



Conygar ZDP PLC

**Report and accounts
30 September 2023**

Conygar ZDP PLC

Registered in England and Wales No. 14333277

CONTENTS

	Page
Directors and advisers	2
Chairman's statement	3
Strategic report	4
Board of directors	7
Directors' report	8
Directors' remuneration report	12
Independent auditor's report	13
Statement of changes in equity	16
Balance sheet	17
Cash flow statement	18
Notes to the accounts	19
Notice of annual general meeting	22

DIRECTORS AND ADVISERS

Directors

N J Hamway (Chairman)
R T E Ware
D Baldwin

Secretary

D Baldwin

Registered office

1 Duchess Street
London W1W 6AN

Registrar

Share Registrars Limited
3 The Millenium Centre
Crosby Way
Farnham
Surrey GU9 7XX

Solicitors

Gowling WLG (UK) LLP
4 More London Riverside
London SE1 2AU

Nominated adviser & stockbroker

Liberum Capital Limited
Ropemaker Place, Level 12
25 Ropemaker Street
London EC2Y 9LY

Auditors

Saffery LLP
71 Queen Victoria Street
London EC4V 4BE

Website

www.conygar.com

CHAIRMAN'S STATEMENT

I am pleased to present the Company's results for the period from 2 September 2022 to 30 September 2023 being the first period since incorporation.

The Company is a wholly owned subsidiary of The Conygar Investment Company PLC (the "Parent") and was established solely for the purpose of issuing zero dividend preference shares ("ZDP shares").

After the balance sheet date, on 3 October 2023, the Company announced that it had placed 5 million ZDP shares, at a price of £1.00 per ZDP share, with a further 10 million ZDP shares subscribed for by the Parent.

The ZDP shares were admitted to the Official List of The International Stock Exchange on 4 October 2023. The ISIN number of the ZDP Shares is GB00BMGBHD21 and the SEDOL code is BMH6RG9.

Pursuant to a contribution agreement, dated 3 October 2023, between the Company and Parent, the funds raised from the placing, net of issue costs, have been lent to the Parent. The loan is interest free and repayable within five business days of written request from the Company, currently expected to be, at the latest, five business days before the ZDP repayment date of 4 October 2028. In return, the Parent has undertaken to meet all costs and liabilities of the Company and to enable the Company to meet all its obligations in respect of the ZDP shares. As part of this, the Parent is subject to a number of operational restrictions and financial covenants which the Board monitors carefully. I am pleased to confirm that, as at the date of signing these financial statements, the Parent has comfortably met all covenants and complied with all its obligations. In view of the close association between the Company and the Parent, I would strongly recommend that shareholders read the annual report of the Parent which has also been published today and is available on www.conygar.com.

N J Hamway
Chairman

20 November 2023

STRATEGIC REPORT

The strategic report provides a review of the business for the financial period, discusses the financial position at the year end and explains the principal risks and uncertainties facing the business and how we manage those risks. We also outline below the strategy and business model.

Strategy and business model

Conygar ZDP PLC (the “Company”) was incorporated in England and Wales on 2 September 2022, is domiciled in England, and is a wholly owned subsidiary of The Conygar Investment Company PLC (the “Parent”).

The Company was incorporated to be the issuer of the ZDP shares and its principal investment objective is to provide the holders of its ZDP shares with a predetermined final capital entitlement.

The Company is engaged in a single economic activity, primarily being the raising of funds in order to provide financing to its Parent. All activities are carried out in the UK.

Position of the Company at the year end

As at 30 September 2023, the Company had not placed any ZDP shares and so was not party to any obligations, operational restrictions or financial covenants in connection with the ZDP shares. However, it had incurred certain costs in connection with the issue of those shares which were funded by way of an interest-free loan from the Parent and which are included within trade and other receivables on the Company balance sheet as at 30 September 2023.

As the ZDP shares were not issued until after the balance sheet date the Company has not incurred any operating costs during the period in connection with those shares, and so no statement of comprehensive income is presented in these financial statements.

Financial review

Net asset value

As at 30 September 2023, the Company had net assets of £12,500, comprising prepaid arrangement fees of £32,000, in connection with the ZDP shares placed after the balance sheet date, less an interest-free loan from the Parent of £19,500.

