

FULL YEAR ANNOUNCEMENT FOR RIGHTMOVE PLC - YEAR ENDED 31 DECEMBER 2022

Rightmove plc, the UK's largest property portal, today announces its audited results for the year ended 31 December 2022.

| Financial Highlights | 2022 | 2021 | Change vs 2021 | % Change vs 2021 |
|--|---------|---------|----------------|------------------|
| Revenue | £332.6m | £304.9m | £27.7m | +9% |
| Operating profit | £241.3m | £226.1m | £15.2m | +7% |
| Underlying operating profit ⁽¹⁾ | £245.4m | £231.0m | £14.4m | +6% |
| Underlying operating profit excluding prior year 'other income' ⁽²⁾ | £245.4m | £228.6m | £16.8m | +7% |
| Final dividend | 5.2p | 4.8p | 0.4p | +8% |
| Total dividend for the year | 8.5p | 7.8p | 0.7p | +9% |
| Basic earnings per share | 23.4p | 21.3p | 2.1p | +10% |
| Underlying earnings per share ⁽³⁾ | 23.8p | 21.8p | 2.0p | +9% |

- Revenue up £27.7m/9% on 2021 to £332.6m, as customers continued to upgrade their packages and to increase their use of digital products
- Operating profit of £241.3m; up 7% on 2021 (2021: £226.1m)
- Excluding the one-off impact of 'other income' of £2.4m in the prior year (in relation to the release in 2021 of the contingent consideration for the acquisition of Van Mildert), underlying operating profit⁽²⁾ is up 7% compared to 2021.
- Final dividend for 2022 up 8% to 5.2p (2021: 4.8p) per ordinary share. Total dividend for 2022 up 9% to 8.5p (2021: 7.8p)
- £197.7m of cash returned to shareholders through share buybacks and dividends during 2022 (2021: £238.8m)
- Cash and cash equivalents, including money market deposits, at the end of the period of £40.1m (31 December 2021: £48.0m).

Operational highlights

- Average revenue per advertiser (ARPA)⁽⁴⁾ up 11% to £1,314 per month (2021: £1,189); second-highest year ever for absolute ARPA growth
- Total membership flat at 19,014 (2021: 18,969), with Agency branches down 178 and New Homes Developments up 223 since the start of the year
- Resilient traffic despite a significantly less frenetic property market than 2021, with a total of 16.3 billion⁽⁵⁾ minutes spent on the platform in the year (2021: 18.3 billion). Time on platform 34% higher than the pre-pandemic record of 2019
- Continued uptake of our premium Optimiser 2020 package, with 34% of independent agents now subscribing, up from 21% in December 2021
- Ongoing strategic innovation, with the launch of the Rental Lead-to-Keys flow and increased consumer usage of the integrated Mortgage in Principle capability both digitising more of the home-moving transaction.

- Approval of our medium term emissions reduction targets by the Science-Based Targets initiative (SBTi).

- (1) Underlying operating profit is operating profit before the share-based payments including the related National Insurance charge
- (2) Underlying operating profit excluding prior year 'other income' removes the impact of £2.4m 'other income' in 2021, which represented the release of a one-off contingent consideration provision
- (3) Underlying EPS is 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 outstanding in the period
- (4) 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 year
- (5) Source: Google analytics

Outlook

Rightmove's network effects continue to position us at the heart of the UK property market and our visibility of property market data remains unrivalled. Our financial performance in 2022 reflects the trust that our customers continue to place in our digital products to help drive their businesses in both faster and slower markets.

While we remain alert to the ongoing economic uncertainty, Rightmove is not materially impacted by the property market cycle, other than in the most extreme circumstances.

The strong ARPA growth in H2 2022, and the momentum it provides for 2023, gives us increased confidence in ARPA growth in 2023.

We expect customer numbers to follow a similar pattern to that of the second half of 2022.

In 2023, we will maintain our disciplined cost management and focus on profitable revenue growth, as we continue to invest in innovation. The increased inflationary backdrop is not expected to materially impact costs, and we expect an Underlying Operating Margin for 2023 of c73%.

Our capital returns policy, whereby substantially all cash generated in the year is returned to shareholders, remains unchanged.

The strength of our proposition, coupled with our on-going innovation, underpins the Board's confidence in Rightmove's outlook for 2023 and beyond.

Peter Brooks-Johnson, Chief Executive Officer, said:

"The year's changing housing market conditions demonstrated our customers' resilience and ability to adapt and to continue to succeed. The softening from the covid-induced frenetic market towards a more normal market earlier in the year was disrupted in the final few months by the unexpected rapid mortgage rate increases. The strength of our results is a reminder of how effective and integral our new and existing products and services are in helping our customers in both faster and slower markets."

"Rightmove continues to be the place that people turn to and return to first, with an average of over 1.35bn minutes spent on our platform every month in 2022. The continuing love home movers have for Rightmove is testament to the team's focus on providing an easy to use leading edge platform, enhanced with innovation which home movers want. This is exemplified by the ability to create Property Lists which we launched in 2022. Over one million lists, and counting, have been created since launch."

"There's much more to come and exciting plans ahead for Rightmove. As a company that will always be close to my heart, and as a shareholder, I look forward to watching Rightmove's ongoing progress as it continues to make home moving easier."

The Company will publish a pre-recorded audio results presentation at 7.00am today, followed by an audio Q&A session for analysts and investors at 9.30am with Peter Brooks-Johnson, CEO, and Alison Dolan, CFO.

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Chair's review

It is my pleasure to present Rightmove's results for the year ended 31 December 2022. In a year of continued economic challenge and global change, our results demonstrate the resilience of Rightmove's business model and the clear value we provide to our customers and to the UK's home hunters. Rightmove remains the first place that consumers turn to time after time as they look for their next home.

In spite of the Russian invasion of Ukraine, increased inflation and the challenges in world markets, UK housing transaction numbers remained resilient in 2022, particularly in the first half of the year, with c1.2m transactions. Traffic to the Rightmove site remained considerably higher than pre-pandemic levels as consumers showed how they continue to trust and rely on us to find a property, even in less certain times. I am proud that our teams continued to deliver such a high quality of service to our customers and to home hunters throughout the year.

2023 will see a transition in leadership for Rightmove as Peter Brooks-Johnson steps down after more than 17 years in the business and as our CEO for the last six years. I would like to thank Peter for his dedication and service. He has been fundamental in helping Rightmove become the successful business it is today and the UK's largest property portal. Under his leadership, the Company has increased the value it provides to customers and to home hunters, with time spent on the portal increasing from 11.7bn minutes in 2016 to over 16bn minutes in 2022. This has delivered sustained growth for our shareholders, increasing annual revenues from £220m to £333m in the same period and returning more than £1 billion through dividends and share buybacks over that time.

During 2022, the Board focused on supporting the management team with the ongoing delivery of Rightmove's strategic plan. In addition to the growth in the core business, we continued to make progress with other strategic initiatives, including increasing the digitisation of tenants' rental journeys, simplifying the process for them; growing the value of the Commercial real estate business; and providing an enhanced experience for consumers seeking a mortgage. Our ambition remains for Rightmove to be an innovative and sustainable growth business for the benefit of all stakeholders as we continue to evolve our product offering and value proposition for the benefit of our customers, consumers and shareholders.

Financial Results

The Group's results reflect the strength of our business model and core value proposition, delivering underlying operating profit⁽¹⁾ of £245.4m (2021: £231.0m) and operating profit of £241.3m (2021: £226.1m) from revenue of £332.6m (2021: £304.9m). Underlying earnings per share⁽²⁾ were 23.8p (2021: 21.8p) and basic earnings per share 23.4p (2021: 21.3p). Our cash⁽³⁾ position at the year-end was £40.1m (2021: £48.0m), having returned all surplus cash to shareholders.

Returns to shareholders and dividend

In keeping with our policy of returning free cash to our shareholders, £197.7m (2021: £238.8m) was returned through the share buyback programme and dividend payments.

The Board remains confident in our ability to deliver sustainable returns to shareholders and is recommending a final dividend of 5.2p per share for 2022 (2021: 4.8p). The final dividend will be paid, subject to shareholder approval, on 26 May 2023, taking the total dividend for the year to 8.5p, an increase of 9% on 2021 (2021: 7.8p).

Board changes

Johan Svanstrom was appointed to the Board on 20 February 2023 and will become CEO in March 2023. He will bring significant experience of growing established business to business to consumer online marketplace businesses. Following his appointment as Global President of Hotels.com and Expedia Affiliate Network brands in 2013, he served on the Expedia Group global leadership team for over five years - growing revenues to over \$3 billion and leading direct teams of 1,500 people across four continents. A Swedish national based in the UK,

Johan most recently served as a Partner, EQT Growth Advisory Team, which is part of EQT, the global investment organisation.

Other Board changes

Rakhi Goss-Custard leaves the Board in May 2023, having served her maximum term of nine years as a Non-Executive Director. Rakhi has made a significant contribution to the Board, bringing extensive knowledge of the customer and consumer experiences from a range of other digital product and mobile platforms. We have commenced a search for her successor and will keep the market apprised of our progress. I would like to thank Rakhi for her contribution to the Board and to the business throughout her tenure.

