesses. Further information about the Directors' engagement with key stakeholders is set out on pages 38 to 39.

S172 Statement by the Springfield's Directors

After due and careful consideration of the requirements set out in S172, and having regard to long-term consequences and the interests of stakeholders in relation to Board decision-making, the Directors, during the financial year ended 31 May 2026, have acted in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

General confirmation of Directors' duties

Springfield's Board of Directors has a clear framework for determining the matters within its remit and has approved reference terms for matters delegated to its committees. Certain financial and strategic thresholds have been set, to identify matters requiring Board consideration and approval. The reference terms, thresholds and decision-making processes are reviewed and approved annually by the main Board. The current terms were reviewed in August 2026.

All Directors upon joining Springfield are provided with guidance covering regulatory requirements of their role, including, but not limited to, S172. Further training is undertaken annually.

Board decision-making is predicated on the appropriateness of information provided to Directors, which is subject to review as part of the wider Board evaluation process. In particular, the Company Secretary ensures that Board materials are assessed as to their suitability in relation to assisting and facilitating Directors' decision-making in accordance with S172. In addition, the Company Secretary prepares an annual reference bible for all board and committee reference terms, financial decision-making processes, risk management and decision-making processes. This is reviewed and debated by the Board to ensure all decision-making authority is correctly allocated, checked and managed. The reference bible was approved in December 2025.

When making decisions, each Director ensures that he acts in the way he considers, in good faith, would most likely promote the Group's success for the benefit of its members, and in doing so has regard (among other matters) to the issues set out below.

S172(1) (a) "The likely consequences of any decision in the long term"

The Directors understand the business and both the evolving and challenging environment in which it operates. This year, the Directors' focus was on a debt reduction strategy through reducing overheads and raising cash through the profitable sale of assets from the Group's landbank, including the sales of central assets to Barratt Developments plc. In taking this decision, the Directors considered the impact of this decision on the Group's short-term operations and the Group's long-term aspirations. The Directors considered the impact of its decision on investors and agreed that such a strategy would have long term benefits as the assets chosen for sale did not affect immediate operational sites and forecasts.

CORPORATE GOVERNANCE

SECTION 172 STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

S172(1) (b) “The interests of the Company’s employees”

The Directors recognise that the Group’s employees are fundamental and core to the Group’s business model and the safe delivery of its strategic ambitions. The success of our business depends on attracting, retaining, developing and motivating talented employees. The Directors consider and assess the implications of relevant decisions on employees and the wider workforce. The Directors seek to ensure that all Group companies remain a responsible employer, including with respect to pay and benefits, fairness including gender pay gap reporting, diversity, health and safety issues, and the workplace environment. The Directors regularly engage with employees and the wider workforce (a summary of engagements is provided on pages 37-38).

S172(1) (c) “The need to foster the Company’s business relationships with suppliers, customers and others”

Delivering the Group’s strategy requires strong mutually beneficial relationships with customers, contractors, suppliers, the Scottish Government, local authorities, and other partners for social housing. The CEO provides a comprehensive update to the Board on material business and external developments at each board meeting. These include: i) a report on safety performance; ii) significant operational updates; and iii) political or regulatory developments. The Board also receives bi-monthly operational reports from each of the Group Directors, including reports on health & Safety, environment, commercial purchasing, HR, corporate communications, architectural, engineering and legal. Springfield’s Chief Executive is a Director of Homes for Scotland, which represents over 200 housebuilders and organisations involved in the housebuilding industry in Scotland. This appointment provides invaluable to understand shared experiences withing the housing market and the challenge to build more homes in Scotland.

S172(1) (d) “The impact of the Company’s operations on the community and the environment”

The CEO provides a comprehensive update to the Board on the Group’s engagement with community and other groups at each Board meeting. Further information on engagement with stakeholders can be found on pages 37 to 38.

S172(1) (e) “The desirability of the Company maintaining a reputation for high standards of business conduct”

The Board follows the QCA code of conduct and periodically reviews and approves clear frameworks, such as its Modern Slavery Statement and Tax Statement, to ensure that high standards are maintained.

S172(1) (f) “The need to act fairly as between members of the Company”

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of our strategy in the long-term interests of the Company, taking into consideration the effect on stakeholders. In doing so, the Directors act fairly as between the Company’s members.

Andrew Todd
Company Secretary
14 September 2026

CORPORATE GOVERNANCE

AUDIT COMMITTEE REPORT
FOR THE YEAR ENDED 31 MAY 2026

Statement from the Chairman of the Audit Committee

On behalf of the Board, I am pleased to present the Audit Committee Report for the year to 31 May 2026. This report provides shareholders with an overview of the activities carried out by the Committee during the year. The Committee ensures the financial performance of the Group is properly measured and reported.

Committee Members

The Committee is comprised solely of independent Non-Executive Directors, being myself as Chairman and the other Non-Executive Directors: Nick Cooper, Colin Rae and Alasdair Gardner. The Board is satisfied that I have worked within the financial industry and have significant and relevant experience to chair the Committee.

Responsibilities

The responsibilities and activities of the Committee include determining and examining matters relating to the financial affairs of the Group including the terms of engagement of the Group's auditor and, in consultation with the auditor, the scope of the annual audit. It receives and reviews reports from management and the Group's auditor relating to the half yearly and annual financial statements and the accounting and internal control and risk management systems in use throughout the Group, reviewing the Group's overall risk appetite and strategy and monitors, on behalf of the Board, current risk exposures. The Committee monitors the integrity of the financial statements produced by the Group and makes recommendations to the Board on accounting policies and their application. The Committee receives reports from compliance functions within the Group and is responsible for reviewing and approving how the Group seeks to comply with its regulatory obligations. The Committee also ensures that the arrangements for employees and contractors to raise concerns confidentially about possible wrongdoing in financial reporting (or other matters) are proportionate and allow for independent investigation. The duties of the Committee are set out in its terms of reference. These are regularly reviewed to ensure they remain applicable and up-to-date with legislation, regulation and best practice.

Meetings

In the year to 31 May 2026, the Committee met twice with 100% attendance. The meetings cover the planning of the statutory audit and review of the Group's full year results prior to Board approval and to consider the external auditor's detailed reports. In the year to 31 May 2026 the Chief Financial Officer attended both Committee meetings.

Internal Audit

The Group does not currently have an internal audit function. In 2022 – 2023, as a result of appointing a new Chief Financial Officer, the Group paused the recruitment of a senior manager to lead this function until a full review of the finance team could be carried out. This review was completed with a number of senior appointments made to the team to support the business. Following these changes, we have not recommenced the process. The Committee continues to keep this under review.

Risk Management and internal controls

The Group has a range of internal controls, policies and procedures in place. There is a framework of risk management within the Group for risk management. The Committee works alongside the Board to review, and where necessary suggest changes to, the current systems in place.

The Committee is comfortable that the systems and personnel in place are sufficient and provide a strong level of control given the current revenue and size of the business.

Anti-bribery

The Group has a zero tolerance anti-bribery and corruption policy in place. The policy is contained within employee handbooks and provides guidance on what constitutes bribery and corruption. Line managers are responsible for ensuring employees comply with this policy and maintain the Group's image and reputation.

The Board is ultimately responsible for ensuring this policy complies with the Group's legal and ethical obligations.

External Audit

The Committee monitors the relationship with the external auditor to ensure independence and objectivity at all times. The Committee also reports to the Board on the independence, objectivity and effectiveness of the external auditor.

During the prior year the external audit service was subject to a mini-tender exercise based on an update of the full tender carried on in 2023-2024, following which Johnston Carmichael LLP (JC) were appointed to conduct the audit of the Company's financial statements. A proposal to re-appoint them as audit of the Company will be subject to the approval of the shareholders at the next Annual General Meeting. Allison Dalton is the signing partner for JC.

JC has not carried out any non-audit work during the year. The Group policy is that, where possible, advisors should be appointed other than the external auditor to perform non-audit work.

External Audit process

JC prepares an audit plan. This plan sets out the scope and timetable of the audit as well as the areas to be specifically targeted. The plan is provided to the Committee for approval in advance of the audit. On completion of the audit, the findings are presented to the Committee by the auditor for discussion. The matters discussed in relation to this year's audit are summarised below.

The Chief Financial Officer has regular contact and communication with the auditor during the year. This allows for any areas of concern or of significance to be raised with the auditor throughout the year.

The table below highlights the matters discussed at the audit close meeting.

AUDIT COMMITTEE REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Issue	How it was addressed by the Committee
Revenue recognition - Private Revenue from private housebuilding is recognised when the house is handed over although the timing may require management judgement in determining when ownership has transferred.	As in previous years with a large number of homes handed over in the final month of the financial year, the Committee reviewed the revenue recognised throughout the year and around the year end. The Committee satisfied itself that there is no issue with revenue recognition.
Revenue recognition - Affordable Revenue from affordable housebuilding is recognised over time depending on the stage of completion with cashflows received in excess of revenue recognised included as payments on account, or on a valuation basis.	The Group policy is based on stage of completion being determined by the development cost incurred as a proportion of the total expected development cost as this is considered to be in line with the satisfaction of the underlying performance conditions. Valuation basis is derived from third party valuation based on progress on site. The committee has kept a close watch through monthly management accounts and updates from the relevant Managing Director.
Land sales The Group has again generated revenues and profits from land sales in the year. Costs associated with land sales can be a judgemental area.	The Committee is satisfied that the land sales were contracted in the financial year and with the calculations of the costs associated with the land sales and resulting profit.
Profit recognition The Group enters into construction contracts the performance under which takes place over a period of time. There is a significant element of judgement involved in estimations of these construction contracts surrounding costs to complete and the overall expected profit margin.	The Committee monitors the cost value report process and the effectiveness of the internal controls exercised over these processes.
Valuation of inventories and work in progress The largest asset on the Group balance sheet is inventory which includes land and work in progress. The Group values inventory at the lower of cost and net realisable value which is dependent on judgement and estimates of total build and land costs and future selling prices. The allocation of inventory to cost of sales also involves estimates which impact on the timing and amount of profit margin recognised.	The Committee reviews the work in progress balances through monthly finance reports and the cost value report process and is satisfied that the carrying value of inventories and work in progress remains appropriate.
Going concern It is the Directors' responsibility to make an assessment of the Group's ability to continue as a going concern to support the basis of preparation for the financial statements.	The Committee is satisfied, based on reviewing the going concern paper written and financial modelling undertaken, alongside the bank facilities in place that the Group has adequate resources to continue in operation for the foreseeable future and will be able to operate within the bank facility limits which are in place.

Matthew Benson
Chairman of the Audit Committee
14 September 2026

CORPORATE GOVERNANCE

REMUNERATION COMMITTEE REPORT
FOR THE YEAR ENDED 31 MAY 2026

Introduction

This report outlines the Group's remuneration policy for its Directors and shows how that policy was applied during the financial year ended on 31 May 2026.

Springfield is not required to comply with Schedule 8 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and is under no obligation to prepare, or seek shareholder approval of, a directors' remuneration report. This section of the annual report has, therefore, been prepared on a voluntary basis and in order to fulfil the relevant requirements of Rule 19 of the AIM Rules for companies.

Committee Members and Meetings

In the period of twelve months to 31 May 2026, the Committee comprised:

- Nick Cooper (Chair);
- Matthew Benson;
- Colin Rae; and
- Alasdair Gardner.

The individuals who served on the Committee, each of whom is an independent Non-Executive Director, had no personal financial interest (other than as a shareholder) in the matters decided.

Under its terms of reference (which are summarised on the Group's website at (www.thespringfieldgroup.co.uk)), the Remuneration Committee is required to meet at least three times a year.

Committee Responsibilities

The main responsibilities of the Committee are:

- to set the overall remuneration policy for the Group's Executive Directors (and certain other senior employees); and
- within the terms of that policy, to determine the terms and conditions of employment of those individuals and the level of their remuneration (including short-term and long-term incentives).

The remuneration of the Non-Executive Directors is determined by the Board as a whole within limits set out in Springfield's articles of association. The Non-Executive Directors do not participate in performance related bonus or share based incentive arrangements.

Remuneration Policy for Executive Directors

The overarching aim of the Group's remuneration policy is to attract and retain the highest calibre individuals as Executive Directors and ensure they are appropriately and fairly rewarded for performance in a manner that is both as straightforward as possible and appropriate for Springfield's size and stage of development. During the financial year to 31 May 2026, the overall remuneration package for Executive Directors consisted of the following elements:

- Basic Salary;
- Annual Bonus;
- Pension Contributions;
- Long Term Incentive Plan;
- Participation in an "all employee" SAYE share option scheme; and
- Other standard benefits.

Further disclosures in relation to each of the above elements are provided below.

Basic Salaries

Each Executive Director receives a base salary, the level of which reflects the particular individual's experience and performance, the nature and complexity of their work and the market in which the Group operates.

The Committee undertakes a standard review of the Executive Directors' salaries on an annual basis, with the Committee's current policy being that any increases awarded to Executive Directors as part of this process should normally reflect those applied to the wider workforce. Any such increases typically take effect on 1 June each year.

With effect from 1 June 2025, the annual rates of base salaries for the Executive Directors were set at:

- Sandy Adam - £150,408;
- Innes Smith - £300,815; and
- Iain Logan - £216,300.

The above increases represented an uplift of 3% from the annual rates of salaries that were paid to them at the end of the financial year to 31 May 2025. This matched the average annual increase that was awarded to the broader workforce at that time.

Annual Bonus

Under the Group's annual bonus scheme for Executive Directors (other than Sandy Adam who does not participate in this arrangement), individuals have the opportunity to receive a cash award that is linked to the achievement of specified targets that are aligned to the Group's corporate plan for the period in question. For each year of the scheme's operation, the Committee specifies a maximum opportunity (as a percentage of salary) for each participant.

For the financial year to 31 May 2026, the maximum bonus opportunities for the CEO and CFO were increased to 150% of salary and 125% of salary respectively, representing an increase of 25 percentage points compared to the prior year. The Committee felt that, in light of the strategic importance of the North of Scotland growth initiative, a temporary increase in the maximum bonus opportunity was appropriate for financial years ending in 2026 and 2027. The additional bonus opportunity is contingent solely on the achievement of specific strategic milestones and other pre-defined conditions relating to this objective. The maximum bonus opportunities are expected to revert to the "normal" levels from the financial year ending 2028.

The following table identifies the measures used in this year's scheme, their respective weightings and the bonus derived from the level of achievement that has been delivered:

Measure	**Weighting (as a % of maximum opportunity)**		**Bonus earned as a result of performance against specific measure in the relevant year[1] (as a % of maximum opportunity)**	
	Innes Smith	*Iain Logan*	*Innes Smith*	*Iain Logan*
Group Profitability	50%	60%	23.9%	28.7%
Debt Reduction	25%	20%	25%	20%
Customer Satisfaction	8.3%	N/A	8.3%	N/A
Company Strategy	16.7%	20%	16.7%	20%
	Total bonus (% of maximum opportunity) = (a)		73.9%	68.7%
	Maximum opportunity (% of salary) = (b)		150%	125%
	Total bonus earned (% of salary) = (a) x (b)		110.9%	85.9%

Notes:
[1] For each measure, other than Company Strategy, the Committee specified a sliding scale of achievement (between threshold and maximum) which was used to determine the level of award actually paid in respect of that element. For each of the financial measures, the threshold level required the Company to at least achieve the relevant budget figure set by the Board for the year. In the case of "customer satisfaction", the Company adopted its own long standing measurement processes. In terms of Company Strategy, the Committee specified operational milestones to be reached relating to the identification and successful promotion of plots in the North of Scotland before this element would be paid out.

Pensions

During the year, the Group made contributions to pension plans for the Executive Directors. These contributions were at a rate of 5% of basic salary in respect of Sandy Adam, and at the rate of 10% of basic salary in respect of both Innes Smith and Iain Logan. (For the avoidance of doubt, the rate of pension contribution payable to Innes Smith and Iain Logan is equal to the amount paid to the wider senior employee population.)

Long Term Incentive Plans

Introduction
As part of the process surrounding the Group's admission to AIM in October 2017, the following plans were adopted in order to allow share-based incentives to be provided to the Executive Directors and other senior managers:

- The Springfield Properties PLC Company Share Option Plan (the "CSOP"); and
- The Springfield Properties PLC Employee Share Option Plan (the "ESOP").

The CSOP and the ESOP are relatively straightforward arrangements under which options over the Company's shares can be granted to selected employees of the Group (including Executive Directors). These options normally vest after three years and, on exercise, require participants to pay a price equal to the market value of a share on the date they were originally granted. Following the introduction of the new performance share plan in 2020 (see below) no further options have been granted to Executive Directors under the CSOP or ESOP and there is no current intention to grant awards under either of those arrangements to Executive Directors in the future.

As explained in previous reports, the Springfield Properties PLC Performance Share Plan (the "PSP") was adopted by the Board on 9 January 2020 in order to replace the CSOP and ESOP. It allows for the grant of conditional rights to acquire shares (in the form of "nominal value" options) that will ordinarily vest on the third anniversary of grant, subject to continued employment (although "good leaver" provisions can apply) and only to the extent that specified performance measures are satisfied. Once vested, a PSP award will usually remain capable of being exercised until the 10th anniversary of grant. Standard "malus" and "clawback" provisions also apply.

Given the size of his existing shareholding in the Group, Sandy Adam does not currently participate in any of the above long-term incentive plans.

Grants made to Executive Directors during the year to 31 May 2026
In accordance with the Committee's current policy of making annual PSP grants to the Company's senior management team, including the Executive Directors, awards were made to Innes Smith and Iain Logan on 28 October 2025 (details of which are included in the table set out on page 51).

