Registered number: 09005884

# ZPG LIMITED

## UNAUDITED

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2022

ZPG LIMITED

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | C Bryant<br>K Maguire (appointed 8 August 2022) |
| **Registered number** | 09005884 |
| **Registered office** | The Cooperage<br>5 Copper Row<br>London<br>England<br>SE1 2LH |

**ZPG LIMITED**

## CONTENTS

## STRATEGIC REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2022

### *Introduction*

The Directors present their Strategic report of ZPG Limited ("the Company") for the year to 31 December 2022.

This Strategic report has been prepared to provide shareholders of the Company with additional information to assess the Company's strategies and the potential for those strategies to succeed. The Strategic report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

The Directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

### Principal activity

The principal activity of the Company is to act as a holding company for its trading subsidiaries (together "the Group") and to settle central costs on behalf of the Group such as rent on the Group's head office and the remuneration of employees in central functions, which are then recharged.

### Key performance indicators

| | **2022** | 2021 |
|---|---|---|
| | **£000** | £000 |
| (Loss)/ profit after tax | **(22,867)** | 35,410 |
| Net assets | **3,722,565** | 3,667,828 |

### Business review

The company made a loss after tax of £22,867k for the year ended 31 December 2022 (2021 - profit of £35,410k). The loss is in relation to an impairment charge of £57,094k primarily due to adverse macro-economic conditions causing an increase in discount rates and a reduction in short-term cash flows.

The Company had a net asset position of £3,722,565k as at 31 December 2022 (2021 - £3,667,828k).

The Company issued £77,500k of share capital and premium in the year (2021: £492,515k) which was invested into subsidiaries to facilitate acquisitions and further growth.

### Risk management, internal control and principal risks

The Company is exposed to the carrying value of investments. Full details of the Group's risk management structure can be found in the Zephyr Midco 2 Limited financial statements for the year ended 31 December 2022.

**Section 172 Statement**

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows: A director of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

- 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 need to foster the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the company.

The board of Directors of ZPG Limited consider both, individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out above) in the decisions taken during the year ended 31 December 2022.

The Directors oversaw the Company's investment of further capital into its subsidiaries during the year to fund the strategic growth in the trading entities, with a long term plan to benefit the stakeholders of the Company.

The Directors are committed to openly engaging with their shareholders through attendance at Board meetings, so that shareholders understand the strategy and objectives of the Group. The Group provides regular reports and maintains regular dialogue with shareholders to ensure their involvement in the Group's decision-making.

The Company is committed to working with suppliers who share the Group's values. Before commencing a business relationship with a supplier, the Company will review the supplier's labour practices. The Company complies with their statutory duty to report on payment practices and is committed to reducing the time taken to pay suppliers, particularly those who are smaller in size.

ZPG Limited is a holding entity and is not directly engaged with customer relationships. The details of this can be found on page 11 of Zephyr Midco 2 Limited consolidated financial statements.

The Company has minimal employees. Details of how the Group has had regard to the interest of employees can be found on page 10 of the Zephyr Midco 2 Limited consolidated financial statements.

Information on the Group's strategy and other decisions made by the Directors of the Group are outlined in the *Strategic Report of Zephyr Midco 2 Limited, being the Company's subsidiary company. The consolidated* financial statements of Zephyr Midco 2 Limited are available from its registered office at The Cooperage, 5 Copper Row, London, England, SE1 2LH.

The decisions are made to have a long-term beneficial impact on the Company and to contribute to the Group's success in providing best-in-class online property portals and household related decision websites, as well as providing residential property software and data analytics.

This report was approved by the board and signed on its behalf.

KMaguire

**K Maguire**
Director
Date: 28 September 2023

## DIRECTORS' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

**Results and dividends**

The loss for the year, after taxation, amounted to £22,867k (2021 - profit £35,410k).

During the year, no dividends were made (2021 - £nil). The Directors do not recommend a final dividend in respect of the year ended 31 December 2022.

**Directors**

The Directors who served during the year were:

C Bryant
K Maguire (appointed 8 August 2022)
U Pagenkopf (resigned 8 August 2022)
S Patterson (resigned 15 September 2022)

**Directors' indemnities and insurance**

In accordance with the Companies Act 2006 and the Company's Articles, the Company has purchased and maintains Directors' and officers' liability insurance cover, which remains in place as at the date of this report. A review is carried out on an annual basis to ensure that the Board remains satisfied that an appropriate level of cover is in place.

As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company or any of its subsidiaries.

**Matters covered in the Strategic Report**

In accordance with the Companies' Act 2006, s414 (c), information in respect of business activities and principal risks are shown within the Strategic Report.

**Going concern**

The Company acts as an intermediate holding company for a Group that operates online property portals and household related decision websites as well as providing residential property software and data analytics. The Group's trading results are consolidated by Zephyr Midco 2 Limited, an indirect parent entity of the the Company. The Company itself does not trade and therefore relies on the assessment of going concern on Zephyr Midco 2 Limited.

