

Foxtons Group plc
FULL YEAR RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025
5 March 2026

Resilient performance as Lettings growth mitigated a challenging operating environment.

Foxtons Group plc (LSE: FOXT) (“the Group” or “Foxtons”) delivered revenue growth in 2025, as the lettings-focussed operating model mitigated a challenging operating environment.

	2025	2024	Change
Revenue	£172.5m	£163.9m	+5%
Adjusted EBITDA ^{1,2}	£25.3m	£24.1m	+5%
Adjusted operating profit ^{1,3}	£22.2m	£22.1m	-
Profit before tax	£16.9m	£17.5m	(3%)
Adjusted earnings per share (basic) ^{1,4}	5.0p	5.2p	(4%)
Earnings per share (basic)	4.3p	4.6p	(7%)
Net free cash flow ⁵	£11.2m	£9.8m	+14%
Total dividend per share	1.17p	1.17p	-

Financial highlights:

- Group revenue up 5% to £172.5m:
 - Lettings revenue up 5%, as recurring revenues from the highly stable Lettings portfolio were boosted by revenues from acquisitions and growth in high margin property management services.
 - Sales revenue up 6%, driven by revenues from acquisitions in commuter markets.
 - Financial Services revenue up 10%, driven by operational upgrades and a stronger refinance pipeline.
 - Non-cyclical and recurring revenues generated 67% of total revenue in 2025⁶.
- Adjusted operating profit flat as revenue growth was offset by increased costs, including the impact of National Insurance and National Living Wage increases, and inflationary pressures.
- Year-end net debt of £16.9m (FY 2024: £12.7m, HY 2025: £18.2m) reflecting 14% growth in net free cash flow, £5.3m of acquisition spend and £9.1m of shareholder returns (buybacks and dividends).

Operational highlights:

- In Lettings:
 - Portfolio of over 32,000 tenancies⁷, growing over 50% since 2021.
 - Delivered 8% organic market share growth in 2025 vs 2024 to build on position as London’s number 1 lettings agent brand and the UK’s largest lettings agent brand⁸.
 - Delivered 7% growth year-on-year in the cross-sell of property management services to drive margin growth and earnings stability⁹. At year end, 43% of the portfolio was fully managed, up from 32% in 2021.
 - Progressing our buy, build and bolt-on strategy:
 - Integrated the October 2024 Imagine acquisition onto the Foxtons Operating Platform to deliver synergies, and boosted returns with a further bolt-on acquisition cementing our position as the clear market leader in Watford lettings.
 - Post period end, in January 2026, completed two platform acquisitions in Milton Keynes and Birmingham, expanding the Group’s footprint into new, high growth and complementary markets. Further growth targeted in these markets through execution of our acquisition strategy, including delivery of organic growth, cost synergies and high-return bolt-on acquisitions.
- In Sales:
 - New Sales Managing Director appointed in Q4. Operational plan to accelerate the path to profitability by repositioning the business to reflect current market conditions.

- Reading and Watford businesses performed well. Contributed £3.4m of margin-accretive Sales revenue and delivered market share growth in the year¹⁰.
- Continuing to build out the capabilities of our Operating Platform including implementing value-add AI and data products into our technology stack, strengthening customer service and retention, introducing new marketing initiatives and accelerating investment in people and culture.
- Proactive approach to cost control to protect margins, with £1.5m of annual operating cost savings delivered from January 2026 onwards by negotiating an early exit from the previous HQ lease and rightsizing HQ space.

2026 trading and outlook

- Lettings is expected to remain resilient, providing non-cyclical and recurring income.
- The Renters' Rights Act, effective from 1 May 2026, is expected to create growth opportunities over the medium-term by driving a flight to quality agents, increasing adoption of high-margin ancillary services, strengthening the inflation linkage of revenues through annual rent reviews, and accelerating sector consolidation.
- The London sales market remains challenging, with buyer demand in early 2026 continuing to be held back by weak consumer confidence. To manage this, the Group is focused on repositioning the Sales business for these lower volume market conditions to accelerate the path to profitability.
- Management continues to target year-on-year revenue and profit growth through organic initiatives, earnings-accretive acquisitions and cost efficiency, underpinned by the Group's portfolio of non-cyclical and recurring Lettings revenues.

Guy Gittins, Chief Executive Officer, said:

"We were pleased to deliver 5% revenue growth in the year, as our continued focus on growing non-cyclical and recurring Lettings revenues enabled us to maintain adjusted operating profit despite a volatile sales market."

"We are making strong progress with our buy, build and bolt-on strategy. Acquisitions in Milton Keynes and Birmingham have extended our footprint into high-growth markets outside London and reflect our focus on entering new markets by acquiring leading agents that act as platforms for further organic and acquisitive growth. Our acquisition strategy is driven by the highly fragmented nature of the UK estate agency market, which creates attractive consolidation opportunities where our technology, brand and operating model can add real value. We have a strong pipeline of opportunities and are well positioned to build on our recent acquisitions."

"Operationally we are not standing still, with AI-led improvements to our operating platform and targeted marketing initiatives helping us deliver best-in-class service for our customers. Estate agency is a people-driven business and putting customers and colleagues at the front and centre remains a key priority, which is why we launched our "Getting It Done. Together" framework as we continue our work to foster a respectful, rewarding and inspiring workplace."

"We have strong foundations, a clear growth strategy and a highly scalable platform, and we are targeting growth in 2026 and beyond."

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The Company will present a live webcast at 9:00am (GMT) for analysts and investors. To access you will be required to pre-register using the following link <https://secure.emincote.com/client/foxtons/foxtons010>

The presentation will also be broadcast via conference call. To access you will be required to pre-register using the following link: https://secure.emincote.com/client/foxtons/foxtons010/vip_connect

- ¹ 2024 adjusted measures have been restated under the Group's revised adjusted items policy. The policy now excludes non-cash IFRS 2 charges from the CEO's LTIP buyout award, as these relate to forfeited incentives from his former employer and do not represent underlying performance. Refer to Note 16 of the financial statements for definitions of the adjusted measures.
- ² Adjusted EBITDA is consistent with the definition of adjusted EBITDA used to calculate the Group's revolving credit facility covenants. The metric is defined as profit before tax before finance income, non-IFRS 16 finance costs, other gains, depreciation of property, plant and equipment (but after IFRS 16 depreciation), amortisation, share-based payment charges and adjusted items.
- ³ Adjusted operating profit represents profit before tax before amortisation of acquired intangibles, finance income, finance cost, other gains/(losses) and adjusted items.
- ⁴ Adjusted earnings per share is defined as earnings per share excluding the impact of adjusted items and amortisation of acquired intangibles.
- ⁵ Net free cash flow is net cash from operating activities less repayment of IFRS 16 lease liabilities and net cash used in investing activities, excluding the acquisition of subsidiaries (net of any cash acquired) and purchase of investments.
- ⁶ Defined as revenue from Lettings and refinance activities within Financial Services.
- ⁷ At 31 January 2026.
- ⁸ Market share of estate agent lettings instructions by brand for the period January – December 2025 vs. 2024. Source: TwentyCi.
- ⁹ For new Lettings deals.
- ¹⁰ Market share of sales exchanges in addressable markets in Reading and Watford for the period January to December 2025 vs. 2024. Source: TwentyCi.

About

Founded in 1981, Foxtons is London's leading estate agency and largest lettings agency brand, with a portfolio of over 32,000 tenancies. The Group operates from a network of branches in London and complementary, high growth markets, offering a range of residential property services across three business segments: Lettings, Sales and Financial Services.

The Group's strategy to accelerate growth is focused on non-cyclical and recurring revenues from Lettings, supplemented by growth in Sales and Financial Services. This growth is underpinned by its key competitive advantage, the Foxtons Operating Platform, which comprises unrivalled and market leading technology and data capabilities, its brand, unique hub and spoke model and its performance-led and inclusive culture.

The business has four strategic priorities:

- **Lettings organic growth:** driving portfolio growth by strengthening customer acquisition and retention, alongside enhancing margins through cross-selling high-value services.
- **Lettings acquisitions:** acquire, integrate and service high-quality lettings portfolios.
- **Sales growth:** increasing market share by growing the share of property instructions and improving conversion rates, whilst driving profitability through enhanced productivity.
- **Financial Services growth:** improving scale and cross-sell to drive revenue growth.

To find out more, please visit www.foxtonsgroup.co.uk

PERFORMANCE AT A GLANCE

Year ended 31 December	2025	2024	Change
Income statement			
Revenue	£172.5m	£163.9m	+5%
Adjusted EBITDA ^{1,2}	£25.3m	£24.1m	+5%
Adjusted operating profit ^{1,2}	£22.2m	£22.1m	-
Adjusted operating profit margin ^{1,2}	12.9%	13.5%	(60bps)
Profit before tax	£16.9m	£17.5m	(3%)
Earnings per share			
Basic earnings per share	4.3p	4.6p	(7%)
Adjusted basic earnings per share ^{1,2}	5.0p	5.2p	(4%)
Dividends			
Interim dividend per share	0.24p	0.22p	+9%
Final dividend per share	0.93p	0.95p	(2%)
Total dividend per share	1.17p	1.17p	-
Cash flow and net debt			
Net cash from operating activities	£27.7m	£24.7m	+12%
Net free cash flow ¹	£11.2m	£9.8m	+14%
Net debt ¹	(£16.9m)	(£12.7m)	+33%
Segmental metrics			
Lettings revenue	£111.0m	£106.0m	+5%
Lettings volumes ³	20,089	19,384	+4%
Average revenue per Lettings transaction ³	£5,524	£5,470	+1%
Sales revenue	£51.3m	£48.6m	+6%
Sales volumes ^{3,4}	4,423	3,725	+19%
Average revenue per Sales transaction ^{3,5}	£11,589	£13,038	(11%)
Average revenue per Sales transaction in core addressable markets ^{3,6}	£12,483	£13,113	(5%)
Financial Services revenue	£10.3m	£9.3m	+10%
Financial Services volumes ³	5,776	5,115	+13%
Average revenue per Financial Services transaction ³	£1,785	£1,824	(2%)

¹ These measures are APMs used by the Group and are defined, purpose explained and reconciled to statutory measures within Notes 2 and 16 of the financial statements.

² 2024 adjusted measures have been restated under the Group's revised adjusted items policy. The policy now excludes non-cash IFRS 2 charges from the CEO's LTIP buyout award, as these relate to forfeited incentives from his former employer and do not represent underlying performance. Refer to Note 16 of the financial statements for definitions of the adjusted measures.

³ These segmental metrics are defined within Note 16.

⁴ Sales exchange volumes in core addressable markets, excluding the impact of commuter market acquisitions in Reading and Watford, were 3% higher in 2025 vs. 2024.

⁵ Reduction in average revenue per Sales transaction reflects the Group's expansion into commuter markets which typically display lower average revenues per transaction but benefit from higher volumes.

⁶ Reduction in average revenue per Sales transaction in core addressable markets, which excludes the impact of commuter market acquisitions in Reading and Watford, reflects the higher proportion of lower priced properties transacted in Q1 ahead of the stamp duty deadline.

CHAIRMAN'S STATEMENT

Foxtons delivered a resilient performance in 2025, underpinned by acquisition-led revenue growth and the strength of our non-cyclical earnings base. This was achieved against a particularly challenging backdrop for the London property market, characterised by macroeconomic uncertainty, subdued consumer sentiment and prolonged speculation ahead of the Autumn Budget, all of which weighed on activity. The business also faced a marked increase in external cost pressures, including increased National Living Wage and employers' National Insurance contributions, which added further strain to the operating environment. In this context, the Group's ability to sustain a strong performance reflects the meaningful progress we have made in building a more robust business.

This performance reflects our deliberate strategy since 2022 to reshape the Group towards a more stable and predictable revenue profile, with over two-thirds of revenues non-cyclical and recurring in nature, primarily in Lettings. Delivered through a combination of organic growth and earnings-enhancing acquisitions, this strategic shift has strengthened our earnings base and materially reduced the Group's exposure to sales market volatility.

Our scalable platform has capacity for substantially greater activity, and we will continue to focus on Lettings growth, both organically and through targeted, earnings-accretive acquisitions in London and complementary markets. The estate agency sector remains highly fragmented and significant consolidation is needed, and the Board expects Foxtons to be an important participant therein.

Market conditions

The London lettings market remained resilient in 2025, supported by good levels of supply and consistently high tenant demand. Rental prices were broadly flat over the year, following sharp increases in prior years, reflecting lower supply and demand tension in the market.

Sales market activity was more mixed. First quarter exchange volumes were elevated due to a surge in transactions ahead of the stamp duty deadline. Buyer activity slowed in the second half of the year, driven mainly by macroeconomic uncertainty and the delayed Autumn Budget, leading to speculation around various property-related tax measures. The measures announced were much more limited than first signalled. While the tax on homes over £2 million in value, due from April 2028, may create some friction at higher price points, our focus remains on volume markets, particularly properties below £1 million.

Financial performance

Revenue increased 5% to £172.5 million, with growth primarily driven by the revenue contribution from acquisitions. Adjusted operating profit was flat at £22.2 million as external cost and inflationary pressures impacted profitability despite revenue growth.

