

ZEPHYR MIDCO 2 LIMITED – 2024 MID YEAR REPORT

ZPG's companies include some of the UK's most well recognised, trusted and innovative digital brands.

ZPG continues to focus on its goal of providing significant value and an ever-improving experience to customers and consumers. This approach, led by its management team, is in turn supported by the Group's shareholders, Silver Lake and Red Ventures, each of which provides unique expertise in product, technology, and marketing. This, combined with ZPG's long-term strategic thinking, enables the company to make investments and other decisions that might not be possible in a public market context.

Key updates for the two divisions of ZPG (Houseful and RVU) over the first six months of the fiscal year, to June 2024, are outlined below.

Houseful

[Houseful](#) is focused on creating the connections that power better property decisions through a combination of industry-leading solutions and trusted brands including Zoopla, Alto and Hometrack. Together we support better home choices, drive greater efficiency across the property transaction and unlock opportunities for growth amongst our partners. Houseful is divided into three business units – Homes, Software and Data & Risk.

Homes

[Zoopla](#) continues to establish itself as a leading destination for those looking to move home, including surfacing property value and potential vendors, while also providing a best-in-class, more transparent search experience for consumers.

Onsite optimisations in H1 2024 include the launch of 'Edit attributes' in the 'My Home' experience with strong initial traction among users. This is alongside supporting millions of homeowners in the UK with monthly personalised local market content driving high engagement. Zoopla also launched 'Homes for You' which uses AI and user browsing activity on Zoopla.co.uk to power unique listing recommendations for individual users. This is complemented by a new personalised homepage which is updated every time a user signs in to Zoopla.co.uk and highlights properties which match the user's preferences. All of these changes are focused on driving more high-intent sellers and buyers for Zoopla's agent customers.

Zoopla's app continues to go from strength to strength – it has been downloaded every 15 seconds by a consumer in the last six months, boosting leads for agents and housebuilders.

Zoopla increased its marketing investment and presence in high-priority regions - the North West and West Midlands - in the first half of 2024, leveraging channels including local radio, strategically targeted out-of-home and 'Zoopla purple' branded taxis which launched in March. All of this will ensure Zoopla is thought of first when it comes to selling, contacting an agent or finding your next home. This was supported by a multi-week national marketing campaign across the UK from January to March, and again from May to July. Zoopla also announced the renewal of long-term partnerships with key corporate estate agents in H1 2024.

Software

[Alto](#) has made significant strides this year, starting with the launch of [AI Powered property descriptions](#). This feature allows estate agents to quickly generate detailed customisable descriptions saving time while ensuring key property features such as transport links, local schools, or gardens are highlighted effectively.

Building on this, Alto Marketplace continues its expansion, adding [more integration partners](#) to support agents and property professionals. With integrations across categories like AML solutions, buyer onboarding, and tenant referencing, agents can customise their CRM systems to meet their specific needs.

Alto also introduced free [Property Valuation Reports](#) for estate agents. These reports offer comprehensive insights, including sales history, price analysis, and EPC Ratings, enabling agents to provide more thorough and informed appraisals for their clients.

In addition, Alto's [consumer referral platform](#) has expanded, allowing agents to generate extra income. This system automates the entire referral process, providing real-time tracking of milestones and easing the management of sales progression.

Alto launched a flexible training programme to help estate agents maximise the latest tools and integrations. This initiative ensures that agents can fully leverage the software's capabilities, enhancing their efficiency and productivity. Alto continues to lead in National Trading Standards (NTS) compliance, with Parts B and C now fully enabled.

The Software business unit also launched Movemnt, Houseful's national home transaction infrastructure. This platform connects property professionals, reducing the average sale time and improving overall transaction transparency.

Data & Risk

[Hometrack](#) celebrated its 25th anniversary and also its 20th anniversary of providing automated valuation models (AVMs) to support mortgage lenders in the UK where it is the market leader today.

Hometrack's AVM accuracy has reached a record high following the introduction of a performance-boosting enhancement. The new capability, a statistical algorithm, has gone on to produce a consistently higher rate of accuracy in the AVM's results.