Details of this assessment can be found in the Zephyr Midco 2 consolidated financial statements available from the address listed in note 1 to the financial statements.

The Company's Statement of financial position shows a positive net asset position with cash resources. Therefore, the Directors believe that the Company is well placed to manage its business and financial risks successfully.

Overall, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of signing these financial statements, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Charitable and Political Contributions**

There were no charitable or political contributions made in the year (2021 - £nil).

**Post balance sheet events**

On 28 August 2022, the Group entered into a Sale and Purchase Agreement ('SPA') with Gruppo Mutuionline S.P.A. to dispose of Preminen Price Comparison Holdings limited and its subsidiaries, Rastreator.com Limited and its subsidiary and LeLynx SAS, which carries out its operations in Spain, France and Mexico. Concurrently, a Group subsidiary, Inspop.com Limited, entered into a Business Transfer Agreement ('BTA') for its Indian Branch, to transfer all the assets and liabilities to the newly formed Rastreator India branch; which was part of the transaction perimeter disposed via the SPA. The disposal was effected as a strategic decision to further focus on the UK businesses. The SPA completed on 1 February 2023, and the BTA on 2 February 2023.

**Future developments**

The intention for the Company is to continue to act as a holding company for its trading subsidiaries and to settle central costs on behalf of the Group such as rent on the Group's head office and the remuneration of employees in central functions, which are then recharged accordingly.

This report was approved by the board and signed on its behalf.

**K Maguire**
Director

Date: 28 September 2023

## DIRECTORS' RESPONSIBILITIES STATEMENT
## FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the 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 Company and of the profit or loss of the Company for that period.

In preparing these 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 will continue in business.

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

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | 2022 £000 | 2021 £000 |
|---|---|---|---|
| Administrative expenses | | **(9,704)** | 3,227 |
| Impairment | | **(57,094)** | - |
| **Operating (loss)/profit** | 4 | **(66,798)** | 3,227 |
| Finance income | 7 | **59,574** | 47,551 |
| Finance costs | 8 | **(15,936)** | (15,117) |
| **(Loss)/profit before tax** | | **(23,160)** | 35,661 |
| Taxation | | **293** | (251) |
| **(Loss)/profit for the financial year** | | **(22,867)** | 35,410 |

The notes on pages 10 to 33 form part of these financial statements.

**ZPG LIMITED**
**REGISTERED NUMBER: 09005884**

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

| | Note | 2022 £000 | 2021 £000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Intangible assets | 10 | **256** | 442 |
| Property, plant and equipment | 11 | **20,479** | 27,433 |
| Investments | 12 | **2,824,021** | 2,821,115 |
| Trade and other receivables | 13 | **1,170,227** | 1,143,697 |
| | | **4,014,983** | 3,992,687 |
| **Current assets** | | | |
| Trade and other receivables | 13 | **234,816** | 124,492 |
| Cash and cash equivalents | 14 | **17,612** | 131 |
| | | **252,428** | 124,623 |
| Creditors: amounts falling due within one year | 15 | **(517,875)** | (416,692) |
| Contingent consideration | 16 | **-** | (1,300) |
| Deferred tax liability | 18 | **(375)** | (668) |
| Lease liabilities | 17 | **(4,609)** | (1,834) |
| **Net current liabilities** | | **(270,431)** | (295,871) |
| **Total assets less current liabilities** | | **3,744,552** | 3,696,816 |
| Contingent consideration | 16 | **-** | (4,938) |
| Provisions | 19 | **(1,633)** | (1,633) |
| Lease liabilities | 17 | **(20,354)** | (22,417) |
| **Net assets** | | **3,722,565** | 3,667,828 |
| **Capital and reserves** | | | |
| Called up share capital | 20 | **545** | 533 |
| Share premium account | 21 | **644,226** | 566,738 |
| Merger reserve | 21 | **2,100,312** | 2,100,312 |
| Retained earnings | 21 | **977,482** | 1,000,245 |
| | | **3,722,565** | 3,667,828 |

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**
**AS AT 31 DECEMBER 2022**

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**K Maguire**
Director

Date: 28 September 2023

The notes on pages 10 to 33 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Called up share capital | Share premium account | Merger reserve | Retained earnings | Total equity |
|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 |
| **At 1 January 2021** | **452** | **74,304** | **2,100,312** | **964,818** | **3,139,886** |
| ***Comprehensive income for the year*** | | | | | |
| Profit for the year | - | - | - | 35,410 | 35,410 |
| **Total comprehensive income for the year** | - | - | - | 35,410 | 35,410 |
| **Contributions by and distributions to owners** | | | | | |
| Shares issued during the year | 81 | 492,434 | - | - | 492,515 |
| Share based payments | - | - | - | 17 | 17 |
| **At 31 December 2021** | **533** | **566,738** | **2,100,312** | **1,000,245** | **3,667,828** |
| **Comprehensive income for the year** | | | | | |
| Loss for the year | - | - | - | (22,867) | (22,867) |
| **Total comprehensive income for the year** | - | - | - | (22,867) | (22,867) |
| **Contributions by and distributions to owners** | | | | | |
| Shares issued during the year | 12 | 77,488 | - | - | 77,500 |
| Share based payments | - | - | - | 104 | 104 |
| **At 31 December 2022** | **545** | **644,226** | **2,100,312** | **977,482** | **3,722,565** |

The notes on pages 10 to 33 form part of these financial statements.

