

LSL

Annual Report and Accounts 2025

LSL PROPERTY SERVICES PLC

LSL

The leading B2B platform for
UK residential market services.



Contents

STRATEGIC REPORT

- 02** Highlights
- 03** Our Investment Case
- 04** Business Model and Strategy
- 08** Chair's Statement
- 10** Group Chief Executive Officer's Review
- 13** Financial and Divisional Reviews
- 20** Section 172 Statement and Stakeholder Engagement
- 27** Risk Management
- 31** Viability Statement
- 32** Sustainability Report
- 38** Non-Financial and Sustainability Information Statement
- 39** TCFD Report

FINANCIAL STATEMENTS

- 87** Independent Auditor's Report
- 97** Group Statement of Profit or Loss and Other Comprehensive Income
- 98** Group Balance Sheet
- 99** Group Statement of Cash Flows
- 100** Group Statement of Changes in Equity
- 101** Notes to the Group Financial Statements
- 151** Parent Company Balance Sheet
- 152** Parent Company Statement of Changes in Equity
- 153** Notes to the Parent Company Financial Statements

CORPORATE GOVERNANCE

- 46** The Board and Executive Team
- 50** Corporate Governance Report
- 56** Nominations Committee Report
- 60** Audit & Risk Committee Report
- 65** Directors' Remuneration Report
- 82** Report of the Directors
- 86** Statement of Directors' Responsibilities in Respect of the Annual Report and Financial Statements

OTHER INFORMATION

- 159** Definitions
- 162** Shareholder Information (including forward-looking statements information)

Forward-looking statements

This Report may contain forward-looking statements with respect of certain plans, goals and expectations relating to the future financial condition, business performance and results of LSL. Further information about forward-looking statements can be found in the Shareholder Information section on page 163.

Highlights

Our key highlights are:

Group Underlying
Operating Profit

£32.6m

(2024: £27.8m¹)

Group Underlying
Operating Profit
Margin

18%

(2024: 16%)

Group ROCE

35%

(2024: 32%)

Adjusted cash flow
from operations

£29.3m

(2024: £31.1m)

Profit before tax

£23.1m

(2024: £23.1m¹)

Colleague
engagement score

77%

(2024: 73%)

Full year
dividend

11.4p

(2024: 11.4p)

Group Revenue

£182.9m

(2024: £173.3m¹)

¹ Refer to note 36 to the Financial Statements

Our Investment Case

We are committed to delivering long-term value creation to our Shareholders and rewarding them through our success.

A high return, low capital employed model

Post transformation in 2023, our business model offers:

- High ROCE.
- Improved profit margins.
- Reduced fixed costs.
- Structurally lower capital expenditure requirements.

Provision of business critical services

- We have deep and long standing relationships from providing business critical services to our partners.
- Our combination of specialist knowledge and advanced innovative technology creates rich data.

Quality of earnings

- We have recurring or repeatable revenues from contractual commitments with our B2B partners.
- Earnings volatility is lower due to our reduced fixed cost base and lower operational gearing.

Returns to Shareholders

- Dividend of £11.8m proposed for FY 2025.
- New £12m share buyback programme.

Market leading positions in large addressable markets

- PRIMIS is the largest mortgage and insurance broker network in the UK, with 12% market share in 2025.
- e.surv is the largest provider of physical and surveyor led residential valuation services in the UK, with c.39% market share.
- Our Estate Agency Franchise Division is the second largest franchise group in the UK.

Business Model and Strategy

Our purpose, mission and vision

Our Purpose | Empowering smart property decisions.

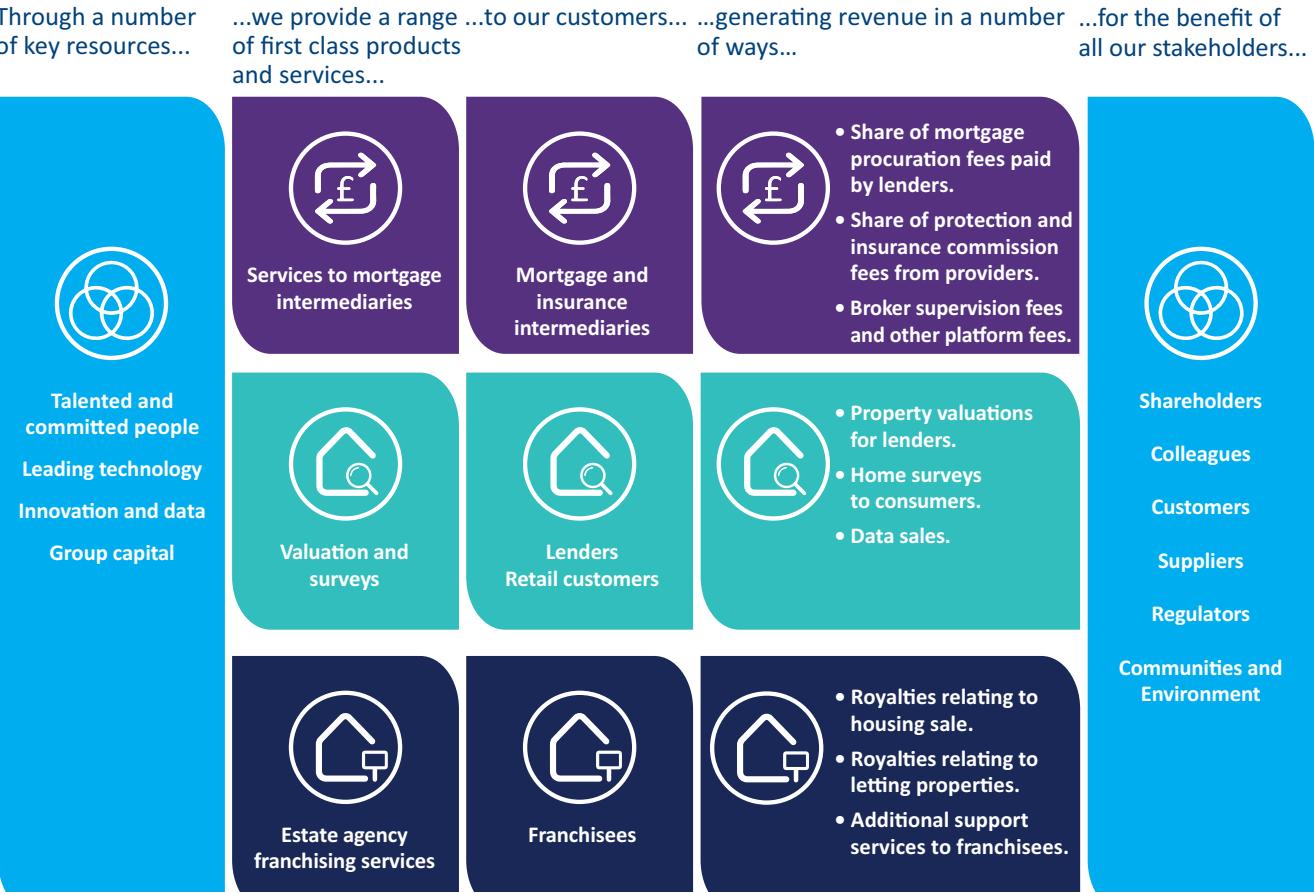
Our Mission | We deliver trusted property services powered by data and expertise to enable people and businesses to thrive.

Our Vision | The UK’s most trusted platform connecting people to property.

Our new values are described on page 06

In 2025 we launched our new purpose, mission, vision and values to colleagues across the Group, building on who we are and how we work together to achieve more. This framework will guide us in everything we do.

Our business model



Key:

 Group

 Financial Services

 Surveying & Valuation

 Estate Agency Franchising

Our strategic priorities

We aim to leverage the strengths of the Group to deliver sustainable, resilient and profitable growth and enhance our market leading positions across our three core businesses by deepening our strategic relationships.

Data & Insight | Further utilise our considerable proprietary data sets to create unique insights for our customers.

Innovation & Technology | Enhance the productivity of our businesses through innovation and technology solutions.

Scale & Access | Create scalable platforms which can leverage our market leading positions.

Talent | Retain, develop and attract talented people

We are made up of three Divisions, each of which is a leading player in the large markets in which it operates. This breadth of scale, and their strong reputations, people and brands, provide competitive strength to the Group.



Financial Services

One of the UK's largest mortgage and insurance networks

- The Division provides an extensive product panel, compliance and other services to almost 2,600 advisers and 1,049 firms.
- PRIMIS is one of the UK's largest mortgage and insurance networks and together with the distribution introduced by independent brokers to The Mortgage Alliance, TMA, the Division has a mortgage market share of one in nine UK purchases and remortgages.
- The Division also includes the Group's joint venture investment, Pivotal Growth, established in 2021 with Pollen Street Capital to execute a 'buy and build' strategy of mortgage brokers. Since formation it has acquired 23 firms and now has more than 500 mortgage advisers.



Surveying & Valuation

One of the UK's largest surveying and valuation businesses

- The Division's principal business is the provision of surveyor-led valuations to UK mortgage lenders. It has recently won a major contract for its Automated Valuation Model (AVM) making it the only provider in the UK to offer the full range of valuation methodologies. It also provides surveying and valuation services to consumers.
- It is one of the UK's biggest employers of Royal Institution of Chartered Surveyors (RICS) registered surveyors, with 491 (FTE) surveyors, and counts five of the top six UK lenders amongst its clients.
- The Division includes e.surv as well as Walker Fraser Steele Chartered Surveyors, which services the Scottish market.
- The Division also manages the sale of residential properties on behalf of corporate clients and property investors through its asset management businesses – LSL Corporate Client Services and Templeton LPA.



Estate Agency Franchising

One of the UK's largest providers of estate agency franchise services

- The Division's principal business is the provision of franchising services, such as brand marketing and commercial and IT support, to a network of 62 franchisees which operate 312 territories across the UK.
- These territories are independently managed and operated by the franchisees under various brands, including Your Move and Reeds Rains, as well as several local brands.
- This Division also provides a range of estate agency services to house builders, developers and investors of all sizes through the LSL Land & New Homes business.
- In addition, Homefast provides conveyancing panel management and support services to our franchisees and their customers.

Note:

1 Unless stated otherwise, information in this section of the Report is as at 31 December 2025

Business Model and Strategy continued

Our values

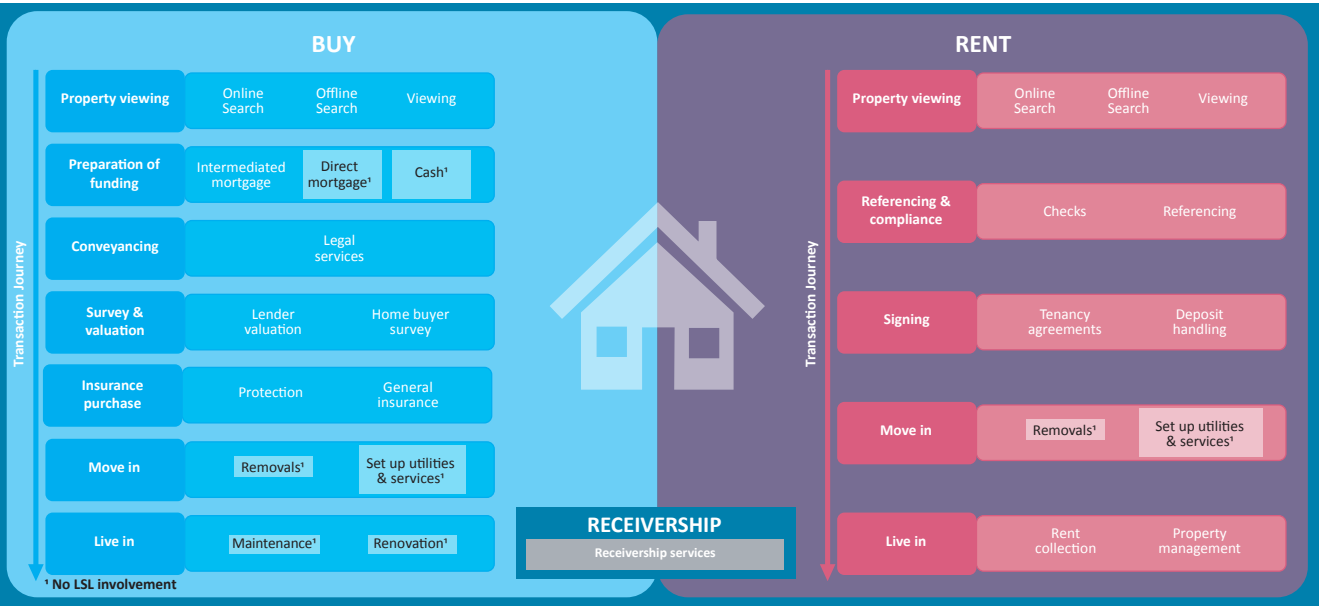
We are creating a culture that drives performance by aligning with our purpose and supporting our strategy.



More information on how our culture is embedded in our business can be found in our Sustainability Report and Corporate Governance Report. Our Section 172 Statement and Stakeholder Engagement section on pages 20 to 26 explains how our purpose impacts our stakeholders.

The housing ecosystem that LSL operates in

We are one of the largest providers of services to the UK property and mortgage market across a range of different, complementary areas. Our services are used at nearly every stage in the process of buying or renting a property.



Our markets

Demand for the Group's products and services is affected by the size and trends within the UK mortgage and housing markets. The performance of the UK economy, consumer confidence, and interest rates influence all aspects of our business. Additionally, specific factors affecting each of our individual business areas are outlined below.



Financial Services is mainly affected by:

- Consumer buying trends including the use of intermediaries for access to products.
- The impact of regulatory changes.
- Trends in home ownership and buy-to-let appetite.
- Longer-term demographic changes and population size.
- Volume of refinancing activity.



Surveying & Valuation is mainly affected by:

- Volume of house purchases using a mortgage product.
- Volume of refinancing activity and the proportion of product transfers vs remortgages.
- Use of surveyor-led and data-driven valuations by lenders.
- Use of surveying services by consumers.
- Performance of specialist markets such as equity release.



Estate Agency Franchising is mainly affected by:

- Volume of house sales.
- Level of house prices.
- Landlord appetite for lettings management services.
- Government stimulus initiatives to drive demand or supply.

Market performance

Mortgage market

- The markets in which we operate recovered further during 2025, with activity levels improving year-on-year as mortgage pricing eased and affordability pressures moderated, with transaction volumes broadly in line with long-term averages.
- The UK mortgage market demonstrated renewed momentum in 2025, with strong growth in both purchase and remortgage activity.
- Total mortgage approvals for house purchases¹ were up c.2% year-on-year, increasing from 758,000 in 2024 to 770,000 in 2025. Activity was supported by improving real wage growth, gradually easing mortgage rates through the year and higher demand for home purchase, in part driven by Stamp Duty threshold changes in April 2025.
- Total gross new mortgage lending² in 2025 was £291bn, c.20% higher than 2024 (£242bn), with growth driven by both stronger purchase lending and a recovery in remortgaging activity as borrowers refinanced maturing fixed-rate products amid improved pricing conditions.
- Purchase lending represented c.65% of total new lending in 2025 (2024: c.64%), reflecting resilient purchase demand as affordability constraints eased.
- Remortgage (and other) approvals¹ were up 22% on 2024, while remortgages and other lending recovered strongly and ended 18% ahead of 2024, driven by high volumes of 5-year and 2-year fixed-rate products maturing, linked to 2020 and 2023 volumes respectively.
- The proportion of mortgage lending placed through financial advisers³ in 2025 remained flat at 84% (2024: 84%).

Housing market – residential sales and lettings

- In 2025, the UK housing market saw improved activity versus 2024, supporting stronger mortgage demand and a more constructive backdrop into 2026. Stronger volumes year-on-year were supported by stabilising mortgage rates, improved affordability and demand ahead of SDLT changes effective April 2025.
- UK housing transactions⁴ in 2025 were 1,212,000, up 10% (2024: 1,102,000).
- Transactions year-on-year were up 18% in H1 2025 and up 4% in H2 2025. Activity was front-loaded into the first half of the year ahead of SDLT threshold changes, with more moderate volumes in the second half.
- At the end of 2025, average house prices in England and Wales⁵ were 3% higher than a year earlier; London continued to lag, with prices up 1% year-on-year.
- Private rental prices paid by tenants in the UK⁶ rose by 4% in the 12 months ended December 2025 (provisional estimate).

1 Approvals for lending secured on dwellings, Bank of England – Table A5.4 (30 January 2026)

2 New mortgage lending by purpose of loan, UK Finance (Bank of England) – Table MM23 (30 January 2026)

3 New residential lending sold direct and via intermediaries (excluding product transfers), UK Finance – Table RL8 (17 February 2026)

4 Number of residential property transaction completions with value £40,000 or above, HMRC (30 January 2026)

5 House price index, England and Wales, LSL Acadata (January 2026)

6 Index of Private Housing Rental Prices, UK, ONS (January 2026)

Chair's Statement



“The Group has taken advantage of the market recovery and delivered important strategic progress across all three Divisions which will deliver future organic growth.”

Adrian Collins
Chair

Almost two years into my tenure as Chair, I am pleased to report progress in critical aspects to deliver on the Group's potential. The introduction of the 2025 LTIP means the leadership team is now correctly incentivised and fully aligned with our Shareholders.

Strong profit momentum despite uncertain market conditions

The Executive and Senior Leadership Teams have delivered robustly across all three of our Divisions, with Underlying Operating Profit up in all three Divisions, and central costs down as costs were tightly controlled. Our capital requirements remained low, which combined with our 17% profit growth resulted in improved ROCE and another year of strong cash generation.

Housing market and refinancing activity levels have increased somewhat, from low levels, through the course of the year, which the Group has been quick to leverage. Revenue was up 6% for the year, demonstrating a sequential year-on-year improvement in the second half of the year. That said, Government macro-economic policy remains unclear and policies towards the housing market do not always appear coherent. The recent 'mansion tax' policy could create opportunities for LSL, with the potential requirement for valuations for residential properties.

Balance sheet strength and dividend

The financial strength of the Group has been demonstrated again during the year, with robust cash generation of £29.3m. Our capital allocation priorities remain unchanged: organic growth, inorganic growth, dividend and then share buyback, while maintaining a strong balance sheet. We have allocated capital to all four areas during the year.

The Group has made organic investments to position itself for further growth, including technology investments in Financial Services and Surveying & Valuation. We made a bolt-on acquisition by our Estate Agency Franchising Division just after the year end. Furthermore, the Pivotal Growth joint venture repaid loan notes and took on external debt, a significant milestone for the business.

The Group is returning capital to Shareholders in two ways, via its share buyback programme and a proposal to maintain the final dividend at 7.4 pence per share, meaning a total dividend for the year of 11.4 pence per share.

UK share prices, particularly in the small and mid-cap space remain depressed as the UK fund management industry continues to face redemptions, creating dislocated valuations. The Board has taken advantage of this and the existing £7m share buyback programme has been completed, and a new £12m buyback programme has been launched.

Board changes

David Stewart retired from the Board on 30 April 2025 with our thanks and best wishes for the future. Adam Castleton became Group CEO on 1 May 2025, and the whole Board and I are impressed with his energy and focus on driving growth. David Tilak joined the Board on 12 January 2026 as Group CFO and we look forward to working with him.

Looking forward

The market outlook remains uncertain, but with our well-established commercial relationships, deep sector expertise, track record of innovation and opportunity for our three Divisions to work closer together, the Group is well placed to outperform our markets. Each Division has exciting future plans, and the Board remains confident in our long-term prospects.

Adrian Collins
Chair

18 March 2026

Group Underlying Operating Profit

£32.6m

(2024: £27.8m¹)

Maintained full year dividend

11.4p

(2024: 11.4p)

Group ROCE

35%

(2024: 32%)

1 Refer to note 36 to the Financial Statements

Group Chief Executive Officer's Review



“2025 has been a year of strong delivery and building momentum for LSL. We improved profitability across each Division, achieved record margins and generated strong cash, while continuing to invest for future growth. Markets are evolving, and so are we. 2025 has been a year of significant activity for the Group. We are focused on disciplined execution and converting the scale and capability of the Group into sustained profit growth and continued high returns on capital. Trading in 2026 has been in line with our expectations.”

Adam Castleton
Group Chief Executive Officer

2025 was another strong year of delivery for LSL. We achieved organic revenue growth, increased profits, record operating margins and another year of strong cash generation, driving improved ROCE.

We were very active throughout the year, investing selectively to drive scale and profitable growth, launching new offerings into the market, and beginning to make greater use of the Group's combined strengths. We also strengthened capabilities across the business and saw colleague engagement rise to a record level.

Our strong balance sheet provides flexibility to invest selectively for growth while continuing to return capital through dividends and our recently increased share buyback programme.

Review of 2025

The markets in which we operate further stabilised in 2025. Mortgage activity strengthened year-on-year as pricing eased and affordability pressures moderated, with both purchase and remortgage volumes improving. Housing transactions increased, with activity front-loaded into the first half ahead of stamp duty changes, and rental markets remained resilient. Our end markets performed in line with our planning assumptions at the start of 2025, despite some periodic short-term volatility during the year.

In this context, we made strong progress in 2025, delivering organic revenue and underlying operating profit growth with a strong improvement in our underlying operating profit margin, which reached a new high. We continue to deliver structurally higher ROCE, at 35%, well above historical levels, reflecting higher operating margin and the Group's capital-light model. Encouragingly, all our Group financial metrics sequentially improved in the second half of the year.

Revenue increased by 6% to £182.9m (2024: £173.3m²) and we maintained our strong market share in all three Divisions. Improved remortgage activity supported both our Financial Services and Surveying & Valuation Divisions. Revenue growth was 6% year-on-year for H2 2025, a sequential improvement compared to H1 2025.

Group underlying operating profit¹ was up 17% to £32.6m (2024: £27.8m²) and the underlying operating margin of 18% was an 180bps improvement versus the prior year, marking a new high for the Group. H2 2025 saw a sequential improvement in underlying operating margin to 19%, up 250bps compared to H1 2025.

¹ Group (and Divisional) Underlying Operating Profit is stated before exceptional items, contingent consideration assets & liabilities, amortisation of intangible assets, share-based payments and other sources of earnings from joint ventures. Refer to note 5 to the Financial Statements for reconciliation of Group and Divisional Underlying Operating Profit to statutory operating profit/(loss) for continuing, discontinued and total operations.

² Refer to note 36 to the Financial Statements

Central costs reduced to £10.2m (2024: £11.1m), reflecting tighter cost discipline and a more normalised level of spend. The Pivotal Growth joint venture delivered improved profitability as it continues to scale, with 2025 profit contribution of £1.7m (2024: £6k loss).

On a statutory basis, Group operating profit was £22.6m (2024: £21.9m¹) after exceptional costs of £5.1m (2024: £4.1m).

We ended the year with net cash of £27.8m (2024: £32.4m), supported by strong underlying profitability and cash conversion of 91%. The business remains consistently cash generative, underpinned by disciplined investment and shareholder returns.

The next phase for LSL

Since my appointment in May 2025, I have placed particular emphasis on culture, clarity of ambition and communication across the Group. We have sharpened our focus on structural cost effectiveness and worked more closely across Divisions to make better use of our collective strengths. This has improved alignment across the leadership team and the wider business as we position LSL for the next stage of growth. It has been an important priority for me and will remain so.

Over recent years, we have simplified and strengthened the Group, building a capital-light and financially resilient model with strong market positions across the residential property and mortgage ecosystem. These foundations, together with our deep and well-established relationships with lenders, insurance product providers, mortgage and insurance brokers and franchise partners, position us well for the next phase of growth. I see considerable scope to build from this platform.

Each Division provides mission-critical services to its customers that underpin our market positions. By working more effectively across Divisions, we will develop greater commercial alignment, cross sell opportunities and improve our cost to serve.

Our scale and market access are significant: over 10 million visits to our estate agency websites, more than 270,000 mortgage completions, approximately 500,000 valuations annually and over one million live customers within Financial Services.

Technology and data remain central to our business. We have a long track record of innovation, and continued deployment of our digital capability is driving efficiency and enhancing our proposition. Our AVM product launch is a clear example of turning proprietary data and expertise into a new commercial opportunity.

Underpinning this is the strength of our people. We have deep specialist knowledge across our markets, supported by a refreshed and energised leadership team. On 12 January 2026, David Tilak joined the Company as Group Chief Financial Officer and is already making a positive contribution.

Capital allocation

Our disciplined approach to capital allocation remains unchanged. Capital is allocated against strict criteria, with a clear focus on improving returns on capital employed and compounding long-term Shareholder value.

We are committed to delivering sustainable and disciplined returns to Shareholders, supported by the Group's sustained cash generation and strong Balance Sheet.

Group Revenue

£182.9m

(2024: £173.3m¹)

Group Underlying Operating Margin

18%

(2024: 16%)

Cash Flow Conversion Rate

91%

(2024: 112%¹)

1 Refer to note 36 to the Financial Statements

Group Chief Executive Officer's Review continued

In addition to dividends, the Board continues to utilise share buybacks as a complementary capital return mechanism. The £7m programme announced on 25 April 2024 has been completed and, since the period end, a further £12m programme was announced and is being progressed.

The Board is recommending a final dividend of 7.4 pence per share (2024: 7.4 pence), resulting in a total dividend for the year of 11.4 pence per share (2024: 11.4 pence). While the Group's stated policy remains a pay-out of 30% of Group underlying operating profit after finance and normalised tax charges, the Board has proposed a higher pay-out this year to reflect the strength of cash generation and confidence in the prospects for the Group.

The ex-dividend date for the final dividend is 14 May 2026, with a record date of 15 May 2026 and a payment date of 16 June 2026. Shareholders may elect to reinvest their cash dividend through the Group's dividend reinvestment plan, with the final election date of 26 May 2026.

Pivotal Growth joint venture

Pivotal Growth, our joint venture with Pollen Street Capital established to execute a buy-and-build strategy in the mortgage and protection intermediary markets, has delivered substantial momentum over the last two years and acquired 24 businesses to date, including five in 2025. The business generated revenue approaching £100m in 2025.

In December 2025, Pivotal Growth secured £80m of committed external funding, supporting further M&A activity. After the year end, the Group's loan notes of £13.8m were fully settled, with £10.6m settled in cash and the remaining £3.2m converted into equity taking LSL's cumulative equity investment to £19.1m. The Group does not expect to make any further cash investments into Pivotal Growth going forward.

Pivotal Growth was established by the Group and Pollen Street Capital in 2021, and our aim was to build the business with a view to an exit event over a three-to-six-year period after launch.

Adapting to changing markets

The markets in which we operate continue to evolve. Regulatory developments, including reforms in the rental sector and the FCA's encouragement of more streamlined and digitally enabled customer journeys, are reshaping expectations across the property and mortgage ecosystem. At the same time, advances in technology and AI are changing how our markets operate.

I see these changes as an opportunity rather than a threat. We are already deploying digital and data-led solutions across our businesses, including the launch of our AVM capability and the development of digital tools within Financial Services. Crucially, these technologies are integrated with our regulatory expertise and market insight of our people, supported by proprietary datasets and long-standing lender relationships. It is this combination of data, technology and trusted specialist expertise within regulated markets that is highly valued by our customers. Increasingly, lenders and product providers are seeking strategic, mission-critical partners who can combine scale, insight and regulatory understanding. We believe LSL is well positioned to fulfil that role as customer needs and market structures evolve.

Current trading and outlook

We have made a positive start to the year across the Group, with trading in our businesses in line with expectations and our end markets operating in line with our assumptions. Our current performance supports our expectation of delivering a further increase in profits in 2026.

Since year end, we have continued to remain active across the Group. In Estate Agency Franchising, we completed the acquisitions of NSS and three further lettings books and have developed a healthy pipeline of lettings book acquisitions and other opportunities to increase our footprint. In Financial Services, the roll-out of our broker operating platform continues as planned, which will support improved productivity and product penetration. Across the Group, we remain focused on operational efficiency and cost management as we scale the Group through targeted investment and commercial execution. We are investing in digital solutions, data science, and AI in the Group, supporting productivity, enhancing decision making and complementing the professional expertise within our businesses.

The macroeconomic and geopolitical environment remains uncertain, with renewed concerns around inflation and interest rate expectations contributing to near-term uncertainty. We have not seen any adverse impact on trading across the Group in recent weeks, with front-end metrics remaining stable. We have seen some short-term strength in mortgage activity driven by changes to product pricing. With daily granular data across the residential property and mortgage ecosystem, we have clear visibility of leading indicators of demand and can respond accordingly.

We continue to run the business with discipline and a clear focus on performance and structural cost effectiveness. The Board remains confident in the Group's short and medium-term prospects and continues to support disciplined investment across our businesses to strengthen capability, enhance returns and drive growth.

Final thoughts

I am grateful to our colleagues for their commitment and contribution throughout 2025. It is the combination of experienced people, specialist expertise, proprietary data and long-standing strategic relationships across the residential property and mortgage ecosystem that differentiates LSL and supports our performance.

There are considerable opportunities ahead for LSL and we are not standing still. My clear ambition is to convert our scale, data and platform capability into sustained revenue and profit growth and high returns on capital through disciplined execution and targeted investment. We remain focused and active as we build on the momentum achieved in 2025.

Adam Castleton
Group Chief Executive Officer

18 March 2026

Financial and Divisional Reviews

Financial Review

We report our results for the 12 months ended 31 December 2025 with Group underlying operating profit^{1,2} up 17% on last year at £32.6m (2024: £27.8m). On a statutory basis Group operating profit was £22.6m (2024: £21.9m) whilst net cash was £27.8m at 31 December 2025, with cash conversion of 91%, towards the

upper end of our target 75-100%. Underlying operating margin further grew to 18% which is the highest in 15 years (2024: 16%). These results demonstrate the continued benefits of the strategic transformation of the Group over the last three years and are in line with consensus expectations and materially ahead of prior year.

Key financial highlights

Full year financial metrics ¹	2025	Restated ⁵ 2024	Variance
Revenue (£m)	182.9	173.3	6%
Group underlying operating profit ² (£m)	32.6	27.8	17%
Group underlying operating margin (%)	18%	16%	180bps
Group underlying operating profit from total operations ² (£m)	32.9	27.3	21%
Exceptional gains (£m)	0.6	1.7	(65)%
Exceptional costs (£m)	(5.1)	(4.1)	(24)%
Group operating profit (£m)	22.6	21.9	3%
Profit before tax (£m)	23.1	23.1	-
Loss from discontinued operations ¹ (£m)	(0.0)	(0.4)	100%
Basic earnings per share (pence)	16.6	17.4	(4)%
Adjusted basic earnings per share ⁴ (pence)	24.4	21.1	16%
Net cash ³ at 31 December (£m)	27.8	32.4	(14)%
Final dividend per share (pence)	7.4	7.4	—
Full year dividend per share (pence)	11.4	11.4	—

1 Stated on basis of continuing operations unless otherwise stated. Following the conversion of the entire owned estate agency network to franchises in 2023, the previously owned network was classified as a discontinued operation and is presented as such in the Financial Statements. Refer to note 6 to the Financial Statements

2 Group (and Divisional) Underlying Operating Profit is stated before exceptional items, contingent consideration assets & liabilities, amortisation of intangible assets, share-based payments and other sources of earnings from joint ventures. Refer to note 5 to the Financial Statements for reconciliation of Group and Divisional Underlying Operating Profit to statutory operating profit/(loss) for continuing, discontinued and total operations

3 Refer to note 34 to the Financial Statements

4 Refer to note 12 to the Financial Statements for the calculation

5 Refer to note 36 to the Financial Statements

Financial and Divisional Reviews continued

Group Income Statement Review¹

Group revenue

Group revenue increased 6% to £182.9m (2024: £173.3m⁴) in a total lending market that has continued to recover following a period of volatility. The Surveying & Valuation Division increased by 10% compared to prior year as a result of a 9% increase in jobs performed and 1% increase in income per job. The Financial Services Division remained broadly flat with revenue of £48.8m (2024: £48.4m). The Estate Agency Franchising Division fell by 2% to £26.5m (2024: £27.1m) despite an increase of 10% in residential sales growth, as a result of reduced LSL Land & New Home revenues.

Group underlying operating profit

Group underlying operating profit² grew strongly by 17% to £32.6m (2024: £27.8m⁴), with an increase in all three Divisions whilst central costs reduced by 8% to £10.2m (2024: £11.1m) reflecting tighter cost discipline and a more normalised level of spend. The Group further continued to invest in strategic growth initiatives as well as developing enhanced platform and digital capabilities.

Group operating profit

Group operating profit increased to £22.6m (2024: £21.9m⁴), with profit growth in Financial Services and Estate Agency Franchising and a reduction in central costs in the period. The Group also benefitted from a continued improvement in the contribution generated by the Pivotal Growth joint venture, offset by £4.5m net exceptional costs (2024: £2.4m).

Adjusted operating expenditure

Adjusted operating expenditure³ comprises employee costs, other operating costs, and depreciation and totalled £153.2m in 2025, 5% higher than prior year (2024: £146.0m⁴). The movement comprises the net effect of employee costs increased in Surveying & Valuation Division due to higher demand; the impact of higher National Insurance contributions (from 1 April 2025); partially offset by lower central costs.

Exceptional items

The exceptional gain of £0.6m (2024: £1.7m) relates to the release of a claim indemnity provision recognised in 2021. Exceptional costs of £5.1m (2024: £4.1m) are primarily due to increases in surveying professional indemnity provisions (£2.0m), restructuring costs in Financial Services (£0.8m), Central CEO and CFO change costs (£0.7m), restructuring costs in Estate Agency Franchising (£0.7m), costs incurred as a result of the administration of TenetLime's seller, Tenet Group Limited (£0.6m) and the reduction in deferred consideration receivable for businesses sold to Pivotal Growth in H1 2023 (£0.2m).

Other gains

Total other operating gains were £1.1m (2024: gains of £0.5m). This primarily included £0.8m relating to the research and development expenditure tax credit across all three Divisions relating to FY2023 and FY2024 and the movement in the fair value of a financial asset having been reassessed at 31 December 2025 as £0.6m (31 December 2024: £0.4m).

Share of profit from joint venture

Our equity share of Pivotal Growth results improved to £0.8m profit (2024: £6k loss), as the joint venture continued to scale profitability, with 24 acquisitions to date.

1 Based on continuing operations unless otherwise stated. Following the conversion of the entire owned Estate Agency network to franchises in 2023, this was classified as a discontinued operation and is now presented as such in the Financial Statements. Refer to note 6 to the Financial Statements

2 Group (and Divisional) Underlying Operating profit is before exceptional items, contingent consideration assets & liabilities, amortisation of intangible assets and share-based payments. Refer to note 5 to the Financial Statements for reconciliation of Group and Divisional Underlying Operating Profit to statutory operating profit/(loss) for continuing, discounted and total operations

3 Refer to note 34 to the Financial Statements

4 Refer to note 36 to the Financial Statements

Share-based payments

The share-based payment charge of £1.6m in 2025 (2024: charge of £0.9m) comprises, a charge in the period of £1.8m (2024: £3.1m charge) for LTIP, SAYE and the all employee share schemes granted between 2022 to 2025, offset by a credit of £0.5m (2024: £2.2m credit) reflecting lapses. In addition, £0.3m of employer's NIC was recognised in relation to unexercised schemes during the year. The increase in the underlying share-based payment charge during the year was driven by the introduction of the 2025 LTIP scheme.

Amortisation of intangible assets

Amortisation charge of £3.0m (2024: £3.0m), relates to amortisation of intangible software investment, franchise agreements and relationship assets.

Finance income

Finance income decreased from the prior year to £2.5m (2024: £2.9m) due to less interest received on funds held on deposit of £1.0m (2024: £1.8m), the reduction in the unwind of discounting on contingent consideration payable balances of £0.7m, offset by interest on loan notes to the joint venture, Pivotal Growth, of £0.9m (2024: nil).

Finance costs

Finance costs of £1.9m (2024: £1.7m) are related principally to the unwinding of discount on lease liabilities of £0.5m (2024: £0.5m),

commitment and non-utilisation fees on the revolving credit facility of £0.7m (2024: £0.6m), fair value adjustment to loans receivable of £0.4m (2024: £0.3m) and £0.2m for the unwinding of discount on dilapidations provisions (2024: £0.2m).

Profit before tax

Profit before tax was £23.1m (2024: £23.1m⁴). This remained broadly in line year-on-year due to lower net finance income of £0.5m (2024: £1.1m) combined with Group operating profit of £22.6m (2024: £21.9m⁴).

Taxation

The tax charge of £6.0m (2024: £5.2m) represents an effective tax rate of 26.1% (2024: 22.7%), which is marginally higher than the headline UK tax rate of 25.0% largely as a result of the calculated net effect of adjustments arising in respect of permanent adjustments or deferred tax not recognised including the prior period adjustment arising in respect of total tax.

Deferred tax assets and liabilities are measured at 25.0% (2024: 25.0%), the tax rate that came into effect from 1 April 2023.

Discontinued operations¹

Loss of £0.04m (net of tax) in relation to an increase in the restructuring and administrative costs associated with the previously owned Estate Agency branch network (2024: loss of £0.4m).

Earnings per share

Earnings per share (pence)	2025				Restated 2024 ⁴			
	Basic	Diluted	Adjusted basic	Adjusted basic diluted	Basic	Diluted	Adjusted basic	Adjusted basic diluted
Continuing	16.6	16.2	-	-	17.4	17.2	-	-
Discontinued	(0.0)	(0.0)	-	-	(0.4)	(0.4)	-	-
Total operations	16.6	16.2	24.4	23.8	17.0	16.8	21.1	20.9

1 Based on continuing operations unless otherwise stated. Following the conversion of the entire owned Estate Agency network to franchises in 2023, this was classified as a discontinued operation and is now presented as such in the Financial Statements. Refer to note 6 to the Financial Statements

2 Group (and Divisional) Underlying Operating profit is before exceptional items, contingent consideration assets & liabilities, amortisation of intangible assets and share-based payments. Refer to note 5 to the Financial Statements for reconciliation of Group and Divisional Underlying Operating Profit to statutory operating profit/(loss) for continuing, discontinued and total operations

3 Refer to note 34 to the Financial Statements

4 Refer to note 36 to the Financial Statements

Financial and Divisional Reviews continued

Group Balance Sheet Review

Goodwill - 31 December 2025: £16.9m (31 December 2024: £16.9m)

The carrying value of goodwill relates to previous acquisitions in the Surveying & Valuation Division of £9.9m and Financial Services Division of £7.0m.

Other intangibles - 31 December 2025: £29.9m (31 December 2024: £29.9m)

Additions of £3.1m intangible assets were driven by the increased investment in AVM software in the Surveying and Valuation Division of £1.9m, and development of new and existing CRM within Financial Services of £1.1m. Total amortisation of £3.0m was charged in the year (2024: £3.0m). The carrying value of all franchise agreements was £10.0m at 31 December 2025 (2024: £10.9m), the acquired relationship assets were £7.7m (2024: £8.5m) and software assets of £5.2m (2024: £3.6m). Brand intangibles of £6.9m remained unchanged during the year.

Property, plant and equipment and right-of-use assets - 31 December 2025: £7.7m (31 December 2024: £6.4m)

Capital expenditure on owned PPE was £1.2m (2024: £0.9m), reflecting ongoing IT investment across all Divisions. There has also been £3.6m of additions in new offices and car lease agreements.

Financial assets (total current and non-current) - 31 December 2025: £1.0m (31 December 2024: £6.6m)

Contingent consideration receivable 31 December 2025: £nil (31 December 2024: £5.8m)

During 2023 the Group disposed of Group First, RSC and Embrace D2C brokerage businesses to Pivotal Growth, with contingent consideration receivable in 2025. In September 2025, the Group received final contingent consideration of £5.5m after working capital adjustments of £0.2m.

Equity instruments in unlisted companies 31 December 2025: £1.0m (31 December 2024: £0.8m)

There was a £0.2m increase in the fair value of units held in The Openwork Partnership LLP of £0.6m at 31 December 2025 (31 December 2024: £0.4m). The fair value has been reassessed as £0.6m at 31 December 2025, with our valuation based on an estimated strike price which has been calculated using the strike price from most recently executed trading windows.

There was no change in the fair value of shares held in Twenty7tec Group Limited at 31 December 2025, remained at £0.4m (31 December 2024: £0.4m).

Loans to joint venture - 31 December 2025: £13.8m (31 December 2024: £7.6m)

In December 2024, the Group provided funding of £7.6m to its joint venture Pivotal Growth in the form of 10% unsecured loan notes with additions of £5.3m in the year. No repayments were made in 2025 with £0.9m of interest income recognised during the period. In January 2026, Mottram Topco repaid £10.6m out of the £13.8m loan notes outstanding in cash. £3.2m were converted to equity investment in Mottram Topco.

Investment in joint venture - 31 December 2025: £15.0m (31 December 2024: £11.6m)

Our 46.8% interest in the Pivotal Growth joint venture is accounted for using the equity method. The carrying value reflects the movement in our equity investment during the period of £2.6m, together with our share of profit after tax of £0.8m.

Investment in subleases (total current and non-current) - 31 December 2025 £0.3m (31 December 2024: £0.8m)

The Group is an intermediate lessor, following the Estate Agency conversion to a wholly franchised model with the carrying value now at £0.3m.

Loans to franchisees and appointed representatives (network firms) - 31 December 2025: £3.7m (31 December 2024: £1.8m¹)

Various sized working capital loan facility agreements are in place with franchisees of the Estate Agency Franchising Division which has availability over a range of periods from 31 December 2024 to 31 December 2025, are repayable in full within 24 months from the respective period end and may bear fixed rate interest. In addition, during the year, the Group issued loans to franchisees for lettings book acquisitions. At 31 December 2025, £3.1m in principal loan amounts were drawn down/issued (31 December 2024: £1.4m).

Loans to Financial Services appointed representatives are granted in certain circumstances to support brokers upon joining the PRIMIS network and were £0.6m as at 31 December 2025 (31 December 2024: £0.5m).

Financial liabilities (total current and non-current) - 31 December 2025: £9.8m (31 December 2024: £9.1m)

Contingent consideration liabilities - 31 December 2025: £3.3m (31 December 2024: £3.3m)

Contingent consideration liabilities relate solely to the cost of acquiring the intangible relationship assets in TenetLime in February 2024, with the consideration of £3.3m adjusted at 31 December 2025 for the latest update of retained advisers and discounting.

IFRS 16 lease financial liabilities -

31 December 2025: £6.5m
(31 December 2024: £5.8m)

The movement in the period reflects payment of lease liabilities of £3.0m and disposals on assignment to franchisees of £0.3m, offset by new lease additions of £3.5m.

Provision for liabilities (total current and non-current) -

31 December 2025: £11.3m
(31 December 2024: £10.4m)

PI claim provisions of £4.3m (31 December 2024: £2.6m) include the Surveying & Valuation PI provision of £3.6m (31 December 2024: £1.9m) and the Financial Services PI provision of £0.7m (31 December 2024: £0.4m). The Group has recognised an asset of £0.3m against received claims in other debtors at 31 December 2025 (31 December 2024: £0.3m).

Dilapidations and restructuring provisions relating to the Estate Agency Franchising Division following the wholesale franchising in 2023, totalled £5.3m at 31 December 2025 (31 December 2024: £6.0m).

Group Statement of Cash Flows -

31 December 2025: net cash £27.8m
(31 December 2024: net cash £32.4m)

Operating cash flows before movements in working capital were £33.5m (2024: £30.4m), reflecting the higher underlying operating profits generated in 2025.

The Group is highly cash generative and ordinarily achieves a cash flow conversion rate of 75-100%. The ratio in 2025 was 91% (2024: 112%), which sits inside the normative range.

Overall net decrease in cash and cash equivalents in the year was £4.6m. After the operating cash flow of £33.5m, movements in working capital consumed £1.8m, income taxes, exceptional costs and leases totalled £9.4m outflow, net cash expended on investing activities was £7.1m, and net cash expended in financing activities was £19.8m. The largest area of outflow was dividends paid of £11.8m.

Movements in working capital in the year were an outflow of £1.8m (2024: £2.7m inflow), with the change impacted by net working capital movements at the end of December 2024.

Key cash inflows in 2025 included:

- Receipt of contingent consideration of £5.5m (2024: £0.2m) in relation to the disposals of EFS, Group First and RSC in H1 2023 to Pivotal Growth.
- Franchisee and appointed representative loans repaid of £1.8m (2024: £1.7m).
- Interest received of £1.0m from bank deposits (2024: £1.8m)

Key cash outflows in 2025 included:

- Capital expenditure on PPE and intangibles of £4.3m (2024: £3.0m).
- Exceptional costs paid of £3.9m (2024: £3.0m).
- Payment of the 2024 final dividend and 2025 interim dividend of £11.8m (2024: £11.8m) and the repurchase of shares under the share buyback programme of £5.0m (2024: £0.8m).
- Loans to our joint venture, Pivotal of £5.3m (2024: £7.6m) and investment in equity of our joint venture of £2.6m (2024: £2.2m).
- Loans to franchisees to support lettings book acquisitions and loans to appointed representatives of £3.8m (2024: £1.7m).
- Corporation tax paid in 2025 of £5.0m as the Group returns to more normalised taxable profits (2024: £1.8m).

Bank facilities

In January 2025, LSL agreed an amendment and restatement of its banking facility, putting in place a £60m committed revolving credit facility, with a maturity date of January 2030, replacing a £60m facility maturing in May 2026. The terms have remained materially the same as the previous facility, provided by the same syndicate members as before, Barclays Bank UK plc, NatWest Bank plc and Santander UK plc. For further flexibility to support growth, the facility retains a £30m accordion, on request by LSL, subject to bank approval.

International Accounting Standards (IAS)

The Financial Statements for the period ended 31 December 2025 have been prepared in accordance with UK-adopted IAS.

Financial and Divisional Reviews continued

Divisional Review

Business & financial review

2025 Profit & Loss (£m)	2025	Restated 2024 ²	Var
Divisional group revenue			
Surveying & Valuation	107.6	97.8	10%
Financial Services	48.8	48.4	1%
Estate Agency Franchising	26.5	27.1	(2%)
Group revenue	182.9	173.3	6%
Divisional underlying operating profit/(Loss)			
Surveying & Valuation	23.5	22.5	4%
Financial Services	11.0	8.6	28%
Estate Agency Franchising	8.3	7.8	6%
Central costs	(10.2)	(11.1)	8%
Group underlying operating profit from continuing operations	32.6	27.8	17%
Divisional operating profit/(loss)			
Surveying & Valuation	20.8	22.1	(6%)
Financial Services	6.3	4.6	34%
Estate Agency Franchising	6.4	6.6	(3%)
Central costs	(10.9)	(11.3)	4%
Group operating profit from continuing operations	22.6	21.9	3%
Estate Agency-discontinued operations	(0.0)	(0.5)	100%
Group operating profit from total operations	22.6	21.4	6%

Surveying & Valuation Division



Divisional revenue increased to £107.6m, an increase of 10% from the prior year (2024: £97.8m). Excluding Asset Management, Surveying & Valuation revenue was £102.1m, an increase of 10% (2024: £92.5m), reflecting both the 9% increase in jobs performed and the 1% increase in income per job. Continuing to grow surveyor capacity and capabilities, along with the introduction of an AVM model, the market share of surveyor led valuation was c.39% (2024: 38%). The B2C business continued to grow in the period, with 2025 revenue of £7.8m representing a 16% increase on 2024.

Surveying Underlying Operating Profit increased by 4% to £23.5m (2024: £22.5m), despite continued investment in technology and surveyor capacity.

Asset Management revenues grew by 6% in the year to £5.5m (2024: £5.3m), reflecting a market that is slowly returning to long-run levels of activity.

Highlights

- Overall strong performance reflecting the benefit of 100% contract retention, increased allocations with improved terms and several key new contract wins.
- Surveyor utilisation rates returning to historic highs.
- Mortgage approvals¹ were 10% higher than 2024, driven by 2% higher purchase approvals and remortgage and other approvals 22% higher.
- B2C revenue increased by 16% to £7.8m (2024: £6.8m), reflecting both the 9% increase in jobs performed and the 6% increase in income per job on the comparative period last year.
- Asset Management revenues increased by 6% to £5.5m (2024: £5.3m) with profit up 13% to £2.6m (2024: £2.3m).
- Continued investment in technology, supporting the establishment of digital and data as core enablers, opening new revenue opportunities and to meet lender client needs.
- AVM successfully launched with first commercial contract operationalised in Q4 2025. Significant partner interest in future development and adoption.
- On a statutory basis, operating profit was £20.8m (2024: £22.1m). Reduction driven by increase in surveying professional indemnity provision recognised as exceptional costs during the year.

¹ Approvals for lending secured on dwellings, Bank of England Table A5.4 (31 January 2026)

² Refer to note 36 to the financial statements

Financial Services Division



The Financial Services Division is reported in two business lines: our core Financial Services network business comprising PRIMIS and TMA mortgage club, and our share of profit after tax of the Pivotal Growth Joint Venture.

Total revenue was £48.8m (2024: £48.4m) and underlying operating profit substantially increased by 28% to £11.0m (2024: £8.6m). This reflects a renewed focus on smaller, mortgage-led financial services businesses that are best placed to benefit from our platform and service offering and a positive contribution from the Pivotal Growth Joint Venture.

New mortgage lending increased by 23% to £35bn (2024: £28bn) whilst the total UK new mortgage lending¹ market grew by 20% to £291bn (2024: £242bn). As a result, the LSL share of UK purchase and remortgage market increased to 12.0% (2024: 11.8%).

The PRIMIS network enjoys a leading position in the provision of services to independent mortgage brokers. At 31 December 2025, PRIMIS members totalled 2,195 advisers who sell mortgage and protection (31 December 2024: 2,282).

Our share of profits after tax in the Pivotal Growth Joint Venture was £0.8m (2024: losses of £0.0m). The trading EBITDA of Pivotal Growth Joint Venture (before transactional acquisition costs) was materially ahead of last year.

On a statutory basis, operating profit was £6.3m (2024: £4.6m). The increase was driven by lower net exceptional costs of £1.1m in 2025 (2024: £2.4m).

The Financial Services network business has a regulatory capital requirement which represents 2.5% of its regulated revenues. The regulatory capital requirement was £6.1m at 31 December 2025 (31 December 2024: £6.4m), with a surplus of £27.8m (31 December 2024: £27.6m).

Highlights

- Phase 1 of a significant platform technology enhancement programme successfully completed. Enhanced platform functionality will improve efficiency and sales performance of PRIMIS advisers with phased deployment due to complete by the end of 2026.
- Underlying operating margin was 23% (2024: 18%) reflecting the strategic focus on composite advisors and its impact on operational efficiency. The statutory operating margin was 13% (2024: 10%).
- The strategic decision to focus on composite advisors in place of protection only firms, resulted in a 5% reduction in network firms to 1,049 as at 31 December 2025 (2024: 1,108).
- Adviser mortgage revenue increased by 19% to £20.0m in a market which was c. 21% higher. The weighting of margin dilutive product transfers in the refinancing market remained above the long-term average.
- TenetLime profit contribution was in line with expectations, with the acquisition delivering returns in excess of the cost of capital.
- On a statutory basis, operating profit was £6.3m (2024: £4.7m), materially ahead of last year.