In January 2026 we completed the relocation of our headquarters, following a proactive lease surrender ahead of the September 2027 lease end date. The relocation generates meaningful cost savings and was made possible through enhanced utilisation of our branch network and creating a lower-cost property management hub outside of London. The £1.5 million of annual operating cost savings will mostly mitigate the impact of further National Insurance cost increases and other inflationary pressures in 2026.

Net debt at the period-end stood at £16.9 million (31 December 2024: £12.7 million), reflecting £11.2 million of net free cash flow generation, £5.3 million of earnings-accretive acquisition spend, and £9.1 million of shareholder returns (share buybacks and dividends).

To support the Group's continued organic and acquisitive growth strategies, the Board increased and extended the revolving credit facility. The facility was expanded from £30 million to £40 million, with all other terms of the facility remaining the same.

Dividend and capital allocation

For 2025, the Board is proposing a final dividend of 0.93p per share, bringing total dividends declared for 2025 to 1.17p (2024: 1.17p). £5.5 million on value-accretive share buybacks were completed in the year which reflects the fact the Board believes the Company's shares continue to be undervalued relative to the Group's strong fundamentals and growth potential.

Our capital allocation policy aims to support long-term growth and deliver sustainable shareholder returns. The framework prioritises investment in organic growth, accretive acquisitions and a progressive dividend, with any excess capital returned to shareholders through share buybacks. The Board continually evaluates the most effective uses of capital, including the relative attractiveness of acquisitions compared with share buybacks, considering factors such as expected return on investment, earnings per share accretion, borrowing capacity and the Group's leverage position. At this year's AGM, the Board will continue to recommend the resolution authorising the Company to undertake market purchases of its ordinary shares.

People and culture

As a people-business, our culture and the employee experience remain central to our long-term success. Retaining and developing a high-quality workforce continues to be a key priority, reflecting the value this brings to employees, customers and shareholders. The Board is committed to fostering a high-performance culture that builds on progress to date, enhances collaboration, strengthens accountability, and supports our people in delivering exceptional customer service.

In 2025, the Board appointed external experts to undertake comprehensive culture and HR function reviews. The resulting recommendations guided the programmes implemented during 2025 and provide the foundation for further enhancements planned for 2026. The Board continues to monitor culture closely through regular employee engagement, ESG Committee oversight and formal reporting, ensuring alignment with our purpose, values and strategic ambitions.

Board changes

Rosie Shapland, Senior Independent Director and Chair of the Audit Committee, will retire as a Board Director following release of the Group's interim 2026 results, scheduled for 30 July 2026. Jack Callaway will replace Rosie as Senior Independent Director following this year's AGM.

The Board has appointed a search consultant to commence the recruitment process for a new Audit Committee Chair and will make a further announcement as soon as practicable. An orderly handover is planned as part of the normal Non-Executive Director onboarding process. The Board would like to thank Rosie for her commitment and significant contribution to the Company over the last six years.

Outlook

Lettings is expected to remain resilient in 2026 with solid supply and demand fundamentals underpinning rental prices. Complementing this resilience, the Renters' Rights Act, effective from 1 May 2026, is expected to create growth opportunities over the medium-term. As the lettings sector increasingly professionalises, Foxtons is well placed to capture organic growth opportunities, in particular the cross-selling of property management services, alongside benefitting from any acceleration in sector consolidation.

The sales market remains highly sensitive to the broader geopolitical and macroeconomic backdrop, and a period of economic stability is required to rebuild consumer confidence and support the release of pent-up demand within the market. Returning the Sales business to profitability remains a fundamental priority for the Group and therefore the business is being repositioned to reflect the lower-volume environment currently being experienced.

Through 2026, our focus is the execution of our growth strategy, both organically and from maximising returns from recent acquisitions. Delivering this effectively will require a stable operating environment with fewer government policy disruptions. A clear and consistent policy framework is essential for consumer confidence and the effective functioning of the property market.

Nigel Rich CBE

Chairman

4 March 2026

CHIEF EXECUTIVE'S REVIEW

The Group delivered a robust performance in 2025, underscoring our leadership position in London's estate agency sector and as the UK's largest lettings brand. Despite a challenging sales market backdrop, we delivered 5% revenue growth, with adjusted operating profit flat as higher revenues offset external cost pressures. This performance reflects the strength of our core business, our large portfolio of non-cyclical and recurring revenues and the capabilities of our industry-leading Operating Platform.

To support continued growth, we have built on our core strengths. Upgrades to our Operating Platform have enhanced the way we serve customers, driving greater efficiency, consistency and service standards across the business. These improvements strengthened customer retention and increased cross-sell in 2025, particularly within Lettings, where recurring revenues are underpinned by the strength of our landlord relationships and the quality of our delivery.

These operational improvements build on the work we began in 2022 to rebuild capabilities and strengthen the Group's financial profile by reducing reliance on the cyclical sales market. Over this period, we have delivered strong performance with revenue increasing at an 8% compound annual growth rate and adjusted operating profit growing at 23%. And, supported by our clear strategy and industry-leading Operating Platform, we are focused on working towards our medium-term financial targets.

Financial results

Revenue for the year was up 5% to £172.5 million, adjusted EBITDA up 5% to £25.3 million, adjusted operating profit flat at £22.2 million and profit before tax down 3% to £16.9 million.

Lettings revenue increased by 5% or £4.9 million to £111.0 million, with £0.6 million or 1% of like-for-like growth, and £5.2 million of incremental revenue from acquisitions. Offsetting this growth was £0.9 million of lower interest on client monies. The lettings portfolio remained highly stable through the year, with revenue growth supported by improved cross-sell of high-margin property management services and, as these recurring revenues annualise, this uplift will continue to benefit Group revenue in 2026 and beyond.

Sales revenue increased by 6% to £51.3 million on a total basis and decreased by 2% on a like-for-like basis. The Reading and Watford acquisitions contributed £3.4 million of revenue, a 9% increase in the first full year of Foxtons' ownership, as the Operating Platform supported growth despite the challenging market.

Financial Services revenue grew by 10% to £10.3 million, as improved operational performance and a stronger refinance pipeline drove growth.

Adjusted operating profit was flat at £22.2 million, with higher revenues largely offset by external cost pressures, many government-driven, including increases in National Insurance and the National Living Wage, alongside broader inflationary pressures. The operating environment remains challenging, including the impact of higher employment costs and continued inflationary pressures, and we remain focused on disciplined cost control. We continue to review our cost base in detail and deliver efficiencies where possible, including the £1.5 million annual saving realised from January 2026 following the relocation of our headquarters.

Capital markets event and medium-term financial targets

In June 2025 we held a capital markets event to outline the next stage of our growth. At the event we presented our enhanced strategy and strategic priorities, alongside setting new medium-term financial targets: £240 million in revenue, £50 million in adjusted operating profit, a 20% adjusted operating profit margin, and 60% to 70% net free cash flow conversion. These targets reflect the Group's focus on disciplined investment, operational efficiency, and long-term value creation.

Rental market reform

The Renters' Rights Act received Royal Assent and the main elements will come into force on 1 May 2026. These regulatory changes will create a period of adjustment for landlords, and our priority is to ensure that both landlords and tenants fully understand the new requirements and are well prepared for any impact on the market.

We are already seeing how the reforms create significant growth opportunities for Foxtons, and we are positioning the business to capture them. The legislation increases the importance of working with a professional, high-quality agent who can ensure compliance and protect landlords from the risk of fines or rental repayment orders. With more than half of landlords self-managing their properties, there is a clear potential for increased agent usage and, consequently, a larger total addressable market for Foxtons.

In addition, the structural changes introduced by the legislation will further benefit the Group. We are already seeing increased uptake of high-margin property management and ancillary services, a trend we expect to continue. Annual rent reviews, permitted from 1 May 2026, will strengthen the link between our revenues and inflation, while the removal of tenancy end dates is expected to extend average tenant occupancy lengths.

The reforms will also place significant pressure on smaller independent agents, given the rising investment required in people, processes and compliance. This is expected to accelerate sector consolidation and presents market share opportunities for Foxtons by leveraging our brand strength and operational capabilities.

Operational progress

We continued to make strong progress across the business, building on the capabilities of our Operating Platform to set Foxtons apart from our competitors and underpin our growth. We are fostering a culture of continuous improvement, ensuring every team is focused on raising standards and operating more effectively.

Acquisitions

Our Lettings focused acquisition strategy continues to generate attractive returns. Earlier acquisitions in London are delivering strong returns on capital, and in 2025 our first acquisitions outside London, in Reading and Watford, delivered returns ahead of their target levels and supported both revenue and margin growth. To support growth in Watford, we completed a further bolt-on acquisition that is already delivering returns in line with our 20% return on capital target. In just over a year, we have entered the market and established Foxtons as the clear leader, with more than three times the market share of our nearest competitor.

As outlined at the capital markets event, our acquisition-led growth strategy targets high-growth, complementary markets with strong lettings demand, high levels of Foxtons brand awareness, strong customer connectivity with London and consolidation opportunities. In January 2026, we expanded our regional footprint by acquiring the leading independent agents in Birmingham and Milton Keynes. Each business will operate as a local platform, and with the support of the Foxtons Operating Platform we expect to drive profit growth through organic revenue expansion, synergy delivery and high-return bolt-on acquisitions.

Sales business

Sales is an integral part of the Group's full-service estate agency offering and highly complementary to Lettings. Foxtons' proposition is built on supporting customers throughout their entire property lifecycle, and Sales provides an important channel in helping landlords expand or reposition their portfolios. By delivering this full-service approach across Sales and Lettings, we significantly strengthen landlord loyalty, enhance the repeatability of revenues and increase customer lifetime value.

Returning the Sales business to profitability remains a fundamental priority for the Group. To support this objective, James Stevenson was appointed Managing Director in November 2025. Whilst performance will continue to be influenced by the cyclical nature of the sales market, the business is being repositioned to reflect the lower-volume environment experienced in recent years, including evolving the operating model and adjusting the cost base, whilst maintaining the ability to capture opportunities when market volumes improve.

Customer service

Understanding and meeting the needs of our customers is the core of our business and during the year we continued to enhance customer experience. We are leveraging our real-time feedback platform to provide visibility across the full customer lifecycle, enabling us to measure service throughout the journey and resolve issues quickly. Combined with AI-powered sentiment analysis, this allows us to identify the drivers of exceptional service, embed insights into training and deliver consistently high standards. We now achieve customer satisfaction scores above 80% in both Lettings and Sales, representing a double-digit uplift since these programmes were launched.

Improved service also supported stronger cross-selling of high-value products across the Group. In 2025 versus 2024, uptake of Lettings property management services increased by 7% on new deals, and referrals into

Financial Services grew, supporting revenue growth in the year. Beyond the direct revenue benefit, increased cross-selling enhances customer lifetime value and further shifts revenues toward higher-margin, recurring income streams.

Technology and data

Our in-house technology stack creates the flexibility to develop and deploy AI solutions at pace, without the constraints of an off-the-shelf system. We remain focused on value-add AI and data products that deliver meaningful upgrades to our capabilities and either directly drive revenue or reduce costs. In 2025, we expanded our AI-driven sentiment analysis, advanced our lead-scoring models to boost staff productivity, and introduced AI-powered training tools that help new agents reach full performance faster and become profit-accretive sooner.

We also strengthened our digital capabilities, rebuilding and relaunching [foxtons.co.uk](https://www.foxtons.co.uk) to improve speed, resilience and lead conversion, while enhancing the My Foxtons portal based on user feedback. Early indicators show higher engagement and improved satisfaction, with further enhancements planned.

Brand

New brand and marketing initiatives were focussed on strengthening customer acquisition and retention in a competitive market. Foxtons has always enjoyed a distinctive level of brand awareness, doing things differently from other estate agents, and in 2025 we built on this by launching an exclusive partnership with IAG Loyalty, making Foxtons the only UK estate agent through which customers can earn Avios. This differentiated proposition is designed to attract new customers, reward loyalty, and increase uptake of higher-margin services.

People and culture

Our people remain fundamental to our business. Recognising estate agency as a people-led industry, we introduced the “Getting It Done. Together” framework to align recruitment, development, engagement and employee wellbeing. During the year, we continued to strengthen our culture, including working with external experts to assess the opportunities for improvements, enhancing our employee value proposition, repeating respectful workplace and inclusion training, and launching a new Code of Conduct. Together, these actions will support engagement, retention and strengthen leadership pipelines and underpin delivery of our strategic priorities.

Encouragingly, 81% of employees believe Foxtons is well positioned to succeed over the next three years and 85% believe that Foxtons values diversity and builds teams that are diverse. There is always more we can do here, and we remain committed to building on our progress to foster a respectful and collaborative culture that enables exceptional service for our customers.

2026 trading and outlook

Lettings is expected to remain resilient, continuing to provide consistent, non-cyclical and recurring income. The Renters’ Rights Act may create a period of adjustment as landlords and tenants respond to the new system, but over time it will increase the importance of working with a high-quality, professional letting agent, creating opportunities for Foxtons.

In Sales, buyer activity levels continue to be held back. Our focus through 2026 is to reposition the Sales business for the lower volume markets we continue to experience and support its path to profitability. For pent-up demand to be released, the market will require a more stable economic and policy backdrop than in 2025, supported by further interest rate reductions.

It remains my firm belief that we have a great business with strong foundations, a clear strategy and a platform that is built for scale. Since 2022 we have strengthened our core operations, improved consistency across the Group and created real momentum. We have ambitious medium-term targets, and our focus is on working towards them through operational execution and fully leveraging the capabilities of the Foxtons Operating Platform.

