

HALF YEAR RESULTS ANNOUNCEMENT FOR RIGHTMOVE PLC - SIX MONTHS ENDED 30 JUNE 2024

Rightmove plc, the UK's largest property portal, today announces its unaudited results for the six months ended 30 June 2024.

A strong financial performance during a period of investment, driven by continued demand from agents and new homes developers for our products and services

Reiterating full-year 2024 guidance

Financial Highlights	H1 2024	H1 2023	Change vs 2023	% Change vs 2023
Revenue	£192.1m	£179.5m	£12.6m	7%
Operating profit	£131.6m	£129.5m	£2.1m	2%
Underlying operating profit ⁽¹⁾	£135.1m	£133.2m	£1.9m	1%
Interim dividend	3.7p	3.6p	0.1p	3%
Basic earnings per share	12.4p	12.1p	0.3p	2%
Underlying basic earnings per share ⁽²⁾	12.8p	12.5p	0.3p	2%

- Revenue up £12.6m/7% to £192.1m, as both agents and new homes developers renewed contracts, upgraded their packages and invested in additional products
- Operating profit of £131.6m, up 2% (2023: £129.5m)
- Underlying operating profit⁽¹⁾ of £135.1m, up 1% (2023: £133.2m)
- Basic earnings per share up 2% to 12.4p (2023: 12.1p); underlying basic earnings per share⁽²⁾ up 2% to 12.8p (2023: 12.5p)
- Operating profit and underlying operating profit include one-off acquisition costs of £0.6m, relating to HomeViews and the strategic long-term investment in Coadjute, as well as a one-off charge of £3.0m in relation to the investment in Coadjute (see Financial Performance and note 13): adjusting to remove the impact of these costs would mean that operating profit would be £135.2m, up 4%; underlying operating profit would be £138.7m, up 4%; and underlying EPS would be 13.2p, up 6%
- Interim dividend up 3% to 3.7p per ordinary share (2023: 3.6p)
- £100.2m of returns to shareholders through share buybacks and dividends in the first half of 2024 (2023: £97.6m); 10.1 million shares (1.2% of outstanding share capital) cancelled to 30 June (2023: 10.0 million)
- Cash and cash equivalents, including money market deposits, of £28.1m (31 December 2023: £38.8m)

Operational highlights

- Our market share leadership position continues at over 80% (2024: 86%, 2023: 86%)⁽³⁾, as we remain the trusted site for home-hunters to inform themselves about the housing market
- Resilient traffic, with a total of 8.3 billion⁽⁴⁾ minutes spent on the platform in the period (2023: 8.2 billion).
- Membership numbers stable: up 276/1% since the start of the year at 19,061 (Dec 23: 18,785), driven by strong growth in Agency Lettings members. Agency branches were 16,193 and New Homes developments totalled 2,868 (31 December 2023: 15,839 and 2,946)
- Average Revenue Per Advertiser (ARPA) ⁽⁵⁾ up 6% to £1,497 per month (30 June 2023: £1,411)
- New Homes ARPA growth of £164/9%, and Agency ARPA growth of £76/6%, both driven by increased product and package purchases and partner contract renewals
- Penetration of the top Estate Agency package, Optimiser, increased to 36% (Dec 23: 35%) and membership of the New Homes top package, Advanced, increased to 56% (Dec 23: 53%)
- Continued product innovation, with over 130 features and enhancements underway in 2024, and 24 product teams all enabled with AI copilots
- Positive progress on Strategic Growth Areas during the half, with revenue growth of 30%⁽⁶⁾
- Continued focus on advocating for our partners, consumers and the wider property industry.

- (1) Underlying operating profit is operating profit before the share-based payments charges (including the related NI charge)
- (2) Underlying basic 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
- (3) Source: Comscore, June 2023 and June 2024. Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove sites, zoopla.co.uk, primelocation.com, onthemarket.com, United Kingdom.
- (4) Source: Google Analytics
- (5) 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
- (6) Strategic Growth Areas comprise Commercial, Mortgages and Rental Services. Combined revenues in H1 2024 of £11.2m (H1 2023: £8.6m)

Summary and Outlook

Our financial performance in the first half of 2024 reflects the strength of our business model, our market-leading position with UK consumers, and the power of the Rightmove network effect. We continue to build the business from this position of strength.

For the full year 2024, our guidance from the trading statement on 10 May is unchanged: we continue to expect revenue growth of 7-9%, with membership growth of up to 2% across Estate Agency and New Homes, and full-year ARPA growth of £75-85.

We continue to invest in product innovation for both our consumers and our partners, and are accelerating our strategic growth areas of commercial real estate, rental services and mortgage lead generation, all while maintaining disciplined cost management. We continue to anticipate an underlying operating margin, when excluding the one-off acquisition costs and Coadjute investment, of 70% in 2024.

Our capital allocation policy remains unchanged. We prioritise organic investment, including any bolt-on M&A that might help us to accelerate the execution of our strategy. We then prioritise a progressive dividend policy, following which all remaining cash generated in the year is returned via share buybacks.

The strength of our business model, coupled with ongoing innovation, underpins the Board's confidence in Rightmove's outlook for 2024 and beyond.

Johan Svanstrom, Chief Executive Officer, said:

"We're pleased to deliver a strong set of H1 results, and to be progressing in executing our plan to build an even more valuable digital platform for the UK property industry."

"Our performance came against the backdrop of the sustained challenging mortgage rate environment. The period saw a pick-up in existing-homes listings and transactions, a continued yet softening imbalance of demand and supply for rentals, and a tentative outlook for new homes development volumes. With the election now concluded, the property market looks forward to potential interest rate reductions which will further stimulate activity."

