

Embargoed until 7:00 on 30 July 2021

## HALF YEAR ANNOUNCEMENT FOR RIGHTMOVE PLC - SIX MONTHS ENDED 30 JUNE 2021

Rightmove plc, the UK's largest property portal, today announces its unaudited results for the six months ended 30 June 2021.

### Financial Highlights

	H1 2021	H1 2020	H1 2019	Change vs 2020	Change vs 2019
Revenue	£149.9m	£94.8m	£143.9m	+58%	+4%
Operating profit	£114.9m	£61.7m	£108.2m	+86%	+6%
Underlying operating profit <sup>(1)</sup>	£117.1m	£61.4m	£111.0m	+91%	+5%
Interim dividend	3.0p	-	2.8p	-	+7%
Basic earnings per share	10.8p	5.7p	9.9p	+89%	+9%
Underlying earnings per share <sup>(2)</sup>	11.0p	5.7p	10.2p	+93%	+8%

- Revenue up 58% on 2020, reflecting the growth in customer spending and ARPA over the first six months of 2021. Revenue is up £6m/4% on 2019, due to growth in Agency and Other revenues, partially offset by a decline in New Homes revenues
- Operating profit of £114.9m, up 86% on 2020 (2020: £61.7m) and 6% on 2019 (£108.2m)
- Underlying operating profit of £117.1m, up 91% on 2020 (2020: £61.4m) and 5% on 2019 (£111.0m)
- Basic earnings per share up 89% to 10.8p (2020: 5.7p), underlying earnings per share 11.0p (2020: 5.7p). Compared to 2019, basic earnings per share up 9% from 9.9p, underlying earnings per share up 8% from 10.2p
- Interim dividend for 2021 of 3.0p (2020: nil; 2019: 2.8p) per ordinary share
- £128.3m of cash returned to shareholders through share buybacks and dividends in the first half of 2021 (2020: £30.1m; 2019: £54.0m)
- Cash at the end of the period of £67.7m (31 December 2020: £96.7m)

### **Operational highlights**

- Average Revenue Per Advertiser (ARPA)<sup>(3)</sup> up 63% to £1,163 per month, our highest ever ARPA (2020: £712; 2019: £1,077)
- Relative to June 2019, Agency ARPA is up by £107 (11%), driven primarily by product purchases
- Strong uptake of our premium Optimiser 2020 package, with 16% of agents now subscribing to the package, up from 9% in December 2020
- This strong growth in Agency ARPA has been slightly offset by the New Homes market, where high demand has reduced one-off marketing by developers
- Membership numbers are broadly flat since the start of the year at 19,116; with 16,052 (+130) Agency branches and 3,064 (-211) New Homes developments (31 December 2020: 15,922 and 3,275; 31 December 2019: 16,347 and 3,462)
- Rightmove's position as the place home-hunters turn to first was further strengthened, with market share of time on portals at 90%<sup>(4)</sup>
- Time on site averaged 1.7 billion<sup>(5)</sup> minutes per month over the period (2020: 1.1 billion; 2019 1.1 billion), reflecting Rightmove's trusted brand and the strong property market. Site visits of 1.4 billion<sup>(5)</sup> (2020: 890 million; 2019: 845 million), up 56% year on year
- Continuous innovation for customers with the launch of our Advanced Listings product for New Homes developers, which has already been taken-up by over 21% of New Homes properties on site
- Our new Online Conditional Auction advertising product, which demystifies the conditional auction process for home-hunters, is now live. In response to the initiative, four additional auction providers will be integrated in Q3

- Innovation to give home-hunters increased financial confidence earlier in their search process, through our online mortgage journey. Potential borrowers sent over twice as many mortgage leads in H1 2021 as H1 2020, which have converted into three times as many Decisions in Principle as H1 2020.

- (1) *Underlying Operating Profit is operating profit before the share-based payments, related NI charge and tax adjustments*
- (2) *Underlying EPS is basic earnings per share calculated using underlying operating profit*
- (3) *Average Revenue per Advertiser (ARPA) is calculated as revenue from Agency and New Homes advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average over the six-month period.*
- (4) *Source: Comscore, June 2021*
- (5) *Source: Google Analytics*

## Outlook

The first half of 2021 has delivered healthy ARPA growth, record low Agency churn and product innovation for both customers and home-hunters. Strong growth in Agency ARPA - up 11% vs H1 2019 - has been driven by our range of digital solutions enabling agents to compete effectively for new listings in the busy market. The buoyant New Homes market has temporarily softened New Homes ARPA, by 1% relative to H1 2019.

We expect the second half of the year to follow a broadly similar pattern, with good ARPA growth led by ongoing adoption of Optimiser 2020, broadly stable Agency branches and continued growth in our other businesses and the increased demand for properties continuing to impact the availability of New Homes development numbers.

Given the momentum in the first half, our catch-up investment in people following the recruitment pause in 2020 continues apace. While continuing lockdowns made recruiting more difficult than normal in the first half, we have now been able to increase the rate of recruitment – particularly in product development and sales – and this will be reflected in the H2 headcount.

With a strong pipeline of product delivery planned for the second half, a culture of continuous innovation and a commitment to continue to make home moving more digital for our customers and consumers, the Board is confident in delivering its expectations for the full year and beyond.

**Peter Brooks-Johnson, Chief Executive Officer**, said:

*“The first half of 2021 brought further lockdowns, instilling in many a desire or motivation to move home, and the nation relied on us to help them to find their new life, with a record 10.4bn minutes spent searching and researching on Rightmove. The innovation we have delivered to help home-hunters find their happy, despite the restrictions, have been well used - with 200,000 video viewings and 160,000 rental viewing appointments made on the platform.*

*Our customers expect our platform to deliver the best exposure for their brand, extremely effective advertising, and to help them to grow their businesses. The strong take-up of our premium Optimiser 2020 package shows agents’ continued belief in the Rightmove platform, as they invest in our digital products and innovative algorithms to help them to identify more opportunities to succeed.*

*Constantly innovating our platform and finding and developing the best people are at the heart of everything we do. We are committed to further increasing our diversity by promoting Rightmove roles to under-represented ethnic groups and the LGBTQ+ community, and we’ll continue to support all our people through our mental health and wellbeing programme.*

*I’m excited about the range of our plans – including our new digital mortgage and rental journeys – as we continue to help to make home-moving easier in the UK.”*

**The Company will publish a pre-recorded audio results presentation at 7.30am today, followed by an audio Q&A session for analysts and investors at 9.30am with Peter Brooks-Johnson, CEO, and Alison Dolan, CFO.**

**Enquiries:**      **Investor Relations**                      [Investor.Relations@rightmove.co.uk](mailto:Investor.Relations@rightmove.co.uk)  
                          **Rightmove Press Office**                      [Press@rightmove.co.uk](mailto:Press@rightmove.co.uk)

## **Half Year Statement**

While the pandemic is not yet over and its devastating impacts continue to be felt, Rightmove has emerged stronger from 2020, with our investments bearing fruit with both home-hunters and customers. Home-hunters have relied on Rightmove more than ever as the place they turn to research the property market and to find their next property. Our platform has generated record levels of engagement, with an average of over 1.7 billion minutes per month and a total of 1.4 billion site visits in the half year – both up 56% year on year. Continuing development of MyRightmove has led to an increase of 33% in new user registrations compared to H1 2020.

