

10 September 2025

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

**Interim Results**

*Record first half performance and a 17% increase in interim dividend*

The Property Franchise Group PLC, the UK's largest multi-brand property franchisor, is pleased to announce its interim results for the period ended 30 June 2025 ("H1 FY25").

**Financial Highlights**

- Group revenue increased 50% to £40.3m (H1 2024: £26.9m), proforma increase of 8% from £37.2m
  - o Franchising revenue increased by 20% to £21.8m (H1 2024: £18.2m)
  - o Financial services revenue increased 59% to £12.2m (H1 2024: £7.7m)
  - o Licensing revenue increased by 514% to £6.3m (H1 2024: £1.0m)
- 47% recurring revenue
- Adjusted EBITDA<sup>2</sup> increased 63% to 15.7m (H1 2024: £9.6m), proforma increase of 22% from £12.9m<sup>1</sup>
- Adjusted profit before tax<sup>3</sup> increased 59% to £14.5m (H1 2024: £9.1m), proforma increase of 18% from £12.3m<sup>1</sup>
- Adjusted basic earnings per share<sup>3</sup> increased 18% to 18.3p (H1 2024: 15.5p)
- Net debt of £10.9m (H1 2024: £14.3m)
- Cash generated from operations increased significantly to £13.2m (H1 2024: £3.7m)
- Increased interim dividend by 17% to 7.0p (H1 2024: 6.0p)

<sup>1</sup> Proforma basis includes revenues earned by Belvoir Group and GPEA within H1 2024 prior to acquisition by TPFG.

<sup>2</sup> Before share-based payments charge, exceptional items, and the one-off gain as a result of the renegotiation on the GPEA Ltd deferred consideration.

<sup>3</sup> Before share-based payments charge, exceptional items, amortisation arising on consolidation, the one off gain as a result of the renegotiation on the GPEA Ltd deferred consideration and the unwinding of discounting on acquisition deferred consideration.

**Operational Highlights**

- Launch of Privilege programme leveraging the scale of the new group to enhance our lettings offering
- Significant progress on AI opportunities with the first launches planned for H2 to enhance call handling, property management and digital marketing
- Managed portfolio of c.150,000 properties (H1 2024: c.153,000)
- Sales agreed pipeline increased to £43.5m (H1 2024: £33.4m)
- Financial Services division delivered 12,800 mortgages (H1 2024: 12,000)
- Licensing division includes 1035 licensees (H1 2024: 1043)
- Further acquisition synergies of £1m realised in H1 2025 in line with expectations

**Current Trading and Outlook**

The business has entered the second half with continued robust trading and the Group is well-placed to capitalise on the additional income opportunities resulting from its enlarged scale.

The strength of TPFG's franchise model and diversified revenue base continues to provide resilience against market cyclicalities. With ongoing progress across divisions, the Group expects to deliver further growth through the remainder of FY25 and anticipates to deliver full year trading remains in line with market expectations.

**Directorate Update**

Dean Fielding has informed the Board that he intends to step down from the Board at the end of this year. The Board

Dean Fielding has informed the Board that he intends to step down from the Board at the end of this year. The Board continues to evaluate Board composition with the focus of bringing additional expertise that supports the Group's ambitions going forward.

**Chief Executive Officer, Gareth Samples, commented:**

*"This has been another record six months for the Group, driven by the successful integration of recent acquisitions and the enduring strength of our franchise model. The enlarged Group is delivering both cost and revenue synergies, while generating strong cash flows which support our progressive dividend policy.*

*"Our increased scale and reach provides multiple growth levers: further expanding our three divisions, launching market-leading initiatives such as the Privilege programme, and advancing our AI and technology opportunities.*

*"I would like to thank our franchisees, licensees, advisers, and colleagues across the Group for their continued hard work and commitment, and on behalf of the Board, I would also like to take this opportunity to thank Dean for his contribution and support during a period of transformational growth and change for the Company. We enter the second half with strong momentum and remain confident of delivering further growth throughout H2 and beyond."*

**Analyst Presentation**

An analyst presentation will be held at 10.00am today. Should you wish to attend, please contact [propertyfranchise@almastrategic.com](mailto:propertyfranchise@almastrategic.com) for joining details.

**Investor presentation**

The Company is hosting a live private investor presentation and Q&A session at 3.00pm today on the Investor Meet Company platform. All private investors interested in attending are asked to register using the following link: <https://www.investormeetcompany.com/property-franchise-group-plc-the/register-investor>.