The performance conditions applicable to these awards will be assessed following the expiry of the financial year to 31 May 2028 and will require the achievement of stretching targets relating to earnings per share (50% weighting) and the Company's build-to-rent strategy (50% weighting). The precise terms of these targets are commercially sensitive but full details will be disclosed following their final assessment by the Committee at the expiry of the applicable performance period.

Save As You Earn ("SAYE")

At the same time as establishing the CSOP and ESOP, the Group also adopted the Springfield Properties PLC SAYE Option Scheme (the "SAYE Scheme"). Under this tax advantaged arrangement, all employees (including Executive Directors) can be invited to apply for the grant of options over the Company's shares that are linked to a three-year savings contract. The price per share payable on the exercise of these options is set by the Board at the date invitations are issued, but cannot be less than 80% of the market value of a share on that date. No options were granted during the year.

Remuneration in the Year

During the year to 31 May 2026, the Directors received the following remuneration:

	Basic salary/fees[1]	Annual Bonus[2]	Taxable benefits[3]	Pension contributions	2026 Total	2025 Total
	£000	£000	£000	£000	£000	£000
Executive Directors						
Sandy Adam	150	-	9	8	167	163
Innes Smith	301	334	4	30	669	857
Iain Logan	216	186	2	22	426	443
Non-Executive Directors						
Matthew Benson	43	-	-	-	43	42
Nick Cooper	43	-	-	-	43	42
Colin Rae	43	-	-	-	43	42
Alasdair Gardner	26				26	-
	822	520	15	60	1,417	1,589

Notes:
[1]Additional information relating to the salaries paid to the Executive Directors during the financial year to 31 May 2026 is set out on page 48.

[2] Further details of the Company's annual bonus scheme for the financial year to 31 May 2026 are set out on page 48.

[3] The taxable benefits figure in the above table for each of the Executive Directors in the financial year to 31 May 2026 relates to a range of benefits provided by the Group including a company car / allowance, health assurance and (for those individuals who elected to receive it) a gym allowance.

Details relating to the share options held by the Directors during the financial year to 31 May 2026 are set out below.

Share Options and PSP awards

Details of options over the Company's shares that have been granted to current Executive Directors under the CSOP, ESOP, SAYE Scheme and PSP and which were outstanding during the year to 31 May 2026 are as follows:

Director	Scheme[1]	No. of shares under option at 1 June 2025	Exercised[3]	Granted[2]	Lapsed[4]	No. of shares under option at 31 May 2026	Exercise price	Date of Grant	Date from which normally exercisable	Expiry date
Innes Smith	CSOP	28,301	-	-	-	28,301	106p	16/10/2017	16/10/2020	16/10/2027
	ESOP	208,019	-	-	-	208,019	106p	16/10/2017	16/10/2020	16/10/2027
	ESOP	257,142	-	-	-	257,142	122.5p	01/10/2018	01/10/2021	01/10/2028
	PSP	427,995	-	-	-	427,995	0.125p	30/10/2023	30/10/2026	30/10/2033
	SAYE	19,084	-	-	-	19,084	97.2p	28/10/2024	01/12/2027	31/05/2028
	PSP	239,633	-	-	-	239,633	0.125p	28/10/2024	28/10/2027	28/10/2034
	PSP	-	-	214,868	-	214,868	0.125p	28/10/2025	28/10/2028	28/10/2035
		1,180,174	-	214,868	-	1,395,042				
Iain Logan	PSP	225,849	-	-	-	225,849	0.125p	30/10/2023	30/10/2026	30/10/2033
	SAYE	19,084	-	-	-	19,084	97.2p	28/10/2024	01/12/2027	31/05/2028
	PSP	150,769	-	-	-	150,769	0.125p	28/10/2024	28/10/2027	28/10/2034
	PSP	-	-	135,187	-	135,187	0.125p	28/10/2025	28/10/2028	28/10/2035
		395,702	-	135,187	-	530,889				

CORPORATE GOVERNANCE

REMUNERATION COMMITTEE REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

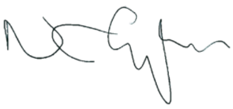
Notes:
[1] For PSP options outstanding during the year, high level details of the applicable performance conditions are set out in the Remuneration Committee's report for the year in which such awards were granted. Options granted under the CSOP, ESOP and SAYE Scheme are not subject to performance conditions.

[2] Awards granted under the PSP carry "dividend equivalent" rights that entitle the holder to receive the benefit of any dividends declared on vested shares during the period from the date of grant to the date of vesting.

[3] No PSP options were exercised by Directors during the financial year to 31 May 2026.

[4] No PSP options held by Directors lapsed during the financial year to 31 May 2026.

Directors' Interests in the Company's Shares
Directors' interests in the Company's shares are disclosed in the Directors' Report (page 55).



Nick Cooper
Chairman of the Remuneration Committee
14 September 2026

CORPORATE GOVERNANCE

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2026

The Directors present their annual report and the audited financial statements of the Group for the year ended 31 May 2026.

Principal Activity and Business Review

This information is included within the Strategic Report above, under the Amendment to the Companies Act 2006 of s.414C(2a).

Directors

The Board comprised the following Directors who served throughout the year and up to the date of this report:

Name	Position
Sandy Adam	Executive Chairman
Innes Smith	Chief Executive Officer
Iain Logan	Chief Financial Officer
Matthew Benson	Non-Executive Director
Nick Cooper	Non-Executive Director
Alasdair Gardner	Non-Executive Director (Appointed 29 October 2025)
Colin Rae	Non-Executive Director

Results and Dividends

The results for the year are set out on page 68.

No interim dividend was declared during the year. The Board is proposing a final dividend of 3p pence per ordinary share (2025: 2p).

Engagement with stakeholders

The Group recognises the importance of the need to build relationships with suppliers, customers and others. See Section 172 statement on pages 42 to 43

Employee Consultation

The Group's policy is to consult and discuss with employees' representatives matters likely to affect their interests. See Section 172 statement, S172 (1) (b) on page 43.

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on various factors affecting the performance of the Group.

Equality, Diversity and Inclusion

The Group is committed to valuing and promoting diversity in all areas of recruitment, employment, training, and promotion. We recognise our legal obligations under the Equality Act 2010 and work towards an environment where all employees can develop their potential, regardless of: Age, Race, Disability, Religion, Gender reassignment, Sex, Marriage and civil partnership, Sexual orientation, Pregnancy and maternity. Nobody should receive less favourable treatment or be disadvantaged on any of the above grounds.

CORPORATE GOVERNANCE

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Going Concern

In determining the appropriate basis of preparation of the Financial Statements, the Directors are required to consider whether the Group can continue to meet its liabilities and other obligations for the foreseeable future.

The Group's business activities, together with factors that the Directors consider are likely to affect its development, financial performance and financial position, are set out in the Strategic Report on pages 8 to 34.

The material financial and operational risks and uncertainties that may affect the Group's performance and their mitigation are outlined on pages 17 to 19, and financial risks including liquidity, market, interest and capital risks are outlined in Note 28 to the Financial Statements.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and are satisfied that the Group will generate sufficient cash to meet its liabilities as and when they fall due for a period of at least 12 months from signing these financial statements. The Directors therefore consider it appropriate to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in Note 2.4 of the consolidated financial statements.

Disclosure of Information to the Auditor

In the case of each of the persons who are Directors of the Company at the date when this report is approved:

- so far as each Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- each of the Directors has taken all steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Board of Directors

The Group supports the concept of an effective Board of Directors leading and controlling the Group. The Board of Directors is responsible for approving Group policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. All Directors have access to advice from independent professionals at the Group's expense. Training is available for all Directors as necessary. Biographical details are set out on pages 35 to 36.

Internal Control

The Directors acknowledge that they are responsible for the Group's system of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the Group failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Group has well established procedures which are considered adequate given the size of the business.

The Group maintains directors' and officers' liability insurance cover for its directors and officers. The Group has made available qualifying third party indemnity provisions (as defined in the Companies Act 2006) for the benefit of its directors during the year.

CORPORATE GOVERNANCE

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Auditor

The Board as a whole considers the appointment of the external auditor and their independence, specifically including the nature and scope of non-audit services provided.

Remuneration

The remuneration of the Executive Directors has been fixed by the Remuneration Committee as a whole. The Board seeks to provide appropriate reward for the skill and time commitment required so as to retain the right calibre of Director at a cost to the Group which reflects current market rates.

Details of Directors' fees and of payments made for professional services rendered are set out in the Remuneration Report on page 47.

Directors' Interests in Shares

Name of Director	Number of ordinary shares	% of ordinary share capital and voting rights
Sandy Adam		
- Direct	1,540,884	1.3%
- Indirect	23,499,236	19.7%
Innes Smith		
- Direct	745,345	0.6%
- Indirect	151,299	0.1%
Nick Cooper		
- Indirect	14,895	0.0%
Matthew Benson	40,802	0.0%
Iain Logan	30,000	0.0%
Colin Rae	20,000	0.0%
	26,042,461	**21.7%**

Financial Risk Management Objectives and Policies

Details of the Group's financial risk management objectives and policies are set out in Note 28 to these consolidated financial statements.

Strategic Report

The Group has chosen in accordance with the Companies Act 2006, s.414C(11) to set out in the Group's Strategic Report information required by Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. This includes information on future developments of the Group.

CORPORATE GOVERNANCE

STREAMLINED ENERGY AND CARBON REPORTING FOR THE YEAR ENDED 31 MAY 2026

As of 31 May 2026, the Group's energy usage and associated greenhouse gas emissions for the financial year 1 June 2025 to 31 May 2026, as compared to the previous financial year, were as follows:

Scope	Activity type	2026 energy use kWh	2026 tCO_2e	2025 energy use kWh	2025 tCO_2e
Scope 1	Stationary combustion	572,774	104.79	479,791	87.75
	Mobile combustion	7,160,782	1,917.94	6,913,508	1,731.32
Total Scope 1		**7,733,556**	**2,022.73**	**7,393,300**	**1,819.07**
Scope 2	Purchased electricity – location based	1,537,922	272.21	1,663,004	344.37
Total Scope 1 and 2		**9,271,478**	**2,294.95**	**9,056,303**	**2,163.44**
Scope 3	Business travel (grey fleet)	516,553	127.35	634,280	153.66
Total for SECR		**9,788,030**	**2,422.29**	**9,690,583**	**2,317.10**
Number of completions			735		799
Intensity ratio (GHG emissions per homes sold)			3.29		2.90

Energy use and greenhouse gas emissions

Overall, carbon emissions have increased by around 4% and energy use by 1%. Whilst there has been an overall reduction in electricity (Scope 2), this has been offset by an increase in Scope 1 emissions from natural gas (stationary combustion) and fuels (mobile combustion such as diesel in onsite plant). These direct sources of emissions, particularly diesel, emit relatively higher amounts of GHG emissions per kWh unit of energy, which is reflected in the figures. The number of homes completed decreased across the same period from 799 to 735 (around 8.5%). The intensity ratio (GHG emissions per home sold) has therefore risen compared with the previous year 2.90 to 3.29. When we consider previous years, we are still on a downward trend overall and remain committed to moving towards a low carbon economy. The basis of carbon intensity ratios is disclosed below, with comparisons to previous financial year.

Homes sold	Total	Private	Affordable	Contracting
FY 2026	735	474	243	18
FY 2025	799	497	237	65

CORPORATE GOVERNANCE

STREAMLINED ENERGY AND CARBON REPORTING (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Energy efficiency

We have established a new structure for managing ESG across the group with an ESG Operational Committee which will help drive forward energy efficiency and carbon reduction projects in FY 2027. This year we have also started a trial of electric forklifts in our timber kit factory to help reduce fuel consumption. Our plans to install solar PV panels at our factory near Elgin are still under consideration with future works planned.

Methodology

Our SECR energy use and greenhouse gas emissions data for FY 2026 has been provided by the Group with assistance and review by an external environmental consultancy. Some Scope 3 data provided for TCFD disclosure was produced externally by another expert consultancy using data provided by the Group. Data was collated from across the Group and from our suppliers using the most robust and accurate data source available for energy use and carbon emission calculations. Assumptions and estimations were only used when strictly necessary by means of the most robust data and assumptions available. For example, where actual energy consumption data was unavailable, equivalent energy consumption based on spend (£) was used as a proxy for estimation. We do not consider refrigerant losses on our air conditioning units to be material and as such these are not reported in our emissions data.

For vehicle emissions, the Group analysed fuel card usage, mileage information, expense claims and fuel invoices and applied the relevant conversion factors published by the UK Government for 2025 (covering most of our financial year). For emissions from fuel used on sites, the quantity of diesel based on litres delivered to site within the financial period was used as the activity level data.

Greenhouse gas (GHG) emissions were calculated in line with GHG Reporting Protocol – Corporate standard and reported in line with the UK Government's Guidance on Streamlined Energy and Carbon Reporting and mandatory GHG reporting guidance. Emission factors from Department for Energy Security and Net Zero, and Department for Business, Energy, and Industrial Strategy (2025). Conversion factors were taken from the UK Government's conversion factors.

The boundary has been set based upon operational control approach on our business activities and property portfolio. There is 100% alignment with our financial reporting. 100% of our energy consumption and carbon emissions are UK based.

CORPORATE GOVERNANCE

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MAY 2026

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group and company financial statements in accordance with UK adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and them apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Sandy Adam
Executive Chairman
14 September 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC FOR THE YEAR ENDED 31 MAY 2026

Opinion

We have audited the financial statements of Springfield Properties plc ('the parent company') and its subsidiaries ('the group') for the year ended 31 May 2026, which comprise the consolidated profit and loss account, consolidated and company balance sheets, consolidated and company statement of changes in equity, consolidated and company statements of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and of the parent company's affairs as at 31 May 2026 and of the group's profit for the year then ended;
- Have been properly prepared in accordance with UK-adopted international accounting standards; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

We planned our audit by first obtaining an understanding of the group and its environment, including the group's systems of internal control, and assessing the risks of material misstatement in the group financial statements.

We tailored the scope of our audit to reflect our risk assessment, taking into account such factors as the business model and activities, the group structure and components, the group's accounting processes and controls, including controls over the consolidation process, and the industry and geography in which the group operates.

We evaluated the significance of the group's components and determined our planned audit responses based on a measure of materiality. We performed a detailed scoping exercise to assess in which components the group risks of material misstatement arise and determined the extent of further audit procedures required for each component. Five components were identified based on risk where full scope audits using component materiality were undertaken. These were: Springfield Properties plc, the Tulloch Homes business segment, the Dawn Homes business segment, the Walker Group business segment and Springfield M&M Homes Limited. For two components, being Glassgreen Hire Limited and Springfield Timber Kit Systems Limited, we performed audit procedures in respect of specific account balances and transactions. All audit procedures were carried out by the group audit team, who also performed analytical review procedures in respect of the other components.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in the evaluation of the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We summarise below the key audit matters in arriving at our audit opinion above, together with how our audit addressed these matters and the results of our audit work in relation to these matters.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter and our conclusions</th></tr>
<tr><td>Revenue recognition – construction contracts (affordable housing developments - relevant for the group and parent company)

As described in
Accounting policy 2.5 (page 74) of the consolidated financial statements
Note 4 (page 81) of the consolidated financial statements
Group revenue from construction contracts in relation to affordable housing developments was £54,334,000 in the year ended 31 May 2026 (2025: £49,380,000) with the parent company revenue being £32,425,000 (2025: £27,990,000) and is recognised based on stage of completion measured in reference to the costs incurred as a proportion of total expected costs ('input method').

Standalone sites recognised revenue based on the input method and affordable contracts, which form part of a wider private residential site, recognise revenue in line with year-end valuation.</td><td>We reaffirmed our understanding of the recognition methodology applied depending on the nature of the affordable contract.

We obtained the latest Cost Valuation Reconciliations ('CVRs') and undertook testing of the accuracy of data collection included alongside evaluating the oversight and controls around their preparation and monitoring.

For standalone sites, testing was undertaken to ensure the completeness and accuracy of costs incurred to date, recalculating the revenue recognised using the input method and assessing the accuracy of the margin applied based on management's estimate of the final expected costs to completion.