## 1. General information

ZPG Limited (the "Company", and formerly ZPG PLC) is a company domiciled and incorporated in England & Wales. The address of the registered office is The Cooperage, 5 Copper Row, London SE1 2LH.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The presentational currency of the financial statements is Pound Sterling (£).

The following principal accounting policies have been applied:

## 2. *Accounting policies (continued)*

### 2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of Zephyr Midco 2 Limited as at 31 December 2022 and these financial statements may be obtained from The Cooperage, 5 Copper Row, London, SE1 2LH.

The Company is a wholly-owned subsidiary of Zephyr Bidco Limited and is included in the consolidated accounts of Zephyr Midco 2 Limited, comprising Zephyr Midco 2 Limited and its subsidiaries (the "Group"). Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

### 2.3 Impact of new international reporting standards, amendments and interpretations

There were no new IFRSs or IFRIC interpretations that were effective during the financial year beginning 1 January 2022 that have had a material impact on the Company.

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company for future periods.

## 2. Accounting policies (continued)

### 2.4 Going concern

The Company acts as an intermediate holding company for a Group that operates online property portals and household related decision websites as well as providing residential property software and data analytics. The Group's trading results are consolidated by Zephyr Midco 2 Limited, an indirect parent entity of the the Company. The Company itself does not trade and therefore relies on the assessment of going concern on Zephyr Midco 2 Limited.

Details of this assessment can be found in the Zephyr Midco 2 consolidated financial statements available from the address listed above in note 1.

The Company's Statement of financial position shows a positive net asset position with cash resources. Therefore, the Directors believe that the Company is well placed to manage its business and financial risks successfully.

Overall, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### 2.5 Share based payments

The Company provides equity-settled share-based incentive plans whereby ZPG Property Services Holdings Limited and ZPG Comparison Services Holdings Limited (subsidiaries of the Company) and a parent company of the Company (Zephyr Holdco Limited) grants sweet shares at unrestricted market value to employees of its subsidiaries for their employment services.

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Vesting happens over a five-year period with all shares vesting at the date of an exit event if earlier than five years. The fair value for employee-based schemes is measured using the Black-Scholes valuation model and is charged to the statement of comprehensive income over the vesting period on a straight-line basis.

Details regarding the determination of the fair value of equity-settled share-based payment transactions are set out in the Zephyr Midco 2 Limited consolidated accounts. These can be obtained from the address listed above in note 1.

### 2.6 Employee benefits: defined contribution scheme

The Company operates a defined contribution pension scheme which is a post-employment benefit plan under which the Company pays fixed contributions into a fund. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. Contributions payable to the fund are charged to the Statement of comprehensive income in the year to which they relate.

## 2. Accounting policies (continued)

### 2.7 Finance income and costs

Finance income represents income on loans due from other group companies as well as interest receivable on cash and deposit balances. Interest income is recognised as it accrues using the effective interest method.

Finance costs represent interest charged on loans due to other group companies as well as bank loans and overdraft balances. Finance costs are recognised on an accruals basis using the effective interest method.

Foreign exchange gains and losses are recognised monthly based on the translation of assets and liabilities held in foreign currencies to Pound Sterling and realised gains and losses on transactions recorded in the year. The Company has limited exposure to foreign currency as majority of the Company's expense are in sterling. The Directors are comfortable that any sensitivity to fluctuations in exchange rates would not have a material impact on the results of the Company.

### 2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## 2. Accounting policies (continued)

### 2.9 Intangible assets

Intangible assets with finite lives are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged to the Statement of comprehensive income on a straight-line basis over the estimated useful lives of the intangible assets.

Research expenditure is expensed in the year in which it is incurred.

Under IAS 38, there is a requirement to capitalise development costs if they meet the recognition criteria, can be reliably measured and separated from the research phase of a project.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

The estimated useful lives range as follows:

| | | |
|---|---|---|
| Computer software | - | 3-5 years |

### 2.10 Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. This cost includes the purchase price, directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions. Items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and are not revalued.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---|---|
| Fixtures and fittings | - over 3 to 5 years |
| *Computer equipment* | *- over 2 to 5 years* |
| Leasehold improvements | - over the lease term |
| Right of Use assets | - over the lease term |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## 2. Accounting policies (continued)

### 2.11 Impairment of tangible and intangible assets

At each Statement of Financial Position date, the Directors review the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets are impaired.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit to which the asset belongs is estimated. Any impairment loss is recognised immediately in the Statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that this increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in the Statement of comprehensive income.