Cash flow

As all costs, expenses and funding activities are provided by the Parent, the Company has no cash flow.

Income

The Company received no income in the period.

Administrative expenses

No administrative expenses were incurred in the period and no director received any remuneration for their services to the Company.

Taxation

There is no tax charge in respect of the period. Any tax losses incurred by the Company are available to be surrendered to the Parent by way of group relief.

STRATEGIC REPORT (continued)

Capital management

Capital risk management

The Company's objective when managing capital is to preserve the Company's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders and to ensure the appropriate financing is available to the Parent.

Given its sole purpose as an issuer of ZDP shares, the Company operates within the well-defined and tight parameters set out in the listing document published by the Company on 3 October 2023. The Company seeks to ensure that the ZDP shares stay within agreed covenants.

Treasury policies

The objective of the Company's treasury policies is to manage the Company's financial risk and to ensure the Company is able to satisfy its obligations in respect of the ZDP shares.

The Company finances its activities with a combination of ordinary shares and ZDP shares. It is not anticipated that any other financing will be required over the life of the Company. Derivative instruments are not required to be employed by the Company and would yield no benefit.

There is no requirement to manage cash as the Parent meets all costs and liabilities. The Board is content that the Parent has sufficient liquidity to meet the requirements of the business in terms of funding.

Issue of share capital

On incorporation, the issued share capital of the Company was £1 represented by one ordinary share of £1, which was subscribed for by the Parent.

On 5 January 2023, the Company issued a further 49,999 ordinary shares of £1 each, all of which were subscribed for by the Parent.

The ordinary shares, which are partly paid as to 25p each, carry full voting rights, dividend entitlement and distribution rights in respect of a winding-up of the Company.

Dividend policy

It is not intended that any dividend will be paid in respect of the ordinary shares and the ZDP shares are not eligible to receive any dividends.

Principal risks and uncertainties

Managing risk is an integral element of the Company's management activities and an appropriate amount of time is spent assessing and managing risks to the business. Responsibility for risk management rests with the Board, with external advisers used where necessary.

Strategic risks

Strategic risks are risks arising from an inappropriate strategy or through flawed execution of a strategy that could threaten the future performance, solvency or liquidity of the Company. By definition, strategic risks tend to be longer term than most other risks. Strategic risks identified include global or national events, regulatory and legal changes, market or sector changes and key staff retention. As set out in the annual report of the Parent, the ongoing macroeconomic and geo-political uncertainty, in addition to sustained inflation and interest rate increases during the period, will inevitably have a significant impact on the Parent's ability to raise finance for, and realise value from, its real estate portfolio in the near term.

The Board continually monitors and discusses the environment in which we operate and the potential impacts upon the Company. We are confident that we have sufficiently high calibre directors and other resources to manage strategic risks.

STRATEGIC REPORT (continued)

Operational risks

Owing to the simple business model and operation of the Company, there are few risks and uncertainties specific to it. However, the Company is heavily reliant upon the ability of the Parent to meet its obligations under the contribution agreement and this is considered to be the principal operational risk. The specific risks faced by the Parent are contained within its financial statements. The directors of the Company are also directors of the Parent and are therefore in a position to assess the recoverability of amounts due from the Parent. The various covenants and Parent obligations are monitored at regular intervals.

The Company has not suffered any material loss from operational risks during the period.

Directors' duties – section 172 statement

Under Section 414(a) of the Companies Act 2006 (the “Act”), the Company is required to include a statement describing how the directors have performed their duty under Section 172 of the Act to promote the success of the Company, for the benefit of shareholders, giving careful consideration to the wider stakeholders' interests and the environment in which it operates. The Board notes that the Company provides a service, i.e. raising funds in order to provide financing to the Parent, as such the directors discharge their responsibilities under Section 172 requirements for the Group as a whole. Further details of how the directors have performed their duty under Section 172 are contained within the annual report of the Parent.

Employees, environmental, human rights and community issues

The Board recognises the requirement under Section 414C of the Act to detail information about employees, environment, human rights and community issues, including information about any policies it has in relation to these matters and the effectiveness of these policies.