Board governance

The recently established Board sub-committee, the Corporate Responsibility Committee, has continued to guide and oversee progress in the execution of our Environmental, Social and Governance (ESG) strategy, and I am delighted with the approval of our Net-Zero target by the Science-Based Targets initiative (SBTi).

This is our second year of reporting under the framework of the Taskforce for Climate-Related Financial Disclosures and we have updated our climate-related risk assessments. Further detail can be found in the Sustainability Report.

The Audit Committee has overseen the implementation of the new Enterprise Resource Planning (ERP) finance system, as well as a revised Risk Management Framework.

The Remuneration Committee has reviewed and revised the Company's Remuneration Policy during the year. Consultation with Rightmove's largest shareholders has been broadly positive and the Policy will be put to shareholders at our Annual General Meeting in May 2023.

Looking ahead

Our ambition to innovate continually to make home moving easier in the UK and to create long-term sustainable growth for the benefit of all stakeholders is undeterred as we move into 2023 and continue to execute on our long-held strategy for the benefit of our customers, consumers and shareholders.

On behalf of the Board, I would like to thank all our customers for their confidence and support and our employees, who continue to serve our customers and consumers so well through their dedication and hard work.

I am looking forward to welcoming Johan into the business and to working with the Board and the Rightmove team in 2023.

Andrew Fisher **Chair**

(1) Underlying Operating Profit is defined as operating profit before share-based payments charges (including the related National Insurance)

(2) Underlying EPS 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

(3) Cash including money market deposits

Chief Executive's review

Rightmove's purpose is to make home moving easier in the UK, and the trusted place that we hold at the heart of Britain's home moving journeys was evident during 2022. Against a backdrop of macro-economic uncertainty, particularly in the second half of the year, home movers continued to turn to Rightmove not only as the place to find their next home, but as the most reliable source of information about the housing market. For the twelfth consecutive year, Google report that more people start their home search with 'Rightmove' rather than 'Property'; this popularity led to home-movers spending over 16 billion minutes on our platform searching for their next property.

Our customers continued to invest in our digital products, to showcase their expertise and to build their businesses, in what was a year of contrast for our customers, with the underlying post-pandemic robust market of the first quarter returning to a more normal market over the course of the year. This theme was punctuated by the rapid rise in mortgage rates following the mini budget. The robustness of our business model and the return of investment on our products for agents and developers are evidenced by the high ARPA growth of £125 – our second-highest year ever for absolute ARPA growth after the 2021 Covid-recovery year.

I am proud that we have emerged from the pandemic disruption with deeper relationships than ever with our customers, who have seen our products deliver such strong returns for them, not just through the buoyant market conditions of Q1 2022, but in the more normal conditions over the remainder of the year.

2022 has very much demonstrated the semi-countercyclical nature of the Rightmove Agency and New Homes businesses. Estate Agents started the year with a seller-led, stock-constrained market that then evolved to one in which realistic pricing was key to concluding sales. Throughout the year, agents continued to purchase additional Rightmove Products to drive their businesses forward, by winning the right instructions, and the average revenue per advertiser (ARPA) for Agency grew 11% to £1,278.

New Homes developers began the year with many developments fully sold off-plan and therefore not advertised. The fall in demand in the fourth quarter saw Developers turn to Rightmove's digital products to help to boost sales, which resulted in a 8% increase in the number of developments listed on Rightmove at the end of 2022 and increased take-up by developers of our products, particularly Native Search Adverts and Digital Marketing. ARPA for New Homes grew by 11% to £1,513 in the year.

Rightmove's key smaller businesses - Commercial Property, Data Services, Overseas Listings and Third-Party Advertising - which leverage the strength of our property advertising business - also continued their impressive growth rates throughout 2022. These business units all maintained double-digit growth in 2022 and contributed £31.5m to revenue (2021: £26.8m). Our more nascent businesses, Tenant Services and Mortgages, continue to evolve their proposition for consumers as well as for agents and landlords, and we have learnt an enormous amount during 2022 about the right next steps as we build these businesses.

Rightmove's commitment to innovation remains undimmed. One of many examples of our innovation to help our customers be more efficient is the launch of our Certification for Estates and Lettings Agents - a series of online training courses with a bespoke learning management system that enables agents to receive an Ofqual-regulated Level 3 certificate. We help our customers to reach the UK's largest audience of home hunters more effectively through continuous improvements to our market-leading products, such as Local Valuation Alert and Native Search Adverts, and we are playing a leading role in digitising the processes of buying and renting a home through our Lead-to-Keys and Mortgage in Principle flows.

I am delighted that our products and our teams have delivered such strong value for our customers and our consumers throughout the entirety of what has been a turbulent year for the country and the economy. Our progress is testament to our disciplined focus and the huge efforts that 'Rightmovers' have put into building this business together with our industry customers. We look forward to delivering further growth as we continue to shape the UK property market and support our customers in 2023.

Our Strategy – making home moving easier

The place consumers turn to and return to first

Rightmove is synonymous with home-moving, remaining the place home hunters and sellers turn and return to first when looking for a property or to research the market. Over 80% of all time spent on property portals in the UK continues to be spent on Rightmove⁽¹⁾; a reflection of the quality and innovation in our technology and platforms, delivering the most effective search and research tools and up-to-date property content.

During 2022, the level of consumer engagement on the Rightmove platforms remained exceptionally high: consumers paid over 2.3 billion⁽²⁾ visits to our platforms (2021: 2.5 billion visits) and spent over 16.3 billion⁽²⁾ minutes searching for properties on Rightmove (2021: 18.3 billion minutes). Over 70% of all time spent on Rightmove's platforms in 2022 was to our mobile-optimised site and apps.

This level of consumer engagement is underpinned by our culture of continuous improvement. One focus during 2022 was to encourage home hunters to engage more deeply with Rightmove by logging in while searching. We released features such as a customisable 'Property List', to help home hunters to organise their search journey in categories that make sense to them. Since release, over a million unique lists have been created, by over 600,000 people, not only making the search process more effective for home hunters but generating useful data for future product development. My Enquires, another feature available to logged-in users, allows home hunters to track properties they have enquired on and record their thoughts, making Rightmove even more integral in the path to a new home. Over 9% of people sending leads have used the feature since it launched in November 2022.

In addition to searching for properties, consumers use Rightmove data to research the property market. Rightmove's unique demand data, analytical capabilities and access to real-time search and sales patterns provide valuable insights and commentary on property and home-moving trends. Property research tools, such as sold prices data and the "Where Can I Live?" tool, were widely used by landlords, homeowners, buyers and sellers during 2022. Following a ground-up refresh, consumers spent 18% longer browsing our sold prices data, which integrates our proprietary archive of over 16.4m unique properties. We sent an average of 3.3 million consumer emails every week to keep both consumers and professionals up to date with the property market, and our House Price Index remains the most accurate leading indicator of house prices in the UK, based on 95% of newly advertised properties in the UK.

Consumers expect the platform they rely on to be available all the time. Testament to the engineering prowess and dedication of the team, Rightmove maintained its industry leading level of uptime of 99.9% meaning the platform was unavailable for less than 43 minutes for the entirety of 2022.

Unrivalled returns for our customers through digital marketing solutions and insight

Rightmove provides its customers with exposure of their brands and properties to the largest possible home-moving audience, as well as a range of digital services and information. This helps them to market more effectively; win more business; grow their market share; save time; and create new revenue streams.

The high traffic to Rightmove, coupled with the strong rentals market, meant a continued rise in the number of property-specific leads delivered to our customers, with over 67m leads sent in 2022, an increase of 8% on 2021. At over 2 leads every second, this is a new record for the number of leads sent from Rightmove in a year.

The extensive digital product suite we offer to customers has been carefully designed to be effective in both faster and slower markets. As the market changed during 2022, and stock levels increased, our customers turned more than ever to our products to help them to win property sales instructions efficiently.

Our premium packages, Enhanced and Optimiser, help our agency customers to generate more opportunities to win instructions cost-effectively. These packages include branding solutions to boost agents' performance in the awareness stage of the marketing funnel. The branding suite was enhanced in 2022 with the introduction of the Native Search Advert product, exclusively for our Optimiser customers. Reflecting the evolving nature of online advertising, Native Search Adverts provide our customers for the first time with a medium by which to market themselves via video on the Rightmove platform. The product is particularly strong on mobile and uses smart targeting to help to ensure the best return for agents. To help agents to

deliver engaging video content, we automatically created innovative, data-driven videos for each agent, drawing on over 182,000 data points.

Our popular Local Valuation Alert and Rightmove Discover products fast-track agents to the consideration stage of a home seller's process for choosing an agent. During 2022, we continued to enhance the performance of these products to keep them at the forefront of digital marketing for our customers. Local Valuation Alert was optimised on our mobile platform, which helped to deliver over 22% more leads from people asking for a valuation on their home in 2022 compared to 2021. Rightmove Discover was upgraded to encompass an on-demand version, allowing customers to self-serve their membership and access products immediately.

The usefulness of our additional products to customers is demonstrated by over 1,300 agents electing to upgrade to our top Optimiser package during 2022. These package upgrades, along with customers choosing to buy more products and our pricing actions, contributed to the strong agency ARPA growth between January and December 2022.

