

17 March 2026

THE PROPERTY FRANCHISE GROUP PLC
("TPFG", the "Company" or the "Group")

Final Results

A record year, delivering strong organic growth and a 22% increase in full year dividend

The Property Franchise Group PLC, the UK's largest multi-brand property franchisor, is pleased to announce its Final Results for the year ended 31 December 2025 ("FY25").

Financial Highlights

- Group revenue increased 25% to £84.3m (2024: £67.3m), 9% growth on a pro-forma basis¹ with 51% (2024: 52%) of revenue from recurring revenue sources
 - Management Service Fees ("MSF") increased 14% to £32.4m (2024: £28.3m)
 - Financial Services revenue increased 26% to £24.2m (2024: £19.2m)
 - Licensing revenue increased 75% to £12.6m (2024: £7.2m)
- EBITDA increased 49% to £30.3m (2024: £20.4m)
- Adjusted profit before tax² increased 39% to £31.0m (2024: £22.3m)
- Adjusted basic earnings per share² increased 27% to 40.3p (2024: 31.7p)
- Net debt reduced to £2.3m (2024: £9.1m)
- Cash generated from operations increased to £22.1m (2024: £14.7m); conversion from earnings of 116% (2024: 145%)
- Proposed final dividend of 15p, making a full year dividend of 22p per share, up 22% (2024:18p)

¹ Pro-forma basis includes revenues earned by Belvoir Group and GPEA within H1 2024 prior to acquisition

² Before share-based payments charge, exceptional items, amortisation arising on acquired intangibles, unwinding of discounting on acquisition deferred consideration and a one time gain on the reduced deferred consideration of GPEA.

Operational Highlights

- Managed portfolio of 149,000 properties (2024: 153,000), reflecting landlord caution ahead of the Renters' Rights Act and a more measured pace of portfolio acquisitions
- Completed on 35,000 residential sale transactions (2024: 30,000)
- Sales pipeline remained steady at £33.0m (2024: £33.4m)
- Launched the Privilege programme, a set of lettings-focused offerings for franchisees, which added £1.5m of incremental revenue
- Financial Services division delivered a record 25,000 mortgages (2024: 23,000 mortgages)
- In the Licensing division, Fine and Country added a further 13 new licensees including eight new international offices
- Significant progress in AI focused initiatives with rollout started in 2026
- Enhanced senior leadership team to support the next phase of the Group's growth

Outlook

- Focused on delivering further revenue synergies arising from the Group's increased scale and platform capabilities

- Well positioned to navigate anticipated market conditions in 2026, including the impact of evolving government legislation
- Continuing to pursue complementary acquisition opportunities that strengthen the platform and generate accretive returns for shareholders
- Our franchise model, highly recurring revenue streams and strengthened leadership provide a compelling platform for growth, and the Board is confident in delivering the full potential of the enlarged business

Chief Executive Officer, Gareth Samples, commented: *"2025 was characterised by strong organic growth and solid operational progress across all three divisions, delivering profitability ahead of expectations. The scale and capability built through last year's acquisitions materially strengthened our strategic position and underpin the continued development of our platform model, enabling us to deliver enhanced value to franchisees, licensees and advisers."*

"The successful launch of the Privilege programme, record performance in Financial Services and continued momentum in our Licensing division demonstrate the benefits of our increased scale and our ability to capture new revenue opportunities."

"Looking ahead, we expect further commercial opportunities. Our diversified income streams, strengthened balance sheet, and expanding platform provide a resilient foundation from which to pursue further growth. This will continue to assist us in navigating market cycles in our core lettings and sales markets. With a clear strategy in place and proven ability to capitalise on changing market dynamics, we remain confident in our ability to deliver sustainable long-term value for shareholders."

Analyst Presentation

An analyst presentation will be held at 10:00am today. Should you wish to attend, please contact propertyfranchise@almastrategic.com for joining details.

Investor Presentation

The Company will host a live virtual presentation and Q&A for private investors at 1:30pm on the 19 March 2026 on the Investor Meet Company platform. All investors interested in attending are asked to register using the following link: <https://www.investormeetcompany.com/property-franchise-group-plc-the/register-investor>

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About The Property Franchise Group PLC:

The Property Franchise Group PLC (AIM: TPGF) is the UK's largest multi-brand property franchisor, with a network of 1,900 outlets delivering high quality services to residential clients, combined with an established Financial Services business.

The Company was founded in 1986 and has since strategically grown to a diverse portfolio of 18 brands operating throughout the UK, comprising longstanding high-street focused brands and two hybrid brands. The Property Franchise Group is also a member of two leading mortgage networks through its mortgage brokers, Brook Financial (MAB) and The Mortgage Genie (Primis).

TPFG's brands are: Belvoir, CJ Hole, Country Properties, Ellis & Co, EweMove, Fine & Country, Fine & Country International, Hunters, Lovelle, Martin & Co, Mr and Mrs Clarke, Mullucks, Newton Fallowell, Nicholas Humphreys, Northwood, Parkers, The Guild of Property Professionals and Whitegates.

Headquartered in Bournemouth, the Company was listed on AIM on the London Stock Exchange in 2013 and entered the AIM 100 in July 2024.

More information is available at <https://thepropertyfranchisegroup.co.uk/>

Chair Statement

Strong Performance Providing a Consolidated Growth Platform

I am pleased to report another year of growth with record financial performance, exceeding our expectations and confirming the Board's strategic vision in undertaking key acquisitions in 2024, namely Belvoir Group PLC ("Belvoir") and The Guild of Property Professionals (the "Guild" which included Fine & Country). These transformational transactions have materially increased our scale and enhanced our competitive position as the UK's largest multi-brand property franchisor.

The Group operates a network of 1,900 (2024: 1,900) outlets across 18 brands, addressing a significant proportion of the UK residential agency market. Our franchisees completed approximately 35,000 (2024: 30,000) property transactions during the year, alongside managing 149,000 (2024: 153,000) properties within our lettings portfolio, underpinning a highly visible and recurring revenue base.

Revenue of £84.3m (2024: £67.3m) and adjusted profit before tax of £31.0m (2024: £22.3m) underline both the strength of our enlarged platform and the quality of execution across the Group. The integration of the acquired businesses has progressed smoothly, reflecting disciplined planning and strong operational leadership. The Group now operates at a materially enhanced scale, with a robust and resilient business model that provides a compelling platform for future growth across our three divisions: Franchising, Financial Services and Licensing.

A notable development during the year was the launch of the Group's Privilege programme, leveraging our increased scale to deliver meaningful commercial benefits to franchisees as well as providing valuable support in navigating the challenges posed by the Renters' Rights Act to their landlords. Alongside this, our strengthened banking relationship with Barclays, has enabled competitive funding arrangements for our franchisees, reinforcing our support for further network growth.

The Group's continued strong cash generation of £22.1m (2024: £14.7m) helped the Group to significantly strengthen the balance sheet. Net debt at the period end was £2.3m (2024: £9.1m) which was ahead of our expectations. This financial resilience underpins our capital allocation framework and provides flexibility to invest in growth whilst maintaining a disciplined approach to leverage.

Strengthened Team to Support the Next Phase of Growth

To realise the Group's growth opportunities and ambitions, the senior leadership team has been augmented through several key appointments. Ben Dodds completed his first full year as Chief Financial Officer, during

which he oversaw a period of transformation that has led to our robust financial performance. In March 2025, Claire Devine joined as Group Legal Director and Company Secretary, adding extensive experience and enhancing governance, risk and compliance capabilities at a critical stage in our development.

Significant progress has been made in aligning our operational framework and enhancing governance structures, ensuring they are properly scaled for the Group's current size, strategy and for the sustained delivery of long-term value for shareholders. The Board has adopted the 2023 edition of the QCA Corporate Governance Code, effective from 1 January 2025. We have set out in pages 39 - 40 of the Annual Report how we have sought to apply its principles, reinforcing our commitment to best practice.

We maintain a focus on building further depth and capability within the Group and will continue to identify high-calibre talent from within and beyond our industry. The appointment process for a Chief Operating Officer is in its final stages, with the role expected to provide vital support to the Executives and drive strategic growth through commercial mergers and acquisitions, as well as the execution of major projects.

In November 2025, Dean Fielding stepped down from the Board after four years of valuable service, for which we are deeply grateful. Sadly, Dean passed away in December 2025 following a long health battle and our thoughts remain with his family, many friends and colleagues. With Dean's departure, the Board currently includes four Non-Executive Directors and an announcement regarding the appointment of an additional Non-Executive Director is anticipated later in the year.

Throughout the year, the Board's contributions have been vital in achieving our strategic objectives and maintaining high standards of corporate governance. With a balanced mix of skills and experience, the Board is well equipped to guide the business through its next phase of growth.

Commitment to Furthering ESG

2025 marked a pivotal year for the Group's approach to ESG. The foundations laid in 2023, including the establishment of an ESG Committee at Board level and an ESG Steering Group at operational level, both chaired by Claire Noyce, Non-Executive Director, have yielded outstanding results this year. The ESG Steering Group has been instrumental in integrating best practices across the enlarged brand portfolio, as well as guiding strategic and operational decision making across the Group.

This year represents the third consecutive assessment of the Group by ESG specialists, Inspired ESG, with substantial progress achieved across all categories and an overall score of 71% (2024: 51%, 2023: 21%). Governance was highlighted as the most material topic for 2025, while climate and environmental interactions gained much greater prominence. The Group is committed to supplier engagement against various environmental and social criteria, which will be a key area of focus for the ESG Steering Group in 2026.

An independent third party, Orbis Advisory, completed the calculation of our SECR energy consumption and GHG emissions, supporting our efforts to combat climate change. Further details can be found in the Group's Annual Report, including our ambitious ESG targets for 2026, which reflect the determined enthusiasm throughout the Group in engaging with each other, the broader community and all stakeholders, as well as our commitment to leading voluntary TCFD-aligned reporting within our sector. We have taken the bold step to set a science-based near-term aligned target through 2030 with a baseline year of 2023 to continue the informed journey of measurable targets, and responsible business conduct hand in hand with long term value creation.

Dividend and Capital Allocation

The Board continues to prioritise disciplined capital allocation. Organic investment and selective, earnings-accretive acquisitions remain our primary focus. At the same time, our strong balance sheet and recurring

cash flows support a progressive dividend policy with robust cover. We are pleased to recommend a final dividend of 15p per share resulting in a 22% increase in the total dividend to 22p per share (2024: 18p), underscoring the Group's performance and continued cash generation. Subject to shareholder approval, the proposed final dividend will be paid on 1 June 2026 to shareholders on the register at 8 May 2026, with shares marked ex-dividend on 7 May 2026, maintaining our track record of delivering value to investors.

Outlook

Looking forward, the Group is well positioned to seize the commercial opportunities ahead. Our platform model enables us to deliver additional value-added services to our growing number of franchisees and members, enhancing their and the Group's performance. With a strong financial position and solid cash generation, we are able to add further capabilities to the Group to support growth. The Board is confident that, guided by a clear strategy and supported by recurring and diversified revenue streams, the Group will continue to deliver ever greater value to all stakeholders.

Paul Latham

Chairman

16 March 2026

Chief Executive Officer's statement

A Year of Growth and Strategic Momentum

2025 was a year of significant organic growth, delivering profitability ahead of our expectations and solid operational progress. Our results demonstrate the benefits of the scale and capability created through our transformational acquisitions in 2024, and 2025 has been defined by the pursuit of opportunities presented by the material scale and market reach of the consolidated Group across three distinct divisions: Franchising, Financial Services and Licensing.

The year was characterised by strong revenue and profitability, achieved against a backdrop of some challenging market dynamics, with all three divisions making meaningful progress. We enhanced our proposition to franchisees with the successful launch of the Privilege programme, delivering £1.5m of incremental revenue; improved adviser productivity within Financial Services; and put initiatives in place to develop the value proposition of our Licensing division.

Our divisions are now underpinned by a scalable platform model, through which our franchisees and members can access a range of benefits and services. We will continue to build upon the platform to unlock new opportunities and drive economies of scale, in line with the Group's strategic priorities.

Looking ahead, the Group is in the strongest strategic position in its history. The scale, platform capabilities and recurring revenue streams we have built provide a solid foundation for sustained growth, and enable us to continue capitalising on the significant opportunities ahead.

Operational review

Franchising

Franchising remains the Group's largest and most established division and delivered a strong performance in FY25. The division operates across 15 brands and manages approximately 149,000 rental properties while supporting over 35,000 residential sales transactions during the year. This scale reinforces our leadership position in UK property franchising, with a clear strategic emphasis on lettings and recurring revenue.

Lettings MSF grew 15% to £21.9m (2024: £19.0m), 6% on a pro-forma basis. While the managed portfolio reduced modestly from 153,000 to 149,000 properties, this moderation was anticipated and reflects landlord caution ahead of the Renters' Rights Act, alongside a more measured pace of portfolio acquisitions as franchisees assessed the regulatory landscape. Importantly, the Group has been able to mitigate much of this impact and provide an attractive proposition to landlords through its platform.

The launch of the Privilege programme has been a key strategic development. By leveraging Group scale, we introduced enhanced compliance, rent guarantee and deposit interest solutions, generating £1.5m of incremental Group revenue in its first year while strengthening franchisee profitability.

Sales MSF grew 13% to £10.5m (2024: £9.3m), 9% on a pro-forma basis, performing well over the full year supported by lower costs of borrowing, buyers who looked to avoid the change in stamp duty in March 2025 and a focus on driving sales penetration through the franchisee network by relaunching the sales process.

During 2025, we developed a variety of AI-enabled tools designed to enhance franchisee productivity and maximise commercial performance. An AI sales agent launched earlier in 2026 is already delivering measurable benefits, generating 25% more valuation appointments than traditional in-person processes and enabling sales teams to focus on conversion and client engagement. In parallel, a property management automation programme was successfully trialled across our owned offices and will be rolled out to franchisees from the second half of FY26.

Financial Services

Financial Services delivered a record performance in FY25, completing 25,000 mortgage transactions representing £4.4bn of lending (2024: 23,000 transactions). The division continues to demonstrate both scale and productivity improvement.

Adviser productivity improved during the year, supported by enhanced lead allocation, improved CRM utilisation and early AI trials designed to assist in client engagement and administrative efficiency. There remains significant headroom to increase penetration across our franchise platform. While certain historical referral restrictions have moderated short-term optimisation, the enlarged scale of our estate agency footprint provides substantial opportunity to increase mortgage and protection conversion rates over time.

During the year, we welcomed the FCA's interim report into the distribution of pure protection products, which concluded the market is functioning well and delivering positive consumer outcomes. The report also highlights the significant protection gap across the UK, reinforcing the long-term opportunity for high-quality advice. Its findings align closely with the approach taken by our Financial Services division. The remortgage market presents a further opportunity in FY26 as fixed-rate maturities drive refinancing activity. We are also developing a more targeted buy-to-let financial services proposition tailored specifically to landlords within our managed portfolio, representing a strategically aligned and underpenetrated opportunity.

In January 2026, we completed the acquisition of an 85% stake in Smart Advice Financial Solutions ("SAFS"), adding 34 advisers and increasing divisional scale to 315 advisers. SAFS is profitable, has grown consistently since inception and strengthens our ability to drive mortgage, remortgage and protection activity across the franchise network.

Licensing

Our Licensing division comprises Fine & Country, where both UK and international licensees pay a fixed fee to trade under the brand whilst receiving marketing and regulatory support, and The Guild of Property Professionals, which offers its members a well established brand that provides access to group buying power and regulatory guidance in return for an annual fee. We receive regular recurring monthly

membership and license fees from the agreements we have in place, and the division contributes to the Group's increasing proportion of recurring revenue.

Licensing revenue grew by 75% to £12.6m (2024: £7.2m), with pro-forma growth of 3%.