Our strategic focus to make home moving easier has continued unabated. Giving home-hunters the tools to quickly assess the suitability and affordability of the properties they view has been a priority in the first half of 2021. Of note in the period:

- 200,000 property videos were sent to home-hunters, instantly saving time and, more importantly at the moment, reducing contact;
- the mortgage affordability widget has helped home-hunters to assess what they can afford and has contributed to a doubling of mortgage-lender introductions in H1 2021 vs H2 2020;
- to help home-hunters to navigate the changing stamp duty rates, we refreshed our stamp duty calculator.

Supporting our customers with unrivalled leads and products is at the heart of what we do. The strong sales market has focused our agent customers on winning the right to sell a home more effectively and more efficiently. The value our customers attribute to our products to help them to do this can be seen in the record numbers of Agency customers upgrading to our premium Optimiser 2020 package during H1 2021 and the high number of Agency customers purchasing products beyond their existing packages.

Agents and providers of online conditional auctions welcomed the announcement of our new product to demystify online auctions and to help them to create a new revenue stream. The first provider is now live on Rightmove, with four more scheduled to go live in Q3.

The strong demand from home-hunters has led to many New Homes developments being sold out completely off-plan, all but removing the requirement for developers to advertise. We have seen a reduction in development listings (although the number of developers advertising with us has remained constant) and reduced spend on digital marketing. Pleasingly, despite the strong demand for New Homes, 21% of New Homes developments have upgraded to our new Advanced Development Listings subscription package, launched in April, which helps them to market more efficiently, providing better engagement and lead generation.

Ongoing foreign travel restrictions impacted our Overseas listings business, but the other Breadth businesses have all performed strongly; particularly Data Services, where our unique ability to bring insight and clarity around property data and trends has been highlighted by the busier market; and Third-Party advertising growth, driven by our ability to reach a specific target audience at scale.

Our teams underpin everything that we do, and we continue to invest in the welfare of our employees and in ensuring that we support our people through the challenges of working from home and the impending return to the office environment. Initiatives have included a recent programme of wellbeing workshops called “How to Thrive”; enhanced benefits, including mental health support; and ensuring that all of our first aiders are trained in mental health triage. Our return to the office will be phased in and on-going there will be an enhanced flexible working policy.

We are proud that our board is gender balanced and we have surpassed the Parker Review targets, and we are committed to enhancing diversity and inclusion across our teams. To ensure our recruiting embraces all forms of diversity we are using specialist recruiting platforms to reach out to potential recruits with diverse backgrounds and the LGBTQ+ community. Recognising that we have a role to play in developing the next generation of talent and increasing social mobility we are delighted to be launching the Rightmove Generating Genius Scholarship for a university student.

## Financial performance

### Revenue

Revenue increased by £55.1m/58% year on year to £149.9m (2020: £94.8m), reflecting both the reversal of the 2020 covid discount and strong product and ARPA growth during the first half of 2021.

	H1 2021 £m	H1 2020 £m	H1 2019 £m	Change vs 2020 £m	Change vs 2020 %	Change vs 2019 %
Agency	109.6	66.6	104.8	43.0	65%	5%
New Homes	25.3	17.3	27.8	8.0	46%	(9%)
Other	15.0	10.9	11.3	4.1	38%	33%
<b>Total revenue</b>	<b>149.9</b>	<b>94.8</b>	<b>143.9</b>	<b>55.1</b>	<b>58%</b>	<b>4%</b>

	30 June 2021	31 Dec 2020	30 June 2019	Change vs 2020	Change vs 2020 %	Change vs 2019 %
Agency branches	16,052	15,922	16,768	130	1%	(4%)
New Homes devs	3,064	3,275	3,441	(211)	(6%)	(11%)
<b>Total membership</b>	<b>19,116</b>	<b>19,197</b>	<b>20,209</b>	<b>(81)</b>	<b>0%</b>	<b>(5%)</b>

Agency revenue increased by £43.0m year on year to £109.6m, as customers increased their spend, 2020's discounts reversed and we saw strong product purchase and package upgrades in response to the buoyant market. Agency ARPA<sup>(6)</sup> increased by £445 to £1,130 (June 2020: £685). Agency customer numbers increased by 130 branches in the first half of the year to 16,052 - mostly from new independent, single-branch agents.

New Homes revenue increased by £8.0m year-on-year to £25.3m, with the reversal of the 2020 discount, and New Homes ARPA<sup>(7)</sup> increased by £493 to £1,329 (June 2020: £836) per development per month. However, the New Homes market has been forward-sold for the entirety of the reporting period; some developers reduced discretionary spend on our suite of digital advertising products and development listings decreased by 211 developments in the first half, as developments sold out and did not need to be advertised.

Other revenue increased by £4.1m to £15.0m. Third Party increases were driven by the higher website traffic, which resulted in additional sold inventory; demand for Data Services products increased due to the activity in the property market, which drove higher volumes of our Surveyor Comparable Tool and Automated Valuation Model; Mortgage revenues were up due to the contractual year two price increase; Commercial revenues increased as customer numbers grew; and Overseas was broadly flat due to the adverse impact of the Covid travel restrictions.

### Administration costs

Operating costs increased by £1.9m from £33.1m to £35.0m. This includes a credit in relation to the release of the £2.4m provision for the Van Mildert contingent consideration, as the possibility of meeting the threshold performance criteria within the remaining timescales, to the end of 2021, is remote.

Excluding the provision release, operating costs increased by £4.3m:

- £2.5m was due to the higher share-based payments charge, reflecting the significant credits made in 2020 and new awards made in March 2021 for the annual PSP and DSP schemes;
- The remaining £1.8m increase in costs is primarily due to higher headcount costs of £2.0m, from both (i) increased investment in product development and sales heads and (ii) the return to normal payroll levels, following the senior management salary savings made in H1 2020 and the timing of the Coronavirus Job Retention Scheme saving in H1 (which was repaid in H2). Technology costs also increased by £0.3m, as higher website traffic drove increased supplier costs, and other costs increased £0.7m due to investment in recruitment, training and the new mortgage proposition. The cost increases were partially offset by £1.3m of one-off Covid savings, as employees continued to work mostly at home, limiting travel and office maintenance costs.

## Operating profit

	H1 2021 £m	H1 2020 £m	H1 2019 £m	Change vs 2020 £m	Change vs 2019 £m
Revenue	149.9	94.8	143.9	55.1	6.0
Administration costs –underlying*	(32.8)	(33.4)	(32.9)	0.6	0.1
<b>Underlying operating profit <sup>(1)</sup></b>	<b>117.1</b>	<b>61.4</b>	<b>111.0</b>	<b>55.7</b>	<b>6.1</b>
Share-based incentive charge/(credit)	(2.2)	0.3	(2.8)	(2.5)	0.6
<b>Operating profit</b>	<b>114.9</b>	<b>61.7</b>	<b>108.2</b>	<b>53.2</b>	<b>6.7</b>

\*Admin costs-underlying are before the share-based incentives charge, related NI and tax adjustments

Operating profit increased by £53.2m to £114.9m (2020: £61.7m), with an operating profit margin of 77% (2020: 65%).

Underlying operating profit, before the impact of the share-based incentive charges, is £117.1m, with an underlying margin of 78% (2020: 65%). When also removing the impact of the one-off release of the Van Mildert contingent consideration provision of £2.4m, the adjusted underlying operating profit is £114.7m with an adjusted margin of 77%.

## Earnings per share (EPS)

Basic EPS increased by 89% to 10.8p (2020: 5.7p; 2019: 9.9p), driven by the increase in year on year profit, together with the benefit of reinstating the share buyback programme - which reduced the weighted average number of ordinary shares in issue to 865.9m (2020: 871.7m; 2019: 888.2m).