The Company has no employees nor does it have environmental, human rights or community policies. However, in carrying out its activities in relationships with external parties, by way of the Parent, the Company aims to conduct itself responsibly, ethically and fairly.

Current and future developments

The current and future developments of the Company can be reviewed as part of the Group's activities for the year ended 30 September 2023 by reference to the annual report of the Parent.

This report was approved by the board on 20 November 2023 and signed on its behalf by:

D Baldwin
Director

BOARD OF DIRECTORS

Chairman – Nigel Hamway

Nigel Hamway, who is also the chairman of the Parent, qualified as a member of the Institute of Chartered Accountants in England and Wales with Peat Marwick after obtaining a degree from Cambridge University. He joined Dubilier PLC as Chief Financial Accountant, leaving to take up a position in international corporate finance at Charterhouse Bank in 1986, becoming a director in 1990.

From 1991 to 2016, he was a Director of Charterhouse Development Capital. For several years he was responsible for Charterhouse's international investment business. He has had extensive board experience in many countries and businesses.

Mr Hamway was appointed to the Board of the Company on 2 September 2022.

Director – Robert Ware

Robert Ware, who is the chief executive of the Parent, qualified as a member of the Institute of Chartered Accountants in England and Wales with Peat Marwick. He served as a Director of Development Securities PLC between 1988 and 1994, filling the roles of joint managing director and finance director in the latter stage of his tenure.

He joined MEPC Plc in June 1997, serving first as corporate development director and then as deputy chief executive until June 2003. He is also chairman of Marwyn Value Investors Limited which is quoted on the London Stock Exchange.

Mr Ware was appointed to the Board of the Company on 2 September 2022.

Director – David Baldwin

David Baldwin, who is the finance director of the Parent, qualified as a member of the Chartered Association of Certified Accountants in 1992. He joined Frogmore Estates PLC as a commercial and residential property accountant in 1995 before moving to Prestbury Investment Holdings Limited as Financial Controller until 2015. He then joined The Conygar Investment Company PLC, also as its financial controller, before being appointed company secretary in April 2020 and finance director in May 2021.

Mr Baldwin was appointed to the Board of the Company on 2 September 2022.

DIRECTORS' REPORT

Directors' report

The directors present their report, of which the corporate governance report forms a part, and the accounts of the Company for the period ended 30 September 2023.

Principal activities and review of the business

The principal activity of the Company is the raising of funds, by way of the issue of ZDP shares, to provide financing for its Parent.

A review of the Company's activities and future developments are set out in the chairman's statement and strategic report. The Company is a wholly owned subsidiary of the Parent.

Significant events since the balance sheet date

On 3 October 2023, the Company placed 5 million ZDP shares, at a price of £1 per ZDP share (the "issue price"), with a further 10 million ZDP shares subscribed for by the Parent (each a "subscription share"). The issue price for the subscription shares is required to be paid by the Parent on the earlier of written demand from the Company, five business days after the date of transfer of such shares to a third party or 4 October 2028, following which such funds, net of issue costs, are required to be lent to the Parent under the contribution agreement referred to below.

The ZDP shares have a life of five years and a final capital entitlement of 153.86 pence per ZDP share payable on 4 October 2028 (the "ZDP repayment date"), equivalent to a gross redemption yield of 9.0 per cent. per annum on the issue price.

Pursuant to a contribution agreement, dated 3 October 2023, between the Company and Parent the funds raised from the placing, net of issue costs, have been lent to the Parent. The loan is non-interest bearing and repayable within five business days of written request from the Company, currently expected to be, at the latest, five business days before the ZDP repayment date of 4 October 2028. In return, the Parent has undertaken to meet all costs and liabilities of the Company and to enable the Company to meet all its obligations in respect of the ZDP shares.

The definitions and conditions of the issue are set out in the listing document dated 3 October 2023, a copy of which is available at www.conygar.com.

Results and dividends

The Company's financial position at the end of the year is set out in the balance sheet on page 17.

As the ZDP shares were not issued until after the balance sheet date the Company has not incurred any operating costs during the period, in connection with those shares and so no statement of comprehensive income is presented in these financial statements.