**For further information, please contact:**

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**About The Property Franchise Group PLC:**

The Property Franchise Group PLC (AIM: TPFG) is the UK's largest multi-brand property franchisor, with a network of over 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, 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/>.

## Chief Executive Officer's statement

### Introduction

The first half of 2025 has been another period of significant financial and operational progress for the Group. With last year's transformational acquisitions now fully integrated, the opportunities arising from the increased scale and reach of the enlarged Group are considerable. We are proud to be the UK's largest multi-brand property franchisor, managing a portfolio of 18 brands, with a significant number of franchisees, a considerable Financial Services division and a growing Licensing arm.

Our newly launched Privilege programme, a set of lettings focused offerings designed to leverage the scale of the Group, is the first example of these new opportunities being realised, demonstrating our ability to deliver market-leading initiatives that strengthen our lettings proposition, deliver tangible benefits to landlords and tenants, as well as create additional income for the Group.

Technology continues to play a central role in our growth strategy. In the first half we have accelerated investment into three AI-driven solutions to enhance franchisee inbound call handling, property management triage and financial services lead progression. The initial launches are scheduled during H2 and the first tangible benefits of this investment expected in this financial year.

We are excited by the future and, working alongside our franchisees, licensees, leadership team and partners, and we remain confident in driving the business from strength to strength.

### Robust first half

I am pleased to report record results for the first half of 2025, reflecting the strength of our business model and the benefits of the enlarged Group.

While lettings growth was modest given landlord caution ahead of the proposed Renters Rights Bill, we believe our Privilege programme mitigates much of the anticipated impact of this bill on landlords. Meanwhile, sales and financial services both benefitted from improved transaction levels, supported by reduced mortgage rates and changes to stamp duty thresholds. We also continued to deliver cost and revenue synergies from the integration of Belvoir and GPEA, with the benefits tracking in line with the expectations set out at the time of the respective transactions, while also investing in our people and technology for the future.

The ability with which we are able to react to market conditions, whether favourable or not, is testament to our strategy, the strength of our network, our business owners' determination, the models they operate within and the investment we have committed to our management team. Our mission remains the same, to support our network business owners in building bigger and more profitable businesses. It is the combination of these factors which has meant we have been able to report ever increasing organic revenues and profitability.

Group revenue increased by 50% to £40.3m (H1 2024: £26.9m), with growth across all divisions. Franchising revenue rose 20% to £21.8m (H1 2024: £18.2m), Financial Services delivered a 58% increase to £12.2m (H1 2024: £7.7m), and Licensing revenue increased to £6.3m (H1 2024: £1.0m). Importantly, 47% of these revenues are recurring, underpinning the resilience of our model.

Profitability increased in line with revenue, with adjusted profit before tax increasing to £14.5m (H1 2024: £9.1m). Cash generation was particularly strong, with £13.2m generated from operations (H1 2024: £3.7m), enabling the Board to propose a 17% increase in the interim dividend to 7.0p per share.

### Operational Review

#### Franchising

## Franchising

Franchising remains the largest division within the Group, with our franchisees, operating across 15 brands, offering lettings, sales and financial services to their clients, with a core focus on lettings. Following last year's acquisitions, franchisees are now able to avail themselves of our increased scale and improved capabilities, providing greater value and enhanced recruitment.

Lettings Management Service Fees ("MSF") delivered steady growth with revenue up 24% to £10.4m (2024 H1: £8.4m), and up 4% from £10.0m on a proforma basis, building on the solid performances of previous years. The Group now manages over 150,000 rental properties (H1 2024: 153,000), maintaining scale despite a more challenging market environment. The reduction of c.3,000 properties reflects a combination of landlord attrition ahead of the anticipated Renters Rights Bill, as well as a slower pace of new lettings portfolio acquisitions as franchisees wait to assess its impact. Importantly, the Group has been able to mitigate much of this impact through the Privilege programme, which offsets the risk of landlords wanting to exit the market and creates additional income for the Group.

Sales Management Service Fees ("SMF") delivered exceptional growth in H1, with revenue up 28% to £5.0m (2024 H1: £3.9m), and up 18% from £4.2m on a proforma basis. This performance reflects heightened sales activity in anticipation of the April 2025 stamp duty increase, coupled with successive reductions in the Bank of England base rate. Alongside the favourable market backdrop, the Group has expanded its sales offering across what has historically been a lettings-biased franchise network, upselling our capabilities across the Group.

Total MSF on a pro-forma basis increased 9%, demonstrating continued organic growth within the original core business.