Where an affordable contract is part of a wider residential site, we obtained the latest available valuation pre year end to assess whether revenue has been recognised in the correct period and that this appears supported by the % completion and the expected outcome of the site.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Key audit matter	How our audit addressed the key audit matter and our conclusions
Revenue recognition – construction contracts (affordable housing developments - relevant for the group and parent company - continued) Measured stage of completion is based on actual costs incurred to date on each project and requires management to forecast the estimated total costs required to complete the development. The estimation process is inherently complex and significant management judgement is required. There is also a direct relationship between contract length and estimation risk where longer contracts will inherently have a higher level of estimation uncertainty. There is a potential risk of fraud as revenue could be manipulated through management bias in estimating cost to complete, through incorrect allocation of costs to each development to skew the margins on individual developments and through the posting of manual journals. Revenue recognition on construction contracts (affordable housing) is therefore an area of focus for our audit in considering possible areas of management bias and fraud and we determined this to be a key audit matter, being one of the most significant assessed risks of material misstatement due to fraud or error.	We performed a review of prior year forecast margins and compared these with outcomes in the current year to determine if these supported the accuracy of prior year management estimations. Where any significant changes in estimated margin were identified we discussed the rationale for these, corroborated to market data where possible and evaluated whether this was indicative of previous estimation errors. Based on the procedures performed we did not identify any material misstatement in construction contract (affordable housing developments) revenues.
Valuation of inventories (inclusive of land bank), including appropriate profit recognition and ensuring inventories are carried at the lower of cost or net realisable value (relevant for the group and parent company) As described in: • Accounting policy 2.13 (page 77) of the consolidated financial statements • Note 16 (page 90) of the consolidated financial statements • Note 6 (page 114) of the company financial statements	We reaffirmed our understanding of management's rationale behind the basis of profit recognition and the methodology applied in determining the application of shared costs and estimated costs to completion. We obtained the latest Cost Valuation Reconciliations ('CVRs') for sites and undertook testing of the accuracy of data collection included alongside evaluating the oversight and controls around their preparation and monitoring. We selected a sample of sites to assess whether attributable profit margin recognised is in line with that recorded on the CVR, making enquiries with the relevant commercial directors to understand expected outcome of the site and corroborating any inconsistency with remaining profit margin on the site. We evaluated management's assessments of the recoverability of work-in-progress based on the year-end CVRs and post year end forecasts and checked that there were no significant movements from previous assessments. Where post year end CVRs were not available we held discussions with commercial directors and members of operational management to challenge whether any material cost fluctuations had occurred since year end.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Key audit matters	How our audit addressed the key audit matter and our conclusions
Valuation of inventories (inclusive of land bank), including appropriate profit recognition and ensuring inventories are carried at the lower of cost or net realisable value (relevant for the group and parent company - continued) The value of work in progress is quantitatively the most significant asset on the balance sheet - £218,296,000 at 31 May 2026 (2025: £223,892,000) for the group and £105,847,000 at 31 May 2026 (2025: £97,411,000) for the parent company. Inventory and work in progress comprises land and work in progress in relation to private housing. The relevant proportion of land and work in progress is recognised in cost of sales upon sale of a unit. Inventory is measured at the lower of cost and net realisable value. There is inherent complexity and significant judgement in the valuation of work in progress as the correct valuation of each development project is dependent on accurate cost allocation, projected profitability of the overall development, including forecast revenue and costs to complete, and where the work in progress is for undeveloped land, an assessment of whether planning permission will be achieved. Each of these factors affects the valuation of work in progress and whether there are any indicators of impairment. The valuation of work in progress, the risk of impairment and the costs recognised within cost of sales are therefore areas of audit focus and were determined to be a key audit matter, being one of the most significant assessed risks of material misstatement due to fraud or error.	We obtained details of prior year forecast margins and compared these with outcomes in the current year to determine if these supported the accuracy of prior year management estimations. Where any significant changes in estimated margin were identified we discussed the rationale for these, corroborating to market data and internal appraisals/site plans. This ensured appropriateness of margin recognition in the current year and confirmed this was not indicative of previous estimation errors. We considered the treatment of costs assigned to work-in-progress and the appropriateness of this allocation. We undertook testing of the completeness of the job costing ledger, in addition to undertaking testing to agree material and labour costs to source documentation, based on an appropriate sample. Based on the procedures performed we did not identify any material misstatements in the valuation of inventories (inclusive of land bank).

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature and extent of our work and in evaluating the results of that work.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Our application of materiality (continued)

Materiality measure	Group	Parent company
Materiality for the financial statements as a whole We determined group materiality based on 5% of the five-year average profit before taxation before exceptional items (2025: 5% of profit before taxation), as we consider profit before taxation to be the primary measure used by investors in assessing the group's performance. A five-year average was used to reflect normalised trading conditions, as reported profits have been affected by a number of non-recurring and strategic factors in recent years, including significant land sales, changes in the geographic focus of operations and fluctuations in activity levels. Parent company materiality was determined based on 0.75% of revenue (2025: 5% profit before taxation). We consider revenue to be the most appropriate benchmark as the parent company's profitability is influenced by centralised costs and is therefore less representative of the underlying scale of its activities.	£802k (2025 - £1.0m)	£658k (2025 - £474k)
Performance materiality Performance materiality represents amounts set by the auditor at less than materiality for the financial statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In setting this, we consider the group and parent company's overall control environment and our past experience of the audit which indicates a lower risk of material misstatement. Based on our judgement of these factors, we have set performance materiality at 60% (2025: 55%) of our overall financial statement materiality. The increase in threshold from the prior year is due to a reduced percentage being applied last year in our first year acting as auditor. Following re-evaluation of the financial statement needs of the users of the financial statements and our experience as the group's auditors, an increased threshold was deemed appropriate in the current year.	£481k (2025 - £550k)	£395k (2025 - £261k)
Component performance materiality For the purposes of our group audit opinion, we set performance materiality for the relevant components of the group, based on a percentage of between 12% and 95% (2025: 12% and 95%) of group performance materiality dependent on the size and our assessment of the risk of material misstatement of that component. Parent company materiality is set out above. Component performance materiality ranged from £48,000 to £453,000 (2025: £66,000 to £523,000).		
Specific materiality While we recognise that there are potentially transactions and balances of a lesser amount which could influence the understanding of users of the financial statements and we may calculate a lower level of materiality for testing such areas, for the purposes of this audit we have identified related party transactions which required this.		

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Our application of materiality (continued)

Materiality measure	Group	Parent company
Audit Committee reporting threshold We agreed with the Audit Committee that we would report to them all differences in excess of 5% of overall materiality in addition to other identified misstatements that warranted reporting on qualitative grounds, in our view. For example, an immaterial misstatement as a result of fraud.	£40k (2025 - £50k)	£33k (2025 - £24k)

During the course of the audit, we reassessed initial materiality and found no reason to alter the basis of calculation used at year end.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating management's method of assessing going concern, including consideration of market conditions and macro-economic uncertainties (such as interest rates / inflation rates / cost of living);
- Assessing and challenging the forecast cashflows and associated sensitivity modelling/reverse stress testing scenarios used by management in support of their going concern assessment by reference to supporting documentation, Board approved budgets, our own understanding of the group and the economic environment in which it operates, and the results of other audit work;
- Assessing the plausibility of mitigating actions identified by management as available to them to continue as a going concern if downside uncertainties were to crystallise;
- Assessing the accuracy of management's forecasting by comparing the reliability of past forecasts to actual results;
- Performing arithmetical and consistency checks on management's base forecast;
- Considering the financing available to the group and conducting a robust review of the group and parent company's liquidity position, including considering the maturity profile of existing debt, its utilisation and existing headroom (detailed within note 20);
- Reviewing the adherence to covenants in place based on the forecasts and considered the likelihood of these being breached in the future via the sensitivity analyses performed; and
- Assessing the adequacy of the company's going concern disclosures included in the Annual Report and Financial Statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Other information

The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 58, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the parent company and the sector in which they operate, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- UK tax legislation;
- The AIM Rules for Companies; and
- UK adopted international accounting standards.

We gained an understanding of how the group and the parent company are complying with these laws and regulations by making enquiries of management, the Audit Committee and those charged with governance including management and those charged with governance of component entities where necessary. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies, board and committee meeting minutes.

We assessed the susceptibility of the group's and parent company's financial statements to material misstatement, including how fraud might occur, by meeting with management, the Audit Committee and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Revenue recognition on construction contracts (affordable housing)
- Valuation of inventories (inclusive of land bank)
- Management override of controls
- Revenue recognition on private residentials and land sales

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRINGFIELD PROPERTIES PLC (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2026**

Audit procedures performed in response to the risks relating to revenue recognition in respect of construction contracts (affordable housing) and to the valuation of inventories (inclusive of land bank) are set out in the section on key audit matters above, and audit procedures performed in response to revenue recognition on private residentials and land sales and the risk of management override of controls are included below.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Reviewing the level of and reasoning behind the group's procurement of legal and professional services;
- Addressing the risk of fraud through management override of controls by performing audit procedures including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias. In addition, we ensured our testing included unpredictability testing. This included selecting additional samples from lower risk populations, undertaking substantive testing in areas not routinely subject to detailed audit procedures, and varying sample selection criteria from prior years;
- In addressing the other risks of fraud with respect to revenue recognition on private residentials and land sales, performing audit procedures including: obtaining direct confirmation from solicitors for all settlements in May and June 2026, confirming private residential sales have been recognised in the correct period. For land sales, the underlying contracts and missives were obtained, ensuring all revenue has been recognised and subsequent cost release accounted for in the correct period.
- Completion of appropriate checklists and use of our experience to assess the company's compliance with the Companies Act 2006 and the AIM Listing Rules; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP

**Allison Dalton (Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP
Statutory Auditor
Inverness, United Kingdom
14 September 2026**

Company Registration No. SC031286 (Scotland)

FINANCIAL STATEMENTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2026

	Note	2026 £000	2025 £000
Revenue	**4**	243,699	280,557
Cost of sales		(203,653)	(228,435)
Gross profit	**5**	**40,046**	**52,122**
Administrative expenses before exceptional items		(25,391)	(27,609)
Exceptional items	**10**	(948)	(1,032)
Total administrative expenses		(26,339)	(28,641)
Other operating income		1,133	711
Operating profit	**6**	**14,840**	**24,192**
Finance income	**5**	732	361
Finance costs	**8**	(3,640)	(5,534)
Profit before taxation		**11,932**	**19,019**
Taxation	**9**	(2,509)	(4,923)
Profit for the year and total comprehensive income		**9,423**	**14,096**
Profit for the year and total comprehensive income is attributable to:			
Owners of the parent company		9,423	14,096
		9,423	**14,096**
Earnings per share			
Basic	**12**	7.91p	11.86p
Diluted	**12**	7.46p	11.28p

The Group has no items of other comprehensive income.

The accompanying notes on pages 72 to 105 form an integral part of these financial statements.

SPRINGFIELD PROPERTIES PLC

FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MAY 2026

	Note	2026 £000	2025 £000
Non-current assets			
Property, plant and equipment	13	6,867	6,783
Intangible assets	14	5,176	5,435
Deferred taxation	22	1,676	1,852
Trade and other receivables	17	5,000	11,191
		18,719	**25,261**
Current assets			
Inventories	16	218,296	223,892
Trade and other receivables	17	37,551	41,096
Cash and cash equivalents	26	24,154	9,388
		280,001	**274,376**
Total assets		**298,720**	**299,637**
Current liabilities			
Trade and other payables	18	59,734	55,735
Short-term bank borrowings	20	-	30,282
Deferred consideration	23	20,674	7,469
Short-term obligations under lease liabilities	21	1,305	1,351
Provisions	24	2,078	1,871
Corporation tax		876	2,752
		84,667	**99,460**
Non-current liabilities			
Trade and other payables	18	-	1,550
Long-term obligations under lease liabilities	21	3,627	4,160
Long-term bank borrowings	20	22,961	-
Deferred taxation	22	2,267	2,866
Deferred consideration	23	-	14,491
Contingent consideration	24	2,000	2,000
Provisions	24	4,240	3,855
		35,095	**28,922**
Total liabilities		**119,762**	**128,382**
Net assets		**178,958**	**171,255**
Equity			
Share capital	25	149	149
Share premium	25	78,826	78,744
Retained earnings		99,983	92,362
Equity attributable to owners of the parent company		**178,958**	**171,255**

These financial statements were approved and authorised for issue by the Board of Directors on 14 September 2026 signed on behalf of the Board by:

Company number: SC031286

Sandy Adam - Executive Chairman

The accompanying notes on pages 72 to 105 form an integral part of these financial statements.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2026

	Note	Share capital £000	Share premium £000	Retained earnings £000	Total £000
1 June 2024		**148**	**78,744**	**79,315**	**158,207**
Issue of shares		1	-	-	1
Total comprehensive income for the year		-	-	14,096	14,096
Share-based payments	**25**	-	-	139	139
Dividends		-	-	(1,188)	(1,188)
31 May 2025		**149**	**78,744**	**92,362**	**171,255**
Issue of shares	**25**	-	82	-	82
Total comprehensive income for the year		-	-	9,423	9,423
Share-based payments	**25**	-	-	579	579
Dividends	**11**	-	-	(2,381)	(2,381)
31 May 2026		**149**	**78,826**	**99,983**	**178,958**

The share capital account records the nominal value of shares issued.

The share premium account records the amount above the nominal value received for shares issued, less share issue costs.

Retained earnings represents accumulated profits less losses, and distributions. Retained earnings also includes share based payments.

The accompanying notes on pages 72 to 105 form an integral part of these financial statements.

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR TO 31 MAY 2026

Cash flows generated from operations	**Note**	**2026 £000**	**2025 £000**
Profit for the year – Adjusted for:		9,423	14,096
Exceptional items	10	948	1,032
Taxation charged	9	2,509	4,923
Finance costs	8	3,640	5,534
Finance income	5	(732)	(361)
Adjusted operating profit before working capital movement		**15,788**	**25,224**
Exceptional items	10	(948)	(1,032)
Gain on disposal of tangible fixed assets	6	(106)	(140)
Share based payments	25	579	139
Non-cash movement - discounting		-	899
Amortisation of intangible fixed assets	14	259	263
Depreciation and impairment of tangible fixed assets		1,933	2,135
Operating cash flows before movements in working capital		**17,505**	**27,488**
Decrease in inventories		5,917	19,511
Decrease/(increase) in trade and other receivables		10,211	(20,348)
Increase in trade and other payables		3,034	7,089
Net cash from operations		**36,667**	**33,740**
Taxation paid		(4,846)	(3,675)
Net cash inflow from operating activities		**31,821**	**30,065**
Investing activities			
Purchase of property, plant and equipment		(954)	(156)
Proceeds on disposal of property, plant and equipment		181	244
Interest received		68	140
Net cash (used in)/ generated from investing activities		**(705)**	**228**
Financing activities			
Deferred consideration paid on acquisition of subsidiary	31	(1,608)	(2,857)
Proceeds from issue of shares		82	-
Repayment of bank loans	31	(6,970)	(24,908)
Payment of lease liabilities	31	(1,871)	(2,142)
Dividends paid	11	(2,381)	(1,188)
Interest paid		(3,251)	(5,096)
Net cash outflow from financing activities		**(15,999)**	**(36,191)**
Net increase/(decrease) in cash and cash equivalents		**15,117**	**(5,898)**
Cash and cash equivalents at beginning of year		9,037	14,935
Cash and cash equivalents at end of year	26	**24,154**	**9,037**

The accompanying notes on pages 72 to 105 form an integral part of these financial statements.

FINANCIAL STATEMENTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR TO 31 MAY 2026

1. Organisation and trading activities

Springfield Properties plc is incorporated and domiciled in Scotland as a public company limited by shares and operates from its registered office in Alexander Fleming House, 8 Southfield Drive, Elgin, Morayshire, IV30 6GR. See company Note 5 for details of the subsidiary companies.

The principal activities are construction and sale of residential properties for private individuals, affordable homes in partnership with third party councils and housing associations and contracting for private rented sector alongside land development and promotion.

2. Summary of material accounting policies

The material accounting policies adopted and applied in the preparation of the financial statements are set out below. These have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of accounting

The financial statements of Springfield Properties plc have been prepared in accordance with UK adopted international accounting standards. The Group has adopted all the standards and amendments to existing standards that are mandatory for accounting periods beginning on 1 June 2025. The financial statements have been prepared under the historical cost convention except for contingent consideration.

The following standards have been issued but have not been applied by the Group in these financial statements. These amendments to standards and interpretations had no significant impact on the financial statements:

- Amendments to IAS 1 'Classification of liabilities as current or non-current'
- Amendments to IAS 1 'Classification of liabilities as current or non-current- Deferral of Effective Date'
- Amendments to IAS 1 'Non-current Liabilities with Covenants'
- Amendments to IFRS 16 'Lease liability in a sale and leaseback'
- Amendments to IAS 7 and IFRA 7 'Supplier Finance Arrangements'

The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1 June 2025 and have not been early adopted:

- IFRS 18 'Presentation and Disclosure in Financial Statements'

The impact of the new standard noted above is currently being assessed.

2.2 Basis of consolidation

The consolidated financial statements incorporate those of Springfield Properties plc and its subsidiaries. Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. Contingent consideration is measured at its fair value at the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date with subsequent changes in the fair value of the contingent consideration recognised in the consolidated profit and loss account.

All financial statements are made up to 31 May 2026. All intra-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation.

2. Summary of material accounting policies (continued)

2.3. Functional and presentation currencies

The financial statements are presented in Pound Sterling (£), rounded to the nearest £000, which is also the currency of the primary economic environment in which the Group operates (its functional currency).

2.4. Going concern

In determining the appropriate basis of preparation of the Financial Statements, the Directors are required to consider whether the Group can continue to meet its liabilities and other obligations for the foreseeable future.

The Group's business activities, together with factors that the Directors consider are likely to affect its development, financial performance and financial position, are set out in the Strategic Report on pages 8 to 34.

The material financial and operational risks and uncertainties that may affect the Group's performance and their mitigation are outlined on pages 17 to 19, and financial risks including liquidity, market, interest and capital risks are outlined in Note 28 to the Financial Statements.

At 31 May 2026 the Group had positive net bank cash of £1.2m (2025: net bank debt of £20.9m) which reflects the Group's sustained focus on reducing the debt position and was ahead of the external market forecasts of £10m of net bank debt.

The revolving credit facility is in place until August 2028. The facility limit of £77.5m reduced to £47.5m in August 2026 in line with the Group strategy. An overdraft facility of £2.5m is in place until August 2027. The combined facilities to support working capital and provide headroom to capitalise on opportunities that arise.

In order to support the going concern period to 30 September 2027, the Board-approved budget to May 2027, with a further year added to May 2028, forms the basis of the detail and assessment to confirm the appropriateness of the going concern basis being adopted for the preparation of the 31 May 2026 statutory accounts.

In addition to the Board budget two sensitivity scenarios have been prepared reducing private home sales in the year to May 2027 from the original Board-approved budget.

Under all three scenarios the Group is able to operate within its bank facilities and covenants.