Fine & Country continued to expand during the year, adding 13 new licensees, including eight new international offices across Uruguay, South Africa, Italy, Spain and the Isle of Man. This growth reflects the enduring strength and premium positioning of the Fine & Country brand, both in the UK and internationally, and reinforces the opportunity to further broaden and deepen our global presence.

The Guild saw member numbers contract from 749 to 725 during the year which was anticipated given the 12-month notice requirement. In response, the team has been proactive in strengthening the value proposition to create a more attractive model to deliver growth in both volume and pricing. The enhanced proposition was launched at The Guild's national conference in February 2026 and provides a strong platform for renewed momentum.

Resilient business model and market opportunity

While property market commentary during FY25 was mixed, underlying activity remained resilient. Sales transaction levels exceeded our initial assumptions, supported by improved mortgage rate stability and stamp duty-driven activity. Lettings continued to benefit from the structural supply-demand imbalance, with rental inflation more than offsetting the modest reduction in managed lets during the year.

The Renters' Rights Act introduces additional compliance requirements and operational obligations for landlords. We do not view this as a structural threat to the Group. Rather, we believe the increasing complexity of regulation reinforces the value of professional management and well-supported franchise operators. Our platform model, compliance infrastructure and scale enable franchisees to navigate regulatory change with confidence and provide enhanced support to landlords.

While overall market share remained broadly stable during the year, the enlarged scale of the Group and the breadth of our platform services position us well to capture incremental opportunities as the market evolves. The continued development of commercial initiatives, technology tools and value-added services strengthens our competitive positioning and supports sustainable long-term growth.

Clear strategy in place to deliver our ambitions

There is a clear and exciting opportunity for growth across the Group's three divisions. We will continue to deploy our strategic initiatives to support the expansion of the business, underpinned by our platform model, which we are expanding with additional services and capabilities for franchisees and members.

Lettings remain at the core of the Group, and the focus is on leveraging the platform model to deliver greater value to franchisees, particularly as they navigate the increasingly complex regulatory changes.

Within sales, we will continue to target growth in market share and expect to see the benefits from our relaunched sales programme which provides our franchisees a unique proposition for their clients to sell their home, subject to their individual selling needs, alongside improved selling capabilities through our AI initiatives once rolled out across franchisees.

The focus for Financial Services is to further increase adviser productivity, supported by targeted investment in AI, along with increased penetration across our franchise network. We also see a significant opportunity to develop a market-leading buy-to-let financial services proposition tailored specifically for landlords, representing a largely untapped opportunity within the Group's existing customer base.

Recruitment remains a priority across the divisions, with a focus on attracting new franchisees, licensees and advisers to increase coverage. We expect the Privilege programme to be a key driver of this in Franchising, and in Licensing we expect to see this growth stem from the enhanced value proposition and international expansion.

We retain a disciplined appetite for complementary acquisitions that enhance capability, earnings visibility and scale benefits. With modest leverage, strong cash conversion and significant liquidity headroom, the Group has the financial firepower and proven integration capability to execute.

Current trading and outlook

The Group enters FY26 with enhanced scale, diversified income streams and a strengthened balance sheet. Our lettings-weighted, franchise-led model provides structural resilience, while our expanded platform creates meaningful organic growth opportunities.

The continued rollout of the Privilege programme, AI initiatives and enhanced Financial Services penetration provide clear revenue drivers and synergy opportunities for the year ahead. While macroeconomic and legislative factors remain present, our model is well positioned to adapt and capitalise. In addition, we will continue to pursue complementary acquisition opportunities that strengthen the platform and generate accretive returns for shareholders.

I would like to thank our franchisees, licensees, advisers and colleagues across the Group for their professionalism and commitment throughout the year. Their performance underpins the success of the business.

The Board remains confident in the Group's ability to execute its strategy and deliver sustainable long-term value for shareholders.

Gareth Samples

Chief Executive Officer

16 March 2026

Financial Review

I am pleased to report an excellent year for the Group with revenue, absolute profit, profitability and cash flow all markedly increased on the prior year on both a reported and pro-forma basis. Following the restructuring of the Group in 2024 into three divisions - Franchising, Financial Services and Licensing - it is particularly encouraging to see that all three divisions have contributed growth in both revenue and profitability.

	2025	2024 reported	Percentage change	2024 pro-forma ¹	Percentage change
Revenue	£84.3m	£67.3m	25%	£77.6m	9%
Management service fees	£32.4m	£28.3m	14%	£30.3m	7%
Cost of sales	£29.5m	£22.3m	32%	£26.6m	11%
Administrative expenses	£31.4m	£29.7m	6%	£35.9m	(13%)
Exceptional costs	£0.4m	£2.7m	(83%)	£5.8m	(92%)
Adjusted operating profit ²	£31.8m	£23.1m	38%	£26.1m	22%
Operating profit	£23.9m	£15.2m	57%	£15.1m	58%
Adjusted profit before tax ³	£31.0m	£22.3m	39%	£25.4m	22%
Profit before tax	£24.4m	£14.3m	70%	£14.2m	72%
EBITDA ⁴	£30.3m	£20.4m	49%	£23.6m	28%
Dividend	22p	18p	22%	-	-
Diluted EPS	29.9p	17.6p	70%	-	-
Adjusted diluted EPS ³	40.3p	31.4p	28%	-	-

¹ Pro-forma basis includes revenues and costs earned by Belvoir Group and GPEA within H1 2024 prior to acquisition.

² Before exceptional costs, amortisation of acquired intangibles and share-based payment charges.

³ Before exceptional costs, amortisation of acquired intangibles, share-based payment charges, unwinding of discounting on deferred consideration and the one-time gain on reduced deferred consideration.

⁴ Earnings before interest, tax, depreciation and amortisation.

Our Franchising division remains the core of the Group, delivering 56% of revenue and 78% of adjusted operating profit in 2025. Lettings and sales revenue increased in absolute terms and on a pro-forma basis, supported by continued rental inflation and improved penetration of our sales offering, underpinned by stamp duty-driven activity and improving mortgage affordability. The division also saw the benefit from our increased scale, with the Privilege programme generating £1.5m of incremental revenue while enhancing the proposition for franchisees and strengthening confidence for landlords.

The Financial Services division delivered significant growth, with revenue up 10% and adjusted operating profit up 15% on a pro-forma basis. This performance was achieved despite a modest reduction in adviser numbers during the year, which was more than offset by improved adviser productivity. The acquisition of Smart Advice Financial Solutions Ltd, completed in January 2026, is immediately earnings accretive and increases adviser numbers back above 300, to 315.

The Licensing division delivered a marked increase in revenue, reflecting the full year contribution from the acquisition. Despite more modest pro-forma revenue growth, operating profit increased by 8% on a pro-forma basis as cost efficiencies from the integration were realised.

	Franchising			Financial Services			Licensing		
	2025	2024 pro-forma ¹	Percentage change	2025	2024 pro-forma ¹	Percentage change	2025	2024 pro-forma ¹	Percentage change
Revenue	£47.5m	£43.4m	9%	£24.2m	£22.0m	10%	£12.6m	£12.2m	3%
Adjusted operating profit	£27.9m	£23.8m	17%	£4.2m	£3.7m	15%	£3.5m	£3.2m	8%
EBITDA	£28.7m	£24.6m	17%	£4.3m	£3.5m	24%	£3.8m	£3.5m	10%

¹ Pro-forma basis includes revenues and costs earned by Belvoir Group and GPEA within H1 2024 prior to acquisition

We have once again increased dividends to shareholders, reflecting the Group's performance and cash generation and demonstrating our commitment to a progressive dividend policy. Looking ahead to 2026, we will continue to drive revenue synergies through scale benefits and intra-divisional collaboration, while maintaining a disciplined approach to complementary acquisitions that further strengthen each of our divisions and our unified platform model.

Acquisitions

In 2024, the Group completed the acquisitions of; Belvoir for total consideration of £107.2m and GPEA (trading as The Guild of Property Professionals) for total consideration of £20.0m, including £5.0m of deferred consideration. During the period, whilst The Guild performed in line with our expectations, we agreed an amendment to certain customary terms under the SPA which resulted in a £1.35m reduction in deferred consideration, reducing total consideration to £18.65m.

	TPFG			Belvoir Group			The Guild		
	2025	2024 pro-forma ¹	Percentage change	2025	2024 pro-forma ¹	Percentage change	2025	2024 pro-forma ¹	Percentage change
Revenue	£31.5m	£28.8m	9%	£40.2m	£36.6m	10%	£12.6m	£12.2m	3%
Adjusted operating profit	£17.7m	£14.6m	21%	£14.5m	£12.9m	12%	£3.5m	£3.2m	8%
EBITDA	£18.1m	£14.7m	23%	£14.9m	£13.4m	11%	£3.8m	£3.5m	10%

¹ Pro-forma basis includes revenues and costs earned by Belvoir Group and GPEA within H1 2024 prior to acquisition

Whilst our primary focus is now divisional reporting, the performance of the acquired entities during 2025 further supports the strategic rationale and the consideration paid.

In respect of Belvoir, we acquired the business at approximately 10.5x EBITDA. Following integration and synergy delivery, the business is now operating at a run-rate of £14.9m EBITDA, implying an effective

multiple of approximately 7.2x. In 2025, net operating cash generation represented a cash return of approximately 9.5% on consideration.

For The Guild, we acquired the business at approximately 5.3x EBITDA. Following integration and synergy delivery, the business is now operating at a run-rate of £3.8m EBITDA, implying an effective multiple of approximately 4.9x. In 2025, net operating cash generation represented a cash return of approximately 9.5% on consideration.

Revenue

Group revenue for the financial year ended 31 December 2025 was £84.3m (2024: £67.3m), an increase of 25% on the prior year. Total revenue on a pro-forma basis was £77.6m, reflecting 9% organic growth across the original business and the 2024 acquisitions.

Revenue within our Franchising division rose by 16% to £47.5m (2024: £40.9m), an increase of 9% on a pro-forma basis. Management Service Fees ("MSF"), which make up 68% (2024: 67%) of divisional revenue, increased 14% to £32.4m (2024: £28.3m), representing 7% growth on a pro-forma basis. Lettings MSF remained dominant, accounting for 68% of total MSF in 2025, with sales MSF at 32%. Revenue attributed to the Group's 11 owned offices increased by 11% to £7.8m (2024: £7.0m), of which 5% represents growth on a pro-forma basis. Total revenue from the Privilege programme amounted to £1.5m, representing a new income stream for the division in FY25.

Revenue within our Financial Services division rose by 26% to £24.2m (2024: £19.2m), a rise of 10% on a pro-forma basis. Financial Services revenue is recognised as the gross commission received before adviser revenue share. Net commissions in 2025 equated to £6.7m (2024: £4.9m). This can be split between commissions earned through business partners of £1.8m (2024: £1.4m) and those generated through our employed/self-employed model of £4.9m (2024: £3.5m).

The acquisition of The Guild in 2024 added a new Licensing division to the Group and delivered total revenue in 2025 of £12.6m (2024: £7.2m), an increase of 75% on a reported basis and 3% on a pro-forma basis.

Administrative expenses

Total administrative expenses increased to £31.4m (2024: £29.7m), of which £7.9m (2024: £7.8m) relates to exceptional costs, the share-based payment charge and the amortisation on acquired intangibles. Underlying administrative expenses therefore increased to £23.5m (2024: £21.9m). This increase primarily reflects the 12-month annualisation of the two acquisitions completed in 2024, higher National Insurance and National Living Wage costs, and strategic investment in current and planned initiatives, partially offset by the delivery of the synergy cost reductions anticipated at acquisition.

The Group benefits from a relatively fixed cost base, where cost increases typically lag revenue growth, creating opportunities for operating leverage as the Group continues to scale.

Operating profit

Headline operating profit increased by 57% to £23.9m (2024: £15.2m), with an operating margin of 28% (2024: 23%). Adjusted operating profit, which excludes exceptional items, amortisation of acquired intangibles and share-based payment charges, increased by 38% to £31.8m (2024: £23.1m), with an adjusted operating margin of 38% (2024: 34%). Operating profit improved on a pro-forma basis by 58%. Margins benefited from the delivery of anticipated cost synergies, improved productivity and limited incremental costs associated with new revenue streams such as the Privilege programme.

Franchising adjusted operating profit increased by 25% to £27.9m (2024: £22.4m) with an adjusted operating margin of 33% (2024: 55%). Financial Services adjusted operating profit increased by 30% to £4.2m (2024: £3.3m) with an adjusted operating margin of 18% (2024: 17%). Licensing adjusted operating profit increased by 96% to £3.5m (2024: £1.8m) with an adjusted operating margin of 28% (2024: 25%).

An assessment of share-based payment charges as at 31 December 2025 resulted in £2.2m being charged to the profit and loss account (2024: £0.9m). Further details are set out in notes 4, 5 and 30 to the consolidated financial statements.

EBITDA

EBITDA for 2025 was £30.3m (2024: £20.4m), an increase of £9.9m (49%) over the prior year.

Profit before tax

Profit before tax increased by 70% to £24.4m (2024: £14.3m). Adjusted profit before tax increased by 39% to £31.0m having removed exceptional items of £0.4m (2024: £2.7m), amortisation of acquired intangibles of £5.2m (2024: £4.2m), share-based payment charges of £2.2m (2024: £0.9m), unwinding of discounting on acquisition deferred consideration of £0.1m (2024: £0.2m) and the one-time gain on reduced deferred consideration of £1.4m (2024: £nil). Adjusted profit before tax has improved on a pro-forma basis by 22%.

Taxation

The effective rate of corporation tax for the year was 22% (2024: 29%). The total tax charge for 2025 was £5.3m (2024: £4.2m).

Earnings per share

The number of issued shares as at December 2025 was 63,752,008 (2024: 63,752,008).

Basic earnings per share ("EPS") for the year increased by 69% to 29.9p (2024: 17.7p), based on the average number of shares in issue for the period of 63,752,008 (2024: 57,477,151).

Diluted EPS for the year increased by 70% to 29.9p (2024: 17.6p), based on the average number of shares in issue for the period plus an estimate for the dilutive effect of option grants vesting, being 63,804,407 (2024: 57,897,032).

Adjusted basic EPS for the year was 40.3p (2024: 31.7p), an increase of 27% and adjusted diluted EPS for the year was 40.3p (2024: 31.4p), an increase of 28%. The profit attributable to owners increased by 87% to £19.0m (2024: £10.2m).

Cash flow

The Group remains highly cash generative. Net cash inflow from operating activities in 2025 was £22.1m (2024: £14.7m). Cash conversion against earnings was 116% (2024: 145%), with the reduction reflecting higher levels of accrued income from initiatives such as the Privilege programme. Net cash outflow from investing activities was £3.7m (2024: £15.8m), of which £3.6m related to deferred consideration for GPEA Limited. Other small investments in fixed assets or assisted acquisitions were broadly offset by bank interest received.

In 2024, the Group borrowed £20.0m from Barclays to fund the acquisition of GPEA Limited, comprising a revolving credit facility ("RCF") of £6.0m and a term loan of £14.0m repayable over three years. As at 31 December 2025, £3.0m (2024: £nil) was drawn on the RCF and £10.2m (2024: £13.2m) remained outstanding

on the term loan, leaving bank debt of £13.2m (2024: £13.2m). The limited movement from 2024 reflects the use of the RCF to fund deferred consideration payments and the decision to retain liquidity to support planned strategic investment and potential acquisitions.

Liquidity

The Group had cash balances of £10.9m as at 31 December 2025 (2024: £4.2m) and, after deducting total bank debt of £13.2m (2024: £13.2m), net debt was £2.3m (2024: £9.1m), resulting in leverage of less than 0.1x.