Looking forward the division has a strong base from which to grow and in H2 Privilege has already begun to deliver tangible additions to income. Management of the lettings portfolio as the Renters Rights Bill builds in prominence will be an important operational priority alongside continuing to drive growth through franchisee portfolio acquisitions.

## Financial Services

Our expanded Financial Services division principally earns commission through advisers arranging mortgage and protection products via our status as an appointed representative of both the MAB and Primis mortgage networks.

The division performed well in H1, delivering £12.2m (H1 2024: £7.9m) of income, an increase of 14% from £10.7m on a proforma basis. Over H1, the division arranged 12,800 (H1 2024: 12,000 proforma) mortgages with an equivalent lending value of £2.3bn (H1 2024: £2.0bn proforma). There was an uptick in mortgage volumes due to the improved levels of sale activity driven by the stamp duty change and the decrease in the Bank of England base rate, with lenders expecting further reductions during the course of H2 2025.

The number of advisers at the end of the period was 293 (H1 2024: 303) and productivity per adviser increased by 15% to £63k.

The division has continued to perform strongly as we enter H2, supported by a further Bank of England base rate cut in August and a strong sales market pipeline. Investment in an AI project to support lead progression and qualification will provide more meaningful leads to advisors driving productivity going into 2026.

## 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.

Total revenue from Licensing for H1 was £6.3m (H1 2024: £1.0m), of which £5.0m is recurring. Fine & Country continues to grow its business, with 304 UK licensees (H1 2024: 287) and 66 international locations (H1 2024: 65). The Guild has seen a decrease in member numbers, anticipated given the 12 month notice requirement, though work is underway to improve the value proposition and create a more attractive model to deliver growth in both volume and price.

Looking forward the division continues to perform well driven by the strength of the Fine & Country business.

#### **Directorate Update**

After four years of valuable service, Dean Fielding, Non-Executive Director, has informed the Board of his intention to step down from the Board at the end of 2025. On behalf of the Board and the wider Group, I would like to thank Dean for his contribution and support during a period of transformational growth and change for TPFG.

The Board continues to evaluate Board composition with the focus of bringing additional expertise that supports the Group's ambitions going forward.

#### **Current Trading and Outlook**

Looking ahead to the second half of 2025, the Group is well-placed to capitalise on the additional income opportunities resulting from its enlarged scale.

Our acquired businesses have successfully integrated into the Group and continue to perform well, delivering strong returns on capital invested. Equipped with a proven track record, a strong balance sheet and ongoing cash generation, we continue to evaluate acquisition opportunities which align with our strategic direction and return expectations.

The rollout of the Privilege programme, providing landlords with a compelling option to adopt the agent-managed model, is progressing well and designed both to protect income ahead of the anticipated Renters Rights Bill and to create further growth opportunities in H2 and beyond. Alongside this, AI initiatives remain on track, with first launches expected in H2 to deliver additional revenue and margin benefits across the network.

Sales and Financial Services are underpinned by a robust pipeline of £43.5m at the period end (Dec 2024: £33.4m), supported by the prospect of further interest rate cuts, albeit balanced by some softening in new instructions. The Group is also cognisant of the potential impact of any forthcoming legislation in the Autumn Budget, in particular around property taxation, which may impact activity in the sales market, but at this stage it is an unknown quantity.

The strength of TPFG's franchise model and diversified revenue base continues to provide resilience against market cyclicalities. With ongoing progress across divisions, the Group expects to deliver further growth through the remainder of FY25 and expects to deliver full year trading in line with market expectations.

#### **Gareth Samples**

Chief Executive Officer

9 September 2025

#### **Financial Review for FY25 Interim Results**

	<b>H1 2025</b>	<b>H1 2024</b>	<b>% Change</b>
Revenue	£40.3m	£26.9m	50%
Management Service Fees	£15.5m	£12.3m	26%
Cost of Sales	£13.7m	£8.9m	54%
Administrative expenses	£14.1m	£10.5m	34%
EBITDA	£14.5m	£7.1m	104%
Adjusted EBITDA	£15.7m	£9.6m	64%
Operating profit	£11.3m	£4.9m	131%
Adjusted operating profit	£14.8m	£9.2m	61%
Profit before tax	£12.2m	£4.8m	154%
Adjusted profit before tax	£14.5m	£9.1m	59%
Earnings per share (basic)	14.7p	7.2p	104%
Adjusted earnings per share (basic)	18.3p	15.5p	18%
Dividend	7.0p	6.0p	17%
Cash generated from operations	£13.2m	£3.7m	249%
Net cash generated from operations	£8.4m	£1.9m	342%

Revenue for the six months ended 30 June 2025 increased 50% to £40.3m (H1 2024: £26.9m).