We continue to retain the discipline around controlling build spend on sites and continue to adopt a cautious approach to new site openings. The profitable land sales in the year again demonstrate the ability to generate cash quickly – there remains strong interest in our land bank should we wish to make further sales.

Accordingly, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future and are satisfied that the Group will generate sufficient cash to meet its liabilities as and when they fall due for a period of 12 months from the signing of the annual report and financial statements for the year ended 31 May 2026.

2. Summary of material accounting policies (continued)

2.5. Revenue and profit recognition

Sale of private housing

Revenue on private home sales is recognised at a point in time and the performance obligation is the transfer of the completed property to the customer on legal completion and receipt of cash. Revenue is measured at the fair value of the consideration received net of VAT and trade discounts.

The Group's site valuation process determines the forecast profit margin for each site. The valuation process acts as a method of allocating land costs and construction costs of a development to each individual plot based on the overall development margin and drives the recognition of costs in the profit and loss account as each plot is sold. Any changes in the forecast profit margin of a site from changes in sales prices or costs to complete is recognised across all homes sold in both the current period and future periods.

The Group provides standard warranties over completed homes, including snagging and defects rectification. These are assurance type warranties and are not separate performance obligations under IFRS 15. A provision is recognised on completion of a development based on the estimated cost of meeting these obligations, taking account of historical claims experience and known development specific issues.

Revenue on contracts recognised over time – affordable housing

Revenue from affordable housing contracts is recognised over time as development progresses as the construction activity enhances an asset controlled by the customer.

Where the outcome of a contract can be estimated reliably, the amount of revenue recognised depends on the stage of completion. This is based on the development costs incurred as a proportion of the total expected development costs (the input method).

Contractual cashflows are determined by independent surveys of work performed to date. These do not always align with the revenue recognised on the underlying performance obligation and any cashflows received that are in excess of the revenue recognised are included as contract liabilities. Where the cashflows received are less than revenue recognised the difference is included within contract assets.

Revenues derived from variations on contracts are recognised only when they can be reliably measured. Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

The Group provides standard warranties over completed homes, including snagging and defects rectification. These are assurance type warranties and are not separate performance obligations under IFRS 15. A provision is recognised on completion of a development based on the estimated cost of meeting these obligations, taking account of historical claims experience and known development specific issues.

Where the outcome of a contract cannot be estimated reliably, revenue from construction contracts is generated from affordable housing contracts and is recognised based on the measured value of work completed as construction progresses. The measured value of work is based on certified valuations which consider the stage of completion of contracts.

Contract housing revenue

Revenue from contract housing is recognised monthly based on an agreed mark up of cost incurred.

Costs are measured and valued monthly by quantity surveyors before invoices are issued to the customer.

2 Summary of material accounting policies (continued)

2.5. Revenue and profit recognition (continued)

Land sales

Revenue from land sales is recognised on legal completion based on fair value at transfer. Where revenue receipts are deferred into a future period, a discounting adjustment is made to the revenue recognised, with the discount unwinding over the deferred payment period.

Plant hire revenue

Plant hire revenue represents amounts receivable for the short-term hire of plant and equipment. Revenue is recognised when the hire period commences and the customer benefits from the use of the plant and equipment and is recognised evenly throughout the hire period.

2.6. Net finance costs

Finance costs comprise interest payable on bank loans and the unwinding of the discount from nominal to present day value of provisions, discounted deferred consideration on acquisitions and lease liabilities. Finance costs are capitalised when they are directly attributable to the acquisition, contribution or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Finance income comprises the unwinding of the discount from nominal to present day value of shared equity loan receivables and deferred land sales income. Interest income and interest payable is recognised in the profit and loss account on an accruals basis.

2.7. Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The following temporary differences are not provided for: goodwill, the initial recognition of assets and liabilities that affects neither the tax profit nor the accounting profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

A deferred tax asset is recognised for unused tax losses and unused tax credits only if it is probable that future taxable amounts will arise against which those temporary differences and losses may be utilised.

2.8. Exceptional items

Exceptional items are those material items which, by virtue of their size or incidence, are presented separately in the profit and loss account to enable a full understanding of the Group's financial performance. Transactions that may give rise to exceptional items include transactions relating to acquisitions and costs relating to changes in share capital structure as well as redundancy and restructuring costs.

2 Summary of material accounting policies (continued)

2.9. Property, plant and equipment

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Buildings	- 2% and 5% straight line
Plant and machinery	- 2-10 years straight line
Fixtures, fittings & equipment	- 2-5 years straight line
Motor vehicles	- 4-5 years straight line
Right-of-use leased assets	- over the lease term, straight line with no residual value
Land is not depreciated	

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to the profit and loss account.

2.10. Intangible fixed assets

Intangible assets comprise market-related assets (e.g. trademarks, website developments and brands) and goodwill on acquisition.

Market related assets

Trademark assets in relation to Springfield Properties plc are expected to have an indefinite useful life; however, impairment reviews are performed annually. Any impairment losses or reversals of impairment losses are recognised immediately in the profit and loss account.

The brand asset in relation to Tulloch Homes has a 15 year useful life and amortisation is charged on a straight line basis.

Goodwill on acquisition

Goodwill on acquisitions of subsidiaries or businesses represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired.

Impairment reviews are performed annually with any impairment losses being recognised immediately in the profit and loss account.

2.11. Fixed asset investments

Interests in subsidiaries are initially measured at cost, comprising of purchase price and directly attributable transaction costs incurred as part of the acquisition, and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses are recognised immediately in the profit and loss account.

2 Summary of material accounting policies (continued)

2.12. Impairment of fixed assets

At each reporting end date, the Group reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. Any impairment loss and reversal of losses are recognised in the profit and loss account.

2.13. Inventories and work in progress

Property, including land held under development, acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as stock and is measured at the lower of cost and net realisable value.

Cost comprises the invoiced value of the goods purchased and includes attributable direct costs, labour and overheads and where possible and directly attributable to site, finance costs will be included.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs of completion and the estimated costs necessary to make the sale. Any excess of the carrying amount of stocks over its net realisable value is recognised as an impairment loss in the profit and loss account.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the profit and loss account.

Where sites are ‘secured’ via option agreements, these sites are only included as stock when the agreement becomes unconditional.

Options included as part of stock are stated at the lower of cost and net realisable value.

2.14. Financial instruments

Financial instruments are recognised in the balance sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets at amortised cost

Financial assets (see Note 19) are recognised initially at cost. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses.

Loans outside the Group are valued at the recoverable amount and a market rate of interest is charged.

2 Summary of material accounting policies (continued)

2.14. Financial instruments (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses for all debt instruments not held at fair value through the profit and loss account. Expected credit losses are based on the difference between the contracted cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating expected credit losses. The Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Financial liabilities

All of the Group's financial liabilities (see Note 19) are measured at fair value through profit or loss or amortised cost.

Other financial liabilities

Other non-derivative financial liabilities are initially measured at fair value. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of other financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

2.15. Deferred and contingent consideration

Deferred consideration payments are initially recognised at fair value at the date of acquisition which is based on the timing of the cash outflows and an appropriate discount rate. The group have elected under IFRS9 to subsequently measure deferred consideration at fair value through profit and loss, including embedded derivatives.

Contingent consideration is based on an assessment of the likelihood of the payment becoming due. It is initially recognised at fair value at the date of acquisition and subsequently measured at fair value through profit or loss.

2. Summary of material accounting policies (continued)

2.16. Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value assets (less than £5,000) and leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the Group's incremental borrowing rate at commencement of the lease.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received. Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease. Right-of-use assets comprise the Group's existing premises in Elgin, Larbert, Inverness and Glasgow along with certain items of office equipment and motor vehicles.

2.17. Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant and recognised as an expense over the vesting period. The amount recognised as an expense is adjusted for leavers to the scheme. Fair value is measured by use of a relevant pricing model.

2.18. Provisions

Provisions include dilapidations to cover the Group's leased properties with an upfront liability recognised. Maintenance provisions relate to the costs to come on developments where the final homes have been handed over.

3 Critical accounting estimates and judgements in applying accounting policies

In the application of the Group's accounting policies the Directors are required to make judgements, estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are:

3 Critical accounting estimates and judgements in applying accounting policies (continued)

3.1. Carrying value of inventories

Inventories are stated at the lower of cost and net realisable value. At the year-end inventories totalled £218,296k (2025: £223,892k). The assessment of net realisable value is performed on a site by site basis taking into account estimated costs to complete and remaining revenue.

These assessments are carried out on a regular basis throughout the year to ensure an effective review of inventory carrying values and the costs to complete developments – this includes forecast selling prices and forecast costs to come based on general market conditions and anticipated completion date.

There is an element of uncertainty when estimating the profitability of a site and the Group ensures there is a strong level of control around the reporting of these assessments to ensure an accurate assessment is made of inventory carrying values.

3.2. Contract revenue

Contract revenue relates to where the Group is providing construction services to third parties, resulting in a completed developed property, on land that is not controlled by the Group during the development phase. Revenue is recognised over time, with reference to the stage of completion of the contract. The stage of completion is determined using an input method that reflects the development cost incurred as a proportion of the total expected development cost, as it is considered proportionate to the satisfaction of the underlying performance obligation. These contracts are typically for a fixed cash consideration received on a monthly cycle over the course of the construction services contract.

There is an element of uncertainty when estimating the final cost of a site and the Group ensures there is a strong level of internal control around the reporting of these assessments to ensure an accurate assessment is made. This ensures revenue is accurately calculated on a stage of completion basis (input method).

	Note	2026 £000	2025 £000
Contract revenue in the year – affordable housing	**4**	54,334	49,380
Contract revenue in the year – contracting housing	**4**	5,098	10,976
Year-end contract asset	**17**	5,225	5,937
Year-end contract liability	**18**	(1,300)	(1,194)

3.3. Cost allocation

In order to allocate the costs that the Group recognises on its developments in a specific period, the Group has to allocate site-wide development costs between homes built in the current year. It also has to estimate costs to complete on such developments. In making these assessments there is a degree of inherent uncertainty. The Group has developed controls to assess and review carrying values and the appropriateness of estimates made.

The Group's cost value report process determines the forecast profit margin for each site. This process allocates land and house build construction costs for each development and drives the recognition of costs in the Profit and Loss Account as plots are sold. Any changes in sales prices or costs to complete which impact the profit margin of a site are recognised across all homes sold in both the current period and future periods. This ensures that the site margin achieved on each plot sale is equal for all current year completions and future plots across the development.

Management have completed sensitivity analysis to measure a change in future costs or selling prices for five large sites that had revenues in the year. A 2% decrease in forecast sales revenues would increase site cost of sales in May 2026 by £1.7m, resulting in a gross margin reduction of 64 bps. A 2% increase in future costs would increase site cost of sales in May 2026 by £1.5m, resulting in a gross margin reduction of 60 bps.

3 Critical accounting estimates and judgements in applying accounting policies (continued)

3.4. Climate change

In preparing the financial statements, the Directors have also considered the impact of climate change in the context of the risks and opportunities identified in the Climate Related Financial Disclosures on pages 18 to 35. There has been no material impact identified on the financial reporting and estimates. The Directors specifically considered the impact of climate change in the following areas:

- Going concern and the Group's ability to meet its liabilities over the next two years;
- Cash flow forecasts used in the impairment review of intangible assets;
- Carrying value and useful economic lives of property, plant and equipment; and
- Recoverability of deferred tax assets.

While there is no short-term impact expected from climate change, the Directors are aware of the risks and regularly assess these risks against judgements and estimates made in preparation of the Group's financial statements.

3.5. Treatment of project income

During the year the group received funding in advance of the completion of a formal project agreement. Management has exercised judgement in determining that the funding should be recognised as a liability within other creditors at the reporting date rather than income. In making this assessment, management considered the terms of the initial funding agreements, the ongoing development of the project and the wider expected contractual arrangements. Management therefore concluded that recognition of the funding as income was not appropriate at 31 May 2026.

4. Revenue

Analysis of the Group's revenue is as follows:

Revenue	**2026 £000**	**2025 £000**
Private housing	164,960	155,776
Affordable housing	54,334	49,380
Contracting housing	5,098	10,976
Land sales	14,123	60,507
Other revenue	5,184	3,918
Revenue from the sale of goods and services as reported in the profit and loss account	**243,699**	**280,557**

Contract assets and liabilities

Contract assets relate to amounts due from customers primarily for construction work completed but not invoiced at the balance sheet date in relation to contracts where revenue is recognised over time. These amounts are included in trade and other receivables (Note 17).

Contract liabilities relate to payments received from customers on the contracts and /or amounts invoiced to the customer in advance of the Group performing its obligations on contracts where revenue is recognised either over time or at a point in time. These amounts are included within trade and other payables (Note 18).

Revenue is recognised as the performance obligation is satisfied in accordance with the accounting policy in Note 2.5.

When performance obligations are satisfied, the Group becomes entitled to revenue and an appropriate sales invoice is raised. Payment of invoices are typically due from invoicing, based on the specific credit terms raised with each customer.

FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR TO 31 MAY 2026

4. Revenue (continued)

Contract assets and liabilities reconciliation:

	2026 £000	2025 £000
At 1 June:		
Amounts included within trade and other receivables	5,937	8,136
Amounts included within trade and other payables	(1,194)	-
	4,743	**8,136**
Movement in the year:		
Performance obligations satisfied in the year	59,432	60,356
Amounts invoices in the year	(59,671)	(63,837)
Movement in retentions	(579)	88
At 31 May	**3,925**	**4,743**
Analysed as:		
Amounts included within trade and other receivables	5,225	5,937
Amounts included within trade and other payables	(1,300)	(1,194)
	3,925	**4,743**

Revenue of £37.5m, (2025: £28.4m) is expected to be recognised in future years in respect of contracts on which revenue is recognised over time, of which 88.0% (2025: 96.5%) is expected to be recognised within 12 months of the balance sheet date.

5. Segmental reporting

The Group has only one reportable operating segment, being housebuilding within the UK, under the control of the Board. The Board has been identified as the Chief Operating Decision Maker as defined under IFRS 8 Operating Segments.

The Board regularly reviews the Group's profit and loss account and balance sheet position at both a divisional and consolidated level. Each of these divisions is an operating segment as defined by IFRS 8 in that the Directors assess performance and allocate resources at this level. The divisions have been aggregated into one reporting segment on the basis that they share similar economic characteristics. In addition, each division builds and delivers residential homes, uses consistent methods of construction, sells homes to both private customers and housing associations, have a comparable sales process and operations, and are all subject to the same macroeconomic factors including mortgage availability and Government policy.

As the Group operates solely in the United Kingdom segment reporting by geographical region is not required.

5. Segmental reporting (continued)

Revenue	2026 £000	2025 £000
Private housing	164,960	155,776
Affordable housing	54,334	49,380
Contract housing	5,098	10,976
Land sales	14,123	60,507
Other	5,184	3,918
Total revenue	**243,699**	**280,557**

Gross profit	**40,046**	**52,122**
Administrative expenses	(25,391)	(27,609)
Exceptional items	(948)	(1,032)
Other operating income	1,133	711
Finance income	732	361
Finance expenses	(3,640)	(5,534)
Profit before tax	**11,932**	**19,019**
Taxation	(2,509)	(4,923)
Profit for the period	**9,423**	**14,096**

6. Operating profit

Operating profit is stated after charging / (crediting):

	Note	2026 £000	2025 £000
Depreciation of tangible fixed assets	**13**	426	485
Depreciation of right-of-use assets	**13**	1,507	1,650
Amortisation of intangible assets	**14**	259	263
Gain on disposal of tangible fixed assets		(106)	(140)
Inventory impairments in profit and loss		2,557	(61)
Cost of inventories recognised as an expense		201,096	228,496
Exceptional items	**10**	948	1,032
Expenses relating to short term and low value leases		33	35

Auditor's remuneration

	2026 £000	2025 £000
Fees payable to the Group's auditor for the audit of the Group and Company annual financial statements	78	75
Fees payable to the Group's auditor for the audit of the Company's subsidiaries	130	125
	208	**200**

7. Staff costs

The average monthly number of employees (including Executive Directors) for the continuing operations was:

	2026	2025
Building staff	407	400
Administrative staff	207	222
	614	**622**

	2026	2025
	£000	£000
Wages and salaries	30,774	31,330
Share based payments	579	139
Social security costs	3,707	3,281
Pension costs	1,262	1,305
	36,322	**36,055**

Full details of the Directors' remuneration is provided in the Remuneration Committee Report on page 47. The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

The charge to the profit and loss account in respect of defined contribution schemes was £1,262k (2025: £1,305k). Contributions totalling £201k (2025: £208k) were payable to the fund at the year-end and are included in creditors.

8. Finance costs

	2026	2025
	£000	£000
Interest on bank overdrafts and loans	3,220	5,096
Interest on lease liabilities	352	428
Other interest	68	10
	3,640	**5,534**

9. Taxation

	2026	2025
	£000	£000
Current tax		
UK corporation tax on profits for the current period	3,392	4,952
Adjustments in respect of prior periods	(460)	127
	2,932	**5,079**
Deferred tax		
Origination and reversal of timing differences	(510)	(77)
Utilisation of losses	10	-
Adjustments in respect of prior periods	77	(79)
	(423)	**(156)**
	2,509	**4,923**

9. Taxation (continued)

The charge for the year can be reconciled to the standard rate of tax as follows:

	2026 £000	2025 £000
Profit before tax	11,932	19,019
Tax at the UK corporation tax rate of 25% (2025: 25%)	2,983	4,755
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	251	383
Adjustments in respect of prior years	(460)	127
Depreciation on assets not qualifying for tax allowances	22	16
Deferred tax adjustments in respect of prior years	77	(79)
Temporary difference not recognised	(118)	(226)
Other timing differences	(73)	(89)
Income not taxable	(173)	-
Adjust deferred tax to closing average rate	-	(1)
Residential property tax	-	37
Tax charge for period	**2,509**	**4,923**

10. Exceptional items

	2026 £000	2025 £000
Legal fees	434	500
Redundancy costs	514	532
	948	**1,032**

11. Dividends

For the year to 31 May 2026, a final dividend of 3p pence per share is proposed to be paid. No interim dividend was paid during the year.

