



CONYGAR ZDP PLC

INTERIM REPORT
Six months ended 31 March 2024

Conygar ZDP PLC

Interim results

for the six months ended 31 March 2024

CHAIRMAN'S STATEMENT

I am pleased to present the Company's interim results for the period from 1 October 2023 to 31 March 2024.

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"). The principal investment objective of the Company 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.

On 3 October 2023, the Company placed 5 million ZDP shares, at a price of £1.00 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 as set out in the interim management report.

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.

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.

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.

N J Hamway
Chairman

15 May 2024

INTERIM MANAGEMENT REPORT

This interim management report is provided in accordance with the Company's Articles of Association.

Directors

The Directors who served in office during the six months under review were as follows:

N J Hamway (Chairman)

R T E Ware

D Baldwin

Principal risks and uncertainties

There have been no changes to the risks and uncertainties within the six months under review to those reported on page 7 of the Company's annual report for the period ended 30 September 2023. There were no events or otherwise during the period under review which had a significant effect on the Company, its objective or purpose.

In addition, and due to the Company's dependence on the Parent to repay the loan and provide a contribution to meet the capital entitlement of the ZDP shareholders, the other risks faced by the Company are considered to be the same as for the Parent. These are as set out on pages 10 to 12 of the Parent's annual report and include strategic, operational, credit, liquidity and market risks in addition to the risk of estimation and valuation uncertainty.

Going concern and future developments

The Directors consider that the Company will have sufficient funds to meet its liabilities as they fall due.

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 interim report of the Parent which has also been published today and is available on www.conygar.com.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Position of the Company as at 31 March 2024

As at 31 March 2024, the Company maintained a strong position and the financing arrangements were performing as envisaged in the listing prospectus. In particular, the Parent had met all of the conditions and obligations under the various arrangements. These conditions are tested on each calculation date and no breaches have occurred at any point since incorporation.

As at 31 March 2024, the cover test covenant, which requires 2 times cover for the ZDP share in issue at each calculation date, provided cover of 2.7 times.

General information

The financial information set out in this report covers the six months to 31 March 2024, with comparative amounts shown for the period from incorporation on 2 September 2022 to 31 March 2023 and for the period from 2 September 2022 to 30 September 2023.

Further information about the Company can be found on the website of the Parent at www.conygar.com.

Directors' responsibility statement

The Directors are responsible for preparing the interim report, in accordance with applicable law and regulations. The Directors confirm that, to the best of their knowledge the condensed set of financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the United Kingdom.

For and on behalf of the Board

N J Hamway
Chairman

15 May 2024

Conygar ZDP PLC
Statement of comprehensive income
For the six months ended 31 March 2024

| | | <i>Six months ended 31 Mar 2024</i> | <i>Period from 2 Sept 2022 to 31 Mar 2023</i> | <i>Period from 2 Sept 2022 to 30 Sept 2023</i> |
|---|------|---|---|--|
| | Note | £'000 | £'000 | £'000 |
| Administrative expenses | 3 | (17) | – | – |
| Operating loss | | (17) | – | – |
| Finance costs | 4 | (870) | – | – |
| Loss before taxation | | (887) | – | – |
| Taxation | | – | – | – |
| Loss and total comprehensive loss for the period | | (887) | – | – |

All items in the above statement derive from continuing operations

Conygar ZDP PLC
Statement of changes in equity
For the six months ended 31 March 2024

Changes in equity for the period from 2 Sept 2022 to 31 Mar 2023

| | | | | |
|---------------------------------|------------------------|-------------------------------|----------------------------|-----------------------|
| At incorporation on 2 Sept 2022 | Share capital £'000 | Capital contribution £'000 | Retained earnings £'000 | Total equity £'000 |
| Ordinary shares issued | 13 | - | - | 13 |
| At 31 Mar 2023 | 13 | - | - | 13 |

Changes in equity for the period from 2 Sept 2022 to 30 Sept 2023

| | | | | |
|---------------------------------|------------------------|-------------------------------|----------------------------|-----------------------|
| At incorporation on 2 Sept 2022 | Share capital £'000 | Capital contribution £'000 | Retained earnings £'000 | Total equity £'000 |
| Ordinary shares issued | 13 | - | - | 13 |
| At 30 Sept 2023 | 13 | - | - | 13 |

Changes in equity for the six months ended 31 Mar 2024

| | | | | |
|---|------------------------|-------------------------------|----------------------------|-----------------------|
| At 1 Oct 2023 | Share capital £'000 | Capital contribution £'000 | Retained earnings £'000 | Total equity £'000 |
| Total comprehensive loss for the period | - | - | (887) | (887) |
| Contribution by Parent | - | 887 | - | 887 |
| At 31 Mar 2024 | 13 | 887 | (887) | 13 |