Estate Agency Franchising Division



The Estate Agency Franchise business revenue was £26.5m (2024: £27.1m), with the decrease entirely due to the LSL Land and New Homes business, due to the Ministry of Defence's decision to bring a significant contract back in house.

Supporting the growth of franchisees is of paramount importance, including the provision of loans to facilitate letting book acquisitions. In 2025, loans were granted enabling the acquisition of ten lettings books, adding 1,400 properties to the lettings portfolio. The average lettings royalties income per managed property increased by c.+3% with total number of properties in line with the comparable period last year at 37,451 (2024: 37,462).

The Estate Agency Franchise business continued to deliver a robust residential sales performance, with sales related royalties increasing 12% year-on-year in a market which increased by 10%².

Highlights

- Estate Agency Franchising underlying operating profit was £8.3m (2024: £7.8m).
- Underlying operating margin improved to 31% (2024: 29%) underpinned by cost leverage and operational efficiencies as the business continues to scale.
- The number of properties under franchisees' management remained stable at 37,451 (31 December 2024: 37,462).
- Total of 293 branches at 31 December 2025 (31 December 2024: 291), representing over 65% UK postcode coverage.
- On a statutory basis, operating profit was £6.4m (2024: £6.6m). Reduction driven by exceptional restructuring costs incurred in the Land and New Homes business.

1 New mortgage lending by purpose of loan, Bank of England Table A5.3 - (31 January 2026)

2 Number of residential property transaction completions with value £40,000 or above, HMRC (30 January 2026)

Section 172 Statement and Stakeholder Engagement

Our Stakeholders

The Directors have a responsibility, in accordance with Section 172 of the Companies Act 2006 (Section 172), to act in a way in which they consider, in good faith, is most likely to promote the success of the Company and its members as a whole. In doing so, the Board takes into account the interests of our stakeholders when decisions are made, considering the impact of those decisions on both the Company as a whole and its individual stakeholders. In order to understand our stakeholder groups, we have various engagement methods, as described on the following pages.



Stakeholder Engagement



Shareholders

Purpose	Providing access to market-leading, growth orientated assets in the UK mortgage and property market.
Why we engage	The support of our Shareholders is crucial to our long-term success.
How we engage	• Chair and Non-Executive Directors meet with major Shareholders on request and as part of induction programmes. • Executive Director meetings with institutional Shareholders and analysts on release of results or news on strategic initiatives. • Committee chairs meet with major Shareholders to discuss specific issues when necessary. • Engagement at the AGM, where voting is conducted as a poll to ensure Shareholder views are properly reflected. • Via email through our investor services channel or the Group Company Secretary (see page 162 for contact details). • Information published on our website (including regulatory news announcements and Financial Statements).
Board oversight	The Board receives feedback on engagement with Shareholders from the relevant Board member or our corporate advisers in order to consider their views when making decisions.
2025 outcomes	The Chair engaged with major Shareholders ahead of the convening of a General Meeting in May 2025 to propose a new LTIP and amendments to our Remuneration Policy. Feedback was reflected in the final proposals presented to Shareholders. He engaged further with Shareholders after the General Meeting as a significant vote against the proposals had been received (see page 67 and the Directors' Remuneration Report for more details). Feedback as part of this engagement was not limited to remuneration matters; Shareholders took the opportunity to give us their views on our capital allocation and share buyback policy, amongst other things, and the Board considered this feedback when making decisions on these matters, as described on page 26.

Section 172 Statement and Stakeholder Engagement continued

Stakeholder Engagement continued



Colleagues

Purpose	Delivering an improving colleague experience through an inclusive culture informed by colleague feedback.
Why we engage	Our colleagues are critical to our culture and values and it is important that our workforce is engaged, motivated and working in a safe environment. We are committed to being a better place to work.
How we engage	• Colleague surveys. • Colleague Forums (see pages 34 to 36 for details). • Senior Management Conference. • Videos from the Group CEO. • Regular updates from Divisional Managing Directors on business performance. • Newsletters, with input from colleagues across different areas of the business. • Annual “Speak Up” week where serious concerns can be raised in confidence. • Intranet.
Board oversight	The results of colleague surveys and various metrics demonstrating patterns in our workforce are considered by the Nominations Committee. Feedback from the Colleague Engagement Forum is reported to the Board via the Group CEO, Group CPO and the designated Non-Executive Director for workforce engagement (Workforce NED), Darrell Evans, who ensures that colleague views are considered as part of Board decisions.
2025 outcomes	Darrell Evans joined two meetings of the Colleague Engagement Forum in 2025, where he provided more information on his role on the Board and its current priorities. He answered questions from the forum’s members on remuneration matters, the appointment of new corporate brokers and the Group strategy and how to leverage the combined strengths of the Group. The forum noted that the Group’s updated purpose, mission, vision and values had been launched at the 2025 Senior Management Conference and asked whether a similar communication forum could be launched for other managers across the Group, which is being considered. The 2025 colleague survey theme scores show strong performance this year exceeding 2023 and 2024 results. We received a 90% response rate (2024: 84%), with an engagement score of 77% (2024: 73%) and belief in action by management of 52% (2024: 46%). We have six themes in our colleague survey which are: • Purpose • Enablement • Engagement • Leadership • Autonomy • Reward and benefits Our colleagues tell us they feel like they have a sense of purpose and this theme is our highest scoring in 2025 and is above the industry benchmark. Both enablement and leadership have outperformed the external benchmark this year with positive scores in areas such as providing coaching, development and support. Our colleague advocacy and motivation scores exceeded the previous year’s survey with colleagues telling us they are proud to work at LSL and care about the future of our business. One of the areas where scores had declined since 2024 was understanding business performance. We are focusing our attention in 2026 on how we continue to purposefully communicate to our colleagues on business performance, so everyone understands how we are doing. Voluntary colleague turnover has reduced from 13.5% to 9.8% in 2025. More information on colleague engagement initiatives and forums, including work undertaken in 2025 to support disability inclusion, training and development, and opportunities for community engagement, is included in our Sustainability Report (pages 32 to 37), together with details of our policy in relation to human trafficking and modern slavery.



Customers

Purpose	Mortgage and insurance advisers: Providing technology, compliance, marketing and business development services to help our customers grow their businesses through delivering excellent customer service and ensuring good customer outcomes. Lenders: Providing access to a national network of highly-skilled chartered surveyors and using our market-leading knowledge of property risk to help customers make safe lending decisions and deliver excellent customer service. Estate Agency franchisees: Providing technology and business development services to help customers safely grow their business and deliver good customer service. Consumers: Providing D2C surveys through our Surveying & Valuation Division to help buyers gain insight and reassurance about their home purchase.
Why we engage	Delivering high quality, consistent and continually evolving products and services is important for customer satisfaction and retention, especially in the Financial Services Division and Surveying & Valuation Division where we operate in a competitive market. Our predominantly B2B service model means that, by delivering high quality services to our customers, we also support the delivery of their services to their customers which in turn generates revenue for the Group.
How we engage	• Regularly seeking feedback from customers to inform development of products and services. • Relationship management meetings. • Product and service engagement meetings. • Attendance at events and conferences. • Questionnaires. • Mystery shopping exercises and focus groups. • Trustpilot feedback (Surveying & Valuation Division only).
Board oversight	The Board receives reports from the Group CEO on any significant customer issues.

Continued...

Section 172 Statement and Stakeholder Engagement continued

Stakeholder Engagement continued



Customers
continued

2025 outcomes



Our Financial Services Division received numerous awards and recognition in 2025 with our Mortgage Club having a particularly strong year having won the Moneyfacts Mortgage Club of the year, the Scottish Mortgage Awards Distributor of the year and Best Mortgage Club at the Money Age and Mortgage Introducer awards.

The Division continued its transformation and has undertaken a number of initiatives designed to improve the customer outcome, including:

- Improving technology with the introduction of a CRM in partnership with Mortgage Brain, which has increased broker contact by 196%.
- Continued to review compliance policy to ensure that the right balance between strong governance and helping our brokers to give advice.
- Invested in the sales and distribution and operational teams to enable greater broker engagement.
- De-risked the business by discontinuing certain business lines that did not meet our appetite or fair value assessments.

We continue to listen to feedback from our mortgage and protection brokers regarding their expectations in relation to the technology we use and the Board has approved significant investment into technology in the Financial Services Division to help brokers with an integrated one stop shop for transacting business.



Our Surveying & Valuation Division successfully renewed those lender contracts that were due for renewal in 2025, and importantly signed it's first AVM contract with a large UK banking group.

We are the only UK provider for AVM, remote and physical valuations for residential mortgage lending with a growing reputation for innovation and property risk expertise, whilst continuing to achieve double digit growth through our consumer survey channel and maintaining an excellent rating of 4.8 on Trustpilot.



Several brands within the Estate Agency Franchising Division secured positions in the prestigious Best Estate Agency Guide, which recognises the top estate and lettings agents across the UK.

Our largest franchise partner, National Home Move, was awarded bronze for "Community Champion of the Year" at the Negotiator Awards.



Suppliers

Why we engage	Key supplier performance is important. We expect them to operate with an appropriate level of integrity and within applicable laws and regulations, including the Modern Slavery Act 2015.
How we engage	Contractual performance and KPI reviews, and ongoing monitoring of financial security.
Board oversight	Any significant new relationships are approved by the Board. Day-to-day management of supplier relationships is undertaken by senior management, with any concerns about significant suppliers escalated to the Board via the Group CEO.
2025 outcomes	Each Division enhanced its supplier governance arrangements, including criticality assessments of all key suppliers and the establishment of appropriate oversight controls. In addition, a strategic procurement review progressed to identify opportunities to leverage the Group's scale and drive efficiencies, with further work planned in 2026.



Regulators

Why we engage	Engaging with our regulators enables us to ensure we are compliant with regulations and adapt our processes as changes to best practice operations are identified.
How we engage	• Open and co-operative responses to enquiries and requests for information. • Participation in industry-wide regulatory studies and reviews.
Board oversight	The Board and/or ARC receive regular updates from the Group CRO on the Divisions' compliance with their regulatory obligations and, in particular, any correspondence and engagement on material matters with the FCA.
2025 outcomes	During the year our FCA regulated subsidiaries have responded to a number of regulatory consultations and guidance, and reviewed their operations where appropriate in response, including: • Participating in the FCA's market study on Pure Protection. • Responding to the FCA's consultation paper on the Mortgage Rule Review.



Communities and the Environment

Why we engage	We want to have a positive and lasting impact on the communities we work in and reduce our impact on the environment.
How we engage	• Sustainability Committee and Communities Forum consider our impact and charitable initiatives. • Surveying & Valuation Division undertakes sustainability initiatives in conjunction with lender clients. • The Financial Services network participates in the Mortgage Climate Action Group, an industry-wide group focusing on the Net Zero economy.
Board oversight	The Group CEO is a member of the Sustainability Committee and the Board receives regular updates on the Group's sustainability initiatives. More information is provided in our Sustainability Report on pages 32 to 37.
2025 outcomes	Our colleagues have been involved in various charitable initiatives during the year, as detailed in the Sustainability Report on page 36.

Section 172 Statement and Stakeholder Engagement continued

Section 172 Statement

Board decisions

The Board sets the Group strategy, values and culture which ensure that stakeholder considerations are considered when decisions are being made across the business.

The key matters, and their impact on the Group's stakeholders' interests, considered by the Board during the year are set out below. In making these decisions, the following Section 172 considerations were considered:

- The likely consequences of any decisions in the long-term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.

- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the Company.

Further information on how these factors are considered is included in the Group's Business Model and Strategy (pages 04 to 07), Risk Management (pages 27 to 30), Sustainability Report (pages 32 to 37) and the Corporate Governance Report (pages 50 to 55).

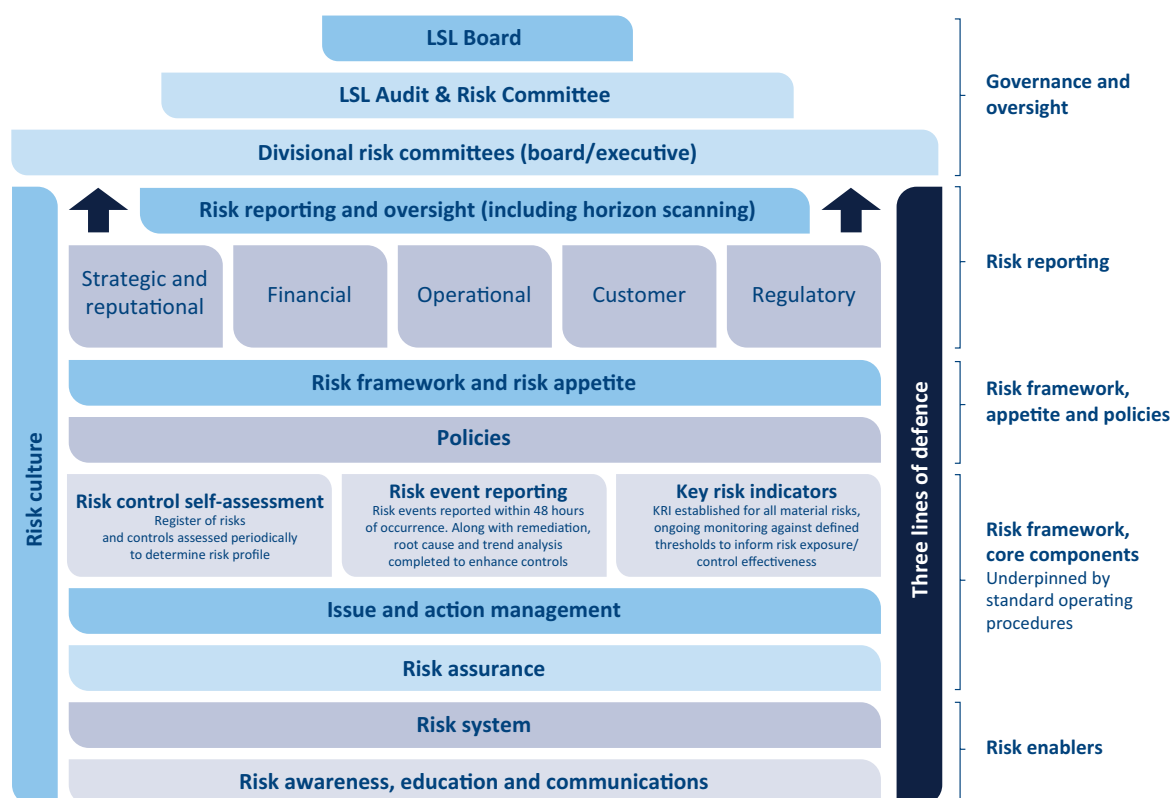
The principal decisions during the year were:

	Decisions	Impact on stakeholders
Appointment of Adam Castleton as Group CEO	Following David Stewart's retirement, the Board appointed Adam Castleton as his successor, firstly as CEO designate, then taking up the position formally in May 2025. Adam has made a positive start, driving forward change, building on relationships with Shareholders and leading a cultural shift across the business.	Positive on our Shareholder relationships, building more strategic cross Group relationships with key lender partners and product providers and embedding culture with our colleagues.
Appointment of new corporate brokers	The Board appointed Jeffries International and Shore Capital as the Group's joint corporate brokers in August 2025.	Supports our goal to enhance engagement with our Shareholders and attract new investors.
Share buyback programme	The Board accelerated its share buyback programme in the second half of 2025 and the £7m share buyback programme launched in April 2024 completed, with 2,610,470 shares purchased at an average purchase price of 268 pence per share. Given the financial strength of the Group, its capital-light operating model and ongoing strong cash generation capability, the Board announced the launch of a new £12m share buyback programme in January 2026.	Allocates capital to drive Shareholder value.
Updated Remuneration Policy and introduction of 2025 LTIP	The Board reviewed the Remuneration Policy for Executive Directors and the broader remuneration approach to ensure it was effective. It undertook a Shareholder consultation in relation to potential policy amendments in order to ensure that our remuneration structures reward good performance and deliver value to Shareholders. Following consultation, a new Remuneration Policy and our 2025 LTIP were approved by Shareholders in May 2025.	Aligns the interests of our Executives with that of our Shareholders.
New purpose, mission, vision and values	The Board approved our new purpose, mission, vision and values (pages 04 and 06) in October 2025, which was subsequently launched to the business at our Senior Management Conference at the end of November 2025. This marks an important step forward in building who we are and how our people work together to achieve more.	Reinforces our cultural expectations to colleagues, Shareholders and clients.

Risk Management

Our risk framework

Our risk management framework (the Framework) supports delivery of the Group's strategy by providing a consistent, Group approach to identifying, assessing and managing risks. It enables the Group to operate within the risk appetite set by the Board, safeguard customers and colleagues, and maintain long-term resilience. Risk considerations are embedded into day-to-day decision-making and supported by a culture of accountability, ownership and continuous improvement.



Governance and oversight

The Board has overall responsibility for the Group's risk management and internal control system, supported by the Audit & Risk Committee, which provides independent oversight and challenge. Divisional risk committees ensure that emerging risks, regulatory developments and changes in operating conditions are identified, assessed and escalated promptly.

Given the regulated nature of our Financial Services Division, an enhanced governance structure operates through the independent PRIMIS board, its compliance & audit committee and the board risk & customer outcomes committee. This provides dedicated oversight of risk, conduct, regulatory compliance and customer outcomes, including consumer duty and operational resilience.

Risk reporting and risk appetite

Regular risk reporting provides the Board with visibility of the Group's risk profile across strategic, financial, operational, customer and regulatory risks, including emerging risks and issues of Group-level significance. The Board-approved risk appetite statement guides decision-making and is supported by Group-wide policies ensuring consistent risk management across all Divisions.

Risk framework core components

- **Risk appetite and policies:** Define the levels of risk the Group is willing to accept in pursuit of its objectives and ensure consistent control standards across the Group.
- **Risk control self-assessment:** Regular assessments of risk exposure and the effectiveness of controls.
- **Risk event reporting:** Timely reporting and analysis of material risk events, enabling thematic learning and improved cross-Group insight.
- **Key risk indicators:** Forward-looking metrics providing early warning of increases in risk exposure.

Three lines of defence

Our three lines of defence model provides clear accountability and independent assurance:

1. **First line - management:** Owns risks and maintains effective internal controls.
2. **Second line - risk & compliance:** Provides oversight, challenge and aggregated reporting.
3. **Third line - internal audit:** Provides independent assurance over governance, risk management and internal controls.

Risk Management continued

Assessing the effectiveness of risk culture

The Board recognises that an effective risk culture underpins sound governance and effective internal controls. Oversight of risk culture is provided by the Audit & Risk Committee, supported by management and the Group risk function.

The effectiveness of the Group’s risk culture is assessed on an ongoing basis using a range of indicators, including employee engagement and culture survey results, Internal Audit findings and thematic observations, risk and control self-assessments, incident and near-miss reporting and whistleblowing activity. These inputs are considered collectively throughout the year to identify trends, behavioural indicators and areas requiring management attention.

In advance of enhanced internal control framework effectiveness disclosures expected to apply from 2026, the Group is further strengthening its approach to evidencing risk culture and control effectiveness. This includes improving the quality and consistency of management information and clarifying accountability for risk and control ownership across the Group.

Provision 29 readiness

During the year, we progressed our preparations to comply with Provision 29 of the UK Corporate Governance Code, strengthening our risk management and internal control framework to support the Audit & Risk Committee in its considerations relating to the required declaration on the effectiveness of material controls.

This has included defining our material financial, operational and compliance controls, clarifying accountabilities, and enhancing documentation and evidence. A structured testing and assurance programme is being implemented to enable ongoing monitoring of control effectiveness, with oversight provided by the Audit & Risk Committee.

Principal risks & uncertainties

Nature of risk/context	How the risk is managed	Gross trend (with rationale)
1. UK housing market		
The Group is exposed to the cyclical UK housing market, with performance closely linked to transaction volumes, lender behaviour and the availability and pricing of mortgage finance. Affordability pressures remain and market activity is sensitive to interest rate expectations, employment levels and geopolitical factors affecting gilt yields and funding costs. Impact: Lower transaction volumes, tighter lender credit appetite or sudden changes in mortgage pricing may reduce revenue, margins and cash generation, and increase earnings volatility across Divisions. Time horizon: Immediate to medium-term (0-36 months), reflecting the potential for rapid mortgage repricing.	• Three-year strategic and financial planning with downside sensitivities. • Strong capital and liquidity position. • Disciplined capital allocation and cost control. • Regular Executive and Board monitoring of market conditions and lender behaviour. • Assumptions reflected in going concern, viability and impairment assessments.	 Increasing Affordability pressures persist, and geopolitical uncertainty and volatility in gilt yields and funding costs increase uncertainty around mortgage pricing and lender appetite.
2. Market disruption and competitive dynamics		
Markets are experiencing rapid technological change, evolving business models and competitive consolidation. Threats arise from digital-first and AI-enabled platforms, consumer preference for simplified channels and consolidation within broker markets which may increase pricing pressure and reduce intermediary volumes. In Surveying & Valuation, greater AVM adoption may reduce demand for physical inspections or shift volumes to lower-fee products. Impact: Market share erosion, margin pressure and adverse revenue mix. Time horizon: Short to medium-term (18-36 months).	• Ongoing horizon scanning and competitor monitoring. • Targeted investment in technology, data and digital services, including AVM capability within Surveying and Valuation. • Government oversight of delivery models and third-party dependencies.	 Increasing Accelerated AI adoption, lender experimentation with alternative models and broker market consolidation are intensifying competitive pressures.

Nature of risk/context	How the risk is managed	Gross trend (with rationale)
3. Execution of strategy Delivery of the Group's strategy depends on effective execution of transformation initiatives, capital allocation and operational change across multiple Divisions. Increasing complexity, dependency on specialist skills and finite management and delivery capacity create execution risk, particularly where programmes run in parallel or rely on legacy systems and third-party providers. Impact: Delayed benefits realisation, increased costs, operational disruption and reduced strategic momentum. Time horizon: Short to medium-term (18-36 months).	- Regular Executive and Board review of strategy, priorities and delivery capacity. - Structured transformation programmes with clear accountabilities, milestones and ownership. - Governance to monitor delivery risk, interdependencies and benefits realisation, including programme deep dives and escalation where required.	 Increasing The scale, complexity and concurrency of transformation activity, combined with resource constraints, heighten execution risk despite strong governance.
4. Professional services delivery The Group provides professional services across Estate Agency Franchising, Surveying & Valuation and Financial Services, which carry inherent exposure to claims where services do not meet professional, legal or contractual standards. Claims may arise from valuation judgements or marketing appraisals, interpretation of client instructions or scope, service delivery or support standards, commission or payment arrangements, or contractual performance, including where services are reviewed, challenged or volumes are subsequently reinstated. Impact: Claims costs, remediation and reputational damage. Time horizon: Immediate to short-term (0-18 months).	- Service delivery frameworks and relationship management across all Divisions. - Quality assurance and escalation processes. - Professional indemnity insurance with governance oversight of coverage and claims trends. - Established legal and risk governance to manage complaints and claims in the ordinary course of business. - All franchisees are members of The Property Ombudsman and comply with its code of practice.	 Stable Underlying exposure and claims profile remain broadly consistent, supported by strong quality assurance.
5. Client contracts and B2B relationships Business volumes may decline if key B2B clients, brokers or franchisees are lost or reduce activity. Competitive pressures, pricing changes or clients developing in-house capability may erode market share. Impact: Step-change volume reduction and operating leverage downside. Time horizon: Short to medium-term (18-36 months).	- Active contract monitoring, renewal and negotiation. - In Surveying & Valuation, the Group has a strong track record of renewal and increasing allocations. - Benchmarking of propositions. - Long-term renewal of key Surveying & Valuation client contracts. - Relationship management and financial health monitoring.	 Increasing Heightened competition and client capability development.
6. Cyber, data and operational resilience (including third-parties) Cyber threats continue to increase in frequency and sophistication. Reliance on cloud platforms, AI tools and third-party providers heightens exposure to outages and data compromise. Impact: Operational disruption, regulatory sanctions, remediation cost and loss of trust. Time horizon: Immediate to short-term (0-18 months).	- Continuous threat monitoring and cyber investment. - Oversight by Group Data & Information Security Committee (DISC), Divisional specialists and DPOs. - Group minimum standards, penetration testing and access controls. - Incident response and resilience testing, including critical supplier mapping.	 Increasing External threat environment and third-party dependency intensifying.

Risk Management continued

Nature of risk/context	How the risk is managed	Gross trend (with rationale)
7. Regulatory compliance and change		
The Group operates in a highly regulated environment. Regulatory change may increase obligations, cost and complexity and introduce new conduct expectations across property and financial services. Impact: Customer harm, remediation or redress, regulatory sanction and increased cost. Time horizon: Short to medium-term (18-36 months).	• Strong Divisional governance and independent oversight in Financial Services. • Structured identification, assessment and escalation of regulatory change. • Engagement with regulators and industry bodies. • Monitoring of customer outcomes, including consumer duty.	 Stable Significant change balanced by mature compliance capability.
8. Credit risk (broker insolvency/commission clawback and lender exposure)		
Advance commission in protection business is subject to clawback if policies lapse. Where broker firms become insolvent, the Group remains liable for associated clawbacks on historic business. The Group may also have exposure to specialist lenders and funding counterparties whose financial resilience is sensitive to market and funding conditions. Impact: Earnings volatility, cash outflows and potential counterparty disruption. Time horizon: Immediate to medium-term, aligned to indemnity periods and funding conditions.	• Rigorous financial due diligence and onboarding of network firms and counterparties. • Ongoing monitoring of broker and lender financial health with escalation processes. • Exposure monitoring by cohort, firm, insurer and lender, linked to provisioning and contingent disclosures where relevant.	 Increasing Elevated UK SME insolvency levels.
9. Colleague resources, talent and expertise		
Strategy delivery depends on attracting, developing and retaining colleagues with appropriate skills and leadership capability. Competition for digital and technology skills remains intense. Impact: Execution risk, operational disruption and reduced innovation. Time horizon: Short to medium-term (18-36 months).	• Group-wide people governance via Remuneration and Nominations Committees. • Engagement, wellbeing initiatives and succession planning. • Targeted development of critical skills and leadership capability.	 Increasing Sustained competition for specialist and digital skills.

Viability Statement

The Directors have assessed the Group's prospects and viability, having regard to its current and expected financial position, available financing facilities, management actions and the potential impact of the Group's principal risks and uncertainties.

Assessment of prospects

The Board reviews the Group's prospects throughout the year, with particular focus during the annual strategic planning and three-year budgeting process. This process is led by the Group CEO and Group CFO, with input from the Executive Committee and Divisional Managing Directors. In assessing prospects, the Board considers whether plans appropriately reflect the external environment, including macroeconomic, political and geopolitical, regulatory, technological and climate-related factors. This results in the approval of strategic objectives and detailed forecasts over a three-year period (the three-year plan). Our business model and strategy are described on pages 04 to 07.

Assessment of viability

The Directors assessed viability over the three-year period ending 31 December 2028, which is considered appropriate as it aligns with the Group's strategic planning cycle and reflects the period over which the Directors can forecast with reasonable confidence while capturing key risks and covenant considerations.

The assessment included stress testing the Group's financial forecasts against severe but plausible scenarios (developed with input from senior management and Divisional finance teams) assuming all three Divisions continue to operate. In aggregate, the scenarios reflected:

a severe downturn in our markets, where:



housing transactions decrease by an average of 33% versus 2025, which is 6% below the level seen during the last recession in 2008, caused by:

- economic conditions (such as high inflation and interest rates and reduced availability of debt funding);
- political or other uncertainties; or
- a combination of these issues.

the loss of a major contract



such as the loss of a top five lender, which has not occurred for over five years.

a professional indemnity risk event



resulting in a significant increase in valuation claims for our Surveying & Valuation Division.

a material one-off regulatory fine or redress expense

The scenario set was derived from the principal risks outlined on pages 28 to 30, including UK housing market cyclicality, client contract risk, professional indemnity claims, regulatory change, and the potential combined impact of these risks. The scenarios also consider the mitigating actions available to management to preserve liquidity, including reductions in discretionary expenditure and capital investment. Climate-related risks were also considered and are not currently expected to have a material impact on viability over the assessment period. The Directors also considered the stability of recurring and counter-cyclical income streams (including mortgage and insurance renewals, lettings and asset management), representing approximately 25% of Group revenue, and operational flexibility to mitigate adverse conditions.

The results indicated that the Group would be able to continue operating and meet its liabilities as they fall due throughout the period. Under all scenarios and at each scheduled covenant test date, the Group maintained sufficient liquidity and headroom against its banking covenant ratio of 2.75x net debt: adjusted EBITDA (with

3.00x allowable for two consecutive test periods during the renewal period). The Group's financial position has been further strengthened by the extension of its £60m banking facility to January 2030.

Reverse stress testing was also performed to assess the level of market deterioration required to breach the Group's net debt/adjusted EBITDA covenant. This indicated that housing market activity would need to fall to levels materially below those experienced during the 2008 financial crisis, with no recovery. The Directors consider the likelihood of this occurring to be remote.

The Audit & Risk Committee oversaw the viability assessment process during 2025 which included the review of the reverse stress test. Based on this assessment, the Directors have a reasonable expectation that the Group will continue in operation and meet its liabilities as they fall due over the three-year period to 31 December 2028.

Sustainability Report

Our sustainability programme supports our long-term ambition to be a responsible, resilient and future-focused business, creating lasting value for colleagues, customers and wider stakeholders.

During 2025, we refined the foundations of our approach through a review of our sustainability activity and the development of a refreshed framework aligned to our purpose and culture.

Our programme is built around three interconnected pillars:

- 1) People & Community
- 2) Environment
- 3) Governance

Our 2025 focus has been on improving insight into our environmental impact, strengthening engagement and development across our workforce and reinforcing standards of governance and oversight, while aligning Group and Divisional activity around a common sustainability framework.

This ongoing work will help ensure our sustainability programme remains aligned with the Group's strategy and supports long-term, sustainable growth.

Programme governance

The Board and Group CEO have overall responsibility for sustainability-related matters, setting strategic direction and ensuring the programme supports the Group's long-term ambitions. Day-to-day delivery is delegated to the Sustainability Steering Committee (SSC), which includes the Group CEO, Group CPO, Group Company Secretary, Group CRO, and representatives from Group Finance, Legal, and our Divisions. It is chaired by the Group Sustainability Director.

The SSC meets quarterly to monitor progress, review KPIs, assess risks and opportunities and undertake horizon scanning for emerging regulation and legislative change. The SSC reports regularly to the Audit & Risk Committee to ensure oversight of sustainability-related risks, including climate.

Delivery of our sustainability programme is further supported by four colleague forums, each with an executive sponsor:

- Colleague Engagement Forum (CEF), sponsored by Debra Gardner, Group CPO.
- Environmental Working Group (EWG), sponsored by Saad Hassanuddin, Group CRO.
- Communities Forum, sponsored by Saad Hassanuddin, Group CRO.
- Inclusion & Diversity (I&D) Forum, sponsored by Debra Gardner, Group CPO.

These forums play an important role in driving engagement, shaping initiatives and ensuring sustainability activity is embedded across the business.

In addition, our annual sustainability conference brings all forums and executive sponsors together to review progress, share insights and align on priorities for the year ahead. This collaboration ensures that our sustainability programme remains responsive, coordinated and grounded in the experiences of colleagues across the business.

Alongside our internal governance, external sustainability ratings provide independent assessment of our environmental, social and governance practices and support benchmarking against recognised frameworks. Our ratings are set out below:

	EcoVadis provides an independent assessment of environmental, social and ethical performance, offering a recognised benchmark for ESG standards.
	Awarded to our Surveying & Valuation Division in 2025.
	CDP provides a globally recognised framework for assessing environmental performance, including emissions and climate-related risks. Awarded to LSL Group in 2025.

People

The capability and expertise of our 1,758 colleagues underpin our continued success. During 2025, we advanced our work on engagement, development, inclusion and wellbeing through a more structured approach to learning and development, targeted inclusion and wellbeing activity, and the use of recognised frameworks. This improved the quality and consistency of people-related information, supporting more informed decision-making.

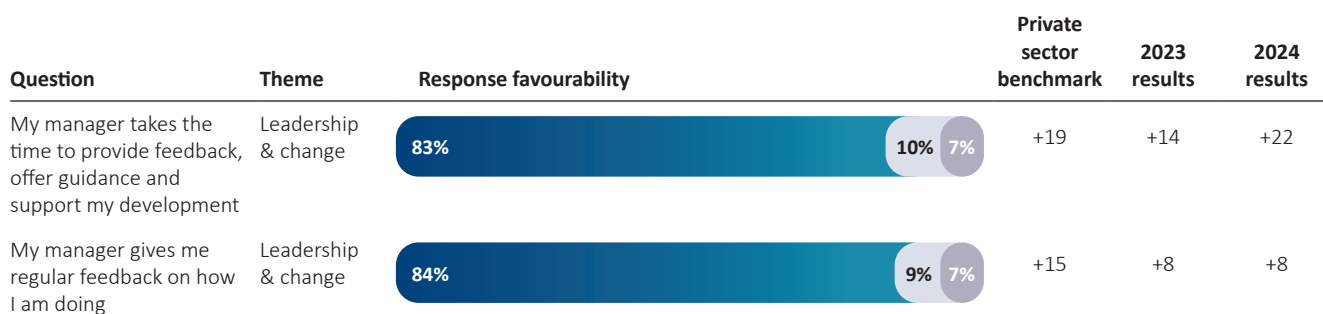
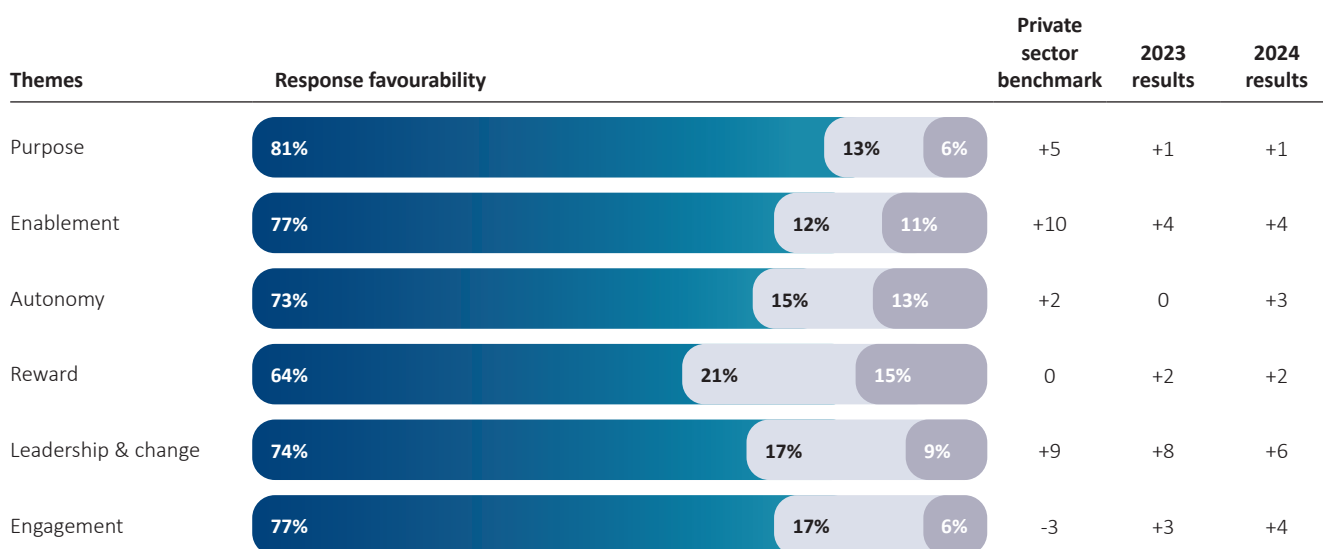
Listening to our people

Understanding colleague experience is a key component of our people strategy. Our annual engagement survey provides valuable insight into engagement, culture and leadership across the Group.

This year saw a strong uplift in colleague feedback, with the survey achieving a 90% response rate, representing 1,578 colleagues, up 6 points from 84% of colleagues last year. Engagement scores also increased significantly, reaching 77% compared with 73% in 2024, demonstrating continued strengthening of colleague connection and confidence across the Group. Overall, survey results in 2025 show a continued year-on-year improvement across most themes, with performance generally at or above private sector benchmarks, particularly for purpose, enablement and leadership & change.

Manager-led feedback and development remained a strength in 2025, showing the strongest improvement across the Group. These results underline the importance of continuing to develop leaders and managers to support colleague development and engagement.

Debra Gardner, our Group Chief People Officer, comments: "Seeing 90% of colleagues take part, alongside a 77% engagement score gives me real confidence in the strength of our culture. It demonstrates that colleagues feel heard, connected to our purpose and confident that their voice matters."



Key:

● Favourable ● Neutral ● Unfavourable

Sustainability Report continued

Colleague Engagement



Our Colleague Engagement Forum (CEF) plays an important role in strengthening communication and colleague voice across the Group. It brings together nominated representatives from all parts of the Group to support the sharing of views and ideas that reflect the experiences of colleagues, ensuring that engagement activities

and change initiatives are well-communicated and informed by colleague feedback.

During 2025, the CEF contributed to several key programmes, including the review of our people policies, providing input into our electric car scheme, supporting the development of a competency framework and promoting the colleague engagement survey. These activities highlight the value of the CEF in shaping initiatives that directly impact colleagues across the business.

Inclusion & Diversity



We remain committed to building a diverse and inclusive workplace that reflects the communities we serve and enables colleagues to thrive. During the year, we strengthened our diversity and inclusion data, giving us improved visibility of representation across the Group.

We have adopted diversity targets that are in line with the UK Listing Rules. Our progress towards them is reported in the Nominations Committee Report on pages 58 and 59, alongside the gender and ethnicity metrics of our Board and executive management. We have also set diversity targets for the Senior Management Team. Progress against these targets is monitored and reported alongside wider workforce diversity metrics below.

All colleagues – workforce profile and turnover

	2025	2024
Headcount		
Total colleagues	1,785	1,802
Gender (headcount)		
Male	970	965
Female	812	837
Gender (%)		
Male	54	49
Female	46	51
Ethnicity (headcount)		
Asian/Asian British	101	83
Black/African/Caribbean/Black British	33	36
Mixed/Multiple ethnic groups	34	25
White	1,301	1,255
Other ethnic group	23	26
Disability (headcount)		
Disability or long-term health condition	266	247
Non-disclosure rate (%) ¹	4	4
Voluntary turnover (%)		
Total voluntary turnover	9.8	13.5
Male	54	49
Female	46	51

¹ Non-disclosure rate based on total number of survey responses

Senior Management Team¹ – diversity

	2025	2024
Gender		
Male	27 (60%)	30 (68%)
Female	18 (40%)	14 (32%)
Ethnicity²		
White	32 (71%)	32 (95%)
Ethnic minority	4 (8%)	2 (5%)

40%

Female representation at Senior Management Team level, against a target of 33%

Female representation within the Senior Management Team increased in 2025 to 40%, compared with 32% in 2024, exceeding the Group target of 33%. This reflects an increase in the number of female colleagues at senior management level year-on-year, alongside a corresponding reduction in male representation.

Ethnic minority representation within the Senior Management Team increased in 2025 to 8%, compared with 5% in 2024, against a Group target of 11%. While representation remains below target, the year-on-year increase reflects continued progress at senior management level.

Disability



In 2025, 1 in 6 colleagues (266) identified as having a disability or long-term health condition, reinforcing the importance of understanding differing needs and offering supportive, inclusive adjustments.

As part of this commitment, during 2025 we have continued to work with Disability Rights UK to progress through the Disability Confident programme, strengthening our approach to recruitment, workplace adjustments and colleague support. This year we also introduced a Disability Champions Network, creating a platform for colleagues with lived experience to share insight, shape policy development and raise awareness across the organisation.

These initiatives reflect our belief that a more inclusive culture strengthens engagement, improves retention and supports better outcomes for colleagues, customers and all stakeholders.

Health, safety and wellbeing

Maintaining a safe, healthy and supportive workplace remains a core responsibility. Our health and safety framework continues to focus on preventing incidents, promoting safe behaviours and ensuring colleagues feel supported both physically and mentally.

During 2025, we recorded five RIDDOR reportable incidents, an increase from two in 2024. Each incident was reviewed through established reporting and investigation processes, with learning outcomes shared across relevant teams to support continuous improvement and strengthen our safety culture. The increase does not indicate a change in underlying risk profile and was proportionate to the nature and scale of operational activity during the year.

Actions arising from these reviews included updates to relevant risk assessments and the introduction of additional personal protective equipment, where appropriate, to further support safe working practices.



Alongside our safety obligations, colleague wellbeing continues to be an increasingly important part of our people strategy. We have strengthened the support available through a range of initiatives including our Employee Assistance Programme which offers 24/7 confidential advice, counselling and wellbeing resources. This is complemented by wider wellbeing initiatives aligned with the Better Health at Work framework, through which we achieved bronze status in 2025. These initiatives promote healthy working practices and raise awareness of the support available to colleagues across the Group.

1 Our Group Executive Committee, Divisional Managing Directors and the Group Company Secretary and their direct reports who are A1 and A2 grades (excluding Executive Directors)

2 Excludes those that have not disclosed. Non-disclosure rate is 20% (9 colleagues)

Sustainability Report continued

Investing in our people

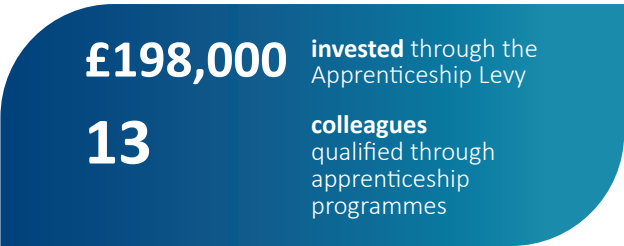
Training and development

We continue to invest significantly in colleague development to ensure our people have the skills, knowledge and support they need to deliver high-quality services across the Group. Development remains a critical component of our people strategy, helping to build capability, strengthen compliance, and support ongoing career development for colleagues at every stage.

During 2025, colleagues across the Group completed a significant volume of training, supporting both technical capability and broader professional development. Training activity also extended to our franchise partners, helping to support consistent service quality and capability development across the network.



Our use of the Government Apprenticeship Levy continued to support career development and access to accredited training across a range of roles. Apprenticeship programmes provide a practical route for skills development, with colleague participation increasing during the year. These programmes support long-term capability building while enabling colleagues to develop skills aligned to current and future business needs.



Looking ahead, we will continue to strengthen our approach to training and career development to support a confident, capable and future-ready business.

Colleague share schemes

We provide colleagues with the opportunity to invest in the business through all-employee share schemes, including our BAYE/SIP and SAYE schemes.

The BAYE/SIP scheme enables colleagues to purchase LSL shares monthly in a tax-efficient manner, with LSL matching one share for every five shares purchased. The SAYE scheme allows colleagues to save monthly and purchase LSL shares at a fixed price at the end of the savings period. In 2025, 16% of colleagues participated in the SAYE scheme, representing an increase compared with 2024 (14%).

Community engagement



Supporting and engaging with the communities we serve is an important part of our sustainability programme. Across the Group, colleagues give their time, skills and resources to local causes, reflecting our commitment to having a positive social impact.



Colleague participation in community activity remained strong during 2025. Led by our Communities Forum, volunteering activity focused on a range of fundraising and sponsored events including sporting challenges, food and clothing donations, community volunteering and environmental projects, enabling colleagues to support local community organisations and initiatives across the Group.



Alongside volunteering activity, charitable giving remained an important part of our community contribution, supporting both national charities and causes chosen locally across the business. Together, volunteering and fundraising activity reflect strong colleague engagement and commitment to the communities in which we operate.

Environment



Under the guidance of the EWG, we have strengthened our approach to environmental management, focusing on reducing our operational impact and supporting a more sustainable business. Through external training, we have invested in building the capability of the EWG and advanced our understanding of the

Group's carbon footprint. We have also invested in carbon accounting software to improve reporting and data quality, while enhancing our assessment of climate-related risks and opportunities

Engaging colleagues is central to achieving meaningful environmental progress and to delivering our Net Zero 2040 ambition. To support this, we launched a green champions network at the Group sustainability conference in late 2025, setting out plans for a Group-wide community of colleagues who will help shape local initiatives, encourage behavioural change and promote practical actions that contribute to our environmental goals.

As we look ahead to 2026 the balance between compliance and engagement will help us to make steady measurable progress against our environmental commitments and provides an important bridge to our TCFD reporting, which sets out in more detail how we assess, govern and manage climate-related risks and opportunities.

Governance

Strong governance is essential to delivering our sustainability ambitions and maintaining trust across all stakeholder groups. Our approach focuses on clear accountability, ethical conduct and processes that support responsible actions across the Group.

Human rights and modern slavery

We are committed to respecting human rights and preventing modern slavery across our operations and value chain. Our approach is informed by the UN Guiding Principles on Business and Human Rights, which provides a clear framework for identifying, managing and mitigating human rights risks.

We publish an annual Modern Slavery Statement outlining our commitment, expectations across our supply chain, and own actions in this area. This can be found on our website at islps.co.uk.

Safeguarding customer welfare and vulnerability

Within our Surveying & Valuation Division, colleagues play an important role in identifying potential risks within the value chain. Operational surveyors are trained to recognise and report signs of customer vulnerability encountered during property inspections. In 2025, 544 (2024: 527) such concerns were raised, enabling appropriate follow-up and support where required. We also continue to operate procedures to comply with the FCA's consumer duty regime.

Ethics and conduct

Our Combined Ethics Policy sets out the standards of behaviour expected from all colleagues across the Group. It covers key areas including anti-bribery and corruption, anti-fraud procedures, conflicts of interest, whistleblowing, and responsible business conduct.

The policy is reviewed regularly to ensure it remains aligned with regulatory requirements and industry best practice. Awareness is supported through mandatory training and internal communications, helping colleagues make informed, ethical decisions.

Colleague policies

We have centralised Group colleague policies, as well as separate Divisional policies for certain matters. Our Group policies cover topics such as family-friendly matters, equality and health-related matters, including mental health and wellbeing. During 2025, 20 Group colleague policies were reviewed and updated, ensuring they remain current, consistent and aligned to regulatory and business requirements.

Compliance training

Compliance training plays a central role in ensuring colleagues understand their responsibilities and the standards required of them.

2025 compliance training **completion rate**

99.7%

Training covers areas such as anti-bribery, data protection, financial crime, and other regulatory requirements. Regular completion helps maintain a strong compliance culture and supports effective risk management across the business.

Speak Up: whistleblowing

We encourage colleagues to raise concerns through our confidential Speak Up process, which allows issues to be reported anonymously and in line with the procedures set out in our Combined Ethics Policy. This helps us maintain an open culture where colleagues feel confident to speak up about potential concerns.

In June 2025, we ran a dedicated Speak Up Week campaign to raise awareness of the process and reinforce the importance of speaking up. During 2025, zero reports were received and we continue to promote the channel to ensure colleagues feel informed and confident to use it whenever needed. Maintaining an open culture where colleagues feel safe to speak up remains a core priority for us.

Payment practices

e.surv, our only Group entity that meets the statutory reporting threshold under the Small Business, Enterprise and Employment Act 2015, submits bi-annual payment practices reports, which are publicly available on the Government's reporting portal (check-payment-practices.service.gov.uk).

Non-Financial and Sustainability Information Statement

The table below includes information required by section 414CB of the Companies Act 2006:

Reporting requirement	Cross reference/location of reporting	Page
Climate-related financial disclosures	TCFD Report	39
• Environmental matters (including the impact of our businesses on the environment) • Our colleagues • Social matters • Respect of human rights • Anti-bribery and corruption matters	Corporate Governance Report Sustainability Report Section 172 Statement and Stakeholder Engagement	50 32 20
Business model	Business Model and Strategy	04
Non-financial policies	Sustainability Report includes overviews of our policies relating to: • Human rights and modern slavery • Anti-bribery and corruption • Whistleblowing and Speak Up arrangements • Health and safety • Colleague employment policies	32
Principal risks relating to the non-financial matters and how these are managed	Risk Management	27
Non-financial KPIs	Sustainability Report Corporate Governance Report	32 50

TCFD Report

Our disclosures have been prepared in accordance with the:

1. Companies Act 2006 (section 414CB(2A)).
2. UK Listing Rules (UKLR 6.6.6(8)).
3. Task Force on Climate-related Financial Disclosures (TCFD).
4. Streamlined Energy and Carbon Reporting (SECR).

We confirm that we have complied with the 11 TCFD recommendations. Below is a summary of the status of our compliance.

Governance	Compliance summary	Status	Page
Describe the board's oversight of climate-related risks and opportunities.	• Board oversight of climate matters delegated to the ARC. • Sustainability Steering Committee (SSC) regularly reports to Board and ARC. • Climate risk and opportunities included in risk register and reviewed twice per year by ARC.	Compliant	41
Describe management's role in assessing and managing climate-related risks and opportunities.	• Delegated to Group Sustainability Director, supported by Environmental Working Group (EWG) and the Group CRO. • SSC coordinates strategy and progress across Divisions.	Compliant	41
Strategy	Compliance summary	Status	Page
Describe the climate-related risks and opportunities identified over the short, medium, and long-term.	• Key risks and opportunities assessed across three time horizons (0-3 years, 4-9 years, 10+ years). • Key risks cover physical, transition and market-related impacts. • Timeframes aligned with business planning cycles and lender expectations.	Compliant	42
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	• Risks and opportunities considered as part of strategic planning and risk processes. • Scenario analysis, Divisional input and annual climate risk assessments identify where climate factors may influence operational planning, financial forecasts or stakeholder expectations.	Compliant	42
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	• Business model assessed using two resilience scenarios: low-carbon transition and high-emissions. • Analysis indicates low exposure to significant climate-related impacts under both scenarios.	Compliant	42

TCFD Report continued

Risk management	Compliance summary	Status	Page
Describe the organisation's processes for identifying and assessing climate-related risks.	- Climate risks identified through the EWG's annual climate risk assessment, capturing physical and transition risks. - Scenario modelling and Divisional input provides understanding of potential exposures.	Compliant	41
Describe the organisation's processes for managing climate-related risks.	- Embedded within Divisional risk frameworks. - Mitigations include improved data quality, operational actions in carbon hotspots, supplier engagement and ongoing monitoring through the EWG.	Compliant	41
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	- Processes integrated into the Group risk framework and reported within the risk register. - Overseen by the ARC.	Compliant	41

Metrics and targets	Compliance summary	Status	Page
Disclose the metrics used to assess climate-related risks and opportunities.	- Scope 1-3 emissions. - Energy consumption. - Intensity ratios (tCO₂e per £m revenue and employee).	Compliant	43
Disclose scope 1, scope 2, and (if appropriate) scope 3 GHG emissions, and related risks.	FY 2024/25 emissions calculated using carbon management software and verified through internal review.	Compliant	44
Describe the targets used to manage climate-related risks and opportunities and performance against targets.	- Net Zero 2040 target endorsed by the Board. - Interim 2035 milestones include 63% reduction in scope 1 and scope 2, and 38% reduction Scope 3 from a 2023/24 baseline. - Progress reviewed annually.	Compliant	43

Governance

Our governance structure provides clear oversight and accountability for climate-related matters, ensuring these are embedded into decision-making, risk management processes and operational delivery across the Group.