"On the back of our leading position in the market, we have exciting momentum expanding our products and innovation for consumers and partners and remain confident in Rightmove's long-term prospects."

The Company will present its results at a meeting for analysts and investors, to be held at 9:30am today and available online at <https://edge.media-server.com/mmc/p/nk8x46xy>

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About Rightmove

- Rightmove has the UK's largest selection of properties for sale and to rent, adds more listings than anyone else, and over 80% of all time spent on property portals is on Rightmove
- Rightmove's vision is to give everyone the belief that they can make their move by giving people the best place to turn and return to for access to tools and expertise to make it happen
- People can search Rightmove for residential resale, new homes, rentals, commercial property and overseas properties and use tools and information including securing a Mortgage in Principle, checking local sold prices, property valuations, market trends, maps and schools
- Partners include the following key groups: estate agents, lettings agents, new homes developers, rental operators, commercial property operators and overseas property agents
- Using the UK's largest housing datasets, we issue a number of regular reports to track housing market indicators: our monthly House Price Index (established 2002), our quarterly Rental Trends Tracker (established 2015), and a weekly Mortgage Rates Tracker (established 2023). Historical data is available on request
- Founded in 2000, Rightmove listed on the London Stock Exchange in 2006 and is a member of the FTSE 100 index.

Half Year Statement

Throughout the first half of 2024 partner demand for our products and services was strong and we have continued to invest and to innovate to expand our business, in order to deliver meaningful acceleration in both revenues and profits over the coming years.

The recovery in the housing market so far this year has been tentative: mortgage rates have eased a little but remain high, and housing transactions remain muted and slow to close – taking an average of seven months from first listing to completion. Nonetheless, our partners remained focused on competing for new vendor mandates and delivering value for their customers (our consumers) and continued to rely on our products to help them to do that.

Estate agents' investment in our packages and products increased Agency revenues by 7% and Agency ARPA⁽¹⁾ by 6%, to £1,417 (June 23: £1,341). Over 36% of our agent partners are now on our top package, Optimiser (Dec 2023: 35%). Vendor lead products, such as Local Valuation Alert, increased by 8% and we saw record growth in the number of new Lettings partners (a net c.350 increase on June 2023).

The acquisition of HomeViews – which provides the UK's largest community of verified residential reviews of property developments - was a valuable addition to our already strong listings proposition for Rental Operators.

New homes developers continued to face a challenging market, with competition from the resale market in the face of a tentative pickup in demand. We welcome the new government's proposals to reform the planning system and to 'get Britain building'. However, while developers are being generally cautious in their approach to building so far this year, their usage of our digital products remained strong and New Homes ARPA⁽²⁾ increased by 9% to £1,940 as a result (June 23: £1,776). Revenue growth was more muted (4%) as development numbers reduced to 2,868 (Dec 2023: 2,946) reflecting the slower pace of building. The number of developments on our top tier package, Advanced, increased to 56% (Dec 2023: 53%).

Our Strategic Growth Areas continued to make progress, with Mortgages delivering stellar growth in Mortgages in Principle volumes and revenue up 176%/£1.4m to £2.2m. Commercial revenues grew by 12%/£0.7m to £6.5m, reflecting both increased membership numbers and contract renewals. Within Rental Services, our Lead to Keys proposition continues to gain traction with lettings agents and we enhanced further the quality and efficiency of the product during the half. Rental Services revenues grew by 29%/£0.6m to £2.5m.

Overall, total revenues increased by 7% on the same period in 2023 to £192.1m and Group ARPA⁽³⁾ grew by 6% to £1,497 (June 2023: £1,411).

Innovation in new products, not only for partners but for consumers, continued apace and we will launch our latest consumer enhancement - Renovation Calculator - in the third quarter, which will allow consumers to evaluate the uplift in the value of their property from specific renovations.

Growth in the first half was underpinned by our ongoing investment in both the Rightmove platform and people. Over 100 people have been recruited so far in 2024, and our developers are now AI-enabled, with Github Copilot. Rightmove was listed as a Sunday Times Best Place to Work for the first time and over 80% of employees think Rightmove is a great place to work.

Rightmove remains the only place to find virtually the whole of the UK property market in one place. It is the place home hunters turn to first, and engage with most, to help them with their searches. Our platform is central to making any move easier through driving the digitisation of the property market and we also provide insights into the market from our vast and unique property market data. As the market leader our market share of consumer time is over 80%⁽⁴⁾.

Our strategy is to generate growth for all our stakeholders. We enjoy working with all our partners to build success together and to advocate for the industry, which in turn generates growth for Rightmove and our shareholders.

(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) 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 24

Financial performance

Revenue

Revenue increased by £12.6m/7% year on year to £192.1m (2023: £179.5m) with growth across all business units.

	H1 2024	H1 2023	Change vs 2023	Change vs 2023 %
	£m	£m	£m	
Agency	138.5	129.4	9.1	7%
New Homes	33.9	32.7	1.2	4%
Other	19.7	17.4	2.3	13%
Total revenue	192.1	179.5	12.6	7%

	30 June 2024	31 Dec 2023	30 June 2023	Change vs Dec 2023	Change vs Dec 2023 %
Agency branches	16,193	15,839	16,093	354	2%
New Homes devs	2,868	2,946	3,023	(78)	(3%)
Total membership	19,061	18,785	19,116	276	1%

Agency revenue increased by £9.1m year on year to £138.5m, as core membership price increases were secured through partner contract-renewals and agents continued to purchase additional products. HomeViews, acquired in February, contributed £0.7m of the increase in revenue. Agency ARPA⁽¹⁾ increased by £76/6% to £1,417 (June 2023: £1,341) and agency membership numbers were up 2% on 31 December 2023, ending the first half of the year at 16,193 branches.