New Homes developers also continued to invest in our top subscription packages specifically designed for them - despite facing a stock-constrained market for much of the year, when developments were fully sold out, reducing developers' needs to advertise. Advanced Development Listings creates an opportunity to cross-sell and up-sell plots on a development, providing better engagement and lead-generation, and subscription to this package increased by 37% on last year. In the fourth quarter, as the property market cooled, sales of the two products introduced in 2021 - the Property and Developer Carousels - increased. Both products were designed to operate most effectively in a demand-constrained environment. The growth, along with the resurgence of the Digital Marketing Campaign product has generated significant momentum for New Homes ARPA as we head into 2023.

Rightmove's value to our customers goes beyond digital advertising solutions; we also offer tools and training to our customers to support them in running their businesses more efficiently. Rightmove Plus - included free of charge as part of all Rightmove membership packages - helps customers throughout the property marketing lifecycle and was used by over 90% of independent estate agents during 2022. The Best Price Guide, for example, a reporting tool within Rightmove Plus which helps agents to gather comparable properties to support their suggested property price, saves them up to an hour per market appraisal. The Best Price Guide alone was used over 17 million times in 2022, a 22% increase on 2021.

Rightmove's culture of constant improvement and innovation helps to create more opportunities for our customers to identify potential new business. A good example of this is Opportunity Manager, which is a lead management tool available with our Optimiser package and is powered by an algorithm that is constantly learning and improving to intelligently spot the home hunters who are most likely to turn into potential home sellers in an agent's area. The opportunity to get a head start on marketing to these potential vendors led to a third of Optimiser customers using Opportunity Manager at least once a week.

Our market-leading professional training programme, free to all members, remains an invaluable tool for our customers. Delivered in webinars, it was viewed by more than 14,000 property professionals, both live and through our on-demand service, and the topics covered in 2022 ranged from 'economy' and 'winning more stock' to 'legislation across sales and lettings'. Our Rightmove Hub, which hosts all the material, had more than 1.4 million page views in the year.

In November, we were proud to launch a new Ofqual-regulated Level 3 certificate to estate and lettings agents - the Certificate for Estate and Lettings Agents (CELA). The training is free to Rightmove members (who pay only for the final exam) and is provided online, backed by a bespoke learning management system. It includes an overview of the industry, from experts, on the moving process, codes of practice, legislation and customer services, giving them an easy way to demonstrate their quality and credibility to sellers and landlords. By the end of the year, within six weeks of launch, over 1,700 agents had enrolled with momentum growing into 2023.

The Rightmove platform is tailored to ensure it works for our entire range of customers across the different business units. Rightmove's Commercial Real Estate (CRE) portal provides access to the largest audience of agents, surveyors, landlords, owners, developers and investors in the UK. The market share of time spent on

Rightmove Commercial increased by 3% to 63% in 2022. This platform increasingly generates leads from occupiers with significant scale, allowing CRE agents not only to earn a fee on the property being advertised but to introduce clients to the other professional services they offer. Reflecting the increasing size and value of this audience to our CRE customers, ARPA has increased by 30%.

Rightmove's Data Services business supports the property industry by delivering property valuation tools and insights based on our unparalleled datasets. Surveyors use our Surveyor Comparable Tool to make property valuations - it was used in over 75% of mortgage transactions in the UK in 2022, with more than 2.3 million reports run – whilst our Automated Valuation Model is used by lenders and was used to value more than £4.9 trillion worth of property in 2022.

Innovating to make the home moving process more efficient by being more digital

Rightmove has played, and continues to play, a leading role in the ongoing digitisation of the property search market in the UK. Our goal is to improve all aspects of the journey - from searching for a home to being ready to transact. We want to make the process more transparent, efficient and less stressful for both professionals and home hunters, while creating opportunities to expand and augment our revenue beyond classified advertising.

Rightmove is helping to drive an increasingly digital rental journey, making the process less fragmented and frustrating for agents, landlords and tenants alike. We launched our 'Lead-to-Keys' tenancy digital workflow in June, with virtually every element of the tenancy journey - from initial lead, via video viewing, holding deposit, tenant referencing, security deposit, digitally signed contract to 'keys' (and beyond into tenant and landlord insurance and broadband services for tenants) – now available on the Rightmove platform. The introduction of "enhanced leads" in the fourth quarter allows tenants to share a little more about themselves when enquiring about a property, reducing the likelihood of a frustrating reference failure for them late in the process.

Our tenant-referencing product is also increasingly sophisticated, as we introduced open-banking to our referencing process during the year, reducing both the application time for tenants and the accuracy for agents and for landlords. These two releases created a market first, with tenants able to search, secure and contract on a property entirely from their mobile device.

We also continued to enhance the early stage of the home-buying journey that involves understanding affordability. Our nascent digital flow for mortgages brings together the Mortgage in Principle (MiP) and property search tools, with helpful content which not only creates more certainty for borrowers but increases the volume and quality of mortgage leads for our mortgage partner. Consumers are able to apply for a MiP directly from our site and can then tailor their search journey to a successful MiP, confident that they will be able to borrow the amount they need to secure their next home. Despite only reaching scale in Q4, the number of MiPs completed was nearly double that in 2021. Plans are well advanced to make the journey to achieving a MiP easier and more efficient for a greater proportion of borrowers in the first quarter of 2023. This helps both prospective buyers and enhances agent efficiency through better qualified leads.

Our environment and society

'Doing the right thing' is central to the way we do things and our response to a range of issues. As an organisation, we live by our values and our values extend beyond how we do business. We believe Rightmove can and should be a force for good within the communities in which we operate.

During 2022, we remained focused on delivering our environmental strategy, and the Science Based Targets Initiative's scientists validated our emissions reductions targets as being consistent with the 1.5 degrees global warming initiative. These targets will see us reach Net Zero in both our own business and in our supply chain by 2040. Beyond what we do within our business, we believe we can use the reach of our platform to continue to help consumers to understand the available options to make their homes more energy efficient.

We continued to engage with our local communities with an emphasis on charities that matter to our employees, making donations and offering employee-matched funding. We supported charities close to our offices, where our contributions can make a significant impact including Willen Hospice and Harry's Rainbow who support bereaved children.

A diverse Rightmove is important to us. We recognise that a diverse team will provide a wide range of perspectives that promote innovation and business success. Drawing on what is unique about individuals adds value to the way we do business and helps us to anticipate and then provide the features our customers and home hunters expect from the Rightmove platform. We are committed to reducing the gender pay gap within Rightmove and are pleased to report that the ethnic diversity of our employees reflects the UK population, with good representation in each pay quartile. We continue to work on promoting inclusion and opportunity beyond our workforce. Through our partnership with Makers' Academy we hope to encourage people to switch to a career in technology, particularly those from disadvantaged backgrounds.

More information about these initiatives and our environmental policy can be found in the Environmental, Social and Governance Report.

The Rightmove team

Our people define Rightmove: talent and passion to perform is not enough to make a great Rightmover - the way in which we behave towards each other, our customers and consumers is vital and creates a culture which is inclusive and supportive, where everyone matters and knows that their ideas will be explored, and views respected. Our employees live by the central behaviours of doing the right thing for our customers and consumers, driving improvement, and taking responsibility for making things that matter happen.

In 2022 87% (2021: 89%) of employees, responding to the annual Have Your Say Survey, agreed that 'Rightmove is a great place to work'.

I am proud of the vibrant culture and business we have built together, and I would like to thank everyone for everything they have done to achieve this. I wish Johan every success and hope he will enjoy his journey at Rightmove as much as I have. I look forward to watching Rightmove's continued success in the future.

Peter Brooks-Johnson
Chief Executive Officer

2 March 2023

(1) Source: Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, ONTHEMARKET.COM, and BOOMIN.COM January – December 2022, United Kingdom

(2) Source: Google analytics

Financial Review

Rightmove's strong financial performance in 2022 reflects the exceptional returns we offer for customers, who continued to invest in our digital products and in package upgrades throughout the year.

Revenue

Revenue increased by £27.7m/9% on 2021, to £332.6m (2021: £304.9m), driven by an increase in product uptake and package upgrades within Estate Agency and New Homes, our annual cycle of price increases and growth in the Other business units.

| | 2022 £m | 2021 £m | Change vs 2021 £m | Change vs 2021 % |
|----------------------|--------------|--------------|----------------------|---------------------|
| Agency | 247.3 | 224.5 | 22.8 | 10% |
| New Homes | 52.6 | 50.0 | 2.6 | 5% |
| Other | 32.7 | 30.4 | 2.3 | 8% |
| Total revenue | 332.6 | 304.9 | 27.7 | 9% |

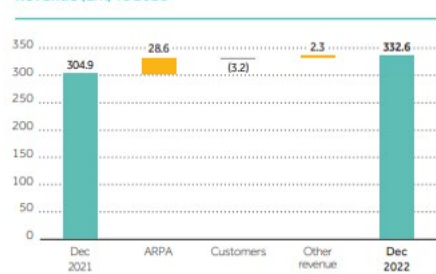
| | 2022 | 2021 | Change vs 2021 | Change vs 2021 % |
|-------------------------|---------------|---------------|----------------|---------------------|
| Agency branches | 15,932 | 16,110 | (178) | (1%) |
| New Homes developments | 3,082 | 2,859 | 223 | 8% |
| Total membership | 19,014 | 18,969 | 45 | 0% |

Agency revenues increased to £247.3m, up 10%/£22.8m on 2021 as a result of continued investment by agents in additional products and package upgrades, as well as core membership price increases from contract renewals. Agency ARPA⁽¹⁾ increased to £1,278, up 11%/£123 from £1,155 in 2021. Agency customer numbers ended the year broadly flat at 15,932; a decrease of 1%/178 compared to 2021 (2021: 16,110).