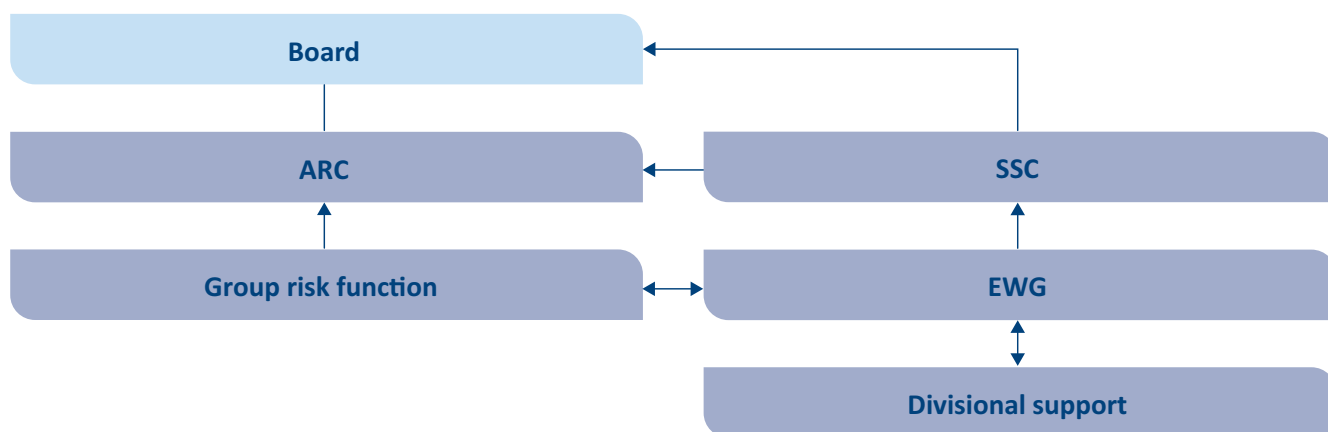
Board and Audit & Risk Committee

The Board has overall responsibility for overseeing our response to climate related matters, supported by the ARC which receives formal updates on climate risks and opportunities twice per year. Climate-related risks and opportunities are incorporated into the Group risk framework, enabling consistent oversight on the effectiveness of controls, exposure levels and mitigation plans.

Executive leadership and management roles

Day-to-day management of climate-related matters is delegated to the SSC, chaired by the Group Sustainability Director, and attended by the Group CEO, Executive Committee members, the Group Company Secretary and Divisional representatives. The Committee provides strategic direction, reviews climate-related performance and oversees delivery of the Group-wide sustainability programme.

The EWG supports the SSC by coordinating activity across Divisions, identifying emerging climate related risks and opportunities and maintaining consistency in reporting and data quality.



Strategy

Climate-related risks and opportunities are integrated into the Group risk framework and business planning processes, ensuring that climate considerations are available to inform strategic decision making across all Divisions.

As an asset light, service-based business operating in the UK property, financial services and surveying markets, understanding the transition and physical climate-related risks supports our longer-term resilience and ensures that emerging expectations from regulators, lenders and other stakeholders are appropriately considered.

Through the EWG, climate-related matters are reflected in Divisional risk assessments and planning where appropriate. This enables us to understand the potential climate impacts over time and remain aligned with our Net Zero 2040 ambition and wider stakeholder expectations.

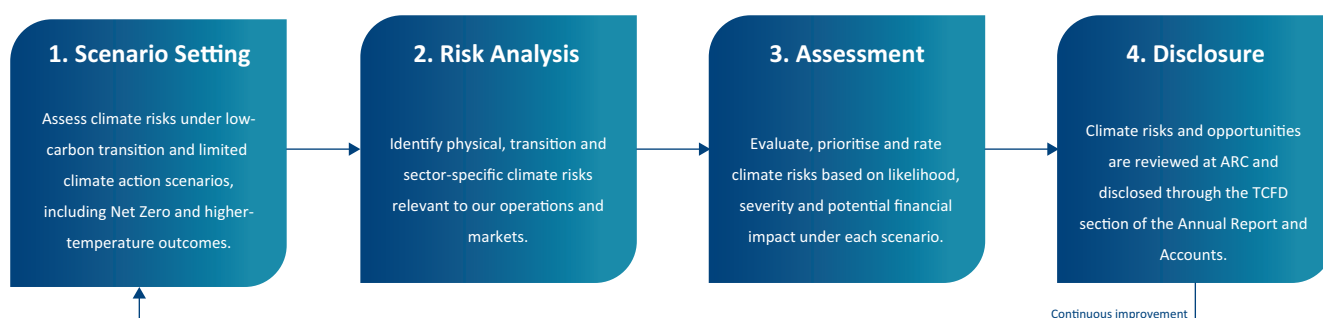
Risk management

Processes for identifying, assessing and managing climate-related risks are integrated into the Group's risk management framework, ensuring that climate risks and opportunities are evaluated using a consistent and repeatable approach, aligned with the treatment of other principal risks.

Climate-related risks and opportunities are identified through an annual Group-wide climate risk assessment led by the EWG, with input from Divisional risk leads. The process considers transition risks (including policy and regulatory changes, lender expectations, market shifts and reputational impacts) and physical risks (such as flooding, heat stress and severe weather events).

Risks and opportunities are assessed using a repeatable methodology that considers potential financial, operational, strategic, regulatory and reputational impacts, together with likelihood and relevant time horizon.

Identification and risk assessment



TCFD Report continued

Time horizon	Notes
Short-term (0-3 years)	Aligns with our three-year planning cycle.
Medium-term (4-9 years)	Selected to include near-term carbon targets.
Long-term (10+ years)	Beyond the above timeframe.

As part of this assessment two climate scenarios are applied to test the resilience of our business model under different climate futures.

The scenarios are:

Scenario 1: low-carbon transition

Assumes rapid policy action and technological change to limit global warming to around 1.5°C above pre-industrial levels

Source: IPCC¹

Scenario 2: high-emissions scenario

Assumes continued high emissions, resulting in more severe physical climate impacts and global warming of around 4°C by 2100

Source: IPCC¹

Integration with the Group risk framework

All material climate-related risks and opportunities are incorporated into the central Group risk register. This integration provides onward reporting to the ARC, enabling Board level oversight and challenge.

Climate-related risks and opportunities

The identified risks and opportunities, presented over the short, medium and long-term horizons are considered to have a low material financial impact on our strategy and operating model.

Theme	Category	Timeframe impact	Description	Business impact	Scenario
Risks					
Transition	Policy & regulation	Short-term	Compliance and administration costs to meet additional disclosure requirements and deliver environmental commitments.	Increased operating costs.	Scenario 1
	Operational	Medium-term	Higher operational and execution costs arising from initiatives to lower emissions, adaption of office space, and procurement of carbon offsets.	Increased capital expenditure and operating costs.	
	Operational	Medium-term	Valuation practices continue to evolve, supported by ongoing development of skills, tools and data.	Changes and updates to internal systems and processes to integrate climate-related valuation requirements. Hiring of new staff or training.	

¹ Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) climate scenarios

Theme	Category	Timeframe impact	Description	Business impact	Scenario
Risks					
Market	Chronic change	Long-term	Gradual but severe shifts in climate patterns resulting in stranded assets and devaluation of properties.	Long-term risk to business model.	Scenario 2
Physical	Rising temperatures	Long-term	Increased risk of heat-related illness, stress and fatigue.	Lost work time, reduced productivity, higher healthcare costs and potential revenue loss.	
	Adaptation	Medium-term	Rising costs for building cooling, colleague health support and site adaptation measures.	Increased capital expenditure and operating costs.	
	Chronic change	Medium-term	Climate-related disruption to data centres, technology providers, and wider supply chains (logistics, utilities, and materials), leading to outages, increased cost and reduced service availability.	Delays in delivery, higher operating costs and reduced reliability of delivering Group portfolio services.	
Opportunities					
Transition	Strategic	Medium-term	Increased demand for climate-related property data and assessments.	Strengthen existing market position, enter new markets or create new revenue streams.	Scenario 1
	Brand and reputation	Short-term	Climate-related approach and disclosures aligned with key client expectations.	Increased brand value, growth opportunities and stability in customer base.	
Transition	Commercial	Long-term	Increased client and investor demand for climate aligned portfolio data, products and services.	Strengthen existing market position, enter new markets or create new revenue streams.	Scenario 2

Metrics and targets

We have selected climate-related measures to monitor performance, assess exposure to transition and physical risks, and track progress against our emission reduction objectives. These metrics are reported annually through the Annual Report and Accounts and voluntary via the Carbon Disclosure Project.

Climate-related metrics

We report greenhouse gas emissions in line with the Greenhouse Gas Protocol, covering scope 1, scope 2 and material scope 3 categories across all Divisions.

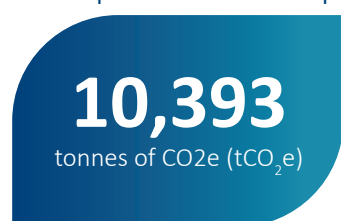
The Board has set a long-term ambition to achieve Net Zero by 2040 across all emission scopes. To support this ambition, the Group has adopted science-aligned milestone reductions from a 2023/24 baseline year, including a 63% reduction in scope 1 and 2 emissions and a 38% reduction in scope 3 emissions by 2035. Progress is overseen by the EWG, which supports delivery, reporting and ongoing data improvement.

TCFD Report continued

In 2024/25, scope 1 and 2 emissions reduced by approximately 50% on a market-based basis compared with the baseline year, driven by structural reductions in gas and fuel use, fleet improvements and lower F-gas losses. Scope 2 electricity emissions reduced by approximately 24% on a market-based basis, reflecting estate changes, efficiency measures and grid decarbonisation. Year-on-year changes also reflect calculation refinements, including updates to emissions factors and the reporting platform.

Scope 3 emissions reflect changes in reporting coverage and data quality, including improved data for investments and a full year of franchise reporting under the revised Estate Agency Franchising structure. Overall, market-based emissions reduced by approximately 14% compared with 2023/24, indicating consistent progress against the Group's Net Zero objective.

Carbon performance for the period 1 October 2024 to 30 September 2025



Our carbon footprint and energy consumption in accordance with the UK Streamlined Energy and Carbon Reporting (SECR) regulations is presented in the table below.

Metric	2024/25	2023/24	2022/23
Scope 1 emissions (tCO ₂ e)	275	692	730
Scope 2 emissions (tCO ₂ e) - market-based	183	240	637
Scope 1 + 2 emissions (tCO₂e) - market-based	458	932	1,368
Scope 2 emissions (tCO ₂ e) - location-based	87	292	996
Scope 1 + 2 emissions (tCO₂e) - location-based	362	983	1,727
Scope 3 emissions (tCO ₂ e) ¹	9,935	11,123	14,459
Total emissions (tCO₂e) - market-based	10,393	12,055	15,827
Total emissions (tCO₂e) - location-based	10,297	12,106	16,524
Total energy consumption (kWh) - scope 1 + 2	1,823,002	2,777,178	8,016,326
Intensity metrics ²			
tCO ₂ e per employee - market-based (scope 1 + 2)	0.3	0.5	0.5
tCO ₂ e per employee - location-based (scope 1 + 2)	0.2	0.5	0.6
tCO ₂ e per £m revenue - market-based (scope 1 + 2)	2.5	5.4	7.7
tCO ₂ e per £m revenue - location-based (scope 1 + 2)	2.0	5.7	9.8

¹ Scope 3 emissions reflect changes in reporting coverage and data quality, including improved data for investments and a full year of franchise reporting under the revised Estate Agency structure

² Intensity metrics are calculated using average employee numbers and reported revenue for the relevant financial year

Greenhouse gas emissions reporting and methodology

During 2025, we implemented Group-wide carbon accounting software to support more consistent and robust greenhouse gas reporting. The system is designed to streamline data collection, improve accuracy, and provide a common basis for reporting and analysis across the Group over time, supporting clearer tracking of performance and progress.

Our greenhouse gas (GHG) emissions are reported in tonnes of carbon dioxide equivalent (tCO₂e) and prepared in accordance with

the GHG protocol, using the operational control approach. Emissions include scope 1, scope 2 and scope 3. Scope 2 emissions are reported on both a location-based and market-based basis, with market-based reporting used as the default. Scope 3 emissions include estimated emissions associated with franchise operations using a proxy approach. Emission factors are sourced from DEFRA, the International Energy Agency (IEA) and supplier-specific disclosures, with Association of Issuing Bodies (AIB) residual mix factors applied where required.

Our Strategic Report, which runs from pages 03 to 45, explains how we operate to achieve our business model and is approved by and signed on behalf of the Board of Directors.

Adam Castleton
Group Chief Executive Officer
18 March 2026

David Tilak
Group Chief Finance Officer
18 March 2026

The Board and Executive Team

The Board as at 18 March 2026

Executive Directors



Adam Castleton

Group Chief Executive Officer

Committees



Appointed to Board:

2 November 2015

Key skills and experience

- Detailed knowledge of the Group's business.
- In-depth experience in corporate leadership.
- Closely engaged with our investor community.
- Over 30 years' experience in finance.
- Qualified as a chartered accountant.

Previous appointments

- Group CFO of French Connection Group PLC.
- Leadership roles including at O2 UK, eBay and The Walt Disney Company.
- PriceWaterhouse.

Current external appointments

- None.



David Tilak

Group Chief Financial Officer

Committees



Appointed to Board:

12 January 2026

Key skills and experience

- Over 25 years' experience in strategic, financial and operational roles across complex multinational businesses.
- Proven track record of driving and delivering growth through strategic investment and transformation.
- Qualified as a chartered accountant.

Previous appointments

- Group finance director of Serco Group PLC.
- Group finance director and other positions/directorships at Imperial Brands PLC.
- Variety of senior leadership roles at General Electric.
- Non-executive director of Logista Groupo s.a.

Current external appointments

- None.

Non-Executive Directors



Adrian Collins

Non-Executive Chair

Committees



Appointed to Board:

30 April 2024

Key skills and experience

- Highly experienced board chair and executive director of listed companies.
- Deep understanding of public markets.
- Co-founded and led a number of highly successful financial services businesses.
- Contributed to building one of the UK's leading institutional and retail fund management businesses.
- Experience in transformation of businesses and significantly growing assets.

Previous appointments

- Managing director at Gartmore Investment Management.
- One of the founders of Trustnet.
- Senior executive roles at Jupiter, Bestinvest and Lazard Investors.
- Executive and non-executive chair of Liontrust Asset Management.
- Non-executive director of Hargreaves Lansdown plc.
- Other board positions.

Current external appointments

- Board chair of Logistics Development Group plc.
- Fincorp International Limited.
- Quantum Base Holdings plc.



James Mack

Independent Non-Executive Director

Committees



Appointed to Board:

27 September 2021

Other responsibilities

- Senior Independent Director.

Key skills and experience

- Significant knowledge in audit and risk, with recent relevant financial experience.
- Qualified as a chartered accountant.
- Holds a BA from the University of Nottingham.

Previous appointments

- Chief financial officer at Barclays Bank UK plc.
- Chief financial officer at Aldermore plc.
- Acting chief financial officer at the Co-operative Bank.
- Senior roles in finance and internal audit at Skipton Building Society.
- KPMG.

Current external appointments

- CEO of John Lewis Money.

Committees key

AR Audit & Risk

R Remuneration

N Nominations

E Executive

I Investment

D Disclosure

Chair



Gaby Appleton

Independent
Non-Executive Director

Committees

AR N R

Appointed to Board:

1 September 2019

Key skills and experience

- Significant experience in strategy, technology operations, sales and marketing, particularly in the professional information solutions sector.
- Holds a BA from the University of Cambridge.

Previous appointments

- Chief digital product officer of Reed Exhibitions (a RELX Group plc company).
- Global director of strategy; managing director of Researcher Products at Elsevier (RELX Group plc).
- Senior manager at McKinsey & Co.
- Operating positions at Procter & Gamble, and Sainsbury's Supermarkets Ltd.

Current external appointments

- Chief product & Tesco services officer at dunnhumby Limited.



Sonya Ghobrial

Independent
Non-Executive Director

Committees

AR R

Appointed to Board:

4 March 2022

Key skills and experience

- Significant experience in banking, finance, strategy, investor relations, governance and ESG.
- Extensive consumer sector experience.
- Qualified as an accountant.
- Holds a BAcc (Hons) in Accountancy and Economics.

Previous appointments

- Head of investor relations at Haleon and Heineken.
- Provided investor relations and consultancy services as Clear Giraffe IR.
- Senior roles at investment banks, including Barclays Capital, Goldman Sachs and Morgan Stanley.
- KPMG.

Current external appointments

- Global head of investor relations of Diageo plc.



Darrell Evans

Independent
Non-Executive Director

Committees

AR N R

Appointed to Board:

28 February 2019

Other responsibilities

- Designated Non-Executive Director for workforce engagement.
- Non-Executive Director of PRIMIS board¹.

Key skills and experience

- Significant experience in financial services.
- Experience in retail banking and mortgage propositions.
- Experience in strategy, proposition development and commercial management.

Previous appointments

- Chief executive at Beneden Health.
- Chief commercial officer at the Co-Operative Bank plc.
- Product director for the RBS Retail Bank.
- Senior executive roles at Direct Line Insurance Group plc and Virgin Money plc.
- Chief executive officer at The Consulting Consortium.

Current external appointments

- None.



Michael Stoop

Independent
Non-Executive Director

Committees

None

Appointed to Board:

24 June 2024

Key skills and experience

- Significant experience in estate agency and franchising.
- Fellow of the Royal Institute of Chartered Surveyors.
- Fellow of the National Association of Estate Agents.

Previous appointments

- Managing director at M Winkworth plc.
- Managing director of the estate agency division at Legal & General Group plc.
- Chair and non-executive director at Belvoir Group plc.
- Group managing director at The Property Franchise Group plc.
- Director at Kriva Ltd.

Current external appointments

- Industry board member and chair of the finance & performance committee at The Property Ombudsman.
- Director of Michael Stoop Property Services Ltd.
- Director of Yasiel Ltd.
- Director of Complyplex Limited.

¹ Includes appointment as a statutory director of Advance Mortgage Funding Limited, First Complete Limited, Personal Touch Financial Services Limited and TenetLime Limited

The Board and Executive Team continued

The Executive Team as at 18 March 2026

Group Executive Committee



Adam Castleton

Group Chief
Executive Officer

Executive Director and PDMR

Additional responsibilities

- Investor relations.
- Sustainability programme executive sponsor.
- Executive responsible for colleague matters.



David Tilak

Group Chief
Financial Officer

Executive Director and PDMR

Additional responsibilities

- None.



Debra Gardner

Group Chief
People Officer

Additional responsibilities

- Sustainability programme owner and lead on colleague matters.
- Executive sponsor of Inclusion & Diversity Forum.
- Chair of Colleague Engagement Forum.



Sam Greatorex

General Counsel

Additional responsibilities

- Member of Data and Information Security Committee.



Saad Hassanuddin

Group Chief
Risk Officer

PDMR

Additional responsibilities

- Sustainability programme member and environmental and communities lead.
- Chair of the Environmental Working Group.
- Chair of Data and Information Security Committee.
- Group risk and internal controls.

Divisional Managing Directors



Richard Howells

Managing Director, Financial Services

PDMR

- Responsible for the leadership of our Financial Services Division and the PRIMIS Network.



Steve Goodall

Managing Director, Surveying & Valuation

PDMR

- Responsible for the leadership of our e.surv and Templeton.



Paul Hardy

Managing Director, Estate Agency Franchising

PDMR

- Responsible for the leadership of our Estate Agency Franchising Division.

Corporate Governance Report

Chair's Introduction



Dear Shareholder

I am pleased to present our Corporate Governance Report for the year ended 31 December 2025. The Board remains committed to good governance practices that support the long-term success of the Group.

Key activities in 2025

Executive remuneration

The Board and Remuneration Committee are committed to ensuring that the Group's remuneration policy supports the business in driving significant growth and real returns for Shareholders. Following the appointment of Adam Castleton as Group CEO, and to reflect the importance of him driving forward our ambitious growth plans, the Board considered how to effectively incentivise him and the rest of the Senior Management Team. The goal was to provide a singular focus on the future sustainable growth of the business and real share price related returns to Shareholders. We therefore undertook a consultation with our major Shareholders to discuss a proposal for a new incentive award (the 2025 LTIP) and updates to the remuneration policy. This involved extensive Shareholder engagement which indicated that whilst not all Shareholders could support the proposals because of general concerns about the construct of the 2025 LTIP, there was sufficient support to allow us to proceed. Feedback from this consultation was used to refine our proposals.

The new policy and the 2025 LTIP were put to a General Meeting of Shareholders on 28 May 2025. At that meeting, 35.87% of votes cast were against the revised Directors' Remuneration Policy and 35.70% were against the new LTIP. Following this vote we offered our Shareholders (both those that had voted for and those that had voted against the resolutions) a further opportunity to engage and provide feedback. Feedback was received from two Shareholders which was consistent with that received prior to the General Meeting, one noting their concerns and the other reiterating the importance of using market purchase shares to satisfy the awards

and ensuring Shareholders understand that is how awards will be satisfied.

On 4 July 2025 we published a statement on our website noting that, having carefully considered the feedback, the Board maintained the view that the 2025 LTIP was in the best interests of value creation for all Shareholders and awards had been granted. The statement confirmed that awards would be satisfied using market share purchases.

Risk governance

We continued to strengthen our risk governance framework during the year, with the introduction of a Group-wide governance, risk and compliance system which has enabled a consistent application of risk standards across the Group. This supports the work being done to ensure that the Board and Audit & Risk Committee have the information needed to meet enhanced internal control framework effectiveness disclosure requirements arising from the UK Corporate Governance Code next year.

Global cyber threats and related risks continued to escalate in 2025. The Board encouraged management to look at governance in this area and as a result the Group CRO took over as Chair of the Data and Information Security Committee and more expertise in this area was brought into the risk team. We intend to build our Directors' knowledge of cyber-related risk as part of the 2026 Board training plan.

Culture

The Board approved a new purpose, mission, vision and values (see pages 04 and 06) during the year. This new statement sets the guiding principles for our cultural values and was launched to our senior management at the end of the year, with positive feedback. Since Adam Castleton's appointment as Group CEO, he has championed these values across the Group and we believe that we are building a culture that reflects our purpose and drives performance.

Compliance with the UK Corporate Governance Code

The Company complied with all applicable provisions of the UK Corporate Governance Code 2024 published by the Financial Reporting Council (see [frc.org.uk](https://www.frc.org.uk)) for the year ended 31 December 2025, with one exception. We have chosen to not adopt the Audit Committee Minimum Standard to reflect our position as a UK small-cap.

This Corporate Governance Report and the individual Committee Reports on pages 56 to 81 set out our governance arrangements and explain how we have applied the principles of the Code during the year.

Adrian Collins
Chair

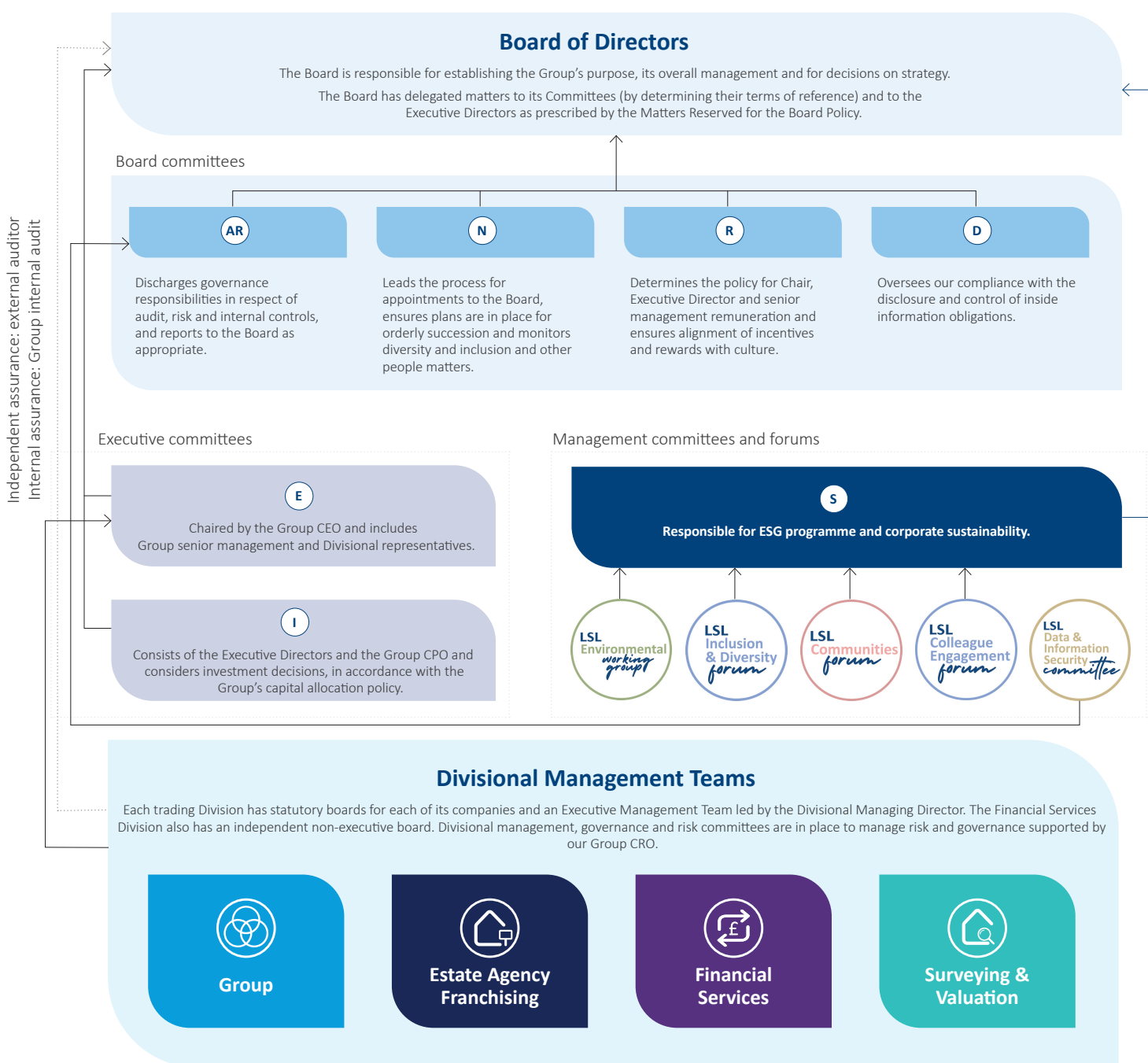
18 March 2026

Corporate Governance Statement

Governance framework

Committees key

AR Audit & Risk **N** Nominations **R** Remuneration **D** Disclosure **E** Executive **I** Investment **S** Sustainability Steering Committee



Divisional Management Teams include:

- Managing Directors
- Sales directors
- Chief risk officers
- Finance directors
- Operations directors

Corporate Governance Report continued

Corporate Governance Statement continued

Governance framework explanatory notes:

1. The Disclosure Committee is formed of the Chair, the Senior Independent Director and the Executive Directors. Ad hoc meetings are held to consider disclosures in accordance with UK Listing Rules, Disclosure and Transparency Rules and the UK Market Abuse Regulation. Compliance is supplemented by a Group-wide share dealing policy and dealing code.
2. The membership of the Executive Committee is shown on pages 48 and 49.
3. Details of the other management committees and management forums is in the Sustainability Report (pages 32 to 37) and the Risk Management section (page 27).
4. The Investment Committee provides governance and assurance over investment decisions, approving new investments and monitoring the outcome of prior capital expenditure. This includes oversight of the Group's joint venture with Pollen Street Capital in Pivotal Growth (see note 20 to the Financial Statements). Pivotal oversight is supplemented by an LSL nominated executive director on the relevant Pivotal entities boards.
5. The membership and operation of the other Board Committees is explained in their individual reports.
6. Divisional Managing Directors report to the Group CEO.
7. Governance arrangements are supported by the work of Group Finance, Legal, the Group People Team and the Group Company Secretary.
8. All Directors have access to the Group Company Secretary (who ensures adherence to governance requirements, manages meeting arrangements and supports Directors' induction and training) in fulfilling their duties. They can also take independent professional advice at the Company's expense.

Code section 1: Leadership and company purpose

The Board is led by the Chair, who drives strategic focus and robust debate, and has a mix of skills and experience to support leadership and drive long-term sustainable success for our stakeholders.

Our purpose, mission, vision and values, as set out on pages 04 and 06, drive our culture and guide our strategy and business model to deliver long-term value. Our sustainability programme also aids the achievement of our strategy, minimising our environmental footprint, supporting our colleagues and communities, ensuring appropriate governance and building an inclusive culture.

Culture

Culture is key to our success and our cultural values (set out on page 06) are embedded across the Group, with each Division responsible for developing and implementing plans to operate in alignment with the Group strategy and culture.

The Board is responsible for promoting the desired culture and considerable work has been done to refresh and reinforce our values and culture across the business following the appointment of Adam Castleton as our Group CEO. The Board has delegated responsibility to the Nominations Committee to consider how well the culture is embedded, which it does by considering the following:

- Results of the annual colleague survey and pulse surveys.

- Reports from the Group CPO on colleague engagement and communication.
- Annual deep dive on the people strategy, including the presentation of cultural indicator metrics (including colleague attrition, talent, succession and development).
- Reporting on diversity, equality and inclusion activity.
- Oversight of leadership capability and succession planning.

Other cultural indicators include:

- Reports to the Board on whistleblowing activity.
- Updates to the Nominations Committee from the designated Non-Executive Director for workforce engagement.
- Audit & Risk Committee monitoring of compliance with Group policies in relation to fraud, conduct, anti-bribery and other matters evidencing good cultural practices.

Stakeholder engagement

The Board considers the interests of its stakeholders when making decisions. Workforce engagement processes are in line with the Code via our designated Non-Executive Director for workforce engagement. Our workforce policies and practices are consistent with our values and support our long-term sustainable success.

How the interests of stakeholders and the channels of engagement with them are described in the Section 172 Statement and Stakeholder Engagement section on pages 20 to 26 and the Sustainability Report on pages 32 to 37, which are incorporated in this Corporate Governance Report by reference.

A significant area of Shareholder consultation in 2025 was in relation to our Remuneration Policy and new long-term incentive plan (as described in the Directors' Remuneration Report on page 67).

Colleague diversity

We report on our colleague diversity in the Nominations Committee Report on pages 57 to 59 and Sustainability Report on pages 34 and 35.

We published our gender pay reports for all Group companies with more than 250 employees in April 2025 (available at gender-pay-gap.service.gov.uk) and will continue to report each year.

Code section 2: Division of responsibilities

The Board

The Board is responsible for setting the Group's purpose, its long-term strategy, and monitoring financial and operational performance. It also determines the Group's risk appetite and ensures that an effective risk and internal control framework is in place.

The Board's regular agenda includes strategic updates, discussion of key projects and change initiatives, reviews of financial performance, risk and internal controls reporting, investor relations and engagement updates, discussion of governance, legal and regulatory matters and sustainability considerations. A schedule of matters reserved for its attention is in place, which includes strategic issues, financial matters (including reporting and controls), communication with Shareholders, stakeholder engagement, structure and capital matters, sustainability, Board and Committee appointments, treasury, legal and colleague policies and protocols.

The Board holds an annual strategy meeting to consider longer-term priorities in more detail. Outside of formal meetings, the Executives maintain a dialogue with the Non-Executive Directors on Group performance or matters requiring their attention.

There is clear division of responsibilities between the key Board roles, details of which are set out on our website [islps.co.uk](https://www.islps.co.uk), and are summarised below:

Chair

- Board leadership, settings its agenda, overseeing the decision making process.
- Setting the style and tone of discussions, promoting open, constructive debate.
- Leading Non-Executive Director only meetings.
- Overseeing stakeholder engagement arrangements.
- Supporting the Group CEO and other Directors, ensuring appropriate induction and training.
- Leading the annual Board and Committee performance review.

Non-Executive Directors

- Providing oversight, guidance and constructive challenge to management.
- Contributing to the development of Group strategy.
- Assessing performance of the Executive Directors.
- Participating in Executive Director recruitment and succession planning.

Senior Independent Director

- Acting as a sounding board for the Chair.
- Leading the performance review of the Chair.
- Providing an alternative contact point for Directors and stakeholders, including Shareholders.

Group CEO

- Running the business within the delegated powers set by the Board.
- Proposing and delivering Group strategy.
- Overseeing Group culture and sustainability priorities.
- Ensuring high quality Board information to support decision making.
- Engaging with investors.

Code section 3: Composition, succession and evaluation

Board composition and attendance at meetings

The Directors who held office during the financial year, and their attendance at scheduled meetings, is shown below.

Name	Board position	Board	Audit & Risk Committee	Nominations Committee	Remuneration Committee
Number of scheduled meetings		8	7	3	4
Adrian Collins	Board and Nominations Committee Chair	8	—	3	3
Gaby Appleton	Independent Non-Executive Director	8	7	3	4
Darrell Evans	Independent Non-Executive Director	8	7	3	4
	Chair of the Remuneration Committee				
	Designated Non-Executive Director for workforce engagement				
	Chair of the Surveying & Valuation Division until 28 February 2026				
James Mack	Independent Non-Executive Director	8	7	3	—
	Chair of the Audit & Risk Committee				
	Senior Independent Director				
Sonya Ghobrial	Independent Non-Executive Director	8	7	—	4
Michael Stoop	Independent Non-Executive Director	8	—	—	—
	Chair of the Estate Agency Franchising Division until 20 March 2026				
David Stewart	Group Chief Executive Officer until 30 April 2025	2	—	—	—
Adam Castleton	Group Chief Financial Officer until 30 April 2025	8	—	—	—
	Group Chief Executive Officer from 1 May 2025				

Notes:

- 1 In addition to the scheduled meetings noted above, the Board or committees formed by a quorum of the Directors also met on an ad hoc basis throughout the year to consider matters such as the grant of LTIP awards and SAYE options, trading updates, final and interim results and dividend and other routine items
- 2 The Directors meet in person and virtually
- 3 The Non-Executive Directors also meet without the Executive Directors or representatives of management present
- 4 The Audit & Risk Committee also meets with the auditors without the Executive Directors present

Corporate Governance Report continued

Corporate Governance Statement continued

The Nominations Committee and Board review the composition of the Board and its Committees at least annually, taking into account Director independence and the balance of skills, knowledge, experience and diversity. The Board believes that the current mix of Directors provides the capability required to support the Group's strategy and long-term success. The qualifications and experience of each Director are set out in the biographies on pages 46 and 47.

The Board considers each of the Non-Executive Directors, other than Adrian Collins, to be independent in accordance with the Code, both during the year and as at the date of this Report. Adrian was independent at the time of his appointment as Chair on 1 May 2024.

Board succession

During 2025 we were pleased to implement our succession plan in relation to the promotion of Adam Castleton from his role as Group CFO into the role of Group CEO, as explained elsewhere in this Annual Report. We have now also appointed his successor Group CFO and feel our Board is now in a stable position and our Directors are committed to driving the business forward over the coming years.

The Board regularly considers Board succession. To support this, the Group Company Secretary maintains a schedule of Directors' appointment terms so that the Nominations Committee is able to monitor when Board or Committee refreshment will be necessary. Directors will generally not serve longer than nine years, and the Board has made a commitment that the Chair will not serve longer than nine years, except where a limited extension may be appropriate to support orderly succession or business continuity.

Further detail on succession planning, diversity and recruitment are set out in the Nominations Committee Report on pages 56 to 59.

Board appointments

Appointments to the Board are made by the Board following consideration and recommendation by the Nominations Committee. Executive Directors have service contracts and Non-Executive Directors, including the Chair, have letters of appointment. These documents are available for inspection at our registered office during normal business hours and at the Annual General Meeting.

Directors retire and offer themselves for election or re-election at the AGM in line with good governance practice. Following a recommendation by the Nominations Committee, the Board is recommending that all Directors be elected or re-elected at the 2026 AGM; more information is included in the separate Notice of Annual General Meeting.

Time commitments and external appointments

The expected time commitment of Non-Executive Directors is set out on appointment and is regularly monitored. The Board is satisfied that each Director committed sufficient time to discharge their responsibilities during the year and that no external appointments held by Directors interfered with the performance of their duties.

Board induction and training

All Directors receive a tailored induction when joining the Board. The induction includes receipt of previous Board and Committee papers, key corporate and constitutional documents and meetings with the Directors, senior leaders and external advisors; including the Company's auditors and brokers. Ongoing training is provided by the Group Company Secretary, internal experts or by external advisers, particularly in response to regulatory developments or where specific subject matter expertise is required.

Board skills and experience

The Board has undertaken an exercise to refresh its skills matrix by each Director rating their knowledge of a variety of different topics. This exercise was helpful in identifying the high level of diversity on the Board in this regard and will help frame future Board knowledge sessions as part of the Directors training and development.

Board and Committee evaluation

The Board conducts an annual review of its own performance and that of its Committees and the individual Directors. The performance review for 2025 was completed in January 2026.

We undertook the exercise internally by the completion of a questionnaire by each Director, with the anonymous results reported to and discussed by the Board at its meeting in March 2026. The outcome from the completion of the questionnaire allowed the Board to undertake its assessment of the effectiveness of the Board, its Committees and the individual Directors in place at the date of this Report.

The responses from the Directors indicated that the Board and its Committees are operating effectively. The feedback provided has been shared with management to consider, with the main areas of focus for 2026 being how the Board becomes more informed on delivery of Shareholder value, long-term objectives and succession planning.

The Board keeps under review whether it is appropriate to commission an externally facilitated performance review. Given the Board and leadership changes in 2024 and 2025, we believe it is appropriate to allow further time for the Board to embed under the Chair's leadership before considering whether an external review would be beneficial.

Code section 4: Audit, risk and internal control

The Board is responsible for establishing and maintaining a sound system of internal control, and for ensuring that effective procedures are in place to identify, assess and manage risk. These controls seek to mitigate operational and financial reporting risks, support the delivery of our strategy and help safeguard the long-term success of the Group. The internal control framework is designed to manage rather than eliminate the risk of failure and provide reasonable assurance against material misstatement or loss.

We report on our activities relating to audit, risk and internal control and the assessment and management of our risks and controls in the Audit & Risk Committee Report and the Risk Management section of this Report. During the year, the Group continued to strengthen its risk management arrangements under the leadership of the Group CRO, who has put in place a consistent risk framework with the Divisions, improved the quality of risk reporting and supported enhancements to internal controls across the Group.

In line with the Code, the Board is required to review the effectiveness of the internal controls framework in place and report to Shareholders on the outcome. In 2025 it has done this via the receipt of regular reports from the Group CRO and management, its consideration and approval of the Group risk management framework and recommendations from the Audit & Risk Committee.

The Audit & Risk Committee is chaired by an independent Non-Executive Chair with recent and relevant financial experience. It has oversight of the external and internal audit processes, monitors the integrity of the Financial Statements and reviews key accounting judgements, including the appropriateness of adopting the going

concern basis of accounting. It also reviews the adequacy of the Group's internal control and risk management systems, supported by reports from the Group CRO and the internal audit function. This oversight helps ensure that risks are appropriately managed and that the Group's financial and narrative reporting remains fair, balanced and understandable.

The Audit & Risk Committee Report includes more information on how it has discharged these responsibilities.

Code section 5: Remuneration

Our Remuneration Committee is led by an independent Non-Executive Chair. The Committee sets remuneration policy and oversees all aspects of Executive and senior management remuneration.

The Committee ensures remuneration practices support the delivery of our strategy, attract and retain talent, reinforce our culture and values and align Executive reward with the interests of Shareholders and other stakeholders. More information is included in the Directors' Remuneration Report on pages 65 to 81.

The Corporate Governance Report is approved by and signed on behalf of the Board of Directors.

Debbie Fish
Group Company Secretary
18 March 2026

Nominations Committee Report



Committee membership

Adrian Collins - Chair

Gaby Appleton

Darrell Evans

James Mack

Dear Shareholder

As Chair of the Nominations Committee (the Committee), I am pleased to present our Report for the year ended 31 December 2025. The Committee leads the process for appointments to the Board, ensures that succession plans are in place for both the Board and senior management positions, oversees the development of the talent pipeline and considers updates on people matters and metrics evidencing the embedding of culture on behalf of the Board. This Report explains how the Committee has discharged its responsibilities during 2025.

You will see that we have not met all of our diversity targets this year. We remain committed to broadening representation and ensuring equal opportunity across the Group. Throughout my career I have applied these principles consistently and successfully, while remaining clear that appointments must always be made on merit. Our focus is therefore on building a strong, collegiate and inclusive organisation by attracting and developing the best talent, recognising that progress against numerical targets can vary year to year.

The main considerations made by the Committee during the year included:

- Oversight of the process undertaken by Odgers Berndtson (which has no connection to the Group other than the provision of these services), and making a recommendation to the Board, in relation to the appointment of Adam Castleton as Group CEO.
- Oversight of the appointment of an interim Group CFO.
- Oversight of the process undertaken by Redgrave (which has no connection to the Group other than the provision of these services), and making a recommendation to the Board, in relation to the appointment of David Tilak as permanent Group CFO.
- Senior management succession, noting that because of the size of the business it was difficult to have a pipeline of succession. The Committee agreed that rather than having a traditional succession plan with a successor for each role, a development programme be put in place for those identified as potential future leaders.

Committee composition and meetings

- The Committee operates within written terms of reference (available on [lslps.co.uk](https://www.lslps.co.uk)).
- A majority of members are independent Non-Executive Directors and the Committee is independent of management.
- The Committee met three times during 2025 (see page 57 for more details).
- The Group CEO and Group CPO join meetings by invitation.

Board appointments

- The Committee considers Board appointments and makes recommendations to the Board on the most appropriate candidates for appointment.
- It considers the engagement of external search consultants and the key attributes and role specification for each position, taking into account the balance of skills, experience, independence, time commitment and diversity required.
- All Directors are subject to annual election or re-election at the AGM.
- Tenure, performance, independence and the continued contribution of each Director is considered when making recommendations to the Board on election or re-election.

Activities undertaken during the year

The Committee has an annual cycle of matters for consideration. The activities undertaken in 2025 to fulfil its responsibilities included:

January

- Considered David Stewart's retirement and approved the appointment of Adam Castleton as his successor.
- Considered CFO succession and the engagement of an external consultant to undertake the search.
- Recommended the appointment of Divisional chairs for the Estate Agency Franchising and Surveying & Valuation Divisions.
- Considered extensions to the terms of appointment of Darrell Evans and Sonya Ghobrial.

March

- Reviewed Board composition, including skills, experience, diversity, independence, time commitment and tenure.
- Ratified the appointment of an interim Group CFO which had been considered outside a formal meeting.
- Considered senior management succession.
- Recommended to the Board the election or re-election of Directors at the AGM.
- Approved the Committee Report on its activities for inclusion in the 2024 Annual Report and Accounts.

September

- Received updates on talent management, leadership development, succession planning, strategic workforce planning and key senior recruitment.
- Ratified the appointment of a permanent Group CFO which had been considered outside a formal meeting.
- Undertook the annual review of the Committee's terms of reference.
- Undertook the annual review of the Diversity Policy and diversity targets.
- Considered an extension to the terms of appointment of Gaby Appleton.
- Approved an annual calendar of business to be considered by the Committee.

Since the year end, the Committee met and considered:

- Similar matters to those considered in March 2025 in relation to Board composition.
- The election and re-election of Directors at the AGM.
- The Committee's Report on activities for inclusion in the 2025 Annual Report and Accounts.
- The evaluation of its own performance during 2025.
- An update from the Group CPO on people matters, including the results of the 2025 people survey and various other metrics evidencing the embedding of culture across the Group.

Diversity and inclusion

- A diverse pool of candidates is sought when making appointments, with searches including women and people from minority backgrounds in recognition of the contribution diversity makes to effective decision-making and long-term performance.
- Recruitment partners are expected to be signatories of the Voluntary Code of Conduct for Executive Search Firms.
- The Committee receives regular updates on Group-wide diversity initiatives and performance against targets from the Group CPO.
- The Board Diversity Policy is aligned to the UK Listing Rules (see [Islps.co.uk](https://www.islps.co.uk) for the full policy and page 58 for a summary).
- Our diversity targets and 2025 reporting are on pages 57 to 59.

Board diversity targets

The Board has adopted diversity targets for the Board and senior management which are aligned with UK Listing Rule 6.6.6R(9), as set out below:

1. at least 40% of the Board to be women;
2. at least one of the senior Board positions (Chair, CEO, SID or CFO) to be a woman;
3. at least one member of the Board to be from a minority ethnic background¹;
4. at least 33% of senior management² to be women and at least 33% to be men; and
5. at least 11% of senior management² to be from a minority ethnic background¹.

The data tables on pages 58 and 59 show how we were performing against these targets in relation to the Board and senior Board positions as at 31 December 2025. Since the appointment of David Tilak on 12 January 2026, the metrics set out for target 1, 2, and 3 have changed but the revised position does not change our compliance or non-compliance with the UK Listing Rules targets as set out on page 59. Rather than refer to the data in the tables on that page (which are designed to comply with the UK Listing Rules in terms of the definition of Executive Management), in order to consider compliance with the above targets for senior management diversity, the data in the tables showing the position for our wider workforce on page 35 in the Sustainability Report should be considered.

1 Defined by reference to the categories recommended by the ONS as coming from a non-white ethnic background (see table on page 59 for the specific categories)
 2 Our Group Executive Committee, Divisional Managing Directors and the Group Company Secretary and their direct reports who are designated A1 and A2 grades (excluding Executive Directors)

Nominations Committee Report continued

Performance against diversity targets

Target	Position	Explanation
1.	Not met	29% of the Board were women at 31 December 2025. Further to David Tilak's appointment on 12 January 2026 this has decreased to 25%. All appointments to the Board have been made based on merit and we believe we have the right Board in place. Diversity will continue to be considered as and when we are required to make appointments to the Board.
2.	Not met	None of the senior Board positions are undertaken by a woman. We continue to believe that we have the right people in the right Board roles based on their skills and experience. We will continue to consider diversity matters when we need to replace the person performing any of these roles.
3.	Met	Two members of the Board are from a minority ethnic background as at 31 December 2025. Further to David Tilak's appointment on 12 January 2026 this has increased to three.
4.	Met	40% of our senior managers ¹ are women.
5.	Not met	8% of our senior managers ¹ are from an ethnic minority background. This is a slight improvement on last year, but still some way behind our target.

Diversity Policy

Topic	Policy summary
Importance of diversity	The Board recognises the benefits of diversity. Through our recruitment, appointment and succession planning arrangements, we seek to promote diversity including professional skills, experience, social backgrounds, gender and ethnicity, in addition to individual cognitive and personal strengths. In relation to the Board, we believe that diversity has a positive effect on decision making and benefits Shareholders and other stakeholders. The Directors recognise that the Board and Committees set the tone for diversity and inclusion throughout the Group and that by actively reviewing, monitoring and engaging with discussions of diversity and inclusion, the Board is best able to drive a positive impact to the advantage of all stakeholders. While the Diversity Policy includes targets for gender and ethnicity, the Board recognises that diversity also encompasses characteristics such as sexual orientation, disability, neurodiversity and socio-economic background.
Role of the Nominations Committee	The Committee leads the process for appointments to the Board and its Committees and ensures that plans are in place for orderly succession to both the Board and senior management positions. In discharging its duties, the Committee oversees the development of a diverse pipeline for succession.
Role of the Remuneration Committee	The Committee is responsible for the Remuneration Policy relating to the Chair, the Executive Directors and senior management (including the Group Company Secretary). The Remuneration Committee also reviews workforce remuneration and related policies and the alignment of incentives and rewards with culture and the promotion of diversity and inclusion in the Group.
Annual performance review	As part of the annual performance review, the Directors consider the Board and each Committee's composition, diversity and how effectively the members work together to achieve our objectives.

1. Our Group Executive Committee, Divisional Managing Directors and the Group Company Secretary and their direct reports who are A1 and A2 grades (excluding Executive Directors)

Diversity data

Our disclosures and statement on the diversity of our Board, senior Board positions and Executive Management in compliance with UK Listing Rule 6.6.6R(9) and (10) are set out below:

Diversity data based on gender identity or sex as at 31 December 2025¹

	Number of Board members	Percentage of Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management ²	Percentage of Executive Management
Men	5	71	3	6	75
Women	2	29	—	2	25
Not specified/prefer not to say	—	—	—	—	—

Diversity data based on ethnic background as at 31 December 2025¹

	Number of Board members	Percentage of Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management ²	Percentage of Executive Management
White British or other white (including minority-white groups)	3	43	1	6	75
Mixed/multiple ethnic groups	1	14	—	—	—
Asian/Asian British	—	—	—	1	13
Black/African/Caribbean/Black British	—	—	—	—	—
Other ethnic group	1	14	1	—	—
Not specified/prefer not to say	2	29	1	1	13

Adrian Collins

Chair of the Nominations Committee

18 March 2026

¹ Data is collected via self-reporting by colleagues completing a questionnaire asking them to identify against the gender and ethnicity categories set out above

² Executive Management is made up of all members of the Group Executive Committee and Divisional Managing Directors as listed on pages 48 and 49 (excluding the Executive Directors) and the Group Company Secretary

Audit & Risk Committee Report



Committee membership

James Mack - Chair

Gaby Appleton

Darrell Evans

Sonya Ghobrial

Dear Shareholder

As Chair of the Audit & Risk Committee (the Committee), I am pleased to present our Report for the year ended 31 December 2025. The Committee considers all audit, risk and internal control matters on behalf of the Board, regularly reporting to the Board on its considerations. This Report sets out how the Committee has discharged its responsibilities in 2025.

During 2025, we continued to evolve our internal control framework to meet the enhanced disclosure requirements of the UK Corporate Governance Code. A consolidated Group risk appetite statement was rolled out, clarifying the risks we are prepared to accept in pursuit of our strategy. We have defined the Group's material controls and will implement a formal testing schedule to support ongoing assessment of effectiveness, supported by a new Group-wide governance, risk

and compliance system to enhance consistency and reporting across the Group.

The transition of external audit services from Ernst & Young to Grant Thornton has gone well and the Committee has welcomed the opportunities that come from having a fresh eye on our accounting policies, processes and reporting.

We received a letter from the Financial Reporting Council (FRC) in October 2025 highlighting their findings from their review of our 2024 Annual Report and Accounts. We are pleased to confirm that there were no matters of concern that were required to be responded to immediately, and their improvement suggestions have all been considered in our 2025 financial disclosures.

Committee composition and meetings

- The Committee operates within written terms of reference (available on lsps.co.uk).
- All members (as listed above) are independent Non-Executive Directors and the Committee is independent of management.
- James Mack and Darrell Evans have recent relevant financial experience as required by the UK Corporate Governance Code.
- The Committee met seven times during 2025 (see pages 61 and 62 for more details).
- The Group Chair, CEO, CFO, CRO, Internal Audit Director and external auditor join meetings by invitation.
- The Committee can meet with the Group CRO, Group Internal Audit Director and external audit partner without the Executive Directors or members of management present.