### 2.12 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The leases relate to vehicles and properties. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive subscription right then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right of direct use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - The Company has the right to operate the asset; or
  - The Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company recognizes a right-of-use and a lease liability at the lease commencement date. The right-of-use asset is initially measurement at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis at those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

## 2. Accounting policies (continued)

### 2.12 Leases (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commitment date, discounted using the interest rate, implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise fixed payments (including in substance fixed payments).

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payment arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-use-of asset or is recorded in the income statement if the carrying amount of the right-use-of asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities separately on the statement of financial position.

*Short-term and leases of low value assets*
The Company has made use of the practical expedient available to not recognise right-of-use assets and lease liabilities for short term leases of computer equipment that have a lease term of twelve months or less and leases of low valued assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### 2.13 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

### 2.14 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

## 2. Accounting policies (continued)

### *2.15 Provisions for liabilities*

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, and it is probable that the Company will be required to settle that obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at Management's best estimate of the expenditure required to settle the obligation at the Statement of financial position date and are discounted to present value where the impact is material. The unwinding of any discount is recognised in finance costs.

Dilapidation provisions are recognised based on Management's best estimate of costs to make good the Company's leasehold properties at the end of the lease term.

### 2.16 Financial instruments

Financial assets and financial liabilities are initially measured at fair value.

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Financial assets and financial liabilities are recognised on the Statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

IFRS 9 "Financial Instruments" prescribes the rules for recognition and measurement of financial instruments. The standard requires the use of an expected loss model when determining an appropriate provision related to trade receivables. The Company has applied this model and uses both historical analysis and macroeconomic factors in determining the resulting provisions against trade receivables.

Trade and other receivables are designated as loans and receivables. They are recognised at amortised cost, which is net of any allowance for expected credit losses. This is deemed to be a reasonable approximation of their fair value. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition through detailed analysis of historical payment profiles and past default experience. When a trade receivable is deemed uncollectable, it is written off against the allowance account.

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Trade and other payables are designated as other financial liabilities. They are recognised at their carrying amount, which is deemed to be a reasonable approximation of their fair value, or at amortised cost if are interest bearing.

Contingent consideration is recognised as a financial liability carried at fair value and gains or losses arising from changes in fair value are recognised in the Statement of comprehensive income.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The Company's Ordinary Shares are classified as equity instruments and are recognised at the proceeds received, net of any direct issue costs.

Financial instruments are not used for speculative purposes.

## 2. Accounting policies (continued)

### 2.16 Financial instruments (continued)

The Company's cash and cash equivalents represent amounts held in the Company's current accounts and overnight deposits that are immediately available.

## 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires the Company's management to make judgements, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

*Impairment of investments*
On an annual basis, the Company is required to perform an impairment review to assess whether the carrying value of its investment in subsidiary undertakings is less than its recoverable amount. The recoverable amount is based on a calculation of expected future cash flows of the Company's subsidiary undertakings, which includes estimates of future performance.

In the current year, impairment in investments of £57.1m was recognised based on the difference between the recoverable amount and the carrying value of the investments. The calculation of the recoverable amount includes key sources of estimation uncertainty and in the current year this estimation uncertainty is heightened due to the impact of the macro-economic environment. Details of the impairment analysis, including key estimates and assumptions, and sensitivity over the estimates used, are included in Note 12.

*Classification of intercompany receivables as current and non-current*
The determination of the portion of intercompany balances expected to be collected in the next twelve months following the year-end includes estimates based on cashflow forecasts and needs of the Company. The Directors do not expect to realise all of their intercompany receivables within the twelve months following the accounting reference date, and have therefore classified relevant intercompany balances as non-current. A change in forecasts could lead to a change in expectation in the amount to be settled in the next twelve months following the accounting reference date, as well as the portion of the non-current intercompany receivables to become current.

## 4. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting):

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Depreciation of property, plant and equipment (note 11) | **3,926** | 3,738 |
| *Impairment of property, plant and equipment (note 11)* | **4,816** | - |
| Amortisation of intangible assets (note 10) | **216** | 272 |
| Impairment of investments (note 12) | **57,094** | - |
| Management recharges | **(3,925)** | (7,640) |
| Contingent consideration fair value movement (note 16) | **3,945** | 271 |

Amortisation charges on the Company's intangible assets and depreciation charges on the Company's property, plant and equipment are recognised in the administrative expenses line item in the Statement of comprehensive income.