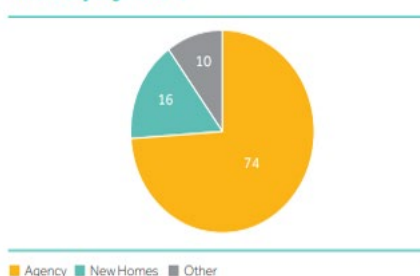
New Homes revenue of £52.6m was up 5%/£2.6m on 2021, reflecting strong product spend by new homes developers during the last quarter in particular, when the number of developments advertised also increased. Development numbers ended the year at 3,082 - an increase of 8%/223 on 2021 (2021: 2,859). New Homes ARPA⁽²⁾ increased to £1,513 per development per month; up 11%/£146 on 2021 (2021: £1,367).

Other revenues of £32.7m were up 8%/£2.3m on 2021. Commercial, Overseas, Data Services and Third Party all saw double-digit percentage growth: gains in Commercial £1.7m/19%; Data Services £1.2m/15%; Overseas £1.1m/21%; Third Party £0.7m/15%; and Auctions £0.2m, which were largely offset by a decline in Mortgage revenues of £2.6m, driven by the change in our monetisation model.

Revenue (£m) vs 2021



Revenue by segment (%)



Administration costs

Operating costs of £91.3m were up £10.1m/12% from £81.2m in 2021.

Underlying operating costs⁽³⁾ (defined as operating costs before the inclusion of share-based payments charges and related National Insurance totalling £4.1m) were £87.2m - an increase of £10.9m/14% compared to 2021 (2021: £76.3m). The increase is due primarily to:

- £7m of higher payroll costs, from increased headcount, including the full year impact of 2021's new heads, and the annual salary increase of 5% - which was higher than previous years (3%) due to higher inflation and was brought forward from January 2023 to October 2022 to assist employees with the higher cost of living. Other benchmarking and performance uplifts added a further 2% and took the total salary increase to 7%. The charge also included a one-off cost of living payment of £1,000 to all employees other than senior management, paid in November;
- £3m of increased overhead costs, as staff travel and entertainment costs reverted to pre-pandemic levels; training and recruitment costs increased in line with headcount; and inflation pushed up certain third-party costs; and
- £1m of additional marketing costs - mostly marketing of new initiatives and increased digital advertising, and technology costs for hosting and security.

Operating profit

| | 2022 | 2021 | Change vs 2021 | Change vs 2021 % |
|-------------------------|--------------|--------------|----------------|------------------|
| | £m | £m | £m | |
| Revenue | 332.6 | 304.9 | 27.7 | 9% |
| Other income | - | 2.4 | (2.4) | (100)% |
| Admin costs | (91.3) | (81.2) | (10.1) | (12)% |
| Operating profit | 241.3 | 226.1 | 15.2 | 7% |
| <i>Operating margin</i> | 73% | 74% | | |

Operating profit of £241.3m increased by £15.2m/7% on 2021, with an operating profit margin for 2022 of 73% (2021: 74%).

Underlying Operating Profit⁽⁴⁾ of £245.4m, before the impact of the share-based incentive charges and related National Insurance of £4.1m, increased by £14.4m/6% compared to 2021 (2021: £231.0m), with an underlying operating profit margin⁽⁵⁾ for 2022 of 74% (2021: 76%).

The prior year's results and margins were impacted by other income of £2.4m: a one-off credit representing the release of a contingent consideration provision in relation to the acquisition of Rightmove Landlord and Tenant Services (previously Van Mildert) in 2019, as the threshold performance criteria for pay-out were not met. Excluding the impact of the prior year other income, the comparative prior year operating margin was 73%, the underlying operating margin was 75% and the increase in the underlying profit in 2022 would be £16.8m/7%.

Earnings per share (EPS)

Basic EPS increased by 10% to 23.4p (2021: 21.3p), driven by the increase in profit and continuation of the share buyback programme, which reduced the weighted average number of ordinary shares in issue to 835.3m (2021: 858.8m).

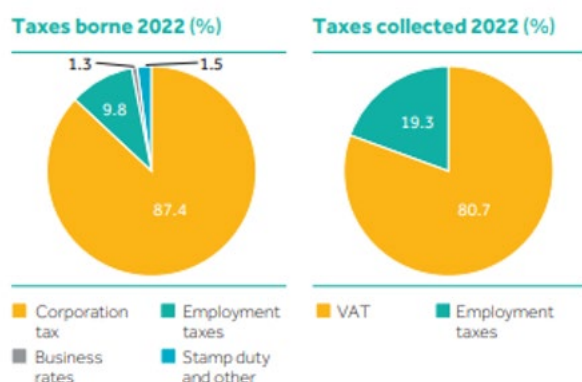
Underlying EPS⁽⁶⁾ (based on underlying operating profit⁽⁴⁾) increased by 9% to 23.8p (2021: 21.8p).

Taxation

The consolidated effective tax rate for the year ended 31 December 2022 was 18.9% (2021: 18.9%), slightly below the UK's enacted tax rate of 19.0%.

All tax matters are managed to ensure that the right amount of tax is paid and collected at the right time, in line with all applicable tax laws and there were no overdue taxes at the year end.

As in prior years, the total amount of UK taxes paid and collected by the Group is significantly more than the corporation tax paid on UK profits. Rightmove's total tax contribution to the UK Exchequer in 2022 was £119.8m (2021: £113.8m). Of this, £52.2m (2021: £48.0m) related to taxes borne by the Group, while the remaining £67.6m (2021: £65.8m) was collected in respect of payroll taxes and VAT. The increase in total tax contribution compared to the prior year is primarily due to higher operating profits, which impacted both VAT and corporation tax.



As a result of the increase in the tax rate to 25% from April 2023, our effective tax rate for 2023 will increase to c23%, and be c25% in 2024.

Balance sheet

Summary consolidated statement of financial position

| | 2022 £m | 2021 £m | Change £m |
|--------------------------------|-------------|-------------|--------------|
| Property, plant and equipment | 10.4 | 12.0 | (1.6) |
| Intangible assets | 22.1 | 21.1 | 1.0 |
| Deferred tax asset | 1.5 | 2.2 | (0.7) |
| Trade and other receivables | 26.6 | 23.1 | 3.5 |
| Contract assets | 0.5 | 0.1 | 0.4 |
| Income tax receivable | 0.6 | 1.1 | (0.5) |
| Cash and money market deposits | 40.1 | 48.0 | (7.9) |
| Trade and other payables | (20.9) | (22.8) | 1.9 |
| Contract liabilities | (2.3) | (2.6) | 0.3 |
| Lease liabilities | (9.6) | (11.0) | 1.4 |
| Provisions | (0.8) | (0.6) | (0.2) |
| Net assets | 68.2 | 70.5 | (2.3) |

Rightmove's balance sheet at 31 December 2022 shows total equity of £68.2m (2021: £70.5m).

Trade and other receivables of £26.6m increased by £3.5m on December 2021, primarily due to the £3.0m increase in trade receivables to £20.9m (2021: £17.9m), reflecting the higher December 2022 revenue and a slight increase in ageing of debts: debtor days for the year were 23 days, slightly up on the 22 days in December 2021.

Trade and Other Payables of £20.9m have decreased £1.9m reflecting the timing of trade payments and an improvement in the payment of suppliers which were being made in an average of 17 days (December 2021: 19 days).

Cash flow and liquidity

Rightmove remained debt-free during 2022 and cash generation remained strong, at 101% of Operating Profit⁽⁷⁾. Cash generated from operating activities increased by £7.4m to £244.2m (2021: £236.8m).

The closing cash balance, including money market deposits, was £40.1m (2021: £48.0m). Surplus cash continues to be invested primarily in short-term, easily accessible money market deposits, including in a green money-market fund.

The Group bought back and cancelled 22.3m ordinary shares during the year (2021: 26.7m), at a cost of £130.9m (including expenses) as part of its ongoing share buyback programme (2021: £175.6m). Dividends totalling £67.7m (2021: £64.5m) in relation to the final 2021 dividend payment and interim 2022 payment were also paid during the year.

Shareholder returns

The Directors are recommending a final dividend of 5.2p per ordinary share, which will be paid on 26 May 2023 to all shareholders on the register on 28 April 2023. This will take the total dividend for the year to 8.5p (2021: 7.8p). The Board's capital structure and returns policy remains unchanged.

Alison Dolan

Chief Financial Officer



2 March 2023



- (1) 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
- (2) 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
- (3) Underlying costs are defined as administrative expenses before share-based payments charges (including the related National Insurance)
- (4) Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance)
- (5) Underlying operating margin is defined as the underlying operating profit as a percentage of revenue
- (6) Underlying EPS 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
- (7) Cash generated from operating activities of £244.2m (2021: £236.8m) compared to operating profit as reported in the income statement of £241.3m (2021: £226.1m).