Underlying Basic EPS (based on underlying operating profit) increased by 93% to 11.0p (2020: 5.7p; 2019: 10.2p)

## Balance sheet

Summary consolidated statement of financial position

	30 June 2021 £m	31 December 2020 £m	30 June 2020 £m	Change from Dec 2020 £m
Property, plant and equipment	13.3	13.9	12.7	(0.6)
Intangible assets	21.6	22.1	22.3	(0.5)
Deferred tax asset	3.0	2.8	2.7	0.2
Trade and other receivables	22.0	23.5	12.8	(1.5)
Contract assets	0.1	0.3	0.4	(0.2)
Income tax receivable	0.1	1.2	-	(1.1)
Cash	67.7	96.7	50.3	(29.0)
Trade and other payables	(22.0)	(18.9)	(22.5)	(3.1)
Contract liabilities	(1.8)	(1.6)	(1.3)	(0.2)
Lease liabilities	(12.0)	(12.3)	(11.5)	0.3
Deferred tax liability	(1.0)	(0.9)	(1.0)	(0.1)
Provisions	(1.2)	(3.6)	(3.5)	2.4
Income tax payable	-	-	(0.9)	-
<b>Net assets</b>	<b>89.8</b>	<b>123.1</b>	<b>60.5</b>	<b>(33.3)</b>

Rightmove's balance sheet as at 30 June 2021 shows total equity of £89.8m (December 2020: £123.1m). The decrease in net assets from December 2020 reflects the strong trading position and the return of cash to shareholders by way of dividends and share buybacks in 2021.

Trade receivables of £18.2m, included within trade and other receivables, are in line with December 2020 (£18.3m). Debtor days have reduced and reverted to pre pandemic levels, as we have now fully returned to usual business terms and ended any extraordinary extensions to payment terms. Trade and other payables increased due to timing of accruals. Trade payments continue to be made in line with contractually agreed terms.

### **Cash flow and liquidity**

Rightmove remained debt-free during the period and cash generation remained strong, with cash generated from operating activities of £121.5m (June 2020: £77.3m) and operating cash conversion in excess of 100%<sup>(8)</sup>. Reflecting this strong liquidity, we took the decision to cancel our revolving credit facility of £10m.

The closing Group cash balance at 30 June 2020 was £67.7m (2020: £96.7m). The reduction since December is due to the return of £128.3m to shareholders through share buy backs of £89.4m (2020: £30.1m) and the payment of a final 2020 dividend of £38.9m (2020: nil). We reiterate our intention to end the financial year with a cash balance of approximately £50 million.

Surplus cash continues to be invested primarily in short-term, easily accessible money market deposits.

### **Shareholder returns**

Consistent with the policy of growing dividends in line with the increase in Underlying EPS, the Directors are recommending an interim dividend of [3.0p] per ordinary share, which will be paid on 29 October 2021 to all shareholders on the register at 1 October 2021.

Consistent with the balance sheet cash position in the paragraph above, we intend to continue the share buyback programme in the second half of 2021.

### **Alison Dolan**

Chief Financial Officer

(6) Agency ARPA is calculated as revenue from Agency advertisers in a given month, divided by the total number of advertisers during the month, measured as a monthly average over the year

(7) New Homes ARPA is calculated as revenue from New Homes developers in a given month divided by the total number of developers during the month, measured as a monthly average over the year

(8) Cash generated from operating activities of £121.5m compared to operating profit, as reported in the income statement of £114.9m.

### **Principal risks and uncertainties**

A description of the principal risks and uncertainties faced by the Group in 2021 is set out in the table below, together with the potential impact and the monitoring and mitigating activities.

#### **Covid-19**

The Covid pandemic and measures taken to contain it have had an unprecedented impact on the UK economy. Management acted swiftly in 2020 to mitigate the impact of the pandemic on the Group, its employees, customers and other stakeholders. The housing market itself recovered quickly in 2020 and has continued to strengthen throughout the first half of 2021, as consumers reassessed their housing priorities and sought to benefit from the stamp duty holiday. It remains possible, however, that the measures that the Government continues to take, in order to contain the pandemic, could increase the macroeconomic risk to the business (Risk 1).

We recognise that the Group is exposed to risks wider than those listed. However, we have disclosed those that we believe are likely to have the greatest impact on the Group's ability to deliver its strategic objectives and those that have been the subject of discussion at recent Board and Audit Committee meetings.

	<b>Key risk and description</b>	<b>Impact</b>	<b>Mitigation</b>
1	<p><u>Macroeconomic environment</u></p> <p>The Group derives almost all its revenues from the UK and is therefore dependent on the macroeconomic conditions surrounding the UK housing market and consumer confidence, which impacts on property transaction levels.</p>	<p>Substantially fewer housing transactions than is normal may lead to a reduction or consolidation in the number of Agency branches or a reduction in the number of New Home developments advertised; both of which are a major determinant of the Group's revenue.</p> <p>A more uncertain macro and political environment may also lead to a lengthening of the typical property transaction cycle, resulting in cash flow issues for smaller agents with lower stock levels.</p> <p>In addition, a contraction in the volume of transactions in the UK housing market could lead to a reduction in advertisers' marketing budgets which could reduce the demand for the Group's property advertising products.</p>	<ul style="list-style-type: none"> <li>• Monitoring of the housing market, including leading indicators and membership trends.</li> <li>• Continuing to provide the most significant and effective exposure for customers' brands and properties.</li> <li>• Remain the largest source of high-quality leads, offer value-adding products and packages and help drive operational efficiencies for our customers; thereby embedding the value of our membership.</li> <li>• Maintaining a flexible cost base that can respond to changing conditions.</li> </ul>
2	<p><u>Competitive environment</u></p> <p>The Group operates in a competitive marketplace, with attractive margins and low barriers to entry. This may result in increased competition from existing competitors, or new entrants targeting the Group's primary revenue markets.</p>	<p>Increased competition may impact Rightmove's ability to grow revenue due to the potential loss of audience, advertisers and demand for additional advertising products.</p>	<ul style="list-style-type: none"> <li>• Communication of Rightmove's value to advertisers.</li> <li>• Continued investment in our account management teams to help customers run their businesses more efficiently.</li> <li>• Sustained marketing investment in the Rightmove brand.</li> <li>• Sustained investment and innovation in serving all of our audiences.</li> </ul>
3	<p><u>New or disruptive technologies and changing consumer behaviours</u></p> <p>Rightmove operates in a fast-moving online marketplace. Failure to innovate or adopt new technologies or failure to adapt to changing customer business models and evolving consumer behaviour may impact the Group's ability to offer the best products and services to its</p>	<p>Failing to innovate may impact Rightmove's ability to grow revenue due to the potential loss of audience engagement, advertisers and demand for additional advertising products.</p>	<ul style="list-style-type: none"> <li>• Continual improvements to our platforms.</li> <li>• Developing our product proposition to continue meeting our customers' needs and evolving business models.</li> <li>• Large in-house technology team with culture of innovation.</li> <li>• Ongoing monitoring of consumer behaviour and annual 'Hackathons' which allow employees to spend time during</li> </ul>