## 5. Employees

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Staff costs were as follows: | | |
| Wages and salaries | **879** | 646 |
| Social security costs | **106** | 83 |
| Pension | **36** | 24 |
| Share based payments | **104** | 17 |
| | **1,125** | 770 |

The average monthly number of employees, including the Directors, during the year was as follows:

| | 2022 No. | 2021 No. |
|---|---|---|
| Administration | **15** | 14 |
| Directors | **3** | 3 |
| | **18** | 17 |

## 6. Directors' remuneration

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Directors' emoluments | **46** | - |
| Company contributions to defined contribution pension schemes | **3** | - |
| | **49** | - |

## 7. Finance income

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Interest receivable from group companies | **59,574** | 47,551 |
| | **59,574** | 47,551 |

## 8. Finance costs

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Interest on loans from group undertakings | **13,558** | 13,558 |
| Interest on lease liabilities | **2,378** | 1,601 |
| Other interest (income) / payable | **-** | (42) |
| | **15,936** | 15,117 |

## 9. Taxation

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Current tax on profits for the year | - | - |
| **Total current tax** | - | - |
| **Deferred tax** | | |
| Origination and reversal of timing differences | (313) | 70 |
| Adjustment in respect of prior periods | 119 | 21 |
| Effect of tax rate changes | (99) | 160 |
| ***Total deferred tax*** | **(293)** | 251 |
| **Taxation on (loss)/profit on ordinary activities for the year** | **(293)** | 251 |

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

| | 2022 £000 | 2021 £000 |
|---|---|---|
| *(Loss)/profit on ordinary activities before tax* | **(23,160)** | 35,661 |
| *(Loss)/profit on ordinary activities multiplied by standard rate of corporation* tax in the UK of 19% (2021 - 19%) | **(4,400)** | 6,776 |
| **Effects of:** | | |
| Adjustments in respect of prior periods | **119** | 21 |
| Expenses not deductible for tax purposes | **11,661** | 69 |
| Impact of tax rate changes | **(99)** | 160 |
| Group relief | **(7,574)** | (6,740) |
| Other movement | - | (35) |
| **Total tax charge for the year** | **(293)** | 251 |

## 9. Taxation (continued)

### Factors that may affect future tax charges

The Finance Act 2021, which was substantively enacted on 24 May 2021, included an increase in the main rate of UK corporation tax to 25% from 1 April 2023 from 19% as seen within the year and comparative period. This rate has been substantively enacted at the statement of financial position date of 31 December 2022. The deferred tax balances as at 31 December 2021 were revalued at the prior year end.

## 10. Intangible assets

| | Computer software £000 |
|---|---|
| **Cost** | |
| At 1 January 2022 | **1,434** |
| Additions | **30** |
| At 31 December 2022 | **1,464** |
| **Amortisation** | |
| At 1 January 2022 | **992** |
| Charge for the year on owned assets | **216** |
| At 31 December 2022 | **1,208** |
| ***Net book value*** | |
| At 31 December 2022 | **256** |
| At 31 December 2021 | 442 |

## 11. Property, plant and equipment

| | Leasehold improvements £000 | Fixtures and fittings £000 | Computer equipment £000 | Right of use assets £000 | Total £000 |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2022 | 6,114 | 1,716 | 3,437 | 29,719 | 40,986 |
| Additions | 134 | 47 | 288 | 1,319 | 1,788 |
| At 31 December 2022 | 6,248 | 1,763 | 3,725 | 31,038 | 42,774 |
| **Depreciation** | | | | | |
| At 1 January 2022 | 2,024 | 1,341 | 2,615 | 7,573 | 13,553 |
| Charge for the year | 431 | 206 | 516 | 2,773 | 3,926 |
| Impairment charge | 733 | - | - | 4,083 | 4,816 |
| At 31 December 2022 | 3,188 | 1,547 | 3,131 | 14,429 | 22,295 |
| **Net book value** | | | | | |
| At 31 December 2022 | 3,060 | 216 | 594 | 16,609 | 20,479 |
| At 31 December 2021 | 4,090 | 375 | 822 | 22,146 | 27,433 |

The right of use assets of £16,609k (2021: £22,146k) are comprised of properties held under leases.

## 12. Investments

Investments in subsidiaries are valued at cost less any provision for impairment.

| | ZPG Property Services Holdings Limited £000 | ZPG Comparison Services Holdings Limited £000 | Total £000 |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 January 2022 | **1,704,400** | **1,116,715** | **2,821,115** |
| Additions | **-** | **60,000** | **60,000** |
| At 31 December 2022 | **1,704,400** | **1,176,715** | **2,881,115** |
| **Impairment** | | | |
| Charge for the period | **57,094** | **-** | **57,094** |
| At 31 December 2022 | **57,094** | **-** | **57,094** |
| **Net book value** | | | |
| At 31 December 2022 | **1,647,306** | **1,176,715** | **2,824,021** |
| At 31 December 2021 | 1,704,400 | 1,116,715 | 2,821,115 |

## 12. Investments (continued)

On 29 July 2022 the Company invested £60,000k into ZPG Comparison Services Holdings Limited to acquire 100% of Tempcover Holdings Limited and its subsidiaries (Temporary Cover Limited and Tempcover Limited). Tempcover will give the Group a foothold in the short term motor insurance market.

Details of the Company's direct and indirect subsidiaries and joint ventures at 31 December 2022 are shown below. All of the entities listed are consolidated in the consolidated accounts of Zephyr Midco 2 Limited.