New Homes revenue increased by 4% to £33.9m, through contract renewals, upgrades to our top package, and the developers purchasing incremental products. New Homes ARPA⁽²⁾ increased by £164/9% to £1,940 per development per month (June 2023: £1,776) and the strength of this ARPA growth more than offset development listings which, at 2,868, were marginally down on December.

Other revenue increased to £19.7m, driven primarily by the increased volume of MIPs (mortgages in principle) delivered within our Mortgages business and increased membership numbers and successful contract renewals within our Commercial business.

Administration costs

Total costs increased by £10.5m to £60.5m (2023: £50.0m), which included share-based payments charges and related National Insurance charges of £3.5m (2023: £3.7m).

Excluding share-based payments charges and related National Insurance, underlying operating costs⁽³⁾ increased by £10.7m/23% to £57.0m (2023: £46.3m). The increase is due primarily to:

- the £3.0m strategic investment in Coadjute (a property market technology company: see note 13), which was written down immediately given the long-term nature of the investment, and £0.6m relating to the acquisition costs of Coadjute and of acquiring HomeViews;
- higher people costs, reflecting on-going investment in line with the growth ambitions set out at our Capital Markets Day in November 2023 (c£5m);
- increased spend on IT security, infrastructure and cloud hosting (c£2m); and
- other general and admin costs.

The share-based payments charge of £3.5m was broadly flat on 2023 as the impact of new awards was largely offset by credits arising from forfeitures.

Operating profit

Operating profit increased by £2.1m to £131.6m (H1 2023: £129.5m), with an operating profit margin of 69% (H1 2023: 72%).

Underlying operating profit⁽⁴⁾ increased by £1.9m/1% to £135.1m, with an underlying operating profit margin⁽⁵⁾ of 70% (June 2023: 74%).

If the one-off acquisition costs of £0.6m and Coadjute investment charge of £3.0m are excluded, the underlying operating profit would be £138.7m, an increase of 4% on prior year, and the underlying operating margin would be 72%.

	H1 2024 £m	H1 2023 £m	Change vs 2023 £m	Change vs 2023 %
Revenue	192.1	179.5	12.6	7%
Underlying costs ⁽³⁾	(57.0)	(46.3)	(10.7)	(23%)
Underlying operating profit⁽⁴⁾	135.1	133.2	1.9	1%
Underlying operating margin⁽⁵⁾	70%	74%		
Share based incentive costs	(3.5)	(3.7)	0.2	5%
Operating profit	131.6	129.5	2.1	2%
Operating Margin	69%	72%		

Earnings per share (EPS)

Basic EPS increased by 2% to 12.4p (2023: 12.1p), driven by the increase in profit and the share buyback programme, which reduced the weighted average number of ordinary shares in issue to 795.1m (2023: 819.8m).

Underlying basic EPS⁽⁶⁾ (based on underlying profit) increased by 2% to 12.8p (2023: 12.5p).

Excluding the acquisition costs of £0.6m and the £3.0m Coadjute investment, underlying basic EPS would be 13.2p, an increase of 6% on 2023.

Summary consolidated statement of financial position

	30 June 2024 £m	31 December 2023 £m	30 June 2023 £m	Change from Dec 2023 £m
Property, plant and equipment	9.1	9.4	9.2	(0.3)
Intangible assets	34.0	21.8	22.0	12.2
Deferred tax asset	1.7	2.4	2.1	(0.7)
Trade and other receivables	29.9	31.5	31.8	(1.6)
Contract assets	1.1	0.8	0.8	0.3
Income tax receivable	-	0.2	-	(0.2)
Cash including money market deposits	28.1	38.8	43.2	(10.7)
Trade and other payables	(26.9)	(24.7)	(23.9)	(2.2)
Contract liabilities	(2.2)	(2.5)	(2.0)	0.3
Income tax payable	(0.9)	-	(0.7)	(0.9)
Lease liabilities	(6.7)	(7.5)	(8.3)	0.8
Provisions	(0.8)	(0.8)	(0.8)	-
Other non-current liabilities	(0.4)	-	-	(0.4)
Net assets	66.0	69.4	73.4	(3.4)

Rightmove's balance sheet as at 30 June 2024 shows total equity of £66.0m (31 December 2023: £69.4m) and reflects the continued strong trading position and returns to shareholders.

The increase in intangible assets to £34.0m is mostly due to the acquisition of HomeViews (see note 13), generating goodwill and intangible assets on consolidation of £8.8m, as well as capitalisation of increased investment in product development of £4.4m.

Trade and other receivables of £29.9m, are down £1.6m on December 2023 reflecting a decrease in underlying trade receivables, partially offset by an increase in prepayments and other receivables reflecting timing. Trade and other payables of £26.9m increased due to timing of accruals at half year. 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 £143.2m (30 June 2023: £131.7m) and operating cash conversion of 109%⁽⁷⁾.

The closing Group cash balance at 30 June 2024, including money market deposits, was £28.1m (31 December 2023: £38.8m). Cash remains invested in short-term, easily accessible money market deposits, including in a green money-market fund.

The Group bought back and cancelled 10.1 million ordinary shares during the period (2023: 10.0m), at a cost of £55.0m (excluding expenses) as part of its ongoing share buyback programme (2023: £55.0m). Dividends totalling £45.2m in relation to the final 2023 dividend were also paid during the period (2023: £42.6m).

Shareholder returns

Consistent with the policy of growing dividends broadly in line with the increase in Underlying EPS, the Directors are declaring an interim dividend of 3.7p per ordinary share, which will be paid on 25 October 2024 to all shareholders on the register as at 27 September 2024. We intend to continue the share buyback programme in the second half of 2024.