Principal Risks and Uncertainties

The Board and Audit Committee regularly review the principal risks to our business, our position against our risk appetite, and monitor progress to manage risks within that risk appetite.

Consideration is given to emerging risks and to any changes in the internal or external environment that could impact our strategy and how we operate. We regularly update our risks and responses where required. The Board and Audit Committee have reviewed the principal risks and uncertainties faced by the Group:

| | Key risk description | Impact | Changes in the year | Monitoring and mitigation | Change from prior year |
|---|--|---|---|---|---|
| 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 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 revenues.</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>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> | <p>Housing transactions in 2022 were down 14% year on year versus 2021, ending the year at 1.2m⁽¹⁾ but remain 8% higher than pre-pandemic levels (2019:1.1m).</p> <p>Overall membership numbers were flat on December 2021, reflecting a 1% decrease in Agency branches and an 8% increase in New Homes developments year on year.</p> <p>ARPA⁽²⁾ was up 11%/£125 from 2021 to £1,314, reflecting the increased product sales at higher prices.</p> | <p>Monitoring of the housing market, including leading indicators and membership trends.</p> <p>Continuing to provide the most significant and effective exposure for customers' brands and properties.</p> <p>Remaining the largest source of high-quality leads, offering value-adding products and packages and helping to drive operational efficiencies for our customers; thereby embedding the value of our membership.</p> <p>Maintaining a flexible cost base that can respond to changing conditions.</p> |  |
| 2 | <p><u>Competitive environment</u></p> <p>The Group operates in a competitive marketplace, with attractive margins and</p> | <p>Increased competition may impact Rightmove's ability to grow revenues due to the potential loss of audience,</p> | <p>Rightmove continued to retain the largest and most engaged</p> | <p>Communication of Rightmove's value to advertisers.</p> |  |

| | | | | | |
|---|---|--|---|---|---|
| | <p>low barriers to entry, which may result in increased competition from existing competitors, or new entrants targeting the Group's primary revenue markets.</p> | <p>advertisers or demand for additional advertising products.</p> | <p>audience of any UK property portal and its market share of a selection of the top property portals was 84% in 2022⁽³⁾ (2021: 88%). (The slight decrease reflecting only a change in the Comscore methodology).</p> | <p>Continued investment in our account management teams to help customers run their businesses more efficiently.</p> <p>Sustained marketing investment in the Rightmove brand.</p> <p>Sustained investment and innovation in serving all of our audiences.</p> | |
| 3 | <p><u>New or disruptive technologies and changing consumer behaviours</u> 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 advertisers and the best consumer experience.</p> | <p>Failing to innovate may impact Rightmove's ability to grow revenues due to the potential loss of audience engagement, advertisers and demand for additional advertising products.</p> | <p>We commenced a Cloud migration programme, - to better leverage the latest technological innovations and improve our development turnaround times – and started to migrate key areas of the platform over to Cloud. A new online user research platform was rolled out across our teams, to create time efficiencies and allow us to define and conduct research more quickly and frequently.</p> | <p>Developing our product proposition to continually meet our customers' needs and evolving business models.</p> <p>Large in-house technology team with culture of innovation.</p> <p>Ongoing monitoring of consumer behaviour and annual 'Hackathons'.</p> <p>Regular contact with the start-up and prop-tech communities to stay abreast of market innovations.</p> |  |
| 4 | <p><u>Cyber-security and IT systems</u> The Group has a high dependency on technology and internal IT systems. In today's digital world there are increased risks</p> | <p>Any loss of website availability, or theft/ misuse of data held within the Group's databases and IT systems, could result in reputational damage to the Group from loss of consumer</p> | <p>Continued investment in enhancing security and related controls, across both our website hosting</p> | <p>Disaster Recovery and Business Continuity Plans subject to regular testing and review.</p> |  |

| | | | | | |
|---|--|---|--|--|---|
| | <p>associated with external cyber-attacks which could result in an 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>and customer confidence in the Rightmove brand; and financial loss arising from potential penalties, fines and lawsuits.</p> | <p>environment and administrative IT estate, ensuring we are protecting customers, consumers and our own data. During 2022 we completed projects to deal with Ransomware – to render our backups immutable and "encryption-proof". We also implemented advanced tooling to counteract the growth in automated "credential stuffing" cyber-attacks affecting the website. A new, third party managed, detection and response service was introduced. During 2022 we commissioned several third-party assurance exercises to test and review our capabilities and controls. This included penetration tests, 'red team' engagements, a technical review of our IT environment by external cyber security specialists and an audit (by PwC our internal auditors) of ransomware protections and cloud security processes.</p> | <p>Best in class security controls (and investment in) for both our cloud hosting environment and software development</p> <p>Regular testing of the security of the IT systems and platforms - including penetration testing</p> <p>Ongoing monitoring of, and detection of, external threats and monitoring threat capability</p> <p>Regular internal information security training, phishing and 'spearphishing' tests.</p> <p>Incident response capabilities that leverage automation and orchestration tooling integrated with our external managed services and coupled with the right in-house expertise.</p> | |
| 5 | <p><u>Securing and retaining the right talent</u> Our continued success is dependent on our ability to</p> | <p>The inability to recruit and retain talented people could impact our ability to maintain</p> | <p>Annual salary rise brought forward three months to 1 October 2022 (from</p> | <p>Ongoing succession planning and</p> |  |

| | | | | |
|--|---|---|---|--|
| <p>attract, recruit, retain and motivate our highly skilled workforce.</p> | <p>our financial performance and deliver growth. When key staff leave or retire, there is a risk that knowledge or competitive advantage is lost.</p> | <p>1 Jan 2023) in order to address the cost-of-living concerns whilst also providing a £1,000 one-off cost of living payment.</p> <p>Revised hybrid working policy to provide the option of up to three days at home, with two set days in the office (previously up to two days at home with three selected days in the office).</p> <p>Continued investment in employee development and training - with a focus on manager capabilities, wellbeing and learning opportunities.</p> <p>Employee sentiment remains strong, with our 'great place to work' score at 87% (2021: 89%).</p> | <p>development of future leaders.</p> <p>Learning and development for all employees, including mandatory training.</p> <p>The ability for all employees to participate in the success of the Group through the SIP and SAYE schemes.</p> <p>Regular staff communication and engagement.</p> | |
|--|---|---|---|--|



Small increase in risk



Risk unchanged

- (1) Source: HMRC transactions for the UK as published in January 2023.
- (2) Revenue from Agency and New Home advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average over the year.
- (3) Source: Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, ONTHEMARKET.COM, and BOOMIN.COM January – December 2022, United Kingdom

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

| | Note | 2022 £000 | 2021 £000 |
|--|------|-----------------|--------------|
| Revenue | 3 | 332,622 | 304,886 |
| Other income | 4 | - | 2,407 |
| Administrative expenses | | (91,279) | (81,193) |
| Operating profit | 4 | 241,343 | 226,100 |
| <i>Operating profit before share-based incentive charges</i> | | 245,412 | 230,965 |
| <i>Share-based incentive charge</i> | 12 | (4,069) | (4,865) |
| Financial income | | 381 | 20 |
| Financial expenses | | (442) | (471) |
| Net financial expense | | (61) | (451) |
| Profit before tax | | 241,282 | 225,649 |
| Income tax expense | 7 | (45,601) | (42,555) |
| Profit for the year being total comprehensive income | | 195,681 | 183,094 |
| Attributable to: | | | |
| Equity holders of the Parent | | 195,681 | 183,094 |
| Earnings per share (pence) | | | |
| Basic | 5 | 23.4 | 21.3 |
| Diluted | 5 | 23.4 | 21.3 |

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

| | Note | 2022 £000 | 2021 £000 |
|--|------|-----------------|-----------------|
| Non-current assets | | | |
| Property, plant and equipment | | 10,429 | 11,990 |
| Intangible assets | | 22,074 | 21,141 |
| Deferred tax asset | | 1,460 | 2,169 |
| Total non-current assets | | 33,963 | 35,300 |
| Current assets | | | |
| Trade and other receivables | 8 | 26,614 | 23,112 |
| Contract assets | | 454 | 120 |
| Income tax receivable | | 593 | 1,057 |
| Money market deposits | | 5,047 | 5,003 |
| Cash and cash equivalents | | 35,089 | 42,985 |
| Total current assets | | 67,797 | 72,277 |
| Total assets | | 101,760 | 107,577 |
| Current liabilities | | | |
| Trade and other payables | 9 | (20,874) | (22,757) |
| Lease liabilities | | (2,327) | (2,177) |
| Contract liabilities | | (2,325) | (2,633) |
| Provisions | | - | (61) |
| Total current liabilities | | (25,526) | (27,628) |
| Non-current liabilities | | | |
| Lease liabilities | | (7,242) | (8,832) |
| Provisions | | (829) | (585) |
| Total non-current liabilities | | (8,071) | (9,417) |
| Total liabilities | | (33,597) | (37,045) |
| Net assets | | 68,163 | 70,532 |
| Equity | | | |
| Share capital | 10 | 838 | 860 |
| Other reserves | | 594 | 572 |
| Retained earnings (net of own shares held) | | 66,731 | 69,100 |
| Total equity attributable to the equity holders | | 68,163 | 70,532 |