Dividends

The Board remains committed to its progressive dividend policy whilst maintaining strong dividend cover as part of its capital allocation framework. The Board has considered the trade-off between debt reduction and shareholder returns and concluded that, with leverage of less than 0.1x, a progressive dividend reflecting the Group's increased performance and cash generation is appropriate.

Accordingly, the Board is pleased to propose a final dividend of 15.0p (2024: 12.0p) which, together with the interim dividend of 7.0p, brings the total dividend for 2025 to 22.0p (2024: 18.0p). Subject to shareholder approval at the AGM, the dividend will be paid on 1 June 2026 to shareholders on the register at 8 May 2026, with shares marked ex-dividend on 7 May 2026. The total amount payable is £9.6m (2024: £7.7m). On adjusted basic EPS, dividend cover is 1.8x (2024: 1.8x).

Key performance indicators

The Group uses a number of key financial and non-financial performance indicators to measure performance, which are regularly reviewed by the Board to ensure that they remain relevant to the Group's operations.

Basis of preparation and Audit outcome

The financial information in this report does not constitute Statutory Accounts within the meaning of section 435 of the Companies Act 2006. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 December 2025, which was prepared in accordance with International Financial Reporting Standards.

The Statutory Accounts for the year ended 31 December 2025 have been reported on by the Group's auditors and received an unqualified audit report that will be issued to shareholders in March 2026. The Statutory Accounts for the year ended 31 December 2024 have been delivered to the registrar of companies and received an unqualified audit report.

Financial position

The Consolidated Statement of Financial Position remains strong with total assets of £206.4m (2024: £204.0m). Total liabilities decreased to £51.3m (2024: £59.9m), driven by the payment of the deferred consideration on the Guild acquisition, and reductions in deferred and payable tax amounts. The Group finished the year with the total equity attributable to owners of £155.0m (2024: £144.1m), an increase of 8% over the prior year. It achieved an ROCE of 14% (2024: 11%) and an ROCI of 17% (2024: 12%), both improving as a result of a full year of earnings post acquisitions and the decrease in net debt.

Capital allocation

The Group actively monitors its capital position, strategically allocating resources based on defined return criteria. Our capital allocation framework strikes a balance between funding growth initiatives and delivering returns to shareholders, as outlined below:

Financial resilience: The Group maintains modest leverage, strong interest cover and significant liquidity headroom. The stability of our recurring lettings income and capital-light franchise model underpin robust cash generation, supporting both growth investment and sustainable shareholder returns. In 2025 we ended the year with net debt of £2.3m (2024: £9.1m) equating to leverage of 0.1x (2024: 0.4x).

Organic growth investment: We define this as "strategic spend", which we commit to in order to future-proof TPFG. This includes technology, AI, franchisee acquisition support and personnel. In 2025 the Group had a combined strategic spend of £0.9m, comprising £0.4m of technology spend, £0.1m of AI spend, £0.1m of franchisee acquisition support and £0.3m spent on recruitment of new personnel.

Ordinary dividends: In line with our policy of distributing approximately 50% of earnings, we expect to pay total dividends of £14.0m to shareholders in respect of 2025, with the final dividend expected to be paid on 1 June 2026.

M&A activity: In 2025 our focus was primarily on completing the integration of the 2024 acquisitions and delivering the synergy opportunities they presented and, as a result, no acquisitions were completed in 2025. We remain committed to developing our platform model, expanding our franchise model and building our Financial Services division through a buy-and-build strategy, and began identifying potential targets towards the end of 2025. To that end, post period, we completed the acquisition of Smart Advice Financial Solutions Ltd, a leading Financial Services business, for total consideration of £1.5m on 19 January 2026.

Surplus capital: In 2025 there were no additional distributions beyond ordinary dividends.

Looking forward, the Board continues to evaluate the most effective deployment of capital in line with its disciplined allocation framework. While organic investment and earnings-accretive acquisitions remain priorities, the Board will continue to consider potential share buy-backs or special dividends, as appropriate.

Ben Dodds

Chief Financial Officer

16 March 2026

Consolidated statement of comprehensive income for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Revenue	7	84,264	67,310
Cost of sales		(29,478)	(22,339)
Gross profit		54,786	44,971
Administrative expenses	8	(28,708)	(26,139)
Exceptional administrative expenses	8	(449)	(2,720)
Share-based payments charge	9, 30	(2,213)	(875)
Total administrative expenses		(31,370)	(29,734)
Other operating income	10	458	-
Operating profit	10	23,874	15,237
Finance income	11	329	262
Finance costs	11	(1,195)	(1,195)
Other gains and losses	26	1,350	-
Profit before tax expense		24,358	14,304
Tax expense	12	(5,284)	(4,172)
Profit and total comprehensive income for the year		19,074	10,132

Profit and total comprehensive income for the year attributable to:

Owners of the Parent		19,048	10,192
Non-controlling interest		26	(60)
		19,074	10,132
Earnings per share attributable to owners of Parent	13	29.9p	17.7p
Diluted earnings per share attributable to owners of Parent	13	29.9p	17.6p

Consolidated statement of financial position

31 December 2025

	Notes	2025 £'000	2024 £'000
Assets			
Non-current assets			
Intangible assets	15	173,872	180,001
Property, plant and equipment	16	732	837
Right-of-use assets	17	3,192	3,353
Prepaid assisted acquisitions support	18	197	216
Other receivables	20	4,243	4,791
		182,236	189,198
Current assets			
Trade and other receivables	20	13,238	10,623
Cash and cash equivalents		10,885	4,163
		24,123	14,786
Total assets		206,359	203,984
Equity			
Shareholders' equity			
Called up share capital	21	638	638
Share premium	22	4,129	4,129
Own share reserve	24	(2,276)	(3,832)
Merger reserve	23	117,497	117,497
Other reserves	24	2,776	1,083
Retained earnings		32,311	24,643
		155,075	144,158
Non-controlling interest		(37)	(63)
Total equity attributable to owners		155,038	144,095
Liabilities			
Non-current liabilities			
Borrowings	25	7,000	10,111
Other payables	26	1,416	1,428
Lease liabilities	17	2,728	3,048
Deferred tax	27	20,280	22,058
Provisions	28	185	278
		31,609	36,923
Current liabilities			
Borrowings	25	6,232	3,111
Trade and other payables	26	12,050	15,869
Lease liabilities	17	833	802
Tax payable		597	3,184
		19,712	22,966
Total liabilities		51,321	59,889
Total equity and liabilities		206,359	203,984

The financial statements were approved and authorised for issue by the Board of Directors on 16 March 2026 and were signed on its behalf by:

Ben Dodds*Chief Financial Officer*

Company statement of financial position

31 December 2025 (Company No: 08721920)

	Notes	2025 £'000	2024 £'000
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			(As restated)
Assets			
Non-current assets			
Investments	19	191,094	189,820
Intangible assets	15	128	-
Property, plant and equipment	16	56	76
Right-of-use assets	17	28	-
Deferred tax asset	27	974	484
		192,280	190,380
Current assets			
Trade and other receivables	20	3,772	1,484
Cash and cash equivalents		762	135
		4,534	1,619
Total assets		196,814	191,999
Equity			
Shareholders' equity			
Called up share capital	21	638	638
Share premium	22	4,129	4,129
Own share reserve	24	(2,276)	(3,832)
Merger reserve	23	135,487	135,487
Other reserves	24	2,776	1,083
Retained earnings		27,773	28,147
Total equity		168,527	165,652
Liabilities			
Non-current liabilities			
Borrowings	25	7,000	10,111
Lease liabilities	17	10	-
		7,010	10,111
Current liabilities			
Borrowings	25	6,232	3,111
Trade and other payables	26	15,030	13,125
Lease liabilities	17	15	-
		21,277	16,236
Total liabilities		28,287	26,347
Total equity and liabilities		196,814	191,999

As permitted by Section 408 of the Companies Act 2006, the income statement of the Parent Company is not presented as part of these financial statements. The Parent Company's profit for the financial year was £11.0m (2024: £11.1m).

Following review, the split between current and non-current borrowings has been amended for the prior year. This adjustment has a net nil impact on the Company Statement of Financial Position.

The financial statements were approved and authorised for issue by the Board of Directors on 16 March 2026 and were signed on its behalf by:

Ben Dodds
Chief Financial Officer

Consolidated statement of changes in equity
for the year ended 31 December 2025

	Attributable to owners							Non-controlling interest	Total equity
	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Own share reserve £'000	Merger reserve £'000	Other reserves £'000	Total equity £'000	£'000	£'000
Balance at 1 January 2024	323	20,765	4,129	(420)	14,345	1,673	40,815	(3)	40,812
Profit and total comprehensive income	-	10,192	-	-	-	-	10,192	(60)	10,132
Dividends	-	(9,012)	-	-	-	-	(9,012)	-	(9,012)
Shares issued on acquisition of Belvoir Group	301	-	-	-	103,152	-	103,453	-	103,453
Shares issued on share options exercised	14	2,698	-	(3,412)	-	(1,544)	(2,244)	-	(2,244)
Share-based payments charge	-	-	-	-	-	875	875	-	875

Deferred tax on share-based payments	-	-	-	-	-	79	79	-	79
Total transactions with owners	315	(6,314)	-	(3,412)	103,152	(590)	93,151	-	93,151
Balance at 31 December 2024	638	24,643	4,129	(3,832)	117,497	1,083	144,158	(63)	144,095
Profit and total comprehensive income	-	19,048	-	-	-	-	19,048	26	19,074
Dividends	-	(12,014)	-	-	-	-	(12,014)	-	(12,014)
Share options exercised	-	634	-	-	-	(634)	-	-	-
Sale of shares held by Employee Benefit Trust	-	-	-	1,556	-	-	1,556	-	1,556
Share-based payments charge	-	-	-	-	-	2,213	2,213	-	2,213
Deferred tax on share-based payments	-	-	-	-	-	114	114	-	114
Total transactions with owners	-	(11,380)	-	1,556	-	1,693	(8,131)	-	(8,131)
Balance at 31 December 2025	638	32,311	4,129	(2,276)	117,497	2,776	155,075	(37)	155,038

Company statement of changes in equity
for the year ended 31 December 2025

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Own share reserve £'000	Merger reserve £'000	Other reserves £'000	Total equity £'000
Balance at 1 January 2024	323	23,371	4,129	(420)	32,335	1,673	61,411
Profit and total comprehensive income	-	11,090	-	-	-	-	11,090
Dividends	-	(9,012)	-	-	-	-	(9,012)
Shares issued on acquisition of Belvoir Group	301	-	-	-	103,152	-	103,453
Shares issued on share options exercised	14	2,698	-	(3,412)	-	(1,544)	(2,244)
Share-based payments charge	-	-	-	-	-	875	875
Deferred tax on share-based payments	-	-	-	-	-	79	79
Total transactions with owners	315	(6,314)	-	(3,412)	103,152	(590)	93,151
Balance at 31 December 2024	638	28,147	4,129	(3,832)	135,487	1,083	165,652
Profit and total comprehensive income	-	11,006	-	-	-	-	11,006
Dividends	-	(12,014)	-	-	-	-	(12,014)
Share options exercised	-	634	-	-	-	(634)	-
Sale of shares held by Employee Benefit Trust	-	-	-	1,556	-	-	1,556
Share-based payments charge	-	-	-	-	-	2,213	2,213
Deferred tax on share-based payments	-	-	-	-	-	114	114
Total transactions with owners	-	(11,380)	-	1,556	-	1,693	(8,131)
Balance at 31 December 2025	638	27,773	4,129	(2,276)	135,487	2,776	168,527

Consolidated statement of cash flows
for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			

Cash generated from operations	A	31,580	18,597
Interest paid		(881)	(659)
Tax paid		(8,604)	(3,257)
Net cash from operating activities		22,095	14,681
Cash flows from investing activities			
Purchase of Belvoir Group net of cash acquired		-	(1,730)
Purchase of GPEA net of cash acquired	26	(3,650)	(14,255)
Disposal of investment in shares		-	143
Purchase of intangible assets		(155)	-
Disposal of intangible assets		-	125
Purchase of tangible assets	16	(148)	(192)
Payment of assisted acquisitions support		(84)	(114)
Interest received		329	263
Net cash used in investing activities		(3,708)	(15,760)
Cash flows from financing activities			
Issue of ordinary shares		-	14
Equity dividends paid		(12,014)	(9,012)
Sale/(purchase) of shares held by Employee Benefit Trust		1,556	(3,412)
Bank loans and RCF drawn		6,500	20,000
Bank loans and RCF repaid		(6,611)	(9,278)
Principal paid on lease liabilities		(908)	(580)
Interest paid on lease liabilities		(188)	(132)
Net cash used in financing activities		(11,665)	(2,400)
Increase/(decrease) in cash and cash equivalents		6,722	(3,479)
Cash and cash equivalents at beginning of year		4,163	7,642
Cash and cash equivalents at end of year		10,885	4,163

Notes to the consolidated statement of cash flows
for the year ended 31 December 2025

A. Reconciliation of profit before income tax to cash generated from operations

	2025 £'000	2024 £'000
Cash flows from operating activities		
Profit before income tax	24,358	14,304
Depreciation of property, plant and equipment	242	221
Amortisation of intangibles	5,312	4,390
Amortisation of prepaid assisted acquisitions support	103	126
Amortisation of right-of-use assets	780	531
Loss/(profit) on disposal of assets	49	(46)
Share-based payments charge	2,213	875
Release of deferred consideration	(1,350)	-
Finance costs	1,195	1,195
Finance income	(329)	(263)
Operating cash flow before changes in working capital	32,573	21,333
Increase in trade and other receivables	(2,054)	(1,775)
Increase/(decrease) in trade and other payables	1,061	(961)
Cash generated from operations	31,580	18,597

Analysis of net debt:

	2024 £'000	From acquisitions £'000	New leases £'000	Cash flows £'000	Accrued interest £'000	2025 £'000
Cash and cash equivalents	(4,163)	-	-	(6,722)	-	(10,885)
Lease liabilities	3,850	-	619	(1,096)	188	3,561
Debt due within one year	3,111	-	-	3,000	121	6,232
Debt due after more than one year	10,111	-	-	(3,111)	-	7,000
Adjusted net debt	12,909	-	619	(7,929)	309	5,908

	2023 £'000	From acquisitions £'000	New leases £'000	Cash flows £'000	Accrued interest £'000	2024 £'000
Cash and cash equivalents	(7,642)	(2,148)	-	5,627	-	(4,163)
Lease liabilities	2,042	789	1,598	(712)	133	3,850
Debt due within one year	2,500	-	-	611	-	3,111
Debt due after more than one year	-	-	-	10,111	-	10,111
Adjusted net debt	(3,100)	(1,359)	1,598	15,637	133	12,909

Company statement of cash flows
for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Cash (used in)/generated from operations	B	(1,761)	5,815
Interest paid		(881)	(659)
Net cash (used in)/generated from operating activities		(2,642)	5,156
Cash flows from investing activities			
Purchase of Belvoir Group net of cash acquired		-	(3,737)
Purchase of GPEA net of cash acquired		(3,650)	(14,398)
Acquisition-related costs		-	(2,303)
Purchase of intangible assets		(142)	-
Purchase of tangible assets		-	(82)
Equity dividends received		17,550	14,850
Interest received		107	-
Net cash generated from/(used in) investing activities		13,865	(5,670)
Cash flows from financing activities			
Issue of ordinary shares		-	14
Equity dividends paid		(12,014)	(9,012)
Sale/(purchase) of shares by Employee Benefit Trust		1,556	(3,412)
Bank loan and RCF drawn		6,500	20,000
Bank loan and RCF repaid		(6,611)	(9,278)
Principal paid on lease liabilities		(26)	-
Interest paid on lease liabilities		(1)	-
Net cash used in financing activities		(10,596)	(1,688)
Increase/(decrease) in cash and cash equivalents		627	(2,202)
Cash and cash equivalents at beginning of year		135	2,337
Cash and cash equivalents at end of year		762	135

Notes to the Company statement of cash flows
for the year ended 31 December 2025

B. Reconciliation of profit before income tax to cash generated from operations

	2025 £'000	2024 £'000
Cash flows from operating activities		
Profit before income tax	14,324	10,234
Depreciation of property, plant and equipment	20	5
Amortisation of intangibles	14	-
Amortisation of right-of-use assets	23	-
Share-based payments charge	939	584
Release of deferred consideration	(1,350)	-
Finance costs	1,017	1,062
Finance income	(107)	-
Equity dividend received	(17,550)	(14,850)
Operating cash flow before changes in working capital	(2,670)	(2,965)
(Increase)/decrease in trade and other receivables	(1,173)	329
Increase in trade and other payables	2,082	8,451
Cash (used in)/generated from operations	(1,761)	5,815

Analysis of net debt:

	2024 £'000	Non-cash flows £'000	Cash flows £'000	Accrued interest £'000	2025 £'000
Cash and cash equivalents	(135)	-	(627)	-	(762)
Lease liabilities	-	51	(27)	1	25
Debt due within one year	3,111	-	3,000	121	6,232
Debt due after more than one year	10,111	-	(3,111)	-	7,000
Adjusted net debt	13,087	51	(765)	122	12,495

	2023 £'000	Non-cash flows £'000	Cash flows £'000	Accrued interest £'000	2024 £'000
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Cash and cash equivalents	(2,337)	-	2,202	-	(135)
Debt due within one year	2,500	-	611	-	3,111
Debt due after more than one year	-	-	10,111	-	10,111
Adjusted net debt	163	-	12,924	-	13,087

Notes to the consolidated and Company financial statements
for the year ended 31 December 2025

1. General information

The principal activity of The Property Franchise Group PLC and its subsidiaries is that of a UK residential property franchise, licensing and financial services business. The Group operates in the UK. The Company is a public limited company incorporated and domiciled in the UK and listed on AIM. The address of its head office and registered office is 2 St Stephen's Court, St Stephen's Road, Bournemouth, Dorset BH2 6LA, UK.