	<b>H1 2025</b>	<b>H1 2024</b>	<b>% Change</b>	<b>H1 2024 Proforma</b>	<b>% Change</b>
Franchising	£21.8m	£18.2m	20%	£20.4m	7%
Financial Services	£12.2m	£7.7m	59%	£10.7m	14%
Licensing	£6.3m	£1.0m	514%	£6.1m	5%
<b>Total</b>	<b>£40.3m</b>	<b>£26.9m</b>	<b>50%</b>	<b>£37.2m</b>	<b>8%</b>

Out of total revenues of £40.3m in the period, Franchising accounted for £21.8m (54%), Financial Services for £12.2m (30%) and Licensing for £6.3m (16%).

#### Operating Profit

Headline operating profit increased by 131% to £11.3m (H1 2024: £4.9m) with an operating margin of 28% (H1 2024: 18%). Adjusted operating profit (before exceptional items, amortisation of acquired intangibles, share-based payment charges and the impact of change to the GPEA deferred consideration) increased by 62% to £14.8m (H1 2024: £9.2m) with an adjusted operating margin of 37% (H1 2024: 34%).

Operating margins for the three divisions were as follows:

- Franchising operating margin of 58% (H1 2024: 50%)
- Financial services operating margin of 16% (H1 2024: 16%)
- Licensing operating margin of 29% (H1 2024: 22%)

As part of the 2024 acquisitions, £2.5m of annual cost synergies were anticipated post integration. In H1 2025 we have achieved a further £1m of savings towards this goal, £1.4m since acquisition. These savings were achieved through the cessation of the consultancy contracts with the Belvoir ex CEO and CFO, restructuring of combined functions and the removal of duplicated costs. We remain on track to deliver the full £2.5m of cost synergies.

Against these savings the Group has also seen an increase in costs arising from changes to national minimum wage and employers' national insurance, interest arising from the acquisition funding and recruitment to support strategic growth initiatives.

#### EBITDA

EBITDA for H1 2025 was £14.5m (H1 2024: £7.1m) an increase of 104%.

Adjusted EBITDA, for H1 2025 was £15.7m (H1 2024: £9.6m), having removed exceptional items, share-based payment charges and the net impact of the change to the GPEA deferred consideration, an increase of 63% over the prior year. On a proforma basis, the growth was 22% from £12.9m.

#### Exceptional Items

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, down to £3.65m. The £1.35m difference has been recognised as an exceptional gain in the reported profit before tax within these accounts.

#### Profit before tax

Profit before tax for H1 2025 increased to £12.2m (H1 2024: £4.8m). Adjusted profit before tax increased by 59% from £9.1m to £14.5m having removed exceptional items of £0.4m (H1 2024: £2.2m), amortisation of acquired intangibles of £2.3m (H1 2024: £1.8m), share-based payment charges of £0.8m (H1 2024: £0.3m) and the gain recognised on GPEA deferred consideration £1.35m (H1 2024: £nil). Adjusted profit before tax growth on a pro-forma basis was 18% from £12.3m.

#### Taxation

The effective rate of corporation tax for the period was 23% (2024: 24%). The income tax expense increased by 143% to £2.8m (H1 2024: £1.2m).

#### Profit and Total Comprehensive Income

Statutory profit after income tax expenses attributable to the owners of the parent increased by 155% to £9.4m (H1 2024: £3.7m).

#### Earnings per share

Basic earnings per share ("EPS") for H1 was 14.7p (H1 2024: 7.2p), an increase of 104% based on the average number of shares in issue for the period of 63,752,008 (H1 2024: 51,422,733).

Diluted EPS for the period was 14.5p (H1 2024: 7.0p), an increase of 107% based on the average number of shares in issue for the period plus an estimate for the dilutive effect of option grants vesting, being 64,429,547 (H1 2024: 52,842,604).

Adjusted basic EPS for the period was 18.3p (H1 2024: 15.5p), an increase of 18% and adjusted diluted EPS for the period was 18.1p (H1 2024: 15.1p), an increase of 20%.

#### Dividends

The Board has pursued a progressive dividend policy to generate an attractive return for shareholders and, given the Group's strong financial standing, it will continue to do so. At the same time, the Board will pursue corporate acquisitions as and when they arise and fulfil the other elements of its strategic plan.