	advertisers and the best consumer experience.		<p>work hours to develop their own online property related ideas.</p> <ul style="list-style-type: none"> <li>• Regular contact with the start-up and prop-tech communities to stay abreast of market innovations.</li> </ul>
4	<p><u>Cyber security and IT systems</u></p> <p>The Group has a high dependency on technology and internal IT systems. In today's digital world there are increased risks associated with external cyber-attacks which could result in the inability to operate our platforms. A security breach, such as corruption or loss of key data, may disrupt the efficiency and functioning of the Group's day to day operations.</p>	<p>Any loss of website availability, or theft or misuse of data held within the Group's databases and IT systems, could result in reputational damage to the Group as a result of loss of consumer and customer confidence in the Rightmove brand; and financial loss arising from potential penalties and fines.</p>	<ul style="list-style-type: none"> <li>• Disaster Recovery and Business Continuity Plans subject to regular testing and review.</li> <li>• Use of three data centres to load-balance and ensure optimal performance and business continuity capability.</li> <li>• Regular testing of the security of the IT systems and platforms including penetration testing.</li> <li>• Ongoing investment in security systems.</li> <li>• Ongoing monitoring of external threats.</li> <li>• Regular internal information security training and 'spearphishing' tests.</li> </ul>
5	<p><u>Securing and retaining the right talent</u></p> <p>Our continued success is dependent on our ability to attract, recruit, retain and motivate our highly skilled workforce.</p>	<p>The inability to recruit and retain talented people could impact our ability to maintain our financial performance and deliver growth.</p> <p>When key staff leave or retire, there is a risk that knowledge or competitive advantage is lost.</p>	<ul style="list-style-type: none"> <li>• Ongoing succession planning and development of future leaders.</li> <li>• Payment of competitive reward, including a blend of short and long-term incentives for senior management.</li> <li>• The ability for all employees to participate in the success of the Group through the SIP and SAYE schemes.</li> <li>• Regular staff communication and engagement.</li> <li>• Maintaining the culture of the Group, which generates significant staff loyalty.</li> </ul>

### **Next trading update**

Our next scheduled reporting date is 25 February 2022, when we will announce our results for the year ending 2021.



## **Responsibility Statement of the Directors in respect of the Half Year Report 2021**

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting adopted for the use in the UK;
  
- the interim management report includes a fair review of the information required by:
  - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  
  - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board of directors

**Peter Brooks-Johnson**  
Chief Executive Officer

**Alison Dolan**  
Chief Financial Officer

30 July 2021

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
for the six months ended 30 June 2021

	Note	Six months ended 30 June 2021 £000	Six months ended 30 June 2020 £000	Year ended 31 December 2020 £000
<b>Revenue</b>	4,5	<b>149,890</b>	94,815	205,717
Administrative expenses		<b>(34,985)</b>	(33,116)	(70,575)
<b>Operating profit</b>		<b>114,905</b>	<b>61,699</b>	<b>135,142</b>
<i>Operating profit before share-based incentive charges</i>		<b>117,142</b>	61,373	137,521
<i>Share-based incentive (charge)/credit</i>		<b>(2,237)</b>	326	(2,379)
Financial income		<b>12</b>	131	151
Financial expenses		<b>(248)</b>	(259)	(478)
Net financial expenses		<b>(236)</b>	(128)	(327)
<b>Profit before tax</b>		<b>114,669</b>	<b>61,571</b>	<b>134,815</b>
Income tax expense	9	<b>(21,374)</b>	(11,615)	(25,040)
<b>Profit for the period being total comprehensive income</b>		<b>93,295</b>	<b>49,956</b>	<b>109,775</b>
<b>Attributable to:</b>				
Equity holders of the Parent		<b>93,295</b>	49,956	109,775
<b>Earnings per share (pence)</b>				
Basic	7	<b>10.8</b>	5.7	12.6
Diluted	7	<b>10.8</b>	5.7	12.6
<b>Dividends per share (pence)</b>	8	<b>4.5p</b>	nil	nil
<b>Total dividends paid</b>	8	<b>£38.9m</b>	nil	nil

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**Company number 06426485**  
at 30 June 2021

	Note	30 June 2021 £000	30 June 2020 £000	31 December 2020 £000
<b>Non-current assets</b>				
Property, plant and equipment		13,316	12,654	13,852
Intangible assets		21,631	22,324	22,112
Deferred tax assets	9	3,023	2,654	2,843
<b>Total non-current assets</b>		<b>37,970</b>	<b>37,632</b>	<b>38,807</b>
<b>Current assets</b>				
Trade and other receivables	10	21,961	12,751	23,450
Contract assets	5	150	428	334
Income tax receivable		65	-	1,163
Cash and cash equivalents		67,686	50,306	96,690
<b>Total current assets</b>		<b>89,862</b>	<b>63,485</b>	<b>121,637</b>
<b>Total assets</b>		<b>127,832</b>	<b>101,117</b>	<b>160,444</b>
<b>Current liabilities</b>				
Trade and other payables	11	(22,020)	(22,517)	(18,925)
Lease liabilities		(2,138)	(1,706)	(2,023)
Contract liabilities	5	(1,765)	(1,263)	(1,570)
Income tax payable		-	(927)	-
Provisions	12	(624)	(558)	(666)
<b>Total current liabilities</b>		<b>(26,547)</b>	<b>(26,971)</b>	<b>(23,184)</b>
<b>Non-current liabilities</b>				
Lease liabilities		(9,867)	(9,768)	(10,287)
Provisions	12	(592)	(2,941)	(2,969)
Deferred tax liability		(1,007)	(916)	(859)
<b>Total non-current liabilities</b>		<b>(11,466)</b>	<b>(13,625)</b>	<b>(14,115)</b>
<b>Total liabilities</b>		<b>(38,013)</b>	<b>(40,596)</b>	<b>(37,299)</b>
<b>Net assets</b>		<b>89,819</b>	<b>60,521</b>	<b>123,145</b>
<b>Equity</b>				
Share capital		872	887	887
Other reserves		560	545	545
Retained earnings (net of own shares held)		88,387	59,089	121,713
<b>Total equity attributable to the equity holders of the Parent</b>		<b>89,819</b>	<b>60,521</b>	<b>123,145</b>

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**  
for the six months ended 30 June 2021

	Note	6 months ended 30 June 2021 £000	6 months ended 30 June 2020 £000	Year ended 31 December 2020 £000
<b>Cash flows from operating activities</b>				
Profit for the period		93,295	49,956	109,775
Adjustments for:				
Depreciation charges		1,697	1,564	3,259
Amortisation charges		499	501	1,011
Financial income		(12)	(131)	(151)
Financial expenses		248	259	478
Gain/loss on disposal of fixed assets		15	-	(20)
Share-based payments	6	1,940	(182)	2,102
Income tax expense	9	21,374	11,615	25,040
<b>Operating cash flow before changes in working capital</b>		<b>119,056</b>	<b>63,582</b>	<b>141,494</b>
Decrease in trade and other receivables		1,485	11,209	507
Increase/(decrease) in trade and other payables		3,046	3,021	(572)
(Decrease)/Increase in provisions		(2,418)	329	465
Decrease in contract assets	5	184	1	95
Increase/(decrease) in contract liabilities	5	195	(848)	(541)
<b>Cash generated from operating activities</b>		<b>121,548</b>	<b>77,294</b>	<b>141,448</b>
Financial expenses paid		(118)	(118)	(198)
Income taxes paid		(20,129)	(29,845)	(44,959)
<b>Net cash from operating activities</b>		<b>101,301</b>	<b>47,331</b>	<b>96,291</b>
<b>Cash flows used in investing activities</b>				
Interest received on cash and cash equivalents		17	156	160
Reduction in money market deposits		-	4,141	4,141
Acquisition of property, plant and equipment		(388)	(1,249)	(2,308)
Acquisition of intangible assets		(19)	(871)	(1,169)
<b>Net cash from investing activities</b>		<b>(390)</b>	<b>2,177</b>	<b>824</b>
<b>Cash flows from financing activities</b>				
(Net dividends paid)/Unclaimed dividends	8	(38,898)	2	2
Purchase of own shares for cancellation	13	(89,374)	(30,125)	(30,125)
Purchase of own shares for share incentive plans		-	-	(765)
Share-related expenses		(577)	(232)	(211)
Payment of lease liabilities		(1,226)	(1,043)	(2,159)
Proceeds on exercise of share-based incentives		160	79	716
<b>Net cash used in financing activities</b>		<b>(129,915)</b>	<b>(31,319)</b>	<b>(32,542)</b>
Net increase in cash and cash equivalents		(29,004)	18,189	64,573
Cash and cash equivalents at 1 January		96,690	32,117	32,117
<b>Cash and cash equivalents at period end</b>		<b>67,686</b>	<b>50,306</b>	<b>96,690</b>

