

Registered number: 11347511

ZEPHYR BIDCO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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ZEPHYR BIDCO LIMITED

COMPANY INFORMATION

Directors	C Bryant K Maguire
Registered number	11347511
Registered office	The Cooperage 5 Copper Row London England SE1 2LH

ZEPHYR BIDCO LIMITED

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ZEPHYR BIDCO LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The Directors present their Strategic report of Zephyr Bidco Limited ("the Company") for the twelve months 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 financing entity for the Group, that operates online property portals and household related decision websites as well as providing residential property software and data analytics.

Key performance indicators

	31 December 2022 £000	31 December 2021 £000
Loss after tax	(66,381)	(33,293)
Net assets	1,808,305	1,814,438

Business review

The company made a loss after tax of £66,381k for the year ended 31 December 2022 (2021 - loss of £33,293k). The loss after tax for 2022 included an unrealised foreign exchange loss of £18,049k (2021 - gain of £23,697k), predominantly in relation to the Euro denominated loan balance.

The intention is for the Company to continue to act as a financing entity company for its trading subsidiaries.

The Company had a net asset position of £1,808,305k as at 31 December 2022 (31 December 2021 - (£1,814,438k).

The Company issued £60,000k share capital and share premium in July 2022. The purpose of this was to finance further investment into its subsidiary undertakings.

Principal risks and uncertainties

Full details of the Group's risk management structure can be found in the Zephyr Midco 2 Limited ('the Group') financial statements for the year ended 31 December 2022.

ZEPHYR BIDCO LIMITED

STRATEGIC REPORT (CONTINUED) 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.

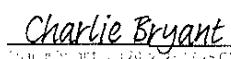
A director of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

- The likely consequences of any decisions in the long term;
- The interests of the company's employees;
- The need to foster the company's operations in a way which considers its impact 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 Zephyr Bidco 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 approved an injection of new share capital and share premium of £60,000k in the year, as well as a draw down of £40,000k from the Revolving Credit Facility. The Directors oversaw the Company's further investment into its subsidiary companies of £77,500k during the year to fund strategic growth in these trading subsidiary entities, with a long term plan to benefit the stakeholders of the Company.

This report was approved by the board on 20 July 2023 and signed on its behalf.



Charlie Bryant

C Bryant
Director

ZEPHYR BIDCO LIMITED

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 £66,381k (2021 - loss of £33,293k).

The loss for the year was primarily related to the finance costs on the external loan and foreign exchange. The results of the Company are included in the financial statements from page 6 onwards.

The Directors do not recommend a final dividend in respect of the year ended 31 December 2022 (year ended 31 December 2021 - £nil).

Directors

The Directors who served during the year and subsequent to year-end were:

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

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which remain in force at the date of this report. The Company's parent has also arranged Directors' and officers' insurance cover in respect of legal action against the Directors of the Group. The policy includes cover for the Directors of Zephyr Bidco Limited. Neither the indemnity nor the insurance provides cover in the event that a Director is proven to have acted dishonestly or fraudulently.

Charitable and political contributions

During the year the Company made no charitable or political donations (year to 31 December 2021 - £nil).

Going concern

The financial statements have been prepared on a going concern basis. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion, the Directors have considered the financial projections of the intermediate parent company, Zephyr Midco 2 Limited, and its subsidiaries (together 'the Group'), which covers a period of 12 months from the date of signing these financial statements. The Group is subject to covenants under its current debt structure and throughout the cash flow forecast period there is sufficient headroom on the financial covenants.

The Directors' considerations of uncertainties that the business will face in the next 12 months are captured within the principal risks disclosed in the Strategic report. As at the year-end, the Company has a positive cash balance of £2,496k (2021 - £9,677k) and net assets of £1,808,305k (2021 - £1,814,438k). The cash position and net asset position remain positive on the signing date.

Given the above, 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 in preparing the annual financial statements.


ZEPHYR BIDCO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Post balance sheet events

On 28 August 2022, the Group entered into a Sale and Purchase Agreement ('SPA') with Gruppo Mutaionline 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.

This report was approved by the board on 20 July 2023 and signed on its behalf.