Guy Gittins

Chief Executive Officer

4 March 2026

FINANCIAL REVIEW

	2025 £m	Restated ² 2024 £m	Change
Revenue and profit measures			
Revenue	172.5	163.9	+5%
Contribution ¹	110.4	104.9	+5%
<i>Contribution margin¹</i>	64.0%	64.0%	-
Adjusted EBITDA ^{1,2}	25.3	24.1	+5%
<i>Adjusted EBITDA margin¹</i>	14.7%	14.7%	-
Adjusted operating profit ^{1,2}	22.2	22.1	-
<i>Adjusted operating profit margin^{1,2}</i>	12.9%	13.5%	(60bps)
Profit before tax	16.9	17.5	(3%)
Profit after tax	12.8	14.0	(8%)
Earnings per share			
Adjusted earnings per share (basic) ^{1,2}	5.0p	5.2p	(4%)
Earnings per share (basic)	4.3p	4.6p	(7%)
Net free cash flow and net debt			
Net free cash flow ¹	11.2	9.8	+14%
Net debt ¹	(16.9)	(12.7)	+33%
Dividends			
Interim dividend per share	0.24p	0.22p	+9%
Final dividend per share	0.93p	0.95p	(2%)

¹ APMs are defined, purpose explained and reconciled to statutory measures within Notes 2 and 16 of the financial statements.

² 2024 adjusted measures have been restated under the Group's revised adjusted items policy. The policy now excludes non-cash IFRS 2 charges from the CEO's LTIP buyout award, as these relate to forfeited incentives from his former employer and do not represent underlying performance. 2024 adjusted items and adjusted measures have been restated throughout the financial review to ensure comparability. Refer to Note 16 of the financial statements for definitions of the adjusted measures.

Note: Throughout the financial review, values in tables/narrative may have been rounded and totals may therefore not be the sum of presented values in all instances.

FINANCIAL OVERVIEW

As presented in the table above, key financial performance measures include:

- Revenue increased by 5% to £172.5 million (2024: £163.9 million), with Lettings revenue up 5%, Sales revenue up 6% and Financial Services revenue up 10%.
- Adjusted EBITDA increased by 5% to £25.3 million (2024: £24.1 million) and adjusted operating profit was flat at £22.2 million (2024: £22.1 million).
- Profit before tax decreased to £16.9 million (2024: £17.5 million) and profit after tax decreased to £12.8 million (2024: £14.0 million).
- Basic adjusted earnings per share was 5.0p (2024: 5.2p) and basic earnings per share was 4.3p (2024: 4.6p).
- Net free cash flow was £11.2 million (2024: £9.8 million) and net debt at 31 December 2025 was £16.9 million (2024: £12.7 million) reflecting the uses of cash explained on page [15].
- An interim dividend of 0.24p per share was paid in September 2025. The Board has proposed a final dividend of 0.93p per share, resulting in a total dividend for the year of 1.17p per share (2024: 1.17p per share).

During the year, the Company exercised the accordion option on the revolving credit facility (RCF), increasing it from £30 million to £40 million, and extended it by one year from June 2027 to June 2028. The RCF supports the Group's inorganic and organic growth strategy.

REVENUE

	Revenue			Volumes ¹			Revenue per transaction ¹		
	2025 £m	2024 £m	Change	2025	2024	Change	2025 £	2024 £	Change
Lettings	111.0	106.0	+5%	20,089	19,384	+4%	5,524	5,470	+1%
Sales	51.3	48.6	+6%	4,423	3,725	+19%	11,589	13,038	(11%)
Financial Services	10.3	9.3	+10%	5,776	5,115	+13%	1,785	1,824	(2%)
Total	172.5	163.9	+5%						

¹ 'Volumes' and 'Revenue per transaction' are defined in Note 16 of the financial statements.

The Group consists of three operating segments: Lettings, Sales and Financial Services. Lettings represents 64% (2024: 65%), Sales 30% (2024: 30%) and Financial Services 6% (2024: 5%) of total revenue. Non-cyclical and recurring revenue streams, generated by Lettings and refinance activity within Financial Services, represents 67% (2024: 67%) of Group revenue.

Lettings revenue

Lettings revenue increased by 5% to £111.0 million (2024: £106.0 million), including £5.2 million of incremental acquisition revenues (10 additional months of trading from Haslams and Imagine, acquired in October 2024, and 10 months of trading of Marshall Vizard, acquired in February 2025). Transaction volumes increased by 4% and average revenue per transaction increased by 1%, reflecting improved property management cross-sell, which offset lower interest earned on client monies and the move into higher volume commuter markets, which command lower average fees. After significant rental price increases in prior years, prices for new deals were broadly flat as prices calibrate to tenant earnings.

Lettings revenue includes £5.7 million (2024: £6.6 million) of interest earned on client monies which supports the operating costs of managing client money, such as staff costs, bank and card fees, and compliance costs. The reduction in interest earned on client monies was driven by lower interest rates.

Sales revenue

Sales revenue increased by 6% to £51.3 million (2024: £48.6 million), as revenues from acquisitions offset a 2% reduction in like-for-like revenues during a challenging market in H2. Foxtons' core Sales volumes were broadly in line with the market which saw a 2% increase in volumes (source: TwentyCi) with Foxtons' market share of exchanges broadly flat at 4.8% (2024: 4.9%).

Average revenue per transaction was 11% lower than 2024 reflecting expansion into higher volume commuter markets which command lower average fees. Foxtons core addressable markets, which excludes commuter markets outside London, saw a 5% reduction in average revenue per transaction including a 3% decrease in the average price of properties sold (2025: £574,000; 2024: £592,000) primarily due to a lower value property mix as a result of the March 2025 stamp duty deadline.

Financial Services revenue

Financial Services revenue increased by 10% to £10.3 million (2024: £9.3 million), reflecting a 13% increase in volumes and a 2% decrease in average revenue per transaction. Lower average revenue per transaction was driven by a market-driven change in product mix towards refinance activity, which commands a lower average fee than new purchase transactions. In 2025, £4.3 million (42% of revenue) was generated from non-cyclical refinance activity and £6.0 million (58% of revenue) from purchase activity which is more cyclical in nature.

CONTRIBUTION AND CONTRIBUTION MARGIN

	2025		2024	
	£m	Margin	£m	Margin
Lettings	82.9	74.7%	78.1	73.7%
Sales	23.3	45.4%	22.7	46.8%
Financial Services	4.2	40.7%	4.0	43.0%
Total	110.4	64.0%	104.9	64.0%

Contribution, defined as revenue less direct salary costs of front office staff and bad debt charges, increased to £110.4 million (2024: £104.9 million). Contribution margin for the year was flat at 64.0% (2024: 64.0%), despite £1.1 million of inflationary pressures on the direct cost base relating to increases in employers' National Insurance and the National Living Wage (with a further £0.7 million impact classified in overhead costs), reflecting the following segmental margin changes:

- Lettings contribution margin increased to 74.7% (2024: 73.7%) reflecting improved property management cross-sell and ancillary Lettings penetration.
- Sales contribution margin decreased to 45.4% (2024: 46.8%) due to the strategic decision to maintain bench-strength during lower volume market conditions.
- Financial Services margin decreased to 40.7% (2024: 43.0%) due to a shift in product mix towards lower value refinance activity and investment in fee earner headcount.

Total average fee earner headcount across Lettings, Sales and Financial Services was up 5% to 900 (2024: 859), primarily reflecting acquired headcount from acquisitions.

ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING PROFIT MARGIN

	2025		Restated 2024	
	£m	Margin	£m	Margin
Lettings	29.8	26.9%	27.4	25.9%
Sales	(5.7)	(11.2%)	(3.8)	(7.9%)
Financial Services	1.1	10.9%	1.1	12.2%
Corporate costs	(3.0)	n/a	(2.6)	n/a
Total	22.2	12.9%	22.1	13.5%

Adjusted operating profit for the year was £22.2 million (2024: £22.1 million) and adjusted operating margin was 12.9% (2024: 13.5%). Refer to Note 2 of the financial statements for a reconciliation of adjusted operating profit to the closest equivalent IFRS measure.

Consistent with prior periods, for the purposes of segmental reporting, shared costs relating to the estate agency businesses are allocated between Lettings and Sales with reference to relevant cost drivers, such as front office headcount in the respective businesses. Corporate costs are not allocated to the operating segments and are presented separately.

Lettings adjusted operating profit increased by £2.4 million to £29.8 million. Sales adjusted operating loss increased by £1.9 million to £5.7 million, and Financial Services operating profit remained flat at £1.1 million.

Within adjusted operating profit the following depreciation, amortisation and share-based payment IFRS 2 charges were incurred:

	2025 £m	Restated 2024 £m
Depreciation – property, plant and equipment	2.6	2.5
Amortisation – non-acquired intangibles	0.7	0.2
Share-based payment charges	1.8	1.2
Total	5.1	3.9

ADJUSTED OPERATING COST BASE

The Group defines its adjusted operating cost base as the difference between revenue and adjusted operating profit, excluding depreciation of property, plant and equipment and amortisation of intangible assets. The reconciliation of the adjusted operating cost base is presented below:

	2025 £m	Restated 2024 £m
Revenue	172.5	163.9
Less: Adjusted operating profit	(22.2)	(22.1)
Difference between revenue and adjusted operating profit	150.3	141.8
Less: Property, plant and equipment depreciation	(2.6)	(2.5)
Less: Amortisation – non-acquired intangibles	(0.7)	(0.2)
Adjusted operating cost base	147.0	139.1

The table below analyses the adjusted operating cost base into five categories. The adjusted operating cost base increased by £7.9 million to £147.0 million (2024: £139.1 million), including the impact of incremental acquisition operating costs.

	2025 £m	Restated 2024 £m	Change £m
Direct costs	62.1	59.1	+3.1
Branch operating costs	34.1	33.0	+1.1
Centralised revenue generating operating costs	17.7	16.9	+0.8
Revenue generating operating costs	113.9	108.9	+5.0
Central overheads	30.0	27.6	+2.4
Corporate costs	3.0	2.6	+0.4
Adjusted operating cost base	147.0	139.1	+7.9

Key movements in the adjusted operating cost base in 2025 versus 2024 are as follows:

- Direct costs (salary costs of branch fee earners and bad debt charges) increased by £3.1 million primarily due to an increase in fee earner headcount from acquisitions and £1.1 million of inflationary pressures from increases in employers' National Insurance and the National Living Wage.
- Branch operating costs (shared between Lettings and Sales) increased by £1.1 million primarily due to targeted marketing investments and non-recurring property related costs.
- Centralised revenue generating operating costs (centralised fee earners, lead generation and property management) increased by £0.8 million primarily due to investment in centralised fee earner headcount.
- Central overhead costs increased by £2.4 million reflecting acquisition related overheads, general inflationary pressures and £0.6 million of incremental share-based payment charges.
- Corporate costs (not directly attributed to the operating segments) increased by £0.4m reflecting non-recurring consultancy costs.

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

	2025		Restated 2024	
	£m	Margin	£m	Margin
Adjusted EBITDA	25.3	14.7%	24.1	14.7%

Adjusted EBITDA increased by 5% to £25.3 million (2024: £24.1 million) and Adjusted EBITDA margin remained stable at 14.7% (2024: 14.7%). Adjusted EBITDA, which is before non-cash depreciation of property, plant and equipment (but after IFRS 16 depreciation), amortisation, share-based payment charges and adjusted items, is defined on a basis consistent with that of the Group's RCF covenants. Since the metric includes IFRS 16 right-of-use asset depreciation and IFRS 16 lease finance cost the measure fully reflects the Group's lease cost base. Refer to Note 16 of the financial statements for a reconciliation of adjusted EBITDA to the closest equivalent IFRS measure.

ADJUSTED ITEMS

A net adjusted items charge of £0.3 million (2024: £0.2 million) was incurred in the year. Adjusted items, due to their size and incidence require separate disclosure in the financial statements to reflect management's view of the underlying performance of the Group and allow comparability of performance from one period to another. The table below provides detail of the adjusted items in the year, refer to Note 3 of the financial statements for further details.

	2025 £m	Restated 2024 £m
Net property related reversals ¹	(1.3)	(0.6)
Transaction related costs ²	0.3	0.3
LTIP buyout award costs	1.0	0.6
Reorganisation costs ³	0.2	-
Adjusted items net charge	0.3	0.2

¹ Net property related reversals mainly comprise the net of charges for re-estimation of property and onerous cost provisions, gains on the surrender of leases and other charges and credits relating to vacant or sublet property. The treatment of such items is consistent from year-to-year.

² Transaction related costs relate mainly to costs directly incurred as a result of the Group's acquisition strategy.

³ Senior management reorganisation costs.

Net cash outflow from adjusted items during the year totalled £1.9 million (2024: £1.2 million).