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board of directors on 2 March 2023 and were signed on its behalf by:

Peter Brooks-Johnson
Director

Alison Dolan
Director

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

| Note | 2022 £000 | 2021 £000 |
|--|------------------|------------------|
| Cash flows from operating activities | | |
| Profit for the year | 195,681 | 183,094 |
| Adjustments for: | | |
| Depreciation charges | 3,504 | 3,448 |
| Amortisation charges | 1,082 | 991 |
| Financial income | (381) | (20) |
| Financial expenses | 442 | 471 |
| Non-cash gain and movements in other provisions | - | (84) |
| Share-based payments | 4,179 | 3,923 |
| Income tax expense | 45,601 | 42,555 |
| Operating cash flow before changes in working capital | 250,108 | 234,378 |
| (Increase)/decrease in trade and other receivables | (3,456) | 338 |
| (Decrease)/increase in trade and other payables | (1,883) | 3,832 |
| Increased/(decrease) in provisions | 39 | (2,989) |
| (Increase)/decrease in contract assets | (334) | 214 |
| (Decrease)/increase in contract liabilities | (308) | 1,063 |
| Cash generated from operating activities | 244,166 | 236,836 |
| Financial expenses paid | (451) | (209) |
| Income taxes paid | (45,622) | (41,611) |
| Net cash from operating activities | 198,093 | 195,016 |
| Cash flows used in investing activities | | |
| Interest received on cash and cash equivalents | 305 | 23 |
| Increase in money market deposits | (44) | (5,003) |
| Acquisition of property, plant and equipment | (835) | (700) |
| Acquisition of intangible assets | (2,015) | (19) |
| Net cash used in investing activities | (2,589) | (5,699) |
| Cash flows used in financing activities | | |
| Dividends | (67,679) | (64,447) |
| Purchase of own shares for cancellation | (129,981) | (174,369) |
| Purchase of own shares for share incentive plans | (2,898) | (1,284) |
| Cost incurred on purchase of own shares | (933) | (1,224) |
| Payment of principal portion of lease liabilities | (2,391) | (2,464) |
| Proceeds on exercise of share-based incentives | 482 | 766 |
| Net cash used in financing activities | (203,400) | (243,022) |
| Net decrease in cash and cash equivalents | (7,896) | (53,705) |
| Cash and cash equivalents at 1 January | 42,985 | 96,690 |
| Cash and cash equivalents at 31 December | 35,089 | 42,985 |

The accompanying notes form part of these financial statements

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

| Note | Share capital £000 | Own shares held £000 | Other reserves £000 | Reverse acquisition reserve £000 | Retained earnings £000 | Total equity £000 |
|---|--------------------------|-------------------------------|---------------------------|---|------------------------------|-------------------------|
| At 1 January 2021 | 887 | (11,552) | 407 | 138 | 133,265 | 123,145 |
| Total comprehensive income | | | | | | |
| Profit for the year | - | - | - | - | 183,094 | 183,094 |
| Transactions with owners recorded directly in equity | | | | | | |
| Share-based payments | - | - | - | - | 3,923 | 3,923 |
| Tax credit in respect of share-based incentives recognised directly in equity | - | - | - | - | 928 | 928 |
| Dividends | - | - | - | - | (64,447) | (64,447) |
| Exercise of share based awards | - | 1,248 | - | - | (482) | 766 |
| Purchase of shares for share incentive plans | - | (1,284) | - | - | - | (1,284) |
| Cancellation of own shares | - | - | - | - | - | (174,369) |
| Costs of shares purchases | (27) | - | 27 | - | (174,369) | 9 |
| | | | | | (1,224) | (1,224) |
| At 31 December 2021 | 860 | (11,588) | 434 | 138 | 80,688 | 70,532 |
| At 1 January 2022 | 860 | (11,588) | 434 | 138 | 80,688 | 70,532 |
| Total comprehensive income | | | | | | |
| Profit for the year | - | - | - | - | 195,681 | 195,681 |
| Transactions with owners recorded directly in equity | | | | | | |
| Share-based payments | - | - | - | - | 4,179 | 4,179 |
| Tax charge in respect of share-based incentives recognised directly in equity | - | - | - | - | (1,220) | (1,220) |
| Dividends | - | - | - | - | (67,679) | (67,679) |
| Exercise of share-based incentives | - | 588 | - | - | (106) | 482 |
| Purchase of shares for share incentive plans | - | (2,898) | - | - | - | (2,898) |
| Cancellation of own shares | - | - | - | - | - | (129,981) |
| Costs of share purchases | (22) | - | 22 | - | (129,981) | 1 |
| | | | | | (933) | (933) |
| At 31 December 2022 | 838 | (13,898) | 456 | 138 | 80,629 | 68,163 |

The accompanying notes form part of these financial statements.

NOTES

1 General information, judgements and estimates

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 December 2022 or 2021 but is derived from those accounts. Statutory accounts for 2021 have been delivered to the registrar of companies, and those for 2022 will be delivered on 24 March 2023.

The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Rightmove plc (the Company) is a public limited company registered in England (Company no. 6426485) domiciled in the United Kingdom (UK). The consolidated financial statements of the Company as at and for the year ended 31 December 2022 comprise the Company and its interest in its subsidiaries (together referred to as the Group).

The consolidated financial statements of the Group as at and for the year ended 31 December 2022 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.

Statement of compliance

The Group financial statements have been prepared and approved by the Board of directors in accordance with UK-adopted international accounting standards ("IFRS"). The consolidated financial statements were authorised for issue by the Board of directors on 2 March 2023.

Basis of preparation

The accounts have been prepared in accordance with UK-adopted international accounting standards and the requirements of the Companies Act 2006. The financial statements have been prepared on an historical cost basis.

Climate change

In preparing the financial statements, the Directors have considered the impact of climate change, particularly in the context of the climate change risks identified in the Sustainability section of the Strategic Report and the Group's stated target of net zero carbon emissions by 2040. These considerations did not have a material impact on the financial reporting judgements and estimates in the current year. This reflects the conclusion that climate change is not expected to have a significant impact on the Group's short-term or medium-term cash flows including those considered in the going concern and viability assessments, impairment assessments of the carrying value of non-current assets and the estimates of future profitability used in our assessment of the recoverability of deferred tax assets.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has existing rights that give it the ability to direct the relevant activities of an entity and has the ability to affect the returns the Group will receive as a result of its involvement with the entity. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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 profit*: which is defined as profit for the year before share-based payments charges (including the related National Insurance and appropriate tax adjustments);
- *Underlying earnings per share (EPS)*: which is defined as underlying profit divided by the weighted average number of ordinary shares outstanding during the period;

- *Underlying operating profit*: which is defined as operating profit before share-based payments charges (including the related National Insurance);
- *Underlying costs*: which is defined as administrative expenses before share-based payments charges (including the related National Insurance); and
- *Underlying operating margin*: which is defined as the underlying operating profit as a percentage of revenue.

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 non-cash charge that is not entirely driven by the principal operational activity of the Group. The directors therefore consider underlying operating profit to be the most appropriate indicator of the performance of the business and year-on-year trends.

A reconciliation of the underlying performance measures to the GAAP measures are shown below:

Underlying profit

A reconciliation of the profit for the year to the underlying profit is presented below:

| | 2022 | 2021 |
|-------------------------------|----------------|----------------|
| | £000 | £000 |
| Profit for the year | 195,681 | 183,094 |
| Share-based incentives charge | 4,179 | 3,923 |
| NI on share-based incentives | (110) | 942 |
| Impact on tax charge | (999) | (1,144) |
| Underlying profit | 198,751 | 186,815 |

Underlying profit is used instead of profit to calculate the **underlying earnings per share**: which is underlying profit divided by the weighted average number of ordinary shares in issue for the period, whereas earnings per share is profit for the year divided by weighted average number of ordinary shares in issue for the period.

Underlying operating profit

A reconciliation of the operating profit to the underlying operating profit is presented below:

| | 2022 | 2021 |
|------------------------------------|----------------|----------------|
| | £000 | £000 |
| Operating profit | 241,343 | 226,100 |
| Share-based incentives charge | 4,179 | 3,923 |
| NI on share-based incentives | (110) | 942 |
| Underlying operating profit | 245,412 | 230,965 |

Underlying operating profit is used to calculate the **underlying operating margin**: which is underlying operating profit as a proportion of revenue, whereas the operating margin calculated as operating profit as a proportion of revenue.

Underlying costs

A reconciliation of the administrative expenses to the underlying costs is presented below:

| | 2022 | 2021 |
|-------------------------------|----------------|----------------|
| | £000 | £000 |
| Administration expenses | 91,279 | 81,193 |
| Share-based incentives charge | (4,179) | (3,923) |
| NI on share-based incentives | 110 | (942) |
| Underlying costs | 87,210 | 76,328 |

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 strongly cash generative and had a cash balance of £35.1m and money market deposits of £5.0m at 31 December 2022 (31 December 2021: cash balance of £43.0m and money market deposits of £5.0m).