Internal audit

- The Internal Audit Director has a direct reporting line to the Committee Chair and access to each Committee member.
- Internal audit reporting is undertaken via summaries of internal audit reports, with a verbal overlay on key findings, audit themes, updates on outstanding audit actions and assessments of control awareness and engagement effectiveness across the Divisions.
- The internal audit plan, the wider audit cycle and the internal audit charter are approved by the Committee.
- Performance and effectiveness of the internal audit function is considered using benchmarking against Global Internal Audit Standards and considering stakeholder feedback, delivery of objectives and the quality of reporting and discussions at meetings.

External audit

- The appointment, effectiveness and independence of the external auditor is considered by the Committee.
- Grant Thornton UK LLP (GT) were appointed as external auditor at the 2025 AGM.
- 2025 non-audit fees were in relation to a review at the half-year (see note 11 to the Financial Statements).
- Considering the 2025 audit fees, non-audit services provided and procedures in place at GT to maintain independence, GT are considered to be independent.

Risk management and internal controls

- The Group CRO attends each meeting to discuss the Group risk profile, ongoing development of the risk framework, risk events and emerging matters.
- The Committee reviews and makes recommendations to the Board on the effectiveness of the Group's risk management and internal controls framework following discussion with management.
- In 2025 a key focus has been the ongoing improvements being made to the internal control framework and preparations for the enhanced reporting requirements coming from the UK Corporate Governance Code.

Activities undertaken during the year

The Committee has an annual cycle of matters for consideration. The activities undertaken in 2025 to fulfil its responsibilities included:

At each scheduled meeting¹

- Received a report on financial performance and key finance matters, including FRC publications, accounting policies and judgements, audit planning, financial systems and controls and Divisional finance team matters.
- Received updates on current and planned internal audits, the delivery status of related actions and discussed any issues.
- Considered preparations for enhanced reporting requirements on internal controls.
- Received reports on risk profile, top risk issues and events, the regulatory horizon, key risk indicators and progress against the risk delivery plan.
- Considered preparations for enhanced anti-fraud procedures arising from the Economic Crime and Corporate Transparency Act 2023 and relevant controls and fraud reporting processes.
- Updates on external auditor transition, planning and subsidiary company statutory accounts progress.

February

- Considered key judgement and risk areas relating to the 2024 Annual Report and Accounts and audit progress.
- Considered and recommended to the Board the Group risk appetite statement.
- Approved the TCFD statement, the principal risks and uncertainties and description of the risk and control framework for disclosure in the 2024 Annual Report and Accounts.

March

- Considered the 2024 Annual Report and Accounts including the Group's ongoing viability and going concern status and the fair, balanced and understandable assessment (for recommendation to the Board) and the Committee's Report on its activities.
- Met with the auditors without representatives of management present.
- Received the final year end report of the external auditors.
- Considered 2024 audit fees and auditor independence.
- Considered the effectiveness of the internal control framework.

¹ Meetings are designated as either risk or financial focus and these matters are dealt with accordingly and may not be considered at every meeting

Audit & Risk Committee Report continued

April

- Discussed audit matters and financial control improvements with the MDs and CFOs of the Financial Services and Estate Agency Franchising Divisions.
- Met with the Surveying & Valuation MD to discuss client onboarding risk appetite and valuation control triggers.
- Received an update on business continuity arrangements.

May

- Met with the PRIMIS board chair and chair of the PRIMIS board risk and customer outcomes committee to discuss PRIMIS risk culture, regulatory matters and priorities.

July

- Considered the 2025 corporate insurance renewal and a paper on insurance risks.
- Received a capability and culture assessment on the Divisional risk teams from the Group CRO.
- Received a report on lessons learned from the acquisition of TenetLime from Tenet Group, which had subsequently gone into administration.
- Considered climate-related risks and opportunities.
- Received an update on financial control improvements from the MDs and CFOs of the Financial Services and Estate Agency Franchising Divisions.
- Approved 2025 audit fees.
- Received an update on improved practices and processes in relation to cyber security.
- Noted the results of 'Speak Up' week and whistleblowing routines.

September

- Received the half-year results review report from the auditor.
- Discussed FY 2025 audit planning.
- Considered the half-year results and key accounting judgement areas and recommended the results, the principal risks and uncertainties and going concern assessment to the Board.
- Approved an annual calendar of business to be considered by the Committee.
- Considered a detailed paper on the Surveying & Valuation Division's risk and control framework and valuation risk.
- Considered the financial position to support the proposed interim dividend.
- Discussed credit risk.

November

- Received an update on the 2025 external audit planning, key judgement areas, potential provisions and exceptional items.
- Discussed credit risk and actions to reduce risk.
- Discussed insurance arrangements.
- Approved the internal audit plan, benchmarking of the effectiveness of the internal audit function and approved the Internal Audit Charter.
- Approved the Group risk management framework and updated Group risk appetite statement.
- Received an update from the PRIMIS audit & compliance committee chair on current areas of risk.
- Undertook the annual review of the Committee's terms of reference.
- Undertook the annual review of the Auditor Independence Policy, including the policy for non-audit services.
- Considered a letter from the Financial Reporting Council on their review of the 2024 Annual Report and Accounts.

Since the year end the Committee has met and considered:

- Similar matters as those considered in February and March 2025 in relation to the 2025 Annual Report, the Financial Statements, TCFD and risk disclosures.
- The evaluation of its own performance during 2025.

The table below describes how the Committee has discharged some of its key duties in 2025 and so far in 2026.

Requirement	Responsibilities discharged	Conclusion or action taken
Going concern and viability Evaluate and disclose the position of the Group as a going concern and make statements about its longer-term viability.	At the full and half-year stage, the Committee considered whether the Group is a going concern and its longer-term viability. This included noting the measures in place to ensure there is sufficient liquidity (using various stress tests and financial modelling assumptions). Management advised that the likelihood of extreme scenarios that would lead to a breach of lending covenants were remote and that the Financial Statements should be prepared on a going concern basis.	The Committee recommended to the Board that the Group could continue to operate and meet its liabilities as they fall due for at least the next 12 months and longer-term, as set out in the Viability Statement on page 31.
Effectiveness of the risk and control framework Consider the effectiveness of the risk management and internal control framework.	The Committee receives updates at each meeting from the Group CRO and Internal Audit Director and considers other metrics and observations from the external auditor in order to make an ongoing assessment of effectiveness, as described on page 61.	The Committee has noted improvements made to the control environment during 2025 and, using the information available to it, has assessed that the controls in place are effective. However, under the guidance of our Group CRO, we are seeking to further enhance our controls as part of the work being done to report further on our material controls next year.
Material controls disclosures Consider preparations for enhanced disclosure in the 2026 Annual Report and Accounts in relation to internal controls in accordance with the UK Corporate Governance Code.	The Committee received updates at each meeting on the work being done to enhance both financial and non-financial controls.	We have continued to embed our enhanced control framework and prepare to meet the disclosure requirements. The Committee will continue to monitor progress.
Risk management framework Oversee the management of risk across the Group and the effectiveness of risk mitigation and monitoring processes.	The Group CRO has continued to enhance risk processes and update the Committee to allow it to discharge its oversight responsibilities.	A key focus in 2025 has been embedding the risk management framework and strengthening a consistent risk culture across the Group. This has been supported by the introduction of a governance, risk and compliance system, enabling the Group CRO and the Committee to receive timely, structured reporting from the Divisions and to oversee the effectiveness of risk mitigation activities.
Interim and annual results Consider the Annual Report and Accounts and the accounting judgements contained therein, challenging management and the external auditor where appropriate.	The Committee considered the disclosures made in the 2025 Annual Report and Accounts and discussed significant matters with management and the external auditor.	The Committee considered, and discussed with management and the external auditor, various matters in relation to the 2025 Annual Report and the Financial Statements (see page 64). It also considered feedback from the FRC on disclosure enhancements.

Audit & Risk Committee Report continued

Key considerations and approvals made by the Committee in relation to the 2025 Annual Report and the Financial Statements (the Report)

- That the Report taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.
- The integrity of the full-year Financial Statements.
- The appropriateness of key accounting policies and practices, judgements, estimates and compliance with accounting standards and tax requirements, including recent developments, and in particular, the appropriateness of revenue recognition, commission refund liabilities, appointed representative provisions and provisions for professional indemnity claims.
- Management's calculations and assumptions applied in the assessment of the recoverability of Parent Company investments, including an assessment of the investment in the Group's joint venture, Pivotal Growth (notes 20 to the Group Financial Statements and 3 to the Parent Company Financial Statements).
- The Viability Statement and going concern statement (pages 31 and 83) and assessments, supported by detailed analysis and scenario testing.
- Management's treatment of exceptional items including the restructuring of the LSL Land & New Homes business.
- The Group's Non-Financial and Sustainability Information disclosures and TCFD Statement (pages 38 to 45).
- The principal risks and uncertainties pages 28 to 30).

James Mack

Chair of the Audit & Risk Committee

18 March 2026

Directors' Remuneration Report



Committee membership

Darrell Evans - Chair

Gaby Appleton

Adrian Collins

Sonya Ghobrial

Dear Shareholder

As Chair of the Remuneration Committee (the Committee), I am pleased to present the Directors' Remuneration Report for 2025, which sets out how the Committee has discharged its responsibilities in 2025.

The Committee has delegated responsibility from the Board for determining the policy for Executive Directors and certain other Board and Executive Management roles' remuneration and reviewing workforce remuneration policies.

Remuneration advisers

The Committee received independent professional advice during the year from Korn Ferry (who were appointed in 2017) on matters relating to Executive Director and senior management remuneration. Korn Ferry does not provide any other services to the Group.

Korn Ferry's fees for 2025 were £105,000 (excluding VAT) (2024: £87,660). Korn Ferry is a signatory to the Remuneration Consultants' Code of Conduct and has confirmed that it adheres in all respects to the terms of that code. The Committee is comfortable that its advice continues to be independent and objective.

Committee composition and meetings

- The Committee operates within written terms of reference (available at [Islps.co.uk](https://www.islps.co.uk)).
- All members (as listed above) are independent other than the Chair of the Board (who was independent on appointment) and the Committee is considered to be independent of management.
- The Committee met four times during 2025 (see page 66 for more details).
- The Group CEO, Group CPO, Group Reward Director and external remuneration advisers regularly join meetings by invitation.

This Directors' Remuneration Report is divided into the following sections:

- **Annual Statement:** explaining remuneration decisions made during the year, including in relation to the Directors' Remuneration Policy and its operation for 2025 and the operation of the Directors' Remuneration Policy for 2026.
- **Directors' Remuneration Policy (Policy):** a summary of the Policy approved by shareholders in May 2025.
- **Annual Report on Remuneration:** setting out details of the remuneration earned by Directors in 2025 and how the Policy will be implemented during 2026.

Directors' Remuneration Report continued

Annual Statement

Activities undertaken during the year

At each scheduled meeting

- Considered updates from the remuneration advisers on market trends, investor views and regulatory matters.
- Approved any changes to senior management remuneration in line with the provisions of the terms of reference.

January

- Approved the terms of the former Group CEO's retirement.
- Approved the terms of the current Group CEO's remuneration package.
- Approved Divisional chairs and NED fees.

February

- Reviewed policy and incentive structures and agreed approach to Shareholder consultation in relation to a new Remuneration Policy and the 2025 LTIP.
- Approved the 2024 annual bonus outcome.
- Approved the 2022 LTIP outcome.
- Approved the 2025 annual pay review.
- Approved the 2025 LTIP for below Board.
- Approved the 2024 Directors' Remuneration Report.
- Considered process for renewal of share plans for approval by Shareholders.

September

- Received an update on the forecast 2025 annual bonus and inflight LTIP awards outcome.
- Considered Group CEO performance against strategic objectives.
- Approved the launch of the 2025 Sharesave (SAYE) scheme.
- Reviewed 2025 workforce remuneration arrangements.
- Noted the formal process for the application of discretion in relation to bonus outcomes.
- Approved updated Committee terms of reference.
- Approved an annual calendar of events for the Committee.

November

- Approved the grant of options in relation to the 2025 SAYE.
- Reviewed the long-term incentive arrangements below Board.
- Received an update on the forecast 2025 annual bonus outcome.
- Considered the 2026 annual pay review.
- Approved the 2026 annual bonus plan design.
- Approved the terms of the current Group CFO's remuneration package.

A sub-committee of the Committee additionally met in July 2025 to approve the grant of the 2025 LTIP awards. Subsequent to the year end, the Committee has met to consider similar items to those considered in February 2025, the outcomes of which are disclosed in this Annual Statement.

2025 Remuneration Policy

As I explained in my Report last year, the Committee reviewed the Remuneration Policy (the Policy) to ensure it was effective for our newly structured organisation and the Company's ambitious growth plans.

In March and April 2025, we consulted extensively with 85% of our Shareholder base in respect of changes to the Policy and the approach for 2025. The main change was the proposed introduction of a new 2025 long-term incentive plan (the 2025 LTIP).

The 2025 LTIP replaces the Executive Directors' performance share plan and is designed to provide a clear focus on the Company's long-term sustainable growth and the delivery of share price return to Shareholders through to 2029. Full details were set out in the notice of a General Meeting held in May 2025 and in the summary of our Policy on page 69.

The Committee was grateful for the constructive engagement received from Shareholders during the consultation. The majority of Shareholders that provided feedback were supportive of the 2025 LTIP. However the Board understood that some Shareholders would find it difficult to support the proposals. As a result of the feedback received, minor amendments were made to the 2025 LTIP and the Policy; this included the requirement for the award to be satisfied with market purchase shares.

The new Policy was approved by Shareholders at the General Meeting on 28 May 2025, receiving 64.1% votes in favour and the 2025 LTIP plan rules received 64.3% votes in favour. Awards under the 2025 LTIP were granted on 3 July 2025.

Following the 2025 General Meeting, the Committee again engaged with Shareholders to understand the reasons for the level of votes received for the Policy and the 2025 LTIP, with the feedback received consistent with that prior to the General Meeting. The Committee considered carefully the feedback received during consultation, with the Board maintaining the view that the 2025 LTIP is in the best interests of value creation for all Shareholders. As Remuneration Committee Chair, I remain available to Shareholders if you would like to discuss any remuneration matters.

Non-Executive Director fees

The Financial Reporting Council recently updated its guidance to the 2024 UK Corporate Governance Code to confirm that the payment of NED fees in shares is acceptable. The Board would like to introduce the flexibility to pay NEDs' fees in shares, including in relation to fees received by a NED for their role as a chair or member of a Group subsidiary board. Authority will therefore be sought from Shareholders at the 2026 AGM to allow such payments. Subject to approval, the Board will consider how such payments would be structured and further details on approach will be disclosed in the relevant Remuneration Report.

Board changes

On 1 May 2025, Adam Castleton formally assumed the role of Group CEO following the announcement as Group CEO designate on 29 January 2025. Details of his remuneration were set out in last year's Annual Report and Accounts.

An interim Group CFO was appointed on 1 May 2025 whilst the Board searched for a permanent successor to Adam as Group

CFO; this appointment was not at Board level and so no details of remuneration are included in this Report.

We were delighted to announce the appointment of our new Group CFO, David Tilak, who joined the Board on 12 January 2026. David's remuneration arrangements have been set in accordance with the 2025 Remuneration Policy.

David's base salary has been set at £375,000 which is considered appropriate recognising his skills and experience and the competitive recruitment market. His remuneration package also comprises a pension contribution of 3% of banded earnings, an annual bonus opportunity of 100% of salary and participation in the 2025 LTIP, with an allocation of 14% of the pool. There were no buyout awards granted in connection with this appointment.

Incentive outcomes for 2025

The Group delivered strong performance in 2025 in a recovering market, demonstrating the strengths of the Group platform and the benefits of the simplified Group structure. Group revenue increased by 6% and Group Underlying Operating Profit is £32.6m, an improvement of 17% on prior year. Underlying Operating Margin further grew to 18%, its highest in 15 years.

Annual bonus

The Group CEO's bonus is based 70% on Group Underlying Operating Profit targets and 30% on the successful delivery of strategic objectives, with the maximum bonus opportunity set at 100% of basic salary. David Stewart, former Group CEO, will not receive a bonus for 2025. Group Underlying Operating Profit outcome was between threshold and target, resulting in an overall payout of 44% of maximum for this measure. Adam Castleton was set strategic objectives for 2025 in relation to his roles as Group CFO until 30 April 2025 and Group CEO from 1 May 2025 to the end of the year. There was good progress made against the strategic objectives overall, with an average of 78% of maximum achieved. As a result, the bonus payout for 2025 is 54% of maximum for the Group CEO.

In line with Policy, the Group CEO will invest 33% of his bonus, net of tax, into LSL shares, which must be held for a period of two years.

LTIP

The 2023 LTIP was based 50% on adjusted EPS targets and 50% on relative TSR performance measures. Performance against the EPS targets was above maximum and as a result this element will pay in full. Performance against the FTSE SmallCap (excluding investment trusts) Index under the TSR element was below threshold and resulted in no payout. The award will therefore vest at 50% of maximum.

We considered the underlying performance of the Group's Divisions, workforce remuneration and incentive outcomes in determining that the incentive outcomes for 2025 were appropriate and that the Policy had operated as intended. We also considered whether there were any relevant ESG matters that needed to be taken account of and concluded that there were none.

Malus and clawback

It was not necessary to invoke malus or clawback provisions during the reporting period.

Directors’ Remuneration Report continued

Annual Statement continued

Implementation of the Policy for 2026

Salary and fees

The Group CEO and Group CFO will not receive a salary increase for 2026.

The fees for the Non-Executive Directors will be increased by 3%, aligned with the approach applied to the wider workforce and rounded to the nearest £250. There will be no increase to the Chair fee for 2026.

Annual bonus

No changes have been made to the current annual bonus opportunity of 100% of salary for 2026 and the measures and weightings for the annual bonus will remain 70% Group Underlying Operating Profit and 30% strategic objectives.

LTIP

Following the grant of the 2025 LTIP to the Group CEO last year, there will be no further grants in 2026. The new Group CFO will receive a 2025 LTIP award as explained earlier in this Report.

Colleague pay

We continue to ensure we understand the workforce’s views on remuneration. During the year, topics discussed with the Colleague Engagement Forum included tools for communication of remuneration, pre-loved salary sacrifice car schemes, our competency framework and colleague engagement survey.

In October 2025, we invited colleagues to take part in the 2025 SAYE, offering a 20% discount on the option price. Participation in the scheme remained high with 16% of the workforce applying to the scheme.

Conclusion

We believe that the remuneration outcomes for the Executive Directors are aligned to performance and consistent with the approach taken to colleagues more generally.

I look forward to your support for the advisory resolution on the Directors’ Remuneration Report and the binding resolution to authorise the payment of NED fees in shares as noted earlier in my Report at our forthcoming Annual General Meeting.

Remuneration at a glance

Remuneration outcomes for 2025

Fixed pay	+	Annual bonus	+	LTIP	=	Total remuneration
Base salary: Group CEO salary set on appointment Pension: 3% of banded earnings Benefits: private medical cover and car/car allowance		Payout of 54% of maximum 100% of salary opportunity		Payout of 50% of maximum 100% of salary grant		£869,938 for Group CEO

Variable pay performance outcomes

Annual bonus		LTIP	
70% Group Underlying Operating Profit	30% strategic objectives	50% earnings per share (EPS)	50% total shareholder return (TSR)
Actual	Targets based on a range of objectives linked to Shareholders, strengthening Group capabilities, strategy, risk management and ESG	Actual	Actual
£32.6m		24.4 pence	40th percentile

Directors' Remuneration Policy

Remuneration Policy

The Policy was approved by Shareholders at our General Meeting on 28 May 2025. Below is a summary of the Policy; the full Policy can be found on our website [lslps.co.uk](https://www.lslps.co.uk). As explained earlier in this report, a resolution will be brought to our 2026 Annual General Meeting to authorise the payment of NED fees in shares for the duration of the current Policy.

Element	Purpose and link to strategy	Maximum	Operation
Basic salary	Core element of fixed income, reflects the value of the individual, their role, skills and experience over time.	There is no prescribed maximum annual basic salary increase.	- Reviewed annually, normally effective 1 April. - Guided by general increase for employees but lower or higher increases may be awarded.
Benefits	- Support Executive Directors and their families during ill health or in event of accident or death. - Car allowance to facilitate travel.	At cost.	- Includes car allowance, life assurance and private medical insurance. - Other benefits may be provided.
Pension	Contribution towards retirement income.	- Aligned to rate applying to the majority of the workforce. - Existing Directors pension in accordance with auto enrolment minimums.	- Defined contribution. - HMRC approved arrangement.
Annual bonus	Incentivises annual delivery of financial and strategic goals.	- Maximum opportunity of 100% of basic salary, with the ability to increase to 125% of basic salary. - Maximum opportunity will not be increased without significant Shareholder consultation.	- Targets reviewed annually, maximum 30% non-financial and minimum 70% financial measures. - No more than 20% bonus payout at threshold. - Paid in cash with one third of bonus paid for Group CEO and 25% of bonus paid for Group CFO, net of tax, invested in shares and held for two years. - Committee discretion to adjust or override formulaic outcome and malus and clawback provision apply¹.
2025 LTIP awards	Supports the business strategy and drives and rewards significant growth in value with alignment to Shareholder value.	- The allocations of the pool to the Executive Directors are: - Group CEO: 35% of the pool (value of the award based on values at dates of vesting, capped at £20m). - Group CFO: 14% of the pool (value of the award based on values at dates of vesting, capped at £8m).	- Share of the growth in the value measured at 31 December 2027 (up to 50% eligible for payout) and 31 December 2029 (up to the total pool eligible for payout minus the % pay out at the prior test, if any). - Pool based on up to 10% of growth in value from £2.78 starting share price. - Any shares acquired under the plan cannot be sold until 31 December 2029. - Committee discretion to adjust vesting level and malus and clawback provisions apply¹.
All-employee share schemes: SAYE, SIP/BAYE and CSOP	Encourages long-term shareholding in LSL.	As per HMRC limits.	Invitations from the Remuneration Committee under the approved SAYE, SIP/BAYE and CSOP.
Executive share ownership guidelines	Aligns long-term interests of Executive Directors and Shareholders.	Minimum of 200% of basic salary.	200% of base salary over a period of five years. - Requirement (or actual shares if lower) continues post-employment for two years. - Retention of all vested LTIP awards (subject to tax liabilities) and shares purchased from the annual bonus until the guideline is met.
Chair and Non-Executive Directors	Provides fees reflecting time commitment and responsibilities of each role.	No prescribed maximum annual fee increase.	- Cash fee paid monthly. - Fees are normally reviewed annually. - Additional fees may be paid for additional responsibilities and/or time commitment. - Any reasonable business-related expenses can be reimbursed.

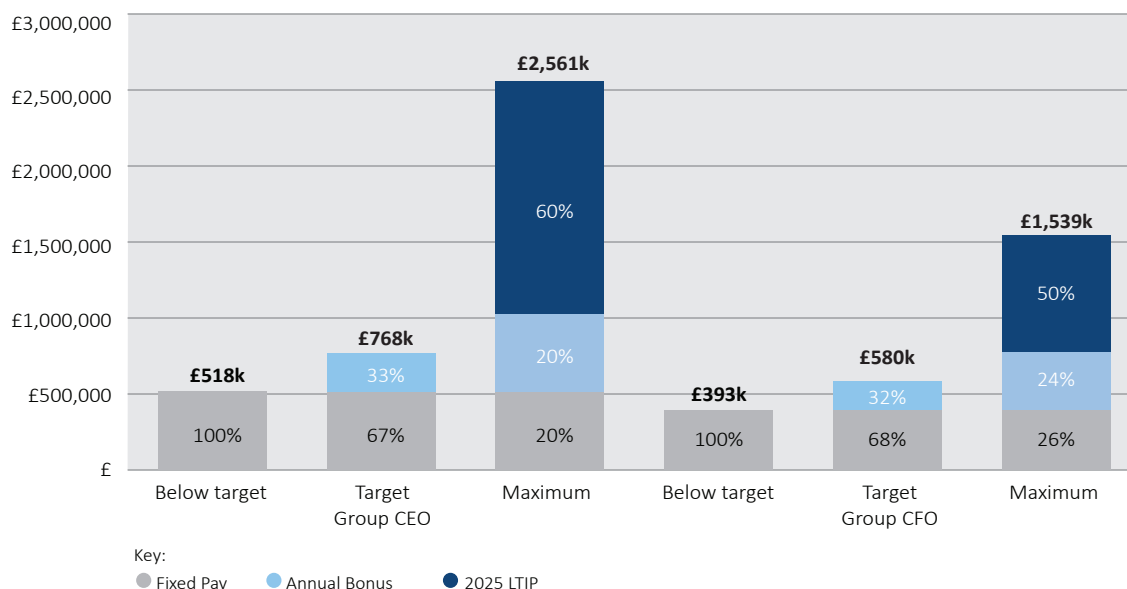
¹ Clawback and malus circumstances include material misstatement of financial results, corporate failure, failure of risk management, reputational damage, error, inaccurate or misleading information in determining a performance condition or any other matter determining the vesting of an award, breach of relevant regulations, an act or omission during the vesting period to the significant detriment of customers, or an act or omission leading to gross misconduct, and a good leaver by reason of retirement with the agreement of the Committee becoming employed in a paid executive role (other than by a Group Company). The Committee considers a three-year period for the application of malus and clawback to be aligned with market practice generally across the FTSE and to be a reasonable time in the Committee's view in which the specified circumstances would be discovered.

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Reward scenarios (illustration of application of the Policy for 2026)

The chart below shows how the composition of the remuneration packages for the Group CEO and Group CFO varies at different levels of performance under the Policy, both as a percentage of total remuneration opportunity and as a total value.



Scenario¹

Minimum (fixed remuneration)
On-plan performance (target achievement)
Maximum performance (exceeds target)

Salary, pension and benefits

Basic salary as at 1 April 2026 for the Group CEO and basic salary on appointment for the Group CFO. Pension in line with Policy. Benefits as reported for 2025 for the Group CEO and an assumption for 2026 the Group CFO.

Annual bonus outcome (% of maximum)

Nil
50%
100%

2025 LTIP outcome

Nil
Nil
Value of 2025 LTIP assuming 15% CAGR share price growth is achieved in year 3 and year 5. The outcome has been annualised over the performance period and for the Group CFO to reflect his appointment in 2026.

¹ The Companies (Miscellaneous Reporting) Regulations 2018 also require an additional scenario to be shown which is the maximum remuneration receivable assuming 50% share price appreciation during the performance period. This scenario has not been included above since 50% share price appreciation over the 5-year performance period would result in a share price equivalent to 8.4% CAGR and, under the 2025 LTIP, no pool is created for performance below 10% CAGR.

Annual Report on Remuneration

Service contracts for Executive Directors

The service contracts for the two Executive Directors are not fixed term and are terminable by either the Company or the Executive Director as detailed below:

Director	Commencement of service contract	Notice period (from Executive Director and the Company)
Adam Castleton	2 November 2015 (Group CFO)	Nine months
	1 May 2025 (Group CEO)	
David Tilak	12 January 2026	Nine months

Copies of Directors' service agreements are available for inspection via the Group Company Secretary.

At the Committee's recommendation and at the Board's discretion, an Executive Director's service contract can be terminated early by payment of basic salary and benefits in lieu of the required notice period.

Non-Executive Directors

Non-Executive Directors, including the Chair, have letters of appointment which set out their roles and responsibilities. They are not eligible to participate in incentive arrangements or receive pension provision. The following table shows details of the terms of appointment of our Non-Executive Directors who are on the Board at the date of this Report.

Director	Date original term commenced	Date current term commenced	Expiry date of current term
Adrian Collins	30 April 2024	30 April 2024	29 April 2027
Gaby Appleton	1 September 2019	1 September 2025	31 August 2028
Darrell Evans	28 February 2019	28 February 2025	27 February 2028
Sonya Ghobrial	4 March 2022	4 March 2025	3 March 2028
James Mack	27 September 2021	27 September 2024	26 September 2027
Michael Stoop	24 June 2024	24 June 2024	23 June 2027

Copies of Non-Executive Director letters of appointment are available for inspection via the Group Company Secretary.

Directors' Remuneration Report continued

Annual Report on Remuneration continued

Implementation of the Policy for the year ending 31 December 2026

Executive Directors

Remuneration element	Adam Castleton	David Tilak
Salary	£500,000	£375,000
Pension and benefits	Pension contribution of 3% of banded earnings. Benefits in line with Policy.	
Annual bonus opportunity	100% of salary 33% of any bonus earned, net of tax, will be used to purchase shares which must be held for two years.	100% of salary 25% of any bonus earned, net of tax, will be used to purchase shares which must be held for two years.
Annual bonus performance measures	70% Group Underlying Operating Profit. 30% strategic objectives.	
LTIP	No LTIP award will be granted in 2026.	An award under the 2025 LTIP will be granted in 2026, with an allocation of 14% of the pool.
Shareholding guidelines	200% of salary. Post-cessation Executive Directors must hold the lower of shares with a value equivalent to the in-service shareholding requirement and actual shares held on cessation for two years.	

Non-Executive Directors

The fees for the Non-Executive Directors will increase by 3% with effect from 1 April 2026. There will be no increase to the Chair fee. The fees for 2026 are set out below.

Role	2026 (£)	2025 (£)
Chair of the Board	153,000	153,000
Independent Non-Executive Director	54,500	53,000
Senior Independent Director	9,250	9,000
Chair of the Remuneration Committee	9,750	9,500
Chair of the Audit & Risk Committee	9,750	9,500
Designated Non-Executive Director for workforce engagement	2,000	2,000

Directors' remuneration payable in 2025 (audited information)

Directors' remuneration

The remuneration of the Directors for 2025 was as follows:

	Year	Basic salary or fees (£)	Benefits ⁵ (£)	Pension contributions ⁶ (£)	Sub total - fixed pay (£)	Annual bonus (£)	Share awards ⁷ (£)	Other ⁸ (£)	Sub total - variable pay (£)	Total (£)
Chair										
Adrian Collins ¹	2025	152,250	-	-	152,250	-	-	-	-	152,250
	2024	100,000	-	-	100,000	-	-	-	-	100,000
Executive Directors										
Adam Castleton	2025	444,333	16,572	1,321	462,226	240,145	166,224	1,343	407,712	869,938
	2024	330,563	16,501	1,321	348,385	261,872	-	1,223	263,095	611,480
David Stewart ²	2025	164,333	5,500	387	170,220	-	116,198	150	116,348	286,568
	2024	489,437	16,501	1,161	507,099	386,217	-	637	386,854	893,953
Non Executive Directors										
Gaby Appleton	2025	52,750	-	-	52,750	-	-	-	-	52,750
	2024	54,877	-	-	54,877	-	-	-	-	54,877
Sonya Ghobrial	2025	52,750	-	-	52,750	-	-	-	-	52,750
	2024	51,625	-	-	51,625	-	-	-	-	51,625
James Mack	2025	71,125	-	-	71,125	-	-	-	-	71,125
	2024	68,018	-	-	68,018	-	-	-	-	68,018
Darrell Evans ³	2025	156,937	-	-	156,937	-	-	-	-	156,937
	2024	80,325	-	-	80,325	-	-	-	-	80,325
Michael Stoop ⁴	2025	128,917	-	-	128,917	-	-	-	-	128,917
	2024	25,000	-	-	25,000	-	-	-	-	25,000
Total	2025	1,223,395	22,072	1,708	1,247,175	240,145	282,422	1,493	524,060	1,771,235
	2024	1,199,845	33,002	2,482	1,235,329	648,089	-	1,860	649,949	1,885,278

1 During 2025, a payment of £97,200 for other services provided to the Company was paid to Fincorp Limited, a consultancy company closely associated with Adrian Collins

2 David Stewart stepped down from the Board and from the role of Group CEO on 30 April 2025

3 Darrell Evans' fee for 2025 includes the fee in respect of his role as chair of the Surveying and Valuation Division

4 Michael Stoop's fee for 2025 includes the fee in respect of his role as chair of the Estate Agency Franchising Division

5 Benefits comprise private medical cover and company car or car allowance

6 Adam Castleton is part of the auto enrolment pension scheme and receives 3% of banded earnings as an employer contribution. David Stewart received 3% of banded earnings as cash in lieu of pension

7 The share awards for 2025 reflect the vesting level under the 2023 LTIP award of 50% of maximum. The value of these awards is based on the share price over the last quarter of 2025, being 253p. The amount attributable to share price appreciation based on a grant price of 246p is £4,600 for Adam Castleton and £3,215 for David Stewart

8 The 'other' column includes the value of matching shares and dividend shares under the SIP at the date the shares were awarded

Directors' Remuneration Report continued

Annual Report on Remuneration continued

Annual bonus payments 2025 (audited information)

The maximum bonus potential for Adam Castleton was 100% of salary, pro-rata for his change in role during the year. David Stewart retired as Group CEO on 30 April 2025 and will not receive a bonus for 2025.

The table below sets out a summary of performance against targets.

Measure	Threshold (25% of max)	Target (50% of max)	Maximum (100% of max)	Actual	Outcome (of element)
Group Underlying Operating Profit 70%	£29.6m	£33.3m	£38.2m	£32.6m	44%

The table below sets out Adam Castleton's objectives under the 30% non-financial measures and the outcome against each objective. Adam was set two sets of objectives for the year, in relation to the periods of the year as Group CFO and then Group CEO.

Group CEO- Adam Castleton (1 May 2025 to 31 December 2025)

Focus Area	Weighting	Combined objective and performance achieved	Performance Assessment
Developing Shareholder base	20%	Good progress made in strengthening Shareholder engagement through a more targeted communication plan and non-holder roadshows. New Shareholders were added and analyst coverage maintained through the broker transition.	19%
Group capability and vision	20%	Delivered a successful strategic review, strengthening alignment across the senior leadership team and enhancing cultural engagement across the Group. Leadership capability was further reinforced through key senior appointments.	20%
Strategy	20%	Established clear priorities for the Group and aligned the relevant leadership teams behind these. Progress advanced during the year, including actions to enhance cost discipline and operational efficiency.	15%
Governance and risk management	20%	Continued enhancement of the Group's governance and risk management framework during the year, with actions taken to strengthen oversight.	11%
Community contribution	20%	Progress made in strengthening community engagement through employee volunteering and partnerships with charitable organisations.	16%
			81%

Group CFO- Adam Castleton (1 January 2025 to 30 April 2025)

Focus Area	Weighting	Combined objective and performance achieved	Performance Assessment
Developing Shareholder base	35%	Good progress made in broadening the investor base, supported by strengthened investor communications and targeted outreach.	25%
Governance	10%	Initial progress was made in strengthening management reporting, governance processes and oversight across the Group prior to the appointment of an interim CFO.	5%
Risk management, regulatory and compliance	10%	Progress was made in addressing outstanding audit priorities, alongside continued focus on strengthening engagement across the Group's governance framework.	4%
Leadership	30%	Leadership transition managed effectively, maintaining Shareholder engagement and internal communication, with continuity ensured through the appointment of an interim CFO.	25%
Financial stewardship and control	15%	Delivered year end reporting in line with timetable and to a high standard, alongside a well-managed transition to the new external auditor, reinforcing strong financial stewardship and control.	10%
			69%

The table below sets out the total bonuses payable to the Executive Directors for 2025 performance. In line with Policy, the Group CEO will use 33% of his bonus, net of tax, to purchase shares which must be held for two years.

Measure	Outcome of Group Underlying Profit element (max 70%)	Outcome of Group CEO/CFO strategic objectives (30% weighting)	Total outcome (% of max)	Bonus payable for 2025 performance
Adam Castleton	44%	81% / 69%	54%	£240,145

2023 LTIP award vesting (audited information)

The performance period for the 2023 LTIP award ended on 31 December 2025. The table below sets out the performance targets and final level of vesting.

Performance measure	Percentage of award subject to condition	Performance period	Threshold performance level (25% vesting)	Maximum performance level (100% vesting)	Actual performance	Percentage vesting
Adjusted basic EPS in 2025	50%	3 years ending 31 December 2025	16.0 pence	24.0 pence or more	24.4 pence	50%
TSR (versus FTSE Small Cap ex investment trusts)	50%		Median (50th percentile)	Upper quartile (75th percentile)	40th percentile	0%
Total						50%

The table below sets out details of the LTIP awards granted in 2023 and the vesting level. Due to the delay in granting these awards, the revision of the EPS target range and the share price at the time of grant, these awards were scaled back to 100% of salary from 125% of salary. The number of shares under award for David Stewart were reduced to reflect his date of cessation. A two-year post vesting holding period applies to vested shares.

Executive Director	Date of grant	Date of vesting	Number of shares under award	Vesting	Number of shares vesting	Number of shares lapsing	Total vesting
Adam Castleton	7 November 2023	7 November 2026	131,402	50%	65,701	65,701	£166,224
David Stewart			91,857	50%	45,928	45,929	£116,198

Directors' Remuneration Report continued

Annual Report on Remuneration continued

2025 LTIP awards granted during 2025 (audited information)

The 2025 LTIP was approved by Shareholders at a General Meeting of the Company held on 28 May 2025. Under the 2025 LTIP, participants are granted nil-cost options over shares in the Company, which will only vest subject to the achievement of demanding share price growth targets over a five-year performance period to 31 December 2029.

Vesting at the first vesting date, 31 December 2027, is conditional on the Company achieving a minimum share price of £3.70, with maximum vesting for a share price of £4.23 or more. Vesting at the second vesting date, 31 December 2029, is conditional on achieving a minimum share price of £4.48, with maximum vesting for a share price of £5.59 or more. There will be straight line vesting between share price targets at each vesting date. No vesting will occur for performance below the minimum share price at each vesting date. Any shares that vest under the 2025 LTIP must be held until the end of the five-year performance period.

Details of the 2025 LTIP award granted to Adam Castleton during the year are set out below.

Executive Director	Date of grant	Date of vesting	Share price at grant date	Number of shares under award	Face value of award (% of salary)	% vesting for threshold performance
Adam Castleton	3 July 2025	First vesting date: 31 December 2027. Second vesting date: 31 December 2029.	n/a	Such number of ordinary shares as have at each vesting date, a value equal to 35% of the pool.	n/a	First vesting date: 12.5% of the award. Second vesting date: 25% of the unvested balance of the award.

Payments to past Directors (audited information)

No payments have been made to past Directors during the year.

Payments for loss of office (audited information)

Details of the treatment of David Stewart's remuneration on his retirement from the Board were set out in last year's Annual Report and Accounts. On stepping down from the Board on 30 April 2025, David Stewart received £257,090 in respect of his base salary and accrued but unused holiday, £7,500 in car allowance and £580 in cash in lieu of pension, payable monthly to 30 October 2025. He also continued to receive private medical cover until 30 October 2025. As a good leaver, he was entitled to retain his 2023 LTIP award, reduced pro-rata to reflect the date he left the business. The award will vest in 2026, details of which are set out in this Report.

Outstanding share awards

2025 LTIP

Options granted to Executive Directors to acquire shares as follows:

Director	Date of grant	Exercise price	As at 1 January 2025	Awards granted during the year	Awards vested during the year	Awards exercised during the year	As at 31 December 2025	Exercise period
Adam Castleton Group CEO	3 July 2025	Nil	—	Such number of ordinary shares as have at each vesting date, a value equal to 35% of the pool.	—	—	Such number of ordinary shares as have at each vesting date, a value equal to 35% of the pool.	31 December 2029 - 31 July 2032

LTIP and SAYE¹

Director	Award type	Date of grant	Share price on grant	Exercise price	Number of shares				As at 31 December 2025	Exercise period
					As at 1 January 2025	Awards granted during year	Awards lapsed during year	Awards exercised during year		
Adam Castleton Group CEO	LTIP	29 March 2022	369.00p	Nil	106,283	–	106,283	–	–	29 March 2025 to 28 March 2032
	LTIP	7 November 2023	246.00p	Nil	131,402	–	–	–	131,402	7 November 2026 to 6 November 2033
	SAYE	10 November 2023	248.00p	199.00p	9,321	–	–	–	9,321	1 December 2026 to 31 May 2026
	LTIP	30 April 2024	293.70p	Nil	141,726	–	–	–	141,726	30 April 2027 to 29 April 2034
David Stewart Former Group CEO	LTIP	29 March 2022	369.00p	Nil	157,435	–	157,435	–	–	29 March 2025 to 28 March 2032
	LTIP	7 November 2023	246.00p	Nil	194,613	–	102,756	–	91,857	7 November 2026 to 6 May 2027
	SAYE	10 November 2023	248.00p	199.00p	3,728	–	3,728	–	–	30 April 2025 to 30 October 2025
	LTIP	30 April 2024	293.7p	Nil	209,822	–	139,952	–	69,870	30 April 2027 to 29 October 2027

1 All of the above are scheme interests. Details of the 2025 LTIP award granted in 2025 are set out elsewhere in this section of the Report, while details of previous outstanding awards are presented in the previous year's Directors' Remuneration Report and are included in note 15 to the Financial Statements

Directors' Remuneration Report continued

Annual Report on Remuneration continued

Directors' interests in shares (audited information)

The interests of the Directors who served on the Board during the year, including their connected persons, are set out in the table below.

The Group CEO is required under the Policy to purchase and hold shares equivalent to 33% of any bonus earned, net of tax for a period of two years, and to retain all LTIP vested shares (net of tax) until the shareholding requirement is met. The Executive Directors' shareholdings reflect the limited vesting of LTIP awards and annual bonus payments prior to 2025. Following 2025 annual bonus investment in shares and vesting of the 2023 LTIP the Group CEO will hold 118% of salary in shares.

The Policy supports the continued building of shareholdings through the requirement to purchase shares with a proportion of bonus and through the retention of all vested LTIP awards.

Director	Shareholdings ¹ (number of shares)		Share awards (number of shares)		Shareholding guideline total (number of shares)	Shareholding guideline	Executive Director shareholding ³
	31 December 2025	31 December 2024	Unvested and subject to performance targets ²	Vested but unexercised 31 December 2025	31 December 2025	(% of basic salary)	(% of basic salary)
Adrian Collins	20,000	—	—	—	—	—	N/A
Adam Castleton	172,693	142,266	282,449	—	172,693	200%	90.8%
David Stewart ⁴	168,260	95,666	161,727	—	168,260	200%	89.9%
Gaby Appleton	—	—	—	—	—	—	N/A
Darrell Evans	—	—	—	—	—	—	N/A
Sonya Ghobrial	—	—	—	—	—	—	N/A
James Mack	—	—	—	—	—	—	N/A
Michael Stoop	3,595	—	—	—	—	—	N/A

All of the share interests detailed above are beneficial to the Directors. Apart from the interests disclosed above, no Directors held interests at any time in the year in the share capital of any other Group company.

Between 31 December 2025 and 13 March 2026, Adam Castleton purchased 207 shares as a participant of our SIP/BAYE scheme which is not reflected in the table above. These shares were purchased by the Employee Benefit Trust at the prevailing market rate.

Other services were provided to the Company through Fincorp Limited, a consultancy company closely associated with Adrian Collins. No other Director has, or has had, any direct or indirect interest in any transaction, contract or arrangement (excluding service agreements), which is or was unusual in its nature or conditions, or significant to the Group's business, during the current or immediately preceding financial year.

1 The shareholdings of Adam Castleton includes matching shares, dividend shares and free share awards received under the SIP subject to a retention period. The total shares held by Adam Castleton from awards under the SIP is 9,244

2 Adam Castleton was granted an award under the 2025 LTIP in the form of a nil-cost option. The number of shares over which the award shall vest and become exercisable shall be such number of shares as have a value, as at the relevant vesting date, which is equal to his allocation of 35% of the LTIP pool. As this number of shares cannot be determined at this date, this is not included in the table. Further details of this award are set out earlier in this Report

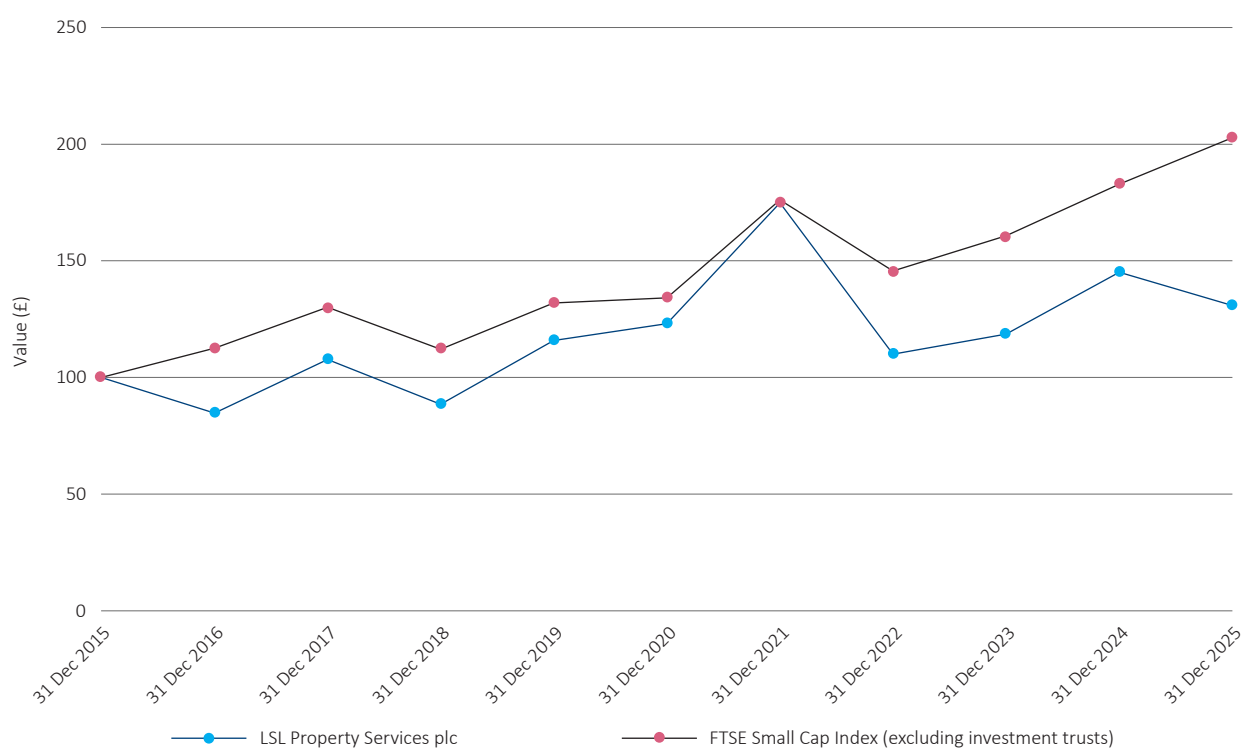
3 Based on shares owned and vested but unexercised awards, net of tax, as at 31 December 2025 or at the date of stepping down from the Board. Shareholding guideline calculations are based on the share price at year end of 263 pence and Adam Castleton's basic salary at 31 December 2025 and David Stewart's basic salary on 30 April 2025 when he stepped down from the Board

4 David Stewart stood down on 30 April 2025. The shareholding in the table is shown as at the date of stepping down

Performance graph and table

The following graph shows the value, up to 31 December 2025, of £100 invested in the Company compared with the value of £100 invested in the FTSE Small Cap (excluding investment trusts) Index on 31 December 2015. The FTSE Small Cap Index has been chosen because the Company is a constituent of the Index.

Total Shareholder return



Source: Refinitiv Datastream

Directors' Remuneration Report continued

Annual Report on Remuneration continued

Group CEO's total remuneration

The total remuneration figures for the Group CEO during each of the last ten financial years are shown in the table below. The total remuneration figure includes the annual bonus based on that year's performance and share awards based on three-year performance periods ending in or just after the relevant year.

	Ian Crabb to 30 April 2020					David Stewart from 1 May 2020					Adam Castleton from 1 May 2025	
	2016	2017	2018	2019	2020	2020	2021	2022	2023	2024	2025	2025
Total remuneration	£499,000	£835,120	£774,629	£760,679	£161,214	£310,932	£859,207	£717,063	£571,685	£893,953	£286,568	£639,252
Annual bonus	16%	97%	79.8%	61.7%	0%	0%	84.7%	0%	0%	78.0%	N/A	54%
LTIP vesting	0%	0%	0%	0%	N/A	N/A	N/A	44.1%	22.4%	0%	50%	50%

Percentage change in Directors' remuneration

The table below shows the annual percentage change in salary/fees, benefits and bonus for each of the Directors in 2025, compared to the average for our wider workforce over the preceding five financial years.

	2025 vs 2024			2024 vs 2023			2023 vs 2022			2022 vs 2021			2021 vs 2020		
	% change in salary/fees	% change in taxable benefits (excluding pension)	% change in bonus (includes commission)	% change in salary/fees	% change in taxable benefits (excluding pension)	% change in bonus (includes commission)	% change in salary/fees	% change in taxable benefits (excluding pension)	% change in bonus (includes commission)	% change in salary/fees	% change in taxable benefits (excluding pension)	% change in bonus (includes commission)	% change in salary/fees	% change in taxable benefits (excluding pension)	% change in bonus (includes commission)
Chair															
Adrian Collins	2.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Executive Directors															
Adam Castleton ¹	34.4	0.4	(0.1)	2.3	0.0	100.0	3.0	0.5	N/A	2.0	0.8	(100.0)	1.5	(0.8)	N/A
David Stewart ²	N/A	N/A	N/A	2.2	0.0	100.0	3.0	0.5	N/A	2.0	0.8	(100.0)	N/A	N/A	N/A
Non-Executive Directors															
Gaby Appleton ³	(3.9)	N/A	N/A	(7.0)	N/A	N/A	3.1	N/A	N/A	13.6	N/A	N/A	14.5	N/A	N/A
Darrell Evans ⁴	95.4	N/A	N/A	30.6	N/A	N/A	2.9	N/A	N/A	11.3	N/A	N/A	16.7	N/A	N/A
Sonya Ghobrial	2.2	N/A	N/A	2.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
James Mack ⁵	4.6	N/A	N/A	14.3	N/A	N/A	3.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Michael Stoop ⁶	415.7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
All employees															
Median of our workforce ⁷	5.3	4.5	(59.2)	3.0	(21.5)	0.0	55.0	447.0	(92.0)	5.0	186.2	19.0	1.9	(71.8)	(7.0)

For notes of changes in previous years, please refer to previous Annual Reports and Accounts.

- Adam Castleton was appointed Group CEO on 1 May 2025, his change in salary reflects this
- David Stewart stepped down as Group CEO and from the Board on 30 April 2025, therefore no comparison is shown for 2025 vs 2024
- Gaby Appleton was appointed as Interim Chair of the Remuneration Committee and our designated Non-Executive Director for workforce engagement from 5 March to 29 April 2024. She was appointed as Senior Independent Director until 4 March 2024
- Darrell Evans' fee for 2025 includes the fee in respect of his role as chair the Surveying and Valuation Division
- James Mack was appointed as Senior Independent Director on 5 March 2024
- Michael Stoop's fee for 2025 includes the fee in respect of his role as chair of the Estate Agency Franchising Division
- The median full-time equivalent pay of all employees in the LSL Group and still in employment as at 31 December has been provided as an appropriate comparator. This excludes employees who joined the business during December but received their first pay in January

Group CEO to employee pay ratio

The table below discloses the ratio between the Group CEO's remuneration and our wider workforce since 2018.

