

Progressive Property & Construction Daily



4 December 2023: SPR, TON

A round-up of market statements, news, economics and views from the property and construction sectors

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Company news

Springfield Properties (SPR, 72p, £85m mkt cap) – *SPR is a client of PERL*

Scotland's only quoted housebuilder. Land sale. Binding agreement signed for the sale of approximately 45 acres for £4.2m. The land, for 190 plots, is fully owned by the group, which will receive £830k on completion of the sale, expected later this month, with the remainder to be paid by 22 May 2024. The proceeds will support Springfield's ongoing target to reduce group debt. *Outlook:* "We are pleased to have agreed another profitable land sale as we continue to deliver on our strategy to reduce our debt position. In the last two months, we have secured almost £10m in land sales, with the proceeds to all be received during the current financial year - and without any impact on our development pipeline for the coming years. We continue to receive strong demand for our large, high quality land bank. Accordingly, this sale, alongside others that we expect to conclude in the near-term, mean that we are well-positioned to meet our debt reduction targets".

Titon Holdings (TON, 80p, £9m)

International manufacturer and supplier of ventilation systems and window and door hardware. FY (Sep) trading update. *Guidance:* "Trading in UK and Europe through to the end of FY 23 surpassed the group's expectations most recently set out in its interim results on 19 May. However, Titon's South Korean business has reported a further decline in statutory profitability, due to year-end taxation and other provision

adjustments, which will increase the reported FY23 group loss before tax compared to the Board's prior expectations once Titon's share of the losses of the group's associate, Browntech Sales Co, are taken into account". Net cash at 30 September was £2.2m, up from the £1.6m reported at the end of H1 23, as a result of cash generated by the UK and Europe business. *Outlook:* "Trading in the UK and Europe in the first two months of FY 24 has been in line with the Board's expectations. Titon currently expects the UK and European business to report a loss before tax for H1 24 due to the impact of the decline in new build activity in the construction market in the first quarter. However, the group expects to return to profitability in the UK and Europe from the second quarter. Titon Korea is expected to remain loss-making in FY 24 due to the continuing challenging conditions in that market, and the group is taking steps to progress its plan to streamline the Korean corporate structure and operations. The Board remains confident in the long-term prospects. As announced on 22 November, Titon's new Chief Executive, Tom Carpenter, will join the Board and take up his role in April 2024". FY results, 25 January.

Prices are as at the previous day's close. Where quoted, net debt is pre-IFRS16 (excluding leases) unless otherwise stated.

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