In respect of the prior year, a final dividend of 2p per share was paid which amounted to £2,380,848.

12. Earnings per share

The basic earnings per share is based on the profit for the year divided by the weighted average number of shares in issue during the year. The weighted average number of ordinary shares for the year ended 31 May 2026 assumes that all shares have been included in the computation based on the weighted average number of days since issue.

In respect of diluted earnings per share the weighted average is calculated by adjusting for all outstanding share options that are potentially dilutive (i.e. where the exercise price is less than the average market price of the shares during the year).

12. Earnings per share (continued)

	2026 £000	2025 £000
Profit for the year attributable to owners of the Company	9,423	14,096
Adjusted for the impact of tax adjusted exceptional costs in the year	711	945
Adjusted earnings	10,134	15,041
Weighted average number of ordinary shares for the purpose of basic earnings per share	119,092,512	118,839,353
Effect of dilutive potential shares: share options	7,190,676	6,082,522
Weighted average number of ordinary shares for the purpose of diluted earnings per share	126,283,188	124,921,875
Earnings per ordinary share		
Basic earnings on profit for the year	7.91p	11.86p
Diluted earnings on profit for the year	7.46p	11.28p
Adjusted earnings per ordinary share (1)		
Basic earnings on profit for the year	8.51p	12.66p
Diluted earnings on profit for the year	8.02p	12.04p

(1) Adjusted earnings is presented as an additional performance measure and is stated before exceptional items and is used in adjusted EPS calculation.

13. Property, plant and equipment

	2026 £000	2025 £000
Property, plant and equipment	2,413	1,670
Right-of-use assets	4,454	5,113
Property, plant and equipment	**6,867**	**6,783**

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13. Property, plant and equipment (continued)

	Land & buildings £000	Plant & machinery £000	Fixtures, fittings & equipment £000	Motor vehicles £000	Total £000
Cost					
At 1 June 2024	844	6,822	1,973	105	9,744
Additions	-	107	48	-	155
Disposals	-	(422)	(214)	(12)	(648)
At 31 May 2025	**844**	**6,507**	**1,807**	**93**	**9,251**
Additions	-	1,109	74	-	1,183
Disposals	-	(270)	-	(16)	(286)
At 31 May 2026	**844**	**7,346**	**1,881**	**77**	**10,148**
Accumulated depreciation					
At 1 June 2024	167	5,755	1,650	53	7,625
Depreciation charge	21	292	147	25	485
Disposals	-	(401)	(120)	(8)	(529)
At 31 May 2025	**188**	**5,646**	**1,677**	**70**	**7,581**
Depreciation charge	21	294	98	13	426
Disposals	-	(256)	-	(16)	(272)
At 31 May 2026	**209**	**5,684**	**1,775**	**67**	**7,735**
Net book value					
At 31 May 2026	**635**	**1,662**	**106**	**10**	**2,413**
At 31 May 2025	**656**	**861**	**130**	**23**	**1,670**
At 31 May 2024	**677**	**1,067**	**323**	**52**	**2,119**

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13. Property, plant and equipment (continued)

Right-of-use assets	**Land & buildings £000**	**Fixtures, fittings & equipment £000**	**Motor vehicles £000**	**Total £000**
Cost				
At 1 June 2024	5,016	53	4,157	9,226
Additions	487	44	1,174	1,705
Disposals	(276)	(34)	(1,308)	(1,618)
At 31 May 2025	**5,227**	**63**	**4,023**	**9,313**
Additions	50	125	691	866
Disposals	-	-	(1,358)	(1,358)
At 31 May 2026	**5,277**	**188**	**3,356**	**8,821**
Accumulated depreciation				
At 1 June 2024	1,974	39	2,148	4,161
Depreciation charge	493	18	1,139	1,650
Disposals	(276)	(27)	(1,308)	(1,611)
At 31 May 2025	**2,191**	**30**	**1,979**	**4,200**
Depreciation charge	467	47	993	1,507
Disposals	-	-	(1,340)	(1,340)
At 31 May 2026	**2,658**	**77**	**1,632**	**4,367**
Net book value				
At 31 May 2026	**2,619**	**111**	**1,724**	**4,454**
At 31 May 2025	**3,036**	**33**	**2,044**	**5,113**
At 31 May 2024	**3,042**	**14**	**2,009**	**5,065**

Fixed assets with the carrying value of £4,454k (2025: £5,113k) are pledged as security.

14. Intangible fixed assets

	Goodwill	Website	Marketing-related assets	Total
	£000	£000	£000	£000
Cost				
At 1 June 2024 and 31 May 2026	2,055	49	4,300	6,404
Additions	-	-	-	-
At 31 May 2026	**2,055**	**49**	**4,300**	**6,404**
Impairment & Amortisation				
At 1 June 2024	69	20	617	706
Charge in year	4	12	247	263
At 31 May 2025	**73**	**32**	**864**	**969**
Charge in year	-	12	247	259
At 31 May 2026	**73**	**44**	**1,111**	**1,228**
Net book value				
At 31 May 2026	**1,982**	**5**	**3,189**	**5,176**
At 31 May 2025	**1,982**	**17**	**3,436**	**5,435**
At 31 May 2024	**1,986**	**29**	**3,683**	**5,698**

Goodwill relates to the prior acquisition of Walker Holdings (Scotland) Limited £1,049k (2025: £1,049k), Tulloch Homes Holdings Limited £513k (2025: £513k) and the housebuilding business of Mactaggart & Mickel Group Limited (Springfield M&M Homes Limited) £420k (2025: £420k).The recoverable amount of Walker Holdings (Scotland) Limited goodwill has been determined based on a value in use calculation using cash flow projections based on the actual results for Walker Holdings (Scotland) Limited for the year ended 31 May 2026 and the Board-approved budget to May 2027 with three further years added to May 2030. The recoverable amount of the Tulloch Homes Holdings Limited goodwill has been determined based on a value in use calculation using cash flow projections based on the actual results for the Tulloch Group for the year ended 31 May 2026 and the Board-approved budget to May 2027 with three further years added to May 2030. The recoverable amount of the Springfield M&M Homes goodwill has been determined based on a value in use calculation using cash flow projections based on the actual results for the Springfield M&M Homes for the year ended 31 May 2026 and the Board-approved budget to May 2027 with three further years added to May 2030.

Marketing-related assets of £3,189k (2025: £3,436k) comprise of Springfield Properties plc trademark asset £600k (2025: £600k) which has been measured at cost and the Tulloch Homes brand £2,589k (2025: £2,836k). The trademark asset is expected to have an indefinite useful life, based on the significant trading history to date. The brand intangible £2,589k (2025: £2,836k) relates to the brand name of Tulloch Homes Holdings Limited and is being amortised over its economic useful life (15 years). The recoverable amount of the Springfield trademark intangible has been determined based on a value in use calculation using cash flow projections based on the actual results for Springfield Properties Plc company only for the year ended 31 May 2026 and the Board-approved budget to May 2027 with three further years added to May 2030. The Tulloch brand intangible recoverable amount is based on the same detail as noted above for goodwill.

14. Intangible fixed assets (continued)

Website costs are stated at cost less accumulated amortised. The economic useful life of website costs is 3 years.

The key assumptions for the value in use calculations were:

- sales volumes: these are derived on a site-by-site basis based on local market conditions, land holdings and planning status
- site costs to complete: these are derived on a site-by-site basis
- the discount rate applied to cash flows is 12% based on an estimated market rate of interest applied.

As a result of the impairment review, there has been no impairment to the carrying value of the intangible assets.

The Directors believe that any reasonably possible further change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed the recoverable amount.

15. Acquisition of subsidiary company

During the year, the Group purchased 100% of Moray Firth Homes LLP. There was no trading in the year ending 31 May 2026 for Moray Firth Homes LLP.

16. Inventories

	2026 £000	2025 £000
Work in progress	218,296	223,892
	218,296	**223,892**

Total land bank of 6,797 plots (2025: 7,279 plots), 60% (2025: 66%) with planning permission.

17. Trade and other receivables

Amounts falling due within one year

	2026 £000	2025 £000
Trade receivables	19,208	24,115
Other receivables	8,808	7,896
Contract assets	5,225	5,937
Prepayments and accrued income	4,310	3,148
	37,551	**41,096**

Included within trade receivables is £7,372k (2025: £9,440k) relating to work certified and invoiced but not yet paid on Housing Association contracts (amounts recoverable on contracts).

When performance obligations are satisfied, the Group becomes entitled to revenue and an appropriate sales invoice is raised. Payment of invoices are typically due from invoicing, based on the specific credit terms raised with each customer.

The Directors consider the carrying amount of the receivables approximates to their fair value.

17. Trade and other receivables (continued)

The Group's exposure to credit risk is limited by the fact that the Group generally receives cash at the point of legal completion of its sales. There are certain categories of revenue where this is not the case; for instance, affordable housing revenues, contracting housing revenues or land sales where management considers that the ratings of these various debtors are good and therefore credit risk is low (see Note 28.4). Loans to related parties (included within other receivables greater than one year) have also been assessed as low credit risk based on the expected profitability of their future contracts. The Group has credit risk exposure, due to the majority of the contracts being pre-funded and payment terms agreed when contract is signed. The maximum exposure to credit risk at 31 May 2026 is represented by the carrying amount of each financial asset.

The Directors have accessed expected credit losses on both the current and prior year based on the above and are satisfied these are not considered material.

Amounts falling due after one year

	2026 £000	2025 £000
Trade receivables	-	3,821
Other receivables	5,000	5,000
Prepayments and accrued income	-	2,370
	5,000	**11,191**

Shared equity receivables

	2026 £000	2025 £000
At 1 June 2025	156	156
Repaid during the year	(21)	-
At 31 May 2026	**135**	**156**
Less: amounts receivable within one year	(135)	(156)
Amounts receivable after one year	**-**	**-**

Shared equity loan receivables comprise loans which were granted as part of sales transactions. They are secured by way of a second ranking legal charge over the related property. The assets are recorded at fair value, being the estimated future amount receivable by the Group, discounted to present day values.

The Directors review the future anticipated receipts from the assets at the end of each financial year. Credit risk, which the Directors currently consider to be mitigated through holding a second legal charge over the assets, is accounted for in determining fair values and appropriate discount factors are applied. The Directors review the financial assets for impairment at each balance sheet date. The Directors expect an average maturity profile of between 2 and 5 years from the balance sheet date.

18. Trade and other payables

Amounts falling due within one year

	2026 £000	2025 £000
Trade creditors	24,773	23,588
Other taxation and social security	1,232	1,312
Other creditors	3,991	236
Contract liabilities	1,300	1,194
Accruals and deferred income	28,438	29,405
	59,734	**55,735**

Included within trade and other payables is £1,744k (2025: £1,806k) relating to customer deposits on private homes, deferred land sales and certain amounts payable on contracts. Revenue recognised in the year ended 31 May 2026 included £4,982k (2025: £nil) that was included in the contract liability balance at 31 May 2025.

The Directors consider the carrying amount of the accounts payable approximates to their fair value.

Amounts falling due after one year

	2026 £000	2025 £000
Accruals and deferred income	-	1,550
	-	**1,550**

19. Financial assets and liabilities

Assets	2026 £000	2025 £000
Financial assets at amortised cost	60,355	53,662
Total	**60,355**	**53,662**

Liabilities	2026 £000	2025 £000
Measured at amortised cost	75,729	82,690
Measure at fair value through profit or loss	22,810	24,061
Total	**98,539**	**106,751**

Included within financial assets at amortised cost are trade receivables, contract assets, rebates (included within other receivables) and cash and cash equivalents.

Included within financial liabilities at amortised cost are short-term bank borrowings, long-term bank borrowings, trade creditors, and accruals.

Included within financial liabilities at fair value through profit or loss are deferred and contingent consideration.

20. Bank borrowings

	2026	2025
Secured borrowings:	**£000**	**£000**
Bank loans	22,961	29,931
Bank overdrafts	-	351
	22,961	30,282
Less: payable within one year	-	(30,282)
Payable after one year	**22,961**	**-**

The bank loan comprises of a revolving credit facility that is in place until August 2028. The facility limit of £77.5m reduced to £47.5m in August 2026. The facility is secured over certain of the Group's properties, with a 31 May 2026 work in progress value of £81.2m.

At 31 May 2026, the Group had available £54.5m (2025: £57.5m) of undrawn committed borrowing facilities.

At 31 May 2026, the Group had an overdraft facility of £2.5m (2025: £2.5m). In August 2026, the overdraft facility was renewed at a level of £2.5m.

The Group's lender has a floating charge over the assets of the Company and of its subsidiaries.

21. Obligations under leases

Lease payments represent rentals payable by the Group for certain items of land & buildings, fixtures, fittings & equipment and motor vehicles are secured by the assets under lease in question. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Leases are stated at the present value of the contractual payments due to the lessor over the lease term. Total cash outflow from leases during the year is included in Note 31.

	2026	2025
Future minimum payments due:	**£000**	**£000**
Not later than one year	1,607	1,690
After one year but not more than five years	3,582	3,335
After five years	704	1,685
	5,893	6,710
Less finance charges allocated to future periods	(961)	(1,199)
	4,932	**5,511**
Present value of minimum lease payments:		
Not later than one year	1,305	1,351
After one year but not more than five years	2,472	2,657
After five years	1,155	1,503
	4,932	**5,511**

22. Deferred taxation

	2026 £000	2025 £000
The movement in the deferred taxation provision during the year was:		
Provision brought forward	1,014	1,170
Prior year adjustment	77	(79)
Credit in the year	(500)	(77)
Provision carried forward	**591**	**1,014**

	2026 £000	2025 £000
Deferred tax liability	2,267	2,866
Deferred tax assets	(1,676)	(1,852)
	591	**1,014**

	2026 £000	2025 £000
The elements of deferred taxation are as follows:		
Fixed asset timing differences	213	86
Available losses	(455)	(555)
Other timing differences	833	1,483
	591	**1,014**

Of the deferred tax assets of £1,676k – £1,669k relates to losses which are expected to be offset against profits in future periods.

23. Deferred consideration

As part of acquiring the Scottish housebuilding business of Mactaggart & Mickel Group Limited, there was a further £30,781,108 of deferred consideration payable. This was payable quarterly in arrears as homes were sold starting from August 2023. There was a minimum annual payment of £7,695,277, subject to a one-off 12-month payment holiday, which was taken in the prior year ending 31 May 2025. The outstanding discounted amount payable at the year end was £20,673,554 (2025: £21,960,440).

	2026 £000	2025 £000
Acquisition of the housebuilding business of Mactaggart & Mickel Group Limited	20,674	21,960
	20,674	**21,960**

	2026 £000	2025 £000
Deferred consideration < 1 year	20,674	7,469
Deferred consideration > 1 year	-	14,491
	20,674	**21,960**

24. (a) Contingent consideration

As part of the purchase agreement of Dawn Homes Holdings Limited there was a further £2,500,000 payable for an area of land if (i) the Group make a planning application when it reasonably believes the council will recommend approval; or (ii) it is zoned by the council. The Directors have assessed the likelihood of the land being zoned and have included a liability of £2,000,000 based on 80% probability. The outstanding amount payable at the period end included within liabilities is £2,000,000 (2025: £2,000,000). The remaining £500,000 (20% on the £2,500,000 still to be paid) has been treated as a contingent liability due to the uncertainty over the future payment.

	2026	2025
	£000	£000
Acquisition of Dawn Homes Holdings Limited	2,000	2,000
	2,000	**2,000**

24. (b) Provisions

Dilapidation provisions are included for all rented buildings within the Group. Maintenance provisions relate to costs to come on developments where the final homes have been handed over. The amounts are based on prior experience and current knowledge and there is no material uncertainty in the timing or amount.

	2026	2025
	£000	£000
Dilapidation provision	113	113
Maintenance provision	6,205	5,613
	6,318	**5,726**

The movement in the provision accounts are as follows:

	Dilapidation	Maintenance	Total
	£000	£000	£000
Balance as at 1 June 2025	113	5,613	5,726
Additional provision	-	4,243	4,243
Amount utilised	-	(3,229)	(3,229)
Amount released	-	(422)	(422)
Balance as at 31 May 2026	**113**	**6,205**	**6,318**

	2026	2025
	£000	£000
Provisions < 1 year	2,078	1,871
Provisions > 1 year	4,240	3,855
	6,318	**5,726**

25. Share capital

The Group has one class of ordinary share that carry full voting rights but no right to fixed income or repayment of capital. The share capital account records the nominal value of shares issued. The share premium account records the amount above the nominal value received for shares sold, less share issue costs.

Ordinary shares of 0.125p – authorised, allotted, called up and fully paid	Number of shares	Share capital £000	Share premium £000
At 1 June 2025	119,042,405	149	78,744
Share issue	379,425	-	82
At 31 May 2026	**119,421,830**	**149**	**78,826**

During the year, 379,425 shares (2025: 373,281) were issued in satisfaction of share options exercised for a consideration of £82,544 (2025: £467).

Share based payments

During the year the Group operated four share-based schemes.