Charlie Bryant 20 July 2023 15:05 GMT+1

C Bryant
Director

ZEPHYR BIDCO LIMITED

**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.

ZEPHYR BIDCO LIMITED

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

	Note	2022 £000	2021 £000
Administrative expenses		(105)	(408)
Operating loss		(105)	(408)
Finance income	5	21,194	43,014
Finance costs	6	(102,890)	(64,979)
Fair value profit/(loss) arising on cross-currency interest swaps during the year		12,721	(10,369)
Loss before tax		(69,080)	(32,742)
Tax on loss	7	2,699	(551)
Loss for the financial year		(66,381)	(33,293)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Other comprehensive income		-	-
Total comprehensive income for the year		(66,381)	(33,293)

The notes on pages 10 to 25 form part of these financial statements.

ZEPHYR BIDCO LIMITED
REGISTERED NUMBER: 11347511

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Investments	8	2,783,833	2,706,333
Financial instruments (due after one year)		3,393	-
Other receivables	11	341,814	328,959
		<u>3,129,040</u>	<u>3,035,292</u>
Current assets			
Trade and other receivables	11	11,866	14,160
Financial instruments (due within one year)	10	3,570	-
Cash and cash equivalents	12	2,496	9,677
Deferred tax asset	15	2,699	-
		<u>20,631</u>	<u>23,837</u>
Trade and other payables	13	(157,777)	(118,113)
Current tax liabilities		(201)	(66)
Net current liabilities		<u>(137,347)</u>	<u>(94,342)</u>
Total assets less current liabilities		<u>2,991,693</u>	<u>2,940,950</u>
Loans and borrowings		(1,183,388)	(1,120,755)
Financial instruments (owed after one year)	10	-	(5,757)
		<u>1,808,305</u>	<u>1,814,438</u>
Net assets		<u><u>1,808,305</u></u>	<u><u>1,814,438</u></u>

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

		2022	2021
		£000	£000
Capital and reserves			
Called up share capital	16	1,926,800	1,889,300
Share premium account	17	124,200	101,700
Share based payment reserve	17	238	192
Retained earnings	17	(242,933)	(176,754)
		1,808,305	1,814,438

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

The company was entitled to exemption from 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 on 20 July 2023.

Charlie Bryant

Charlie Bryant, Director, 20 July 2023, 11:28 CEST

C Bryant
Director

The notes on pages 10 to 25 form part of these financial statements.

ZEPHYR BIDCO LIMITED

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

	Called up share capital £000	Share premium account £000	Share based payment reserve £000	Retained earnings £000	Total equity £000
At 1 January 2021	1,719,800	-	152	(143,259)	1,576,693
Comprehensive income for the year					
Loss for the year	-	-	-	(33,293)	(33,293)
Transactions recognised directly in equity	-	-	-	(202)	(202)
Total comprehensive income for the year	-	-	-	(33,495)	(33,495)
Contributions by and distributions to owners					
Shares issued during the year	169,500	101,700	-	-	271,200
Share based payment charge	-	-	40	-	40
Total transactions with owners	169,500	101,700	40	-	271,240
At 1 January 2022	1,889,300	101,700	192	(176,754)	1,814,438
Comprehensive income for the year					
Loss for the year	-	-	-	(66,381)	(66,381)
Transactions recognised directly in equity	-	-	-	202	202
Total comprehensive income for the year	-	-	-	(66,179)	(66,179)
Contributions by and distributions to owners					
Shares issued during the year	37,500	22,500	-	-	60,000
Share based payment charge	-	-	46	-	46
Total transactions with owners	37,500	22,500	46	-	60,046
At 31 December 2022	1,926,800	124,200	238	(242,933)	1,808,305

The notes on pages 10 to 25 form part of these financial statements.

ZEPHYR BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Zephyr Bidco Limited is a private Company limited by shares domiciled and incorporated in the United Kingdom. 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:

2.2 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 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;
- 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 direct subsidiary of Zephyr Midco 2 Limited and is included in the consolidated financial statements 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Impact of new international reporting standards, amendments and interpretations

No new standards have been adopted by the Company for the year ended 31 December 2022.

2.4 Going concern

The financial statements have been prepared on a going concern basis. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion, the Directors have considered the *financial projections of the intermediate parent company, Zephyr Midco 2 Limited, and its subsidiaries (together 'the Group')*, which covers a period of 12 months from the date of signing these financial statements. The Group is subject to covenants under its current debt structure and throughout the cash flow forecast period there is sufficient headroom on the financial covenants.