The directors do not recommend a dividend in respect of the period ended 30 September 2023.

DIRECTORS' REPORT (continued)

Directors' interest in shares

As at 30 September 2023 no director held any shares in the Company.

On 3 October 2023, after the balance sheet date, the directors' subscribed for the following ZDP shares at the issue price of £1 per share:

<i>Director</i>	<i>Number of shares</i>
N J Hamway	250,000
R T E Ware	250,000
D Baldwin	15,000

The directors' interests in the shares of the Parent are set out in the annual report of the Parent.

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

Major interests in shares

The issued ordinary share capital is wholly owned by the Parent.

Voting rights

The ordinary shares in the Company are entitled to vote and carry equal rights to dividends. They are entitled to participate in a distribution arising from a winding up of the Company.

The ZDP Shares do not carry the right to vote at general meetings of the Company, although they carry the right to vote as a class on certain proposals which would be likely to materially affect their position. In the event of a winding-up of the Company, the capital entitlements of the ZDP shares (except for any undistributed revenue profits) will rank ahead of ordinary shares, but behind other creditors of the Company. The ZDP Shares do not carry dividend rights.

Compliance with corporate governance

The Company is committed to high standards of corporate governance and the Board is accordingly accountable to the Company's shareholders for good corporate governance. However, as the Company has only ZDP shares listed, it is not required to comply with the UK Corporate Governance Code. In particular, the Board has carefully considered the independence of each director and, notwithstanding the cross-directorships detailed above, has concluded that each director is wholly independent. The directors believe that the Board has an appropriate balance of skills, experience and knowledge of the Company to enable it to provide effective strategic leadership and proper governance of the Company.

Given the nature of the Company's business and the limited number of directors no separate committees have been considered as being necessary.

Further detailed disclosures relating to corporate governance procedures can be found in the annual report of the Parent. The Board is of the opinion that these internal control and risk management procedures are adequate for the Company given its limited activities.

DIRECTORS' REPORT (continued)

Political contributions

The Company has made no political donations during the period.

Financial instruments

Details of the Company's financial instruments are given in note 8.

Going concern

Taking into account the going concern confirmation provided in the annual report of the Parent, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the company financial statements in accordance with UK-adopted International Financial Reporting Standards (IFRSs) and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether UK-adopted IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have chosen, in accordance with S414c (11) of the Companies Act 2006, to include principal risks and uncertainties within the strategic report.

Electronic publication

The directors are also responsible for the maintenance and integrity of the investor information contained on the website. Legislation in the UK concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditor

All of the directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

DIRECTORS' REPORT (continued)

Auditor

Saffery LLP have expressed their willingness to continue in office and a resolution to appoint them as auditor for the ensuing year will be proposed at the forthcoming AGM.

Annual General Meeting

The AGM of the Company will be held on Tuesday, 19 December 2023 at 11:30am at the offices of The Conygar Investment Company PLC, First Floor, Suite 3, 1 Duchess Street, London W1W 6AN. As the business of the meeting does not include any resolution to vary, modify or abrogate any special rights attached to ZDP shares nor any resolution to wind up the Company, holders of the ZDP shares are not permitted to attend.

The notice of meeting and the resolutions to be proposed at that meeting are attached on pages 22 and 23.

By order of the Board

D Baldwin

Company Secretary

20 November 2023

DIRECTORS' REMUNERATION REPORT

None of the directors received any remuneration for his services during the year. No director has a service contract with the Company and no director is eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

On behalf of the Board

D Baldwin

Director

20 November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONYGAR ZDP PLC

Opinion

We have audited the financial statements of Conygar ZDP PLC (the "Company") for the period ended 30 September 2023 which comprise the statement of changes in equity, the balance sheet, the cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2023.
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONYGAR ZDP PLC (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the strategic report and directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the Company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONYGAR ZDP PLC (continued)

statements. We identified laws and regulations that are of significance in the context of the Company by discussions with directors and updating our understanding of the sector in which the Company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Di Leto (Senior Statutory Auditor)

For and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditor
71 Queen Victoria Street
London
EC4V 4BE

20 November 2023

Conygar ZDP PLC

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2023

	<i>Share capital £'000</i>	<i>Total equity £'000</i>
Ordinary shares issued	13	13
At 30 September 2023	<u>13</u>	<u>13</u>

On incorporation, the issued share capital of the Company was £1 represented by one ordinary share of £1, which was subscribed for by the Parent.