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
for the six months ended 30 June 2021

	Share capital £000	Own shares held £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000	Total equity £000
<b>At 1 January 2020</b>	892	(11,744)	402	138	51,652	41,340
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	-	49,956	49,956
<b>Transactions with owners recorded directly in equity</b>		-				
Share-based payments	-	-	-	-	(182)	(182)
Tax debit in respect of share-based incentives recognised directly in equity	-	-	-	-	(336)	(336)
Exercise of share-based incentives	-	466	-	-	(387)	79
Cancellation of own shares	(5)	-	5	-	(30,125)	(30,125)
Share-related expenses	-	-	-	-	(211)	(211)
<b>At 30 June 2020</b>	887	(11,278)	407	138	70,367	60,521
At 1 January 2020	892	(11,744)	402	138	51,652	41,340
<b>Total comprehensive income</b>						
Profit for the year	-	-	-	-	109,775	109,775
<b>Transactions with owners recorded directly in equity</b>						
Share-based payments	-	-	-	-	2,102	2,102
Tax credit in respect of share-based incentives recognised directly in equity	-	-	-	-	311	311
Net dividends	-	-	-	-	2	2
Exercise of share-based incentives	-	957	-	-	(241)	716
Purchase of shares for share incentive plan	-	(765)	-	-	-	(765)
Cancellation of own shares	(5)	-	5	-	(30,125)	(30,125)
Share-related expenses	-	-	-	-	(211)	(211)
<b>At 31 December 2020</b>	887	(11,552)	407	138	133,265	123,145
<b>At 1 January 2021</b>	887	(11,552)	407	138	133,265	123,145
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	-	93,295	93,295
<b>Transactions with owners recorded directly in equity</b>						
Share-based payments	-	-	-	-	1,940	1,940
Tax debit in respect of share-based incentives recognised directly in equity	-	-	-	-	178	178
Exercise of share-based incentives	-	469	-	-	(309)	160
Cancellation of own shares	(15)	-	15	-	(89,374)	(89,374)
Net dividends paid	-	-	-	-	(38,898)	(38,898)
Share-related expenses	-	-	-	-	(627)	(627)
<b>At 30 June 2021</b>	872	(11,083)	422	138	99,470	89,819

## NOTES

### 1 General information

Rightmove plc (the Company) is a Company registered in England (Company no. 6426485) domiciled in the United Kingdom (UK). The condensed consolidated interim financial statements ('interim financial statements') as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (together referred to as 'the Group'). The principal business of the Group is the operation of the Rightmove platforms, which have the largest audience of any UK property portal (as measured by time on site).

The consolidated financial statements of the Group as at and for the year ended 31 December 2020 are available upon request to the Company Secretary from the Company's registered office at 2 Caldecotte Lake Business Park, Caldecotte Lake Drive, Caldecotte, Milton Keynes, MK7 8LE or are available on the corporate website at [plc.rightmove.co.uk](http://plc.rightmove.co.uk).

#### Basis of preparation

These interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 ('last annual financial statements'). The interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The interim financial statements were approved by the Board of directors on 30 July 2021. The half year results for the current and comparative period are unaudited. The auditor, KPMG LLP, has carried out a review of the interim financial statements and its report is set out at the end of this document.

#### Alternative performance measures

In the analysis of the Group's financial performance, certain information disclosed in the financial statements may be prepared on a non-GAAP basis or has been derived from amounts calculated in accordance with IFRS but are not themselves an expressly permitted GAAP measure. These measures are reported in line with the way in which financial information is analysed by management and designed to increase comparability of the Group's year-on-year financial position, based on its operational activity. The key alternative performance measures presented by the Group are:

- Underlying operating profit: which is defined as operating profit before share-based payments charges (including the related National Insurance and appropriate tax adjustments); and
- Underlying basic earnings per share (EPS): which is defined as profit for the year before share-based payments charges (including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

The directors believe that these alternative performance measures provide a more appropriate measure of the Group's business performance, as share-based payments are a significant non-cash charge and are largely driven by a valuation model rather than reflecting operational activity. The directors therefore consider underlying operating profit to be the most appropriate indicator of the performance of the business and year-on-year trends.

#### Going concern

The directors have performed a detailed and extended going concern review and tested the Group's liquidity in a range of scenarios, as set out below.

Throughout the period, the Group was debt-free, remained cash generative and had a cash balance of £67.7m at 30 June 2021 (31 December 2020: £96.7m).

The Group resumed its share buy-back programme in March 2021, buying back shares to the value of £89.4m by 30 June 2021, and paid a £38.9m dividend in May 2021. The Group also cancelled its £10m

committed revolving loan facility with Barclays Bank plc in April 2021, reflecting the Group's strong cash position and the fact that the facility was never used.

Covid-19 had an initially adverse impact on the property market in 2020, as a result of which the Group provided customer discounts of up to 75%, which resulted in a 29% reduction in 2020 revenues compared to the prior year. Discounts to UK customers ended in October 2020, at which point it was clear that the market was rebounding strongly, as consumer lifestyle choices changed impacting positively the level of property transactions. No further discounts were provided to UK customers in 2021, and all Overseas discounts ended in March 2021.

In stress testing the future cash flows of the Group, the directors modelled a range of scenarios which considered the effect on the Group of reductions of varying severity in the number of housing transactions for at least 12 months from the date of the half year announcement ("the going concern period") and modelled the likely timing of customer cashflows during the going concern period. These included severe, but plausible downside scenarios. The model considered the impact of changes in the key drivers of the Group's revenues, including customer numbers and average revenue per advertiser (ARPA), as well as the potential impact of any other market drivers or macro-economic changes that could impact the level of housing transactions and customer demand. In all the scenarios tested, the Group remained cash positive and debt-free.

The directors are confident that the Group will remain cash positive and will have sufficient funds to continue to meet its liabilities as they fall due for a period of at least a period of 12 months from the date of the half year announcement; and have therefore prepared the half year announcement on a going concern basis.

## 2 Significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied by the Group's consolidated financial statements as at and for the year ended 31 December 2020. The policy for recognising and measuring income taxes is consistent with that applied in the previous interim period and is described in note 9.

## 3 Judgements and estimates

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Groups' accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

## 4 Operating segments

The Group determines and presents operating segments based on internal information that is provided to the Chief Executive Officer, who is the Group's Chief Operating Decision Maker. The Group's reportable segments are as follows:

- The **Agency** segment which provides resale and lettings property advertising services on Rightmove's platforms; and
- The **New Homes** segment which provides property advertising services to new home developers and housing associations on Rightmove's platforms.