The Directors' considerations of uncertainties that the business will face in the next 12 months are captured within the principal risks disclosed in the Strategic report. As at the year-end, the Company has a positive cash balance of £2,496k (2021 - £9,677k) and net assets of £1,808,305k (2021 - £1,814,438k). The cash position and net asset position remain positive on the signing date.

Given the above, 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 in preparing the annual financial statements.

2.5 Finance income and costs

Finance income represents interest receivable on cash and deposit balances and gains recognised on foreign currency transactions. Interest income is recognised as it accrues using the effective interest method.

Finance costs represent interest charged on the Company's external borrowings and revolving credit facility loans and overdraft balances. Finance costs are recognised on an accruals basis using the effective interest method. This includes the amortisation of upfront establishment fees paid on the Company's debt.

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 period. The Company's principal exposure is to the Euro, through a tranche of its external borrowings which are denominated in Euro. The Directors are comfortable that any sensitivity to fluctuations in exchange rates would not have a material impact on the results of the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.6 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.

2.7 Investments

Investments in subsidiaries are carried at the fair value of consideration payable for the entity less any impairment. Consideration includes initial consideration and where applicable any deferred consideration as outlined in Note 8.

Investments are not subject to amortisation but are tested for impairment annually and whenever the Directors have an indication that it might be impaired.

2.8 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.

Investments in unlisted securities not meeting the definition of associates, joint ventures or subsidiaries are classified as available for sale financial assets and are initially recorded at fair value plus transaction costs. The investments are then remeasured at each subsequent reporting date to fair value. Changes in the fair value of the unlisted securities are recognised in Other comprehensive income, with the exception of impairment losses. On disposal of the asset any gains and losses recorded within other comprehensive income are realised and are reclassified to the Statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Trade and other receivables are designated as loans and receivables. They are recognised at amortised cost, which is net of any allowance for impairment in relation to irrecoverable amounts. This is deemed to be a reasonable approximation of their fair value. The provision is reviewed regularly in conjunction with a 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 not interest bearing and 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.

Loans and borrowings are measured at amortised cost, net of direct costs. Direct costs are released through the Statement of comprehensive income under the effective interest method, along with interest charged, over the life of the instrument.

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.

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

Derivative financial instruments

The Company enters into cross-currency interest rate swaps to manage its exposure to foreign exchange rate risks. Further details of derivative financial instruments are disclosed in note 10.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting is not adopted by the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Management make certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. Actual results may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within future periods are discussed below.

There are no critical judgements or estimations that the Company's management have made in the process of the applying the accounting policies of the Company that are deemed to have a significant effect on amounts recognised in the financial statements.

4. Employees

The Company has no employees (2021 - none). Directores were remunerated by another Group company.

5. Finance income

	2022	2021
	£000	£000
Interest income	13,558	13,559
Hedging income	7,546	5,758
Realised foreign exchange gain	90	-
Unrealised foreign exchange gain	-	23,697
	21,194	43,014

6. Finance costs

	2022	2021
	£000	£000
Interest costs	68,573	52,739
Amortisation of capitalised fees	4,643	4,308
Hedging costs	11,532	7,640
Realised foreign exchange loss	-	107
Other finance costs	93	185
Unrealised foreign exchange loss	18,049	-
	102,890	64,979

ZEPHYR BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Taxation

	2022 £000	2021 £000
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(2,051)	-
Adjustment in respect of prior periods	-	551
Changes to tax rates	(648)	-
Total deferred tax	(2,699)	551
Taxation on loss on ordinary activities	(2,699)	551

Factors affecting tax charge for the year

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

	2022 £000	2021 £000
Loss on ordinary activities before tax	(69,080)	(32,742)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(13,125)	(6,221)
Effects of:		
Expenses not deductible for tax purposes	24	17
Adjustments in respect of prior periods	-	551
Change in taxation rates	(648)	-
Group relief surrendered	11,050	6,294
Income not taxable	-	(90)
Total tax (credit)/charge for the year	(2,699)	551

Factors that may affect future tax charges

The Finance Act 2021, which was substantively enacted on 24 May 2021, includes a further increase in the main rate of UK corporation tax to 25% from 1 April 2023. This rate has been substantively enacted at the balance sheet date of 31 December 2022, and as a result the deferred tax balances have been revalued to the amended 25% rate.

ZEPHYR BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Investments

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 parent company of the Group.