The Group has made significant progress with its strategic objectives and continues to deliver strong cash generation from its enlarged operations. As a result, the Board is pleased to announce an increased interim dividend of 7.0p (H1 2024: 6.0p). It will be paid on 3 October 2025 to all shareholders on the register on 19 September 2025. The shares will be marked ex-dividend on 18 September 2025.

#### Balance Sheet

The Group has improved its balance sheet strength since 30 June 2024 with equity attributable to the owners increasing 3% to £148.3m (H1 2024: £144.0m).

#### Cash flow

Cash generated from operating activities was £13.2m (H1 2024: £3.7m). The net cash inflow from operating activities was £8.1m (H1 2024: £1.9m). Cash conversion against earnings was 87% (H1 2024: 53%).

The net cash outflow from investing activities was £3.4m (H1 2024: £15.9m). Of the £3.4m, £3.7m related to the deferred consideration payable as a result of the acquisition of GPEA Limited in 2024.

The Group borrowed £20.0m from Barclays to fund the acquisition of GPEA in May 2024. This was made up of a revolving credit facility ("RCF") of £6.0m, with an additional availability of £2m and a term loan of £14.0m repayable over three years.

As at 30 June 2025, the RCF balance was £6.5m, £1.6m of the term loan was repaid, and £0.2m of interest was accrued, leaving the Group with £18.3m of bank debt.

#### Liquidity

The Group had cash balances of £7.3m on 30 June 2025 (H1 2024: £5.7m) and after deducting the term loan balance of £11.8m and the outstanding RCF balance of £6.5m mentioned above, net debt was £10.9m (H1 2024: net debt of £14.3m).

**Ben Dodds**

Chief Financial Officer

9 September 2025

## Consolidated statement of comprehensive income for the six months ended 30 June 2025

Unaudited 6 Months Ended	Unaudited 6 Months Ended	Audited 12 Mbrths Ended
30.06.25	30.06.24	31.12.24
£'000	£'000	£'000

Revenue	4	40,323	26,853	67,310
Cost of sales		(13,712)	(8,880)	(22,339)
<b>GROSS PROFIT</b>		<b>26,611</b>	<b>17,973</b>	<b>44,971</b>
Administrative expenses before exceptional items	5	(14,107)	(10,540)	(26,139)
Exceptional administrative expenses		(422)	(2,245)	(2,720)
Share-based payments charge		(775)	(284)	(875)
<b>OPERATING PROFIT</b>		<b>11,307</b>	<b>4,904</b>	<b>15,237</b>
Finance income		129	126	262
Finance costs		(594)	(195)	(1,195)
Other gains and losses		1,350	-	-
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>12,192</b>	<b>4,835</b>	<b>14,304</b>
Income tax expense	6	(2,839)	(1,167)	(4,172)
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>9,353</b>	<b>3,668</b>	<b>10,132</b>
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>				
Owners of the parent		9,373	3,681	10,192
Non-controlling minority interest		(20)	(13)	(60)
		<b>9,353</b>	<b>3,668</b>	<b>10,132</b>
Earnings per share attributable to owners of the parent	7	14.7p	7.2p	17.7p
Diluted earnings per share attributable to owners of the parent	7	14.5p	7.0p	17.6p
Adjusted:				
Earnings per share attributable to owners of the parent	7	18.3p	15.5p	31.7p
Diluted earnings per share attributable to owners of the parent	7	18.1p	15.1p	31.4p

## Consolidated statement of financial position for the six months ended 30 June 2025

AS AT 30 JUNE 2024	Unaudited As at 30.06.25 £'000	Unaudited As at 30.06.24 £'000	Audited As at 31.12.24 £'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	177,517	183,407	180,001
Property, plant and equipment	819	802	837
Right of use assets	3,544	2,278	3,353
Prepaid assisted acquisitions support	199	238	216
Other Receivables	4,540	3,135	4,791
	<b>186,619</b>	<b>189,860</b>	<b>189,198</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	11,687	12,682	10,623
Cash and cash equivalents	7,305	5,698	4,163
	<b>18,992</b>	<b>18,380</b>	<b>14,786</b>
<b>TOTAL ASSETS</b>	<b>205,611</b>	<b>208,240</b>	<b>203,984</b>
<b>ISSUED CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF PARENT</b>			
Share capital	638	623	638
Share premium	4,129	4,129	4,129
Merger reserve	117,497	117,497	117,497
Own share reserve	(2,306)	(420)	(3,832)
Retained earnings	26,455	19,194	24,643
Other reserves	1,907	2,965	1,083
	<b>148,320</b>	<b>143,988</b>	<b>144,158</b>