Financial year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2018	Option A	40.5 : 1	27.9 : 1	16.2 : 1
2019	Option A	38.1 : 1	26.1 : 1	14.9 : 1
2020	Option A	23.4 : 1	15.8 : 1	9.1 : 1
2021	Option A	40.3 : 1	26.5 : 1	15.4 : 1
2022	Option A	29.3 : 1	20.0 : 1	11.6 : 1
2023	Option A	22.5 : 1	13.4 : 1	9.1 : 1
2024	Option A	33.2 : 1	20.8 : 1	13.9 : 1
2025	Option A	30.1 : 1	18.4 : 1	11.9 : 1

The 2025 employee data used to calculate the ratios is set out in the table below:

	25th percentile	Median	75th percentile
Total pay and benefits of employees	£28,209	£45,999	£71,395
Basic salary of employees	£25,599	£40,370	£56,428

Notes on percentage change in Group CEO to employee pay ratio

We have chosen option A (which compares our full-time equivalent total remuneration for all UK employees against the Group CEO) as the most appropriate methodology to report the ratios, in line with the recommendation from the Government's Department for Business and Trade, and a number of Shareholder representative and proxy voting bodies.

The ratio above includes all UK-based employees who were employed in any part of the Group as at 31 December 2025. The employee remuneration data includes the full-time equivalent data in respect of basic pay, bonus, commission, taxable benefits, share-based remuneration and pension benefits, so as to provide a comparable figure to the Group CEO single figure total remuneration. For the purposes of the Group CEO comparator, remuneration for David Stewart has been included in respect of the period from 1 January 2025 to 30 April 2025 and remuneration for Adam Castleton has been included in respect of the period from 1 May 2025 to 31 December 2025. Long-term incentive awards have been pro-rated to reflect the period of time in role. Commission payments paid to employees in 2025 are included. The full-time equivalent data for each employee was grossed up based on the full-time equivalent hours for each role.

The Committee noted the decrease in the ratio compared with 2024. This primarily reflects the absence of a bonus payment to David Stewart in respect of the January to April period and a lower bonus outcome for the Group CEO role in the current year compared with

that awarded for the role in the previous year. As a result, overall variable pay was lower than in the prior year, notwithstanding the LTIP payout made in the current year.

As at 31 December 2025, we employed around 1,769 people in a wide variety of roles. The reward policies and practices for employees follow those set for the Executive Directors.

The Committee also has responsibility for setting the remuneration of the Executive Committee and Group Company Secretary and reviews and monitors the Group's wider remuneration policies and practices. On this basis, the Committee is satisfied the median pay ratio is consistent with the pay, reward and progression policies of the companies UK-based employees.

Relative importance of spend on pay

The following table shows our actual spend on pay for all employees, relative to dividends paid, share buyback programme and profit earned:

	2025 (£m)	2024 (£m)	Change (%)
Staff costs ¹	109.1	105.2	3.7
Dividends	11.8	11.8	(0.3)
Share buybacks	5.0	0.8	495.9
Profit after tax ²	17.0	17.4	(2.3)
Adjusted profit after tax ²	25.0	21.7	14.7

Statement of Shareholders' voting

The Annual Statement and Report on Remuneration for 2024 (included in the 2024 Annual Report and Accounts) were presented to Shareholders at the 2025 AGM on 28 May 2025. The Directors' Remuneration Policy and the 2025 LTIP were presented to Shareholders at a General Meeting on 28 May 2025. The voting outcomes were as follows:

	Annual Statement and Annual Report on Remuneration	Directors' Remuneration Policy	2025 LTIP
Votes cast in favour	99.87%	64.13%	64.30%
Votes cast against	0.13%	35.87%	35.70%
Total votes withheld	372	2,178,660	2,178,660

Darrell Evans

Chair of the Remuneration Committee

18 March 2026

1 See note 15 to the Financial Statements for calculation of staff costs

2 The percentage change in profit after tax and adjusted profit after tax has been shown as this is considered an important financial KPI used to monitor our performance. See note 12 to the Financial Statements for the calculation

Report of the Directors

LSL Property Services plc is a public limited company incorporated in England and Wales under the Companies Act 2006 with registered number 5114014.

The Directors present their Report, together with the consolidated Financial Statements for the year ended 31 December 2025. For the purpose of the FRC’s Disclosure Guidance and Transparency Rule (DTR) 4.1.8R, the Strategic Report on pages 03 to 45 is also the Management Report for the year ended 31 December 2025.

The Report of the Directors comprises the Corporate Governance Report (on pages 50 to 55), the Report of the Directors (on pages 82 to 85) and the Shareholder Information section (on pages 162 to 163). Related information can also be found in the Audit & Risk Committee Report, the Nominations Committee Report, the Directors’ Remuneration Report and our Sustainability Report.

The Companies Act 2006 requires us to prepare a Strategic Report, this appears on pages 03 to 45 of this Annual Report and Accounts. As permitted by Section 414C(11) of the Companies Act 2006, some matters required to be included in the Report of the Directors have instead been included in the Strategic Report and are incorporated by reference in this Report of the Directors. The Strategic Report provides information on the Group’s operations and business model.

The following information required to be included in a directors’ report is provided in other appropriate sections of the Annual Report and Accounts and is incorporated in this Report of the Directors by reference in this table.

Information	Page(s)
Principal activities during the year	10 to 19
Review of business performance	10 to 19
Likely future developments affecting the Company	12
Statement of Directors’ responsibilities regarding Financial Statements	86
Employee engagement initiatives	22
Section 172 statement and engagement with Shareholders, suppliers, customers and other stakeholders	20 to 26
Greenhouse gas (GHG) emissions & energy efficiency (SECR framework)	44
Post-balance sheet events	143
Financial instruments	106 and 140 to 142
Employment of disabled persons	35

Articles of Association

The Articles set out the internal regulations of the Company and cover such matters as the rights of Shareholders, the appointment and removal of Directors and the conduct of the Board and general meetings. The Articles can only be amended by special resolution (75% or greater of votes cast in favour at a General Meeting of Shareholders).

Directors

The Directors of the Company who were in office at the date of signing the Financial Statements are listed on pages 46 and 47, with details of their appointment date, skills, experience and current external appointments. David Stewart stood down from the Board on 30 April 2025. David Tilak was appointed on 12 January 2026.

Appointment and replacement of Directors

The Articles give the Directors the power to appoint and replace Directors. Appointments must be recommended by the Nominations Committee for approval by the Board. In accordance with the UK Corporate Governance Code, all Directors seek election or re-election at each AGM.

Directors’ interests and conflicts

The Directors have a statutory duty to avoid conflicts of interest. Procedures are in place to deal with the disclosure and authorisation of any potential or actual conflicts of interest in accordance with the Articles and the Companies Act 2006. All disclosed conflicts or potential conflicts are recorded in a register of conflicts. The minutes of the relevant meeting record the approval of any such conflicts. The management of potential conflicts has operated in accordance with the procedure throughout 2025 and subsequently.

Details of the Directors’ other directorships are included in their biographies on pages 46 and 47. Information on the Directors’ interests in the shares of the Company are shown on page 78. Options granted to Directors under the Company’s long-term incentive plan are shown on pages 76 and 77. Other than the Directors’ other directorships and share interests, there are no other significant conflicts.

Compensation for loss of office

There are no agreements in place between the Company and any Director or employee for loss of office in the event of a takeover.

Directors’ indemnity and insurance

The Directors have the benefit of a qualifying third-party indemnity provision (as defined by section 234 of the Companies Act 2006) in relation to certain losses and liabilities which they may incur in connection with their position in the Company or any associated company. This provision was in force during 2025 and subsequently.

The Company maintains appropriate liability insurance for its Directors and Officers, which provides cover for any legal action brought against them.

Share capital

As at 31 December 2025, the Company’s issued share capital comprised 105,158,950 ordinary shares (2024: 105,158,950) with a

nominal value of 0.2 pence each. 3,356,874 ordinary shares (2024: 1,458,933) were held in Treasury which the Company can cancel, sell for cash or transfer for use in an employee share scheme.

Treasury shares do not receive dividends and are not included when calculating the total voting rights in the Company. Therefore, the total number of voting rights in the Company was 101,802,076 at 31 December 2025.

Each issued ordinary share (therefore excluding those held in Treasury) has the same rights attached to it. This includes the right to vote at General Meetings (one vote per ordinary share), appoint proxies, receive dividends and receive communications. Throughout the year and to the date of this Report, the ordinary shares were listed on the London Stock Exchange. There are no specific restrictions on the size of shareholding or the transfer of shares which are both governed by the Articles and prevailing law. The Directors are not aware of any agreements between the holders of the Company's shares that may result in restrictions on the transfer of shares or on voting rights. No person has special rights of control over the Company's share capital and all shares are fully paid.

As at 31 December 2025, the LSL Property Services plc Employee Share Ownership Trust (ESOT) held 142,244 shares and the Share Incentive Plan (SIP) held 871,803 shares to satisfy options or awards under the Group's discretionary share option schemes. The ESOT Trustees have waived their entitlement to dividends on shares held under the trust. Details of shares held by the ESOT and SIP are provided in note 28 to the Financial Statements.

As at 31 December 2025, the LSL Property Services plc Employee Share Incentive Plan held 0.83% (2024: 0.91%) of the Group's issued share capital in trust. Shares held in the trust have dividend and voting rights in accordance with the rules of the scheme. The Trustees exercise the voting rights for shares held in the trust on behalf of the participants.

Allotment and repurchase of shares

The powers of the Directors, including in relation to the issue or buyback of the Company's shares, are set out in the Companies Act 2006 and the Articles.

At the Company's AGM on 28 May 2025, Shareholders approved an authority for the Company to allot ordinary shares up to a maximum nominal amount of £68,980. It has not used this authority. The Company intends to renew this authority at its 2026 AGM.

At the Company's AGM on 28 May 2025, Shareholders approved that the Company could make market purchases of its own shares up to a maximum of 10,347,018 shares. Purchases must be at a price not less than the nominal value of each share (being 0.2 pence each) and more than 5% of the average mid-market price for the preceding five business days. The Company intends to renew this authority at its 2026 AGM.

During the year ended 31 December 2025 the Company purchased 1,897,941 ordinary shares to hold in Treasury, with a nominal value of £3,795.89 at an average price of £2.66 (and £5,044,960.57 in aggregate). Since 31 December 2025 a further 948,935 shares have been purchased and placed into Treasury, with a nominal value of £1,897.87 at an average price of £2.58 (and £2,444,988 in aggregate). Therefore, as at the latest practicable date (13 March 2026), the Company held 4,305,809 shares in Treasury, representing 4.09% of the issued share capital of the Company and our total voting rights were 100,853,141.

Change of control provisions

Certain subsidiaries within the Group are party to agreements that may take effect, alter, or terminate upon a change of control following a takeover bid. A significant proportion of the Group's income from surveying, valuation, and asset management services is derived from specific contracts, the termination of which, in the event of a change of control of the relevant subsidiary, could materially impact those income streams. The Group is also party to various banking agreements that include provisions for termination upon a change of control of the Group. Under these agreements, all outstanding amounts would become immediately due and payable in such circumstances.

AGM

Our AGM will be held on 15 May 2026, with full details included in the Notice of Meeting and on our website (lsps.co.uk). The AGM provides an opportunity for Directors to engage with Shareholders. AGM notices include a separate resolution for each item of business, an explanation of each matter being considered and are made available at least 20 business days before the meeting date.

Dividends

The Board proposes a final dividend for 2025 of 7.4 pence per share (2024: 7.4 pence per share) which, subject to Shareholder approval, will be payable on 16 June 2026 to Shareholders on the register on 15 May 2026. The shares will go ex-dividend on 14 May 2026. The proposed final dividend, together with the interim dividend of 4.0 pence per share (2024: 4.0 pence per share), results in a total dividend for 2025 of 11.4 pence per share (2024: 11.4 pence per share). Further information on dividends is shown in note 13 of the Financial Statements and is incorporated into this Report by reference.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Financial and Divisional Reviews section on pages 13 to 19 of the Strategic Report. The financial position of the Group, its cash flows, liquidity position and policy for treasury are set out in the Financial Review section of the Strategic Report on pages 13 to 17. Details of the Group's borrowing facilities are set out in note 31 to the Financial Statements. The Group's objectives, policies and processes for managing capital, financial risk management objectives, details of financial instruments and exposures to credit risk and liquidity risk are also set out in note 31 to the Financial Statements. A description of the Group's principal risks and uncertainties and arrangements to manage these risks can be found in the Risk Management section of the Strategic Report on pages 27 to 30.

Having considered this information, made enquiries of management and reviewed a variety of other data, the Directors have a reasonable expectation that the Group and the Company have adequate resources to remain in operation to 30 June 2027. The Board has therefore continued to adopt the going concern basis in preparing this Report and the Financial Statements. Full details of the matters considered when making this assessment, including scenarios and testing, are included in note 2 to the Financial Statements.

Report of the Directors continued

Substantial shareholdings

The Company has been notified, in accordance with Chapter 5 of the Disclosure and Transparency Rules of the following direct or indirect holdings of voting rights, including shares and other financial instruments, in the Company’s shares:

Name	As at 31 December 2025 Number of voting rights	As at 31 December 2025 % of total voting rights
Brandes Investment Partners L.P	17,603,271	17.22
FMR LLC	10,293,790	10.00
Simon Embley	6,835,624	6.71
FIL Limited	5,225,764	5.11
Harris L.P	5,220,081	5.02
Liontrust Asset Management Plc	5,164,219	4.99
SFM UK Management LLP	5,082,389	4.89
Kinney Asset Management LLC	4,615,636	4.52
David Newnes	3,479,910	3.41
Utah State Retirement Systems	3,356,555	3.23
Franklin Templeton Institutional LLC	3,211,900	3.09
Setanta Asset Management Limited	3,104,228	2.99

Between 31 December 2025 and 13 March 2026, FMR LLC notified a change in its holding of voting rights to 10,105,709 (9.99%). No other changes have been notified.

Branch Offices

We do not have any overseas branches.

Political donations

At the Company’s AGM held on 28 May 2025, Shareholders authorised the Company and its subsidiaries to incur political expenditure and make political donations up to an aggregate limit of £100,000, in accordance with the Companies Act 2006. No political donations were made during 2025 (2024: nil).

Independent auditor

Grant Thornton UK LLP has advised its willingness to continue in office as our external auditor. Resolutions to reappoint it and give the Audit & Risk Committee authority to determine its remuneration will be proposed at the 2026 AGM.

Disclosure table pursuant to UK Listing Rule 6.6.1R

Listing Rule	Information to be included	Disclosure
6.6.1(1)	Interest capitalised by the Group	None
6.6.1(2)	Unaudited financial information (LR 9.2.18R)	On 27 January 2026, the Group issued a full year trading update, which contained the following unaudited financial information in relation to profit for 2025 "Underlying Operating Profit was up in all three Divisions and our central costs reduced - we achieved a record high Group Operating Margin. The Group saw an acceleration in our revenue and profit in the second half of the year and we have started 2026 in line with our expectations."
6.6.1(3)	Long-term incentive scheme information involving Board Directors (LR9.4.3R)	Directors' Remuneration Report - pages 76 and 77
6.6.1(4)	Waiver of emoluments by a Director	None
6.6.1(5)	Waiver of future emoluments by a Director	None
6.6.1(6)	Non pre-emptive issues of equity for cash	None
6.6.1(7)	Non pre-emptive issues of equity for cash in relation to major subsidiary undertakings	None
6.6.1(8)	Listed company is a subsidiary of another company	Not applicable
6.6.1(9)	Contracts of significance involving a Director of a controlling Shareholder	None
6.6.1(10)	Contracts for the provision of services by a controlling Shareholder	None
6.6.1(11)	Shareholder waiver of dividends	Report of the Directors - page 83
6.6.1(12)	Shareholder waiver of future dividends	Report of the Directors - page 83
6.6.1(13)	Agreement with controlling shareholder	None

The Report of the Directors was approved by and signed on behalf of the Board of Directors.

Debbie Fish
Group Company Secretary

18 March 2026

Note:

1 All data is as at 31 December 2025 unless specified otherwise

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, the Directors have prepared the Group Financial Statements in accordance with UK-adopted International Accounting Standards (IAS) in conformity with the requirements of the Companies Act 2006.

The Directors have chosen to prepare the Parent Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law, Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

In preparing the Parent Company Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company and/or Group will not continue in business.

In preparing the Group Financial Statements, International Accounting Standard 1 requires that the Directors:

- Properly select and apply accounting policies.
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information.
- Provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.
- Make an assessment of the Group's ability to continue as a going concern.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors' declaration in relation to relevant audit information

Each of the Directors whose names and functions are set out on pages 46 and 47 confirm that to the best of their knowledge:

- There is no relevant audit information of which the Company's auditor is unaware.
- Each Director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

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

Directors' responsibility statement

Each of the Directors whose names and functions are set out on pages 46 and 47 confirm that to the best of their knowledge:

- The 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 Company and undertakings included in the consolidation taken as a whole.
- The Management Report, comprising the Strategic Report and the relevant parts of the Directors' Report, includes a fair review of the development and performance of the business and the position of the Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.
- The 2025 Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.

This Statement was approved by and signed on behalf of the Board of Directors.

Debbie Fish
Group Company Secretary

18 March 2026

Independent Auditor's Report

to the Members of LSL Property Services Plc

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of LSL Property Services plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2025, which comprise the Group Statement of Profit and Loss and other Comprehensive Income, Group Balance Sheet, Group Statement of Cash Flows, Group Statement of Changes in Equity, Notes to the Group Financial Statements, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity and Notes to the Parent Financial Statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included obtaining management's going concern assessment covering the period to 30 June 2027 and performing the following procedures:

- Obtained an understanding of the systems and controls in place over the going concern assessment through discussions with management and walkthrough procedures;
- Reviewed and challenged management's paper and going concern model supporting the preparation of the financial statements on a going concern basis, including testing the mechanical accuracy and verifying that the cash flow forecasts were consistent with the 5-year business plan approved by the Board;
- Assessed the robustness of management's forecasts by comparing historic forecasts to actual results and by performing sensitivity analyses;
- Challenged key inputs such as revenue growth rates, gross profit margins, cost base, working capital movements, and other investing and financing cash flows;
- Assessed whether management had appropriately reflected external factors such as the cost-of-living crisis and inflation within the forecasts;
- Tested management's sensitivity analyses and reverse stress test to evaluate the resilience of the going concern assessment under severe but plausible scenarios;
- Obtained the latest available financial results for the first and second months of the subsequent financial period to assess how actual performance tracked against budget and forecasts; and
- Assessed whether the financial statements included appropriate disclosures relating to going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as inflationary pressures, geopolitical uncertainty and tightening credit conditions, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

Independent Auditor’s Report continued

to the Members of LSL Property Services Plc

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

In relation to the group’s reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors’ statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

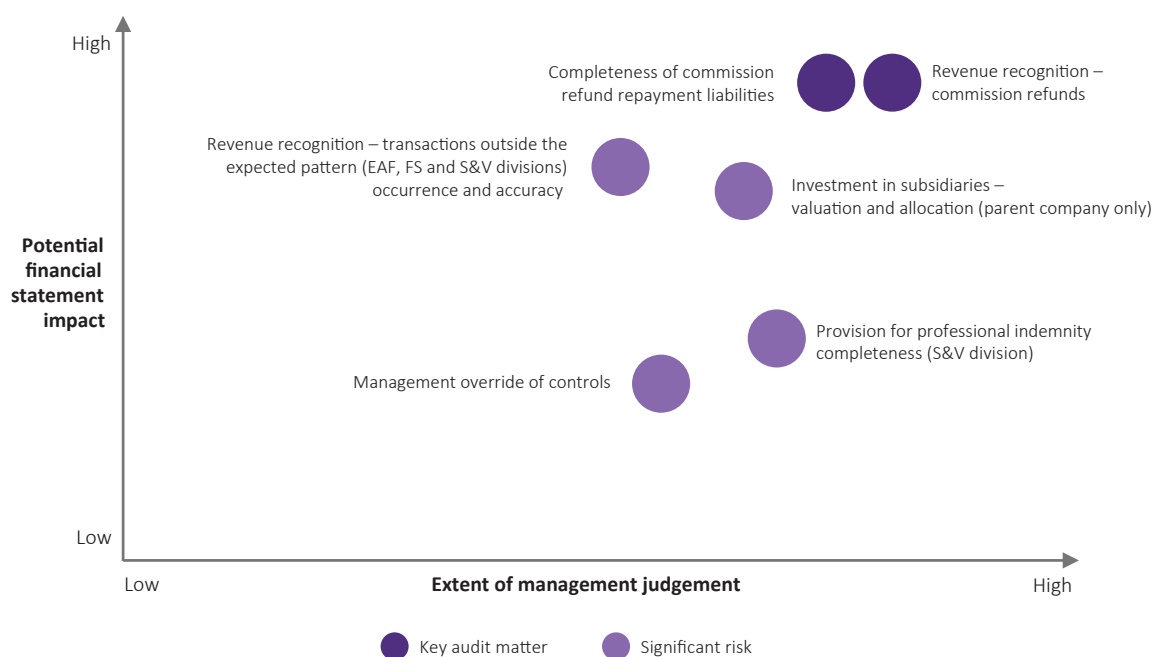
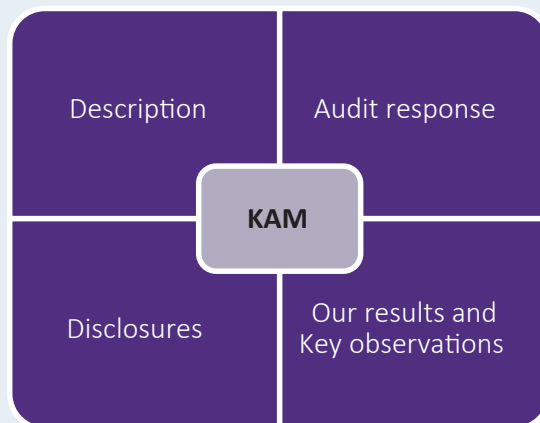
Our approach to the audit

	Overview of our audit approach
	Overall materiality: Group: £1,300,000 which represents 5% of the group’s adjusted profit before tax Parent company: £1,700,000, which represents 1% of the parent company’s total assets. Parent company component materiality has been capped at an amount less than group materiality for group audit purposes.
	Key audit matters were identified as: • Revenue recognition- commission refund • Completeness of commission refund repayment liabilities
 Grant Thornton 	Our auditor’s report for the year ended 31 December 2025 included no key audit matters for the parent company.
	The predecessor auditor identified one key audit matter during the audit of the year ended 31 December 2024 that has not been reported as key audit matters in our current year’s report. This related to: • The recoverable amount of investments held by the parent company. This is not considered to be key audit matter given the lack of indicators of impairment identified during the current year audit.
	We performed an audit of the financial information using component materiality (full-scope audit) on the parent and three components, and audit of one or more account balances, classes of transactions or disclosures of the component (specified procedures) on five components. We performed analytical procedures at group level (analytical procedures) on the remaining components of the group.

Key audit matters

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

In the graph below, we have presented the key audit matters and significant risks relevant to the audit. This is not a complete list of all risks identified by our audit.



Independent Auditor's Report continued

to the Members of LSL Property Services Plc

Key Audit Matter – Group	How our scope addressed the matter – Group
Revenue recognition – commission refunds Revenue is the most significant item in the consolidated financial statements and directly impacts several of the Group's key performance indicators set out in the Annual Report and Accounts. Revenue is recognised in accordance with IFRS 15 Revenue from Contracts with Customers. This standard requires the application of management judgement and estimation, particularly when determining adjustments for variable consideration, including amounts related to commission refunds. We have determined that variable consideration arising from commission in the Financial Services division, involves high estimation uncertainty and requires significant management judgement in determining future refund patterns, so was an area that demanded a higher degree of audit focus and challenge.	In responding to the key audit matter, we performed the following audit procedures: • Obtained an understanding of the revenue and commission refund processes, including how management identifies commission-related variable consideration and key assumptions used in estimating expected refunds. We performed walkthroughs of this to assess the design effectiveness of relevant controls; • Evaluated the consistency and appropriateness of the related accounting policies in line with the financial reporting framework, including IFRS 15; and • Tested the accuracy of the amount of revenue constrained in respect of expected commission refunds. This was tested concurrently with our testing of commission refund liabilities as described below.
Relevant disclosures in the Annual Report and Accounts • Financial statements: Note 3, Revenue.	Our results Based on our audit work, we did not identify any material misstatements in the revenue recognised in the year.
Key Audit Matter – Group	How our scope addressed the matter – Group
Completeness of commission refund repayment liabilities We identified the completeness of commission refund repayment liabilities in the Financial Services Division, as one of the most significant assessed risks of material misstatement due to fraud and error. These amounts are presented as commission refund liabilities (£2.8m) and appointed representative provision (£1.6m). These balances involve significant judgement, particularly in estimating lapse rates and assessing potential clawback exposures, which increases the risk of misstatement or management bias. For commission refund liabilities, the direct link to revenue creates an opportunity for fraud, as management could understate these liabilities to manipulate reported revenue, given the level of judgement involved and potential for management bias. Given the level of estimation uncertainty and the direct link to revenue, this matter was one of the matters of most significance in our audit.	In responding to the key audit matter, we performed the following audit procedures: • Obtained an understanding of the processes and controls for identifying potential refunds, calculating the liabilities, and approving key assumptions, and performed a walkthrough to confirm controls were implemented as designed; • Evaluated management's modelling approach for appropriateness, including the lapse-rate assumptions; • Verified the mathematical accuracy of the models and agreed all inputs, including historical lapse data and clawback trends, to underlying supporting evidence; • Tested the look-back analysis performed by management by comparing prior-year estimates to the actual outcomes observed in the current year, to evaluate the accuracy of management's forecasting and identify any indicators of potential management bias; • Assessed the reasonableness of management's assumptions by comparing them to historical experience and testing lapses paid data and available industry benchmarks; and • Reviewed the completeness, accuracy and clarity of related disclosures in the financial statements to ensure they appropriately described the basis of the liabilities, key assumptions used, sensitivities, and any significant judgements made by management.
Relevant disclosures in the Annual Report and Accounts • Audit & Risk Committee Report: Key considerations and approvals made by the Committee in relation to the 2025 Annual Report and the Financial Statements. • Financial statements: Note 2.24 Critical accounting judgements and estimates. • Financial statements: Note 23, Trade payables. • Financial statements: Note 25, Provision for liabilities.	Our results Based on our audit work, we did not identify any material misstatements in the completeness of commission refund liabilities and appointed representative provision.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

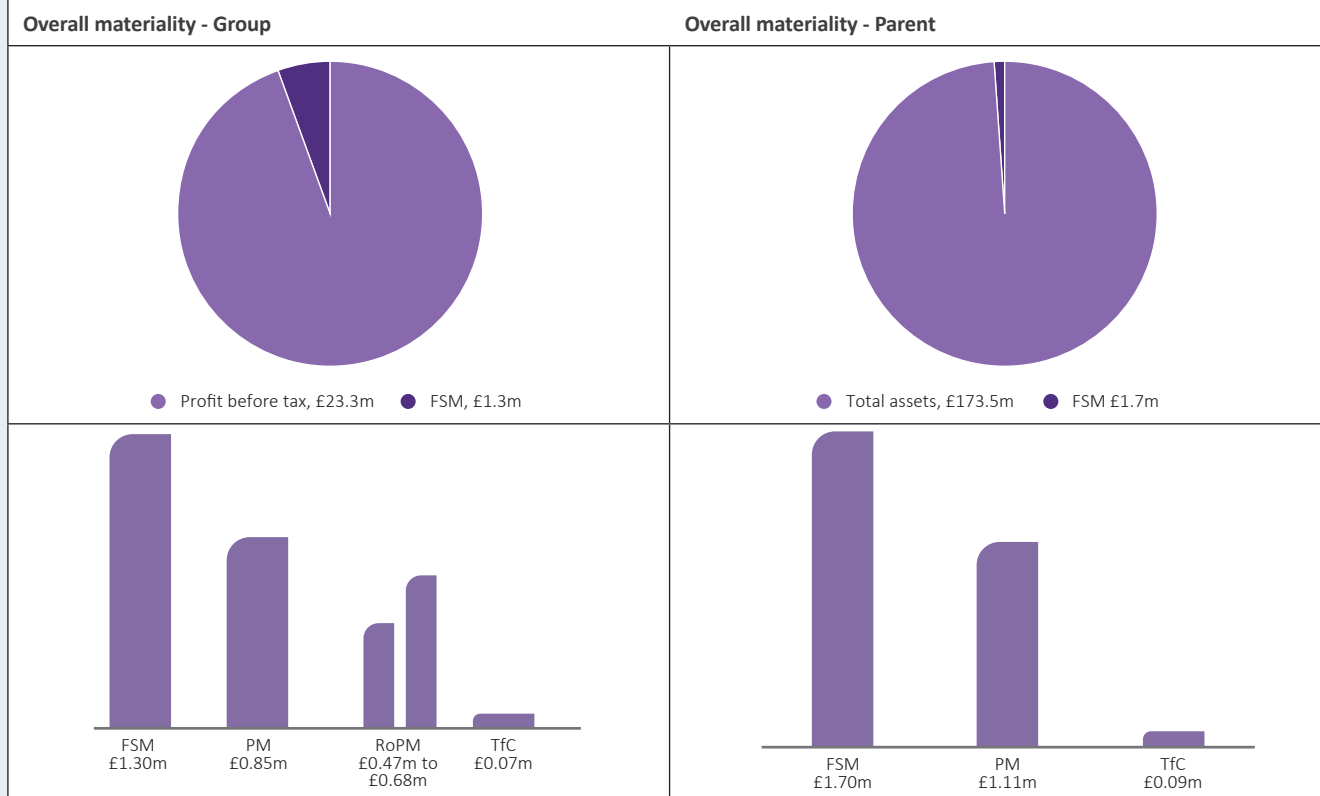
Materiality measure	Group	Parent company
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£1,300,000 (2024: £1,300,000) which represents 5% of adjusted profit before tax. The range of component materialities used across the group was £465,000 to £676,000.	£1,700,000 (2024: £700,000), which represents 1% of total assets. The parent company materiality is solely for the purposes of the parent company statutory audit. A lower component materiality has been used in respect of the parent company for the group financial statements audit.
Significant judgements made by auditor in determining materiality	In determining materiality, we made the following significant judgements: The group's adjusted profit before tax is considered the most appropriate benchmark because it is the most relevant stable performance measure to the stakeholders of the group. We have adjusted profit before tax to account for non-recurring post-acquisition costs of £509,000. Materiality for the current year is equal to the level that was determined for the year ended 31 December 2024	In determining materiality, we made the following significant judgements: The parent company's total assets is considered the most appropriate benchmark because it is the most relevant measure of financial position for the stakeholders of the parent company, which is a holding company. Materiality for the current year is higher than the level that was determined for the year ended 31 December 2024 to reflect a change in the benchmark being used (the predecessor auditor used 1% of equity as a base and capped statutory materiality below group materiality).
Performance materiality used to drive the extent of our testing	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole	
Performance materiality threshold	£845,000 (2024: £600,000) which is 65% of financial statement materiality. The range of component performance materialities used across the group was £465,000 to £676,000.	£1,105,000 (2024: £350,000) which is 65% of financial statement materiality. Parent company component performance materiality has been capped at an amount less than group performance materiality for group audit purposes.

Independent Auditor's Report continued

to the Members of LSL Property Services Plc

Materiality measure	Group	Parent company
Significant judgements made by auditor in determining performance materiality	In determining performance materiality, we made the following significant judgements: • The strength of the control environment based on our assessment of the design and implementation of controls in both the prior year and the current year planning procedures; • The level of misstatements identified in previous audits; and • Whether significant issues were noted in the prior year, through the predecessor auditor review, that have not been addressed or are expected to reoccur. In determining component performance materiality, we made the following significant judgements: • Extent of disaggregation of financial information across components, including the relative risk and size of a component to the group. For each component in scope for our group audit, we allocated a performance materiality that is less than our overall group performance materiality.	In determining performance materiality, we made the following significant judgements: • The strength of the control environment based on our assessment of the design and implementation of controls in both the prior year and the current year planning procedures; • The level of misstatements identified in previous audits; and • Whether significant issues were noted in the prior year, through the predecessor auditor review, that have not been addressed or are expected to reoccur.
Specific materiality	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	We determined a lower level of specific materiality for the following areas: • director's remuneration; and • disclosure of related party transactions outside of the normal course of business	We determined a lower level of specific materiality for the following areas: • director's remuneration; and • disclosure of related party transactions outside of the normal course of business
Communication of misstatements to the audit and risk committee	We determine a threshold for reporting unadjusted differences to the audit and risk committee.	
Threshold for communication	£65,000 (2024: £60,000) which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£85,000 (2024: £35,000) which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds. The parent company materiality is solely for the purposes of the parent company statutory audit. A lower component materiality has been used in respect of the parent company for the group financial statements audit.

The graph below illustrates how performance materiality and the range of component performance materiality interacts with our overall materiality and the threshold for communication to the audit committee and risk committee.



FSM: Financial statement materiality, PM: Performance materiality, RoPM: range of performance materiality at nine components, TFC: Threshold for communication to the audit and risk committee.

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group's and the parent company's business and in particular matters related to:

Understanding the group, its components, their environments, and its system of internal control including common controls

- The Group auditor obtained an understanding of the group and its components, their environment, and its system of internal control, including the nature and extent of common, and assessed the risks of material misstatement at the group level.

Identifying components at which to perform audit procedures

- We have determined the components at which to perform further audit procedures, by considering the following:
 - components in scope for further audit procedures due to individually including a risk of material misstatement to the group financial statements due to the component's nature or circumstances
 - components in scope for further audit procedures due to the nature and size of assets, liabilities and transactions at the component (being of financial significance to one or more scoped items that it is required to be in scope)
 - components in scope for further audit procedures to obtain sufficient appropriate audit evidence for significant classes of transactions, account balances and disclosures, or for unpredictability

Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

- In order to address the audit risks identified during our planning procedures, the group engagement team determined that the following audit procedures were necessary:
 - full-scope audits on the financial statements of four components, being LSL Property Services plc (parent company), e.surv Limited, First Complete Limited and Your-Move.co.uk Limited;

Independent Auditor's Report continued

to the Members of LSL Property Services Plc

- specific scope procedures were performed on five components, Reeds Rains Limited, Advance Mortgage Funding Limited, Personal Touch Financial Services Limited, LSLi Limited and LSL Corporate Client Services Limited. This was in order to obtain sufficient appropriate audit evidence in respect of the financial statement line items considered to be of financial significance; and
- analytical reviews on the remaining components.

Performance of our audit

- In total, coverage over revenue amounts to 87% and coverage over profit before tax amounts to 81%.

Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the group auditor, considered had the potential for the greatest impact on the group financial statements either due to risk, size or coverage.

The components within the scope of further audit procedures accounted for the following percentages of the group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage total assets	% coverage revenue	% coverage PBT (absolute PBT)
Full-scope audit	4	67%	73%	73%
Specific scope procedures	5	16%	14%	8%
Full-scope and specific scope procedures coverage	9	83%	87%	81%
Analytical procedures	65	17%	13%	19%
Total	74	100%	100%	100%

Communications with component auditors

The full scope audit of First Complete Limited and the specified procedures on Advance Mortgage Funding Limited and Personal Touch Financial Services Limited were performed by a component auditor. Group instructions were issued, highlighting the risks that needed to be addressed through the audit procedures and specified the information that we required to be reported to the group auditor. The group auditor has reviewed the work performed by them during the planning, fieldwork and completion stages of the audit.

Changes in approach from previous period

This was our first year as auditor of LSL Property plc. Accordingly, there were no changes in audit scope compared with the prior year.

Other information

The other information comprises the information included in the annual report and accounts, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report and accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinions on other matters prescribed by the Companies Act 2006 are unmodified

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified as set out on page 83;
- the directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate as set out on page 31;
- the director's statement on whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities set out on page 83;
- the directors' statement on fair, balanced and understandable as set out on page 86;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks as set out on page 86;
- the section of the annual report that describes the review of the effectiveness of risk management and internal control systems as set out on page 63; and
- the section describing the work of the audit committee as set out on page 64.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 86, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the parent company and determined that the most significant are the Companies Act 2006, UK-adopted international accounting standards, FCA regulations, and relevant tax regulations;
- We corroborated our understanding of the legal and regulatory framework applicable to the group and the parent company by discussing relevant frameworks with group management and component management, obtaining correspondence with relevant parties and reviewing Board minutes;
- Our assessment of the group and parent company's compliance with these laws and regulations was integrated into our procedures on the related financial statement items. We obtained an understanding of the group's and parent company systems and processes for monitoring compliance, and evaluated relevant documentation and obtained representations from management regarding their compliance with these laws and regulations.

Independent Auditor's Report continued

to the Members of LSL Property Services Plc

- We made enquiries of management and the Board of Directors to determine if they were aware of any instances of noncompliance with laws and regulations and whether they had any knowledge of actual, suspected or alleged fraud and corroborated this with our review of the board minutes. We also assessed the susceptibility of the group's and parent company financial statements to material misstatement, including fraud risk.
- We assessed the susceptibility of the group's and the parent company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included an evaluation of the risk of management override of controls. Audit procedures performed by the engagement team in connection with the risks identified included:
 - assessing the design and implementation of controls that management has put in place to prevent and detect fraud;
 - checking the completeness of journal entries and identifying and testing journal entries, in particular those journals determined to be in respect of our principal risk documented above;
 - challenging the assumptions and judgements made by management in its significant accounting estimates; and identifying and testing related party transactions by agreeing to underlying records and obtaining confirmation for directors' emoluments

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

- As part of the engagement partner's assessment of the engagement team's collective competence and capabilities, they considered the team's understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation. They also evaluated the team's knowledge of the industry in which the parent company and the group operate, as well as the team's understanding of the legal and regulatory requirements specific to the group and the parent company;
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the group's and the parent company's operations, including the nature of their revenue sources, and of their principal activities, to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement; and
 - the group's and the parent company's control environment, including the policies and procedures implemented to mitigate risks of fraud or non-compliance with the relevant laws and regulations; the significant judgements and assumptions made by management in its significant accounting estimates or in applying its accounting policies.
- Communication with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements.

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

Other matters which we are required to address

We were appointed by the audit committee on 28 May 2025 to audit the financial statements for the year ending 31 December 2025. Our total uninterrupted period of engagement is 1 year, covering the year ended 31 December 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

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

Mark Overfield BSc FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

18 March 2026

Group Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

	Note	2025 £'000	Restated* 2024 £'000
Continuing operations:			
Revenue	3	182,945	173,318
Operating expenses:			
Employee costs	15	(109,088)	(105,200)
Depreciation on property, plant and equipment and right-of-use assets	18	(3,369)	(3,160)
Expected credit loss charge	21	(3,543)	(2,061)
Other operating costs		(37,173)	(35,638)
Other gains	3	1,116	532
Gains/(losses) from joint venture	20	798	(6)
Share-based payments charge	15	(1,597)	(920)
Amortisation of intangible assets	17	(3,032)	(2,988)
Exceptional gains	9	571	1,745
Exceptional costs	9	(5,066)	(4,109)
Contingent consideration payable		–	426
Group operating profit	4	22,562	21,939
Finance income	7	2,451	2,868
Finance cost	8	(1,937)	(1,741)
Net finance income		514	1,127
Profit before tax		23,076	23,066
Taxation charge	16	(5,994)	(5,247)
Profit for the year from continuing operations		17,082	17,819
Discontinued operations:			
Loss for the year from discontinued operations	6	(42)	(377)
Profit for the year		17,040	17,442
Attributable to:			
Owners of the parent		16,960	17,409
Non-controlling interest		80	33
		17,040	17,442
Earnings per share from continuing operations (expressed as pence per share):			
Basic	12	16.6	17.4
Diluted	12	16.2	17.2
Earnings per share from total operations (expressed as pence per share):			
Basic	12	16.6	17.0
Diluted	12	16.2	16.8

*See note 36 for restatement

There was no other comprehensive income during the year ended 31 December 2025 (2024: £nil).

The notes on pages 101 to 150 form part of these Financial Statements.

Group Balance Sheet

as at 31 December 2025

	Note	2025 £'000	Restated* 2024 £'000	Restated* 1 January 2024 £'000
Non-current assets				
Goodwill	17	16,855	16,855	16,855
Other intangible assets	17	29,881	29,861	21,461
Property, plant and equipment and right-of-use assets	18	7,700	6,400	6,918
Financial assets	19	963	762	5,407
Deferred tax asset	16	–	–	166
Investment in subleases	19	131	447	1,757
Investment in joint venture	20	14,988	11,585	9,359
Contract asset		–	–	329
Loans to franchisees and appointed representatives	19	1,823	902	1,655
Total non-current assets		72,341	66,812	63,907
Current assets				
Trade and other receivables	21	25,026	24,161	22,446
Financial assets	19	–	5,772	54
Contract asset		–	–	40
Loans to joint venture	19	13,840	7,607	–
Investment in subleases	19	164	385	1,582
Current tax assets	16	725	846	2,183
Loans to franchisees and appointed representatives	19	1,827	867	444
Cash and cash equivalents	22	67,050	60,663	58,110
Total current assets		108,632	100,301	84,859
Total assets		180,973	167,113	148,766
Current liabilities				
Financial liabilities	24	(5,613)	(5,595)	(3,320)
Trade and other payables	23	(36,810)	(37,493)	(31,232)
Provisions for liabilities	25	(6,266)	(6,552)	(5,903)
Bank overdrafts	22	(39,253)	(28,264)	(23,139)
Total current liabilities		(87,942)	(77,904)	(63,594)
Non-current liabilities				
Financial liabilities	24	(4,148)	(3,491)	(5,085)
Deferred tax liability	16	(1,999)	(1,642)	–
Provisions for liabilities	25	(5,002)	(3,869)	(5,872)
Total non-current liabilities		(11,149)	(9,002)	(10,957)
Total liabilities		(99,091)	(86,906)	(74,551)
Net assets		81,882	80,207	74,215
Equity				
Share capital	27	210	210	210
Share premium account	28	5,629	5,629	5,629
Share-based payment reserve	28	3,355	2,634	3,564
Shares held by employee benefit trust and share incentive plan	2,28	(1,316)	(1,510)	(2,871)
Treasury shares	28	(9,876)	(4,831)	(3,983)
Fair value reserve	28	(385)	(385)	(385)
Retained earnings		84,458	78,733	72,357
Total equity attributable to owners of the parent		82,075	80,480	74,521
Non-controlling interest		(193)	(273)	(306)
Total equity		81,882	80,207	74,215

*See note 36 for restatement

The notes on pages 101 to 150 form part of these Financial Statements.

The Financial Statements were approved by and signed on behalf of the Board by:

Adam Castleton
Group Chief Executive Officer
18 March 2026

David Tilak
Group Chief Financial Officer
18 March 2026

Group Statement of Cash Flows

for the year ended 31 December 2025

	Note	2025 £'000	Restated* 2024 £'000
Profit before tax from continuing operations		23,076	23,066
Loss before tax from discontinued operations	6	(8)	(518)
Profit before tax		23,068	22,548
Adjustments for:			
Exceptional costs	6,9	5,386	4,187
Exceptional gains	9	(571)	(1,745)
Contingent consideration payable	24	–	(426)
Depreciation of tangible assets	18	3,369	3,160
Amortisation of intangible assets	17	3,032	2,988
Share-based payments	15	1,597	920
Loss on disposal of property, plant and equipment and right-of-use assets		–	(31)
(Profit)/loss from joint venture	20	(798)	6
Other gains	3	(1,116)	(482)
Decrease in contract assets		–	368
Finance income	7	(2,451)	(2,868)
Finance costs	8	1,937	1,741
Operating cash flows before exceptional items and movements in working capital		33,453	30,367
Movements in working capital			
Increase in trade and other receivables		(530)	(1,386)
(Decrease)/increase in trade and other payables		(2,282)	5,518
Increase/(decrease) in provisions		1,472	(1,482)
		(1,340)	2,650
Cash generated from operations before exceptional items		32,113	33,017
Interest paid (leases)	26	(534)	(455)
Interest received (leases)	26	29	96
Income taxes paid		(4,968)	(1,799)
Exceptional costs paid		(3,910)	(3,066)
Net cash generated from operating activities		22,730	27,793
Cash flows used in investing activities			
Interest received	7	1,023	1,752
Payment of contingent consideration	24	–	(65)
Receipt of contingent consideration	19	5,542	155
Investment in joint venture	20	(2,605)	(2,232)
Proceeds from sale of financial assets	19	–	119
Franchisees and appointed representatives loans granted	19	(3,768)	(1,659)
Franchisees and appointed representatives loans repaid	19	1,832	1,702
Receipt of lease income	26	489	1,046
Purchase of property, plant and equipment	18	(1,241)	(939)
Purchase of intangible assets	17	(3,052)	(2,092)
Loans to joint venture	19	(5,301)	(7,607)
Purchase of relationship asset	17	–	(5,695)
Cash acquired on purchase of relationship asset		–	503
Net cash expended on investing activities		(7,081)	(15,012)
Cash flows used in financing activities			
Refinance costs		(543)	–
Commitment and non-utilisation fees on RCF		(473)	–
Repurchase of treasury shares		(5,045)	(848)
Proceeds from exercise of share options		46	173
Payment of lease liabilities	14	(2,486)	(2,895)
Dividends paid	13	(11,750)	(11,783)
Net cash expended in financing activities		(20,251)	(15,353)
Net decrease in cash and cash equivalents		(4,602)	(2,572)
Cash and cash equivalents at the beginning of the year	22	32,399	34,971
Cash and cash equivalents at the end of the year	22	27,797	32,399

*See note 36 for restatement

The notes on pages 101 to 150 form part of these Financial Statements.

Group Statement of Changes in Equity

as at 31 December 2025

	Share capital £'000	Share premium account £'000	Share-based payment reserve £'000	Shares held by EBT and SIP £'000	Treasury shares £'000	Fair value reserve £'000	Retained earnings £'000	Equity attributable to owners of the parent £'000	Non- controlling interest £'000	Total equity £'000
At 1 January 2025 (restated)	210	5,629	2,634	(1,510)	(4,831)	(385)	78,733	80,480	(273)	80,207
Profit for the year	–	–	–	–	–	–	16,960	16,960	80	17,040
Total comprehensive income for the year	–	–	–	–	–	–	16,960	16,960	80	17,040
Transactions with owners in their capacity										
Shares repurchased into treasury	–	–	–	–	(5,045)	–	–	(5,045)	–	(5,045)
Exercise of options	–	–	(183)	194	–	–	107	118	–	118
Vested share options lapsed during the year	–	–	(408)	–	–	–	408	–	–	–
Dividend paid	–	–	–	–	–	–	(11,750)	(11,750)	–	(11,750)
Share-based payments	–	–	1,255	–	–	–	–	1,255	–	1,255
Tax on share-based payments	–	–	57	–	–	–	–	57	–	57
At 31 December 2025	210	5,629	3,355	(1,316)	(9,876)	(385)	84,458	82,075	(193)	81,882

During the period, 103,505 share options were exercised relating to LSL's various share option schemes resulting in the shares being sold by the Employee Benefit Trust. LSL received £0.1m on exercise of these options.

for the year ended 31 December 2024

	Share capital £'000	Share premium account £'000	Share-based payment reserve £'000	Shares held by EBT and SIP £'000	Treasury shares £'000	Fair value reserve £'000	Retained earnings £'000	Equity attributable to owners of the parent £'000	Non- controlling interest £'000	Total equity £'000
At 1 January 2024	210	5,629	3,564	(2,871)	(3,983)	(385)	74,087	76,251	(306)	75,945
Prior year restatements	–	–	–	–	–	–	(1,730)	(1,730)	–	(1,730)
At 1 January 2024 (restated)	210	5,629	3,564	(2,871)	(3,983)	(385)	72,357	74,521	(306)	74,215
Profit for the year	–	–	–	–	–	–	17,409	17,409	33	17,442
Total comprehensive income for the year (restated)	–	–	–	–	–	–	17,409	17,409	33	17,442
Transactions with owners in their capacity										
Shares repurchased into treasury	–	–	–	–	(848)	–	–	(848)	–	(848)
Exercise of options	–	–	(943)	1,361	–	–	(245)	173	–	173
Vested share options lapsed during the year	–	–	(995)	–	–	–	995	–	–	–
Dividend paid	–	–	–	–	–	–	(11,783)	(11,783)	–	(11,783)
Share-based payments	–	–	920	–	–	–	–	920	–	920
Tax on share-based payments	–	–	88	–	–	–	–	88	–	88
At 31 December 2024 (restated)	210	5,629	2,634	(1,510)	(4,831)	(385)	78,733	80,480	(273)	80,207

During the period, 383,216 share options were exercised relating to LSL's various share option schemes resulting in the shares being sold by the Employee Benefit Trust. LSL received £0.2m on exercise of these options.

Notes to the Group Financial Statements

for the year ended 31 December 2025

1. General information

The Group Financial Statements of LSL and its subsidiaries for the year ended 31 December 2025 were authorised for issue by the Board of Directors on 18 March 2026. LSL is a company which is listed on the London Stock Exchange, incorporated and domiciled in England & Wales and the Group operates Financial Services, Surveying & Valuation and Estate Agency Franchising businesses.

2. Accounting policies, judgements and estimates

2.1 Basis of preparation

The accounting policies which follow set out material information about the accounting policies which apply in preparing the Financial Statements for the year ended 31 December 2025. The policies have been applied consistently to all years presented. The Group's Financial Statements are presented in pound sterling, and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

These Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards. The Group Financial Statements have been prepared on a going concern basis under the historical cost convention and on a historical cost basis.

In preparing the Financial Statements management has considered the impact of climate change, which is described in detail in our TCFD section. The Group has assessed climate-related risks, covering both physical risks and transition risks, in the short (0-3 years) to medium term (4-9 years). Climate-related matters have a relatively low impact on LSL's strategy and business model, and therefore there is a high degree of resilience. However, there are number of risks that may result in increased costs and have an impact on operations that, whilst unlikely to have a significant impact, are factored into our business and financial planning. Over the long-term (beyond 10 years), there could be physical risks, such as severe weather, flooding events, increase in temperature and rising sea levels. The risk to the Group's own premises as a result of climate change is considered low, the majority of our property portfolio is leased, and we would not expect significant climate-related costs during the remainder of our current lease terms. The impact of climate change in the medium to long-term is likely to be localised and have varying degrees of impact on the areas where we work and our revenue profile. This could have an impact on the carrying value of goodwill and investments.