Share related share options scheme

The Group operates a Savings related Share Option Scheme which is open to all employees. Grant options were made in October 2024 and become exercisable after 3 years, subject to employees remaining in continuous employment. Employees enter into a savings contract with the Equiniti Limited who administers the scheme. The options are granted at a 10% discount of the share price at the date of grant and lapse if not exercised within six months of maturity. Special provisions apply to employees who leave their employment for ill health, redundancy or retirement.

Long-Term Incentive Plan (LTIP)

The Company operates a LTIP for senior management to retain and align their interests with shareholders. The LTIP is split into a CSOP, ESOP and Performance Share Plan ("PSP") scheme. The PSP was introduced during the prior year and under which key executives could be granted conditional "whole share" awards (i.e. rights to acquire shares where the individual is required to pay a zero or negligible exercise price) the vesting of which is normally conditional on both continued employment and the satisfaction of specified performance measures.

Fair value of share options

Options are valued using the Black-Scholes option-pricing model. No performance conditions are included in the fair value calculation.

CSOP

	2026		2025	
	Number of shares	Weighted average exercise price (pence)	Number of shares	Weighted average exercise price (pence)
Options at the beginning of the year	549,299	115.00	583,638	114.64
Exercised during the year	(73,777)	106.00	-	-
Lapsed during the year	(49,832)	131.28	(34,339)	108.90
Options at the year end	425,690	114.65	549,299	115.00

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25. Share capital (continued)

Share based payments (continued)

Share option	**Grant Price (p)**	**Number of shares at year end**	**Exercise price (p)**	**Vesting period (years)**
CSOP – 16th October 2017	106.00	205,743	106.00	3
CSOP – 8th December 2017	111.00	27,027	111.00	3
CSOP – 3rd May 2018	134.00	22,388	134.00	3
CSOP – 16th May 2018	134.00	53,713	134.00	3
CSOP – 1st October 2018	122.50	80,328	122.50	3
CSOP – 4th June 2019	108.50	36,491	108.50	3

	2026		**2025**	
ESOP	**Number of shares**	**Weighted average exercise price (pence)**	**Number of shares**	**Weighted average exercise price (pence)**
Options at the start of the year	1,588,944	118.78	1,683,481	118.71
Exercised during the year	(3,397)	106.00	-	-
Lapsed during the year	(265,073)	117.21	(94,537)	117.56
Options at the year end	1,320,474	119.12	1,588,944	118.78

Share option	**Grant Price (p)**	**Number of shares at year end**	**Exercise price (p)**	**Vesting period (years)**
ESOP – 16th October 2017	106.00	328,827	106.00	3
ESOP – 3rd May 2018	134.00	72,761	134.00	3
ESOP – 16th May 2018	134.00	11,157	134.00	3
ESOP – 1st October 2018	122.50	907,729	122.50	3

	2026		**2025**	
SAYE	**Number of shares**	**Weighted average exercise price (pence)**	**Number of shares**	**Weighted average exercise price (pence)**
Options at the start of the year	1,280,093	97.00	424,785	130.50
Granted during the year	-	-	1,489,050	97.00
Exercised during the year	(373)	97.00	-	-
Lapsed during the year	(206,104)	97.00	(633,742)	119.45
Options at the year end	1,073,616	97.00	1,280,093	97.00

25. Share capital (continued)

Share based payments (continued)

Share option	Grant Price (p)	Number of shares at year end	Exercise price (p)	Vesting period (years)
SAYE – 1st November 2024	108.00	1,073,616	97.00	3

	2026		2025	
PSP	**Number of shares**	**Weighted average exercise price (pence)**	**Number of shares**	**Weighted average exercise price (pence)**
Options at start of the year	4,138,401	0.13	4,385,999	0.13
Granted during the year	959,443	0.13	1,330,430	0.13
Exercised during the year	(301,878)	0.13	(373,281)	0.13
Lapsed during the year	(2,367)	0.13	(1,204,747)	0.13
Options at the year end	4,793,599	0.13	4,138,401	0.13

Share option	Grant Price (p)	Number of shares at year end	Exercise price (p)	Vesting Period (years)
PSP – 21st December 2021	0.13	8,464	0.13	3
PSP – 28th March 2023	0.13	477,009	0.13	3
PSP – 30th October 2023	0.13	2,090,047	0.13	3
PSP- 28th October 2024	0.13	1,258,636	0.13	3
PSP – 28th October 2025	0.13	959,443	0.13	3

Inputs used to determine fair value of options

	CSOP	ESOP	SAYE	PSP
Expected volatility	29.00%	29.00%	13.87%	5.63%
Risk free interest rate	0.49%	0.49%	2.18%	-0.04%
Expected dividends	-	-	-	2.0%
Fair value of options	34.00p	39.00p	17.26p	105.35p
Charge per option	32.00p	37.00p	15.51p	105.35p

Expected volatility was calculated using historical share price information of the house-building sector for the CSOP and ESOP and the 12-month average Springfield share price prior to the grant of the PSP options.

CSOP – 73,777 (2025 – nil) of options were exercised during the year and 425,690 (2025: 549,299) shares were exercisable. Post vested weighted contractual life 1.4 years.

ESOP – 3,397 (2025 – nil) of options were exercised during the year and 1,320,474 (2025: 1,588,944) shares were exercisable. Post vested weighted contractual life 2.1 years.

SAYE – 373 (2025 – nil) of options were exercised during the year and nil (2025: nil) shares were exercisable. Post vested weighted contractual life 1.5 years.

PSP – 301,878 (2025 – 373,281) of options were exercised during the year and 485,473 (2025: 46,393) shares were exercisable. Post vested weighted contractual life 7.0 years.

Charge for share based incentive schemes

The total charge for the year relating to employee share-based plans was £579k (2025: £139k), all of which related to equity-settled share-based payment transactions.

FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR TO 31 MAY 2026

26. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at 31 May:

	2026 £000	2025 £000
Cash at bank and in hand	24,154	9,388
Bank overdraft	-	(351)
	24,154	**9,037**

At 31 May 2026, the Group had an available overdraft facility of £2.5m (2025: £2.5m). In August 2026, the overdraft facility was renewed at a level of £2.5m for a further 12 months.

27. Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of equity attributable to equity holders of the parent Company and its subsidiary, comprising issued capital, reserves and retained earnings, all as disclosed in the balance sheet. The Group is not subject to externally imposed capital requirements other than those included, from time to time, in the financial covenants associated with bank borrowing.

28. Financial risk management

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management is coordinated by the Board of Directors, and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

28.1. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

There are regular reviews of market conditions, product range, pricing and geography to make sure the right hommes are delivered in the right place at a profitable price. Other mitigation is noted on page 15 under 'changes in consumer demand'

28.2. Interest risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the interest rate risk relates primarily to its floating rate borrowings.

The responsibility for setting the level of fixed rate debt lies with the Board and is continually reviewed in the light of economic data provided by a variety of sources.

	2026 £000	2025 £000
Financial liabilities at fixed rate	22,810	24,061
Financial liabilities at floating rate	22,961	30,282
Non-interest-bearing financial liabilities	52,768	52,408
	98,539	**106,751**

28. Financial risk management (continued)

28.2. Interest risk (continued)

Interest rate sensitivity analysis

The table below details the Group's sensitivity to increase or decrease of floating interest rates by 0.5%, which the Directors consider to be a reasonably possible change. The analysis was applied to loans and borrowings (financial liabilities) based on the assumption that the amount of liability outstanding as at the balance sheet date was outstanding for the whole year.

	Bank of England SONIA rate 31 May 2026		Bank of England SONIA rate 31 May 2025	
	Interest rate +0.5% £000	Interest rate –0.5% £000	Interest rate +0.5% £000	Interest rate –0.5% £000
(Loss) / profit	(115)	115	(151)	151

Limitations of sensitivity analysis

The above tables demonstrate the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results. The sensitivity analysis does not take into consideration that the Group's assets and liabilities are actively managed. Additionally, the financial position of the Group may vary at the time that any actual market movement occurs.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted and the assumption that all interest rates move in an identical fashion.

This analysis is for illustrative purposes only, as in practice market rates rarely change in isolation of other factors that also affect Group's financial position and results.

Management believe that fair value of the loans, borrowings and finance lease obligations approximates their carrying amounts as the majority of obligations bear interest rates approximating market rates at 31 May 2026.

28.3. Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its liabilities as they fall due. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, medium to long term borrowings and leases. The Directors continually assess the balance of capital and debt of the Group.

They consider the security of capital funding against the potentially higher rates of return offered by debt financing in order to set an efficient but stable balance appropriate to the size of the Group.

The Board reviews projects against build programmes and contractual agreements to avoid any risk of incurring contractual penalties or damaging the Group's reputations, which would in turn reduce the Group's ability to borrow at optimal rates. Covenant tests are continually reviewed to ensure covenant criteria are met in the event of deterioration in market conditions.

28. Financial risk management (continued)

28.3. Liquidity risk (continued)

The maturity profile of the Group and parent Company's financial liabilities based on contractual undiscounted payments (including interest payments) is as follows:

31 May 2026

	Carrying amount £000	Total minimum future payment £000	Within 1 year £000	Within 1-2 years £000	Within 2-5 years £000	Greater than 5 years £000
Accounts payable	52,768	52,768	52,768	-	-	-
Bank borrowings	22,961	22,961	-	22,961	-	-
Contingent consideration	2,000	2,500	-	2,500	-	-
Deferred consideration	20,674	20,674	20,674	-	-	-
Leases	136	150	68	50	32	-
	98,539	**99,053**	**73,510**	**25,511**	**32**	**-**

31 May 2025

	Carrying amount £000	Total minimum future payment £000	Within 1 year £000	Within 1-2 years £000	Within 2-5 years £000	Greater than 5 years £000
Accounts payable	52,408	52,408	50,858	1,550	-	-
Bank borrowings	30,282	30,282	30,282	-	-	-
Contingent consideration	2,000	2,500	-	-	2,500	-
Deferred consideration	21,960	22,282	7,695	14,401	186	-
Leases	101	107	66	29	12	-
	106,751	**107,579**	**90,451**	**14,430**	**2,698**	**-**

28.4. Credit risk

The nature of Scotland's housing industry and the legal framework surrounding it results in the Group having a low exposure to credit risk.

Credit risk is the risk that a customer may default or not meet its obligations to the Group on a timely basis, leading to financial losses to the Group.

The Group's maximum exposure to credit risk in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. At the balance sheet date, although there was a significant receivables balance, the perceived credit risk to the Group remains low.

The Group manages credit risk actively monitoring its level of trade receivables and following up when they are overdue more than three months. The ageing profile of trade receivables was:

	31 May 2026		31 May 2025	
	Total book value £000	Allowance for impairment £000	Total book value £000	Allowance for impairment £000
Current	15,658	-	23,074	-
Overdue 90 days	3,551	1	4,975	113
	19,209	**1**	**28,049**	**113**

During the year, the Group had no charge for impairment for trade receivables.

28.4. Credit risk (continued)

The ageing profile of other receivables was:

	31 May 2026		31 May 2025	
	Total book value £000	**Allowance for impairment £000**	**Total book value £000**	**Allowance for impairment £000**
Current	8,808	-	7,896	-
Non-current	5,000	-	5,000	-
	13,808	**-**	**12,896**	**-**

During the year, the Group had no charge for impairment for other receivables.

29. Transactions with related parties

Other related parties include transactions with retirement schemes in which Directors and close family members of key management personnel are beneficiaries. During the year, dividends totalling £529k (2025: £286k) were paid to key management personnel (Board of Directors and the members of the Operational Board). Dividends were paid to Board of Directors as follows:

Name of Director	**2026 £000**	**2025 £000**
Mr Sandy Adam	509	276
Mr Innes Smith	20	10
	529	**286**

The remuneration of the key management personnel (Plc Directors and Group Directors) of Springfield Properties Plc is set out below in aggregate for each of the categories specified in IAS 24 – Related Party Disclosures:

	2026 £000	**2025 £000**
Short-term employee benefits	4,579	4,874
Post employment benefits	429	281
Share-based payments	533	110
	5,541	**5,265**

During the year the Group entered into the following transactions with related parties:

	Sale of goods		**Purchase of goods**	
	2026 £000	**2025 £000**	**2026 £000**	**2025 £000**
Bertha Park Limited (1)	5,241	11,258	-	-
Other entities that key management personnel have control, significant influence or hold a material interest in	23	64	4	16
Key management personnel	9	13	-	-
Other related parties	3	13	2,008	2,518
	5,276	**11,348**	**2,012**	**2,534**

Sales to related parties represent those undertaken in the ordinary course of business.

29. Transactions with related parties (continued)

	Rent paid	
	2026	2025
	£000	£000
Entities that key management personnel have control, significant influence or hold a material interest in	187	187
Other related parties	105	103
	292	**290**

	2026	2025
	£000	£000
Interest received:		
Entities that key management personnel have control, significant influence or hold a material interest in (short-term)	125	125
	125	**125**

The following amounts were outstanding at the reporting end date:

	2026	2025
	£000	£000
Amounts receivable:		
Bertha Park Limited (1)	8,483	9,394
Other entities that key management personnel have control, significant influence or hold a material interest in (short-term)	2	2
Key management personnel	1	4
Other related parties	1	2
	8,487	**9,402**

	2026	2025
	£000	£000
Accounts payable:		
Other related parties	1,127	2,928
	1,127	**2,928**

Amounts owed to/from related parties are included within creditors and debtors respectively at the year-end. No security has been provided on any balances.

Transactions between Group companies have been eliminated on consolidation and are not disclosed in this note.

(1) Bertha Park Limited is a Company in which Sandy Adam and Innes Smith are Directors. During the year the Group made sales to Bertha Park Limited of £5,241k (2025: £11,258k) in relation to a build contract. At the year-end £3,483k (2025: £4,394k) is included in trade debtors and included within other debtors is a loan of £5,000k (2025: £5,000k).

30. Commitments and guarantees

In the ordinary course of the Group's business the Group is required to enter into performance bond arrangements. At 31 May 2026, the Group had bonds of £50,482k (2025: £48,084k) provided by financial institutions.

31. Analysis of net debt

The analysis of net debt is as follows:

	2026 £000	2025 £000
Cash in hand and bank	24,154	9,388
Bank borrowings – loan	(22,961)	(29,931)
Bank borrowings - overdraft	-	(351)
Net bank cash/(debt)	**1,193**	**(20,894)**
Lease liability	(4,932)	(5,511)
Net debt	**(3,739)**	**(26,405)**
Deferred consideration	(20,674)	(21,960)
	(24,413)	**(48,365)**

Reconciliation of net cashflow to movement in net debt is as follows:

	At 1 June 2025 £000	New leases £000	Cashflow £000	Other Movements £000	At 31 May 2026 £000
Cash and cash equivalents	9,388	-	14,766	-	24,154
Bank borrowings - loan	(29,931)	-	6,970	-	(22,961)
Bank borrowings - overdraft	(351)	-	351		-
Leases	(5,511)	(966)	1,871	(326)	(4,932)
Net debt	**(26,405)**	**(966)**	**23,958**	**(326)**	**(3,739)**
Deferred consideration	(21,960)	-	1,608	(322)	(20,674)
	(48,365)	**(966)**	**25,566**	**(648)**	**(24,413)**

31. Analysis of net debt (continued)

	At 1 June 2024	New leases	Cashflow	Other Movements	At 31 May 2025
	£000	£000	£000	£000	£000
Cash and cash equivalents	14,935	-	(5,547)	-	9,388
Bank borrowings - loan	(54,839)	-	24,908	-	(29,931)
Bank borrowings - overdraft	-	-	(351)		(351)
Leases	(5,538)	(1,705)	2,142	(410)	(5,511)
Net debt	**(45,442)**	**(1,705)**	**21,152**	**(410)**	**(26,405)**
Deferred consideration	(24,462)	-	2,857	(355)	(21,960)
	(69,904)	**(1,705)**	**24,009**	**(765)**	**(48,365)**

FINANCIAL STATEMENTS
COMPANY BALANCE SHEET
AS AT 31 MAY 2026

	Note	2026 £000	2025 £000
Non-current assets			
Property, plant and equipment	3	2,608	1,895
Intangible assets	4	604	616
Investments	5	132,697	132,697
Deferred taxation	13	-	89
Trade and other receivables	7	5,000	10,764
		140,909	**146,061**
Current assets			
Inventories	6	105,847	97,411
Trade and other receivables	7	37,108	47,031
Cash and cash equivalents	16	13,933	-
		156,888	**144,442**
Total assets		**297,797**	**290,503**
Current liabilities			
Trade and other payables	8	171,050	150,400
Short-term obligations under lease liabilities	12	194	180
Short-term bank borrowings	11	-	30,282
Provisions	14	954	730
Corporation tax		876	2,738
		173,074	**184,330**
Non-current liabilities			
Trade and other payables	8	-	1,550
Long-term bank borrowings	11	22,961	-
Long-term obligations under lease liabilities	12	1,506	1,688
Contingent consideration	14	2,000	2,000
Provisions	14	1,968	1,520
Deferred taxation	13	187	-
		28,622	**6,758**
Total liabilities		**201,696**	**191,088**
Net assets		**96,101**	**99,415**
Equity			
Share capital	15	149	149
Share premium	15	78,826	78,744
Retained earnings		17,126	20,522
Total equity		**96,101**	**99,415**

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's loss for the year was £1,594,255 (2025: profit of £7,466,882).
These financial statements were approved by the Board of Directors on 14 September 2026.
Signed on behalf of the Board by:

Sandy Adam
Executive Chairman **Company number: SC031286**

Company accounting policies are in line with Group – See notes to the consolidated financial statements – Note 2 Summary of significant accounting policies. The accompanying notes on pages 109 to 128 form an integral part of these financial statements.