Alison Dolan
Chief Financial Officer

- (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 operating 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 basic 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 £143.2m (2023: £131.7m) compared to operating profit as reported in the income statement of £131.6m (2023: £129.5m).

Principal Risks and Uncertainties

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

Consideration is given to emerging risks and to any changes in the internal or external environment that could impact our strategy and the way 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. The risks set out in the 2023 Annual Report remain relevant for 2024 and there have been no significant changes.

Statement of Directors' responsibilities

The Directors are responsible for preparing the interim report in accordance with applicable law and regulations. The Directors confirm that the condensed consolidated interim financial information has been prepared in accordance with UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim management report includes a fair review of the information required by the Disclosure and Transparency Rules paragraphs 4.2.7R and 4.2.8R, namely:

- an indication of important events that have occurred during the six months ended 30 June 2024 and their impact on the condensed set of financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions during the six months ended 30 June 2024 and any material changes in the related-party transactions described in the Annual Report and Accounts 2023.

The Directors of Rightmove plc are listed in the Annual Report and Accounts 2023. A list of current Directors is maintained on the Rightmove plc website: <https://plc.rightmove.co.uk>.

The Directors are responsible for the maintenance and integrity of, amongst other things, the financial and corporate governance information as provided on the Rightmove website (<https://plc.rightmove.co.uk>). Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

The interim report was approved by the Board of Directors and authorised for issue on 26 July 2024 and signed on its behalf by:

Johan Svanstrom
Chief Executive Officer



Alison Dolan
Chief Financial Officer

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 June 2024

	Note	Six months ended 30 June 2024 £000	Six months ended 30 June 2023 £000	Year ended 31 December 2023 £000
Revenue	5	192,114	179,454	364,316
Administrative expenses		(60,512)	(49,944)	(106,283)
Operating profit		131,602	129,510	258,033
<i>Operating profit before share-based incentive charge</i>		135,138	133,171	264,570
<i>Share- based incentive charge</i>	6	(3,536)	(3,661)	(6,537)
Financial income		1,356	1,008	2,227
Financial expenses		(270)	(234)	(491)
Net financial income		1,086	774	1,736
Profit before tax		132,688	130,284	259,769
Income tax expense	9	(33,748)	(30,840)	(60,618)
Profit for the period being total comprehensive income		98,940	99,444	199,151
Attributable to:				
Equity holders of the Parent		98,940	99,444	199,151
Earnings per share (pence)				
Basic	7	12.4	12.1	24.5
Diluted	7	12.4	12.1	24.4

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
Company number 06426485
at 30 June 2024

	Note	30 June 2024 £000	30 June 2023 £000	31 December 2023 £000
Non-current assets				
Property, plant and equipment		9,083	9,226	9,385
Intangible assets	13	34,005	22,008	21,842
Deferred tax assets	9	1,690	2,059	2,383
Total non-current assets		44,778	33,293	33,610
Current assets				
Trade and other receivables	10	29,928	31,798	31,474
Contract assets	5	1,084	838	759
Income tax receivable		-	-	165
Money market deposits		5,363	5,131	5,224
Cash and cash equivalents		22,740	38,091	33,641
Total current assets		59,115	75,858	71,263
Total assets		103,893	109,151	104,873
Current liabilities				
Trade and other payables	11	(26,921)	(23,871)	(24,737)
Lease liabilities		(2,387)	(2,274)	(2,291)
Contract liabilities	5	(2,157)	(1,958)	(2,536)
Income tax payable		(881)	(668)	-
Total current liabilities		(32,346)	(28,771)	(29,564)
Non-current liabilities				
Lease liabilities		(4,308)	(6,120)	(5,112)
Provisions		(847)	(835)	(841)
Other non-current liabilities	13	(400)	-	-
Total non-current liabilities		(5,555)	(6,955)	(5,953)
Total liabilities		(37,901)	(35,726)	(35,517)
Net assets		65,992	73,425	69,356
Equity				
Share capital		804	828	814
Other reserves		628	604	618
Retained earnings (net of own shares held)		64,560	71,993	67,924
Total equity attributable to the equity holders of the Parent		65,992	73,425	69,356

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

for the six months ended 30 June 2024

	Note	6 months ended 30 June 2024 £000	6 months ended 30 June 2023 £000	Year ended 31 December 2023 £000
Cash flows from operating activities				
Profit for the period		98,940	99,444	199,151
Adjustments for:				
Depreciation charges		1,782	1,759	3,424
Amortisation charges		967	770	1,560
Financial income		(1,356)	(1,008)	(2,227)
Financial expenses		270	234	491
Charge on investment	13	3,000	-	-
Share-based payments	6	3,330	3,315	5,886
Income tax expense	9	33,748	30,840	60,618
Operating cash flow before changes in working capital		140,681	135,354	268,903
Decrease/(increase) in trade and other receivables	10	1,153	(5,000)	(4,503)
Increase in trade and other payables	11	2,056	2,064	3,863
Increase in provisions		-	6	-
Increase in contract assets	5	(325)	(384)	(305)
Decrease in contract liabilities	5	(379)	(367)	211
Cash generated from operating activities		143,186	131,673	268,169
Financial expenses paid		(267)	(235)	(479)
Income taxes paid		(32,855)	(30,179)	(60,979)
Net cash from operating activities		110,064	101,259	206,711
Cash flows used in investing activities				
Interest received on cash and cash equivalents		1,548	816	1,694
Increase in money market deposits		-	(84)	-
Acquisition of property, plant and equipment		(866)	(456)	(2,018)
Acquisition of subsidiary, net of cash received	13	(7,552)	-	-
Acquisition of investment	13	(3,000)	-	-
Acquisition of intangible assets		(4,363)	(704)	(1,328)
Net cash used in investing activities		(14,233)	(428)	(1,652)
Cash flows used in financing activities				
Net dividends paid	8	(45,214)	(42,580)	(71,651)
Purchase of own shares for cancellation	12	(55,000)	(54,095)	(130,000)
Purchase of own shares for share incentive plans	12	(5,213)	-	(1,998)
Share-related expenses		(385)	(360)	(922)
Payment of lease liabilities		(1,306)	(1,275)	(2,530)
Proceeds on exercise of share-based incentives		386	481	594
Net cash used in financing activities		(106,732)	(97,829)	(206,507)
Net increase/(decrease) in cash and cash equivalents		(10,901)	3,002	(1,448)
Cash and cash equivalents at 1 January		33,641	35,089	35,089
Cash and cash equivalents at period end		22,740	38,091	33,641