PROFIT BEFORE TAX AND ADJUSTED PROFIT BEFORE TAX

	2025 £m	Restated 2024 £m
Adjusted operating profit	22.2	22.1
Less: adjusted items	(0.3)	(0.2)
Less: amortisation of acquired intangibles	(2.6)	(2.1)
Operating profit	19.4	19.8
Less: net finance costs and other gains	(2.4)	(2.3)
Profit before tax	16.9	17.5
Add: adjusted items	0.3	0.2
Add: amortisation of acquired intangibles	2.6	2.1
Adjusted profit before tax	19.8	19.8

Profit before tax decreased by 3% to £16.9 million (2024: £17.5 million) with £0.1 million incremental underlying profit growth offset by increased non-cash charges relating to amortisation of acquired intangibles of £2.6 million (2024: £2.1 million). Net finance costs and other gains of £2.4 million (2024: £2.3 million), of which £2.1 million relates to IFRS 16 lease finance costs (2024: £2.1 million), were incurred in the year. Adjusted profit before tax, which excludes adjusted items and amortisation of acquired intangibles, is £19.8 million (2024: £19.8 million).

PROFIT AFTER TAX

	2025 £m	2024 £m
Profit before tax	16.9	17.5
Less: current tax charge	(5.6)	(3.5)
Add: deferred tax credit	1.5	-
Profit after tax	12.8	14.0

The Group has a low-risk approach to its tax affairs and all business activities are within the UK and are UK tax registered and fully tax compliant. The Group does not have any complex tax structures in place and does not engage in any aggressive tax planning or tax avoidance schemes. The Group is transparent, open and honest in its dealings with tax authorities.

Profit after tax of £12.8 million (2024: £14.0 million) is after charging current tax of £5.6 million (2024: £3.5 million). £1.5 million of deferred tax credits have been recognised in the period (2024: £nil).

The effective tax rate for the year was 24.0% (2024: 19.9%), which compares to the statutory corporation tax rate of 25.0% (2024: 25.0%). The 2025 effective tax rate is lower than the statutory corporation tax rate primarily due to an adjustment in respect of previous periods.

Net deferred tax liabilities totalled £25.9 million (2024: £26.8 million), which comprise £29.0 million (2024: £29.5 million) of deferred tax liabilities relating to the Group's intangible assets, offset by deferred tax assets of £3.0 million (2024: £2.7 million). The deferred tax assets relate to fixed asset timing differences, share based payments and tax losses brought forward which are expected to be recovered through future taxable profits.

EARNINGS PER SHARE

	2025 £m	Restated 2024 £m
Profit after tax	12.8	14.0
Add: adjusted items (net of tax) ¹	0.4	0.1
Add: amortisation of acquired intangibles (net of tax) ¹	2.0	1.6
Adjusted earnings for the purposes of adjusted earnings per share	15.2	15.7
Earnings per share (basic)	4.3p	4.6p
Earnings per share (diluted)	4.2p	4.5p
Adjusted earnings per share (basic)	5.0p	5.2p
Adjusted earnings per share (diluted)	4.9p	5.1p

¹ Adjusted items charge of £0.3 million (2024: £0.2 million charge) per Note 3 of the financial statements, and associated tax charge of £0.1 million (2024: £0.1 million credit) and amortisation of acquired intangibles of £2.6 million (2024: £2.1 million) per Note 7, plus associated tax credit of £0.7 million (2024: £0.5 million).

CASH FLOW FROM OPERATING ACTIVITIES AND NET FREE CASH FLOW

	2025 £m	2024 £m
Operating cash flow before movements in working capital	36.4	35.3
Working capital outflow	(4.4)	(4.9)
Income taxes paid	(4.3)	(5.6)
Net cash from operating activities	27.7	24.7
Repayment of IFRS 16 lease liabilities	(13.0)	(13.2)
Net cash used in investing activities ¹	(3.5)	(1.8)
Net free cash flow	11.2	9.8

¹ Excludes £5.3 million (2024: £12.7 million) of cash outflows relating to the acquisition of subsidiaries (net of any cash acquired).

Operating cash flow before movements in working capital increased by £1.1 million to £36.4 million (2024: £35.3 million). Net cash from operating activities increased by £3.0 million to £27.7 million (2024: £24.7 million) primarily due to increased operating cashflows and a £1.3 million reduction in taxes paid as a result of a brought forward tax receivable balance. Net free cash flow was £11.2 million (2024: £9.8 million).

NET DEBT

Net debt at 31 December 2025 was £16.9 million (2024: £12.7 million). Net debt reflects operating cash inflows of £27.7 million, £5.3 million of acquisition related spend, £4.4 million of working capital outflows, £3.9 million of capital expenditure, and £9.1 million of shareholder returns (£3.6 million of dividends paid and £5.5 million of share buybacks).

REVOLVING CREDIT FACILITY

During the year, the Company exercised the accordion option on the RCF, increasing it from £30 million to £40 million, and extended it by one year from June 2027 to June 2028. The RCF attracts a margin of 1.65% above SONIA and is unsecured. The RCF supports the Group's Lettings portfolio acquisition strategy and working capital management.

The RCF is subject to a leverage covenant (net debt to adjusted EBITDA not to exceed 1.75x) and an interest cover covenant (adjusted EBITDA to interest not to be less than 4x) as defined in the facility agreement. Both covenants are calculated using pre-IFRS 16 accounting principles. At 31 December 2025 the leverage ratio was 0.7x and the interest cover ratio was 24x.

ACQUISITIONS

Marshall Vizard

On 28 February 2025 the Group acquired 100% of the equity interest of Marshall Vizard LLP and its holding companies ('Marshall Vizard'), an independent estate agent which is focused on the commuter town of Watford. Total purchase consideration was £2.6 million, with £1.7 million paid in the year, net of cash acquired, which is included in cash flows used in investing activities in the consolidated statement of cash flows. At 31 December 2025, the remaining consideration payable of £0.5m is included within trade and other payables.

Acquired net assets were fair valued and include £1.0 million of customer contracts and relationships and £1.4 million of acquired goodwill. The acquisition contributed £0.7 million of revenue and £0.4 million of adjusted operating profit in 2025.

Prior period acquisitions

Deferred consideration of £3.7 million was paid during the period relating to the 28 October 2024 acquisitions of Haslams and Imagine, and the 6 November 2023 acquisition of Ludlow Thompson.

Refer to Note 9 of the financial statements for further details.

OTHER BALANCE SHEET POSITIONS

Significant balance sheet movements in the period:

- Goodwill of £54.5 million (2024: £52.3 million) and other intangible assets of £116.7 million (2024: £118.0 million), with the increase in goodwill driven by the acquisition of Marshall Vizard and revaluation of deferred consideration payable for prior year acquisitions within the 12-month window from acquisition date. The decrease in other intangible assets was due to amortisation, partially offset by £1.0 million of customer contracts and relationships recognised on the acquisition of Marshall Vizard.
- Total contract assets of £27.1 million (2024: £24.2 million) and total contract liabilities of £9.8 million (2024: £10.5 million). The increase in contract assets was mainly driven by a shortening of billing periods.
- Lease liabilities of £40.0 million (2024: £42.8 million) and right-of-use assets of £38.5 million (2024: £38.6 million) with movements in the balances explained in Note 8 of the financial statements.
- Borrowings of £22.4 million (2024: £18.0 million) to finance the Group's acquisition strategy.

CAPITAL ALLOCATION AND DIVIDEND

The Group's capital allocation framework reflects the Group's ongoing strategic priorities and capital structure. The framework, which aims to support long-term growth and deliver sustainable shareholder returns, prioritises:

- Organic growth, by investing in strategically important areas such as people, technology, data and brand.
- Accretive acquisition opportunities, by acquiring high-quality lettings portfolios which contribute non-cyclical and recurring revenue and deliver strong returns on investment and synergy potential.
- A progressive dividend, which provides a reliable and growing income stream to investors, whilst maintaining strong dividend cover.

We also continuously assess other shareholder return opportunities, such as share buybacks, considering factors such as earnings per share accretion, borrowing capacity and leverage.

The Group seeks to utilise its balance sheet and revolving credit facility to best effect, and to maintain a leverage ratio (net debt to adjusted EBITDA) of less than 1.25x at the year end balance sheet date.

An interim dividend of 0.24p per share was paid in September 2025. The Board has proposed a final dividend of 0.93p per share, resulting in a total dividend for the year of 1.17p per share (2024: 1.17p per share). The proposed dividend will be paid on 15 May 2026 to shareholders on the register at 10 April 2026, subject to shareholder approval at the AGM due to be held on 7 May 2026. The shares will be quoted ex-dividend on 9 April 2026.

SHARE BUYBACK

During the year, 9,818,294 shares with a nominal value of £98k were repurchased at a cost of £5.5 million (2024: none) through two share buyback programmes announced on 8 April 2025 and 8 September 2025. Shares purchased during the period were cancelled.

RELATED PARTY TRANSACTIONS

Related party transactions, covering remuneration of key management personnel, are disclosed in Note 14 of the financial statements.

TREASURY MANAGEMENT

The Group seeks to ensure it has sufficient funds for day-to-day operations and to enable strategic priorities to be pursued. Financial risk is managed by ensuring the Group has access to sufficient borrowing facilities to support working capital demands and growth strategies, with cash balances held with major UK based banks. The Group has no foreign currency risk and consequently has not entered into any financial instruments to protect against currency risk.

PENSIONS

The Group does not have any defined benefit schemes in place but is subject to the provisions of auto-enrolment which require the Group to make certain defined contribution payments for our employees.

POST BALANCE SHEET EVENTS

The Group's strategy is to acquire earnings-accretive, lettings-focused businesses which expand portfolio of non-cyclical and recurring revenues. Acquisitions fall into two categories: 1) bolt-on acquisitions which are located within existing Foxtons markets; and 2) platform acquisitions which expand the Group's operations into new markets.

On 7 January 2026, the Group completed the acquisition of Cauldwell, a leading independent agent in Milton Keynes, for consideration of £6.5 million on a cash and debt-free basis, of which £0.8 million is deferred for 12 months and contingent on performance targets being met. Cauldwell's unaudited total revenue and operating profit for the 12 months ended 31 August 2025 was £2.7 million and £0.8 million, respectively.

On 20 January 2026, the Group completed the acquisition of FleetMilne, a high-quality, independent lettings agent with a leading market share position in central Birmingham, for consideration of £4.0 million on a cash and debt-free basis, of which £0.8 million is deferred for 12 months and contingent on performance targets being met. FleetMilne's unaudited total revenue and operating profit for the 12 months ended 31 December 2025 was £1.5 million and £0.1 million, respectively.

Given the proximity of the transactions to the announcement of the Group's financial statements, full purchase price allocation exercises have not yet been completed and the valuation of the assets acquired will be assessed prior to the next reporting date.

RENTERS' RIGHTS ACT

The Renters' Rights Act received Royal Assent on 27 October 2025 and the main elements will come into force on 1 May 2026. The legislation represents a significant change to the lettings sector, most notably through the elimination of fixed-term tenancies. All fixed-term assured shorthold tenancies will become periodic, eliminating the concept of a fixed-term tenancy.

The removal of fixed-term tenancies requires a change in the Group's Lettings revenue recognition policy for securing a tenancy for the landlord, where revenue is currently recognised upfront until the end of the non-cancellable period. Under the new legislation, management will apply IFRS 15's variable consideration methodology, by recognising tenant find initial revenue with reference to an estimated expected length of tenant occupation informed by historical data.

The removal of fixed-term tenancies is expected to reduce the average initial landlord billing period at the start of new tenancies. To prepare for this change, alongside improving competitiveness and landlord retention, Foxtons has been transitioning its portfolio to shorter billing terms since 2023. The final phase of this programme is scheduled for completion in 2027 and is expected to result in a working capital outflow of c.£10 million over a two-year period. Whilst the move to periodic tenancies provides tenants with more flexibility, tenant length of occupation is not expected to change significantly, although the Renters' Rights Act may create a period of adjustment as landlords and tenants respond to the new requirements.

The new legislation, including the creation of a new landlord ombudsman and upcoming Decent Homes Standard, presents an opportunity to upsell managed tenancies which are currently let only. The changes are expected to reinforce Foxtons' competitive position, as scale, compliance capability and operational expertise become increasingly important in the Lettings market.

RISK MANAGEMENT

The Group has identified its principal risks and uncertainties and they are regularly reviewed by the Board and Senior Management. Refer to pages [19] and [20] for details of the Group's risk management framework and principal risks and uncertainties.

GOING CONCERN, PROSPECTS AND VIABILITY

The financial statements of the Group have been prepared on a going concern basis as the Directors have satisfied themselves that, at the time of approving the financial statements, the Group has adequate resources to continue in operation for a period of at least 12 months from the date of approval of the financial statements. Furthermore, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over a five-year viability period.

Refer to Note 1 of the financial statements for details of the Group's going concern assessment and the going concern statement.

Chris Hough
Chief Financial Officer
4 March 2026

PRINCIPAL RISKS

Risk management

The Board is responsible for establishing and maintaining the Group's system of risk management and internal control, with the aim of protecting its employees and customers and safeguarding the interests of the Group and its shareholders in the constantly changing environment in which it operates. The Board regularly reviews the principal risks facing the Group, together with the relevant mitigating controls, and undertakes a robust risk assessment. In reviewing the principal risks, the Board considers emerging risks, including climate-related risks, and changes to existing risks. In addition, the Board has set guidelines for risk appetite as part of the risk management process against which risks are monitored.

The identification of risks is undertaken by specific executive risk committees that analyse the risk universe by risk type across four key risk types: strategic risks, financial risks, operational risks and compliance risks. A common risk register is used across the Group to monitor gross and residual risk, with the results assessed by the Audit Committee and Board. The Audit Committee monitors the effectiveness of the risk management system through management updates, output from the various executive risk committees and reports from internal audit.