<b>NON-CONTROLLING INTEREST</b>		(83)	(16)	(63)
<b>TOTAL EQUITY</b>		<u>148,237</u>	<u>143,972</u>	<u>144,095</u>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
Borrowings	9	8,556	17,667	10,111
Other payables		1,428	-	1,428
Lease liabilities		3,214	2,167	3,048
Provisions		278	154	278
Deferred tax		21,222	22,689	22,058
		<u>34,698</u>	<u>42,677</u>	<u>36,923</u>
<b>CURRENT LIABILITIES</b>				
Borrowings	9	9,698	2,333	3,111
Trade and other payables		9,717	16,878	15,869
Lease liabilities		792	639	802
Tax payable		2,469	1,741	3,184
		<u>22,676</u>	<u>21,591</u>	<u>22,966</u>
<b>TOTAL LIABILITIES</b>		<u>57,374</u>	<u>64,268</u>	<u>59,889</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>205,611</u>	<u>208,240</u>	<u>203,984</u>

## Consolidated statement of changes in equity

for the six months ended 30 June 2025

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Own share reserve £'000	Merger reserve £'000	Other reserves £'000	Total £'000	Non- controlling interest £'000	Total equity £'000
Balance at 1 January 2024 (audited)	323	20,765	4,129	(420)	14,345	1,673	40,815	(3)	40,812
Profit and total comprehensive income	-	3,681	-	-	-	-	3,681	(13)	3,668
Share-based payments charge	-	-	-	-	-	284	284	-	284
Deferred tax on share-based payments	-	-	-	-	-	1,008	1,008	-	1,008
Shares issued - acquisition of Belvoir	300	-	-	-	103,152	-	103,452	-	103,452
Dividends	-	(5,252)	-	-	-	-	(5,252)	-	(5,252)
Total transactions with owners	300	(5,252)	-	-	103,152	1,292	99,492	-	99,492
Balance at 30 June 2024 (unaudited)	623	19,194	4,129	(420)	117,497	2,965	143,988	(16)	143,972
Profit and total comprehensive income	-	6,511	-	-	-	-	6,511	(47)	6,464
Share-based payments charge	-	-	-	-	-	591	591	-	591
Deferred tax on share-based payments	-	-	-	-	-	(929)	(929)	-	(929)
Shares issued - acquisition of Belvoir	1	-	-	-	-	-	1	-	1
Shares issued - share option exercises	14	2,698	-	(3,412)	-	(1,544)	(2,244)	-	(2,244)
Dividends	-	(3,760)	-	-	-	-	(3,760)	-	(3,760)
Total transactions with owners	15	(1,062)	-	(3,412)	-	(1,882)	(6,341)	-	(6,341)
<b>Balance at 31 December 2024 (audited)</b>	<b>638</b>	<b>24,643</b>	<b>4,129</b>	<b>(3,832)</b>	<b>117,497</b>	<b>1,083</b>	<b>144,158</b>	<b>(63)</b>	<b>144,095</b>
Profit and total comprehensive income	-	9,373	-	-	-	-	9,373	(20)	9,353
Share-based payments charge	-	-	-	-	-	775	775	-	775
Deferred tax on share-based payments	-	-	-	-	-	49	49	-	49
Shares issued - share option exercises	-	-	-	1,526	-	-	1,526	-	1,526
Dividends	-	(7,561)	-	-	-	-	(7,561)	-	(7,561)
Total transactions with owners	-	(7,561)	-	1,526	-	824	(5,211)	-	(5,211)
<b>Balance at 30 June 2025 (unaudited)</b>	<b>638</b>	<b>26,455</b>	<b>4,129</b>	<b>(2,306)</b>	<b>117,497</b>	<b>1,907</b>	<b>148,320</b>	<b>(83)</b>	<b>148,237</b>