The Group bought back shares to the value of £130.0m during the period (2021: £174.4m) and paid dividends totaling £67.7m in May and October 2022 (2021: £64.5m).

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 the period to 30 June 2024 (“the going concern period”) and modelled the likely timing of cashflows from our customers 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). 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 the period to 30 June 2024 and are therefore prepared the financial statements on a going concern basis.

Judgements and estimates

The preparation of the consolidated financial statements in accordance with UK Adopted International accounting standards and the requirements of Companies Act 2006 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods, if applicable.

Management has determined that there are no significant areas of estimation uncertainty or critical judgements in applying accounting policies that have a significant effect on the amounts recognised in the consolidated financial statements.

2 Significant accounting policies

New and revised standards and interpretations

There were no new standards adopted by the group during the year.

The IASB have issued some amendments to IFRS that become mandatory in a subsequent accounting period. The Group has evaluated these changes and assessed that there are no standards that are issued, but not yet effective, that would be expected to have a material impact on the Group in the current or future reporting periods nor on foreseeable future transactions.

3 Revenue

The Group’s operations and main revenue streams are those described in these 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 business units.

| Year ended | Agency | New Homes | Other | Total |
|-------------------------|----------------|------------------|---------------|----------------|
| 31 December 2022 | £000 | £000 | £000 | £000 |
| Revenue stream | | | | |
| Property products | 247,310 | 52,588 | 17,254 | 317,152 |
| Non-property products | - | - | 15,470 | 15,470 |
| | 247,310 | 52,588 | 32,724 | 332,622 |
| Year ended | Agency | New Homes | Other | Total |
| 31 December 2021 | £000 | £000 | £000 | £000 |
| Revenue stream | | | | |
| Property products | 224,490 | 50,026 | 14,211 | 288,727 |

| | | | | |
|-----------------------|---------|--------|--------|---------|
| Non-property products | - | - | 16,159 | 16,159 |
| | 224,490 | 50,026 | 30,370 | 304,886 |

Geographic information

In presenting information on the basis of geography, revenue and assets reflect the geographical location of customers.

| Group | 2022 | | 2021 | |
|-------------------|-----------------|------------------------------|-----------------|------------------------------|
| | Revenue £000 | Trade receivables £000 | Revenue £000 | Trade receivables £000 |
| UK | 327,188 | 20,880 | 300,056 | 17,876 |
| Rest of the world | 5,434 | 29 | 4,830 | 54 |
| | 332,622 | 20,909 | 304,886 | 17,930 |

Contract balances

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 Agency, Overseas and Commercial customers, for which revenue is recognised as or when the services are provided.

The following table provides information about contract assets and contract liabilities from contracts with customers:

| | Contract assets £000 | Contract liabilities £000 |
|---|-------------------------|---------------------------------|
| Contract balances as at 31 December 2021 | 120 | (2,633) |
| Performance obligations satisfied in previous years | (120) | - |
| Performance obligations satisfied in current year | - | 2,623 |
| Accrued/(deferred) during the year | 454 | (2,315) |
| Contract balances as at 31 December 2022 | 454 | (2,325) |

4 Operating profit

| | 2022 £000 | 2021 £000 |
|---|--------------|--------------|
| Operating profit is stated after charging: | | |
| Employee benefits | 45,474 | 37,974 |
| Depreciation of property, plant and equipment | 3,504 | 3,448 |
| Amortisation of intangibles | 1,082 | 991 |
| Trade receivables impairment charge | 733 | 260 |

| Auditor's remuneration | 2022 £000 | 2021 £000 |
|--|--------------|--------------|
| Fees payable to the Company's auditor in respect of the audit | | |
| Audit of the Company's financial statements | 140 | 53 |
| Audit of the Company's subsidiaries pursuant to legislation | 310 | 235 |
| Total audit remuneration | 450 | 288 |

| | | |
|---|-----------|-----------|
| Fees payable to the Company's auditor in respect of non-audit related services | | |
| Half year review of the condensed financial statements | 40 | 25 |
| All other services | 10 | 2 |
| Total non-audit remuneration | 50 | 27 |

There were no other fees payable to EY LLP (2021: there were no other fees payable to KPMG LLP).

In the prior year operating profit is stated after the credit for “Other Income” which relates to the release of the provision, in June 2021, for contingent consideration that arose of the acquisition of Rightmove Landlord and Tenant Services Limited in 2019. The provision was released due to the possibility of meeting the threshold performance criteria within the remaining timescales, to the end of 2021, being remote.

5 Earnings per share (EPS)

| | £000 | Pence per share | |
|---|----------------|-----------------|-------------|
| | | Basic | Diluted |
| Year ended 31 December 2022 | | | |
| Profit for the year and EPS | 195,681 | 23.4 | 23.4 |
| Underlying profit and underlying EPS | 198,751 | 23.8 | 23.7 |
| Year ended 31 December 2021 | | | |
| Profit for the year and EPS | 183,094 | 21.3 | 21.3 |
| Underlying profit and underlying EPS | 186,815 | 21.8 | 21.7 |

Weighted average number of ordinary shares (basic)

| | 2022 Number of shares | 2021 Number of shares |
|--|--------------------------|-----------------------------|
| Issued ordinary shares at 1 January less ordinary shares held by the EBT and SIP Trust | 857,732,814 | 884,234,565 |
| Less own shares held in treasury at the beginning of the year | (12,480,472) | (13,285,490) |
| Weighted effect of own shares purchased for cancellation | (9,977,584) | (12,603,891) |
| Weighted effect of share-based incentives exercised | 144,448 | 436,477 |
| Weighted effect of shares purchased | (99,344) | (11,640) |
| Issued ordinary shares at 31 December less ordinary shares held by treasury, SIP and the EBT | 835,319,862 | 858,770,021 |

Weighted average number of ordinary shares (diluted)

In calculating diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive shares. The Group’s potentially dilutive instruments are in respect of share-based incentives granted to employees.

| | 2022 Number of shares | 2021 Number of shares |
|---|--------------------------|--------------------------|
| Weighted average number of ordinary shares (basic) | 835,319,862 | 858,770,021 |
| Dilutive impact of share-based incentives outstanding | 2,185,506 | 1,511,725 |
| | 837,505,368 | 860,281,746 |

The average market value of the Group’s shares for the purposes of calculating the dilutive effect of share-based incentives was based on quoted market prices during the period which the share-based incentives were outstanding.

6 Dividends

Dividends declared and paid by the Company were as follows:

| | 2022 | | 2021 | |
|---|-----------------|---------------|-----------------|--------|
| | Pence per share | £000 | Pence per share | £000 |
| 2020 final dividend paid | - | - | 4.50 | 38,900 |
| 2021 interim dividend paid | - | - | 3.00 | 25,594 |
| 2021 final dividend paid | 4.8 | 40,312 | - | - |
| 2022 interim dividend paid | 3.3 | 27,393 | - | - |
| | 8.1 | 67,705 | 7.5 | 64,494 |
| Unclaimed dividends returned | - | (26) | - | (47) |
| Net dividends included in the statement of cash flows | - | 67,679 | - | 64,447 |

After the reporting date, a final dividend of 5.2p (2021: 4.8p) per qualifying ordinary share, being £42,911,000 (2021: £40,403,000), was proposed by the Board of Directors. The final dividend will be paid, subject to shareholder approval, on 26 May 2023.

The 2021 final dividend of £40,312,000 (4.8p per qualifying share) was paid on 27 May 2022. It was £91,000 lower than that reported in the 2021 annual accounts due to a decrease in the ordinary shares entitled to a dividend between 25 February 2022 and the interim dividend record date of 29 April 2022.

The 2022 interim dividend paid on 28 October 2022 was £27,393,000, being £407,000 lower than that reported in the 2022 Half Year report of £27,800,000. This was due to a decrease in the number of ordinary shares entitled to a dividend between 30 June 2022 and the interim dividend record date of 30 September 2022.

7 Income tax expense

| | 2022 | 2021 |
|--|---------------|--------|
| | £000 | £000 |
| Current tax expense | | |
| Current year | 46,041 | 42,307 |
| Adjustment to current tax charge in respect of prior years | 102 | 113 |
| | 46,143 | 42,420 |
| Deferred tax | | |
| Origination and reversal of temporary differences | (195) | (113) |
| Adjustment to deferred tax in respect of prior years | (85) | 175 |
| Increase in tax rate at which deferred tax is being recognised | (262) | 73 |
| | (542) | 135 |
| Total income tax expense | 45,601 | 42,555 |

Income tax recognised directly in equity

| | 2022 | 2021 |
|---|--------------|--------------|
| | £000 | £000 |
| Current tax | | |
| Share-based incentives | (28) | (609) |
| Deferred tax | | |
| Share-based incentives | 1,180 | (260) |
| Increase in tax rate at which deferred tax is being recognised | 68 | (59) |
| | 1,248 | (319) |
| Total income tax charge/(credit) recognised directly in equity | 1,220 | (928) |

Total income tax recognised directly in equity in respect of the Company was a charge of £123,000 (2021: a credit of £211,000).