2. Basis of preparation

These consolidated financial statements have been prepared in accordance with UK adopted international accounting standards and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006. The consolidated financial statements have been prepared under the historical cost convention modified to include the revaluation of certain investments at fair value.

The preparation of financial statements in accordance with UK adopted international accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 5.

The presentational currency of the financial statements is in British pounds and amounts are rounded to the nearest thousand pounds.

Going concern

The Group has produced detailed budgets, projections and cash flow forecasts. These have been stress tested to understand the impacts of reductions in revenue and costs. The Directors have concluded after reviewing these budgets, projections and forecasts, and making appropriate enquiries of the business, that there is a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future and will meet the banking covenants required by the facility drawn down in May 2024. Accordingly, they have adopted the going concern basis in preparing the financial statements.

Changes in accounting policies

a) New standards, amendments and interpretations effective from 1 January 2025

- IAS 21 Lack of Exchangeability (effective 1 January 2025)

The amendment listed above does not have any material impact on the amounts recognised in the prior periods and is not expected to significantly affect the current or future periods.

b) New standards, amendments and interpretations not yet effective

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective 1 January 2026)
- Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7 (effective 1 January 2026)
- Annual improvements to IFRS Accounting Standards - Volume 11 (effective 1 January 2026)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective 1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)

The Directors are still assessing the impact of IFRS 18. The Directors do not expect the adoption of the remaining amendments to have a material impact in future periods.

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

Basis of consolidation

The Group financial statements include those of the Parent Company and its subsidiaries, drawn up to 31 December 2025. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. Identifiable

assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

3. Significant accounting policies

Revenue recognition

Performance obligations and the timing of revenue recognition

Revenue represents income, net of VAT, from the sale of franchise agreements, resale fees, Management Service Fees ("MSF") levied to franchisees monthly based on their turnover, lettings and residential sales income from a small number of owned offices, licence fees levied to Fine & Country licensees monthly, membership fees levied to The Guild members monthly, financial services commissions in respect of mortgages and income protection products, and other income being the provision of ad hoc services and ongoing support to franchisees, licensees and members.

Franchising division

Franchises excluding EweMove:

Fees from the sale of franchise agreements are not refundable. These fees are for the use of the brand along with initial training and support and promotion during the opening phase of the new office. As such, the Group has some initial obligations that extend beyond the receipt of funds and signing of the franchise agreement so an element of the fee is deferred and released as the obligations are discharged, usually between one to four months after receipt of funds, which is the typical period of on-boarding for new franchisees.

Resale fees are recognised in the month that a contract for the resale of a franchise is signed. Upon signing of the contract all obligations have been completed.

Management Service Fees are recognised on a monthly basis and other income is recognised when the services and support are provided to the franchisee. There are no performance obligations associated with levying the Management Service Fees beyond providing access to the systems, brand and marketing support. For ad hoc services and support, all performance obligations have been fulfilled at the time of revenue recognition.

EweMove:

Fees from the sale of franchise agreements for the EweMove brand are not refundable. Some new franchisees pay a higher fee to include the first 12 months' licence fee; in this scenario, the licence fee element of the initial fee is deferred and released over the first 12 months of trading of the franchise where no monthly licence fees are payable. The franchise fee is for the use of the brand along with initial support and promotion during the opening phase of the new franchise. As such, the Group has some initial obligations that extend beyond the receipt of funds and signing of the franchise agreement so an element of the fee is deferred and released as the obligations are discharged, usually between one to four months after receipt of funds, which is the typical period of on-boarding for new franchisees.

Management Service Fees consist of monthly licence fees and completion fees. Licence fees are recognised on a monthly basis, completion fees are recognised when sales or lettings transactions complete and other income is recognised when the services and support are provided to the franchisee. There are no additional performance obligations associated with levying the licence fee and completion fees beyond providing access to the systems, brand and marketing support. For ad hoc services and support, all performance obligations have been fulfilled at the time of revenue recognition.

Owned offices:

Revenue from the sale of residential property is recognised, net of VAT, at the point the Group has performed its performance obligation to see the transaction through to the exchange of contracts between a buyer and a vendor.

Revenue from lettings represents commission earned from operating as a lettings agent, net of VAT. Where the performance obligation relates to the letting of a property, the revenue is recognised at the point the property has been let. Where the performance obligation relates to the management of a lettings property, revenue is recognised over the period the property is managed.

Financial Services commissions:

Financial Services commissions received are recognised upon receipt, being a point in time when the Group has met its obligations in delivering a customer to the mortgage and/or insurance partners. A provision is made for the best estimate of future clawbacks resulting from insurance policies being subsequently cancelled. There is no VAT applicable to Financial Services commissions.

Licensing division:

Licence fees and membership fees are recognised on a monthly basis and other income is recognised when the services and support are provided to the licensee/member. There are no performance obligations associated with levying the licence and membership fees. For ad hoc services and support, all performance obligations have been fulfilled at the time of revenue recognition.

Rental income:

Rental income represents rent received from short-term licensing arrangements entered into to make use of a small amount of vacant office space. The Group's obligation is to provide office accommodation through the period of the licence. Revenue is recognised over the period of the licence.

Operating profit

Profit from operations is stated before finance income, finance costs, other gains and losses and tax expense.

Business combinations

On the acquisition of a business, fair values are attributed to the identifiable assets and liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is subsumed into goodwill. Where the fair values of acquired contingent liabilities cannot be measured reliably, the assumed contingent liability is not recognised but is disclosed in the same manner as other contingent liabilities.

Goodwill is the difference between the fair value of the consideration and the fair value of identifiable assets acquired. Goodwill arising on acquisitions is capitalised and subject to an impairment review, both annually and when there is an indication that the carrying value may not be recoverable.

Intangible assets

Intangible assets with a finite life are carried at cost less amortisation and any impairment losses. Intangible assets represent items which meet the recognition criteria of IAS 38, in that it is probable that future economic benefits attributable to the assets will flow to the entity and the cost can be measured reliably.

In accordance with IFRS 3 Business Combinations, an intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group.

Amortisation charges are included in administrative expenses in the Statement of Comprehensive Income. Amortisation begins when the intangible asset is first available for use and is provided at rates calculated to write off the cost of each intangible asset over its expected useful life, on a straight-line basis, as follows:

Brands - CJ Hole, Parkers, Ellis & Co	Indefinite life
Brands - EweMove	21 years
Brands - Hunters, Country Properties, Mullucks, Belvoir, Northwood, Newton Fallowell, Nicholas Humphreys, Lovelle, Mr & Mrs Clarke, The Guild of Property Professionals and Fine & Country	20 years
Customer lists - lettings books	12 years
Licence and member agreements - The Guild of Property Professionals and Fine & Country	21 years
Master franchise agreements - Whitegates, CJ Hole, Parkers, Ellis & Co	25 years
Master franchise agreements - Hunters, Country Properties, Mullucks, Belvoir, Northwood, Newton Fallowell, Nicholas Humphreys, Lovelle, Clarke & Partners	21 years
Master franchise agreements - EweMove	15 years
Technology - Ewereka	5 years
Technology - websites, CRM system and software	3-5 years

Acquired trade names are identified as separate intangible assets where they can be reliably measured by valuation of future cash flows. The trade names CJ Hole, Parkers and Ellis & Co are assessed as having indefinite lives due to their long trading histories.

Acquired customer lists are identified as a separate intangible asset as they are separable and can be reliably measured by valuation of future cash flows. This valuation also assesses the life of the particular relationship. The life of the relationship is assessed annually.

Acquired master franchise agreements, licence agreements and member agreements (collectively referred to as "customer relationships") are identified as a separate intangible asset as they are separable and can be reliably measured by valuation of future cash flows. The life of the relationship is assessed annually. The agreements are being written off over an expected useful life of 15-25 years as historical analysis shows that, on average, 4%-10% of franchises/licensees/members will change ownership per annum.

Subsequent to initial recognition, intangible assets are stated at deemed cost less accumulated amortisation and impairment charges, with the exception of indefinite life intangibles.

Impairment of non-financial assets

In respect of goodwill and intangible assets that have indefinite useful lives, management is required to assess whether the recoverable amount of each exceeds their respective carrying value at the end of each accounting period.

In respect of intangible assets with definite lives, management is required to assess whether the recoverable amount exceeds the carrying value where an indicator of impairment exists at the end of each accounting period.

The recoverable amount is the higher of fair value less costs to sell and value in use.

Impairment losses represent the amount by which the carrying value exceeds the recoverable amount; they are recognised in the income statement. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. Where an indicator of impairment exists against a definite life asset and a subsequent valuation determines there to be impairment, the intangible asset to which it relates is impaired by the amount determined.

An impairment loss in respect of goodwill is not reversed should the valuation subsequently recover. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Investment in subsidiaries

Investments in subsidiaries are stated in the Parent Company's balance sheet at cost less any provisions for impairments.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses. Depreciation is charged to write off the costs of assets over their estimated useful lives on the following bases:

Freehold property and short leasehold improvements	Over the lease term
Office equipment and fixtures and fittings	10 - 33% straight line
Motor vehicles	25 - 33% straight line

Right-of-use assets

Right-of-use assets relate to operating leases that have been brought onto the balance sheet under IFRS 16. They are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Lease liabilities

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 rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

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.

Prepaid assisted acquisitions support

Prepaid assisted acquisitions support represents amounts payable to franchisees in relation to their acquisition of qualifying managed property portfolios and amounts payable to brokers for assisting with the acquisition of those portfolios. The payments are recognised as an asset and amortised to the profit and loss account over five years. The amounts payable to franchisees are amortised as a reduction in revenue, whereas amounts payable to brokers are amortised through cost of sales.

Income taxes

Income tax currently payable is calculated using the tax rates in force or substantively enacted at the reporting date. Taxable profit differs from accounting profit either because some income and expenses are never taxable or deductible, or because the time pattern that they are taxable or deductible differs between tax law and their accounting treatment.

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except if it arises from transactions or events that are recognised in other comprehensive income or directly in equity.

Deferred tax

Deferred income taxes are calculated using the liability method on temporary differences, at the tax rate that is substantively enacted at the balance sheet date. Deferred tax is generally provided on the difference between the carrying amount of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date. Changes in deferred tax assets or liabilities are recognised as a

component of the tax expense in the income statement. For share-based payments the deferred tax credit is recognised in the income statement to the extent that it offsets the share-based payments charge, with any remaining element after offset being shown in the Statement of Changes in Equity.

Financial assets

The Group and Company only have financial assets comprising trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position.

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Cash and cash equivalents

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short-term cash deposits).

Loans to franchisees

Impairment provisions against loans to franchisees are recognised based on an expected credit loss model. The methodology used to determine the amount of provision is based on whether there has been a significant increase in credit risk since initial recognition of these financial assets and is calculated by considering the cash shortfalls that would be incurred and probability of these cash shortfalls using the Group's model. Where a significant increase in credit risk is identified, lifetime expected credit losses are recognised; alternatively, if there has not been a significant increase in credit risk, a 12-month expected credit loss is recognised. Such provisions are recorded in a separate allowance account with the loss being recognised within operating expenses in the Statement of Comprehensive Income. On confirmation that the franchisee loan will not be collectable, the gross carrying value of the asset is written off against the associated provision.

UIC debtor

The Group recognises amounts withheld by Mortgage Advice Bureau from weekly commission payments in respect of unearned indemnity commission as a financial asset. This financial asset has no credit terms and management assesses that the credit risk and probability of default are low. As such no provision for impairment is made. On a weekly basis the estimated clawback of commission recoverable from our advisers arising on the cancellation of life assurance policies within four years of inception is accounted for within other debtors. An assessment is made on the recoverability of these amounts and the Board has determined the expected credit loss within 12 months to be insignificant.

Impairment of financial assets

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the Consolidated Statement of Comprehensive Income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Financial liabilities

Financial liabilities comprise trade and other payables, borrowings and other short-term monetary liabilities, which are recognised at amortised cost.

Trade payables, other payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

UIC refund liability

As there is a potential for clawback on financial services commissions, revenue is recognised only to the extent that it is highly probable that it will not reverse in future periods. The unearned indemnity commission ("UIC") refund liability is recognised for indemnity commission if the highly probable test for revenue recognition has not been met. A refund liability is made against new written policies on a weekly basis to reflect the estimated clawback by Mortgage Advice Bureau (Holdings) PLC. These clawbacks arise on the cancellation of life assurance policies within four years following inception.

Share-based payments

The Group and Company issue equity-settled share-based payments to employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is amortised through the Consolidated Statement of Comprehensive Income over the vesting period of the options, together with a corresponding increase in equity, based upon the Group and Company's estimate of the shares that will eventually vest.

Fair value is measured using the Black Scholes option pricing model taking into account the following inputs:

- the exercise price of the option;
- the life of the option;
- the market price on the date of the grant of the option;
- the expected volatility of the share price; and
- the risk free interest rate for the life of the option.

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

At the end of each reporting period, the Group and Company revise their estimates of the number of options that are expected to vest based on the non-market conditions and recognise the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

4. Critical accounting estimates and judgements and key sources of estimation uncertainty

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. 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 financial year are discussed below.

Intangible assets recognised on acquisition and their valuation

When valuing the intangibles acquired in a business combination, management estimates the expected future cash flows from the asset and chooses a suitable discount rate in order to calculate the present value of those cash flows. Separable intangibles valued on acquisitions made in the year were £nil (2024: £77.8m) as detailed further in note 15 and note 32.

Impairment of intangible assets

The Group is required to test, where indicators of impairment exist or there are intangible assets with indefinite lives, whether intangible assets have suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. Key assumptions for the value in use calculation are described in note 15.