On 5 January 2023, the Company issued a further 49,999 ordinary shares of £1 each, all of which were subscribed for by the Parent.

The ordinary shares, which are partly paid as to 25p each, carry full voting rights, dividend entitlement and distribution rights in respect of a winding-up of the Company.

The notes on pages 19 to 21 form part of these accounts.

Conygar ZDP PLC

BALANCE SHEET As at 30 September 2023

Company Number 14333277

	<i>Note</i>	<i>30 Sep 2023</i> <i>£'000</i>
Current assets		
Trade and other receivables	5	32
Current liabilities		
Trade and other payables	6	<u>(19)</u>
Net assets		<u>13</u>
Equity		
Share capital		<u>13</u>
Total equity	7	<u>13</u>

The accounts on pages 16 to 21 were approved by the Board and authorised for issue on 20 November 2023 and are signed on its behalf by:

R T E W A R E }
D B A L D W I N }

The notes on pages 19 to 21 form part of these accounts.

Conygar ZDP PLC

CASH FLOW STATEMENT
For the period ended 30 September 2023

	<i>Period ended</i> <i>30 Sep 23</i> <i>£'000</i>
Increase in trade and other receivables	(32)
Increase in trade and other payables	<u>19</u>
Cash flows used in operating activities	<u>(32)</u>
Cash flows from financing activities	
Issued share capital paid up	<u>13</u>
Cash flows generated from financing activities	<u>13</u>
Cash and cash equivalents at 30 September 2023	<u><u>-</u></u>

The notes on pages 19 to 21 form part of these accounts.

NOTES TO THE ACCOUNTS

For the period ended 30 September 2023

1. General information

Conygar ZDP PLC (the “Company”) is incorporated in England and Wales, domiciled in England and registered at Companies House under registration number 14333277. These financial statements comprise the period from incorporation on 2 September 2022 to 30 September 2023.

2. Accounting policies

The principal accounting policies of the Company are set out below. These policies have been consistently applied in the preparation of these financial statements.

3. Basis of preparation

The financial statements are presented in sterling as this is the Company’s functional currency. Amounts are rounded to the nearest thousand pounds, unless otherwise stated.

The financial statements have been prepared in accordance with applicable law and UK-adopted international accounting standards.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

The financial statements have been prepared on the historical cost basis, except where stated otherwise in the accounting policies below.

Adoption of new and revised standards

There are no amendments to standards effective this year, being relevant and applicable to the Company.

Trade and other receivables

Trade and other receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any impairment. Impairment is calculated using an expected credit loss model.

Trade and other payables

Trade and other payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of directly attributable issue costs. An equity instrument is a contract which evidences a residual interest in the assets after deducting all liabilities.

NOTES TO THE ACCOUNTS (continued)

3. Basis of preparation (continued)

Key estimates and assumptions

The preparation of financial statements in conformity with IFRS requires the directors to make judgements, estimates and assumptions that may affect the reported amounts of assets and liabilities at each balance sheet date and the reported amounts of revenue and expenses during the period. These estimates are based on historical experience and various other assumptions that management believe are reasonable under the circumstances. There were no significant accounting estimates or significant judgements in the year.

Segmental reporting

The directors are of the opinion that the Company is engaged in a single economic and geographic segment of business primarily being the raising of funds in order to provide financing to the Parent.

4. Directors' remuneration

The directors are remunerated by the Parent and the amounts in respect of their services as directors of the Company are not separately identifiable.