The Company's direct subsidiaries, namely ZPG Property Services Holdings Limited and ZPG Comparison Services Holdings Limited are incorporated in the Cayman Islands and are registered at the office of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104.

All subsidiaries incorporated in the UK are registered at The Cooperage, 5 Copper Row, London SE1 2LH, apart from; Penguin Portals Limited, Inspop.com Limited and Confused.com Limited which are registered at Greyfriars House, Greyfriars Road, Cardiff, Wales, CF10 3AL and Tempcover Holdings Limited, Tempcover Limited and Temporary Cover Limited which are registered at Second Floor, Admiral House, Harlington Way, Fleet, Hampshire, England, GU51 4BB.

The subsidiary incorporated in Netherlands, namely Calcasa B.V., is registered at Koornmarkt 41, 2611EB Delft, The Netherlands.

The subsidiary incorporated in Mexico, namely Preminen Mexico S.A. de C.V., is registered at C/ Varisovia, 36, 5th floor 06600 Col. Juarez Mexico City.

The subsidiary incorporated in India, namely Preminen Price Comparison India Private Limited, is registered at F-2902, Ireo Grand Arch, Sector 58, Gurgaon, Haryana, India 122011.

The subsidiary incorporated in France, namely LeLynx SAS, is registered at 34 Quai de la Loire 75019 Paris.

The subsidiary incorporated in Spain, namely Rastreator Comparador Correduria de Seguros S.L.U, is registered at Calle Sanchez Pacheco, 85, 28002 (Madrid).

The associate incorporated in China, namely Long Yu Science & Technology (Beijing) Company Limited, is registered at Room 1806, 15th Floor, Block 16, No. 39 East 3rd Ring Middle Road, Chaoyang District, Beijing, the PRC.

The associate incorporated in Bahrain, namely Preminen MENA Price Comparison W.L.L., is registered at Road no 3618, Block 436, Building 852, Office no 42, 4th floor, Seef (Kingdom of Bahrain).

## 12. *Investments (continued)*

**(continued)**

The following were subsidiary undertakings of the Company:

| Name | Registered office | Holding |
|---|---|---|
| ZPG Property Services Holdings Limited* | Cayman Islands | 100% |
| ZPG Comparison Services Holdings Limited* | Cayman Islands | 100% |
| Houseful Limited ( previously ZPG Property Services Holdings UK Limited) | United Kingdom | 100% |
| RVU Limited (previously ZPG Comparison Services Holdings UK Limited) | United Kingdom | 100% |
| Zoopla Limited | United Kingdom | 100% |
| Yourkeys Technology Limited | United Kingdom | 100% |
| Zoopla Printing Services Limited | United Kingdom | 100% |
| W New Holdings Limited | United Kingdom | 100% |
| Websky Limited | United Kingdom | 100% |
| TechnicWeb Limited | United Kingdom | 100% |
| Uswitch Limited | United Kingdom | 100% |
| Property Software Holdings Limited | United Kingdom | 100% |
| Jupix Limited | United Kingdom | 100% |
| MoveIT Network Limited | United Kingdom | 100% |
| Property Software Limited | United Kingdom | 100% |
| Core Estates Limited | United Kingdom | 100% |
| CFP Software Limited | United Kingdom | 100% |
| Vebra Investments Limited | United Kingdom | 100% |
| Vebra Limited | United Kingdom | 100% |
| Vebra Solutions Limited | United Kingdom | 100% |
| Hometrack.co.uk Limited | United Kingdom | 100% |
| *Hometrack Data Systems Limited* | *United Kingdom* | 100% |
| Hometrack MLS Limited | United Kingdom | 100% |
| Dot Zinc Holdings Limited | United Kingdom | 100% |
| Dot Zinc Limited | United Kingdom | 100% |
| ZPG Property Services Limited | United Kingdom | 100% |
| Calcasa B.V. Netherlands 100% | United Kingdom | 100% |
| Penguin Portals Limited | United Kingdom | 100% |
| Rastreator.com Limited | United Kingdom | 100% |
| LeLynx SAS | United Kingdom | 100% |
| Inspop.com Limited | United Kingdom | 100% |
| Preminen Price Comparison Holdings Limited | United Kingdom | 100% |
| Preminen Dragon Price Comparison Limited | United Kingdom | 100% |
| Preminen Price Comparison India Private Limited | United Kingdom | 100% |
| Preminen Mexico S.A. de C.V. | United Kingdom | 100% |
| Life's Great Group Limited | United Kingdom | 100% |
| Life's Great Limited | United Kingdom | 100% |
| Life's Great Tech Limited | United Kingdom | 100% |
| Tempcover Holdings Limited | United Kingdom | 100% |
| Temporary Cover Limited | United Kingdom | 100% |
| Tempcover Limited | United Kingdom | 100% |
| Confused.com Limited** | United Kingdom | 100% |
| Real Estate Technology Limited** | United Kingdom | 100% |
| PSG Web Services Limited** | United Kingdom | 100% |
| HLIX Limited*** | United Kingdom | 25% |