The **Other** segment, which represents activities under the reportable segments threshold, comprises Overseas and Commercial property advertising services and non-property advertising services which include our Third Party advertising and Data Services.

Management monitors the business segments at a revenue and trade receivables level separately for the purpose of making decisions about resources to be allocated and of assessing performance. All revenues in all periods are derived from third parties and there is no inter-segment revenue.

Operating costs, financial income, financial expenses and income taxes in relation to the Agency, New Homes and the Other segment are managed on a centralised basis at a Rightmove Group Limited level and, as there are no internal measures of individual segment profitability, relevant disclosures have been shown under the heading of Central in the table below.

	Agency £000	New Homes £000	Sub total £000	Other £000	Central £000	Adjustments £000	Total £000
<b>Six months ended</b>							
<b>30 June 2021</b>							
Revenue	109,532	25,328	<b>134,860</b>	15,030	-	-	<b>149,890</b>
Operating profit <sup>(1)</sup>	-	-	-	-	117,142	(2,237)	<b>114,905</b>
Depre'tn & amort'tn	-	-	-	-	(2,197)	-	<b>(2,197)</b>
Financial income	-	-	-	-	12	-	<b>12</b>
Financial expenses	-	-	-	-	(248)	-	<b>(248)</b>
Trade receivables <sup>(2)</sup>	5,078	9,558	<b>14,636</b>	2,718	-	155	<b>17,509</b>
Other segment assets	-	-	-	-	108,939	26	<b>108,965</b>
Segment liabilities	-	-	-	-	(36,475)	(182)	<b>(36,657)</b>
Capital expenditure <sup>(4)</sup>	-	-	-	-	407	-	<b>407</b>
<b>Six months ended</b>							
<b>30 June 2020</b>							
Revenue	66,573	17,277	<b>83,850</b>	10,965	-	-	<b>94,815</b>
Operating profit <sup>(1)</sup>	-	-	-	-	61,373	326	<b>61,699</b>
Depre'tn & amort'tn	-	-	-	-	(2,065)	-	<b>(2,065)</b>
Financial income	-	-	-	-	131	-	<b>131</b>
Financial expenses	-	-	-	-	(259)	-	<b>(259)</b>
Trade receivables <sup>(2)</sup>	1,536	3,718	<b>5,254</b>	2,776	-	253 <sup>(3)</sup>	<b>8,283</b>
Other segment assets	-	-	-	-	92,684	150 <sup>(3)</sup>	<b>92,834</b>
Segment liabilities	-	-	-	-	(40,193)	(403) <sup>(3)</sup>	<b>(40,596)</b>
Capital expenditure <sup>(4)</sup>	-	-	-	-	2,120	-	<b>2,120</b>
<b>Six months ended</b>							
<b>31 December 2020</b>							
Revenue	141,636	40,656	<b>182,292</b>	23,425	-	-	<b>205,717</b>
Operating profit <sup>(1)</sup>	-	-	-	-	137,521	(2,379)	<b>135,142</b>
Depre'tn & amort'tn	-	-	-	-	(4,270)	-	<b>(4,270)</b>
Financial income	-	-	-	-	151	-	<b>151</b>
Financial expenses	-	-	-	-	(478)	-	<b>(478)</b>
Trade receivables <sup>(2)</sup>	4,776	9,683	<b>14,459</b>	2,811	-	127 <sup>(3)</sup>	<b>17,397</b>
Other segment assets	-	-	-	-	140,968	57 <sup>(3)</sup>	<b>141,025</b>
Segment liabilities	-	-	-	-	(35,093)	(184) <sup>(3)</sup>	<b>(35,277)</b>
Capital expenditure <sup>(4)</sup>	-	-	-	-	(3,476)	-	<b>(3,476)</b>

(1) Operating profit is stated after the charge for depreciation, amortisation and share-based payments (including the related NI and tax adjustments)

(2) The only segment assets that are separately monitored by the Chief Operating Decision Maker relate to trade receivables net of any associated provision for impairment. All other segment assets are reported on a centralised basis.

(3) The adjustments column reflects the reclassification of credit balances in trade receivables and debit balances in accounts payable made on consolidation for statutory accounts purposes.

(4) Capital expenditure consists of purchases of property, plant and equipment and intangible assets.

## 5 Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers.



### Disaggregation of revenue

In the following table, revenue is disaggregated by property and non-property advertising revenue. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 4).

Six months ended 30 June 2021	Estate Agency £000	New Homes £000	Other £000	Total £000
<b>Revenue stream</b>				
Property products	109,532	25,328	6,600	141,460
Non-property products	-	-	8,430	8,430
	<b>109,532</b>	<b>25,328</b>	<b>15,030</b>	<b>149,890</b>
Six months ended 30 June 2020	Estate Agency £000	New Homes £000	Other £000	Total £000
<b>Revenue stream</b>				
Property products	66,573	17,277	4,828	88,678
Non-property products	-	-	6,137	6,137
	<b>66,573</b>	<b>17,277</b>	<b>10,965</b>	<b>94,815</b>
Year ended 31 December 2020	Estate Agency £000	New Homes £000	Other £000	Total £000
<b>Revenue stream</b>				
Property products	141,636	40,656	9,832	192,124
Non-property products	-	-	13,593	13,593
	<b>141,636</b>	<b>40,656</b>	<b>23,425</b>	<b>205,717</b>

### Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	Note	30 June 2021 £000	30 June 2020 £000	31 December 2020 £000
Trade receivables (included in trade and other receivables)	10	<b>18,215</b>	9,166	18,277
Contract assets		<b>150</b>	428	334
Contract liabilities		<b>(1,765)</b>	(1,263)	(1,570)

The contract assets primarily relate to the Group's rights to consideration for services provided but not invoiced at the reporting date. The contract assets are transferred to trade receivables when invoiced and the rights have become unconditional.

The contract liabilities primarily relate to the advance consideration received from Estate Agency, Overseas and Commercial customers, for which revenue is recognised as or when the services are provided.

## 6 Share-based payments

The Group operates share-based incentive schemes for executive directors and employees: a Savings Related Share Option Scheme (Sharesave Plan) and Share Incentive Plan (SIP) for all employees; a performance share plan (PSP) for Directors; and a Deferred Share Bonus Plan (DSP) for the Directors and selected senior management. There is also a restricted share plan (RSP) in operation which is awarded on an ad-hoc basis, based on service conditions only, for selected senior individuals.

Two new share-based incentive awards were made during the period to 30 June 2021:

- 269,968 PSP awards were granted on 3 March 2021 subject to Earnings Per Share (EPS) and Total Shareholders Return (TSR) performance. Performance will be measured over three financial years (1 January 2021 -31 December 2023). The vesting on 3 March 2024 of 50% of the 2021 PSP awards

will be dependent on the relative TSR performance condition measured over the three-year performance period, with the remaining 50% dependent on the satisfaction of the EPS growth target. The PSP awards have been valued using the Monte Carlo model for the TSR element and the Black Scholes model for the EPS element.

- 329,380 DSP nil cost shares were awarded to executives and senior management on 3 March 2021 following the achievement of the 2020 internal performance targets, with the right to exercise the shares deferred until March 2023. The DSP awards were valued using the Black Scholes model.

The total share-based payments charge for the six months ended 30 June 2021 relating to all share-based incentive plans was £1,940,000 (2020: £182,000 credit). In addition, the related NI charge for the six months ended 30 June 2021 relating to all awards was £297,000 (2020: £144,000 credit). The total charge in relation to share-based payments was £2,237,000 (2020: £326,000 credit).