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
for the six months ended 30 June 2024

	Share capital £000	Own shares held £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000	Total equity £000
At 1 January 2023	838	(13,898)	456	138	80,629	68,163
Total comprehensive income	-	-	-	-	99,444	99,444
Profit for the period						
Transactions with owners recorded directly in equity						
Share-based payments	-	-	-	-	3,315	3,315
Tax debit in respect of share-based incentives recognised directly in equity	-	-	-	-	(2)	(2)
Exercise of share-based incentives	-	517	-	-	(36)	481
Cancellation of own shares	(10)	-	10	-	(55,000)	(55,000)
Net Dividends paid	-	-	-	-	(42,588)	(42,588)
Cost of share purchases	-	-	-	-	(388)	(388)
At 30 June 2023	828	(13,381)	466	138	85,374	73,425
At 1 January 2023	838	(13,898)	456	138	80,629	68,163
Total comprehensive income	-	-	-	-	199,151	199,151
Profit for the year						
Transactions with owners recorded directly in equity						
Share-based payments	-	-	-	-	5,886	5,886
Tax credit in respect of share-based incentives recognised directly in equity	-	-	-	-	133	133
Net dividends	-	-	-	-	(71,651)	(71,651)
Exercise of share-based incentives	-	2,156	-	-	(1,562)	594
Purchase of shares for share incentive plan	-	(1,998)	-	-	-	(1,998)
Cancellation of own shares	(24)	-	24	-	(130,000)	(130,000)
Cost of share purchases	-	-	-	-	(922)	(922)
At 31 December 2023	814	(13,740)	480	138	81,664	69,356
At 1 January 2024	814	(13,740)	480	138	81,664	69,356
Total comprehensive income	-	-	-	-	98,940	98,940
Profit for the period						
Transactions with owners recorded directly in equity						
Share-based payments	-	-	-	-	3,330	3,330
Tax debit in respect of share-based incentives recognised directly in equity	-	-	-	-	(196)	(196)
Exercise of share-based incentives	-	488	-	-	(102)	386
Purchase of shares for plans	-	(5,213)	-	-	-	(5,213)
Cancellation of own shares	(10)	-	10	-	(55,000)	(55,000)
Net dividends paid	-	-	-	-	(45,226)	(45,226)
Cost of share purchases	-	-	-	-	(385)	(385)
At 30 June 2024	804	(18,465)	490	138	83,025	65,992

NOTES

1 General information

Rightmove plc (the Company) is a public limited 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 2024 comprise the Company and its interest in 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 2023 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.

Basis of preparation

These condensed interim financial statements, for the six months ended 30 June 2024, have been prepared in accordance with IAS 34 Interim Financial Reporting, under UK-adopted international accounting standards, and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority. They should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2023 ('last annual financial statements'). The interim financial statements do not include all the information required for a complete set of financial statements prepared in accordance with UK-adopted international accounting 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. New standards and amendments effective from 1 January 2024 have not had a material impact on the interim consolidated financial statements of the Group.

The interim financial statements were approved by the Board of Directors on 25 July 2024 and the results for the current and comparative period are unaudited. The auditor, Ernst & Young LLP, has carried out a review of the interim financial statements and its report is set out at the end of this document.

The interim financial information does not constitute statutory accounts within the meaning of sections 434 and 435 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 were approved by the Board of Directors on 29 February 2024 and have been delivered to the Registrar of Companies. The report of the auditors was unqualified.

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 basic earnings per share (EPS)*: which is defined as underlying profit, divided by the weighted average number of ordinary shares outstanding in 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 the share-based payments charge is 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 period to the underlying profit is presented below:

	6 months ended 30 June 2024	6 months ended 30 June 2023
	£000	£000
Profit for the period	98,940	99,444
Share-based incentives charge	3,330	3,315
NI on share-based incentives	206	346
Impact on tax charge	(817)	(684)
Underlying profit	101,659	102,421

Underlying profit is used instead of profit to calculate the underlying basic 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 divided by weighted average number of ordinary shares in issue for the period (note 7).

Underlying operating profit

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

	6 months ended 30 June 2024	6 months ended 30 June 2023
	£000	£000
Operating profit	131,602	129,510
Share-based incentives charge	3,330	3,315
NI on share-based incentives	206	346
Underlying operating profit	135,138	133,171

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:

	6 months ended 30 June 2024	6 months ended 30 June 2023
	£000	£000
Administrative expenses	60,512	49,944
Share-based incentives charge	(3,330)	(3,315)
NI on share-based incentives	(206)	(346)
Underlying costs	56,976	46,283

Going concern

The Directors have performed a detailed 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 £22.7m and money market deposits of £5.4m at 30 June 2024 (31 December 2023: cash balance £33.6m and money market deposits £5.2m).

The Group bought back shares to the value of £55.0m by 30 June 2024 (period ended 30 June 2023: £55.0m) and paid the 2023 final dividend of £45.2m in May 2024 (period ended 30 June 2023: £42.6m).