The principal risks do not comprise all of the risks that the Group may face and are not listed in any order of priority. Additional risks and uncertainties not presently known to management, or deemed to be less material at the date of this report, may also have an adverse effect on the Group.

Risk	Impact on the Group
Market risk	<p>The key factors driving market risk are:</p> <ul style="list-style-type: none"> • Affordability, including ongoing cost of living increases, which in turn may reduce transaction levels; • The market being reliant on the availability of affordable mortgage finance, a deterioration in availability or an increase in borrowing rates may adversely impact the performance of the Sales business. There were four Bank of England base rate changes over the course of 2025, with the rate finishing the year at 3.75%. The mortgage market is relatively stable going into 2026 with improving borrowing rates expected. Future reductions in borrowing rates may support additional market activity; • The market being impacted by changes in government policy such as the Renters' Rights Act, which will come into force on 1 May 2026, or changes in stamp duty legislation; • A reduction in London's standing as a major financial city caused by the macro-economic and political environment; and • Heightened geopolitical risk which may increase market uncertainty and customer confidence.
Competitor challenge	<p>The Group operates in a highly competitive marketplace and there is a risk the Group could lose market share.</p> <p>Market share loss could be the result of competitors scaling up (organically or through acquisition), developing new customer service propositions, changing pricing structures or launching alternative business models to drive competitive advantage.</p>

Risk	Impact on the Group
Compliance with the legal and regulatory environment	<p>Breaches of laws or regulations could lead to financial penalties and reputational damage.</p> <p>Our estate agency business operates under a range of legal and regulatory requirements, such as complying with certain money laundering regulations, complying with lettings regulations such as rental property licensing schemes and protecting client money in line with the relevant regulations.</p> <p>Our Financial Services business, Alexander Hall, is authorised and regulated by the Financial Conduct Authority (FCA) and could be subject to sanctions for non-compliance. A continued area of focus is compliance with the FCA's Consumer Duty rules. During periods of interest rate volatility there is an increased risk of compliance issues arising which require specific management.</p>
IT systems and cyber security	<p>Our business operations are dependent on sophisticated and bespoke IT systems which could fail or be deliberately targeted by cyber attacks leading to interruption of service, corruption of data or theft of personal data.</p> <p>Such a failure or loss could also result in reputational damage, fines or other adverse consequences.</p>
People	<p>There is a risk the Group may not be able to recruit or retain quality staff to achieve its operational objectives or mitigate succession risk. As experienced in the current labour market, increased competition for talent leads to a reduction in the available talent pool and an increased cost of labour. Additional risk could arise in the event there are changes or downturns in our industry or markets which reduce the earnings potential of employees and result in less attractive career opportunities.</p>
Reputation and brand	<p>Foxtons is an iconic estate agency brand with high levels of brand recognition. Maintaining a positive reputation and the prominence of the brand is critical to protecting the future prospects of the business.</p> <p>There is a risk our reputation and brand could be damaged through negative press coverage and/or negative social media coverage due to a range of matters such as customer service issues, employee relations matters and cultural concerns.</p> <p>We recognise the need to maintain our reputation and protect our brand by delivering consistently high levels of service and maintaining a culture which encourages our employees to act with the highest ethical standards and maintain a respectful and inclusive environment.</p>

Forward looking statements

This preliminary announcement contains certain forward-looking statements with respect to the financial condition and results of operations of Foxtons Group plc. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. The forward-looking statements are based on the Directors' current views and information known to them at 4 March 2026. The Directors do not make any undertakings to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this statement should be construed as a profit forecast.

RESPONSIBILITY STATEMENT

The following statement will be contained in the 2025 Annual Report and Accounts.

Each of the Directors confirms that to the best of their knowledge:

- The consolidated financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- The Parent Company financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities and financial position of the Company; and
- The Strategic Report and the Directors' Report include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Directors consider that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's and the Company's position, performance, business model and strategy.

This responsibility statement was approved by the Board of Directors and was signed on its behalf by:

Guy Gittins
Chief Executive Officer
4 March 2026

Chris Hough
Chief Financial Officer
4 March 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

		2025	2024
	Notes	£'000	£'000
Continuing operations			
Revenue	2	172,533	163,927
Direct operating costs ¹		(62,116)	(59,064)
Other operating costs		(91,055)	(85,057)
Operating profit		19,362	19,806
Other gains		325	260
Finance income		341	296
Finance costs		(3,115)	(2,877)
Profit before tax		16,913	17,485
Tax charge	4	(4,067)	(3,483)
Profit and total comprehensive income for the year		12,846	14,002

Earnings per share

Basic earnings per share	6	4.3p	4.6p
Diluted earnings per share	6	4.2p	4.5p

Adjusted measures

Adjusted EBITDA ^{2,3}	16	25,306	24,062
Adjusted operating profit ^{2,4}	2, 16	22,225	22,118
Adjusted profit before tax ^{2,3}	16	19,776	19,797
Adjusted basic earnings per share ^{2,5}	6, 16	5.0p	5.2p

¹ Direct operating costs include impairment losses on trade receivables and contract assets of £105k (2024: £1,269k).

² 2024 adjusted measures have been restated under the Group's revised adjusted items policy which is set out in Note 1. The policy now excludes non-cash IFRS 2 charges from the CEO's LTIP buyout award, as these relate to forfeited incentives from his former employer and do not represent underlying performance. Refer to Note 16 for definitions of the adjusted measures.

³ Adjusted EBITDA and Adjusted profit before tax are reconciled to the nearest statutory measure in Note 16.

⁴ Adjusted operating profit is reconciled to the nearest statutory measure in Note 2.

⁵ Adjusted basic earnings per share is reconciled to statutory earnings per share in Note 6.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 £'000	2024 £'000
Non-current assets			
Goodwill	7	54,508	52,278
Other intangible assets	7	116,704	118,017
Property, plant and equipment		8,730	8,084
Right-of-use assets	8	38,493	38,622
Contract assets		6,647	5,608
Investments		31	31
Deferred tax assets		3,035	2,738
		228,148	225,378
Current assets			
Trade and other receivables		17,567	16,709
Contract assets		20,426	18,579
Current tax assets		807	2,172
Cash and cash equivalents		5,475	5,320
		44,275	42,780
Total assets		272,423	268,158
Current liabilities			
Trade and other payables		(21,955)	(23,921)
Lease liabilities	8	(7,787)	(11,354)
Contract liabilities		(9,434)	(10,506)
Provisions		(2,705)	(2,156)
		(41,881)	(47,937)
Net current assets / (liabilities)		2,394	(5,157)
Non-current liabilities			
Lease liabilities	8	(32,242)	(31,410)
Borrowings	10	(22,376)	(18,008)
Contract liabilities		(384)	–
Provisions		(1,601)	(2,321)
Deferred tax liabilities		(28,970)	(29,503)
		(85,573)	(81,242)
Total liabilities		(127,454)	(129,179)
Net assets		144,969	138,979
Equity			
Share capital	11	3,203	3,301
Merger reserve	12	20,568	20,568
Other reserves	12	2,751	2,653
Own shares reserve	13	(10,733)	(11,012)
Retained earnings		129,180	123,469
Total equity		144,969	138,979

The financial statements of Foxtons Group plc, registered number 07108742, were approved by the Board of Directors on 4 March 2026.

Signed on behalf of the Board of Directors

Chris Hough
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Notes	Share capital £'000	Merger reserve £'000	Other reserves £'000	Own shares reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2025		3,301	20,568	2,653	(11,012)	123,469	138,979
Total comprehensive income for the year		–	–	–	–	12,846	12,846
Dividends	5	–	–	–	–	(3,593)	(3,593)
Credit to equity for share-based payments		–	–	–	–	2,528	2,528
Share buybacks	11	(98)	–	98	–	(5,543)	(5,543)
Settlement of share incentive plan	13	–	–	–	279	(527)	(248)
Balance at 31 December 2025		3,203	20,568	2,751	(10,733)	129,180	144,969

	Notes	Share capital £'000	Merger reserve £'000	Other reserves £'000	Own shares reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2024		3,301	20,568	2,653	(12,092)	111,175	125,605
Total comprehensive income for the year		–	–	–	–	14,002	14,002
Dividends	5	–	–	–	–	(2,787)	(2,787)
Credit to equity for share-based payments		–	–	–	–	2,490	2,490
Settlement of share incentive plan	13	–	–	–	1,080	(1,411)	(331)
Balance at 31 December 2024		3,301	20,568	2,653	(11,012)	123,469	138,979

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
OPERATING ACTIVITIES			
Operating profit:	2	19,362	19,806
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment and right-of-use assets		13,919	13,226
Amortisation of intangible assets	7	3,314	2,302
Loss/(gain) on disposal of property, plant and equipment		5	(37)
Loss on disposal of intangible assets	7	54	–
Gain on lease surrenders	8	(1,712)	(544)
Gain on lease modifications	8	(722)	(12)
Sub-lease asset impairment reversal		(84)	–
Decrease in provisions		(294)	(705)
Share incentive plans settlements		(248)	(331)
Share-based payment charges		2,772	1,549
Operating cash flows before movements in working capital		36,366	35,254
Increase in receivables and contract assets		(3,552)	(2,916)
Decrease in payables and contract liabilities		(874)	(2,004)
Cash generated by operations		31,940	30,334
Income taxes paid		(4,256)	(5,587)
Net cash from operating activities		27,684	24,747
INVESTING ACTIVITIES			
Interest received		341	296
Proceeds on disposal of property, plant and equipment and assets held for sale		-	607
Purchases of property, plant and equipment and right-of-use assets		(2,868)	(1,106)
Purchases of intangibles	7	(1,013)	(1,565)
Proceeds on sale of investments		-	91
Acquisition of subsidiaries (net of cash acquired)	9	(5,332)	(12,704)
Net cash used in investing activities		(8,872)	(14,381)
FINANCING ACTIVITIES			
Proceeds from borrowings	10	19,000	26,800
Repayment of borrowings	10	(14,516)	(20,629)
Dividends paid	5	(3,593)	(2,787)
Interest on borrowings	10	(1,165)	(536)
Interest on lease liabilities	8	(2,070)	(2,065)
Repayment of lease liabilities	8	(10,919)	(11,102)
Sub-lease receipts		149	284
Purchase of own shares	11	(5,543)	–
Net cash used in financing activities		(18,657)	(10,035)
Net increase in cash and cash equivalents		155	331
Cash and cash equivalents at beginning of year		5,320	4,989
Cash and cash equivalents at end of year		5,475	5,320

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

1.1 General information

Foxtons Group plc ('the Company') is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the Company's registered office is Building Twelve, Chiswick Park, 566 Chiswick High Road, London W4 5AN. The principal activity of the Company and its subsidiaries (collectively, 'the Group') is the provision of services to the residential property market in the UK.

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Group operates.

1.2 Basis of preparation

The consolidated preliminary results of the Company for the year ended 31 December 2025 comprise the Company and its subsidiaries.

The consolidated preliminary results of the Group for the year ended 31 December 2025 were approved by the Directors on 4 March 2026. These consolidated preliminary results have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. They do not include all the information required for full annual financial statements to comply with UK-adopted International Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2025.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Financial Review. The Financial Review also includes a summary of the Group's financial position and its cash flows.

The financial information for the year ended 31 December 2025 does not constitute statutory accounts as defined in sections 435 (1) and (2) of the Companies Act 2006. The auditor has reported on these accounts; their report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis of matter and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Statutory accounts for the year ended 31 December 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's 2026 Annual General Meeting.

1.3 Going concern

Going concern assessment

The financial statements of the Group have been prepared on a going concern basis as the Directors have satisfied themselves that, at the time of approving the financial statements, the Group will have adequate resources to continue in operation for a period of at least 12 months from the date of approval of the consolidated financial statements. The assessment has taken into consideration the Group's financial position, liquidity requirements, recent trading performance and the outcome of reverse stress testing which determines the point at which the Group could be considered to fail without taking further mitigating actions or raising additional funds, over an 18-month forecast period to August 2027.

At 31 December 2025, the Group was in a net current asset position of £2.4 million (2024: £5.2 million net current liability) and a net debt position of £16.9 million (2024: £12.7 million), which includes a £22.5 million drawdown on the Group's £40.0 million revolving credit facility ('RCF') used to fund the Group's acquisition strategy, working capital requirements and shareholder returns. The facility has been extended during the year up to £40 million and expires in June 2028. For RCF terms refer to Note 10.

Reverse stress scenario

In assessing the Group's ability to continue as a going concern, the Directors have stress tested the Group's cash flow forecasts using a reverse stress scenario which incorporates a severe deterioration in market conditions. Reverse stress testing seeks to determine the point at which the Group could be considered to fail without taking further mitigating actions or raising additional funds. For the purposes of the reverse stress test, the point of failure has been defined as the point at which the Group breaches its RCF covenants.

The reverse stress scenario has taken into consideration the revenue characteristics of the Group, specifically the transactional nature of Sales revenue, which contrasts to the recurring and non-cyclical nature of Lettings revenue. The scenario assumes a severe macro-economic downturn from April 2026 to August 2027 which heavily impacts Sales and Financial Services revenues since these streams are most sensitive to changes in the macro-economic environment. Additionally, Lettings revenues have been assumed to be impacted despite their resilient nature.