## Consolidated statement of cash flows

for the six months ended 30 June 2025

	Unaudited 6 Months Ended 30.06.25 £'000	Unaudited 6 Months Ended 30.06.24 £'000	Audited 12 Months Ended 31.12.24 £'000
<b>Cash flows from operating activities</b>			
Profit before income tax	12,192	4,835	14,304
Depreciation and amortisation charges	3,206	2,237	5,268
Share-based payments charge	775	284	875
Profit on disposal of assets	97	(46)	(46)
Gain on deferred consideration	(1,350)	-	-
Finance costs	594	195	1,195
Finance income	(129)	(126)	(263)
<b>Operating cash flow before changes in working capital</b>	<b>15,385</b>	<b>7,379</b>	<b>21,333</b>
Increase in trade and other receivables	(965)	(1,402)	(1,775)
Increase / (Decrease) in trade and other payables	(1,186)	(2,273)	(961)
<b>Cash generated from operations</b>	<b>13,234</b>	<b>3,704</b>	<b>18,597</b>
Interest paid	(472)	(12)	(659)
Tax paid	(4,342)	(1,761)	(3,257)
<b>Net cash generated from operations</b>	<b>8,420</b>	<b>1,931</b>	<b>14,681</b>
<b>Cash flows from investing activities</b>			
Purchase of Belvoir net of cash acquired	-	(1,730)	(1,730)
Purchase of GPEA net of cash acquired	(3,650)	(14,321)	(14,255)
Disposal of investment in shares	-	-	143
Disposal of intangible assets	-	125	125
Purchase of intangible assets	(152)	-	-
Purchase of tangible assets	(111)	(8)	(192)
Payment of assisted acquisitions support	(29)	(95)	(114)
Interest received	253	126	263
<b>Net cash used in investing activities</b>	<b>(3,689)</b>	<b>(15,903)</b>	<b>(15,760)</b>
<b>Cash flows from financing activities</b>			
Issue of ordinary shares	-	-	14
Equity dividends paid (note 8)	(7,561)	(5,252)	(9,012)
Purchase of shares by Employee Benefit Trust	1,924	-	(3,412)
Net settlement of share options	(398)	-	-
Bank loan and revolving credit facility drawn	6,500	20,000	20,000
Bank loan and revolving credit facility repaid	(1,556)	(2,500)	(9,278)
Principal paid on lease liabilities	(406)	(164)	(580)
Interest paid on lease liabilities	(92)	(56)	(132)
<b>Net cash used in financing activities</b>	<b>(1,589)</b>	<b>12,028</b>	<b>(2,400)</b>
<b>(Decrease) / Increase in cash and cash equivalents</b>	<b>3,142</b>	<b>(1,944)</b>	<b>(3,479)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>4,163</b>	<b>7,642</b>	<b>7,642</b>
<b>Cash and cash equivalents at end of the period</b>	<b>7,305</b>	<b>5,698</b>	<b>4,163</b>

## Notes to the interim results

for the six months ended 30 June 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

The financial information set out in these condensed consolidated interim financial statements for the six months ended 30 June 2025 and the comparative figures are unaudited and have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the UK and the AIM rules.

They do not constitute statutory accounts and do not contain all the information and disclosures required for full annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2024.

#### **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, 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 new facility drawn down in May 2024. Accordingly, they have adopted the going concern basis in preparing the financial statements.

#### **Significant accounting policies**

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards and interpretations as of 1 January 2025 which have not had a material impact on the Group's results.

#### **Accounting judgements and estimates**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions. The significant judgements and key sources of estimation uncertainty are consistent with those disclosed in the most recent annual financial statements.

#### **3. Basis of consolidation**

The Group financial statements include those of the Parent Company and its subsidiaries, drawn up to 30 June 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.

#### **4. Segmental reporting**

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

For the six months ended 30 June 2025:

	<b>Property Franchising</b> £'000	<b>Financial Services</b> £'000	<b>Licensing</b> £'000	<b>Total</b> £'000
Revenue	21,779	12,222	6,322	40,323
Segment adjusted operating profit	12,776	1,941	1,813	16,530
PLC central overheads				(1,694)
Exceptional administrative expenses				(422)
Acquired intangibles amortisation				(2,332)
Share based payments charge				(775)
Finance costs and income				(329)
Gain on the acquisition of GPEA				1,350

Unwinding or discounting or acquisition deferred consideration  
**Profit before tax**

(136)  
**12,192**

For the six months ended 30 June 2024:

	Property Franchising £'000	Financial Services £'000	Licensing £'000	Total £'000
Revenue	18,152	7,672	1,029	26,853
Segment adjusted operating profit	9,162	1,071	225	10,458
PLC central overheads				(1,247)
Exceptional administrative expenses				(2,245)
Amortisation on acquired intangibles				(1,778)
Share based payments charge				(284)
Finance costs and income				(69)
<b>Profit before tax</b>				<u>4,835</u>

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 adjusted operating profit	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				(932)
<b>Profit before tax</b>				<u>14,305</u>

There was no inter-segment revenue in any period.

## 5. Exceptional Costs

Exceptional costs relate to costs incurred as a result of restructuring the Group post acquisition of Belvoir Group plc and GPEALimited in 2024.