## 7 Earnings per share (EPS)

	£000	Pence per share	
		Basic	Diluted
<b>Six months ended 30 June 2021</b>			
Profit after tax	93,295	10.8	10.8
Underlying profit after tax	95,043	11.0	11.0
<i>Six months ended 30 June 2020</i>			
Profit after tax	49,956	5.7	5.7
Underlying profit after tax	49,750	5.7	5.7
<i>Year ended 31 December 2020</i>			
Profit after tax	109,775	12.6	12.6
Underlying profit after tax	111,574	12.8	12.8

### Weighted average number of ordinary shares (basic)

	6 months ended 30 June 2021 Number of shares	6 months ended 30 June 2020 Number of shares	Year ended 31 December 2020 Number of shares
Issued ordinary shares at 1 January less ordinary shares held by the EBT and SIP Trust	884,234,565	888,422,516	888,422,516
Less own shares held in treasury at the beginning of the year	(13,285,490)	(13,360,310)	(13,360,310)
Effect of own shares purchased for cancellation	(5,223,154)	(3,525,393)	(4,280,999)
Effect of share-based incentives exercised	141,726	166,506	409,021
Effect of shares purchased by the EBT		-	(6,669)
	<b>865,867,647</b>	871,703,319	871,183,559

### Weighted average number of ordinary shares (diluted)

For diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive shares. The Group's potential dilutive instruments are in respect of share-based incentives granted to employees, which will be settled by ordinary shares held by the Employees' Share Trust (EBT), SIP Trust and shares held in treasury.

	6 months ended 30 June 2021 Number of shares	6 months ended 30 June 2020 Number of shares	Year ended 31 December 2020 Number of shares
Weighted average number of ordinary shares (basic)	865,867,647	871,703,319	871,183,559
Dilutive impact of share-based incentives outstanding	1,946,686	2,237,305	2,491,363
	<b>867,814,333</b>	873,940,624	873,674,922

## Underlying EPS

Underlying EPS is calculated by taking profit for the year and adding back the charge for share-based payments, including the related NI appropriate tax adjustments. A reconciliation of the profit for the year to the underlying profit is presented below:

	6 months ended 30 June 2021	6 months ended 30 June 2020	Year ended 31 December 2020
	£000	£000	£000
Profit for the year	93,295	49,956	109,775
Share-based incentives charge/(credit)	1,940	(182)	2,102
NI on share-based incentives	297	(144)	277
Impact on tax charge	(489)	120	(580)
Underlying profit for the year	95,043	49,750	111,574

## 8 Dividends

Dividends declared and paid by the Company were as follows:

	6 months ended 30 June 2021		6 months ended 30 June 2020		Year ended 31 December 2020	
	Pence per share	£000	Pence per share	£000	Pence per share	£000
2019 final dividend paid	-	-	-	-	-	-
2020 interim dividend paid	-	-	-	-	-	-
2020 final dividend paid	4.5	38,900	-	-	-	-
Unclaimed dividends returned		(2)		(2)		(2)
Net dividends included in the statement of cash flows		38,898		(2)		(2)

After the period end the Board approved an interim dividend of 3.0p (2020: nil) per qualifying ordinary share being £25,556,000 (2020: nil).

The 2020 final dividend of £38,900,000 (4.5p per qualifying share) was paid on 28 May 2021. It was £400,000 higher than that reported in the 2020 annual accounts due to an increase in the ordinary shares entitled to a dividend between 26 February 2021 and the interim dividend record date of 30 April 2020.

The terms of the EBT provide that dividends payable on the ordinary shares held by the EBT are waived.

## 9 Taxation

The income tax expense of £21,374,000 (2020: £11,615,000) is recognised based on management's best estimate of the consolidated effective tax rate expected for the full financial year applied to the profit before tax for the six month period. The Group's consolidated effective tax rate for the six months ended 30 June 2021 was 18.6% (2020: 18.9%). The difference between the standard rate of 19.0% and the effective rate of 18.6% as at 30 June 2021 is attributable to the impact of the release of the provision for contingent consideration which is not taxable.

The deferred tax asset of £3,023,000 at 30 June 2021 (2020: £2,654,000) is in respect of equity settled share-based incentives and depreciation in excess of capital allowances. The deferred tax asset arising on equity settled share-based incentives was recognised in profit or loss to the extent that the related equity settled share-based payments charge was recognised in the statement of comprehensive income. The deferred tax liability of £1,007,000 at 30 June 2021 (2020: £916,000) is in respect of the intangible asset recognised on acquisition of Van Mildert Landlord and Tenant Protection Limited.

The deferred tax assets and liabilities as at 30 June 2021 have been calculated at a rate of between 19.0% and 25% depending on the expected rate that will prevail at the date upon which the net

deferred tax asset will reverse in the future, based on currently enacted UK tax rates. An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantially enacted on 24 May 2021.

## 10 Trade and other receivables

	30 June 2021	30 June 2020	31 December 2020
	£000	£000	£000
Trade receivables	18,215	9,166	18,277
Less provision for impairment of trade receivables	(706)	(883)	(880)
Net trade receivables	17,509	8,283	17,397
Prepayments	4,452	4,155	5,951
Interest receivable	-	7	4
Other debtors	-	306	98
	<b>21,961</b>	<b>12,751</b>	<b>23,450</b>

## 11 Trade and other payables

	30 June 2021	30 June 2020	31 December 2020
	£000	£000	£000
Trade payables	1,931	2,222	2,742
Trade accruals	6,491	7,393	5,879
Other creditors	562	515	414
Other taxation and social security	13,036	12,387	9,890
	<b>22,020</b>	<b>22,517</b>	<b>18,925</b>

## 12 Provisions

	Dilapidations provision £000	Employee provisions £000	Contingent consideration £000	Total £000
At 1 January 2020	507	256	2,407	3,170
Utilised during the year	-	(15)	-	(15)
Charged in the period	27	317	-	344
At 31 June 2020	534	558	2,407	3,499
<i>Current</i>	-	558	-	558
<i>Non-current</i>	534	-	2,407	2,941
At 1 January 2020	507	256	2,407	3,170
Utilised during the year	-	(256)	-	(256)
Charged in the year	55	666	-	721
At 31 December 2020	562	666	2,407	3,635
<i>Current</i>	-	666	-	666
<i>Non-current</i>	562	-	2,407	2,969
<b>At 1 January 2021</b>	562	666	2,407	3,635
Utilised during the period	-	(42)	-	(42)
Charged in the period	30	-	-	30
Released in the period	-	-	(2,407)	(2,407)
<b>At 30 June 2021</b>	<b>592</b>	<b>624</b>	<b>-</b>	<b>1,216</b>
<i>Current</i>	-	624	-	624
<i>Non-current</i>	592	-	-	592

The dilapidations provision is in respect of any of the Group's leased properties where the Group has obligations to make good dilapidations. The non-current liabilities are estimated to be payable over periods from one to six years.

During the period the Group has accrued amounts in relation to employee related holiday pay. The provision is based on the estimated future payroll cost to the Group and has not been discounted as the time value of money is not significant.

The present value of the contingent and deferred consideration arising on acquisition of Van Mildert Landlord and Tenant Protection Limited was £2,407,000 at the point of acquisition. The fair value was reassessed at 30 June 2021 as zero, due to the possibility of meeting the threshold performance criteria within the remaining timescales, to the end of 2021, being remote.