Recoverability of loans to franchisees

The recoverability of loans to franchisees is assessed by management by assessing the credit risk of each loan. A Board approved model is used to determine if there has been a significant increase in credit risk by comparing the carrying value of the loan to the underlying valuation of the franchisee using a revenue multiple and an assessment of current trading performance. The multiple is determined by historical data.

UIC refund liability

The refund liability relates to the estimated value of repaying commission received upfront on life assurance policies that may lapse in a period of up to four years following inception. The potential liability for unearned indemnity commission is assessed by management based on an estimation of the level of policy cancellation and the associated clawback of commission. The estimate is based on historical trends of cancellation in different scenarios, and the liability is calculated as the sum of the range of probabilities of clawback in the different scenarios.

Share-based payment charge ("SBPC")

The aggregate fair value expense of each grant is determined through using the Black Scholes model and an estimate for the attainment of the performance conditions, where they exist. All the options granted have a non-market-based performance condition, earnings per share, and a market-based performance condition, total shareholder return.

In order to estimate the likely achievement of the performance conditions, management has used the actual results for FY25, the budget for FY26 and projections of earnings for future years as well as taking into account available market data, performance trends and listed company valuation metrics.

The share-based payment charge in relation to the performance-based options granted in 2023 assumes that performance will generate vesting of 100% (2024: 75%) of the maximum number of shares available under those options. The cumulative charge is £0.4m (2024: £0.2m). If the adjusted EPS performance condition was not achieved at all, so 0%, the cumulative charge would decrease by £0.4m.

The share-based payment charge in relation to the performance-based options granted in 2024 assumes that performance will generate vesting of 60% (2024: 20%) of the maximum number of shares available under those options. The cumulative charge is £1.4m (2024: £0.1m). If the adjusted EPS performance condition was 100% achieved, the cumulative charge would increase by £1.0m (2024: £0.6m); if the adjusted EPS performance condition was not achieved, so 0%, the cumulative charge would decrease by £1.4m (2024: £0.1m).

The share-based payment charge in relation to the performance-based options granted in 2025 assumes that performance will generate vesting of 87% of the maximum number of shares available under those options. The charge is £0.7m. If the adjusted EPS performance condition was 100% achieved, the cumulative charge would increase by £0.1m and if the adjusted EPS performance condition was not achieved, so 0%, the cumulative charge would decrease by £0.7m.

5. Prior period adjustment

The comparative figures on the Company Statement of Financial Position have been restated for a transposition adjustment between current and non-current borrowings. This has resulted in a decrease to the Company's current borrowings of £7m and an increase to the Company's non-current borrowings of £7m.

There was no impact on the Group's financial statements, the Company Statement of Comprehensive income or the Company's net assets.

6. Segmental reporting

The Directors consider there to be three operating segments in both 2025 and 2024, being Franchising, Financial Services and Licensing.

For the year ended 31 December 2025:

	Franchising £'000	Financial Services £'000	Licensing £'000	Total £'000
Revenue	47,451	24,177	12,636	84,264
Segment profit before tax	27,902	4,243	3,491	35,636
PLC central overheads				(3,879)
Exceptional administrative expenses				(449)
Amortisation on acquired intangibles				(5,221)
Share-based payments charge				(2,213)
Finance costs and income				(866)
Other gains and losses				1,350
Profit before tax				24,358

For the year ended 31 December 2024:

	Property Franchising £'000	Financial Services £'000	Licensing £'000	Total £'000
Revenue	40,899	19,202	7,209	67,310
Segment profit before tax	22,380	3,269	1,784	27,433
PLC central overheads				(4,373)
Exceptional administrative expenses				(2,720)
Amortisation on acquired intangibles				(4,228)
Share-based payments charge				(875)
Finance costs and income				(933)
Other gains and losses				-
Profit before tax				14,304

There was no inter-segment revenue in any period.

7. Revenue

	2025 £'000	2024 £'000
Property Franchising segment:		
Management Service Fees	32,388	28,321
Owned offices - lettings and sales fees	7,761	6,987
Franchise sales, support and other services	7,302	5,591
	47,451	40,899
Financial Services segment:		
Financial Services commissions	24,177	19,202
	24,177	19,202
Licensing segment:		

Licence and membership fees	9,353	5,240
Support and other services	3,283	1,969
	12,636	7,209
	84,264	67,310

All revenue is earned in the UK and no customer represents greater than 10% of total revenue in either of the years reported.

See note 20 for details of accrued income and note 26 for details of deferred income.

See note 18 for the value of prepaid assisted acquisitions support amortised as a deduction from Management Service Fees.

8. Administrative expenses

Administrative expenses relate to those expenses that are not directly attributable to any specific sales activity.

Administrative expenses for the year were as follows:

	2025 £'000	2024 £'000
Employee costs	16,112	13,940
Marketing and digital costs	2,187	2,151
Depreciation and amortisation	6,437	5,140
Other administrative costs	3,972	4,908
Administrative expenses	28,708	26,139
Exceptional legal and professional costs in relation to the acquisitions in the year	128	2,303
Exceptional staff costs	321	417
Exceptional administrative expenses	449	2,720
Share-based payments charge	2,213	875
Total administrative expenses	31,370	29,734

9. Employees and Directors

Average numbers of employees (including Executive Directors), employed during the year:

	Group		Company	
	2025	2024	2025	2024
Administration	316	288	-	-
Management	33	28	2	2
	349	316	2	2

Employee costs (including Directors) during the year amounted to:

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Wages and salaries	16,988	15,501	2,161	1,983
Social security costs	2,567	2,367	817	620
Pension costs	595	436	121	58
Private medical insurance	148	94	20	-
	20,298	18,398	3,119	2,661
			939	
Share-based payments charge	2,213	875		584

Key management personnel is defined as Executive Directors. Details of the remuneration of the key management personnel are shown below:

	2025 £'000	2024 £'000
Wages and salaries	1,265	1,767
Social security costs	185	216
Pension costs	73	70
	1,523	2,053
Share-based payments charge	1,186	584

The number of Directors to whom retirement benefits accrued under defined contributions schemes was three (2024: three).

Details of the remuneration of the highest paid Director are shown below:

	2025 £'000	2024 £'000
Wages and salaries	600	607
Social security costs	88	84

Pension costs	30	30
	718	721
Share-based payments charge	872	288

Further details of the Directors' emoluments are disclosed in the Directors' Remuneration Report on pages 49 to 52 in the Annual Report. The share-based payments charge for the current year has been charged to the Statement of Comprehensive Income.

10. Breakdown of income and expenses by nature

	2025 £'000	2024 £'000
The operating profit is stated after charging:		
Depreciation	242	221
Amortisation - intangibles	5,312	4,390
Amortisation - prepaid assisted acquisitions support	103	126
Amortisation - leases	780	531
Share-based payments charge	2,213	875
Auditor's remuneration (see below)	293	307
Staff costs (note 9)	20,298	18,398
Audit services		
- Audit of the Company and consolidated accounts	293	307
	293	307

Other operating income of £0.46m (2024: £nil) relates to income received for the sale of corporate offices and franchisee incentives repaid.

11. Finance income and costs

	2025 £'000	2024 £'000
Finance income:		
Bank interest	133	28
Other similar income	196	234
	329	262

	2025 £'000	2024 £'000
Finance costs:		
Bank interest	871	871
Interest expense on lease liabilities	188	133
Unwinding of discounting on deferred consideration	136	191
	1,195	1,195

12. Taxation

	2025 £'000	2024 £'000
Current tax	7,109	4,980
Adjustments in respect of previous periods	(161)	-
Current tax total	6,948	4,980
Deferred tax on acquired business combinations	(1,275)	(1,075)
Deferred tax on share-based payments	(377)	316
Deferred tax - other	(12)	(49)
Deferred tax total	(1,664)	(808)
Total tax charge in Statement of Comprehensive Income	5,284	4,172

The tax rate assessed for the period is lower (2024: higher) than the standard rate of corporation tax in the UK. The difference is explained below.

	2025 £	2024 £
Profit on ordinary activities before tax	24,358	14,304
Profit on ordinary activities multiplied by the effective standard rate of corporation tax in the UK of 25% (2024: 25%)	6,090	3,576
Effects of:		
Acquisition-related costs not deductible for tax purposes	32	576
Other costs not deductible for tax purposes	39	1,152
Income not taxable	(476)	-
Depreciation in excess of capital allowances	75	38
Deferred tax provision	-	(808)
Exercise of share options	(315)	(362)
Adjustments in respect of previous periods	(161)	-
Total tax charge in respect of continuing activities	5,284	4,172

13. Earnings per share

Earnings per share is calculated by dividing the profit for the financial year by the weighted average number of shares during the year.

	2025 £'000	2024 £'000
Profit for the financial year attributable to owners of the Parent	19,048	10,192
Amortisation on acquired intangibles	5,221	4,228
Share-based payments charge	2,213	875
Exceptional costs	449	2,720
Unwinding of discounting on acquisition deferred consideration	136	191
Gain on revaluation of listed investment	(1,350)	-
Adjusted profit for the financial year	25,717	18,206
Weighted average number of shares		
Number used in basic earnings per share	63,752,008	57,477,151
Dilutive effect of share options on ordinary shares	52,399	419,881
Number used in diluted earnings per share	63,804,407	57,897,032
Basic earnings per share	29.9p	17.7p
Diluted earnings per share	29.9p	17.6p
Adjusted basic earnings per share	40.3p	31.7p
Adjusted diluted earnings per share	40.3p	31.4p

There were options over 2,564,461 ordinary shares outstanding at 31 December 2025: 2,155,000 had not vested and have performance conditions which determine whether they vest or not in future; 227,000 do not have performance conditions but their exercise price is higher than the share price at 31 December 2025; and 182,461 options under the 2023 scheme will vest in full based on these financial statements. The average share price during the year ended 31 December 2025 was above the exercise price of the 182,461 options that are due to vest based on these financial statements; for this reason, in 2025 there is a dilutive effect of share options on the earnings per share calculation for any share options expected to vest above the number of un-allocated shares already in issue.

There were options over 2,081,953 ordinary shares outstanding at 31 December 2024: 1,450,953 had not vested and have performance conditions which determine whether they vest or not in future; 210,000 do not have performance conditions but their exercise price is higher than the share price at 31 December 2024; and 421,000 options under the 2022 scheme will vest in full based on these financial statements. The average share price during the year ended 31 December 2024 was above the exercise price of the 421,000 options that are due to vest based on these financial statements; for this reason, in 2024 there is a dilutive effect of share options on the earnings per share calculation.

14. Dividends

	2025 £'000	2024 £'000
Second interim dividend for prior year		
No dividends paid (2024: 2p per share paid 2 February 2024)	-	642
Final dividend for prior year		
12.0p per share paid 2 June 2025 (2024: 7.4p per share paid 12 June 2024)	7,561	4,600
Interim dividend for current year		
7.0p per share paid 3 October 2025 (2024: 6.0p per share paid 4 October 2024)	4,453	3,770
Total dividend paid	12,014	9,012

The Directors propose a final dividend for 2025 of 15p per share totalling £9.6m, which they expect will be paid on 1 June 2026. As this is subject to approval by the shareholders, no provision has been made for this in these financial statements.

15. Intangible assets

	Customer relationships £'000	Brands £'000	Technology £'000	Customer lists £'000	Goodwill £'000	Total £'000
Cost						
Brought forward at 1 January 2024	18,592	5,032	790	3,573	23,319	51,306
Acquisitions (note 32)	62,751	11,029	181	1,249	65,416	140,626
Additions	-	-	-	27	-	27
Disposals	-	-	-	(30)	-	(30)
Carried forward 31 December 2024	81,343	16,061	971	4,819	88,735	191,929
Additions	-	13	142	-	-	155
Other movement	-	-	-	-	(934)	(934)

Disposals	-	-	-	(70)	-	(70)
Carried forward 31 December 2025	81,343	16,074	1,113	4,749	87,801	191,080
Amortisation and impairment						
Brought forward at 1 January 2024	5,217	910	435	987	-	7,549
Charge for the year	3,271	622	139	358	-	4,390
Amortisation on disposals	-	-	-	(11)	-	(11)
Carried forward 31 December 2024	8,488	1,532	574	1,334	-	11,928
Charge for the year	3,913	772	125	502	-	5,312
Amortisation on disposals	-	-	-	(32)	-	(32)
Carried forward 31 December 2025	12,401	2,304	699	1,804	-	17,208
Net book value						
At 31 December 2025	68,942	13,770	414	2,945	87,801	173,872
At 31 December 2024	72,855	14,529	397	3,485	88,735	180,001
At 31 December 2023	13,375	4,122	355	2,586	23,319	43,757

The carrying amount of goodwill relates to nine (2024: nine) cash generating units and reflects the difference between the fair value of consideration transferred and the fair value of assets and liabilities purchased.

Other movement in the year ended 31 December 2025 relates to a revision of the goodwill allocation of Belvoir Group PLC.

The amortisation charge is included within administrative expenses in the Statement of Comprehensive Income.

Business combination completed in March 2024 - Belvoir Group PLC

Details of the acquisition of Belvoir Group PLC can be found in note 32.

Two cash generating units were identified: Belvoir Group Franchising and Belvoir Group Financial Services. The purchase consideration was allocated between the CGUs based on their relative earnings before interest and tax ("EBIT").

Belvoir Group Franchising CGU:

The value of the master franchise agreement was based on the value of the cash flows derived from the actual revenue and operating margins for 2024, projections of revenue through to 2045 applying historic attrition rates of 5% and growth rates of 3-5% until 2028 and 2% thereafter. The revenue streams represent the return from all the assets employed in generating those revenues. Thus, to value the franchise rights separately, the fair value and expected rate of return of these other assets, known as the contributory asset charge, were determined and deducted.

A discount rate of 9.4% was applied which represented a reduction on the company's WACC as the risk profile of the master franchise rights was seen as slightly less than that of the overall company. The resulting present value was not increased by the tax adjusted benefit as the amortisation of master franchise rights are not deductible for UK corporation tax. The master franchise rights are being amortised over 21 years. The period of amortisation remaining at 31 December 2025 was 19 years 2 months (2024: 20 years 2 months).

The Belvoir Group brands were founded between 1995 - 2014 and have become established as widely recognised brands within the lettings and estate agency sector, which attract a significant number of franchise enquiries and have a significant fixed element to their royalties. Management expects to derive income from the brand for the next 20 years and, with this as the assets' useful life, the period of amortisation remaining at 31 December 2025 was 18 years 2 months (2024: 19 years 2 months).

The Relief-from-Royalty-Method was used to value the brand name. Looking at independent research of royalty rates and taking into account the factors highlighted in the last paragraph, management selected a pre-tax royalty rate of 5%.

The after tax royalty rate was then applied to the projected cash flows of the brand up until December 2045, the projected cash flows being the forecast growth in revenues of 3-5% until 2028 and 2% thereafter. The after tax cash flows determined through this process were then discounted at 11.4%. This discount rate approximated the company's WACC as the risk profile of the brand names was seen as commensurate with that of the overall company.

The value of the lettings books was based on the value of the cash flows derived from the actual revenue and operating margins for 2024, projections of revenue through to 2036 applying historic attrition rates of 4% and growth rates of 2%. The revenue streams represent the return from all the assets employed in generating those revenues. Thus, to value the lettings books separately, the fair value and expected rate of return of these other assets, known as the contributory asset charge, were determined and deducted.

A discount rate of 9.4% was applied which represented a discount over the company's WACC as the risk profile of the lettings books was seen as slightly less than that of the overall company. The resulting present value was not increased by the tax adjusted benefit as the amortisation of lettings books are not

deductible for UK corporation tax. The lettings books is being amortised over 12 years. The period of amortisation remaining at 31 December 2025 was 10 years 2 months (2024: 11 years 2 months).