**12. Investments (continued)**

***(continued)***

| ***Name*** | ***Registered office*** | ***Holding*** |
|---|---|---|
| *Long Yu Science & Technology (Beijing) Company Limited*** ** | *China* | 42% |
| Preminen MENA Price Comparison W.L.L.**** | Bahrain | 30% |

** denotes directly held subsidiaries*
** denotes dormant subsidiaries
*** denotes joint ventures
**** denotes associates

MoveIT Network Limited was dissolved during the year ended 31 December 2022 and the Group's interest in HLIX Limited was disposed of in the year ended 31 December 2022.

Tempcover Holdings Limited, Temporary Cover Limited and Tempcover Limited were acquired by the Group during the year ended 31 December 2022.

*Impairment*

To determine the recoverable amount, the Company calculates the enterprise price value for each cash generating unit ('CGU') or group of CGUs. The Group's net debt is subtracted from the enterprise value to get to a recoverable amount.

For continuing operations, the CGUs are grouped into five Business Units, Property Classifieds (previously named "Property Marketing"), Property Software, Property Data, RVU London (which consists of Uswitch, Money and Mortgages) and Insurance (consisting of Confused.com and Tempcover). For each of these Business Units, the enterprise value is determined using a value-in-use model. For discontinued operations, the recoverable amount is based on the fair value less cost to sell.

The recoverable amount of the investment in ZPG Property Services Holdings Limited is lower than the cost of investment, resulting in an impairment charge of £57.1m. This is primarily due to adverse macro-economic conditions causing an increase in discount rates and a reduction in short-term cash flows.

Based on the calculated equity value, the Company had headroom on in its investment in ZPG Comparison Services Holdings Limited so no impairment charge has been recognised.

## 13. Trade and other receivables

| | 2022 £000 | 2021 £000 |
|---|---|---|
| **Due after more than one year** | | |
| Loan balances due from Group companies | **1,170,227** | 1,143,697 |
| | **1,170,227** | 1,143,697 |

| | 2022 £000 | 2021 £000 |
|---|---|---|
| **Due within one year** | | |
| Trading balances due from Group companies | **232,790** | 122,822 |
| Other taxation and social security receivables | **1,106** | 538 |
| Prepayments | **920** | 1,104 |
| Other receivables | **-** | 28 |
| | **234,816** | 124,492 |

The Directors consider that the carrying value of trade and other receivables are approximate to their fair value.

The Company has a receivable of £21.0 million due from Property Software Holdings Limited, £473.5 million due from ZPG Property Services Holdings Limited, £650.1 million due from ZPG Comparison Services Holdings Limited and £25.7 million due from ZPG Property Services Limited which are designated as unsecured, intercompany loans

The loan with Property Software Holdings Limited accrues interest charged at 2.5% interest per annum and has no fixed repayment date.

The loan with ZPG Property Services Limited is interest-free and has no fixed repayment date.

The loans with ZPG Property Services Holdings Limited and ZPG Comparison Services Holdings Limited carry interest on specific tranches of the loans based on the lending rate paid by the Company to its parent, at 4.75%. The remaining tranches are interest-free. These two loans may be repaid to the Company in whole or in part at any time, but shall be repaid no later than 2029.

The Company has used judgement to determine that these loan balances should be classified as 'due after more than one year'.

Trading balances due from Group companies are non-interest bearing and receivable on demand.

The Company considers that these amounts are recoverable in full based on the performance on the underlying subsidiaries.

## 14. Cash and cash equivalents

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Cash at bank and in hand | **17,612** | 131 |
| | **17,612** | 131 |

In January 2022, in line with the wider Group's treasury strategy, the Company entered into a cash pooling arrangement with its subsidiaries.

## 15. Trade and other payables

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Trade payables | **1,528** | 1,891 |
| Accruals | **2,146** | 6,337 |
| Other taxation and social security | **84** | 40 |
| Amounts owed to group undertakings | **171,569** | 88,686 |
| Loans owed to group undertakings | **341,814** | 319,738 |
| Other creditors | **734** | - |
| | **517,875** | 416,692 |

All trade and other payables are classified as current liabilities.

The Directors consider that the carrying value of trade and other payables are approximate to their fair value.

The loans owed to Group undertakings relates to a £341.8 million intercompany loan provided by Zephyr Bidco Limited ("Bidco"), which may be repaid by the Company in whole or in part at any time, but shall be repaid no later than 2028. The loan carries interest accrued at 4.75%.

Amounts owed to Group companies are non-interest bearing and payable on demand.