In reaching its assessment on going concern, the Directors have used the most recent Board approved forecasts for the Group for the period to 31 December 2025 ("the going concern period"), which have been modelled to reflect the expected impact of current economic conditions on trading, as set out in these financial statements.

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 31 December 2025 and modelled the likely timing of cashflows from our customers during the going concern period. These included severe but plausible downside scenarios that are considered to pose the greatest threat to the business model and future performance of the Group, such as: an economic shock, increased competition and new disruptive technologies, or a cyber threat. 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) – one scenario being a 30% reduction in revenue, irrespective of cause. Cost assumptions were also considered in each of the severe but plausible scenarios, including an increase in marketing costs and IT costs, employee recruitment and retention costs, and higher spend on innovation and protection of the platform. The scenarios were stress tested individually and in combination. In all combinations of the scenarios tested, the Group remained cash positive and debt-free.

The Directors also reviewed the results of a reverse stress test, which was undertaken to provide an illustration of the scenario required to exhaust cash balances. The possibility of this scenario arising was assessed to be highly remote and could arise only in extreme circumstances, much more severe than the scenarios modelled above.

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 at least the period to 31 December 2025 and have therefore prepared the financial statements on a going concern basis.

2 Material 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 2023.

3 Judgements and estimates

In preparing these interim financial statements in accordance with UK Adopted International accounting standards, management is required to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. 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, as described in the last annual financial statements.

4 Operating segments

Rightmove has one reportable segment, being the consolidated result. Whilst the Chief Operating Decision Maker separately monitors revenue for different business units they do not separately monitor business unit profit, operating costs, financial income, financial expenses and income taxes for these areas of the business, instead monitoring this on a consolidated level.

The Group presents internal financial information that measures business performance to the Chief Executive Officer, who is the Group's Chief Operating Decision Maker. This information is used for the purpose of making decisions about resources to be allocated and of assessing performance. This financial information includes information on revenue performance and specific monitoring of trade receivable levels for each of the following business units:

- 'Agency' which provides resale and lettings property advertising services on Rightmove's platforms;
- 'New Homes' which provides property advertising services to new home developers and housing associations on Rightmove's platforms; and
- 'Other' which comprises Overseas and Commercial property advertising services; non-property advertising services of Third-Party advertising and Data Services; and the mortgages business.

All revenues in all periods are derived from third parties. The disaggregated revenue is included within Note 5.

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 business units (see Note 4).

Six months ended 30 June 2024	Estate Agency £000	New Homes £000	Other £000	Total £000
Revenue stream				
Property products	138,488	33,867	9,913	182,268
Non-property products	-	-	9,846	9,846
	138,488	33,867	19,759	192,114
Six months ended 30 June 2023	Estate Agency £000	New Homes £000	Other £000	Total £000
Revenue stream				
Property products	129,374	32,634	9,184	171,192
Non-property products	-	-	8,262	8,262
	129,374	32,634	17,446	179,454
Year ended 31 December 2023	Estate Agency £000	New Homes £000	Other £000	Total £000
Revenue stream				
Property products	261,954	66,447	18,877	347,278
Non-property products	-	-	17,038	17,038
	261,954	66,447	35,915	364,316

Contract balances

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

	Contract Assets £000	Contract Liabilities £000
Contract balance as at 31 December 2023	759	(2,536)
Performance obligations satisfied in previous periods	(759)	-
Performance obligations satisfied in current periods	-	2,290
Accrued/(deferred) during the period	1,084	(1,911)
Contract balances as at 30 June 2024	1,084	(2,157)

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.

Four new share-based incentive awards were made during the period to 30 June 2024:

- 335,970 PSP awards were granted on 12 March 2024 subject to Earnings Per Share (EPS), Revenue and Total Shareholders Return (TSR) performance. Performance will be measured over three financial years (1 January 2024 - 31 December 2025). The vesting on 12 March 2026 of 50% of the 2024 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 both the satisfaction of the EPS growth and revenue targets in equal measure. The PSP awards have been valued using the Monte Carlo model for the TSR element and the Black Scholes model for the EPS element.
- 605,476 DSP nil cost shares were awarded to executives and senior management on 12 March 2024 following the achievement of the 2023 internal performance targets, with the right to exercise the shares deferred until March 2026 (assuming service conditions are met). The DSP awards were valued using the Black Scholes model.
- 354,736 RSP nil cost shares were awarded to selected senior management on 1 March 2024, and a further 16,008 on 6 June 2024, subject only to service conditions over a one-to-three-year period. Participants are not entitled to receive dividends on these awards. RSP awards have been valued using the Black Scholes model.

The total charge in relation to share-based payments for the six months ended 30 June 2024 was £3,536,000 (2023: £3,661,000); the charge in relation to the share-based payments relating to all share-based incentive plans was £3,330,000 (2023: £3,315,000); and the related National insurance charge for the six months ended 30 June 2024 relating to all awards was £206,000 (2023: £346,000).