The key assumptions are summarised below:

- An 18% reduction in sales market transactions and an 8% reduction in Lettings volumes compared in 2025. For context, an 18% reduction in sales market transactions would see transaction volumes return to those levels seen in 2009 following the Global Financial Crisis. Sales market share is also reduced in the reverse stress scenario by 10% compared to 2025.
- Additionally, the scenario incorporates a 10% reduction in Lettings average revenue per transaction from current levels, further reducing revenues.
- Under the scenario, it is assumed management would take mitigating action to reduce discretionary spending and right size fee earner headcount to reflect market conditions. The modelled actions include: reducing front office headcount in line with the revenue reductions; reducing discretionary spend such as marketing; and pausing management bonuses.

In the unlikely event of the reverse stress scenario, the Group forecasts it would breach the RCF's leverage covenant (refer to Note 10 for details of the covenants) in March 2027. Under such a scenario, further mitigating actions that could be taken, but not included in the reverse stress scenario, include further reducing discretionary spend, further rationalising headcount, pausing capital expenditure, seeking agreement to defer lease payments or raising additional funds.

1.4 Critical accounting judgements and key sources of estimation uncertainty

The critical accounting judgements and key sources of estimation uncertainty within these consolidated preliminary results are the same as those within the 2025 Annual Report and Accounts: 'Useful economic life of the brand intangible asset', 'impairment of intangibles with an indefinite life' and 'contract asset expected credit loss provision'.

1.5 Alternative performance measures (APMs) and adjusted items

In reporting financial information the Group presents APMs which are not defined or specified under the requirements of IFRS. The Group believes that the presentation of APMs provides stakeholders with additional and helpful information on the performance of the business, but does not consider them to be a substitute for or superior to IFRS measures. APMs are also used to enhance the comparability of information between reporting periods, by adjusting for factors which affect IFRS measures, to aid users in understanding the Group's performance. The Group's APMs are defined, explained and reconciled to the nearest statutory measure within Notes 2 and 16.

Adjusted items

Adjusted operating profit, adjusted operating profit margin, adjusted EBITDA, adjusted EBITDA margin, adjusted profit before tax and adjusted earnings per share, exclude amortisation of acquired intangibles and adjusted items.

Adjusted items include costs or revenues which due to their size and incidence require separate disclosure in the financial statements to reflect management's view of the underlying performance of the Group and allow comparability of performance from one period to another. Adjusted items include restructuring and impairment charges, significant acquisition costs and any other significant exceptional items. Current period charges/credits relating to prior period adjusted items, for example a change in estimate of adjusted items provisions, are presented as adjusted items to ensure consistency across reporting periods.

2024 non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items (see Note 16), as these relate to forfeited incentives from his former employer and do not represent underlying performance. Refer to Note 3 for further information around the adjusted items recognised in the year.

2. BUSINESS AND GEOGRAPHICAL SEGMENTS

Products and services from which reportable segments derive their revenues

Management has determined the operating segments based on the monthly management pack reviewed by the Directors, which is used to assess both the performance of the business and to allocate resources within the entity. Management has identified that the Board is the Chief Operating Decision Maker ('CODM') in accordance with the requirements of IFRS 8 'Operating Segments'.

The operating and reportable segments of the Group are (i) Lettings; (ii) Sales; and (iii) Financial Services.

- (i) Lettings generates commission from the letting and management of residential properties and income from interest earned on client monies.
- (ii) Sales generates commission on sales of residential property.
- (iii) Financial Services generates commission from the arrangement of mortgages and related products under contracts with financial service providers and receives administration fees from clients.

All revenue for the Group is generated from within the UK and there is no intra-group revenue.

Segment assets and liabilities, including depreciation, amortisation and additions to non-current assets, are not reported to the Directors on a segmental basis and are therefore not disclosed. Goodwill and intangible assets have been allocated to reportable segments as described in Note 7.

The segmental disclosures include the APMs as defined below. Further details of the APMs are provided in Note 16.

Contribution and contribution margin

Contribution is defined as revenue less direct operating costs (being salary costs of front office staff and costs of bad debt). Contribution margin is defined as contribution divided by revenue. These measures indicate the profitability and efficiency of the segments before the allocation of shared costs.

Adjusted operating profit and adjusted operating profit margin

Adjusted operating profit represents the profit before tax for the period before amortisation of acquired intangibles, adjusted items (defined in Note 1.5), finance income, finance cost and other gains/losses. Adjusted operating profit margin is defined as adjusted operating profit divided by revenue. As explained in Note 16, these measures are used by the Board to measure delivery against the Group's strategic priorities, to allocate resource and to assess segmental performance.

As explained in Note 1.5, non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items, as these relate to forfeited incentives from his former employer and do not represent underlying performance, with a corresponding impact on adjusted operating profit and adjusted operating profit margin. The 2024 comparatives (Group and segmental metrics) have been restated as detailed in Note 16 to ensure a fair comparison.

3. ADJUSTED ITEMS

Adjusted operating profit, adjusted operating profit margin, adjusted EBITDA, adjusted EBITDA margin, adjusted profit before tax, and adjusted earnings per share, exclude amortisation of acquired intangibles and adjusted items. These APMs are defined, purpose explained and reconciled to statutory measures in Note 2 and Note 16. The following items have been classified as adjusted items in the year.

	2025	Restated ³
	£'000	2024
		£'000
Net property related reversals ¹	(1,288)	(629)
Transaction related costs ²	321	298
LTIP buyout award IFRS 2 charges ³	989	559
Reorganisation costs ⁴	230	-
Net adjusted items charge	252	228

¹ Net property related reversals mainly comprise the net of charges for re-estimation of property and onerous cost provisions, gains on the surrender of leases and other charges and credits relating to vacant or sublet property. The treatment of such items is consistent from year-to-year.

² Transaction related costs relate mainly to costs directly incurred as a result of the Group's acquisition strategy.

³ Adjusted items has been restated as non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items. Refer to Note 16 for further details.

⁴ Cost of Executive reorganisation.

Net cash outflow from adjusted items during the year totalled £1.9 million (2024: £1.2 million).

4. TAXATION

Recognised in the Group comprehensive income statement

The components of the tax charge recognised in the Group income statement are:

	2025	2024
	£'000	£'000
Current tax		
Current period UK corporation tax	5,738	4,546
Adjustment in respect of prior periods	(187)	(1,029)
Total current tax charge	5,551	3,517
Deferred tax		
Origination and reversal of temporary differences	(1,199)	(473)
Adjustment in respect of prior periods	(285)	439
Total deferred tax credit	(1,484)	(34)
Tax charge on profit on ordinary activities	4,067	3,483

Corporation tax for the year ended 31 December 2025 is calculated at 25% (2024: 25%) of the estimated taxable profit for the period.

Reconciliation of effective tax charge

The tax on the Group's profit before tax differs from the standard UK corporation tax rate of 25% (2024: 25%), because of the following factors:

	2025 £'000	2024 £'000
Profit before tax	16,913	17,485
Tax at the UK corporation tax rate (as stated above)	4,228	4,371
Tax effect of expenses that are not deductible	254	392
Tax effect of non-taxable income	(81)	(280)
Other differences – share awards	111	(59)
Adjustment in respect of previous periods	(472)	(590)
Derecognition/(recognition) of a deferred tax asset	27	(351)
Tax charge on profit on ordinary activities	4,067	3,483
Effective tax rate	24.0%	19.9%

Group relief is claimed and surrendered between Group companies for consideration equal to the tax benefit.

Tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited to equity is £244k (2024: credit of £941k), comprising £280k (2024: credit of £750k) of deferred tax offset by a £36k credit (2024: £191k credit) of current tax. This relates to share-based payment schemes.

5. DIVIDENDS

	2025 £'000	2024 £'000
Final dividend for the year ended 31 December 2024: 0.95p (31 December 2023: 0.70p) per ordinary share	2,875	2,119
Interim dividend for the year ended 31 December 2025: 0.24p (31 December 2024: 0.22p) per ordinary share	718	668
	3,593	2,787

For 2025, the Board has proposed a final dividend of 0.93p per ordinary share (£2.7 million) to be paid on 15 May 2026.

6. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding own shares held.

Diluted earnings per share is calculated by dividing the earnings attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period, excluding own shares held, plus the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary share awards into ordinary shares. The Company's dilutive potential ordinary shares relate to share options granted for which the vesting conditions have been met as of the reporting date.

As explained in Note 1.5, the definition of adjusted items has been revised during the year which has resulted in a corresponding impact on adjusted earnings per share. The 2024 comparative has been restated as detailed within this note to ensure a fair comparison.

	2025	Restated 2024
	£'000	£'000
Profit for the purposes of basic and diluted earnings per share	12,846	14,002
<i>Adjusted for:</i>		
Adjusted items (including associated taxation) ¹	372	88
Amortisation of acquired intangibles (including associated taxation) ¹	1,958	1,563
Adjusted earnings for the purposes of adjusted earnings per share²	15,176	15,653
Number of shares	2025	2024
Weighted average number of ordinary shares for the purposes of basic earnings per share	300,801,699	302,867,437
Effect of dilutive potential ordinary shares	5,973,303	6,899,138
Weighted average number of ordinary shares for the purpose of diluted earnings per share	306,775,002	309,766,575
Earnings per share (basic)	4.3p	4.6p
Earnings per share (diluted)	4.2p	4.5p
Adjusted earnings per share (basic)³	5.0p	5.2p
Adjusted earnings per share (diluted)³	4.9p	5.1p

¹ Adjusted items charge of £252k (2024: £228k charge restated as non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items) per Note 3, plus associated tax charge of £120k (2024: £140k credit) and amortisation of acquired intangibles of £2,611k (2024: £2,084k), plus associated tax credit of £653k (2024: £521k).

² The 2024 adjusted earnings for the purposes of adjusted earnings per share comparative has been restated to add back as an adjusted item the impact of the CEO's LTIP buyout award net of tax of £402k, increasing the metric from £15,251k (as presented in 2024) to £15,653k.

³ The 2024 adjusted earnings per share (basic and diluted) has been restated to reflect the adjusted earnings noted above. The 2024 adjusted earnings per share (basic) has increased from 5.0p to 5.2p and 2024 adjusted earnings per share (diluted) has increased from 4.9p to 5.1p.

7. GOODWILL AND OTHER INTANGIBLE ASSETS

	Goodwill	Brand	Software	Assets under construction	Customer contracts and relationships	Total
2025	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 January 2025	62,097	99,000	3,235	2,824	21,782	188,938
Fair value adjustments ¹	854	–	–	–	–	854
Additions	–	–	–	1,013	–	1,013
Disposals	–	–	(87)	–	–	(87)
Acquired through business combinations (refer to Note 9)	1,376	–	–	–	1,042	2,418
Transfer	–	–	2,985	(2,985)	–	–
At 31 December 2025	64,327	99,000	6,133	852	22,824	193,136
Accumulated amortisation and impairment losses						
At 1 January 2025	9,819	–	2,411	–	6,413	18,643
Amortisation	–	–	703	–	2,611	3,314
Disposals	–	–	(33)	–	–	(33)
At 31 December 2025	9,819	–	3,081	–	9,024	21,924
Net carrying value						
At 31 December 2025	54,508	99,000	3,052	852	13,800	171,212
At 1 January 2025	52,278	99,000	824	2,824	15,369	170,295

¹ Fair value adjustment relating to 2024 acquisitions arising from an adjustment to deferred consideration within the 12-month window from acquisition date.

2024	Goodwill £'000	Brand £'000	Software £'000	Assets under construction £'000	Customer contracts and relationships £'000	Total £'000
Cost						
At 1 January 2024	50,528	99,000	3,007	1,487	17,925	171,947
Fair value adjustments ¹	(577)	–	–	–	–	(577)
Additions	–	–	–	1,565	–	1,565
Acquired through business combinations	12,146	–	–	–	3,857	16,003
Transfer	–	–	228	(228)	–	–
At 31 December 2024	62,097	99,000	3,235	2,824	21,782	188,938
Accumulated amortisation and impairment losses						
At 1 January 2024	9,819	–	2,193	–	4,329	16,341
Amortisation	–	–	218	–	2,084	2,302
At 31 December 2024	9,819	–	2,411	–	6,413	18,643
Net carrying value						
At 31 December 2024	52,278	99,000	824	2,824	15,369	170,295
At 1 January 2024	40,709	99,000	814	1,487	13,596	155,606

¹ Fair value adjustment relating to 2023 acquisitions arising from an adjustment to deferred consideration within the 12-month window from acquisition date.

Carrying values and annual impairment review

a) Carrying values of goodwill and intangible assets with indefinite lives

The carrying values of goodwill and intangible assets with indefinite lives as at 31 December are summarised below.

	2025 £'000	2024 £'000
Lettings goodwill	54,508	52,278
Brand asset – Sales and Lettings	99,000	99,000
	153,508	151,278

- Lettings goodwill is allocated to the Lettings CGU and tested at this level. This allocation represents the lowest level at which goodwill is monitored for internal management purposes and is not larger than an operating segment.
- The brand asset has been tested for impairment by aggregating the values in use relating to the Lettings and Sales CGUs. No brand value is allocated to the Financial Services CGU since the Foxtons brand only relates to the Sales and Lettings CGUs. This grouping represents the lowest level at which management monitors the brand internally and reflects the way in which the brand asset is viewed, rather than being allocated to each segment on an arbitrary basis.

b) Impairment review approach and outcome

Management tests goodwill and the indefinite life brand asset annually for impairment, or more frequently if there are indicators of impairment, in accordance with IAS 36 'Impairment of Assets'.