## 16. Contingent consideration

Consideration for the acquisition of Hometrack included a commercial earn-out agreement which was contingent upon the future performance of a ten-year license agreement entered at the point of acquisition. In the prior year, judgement was therefore made on the Hometrack earn-out with eight potential outcomes being weighted based on probability of realisation. During the year, the conditions were met for an accelerated earn-out clause, which resulted in a re-valuation of the liability of £3.9 million. The liability was fully settled during the year, with no further amounts remaining outstanding.

| | Contingent consideration earn-out £000 | Total £000 |
|---|---|---|
| At 1 January 2022 | 6,238 | 6,238 |
| Changes in fair value | 3,945 | 3,945 |
| Hometrack payment | (10,183) | (10,183) |
| **At 31 December 2022** | - | - |

| | Contingent consideration earn-out £000 | Total £000 |
|---|---|---|
| At 1 January 2021 | 9,180 | 9,180 |
| Changes in fair value | 271 | 271 |
| Hometrack payment | (1,301) | (1,301) |
| Money.co.uk payment | (1,912) | (1,912) |
| **At 31 December 2021** | 6,238 | 6,238 |
| Current | 1,300 | 1,300 |
| Non-current | 4,938 | 4,938 |

The total Contingent consideration earn-out at 31 December 2021 related to Hometrack.

## 17. Leases

**Company as a lessee**

The Company is a lessee in leases for buildings.

Lease liabilities are due as follows:

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Current | **4,609** | 1,834 |
| Non-current | **20,354** | 22,417 |
| | **24,963** | 24,251 |

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Interest expense on lease liabilities | **2,378** | 1,601 |

## 18. Deferred taxation

| | 2022 £000 |
|---|---|
| At beginning of year | **(668)** |
| Charged to profit or loss | **293** |
| **At end of year** | **(375)** |

The provision for deferred taxation is made up as follows:

| | 2022 £000 | 2021 £000 |
|---|---|---|
| Property, plant and equipment | 66 | (115) |
| Other | (441) | (553) |
| | **(375)** | (668) |

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so.

## 19. *Provisions*

The Company's dilapidation provisions relate to Management's best estimation of costs to make good the Company's leasehold properties at the end of the lease terms. The carrying provision represents expected exit costs on completion of the Company's property leases. No additional dilapidation provision was recognised during the year.

| | **Dilapidation provisions £000** |
|---|---|
| At 1 January 2022 | **1,633** |
| **At 31 December 2022** | **1,633** |

## 20. Share capital

| | **2022 £000** | 2021 £000 |
|---|---|---|
| **Authorised, allotted, called up and fully paid** | | |
| 545,240,977 (2021 - 532,519,708) Ordinary shares of £0.001 each | **545** | 533 |

On 27 July 2022, the Company issued 12,721,269 £0.001 shares for a total consideration of £77,500k which increased share capital by £12k and share premium by £77,488k.

## 21. Reserves

**Share premium account**

Share premium has arisen as a result of the excess over the nominal amount paid for shares issued by the Company.

**Merger Reserve**

The merger reserve includes the difference between the investment recognised in Zoopla Limited on restructuring in 2014 of £90.9 million and the value of the shares issued of £0.4 million. The merger reserve also includes the investments in ZPG Property Services Holdings Limited and ZPG Comparison Services Holdings Limited (£2,009.8 million) arising from the group restructuring during 2019.

**Retained earnings reserve**

The Retained earnings reserve relates to all gains and losses not recognised in any other reserve.

## 22. Related party transactions

In the ordinary course of business, the Company has traded with other subsidiaries of its indirect parent company, Zephyr Holdco Limited. Advantage has been taken of the exemption permitted by FRS 101 not to disclose transactions with entities that are wholly owned by the Group. Balances with these entities are disclosed in notes 13 and 15 of these financial statements.

## 23. Post balance sheet events

On 28 August 2022, the Group entered into a Sale and Purchase Agreement ('SPA') with Gruppo Mutuionline S.P.A. to dispose of Preminen Price Comparison Holdings limited and its subsidiaries, Rastreator.com Limited and its subsidiary and LeLynx SAS, which carries out its operations in Spain, France and Mexico. Concurrently, a Group subsidiary, Inspop.com Limited, entered into a Business Transfer Agreement ('BTA') for its Indian Branch, to transfer all the assets and liabilities to the newly formed Rastreator India branch; which was part of the transaction perimeter disposed via the SPA. The disposal was effected as a strategic decision to further focus on the UK businesses. The SPA completed on 1 February 2023, and the BTA on 2 February 2023.

## 24. Ultimate controlling party

The direct parent of the Company is Zephyr Bidco Limited.

The largest group of which the Company is a member and for which group accounts are drawn up for the year ended 31 December 2022 is that of Zephyr Luxco S.a.r.l. The smallest group of which the Company is a member and for which the group accounts are drawn up for the year ended 31 December 2022 is that of Zephyr Midco 2 Limited, incorporated in the United Kingdom and registered in England and Wales at the address below. Copies of the report and accounts are available from The Cooperage, 5 Copper Row, London SE1 2LH.

The ultimate controlling party of the Company is Silver Lake (Offshore) AIV GP V Ltd.