2.2 Basis of consolidation

The consolidated Financial Statements comprise the Financial Statements of the Company and its subsidiaries as at 31 December 2025. The financial year represents the year from 1 January 2025 to 31 December 2025.

Subsidiaries

Subsidiaries are consolidated from the date that control commences until the date control ceases. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Interest in joint venture

The Group's share of the results of joint venture is included in the Group Statement of Profit or Loss and Other Comprehensive Income using the equity method of accounting. Investment in joint ventures are carried in the Group Balance Sheet at cost plus post-acquisition changes in the Group's share of the net assets of the entity, less any impairment in value. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

The Financial Statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.3 Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Financial and Divisional Reviews section (page 13 to 19) of the Strategic Report. The financial position of the Group, its cash flows, liquidity position and policy for treasury and risk management are described in the Financial Review section of the Strategic Report (page 13). Details of the Group's borrowing facilities are set out in note 31. The Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk are also set out in note 31. A description of the Group's principal risks and uncertainties and arrangements to manage these risks can be found in the Risk Management section of the Strategic Report on page 27.

The UK Corporate Governance Code requires the Board to assess and report on the prospects of the Group and whether the business is a going concern. In considering this requirement, the Directors have taken into account the Group's forecast cash flows, liquidity, borrowing facilities and related covenant requirements and the expected operational activities of the Group.

The Group expects to continue to meet its day-to-day working capital requirements through cashflows generated by its trading activities and available cash resources (31 December 2025: £27.8m). The Group's banking facility, a £60 million committed revolving credit facility has a maturity date of January 2030. The Group has not currently utilised the facility leaving £60 million of available undrawn committed borrowing facilities in respect of which all conditions precedent had been met. The facility agreement includes financial covenants, including a minimum net debt to EBITDA ratio, which could result in the full facility not being available during the going concern period under downside scenarios.

Notes to the Group Financial Statements continued

The Directors have continued to run a variety of scenario models throughout the year to help the ongoing assessment of risks and opportunities covering the period to 30 June 2027 (the going concern period). The Directors considered the period to June 2027, which exceeds the minimum required period, because it captures the covenant test that could significantly affect the use of the going concern basis.

In the scenarios, the Directors considered both current trading and external industry data. In developing a base case forecast the Directors have assumed inflation and interest rates of 2.5% and 4.0%, respectively, by the end of 2026 and 2.0% and 4.0%, respectively, by the end of 2027.

The Directors have performed a reverse stress test to determine the events and circumstances which would need to arise in order to threaten the Group's ability to continue as a going concern. Such scenarios would require a significant reduction in market transaction volumes below the low point experienced during the Global Financial Crisis and in turn reduce Group revenue by approximately 25% compared to current performance. Under such a scenario, all available cash balances would be utilised and the facility would be unavailable due to financial covenants. If severe downside scenarios arose, there are cost mitigations that could be applied, as well as cash conservation action such as pausing dividend payments and planned investments. The Directors have concluded that the likelihood of such a severe scenario arising is remote and have concluded that there are no plausible threats to the Group's ability to continue through the going concern period. Therefore, the financial information has been prepared under the going concern basis of preparation.

In reaching its conclusion on the going concern assessment, the Board considered the findings of the work performed to support the Group's long-term viability statement. As noted in the Viability Statement, which is included in the Strategic Report (page 31), this included assessing forecasts of severe but plausible downside scenarios related to our principal risks, notably the extent to which a severe downturn in the UK lending and housing markets, to below levels seen during the financial crisis in 2008, would affect the Group's base forecasts.

Having due regard to the scenarios above and after making appropriate enquiries, the Directors have a reasonable expectation with no material uncertainties that the Group and the Company have adequate resources to remain in operation to 30 June 2027. The Board have therefore continued to adopt the going concern basis in preparing this Report.

2.4 Revenue recognition

Revenue is recognised under IFRS 15. The standard is based on a single model that distinguishes between promises to a customer that are satisfied at a point in time and those that are satisfied over time. Revenue is recognised when performance obligations are fulfilled.

Financial Services Division (excluding Linear Mortgage Network)

Revenue comprises mortgage procurement fees and insurance commissions earned from the distribution of third-party mortgages, protection and general insurance products. Revenue from mortgage procurement fees is recognised at the point in time on completion of the related mortgage or remortgage transaction. Revenue from insurance commissions is recognised at the point the related policy incepts and goes on risk, reflecting the transfer of service to the customer. The Group expects to earn from providing its services. This includes elements of variable consideration, mainly commission amounts that may be subject to clawback. These variable amounts are recognised only to the extent that it is highly probable they will not reverse. As the revenue streams described above involve a single service obligation in each case, the full transaction price is attributed to that service and no further allocation is required.

The Group (excluding Linear) acts as an agent under IFRS 15, and only recognises the Group's share of commission as revenue. As recognised by IFRS 15, assessing whether the Group is acting as a principal, or an agent requires judgement which can significantly affect the timing and amount of revenue recognised. The most judgemental aspect of this relates to the assessment of who the customer is for the Group. Considering all the factors of the transactions that result in revenue, it was concluded that the appointed representatives are the customers of the Group as opposed to the product providers. The Group has determined that it is acting as an agent and only recognises the Group's share of commission as revenue. The Group recognises a liability for commissions due to ARs. Where an AR has departed and the Group has no present obligation to settle the commission, the liability is derecognised. The resulting credit is recognised in the income statement in the period the obligation is extinguished. The assessment of principal versus agent is made for each distinct arrangement, based on whether the Group controls the specified service before it is transferred to the customer, in accordance with IFRS 15.

Financial Services Division (Linear Mortgage Network)

Linear Mortgage Network (Linear) provides regulated mortgage and protection advice to retail customers through advisers operating within the PRIMIS network. PRIMIS authorises the regulated activities and provides the compliance framework and systems; Linear organises, supervises and remunerates advisers and controls service delivery to customers. Linear does not act as an insurer or lender; third-party providers underwrite insurance risk and advance loans. Linear is responsible for the advice delivered by its advisers and can accept/reject cases, it has discretion over adviser assignment and sales strategy and has control over allocation of pipeline commissions. Therefore, Linear acts as a principal under IFRS 15, and as such presents revenue on a gross basis.

Estate Agency Franchising Division

The accounting policies for both franchise and residential services which includes new build residential sales and conveyancing services, are set out below.

Franchise services:

The Group's estate agency franchising arrangements grant franchisees the right to operate under the Group's trade name, trademarks, operating systems and manual, together with continuing brand stewardship, training access and network support. Under IFRS 15, the brand licences and the related ongoing support are bundled into a single performance obligation that provides a right to access the Group's intellectual property and is satisfied over time across the franchise term.

The Group earns sales-based royalties calculated as a stated percentage of the franchisee's sales and lettings income. These royalties relate predominantly to the licence of the Group's IP and therefore the sales-based royalty exception is applied under IFRS 15. Revenue on house sales is recognised at the point of exchange of contracts, and revenue on lettings, property management and ancillary services is recognised as those services are delivered by the franchisee. In addition, the Group earns fixed royalties which is recognised over time.

Residential services:

New build residential services:

Revenue earned by the Group's new build residential sales business is recognised by reference to the legal exchange date of the housing transaction.

Conveyancing services:

Where the Group provides conveyancing packaging services, the revenue is recognised by reference to the legal exchange date of the housing transaction.

Interest Income from client monies balances:

Revenue is recognised over time as interest accrues. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. The Group's interest income from client monies is presented within revenue given the collection and holding of client monies is an integral part of the estate agency franchising service provided to franchisees.

Surveying & Valuation Division

Surveying & Valuation:

Revenue from the supply of surveying and valuation services is recognised upon the completion of the professional survey or valuation by the surveyor, and therefore at a point in time.

For panelled valuation work, the Group acts as an agent, as the third-party panel firms perform the valuation services and bear the associated delivery and professional risks. The Group does not control the service before transfer to the customer and therefore recognises revenue on a net basis, representing the fee retained.

Asset management:

Revenue earned from the repossessions asset management business is recognised by reference to the legal exchange date of the housing transaction.

2.5 Segment reporting

An operating segment is a distinguishable segment of an entity that engages in business activities from which it may earn revenues and incur expenses and whose operating results are reviewed regularly by the Chief Operating Decision Maker (CODM), being the Board. The CODM reviews the Group's operations and financial position as Financial Services, Surveying & Valuation and Estate Agency Franchising, and therefore considers that it has three operating segments.

Within the Estate Agency Franchising operating segment, the only remaining owned operations relate to the Group's new build residential sales and conveyancing packaging businesses which are LSL Land & New Homes Limited and Homefast Property Services Limited, representing less than 10% of the Group's total revenue.

The Group's asset management business is included within the Surveying & Valuation Division. Management deemed the Group's asset management operations, including the class of customer for its services, are more closely aligned to the Surveying & Valuation Division.

The information presented to the Directors directly reflects the Group Underlying Operating Profit as defined in the alternative performance measures (APM) in note 5 and 34 to these Financial Statements and they review the performance of the Group by reference to the results of the operating segments against budget.

2.6 Alternative Performance Measures (APMs)

In reporting financial information, the Group presents a number of APMs that are designed to assist with the understanding of underlying Group performance. The Group believes that the presentation of APMs provides stakeholders with additional helpful information on the performance of

Notes to the Group Financial Statements continued

the business. APMs are also used to help enhance comparability of information between reporting periods. The Group does not consider APMs to be a substitute for or superior to IFRS measures and the Group's APMs are defined, explained and reconciled to the nearest statutory measure in notes 5, 12 and 34.

2.7 Discontinued operations

The Group has classified its previously owned network of estate agency branches as a discontinued operation for the reporting periods ending after 31 December 2023. The Group operated a network of both owned and franchised branches prior to disposing of its entire owned network in 2023. The owned network was determined to be a separate major line of business because it made up the majority of the branch network, its revenue, costs and risk profile was significantly different to that of franchise and its cash flows could be clearly distinguished.

Discontinued operations are presented in the Group Income Statement as a single line, which comprises the post-tax profit or loss of the discontinued operation, which relates to the movements in the dilapidation and restructuring provisions recognised as part of the original asset and share sales.

2.8 Exceptional items

Exceptional items are those which are material by size and are both non-recurring and unusual in nature. These items are presented within their relevant income statement category but highlighted separately on the face of the income statement. Items that management considers fall into this category are also disclosed within the notes to the Financial Statements (see notes 6 and 9).

Due to the nature and expected infrequency of these items, separate presentation helps provide a better indication of the Group's underlying business performance. This allows shareholders to better understand the elements of financial performance in the year, and to facilitate comparison with prior periods and to better assess trends in financial performance.

2.9 Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to the situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects either accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available, against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting period and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to offset current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Group to make a single net payment. Income tax is charged or credited directly to other comprehensive income (OCI) or equity, if it relates to items that are charged or credited in the current or prior periods to OCI or equity respectively. Otherwise, income tax is recognised in the income statement.

2.10 Share-based payment transactions

The equity share option programme allows Group employees to acquire LSL shares. The fair value of the options granted is recognised as an employee expense with a corresponding increase in equity in the case of equity-settled schemes. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of employee share option plans, which are all equity-settled, is calculated at the grant date using the Black Scholes model, or the Monte Carlo Simulation model where a market condition is part of the vesting condition. The resulting cost is charged to the Group Statement of Profit or Loss and Other Comprehensive Income over the vesting period. The value of the charge is adjusted to reflect expected and actual levels of vesting.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-market vested condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When employees exercise their awards or vested options lapse, the portion of the share-based payments reserve which represents the share-based payment charge for those awards is transferred to retained earnings and the Group discharges its obligation.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Further details are given in note 12 to these Financial Statements.

2.11 Business combinations and goodwill

The Group accounts for business combinations using the acquisition method of accounting when control is transferred to the Group. On acquisition, assets, liabilities, and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the net assets acquired is recognised as goodwill.

Deferred and contingent consideration payable, resulting from business combinations is valued at fair value at the acquisition date, and is subsequently reassessed at each reporting date. The determination of the fair value for deferred and contingent consideration payable is based on discounted cash flows and is included within financial liabilities on the balance sheet.

After the initial recognition, goodwill is measured at cost less accumulated impairment losses, for the purposes of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (CGU) that are expected to benefit from the combination. Where goodwill has been allocated to a CGU and part of the operations within that unit are disposed of, the goodwill associated with the disposed operation is included in the carrying amount when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

2.12 Intangible assets

Intangible assets such as franchise agreements, appointed representative relationships, and in-house software are measured at cost less accumulated amortisation and impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the profit or loss in the period in which the expenditure is incurred.

Intangible assets acquired in a business combination are deemed to have a cost to the Group of the asset's fair value at the acquisition date. The fair value of an intangible asset reflects market expectations about the profitability that the future economic benefits embodied in the asset will flow up to the Group.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

The useful lives of intangible assets are assessed as either finite or indefinite.

Brand names are not amortised as the Directors are of the opinion that they each have an indefinite useful life based on the expectation that there is no foreseeable limit to the period over which each of the assets are expected to generate net cash inflows to the businesses. The Directors are confident that trademark registration renewals will be filed at the appropriate time and sufficient investment will be made in terms of marketing and communication to maintain the value inherent in the brands, without incurring significant cost. All brands recognised have been in existence for a number of years and are not considered to be at risk of obsolescence from technical, technological nor commercial change. Whilst operating in competitive markets they have demonstrated that they can continue to operate in the face of such competition and that there is expected to remain an underlying market demand for the services offered. The lives of these brands are not dependent on the useful lives of other assets of the entity.

Development costs that are directly attributable to the testing of identifiable software products controlled by the Group are recognised as intangible assets when the project or process is technically and commercially feasible. Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Franchise agreements entered into by the Group (as franchisor) as part of contractual arrangements concerning the disposal of previously owned branches are recognised as intangible assets. Franchise intangible assets are initially recognised at fair value and subsequently amortised on a straight-line basis over their useful economic lives, being the term of the agreement. The franchise intangible assets are amortised over a remaining life of 15 years as based on the agreements, this is the most likely minimum term. The life of the relationship is assessed annually.

All other intangible assets are amortised on a straight-line basis over their useful economic lives of 12 years for appointed representative relationships, and between three and five years for in-house software.

2.13 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Property, plant and equipment is depreciated on a straight-line basis to its residual value over its anticipated useful economic life:

Office equipment, fixtures and fittings	– over three to seven years
Computer equipment	– over three to four years
Motor vehicles	– over three to four years
Leasehold improvements	– over the shorter of the lease term or ten years
Freehold and long leasehold property	– over fifty years or the lease term whichever is shorter

Notes to the Group Financial Statements continued

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. These assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

2.14 Financial instruments

Financial assets and financial liabilities are recognised in the Group's Balance Sheet when the Group becomes a party to the contractual provisions of the instrument. When financial assets are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets not at fair value through the income statement, directly attributable transaction costs. Financial assets are derecognised when the Group no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired. The subsequent measurement of financial assets depends on their classification.

The Group's accounting policy for each category of financial instruments is as follows:

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IFRS 9 Financial Instruments and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Group Statement of Profit or Loss and Other Comprehensive Income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets designated at fair value through the income statement

Gains and losses arising from the changes in the fair value of equity investments are recorded in the Group Statement of Profit or Loss and Other Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and on demand deposits and fixed-term deposits with original maturities of three months or less with the Group's relationship banks. Bank overdrafts which are repayable on demand are included in cash and cash equivalents only when there is a legal right to offset and an intention to settle net, otherwise these amounts are classified separately as liabilities on the balance sheet. For the purposes of the statement of cash flow, bank overdrafts are a component of cash and cash equivalents as they are repayable on demand and form an integral part of the Group's cash management. The overdraft is used to manage daily cash inflows and outflows. Cash pool balances fluctuate frequently between positive and negative. The overdraft acts as a working cash buffer rather than a source of long-term funding.

Trade receivables

Trade receivables do not carry any interest and are stated at their original invoiced value as reduced by appropriate allowances for estimated irrecoverable amounts. The expected credit loss model under IFRS 9 is applied to trade and other receivables. The chosen method of recognising the expected credit loss across the Group is the simplified approach allowing a provision matrix to be used, which is based on the expected life of trade receivables and historic default rates, default being defined as when impaired debts are assessed as uncollectable. The carrying amount of the receivables is reduced through use of an allowance account and impaired debts are derecognised when they are assessed as uncollectable.

Trade payables

Trade payables are stated on the balance sheet at their original invoice value.

2.15 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. For the purposes of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs). An asset's or CGU's recoverable amount is the higher of its fair value less costs to sell (FVLCTS) and value-in-use (VIU). Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing an asset's VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill and brand, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the assets or CGU's recoverable amount.

2.16 Loans to franchisees and appointed representatives

The Group issues loans to its franchisees and appointed representatives, the Group's objective is to hold these loans to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their issue and are subsequently carried at amortised cost, less provision for impairment.

Loans to appointed representatives are made in the normal course of business and on standard terms, the duration is typically three years and the loans are offered on an interest-free basis. The Group calculates the difference between the par value and fair value on recognition using a market rate of interest and charges this amount to finance costs in the Group Statement of Profit or Loss and Other Comprehensive Income, the residual loan amount is recorded as a financial asset at amortised cost.

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

2.17 Loans to joint venture

The Group issued loan notes to its joint venture in 2024 and 2025. The Group's objective is to hold these loans to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their issue and are subsequently carried at amortised cost, less provision for impairment. The loan notes are redeemable and were redeemed in January 2026.

Impairment provisions against loans to joint venture are recognised based on an expected credit loss model. The methodology used to determine the amount of provision is based on whether there has been a significant increase in credit risk since initial recognition of these financial assets and is calculated by considering the cash shortfalls that would be incurred and probability of these cash shortfalls using the Group's model. Where a significant increase in credit risk is identified, lifetime expected credit losses are recognised; alternatively, if there has not been a significant increase in credit risk, a 12-month expected credit loss is recognised. Such provisions are recorded in a separate allowance account with the loss being recognised within operating expenses in the Group Statement of Profit or Loss and Other Comprehensive Income.

2.18 Provisions

A provision is recognised in the Balance Sheet when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2.19 Leases

Leases are defined as a contract which gives the right to use an asset for a period of time in exchange for consideration. As a lessee, the Group recognises three classes of leases on this basis:

- Property leases
- Motor vehicle leases
- Other leases

Property leases and motor vehicle leases have been recognised on the Group Balance Sheet, in financial liabilities, by recognising the future cash flows of the lease obligation, discounted using the incremental borrowing rate of the Group, adjusted for factors such as swap rates available and the credit risk of the entity entering into the lease.

Corresponding right-of-use assets have been recognised on the Group Balance Sheet under property, plant and equipment and have been measured as being equal to the discounted lease liability plus any lease payments made at or before the inception of the lease and initial direct costs, less any lease incentives received. Cash flows from these leases have been recognised by including the principal portion of the lease payments in cash flows from financing activities and the interest portion of the lease payment recognised through operating activities.

Other leases are leases for low value items or leases whose contract term is less than 12 months. The practical expedient not to recognise right-of-use assets and lease liabilities for these leases has been utilised by the Group. A charge for these leases has been recognised through the Profit or Loss and Other Comprehensive Income as an operating expense. The cash flows relating to low value and short-term leases have been recognised in net cash flows from operating activities. No leases where the Group is a lessee, or a lessor contain variable lease payments.

In scenarios where the Group is an intermediate lessor, the sublease is classified as a finance lease if substantially all of the risk and rewards incidental to the ownership of the leased asset have transferred to the sublessee, otherwise the sublease is classified as an operating lease. The Group accounts for finance subleases by derecognising the existing right-of-use asset at the effective date of the sublease and recognising a receivable for the Group's net investment in the sublease, with any resultant gain/(loss) recognised in the Profit or Loss and Other Comprehensive Income. The net investment in the leases equals remaining fixed payments, discounted at the interest rate implicit in the lease. After initial

Notes to the Group Financial Statements continued

recognition, the Group recognises finance income over the remaining lease using the amortised cost method. The net investment in sublease is subsequently reviewed for impairment under IFRS 9 (further details are given in note 26 to these Financial Statements).

Rental income including the effect of lease incentives from sublet properties and vehicles are recognised over time on a straight-line basis, throughout the lease term for operating leases or by recognising in the balance sheet a lease receivable equal to the investment in the lease for finance leases. Subleases are assessed as finance leases or operating leases in reference to the right-of-use asset the lease generates.

2.20 Shares held by employee benefit trust (EBT) and share incentive plan (SIP)

The Group has an employee share scheme (ESOT) for the granting of LSL shares to Executive Directors and selected senior employees; and an employee share incentive plan. Shares in LSL held by the ESOT and the trusts are treated as treasury shares and presented in the Group Balance Sheet as a deduction from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. The finance costs and administration costs relating to the ESOT and the trusts are charged to the income statement. Dividends earned on shares held in the ESOT and the trusts have been waived. The ESOT and trust shares are ignored for the purposes of calculating the Group's earnings per share (EPS).

2.21 Treasury shares

Where the Group repurchases shares from existing Shareholders, they are held as treasury shares and are presented as a deduction from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Treasury shares are ignored for the purposes of calculating the Group's EPS and adjusted EPS.

2.22 Dividends

Equity dividends are recognised when they become legally payable. In the case of interim dividends to Shareholders, this is when paid. In the case of final dividends, this is when approved by Shareholders at each AGM.

2.23 Pensions

The Group operates a defined contribution pension scheme for employees of all Group companies. The assets of the scheme are invested and managed independently of the finances of the Group. The pension cost charge represents contributions payable in the year.

2.24 Critical accounting judgements and estimates

The preparation of the Group's Financial Statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenue and expenses during the year. These estimates and judgements are based on Management's best knowledge of the amount, event or actions and actual results ultimately may differ from those estimates. Group Management believe that the estimates and assumptions listed below have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities.

Carrying value of goodwill and intangible assets (estimate)

The Group carries out impairment reviews of intangible assets when there is an indication that the carrying value may not be recoverable and tests the carrying value of goodwill and indefinite life intangibles at least annually. Each of the Group's three segments holds goodwill or indefinite life intangible assets and therefore an annual impairment review is required.

Judgement is required in identifying the cash-generating units (CGUs) for impairment testing and in determining whether certain brand intangibles have an indefinite useful life, based on the expectation of continued use and strong market positioning.

The Group's goodwill of £16.9m includes Surveying & Valuation (£9.9m) and Financial Services (£7.0m). At 31 December 2025, the Group held £29.9m of intangible assets on the balance sheet (2024: £29.9m), of which £6.9m are indefinite life intangible assets relating to brand (2024: £6.9m). The remaining balance of £23.0m is split between relationship assets £7.8m (2024: £8.5m), franchise intangibles £10.0m (2024: £10.9m) and software £5.2m (2024: £3.6m).

The impairment tests are carried out by a group of CGUs and reflect the latest Group budgets and forecasts approved by the Board. The recoverable amounts are determined using value-in-use (VIU) models, based on cash flow projections incorporating assumptions about market performance (including housing market activity, mortgage lending trends, interest rates, and broader economic, legal and technological factors). Discount rates are derived from observable market data and reflect the specific risk profile of each CGU.

The pre-tax discount rates applied are as follows:

- Financial Services Division – 16.4%
- Surveying & Valuation Division – 16.5%
- Estate Agency Franchising Division – 15.7%

A terminal growth rate of 2.0% is applied to each CGU beyond the three year forecast period. A sensitivity analysis has been performed to assess the impact of reasonably possible changes to the key assumptions. Further details are presented in Note 17.

Commission refund liability (estimate)

Certain subsidiaries earn commission income from the sale of life assurance and protection products that are cancellable without notice. Where a policy is cancelled within a defined indemnity period, a proportion of the commission previously recognised becomes repayable. Under IFRS 15, this represents variable consideration and is recognised as a reduction in revenue at inception, constrained to the extent that it is highly probable that a significant reversal will not occur.

The Group estimates the expected amount of commission subject to clawback using either the expected value method or the most likely amount method, whichever more accurately predicts the consideration to which the Group will be entitled. Persistency assumptions are derived from historical refund patterns and supported by actuarial analysis, adjusted for known events and forward-looking information where applicable.

Commission refund liabilities are recognised within trade and other payables. Estimates are required in determining appropriate lapse assumptions, which are reviewed regularly against actual experience to ensure continued accuracy. Details of the assumptions applied and the sensitivity to changes in lapse rates are presented in Note 23.

Appointed representative provision (estimate)

The Group recognises an IAS 37 provision for expected cash outflows on commission clawbacks arising after the termination, suspension or resignation of appointed representatives (ARs) within the Financial Services Division, to the extent not recoverable from these ARs. This is separate from the IFRS 15 commission refund liability recorded against revenue for expected clawbacks on the Group's own commissions while AR relationships remain active. The provision reflects management's best estimate at the reporting date using an expected-value approach, based on policy lapse, cancellation assumptions within clawback windows, provider terms, and expected recoveries from ex-ARs informed by historical collections and enforceability.

Professional indemnity (PI) claims (estimate)

A provision is made for professional indemnity claims and potential claims that arise during the normal course of business in the Financial Services Division and in relation to valuations performed by the Surveying & Valuation Division. This includes an estimate for both claims reported and those incurred but not yet reported (IBNR).

Estimation is required in assessing the level of coverage for reported and IBNR claims, including the likelihood of settlement and recovery under insurance arrangements.

The provision is estimated using historical claim frequency and severity data, supplemented by actuarial input where appropriate, and adjusted for current information on open cases. Estimation uncertainty arises due to the inherent difficulty in predicting the timing and outcome of claims. Further details of the assumptions applied to PI claims and related sensitivity analysis are disclosed in Note 25.

Principal versus agent (judgement)

Within the Financial Services Division, the Group acts as both a principal and an agent depending on the nature of its arrangements with lenders, insurers, and advisers. Management exercises judgement in determining whether the Group controls the specified service before it is transferred to the customer. See note 2.4 for further detail.

2.25 New standards and interpretations not applied

IFRS 18 "Presentation and Disclosure in Financial Statements" was issued by the International Accounting Standards Board (IASB) on 9 April 2024. Subject to UK endorsement, the new standard is effective for the Group's accounting periods beginning on or after 1 January 2027.

New requirements under IFRS 18 are expected to have an impact on the Group Financial Statements, key changes include:

- Mandatory subtotals and categories of income and expense in the Group Statement of Profit or Loss and Other Comprehensive Income, as well as new requirements for the disclosure of operating expenses.
- Disclosures about management-defined performance measures in the Financial Statements.
- Enhanced requirements for the aggregation and location of information presented in the primary financial statements and disclosed in the notes as well as guidance on providing informative labels.

Management are continuing to assess the impact of the accounting changes that will arise under IFRS 18.

There have been no other new relevant standards that have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2025. Amendments to existing standards do not have a material impact on the Financial Statements.

Notes to the Group Financial Statements continued

3. Disaggregation of revenue

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Year ended 31 December 2025

	Financial Services ¹ £'000	Surveying & Valuation ² £'000	Residential sales exchange ³ £'000	Lettings ³ £'000	Estate Agency Franchising income ³ £'000	Asset management ² £'000	Other ³ £'000	Total £'000
Timing of revenue recognition								
Services transferred at a point in time	48,838	102,046	3,045	—	7,518	5,575	1,251	168,273
Services transferred over time	—	—	—	—	14,672	—	—	14,672
Total revenue from contracts with customers	48,838	102,046	3,045	—	22,190	5,575	1,251	182,945

During the year 19% (2024: 19%) of the Group's revenue was generated from a single large customer within the Surveying & Valuation Division. The revenue recorded within continuing operations in relation to this customer during the year was £35.1m (2024: £33.1m).

Other revenue relates to income from conveyancing services.

All revenues were generated from the United Kingdom.

Year ended 31 December 2024 (restated*)

	Financial Services ¹ £'000	Surveying & Valuation ² £'000	Residential sales exchange ³ £'000	Lettings ³ £'000	Estate Agency Franchising income ³ £'000	Asset management ² £'000	Other ³ £'000	Total £'000
Timing of revenue recognition								
Services transferred at a point in time	48,395	92,547	4,027	367	7,044	5,275	997	158,652
Services transferred over time	—	—	—	—	14,666	—	—	14,666
Total revenue from contracts with customers	48,395	92,547	4,027	367	21,710	5,275	997	173,318

1 Financial Service segment

2 Surveying & Valuation segment

3 Estate Agency Franchising segment

	2025 £'000	2024 £'000
Revenue from services	182,945	173,318
Operating revenue	182,945	173,318
Gain on fair value (Note 19)	201	482
R&D expenditure credit	770	50
Other gains	145	—
Other operating income	1,116	532
Total revenue and operating income	184,061	173,850

*See note 36 for restatement

4. Segment analysis

For the year ended 31 December 2025 LSL has reported three operating segments: Financial Services, Surveying & Valuation, and Estate Agency Franchising.

Within the Estate Agency Franchising operating segment, the only remaining owned operations relate to the Group's new build residential sales and conveyancing businesses which are LSL Land & New Homes Limited and Homefast Property Services Limited, representing less than 10% of the Group's total revenue.

The Group's asset management business is included within the Surveying & Valuation Division. Management deemed the Group's asset management operations, including the class of customer for its services, are more closely aligned to the Surveying & Valuation Division after the Estate Agency Division's transformation into a franchise model in 2023.

All of the Group's non-current assets are located in its country of domicile. The Group does not hold non-current assets in foreign jurisdictions; therefore, no foreign non-current asset disclosures are presented.

Operating segments

The Chief Operating Decision Maker (CODM) monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Underlying Operating Profit, which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the Group Financial Statements. Head office costs, Group financing (including finance costs and finance income) and income taxes are managed on a Group basis, are excluded from segment results, and are not allocated to operating segments.

Reportable segments

The following table presents revenue and profit information regarding the Group's reportable segments for the financial year ended 31 December 2025 and financial year ended 31 December 2024 respectively.

Notes to the Group Financial Statements continued

Year ended 31 December 2025

	Financial Services £'000	Surveying & Valuation £'000	Estate Agency Franchising £'000	Central £'000	Total £'000
Income statement information					
Revenue from external customers	48,838	107,620	26,487	–	182,945
Segmental result:					
– Group Underlying Operating profit/(loss) from continuing operations	10,955	23,554	8,259	(10,150)	32,618
– Operating profit/(loss)	6,294	20,806	6,404	(10,942)	22,562
Finance income					2,451
Finance costs					(1,937)
Profit before tax					23,076
Loss before tax from discontinued operations					(8)
Profit before tax					23,068
Taxation					(6,028)
Profit for the year					17,040
Balance sheet information					
Segment assets – intangible	16,804	14,318	15,614	–	46,736
Segment assets – other	37,310	16,604	7,830	72,493	134,237
Total segment assets	54,114	30,922	23,444	72,493	180,973
Total segment liabilities	(21,557)	(21,126)	(12,656)	(43,752)	(99,091)
Net assets	32,557	9,796	10,788	28,741	81,882
Other segment items					
Capital expenditure including intangible assets	1,435	2,214	644	–	4,293
Depreciation	(589)	(2,031)	(749)	–	(3,369)
Amortisation of intangible assets	(1,866)	(311)	(855)	–	(3,032)
Exceptional gains	571	–	–	–	571
Exceptional costs	(1,680)	(2,000)	(701)	(685)	(5,066)
Share of results in joint venture	798	–	–	–	798
PI provision	(756)	(3,565)	–	–	(4,321)
Dilapidation provision	–	–	(4,336)	–	(4,336)
Restructuring provision	–	–	(996)	–	(996)
Appointed representative provision	(1,615)	–	–	–	(1,615)
Share-based payment	(184)	(437)	(300)	(676)	(1,597)
Employee costs	(24,344)	(66,394)	(10,487)	(7,863)	(109,088)
Expected credit loss	(1,397)	(18)	(2,128)	–	(3,543)

Central net assets comprise intangible assets and plant and equipment £0.5m, other assets £4.9m, cash £67.1m, accruals and other payables £2.5m, deferred tax liabilities £2.0m, overdraft of £39.3m. Central result comprises costs relating to the Parent Company.

Year ended 31 December 2024 (restated*)

	Financial Services £'000	Surveying & Valuation £'000	Estate Agency Franchising £'000	Central £'000	Total £'000
Income statement information					
Revenue from external customers	48,395	97,822	27,101	–	173,318
Segmental result:					
– Group Underlying Operating profit/(loss) from continuing operations	8,576	22,501	7,757	(11,049)	27,785
– Operating profit/(loss)	4,593	22,083	6,599	(11,336)	21,939
Finance income					2,868
Finance costs					(1,741)
Profit before tax					23,066
Loss before tax from discontinued operations					(518)
Profit before tax					22,548
Taxation					(5,106)
Profit for the year					17,442
Balance sheet information					
Segment assets – intangible	17,521	12,771	16,424	–	46,716
Segment assets – other	33,900	15,486	4,356	66,655	120,397
Total segment assets	51,421	28,257	20,780	66,655	167,113
Total segment liabilities	(23,697)	(18,450)	(12,954)	(31,805)	(86,906)
Net assets	27,724	9,807	7,826	34,850	80,207
Other segment items					
Capital expenditure including intangible assets	1,259	1,439	333	–	3,031
Depreciation	(540)	(1,925)	(695)	–	(3,160)
Amortisation of intangible assets	(1,806)	(230)	(916)	(36)	(2,988)
Exceptional gains	1,705	40	–	–	1,745
Exceptional costs	(4,109)	–	–	–	(4,109)
Share of results in joint venture	(6)	–	–	–	(6)
PI Costs provision	(676)	(1,899)	–	–	(2,575)
Dilapidation provision	–	–	(5,110)	–	(5,110)
Restructuring provision	–	–	(918)	–	(918)
Other provision	(1,247)	–	–	–	(1,247)
Onerous leases provision	–	–	–	(571)	(571)
Share-based payment	(199)	(228)	(242)	(251)	(920)
Employee costs	(25,919)	(59,346)	(10,479)	(9,456)	(105,200)
Expected credit loss	(497)	(12)	(1,552)	–	(2,061)

Central net assets comprise intangible assets and plant and equipment £0.7m, other assets £5.3m, cash £60.7m, accruals and other payables £1.9m, deferred tax liabilities £1.6m, overdraft of £28.3m. Central result comprises costs relating to the Parent Company.

*See note 36 for restatement

Notes to the Group Financial Statements continued

5. Group and Divisional Underlying Operating Profit

Group and Divisional Underlying Operating Profit are alternative performance measures (APMs) used by the Directors and Group Management to monitor performance of operating segments against budget. It is calculated as profit/(loss) before tax adjusted for the items set out below. The Group's APMs are defined, explained, and reconciled to their closest statutory measures in note 34.

Year ended 31 December 2025

	Financial Services £'000	Surveying & Valuation £'000	Estate Agency £'000	Central £'000	IFRS reported total from continuing operations £'000
Profit/(loss) before tax	7,997	20,645	6,051	(11,617)	23,076
Net finance (cost)/income	(1,703)	161	353	675	(514)
Operating profit/(loss) per income statement	6,294	20,806	6,404	(10,942)	22,562
Operating Margin	12.9%	19.3%	24.2%	–	12.3%
Adjustments:					
Share-based payments	184	437	300	676	1,597
Amortisation of intangible assets	1,866	311	855	–	3,032
Exceptional gains	–	–	–	(571)	(571)
Exceptional costs	1,680	2,000	701	685	5,066
Other sources of earnings from JV	932	–	–	–	932
Underlying Operating Profit/(Loss)	10,956	23,554	8,260	(10,152)	32,618
Underlying Operating Margin	22.4%	21.9%	31.2%	–	17.8%

Year ended 31 December 2024 (restated*)

	Financial Services £'000	Surveying & Valuation £'000	Estate Agency £'000	Central £'000	IFRS reported total from continuing operations £'000
Profit/(loss) before tax	6,682	22,805	6,121	(12,542)	23,066
Net finance (cost)/income	(2,089)	(722)	478	1,206	(1,127)
Operating profit/(loss) per income statement	4,593	22,083	6,599	(11,336)	21,939
Operating Margin	9.6%	22.6%	24.4%	–	12.7%
Adjustments:					
Share-based payments	199	228	242	251	920
Amortisation of intangible assets	1,806	230	916	36	2,988
Exceptional gains	(1,705)	(40)	–	–	(1,745)
Exceptional costs	4,109	–	–	–	4,109
Contingent consideration	(426)	–	–	–	(426)
Underlying Operating Profit/(Loss)	8,576	22,501	7,757	(11,049)	27,785
Underlying Operating Margin	17.7%	23.0%	28.6%	–	16.0%

* See note 36 for restatement

6. Discontinued operations

In 2023, the Group franchised its entire owned estate agency network of 183 branches, with the operations of the previously owned network disposed to a combination of new and existing franchisees between 3 May and 31 May 2023. The operations of the branches were sold to the franchisees through either asset or share sales. The operations of the owned branch network were classified as a discontinued operation and presented as such in the Group Financial Statements for the year ended 31 December 2025 and 31 December 2024.

During 2025 the Group recognised post tax loss from discontinued operations of £0.04m (2024: loss of £0.4m) due to follow on administrative costs from the restructuring and increase in dilapidation and restructuring provisions recognised as part of the original asset and share sales, as per note 25.

Financial performance and cash flow information

	2025 £'000	2024 £'000
Other operating credit/(costs)	312	(440)
Exceptional costs	(320)	(78)
Group operating loss	(8)	(518)
Loss before tax	(8)	(518)
Taxation (charge)/credit	(34)	141
Loss after tax for the year from discontinued operation	(42)	(377)

The net cash flows incurred by discontinued operations are, as follows:

	2025 £'000	2024 £'000
Operating	(775)	(1,622)
Investing	–	–
Financing	–	–
Net cash outflow	(775)	(1,622)

Exceptional costs

	2025 £'000	2024 £'000
Increase in dilapidation and restructuring provisions	320	78
	320	78

Increase in dilapidation and restructuring provisions

During the year, the Group recognised exceptional costs from discontinued operations of £0.3m (2024: £0.1m) due to increases in dilapidation and restructuring provisions recognised as part of the original asset and share sales, as per note 25 of the Group Financial Statements.

7. Finance income

	2025 £'000	2024 £'000
Finance income on subleased assets	29	96
Discounting on contingent consideration payable	47	738
Interest from loans to franchisees and appointed representatives	330	225
Bank interest	1,023	1,752
Interest from loan notes receivable	932	–
Other interest receivable	90	57
	2,451	2,868

Notes to the Group Financial Statements continued

8. Finance costs

	2025 £'000	2024 £'000
Commitment and non-utilisation fees on RCF	709	632
Unwinding of discount on lease liabilities	534	455
Unwinding of discount on contingent consideration payable	–	132
Unwinding of discount on dilapidations provision	245	192
Finance cost on loans to franchisees and appointed representatives	449	321
Other interest payable	–	9
	1,937	1,741

9. Exceptional items

Exceptional items are those which are material by size and are both non-recurring and unusual in nature, see note 2.8 for the Group's accounting policy for exceptional items.

	2025 £'000	2024 £'000
Exceptional costs:		
Financial Services appointed representative costs	31	1,880
Financial Services post-acquisition support costs	584	543
Estate Agency restructuring costs	701	–
Reduction in contingent consideration receivable	230	1,542
Financial Services acquisition costs	–	144
Central CEO and CFO change costs	685	–
Surveying professional indemnity provision	2,000	–
Financial Services restructuring costs	835	–
	5,066	4,109
Exceptional gains:		
Surveying & Valuation restructuring gains	–	40
Increase in contingent consideration receivable	–	1,705
Release of claims indemnity provision	571	–
	571	1,745

Exceptional costs

Financial Services post-acquisition support costs

On 2 February 2024, the Group acquired the entire issued share capital of TenetLime Limited (TenetLime), a subsidiary of Tenet Group Limited (Tenet Group). As part of the purchase agreement, Tenet Group agreed to provide a number of services to LSL after the transaction. Subsequent to the purchase, LSL was notified that Tenet Group Limited entered administration on 5 June 2024, see note 24 for further detail. Additional costs to the Group as a consequence of the administration of £0.6m (2024: £0.5m) are recognised as exceptional costs.

Estate Agency restructuring costs

During 2025, LSL Land and New Homes Limited (LNH) underwent a significant business restructure. The restructure resulted in redundancy and staff-related costs of £0.6m and £0.1m premises dilapidation costs following the decision to exit the existing office due to the reduced workforce.

Reduction in contingent consideration receivable

The reduction in contingent consideration receivable relates to contingent consideration assets recognised on the disposal of Group First, EFS and RSC. The charge included in exceptionals is the result of reduction in the amounts receivable after working capital adjustments. The Group has included movements in the contingent consideration for these disposals in exceptional items, because the original gain/loss on disposal was taken to exceptional items.

Central CEO and CFO change costs

In 2025 there were £0.7m of non-recurring exceptional costs in relation to Group's CEO and CFO change.

Surveying professional indemnity provision

Refer to note 25 for further detail.

Financial Services restructuring costs

The Group initiated a restructuring programme in 2025, during which the Financial Services Division incurred non-recurring restructuring costs. In addition, the Division incurred exceptional consultancy and outsourcing expenses following the unexpected departure of a senior executive due to medical reasons. These costs were necessary to ensure continuity of leadership and operational oversight through interim support and external consultancy arrangements.

Exceptional gains

Release of claims indemnity provision

The release relates to a claims indemnity provision which was provided for in May 2021 when the Group sold its 49.6% interest in LMS, a joint venture whose principal activity was to provide conveyancing panel management services. The Group included movements in claims indemnity provisions in exceptional items, as the original provision was included as an exceptional cost in 2021. The provision was timebound for a fixed period of four years commencing on the completion date of the sales purchase agreement, which has now elapsed, therefore the provision has been released in 2025.

10. Profit before tax

Profit before tax is stated after charging:

	2025 £'000	2024 £'000
Auditor's remuneration (Note 11)	1,035	1,525
Short-term leases	1,546	1,796
Low value leases	201	196
Depreciation – owned assets	1,124	1,179
Depreciation – right-of-use assets	2,245	1,981

11. Auditor's remuneration

The remuneration of the auditors is further analysed as follows:

	2025 £'000	2024 £'000
Audit of the Financial Statements	275	584
<i>Fees payable to company's auditors and its associates for other services:</i>		
Audit of subsidiaries	650	701
Total audit	925	1,285
Audit-related assurance services (including interim results review)	110	240
	1,035	1,525

Notes to the Group Financial Statements continued

12. Earnings per Share (EPS)

Basic EPS amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

As the Group reported a profit from continuing operations in 2025 (2024: profit from continuing operations), the effect of dilutive share options has been included in the calculation of diluted earnings per share for continuing operations, discontinued operations and the overall result:

Total EPS:

	2025			Restated ¹ 2024		
	Profit after tax £'000	Weighted average number of shares	Per share amount pence	Profit after tax £'000	Weighted average number of shares	Per share amount pence
Basic EPS	16,960	102,322,435	16.6	17,409	102,645,789	17.0
Effect of dilutive share options	–	2,404,841	–	–	957,578	–
Diluted EPS	16,960	104,727,276	16.2	17,409	103,603,367	16.8

EPS from continuing operations:

	2025			Restated ¹ 2024		
	Profit after tax £'000	Weighted average number of shares	Per share amount pence	Profit after tax £'000	Weighted average number of shares	Per share amount pence
Basic EPS	17,002	102,322,435	16.6	17,819	102,645,789	17.4
Effect of dilutive share options	–	2,404,841	–	–	957,578	–
Diluted EPS	17,002	104,727,276	16.2	17,819	103,603,367	17.2

EPS from discontinued operations:

	2025			2024		
	Loss after tax £'000	Weighted average number of shares	Per share amount pence	Loss after tax £'000	Weighted average number of shares	Per share amount pence
Basic EPS	(42)	102,322,435	(0.0)	(377)	102,645,789	(0.4)
Effect of dilutive share options	–	2,404,841	–	–	957,578	–
Diluted EPS	(42)	104,727,276	(0.0)	(377)	103,603,367	(0.4)

¹ Refer to note 36 to the financial statements

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these Financial Statements.

Adjusted basic and diluted EPS

The Directors (who were members of the Board at 31 December 2025) consider that the adjusted earnings shown below give a consistent indication of the Group's underlying performance:

	2025 £'000	Restated 2024 £'000
Group Underlying Operating Profit (See note 5 for the reconciliation from Group Operating Profit)	32,618	27,785
Profit attributable to non-controlling interest	(80)	(33)
Finance income (excluding exceptional and contingent consideration items, fair value adjustment to loans receivables and discounting on lease liabilities)	1,666	1,169
Other sources of earnings from joint venture	(932)	–
Normalised taxation (tax rate 25.0%, 2024: 25.0%)*	(8,318)	(7,230)
Adjusted profit after tax attributable to owners of the parent	24,954	21,691

* The headline UK rate of corporation tax for the period is 25.0%. (2024:25.0%).

Adjusted basic and diluted EPS

	2025			2024		
	Profit after tax £'000	Weighted average number of shares	Per share amount pence	Profit after tax £'000	Weighted average number of shares	Per share amount pence
Adjusted basic EPS	24,954	102,322,435	24.4	21,690	102,645,789	21.1
Effect of dilutive share options		2,404,841			957,578	
Adjusted diluted EPS	24,954	104,727,276	23.8	21,690	103,603,367	20.9

This represents adjusted profit after tax attributable to equity holders of the parent. Tax has been adjusted to exclude the prior year tax adjustments, and the tax impact of exceptional items, amortisation, and share-based payments. The effective tax rate used is 25.0% (31 December 2024: 25.0%).

13. Dividends paid and proposed

	2025 £'000	2024 £'000
Declared and paid during the year:		
2025 Interim: 4.0 pence per share (2024 Interim: 4.0 pence)	4,154	4,069
Dividends on shares proposed (not recognised as a liability as at 31 December):		
<i>Equity dividends on shares:</i>		
Dividend: 7.4 pence per share (2024: 7.4 pence)	7,572	7,596

14. Cash flow from financing activities

Set out below are the movements in the Group's lease liabilities and long-term debt during the year.

	At 1 January 2025 £'000	Cash flow £'000	Additions £'000	Disposals £'000	At 31 December 2025 £'000
Lease liabilities	5,782	(2,486)	3,543	(335)	6,504
	5,782	(2,486)	3,543	(335)	6,504
	At 1 January 2024 £'000	Cash flow £'000	Additions £'000	Disposals £'000	At 31 December 2024 £'000
Lease liabilities	8,340	(2,895)	1,855	(1,518)	5,782
	8,340	(2,895)	1,855	(1,518)	5,782
				2025 £'000	2024 £'000
Non-current liabilities				4,148	3,493
Current liabilities				2,356	2,289
				6,504	5,782

Lease liability movements comprise new leases entered into during the year, cancellation of leases and movements between current and non-current liabilities, this also includes interest paid during the year of £0.5m (2024: £0.5m). The Group holds no other long-term debt at 31 December 2025.

Notes to the Group Financial Statements continued

15. Directors and employees

Remuneration of Directors

	2025 £'000	Restated 2024 £'000
Directors' remuneration (short-term benefits) ¹	1,769	1,728
Contributions to money purchase pensions schemes (post-employment benefits)	2	2
Aggregate gains on exercise of share-based payment awards	-	155
	1,771	1,885

1 Directors' remuneration (short-term benefits) excludes the value of share awards (including the value of matching shares, dividend shares and free share awards) that vested in the year amounting to £nil (2024: £nil). Included within this amount are accrued bonuses of £0.2m (2024: £0.6m).

The number of Directors who were members of Group money purchase pension schemes during the year totalled 2 (2024: 2).

The remuneration of the highest paid Director is disclosed within the Directors' Remuneration Report.

Remuneration of Key Management Personnel

	2025 £'000	2024 £'000
Key management personnel remuneration (short-term benefits) ²	3,264	3,618
Contributions to money purchase pensions schemes (post-employment benefits)	45	57
Termination benefits	9	178
Share-based payments charge on current incentive schemes	820	59
	4,138	3,912

2 Included within this amount are accrued bonuses of £0.9m (2024: £1.4m).

Remuneration of Key Management Personnel represents the charge to the income statement in respect of the remuneration of the Group Board, Group Executive Committee members and Company Secretary.

Employee numbers and costs

The Group employs staff in divisional offices and head office. Aggregate payroll costs of these employees, including Directors were:

	2025 £'000	2024 £'000
Wages and salaries	89,567	87,914
Social security costs	14,162	12,437
Pension costs	4,677	4,406
Subcontractor costs	682	443
Total employee costs	109,088	105,200
Share-based payment charge	1,597	920

The average monthly headcount (including Directors but excluding subcontractors) during the year were:

	2025	Restated 2024
Financial Services	389	434
Surveying & Valuation	1,098	1,016
Estate Agency Franchising	183	224
Central	106	103
	1,776	1,777

Share-based payments

The Group operates the following equity-settled share-based remuneration schemes:

Long-term incentive plan (LTIP)

The Group operates a LTIP (an equity-settled share-based remuneration scheme) for certain employees. Under the LTIP, the options vest if the individual remains an employee of the Group after a three-year period, unless the individual has left under certain 'good leaver' terms in which case the options may vest earlier providing the performance conditions are met. There are no cash settlement alternatives.

Vesting conditions:

For all LTIP options granted between 2022 and 2025, 50% of each award is subject to a market-based performance condition, based on the total shareholder return (TSR) of LSL as compared to a comparator group of FTSE Small Cap, excluding investment trusts, over the three-year performance period (for LTIP 2025 this is 1 January 2025 to 31 December 2027):

- if the Group is in the top 25% percentile, all of these options will vest;
- if the Group is at the median, 25% will vest;
- straight-line vesting between median and top 25% percentile; and
- below the median, no options vest.

The remaining 50% of each award is subject to a non-market-based performance condition, based on LSL's Adjusted Basic EPS performance in the financial year which they become exercisable:

		LTIP 2025 EPS (pence)	LTIP 2024 EPS (pence)	LTIP 2023 EPS (pence)	LTIP 2022 EPS (pence)
100% vest	(more than or equal to)	34.0	32.5	24.0	52.8
25% vest	(equal to)	28.0	26.5	16.0	46.9
Straight-line vesting	(between)	28.0-34.0	26.5-32.5	16.0 – 24.0	46.9 – 52.8
No options vest	(less than)	28.0	26.5	16.0	46.9

In 2025, the Group has introduced a second LTIP scheme. Under this plan, participants receive nil-cost options over the Group's ordinary shares which may vest in two tranches, subject to continued service to the relevant vesting date and achievement of share-price based performance conditions measured over the three and five year periods to 31 December 2027 (the First Vesting Date) and 31 December 2029 (the Second Vesting Date). The Board has discretion, but not an obligation, to settle in cash. The awards are accounted for as equity-settled share-based payments under IFRS 2.

Vesting conditions:

For the second LTIP options granted, the options will vest based on the average market value of a share over the 60-day period ending on the respective vesting dates. For the 2025 LTIP grant, these vesting dates are 31 December 2027 and 31 December 2029. Vesting condition are as follows:

- First Vesting Date (31 December 2027)
 - 12.5% vesting at an average share price of £3.70;
 - 50% vesting at an average share price of £4.23;
 - between these values, vesting increases on a straight-line basis;
 - below £3.70, no awards vest on the First Vesting Date.
- Second Vesting Date (31 December 2029)
 - 25% vesting at an average share price of £4.48;
 - 100% vesting at an average share price of £5.59;
 - between these values, vesting increases on a straight-line basis;
 - below £4.48, no additional awards vest on the Second Vesting Date.