## 6. Taxation

The tax charge is based on the expected effective tax rate for the full year to December 2025. The majority of the tax arises from applying this effective tax rate to the profit on ordinary activities.

## 7. 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.

	Unaudited 6 Months Ended 30.06.25 £'000	Unaudited 6 Months Ended 30.06.24 £'000	Audited 12 Mbnths Ended 31.12.24 £'000
Profit for the period attributable to owners of parent	9,373	3,681	10,192
Amortisation on acquired intangibles	2,332	1,778	4,228
Share-based payments charge	775	284	875
Unwinding of discounting of acquisition deferred consideration	136	-	191
Gain on acquisition of GPEA	(1,350)	-	-
Exceptional costs	422	2,245	2,720
<b>Adjusted profit for the period</b>	<b>11,688</b>	<b>7,988</b>	<b>18,206</b>

	Unaudited 6 Months Ended 30.06.25	Unaudited 6 Mbnths Ended 30.06.24	Audited 12 Mbnths Ended 31.12.24

Weighted average number of shares	<b>63,752,008</b>	51,422,733	57,477,151
Dilutive effect of share options on ordinary shares	<b>677,539</b>	1,419,871	419,881

	<b>Unaudited 6 Months Ended 30.06.25</b>	<b>Unaudited 6 Months Ended 30.06.24</b>	<b>Audited 12 Months Ended 31.12.24</b>
Basic earnings per share	<b>14.7</b>	7.2p	17.7p
Diluted earnings per share	<b>14.5</b>	7.0p	17.6p
Adjusted basic earnings per share	<b>18.3</b>	15.5p	31.7p
Adjusted diluted earnings per share	<b>18.1</b>	15.1p	31.4p

## 8. Dividends

	<b>Unaudited As at 30.06.25 £'000</b>	<b>Unaudited As at 30.06.24 £'000</b>	<b>Audited As at 31.12.24 £'000</b>
Final dividend paid	<b>7,561</b>	4,600	4,600
Dividend per share paid	<b>11.9p</b>	7.4p	7.4p
Interim dividend paid	-	-	3,770
Dividend per share paid	-	-	6.0p
Special dividend paid	-	642	642
Dividend per share paid	-	2.0p	2.0p
Total Dividends paid	<b>7,561</b>	5,242	9,012

An interim dividend for 2025 of 7.0p per share has been declared and will be paid on 3 October 2025 to all shareholders on the register on 19 September 2025. The shares will be marked ex-dividend on 18 September 2025. The total amount payable is £4.5m.

## 9. Borrowings

	<b>Unaudited As at 30.06.25 £'000</b>	<b>Unaudited As at 30.06.24 £'000</b>	<b>Audited As at 31.12.24 £'000</b>
Repayable within one year:			
Bank loan (term loan)	3,151	2,333	3,111
Bank loan (revolving credit facility)	6,546	-	-
Repayable in more than one year:			
Bank loan (revolving credit facility)	-	6,000	-
Bank loan (term loan)	8,556	11,667	10,111

On 31 May 2024, the Company agreed facilities with Barclays Bank Plc totalling £27.0m of which £5.0m was an accordion subject to conditions at the time of requesting its use. This loan facility comprised of a:

Term Loan - £14.0m term loan drawn down on 31 May 2024 and repayable over 3 years with extension options to 5 years. This is currently being repaid over 3 years with quarterly instalments of £777,777 due from 1 November 2024. The interest rate applicable to the term loan is 2.2% over SONIA.

Revolving credit facility ("RCF") - £8.0m was immediately available of which £1.0m was drawn down on 31 May 2024 and £5.0m was drawn down on 6 June 2024, with £2.0m remaining unutilised. The interest rate applicable to the RCF is 2.5% over SONIA. There is a non-utilisation rate of 1% on undrawn amounts.

As at 31 December 2024, the RCF was repaid in full, and on 23 May 2025 £6.5m was drawn down. The interest rate applicable to the RCF is 2.5% over SONIA. There is a non-utilisation rate of 1% on undrawn amounts.

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

The net cash inflow for borrowings arising from financing activities during the period was £4.9m (H1 2024: £20m).

## **10. Deferred Consideration**

### **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. Total consideration was £19.4m made up of an initial payment of £15m, with a post completion adjustment of £0.6m and a deferred consideration of £5m payable on 31 May 2025.

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 by £3.65m. The £1.35m difference has been recognised as an exceptional gain in the reported profit before tax within these accounts.

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