FINANCIAL STATEMENTS

COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MAY 2026

	Note	Share capital £000	Share premium £000	Retained earnings £000	Total £000
1 June 2024		**148**	**78,744**	**14,104**	**92,996**
Issue of shares		1	-	-	1
Total comprehensive expenditure for the year		-	-	7,467	7,467
Share-based payments		-	-	139	139
Dividends		-	-	(1,188)	(1,188)
31 May 2025		**149**	**78,744**	**20,522**	**99,415**
Issue of shares	**15**	-	82	-	82
Total comprehensive expenditure for the year		-	-	(1,594)	(1,594)
Share-based payments	**15**	-	-	579	579
Dividends	**2**	-	-	(2,381)	(2,381)
31 May 2026		**149**	**78,826**	**17,126**	**96,101**

The share capital account records the nominal value of shares issued.

The share premium account records the amount above the nominal value received for shares issued, less share issue costs.

Retained earnings represents accumulated profits less losses and distributions. Retained earnings also includes share based payments.

Company accounting policies are in line with Group – See notes to the consolidated financial statements – Note 2 Summary of significant accounting policies.

The accompanying notes on pages 109 to 128 form an integral part of these financial statements.

FINANCIAL STATEMENTS

COMPANY STATEMENT OF CASH FLOWS
YEAR TO 31 MAY 2026

	Note	2026 £000	2025 £000
Cash flows generated from operations			
(Loss)/profit for the year		(1,594)	7,467
Adjusted for:			
Exceptional items		788	881
Taxation credit		37	1,317
Finance costs		3,331	5,219
Finance income		(710)	(354)
Adjusted operating profit before working capital movement		**1,852**	**14,530**
Gain on disposal of tangible fixed assets		(61)	(65)
Exceptional items		(788)	(881)
Depreciation and impairment of tangible fixed assets	**3**	353	334
Amortisation and impairment of intangible fixed assets	**4**	12	13
Non-cash movements - discounting		-	899
Share based payments	**15**	579	139
Operating cash flows before movements in working capital		**1,947**	**14,969**
(Increase)/decrease in inventory		(8,436)	6,415
Decrease/(increase) in trade and other receivables		19,384	(16,726)
Increase in trade and other payables		19,765	26,837
Net cash generated from operations		**32,660**	**31,495**
Taxation paid		(4,846)	(3,675)
Net cash inflow from operating activities		**27,814**	**27,820**
Investing activities			
Purchase of property, plant and equipment		(919)	(16)
Proceeds on disposal of property, plant and equipment		8	100
Interest received		159	133
Net cash (used)/generated in investing activities		**(752)**	**217**
Financing activities			
Proceeds from issue of shares		83	-
Repayment from bank loans	**20**	(6,970)	(24,908)
Payment of lease liabilities	**20**	(296)	(297)
Dividends paid	**2**	(2,381)	(1,188)
Interest paid		(3,214)	(5,081)
Net cash outflow from financing activities		**(12,778)**	**(31,474)**
Net increase in cash and cash equivalents		**14,284**	**(3,437)**
Cash and cash equivalents at beginning of year		(351)	3,086
Cash and cash equivalents at end of year	**16**	**13,933**	**(351)**

Company accounting policies are in line with Group – See notes to the consolidated financial statements – Note 2 Summary of significant accounting policies.

The accompanying notes on pages 109 to 128 form an integral part of these financial statements.

FINANCIAL STATEMENTS
NOTES TO THE COMPANY FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2026

1. Staff costs

The average monthly number of employees (including Executive Directors) for the continuing operations was:

	2026	2025
Building staff	223	210
Administrative staff	123	145
	346	**355**

	2026	2025
	£000	£000
Wages and salaries	17,572	18,659
Share based payments	579	139
Social security costs	2,208	1,962
Pension costs	702	741
	21,061	**21,501**

The charge to the profit and loss account in respect of defined contribution schemes was £702k (2025: £741k). Contributions totalling £123k (2025: £131k) were payable to the fund at the year-end and are included in creditors.

2. Dividends

For the year to 31 May 2026, a final dividend of 3p pence per share is proposed to be paid. No interim dividend was paid during the year.

In respect of the prior year, a final dividend of 2p per share was paid which amounted to £2,380,848.

3. Property, plant and equipment

	2026	2025
	£000	£000
Property, plant and equipment	1,159	262
Right-of-use assets	1,449	1,633
Total property, plant and equipment	**2,608**	**1,895**

3. Property, plant and equipment (continued)

	Land and buildings £000	Plant and machinery £000	Fixtures, fittings & equipment £000	Total £000
Cost				
At 1 June 2024	259	2,161	1,697	4,117
Additions	-	-	16	16
At 31 May 2025	**259**	**2,161**	**1,713**	**4,133**
Additions	-	974	74	1,048
At 31 May 2026	**259**	**3,135**	**1,787**	**5,181**
Accumulated depreciation				
At 1 June 2024	100	2,131	1,508	3,739
Depreciation charge	11	10	111	132
At 31 May 2025	**111**	**2,141**	**1,619**	**3,871**
Depreciation charge	11	55	85	151
At 31 May 2026	**122**	**2,196**	**1,704**	**4,022**
Net book value				
At 31 May 2026	**137**	**939**	**83**	**1,159**
At 31 May 2025	**148**	**20**	**94**	**262**
At 31 May 2024	**159**	**30**	**189**	**378**

FINANCIAL STATEMENTS

NOTES TO THE COMPANY FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2026

3. Property, plant and equipment (continued)

Right-of-use assets

	Land and buildings £000	Fixtures, fittings & equipment £000	Total £000
Cost			
At 1 June 2024	2,959	33	2,992
Additions	-	44	44
Disposals	(172)	(34)	(206)
At 31 May 2025	**2,787**	**43**	**2,830**
Additions	1	17	18
At 31 May 2026	**2,788**	**60**	**2,848**
Accumulated depreciation			
At 1 June 2024	1,168	25	1,193
Depreciation charge	191	11	202
Disposals	(172)	(26)	(198)
At 31 May 2025	**1,187**	**10**	**1,197**
Depreciation charge	189	13	202
At 31 May 2026	**1,376**	**23**	**1,399**
Net book value			
At 31 May 2026	**1,412**	**37**	**1,449**
At 31 May 2025	**1,600**	**33**	**1,633**
At 31 May 2024	**1,791**	**8**	**1,799**

4. Intangible fixed assets

	Marketing-related assets £000
Cost	
1 June 2024 and 31 May 2025	649
Additions	-
At 31 May 2026	**649**
Amortisation	
At 1 June 2024	20
Amortisation	13
At 31 May 2025	**33**
Amortisation	12
At 31 May 2026	**45**
Net book value	
At 31 May 2026	**604**
At 31 May 2025	**616**
At 31 May 2024	**629**

FINANCIAL STATEMENTS

NOTES TO THE COMPANY FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2026

4. Intangible fixed assets (continued)

Marketing-related assets comprises of the Springfield trademark asset which has been measured at cost. Market-related assets are expected to have an indefinite useful life based on the significant trading history to date. The recoverable amount of the marketing intangible has been determined based on a value in use calculation using cash flow projections based on the actual results for Springfield company only for the year ended 31 May 2026 and the board approved budget to May 2027 with three further years added to May 2030.

The key assumptions for the value in use calculations were:

- sales volumes: these are derived on a site-by-site basis based on local market conditions, land holdings and planning status
- site costs to complete: these are derived on a site-by-site basis
- the discount rate applied to cash flows is 12% based on an estimated market rate of interest applied.

As a result of the impairment review, there has been no impairment to the carrying value of the intangible assets.

The Directors believe that any reasonably possible further change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed the recoverable amount.

5. Fixed asset investments

	2026 £000	2025 £000
Cost		
Investment in subsidiaries	169,697	169,697
Provision for impairment		
Impairment	(37,000)	(37,000)
Net book value	**132,697**	**132,697**

Movement in fixed asset investments

	Share in Group undertakings £000	Total £000
Cost		
At 1 June 2024	169,697	169,697
Additions	-	-
At 31 May 2025 and 31 May 2026	**169,697**	**169,697**
Provisions for impairment		
At 1 June 2024	(37,000)	(37,000)
Impairment	-	-
At 31 May 2025 and 31 May 2026	**(37,000)**	**(37,000)**
Net book value		
At 31 May 2026	**132,697**	**132,697**
At 31 May 2025	**132,697**	**132,697**
At 31 May 2024	**132,697**	**132,697**

5. Fixed asset investments (continued)

The investments in subsidiaries are assessed annually to determine if there is any indication that any of the investments might be impaired. The previous impairment is as a result of a £37,000k dividend from Walker Holdings (Scotland) Limited in the month after acquisition in January 2019. There was no impairment recognised in the current year.

During the year the company purchased 90% of Moray Firth Homes LLP for a consideration of £90.

Details of the Company's subsidiaries and jointly owned entities at 31 May 2026 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held
Glassgreen Hire Limited	Hire of plant and machinery	Ordinary	100%
Dawn Homes Holdings Limited	Holding Company	Ordinary	100%
Dawn Homes Limited *	Housebuilder/Construction	Ordinary	100%
Dawn Homes (Residential) Limited *	Buying and selling of own real estate	Ordinary	100%
Dawn Homes (Cambuslang) Limited *	Housebuilder/Construction	Ordinary	100%
Walker Group Springfield (Holdings) Limited	Housebuilders/ property development/ management services	Ordinary	100%
Walker Group (Scotland) Limited) *	Housebuilders/Construction	Ordinary	100%
Walker Group Developments Limited *	Dormant	Ordinary	100%
Tulloch Homes Holdings Limited	Holding Company	Ordinary	100%
Tulloch Homes Group Limited *	Housebuilder/Construction	Ordinary	100%
Tulloch Homes Express Limited *	Housebuilder/Construction	Ordinary	100%
Tulloch Homes Limited *	Housebuilder/Construction	Ordinary	100%
Tulloch Limited *	Housebuilder/Construction	Ordinary	100%
Argyll Developments (Scotland) Limited*	Housebuilder/Construction	Ordinary	100%
Tulloch Homes (Drumossie) Limited*	Housebuilder/Construction	Ordinary	100%
Argyll Homes (Hamilton) Limited *	Housebuilder/Construction	Ordinary	100%
Springfield Timber Kit Systems Limited	Timber Kit Manufacturing	Ordinary	100%
Springfield M&M Homes Limited	Housebuilder/Construction	Ordinary	100%
SP SUB 2024 Limited	Dormant	Ordinary	100%
Moray Firth Homes LLP**	Dormant	Capital Contribution	90%

All of the above have a registered office address of:
Alexander Fleming House 8 Southfield Drive Elgin, Morayshire IV30 6GR
*Indirectly held subsidiary
** 10% indirectly held

Walker Group Developments Limited is exempt from audit under section 479A of the Companies Act 2006.

6. Inventories

	2026 £000	2025 £000
Work in progress	105,847	97,411
	105,847	**97,411**

7. Trade and other receivables

Amounts falling due within one year

	2026 £000	2025 £000
Trade receivables	11,774	17,680
Other receivables	4,292	4,693
Contract assets	4,050	4,853
Amounts due from Group undertakings	13,312	16,836
Prepayments and accrued income	3,680	2,969
	37,108	**47,031**

Included within trade receivables is £5,493k (2025: £6,696k) relating to work certified and invoiced but not yet paid on Housing Association contracts (amounts recoverable on contracts).

Revenue recognised in the year ended 31 May 2026 included £14,251k (2025: £18,225k) from projects that were included in the contract assets balance at 31 May 2025. There have been no significant changes in contract assets other than normal business trading.

When performance obligations are satisfied, the Company becomes entitled to revenue and an appropriate sales invoice is raised. Payment of invoices are typically due from invoicing, based on the specific credit terms raised with each customer.

The Directors consider the carrying amount of the receivables approximates to their fair value.

The Company's exposure to credit risk is limited by the fact that the Company generally receives cash at the point of legal completion of its sales. There are certain categories of revenue where this is not the case; for instance, housing association revenues or land sales where management considers that the credit ratings of these various debtors are strong and therefore credit risk is low (see Note 17.4). Loans to related parties have also been assessed as low credit risk based on the expected profitability of their future contracts. The Company has low credit risk exposure due to the majority of contracts being pre-funded and payment terms agreed when contract was signed. The maximum exposure to credit risk at 31 May 2026 is represented by the carrying amount of each financial asset.

The directors have accessed expected credit losses on both the current and prior year based on the above and are satisfied these are not considered material.

Amounts falling due after one year

	2026 £000	2025 £000
Trade receivables	-	3,394
Other receivables	5,000	5,000
Prepayments and accrued income	-	2,370
	5,000	**10,764**

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8. Trade and other payables

Amounts falling due within one year

	2026 £000	2025 £000
Trade creditors	12,762	12,451
Other taxation and social security	683	704
Other creditors	3,891	147
Amounts due to Group undertakings	138,218	118,991
Contract liabilities	1,300	972
Accruals and deferred income	14,196	17,135
	171,050	**150,400**

Included within trade and other payables is £1,586k (2025: £1,307k) relating to customer deposits on private homes, deferred land sales and certain amounts payable on contracts. Revenue recognised in the year ended 31 May 2026 included £4,351k (2025: £nil) that was included in the contract liability balance at 31 May 2025.

The Directors consider the carrying amount of the accounts payable approximates to their fair value. There have been no significant changes in contract liabilities other than normal business trading.

Amounts falling due after one year

	2026 £000	2025 £000
Accruals and deferred income	-	1,550
	-	**1,550**

9. Financial assets and liabilities

Assets	2026 £000	2025 £000
Financial assets at amortised cost	51,605	50,862
Total	**51,605**	**50,862**

Liabilities	2026 £000	2025 £000
Measured at fair value through profit and loss	2,000	2,000
Measured at amortised cost	187,849	180,073
Total	**189,849**	**182,073**

Included within financial assets at amortised cost are trade receivables, contract assets, rebates (included within other receivables) and cash and cash equivalents.

Included within financial liabilities at amortised cost are short-term bank borrowings, long-term bank borrowings, trade creditors, and accruals.

Included within financial liabilities at fair value through profit or loss are deferred and contingent consideration.

10. Contract assets and liabilities

Contract assets relate to amounts due from customers primarily for construction work completed but not invoiced at the balance sheet date in relation to contracts where revenue is recognised over time. These amounts are included in trade and other receivables (Note 7).

Contract liabilities relate to payments received from customers on the contracts and /or amounts invoiced to the customer in advance of the Company performing its obligations on contracts where revenue is recognised either over time or at a point in time. These amounts are included within trade and other payables (Note 8).

Revenue is recognised as the performance obligation is satisfied in accordance with the Group accounting policy in Note 2.5.

When performance obligations are satisfied, the Company becomes entitled to revenue and an appropriate sales invoice is raised. Payment of invoices are typically due from invoicing, based on the specific credit terms raised with each customer.

Contract assets and liabilities reconciliation:

	2026 £000	2025 £000
At 1 June:		
Amounts included within trade and other receivables	4,853	6,708
Amounts included within trade and other payables	(972)	-
	3,881	**6,708**
Movement in the year:		
Performance obligations satisfied in the year	32,425	28,771
Amounts invoices in the year	(32,886)	(31,412)
Movement in retentions	(670)	(186)
At 31 May	**2,750**	**3,881**
Analysed as:		
Amounts included within trade and other receivables	4,050	4,853
Amounts included within trade and other payables	(1,300)	(972)
	2,750	**3,881**

Revenue of £16.3m (2025: £16.6m), is expected to be recognised in future years in respect of contracts on which revenue is recognised over time, of which 100% (2025: 99.2%) is expected to be recognised within 12 months of the balance sheet date.

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11. Bank borrowings

	2026 £000	2025 £000
Secured borrowings:		
Bank loans	22,961	29,931
Bank overdraft	-	351
	22,961	**30,282**
Less: payable within one year	-	(30,282)
Payable after one year	**22,961**	**-**

The bank loan comprises of a revolving credit facility that is in place until August 2028. The facility limit of £77.5m reduced to £47.5m in August 2026. The facility attracts an interest rate of 2.1% per annum above Bank of England SONIA (Sterling overnight index average response rate) and is secured over certain of the Company's properties, with a 31 May 2026 work in progress value of £40.8m.

At 31 May 2026, the Group had available £54.5m (2025: £57.5m) of undrawn committed borrowing facilities.

At 31 May 2026, the Group had an overdraft facility of £2.5m (2025: £2.5m). In August 2026, the overdraft facility was renewed at a level of £2.5m for a further 12 months.

12. Obligations under leases

Lease payments represent rentals payable by the Company for certain items of plant and machinery and buildings and are secured by the assets under lease in question. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Leases are stated at the present value of the contractual payments due to the lessor over the lease term. Total cash outflow from leases during the year is included in Note 20.

	2026	2025
Future minimum payments due:	**£000**	**£000**
Not later than one year	296	292
After one year but not more than five years	1,157	1,159
After five years	704	984
	2,157	2,435
Less finance charges allocated to future periods	(457)	(567)
	1,700	**1,868**
Present value of minimum lease payments is:		
Not later than one year	194	180
After one year but not more than five years	872	825
After five years	634	863
	1,700	**1,868**

13. Deferred taxation

	2024	Profit & loss account	2025	Profit & loss account	2026
	£000	£000	£000	£000	£000
Fixed assets – temporary differences	(87)	14	(73)	275	202
Other – temporary differences	(17)	1	(16)	1	(15)
	(104)	**15**	**(89)**	**276**	**187**

	2026	2025
	£000	£000
Deferred tax assets	-	89
Deferred tax liability	(187)	-
	(187)	**89**

14. (a) Contingent consideration

As part of the purchase agreement of Dawn Homes Holdings Limited there was a further £2,500,000 payable for an area of land if (i) the Company makes a planning application when it reasonably believes the council will recommend approval; or (ii) it is zoned by the council. The Directors have assessed the likelihood of the land being zoned and have included a liability of £2,000,000 based on 80% probability.