The percentage of Ordinary Share capital of each subsidiary listed is owned entirely by the direct parent indicated other than in respect of:

- Websky Limited where 75% of Ordinary Share capital is owned by W New Holdings Limited with Zoopla Limited owning the remaining 25%.
- Preminen Mexico S.A. de C.V. where 95% of Ordinary Share capital is owned by Preminen Price Comparison Holdings Limited with Rastreator.com Limited owning the remaining 5%.

Zephyr Bidco Limited is the only direct subsidiary of Zephyr Midco 2 Limited.

ZPG Limited is the only direct subsidiary of Zephyr Bidco Limited.

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, Temporary Cover Limited and Tempcover 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, Gurugram, Haryana, 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 joint venture HLIX Limited did not trade in the year. It is incorporated at 133 Praed Street, London, W2 1RN.

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).

ZEPHYR BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Investments (continued)

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2022	2,706,333
Additions	77,500
At 31 December 2022	2,783,833
Net book value	
At 31 December 2022	2,783,833
At 31 December 2021	2,706,333

ZEPHYR BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Holding
ZPG Limited	United Kingdom	100%
ZPG Property Services Holdings Limited	Cayman Islands	100%
ZPG Property Services Holdings UK Limited	United Kingdom	100%
ZPG Comparison Services Holdings Limited	Cayman Islands	100%
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%
MovelT 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%
Penguin Portals Limited	United Kingdom	100%
Rastreator.com Limited	United Kingdom	100%
Rastreator Comparador Correduria de Seguros S.L.U	Spain	100%
LeLynx SAS	France	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	India	100%
Preminen Mexico S.A. de C.V.	Mexico	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%
Tempcover Limited	United Kingdom	100%
Temporary Cover Limited	United Kingdom	100%

ZEPHYR BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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8. Investments (continued)

Name	Registered office	Holding
PSG Web Services Limited*	United Kingdom	100 %
Real Estate Technology Limited*	United Kingdom	100 %
Confused.com Limited*	United Kingdom	100 %
HLIX Limited**	United Kingdom	25 %
Long Yu Science & Technology (Beijing) Company Limited***	China	42 %
Preminen MENA Price Comparison W.L.L.***	Bahrain	30 %

* denotes dormant subsidiaries

** denotes joint ventures

*** denotes associates

The Hlix Limited investment was disposed on 7 December 2022.

MoveIT Network Limited was dissolved on 13 December 2022.

Investments in subsidiaries are valued at cost less any provision for impairment. An impairment loss is recognised when the recoverable amount is less than its carrying value.

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. The cash flow projections within the value-in-use model are based on a five-year forecast (underpinned by a three- or four-year long-range plan, depending on the CGU, extended to five years using extrapolation) that reflects the Directors' expectation of revenue, cost, capital expenditure, working capital and operating cashflows. Cash flows beyond the five-year forecast have been extrapolated using a long-term growth rate.

The pre-tax discount rates and long term growth rates used in each subsidiary business unit ranged from 12.7% to 14% (2021: 11% to 12.6%) and the terminal growth rate ranged from 4% to 6% (2021: 3.5% to 4.7%). The WACC rates increased for all business units in 2022, reflecting the sharp increase in interest rates through-out the year, and in particular in the fourth quarter. The increased interest rates impact the inputs into the CAPM model, in particular the pre-tax cost of debt which has increased by 220 basis points.

For discontinued operations, the recoverable amount is based on the fair value less cost to sell.

No impairment has been recognised in 2022 or 2021.

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FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Derivative financial assets (due more than one year)

	2022 £000	2021 £000
Cross-currency interest rate swap contracts (due more than one year)	3,393	-
	3,393	-

10. Derivative financial assets/(liabilities)

	2022 £000	2021 £000
Cross-currency interest rate swap contracts due less than one year / (owed more than one year)	3,570	(5,757)

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Trade and other receivables

	2022 £000	2021 £000
Due after more than one year		
Amounts owed by group undertakings	341,814	328,959
	341,814	328,959
	2022 £000	2021 £000
Due within one year		
Amounts owed by group undertakings	11,493	14,073
Other taxation and social security payments	7	26
Prepayments and accrued income	366	25
Other debtors	-	36
	11,866	14,160

The Directors consider that the carrying value of trade and other receivables is approximate to their fair value. The carrying value also represents the maximum credit exposure.