Impairment review:

Goodwill is assessed for impairment by comparing the carrying value to the value in use calculations. The value in use of the goodwill arising on the acquisition of Belvoir Franchising is based on the cash flows derived from the budgeted revenues and operating margins for 2026 and projected revenue growth of 2% thereafter using a terminal growth calculation.

The cash flows arising were discounted by 12.04% based on the weighted average cost of capital for Belvoir Group. This resulted in a total value for the company of the identifiable intangible assets that exceeded the carrying values of the company's goodwill.

The carrying value of Belvoir Franchising was £89.4m at 31 December 2025 whereas the recoverable amount was assessed to be £93.2m at the same date. Headroom of £3.8m therefore existed at the year end.

The Directors do not consider goodwill to be impaired.

The useful life of the master franchise agreements and brand names has been considered. There have been no significant changes since acquisition and as such they remain unchanged.

The following table reflects the level of movements required in revenue or costs which could result in a potential impairment per the value in use calculation of goodwill. A further percentage (fall)/increase, of the magnitude indicated in the table below, in any one of the key assumptions set out above would result in a removal of the headroom in the value in use calculation for goodwill in 2025. Thus, if the discount rate increased by 4% to 12.52%, an impairment change would result against goodwill, all other assumptions remaining unchanged.

Assumption	Judgement	Sensitivity
Discount rate	Weighted average cost of capital used of 12.04%	4%
Revenue - all years	Growth rate of 2%	(27%)
Indirect costs - all years	Assumed to be 29% of revenue	10%

Belvoir Group Financial Services CGU:

Goodwill on acquisition was £26.9m and there were no identifiable intangible assets arising from legal or contractual rights, which is consistent with other financial services business acquisitions.

Impairment review:

Goodwill is assessed for impairment by comparing the carrying value to the value in use calculations. The value in use of the goodwill arising on the acquisition of Belvoir Financial Services is based on the cash flows derived from the budgeted revenues and operating margins for 2026 and projected revenue growth of 2% thereafter using a terminal growth calculation.

The cash flows arising were discounted at 12.04% based on the weighted average cost of capital for Belvoir Group. This resulted in a total value for the company of the identifiable intangible assets that exceeded the carrying values of the company's goodwill.

The carrying value of Belvoir Financial Services was £28.5m at 31 December 2025 whereas the recoverable amount was assessed to be £30.0m at the same date. Headroom of £1.5m therefore existed at the year end.

The Directors do not consider goodwill to be impaired.

The following table reflects the level of movements required in revenue or costs which could result in a potential impairment per the value in use calculation of goodwill. A further percentage (fall)/increase, of the magnitude indicated in the table below, in any one of the key assumptions set out above would result in a removal of the headroom in the value in use calculation for goodwill in 2025. Thus, if the discount rate increased by 5% to 12.64%, an impairment change would result against goodwill, all other assumptions remaining unchanged.

Assumption	Judgement	Sensitivity
Discount rate	Weighted average cost of capital used of 12.04%	5%
Revenue - all years	Growth rate of 2%	(36%)
Indirect costs - all years	Assumed to be 9% of revenue	11%

Business combination completed in May 2024 - GPEA Limited

Details of the acquisition of GPEA Limited can be found in note 32.

The Directors consider that GPEA is a single CGU.

The value of the license and membership agreements was based on the value of the cash flows derived from the actual revenue and operating margins for 2024, projections of revenue through to 2045 applying historic attrition rates of 10% and growth rates of 3-4% until 2029 and 2% thereafter. The revenue streams represent the return from all the assets employed in generating those revenues. Thus, to value the licence and membership agreements separately, the fair value and expected rate of return of these other assets, known as the contributory asset charge, were determined and deducted.

A discount rate of 11.17% was applied. This discount rate approximated the company's WACC as the risk profile of the license and membership agreements was seen as commensurate with that of the overall company. The resulting present value was not increased by the tax adjusted benefit as the amortisation of customer relationships is not deductible for UK corporation tax. The license and membership agreements

are being amortised over 21 years. The period of amortisation remaining at 31 December 2025 was 19 years 5 months (2024: 20 years 5 months).

The Guild of Property Professionals brand was established in 1993 and Fine & Country in 2001; they have become widely recognised brands within the lettings and estate agency sector. Management expects to derive income from the brands for the next 20 years and, with this as the assets' useful life, the period of amortisation remaining at 31 December 2025 was 18 years 5 months (2024: 19 years 5 months).

The Relief-from-Royalty-Method was used to value the brand name. Looking at independent research of royalty rates and taking into account the factors highlighted in the last paragraph, management selected a pre-tax royalty rate of 5%.

The after tax royalty rate was then applied to the projected cash flows of the brand up until December 2045, the projected cash flows being the forecast growth in revenues of 3-4% until 2029 and 2% thereafter. The after tax cash flows determined through this process were then discounted at 11.17%. This discount rate approximated the company's WACC as the risk profile of the brand names was seen as commensurate with that of the overall company.

Goodwill and indefinite life intangible assets

Goodwill and indefinite life intangible assets are carried at cost and are tested annually for impairment by reference to the value of the relevant cash generating unit ("CGU") and their recoverable amount. During the year, goodwill was tested for impairment with no impairment charge arising.

The carrying values of goodwill and indefinite life intangibles are as follows:

	Goodwill		Brands	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Xperience Franchising Limited	912	912	571	571
Whitegates Estate Agency Limited	401	401	-	-
Martin & Co (UK) Limited	75	75	-	-
EweMove Sales & Lettings Ltd	5,838	5,838	-	-
Hunters Property Limited	15,871	15,871	-	-
The Mortgage Genie Limited & The Genie Group UK Ltd	222	222	-	-
Belvoir Group Franchising	31,007	31,511	-	-
Belvoir Group Financial Services	26,480	26,910	-	-
GPEA Limited	6,995	6,995	-	-
	87,801	88,735	571	571

Details of the impairment reviews and sensitivity analysis for Belvoir Group Franchising and Belvoir Group Financial Services, the two cash generating units identified as part of the Belvoir Group PLC acquisition in the prior year, can be found in the section above.

For all other CGUs, sensitivity analysis has not been provided as the Directors believe that no reasonably possible change in assumptions at the year end would cause the value in use to fall below the carrying value and hence impair the goodwill.

The carrying value of the GPEA CGU at 31 December 2025 was £23.3m and the value in use was calculated as £34.4m, therefore headroom of £11.1m existed at the year end.

The carrying value of the EweMove CGU at 31 December 2025 was £7.5m and the value in use was calculated as £20.3m, therefore headroom of £12.8m existed at the year end.

The carrying value of the Hunters CGU at 31 December 2025 was £27.9m and the value in use was calculated as £41.5m, therefore headroom of £13.6m existed at the year end.

Company

	Technology £'000	Total £'000
Cost		
Brought forward at 1 January 2024 and 1 January 2025	-	-
Additions	142	142
Carried forward 31 December 2025	142	142
Amortisation and impairment		
Brought forward at 1 January 2024 and 1 January 2025	-	-
Charge for the year	14	14
Carried forward 31 December 2025	14	14
Net book value		
At 31 December 2025	128	128
At 31 December 2024	-	-
At 31 December 2023	-	-

The amortisation charge is included within administrative expenses in the Statement of Comprehensive Income.

16. Property, plant and equipment

Group

	Freehold property £'000	Short leasehold improvements £'000	Office equipment £'000	Motor vehicles £'000	Fixtures and fittings £'000	Total £'000
Cost						
Brought forward 1 January 2024	-	44	316	66	197	623
Acquisitions (note 32)	335	-	139	-	238	712
Additions	-	-	72	82	38	192
Disposals	-	-	(8)	-	(24)	(32)
Carried forward 31 December 2024	335	44	519	148	449	1,495
Additions	-	-	62	73	13	148
Disposals	-	(37)	(112)	-	(37)	(186)
Carried forward 31 December 2025	335	7	469	221	425	1,457
Depreciation						
Brought forward 1 January 2024	-	44	264	14	120	442
Charge for year	17	-	100	21	83	221
Disposals	-	-	(4)	-	(1)	(5)
Carried forward 31 December 2024	17	44	360	35	202	658
Charge for year	11	-	100	55	76	242
Disposals	-	(37)	(103)	-	(35)	(175)
Carried forward 31 December 2025	28	7	357	90	243	725
Net book value						
At 31 December 2025	307	-	112	131	182	732
At 31 December 2024	318	-	159	113	247	837
At 31 December 2023	-	-	52	52	77	181

Company

	Motor vehicles £'000	Total £'000
Cost		
Brought forward 1 January 2024	-	-
Additions	82	82
Carried forward 31 December 2024	82	82
Additions	-	-
Disposals	-	-
Carried forward 31 December 2025	82	82
Depreciation		
Brought forward 1 January 2024	-	-
Charge for year	6	6
Carried forward 31 December 2024	6	6
Charge for year	20	20
Carried forward 31 December 2025	26	26
Net book value		
At 31 December 2025	56	56
At 31 December 2024	76	76
At 31 December 2023	-	-

The depreciation charge is included within administrative expenses in the Statement of Comprehensive Income.

17. Leases

The Group has several operating leases relating to office premises and motor vehicles. Under IFRS 16, which was adopted on 1 January 2019, these operating leases are accounted for by recognising a right-of-use asset and a lease liability.

Group

Right-of-use assets:

	Land and buildings £'000	Motor vehicles £'000	Total £'000
Brought forward 1 January 2024	1,514	11	1,525
Acquisitions (note 32)	389	400	789
Additions	1,424	237	1,661
Disposals	(19)	(72)	(91)
Amortisation	(432)	(99)	(531)
Carried forward 31 December 2024	2,876	477	3,353

Additions	576	85	661
Disposals	(36)	(6)	(42)
Amortisation	(587)	(193)	(780)
Carried forward 31 December 2025	2,829	363	3,192

Lease liabilities:

	Land and buildings £'000	Motor vehicles £'000	Total £'000
At 1 January 2024	2,042	-	2,042
Acquisitions (note 32)	400	389	789
Additions	1,430	237	1,667
Disposals	(14)	(55)	(69)
Interest expenses	112	21	133
Lease payments	(570)	(142)	(712)
Carried forward 31 December 2024	3,400	450	3,850
Additions	573	77	650
Disposals	(109)	(6)	(115)
Interest expenses	165	23	188
Lease payments	(812)	(200)	(1,012)
Carried forward 31 December 2025	3,217	344	3,561

Maturity

Current liability	652	150	802
Non-current liability	2,748	300	3,048
Carried forward 31 December 2024	3,400	450	3,850

Current liability	652	181	833
Non-current liability	2,565	163	2,728
Carried forward 31 December 2025	3,217	344	3,561

Company

Right-of-use assets:

	Motor vehicles £'000	Total £'000
Brought forward 1 January 2024 and 1 January 2025	-	-
Additions	51	51
Amortisation	(23)	(23)
Carried forward 31 December 2025	28	28

Lease liabilities:

	Motor vehicles £'000	Total £'000
Brought forward 1 January 2024 and 1 January 2025	-	-
Additions	44	44
Interest expenses	1	1
Lease payments	(20)	(20)
Carried forward 31 December 2025	25	25

Current liability	15	15
Non-current liability	10	10
Carried forward 31 December 2025	25	25

Group

	2025 £'000	2024 £'000
Interest on lease liabilities	188	133
Expenses relating to short-term and low-value asset leases	24	21

18. Prepaid assisted acquisitions support

Group

	Total £'000
Cost	
Brought forward 1 January 2024	1,383
Additions	114
Carried forward 31 December 2024	1,497
Additions	84
Disposals	(593)

Carried forward 31 December 2025	988
Amortisation	
Brought forward 1 January 2024	1,153
Charge for year - to revenue	115
Charge for year - to cost of sales	13
Carried forward 31 December 2024	1,281
Charge for year - to revenue	47
Charge for year - to cost of sales	56
Disposals	(593)
Carried forward 31 December 2025	791
Net book value	
At 31 December 2025	197
At 31 December 2024	216
At 31 December 2023	230

Cashback and broker's commission are presented as prepaid assisted acquisitions support

The additions represent sums provided to franchisees that have made qualifying acquisitions to grow their lettings portfolios. The cashback sum provided is based on a calculation of the estimated increase in MSF as a result of the acquisition and the sum provided for broker's commission is based on the charge payable to the broker. In providing these sums, the Group ensures that franchisees are contractually bound to the relevant franchisor for a period in excess of that required for the economic benefits to exceed the sums provided.

Company

No prepaid assisted acquisitions support exists in the Parent Company.

19. Investments

Company

	Shares in Group undertakings £'000
Cost	
At 1 January 2024	60,966
Acquisition of Belvoir Group PLC	107,190
Acquisition of GPEA Limited	19,070
Acquisition-related costs	2,303
Capital contribution to subsidiaries - share options	291
At 31 December 2024	189,820
Capital contribution to subsidiaries - share options	1,274
At 31 December 2025	191,094
Net book value	
At 31 December 2025	191,094
At 31 December 2024	189,820
At 31 December 2023	60,966

The Property Franchise Group PLC was incorporated on 7 October 2013. On 10 December 2013, a share for share exchange acquisition took place with Martin & Co (UK) Limited; 17,990,000 ordinary shares in The Property Franchise Group PLC were exchanged for 100% of the issued share capital in Martin & Co (UK) Limited.

On 31 October 2014, the Company acquired the entire issued share capital of Xperience Franchising Limited and Whitegates Estate Agency Limited for a consideration of £6.1m.

On 5 September 2016, the Company acquired the entire issued share capital of EweMove Sales & Lettings Ltd, and its dormant subsidiary Ewesheep Ltd, for an initial consideration of £8m. Of the total consideration, £2.1m represented contingent consideration, of which £0.5m was paid out on 30 July 2017, and £0.5m was paid out on 31 December 2017. No further sums are due.

On 19 March 2021, the Company acquired the entire issued share capital of Hunters Property PLC for a total consideration of £26.1m.

On 6 September 2021, the Company acquired the entire issued share capital of The Genie Group UK Ltd and 80% of the issued share capital of The Mortgage Genie Limited for £0.5m which comprised an initial cash consideration of £0.4m and a deferred consideration of £0.1m, which was settled in the year ended 31 December 2023.

On 7 March 2024, the Company acquired the entire issued share capital of Belvoir Group PLC for a total consideration of £107.2m.

On 31 May 2024, the Company acquired the entire issued share capital of GPEA Limited for a total consideration of £19.1m.

The carrying values of the investments have been considered for impairment, and it has been determined that the value of the discounted future cash inflows exceeds the carrying value. Thus, there is no impairment charge.