Management has determined the recoverable amount of each CGU from value in use calculations. The value in use calculations use cash flow projections from formally approved budgets and forecasts covering a five-year period, with a terminal growth rate after five years. The resultant cash flows are discounted using a pre-tax discount rate appropriate to the CGUs.

Following the annual impairment review performed as at 30 September 2025, there has been no impairment of the carrying amount of goodwill or the brand asset.

c) Impairment review assumptions

The assumptions used in the annual impairment review are detailed below:

Cash flow assumptions

The key variables in determining the cash flows are Lettings revenues, Sales revenues and the associated direct costs incurred during the forecast period. These assumptions are based upon a combination of past experience of observable trends and expectations of future changes in the market. Key assumptions are as follows:

- Sales revenue increases by a CAGR (compound average growth rate) of 6.4% as the market remains flat in 2026 and grows 2.5% annually thereafter and market share growth continues.
- Within the Sales revenue assumption, house prices are assumed to increase 1.0% annually.
- Lettings revenue is assumed to grow at a CAGR of 2.5% over the forecast period, excluding future Lettings portfolio acquisitions that must be excluded from forecast cash flows under IAS 36.

Long-term growth rates

To evaluate the recoverable amounts of each CGU, a terminal value has been assumed after the fifth year and includes a long-term growth rate in the cash flows of 2.0% (2024: 2.0%) into perpetuity.

The long-term growth rate is derived from management's estimates, which take into account the long-term nature of the market in which each CGU operates and external long-term growth forecasts.

Discount rates

In accordance with IAS 36, the pre-tax discount rate applied to the cash flows of each CGU is based on the Group's weighted average cost of capital (WACC) and is calculated using a capital asset pricing model and incorporates lease debt held under IFRS 16. The WACC has been adjusted to reflect risks specific to each CGU not already reflected in the future cash flows for that CGU.

The pre-tax discount rate used to discount Lettings cash flows in the assessment of Lettings goodwill is 16.3% (2024: 17.6%). The pre-tax discount rate used to discount aggregated Sales and Lettings cash flows in the assessment of the brand asset is 16.3% (2024: 17.6%). The year-on-year decrease in the discount rate is attributable to market changes in WACC inputs, primarily the adjusted beta and equity risk premiums.

d) Sensitivity analysis

Sensitivity analysis has been performed to assess whether the carrying values of goodwill and the brand asset are sensitive to reasonably possible changes in key assumptions and whether any changes in key assumptions would materially change the carrying values. Lettings goodwill showed significant headroom against all sensitivity scenarios, while the brand asset is sensitive to reasonably possible changes in key assumptions.

The key assumption in the brand impairment assessment is the forecast revenues for the Lettings and Sales businesses. The carrying value of the brand asset is not highly sensitive to changes in discount rates or long-term growth rates.

The impairment model indicates brand asset headroom of £52.7 million (2024: £58.6 million) or 30% (2024: 35%) of the carrying value under test. Cash flows are sourced from the Group's Board approved plan while also complying with the requirements of IAS 36.

Assuming no changes in other elements of the plan, the brand asset headroom would reduce to zero if the combined revenue CAGR over the forecast period reduces from 3.8% to 2.3%. Under a reasonably possible downside scenario, in which Sales revenue would grow by 4.5% in 2026 (base: 9.1%), 4.1% in 2027 (base: 8.2%) and 2% thereafter (base: 5%), reflecting a possible, but pessimistic, sales market downside view, Lettings revenue growth would be limited to 1% per annum and the Group would take appropriate mitigating actions, such as reducing discretionary spend and direct costs. In this scenario, the brand asset headroom would be reduced to £6.0 million.

8. LEASES

Group as a lessee

The Group has lease contracts for its head office, branches and for motor vehicles used in its operations. With the exception of short-term leases, each lease is recognised on the balance sheet with a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Generally, the right-of-use assets can only be used by the Group, unless there is a contractual right for the Group to sub-lease the asset to another party. The Group is also prohibited from selling or pledging the leased assets as security.

Right-of-use assets

The carrying amounts of the right-of-use assets recognised and the movements during the year are outlined below:

	Property £'000	Motor vehicles £'000	Total £'000
At 1 January 2024	34,517	7,954	42,471
Additions	2,396	3,475	5,871
Acquired through business combinations	921	80	1,001
Lease modifications	(84)	534	450
Disposals	(242)	(245)	(487)
Depreciation	(6,754)	(3,930)	(10,684)
At 31 December 2024	30,754	7,868	38,622
Additions	12,695	2,049	14,744
Acquired through business combinations (refer to Note 9)	–	18	18
Lease modifications	(2,510)	(13)	(2,523)
Disposals	(1,009)	(76)	(1,085)
Depreciation	(7,162)	(4,121)	(11,283)
At 31 December 2025	32,768	5,725	38,493

Lease liabilities

The carrying amounts of lease liabilities recognised and the movements during the year are outlined below:

	Property £'000	Motor vehicles £'000	Total £'000
At 1 January 2024	39,477	8,124	47,601
Additions	2,367	3,475	5,842
Acquired through business combinations	921	80	1,001
Lease modifications	(73)	535	462
Disposals	(799)	(241)	(1,040)
Interest charge	1,683	382	2,065
Payments	(9,012)	(4,155)	(13,167)
At 31 December 2024	34,564	8,200	42,764
Additions	12,159	2,049	14,208
Acquired through business combinations (refer to Note 9)	–	18	18
Lease modifications	(3,245)	–	(3,245)
Disposals	(2,704)	(93)	(2,797)
Interest charge	1,712	358	2,070
Payments	(8,586)	(4,403)	(12,989)
At 31 December 2025	33,900	6,129	40,029
Current	4,039	3,748	7,787
Non-current	29,861	2,381	32,242

Lease modifications include the early surrender of the leases for the Group's previous headquarters, which ended in January 2026. This resulted in a net gain of £0.3 million, reflecting a £0.7 million gain from lease modifications, partially offset by a £0.4 million provision for lease exit costs.

Of the movements in the year, cash payments with respect to principal and interest totalling £13.0 million were made (2024: £13.2 million) and the remaining net movement in lease liabilities of £10.2 million (2024: £8.3 million) was non-cash in nature.

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments which fall due as follows:

	2025 £'000	2024 £'000
Maturity analysis – contractual undiscounted cash flows		
Within one year	9,850	13,101
In the second to fifth years inclusively	22,761	27,032
After five years	18,608	8,282
	51,219	48,415

The Group has elected not to recognise a lease liability for short-term leases (expected lease term is 12 months or less), in line with the IFRS 16 short-term lease exemption. Payments made under such leases are expensed on a straight-line basis. At 31 December 2025, the Group had a commitment of less than £0.1 million (2024: less than £0.1 million) in relation to short-term leases.

Amounts recognised in profit or loss

The following are the amounts recognised in profit or loss during the year, in respect of the leases held by the Group as a lessee:

	2025 £'000	2024 £'000
Depreciation of right-of-use assets	11,283	10,684
Interest expense on lease liabilities	2,070	2,065
Expenses relating to short-term leases	657	915
Total amount recognised in profit or loss	14,010	13,664

Group as an intermediate lessor

Finance lease receivables

The Group is an intermediate lessor for various lease arrangements considered to be finance sub-leases. The amounts recognised in the profit or loss during the year are outlined below:

	2025 £'000	2024 £'000
Finance income under finance sub leases recognised in the year	51	30

As at 31 December 2025 and 2024, third parties had outstanding commitments due to the Group for future undiscounted minimum lease payments, which fall due as follows:

	2025 £'000	2024 £'000
Within one year	147	171
In the second to fifth years inclusively	568	580
After five years	83	206
	798	957

9. BUSINESS COMBINATIONS

On 28 February 2025 the Group acquired 100% of the equity interest of Marshall Vizard LLP and its holding companies ("Marshall Vizard"), an independent estate agent which is focused on the commuter town of Watford.

A purchase price allocation exercise has been completed which identified £1.0 million of acquired intangible assets relating to customer contracts and relationships, which are identifiable and separable, and will be amortised over ten years. The discount rate applied to the cash flows is based on Marshall Vizard's weighted average cost of capital (WACC) and is calculated using a capital asset pricing model. The WACC has been adjusted to reflect risks specific to Marshall Vizard not already reflected in the future cash flows.

£1.4m of goodwill has arisen on the acquisitions and is primarily attributable to synergies, new customers, the acquired workforce and business expertise. The acquired goodwill has been allocated for impairment testing purposes to the Group's Lettings cash-generating unit which is expected to benefit from the synergies of the combination. None of the goodwill is expected to be deductible for tax purposes.

From the date of acquisition, the business combination contributed £0.7 million of revenue and £0.4 million profit before tax to the Group's performance for the year ended 31 December 2025. If the combination had taken place at the beginning of the year, revenue for the period would have been £0.2 million higher and profit before tax would have increased by £0.1 million.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of the acquired entity as at the date of acquisition are disclosed below. The fair values of the identifiable assets and liabilities are estimated by taking into consideration all available information at the reporting date.

	Marshall Vizard
	£'000
Assets	
Acquired intangible assets recognised on acquisition	1,042
Right-of-use assets	18
Cash and cash equivalents	421
Trade and other receivables	4
Contract assets	243
	1,728
Liabilities	
Trade and other payables	(50)
Contract liabilities	(4)
Lease liabilities	(18)
Current tax liability	(121)
Deferred tax liability	(320)
Borrowings	(16)
	(529)
Total identifiable net assets at fair value	1,199
Goodwill arising on acquisition	1,376
Fair value of consideration	2,575

The deferred tax liability mainly comprises the tax effect of the accelerated amortisation for tax purposes of the acquired intangible assets recognised on acquisition.

Purchase consideration

At the acquisition date, the fair value of consideration was estimated at £2.6 million, comprising the following:

	Marshall Vizard
	£'000
Amount settled in cash	1,840
Contingent cash consideration	735
Fair value of consideration	2,575

As part of the purchase agreement with the previous owners of Marshall Vizard, the contingent cash consideration is subject to performance conditions being met. Total consideration of £1.7 million has been paid during the year net of cash acquired, which is included in cash flows used in investing activities in the consolidated statement of cash flows. At 31 December 2025, the remaining consideration payable of £0.5 million is included within trade and other payables.

Prior period acquisitions

As disclosed in Note 13 of the 2024 Annual Report and Accounts, on 28 October 2024 the Group acquired 100% of the share capital of the following independent London estate agents which are primarily focused on the commuter towns of Reading and Watford:

- Haslams Estate Agents (Thames Valley) Limited and subsidiaries ('Haslams');
- Imagine Property Group Limited ('Imagine').

A total deferred consideration of £3.7 million was paid in 2025 across prior period acquisitions, with a further £1.0 million of contingent consideration payable subject to performance conditions being met.

Analysis of cash flows on acquisition

	2025 £'000	2024 £'000
Cash consideration	(2,093)	(12,575)
Cash acquired in subsidiaries	421	1,242
Current year acquisitions of subsidiaries, net of cash acquired	(1,672)	(11,333)
Deferred consideration paid in relation to prior year acquisitions	(3,660)	(1,371)
Acquisitions of subsidiaries, net of cash acquired (included in cash flows from investing activities)	(5,332)	(12,704)
Transaction costs of the acquisitions paid in the year (included in cash flows from operating activities) ¹	(123)	(295)
Net cash flow on acquisitions	(5,455)	(12,999)

¹ Transaction costs are presented within adjusted items set out in Note 3. Costs shown above exclude accrued balances which are included per Note 3.

10. BORROWINGS

	2025 £'000	2024 £'000
Non-current:		
Revolving credit facility	22,594	18,180
Transaction costs	(218)	(172)
Total borrowings due in more than one year	22,376	18,008
Total borrowings	22,376	18,008

During the year, the Company exercised the accordion option on the revolving credit facility (RCF), increasing it from £30 million to £40 million, and extended it by one year from June 2027 to June 2028. The RCF attracts a margin of 1.65% above SONIA and is unsecured.

The RCF is subject to a leverage covenant (net debt to adjusted EBITDA not to exceed 1.75x) and an interest cover covenant (adjusted EBITDA to interest not to be less than 4x) as defined in the facility agreement. Both covenants are calculated using pre-IFRS 16 accounting principles as detailed within Note 26.

The Group has the right to defer settlement of the RCF providing that the covenants are met. The Group was in compliance with the covenants throughout the period and at 31 December 2025 (leverage covenant 0.67x and interest cover 24x).

The movements in borrowings were as follows:

	2025 £'000	2024 £'000
At 1 January	18,008	11,780
Proceeds	19,000	26,800
Repayments	(14,516)	(20,629)
Interest accrued	1,009	812
Interest paid	(1,165)	(536)
Acquired through business combination (refer to Note 9)	16	-
Other movements including transaction fees	24	(219)
At 31 December	22,376	18,008

11. SHARE CAPITAL

	2025 £'000	2024 £'000
Authorised, allotted, issued and fully paid:		
Ordinary shares of £0.01 each		
At 1 January	3,301	3,301
Own shares acquired and cancelled in the period	(98)	-
Closing balance	3,203	3,301

As at 31 December 2025 the Company had 320,279,464 ordinary shares (2024: 330,097,758). During the year, 9,818,294 shares with a nominal value of £98k were repurchased at a cost of £5,543k (2024: none) through two share buyback programmes announced on 8 April 2025 and 8 September 2025. Shares purchased during the period were cancelled.