7 Earnings per share (EPS)

		Pence per share	
	£000	Basic	Diluted
<i>Six months ended 30 June 2024</i>			
Profit after tax	98,940	12.4	12.4
Underlying profit after tax	101,659	12.8	12.8
<i>Six months ended 30 June 2023</i>			
Profit after tax	99,444	12.1	12.1
Underlying profit after tax	102,421	12.5	12.5
<i>Year ended 31 December 2023</i>			
Profit after tax	199,151	24.5	24.4
Underlying profit after tax	204,680	25.2	25.1

Weighted average number of ordinary shares (basic)

	6 months ended 30 June 2024 Number of shares	6 months ended 30 June 2023 Number of shares	Year ended 31 December 2023 Number of shares
Issued ordinary shares at 1 January less ordinary shares held by the EBT and SIP Trust	811,252,473	835,094,530	835,094,530
Less own shares held in treasury at the beginning of the year	(11,709,197)	(12,185,222)	(12,185,222)
Weighted effect of own shares purchased for cancellation	(4,040,251)	(3,388,739)	(9,991,531)
Weighted effect of share-based incentives exercised	196,083	267,142	433,805
Weighted effect of shares purchased by the EBT	(563,497)	-	(14,726)
	795,135,611	819,787,711	813,336,856

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 2024 Number of shares	6 months ended 30 June 2023 Number of shares	Year ended 31 December 2023 Number of shares
Weighted average number of ordinary shares (basic)	795,135,611	819,787,711	813,336,856
Dilutive impact of share-based incentives outstanding	1,783,649	2,005,735	2,002,000
	796,919,260	821,793,446	815,338,856

8 Dividends

Dividends declared and paid by the Company were as follows:

	6 months ended 30 June 2024		6 months ended 30 June 2023		Year ended 31 December 2023	
	Pence per share	£000	Pence per share	£000	Pence per share	£000
2022 final dividend paid			5.2	42,588	5.2	42,588
2023 interim dividend paid			-	-	3.6	29,084
2023 final dividend paid	5.7	45,226				
	5.7	45,226	5.2	42,588	8.8	71,672
Unclaimed dividends returned		(12)		(8)		(21)
Net dividends included in the statement of cash flows		45,214		42,580		71,651

After the period end the Board approved an interim dividend of 3.7p (2023: 3.6p) per qualifying ordinary share being £28,700,000 (2023: £29,084,000).

The 2023 final dividend of £45,226,000 (5.7p per qualifying share) was paid on 24 May 2024. It was £104,000 lower than that reported in the 2023 annual accounts due to a decrease in the ordinary shares entitled to a dividend between 1 March 2024 and the -final dividend record date of 26 April 2024.

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 £33,748,000 (2023: £30,840,000) 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 2024 was 25.4% (2023: 23.7%). The difference between the standard rate of 25.0% and the Group's effective rate of 25.4% as at 30 June 2024 is attributable to the impact of non-deductible items.

The net deferred tax asset of £1,690,000 (31 December 2023: £2,383,000 and 30 June 2023: £2,059,000) comprises a deferred tax asset of £3,089,000 (31 December 2023: £3,145,000 and 30 June 2023: £2,791,000) and a deferred tax liability of £1,399,000 (31 December 2023: £762,000 and 30 June 2023: £732,000).

The deferred tax asset is mostly in respect of equity settled share-based incentives and provisions. 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 is mostly in respect of the intangible assets recognised on acquisition HomeViews in 2024 and the impact of 100% first year allowances on fixed assets.

The deferred tax assets and liabilities as at 30 June 2024 have been calculated at a rate of 25% which is the expected rate that will prevail at the date upon which the net deferred tax asset will reverse in the future, based on substantively enacted UK tax rates.

10 Trade and other receivables	30 June 2024	30 June 2023	31 December 2023
	£000	£000	£000
Trade receivables	23,435	24,721	25,740
Less provision for impairment of trade receivables	(990)	(966)	(1,249)
Net trade receivables	22,445	23,755	24,491
Prepayments	6,547	7,640	6,259
Interest receivable	62	232	405
Other debtors	874	171	319
	29,928	31,798	31,474

11 Trade and other payables	30 June 2024	30 June 2023	31 December 2023
	£000	£000	£000
Trade payables	2,224	2,429	2,057
Accruals	9,049	7,697	7,662
Other creditors	1,941	896	1,510
Other taxation and social security	13,707	12,849	13,508
	26,921	23,871	24,737

12 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 2024 was 10,067,328 (2023: 10,031,573) representing 1.2% (2023: 1.2%) 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 £55,000,000 (2023: £55,000,000). The maximum and minimum prices paid were £5.84 (2023: £5.89) and £5.00 (2023: £4.90) 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 2023	(3,157)	(4,952)	(5,789)	(13,898)
Share-based incentives exercised	89	272	84	445
SIP releases in the period	-	72	-	72
Own shares held as at 30 June 2023	(3,068)	(4,608)	(5,705)	(13,381)
Own shares held as at 1 January 2023	(3,157)	(4,952)	(5,789)	(13,898)
Shares purchased for SIP	(725)	(1,273)	-	(1,998)
Shares transferred to SIP	725	(725)	-	-
Share-based incentives exercised	1,297	557	230	2,084
SIP releases in the year	-	72	-	72
Own shares held as at 31 December 2023	(1,860)	(6,321)	(5,559)	(13,740)
Own shares held as at 1 January 2024	(1,860)	(6,321)	(5,559)	(13,740)
Shares purchased for RSP	(5,213)	-	-	(5,213)
Share-based incentives exercised	36	289	140	465
SIP releases in the period	-	23	-	23
Own shares held as at 30 June 2024	(7,037)	(6,009)	(5,419)	(18,465)

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 2023	1,375,963	930,592	12,185,222	14,491,777
Share-based incentives exercised	(184,563)	(52,980)	(176,955)	(414,498)
SIP releases in the period	-	(12,200)	-	(12,200)
Own shares held as at 30 June 2023	1,191,400	865,412	12,008,267	14,065,079
Own shares held as at 1 January 2023	1,375,963	930,592	12,185,222	14,491,777
Shares purchased for SIP	127,240	226,335	-	353,575
Shares transferred to SIP	(127,240)	127,240	-	-
Share-based incentives exercised	(346,044)	(104,740)	(476,025)	(926,809)
SIP releases in the year	-	(12,200)	-	(12,200)
Shares held as at 31 December 2023	1,029,919	1,167,227	11,709,197	13,906,343
Own shares held as at 1 January 2024	1,029,919	1,167,227	11,709,197	13,906,343
Shares purchased for RSP	915,626	-	-	915,626
Share-based incentives exercised	(75,376)	(53,670)	(291,226)	(420,272)
SIP releases in the period	-	(4,275)	-	(4,275)
Shares held as at 30 June 2024	1,870,169	1,109,282	11,417,971	14,397,422

(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 2024, the EBT held 1,870,169 (June 2023: 1,191,400) ordinary shares in the Company, representing 0.2% (June 2023: 0.1%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held by the EBT at 30 June 2024 was £10,042,808 (June 2023: £6,233,405).