5. Trade and other receivables

	<i>30 Sep 2023</i>
	<i>£'000</i>
Prepaid fees in connection with the issue of ZDP shares	<u>32</u>

6. Trade and other payables

	<i>30 Sep 2023</i>
	<i>£'000</i>
Amounts owed to Parent	<u>19</u>

7. Share capital

	<i>30 Sep 2023</i>	<i>30 Sep 2023</i>
	<i>Number of shares</i>	<i>£'000</i>
Ordinary shares of £1 each - issued and partly paid as to 25p each	<u>50,000</u>	<u>13</u>
At 30 September 2023	<u>50,000</u>	<u>13</u>

On incorporation, the issued share capital of the Company was £1 represented by one ordinary share of £1, which was subscribed for by the Parent.

On 5 January 2023, the Company issued a further 49,999 ordinary shares of £1 each, all of which were subscribed for by the Parent.

The ordinary shares, which are partly paid as to 25p each, carry full voting rights, dividend entitlement and distribution rights in respect of a winding-up of the Company.

NOTES TO THE ACCOUNTS (continued)

8. Financial instruments

The Company's financial instruments comprise financial liabilities at amortised cost and other receivables.

The main risks arising from the Company's financial instruments are liquidity risk and funding risk.

Liquidity and funding risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Liquidity risk is considered to be significant as the Company is reliant upon the Parent meeting its obligations under the contribution agreement to contribute such funds to the Company to ensure it has sufficient assets to meet its payment obligations in respect of the ZDP shares and operational costs and expenses. Details of how this risk is managed are contained within the financial statements of the Parent.

9. Controlling and related parties

The Company's immediate and ultimate parent undertaking is The Conygar Investment Company PLC. The consolidated financial statements of The Conygar Investment Company PLC are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ or from www.conygar.com.

The Parent has provided a loan to the Company and the outstanding balance at 30 September 2023 was £19,000. This loan is unsecured, interest free and repayable on demand.

10. Events after the balance sheet date

On 3 October 2023, the Company placed 5 million ZDP shares, at a price of £1 per ZDP share (the "issue price"), with a further 10 million ZDP shares subscribed for by the Parent (each a "subscription share"). The issue price for each subscription share is required to be paid by the Parent on the earlier of written demand from the Company, five business days after the date of transfer of such shares to a third party or 4 October 2028, following which such funds, net of issue costs, are required to be lent to the Parent under the contribution agreement referred to below.

The ZDP shares have a life of five years and a final capital entitlement of 153.86 pence per ZDP share payable on 4 October 2028 (the "ZDP repayment date"), equivalent to a gross redemption yield of 9.0 per cent. per annum on the issue price.

Pursuant to a contribution agreement, dated 3 October 2023, between the Company and Parent, the funds raised from the placing, net of issue costs, have been lent to the Parent. The loan is non-interest bearing and repayable within five business days of written request from the Company, currently expected to be, at the latest, five business days before the ZDP repayment date of 4 October 2028. In return, the Parent has undertaken to meet all costs and liabilities of the Company and to enable the Company to meet all its obligations in respect of the ZDP shares.

Conygar ZDP PLC
(Company Number 14333277)
(the “Company”)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**meeting**”) of the Company will be held at the registered office of Conygar ZDP PLC, 1 Duchess Street, London, United Kingdom, W1W 6AN on Tuesday, 19 December 2023 at 11:30 a.m. (or, if later, immediately following the conclusion of the annual general meeting of The Conygar Investment Company PLC) for the following purposes:

ORDINARY BUSINESS

Ordinary resolutions

1. To receive the Company’s annual accounts for the financial year ended 30 September 2023 together with the directors’ report, the directors’ remuneration report and the auditors’ report on those accounts and the auditable part of the remuneration report.
2. To re-appoint Saffery LLP as auditors to hold office from the conclusion of this meeting to the conclusion of the next meeting at which accounts are laid before the Company.
3. To authorise the directors of the Company (the “**directors**”) to agree the remuneration of the auditors.
4. To re-appoint Robert Thomas Ernest Ware who retires in accordance with the articles of association of the Company:
5. To re-appoint Nigel Jonathon Hamway who retires in accordance with the articles of association of the Company.
6. To re-appoint David Baldwin who retires in accordance with the articles of association of the Company.