The Company's investments at the balance sheet date in the share capital of companies include the following, which all have their registered offices at the same address as the Company:

Subsidiaries

	Company number	Share class	% ownership and voting rights	Country of incorporation
Active companies:				
Belvoir Group Limited	07848163	Ordinary	100	England
Belvoir Property Management (UK) Limited*	03141281	Ordinary	100	England
BMA Bristol Limited*	09911363	Ordinary	100	England
Brook Financial Services Ltd*	07311674	Ordinary	100	England
EweMove Sales & Lettings Ltd	07191403	Ordinary	100	England
GPEA Limited	02819824	Ordinary	100	England
Country Properties Franchising Limited (formerly Greenrose Network (Franchise) Limited)*	02934219	Ordinary	100	England
Hunters Financial Services Limited*	02604278	Ordinary	100	England
Hunters Franchising Limited*	05537909	Ordinary	100	England
Hunters (Midlands) Limited*	02587709	Ordinary	100	England
Hunters Property Group Limited*	03947557	Ordinary	100	England
Hunters Property Limited	09448465	Ordinary	100	England
MAB (South West) Ltd*	07533839	Ordinary	100	England
Martin & Co (UK) Limited	02999803	Ordinary	100	England
Mullucks Franchising Limited*	03777494	Ordinary	100	England
Mr & Mrs Clarke Ltd*	09174353	Ordinary	100	England
Newton Fallowell Limited*	05372232	Ordinary	100	England
Northwood GB Limited*	03570861	Ordinary	100	England
RealCube Limited*	07736494	Ordinary	100	England
Smart Advice Financial Solutions Ltd **	07797549	Ordinary	85	England
The Mortgage Genie Limited	09803176	Ordinary	80	England
The TIME Group Ltd*	10080298	Ordinary	100	England
TIME Mortgage Experts Ltd*	08124266	Ordinary	100	England
Whitegates Estate Agency Limited	00757788	Ordinary	100	England
White Kite Holdings 2021 Limited	13208817	Ordinary	100	England
White Kite Ltd	04545088	Ordinary	100	England
White Kite (Leicester) Limited	13767760	Ordinary	100	England
Xperience Franchising Limited	02334260	Ordinary	100	England

Dormant companies:

Brook Mortgage Services Limited* ²	03089887	Ordinary	100	England
Claygold Property Limited*	02649237	Ordinary	100	England
Ewesheep Ltd* ¹	08191713	Ordinary	100	England
FC Cambridge Limited* ¹	08092415	Ordinary	100	England
FCEA Limited*	06637642	Ordinary	100	England
Fine & Country Limited*	04238673	Ordinary	100	England
Hapollo Limited*	08008359	Ordinary	100	England
Herriot Cottages Limited* ¹	04452874	Ordinary	100	England
Hunters Group Limited* ¹	02965842	Ordinary	100	England
Hunters Land & New Homes Limited* ¹	06292723	Ordinary	100	England
Hunters Survey & Valuation Limited*	02602087	Ordinary	100	England
MAB (Gloucester) Limited* ²	09668913	Ordinary	100	England
Maddison James Limited* ¹	05920686	Ordinary	100	England
MartinCo Limited ¹	09724369	Ordinary	100	England
Michael Searchers Property Management Ltd* ²	03056834	Ordinary	100	England
Moving Logic Limited ¹	09393396	Ordinary	100	England
Nicholas Humphreys Franchise Limited* ²	04582891	Ordinary	100	England
Purely Mortgage Consultants Limited* ²	06521922	Ordinary	100	England
RealCube Technology Limited*	08139888	Ordinary	100	England
Redwoods Estate Agents Limited	03416122	Ordinary	100	England
The Genie Group UK Ltd	12372201	Ordinary	100	England
The Mayfair Estate Agency Ltd ¹	04957446	Ordinary	100	England
The Property Guild Ltd ¹	09108345	Ordinary	100	England
TIME Mortgage Experts 2 Ltd* ²	09277394	Ordinary	100	England
TIME Mortgage Experts 3 Limited* ³	13072932	Ordinary	100	England
Uplong Ltd* ¹	05816728	Ordinary	100	England

- * Indirectly owned.
- 1 Dissolved on 7 January 2025.
- 2 Dissolved on 5 August 2025.
- 3 Dissolved on 30 December 2025.

All trading companies in the subsidiaries list above are exempt from the requirements of the Companies Act 2006 relating to the audit of accounts under Section 479A of the Companies Act 2006.

All dormant companies in the subsidiaries list above are exempt from the requirements of the Companies Act 2006 relating to the audit of accounts under Section 480 of the Companies Act 2006.

As part of the ongoing restructuring and streamlining of the Group, 18 dormant companies were dissolved during the year.

After the year end, on 16 January 2026, the Group acquired 85% of the issued share capital of Smart Advice Financial Solutions Ltd for a consideration of £1.5m, being cash consideration of £1.2m and deferred consideration of £0.3m.

At the year end, The Property Franchise Group PLC has guaranteed all liabilities of all companies in the subsidiaries list above. The value of the contingent liability resulting from this guarantee is unknown at the year end.

20. Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade receivables	7,204	6,097	164	3
Less: provision for impairment of trade receivables	(1,839)	(1,504)	(16)	-
Trade receivables - net of impairment provisions	5,365	4,593	148	3
Loans to franchisees	3,024	3,888	-	-
Other receivables	450	159	-	-
UIC debtor	3,541	3,503	-	-
Amounts due from Group undertakings	-	-	2,400	-
Prepayments and accrued income	5,101	3,271	1,224	195
Tax receivable	-	-	-	1,286
Total trade and other receivables	17,481	15,414	3,772	1,484
Less: non-current portion - loans to franchisees	(2,223)	(2,745)	-	-
Less: non-current portion - UIC debtor	(2,020)	(2,046)	-	-
Less: total non-current portion	(4,243)	(4,791)	-	-
Current portion	13,238	10,623	3,772	1,484

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing. The expected loss rates are based on the Group's historical credit losses experienced over the previous year. Forward-looking factors are considered to the extent that they are deemed material.

The Group is entitled to the revenue by virtue of the terms in the franchise agreements and can force the sale of a franchise to recover a debt if necessary.

Ageing of trade receivables

The ageing analysis of the trade receivables is as follows:

	2025	2024
	£'000	£'000
Group		
Not more than three months	4,246	4,482
More than three months but not more than six months	900	631
More than six months but not more than one year	1,618	450
More than one year	440	534
	7,204	6,097

The Directors consider that the carrying value of trade and other receivables represents their fair value.

Loans to franchisees are secured against the franchise and the franchisees give personal guarantees over all debts. If a loan payment default occurs, the franchisor could force immediate repayment, pursue the personal guarantees or force a resale of the franchise.

Included within "Prepayments and accrued income" is accrued income of £1.6m (2024: £1.7m) in relation to Management Service Fees for some of our brands that are invoiced at the beginning of the month following the month to which they relate.

21. Called up share capital

	2025		2024	
	Number	£'000	Number	£'000

Group and Company	63,752,008	638		
Authorised, allotted, issued and fully paid ordinary shares of 1p each			<u>63,752,008</u>	<u>638</u>

On 7 March 2024, 30,073,501 shares were issued at £0.01 to Belvoir shareholders in consideration for the acquisition of Belvoir Group PLC (see note 32 for further details on the acquisition).

On 7 August 2024, 1,423,500 shares were issued at £0.01 to two Executive Directors and certain employees following the exercise of share options.

22. Share premium

	Number of shares	Share capital £'000	Share premium £'000
Group and Company			
At 31 December 2025 and 31 December 2024	32,255,107	323	4,129

Share premium is the amount subscribed for share capital in excess of the nominal value. The remaining 31,497,001 shares in issue were issued at their nominal value of £0.01 and as such did not create a share premium balance.

23. Merger reserve

	Merger reserve £'000
Group	
At 1 January 2024	14,345
Acquisition of Belvoir Group PLC	103,152
At 31 December 2025 and 31 December 2024	117,497
	Merger reserve £'000
Company	
At 1 January 2024	32,335
Acquisition of Belvoir Group PLC	103,152
At 31 December 2025 and 31 December 2024	135,487

Acquisition of Martin & Co (UK) Limited

The acquisition of Martin & Co (UK) Limited by The Property Franchise Group PLC did not meet the definition of a business combination and therefore falls outside of the scope of IFRS 3. This transaction was in 2013 and accounted for in accordance with the principles of merger accounting.

The consideration paid to the shareholders of the subsidiary was £17.99m (the value of the investment). As these shares had a nominal value of £0.1799m, the merger reserve in the Company is £17.81m.

On consolidation, the investment value of £17.99m is eliminated so that the nominal value of the shares remaining is £0.1799m and, as there is a difference between the Company value of the investment and the nominal value of the shares purchased in the subsidiary of £100, this is also eliminated, to generate a merger reserve in the Group of £0.1798m.

Acquisition of EweMove Sales & Lettings Ltd

The consideration for the acquisition of EweMove Sales & Lettings Ltd included the issue of 2,321,550 shares to the vendors at market price. A merger reserve of £2.797m is recognised in the Group and the Company, being the difference between the value of the consideration and the nominal value of the shares issued as consideration.

Acquisition of Hunters Property PLC

The consideration for the acquisition of Hunters Property PLC included the issue of 5,551,916 shares to the vendors at market price. A merger reserve of £11.548m is recognised in the Group and the Company, being the difference between the value of the consideration and the nominal value of the shares issued as consideration.

Acquisition of Belvoir Group PLC

The consideration for the acquisition of Belvoir Group PLC included the issue of 30,073,501 shares to the vendors at market price. A merger reserve of £103.152m is recognised in the Group and the Company, being the difference between the value of the consideration and the nominal value of the shares issued as consideration.

24. Own share reserve and other reserves

Own share reserve

Weighted average cost of own shares held in the Employee Benefit Trust.

Other reserves

	Share- based	Other reserve	Total £'000
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	payment reserve £'000	£'000	
Group			
At 1 January 2024	1,575	98	1,673
Share-based payment charge	875	-	875
Release of reserve - share options exercised	(1,446)	(98)	(1,544)
Deferred tax on share-based payments	-	79	79
At 31 December 2024	1,004	79	1,083
Share-based payment charge	2,213	-	2,213
Release of reserve - share options exercised	(634)	(79)	(713)
Deferred tax on share-based payments	-	193	193
At 31 December 2025	2,583	193	2,776
	Share-based payment reserve £'000	Other reserve £'000	Total £'000
Company			
At 1 January 2024	1,575	98	1,673
Share-based payment charge	875	-	875
Release of reserve - share options exercised	(1,446)	(98)	(1,544)
Deferred tax on share-based payments	-	79	79
At 31 December 2024	1,004	79	1,083
Share-based payments	2,213	-	2,213
Release of reserve - share options exercised	(634)	(79)	(713)
Deferred tax on share-based payments	-	193	193
At 31 December 2025	2,583	193	2,776

Share-based payment reserve

The share-based payment reserve comprises charges made to the income statement in respect of share-based payments.

25. Borrowings

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Repayable within one year:				
Bank loan (term loan)	3,213	3,111	3,213	3,111
Bank loan (revolving credit facility)	3,019	-	3,019	-
	6,232	3,111	6,232	3,111
Repayable in more than one year:				
Bank loan (term loan)	7,000	10,111	7,000	10,111
Total borrowings	13,232	13,222	13,232	13,222
Bank loans due after more than one year are repayable as follows:				
Between one and two years (term loan)	7,000	3,111	7,000	3,111
Between two and five years (term loan)	-	7,000	-	7,000
	7,000	10,111	7,000	10,111

The Company has a £22m loan facility provided by Barclays with effect from 31 May 2024; this consists of a £14m term loan and an £8m revolving credit facility ("RCF").

On 23 May 2025, the Company drew down £6.5m RCF to fund the payment of deferred consideration in respect of the prior year GPEA Limited acquisition; on 1 August 2025, £3.5m of the RCF was repaid. During the year, the Company also made quarterly instalment payments towards the term loan totalling £3.1m. Interest continued to be charged quarterly on the outstanding amount; the rate was variable during the term at 2.2% above SONIA for the term loan and 2.5% above SONIA for the RCF. The term loan outstanding at 31 December 2025 was £10.21m and the RCF outstanding at 31 December 2025 was £3.02m.

On 31 May 2024 the Company drew down a £14m term loan and a £1m RCF to fund the acquisition of GPEA Limited. Interest was charged quarterly on the outstanding amount; the rate was variable during the term at 2.2% above SONIA for the term loan and 2.5% above SONIA for the RCF. The term loan outstanding at 31 December 2024 was £13.22m and the RCF was not drawn.

In the prior year, the Company had a previous loan facility provided by Barclays; under this facility the outstanding RCF balance of £2.5m was repaid on 3 January 2024 and the facility ended on 26 January 2024. Interest was charged quarterly on the outstanding amount; the rate was variable during the term at 2.2% above the Bank of England base rate. The amount outstanding at 31 December 2024 was £nil.

The loans are secured with a fixed and floating charge over the Group's assets and a cross guarantee across all companies in the Group.

There was net £nil cash movement from borrowings arising from financing activities during the year (2024: inflow £10.7m).

26. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade payables	2,864	2,787	87	10
Other taxes and social security	2,759	2,580	59	80
Other payables	1,131	1,173	73	11
UIC refund liability	2,539	2,444	-	-
Deferred consideration	-	4,864	-	4,864
Amounts due from Group undertakings	-	-	13,110	6,490
Accruals and deferred income	4,173	3,449	1,701	1,670
Total trade and other payables	13,466	17,297	15,030	13,125
Less: non-current portion - UIC liability	(1,416)	(1,428)	-	-
Current portion	12,050	15,869	15,030	13,125

The Directors consider that the carrying value of trade and other payables approximates their fair value.

Included in "Accruals and deferred income" is deferred income of £0.1m (2024: £0.3m) in relation to revenue received in advance which will be recognised over the next year (2024: two years).

Deferred consideration in the prior year of £4.86m related to the acquisition of GPEA Limited, trading as The Guild of Property Professionals ("The Guild") and Fine & Country. During the period, despite the GPEA business performing in line with our expectations, we amended certain customary terms under the SPA which resulted in a reduction in the deferred consideration payable to £3.65m. A gain on deferred consideration of £1.35m and the unwinding of discounting of £0.14m have been recognised in the Statement of Comprehensive Income.

27. Deferred tax

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Balance at beginning of year	(22,058)	(4,394)	484	820
Movement during the year:				
Acquisitions	-	(18,735)	-	-
Statement of Changes in Equity	114	80	114	80
Statement of Comprehensive Income	1,908	1,704	620	297
Release of deferred tax balance relating to share options exercised in year	(244)	(713)	(244)	(713)
Balance at end of year	(20,280)	(22,058)	974	484

Deferred taxation has been provided as follows:

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Accelerated capital allowances	288	276	(5)	(4)
Share-based payments	979	488	979	488
Acquired business combinations	(21,547)	(22,822)	-	-
(Liability)/asset at 31 December 2025	(20,280)	(22,058)	974	484

28. Provisions

The provisions in the Consolidated statement of financial position relate to dilapidations on office buildings of £0.19m (2024: £0.28m) used by the Group.

29. Financial instruments

Financial instruments - risk management

The Group is exposed through its operations to the following financial risks:

- credit risk;
- liquidity risk; and
- interest rate risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from

previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group and Company, from which financial instrument risk arises, are as follows:

- receivables;
- loans to franchisees;
- cash at bank;
- trade and other payables; and
- borrowings.

Financial assets

Financial assets measured at amortised cost:

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Loans and receivables:				
Trade receivables	5,365	4,593	148	3
Loans to franchisees	3,024	3,888	-	-
Other receivables	450	159	-	-
UIC debtor	3,541	3,503	-	-
Cash and cash equivalents	10,885	4,163	762	135
Amounts due from Group Undertakings	-	-	2,400	-
Accrued income	3,801	1,709	925	130
	27,066	18,015	4,235	268

Financial liabilities

Financial liabilities measured at amortised cost:

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Other financial liabilities:				
Trade payables	2,864	2,787	87	10
Other payables	1,131	1,173	73	11
UIC refund liability	2,539	2,444	-	-
Accruals	3,237	3,173	1,651	1,390
Amounts owed to Group undertakings	-	-	13,110	6,490
	9,771	9,577	14,921	7,901

Financial liabilities measured at fair value through profit or loss:

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Other financial liabilities:				
Deferred consideration	-	4,864	-	4,864

All of the financial assets and liabilities above are recorded in the Statement of Financial Position at amortised cost.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the finance function. The Board receives monthly reports from the finance function through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Capital management policy

The Board considers capital to be the carrying amount of equity and debt. Its capital objective is to maintain a strong and efficient capital base to support the Group's strategic objectives, provide progressive returns for shareholders and safeguard the Group's status as a going concern. The principal financial risks faced by the Group are liquidity risk and interest rate risk. The Directors review and agree policies for managing each of these risks. These policies remain unchanged from previous years.

The Board monitors a broad range of financial metrics including growth in MSF, operating margin, EBITDA, return on capital employed and balance sheet gearing.