The outstanding amount payable at the period end included within liabilities is £2,000,000 (2025: £2,000,000). The remaining £500,000 (20% on the £2,500,000 still to be paid) has been treated as a contingent liability due to the uncertainty over the future payment.

	2026	2025
	£000	£000
Acquisition of Dawn Homes Holdings Limited	2,000	2,000
	2,000	**2,000**

14. (b) Provisions

Dilapidation provisions are included for all rented buildings. Maintenance provisions relate to costs to come on developments where the final homes have been handed over.

	2026	2025
	£000	£000
Dilapidation provision	60	60
Maintenance provision	2,862	2,190
	2,922	**2,250**

The movement in the provision accounts are as follows:

	Dilapidation	Maintenance	Total
	£000	£000	£000
Balance as at 1 June 2025	60	2,190	2,250
Additional provision	-	1,383	1,383
Amount utilised	-	(709)	(709)
Amount released	-	(2)	(2)
Balance as at 31 May 2026	**60**	**2,862**	**2,922**

14. (b) Provisions (continued)

	2026 £000	2025 £000
Provisions < 1 year	954	730
Provisions > 1 year	1,968	1,520
	2,922	**2,250**

15. Share capital

The Company has one class of ordinary share that carry full voting rights but no right to fixed income or repayment of capital. The share capital account records the nominal value of shares issued.

The share premium account records the amount above the nominal value received for shares sold, less share issue costs.

Ordinary shares of 0.125p – authorised, allotted, called up and fully paid	Number of shares	Share capital £000	Share premium £000
At 1 June 2025	119,042,405	149	78,744
Share issue	379,425	-	82
At 31 May 2026	**119,421,830**	**149**	**78,826**

During the year, 379,425 shares (2025: 373,281) were issued in satisfaction of share options exercised for a consideration of £82,544 (2025: £467).

Share based payments

During the year the Company operated four share based schemes.

Share related share options scheme

The Company operates a Savings related Share Option Scheme which is open to all employees. Grant options were made in October 2024 and become exercisable after 3 years, subject to employees remaining in continuous employment. Employees enter into a savings contract with the Equiniti Limited who administers the scheme. The options are granted at a 10% discount of the share price at the date of grant and lapse if not exercised within six months of maturity. Special provisions apply to employees who leave their employment for ill health, redundancy or retirement.

Long-Term Incentive Plan (LTIP)

The Company operates a LTIP for senior management to retain and align their interests with shareholders. The LTIP is split into a CSOP, ESOP and Performance Share Plan (“PSP”) scheme. The PSP was introduced during the prior year and under it, key executives could be granted conditional “whole share” awards (i.e. rights to acquire shares where the individual is required to pay a zero or negligible exercise price) the vesting of which is normally conditional on both continued employment and the satisfaction of specified performance measures.

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15. Share capital (continued)

Share based payments (continued)

Fair value of share options

Options are valued using the Black-Scholes option-pricing model. No performance conditions are included in the fair value calculation of the CSOP and ESOP.

CSOP

	2026		2025	
	Number of shares	**Weighted average exercise price (pence)**	**Number of shares**	**Weighted average exercise price (pence)**
Options at the beginning of the year	549,299	115.00	583,638	114.64
Exercised during the year	(73,777)	106.00	-	-
Lapsed during the year	(49,832)	131.28	(34,339)	108.90
Options at the year end	425,690	114.65	549,299	115.00

Share option	**Grant Price (p)**	**Number of shares at year end**	**Exercise price (p)**	**Vesting period (years)**
CSOP – 16th October 2017	106.00	205,743	106.00	3
CSOP – 8th December 2017	111.00	27,027	111.00	3
CSOP – 3rd May 2018	134.00	22,388	134.00	3
CSOP – 16th May 2018	134.00	53,713	134.00	3
CSOP – 1st October 2018	122.50	80,328	122.50	3
CSOP – 4th June 2019	108.50	36,491	108.50	3

ESOP

	2026		2025	
	Number of shares	**Weighted average exercise price (pence)**	**Number of shares**	**Weighted average exercise price (pence)**
Options at the beginning of the year	1,588,944	118.78	1,683,481	118.71
Exercised during the year	(3,397)	106.00	-	-
Lapsed during the year	(265,073)	117.21	(94,537)	117.56
Options at the year end	1,320,474	119.12	1,588,944	118.78

Share option	**Grant Price (p)**	**Number of shares at year end**	**Exercise price (p)**	**Vesting period (years)**
ESOP – 16th October 2017	106.00	328,827	106.00	5
ESOP – 3rd May 2018	134.00	72,761	134.00	5
ESOP – 16th May 2018	134.00	11,157	134.00	5
ESOP – 1st October 2018	122.50	907,729	122.50	5

15. Share capital (continued)

Share based payments (continued)

SAYE

	2026		2025	
	Number of shares	**Weighted average exercise price (pence)**	**Number of shares**	**Weighted average exercise price (pence)**
Options at the beginning of the year	1,280,093	97.00	424,785	130.50
Granted during the year	-	-	1,489,050	97.00
Exercised during the year	(373)	97.00	-	-
Lapsed during the year	(206,104)	97.00	(633,742)	119.45
Options at the year end	1,073,616	97.00	1,280,093	97.00

Share option	Grant Price (p)	Number of shares at year end	Exercise price (p)	Vesting period (years)
SAYE – 1st November 2024	108.00	1,073,616	97.00	3

PSP

	2026		2025	
	Number of shares	**Weighted average exercise price (pence)**	**Number of shares**	**Weighted average exercise price (pence)**
Options at the beginning of the year	4,138,401	0.13	4,385,999	0.13
Granted during the year	959,443	0.13	1,330,430	0.13
Exercised during the year	(301,878)	0.13	(373,281)	0.13
Lapsed during the year	(2,367)	0.13	(1,204,747)	0.13
Options at the year end	4,793,599	0.13	4,138,401	0.13

Share option	Grant Price (p)	Number of shares at year end	Exercise price (p)	Vesting Period (years)
PSP – 21st December 2021	0.13	8,464	0.13	3
PSP – 28th March 2023	0.13	477,009	0.13	3
PSP – 30th October 2023	0.13	2,090,047	0.13	3
PSP – 28th October 2024	0.13	1,258,636	0.13	3
PSP – 28th October 2025	0.13	959,443	0.13	3

15. Share capital (continued)

Share based payments (continued)

Inputs used to determine fair value of options

	CSOP	ESOP	SAYE	PSP
Expected volatility	29.00%	29.00%	13.87%	5.63%
Risk free interest rate	0.49%	0.49%	2.18%	-0.04%
Expected dividends	-	-	-	2.0%
Fair value of options	34.00p	39.00p	17.26p	105.35p
Charge per option	32.00p	37.00p	15.51p	105.35p

Expected volatility was calculated using historical share price information of the house-building sector for the CSOP, ESOP and SAYE and the 12 month average Springfield share price prior to the grant of the PSP options.

CSOP – 73,777 (2025 – nil) of options were exercised during the year and 425,690 (2025: 549,299) shares were exercisable. Post vested weighted contractual life 1.4 years.

ESOP – 3,397 (2025 – nil) of options were exercised during the year and 1,320,474 (2025: 1,588,944) shares were exercisable. Post vested weighted contractual life 2.1 years.

SAYE – 373 (2025 – nil) of options were exercised during the year and nil (2025: nil) shares were exercisable. Post vested weighted contractual life 1.5 years.

PSP – 301,878 (2025 – 373,281) of options were exercised during the year and 485,473 (2025: 46,393) shares were exercisable. Post vested weighted contractual life 7.0 years.

Charge for share based incentive schemes

The total charge for the year relating to employee share-based plans was £579k (2025: £139k), all of which related to equity-settled share-based payment transactions.

16. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at 31 May:

	2026 £000	2025 £000
Cash at bank and in hand	13,933	-
Bank overdraft	-	(351)
	13,933	**(351)**

At 31 May 2026, the Company had an available overdraft facility of £2.5m (2025: £2.5m). In August 2026, the overdraft facility was renewed at a level of £2.5m for a further 12 months.

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17. Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of issued capital, reserves and retained earnings, all as disclosed in the balance sheet. The Company is not subject to externally imposed capital requirements other than those included, from time to time, in the financial covenants associated with bank borrowing.

18. Financial risk management

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated by the Board of Directors, and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets.

18.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

There are regular reviews of market conditions, product range, pricing and geography to make sure the right hommes are delivered in the right place at a profitable price. Other mitigation is noted on page 15 under 'changes in consumer demand'

18.2. Interest risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the interest rate risk relates primarily to its floating rate borrowings.

The responsibility for setting the level of fixed rate debt lies with the Board and is continually reviewed in the light of economic data provided by a variety of sources.

	2026 £000	2025 £000
Financial liabilities at fixed rate	2,000	2,000
Financial liabilities at floating rate	22,961	30,282
Non-interest-bearing financial liabilities	164,888	149,791
	189,849	**182,073**

Interest rate sensitivity analysis

The table below details the Company's sensitivity to increase or decrease of floating interest rates by 0.5%, which the Directors consider to be a reasonably possible change. The analysis was applied to loans and borrowings (financial liabilities) based on the assumption that the amount of liability outstanding as at the balance sheet date was outstanding for the whole year.

	Bank of England SONIA rate 31 May 2026		Bank of England SONIA rate 31 May 2025	
	Interest rate +0.5% £000	**Interest rate –0.5% £000**	**Interest rate +0.5% £000**	**Interest rate –0.5% £000**
(Loss) / profit	(115)	115	(151)	151

18. Financial risk management (continued)

18.2. Interest risk (continued)

Limitations of sensitivity analysis

The above tables demonstrate the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results. The sensitivity analysis does not take into consideration that the Group's assets and liabilities are actively managed. Additionally, the financial position of the Group may vary at the time that any actual market movement occurs.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted and the assumption that all interest rates move in an identical fashion.

This analysis is for illustrative purposes only, as in practice market rates rarely change in isolation of other factors that also affect Group's financial position and results.

Management believe that fair value of the loans, borrowings and finance lease obligations approximates their carrying amounts as the majority of obligations bear interest rates approximating market rates at 31 May 2025.

18.3 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its liabilities as they fall due. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, medium to long term borrowings and hire purchase contracts. The Directors continually assess the balance of capital and debt of the Company. They consider the security of capital funding against the potentially higher rates of return offered by debt financing in order to set an efficient but stable balance appropriate to the size of the Company.

The Board reviews projects against build programmes and contractual agreements to avoid any risk of incurring contractual penalties or damaging the Company's reputation, which would in turn reduce the Company's ability to borrow at optimal rates. Covenant tests are continually reviewed to ensure covenant criteria are met in the event of deterioration in market conditions.

The maturity profile of the Company's financial liabilities based on contractual undiscounted payments (including interest payments) is as follows:

31 May 2026	**Carrying amount £000**	**Total minimum future payment £000**	**Within 1 year £000**	**Within 1-2 years £000**	**Within 2-5 years £000**	**Greater than 5 years £000**
Accounts payable	164,888	164,888	164,888	-	-	-
Contingent consideration	2,000	2,500	-	2,500	-	-
Bank borrowings	22,961	22,961	-	22,961	-	-
	189,849	**190,349**	**164,888**	**25,461**	**-**	**-**

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18. Financial risk management (continued)

18.3 Liquidity risk (continued)

31 May 2025	Carrying amount £000	Total minimum future payment £000	Within 1 year £000	Within 1-2 years £000	Within 2-5 years £000	Greater than 5 years £000
Accounts payable	149,791	149,791	148,241	1,550	-	-
Contingent consideration	2,000	2,500	-	-	2,500	-
Bank borrowings	30,282	30,282	30,282	-	-	-
	182,073	**182,573**	**178,523**	**1,550**	**2,500**	**-**

18.4 Credit risk

Credit risk is the risk that a customer may default or not meet its obligations to the Company on a timely basis, leading to financial losses to the Company.

The Company's maximum exposure to credit risk in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. At the balance sheet date, although there was a significant receivables balance, the perceived credit risk to the Company remains low.

The Company manages credit risk by actively monitoring the level of trade receivables and following up when they are overdue more than three months.

The ageing profile of trade receivables was:

	31 May 2026		31 May 2025	
	Total book value £000	Allowance for impairment £000	Total book value £000	Allowance for impairment £000
Current	9,019	-	19,966	-
Overdue 90 days	2,755	1	1,221	113
	11,774	**1**	**21,187**	**113**

The ageing profile of other receivables was:

	31 May 2026		31 May 2025	
	Total book value £000	Allowance for impairment £000	Total book value £000	Allowance for impairment £000
Current	4,292	-	4,693	-
Overdue 90 days	5,000	-	5,000	-
	9,292	**-**	**9,693**	**-**

During the year the Company had no allowance for impairment for other receivables.

19. Transactions with related parties

Other related parties include transactions with retirement schemes in which Directors and close family members of key management personnel are beneficiaries. During the year, dividends totalling £529k (2025: £286k) were paid to key management personnel (Board of Directors and the members of the Operational Board). Dividends were paid to Board of Directors as follows:

Name of Director	2026 £000	2025 £000
Mr Sandy Adam	509	276
Mr Innes Smith	20	10
	529	**286**

The remuneration of the key management personnel (Plc Directors and Group Directors) of Springfield Properties Plc is set out below in aggregate for each of the categories specified in IAS 24 – Related Party Disclosures:

	2026 £000	2025 £000
Short-term employee benefits	3,632	3,965
Post-employment benefits	386	241
Share-based payments	476	97
	4,494	**4,303**

During the year the Company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2026 £000	**2025 £000**	**2026 £000**	**2025 £000**
Bertha Park Limited (1)	5,098	10,976	-	-
Other entities that key management personnel have control, significant influence or hold a material interest in	9	12	4	15
Key management personnel	8	8	-	-
Other related parties	-	8	2,008	2,506
	5,115	**11,004**	**2,012**	**2,521**

Sales to related parties represent those undertaken in the ordinary course of business.

	Rent paid	
	2026 £000	**2025 £000**
Entities that key management personnel have control, significant influence or hold a material interest in	187	187
Other related parties	105	102
	292	**289**

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19. Transactions with related parties (continued)

	2026 £000	2025 £000
Interest received:		
Entities that key management personnel have control, significant influence or hold a material interest in (short-term)	125	125
	125	**125**

The following amounts were outstanding at the reporting end date:

	2026 £000	2025 £000
Amounts receivable:		
Amounts due from Group undertakings	13,312	16,836
Bertha Park Limited (1)	8,464	9,349
Other entities that key management personnel have control, significant influence or hold a material interest in	1	-
Key management personnel	-	2
Other related parties	-	2
	22,777	**26,189**

	2026 £000	2025 £000
Amounts payable:		
Amounts due from Group undertakings	138,218	118,991
Other related parties	1,127	2,928
	139,345	**121,919**

Amounts owed to/from related parties are included within creditors and debtors respectively at the year-end. No security has been provided on any balances.

1) Bertha Park Limited is a Company in which Sandy Adam and Innes Smith are Directors. During the year the Group made sales to Bertha Park Limited of £5,098k (2025: £10,976k) in relation to a build contract. At the year-end £17,229k (2025: £11,705k) is included in trade debtors and included within other debtors is a loan of £5,000k (2025: £5,000k).

Other related party transactions

During the year there were transactions between the Company and its subsidiaries as follows:

	2026 £000	2025 £000
Balance at 1 June 2025	(102,155)	(84,940)
Charges from subsidiary companies	(1,677)	(1,725)
Transfers of cash from subsidiary companies	(21,074)	(15,490)
Balance at 31 May 2026	**(124,906)**	**(102,155)**

During the period the company made purchases from related parties of £9,081k (2025: £8,254k) and sales to related parties of £1,943k (2025: £2,835k). Management charges of £8,815k (2025: £3,694k) were charged to subsidiary companies during the year.

20. Analysis of net debt

The analysis of net debt is as follows:

	2026 £000	2025 £000
Cash in hand and bank	13,933	-
Bank borrowings - loan	(22,961)	(29,931)
Bank borrowings - overdraft	-	(351)
	(9,028)	(30,282)
Lease liability	(1,700)	(1,868)
Net debt	**(10,728)**	**(32,150)**

Reconciliation of net cashflow to movement in net debt is as follows:

	At 1 June 2025	New Leases	Cashflow	Other Movements	At 31 May 2026
	£000	£000	£000	£000	£000
Cash and cash equivalents	-	-	13,933	-	13,933
Bank borrowings – loan	(29,931)	-	6,970	-	(22,961)
Bank borrowings - overdraft	(351)	-	351	-	-
Lease	(1,868)	(16)	296	(112)	(1,700)
Net debt	**(32,150)**	**(16)**	**21,550**	**(112)**	**(10,728)**

	At 1 June 2024	New Leases	Cashflow	Other Movements	At 31 May 2025
	£000	£000	£000	£000	£000
Cash and cash equivalents	3,086	-	(3,086)	-	-
Bank borrowings – loan	(54,839)	-	24,908	-	(29,931)
Bank borrowings - overdraft	-	-	(351)	-	(351)
Lease	(2,005)	(43)	297	(117)	(1,868)
Net debt	**(53,758)**	**(43)**	**21,768**	**(117)**	**(32,150)**