SPECIAL BUSINESS

Special resolution

7. That the Company be and is generally and unconditionally authorised for the purposes of section 701(1) of the Companies Act 2006 (the “**Act**”) to make one or more market purchases (within the meaning of section 693(4) of the Act) of zero dividend preference shares of £0.01 each in the capital of the Company (each a “**ZDP Share**”), provided that:
 - a. the maximum number of ZDP Shares authorised to be purchased is 14.99 per cent. of the ZDP Shares in issue immediately following the annual general meeting at which this authority to purchase is granted;
 - b. the minimum price (excluding expenses) which may be paid for such shares is £0.01 per share;
 - c. the maximum price (excluding expenses) which may be paid for a ZDP Share is 110 per cent. of its accrued capital entitlement (as defined in the Company’s articles of association) as at the business day immediately preceding the day on which the ZDP Share is purchased; and
 - d. unless previously renewed, varied or revoked, the authority conferred shall expire on the earlier of the conclusion of the Company’s next annual general meeting and 15 months from the date of passing this resolution, save that the Company may make a contract or contracts to purchase ZDP Shares under the authority conferred hereby prior to the expiry of such authority, which contract(s) will or may be executed wholly or partly after the expiry of such authority and may purchase ZDP Shares in pursuance of such contract(s).

Registered Office
1 Duchess Street
London
W1W 6AN

By Order of the Board
D Baldwin
Company Secretary
20 November 2023

NOTICE OF ANNUAL GENERAL MEETING (continued)

Notes

Entitlement to attend and vote

1. Only those holders of ordinary shares registered in the Company shall be entitled to attend and vote at the annual general meeting. Holders of ZDP shares have the right to receive notice of general meetings of the Company but do not have any right to attend, speak and vote at any general meeting of the Company unless the business of the meeting includes any resolution to vary, modify or abrogate any of the special rights attached to ZDP shares or any resolution to wind up the Company.

Appointment of proxies

2. A member entitled to attend, vote and speak at this meeting may appoint one or more persons as his/her proxy to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. More than one proxy may be appointed provided that each proxy is appointed to exercise the rights attached to different shares. To be effective, a form of proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, should be lodged at the Company's registered office ("registered office") addressed to the company secretary not later than 48 hours before the time of the meeting excluding non-working days. The appointment of a proxy will not prevent a member from attending the meeting and voting and speaking in person if he/she so wishes. A member present in person or by proxy shall have one vote on a show of hands and on a poll shall have one vote for every ordinary share of which he/she is the holder.

Appointment of proxy by post

3. To appoint a proxy using the proxy form, the form must be:
 - i. completed and signed;
 - ii. sent or delivered to the company secretary at the registered office; and
 - iii. received by the company secretary no later than 11:30 a.m. on 15 December 2023.

Termination of proxy appointments

4. A member is entitled to change a proxy instruction. In order to revoke a proxy instruction, you will need to inform the Company using the following method:
 - by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to **the company secretary, First Floor, Suite 3, 1 Duchess Street, London W1W 6AN**. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by the company secretary no later than 11:30 a.m. on 15 December 2023.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then your original proxy appointment will remain valid unless you attend the meeting and vote in person.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

5. If a corporation is a member of the Company, it may by resolution of its directors or other governing body authorise one or more persons to act as its representative or representatives at the meeting and any such representative or representatives shall be entitled to exercise on behalf of the corporation all the powers that the corporation could exercise if it were an individual member of the Company. Corporate representatives should bring with them either an original or certified copy of the appropriate board resolution or an original letter confirming the appointment, provided it is on the corporation's letterhead and is signed by an authorised signatory and accompanied by evidence of the signatory's authority.

Communication

6. Except as provided above, members who have general queries about the meeting should email the company secretary at davidbaldwin@conygar.com (no other methods of communication will be accepted).
7. You may not use any electronic address provided either:
 - (i) in this notice of general meeting; or
 - (ii) any related documents (including the proxy form),to communicate with the Company for any purposes other than those expressly stated.

Documents on display

8. Copies of the directors' letters of appointment with the Company are available for inspection at the registered office of the Company during the usual business hours on any weekday (Saturday, Sunday or public holidays excluded) from the date of this notice until the conclusion of the annual general meeting.