Hometrack has also agreed two additional contracts for its Property Risk Hub in Q3 while its Digital Valuer product has been adopted by 2 more Tier 1 Lenders. These developments have supported an expansion of automation to record levels across multiple customers.

Meanwhile, Hometrack Data Services launched as a sub-brand of Hometrack and has made progress in a wide range of industries adjacent to Hometrack's core Financial Services business. It will also be launching a new Data Hub in Q3.

RVU

[RVU](#)'s businesses occupy leading positions in the markets in which they operate, helping both consumers and businesses navigate high living and running costs.

[Confused.com](#) continues to play a critical role for consumers as they choose insurance policies for their needs and manage the related costs of cover during a challenging period for household finances. With UK insurance switching levels growing as consumers seek to secure value for money, the business provides a relevant and integral service for UK consumers.

[Tempcover](#) provides fast, effective solutions to drivers looking for more flexible shorter term insurance options. Providing a range of products and coverage, Tempcover solves the insurance needs of common situations from learning to drive to buying a new vehicle, online and via our app.

[Money.co.uk](#) and [Uswitch](#) continue to deliver on their mission of helping both consumers and businesses make confident decisions on their financial and utility bills.

Money has maintained a strong proposition for consumers and for small & medium sized businesses, enabling them to make confident decisions, from banking to lending, insurance to savings & investments – particularly important in the midst of continued cost of living challenges for both individuals and businesses.

Uswitch continued to secure deals for its energy, broadband and mobile customers, bringing them lower prices and more choice. It also became the first major price comparison website to offer travel eSIMs in addition to traditional SIM deals, as a longstanding advocate for cheaper roaming for consumers.

Significant improvements to [Mojo Mortgages](#)' customer journey using AI and automation have helped to provide more customers with the right advice & associated products for their needs, and supported advisers to drive improved outcomes for those consumers as they navigate the complex mortgage journey during market & interest rate volatility.

Business Sustainability

Collaboration between our procurement, ESG, and legal teams is ongoing to implement a new climate due diligence process. This process will enable us to monitor and reduce potential climate-change related risks within our supply chain.

In line with our environmental ambitions, we have successfully received approval for our Net Zero targets, both near-term, committing to 42% emissions reduction by 2030 and long-term, a 90% emissions reduction by 2040. External verification of these targets via the "Science Based Targets Initiative" is currently pending. Multiple workstreams are underway to reduce the carbon footprint of our operations, including a Software Carbon Intensity audit to identify opportunity areas for the business to adopt carbon-aware computing principles.

This year, ZPG continued to strengthen efforts to combat homelessness in the UK with Houseful's flagship community engagement programme. Building on our impactful partnership with Crisis, we have also welcomed a new partnership with Stonewall Housing to further expand our community impact. So far this year employees have raised £49,867 for Crisis and delivered over 650 hours of volunteering time to our social mission. We have continued to provide unique market data to facilitate Crisis's research, enabling specific policy recommendations to reduce systemic causes of homelessness.

In 2023, we introduced our new ESG Minimum Standards framework, consolidating both existing and forthcoming mandatory requirements, such as the Energy Saving Opportunity Scheme (ESOS) and Gender Pay Gap reporting. This framework sets clear ESG expectations on which to deliver against from both internal and external stakeholders, including employees, customers, and insurers.

The framework is designed to ensure compliance with evolving ESG legislation, enhance our preparedness for future requirements, and simplify ESG compliance for internal teams. The strategy for implementing these minimum standards was approved at the end of 2023, progress against the standards is reviewed quarterly, with biannual updates provided to the

audit committee. As of mid-2024, we have seen a 14% improvement in our ESG performance against our minimum standards.

Given the critical role data plays at ZPG, we have continued our focus on data governance in 2024. Observability and ownership are our watchwords in improving data quality and the value generated from data. As such we have increased test coverage for our key business processes to spot issues early and prevent incidents. We have continued to publish best practice patterns that enable the decentralisation of data ownership across the organisation. Additionally, we have focused on establishing a refined process for onboarding external datasets to ensure we maximise their value and minimise the risk of misuse.