12. MERGER RESERVE AND OTHER RESERVES

	2025 £'000	2024 £'000
Merger reserve	20,568	20,568
Capital redemption reserve	169	71
Other capital reserve	2,582	2,582
	23,319	23,221

The increase in the capital redemption reserve resulted from the cancellation of repurchased shares during the year. There were no movements in either the merger reserve or other capital reserve. Prior to the Company's initial public offering, a ratchet mechanism reduced the number of shares in issue resulting in a reduction in share capital and transfer to the other capital reserve.

13. OWN SHARES RESERVE

	2025 £'000	2024 £'000
Balance at 1 January	11,012	12,092
Settlement of share incentive plan	(279)	(1,080)
Balance at 31 December	10,733	11,012

The own shares reserve represents the cost of shares in the Company purchased in the market and held by either the Company or the Foxtons Group Employee Benefit Trust to satisfy awards under the Group's long term incentive schemes. The number of ordinary shares held by the Employee Benefit Trust at 31 December 2025 was 57,467 (2024: 57,467).

The number of ordinary shares held by the Company in treasury at 31 December 2025 was 25,527,664 (2024: 26,192,151).

14. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and, in accordance with IAS 24, are not disclosed in this note.

Remuneration of key management personnel

The remuneration of the key management personnel of the Group is set out below in aggregate for each of the categories specified in IAS 24: 'Related Party Disclosures'. The definition of key management personnel extends to the Directors of the Company.

	2025	2024
	£'000	£'000
Short-term employee benefits	1,365	1,955
Post-employment benefits	23	22
Share-based payments	1,983	1,031
	3,371	3,008

15. CLIENT MONIES

At 31 December 2025, client monies held within the Group in approved bank accounts amounted to £133.2 million (31 December 2024: £127.2 million). Neither this amount, nor the matching liabilities to the clients concerned, are included in the consolidated statement of financial position since these funds belong to clients. The Group's terms and conditions provide that any interest income received on these client monies accrues to the Group.

Client monies are protected by the FSCS under which the government guarantees amounts up to £120,000 (previously £85,000) each. This guarantee applies to each individual client deposit, not the sum total on deposit.

16. ALTERNATIVE PERFORMANCE MEASURES

In reporting financial information the Group presents APMs which are not defined or specified under the requirements of IFRS. The Group believes that the presentation of APMs provides stakeholders with additional helpful information on the performance of the business, but does not consider them to be a substitute for or superior to IFRS measures.

The Group's APMs are aligned to the Group's strategy and together are used to measure the performance of the business with certain APMs forming the basis of remuneration performance measures. Adjusted results exclude certain items, because if included, these could distort the understanding of our performance for the period and the comparability between periods. The definition, purpose and how the measures are reconciled to statutory measures are set out below.

2024 non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items, as these relate to forfeited incentives from his former employer and do not represent underlying performance. This impacts the below measures, which are calculated after adding back adjusted item charges:

- Adjusted operating profit
- Adjusted operating profit margin
- Adjusted profit before tax
- Adjusted earnings per share

Refer to Note 16(i) for the impact of the restatement on the above adjusted measures.

a) Contribution and contribution margin

Contribution is defined as revenue less direct salary costs of front office staff and costs of bad debt. Contribution margin is defined as contribution divided by revenue. Contribution and contribution margin are key metrics for management since both are measures of the profitability and efficiency before the allocation of shared costs. A reconciliation between revenue and contribution is presented below.

	Lettings	Sales	Financial Services	Consolidated
	£'000	£'000	£'000	£'000
31 December 2025				
Revenue	110,966	51,258	10,309	172,533
Less: Direct operating costs	(28,033)	(27,974)	(6,109)	(62,116)
Contribution	82,933	23,284	4,200	110,417
Contribution margin	74.7%	45.4%	40.7%	64.0%

31 December 2024	Lettings £'000	Sales £'000	Financial Services £'000	Consolidated £'000
Revenue	106,030	48,565	9,332	163,927
Less: Direct operating costs	(27,925)	(25,822)	(5,317)	(59,064)
Contribution	78,105	22,743	4,015	104,863
Contribution margin	73.7%	46.8%	43.0%	64.0%

b) Adjusted EBITDA and adjusted EBITDA margin

Adjusted EBITDA represents profit before tax before finance income, non-IFRS 16 finance costs, other gains/(losses), depreciation of property, plant and equipment (but after IFRS 16 depreciation), amortisation, share-based payment charges and adjusted items. Since the measure includes IFRS 16 right-of-use asset depreciation and IFRS 16 lease finance cost, adjusted EBITDA includes all elements of the Group's leasing costs and therefore fully reflects the Group's lease cost base. Adjusted EBITDA margin is defined as adjusted EBITDA divided by revenue. These measures are frequently used by investors, securities analysts and other interested parties to evaluate financial performance and compare performance of sector peers. Furthermore, adjusted EBITDA is used to calculate the leverage and interest cover ratios for the purposes of the Group's RCF covenants. A reconciliation between operating profit and adjusted EBITDA is presented below.

	Notes	2025 £'000	Restated 2024 £'000
Operating profit		19,362	19,806
Add back: adjusted items ¹	3	252	228
Add back: Amortisation of acquired intangibles	7	2,611	2,084
Adjusted operating profit		22,225	22,118
Add back: Amortisation of non-acquired intangibles	7	703	218
Add back: Depreciation of property, plant and equipment ²		2,636	2,542
Add back: Share-based payment charges ³		1,812	1,249
Deduct: Interest on IFRS 16 leases ⁴	8	(2,070)	(2,065)
Adjusted EBITDA		25,306	24,062
Adjusted EBITDA margin		14.7%	14.7%

¹ 2024 adjusted items have been restated as non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items. See Note 16(i) for further details.

² Depreciation of IFRS 16 right-of-use assets is not added back so that adjusted EBITDA includes the non-financing element of property and vehicle leases.

³ Share based payment charges exclude charges relating to the CEO's LTIP buyout award which are included in adjusted items, and National Insurance.

⁴ Interest on IFRS 16 leases is deducted so that adjusted EBITDA includes the financing cost of property and vehicle leases.

c) Adjusted operating profit and adjusted operating profit margin

Adjusted operating profit represents profit before tax before amortisation of acquired intangibles, finance income, finance cost, other gains/(losses) and adjusted items (defined within Note 1.5). This measure is reported to the Board for the purpose of resource allocation and assessment of segment performance. The closest equivalent IFRS measure to adjusted operating profit is operating profit.

Adjusted operating profit margin is defined as adjusted operating profit divided by revenue. This APM is a key performance indicator of the Group and is used to measure the delivery of the Group's strategic priorities.

Refer to Note 2 for a reconciliation between operating profit and adjusted operating profit and for the inputs used to derive adjusted operating profit margin. The table below reconciles the revised definition of the metrics to the previous definition.

		Restated
		2025
	Notes	£'000
		2024
		£'000
Operating profit		19,362
Add back: adjusted items ¹	3	252
Add back: amortisation of acquired intangibles	7	2,611
Adjusted operating profit		22,225
Adjusted operating profit margin		12.9%
		19,806
		228
		2,084
		22,118
		13.5%

¹ 2024 adjusted items have been restated as non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items. See Note 16(i) for further details.

d) Adjusted profit before tax

Adjusted profit before tax represents profit before tax before amortisation of acquired intangibles and adjusted items and provides a view of the underlying profit before tax and aids comparability of performance from one period to another. A reconciliation between profit before tax and adjusted profit before tax is presented below.

		Restated
		2025
	Notes	£'000
		2024
		£'000
Profit before tax		16,913
Add back: adjusted items ¹	3	252
Add back: amortisation of acquired intangibles	7	2,611
Adjusted profit before tax		19,776
		17,485
		228
		2,084
		19,797

¹ 2024 adjusted items have been restated as non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items. See Note 16(i) for further details.

e) Adjusted earnings per share

Adjusted earnings per share is defined as earnings per share excluding adjusted items and amortisation of acquired intangibles. The measure is derived by dividing profit after tax, adjusted for post-tax adjusted items and amortisation of acquired intangibles, by the weighted average number of ordinary shares in issue during the financial period, excluding own shares held. This APM is a measure of management's view of the Group's underlying earnings per share.

The closest equivalent IFRS measure is earnings per share. Refer to Note 6 for a reconciliation between earnings per share and adjusted earnings per share.

As noted above non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items, as these relate to forfeited incentives from his former employer and do not represent underlying performance. This impacts the calculation in Note 6, including the 2024 comparatives which have been restated accordingly to ensure a fair comparison.

f) Net free cash flow

Net free cash flow is defined as net cash from operating activities less repayment of IFRS 16 lease liabilities and net cash used in investing activities, excluding the acquisition of subsidiaries (net of any cash acquired), divestments and purchase of investments. This measure is used to monitor cash generation. A reconciliation between net cash from operating activities and net free cash flow is presented below.

	Notes	2025 £'000	2024 £'000
Net cash from operating activities		27,684	24,747
Less: Interest on lease liabilities	8	(2,070)	(2,065)
Less: Repayment of lease liabilities	8	(10,919)	(11,102)
Net cash from operating activities, after repayment of IFRS 16 lease liabilities		14,695	11,580
Investing activities¹:			
Interest received		341	296
Proceeds on disposal of property, plant and equipment and assets held for sale		-	607
Purchases of property, plant and equipment		(2,868)	(1,106)
Purchases of intangibles	7	(1,013)	(1,565)
Net cash used in investing activities¹		(3,540)	(1,768)
Net free cash flow		11,155	9,812

¹ Excludes the acquisition of subsidiaries (net of any cash acquired), divestments and purchase of investments.

g) Net debt

Net cash/debt is defined as cash and cash equivalents less external borrowings and excludes IFRS 16 lease liabilities. The measure is monitored internally for the purposes of assessing the availability of capital and balance sheet strength. A reconciliation of the measure is presented below.

	Notes	2025 £'000	2024 £'000
Cash and cash equivalents		5,475	5,320
Less: External borrowings	10	(22,376)	(18,008)
Net debt		(16,901)	(12,688)

h) Other performance measure definitions

Definitions of other performance measures presented in the Group's Annual Report and Accounts are summarised below.

Volumes

- **Sales volumes:** Total number of property sales transactions which have exchanged during the period.
- **Lettings volumes:** Total of the number of long and short lets entered into by tenants and the number of renewals agreed between tenants and landlords during the period.
- **Financial Services volumes:** Total number of mortgages arranged during the period (purchase and refinance units).

Revenue per transaction

- **Revenue per Sales transaction:** Sales revenue during the period divided by Sales volumes during the period.
- **Revenue per Lettings transaction:** Lettings revenue during the period divided by Lettings volumes during the period.
- **Revenue per Financial Services transaction:** Financial Services revenue during the period divided by Financial Services volumes during the period.

i) Restatement of adjusted items in 2024

As explained in Note 1.5, adjusted items has been restated as non-cash IFRS 2 charges from the CEO's LTIP buyout award have been reclassified to adjusted items, with a corresponding impact on adjusted measures. 2024 comparatives have been restated as below.

	As originally stated	Restated	Adjustment
	2024	2024	2024
	£'000	£'000	£'000
Adjusted items (credit)/charge	(331)	228	559
Adjusted operating profit	21,559	22,118	559
Adjusted profit before tax	19,238	19,797	559
Adjusted EBITDA ¹	23,803	24,062	259
Adjusted earnings per share (basic)	5.0p	5.2p	0.2p
Adjusted earnings per share (diluted)	4.9p	5.1p	0.2p

¹ The 2024 adjusted EBITDA has been restated to remove the National Insurance charge recognised in respect of the CEO's LTIP buyout award, which has been reclassified as an adjusted item.

17. EVENTS AFTER THE REPORTING PERIOD

The Group's strategy is to acquire earnings accretive, lettings focused businesses which expand portfolio of non cyclical and recurring revenues. Acquisitions fall into two categories: 1) bolt on acquisitions which are located within existing Foxtons markets; and 2) platform acquisitions which expand the Group's operations into new markets.

On 7 January 2026, the Group completed the acquisition of Cauldwell Property Services Ltd, a leading independent agent in Milton Keynes, for consideration of £6.5 million on a cash and debt-free basis, of which £0.8 million is deferred for 12 months and contingent on performance targets being met. Cauldwell's unaudited total revenue and operating profit for the 12 months ended 31 August 2025 was £2.7 million and £0.8 million, respectively.

On 20 January 2026, the Group completed the acquisition of FleetMilne (Birmingham) Limited, a high-quality, independent lettings agent with a leading market share position in central Birmingham, for consideration of £4.0 million on a cash and debt-free basis, of which £0.8 million is deferred for 12 months and contingent on performance targets being met. FleetMilne's unaudited total revenue and operating profit for the 12 months ended 31 December 2025 was £1.5 million and £0.1 million, respectively.

Given the proximity of the transactions to the announcement of the Group's financial statements, full purchase price allocation exercises have not yet been completed and the valuation of the assets acquired will be assessed prior to the next reporting date.