The amounts owed by Group undertakings (due more than one year) includes a £341.8 million intercompany loan provided to ZPG Limited, which may be repaid by ZPG Limited 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 (due within one year) do not accrue interest and are repayable on demand. Given the profitability of the Group, the Directors consider the amount fully recoverable.

12. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	2,496	9,677
	2,496	9,677

ZEPHYR BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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13. Trade and other payables

	2022	2021
	£000	£000
Trade payables	27	-
Accruals	52	274
Other payables	2,123	1,441
Amounts owed to group undertakings	155,575	116,398
	157,777	118,113

The Directors consider that the carrying value of trade and other payables is approximate to their fair value and will be settled within the next twelve months.

Amounts owed to group companies do not accrue interest and are repayable on demand. Given the profitability of the Group, the Directors consider the amount fully recoverable.

14. Loans and borrowings

The loans taken out by Bidco are made up of the following:

- Multicurrency revolving credit facility capped at £150 million available to be drawn until December 2024 and maturing in January 2025. The facility is £127m drawn (at the Sterling Overnight Index Average (SONIA) rate + 3.5%) as at 31 December 2022 (31 December 2021 - £87m drawn); and
- Term loans denominated in GBP totalling £714.5 million, being £534.5 million maturing in July 2025 at SONIA + 4.75% and £180 million maturing in July 2026 at SONIA+ 7.5%; and
- Term loans denominated in Euro totalling €400 million maturing in July 2025 at the Euro Interbank Offer Rate (EURIBOR) + 3.75%.

	2022	2021
	£000	£000
Gross borrowings	1,195,236	1,137,245
Capitalised arrangement fees	(11,848)	(16,490)
Total loans and borrowings	1,183,388	1,120,755

Following the announcement of the discontinuation of LIBOR from 1 January 2022, the Group renegotiated the terms of its Senior Facilities Agreement. Following that renegotiation, the reference rate for the revolving credit facility and GBP term loans is Sterling Overnight Index Average (SONIA) from 1 January 2022. The Euro term loan remains indexed at EURIBOR.

The gross borrowings have increased in due to 2022 due to an increase of £40m on the revolving facility and foreign exchange losses on the Euro denominated term loan.

The Company has no other loans or borrowings.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Deferred taxation

	2022 £000	2021 £000
At beginning of year	-	551
Credited / (charged) to profit or loss	2,699	(551)
At end of year	2,699	-

The deferred tax asset is made up as follows:

	2022 £000	2021 £000
Unutilised tax losses	2,699	-
	2,699	-

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. Management believe that the Company will generate sufficient future profits in order to support the recognition of the deferred tax asset.

The following is an analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022 £000	2021 £000
Deferred tax assets	2,699	-
Deferred tax liabilities	-	-
	2,699	-

ZEPHYR BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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16. Share capital

	2022	2021
	£000	£000
Authorised, allotted, called up and fully paid		
192,680,000,000 (2021 - 188,930,000,000) Ordinary shares of £0.01 each	<u>1,926,800</u>	<u>1,889,300</u>

*Rights and restrictions attaching to shares**Ordinary shares*

The Ordinary shares carry one vote per share and rights to dividends.

On 30 April 2021, the Company issued 16,950,000,000 ordinary shares of £0.01 per share.

On 27 July 2022, the Company issued 3,750,000 ordinary shares of £0.01 per share.

17. Reserves**Share premium account**

Share premium of £22,500k was recognised on shares issued in 2022 (2021 - £101,700k) .

Share based payment reserve

Share based payment reserve includes the cumulative impact of shared based payments. Details regarding the determination of the fair value of equity-settled share-based payment transactions are set out in Zephyr Midco 2 Limited consolidated financial statements.

18. Related party transactions

In the ordinary course of business, the Company has traded with other subsidiaries of its parent company, Zephyr Midco 2 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 11 and 13 of these financial statements.

19. Post balance sheet events

On 28 August 2022, the Group entered into a Sale and Purchase Agreement ('SPA') with Gruppo Mutuonline 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, Inpop.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.

ZEPHYR BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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20. Ultimate controlling party

The Company's share capital is owned by Zephyr Midco 2 Limited (100%).

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 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 Zephyr Midco 2 Limited, The Cooperage, 5 Copper Row, London SE1 2LH.

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