(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 2024 the SIP Trust held 1,109,282 (June 2023: 865,412) ordinary shares in the Company of 0.1 pence each, representing 0.1% (June 2023: 0.1%) 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 £5,956,844 (June 2023: £4,525,350).

(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 £10,067 (June 2023: £10,000) comprises the nominal value of ordinary shares cancelled during the period.

Retained earnings

The loss on exercise of share-based incentives of £102,000 (June 2023: £36,000) is the difference between the value that the shares held by the EBT, SIP and treasury shares were originally acquired for and the exercise price at which share-based incentives were exercised during the period.

13 Acquisitions and investments

HomeViews Limited

On 1 February 2024, the Group acquired the entire ordinary share capital of HomeViews Limited, a business providing the UK's biggest community of verified resident reviews of property developments, with a particular focus on the build to rent sector. This augments our existing Rental Operators proposition, provides a basis for introducing resident reviews into other business units, and will leverage the scale benefits that the Rightmove platform and customer base bring to the HomeViews' existing market. This acquisition has been treated in line with IFRS 3 – business combinations.

	2024 £000
Cash consideration	8,471
Total consideration	8,471

The following table provides a reconciliation of the amounts included in the Consolidated Statement of Cash Flows:

Net cash flow on acquisition	2024 £000
Cash paid for subsidiary	8,471
Net of cash and cash equivalents acquired	(519)
Net cash cost paid for subsidiary	7,952
Deferred consideration	(400)
Net cash outflow included in the statement of cash flows	7,552

The total cash consideration paid of £8,471,000 excludes acquisition costs of £590,000, which have been recognised as an expense in the period in the Consolidated Statement of Comprehensive Income (£370,000 in the period and £220,000 in December 2023). Included within transaction costs on acquisition of £590,000 are legal and due diligence fees and stamp duty. The deferred consideration will be payable on the second anniversary of the completion date and has no performance obligations.

In the five-month period to 30 June 2024, HomeViews contributed revenue of £0.7m and a trading profit after tax of £nil to the Group's results. If the acquisition had occurred on 1 January 2024, management estimates that consolidated revenue would have been £0.8m and consolidated profit for the period would have been £nil. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

The following table details the fair values of the assets and liabilities acquired at the date of acquisition:

Net assets acquired	Carrying values pre-acquisition £000	Fair value adjustments £000	Fair values £000
<i>Non-current assets</i>			
Property, plant and equipment	14	-	14
Intangible assets – IT development costs	-	1,845	1,845
Intangible assets – customer relationships	-	757	757
Total non-current assets	14	2,602	2,616
<i>Current assets</i>			
Trade and other receivables	150	-	150
Cash and cash equivalents	519	-	519
Total current assets	669	-	669
<i>Current liabilities</i>			
Trade and other payables	(328)	-	(328)
Total current liabilities	(328)	-	(328)
Non-current liabilities – deferred tax	-	(650)	(650)
Fair value of net assets acquired	355	1,952	2,307

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	£000
Total consideration	8,471
Fair value of net assets acquired	(2,307)
Goodwill	6,164

The goodwill figure recognised above includes the knowledge and experience of HomeViews which is established within the Rental Operators markets, their skilled workforce and the reputation of the business. This is together with the synergy benefits expected to the Group through leveraging the scale and reach of the Rightmove customer base, its sales and marketing teams and technological capability. For the purposes of impairment testing, goodwill allocated to the relevant lowest cash generating unit which is the Agency only unit. The Directors have considered the fair value of assets and liabilities acquired and have concluded that there are no other intangible assets to be recognised other than goodwill, computer software and customer relationships.

Investment in Coadjute Limited

During the period, the Group acquired a 7.4% holding in Coadjute Limited, a business providing a nationwide infrastructure for the property market, connecting buyers, sellers and property professionals with data, services, and each other. Other investors include Lloyds Banking Group, Nationwide and NatWest. The potential of a platform like Coadjute to, over time, digitise and transform the house purchase journey - reducing the time to closure and providing greater visibility of the progress of the transaction to buyers, sellers and lenders - is immense, but this is a journey that will take time.

For that reason, the investment is strategic and longer-term in its nature and the cost of £3.0m was therefore fully written down and recognised in the Income Statement as a strategic research-related cost.

ADVISERS AND SHAREHOLDER INFORMATION

Contacts

Chief Executive Officer: Johan Svanstrom
Chief Financial Officer: Alison Dolan
Company Secretary: Carolyn Pollard
Website: www.rightmove.co.uk

Registered office

Rightmove plc
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Caldecotte Lake Drive
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Milton Keynes
MK7 8LE

Registered in
England no. 6426485

Corporate advisers

Financial adviser
UBS Investment Bank

Joint brokers

UBS AG London Branch
Deutsche Numis

Auditor

Ernst & Young 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 2024

Interim dividend record date	27 September 2024
Interim dividend payment	25 October 2024
Full year results	28 February 2025

*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

Signal Shares shareholder portal: 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. 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

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 2024 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. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. 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. 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.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

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

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
Luton
25 July 2024