The second tranche uses the remaining portion of the award, being 1 minus the first vesting percentage. If the second vesting hurdle is not achieved, no further vesting occurs on the second vesting date, but any shares already vested at the first vesting date are unaffected.

Notes to the Group Financial Statements continued

Company stock option plan (CSOP)

The Group operates a CSOP (an equity-settled share-based remuneration scheme) for certain employees. Under the CSOP the options vest if the individual remains an employee of the Group after a three-year period, unless the individual has left under certain 'good leaver' terms in which case the options may vest earlier. There are no cash settlement alternatives.

SAYE (save-as-you-earn) scheme

The Group has offered options under the SAYE scheme (an equity-settled share-based remuneration scheme) in each of 2021, 2023, 2024 and 2025 years. All these offers were open to all qualifying employees and provide for an exercise price equal to the daily average market price on the date of grant. The options will vest if the employee remains in service for the full duration of the option scheme (three years). There are no cash settlement alternatives.

All employee share award

The Group launched its second free share award (an equity-settled share-based remuneration scheme) under its SIP Plan in 2022. The award was £500 worth of shares per full-time employee and a pro-rated award for all part-time employees. This award offer was made to LSL employees who had joined the Group on or before 28 February 2022 and remain employed and not serving notice at the date the shares are awarded in April 2022. The awards will normally become available for employees once they have been held in the SIP for three years or more. There are no cash settlement alternatives.

The Group's first free share scheme (an equity-settled share-based remuneration scheme) awarded £500 worth of shares per full-time employee and a pro-rated award for all part-time employees who had joined the Group on or before 31 March 2020 and were still employed and not serving notice at the time the grant was made on 1 October 2020. The awards will normally become available for employees once they have been held in the SIP plan for three years or more. There are no cash settlement alternatives.

Movements during the year

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

	2025		2024	
	Weighted average exercise price	Number	Weighted average exercise price	Number
Outstanding at 1 January	0.85	4,003,768	0.87	4,065,279
Granted during the year	0.99	1,062,798	0.77	1,283,552
Exercised during the year ¹	0.38	(103,505)	0.37	(383,216)
Lapsed during the year	0.83	(1,453,192)	1.04	(961,847)
Outstanding at 31 December	0.91	3,509,869	0.85	4,003,768

¹ The weighted average share price at the date of exercise of these options was £2.82 in 2025 (2024: £2.73)

- There were no cancellations or modifications to the awards in 2025 or 2024.
- The weighted average remaining contractual life for the share options outstanding as at 31 December 2025 was 1.55 years (2024: 1.53 years).
- The weighted average fair value of options granted during the year was £1.33 (2024: £2.39).
- The range of exercise prices for options outstanding at the end of the year was £nil to £3.64 (2024: £nil to £3.64).
- 335,235 share options were exercisable as at 31 December 2025.

The following tables list the inputs to the models used for the new plans for the years ended 31 December 2025 and 2024, respectively:

	LTIP 2025	LTIP 2025	SAYE 2025	LTIP 2024	SAYE 2024
Option pricing model used	Monte Carlo	Monte Carlo	Black Scholes	Black Scholes	Black Scholes
Weighted average share price at grant date (£)	3.26	2.67	2.48	2.98	2.82
Exercise price (£)	–	–	2.04	–	2.46
Expected life of options (years)	4.5	3	3	3	3
Expected volatility (%)	86	62	100	100	100
Expected dividend yield (%)	3.50	3.60	3.40	3.69	1.06
Risk free interest rate (%)	3.66	3.82	3.62	4.54	4.36

The volatility assumption, measured at the standard deviation of expected share price returns, is based on statistical analysis of historical share price. The dividend yield assumption is based on the fact that the shares awarded are not eligible to receive dividends until the end of the vesting period. The total cost recognised for equity-settled transactions is as follows:

	2025 £'000	2024 £'000
Share-based payment charge during the year	1,597	920

A charge of £1.6m (2024: charge of £0.9m) relates to employees of the Group.

16. Taxation

(a) Taxation charge

The major components of income tax charge in the Group Income Statement are:

	2025 £'000	2024 £'000
UK corporation tax – current year	6,059	3,417
– adjustment in respect of prior years	(356)	(208)
	5,703	3,209
Deferred tax:		
Origination and reversal of temporary differences	(198)	2,446
Adjustment in respect of prior year	523	(549)
Deferred tax balances written back on disposal of subsidiaries	–	–
Total deferred tax charge	325	1,897
Total tax charge in the income statement	6,028	5,106

Continuing and discontinued operations:

	2025 £'000	2024 £'000
Total tax charge from continuing operations	5,994	5,247
Total tax (credit)/charge from discontinued operations	34	(141)
	6,028	5,106

Corporation tax is recognised at the headline UK corporation tax rate of 25.0% (2024: 25.0%).

The opening and closing deferred tax balances in the Financial Statements were measured at 25%. This is in accordance with rates included in the Finance Act 2021 which was enacted on 10 June 2021 and came into effect from 1 April 2023.

The effective rate of tax for the year was 26.1% (2024: 22.7%). The effective tax rate for 2025 is lower than the headline UK tax rate of 25.0% largely as a result of the calculated adjustments arising in respect of prior periods.

Income tax credited directly to the share-based payment reserve is £0.1m (2024: credit of £0.1m).

Notes to the Group Financial Statements continued

(b) Factors affecting tax charge for the year

The tax assessed in the profit and loss account is lower than (2024: lower than) the standard UK corporation tax (CT) rate, because of the following factors:

	2025 £'000	Restated 2024 £'000
Profit before tax from continuing operations	23,076	23,066
Loss before tax from discontinued operations	(8)	(518)
Profit before tax	23,068	22,548
Tax calculated at UK standard CT rate of 25% (2024: 25%)	5,767	5,635
Non-deductible expenditure from joint venture	(199)	1
Income not taxable	(376)	(11)
Other disallowable expenses	1,028	592
Impact of movement in contingent consideration credited to the income statement	–	119
Share-based payment relief	185	(60)
Movement in deferred tax previously not recognised on tax losses	(543)	(413)
Prior period adjustments – current tax	(357)	(208)
Prior period adjustment – deferred tax	523	(549)
Total taxation charge	6,028	5,106
Total tax charge from continuing operations	5,994	5,247
Total tax (credit)/charge from discontinued operations	34	(141)
Total taxation charge	6,028	5,106

Other disallowable expenses of £1.0m (2024: £0.6m) includes the tax impact of exceptional costs of £0.1m (2024: £0.1m), which are not taxable/deductible for tax purposes. This item also includes other permanent items which are not eligible for tax relief.

Income not taxable of £0.3m (2024: £nil) includes the non-taxable impact of Research & Development Expenditure Credits (RDEC) of £0.2m (2024: £nil) and non-taxable exceptional items of £0.1m (2024: £nil). This item also includes other minor permanent items which are not taxable.

A tax credit of £0.4m has been recognised for corporation tax prior period adjustments, reflecting refinements to prior estimates following changes in reported results in standalone statutory accounts and the finalisation of permanent disallowable expenditure. A key driver is the submission of RDEC claims to HMRC for the years ended 31 December 2023 and 31 December 2024, noting an RDEC credit of £0.8m has been recognised in the Group's other operating income.

A tax debit of £0.5m has been recognised for deferred tax prior period adjustments, mainly reflecting refinements to the qualifying tax base of intangible fixed assets (following RDEC claims) and deferred tax not recognised on tax losses.

(c) Factors that may affect future tax charges (unrecognised)

	2025 £'000	2024 Restated* £'000
Unrecognised deferred tax asset relating to:		
Losses	2,632	2,108
Share based payments	251	490
	2,883	2,598

* The prior period has been represented to include the balance relating to deferred tax not recognised on share based payments. No Profit or Loss debit or credit arises in respect of this representation

No deferred tax asset is recognised in respect of trading losses of £6.9m (2024: £6.7m). The losses may be recoverable in the future, and this is dependent on subsidiary companies generating taxable profits sufficient to allow the utilisation of these amounts. These deferred tax assets cannot be offset against profits elsewhere in the Group as they relate to losses brought forward which can only be offset against taxable profits arising from the same trade in which the losses arose. There is no time limit for utilisation of these tax losses.

No deferred tax asset is recognised in respect of capital losses of £3.7m (2024: £1.8m) as there are no capital profits forecast against which these losses can be utilised. There is no time limit for utilisation of these tax losses.

No deferred tax asset is recognised in respect of share based payments of £1.0m (2024: £2.0m). The deferred tax asset may be recoverable in the future, and this is dependent on whether the applicable shares options held vest in a future period.

(d) Deferred tax

An analysis of the balance sheet movements in deferred tax is as follows:

	2025 £'000	2024 £'000
Net deferred tax liability at 1 January	1,642	(166)
Research and development tax credits	(26)	—
Deferred tax liability recognised directly in equity	58	(88)
Deferred tax charge in income statement for the year from continuing operations	325	1,897
Net deferred tax liability/(asset) at 31 December	1,999	1,642

Net deferred tax liability analysed as:

	2025 £'000	2024 £'000
Accelerated capital allowances	(1,159)	(1,433)
Deferred tax liability on separately identifiable intangible assets	4,455	4,410
Deferred tax on financial assets	234	184
Deferred tax on share options	(618)	(616)
Other short-term temporary differences	(330)	(221)
Temporary differences- FRS 102 to IFRS alignment	216	—
Total losses recognised	(799)	(682)
	1,999	1,642

At 31 December 2025, the Group has unused trading tax losses of £3.2m available for offset against future profits. See note 16c for commentary on those balances for which no deferred tax asset is recognised.

At the end of either year there was no unrecognised deferred tax liability for taxes that would be payable on the unremitted earnings of the Group's subsidiaries.

Deferred tax charge in income statement relates to the following:

	2025 £'000	2024 £'000
Intangible assets recognised on business combinations	(45)	790
Accelerated capital allowance	(274)	(149)
Deferred tax on financial assets	((50))	—
Deferred tax on share options	60	40
Other temporary differences	83	(30)
Temporary differences- FRS 102 to IFRS alignment	(216)	—
Trading losses recognised	117	(2,548)
Total deferred tax charged in income statement	(325)	(1,897)
	2025 £'000	2024 £'000
Deferred tax charge in income statement for the year from continuing operations	(325)	(1,897)
Deferred tax charge in income statement for the year from discontinued operations	—	—
Total deferred tax charged in income statement	(325)	(1,897)

Notes to the Group Financial Statements continued

17. Intangible assets

Goodwill and brand

	Goodwill £'000	Brand £'000	Total £'000
Cost			
At 31 December 2024	16,855	6,911	23,766
At 31 December 2025	16,855	6,911	23,766
Net book value			
At 31 December 2025	16,855	6,911	23,766
At 31 December 2024	16,855	6,911	23,766

The carrying amount of goodwill and brand by CGU is summarised below:

	Goodwill 2025 £'000	Brand 2025 £'000	Goodwill 2024 £'000	Brand 2024 £'000
CGUs				
PRIMIS network	6,950	180	6,950	180
Financial Services segment total	6,950	180	6,950	180
e.surv	9,569	1,305	9,569	1,305
Templeton LPA	336	–	336	–
Surveying & Valuation segment total	9,905	1,305	9,905	1,305
Your Move and Reeds Rains	–	3,751	–	3,751
LSLi	–	1,675	–	1,675
Estate Agency Franchising segment total	–	5,426	–	5,426
Total	16,855	6,911	16,855	6,911

Impairment of goodwill and other intangibles with indefinite useful lives

The Group tests goodwill and the indefinite life intangible assets annually for impairment, or more frequently if there are indicators of impairment. Goodwill and brands acquired through business combinations have been allocated for impairment testing purposes to statutory companies or groups of statutory companies which are managed as individual CGUs as disclosed in the table above.

Recoverable amount of CGUs

The recoverable amounts of the Financial Services, Surveying & Valuation and Estate Agency Franchising companies have been determined based on a value-in-use (VIU) calculation using cash flow projections based on financial budgets and forecasts approved by the Board and in the three-year plan.

Cash flow projections are based on the Group's three-year plan covering the period 2026 to 2028. Cash flows beyond this period are extrapolated using a terminal growth rate of 2.0%.

The calculation of value-in-use for each of the Financial Services, Surveying & Valuation and Estate Agency companies is most sensitive to the following assumptions:

- Discount rates
- Performance in the market

Discount rates

The pre-tax discount rate applied to cash flow projections used in the VIU models is as follows:

	2025	2024
Financial Services	16.4%	16.3%
Surveying & Valuation	16.5%	17.3%
Estate Agency Franchising	15.7%	15.9%

Cash flows beyond the three-year plan are extrapolated using a 2.0% growth rate (2024: 2.0%). The terminal growth rate of does not exceed the long-term average growth rate for the UK economy and reflects management's expectation of long-term sustainable growth in the relevant markets.

Performance in the market

Management's impairment assessment incorporates key assumptions reflecting the performance of the market, such as housing transaction volumes, house price forecasts, mortgage lending trends, market interest rates, and broader economic, legal and technological factors affecting operations. These assumptions are derived from a combination of internal forecasts and external market data, and are reflected in the revenue growth, margin and cost projections for each cash-generating unit (CGU).

These assumptions reflect management's expectations of how each CGU will perform over the three-year forecast period (2026 to 2028) and are used to calculate the value-in-use of the CGUs. CGU-specific operating assumptions are applied to forecast cash flows and relate to revenue forecasts and underlying profit margins within each of the operating CGUs. The values ascribed to each assumption vary between CGUs, as forecasts are built from the underlying business units within each CGU group. The assumptions are based on a combination of historical performance, observable market trends, and management's expectations of future market developments.

Sensitivity to changes in assumptions

The Group performed sensitivity analysis on key assumptions, including discount rates ($\pm 1.5\%$) and terminal growth rates ($\pm 1\%$). Under these scenarios, all CGUs retained sufficient headroom and therefore no impairment required. The most sensitive CGU is e.surv, where a 1.5% increase in discount rate would reduce headroom by £10.2m but not result in impairment.

Other intangible assets

	Customer contracts £'000	Franchise agreements £'000	Software £'000	Relationship Asset £'000	Total £'000
Cost					
At 1 January 2024	625	12,766	19,397	—	32,788
Additions	—	—	2,093	9,295	11,388
At 31 December 2024	625	12,766	21,490	9,295	44,176
Additions	—	—	3,052	—	3,052
Disposals	(625)	—	—	—	(625)
At 31 December 2025	—	12,766	24,542	9,295	46,603
Amortisation and impairment					
At 1 January 2024	625	1,020	16,593	—	18,238
Amortisation	—	879	1,335	774	2,988
At 31 December 2024	625	1,899	17,928	774	21,226
Amortisation	—	850	1,408	774	3,032
Disposal	(625)	—	—	—	(625)
At 31 December 2025	—	2,749	19,336	1,548	23,633
Net book value					
At 31 December 2025	—	10,017	5,206	7,747	22,970
At 31 December 2024	—	10,867	3,562	8,521	22,950

At 31 December 2025, the Group's Relationship Asset has a remaining amortisation period of 10 years.

Notes to the Group Financial Statements continued

Research and development expenditure

During the year, the Group incurred total research and development expenditure of £1.3m (2024: £1.2m) recognised as an expense in the Group Statement of Profit or Loss and other Comprehensive Income.

18. Property, plant and equipment and right-of-use assets

	Land and buildings £'000	Leasehold improvements £'000	Motor vehicles £'000	Fixtures, fittings and computer equipment £'000	Total £'000
Cost					
At 1 January 2024 (restated ¹)	9,018	966	7,226	10,782	27,992
Additions	424	–	1,431	939	2,794
Disposals	(5,935)	–	(2,446)	(271)	(8,651)
At 31 December 2024	3,507	966	6,211	11,450	22,134
Additions	1,692	–	1,878	1,241	4,811
Disposals	(406)	–	(1,129)	(1,073)	(2,608)
At 31 December 2025	4,793	966	6,960	11,618	24,337
Depreciation and impairment					
At 1 January 2024	7,334	966	3,947	8,828	21,075
Charge for the year	539	–	1,442	1,179	3,160
Disposals	(5,902)	–	(2,378)	(221)	(8,501)
At 31 December 2024	1,971	966	3,011	9,786	15,734
Charge for the year	710	–	1,535	1,124	3,369
Disposals	(406)	–	(988)	(1,072)	(2,466)
At 31 December 2025	2,275	966	3,558	9,838	16,637
Net book value					
At 31 December 2025	2,518	–	3,402	1,780	7,700
At 31 December 2024	1,536	–	3,200	1,664	6,400
Property, plant and equipment	–	–	–	1,780	1,780
Right-of-use assets	2,518	–	3,402	–	5,920

1 Refer to note 36 to the financial statements

19. Financial assets

	2025 £'000	Restated ¹ 2024 £'000
(a) Financial assets at fair value through other comprehensive income (FVOCI)		
Unquoted shares at fair value	–	–
(b) Financial assets at fair value through income statement (FVPL)		
Unquoted shares at fair value (Openwork units and Twenty7Tec)	963	762
Contingent consideration receivable	–	5,772
(c) Financial assets at amortised cost		
Investment in sublease	295	832
Loan to joint venture	13,840	7,607
Loans to franchisees and appointed representatives	3,650	1,769
	18,748	16,742
Non-current assets	2,917	2,111
Current assets	15,831	14,631
	18,748	16,742

1 Refer to note 36 to the financial statements

(a) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) include unlisted equity instruments which are carried at fair value and measured using level 3 valuation techniques. The Group holds an equity instrument in Global Property Ventures and NBC Property Master Limited which is carried at £nil value.

(b) Financial assets at fair value through income statement

Financial assets through profit or loss (FVPL) include unquoted units in Twenty7Tec Group Limited and Openwork Partnership LLP, and contingent consideration receivable which are carried at fair value and measured using level 2 valuation technique. During the period, the following gains were recognised in the income statement:

	2025 £'000	2024 £'000
Fair value gains on equity investments at FVPL recognised in other operating costs	201	482
Fair value (losses)/gains on contingent consideration recognised as exceptional	(230)	163
Finance income recognised on contingent consideration receivable	–	738

Openwork Units

As at 31 December 2025, the fair value of the Group's investment in units held in The Openwork Partnership LLP increased to £0.6m (31 December 2024: £0.4m) due to a fair value adjustment of £0.2m recognised in the year. Our valuation is based on the actual strike price in the most recent trading window.

Twenty7Tec

The Group's holdings in equity instrument in Twenty7Tec Group Limited remained at £0.4m (31 December 2024: £0.3m). This is based on an external valuation of the business and is therefore indicative of a fair value.

Contingent Consideration Receivable

Contingent consideration of £5.5m in relation to the disposals of EFS, Group First and RSC in H1 2023, was fully repaid in 2025.

Notes to the Group Financial Statements continued

(c) Financial assets measured at amortised cost

Financial assets measured at amortised cost include investment in subleases, loan notes receivable and loans to franchisees and appointed representatives.

Investment in subleases

The Group recognises an investment in sublease in scenarios where it is an intermediate lessor, and the sublease is classified as finance lease. On recognition, the investment in sublease is valued as the remaining fixed payments due from the sublessor, discounted at the discount rate implicit in the headlease. The Group recognises finance income over the remaining life of the leases. An expected credit loss has been provided against the investment in sublease of £0.1m (2024: £0.1m), applying a 12-month expected credit loss model.

Loans to franchisees and appointed representatives

The loans to franchisees and appointed representatives balance includes loans to franchisees in the Estate Agency Franchising segment and loans to appointed representatives in Financial Services.

The franchisee loans reflect drawdowns on agreed facilities which have availability over a range of periods from 31 December 2024 to 31 December 2025, are repayable in full over an agreed period and may bear fixed rate interest. The Group has issued franchisee loans of £2.7m (2024: £1.1m) during the period, received principal repayments of £1.3m (2024: £0.4m) and recognised finance income of £0.3m (2024: £0.1m). An expected credit loss has been provided against the facility of £0.01m (2024: £0.1m) applying a 12-month expected credit loss model.

The Group issues loans to appointed representatives in the normal course of business and on standard terms, the duration is typically three years, and the loans are offered on an interest-free basis. The Group has issued loans to appointed representatives of £0.6m (2024: £0.4m) during the year and received principal repayments of £0.5m (2024: £1.3m) and recognised finance income of £0.1m (2024: £0.1m). An expected credit loss has been provided against the remaining facility of £0.1m (2024: £0.1m), applying a 12-month expected credit loss model.

Loans notes receivables

In 2025, the Group provided further funding of £5.3m (2024: £7.6m) to its joint venture Mottram TopCo Limited in the form of 10% unsecured loan notes. Finance income of £0.9m (2024: £nil) was recognised in 2025. The loan notes are fully repaid in January 2026, see note 33 for further detail.

20. Investment in joint venture

	2025 £'000	2024 £'000
Opening balance	11,585	9,359
Equity investment in Pivotal Growth	2,605	2,232
Equity accounted profit	1,195	107
Adjustment for non-controlling interests	(397)	(113)
Closing balance	14,988	11,585

Pivotal Growth

The Group is party to one joint venture, Mottram TopCo Limited. As at 31 December 2025, the Group holds a 46.8% (2024: 46.5%) shareholding in Mottram TopCo Limited and has joint control by virtue of its holding of 50% of the voting shares in Mottram TopCo Limited and through rights granted to it under a joint venture agreement.

Mottram TopCo Limited holds a 100% shareholding in Mottram MidCo Limited which in turn holds a 87.1% shareholding in Pivotal Growth Limited (Pivotal) (2024: 85.1%). Mottram TopCo and Mottram MidCo are both holding companies. Pivotal invests in direct-to-consumer (D2C) financial services advice (mortgage and protection) brokerages to help them build long-term sustainable value. Pivotal's principal place of business is the United Kingdom.

As at 31 December 2025, the Group did not have any commitments or contingent liabilities relating to Pivotal.

A further £2.6m equity investment was made by the Group during the year (2024: £2.2m). In September 2025, the Group provided £5.3m (2024: £7.6m) funding by means of loan notes, which are repayable in 2026 (refer to note 19 for further details).

The summarised financial information of Pivotal, which is accounted for using the equity method, is presented below:

	2025 £'000	2024 £'000
Mottram TopCo balance sheet¹:		
Non-current assets	96,341	55,002
Current assets (excluding cash and cash equivalents)	9,744	4,757
Cash and cash equivalents	8,641	7,641
Current liabilities	(46,348)	(26,513)
Non-current liabilities	(27,332)	(10,647)
Net assets	41,046	30,240
Less: net assets attributable to non-controlling interests	(313)	84
Net assets attributable to Pivotal	40,733	30,324
LSL share of Pivotal's net assets¹	14,988	11,585

1. Mottram TopCo Limited prepares its financial statements in accordance with FRS102. In accordance with IAS 28, LSL's share of the joint venture's assets is adjusted to reflect LSL's accounting policies. The adjustments primarily relate to the changes in accounting policy regarding goodwill and share-based payments.

	2025 £'000	Restated 2024 £'000
Pivotal results:		
Revenue	95,129	60,290
Operating expenses	(89,383)	(60,153)
Operating profit	5,746	137
Finance income	94	16
Finance costs	(1,996)	-
Profit before tax	3,844	152
Taxation	(1,731)	(52)
Profit after tax	2,113	100
Attributable to NCI of Pivotal	397	113
Attributable to Mottram TopCo	1,716	(13)
LSL share of post-tax profit/(loss) from joint venture	798	(6)

The above Pivotal results for the period ended 31 December 2025 includes the following:

	2025 £'000	2024 £'000
Depreciation	(559)	(297)
Amortisation	(452)	(434)

There was no other comprehensive income recognised in Pivotal during the year.

Notes to the Group Financial Statements continued

21. Trade and other receivables

	2025 £'000	Restated ¹ 2024 £'000
Current		
Trade receivables	5,693	5,012
Prepayments	6,795	6,135
Accrued income	10,060	10,850
Other debtors	2,478	2,164
	25,026	24,161

The accrued income balance is expected to be settled within three months of the year end date.

Accrued income of £10.1m primarily relates to valuation services performed but not yet invoiced at year end and franchise fees earned under contractual arrangements. These amounts are expected to be billed and settled within three months. Accrued income represents amounts for which the Group has an unconditional right to payment and therefore is classified as a receivable rather than a contract asset under IFRS 15.

Other debtors of £2.5m include PI insurance recoveries (£0.3m) and operational receivables from franchisees and appointed representatives (£2.2m).

Trade receivables are non-interest-bearing and are generally on 4 to 30 day terms depending on the services to which they relate. As at 31 December 2025, trade receivables and accrued income with a nominal value of £5.6m (2024: £4.6m) were provided for. Set out below is the movement in the allowance for expected credit losses of trade receivables and accrued income:

	2025 £'000	Restated ¹ 2024 £'000
At 1 January	4,574	3,658
Provision for expected credit losses	3,543	2,061
Amounts written off	(2,468)	(1,146)
At 31 December	5,649	4,574

The Group applies the IFRS 9 expected credit loss model using the simplified approach, whereby a provision matrix is applied based on the ageing of trade receivables, historical default rates, and forward-looking information. The ECL provision increased to £5.6m (2024: £4.6m), reflecting higher exposure to overdue balances, particularly those greater than 120 days past due, and management's updated assessment of the current economic environment.

As at 31 December, an analysis of gross trade receivables and accrued income by credit risk rating grades is as follows:

	Total £'000	Neither past due nor impaired £'000	<30 days £'000	30-60 days £'000	60 – 90 days £'000	90 – 120 days £'000	> 120 days £'000
2025	21,402	10,573	3,895	849	544	669	4,872
2024	20,436	10,220	3,588	706	414	223	5,285

The expected credit loss rate applied by ageing bracket has been disclosed below:

	Neither past due nor impaired	<30 days	30-60 days	60 – 90 days	90 – 120 days	> 120 days
2025	0.00%	10.06%	14.53%	22.22%	19.20%	67.24%
Restated ¹ 2024	0.02%	13.11%	17.51%	34.21%	37.14%	69.75%

¹ Refer to note 36 to the financial statements

22. Cash and cash equivalents

Bank overdrafts reflect the aggregate overdrawn balances of Group companies (even if those companies have other positive cash balances). The overdrafts are held with the Group's relationship banks.

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

	2025 £'000	2024 £'000
Cash and cash equivalents	67,050	60,663
Bank overdrafts	(39,253)	(28,264)
Cash and cash equivalents	27,797	32,399

23. Trade and other payables

	2025 £'000	Restated ¹ 2024 £'000
Current		
Trade payables	9,665	9,793
Other taxes and social security payable	7,687	6,120
Other payables	2,866	2,981
Accruals	13,791	15,185
Commission refund liability	2,801	3,414
	36,810	37,493

¹ Refer to note 36 to the financial statements

Commission refund liability

Certain subsidiaries earn commissions on the sale of life assurance and general insurance products with terms from one to four years which are cancellable without a notice period, and if cancelled within a set period, require that a portion of the commission earned must be repaid. The subsidiaries do not hold insurance risk on the life assurance and general insurance products sold.

Commission income is recognised in accordance with IFRS 15 Revenue from Contracts with Customers. The potential obligation to repay commission gives rise to variable consideration, which is constrained to the extent that it is highly probable that a significant reversal of recognised revenue will not occur.

The commission refund liability is recognised as a reduction in revenue at the point commission income is recognised. The liability represents management's best estimate of commissions that will be clawed back for insurance products sold that may be cancelled in future periods and is calculated based on historic cancellation experience. If average lapse rates across all products sold were to increase by 1.0%, the total liability would increase by £0.2m.

Notes to the Group Financial Statements continued

24. Financial liabilities

	2025 £'000	Restated ¹ 2024 £'000
Current		
IFRS 16 lessee financial liabilities	2,354	2,289
Contingent consideration	3,259	3,306
	5,613	5,595
Non-current		
IFRS 16 lessee financial liabilities	4,148	3,493
	4,148	3,493

1 Refer to note 36 to the financial statements

Bank loans – RCF and overdraft

In accordance with the terms at 31 December 2025, the utilisation of the RCF may vary each month as long as this does not exceed the maximum £60.0m facility (2024: £60.0m). The Group's overdraft is also secured on the same facility, and the combined overdraft and RCF cannot exceed £60.0m (2024: £60.0m).

In January 2025, LSL amended and restated the RCF facility, the renewed facility now runs to January 2030 with the same limit of £60.0m.

The Group's revolving credit facility (RCF) was undrawn as at the year end (2024: undrawn). Any amounts drawn under the RCF are secured via cross guarantees issued from the following businesses: LSL Property Services plc, Your-Move.co.uk Limited, Reeds Rains Limited, e.surv Limited, Lending Solutions Holdings Limited, First Complete Limited, New Daffodil Limited, St Trinity Limited, LSL Corporate Client Services Limited, Advance Mortgage Funding Limited, Personal Touch Financial Services Limited, Personal Touch Administration Services Limited, LSLi Limited and Vitalhandy Enterprises Limited.

Fees payable on the RCF amounted to £0.7m during the year (2024: £0.6m) including amortisation of arrangement fees and non-utilisation fees.

Contingent consideration

	2025 £'000	2024 £'000
TenetLime	3,259	3,306
Total contingent consideration	3,259	3,306
Opening balance	3,306	65
Acquisition	–	3,600
Cash paid	–	(65)
Amounts recorded through income statement	(47)	(294)
Closing balance	3,259	3,306

Contingent consideration payable is measured at fair value using a discounted cash flow approach. The most significant unobservable inputs are adviser retention levels, forecast profitability and the discount rate applied to expected future payments.

TenetLime Limited

On 2 February 2024, the Group acquired the entire issued share capital of TenetLime Limited (TenetLime), a subsidiary of Tenet Group Limited (Tenet Group). The value of the company was concentrated in the contracts with the appointed representative firms. Consequently, the transaction has been accounted for as an asset acquisition. A relationship intangible asset of £9.3m has been recognised, please refer to note 17. The cost paid for the relationship intangible asset represents initial consideration of £5.7m and contingent consideration of £3.6m. The contingent consideration is based on the retention rate of firms within LSL's PRIMIS network 12 months after the transaction completed.

As part of the purchase agreement, Tenet Group agreed to provide a number of services to LSL after the transaction. Subsequent to the purchase, LSL was notified that Tenet Group Limited entered administration on 5 June 2024. As at the 31 December 2025, there are no additional liabilities recognised as a result of the administration, though £0.6m of exceptional costs were incurred during the year (2024: £0.5m, see note 9). Management have assessed the potential future costs that may arise for LSL due to Tenet Group Limited's administration and is currently in discussions with the administrators regarding these costs. As at the reporting date, the Group had no legal or constructive obligation for any future costs that may arise. Additionally, discussions are ongoing with the administrators to offset these amounts against the contingent consideration payable, which was originally due in H1 2025 but has been delayed due to an extension of the administration process to June 2026.

25. Provisions for liabilities

	PI claim provisions £'000	Dilapidation provision £'000	Restructuring provision £'000	Appointed representative provision £'000	Other £'000	Total £'000
Balance at 1 January 2025 (restated ²)	2,575	5,110	918	1,247	571	10,421
Transferred from trade and other payables ¹	–	–	–	543	–	543
Provided in financial year	2,650	16	549	1,615	–	4,830
Amount utilised	(153)	(383)	(441)	(1,790)	–	(2,767)
Amount released	(751)	(652)	(30)	–	(571)	(2,004)
Unwinding of discount	–	245	–	–	–	245
Balance at 31 December 2025	4,321	4,336	996	1,615	–	11,268
Current liabilities	1,030	3,396	996	844	–	6,266
Non-current liabilities	3,291	940	–	771	–	5,002
	4,321	4,336	996	1,615	–	11,268

1 During the period, the Group has reclassified £0.5m of opening balances from commission refund liability within trade and other payables to appointed representative provision. This reclassification reflects a more appropriate presentation of the balance, which relates to obligations that are uncertain in timing or amount and meet the definition of a provision under IAS 37

2 Refer to note 36 to the financial statements

PI claim provisions

PI claim provisions of £4.3m relate to the Surveying & Valuation Division (£3.6m) and Financial Services Division (£0.7m).

PI claim provision – Surveying & Valuation

The PI claim provision is to cover the costs of claims that arise during the normal course of business. The PI claim provision includes both valuation and defect claims and provides for claims already received from clients and claims yet to be received. The provision is management's best estimate of the likely outcome of such claims, taking account of the incidence of such claims and the size of the loss that may be borne by the claimant, after taking account of actions that can be taken to mitigate losses.

The PI claim provision will be utilised as individual claims are settled, and the settlement amount may vary from the amount provided depending on the outcome of each claim. PI claim provisions are not discounted as the timing of settlement is uncertain and the effect of discounting is not considered material. Based on past experience, a significant proportion of the provision has historically been settled after more than 12 months. As a result, a substantial portion of the provision has been classified as non-current. As of 31 December 2025, the total provision for PI claim was £3.6m. The Directors have considered the sensitivity analysis on the key risks and uncertainties discussed above.

The increase in the provision during the year was due to professional indemnity claims being notified to the Group's Surveying & Valuation Division in relation to historic valuation engagements. Currently, these matters are at an early stage of investigation and in accordance with IAS 37, further information about the potential financial effect and related uncertainties has not been disclosed because it could prejudice the Group's position in any dispute.

Valuation claims:

Cost per claim

A substantial element of the PI claim provision relates to specific claims where disputes are ongoing. These specific claims have been separately assessed and specific provisions have been made. The average cost per claim has been used to calculate the claims incurred but not yet reported (IBNR). Should the costs to settle and resolve these specific claims and future claims increase by 10%, an additional £0.1m would be required.

Rate of claim

The IBNR assumes that the rate of claim for the high-risk lending period reduces over time. Should the rate of reduction be lower than anticipated and the duration extended, further costs may arise. An increase of 30% in notifications more than that assumed in the IBNR calculations would increase the required provision by £0.2m.

Defect claims:

The Group also provides for defect claims, whereby it is found that a property has a defect which was not identified when the survey was performed. The value provided for each received claim is the expected value of that claim. To assess the value of future claims incurred but not yet received (IBNR), analysis is performed on the number of surveys that lead to future claims and the average cost per claim.

Notes to the Group Financial Statements continued

PI claim provision – Financial Services

The PI claim provision is to cover the costs of claims that arise during the normal course of business. The PI provision provides for both claims which have been received from customers and claims yet to be received (IBNR). The Group calculates a provision for claims expected to be received based on the historical rate of claims, average cost per claim and the time which elapses between the advice being provided and the claim being raised. In addition, an asset is recognised for the estimated recoveries from professional indemnity insurance. The provision is presented gross of amounts due from insurers which form part of other debtors included in note 21.

As at 31 December 2025, the total provision for Financial Services PI was £0.5m (2024: £0.4m), including a provision for received claims of £0.3m (2024: £0.2m) and IBNR of £0.2m (2024: £0.2m). The Group has recognised an asset of £0.3m (2024: £0.3m) against received claims in other debtors at 31 December 2025.

Dilapidation provision

The Group recognises its obligation to make good its leased properties when it becomes probable that there will be an economic outflow and a reliable estimate can be made, this is typically where notice has been served to the landlord and there is an agreed exit date.

During 2023, the Group entered into a number of 'right to occupy' agreements with its estate agency franchisees. The right to occupy agreements relate to leases held by the Group that are due to be novated to the franchisees. They set out the Group's obligations to the franchisees, regarding the making good of existing modifications to the leased properties incurred during the Group's tenancy, which will be payable to the franchisees at the point of novation. The calculation of the Group's dilapidation settlement provision is based on an average cost rate per square foot, for damages already incurred during the Group's occupancy. The average cost rate per square foot applied in 2025 was £19.83 (2024: £18.50).

The provision is discounted using a risk-free discount rate based on expected date of novation of the lease. The discount rate applied in 2025 was 3.8% (2024: 4.2%).

If the average rates applied were to increase by 10% this would result in an increase in the overall provision of £0.4m, if they were to decrease by 10% this would result in a reduction of the same amount. If the discount rate was to increase by 1.0% this would result in a decrease in the provision of £0.1m, if the discount rate was to decrease by 1.0% this would result in an increase in the provision of the same amount. Management has concluded the provision to be the best estimate of the expenditure required to settle present obligations at the end of the reporting period.

Appointed representative provision

The Group recognises an provision for expected cash outflows on commission clawbacks arising after the termination, suspension or resignation of appointed representatives (ARs) within the Financial Services Division, to the extent not recoverable from these ARs. This is separate from the IFRS 15 commission refund liability recorded against revenue for expected clawbacks on the Group's own commissions while AR relationships remain active.

The liability represents management's best estimate of commissions that will be clawed back for insurance products sold that may be cancelled in future periods and is calculated based on historic cancellation experience. If average lapse rates increase by 1.0%, the total provision would increase by £0.1m.

Restructuring provision

The restructuring provision recognised relates to costs associated with the disposal of the owned branch network (£0.9m), and restructuring of the Land and New Homes business (£0.1m, refer to note 9).

The costs associated with the disposal of the owned branch network includes committed branch works (£0.6m) and legal costs for the novation of leases to franchisees (£0.3m).

Other – claims indemnity provision and contingency

Included in the sale agreement of LMS was a four year claims indemnity of £2.0m, for which the Group has previously provided £0.6m for certain claims, which it considers to be the most likely outcome. The Group disposed of LMS in 2021, and therefore the four year limit has now elapsed.

26. Leases

Group as a lessee

At the year ended 31 December 2025, the Group has the following in regards to leases in the Group Balance Sheet.

Right-of-use assets	2025			2024		
	Property £'000	Motor vehicles £'000	Total £'000	Property £'000	Motor vehicles £'000	Total £'000
1 January	1,536	3,201	4,737	1,684	3,279	4,963
Additions	1,692	1,878	3,570	424	1,431	1,855
Disposals	–	(142)	(142)	(33)	(67)	(100)
Depreciation	(710)	(1,535)	(2,245)	(539)	(1,442)	(1,981)
Transfer to investment in sublease	–	–	–	–	–	–
31 December	2,518	3,402	5,920	1,536	3,201	4,737

These are included in the carrying amounts of property, plant and equipment on the face of the Group Balance Sheet and have been included in note 18.

Lease liabilities	2025 £'000	2024 £'000
1 January	5,782	8,340
Additions	3,543	1,855
Interest expense	534	455
Disposals	(335)	(1,518)
Repayment of lease liabilities	(3,020)	(3,350)
31 December	6,504	5,782

The Group added £3.5m (2024: £1.9m) of new lease liabilities in the year. The weighted average discount rate applied across the Group for these additions was 9.9% (2024: 10.6%)

Maturity of these lease liabilities undiscounted is analysed as follows:

	£'000 Property	£'000 Vehicles	£'000 Total
Current lease liabilities	995	1,794	2,789
Non-current lease liabilities	2,583	2,265	4,848
31 December 2025	3,578	4,059	7,637

These are included in non-current and current financial liabilities on the face of the Group Balance Sheet and have been included in note 24. Maturity analysis of the future cash flows of lease liabilities has been included in note 31.

Notes to the Group Financial Statements continued

Group as a lessor

Following the transition of the Group's entire owned Estate Agency network to franchises in 2023, the Group has become an intermediate lessor on premises it leased whilst owning the estate agency network, that are now operated by franchisees. In such situations, the Group has maintained the head lease with the original lessor and has entered a sublease with the franchisee until the head lease transfers or expires.

The Group has determined that these subleases are finance leases, as substantially all the risks and rewards incidental to ownership of the right-of-use assets are transferred to the franchisees. On commencement of the sublease, the Group derecognises the related right-of-use asset and recognises a net investment in the sublease on its balance sheet. The Group in 2025 has received £0.5m (2024: £1.0m) of repayments from the franchisees in relation to the subleases, with finance income of £0.1m (2024: £0.1m) being recognised.

These leases have a term of up to five years. Although the risks associated with rights that the Group retains in underlying assets are not considered to be significant, the Group employs strategies to further minimise these risks. For example, including clauses to enable periodic upward revision of the rental charge in line with the head lease.

The maturity analysis of lease receivables, including the undiscounted lease payments to be received are as follows:

	2025 £000	2024 £000
Less than 1 year	159	527
1-2 years	80	306
2-3 years	47	82
3-4 years	23	41
4-5 years	–	9
	309	965
Unearned finance income	(14)	(133)
Net investment in sublease (Note 19)	295	832

The following shows how lease income and expenses have been included in the income statement and cash flow statement, broken down between amounts charged to operating profit and amounts charged to finance costs:

	2025 £'000	2024 £'000
Depreciation of right-of-use assets:		
Property	(710)	(539)
Vehicles	(1,535)	(1,442)
Short-term and low value lease expense (Note 10)	(1,747)	(1,992)
Sublease income	1,527	1,992
Charge to operating profit	(2,465)	(1,981)
Interest expense related to lease liabilities	(534)	(455)
Interest income related to investment in sublease	29	96
Charge to profit before taxation	(505)	(359)
Cash (outflow) relating to operating activities	(505)	(359)
Cash inflow relating to investing activities	489	1,046
Cash outflow relating to financing activities	(2,487)	(2,895)
Total net cash (outflow) relating to leases	(2,503)	(2,208)

At the 31 December 2025, the Group had not entered into any leases to which it was committed but had not yet commenced.

27. Share capital

	2025		2024	
	Shares	£'000	Shares	£'000
Authorised:				
Ordinary shares of 0.2 pence each	500,000,000	1,000	500,000,000	1,000
Issued and fully paid:				
At 1 January	105,158,950	210	105,158,950	210
At 31 December	105,158,950	210	105,158,950	210

Each issued, called-up and fully paid ordinary share of 0.2p is a voting share in the capital of the Company, is entitled to participate in the profits of the Company.

28. Reserves

Share premium

The amount subscribed for share capital in excess of nominal value less any costs attributable to the issue of new shares.

Share-based payment reserve

The share-based payment reserve is used to record the value of equity-settled share-based payment provided to the employees, as part of their remuneration. Note 15 gives further details of these plans.

Shares held by employee benefit trust (EBT) and share incentive plan (SIP)

Shares held by EBT represent the cost of LSL shares purchased in the market and held by the Employee Benefit Trust and the Share Incentive Plan (SIP) to satisfy future exercise of options under the Group's employee share options schemes. The EBT and SIP are treated as an extension of the Group.

At 31 December 2025, the Trust held 142,244 (2024: 174,248) LSL shares at an average cost of £3.86 (2024: £3.86), and the SIP held 871,803 (2024: 951,904) LSL shares at an average cost of £0.88 (2024: £0.88). The market value of the LSL shares at 31 December 2025 was £2.7m (2024: £3.4m). The nominal value of each share is 0.2 pence.

Treasury shares

Treasury shares represent the cost of LSL shares purchased in the market under the Group's share buy-back programmes, including the programme initiated in 2022 and the £7m programme announced in April 2024, which completed in January 2026 following the repurchase of ordinary shares up to the maximum consideration. In January 2026, the Board announced the launch of a new £12m share buy-back programme. At 31 December 2025, LSL had repurchased 3,356,874 (2024: 1,458,933) LSL shares at an average cost of £2.94 (2024: £3.31). The market value of the LSL shares at 31 December 2025 was £8.8m (2024: £4.4m). The nominal value of each share is 0.2 pence.

Fair value reserve

The fair value reserve is used to record the changes in fair value of equity financial assets that the Group has elected to recognise through OCI.

29. Pension costs and commitments

The Group operates defined contribution pension schemes for certain Executive Directors and certain employees. The assets of the schemes are held separately from those of the Group in independently administered funds, the total contributions to the defined contribution schemes in the year were £4.7m (2024: £4.4m). At the 31 December 2025, there were outstanding pension contributions of £0.6m (2024: £0.6m) included in trade and other payables.

30. Client monies

As at 31 December 2025, monies held by the Group on behalf of franchisees in separate bank accounts in relation to client monies amounted to £69.8m (2024: £68.4m). Neither this amount, nor the matching liabilities to the clients concerned are included in the Group Balance Sheet since these funds belong to clients.

Client funds are protected by the Financial Services Compensation Scheme (FSCS) under which the Government guarantees amounts up to £120,000. This guarantee applies to each individual client, not the total of deposits held by LSL.

Notes to the Group Financial Statements continued

31. Financial instruments – risk management

The Group's principal financial instruments comprise of cash and cash equivalents with access to a further £60m revolving credit facility which is undrawn at the balance sheet date, and in January 2025, it was extended to January 2030. The main purpose of these financial instruments is to raise finance for the Group's operations and support its capital allocation policy. The Group has various financial assets and liabilities such as trade receivables, cash and short-term deposits and trade payables, which arise directly from its operations.

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

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

Policy for managing these risks is set up by the Board following recommendations from the Group Chief Financial Officer. Certain risks are managed centrally, while others are managed locally following communications from the centre. The policy for each of the above risks is described in more detail below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the use of the Group's RCF. The RCF incurs interest on drawings at a variable rate, based on the Bank of England base rate plus a margin and this policy is managed centrally by the Group treasury function. The subsidiaries are not permitted to borrow from external sources directly without approval from the Group treasury function. The Group does not currently have any derivatives in place for interest rate hedging and continues to monitor the market for any opportunities to do so that would be beneficial to the Group to put in place.

The Group has not drawn down on its RCF during the year to 31 December 2025 and therefore has incurred no interest, the amount shown in finance costs relates to the amortisation of facility fees and non-utilisation fees.

Liquidity risk

The Group aims to mitigate liquidity risk by managing cash generation by its operations and capital allocation policy. An Investment Committee is in place to review investment proposals and the performance of previous investments against the original business cases and Group hurdle rate, and to identify any learnings for future capital allocation decisions. The work of the Investment Committee allows the Board to assess the Group's projected near and medium-term capital requirements. This facilitates an appropriate capital structure and capital allocation policy, taking into account economic conditions, the Group's improved resilience to market cycles and organic and inorganic opportunities. In this way the Group aims to maintain a good credit rating to facilitate fundraising. The Group has net current assets in the current year. The requirement to pay creditors is managed through future cash generation and, if required, from the RCF.

The Group manages liquidity risk by maintaining adequate reserves, via ongoing assessment of projected cash flows from operations and actual cash flows. This includes consideration of the maturity of both its financial investments and financial assets (e.g. accounts receivable, and other financial assets). The Group's objective is to maintain a balance between continuity of funding and flexibility for its capital allocation policy.

Cash at the bank earns interest at floating rates based on daily bank overnight deposit rates. Short term deposits are made for varying periods of time depending on the immediate cash requirements of the Group and earn varying interest rates. The fair value of net cash and cash equivalents is £27.8m (2024: £32.4m). At 31 December 2025, the Group had available £60.0m of undrawn committed borrowing facilities, of which the Group could have drawn £60.0m under the terms of the facility (2024: the Group had available £60.0m of undrawn committed borrowing facilities, of which the Group could have drawn £33.0m).

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2025 based on contractual undiscounted payments:

Year ended 31 December 2025

	On demand £'000	Less than 3 months £'000	3 to 12 months £'000	1 to 5 years £'000	> 5 years £'000	Total £'000
Trade payables	—	9,665	—	—	—	9,665
Other payables	—	24,343	—	—	—	24,343
Overdraft	39,253	—	—	—	—	39,253
Contingent consideration	—	—	3,259	—	—	3,259
Lease liabilities	—	588	1,765	3,553	595	6,501
	39,253	33,596	5,024	3,553	595	83,021

Year ended 31 December 2024 (restated¹)

	On demand £'000	Less than 3 months £'000	3 to 12 months £'000	1 to 5 years £'000	> 5 years £'000	Total £'000
Trade payables	–	9,793	–	–	–	9,793
Other payables	–	24,286	–	–	–	24,286
Overdraft	28,264	–	–	–	–	28,264
Contingent consideration	–	–	3,306	–	–	3,306
Lease liabilities	–	573	1,716	3,406	87	5,782
	28,264	34,652	5,022	3,406	87	71,431

1 Refer to note 36 to the financial statements

The liquidity risk of each Group entity is managed centrally by the Group Treasury function. The Group's cash requirement is monitored closely. All surplus cash is held centrally to achieve higher interest income. The type of cash instrument used and its maturity date will depend on the Group's forecast cash requirements. The Group has a RCF with a syndicate of major banking corporations to manage longer term borrowing requirements.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains appropriate capital structure to support its business objectives, including any capital adequacy requirements, and maximise shareholder value. The capital structure of the Group consists of cash and cash equivalents and equity attributable to the shareholders comprising issued capital, reserves and retained earnings as disclosed in the statement of changes in equity.

The Group does not have a current ratio of Net Bank Debt to EBITDA (2024: nil) due to a net cash position of £27.8m (2024: net cash £32.4m) and underlying operating profit of £32.6m (2024: £27.8m). The business is cash generative with a low capital expenditure requirement. The Group remains committed to its stated dividend policy of 30% of Group Underlying Operating Profit after interest and tax. The Board has reviewed the policy in line with the risks and capital management decisions facing the Group.

Credit risk

The Group is exposed to credit risk in respect of revenue transactions. It is Group policy, implemented locally, to obtain appropriate details of new customers before entering into contracts.

Estate Agency Franchising's and Financial Services' highest risk exposure is in relation to loans to franchisees and appointed representatives and their ability to service their debt. The Directors have established a credit policy under which each new franchisee and appointed representative are analysed individually for creditworthiness before a loan is offered. The Company's review includes external ratings, when available, and in some cases bank references.

Risk of exposure to non-return of cash on deposit is managed by placing funds with lenders who form part of the Group's agreed banking facility syndicate, which comprises several leading UK banks.

The majority of the Surveying & Valuation customers and those of the asset management business are large financial institutions and as such, the credit risk is not expected to be significant. The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the balance sheet date.

Financial instruments are grouped on a subsidiary basis to apply the expected credit loss model. The chosen method of recognising the expected credit loss across the Group is the simplified approach allowing a provision matrix to be used, which is based on the expected credit life of trade receivables, historic default rates and forward-looking information. Trade receivable balances are written off when the probability of recovery is assessed as being remote.

Fair values of financial assets and financial liabilities

There are no differences between the carrying amounts and fair values of all of the Group's financial instruments that are carried in the Financial Statements.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the Group Financial Statements continued

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

2025	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
Assets measured at fair value				
Financial assets	963	–	963	–
Liabilities measured at fair value				
Contingent consideration payable	3,259	–	–	3,259
2024	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
Assets measured at fair value				
Financial assets	762	–	762	
Liabilities measured at fair value				
Contingent consideration payable	3,306	–	–	3,306

The reconciliation of the opening and closing balance for financial assets measured using level 3 technique is as follows:

	£'000
Opening balance as at 1 January 2025	5,772
Fair value remeasurement	(230)
Receipts	(5,542)
Closing balance as at 31 December 2025	–

The fair value of financial assets that are not traded in the open market is £1.0m (2024: £0.8m), these are valued using Level 2 technique in accordance with the fair value hierarchy and management use all relevant and up to date information to arrive at their judgement.