Reconciliation of effective tax rate

The Group's consolidated effective tax rate for the year ended 31 December 2022 is 18.9% (2021: 18.9%) which is lower than (2021: lower than) the standard rate of corporation tax in the UK due to the items shown below:

| | 2022 | 2021 |
|--|----------------|---------|
| | £000 | £000 |
| Profit before tax | 241,282 | 225,649 |
| Current tax at 19.0% (2021: 19.0%) | 45,844 | 42,873 |
| (Increase)/reduction in tax rate at which deferred tax is being provided | (262) | 73 |
| Net (non-taxable income) /non-deductible expenses | 16 | (654) |
| Adjustment to deferred tax charge in respect of prior years | (85) | 175 |
| Adjustment to current tax charge in respect of prior years | 102 | 113 |
| Difference between the current and deferred tax rates | (14) | (25) |
| | 45,601 | 42,555 |

Factors affecting future tax charge

The increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly. The deferred tax at 31 December 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary differences.

8 Trade and other receivables

| | 2022 | 2021 |
|--|---------------|--------|
| Group | £000 | £000 |
| Trade receivables | 21,754 | 18,645 |
| Less provision for impairment of trade receivables | (845) | (715) |
| Net trade receivables | 20,909 | 17,930 |
| Prepayments | 5,243 | 5,028 |
| Interest receivable | 48 | 1 |
| Other debtors | 414 | 153 |
| | 26,614 | 23,112 |

9 Trade and other payables

| | 2022 | 2021 |
|------------------------------------|---------------|--------|
| | £000 | £000 |
| Trade payables | 1,155 | 3,056 |
| Trade accruals | 6,147 | 7,748 |
| Other creditors | 1,284 | 979 |
| Other taxation and social security | 12,288 | 10,974 |
| | 20,874 | 22,757 |

10 Share capital

| | 2022 | | 2021 | |
|-------------------------------------|----------------|---------------------|----------------|---------------------|
| | Amount £000 | Number of shares | Amount £000 | Number of shares |
| In issue ordinary shares | | | | |
| At 1 January | 860 | 859,678,232 | 887 | 886,387,616 |
| Purchase and cancellation of shares | (22) | (22,277,147) | (27) | (26,709,384) |
| At 31 December | 838 | 837,401,085 | 860 | 859,678,232 |

All issued shares are fully paid. The nominal value of a share is 0.1p. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at general meetings of the Company. Included within shares in issue at 31 December 2022 are 1,375,963 (2021: 1,158,418) shares held by the EBT, 930,592 (2021: 787,000) shares held by the SIP and 12,185,222 (2021: 12,480,472) shares held in Treasury.

In June 2007, the Company commenced a share buyback program to purchase its own ordinary shares. The total number of shares bought back in 2022 was 22,277,147 (2021: 26,709,384) shares representing 2.7% (2021: 3.1%) of the ordinary shares in issue (excluding shares held in treasury). All the shares bought back in both years were cancelled. The shares were acquired on the open market at a total consideration (excluding costs) of £129,981,000 (2021: £174,369,000). The maximum and minimum prices paid were £6.89 (2021: £7.83) and £4.39 (2021: £5.52) per share respectively. The average price paid was £5.83 (2021: £6.53). Costs incurred on purchase of own shares in relation to stamp duty charges and broker expenses were £910,000 (2021: £1,224,000).

11 Reconciliation of movement in capital and reserves

Own shares held – £000

| | EBT shares reserve £000 | SIP shares reserve £000 | Treasury shares £000 | Total £000 |
|---|-------------------------------|-------------------------------|----------------------------|-----------------|
| Own shares held as at 1 January 2021 | (1,825) | (3,415) | (6,312) | (11,552) |
| Shares purchased for share incentive plans | (1,127) | (157) | - | (1,284) |
| Shares transferred to SIP | 1,127 | (1,127) | - | - |
| Share-based incentives exercised in the year | 273 | 560 | 383 | 1,216 |
| SIP releases in the year | - | 32 | - | 32 |
| Own shares held as at 31 December 2021 | (1,552) | (4,107) | (5,929) | (11,588) |
| Own shares held as at 1 January 2022 | (1,552) | (4,107) | (5,929) | (11,588) |
| Shares purchased for share incentive plans | (2,216) | (682) | - | (2,898) |
| Shares transferred to SIP | 555 | (555) | - | - |
| Share-based incentives exercised in the year | 56 | 289 | 140 | 485 |
| SIP releases in the year | - | 103 | - | 103 |
| Own shares held as at 31 December 2022 | (3,157) | (4,952) | (5,789) | (13,898) |

Own shares held – number of shares

| | EBT shares reserve | SIP shares reserve | Treasury shares | Total |
|---|-----------------------|-----------------------|--------------------|-------------------|
| Own shares held as at 1 January 2021 | 1,395,476 | 757,575 | 13,285,490 | 15,438,541 |
| Shares purchased for share incentive plans | 148,147 | 20,278 | - | 168,425 |
| Shares transferred to SIP | (148,147) | 148,147 | - | - |
| Share-based incentives exercised in the year | (237,058) | (133,200) | (805,018) | (1,175,276) |
| SIP releases in the year | - | (5,800) | - | (5,800) |
| Own shares held as at 31 December 2021 | 1,158,418 | 787,000 | 12,480,472 | 14,425,890 |
| Own shares held as at 1 January 2022 | 1,158,418 | 787,000 | 12,480,472 | 14,425,890 |
| Shares purchased for share incentive plans | 432,254 | 128,774 | - | 561,028 |
| Shares transferred to SIP | (99,476) | 99,476 | - | - |
| Share-based incentives exercised in the year | (115,233) | (63,893) | (295,250) | (474,376) |
| SIP releases in the year | - | (20,765) | - | (20,765) |
| Own shares held as at 31 December 2022 | 1,375,963 | 930,592 | 12,185,222 | 14,491,777 |

(a) EBT shares reserve

This reserve represents the cost of own shares acquired by the EBT less any exercises of share-based incentives.

At 31 December 2022, the EBT held 1,375,963 (2021: 1,158,418) ordinary shares in the Company, representing 0.2% (2021: 0.1%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held in the EBT at 31 December 2022 was £7,031,000 (2021: £9,209,000).

(b) SIP shares reserve

In November 2014, the Company established the Rightmove Share Incentive Plan Trust (SIP). This reserve represents the cost of acquiring shares less any exercises or releases of SIP awards. Employees of Rightmove Group Limited and Rightmove plc were offered 500 free shares with effect from 21 December 2022 (2021: 400), subject to a three-year service period. During the year 63,893 shares were exercised (2021: 133,200) and 20,765 shares (2021: 5,800) were released by the SIP in relation to good leavers and retirees. 99,476 shares were transferred to the SIP reserve from the EBT (2021: 148,147).

At 31 December 2022, the SIP held 930,592 (2021: 787,000) ordinary shares in the Company, representing 0.1% (2021: 0.1%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held in the SIP at 31 December 2022 was £4,755,000 (2021: £6,257,000).

(c) Treasury shares

This represents the cost of acquiring shares held in treasury less any exercises of share-based incentives. These shares were bought in 2008 at an average price of 47.60 pence and may be used to satisfy certain share-based incentive awards. The market value of the shares held in treasury at 31 December 2022 was £62,266,000 (2021: £99,220,000).

Other reserves

This represents the Capital Redemption Reserve in respect of own shares bought back and cancelled. The movement of £22,000 (2021: £27,000) is the nominal value of ordinary shares bought back and cancelled during the year.

Details of share buybacks and cancellation of shares are disclosed in note 10.

Retained earnings

The loss on the exercise of share-based incentives of £106,000 (2021: £482,000) is the difference between the value that the own shares, held by the EBT, SIP and treasury, were originally acquired at and the exercise price at which share-based incentives were exercised or released during the year.

12 Share-based payments

The Group operates share-based incentive schemes for executive directors and employees.

All share-based incentives are subject to a service condition. Such conditions are not taken into account in the fair value of the service received. The fair value of services received in return for share-based incentives is measured by reference to the fair value of share-based incentives granted. The estimate of the fair value of the share-based incentives is measured using either the Monte Carlo or Black Scholes pricing model as is most appropriate for each scheme. National insurance is being accrued, where applicable, at a rate of 13.8%, which management expects to be the prevailing rate when the awards are exercised, based on the share price at the reporting date.

The Group recognised a total share-based incentives charge for the year of £4,179,000 (2021: £3,923,000) plus a related national insurance credit of £110,000 (2021: charge £942,000) – total share-based payments related charges of £4,069,000 (2021: £4,865,000).

ADVISERS AND SHAREHOLDER INFORMATION

Contacts

Chief Executive Officer: Peter Brooks-Johnson
Chief Financial Officer: Alison Dolan
Company Secretary: Carolyn Pollard
Website: <https://plc.rightmove.co.uk>

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Registered in
England no. 06426485

Corporate advisers

Financial adviser
UBS Investment Bank
Joint brokers
UBS AG London Branch
Numis Securities Limited
Auditor
EY LLP

Financial calendar 2022

2022 full year results 3 March 2023
Final dividend record date 28 April 2023
Annual General Meeting 5 May 2023
Final dividend payment 26 May 2023
Half year results 28 July 2023

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⁽¹⁾

⁽¹⁾ 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:

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.

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Shareholders can register online to view your holdings using the shareholder portal, a service offered by Link Group at 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