### 13 Reconciliation of movement in capital and reserves

#### Own shares purchased for cancellation

The total number of shares bought back in the six months to 30 June 2021 was 14,881,349 (2020: 5,028,392) representing 1.7% (2020: 0.6%) of the ordinary shares in issue (excluding shares held in treasury). All the shares bought back in the period were cancelled. The shares were acquired on the open market at a total consideration (excluding costs) of £89,374,000 (2020: £30,125,000). The maximum and minimum prices paid were £6.69 (2020: £6.50) and £5.52 (2020: £5.05) per share respectively.

Own shares held - £000	EBT shares reserve £000	SIP shares reserve £000	Treasury shares £000	Total own shares held £000
Own shares held as at 1 January 2020	(2,191)	(3,205)	(6,348)	(11,744)
Share-based incentives exercised in the period	42	329	35	406
SIP releases in the period	-	60	-	60
<b>Own shares held as at 30 June 2020</b>	<b>(2,149)</b>	<b>(2,816)</b>	<b>(6,313)</b>	<b>(11,278)</b>
Own shares held as at 1 January 2020	(2,191)	(3,205)	(6,348)	(11,744)
Shares purchased for share incentive plans	(765)	-	-	(765)
Shares transferred to SIP	734	(734)	-	-
Share-based incentives exercised in the year	397	378	36	811
SIP releases in the year	-	146	-	146
<b>Own shares held as at 31 December 2020</b>	<b>(1,825)</b>	<b>(3,415)</b>	<b>(6,312)</b>	<b>(11,552)</b>
<b>Own shares held as at 1 January 2021</b>	<b>(1,825)</b>	<b>(3,415)</b>	<b>(6,312)</b>	<b>(11,552)</b>
Share-based incentives exercised in the period	23	277	155	455
SIP releases in the period	-	14	-	14
<b>Own shares held as at 30 June 2021</b>	<b>(1,802)</b>	<b>(3,124)</b>	<b>(6,157)</b>	<b>(11,083)</b>

#### Own shares held – number of shares

	EBT shares reserve	SIP shares reserve	Treasury shares	Total own shares held
Own shares held as at 1 January 2020	2,208,362	785,130	13,360,310	16,353,802
Share-based incentives exercised in the period	(86,128)	(97,870)	(74,820)	(258,818)
SIP releases in the year	-	(12,400)	-	(12,400)
<b>Own shares held as at 30 June 2020</b>	<b>2,122,234</b>	<b>674,860</b>	<b>13,285,490</b>	<b>16,082,584</b>
Own shares held as at 1 January 2020	2,208,362	785,130	13,360,310	16,353,802
Shares purchased for SIP	118,293	-	-	118,293
Shares transferred to SIP	(113,465)	113,465	-	-
Share-based incentives exercised in the year	(817,714)	(111,620)	(74,820)	(1,004,154)
SIP releases in the year	-	(29,400)	-	(29,400)
<b>Shares held as at 31 December 2020</b>	<b>1,395,476</b>	<b>757,575</b>	<b>13,285,490</b>	<b>15,438,541</b>

<b>Own shares held as at 1 January 2021</b>	<b>1,395,476</b>	<b>757,575</b>	<b>13,285,490</b>	<b>15,438,541</b>
Share-based incentives exercised in the period	(47,875)	(65,881)	(325,452)	(439,208)
SIP releases in the year	-	(2,325)	-	(2,325)
<b>Shares held as at 30 June 2021</b>	<b>1,347,601</b>	<b>689,369</b>	<b>12,960,038</b>	<b>14,997,008</b>

**(a) EBT shares reserve**

This reserve represents the cost of own shares acquired by the EBT less any exercises of share-based incentives. At 30 June 2021, the EBT held 1,347,601 (2020: 2,122,234) ordinary shares in the Company, representing 0.2% (2020: 0.2%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held by the EBT at 30 June 2021 was £8,745,930 (2020: £11,587,000).

**(b) SIP shares reserve**

In November 2014, the Group established the Rightmove Share Incentive Plan Trust (SIP). This reserve represents the cost of acquiring shares less any exercises or releases of SIP awards. At 30 June 2021 the SIP Trust held 689,369 (2020: 674,860) ordinary shares in the Company of 0.1 pence each, representing 0.08% (2020: 0.08%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held in the SIP Trust at the period end was £4,415,595 (30 June 2020: £3,685,000).

**(c) Treasury shares**

This represents the cost of acquiring shares held in treasury less any exercises of share-based incentives. These shares were bought back in 2008 at an average price of 47.60 pence and may be used to satisfy certain share-based incentive awards.

**Other reserves**

This represents the Capital Redemption Reserve in respect of own shares bought back and cancelled. The movement in other reserves of £15,000 (2020: £5,000) comprises the nominal value of ordinary shares cancelled during the period.

**Retained earnings**

The loss on exercise of share-based incentives is the difference between the value that the shares held by the EBT, SIP and treasury shares were originally acquired at and the exercise price at which share-based incentives were exercised during the period.

## ADVISERS AND SHAREHOLDER INFORMATION

### Contacts

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Chief Financial Officer: Alison Dolan  
Company Secretary: Sandra Odell  
Website: [www.rightmove.co.uk](http://www.rightmove.co.uk)

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### Corporate advisers

**Financial adviser**  
UBS Investment Bank

### Joint brokers

UBS AG London Branch  
Numis Securities Limited

### Auditor

KPMG LLP

### Bankers

Barclays Bank Plc  
Santander UK plc  
HSBC UK Bank plc  
Lloyds Banking Group plc

### Solicitors

EMW LLP  
Slaughter and May  
Herbert Smith Freehills LLP

### Registrar

Link Asset Services\*

### Financial calendar 2021

Interim dividend 29 October 2021  
Full year results 25 February 2022

### \*Shareholder enquiries

The Company's registrar is Link Group. They will be pleased to deal with any questions regarding your shareholding or dividends. Please notify them of your change of address or other personal information. Their contact details are below:

*Shareholder helpline:* 0371 664 0300 calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

*Email:* [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk)

*Signal Shares shareholder portal:* [www.signalshares.com](http://www.signalshares.com)

*Address:* Link Group

10th Floor Central Square

29 Wellington Street

Leeds LS1 4DL

Shareholders can register online to view your holdings using the shareholder portal, a service offered by Link Group at [www.signalshares.com](http://www.signalshares.com). The shareholder portal is an online service enabling you to quickly and easily access and maintain your shareholding online – reducing the need for paperwork and providing 24 hour access for your convenience. You may:

- View your holding balance and get an indicative valuation
- View the dividend payments you have received
- Cast your proxy vote on the AGM resolutions online
- Update your address
- Register and change bank mandate instructions so that dividends can be paid directly to your bank account
- Elect to receive shareholder communications electronically
- Access a wide range of shareholder information and download shareholder forms

## **INDEPENDENT REVIEW REPORT TO RIGHTMOVE PLC**

### **(a) Conclusion**

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2021 which comprises the condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of financial position, condensed consolidated interim statement of cash flows, condensed consolidated interim statement of changes in shareholders' equity and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2021 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

### **(b) Scope of review**

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **(c) Directors' responsibilities**

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the latest annual financial statements of the group were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and the next annual financial statements will be prepared in accordance with UK-adopted international accounting standards. The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

### **Our responsibility**

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

### **The purpose of our review work and to whom we owe our responsibilities**

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

**Anna Jones for and on behalf of KPMG LLP**

**Chartered Accountants**

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30 July 2021