The contingent consideration payable relates to amounts payable in the future on the assets acquired from TenetLime in February 2024. The consideration calculated is based on the retention rate of firms within LSL's PRIMIS network 12 months after the transaction completed. Further details of the contingent consideration payable are disclosed in note 24.

The only unobservable input used in the valuation is the discount rate, which has been estimated at 4.3%. An increase in the discount rate of 1% would result in a decrease in the fair value of the contingent consideration of £0.02m. A corresponding decrease in the discount rate would result in an increase in the fair value.

32. Related party transactions

As disclosed in note 20, LSL have one joint venture partner, Mottram Topco.

Transactions with Mottram Topco (Pivotal Growth) and its subsidiaries

	2025 £'000	2024 £'000
Revenue recognised	3,509	3,551
Trade receivables at 31 December	522	676
Loan notes receivable at 31 December	13,840	7,607

There are no transactions with Key Management Personnel other than those disclosed in note 15.

33. Events after the reporting period

1. In January 2026, Mottram Topco repaid £10.6m out of the £13.8m loan notes outstanding in cash. £3.2m were converted to equity investment in Mottram Topco.

2. On 22 January 2026, the Group acquired 100% of the equity of NSS Franchising Limited (NSS) for total consideration of £2.8m (cash £1.8m, contingent consideration at fair value £1.0m). The acquisition will be accounted for as a business combination in accordance with IFRS 3.

NSS is a property search business providing property search packs in England and Wales. NSS is considered a good strategic fit with the Group and is expected to enhance the Group's Homefast conveyancing solution, which includes sourcing search packs for consumers.

No revenue or profit of NSS is included in the Group's results for the year ended 31 December 2025 as the acquisition completed after the reporting date.

As at the date these Financial Statements were authorised for issue, the initial accounting for the business combination is incomplete. The amounts recognised in 2026 may be adjusted within the measurement period as valuations and assessments are finalised.

3. Following the completion of its £7.0m share buyback programme in January 2026 which was announced on 25 April 2024, the Group announced the commencement of a new share buyback programme on 27 January 2026 in respect of its ordinary shares up to a maximum consideration of £12.0m from the date of the announcement.

4. The Group provided loans totalling £1.5m to franchisees to support the acquisition of additional lettings books.

34. 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. Definitions and reconciliations of the financial APMs used to IFRS measures, are included below.

The Group reports the following APMs:

a) Group and Divisional Underlying Operating Profit

Underlying Operating Profit/(Loss) represents the profit/(loss) before tax for the period before net finance cost, share-based payments, amortisation of intangible assets, exceptional items and contingent consideration. From 2025 onwards, it also includes other sources of earnings from joint ventures (JV), such as interest income from loan notes issued to JVs. This measure is reported to the Directors as it is considered to provide a consistent indication of both Group and Divisional underlying performance.

During the year, the Group revised its definition of Underlying Operating Profit to also include other sources of earnings from its joint ventures (JVs), such as interest income from loan notes issued to JVs; in order to reflect the full economic benefit of the ownership of the JV which forms part of the Group's underlying operations. Comparative figures have not been restated, as no other sources of earnings other than the Group's share of the JV's profit after tax were recognised prior to 2025.

The closest equivalent IFRS measure to Underlying Operating Profit is operating profit/(loss). Refer to note 5 for a reconciliation between profit/(loss) before tax and Group and Divisional Underlying Operating Profit.

b) Group and Divisional Underlying Operating Margin

Underlying Operating Margin is defined as Underlying Operating Profit divided by revenue. Refer to note 5 for the calculation of both Group and Divisional Underlying Operating Margin. The closest equivalent IFRS measure to Underlying Operating Margin is operating margin, refer to note 5 for a reconciliation between operating margin and Group Underlying Operating Margin.

c) Adjusted basic earnings per share, adjusted diluted earnings per share and adjusted profit after tax

Adjusted basic earnings per share was defined as Group Underlying Operating Profit/(Loss) adjusted for profit/(loss) attributed to non-controlling interests, net finance cost (excluding exceptional and contingent consideration items, discounting on leases) less normalised tax (to arrive at adjusted profit after tax), divided by the weighted average number of shares in issue during the financial period. The effect of potentially dilutive ordinary shares is incorporated into the diluted measure. The closest equivalent IFRS measures are basic and diluted earnings per share.

In line with the Group's change in definition of Underlying Operating Profit/(Loss), the Group has also revised its calculation of adjusted profit after tax used in determining adjusted earnings per share (EPS), to adjust for other sources of earnings from JVs. This change ensures consistency between the Group's underlying operating profit/(loss) and its adjusted EPS.

The closest equivalent IFRS measures are basic and diluted earnings per share. Refer to note 12 for a reconciliation between earnings/(loss) per share and adjusted earnings per share.

Notes to the Group Financial Statements continued

d) Adjusted operating expenditure

Adjusted operating expenditure is defined as the total of employee costs, depreciation on property, plant and equipment and other operating costs and is considered to give a consistent indication of the Group's underlying operating expenditure.

	2025 £'000	Restated ¹ 2024 £'000
Total operating expenditure	(160,383)	(151,379)
Add back:		
Other gains	(1,116)	(533)
Share of post-tax (profit) /loss from joint venture	(798)	6
Share-based payments	1,597	920
Amortisation of intangible assets	3,032	2,988
Exceptional gains	(571)	(1,745)
Exceptional costs	5,066	4,109
Contingent consideration	–	(426)
Adjusted operating expenditure	(153,173)	(146,060)

1 Refer to note 36 to the financial statements

e) Net cash/debt

Net cash/debt is defined as cash and short-term deposits less current and non-current borrowings, add IFRS 16 financial liabilities, deferred and contingent consideration and where applicable cash held for sale.

	2025 £'000	2024 £'000
Cash and short-term deposits	67,050	60,663
Less: Interest-bearing loans and borrowings (including loan notes, overdraft, IFRS 16 Leases, contingent and deferred consideration)		
Current	(44,865)	(33,859)
Non-current	(4,148)	(3,490)
	18,037	23,314
Add: IFRS 16 lease financial liabilities	6,501	5,779
Add: deferred and contingent consideration	3,259	3,306
Net cash	27,797	32,399

f) Adjusted cash flow from operations

Adjusted cash flow from operations is defined as cash generated from operations before exceptional items, less the repayment of lease liabilities, plus the utilisation of PI provisions.

	2025 £'000	2024 £'000
Net cash generated from operating activities	22,730	27,793
Exceptional costs paid	3,910	3,066
Income taxes paid	4,968	1,799
Interest received (leases)	(29)	(96)
Interest paid (leases)	534	455
Cash generated from operations	32,113	33,017
Payment of principal portion of lease liabilities	(2,486)	(2,895)
PI provision utilisation	153	950
Adjusted cash flow from operations	29,780	31,072

g) Cash flow conversion rate

Cash flow conversion rate is defined as cash generated from operations (pre-PI Costs and post-lease liabilities, divided by Group Underlying Operating Profit.

	2025 £'000	2024 £'000
Adjusted cash flow from operations	29,780	31,072
Group Underlying Operating Profit from continuing operations	32,618	27,784
Cash flow conversion rate	91%	112%

35. Subsidiary companies

As at 31 December 2025, the Group control directly or indirectly the following issued and fully paid ordinary and preference share capital of its subsidiary undertakings, all of which are incorporated in Great Britain, with the exception of Albany Insurance Company (Guernsey) Limited, which is incorporated in Guernsey, and whose operations are conducted mainly in the UK. The results for all the subsidiaries have been consolidated within these Financial Statements:

Name of subsidiary company	Registered office address	LSL holding	LSL Shareholder	Proportion of nominal value of shares held	Nature of business
Lending Solutions Holdings Limited	1	Direct	LSL Property Services plc	100%	Holding Company
Lending Solutions Limited	1	Indirect	Lending Solutions Holdings Limited	100%	Non Trading
Financial Services					
Advance Mortgage Funding Limited	1	Direct	LSL Property Services plc	100%	Financial Services
Direct Life and Pensions Services Limited	2	Indirect	Direct Life Quote Holdings Ltd	100%	Financial Services
Direct Life Limited	2	Indirect	Direct Life and Pensions Services Limited	100%	Non Trading
Direct Life Quote Holdings Limited	2	Direct	LSL Property Services plc	100%	Holding Company
LifeQuote Limited	2	Indirect	Direct Life and Pensions Services Limited	100%	Non Trading
Reeds Rains Financial Services Limited	2	Indirect	Reeds Rains Limited	100%	Financial Services
First Complete Limited	1	Indirect	Lending Solutions Holdings Limited	100%	Financial Services and Holding Company
Linear Wealth Management Limited	2	Indirect	Linear Financial Services Holdings Limited	100%	Non Trading
Linear Financial Services Holdings Limited	2	Indirect	First Complete Limited	100%	Holding Company
Linear Mortgage Network Holdings Limited	2	Indirect	First Complete Limited	100%	Holding Company
Linear Mortgage Network Limited	2	Indirect	Linear Mortgage Network Holdings Limited	100%	Financial Services
Mortgage Gym Solutions Ltd.	2	Direct	LSL Property Services plc	100%	Non Trading
Personal Touch Administration Services Limited	2	Indirect	Personal Touch Financial Services Limited	100%	Financial Services
Personal Touch Financial Services Limited	2	Direct	LSL Property Services plc	100%	Financial Services and Holding Company
Qualis Wealth Limited	2	Direct	LSL Property Services plc	100%	Non Trading
TenetLime Limited	2	Direct	LSL Property Services plc	100%	Financial Services
Surveying & Valuation					

Notes to the Group Financial Statements continued

Name of subsidiary company	Registered office address	LSL holding	LSL Shareholder	Proportion of nominal value of shares held	Nature of business
Albany Insurance Company (Guernsey) Limited	5	Direct	LSL Property Services plc	100%	Captive Insurer
e.surv Limited	4	Direct	LSL Property Services plc	100%	Chartered Surveyors
Surveying & Valuation – Asset Management					
LSL Corporate Client Services Limited	1	Direct	LSL Property Services plc	100%	Asset Management
St Trinity Limited	1	Direct	LSL Property Services plc	100%	Non Trading
Templeton LPA Limited	1	Indirect	First Complete Limited	100%	Asset Management
Estate Agency Franchise – Residential Sales and Lettings					
Airport Lettings Stansted Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
Bawtry Lettings and Sales Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Brown North East Lettings Ltd	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Charterhouse Management (UK) Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
David Frost Estate Agents Limited	2	Indirect	Vitalhandy Enterprises Limited	100%	Non Trading
Davis Tate Ltd	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
EA Student Lettings Ltd	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Eastside Property Developments Ltd	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Fourlet (York) Limited	2	Indirect	Reeds Rains Limited	100%	Non Trading
GFEA Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
Guardian Property Lettings Limited	2	Indirect	Reeds Rains Limited	100%	Non Trading
Hawes & Co Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
Hawes & Co (Thames Ditton) Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
Headway Property Management Limited	2	Indirect	Reeds Rains Limited	100%	Non Trading
Holloways Residential Ltd	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Home and Student Link Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Homefast Property Services Limited	2	Indirect	Lending Solutions Holdings Limited	77.5%	Conveyancing Packaging
Hydegate Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
ICIEA Limited	2	Indirect	LSLi Limited	100%	Non-Trading
Inter County Lettings Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
IQ Property (Hull) Limited	2	Indirect	Reeds Rains Limited	100%	Non Trading
JNP Estate Agents Limited	2	Indirect	LSLi Limited	100%	Non Trading
JNP Estate Agents (Princes Risborough) Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
JNP (Residential Lettings) Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
JNP (Surveyors) Limited	2	Indirect	LSLi Limited	100%	Non Trading and Holding Company
Kent Property Solutions Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
LSL Land & New Homes Ltd	2	Indirect	your-move.co.uk Limited	100%	Residential Sales

Name of subsidiary company	Registered office address	LSL holding	LSL Shareholder	Proportion of nominal value of shares held	Nature of business
Lauristons Estate Agents Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non-Trading
Lawlors Property Services Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
LetCo Group Limited	2	Indirect	your-move.co.uk Limited	100%	Holding Company
LetCo Limited	2	Indirect	LetCo Group Limited	100%	Non Trading
Lets Move Property Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Longshoot Properties Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
LSLi Limited	1	Direct	LSL Property Services plc	100%	Estate Agency Franchising and Holding Company
New Daffodil Limited	2	Direct	LSL Property Services plc	100%	Non Trading
New Let Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Oakley Lettings Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
Paul Graham Lettings & Management Ltd	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
Philip Green Lettings Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
PHP Lettings Scotland Limited	3	Indirect	your-move.co.uk Limited	100%	Non Trading
Prestons Lettings Ltd	2	Indirect	Reeds Rains Limited	100%	Non Trading
Pygott & Crone Lincoln Lettings Limited	2	Indirect	your-move.co.uk Limited	100%	Non Trading
Reeds Rains Limited	2	Direct	LSL Property Services plc	100%	Estate Agency Franchising and Holding Company
Reeds Rains Cleckheaton Limited	2	Indirect	Reeds Rains Limited	100%	Non Trading
Simply Let Ltd.	3	Indirect	your-move.co.uk Limited	100%	Non Trading
Thomas Morris Limited	1	Indirect	LSLi Limited	100%	Non Trading
Top-Let Limited	2	Indirect	LetCo Group Limited	100%	Non Trading
Vitalhandy Enterprises Limited	2	Indirect	LSLi Limited	100%	Holding Company
Warners Letting Agency Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
Yates Lettings Limited	2	Indirect	JNP (Surveyors) Limited	100%	Non Trading
your-move.co.uk Limited	1	Indirect	Lending Solutions Holdings Limited	100%	Estate Agency Franchising and Holding Company

Registered office addresses:

1. Victoria House Hampshire Court, Scotswood Road, Newcastle Upon Tyne, England, NE4 7YJ
2. Howard House, 3 St Mary's Court, Blossom Street, York, YO24 1AH
3. 13 Queens Road, Aberdeen, Scotland, AB15 4YL
4. Unit 1, Orion Park, Kettering, Northamptonshire, England, NN15 6PP
5. The Albany, South Esplanade, St Peters Port, Guernsey, GY1 4NF

Notes to the Group Financial Statements continued

Audit exemptions under section 479a of the Companies Act

The following sixteen subsidiaries are exempt from audit of individual accounts under section 479a of the Companies Act 2006:

- David Frost Estate Agents Limited (02685937)
- Direct Life Quote Holdings Limited (10283300)
- ICIEA Limited (04842186)
- JNP Estate Agents Limited (03764697)
- Lending Solutions Holdings Limited (05095079)
- Linear Mortgage Network Limited (05198588)
- LSL Corporate Client Services Limited (07299192)
- LSL Land & New Homes Ltd (09018581)
- Mortgage Gym Solutions Ltd. (12460735)
- New Daffodil Limited (02045933)
- Personal Touch Administration Services Limited (03456365)
- Qualis Wealth Limited (11784115)
- Reeds Rains Financial Services Limited (08130339)
- St Trinity Limited (07092652)
- Templeton LPA Limited (06507759)
- Thomas Morris Limited (04377568)
- Linear Wealth Management Limited
- Vitalhandy Enterprises Limited

36. Prior year restatements

During the year ended 31 December 2025, management performed an enhanced review of the Group's consolidation processes and supporting journals, including consolidation entries recorded in connection with disposals completed in 2023 and the processing of subsidiary statutory audit adjustments within the Group consolidation.

As a result of this review, the Group has identified certain legacy consolidation items which require a retrospective restatement of comparative information in accordance with IAS 8.

Disposal-related consolidation entries (2023)

In respect of disposals completed in 2023, certain consolidation journals used to derecognise the disposed entities' net assets were not fully aligned to the agreed completion Balance Sheet inputs. As a result, a lower level of Net Assets was derecognised at the disposal date than the completion Balance Sheet position, with residual balances continuing to be reflected within certain working capital balances and equity.

Subsidiary statutory audit adjustments

In addition, following completion of certain subsidiary statutory audits, statutory audit adjustments were posted within subsidiary trial balances. These adjustments were assessed as not material at Group level in the period recorded and therefore were not reflected consistently in the Group consolidation in the corresponding period. Over time, in excess of ten years, the cumulative effect resulted in misalignment between subsidiary statutory balances and the Group consolidation opening positions, impacting retained earnings and certain working capital balances.

The matters identified relate to consolidation-level entries and did not arise from changes to the underlying accounting records of the Group's continuing subsidiaries in the current year.

Accordingly, the Group has restated comparative information presented, including the consolidated income statement for the year ended 31 December 2024, and adjusted the opening balance of equity at 1 January 2024.

The restatement has no impact on the Group's consolidated cash and cash equivalents.

Basic and diluted earnings per share for prior periods have also been restated, as a result of the items above. For the year to 31 December 2024, the amount of the correction for basic earnings per share was an increase of 0.1 pence

As the adjustment has a material effect on the information in the statement of financial position at the beginning of the comparative period presented, the Group has presented an additional statement of financial position as at 1 January 2024.

The following tables summarise the impact of the restatement on the consolidated financial statements.

Group balance sheet (extracts)

	Reported year ended 31 December 2023 £'000	Subsidiary statutory audit adjustments £'000	Disposal-related consolidation entries £'000	Restated year ended 31 December 2023 £'000
Non-current assets				
Property, plant and equipment and right-of-use assets	6,917	1	–	6,918
Investment in sublease	1,756	1	–	1,757
Current assets				
Trade and other receivables	23,206	(760)	–	22,446
Current liabilities				
Trade and other payables	(30,485)	(6)	(741)	(31,232)
Non-current liabilities				
Provisions for liabilities	(5,647)	(225)	–	(5,872)
Net assets	75,945	(989)	(741)	74,215
Equity				
Retained Earnings	74,087	(989)	(741)	72,357
Total Equity	75,945	(989)	(741)	74,215
	Reported year ended 31 December 2024 £'000	Subsidiary statutory audit adjustments £'000	Disposal-related consolidation entries £'000	Restated year ended 31 December 2024 £'000
Non-current assets				
Loans to franchisees and appointed representatives	979	(77)		902
Current assets				
Trade and other receivables	24,811	(650)		24,161
Current liabilities				
Financial liabilities	(5,597)	2		(5,595)
Trade and other payables	(36,778)	26	(741)	(37,493)
Provisions for liabilities	(6,316)	(236)		(6,552)
Net assets	81,884	(936)	(741)	80,207
Equity				
Retained Earnings	80,417	(943)	(741)	78,733
Non-controlling interest	(280)	7		(273)
Total Equity	81,884	(936)	(741)	80,207

Notes to the Group Financial Statements continued

Group Income Statement Year ended 31 December 2024

	Reported year ended 31 December 2024 £'000	Subsidiary statutory audit adjustments £'000	Restated year ended 31 December 2024 £'000
Revenue	173,175	143	173,318
Other operating costs	(35,548)	(90)	(35,638)
Group operating profit	21,886	53	21,939
Profit before tax	23,013	53	23,066
Profit for the period from continuing operations	17,766	53	17,819
Profit for the period	17,389	53	17,442
Attributable to:			
Owners of the parent	17,363	46	17,409
Non-controlling interest	26	7	33
	17,389	53	17,442

Parent Company Balance Sheet

as at 31 December 2025

	Note	2025 £'000	2024 £'000
Non-current assets			
Property, plant and equipment and right-of-use assets	2	465	735
Investment in subsidiaries	3	123,182	122,432
Investment in joint venture	5	14,988	11,585
Deferred tax asset	11	818	1,108
		139,453	135,860
Current assets			
Trade and other receivables	6	19,634	10,445
Financial assets	4	–	432
Cash and cash equivalents	7	474	32
Loans to joint venture	4	13,840	7,607
		33,948	18,516
Total assets		173,401	154,376
Current liabilities			
Trade and other payables	8	(68,117)	(56,813)
Bank overdrafts	7	(36,701)	(26,607)
Financial liabilities	9	(3,598)	(3,380)
Provision for liabilities	10	–	(571)
		(108,416)	(87,371)
Total liabilities		(108,416)	(87,371)
Net assets		64,985	67,005
Equity			
Share capital	12	210	210
Share premium account	13	5,629	5,629
Share-based payment reserve	13	3,355	2,634
Shares held by employee benefit trust & share incentive plan	13	(1,316)	(1,510)
Treasury shares	13	(9,876)	(4,831)
Fair value reserve	13	(306)	(306)
Retained earnings		67,289	65,179
Total equity		64,985	67,005

As permitted by Section 408 (3) of the Companies Act 2006, no profit and loss account of the Company is presented. The profit after tax for the financial year of the Company was £13.3m (2024: £0.6m profit after tax). The notes on pages 153 to 158 form part of these Financial Statements.

The Financial Statements were approved by and signed on behalf of the Board by:

Adam Castleton
Group Chief Executive Officer
18 March 2026

David Tilak
Group Chief Financial Officer
18 March 2026

Parent Company Statement of Changes in Equity

For the year ended 31 December 2025

	Share capital £'000	Share premium £'000	Share- based payment reserve £'000	Shares held by EBT & SIP £'000	Treasury shares £'000	Fair value reserve £'000	Retained earnings £'000	Total £'000
As at 1 January 2025	210	5,629	2,634	(1,510)	(4,831)	(306)	65,179	67,005
Profit for the year	—	—	—	—	—	—	13,345	13,345
Total comprehensive income for the year	—	—	—	—	—	—	13,345	13,345
Transactions with owners in their capacity:								
Shares repurchased into treasury	—	—	—	—	(5,045)	—	—	(5,045)
Exercise of options	—	—	(183)	194	—	—	107	118
Vested share options lapsed during the year	—	—	(408)	—	—	—	408	—
Share-based payment transactions	—	—	1,255	—	—	—	—	1,255
Tax on share-based payments	—	—	57	—	—	—	—	57
Dividends paid	—	—	—	—	—	—	(11,750)	(11,750)
As at 31 December 2025	210	5,629	3,355	(1,316)	(9,876)	(306)	67,289	64,985

During the period, 103,505 share options were exercised relating to LSL's various share option schemes resulting in the shares being sold by the Employee Benefit Trust. LSL received £0.1m on exercise of these options.

The notes on pages 153 to 158 form part of these Financial Statements.

For the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Share- based payment reserve £'000	Shares held by EBT & SIP £'000	Treasury shares £'000	Fair value reserve £'000	Retained earnings £'000	Total £'000
As at 1 January 2024	210	5,629	3,564	(2,871)	(3,983)	(306)	75,655	77,898
Profit for the year	—	—	—	—	—	—	557	557
Total comprehensive income for the year	—	—	—	—	—	—	557	557
Transactions with owners in their capacity:								
Shares repurchased into treasury	—	—	—	—	(848)	—	—	(848)
Exercise of options	—	—	(943)	1,361	—	—	(245)	173
Vested share options lapsed during the year	—	—	(995)	—	—	—	995	—
Share-based payment transactions	—	—	920	—	—	—	—	920
Tax on share-based payments	—	—	88	—	—	—	—	88
Dividends paid	—	—	—	—	—	—	(11,783)	(11,783)
As at 31 December 2024	210	5,629	2,634	(1,510)	(4,831)	(306)	65,179	67,005

During the period, 383,216 share options were exercised relating to LSL's various share option schemes resulting in the shares being sold by the Employee Benefit Trust. LSL received £0.2m on exercise of these options.

The notes on pages 153 to 158 form part of these Financial Statements.

Notes to the Parent Company

Financial Statements

For the year ended 31 December 2025

1. Significant accounting policies

The accounting policies set out below have been applied in preparing the financial statements for the years ended 31 December 2024 and 2025. The principal accounting policies adopted are the same as those set out in Note 2 to the consolidated Financial Statements except as noted below.

Basis of preparation

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) as issued by the Financial Reporting Council, and in accordance with the provisions of the Companies Act 2006. These financial statements present information for the Company as a separate entity. The Group continues to prepare consolidated Financial Statements in accordance with UK-adopted International Financial Reporting Standards (IFRS).

The Company financial statements have been prepared on a going concern basis and under the historical cost convention, except for certain financial assets and liabilities that are measured at fair value. The financial statements are presented in pounds sterling, rounded to the nearest thousand (£'000), unless otherwise stated.

As permitted by Section 408 of the Companies Act 2006, the Company has not presented its own income statement or statement of comprehensive income. The profit for the financial year of the Company is disclosed in the Company balance sheet and statement of changes in equity.

In preparing the Company Financial Statements management has considered the impact of climate change, taking into account the relevant disclosures in the Strategic Report. The impact of climate-related risks on the Group Financial Statements have been disclosed in the Group basis of preparation note. The extent to which the Group climate-related risks effect the Company accounts is focused on how medium (4-9 years) to long-term risks (beyond 10 years) may impact our future revenue profile, which could further impact the carrying value of investments. The potential impact of climate-related risks on the Company's impairment assessment is considered sufficiently remote at this point in time and therefore no sensitivity analysis has been performed.

Disclosure exemptions adopted

In preparing these financial statements, the Company has applied the disclosure exemptions available under FRS 101, as the Company is a qualifying subsidiary of LSL Property Services plc. Accordingly, the Company has taken advantage of exemptions from the following disclosures:

- Additional comparative information as per IAS 1 Presentation of Financial Statements paragraph 38 in respect of reconciliations of the carrying amounts of property, plant and equipment, and intangibles assets at the start and the end of the prior period.
- A Statement of Cash Flows
- Additional comparative information for narrative disclosures and information, beyond IFRS requirements
- Disclosures in relation to the objectives, policies and process for managing capital
- Disclosure of the effect of future accounting standards not yet adopted
- Related party transactions with wholly owned members of the group

In addition, and in accordance with FRS 101, further disclosure exemptions have been applied because equivalent disclosures are included in the consolidated financial statements of LSL Property Services plc. These financial statements do not include certain disclosures in respect of:

- Share based payments – details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined as per paragraphs 45(b) and 46 to 52 of IFRS 2 Share-Based Payment.
- Financial Instrument disclosures as required by IFRS 7 Financial Instruments: Disclosures
- Fair value measurements – details of the valuation techniques and inputs used for fair value measurement of assets and liabilities as per paragraphs 91 to 99 of IFRS 13 Fair Value Measurement.

Investment in subsidiaries

Investments in subsidiaries are held at cost, less any provisions for impairment.

The Company recognises the share-based payment charge relating to its employees in the income statement with the share-based payment charge relating to employees of the Group's subsidiaries recognised as an increase to the Company's cost of investment in subsidiary non-current asset on the balance sheet, with a corresponding entry to the Company's share-based payment reserve.

Judgements and estimates

Recoverability of investments and receivables from Group companies (estimate)

The Company applies the expected credit loss (ECL) model under IFRS 9 to financial assets measured at amortised cost, which include receivables from Group companies and loans to joint ventures. The ECL model requires recognition of credit losses based on forward-looking information.

The Company recognises a loss allowance for expected credit losses at each reporting date. Expected credit losses are measured as the difference between the present value of contractual cash flows due to the Company and the cash flows that the Company expects to receive.

Notes to the Parent Company

Financial Statements continued

For the year ended 31 December 2025

For intercompany receivables that do not have a significant financing component or are repayable on demand, the Company applies the “simplified approach” under IFRS 9 and measures the loss allowance at an amount equal to lifetime expected credit losses.

The Company assesses whether credit risk has increased significantly since initial recognition and adjusts the loss allowance accordingly. When there is objective evidence that a financial asset is credit-impaired, it is written down to its recoverable amount.

Details of any impairments recognised during the year in relation to investments are included in note 3 and in relation to intercompany balances in note 6.

2. Property, plant, and equipment

	Land and buildings £'000	Leasehold improvements £'000	Fixtures, fittings and computer equipment £'000	Total £'000
Cost				
At 1 January 2025	215	74	1,943	2,232
Additions	370	–	106	476
Disposals	–	–	(1,828)	(1,828)
At 31 December 2025	585	74	221	880
Depreciation				
At 1 January 2025	153	74	1,270	1,497
Charge for the year	88	–	31	119
Disposals	–	–	(1,201)	(1,201)
At 31 December 2025	241	74	100	415
Net book value				
At 31 December 2025	344	–	121	465
At 31 December 2024	62	–	673	735
Owned assets	–	–	121	121
Right-of-use assets	344	–	–	344
	344	–	121	465

3. Investment in subsidiaries

Details of the subsidiaries held directly and indirectly by the Company are shown in note 35 to the Group Financial Statements.

	2025 £'000	2024 £'000
At 1 January	122,432	113,484
Additions	–	9,270
Adjustments for share-based payment	750	41
Impairment in cost of investments	–	(363)
At 31 December	123,182	122,432

Investment in subsidiaries for share-based payments represents the financial effects of awards by the Company of options over its equity shares to employees of subsidiary undertakings. In 2025 there was an increase of £0.8m (2024: increase of £0.04m).

The Company performed an impairment indicator assessment as at 31 December 2025 and identified indicators of impairment in its investment in Albany Insurance Company (Guernsey) Limited (Albany) due to the short-term outlook of the business.

Management estimated the recoverable amount of the investment in Albany as the higher of value in use (VIU) and fair value less costs of disposal (FVLCD). Where VIU was used, the calculation was based on discounted cash flow projections using a pre-tax discount rate of 16.5% (2024: 16.3%) and a terminal growth rate of 2.0% (2024: 2.0%).

Based on Management’s assessment, Albany’s recoverable amount (determined on a VIU basis) exceeded the carrying amount of the Company’s investment at 31 December 2025 and, accordingly, no impairment charge was recognised in 2025.

Sensitivity to change in assumptions

Sensitivity analysis has been performed for investments held by the Company at the reporting date to assess the extent to which reasonably possible changes in key assumptions would impact the impairment charge. Management deemed that there are no reasonably possible changes in key assumptions that would cause any of the Company's investments' carrying amounts to exceed its recoverable amounts.

4. Financial assets

	2025 £'000	2024 £'000
Financial assets at fair value through income statement (FVPL)		
Contingent consideration receivable	–	432
	–	432
Financial assets at amortised cost		
Loan notes to joint venture	13,840	7,607
	13,840	7,607

In 2025, the Group provided further funding of £5.3m (2024: £7.6m) to its joint venture Mottram TopCo Limited in the form of 10% unsecured loan notes. Finance income of £0.9m (2024: £nil) was recognised in 2025. The loan notes are fully repaid in January 2026.

5. Investment in joint venture

At cost	2025 £'000	2024 £'000
At 1 January	11,585	9,359
Equity investment in Pivotal Growth	2,605	2,232
Equity accounted profit	1,195	107
Adjustment for non-controlling interests	(397)	(113)
At 31 December	14,988	11,585

Pivotal Growth

A further £2.6m equity investment in Pivotal was made throughout 2025, please refer to note 20 in the Group Financial Statements for further information.

6. Trade and other receivables

	2025 £'000	2024 £'000
Current		
Prepayments	689	663
Other taxes and social security	191	393
Amounts owed by Group undertakings	18,754	9,389
	19,634	10,445

The expected credit loss relating to non-current intercompany receivables is 6.0m at 31 December 2025 (31 December 2024: £6.4m) and intercompany receivables are presented net of this provision. No allowance for expected credit losses is deemed necessary in respect of current intercompany receivables.

Notes to the Parent Company

Financial Statements continued

For the year ended 31 December 2025

7. Cash and cash equivalents and bank overdrafts

	2025 £'000	2024 £'000
Cash and cash equivalents	474	32
Cash and cash equivalents (excluding bank overdrafts)	474	32

Cash at bank earns interest at floating rates based on daily bank overnight deposit rates.

	2025 £'000	2024 £'000
Bank overdrafts	36,701	26,607

Bank loans – RCF and overdraft

The Company's bank loan totals £nil (2024: £nil) and the Company's overdraft totals £36.7m (2024: £26.6m).

8. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	323	919
Accruals	1,858	1,915
Amounts owed to Group undertakings	65,936	53,979
	68,117	56,813

Amounts owed to Group undertakings are repayable on demand.

9. Financial liabilities

	2025 £'000	2024 £'000
Current		
Contingent consideration liabilities	3,259	3,306
IFRS16 Financial Liabilities	339	74
	3,598	3,380

10. Provision for liabilities

	Provision £'000
Balance at 1 January	571
Amount released	(571)
Balance at 31 December	–

Included in the sale agreement of LMS was a four year claims indemnity of £2.0m, for which the Group has previously provided £0.6m for certain claims, which it considers to be the most likely outcome. The Group disposed of LMS in 2021, and therefore the four year limit has now elapsed.

11. Deferred tax

Deferred tax asset	2025 £,000	2024 £,000
Depreciation charged in advance of capital allowances	176	229
Share options	–	696
Losses	234	183
Other temporary differences	408	–
Deferred tax asset at 31 December	818	1,108
	2025 £,000	2024 £,000
Deferred tax asset at 1 January	1,108	3,659
Deferred tax credit in profit and loss account for the year	(348)	(2,666)
Deferred tax (charge) / credit to equity	58	115
Deferred tax asset at 31 December	818	1,108

A deferred tax asset has been recognised on the basis that the Group is anticipated to make sufficient taxable profits in the foreseeable future against which the Company's attributable assets can be utilised. The Group's 3-year plan indicates that the Company's losses will be able to be offset within the Group via group relief. Management is therefore satisfied that these can be utilised in a future period.

12. Called up share capital

	2025		2024	
	Shares	£'000	Shares	£'000
Authorised:				
Ordinary Shares of 0.2 pence each	500,000,000	1,000	500,000,000	1,000
Issued and fully paid:				
At 1 January	105,158,950	210	105,158,950	210
Issued in the year	–	–	–	–
At 31 December	105,158,950	210	105,158,950	210

A ordinary shares carry one vote per share and rank *pari passu* for dividends.

The Company has one class of share capital, being ordinary shares. Each ordinary share carries one vote, ranks equally for dividends and capital distributions, and is not redeemable.

13. Reserves

Share premium

The amount subscribed for share capital in excess of nominal value less any costs attributable to the issue of new shares.

Share-based payment reserve

This represents the amount provided in the year in respect of share awards. The Company has operated long-term incentive plans (including CSOP) and a number of SAYE schemes for the employees in the Company and the Group. See note 15 to the Group Financial Statements for details of the LTIP, CSOP and the SAYE schemes.

Shares held by employee benefit trust (EBT) and share incentive plan (SIP)

Shares held by EBT represent the cost of LSL shares purchased in the market and held by the Employee Benefit Trust and the Share Incentive Plan (SIP) to satisfy future exercise of options under the Group's employee share options schemes. The EBT and SIP are treated as an extension of the company.

At 31 December 2025, the Trust held 142,244 (2024: 174,248) LSL shares at an average cost of £3.86 (2024: £3.86), and the SIP held 871,803 (2024: 951,904) LSL shares at an average cost of £0.88 (2024: £0.88). The market value of the LSL shares at 31 December 2025 was £2.7m (2024: £3.4m). The nominal value of each share is 0.2 pence.

Notes to the Parent Company

Financial Statements continued

For the year ended 31 December 2025

Treasury shares

Treasury shares represent the cost of LSL shares purchased in the market under the share buy-back programmes, including the programme initiated in 2022 and the £7m programme announced in April 2024, which completed in January 2026 following the repurchase of ordinary shares up to the maximum consideration. In January 2026, the Board announced the launch of a new £12m share buy-back programme. At 31 December 2025, LSL had repurchased 3,356,874 (2024: 1,458,933) LSL shares at an average cost of £2.94 (2024: £3.31). The market value of the LSL shares at 31 December 2025 was £8.8m (2024: £4.4m). The nominal value of each share is 0.2 pence..

Fair value reserve

The fair value reserve is used to record the changes in fair value of equity financial assets.

14. Company profit for the financial year after tax

The Company has not presented its own profit and loss account as permitted by section 408 of the Companies Act 2006. The profit after tax for the year was £13.3m (2024: profit of £0.6m).

Remuneration paid to Directors of the Company is disclosed in note 15 to the Group Financial Statements.

The Company paid £0.3m (2024: £0.4m) to its auditors in respect of the audit of the Financial Statements of the Company.

Fees paid to the external auditors and their associates for non-audit services to the Company itself are not disclosed in the individual accounts of the Company because Group financial statements are prepared which are required to disclose such fees on a consolidated basis. These are disclosed in note 11 to the Group Financial Statements.

15. Pensions costs and commitments

Total contributions to the defined contribution schemes in the year were £0.2m (2024: £0.2m). The amount outstanding in respect of pensions as at 31 December 2025 was £nil (2024: £nil).

The average monthly number of employees (including directors) during the year was 106 (2024: 109).

16. Related party transactions

During the year the transactions entered into by the Company with non-wholly owned subsidiaries are as follows:

	Sales to related parties £'000	Purchases from related parties £'000	Amounts owed by related parties £'000	Amounts owed to related parties £'000
Non-wholly owned subsidiaries				
2025	–	–	31	–
2024	–	–	1	–

The expected credit loss relating to related parties receivables with non-wholly owned subsidiaries is £nil at 31 December 2025 (31 December 2024: £nil) and the related parties receivables are presented net of this provision.

Definitions

“Adjusted Basic Earnings per Share” or “Adjusted Basic EPS” is defined at note 34 to the Financial Statements.

“Adjusted EBITDA” is Group Underlying Operating Profit (note 5 to the Financial Statements) plus depreciation on property, plant and equipment.

“AGM” Annual General Meeting.

“AI” artificial intelligence.

“AR” appointed representative under the FCA’s Appointed Representatives Regime.

“ARC” Audit & Risk Committee.

“AVM” automated valuation model.

“Basic Earnings per Share” or “EPS” is defined at note 12 to the Financial Statements.

“Board”/“Board of Directors” the Board of Directors of LSL.

“BAYE” Buy As You Earn (also referred to as SIP).

“BoE” Bank of England.

“B2B” business to business.

“B2C” business to customer.

“CAGR” compound annual growth rate.

“Committee(s)” refers to LSL’s Nominations Committee, the Audit & Risk Committee, the Remuneration Committee and the Disclosure Committee.

“Company” or “Parent Company” refers to LSL Property Services plc.

“Code” UK Code of Corporate Governance published by the Financial Reporting Council (FRC).

“CEF” Colleague Engagement Forum.

“CEO” or “Group CEO” Chief Executive Officer, Adam Castleton.

“CFO” or “Group CFO” Chief Financial Officer, David Tilak from 12 January 2026. Adam Castleton prior to 28 April 2025.

“Colleague Forums” or “Forums” our LSL Group Colleague Engagement, Inclusion and Diversity, and Communities forums.

“CPO” or “Group CPO” Chief People Officer, Debra Gardner.

“CRM” client records management system.

“CRO” or Group CRO” Chief Risk Officer, Saad Hassanuddin.

“CSOP” Company Share Ownership Plan.

“CT” corporation tax.

“D2C” direct to consumer.

“DISC” LSL’s Data and Information Security Committee.

“Davis Tate” trading name of Davis Tate Ltd.

“DEFRA” Department for Environment, Food and Rural Affairs.

“Director” an Executive Director or Non-Executive Director of LSL.

“Division(s)” refers to each of our Financial Services, Surveying & Valuation and Estate Agency Franchising Divisions.

“DLPS” Direct Life and Pension Services Limited.

“DPO” data protection officer.

“EBITDA” earnings, before interest, taxes, depreciation and amortisation.

“Elsevier” Elsevier Limited.

“Embrace Financial Services” or “EFS” Embrace Financial Services Limited.

“EPS” Earnings per Share.

“Ernst & Young” or “EY” Ernst & Young LLP.

“ESG” Environmental, Social and Governance.

“ESOT” LSL’s employee share scheme.

“ESOT Trustees” Apex Financial Services (Trust Company) Limited.

“Estate Agency Franchising Division” this refers to the provision of estate agency franchising services such as brand marketing and commercial and IT support, to a network of territories across the UK.

“e.surv” or “e.surv Chartered Surveyors” trading names of e.surv Limited.

“EWG” LSL’s Environmental Working Group.

“Executive Committee” Executive Committee of the Group, which includes the Executive Directors.

Definitions continued

“Executive Director(s)” Adam Castleton and David Tilak.

“FCA” Financial Conduct Authority.

“Financial Services Division” or “Financial Services” or “FS” refers to LSL’s financial services division (including mortgage, non-investment insurance brokerage services and the operation of LSL’s intermediary networks).

“Financial Services network” refers to the PRIMIS network and TMA mortgage club.

“Financial Statements” financial statements contained in this Report.

“FRC” Financial Reporting Council.

“FTE” full-time equivalent.

“FY” full year.

“GHG” greenhouse gas.

“Greenhouse Gas Protocol” a global standardised framework to measure GHG emissions from private and public sector operations.

“Global Property Ventures” refers to Global Property Ventures Limited.

“Grant Thornton” or “GT” Grant Thornton UK LLP.

“Group” LSL Property Services plc and its subsidiaries.

“Group Company Secretary” Debbie Fish

“Group First” Group First Ltd, holding company of Mortgages First Ltd and Insurance First Brokers Ltd.

“Group Revenue” total revenue for the LSL Group.

“Group Underlying Operating margin” Group Underlying Operating Profit divided by Group Revenue.

“Goodfellows” trading name of GFEA Limited.

“HMRC” His Majesty’s Revenue and Customs.

“Homefast” Homefast Property Services Limited.

“IAS” International Accounting Standards.

“IBNR” Incurred But Not Reported.

“I&D” Inclusion and Diversity.

“IFRS” International Financial Reporting Standards.

“JNP” trading name of JNP Estate Agents Limited.

“JV” joint venture.

“Korn Ferry” trading name of Korn Ferry Hay Group Limited.

“KPI” key performance indicators.

“KRI” key risk indicators.

“Land & New Homes” LSL Land & New Homes Ltd.

“Lauristons” trading name of Lauristons Limited.

“Listing Rules” or “UK Listing Rules” FCA Listing Rules.

“LMS” LMS Direct Conveyancing Limited and Cybele Solutions Holdings Limited.

“LSLi” LSLi Limited and its subsidiary companies. During 2023 the estate agency branches owned by the LSLi companies were franchised as part of the conversion of the entire LSL owned estate agency network to franchises, these included JNP, Intercounty, David Frost Estate Agents Limited, Goodfellows, Davis Tate, Lauristons, Hawes & Co and Thomas Morris).

“LSL” or “Group” or “Parent Company” refers to LSL Property Services plc and its subsidiaries.

“LSL Corporate Client Department” trading name of LSL Corporate Client Services Limited.

“LTIP” long-term incentive plan.

“2025 LTIP” a new incentive scheme put in place in 2025 to replace the Executive Directors performance share plan, see page 67.

“Management” refers to the Group’s management teams.

“MAR” the UK Market Abuse Regulation.

“MD” Managing Director.

“Mortgage Gym” Mortgage Gym Solutions Ltd.

“New Build” refers to RSC New Homes Limited and the Group First companies.

“Non-Executive Director” refers to Gaby Appleton, Darrell Evans, Sonya Ghobrial, James Mack and Michael Stoop.

“Notice of Meeting” the circular made available to shareholders setting out details of the AGM.

"NSS" NSS Franchising Ltd.

"ONS" Office for National Statistics.

"P&L" profit and loss statement.

"PDMRs" Persons Discharging Managerial Responsibility as defined in Article 3(1) (25) of UK MAR.

"Pivotal Growth" Pivotal Growth Limited.

"PI" professional indemnity.

"PI Costs" costs relating to ongoing and expected future PI claims relating to Surveying & Valuation business.

"Pollen Street Capital" or "PSC" Pollen Street Capital Limited.

"PPE" property, plant and equipment.

"PRIMIS network" or "PRIMIS" or "PRIMIS mortgage network" a trading name of Advance Mortgage Funding Limited, First Complete Limited and Personal Touch Financial Services Limited.

"RCF" revolving credit facility.

"Reeds Rains" trading name of Reeds Rains Limited.

"Registered Office" First Floor, Victoria House, Hampshire Court, East Newcastle Business Park, Scotswood Road, Newcastle Upon Tyne, NE4 7YJ.

"RELX" RELX Group plc.

"Report" LSL's Annual Report and Accounts 2025.

"RIDDOR" Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

"ROCE" return on capital employed.

"RSC New Homes" or "RSC" RSC New Homes Limited.

"SAYE" Save As You Earn.

"SECR" Streamlined Energy and Carbon Reporting.

"Senior Management Team" or "senior managers" refers to our Group Executive Committee, the Divisional Managing Directors and the Group Company Secretary and their direct reports who are A1 and A2 grades (excluding the Executive Directors).

"SDLT" stamp duty and land tax.

"SID" Senior Independent Director, James Mack (with effect from 5 March 2025).

"SIP" Share Incentive Plan (also referred to as BAYE).

"SME" small and medium sized enterprises.

"SSC" Sustainability Steering Committee.

"Surveying & Valuation" refers to e.surv Limited (including where it trades as Walker Fraser Steele) and asset management businesses.

"TCFD" Task Force on Climate-related Financial Disclosures

"Templeton" trading name of Templeton LPA Limited.

"TMA" The Mortgage Alliance

"TSR" total shareholder return.

Shareholder Information

(including forward-looking statements information)

Registered office

First Floor, Victoria House, Hampshire Court,
East Newcastle Business Park, Scotswood Road,
Newcastle Upon Tyne, NE4 7YJ
Telephone: +44 (0) 191 233 4600
Company website: [lslps.co.uk](https://www.lslps.co.uk)
Registered in England and Wales - number 5114014
Email: investorrelations@lslps.co.uk

Please use the above email address to contact the Board via the Group Company Secretary.

Advisers

Corporate brokers

Shore Capital
Cassini House, 57 St. James's Street, London,
SW1A 1LD, United Kingdom

Jeffries International
100 Bishopsgate, London, EC2N 4JL, United Kingdom

Independent auditors

Grant Thornton UK LLP
No 1 Whitehall Riverside, Leeds, LS1 4BN, United Kingdom

Financial public relations

Burson Buchanan
Rose Court, 2 Southwark Bridge Road, London, SE1 9HS

Share Registrar

MUFG Corporate Markets
Central Square, 29 Wellington Street, Leeds, LS1 4DL,
United Kingdom
Telephone: +44 (0) 371 664 0300
Website: [mpms.mufg.com](https://www.mpms.mufg.com)
shareholderenquiries@cm.mpms.mufg.com

If you have any queries regarding your shareholding, please contact the registrar. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate.

If contacting the registrars, the country code should be used when calling from outside the UK. Lines are open from 9:00 a.m. to 5:30 p.m. (UK time), Monday to Friday (excluding public holidays in England and Wales).

Financial calendar 2026

14 May 2026	Ex-dividend date
15 May 2026	Record date
26 May 2026	Last day for dividend reinvestment plan election
16 June 2026	2026 final dividend payment

Dividends

The Dividend Reinvestment Plan (DRIP) allows UK Shareholders to request the registrar to use their dividend to purchase shares in the Company. Please contact MUFG for more information; you do not have to re-apply if you have already made a DRIP re-election. The Company will no longer pay dividends by cheque, with dividends instead paid directly into Shareholders' nominated bank or building society accounts from November 2026. DRIP elections remain available.

Share price information

The Company's ordinary shares are listed on the Main Market of the London Stock Exchange. Share price information can be found on our website, [lslps.co.uk](https://www.lslps.co.uk).

ISIN number: GB00B1G5HX72
SEDOL number: B1G5HX7
Legal Entity Identifier: 213800T4VM5VR3C7S706

Current and historical share prices can be found on the Company's website and in the Financial Times. For a real time buying or selling price, you should contact a stockbroker.

E-communications

Shareholders are encouraged to receive information electronically in order to access information quickly and securely and reduce costs and the impact on the environment. To register for this service, please visit signalshares.com.

Share dealing and Signal Shares

The Company's shares can be traded through most banks, building societies and stockbrokers. Additionally, Shareholders can buy and sell shares through a telephone and internet service provided by the Company's Registrar, MUFG Corporate Markets.

Signal Shares, a website operated by MUFG Corporate Markets, allows Shareholders to view the details of their Shareholding, register for e-communications and send voting instructions electronically if they have received a voting form with an electronic reference or signed up for Signal Shares.

For more information about both services, log on to signalshares.com or call +44 (0) 371 664 0445 (use the country code when calling from outside the UK). Lines are open Monday to Friday from 8:00 a.m. to 4:30 p.m. (UK time), Monday to Friday (excluding public holidays in England and Wales).

Scams and fraud

Many companies have become aware that their Shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas-based 'brokers' who target UK Shareholders, offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. These operations are commonly known as 'boiler rooms'. These 'brokers' can be very persistent and extremely persuasive. It is not just the novice investor that has been duped in this way; many of the victims had been successfully investing for several years. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

How to avoid share fraud

- Keep in mind that firms authorised by the FCA are unlikely to contact you out of the blue with an offer to buy or sell shares.
- Do not get into a conversation, note the name of the person and firm contacting you and then end the call.
- Check the Financial Services Register (the Register) on [fca.org.uk](https://www.fca.org.uk), to see if the person and firm contacting you is authorised by the FCA.
- Beware of fraudsters claiming to be from an authorised firm, copying its website or giving you false contact details.
- Use the firm's contact details listed on the Register if you want to call it back.
- Call the FCA on 0800 111 6768 if the firm does not have contact details on the Register or you are told they are out of date.
- Search the list of unauthorised firms to avoid at [fca.org.uk/scams](https://www.fca.org.uk/scams).
- Consider that if you buy or sell shares from an unauthorised firm you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme.
- Think about getting independent financial and professional advice before you hand over any money.
- Remember, if it sounds too good to be true, it probably is!

Report a scam

If you are approached about an investment scam, you should tell the FCA using the share fraud reporting form at [fca.org.uk/scams](https://www.fca.org.uk/scams), where you can find out more about investment scams. You can also call the FCA Consumer Helpline on 0800 111 6768.

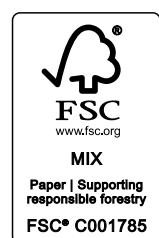
If you have already paid money to share fraudsters, you should contact Action Fraud on 0300 123 2040.

Details of any share dealing facilities that the Company endorses will be included in Company mailings.

Forward-looking statements

This Report may contain certain statements that are forward-looking statements. They appear in a number of places throughout this Report and include statements regarding our intentions, beliefs or current expectations and those of our Officers, Directors and employees concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the business we operate. By their nature, these statements involve risks and uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this Report and, unless otherwise required by applicable law, we undertake no obligation to update or revise these forward-looking statements. Nothing in this Report should be construed as a profit forecast. The Company and its Directors accept no liability to third-parties in respect of this Report save as would arise under English law. Information about the management of the Principal Risks and Uncertainties facing the Group is set out within the Strategic Report on pages 28 to 30.

Any forward-looking statements in this Report speak only at the date of this Report and the Company undertakes no obligation to update publicly or review any forward-looking statement to reflect new information or events, circumstances or developments after the date of this Report.



Designed and produced by



Black&Callow

www.blackandcallow.com

LSL

LSL PROPERTY SERVICES PLC

Islps.co.uk
Registered in England
(Company number 5114014)

Registered office:
First Floor,
Victoria House,
Hampshire Court,
East Newcastle Business Park,
Scotswood Road,
Newcastle Upon Tyne,
NE4 7YJ
Email: investorrelations@Islps.co.uk