It manages the capital structure and makes changes in light of changes in economic conditions. In order to maintain or adjust the capital structure, it may adjust the amount of dividends paid to shareholders.

Credit risk

Credit risk is the risk of financial loss to the Group if a franchisee or counterparty to a financial instrument fails to meet its contractual obligations. It is Group policy to assess the credit risk of new franchisees before entering contracts and to obtain credit information during the franchise agreement to highlight potential credit risks.

The highest risk exposure is in relation to loans to franchisees and their ability to service their debt. The Directors have established a credit policy under which franchisees are analysed for creditworthiness before a loan is offered. The Group's review includes external ratings, when available, and in some cases bank references. The Group does not consider that it currently has significant credit risk in respect of loans extended to franchisees because the Group is entitled to the revenue by virtue of the terms in the franchise agreements and can force the sale of a franchise to recover a debt if necessary.

The Group does not offer credit terms with regard to sales and lettings transactions occurring in the offices it operates itself; revenue is typically recognised at the sale's completion date for a property or upon receipt of rent from a tenant.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future development, the Group monitors forecast cash inflows and outflows on a monthly basis.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities, including future interest charges, which may differ from the carrying value of the liabilities as at the reporting date:

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	£'000	£'000	£'000	£'000	£'000
As at 31 December 2025					
Trade and other payables	3,995	-	-	-	-
Loans and borrowings	932	5,331	7,000	-	-
Lease liabilities	253	747	953	1,838	516
Total	5,180	6,078	7,953	1,838	516

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	£'000	£'000	£'000	£'000	£'000
As at 31 December 2024					
Trade and other payables	3,960	-	-	-	-
Loans and borrowings	778	2,333	3,111	7,000	-
Lease liabilities	194	608	671	2,017	360
Total	4,932	2,941	3,782	9,017	360

Interest rate risk

The Group's exposure to changes in interest rate risk relates primarily to interest earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an ongoing basis with the primary objective of limiting the effect of an adverse movement in interest rates. The Group has bank borrowings with a variable interest rate linked to the SONIA (see note 25).

Fair values of financial instruments

The fair value of financial assets and liabilities is considered the same as the carrying values.

30. Share-based payments

There are a number of share option schemes in place which aim to incentivise Executive Directors and senior management. For each of the schemes, the estimated fair value of the option is calculated at the year ended 31 December 2025 (or at the vesting date if earlier) and the fair value, moderated for the extent to which the option is expected to vest, is spread as a charge between grant and the assumed vesting date. Accordingly, a share-based payments charge is recognised in the Statement of Comprehensive Income in the year ended 31 December 2025.

Share Option Scheme 2025

On 16 July 2025, options over 980,000 ordinary shares were granted to two Executive Directors and certain senior managers. All options have an exercise price of £0.01 and the weighted average fair value of the options granted during the year was £4.71 per option.

These options have a vesting condition based on two performance conditions: adjusted basic earnings per share adjusted for exceptional income/costs, amortisation arising on consolidation and share-based

payment charges ("adjusted EPS"); and total shareholder return ("TSR") over the three years to 31 December 2027. Each performance condition will apply to 50% of the award being made.

In respect of both performance conditions, growth of 35% in adjusted EPS and 35% in TSR over the three-year period will be required for threshold vesting of the awards (the "collar"), with growth of 50% or higher in adjusted EPS and 50% or higher in TSR required for all of the awards to vest (the "cap"). Straight-line vesting applies between the collar and the cap.

The following principal assumptions were used in the valuation of the grant made in the year ended 31 December 2025 using the Black Scholes option pricing model:

Assumptions	
Date of vesting	30/04/2028
Share price at grant	£5.31
Exercise price	£0.01
Risk free rate	3.86%
Dividend yield	3.95%
Expected life	3 years
Share price volatility	23.80%

Expected volatility is a measure of the amount by which a share price is expected to fluctuate during a period. The assumptions used in valuing each grant are based on the daily historical volatility of the share price over a period commensurate with the expected term assumption.

The risk free rate of return is the implied yield at the date of grant for a zero coupon UK government bond with a remaining term equal to the expected term of the options.

It's expected that with an exercise price of £0.01, should the EPS condition be met, the holder will exercise as soon as the option vests. The Group usually announces its results in April, so, it has been assumed that the options will be exercised on 30 April 2028. All participants will be subject to a lock-in of 12 months following vesting.

EPS is measured as the pre-tax basic earnings per share excluding any exceptional income/costs and any share-based payments charges.

Management has used the budget for FY26 and the market outlook and projections for FY26 to determine, at 31 December 2025, the achievement of the EPS condition. The expectation is that 87% of the options will vest.

A share-based payments charge of £0.66m has been recognised in the Statement of Comprehensive Income in the year ended 31 December 2025.

The weighted average contractual life remaining of this option is two years and four months.

Company Share Option Plan ("CSOP") 2025

On 16 July 2025 the Company granted CSOP options over a total of 27,000 ordinary shares to senior management and key employees under the Company's CSOP Scheme. The exercise price of these options is £5.31, and the weighted average fair value of the options granted during the year was £0.76 per option. There are no performance conditions attached to these options other than that the option holder must be an employee at the time of vesting.

A share-based payments charge of £0.01m has been recognised in the Statement of Comprehensive Income in the year ended 31 December 2025.

The weighted average contractual life remaining of this option is two years and four months.

Share Option Scheme 2024

On 9 August 2024, options over 1,195,000 ordinary shares were granted to two Executive Directors and certain senior managers. All options have an exercise price of £0.01. There are 1,175,000 options remaining as at 31 December 2025. During the year, 20,000 share options were forfeited.

These options have a vesting condition based on two performance conditions: adjusted basic earnings per share adjusted for exceptional income/costs, amortisation arising on consolidation and share-based payment charges ("adjusted EPS"); and total shareholder return ("TSR") over the three years to 31 December 2026. Each performance condition will apply to 50% of the award being made.

In respect of both performance conditions, growth of 40% in adjusted EPS and 45% in TSR over the three-year period will be required for threshold vesting of the awards (the "collar"), with growth of 60% or higher in adjusted EPS and 85% or higher in TSR required for all of the awards to vest (the "cap"). Straight-line vesting applies between the collar and the cap.

The following principal assumptions were used in the valuation of the grant made in the year ended 31 December 2024 using the Black Scholes option pricing model:

Assumptions	
Date of vesting	30/04/2027
Share price at grant	£4.64
Exercise price	£0.01
Risk free rate	4.00%
Dividend yield	4.90%
Expected life	3 years
Share price volatility	31.00%

Expected volatility is a measure of the amount by which a share price is expected to fluctuate during a period. The assumptions used in valuing each grant are based on the daily historical volatility of the share price over a period commensurate with the expected term assumption.

The risk free rate of return is the implied yield at the date of grant for a zero coupon UK government bond with a remaining term equal to the expected term of the options.

It's expected that with an exercise price of £0.01, should the EPS condition be met, the holder will exercise as soon as the option vests. The Group usually announces its results in April, so, it has been assumed that the options will be exercised on 30 April 2027. All participants will be subject to a lock-in of 12 months following vesting.

EPS is measured as the basic earnings per share excluding any exceptional income/costs and any share-based payments charges.

Management has used the budget for FY26 and the market outlook and projections for FY26 to determine, at 31 December 2025, the achievement of the EPS condition. The expectation is that 60% of the options will vest.

A share-based payments charge of £1.50m (2024: £0.14m) has been recognised in the Statement of Comprehensive Income in the year ended 31 December 2025.

The weighted average contractual life remaining of this option is one year and four months.

Company Share Option Plan ("CSOP") 2024

On 9 August 2024 the Company granted CSOP options over a total of 220,000 ordinary shares to senior management and key employees under the Company's CSOP Scheme. The exercise price of these options is 464p. There are no performance conditions attached to these options other than that the option holder must be an employee at the time of vesting.

There are 200,000 options remaining as at 31 December 2025. During the year, 10,000 share options (2024: 10,000 shares) were forfeited.

A share-based payments charge of £0.06m (2024: £0.02m) has been recognised in the Statement of Comprehensive Income in the year ended 31 December 2025.

The weighted average contractual life remaining of this option is one year and four months.

Share Option Scheme 2023

On 17 May 2023, options over 255,953 ordinary shares were granted to the 2 Executive Directors and certain senior managers. All options have an exercise price of £0.01.

There are 182,461 options remaining as at 31 December 2025. During the year, 63,492 share options were exercised early and 10,000 share options were forfeited.

These options have a vesting condition based on two performance conditions: adjusted basic earnings per share adjusted for exceptional income/costs, amortisation arising on consolidation and share-based payment charges ("adjusted EPS"); and total shareholder return ("TSR") over the three years to 31 December 2025. Each performance condition will apply to 50% of the award being made.

In respect of both performance conditions, growth of 20% in adjusted EPS and 48% in TSR over the three-year period will be required for threshold vesting of the awards (the "collar"), with growth of 42% or higher in adjusted EPS and 72% or higher in TSR required for all of the awards to vest (the "cap"). Straight-line vesting applies between the collar and the cap.

Post period end 100% of the options vested at the discretion of the Remuneration Committee; a decision was taken prior to the balance sheet date.

A share-based payments charge of £0.38m (2024: £0.17m) has been recognised in the Statement of Comprehensive Income in the year ended 31 December 2025.

The weighted average contractual life remaining of this option is four months.

Share Option Scheme 2022

On 9 August 2022, an option over 175,000 ordinary shares was granted to the Chief Executive Officer, an option over 115,000 ordinary shares was granted to the Chief Financial Officer and options over 175,000 ordinary shares were granted to senior management. All options have an exercise price of £0.01.

These options have a vesting condition based on two performance conditions: adjusted basic earnings per share adjusted for exceptional income/costs, amortisation arising on consolidation and share-based payment charges ("adjusted EPS"); and total shareholder return ("TSR") over the three years to 31 December 2024. Each performance condition will apply to 50% of the award being made.

In respect of both performance conditions, growth of 20% in adjusted EPS and 20% in TSR over the three-year period will be required for threshold vesting of the awards, with growth of 42% or higher in adjusted EPS and 42% or higher in TSR required for all of the awards to vest. Straight-line vesting applies between the floor and the cap.

This option vested in full and was exercised in the year ended 31 December 2025.

No share-based payments charge (2024: £0.38m) has been recognised in the Statement of Comprehensive Income in the year ended 31 December 2025.

Movement in the number of ordinary shares under options for all schemes was as follows:

	2025		2024	
	'000	Weighted average exercise price	'000	Weighted average exercise price
Number of share options				
Outstanding at the beginning of the year	2,081	£0.01	2,100	£0.01
Exercised	(485)	£0.01	(1,424)	£0.01
Forfeited	(51)	£0.01	(10)	£0.01
Granted	1,019	£0.01	1,415	£0.01
Outstanding at the end of the year	2,564	£0.01	2,081	£0.01

During the year ended 31 December 2025:

- 422,250 options were exercised under the 2022 scheme;
- 63,492 options were exercised under the 2023 scheme;
- 980,000 options were granted under the 2025 scheme; and
- 27,000 CSOP options were granted.

The outstanding options at 31 December 2025 comprised 182,461 options under the 2023 scheme which vested in full post year end, 1,175,000 options under the 2024 scheme whose vesting in 2027 is subject to conditions, 200,000 CSOP options which will vest in 2027, 980,000 options under the 2025 scheme whose vesting in 2028 is subject to conditions and 27,000 CSOP options which will vest in 2028.

The weighted average remaining contractual life of options is 1.4 years (2024: 1.8 years).

31. Related party disclosures

Transactions with Directors

Dividends

During the year, the total interim and final dividends paid to the Directors and their spouses were as follows:

	2025 £'000	2024 £'000
Interim and final dividend (ordinary shares of £0.01 each)		
Michelle Brook	39	51
Jon Di-Stefano	2	1
Dean Fielding	7	6
Paul George	3	2
Paul Latham	16	12
Richard Martin	-	141
David Raggett	-	82
Gareth Samples	106	44
Ben Dodds	-	-
Claire Noyce	-	-
	173	339

Directors' emoluments

Included within the remuneration of key management and personnel detailed in note 9, the following amounts were paid to the Directors:

	2025 £'000	2024 £'000
Wages and salaries	1,545	1,767
Social security costs	222	216
Pension contribution	72	70
	1,839	2,053

Individual directors' remuneration and interests in share options are disclosed in the Directors' Remuneration Report on pages 49 to 52 in the Annual Report.

Other related party transactions include the purchase of services with a company in which a director has a significant interest of £18,093 (2024: £nil). At the year end £300 (2024: £nil) was outstanding. There were no other related party transactions for the current or prior year. All transactions were made at an arm's length.

32. Acquisitions

Acquisition of Belvoir Group PLC

Effective 7 March 2024 the Group acquired the entire issued share capital of Belvoir Group PLC, a competitor property franchisor with a network of over 300 franchised offices across the UK operating under six brands which also has a significant financial services division comprising a network of over 300 mortgage advisers. The consideration was £107.2m, being £103.5m in relation to a share for share exchange whereby each Belvoir Group shareholder was issued 0.806377 new shares in The Property Franchise Group PLC and £3.7m cash consideration which was used to settle share option obligations.

The fair value of the identifiable assets and liabilities acquired and the consideration paid and payable are set out below:

	£'000
Master franchise agreements	50,516
Brands	6,439
Lettings book	1,250
Right-of-use assets	789
Property, plant and equipment	672
Trade and other receivables	8,467
Cash	2,005
Trade and other payables	(6,030)
Lease liabilities	(788)
Deferred tax	(14,551)
Net assets acquired	48,769
Goodwill	58,421
Consideration	107,190
Satisfied by:	
New shares in The Property Franchise Group PLC issued to Belvoir Group shareholders	103,453
Belvoir Group share options settled by The Property Franchise Group PLC post completion	3,737
Total	107,190
<i>Post acquisition results</i>	
	£'000
Revenue	31,321
Profit before tax since acquisition included in the Consolidated Statement of Comprehensive Income	9,908

Post acquisition results relate to the period from acquisition to the year ended 31 December 2024.

Acquisition of GPEA Limited

On 31 May 2024 the Group acquired the entire issued share capital of GPEA Limited, trading as The Guild of Property Professionals ("The Guild") and Fine & Country. The Guild is a membership organisation providing independent estate agents support and services. Fine & Country is an estate agency brand offered under license. The total consideration is £19.4m. The consideration comprised an initial consideration of £15m and a deferred consideration of £5m payable on 31 May 2025. £15m was paid on completion and in accordance with the terms of the agreement, a post completion review resulted in the return of £0.6m.

The fair value of the identifiable assets and liabilities acquired and the consideration paid and payable are set out below:

	£'000
License and membership agreements	12,234
Brands	4,590
Websites	181
Property, plant and equipment	40
Trade and other receivables	829
Cash	143
Trade and other payables	(1,758)
Deferred tax	(4,184)
Net assets acquired	12,075
Goodwill	6,995
Consideration	19,070
Satisfied by:	
Initial consideration	14,397
Deferred consideration due on 31 May 2025	5,000
Discounting of deferred consideration to present value	(327)
Total	19,070

Movement in deferred consideration post acquisition

	£'000
Fair value of deferred consideration measured at acquisition	4,673
Unwinding of discounting to 31 December 2024 (charged as interest payable)	191
Total	4,864

Post acquisition results

	£'000
Revenue	7,209
Profit before tax since acquisition included in the Consolidated Statement of Comprehensive Income	1,770

Post acquisition results relate to the period from acquisition to the year ended 31 December 2024.

33. Post balance sheet events

After the year end, on 16 January 2026, the Group acquired 85% of the issued share capital of Smart Advice Financial Solutions Ltd for a consideration of £1.5m, being cash consideration of £1.2m and deferred consideration of £0.3m.

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