Conygar ZDP PLC
Balance Sheet
As at 31 March 2024

| | | <i>31 Mar</i> | <i>31 Mar</i> | <i>30 Sept</i> |
|--------------------------------|------|-----------------|---------------|----------------|
| | | <i>2024</i> | <i>2023</i> | <i>2023</i> |
| | Note | <i>£'000</i> | <i>£'000</i> | <i>£'000</i> |
| Non-current assets | | | | |
| Amounts due from Parent | 5 | 15,104 | – | – |
| Current assets | | | | |
| Trade and other receivables | 6 | 8 | 13 | 32 |
| Total assets | | <u>15,112</u> | <u>13</u> | <u>32</u> |
| Current liabilities | | | | |
| Trade and other payables | 7 | (3) | – | (19) |
| Non-current liabilities | | | | |
| ZDP shares | 8 | <u>(15,096)</u> | – | – |
| Total liabilities | | <u>(15,099)</u> | – | (19) |
| Net assets | | <u>13</u> | <u>13</u> | <u>13</u> |
| Equity | | | | |
| Share capital | 9 | 13 | 13 | 13 |
| Capital contribution | | 887 | – | – |
| Retained earnings | | <u>(887)</u> | – | – |
| Total equity | | <u>13</u> | <u>13</u> | <u>13</u> |

Conygar ZDP PLC
Cash flow statement
For the period ended 31 March 2024

The Company does not have its own bank account therefore a cash flow statement has not been prepared.

Conygar ZDP PLC
Notes to the interim results
For the six months ended 31 March 2024

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. The financial information set out in this report covers the six months to 31 March 2024 and the period ended 30 September 2023.

Further information about the Company and the Parent can be found on the website www.conygar.com.

2. Basis of preparation

The interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting. The accounting policies used in preparing the condensed financial information are consistent with those of the annual financial statements for the period ended 30 September 2023 other than the mandatory adoption of new standards, revisions and interpretations that are applicable to accounting periods commencing on or after 1 October 2023, as detailed in the annual financial statements.

The condensed financial information for the six-month period ended 31 March 2024 has been reviewed but not audited and does not constitute full financial statements within the meaning of section 435 of the Companies Act 2006.

The financial information for the period ended 30 September 2023 does not constitute the Company’s statutory accounts for that period, but it is derived from those accounts. Statutory accounts for the year ended 30 September 2023 have been delivered to the Registrar of Companies. Saffery LLP reported on those accounts, their report was unqualified and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The board of directors approved the above results on 15 May 2024.

Copies of the interim report may be obtained from the Company Secretary, Conygar ZDP PLC, First Floor, Suite 3, 1 Duchess Street, London W1W 6AN.

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.

Statement of cash flows

No cash flow statement is presented as all funding activities are provided by the Parent.

3. Administrative expenses

| | <i>Period from</i> | <i>Period from</i> |
|---|--------------------|--------------------|
| <i>Six months</i> | <i>2 Sept</i> | <i>2 Sept</i> |
| <i>ended</i> | <i>2022 to</i> | <i>2022 to</i> |
| <i>31 Mar</i> | <i>31 Mar</i> | <i>30 Sept</i> |
| <i>2024</i> | <i>2023</i> | <i>2023</i> |
| <i>£'000</i> | <i>£'000</i> | <i>£'000</i> |
| Costs of meeting regulatory obligations | 17 | – |
| | <u>17</u> | <u>–</u> |

4. Finance costs

| | <i>Period from</i> | <i>Period from</i> |
|-----------------------------|--------------------|--------------------|
| <i>Six months</i> | <i>2 Sept</i> | <i>2 Sept</i> |
| <i>ended</i> | <i>2022 to</i> | <i>2022 to</i> |
| <i>31 Mar</i> | <i>31 Mar</i> | <i>30 Sept</i> |
| <i>2024</i> | <i>2023</i> | <i>2023</i> |
| <i>£'000</i> | <i>£'000</i> | <i>£'000</i> |
| Interest on ZDP shares | 664 | – |
| Amortisation of issue costs | 206 | – |
| | <u>870</u> | <u>–</u> |

5. Amounts due from Parent

| | <i>Period from</i> | <i>Period from</i> |
|--|--------------------|--------------------|
| <i>Six months</i> | <i>2 Sept</i> | <i>2 Sept</i> |
| <i>ended</i> | <i>2022 to</i> | <i>2022 to</i> |
| <i>31 Mar</i> | <i>31 Mar</i> | <i>30 Sept</i> |
| <i>2024</i> | <i>2023</i> | <i>2023</i> |
| <i>£'000</i> | <i>£'000</i> | <i>£'000</i> |
| At the start of the period | – | – |
| Amount due in connection with 10 million unpaid ZDP shares | 10,000 | – |
| Loan of net proceeds from issue of 5 million ZDP shares | 4,226 | – |
| Repayment of loan to Parent | (9) | – |
| Amounts due pursuant to the contribution agreement | 887 | – |
| | <u>15,104</u> | <u>–</u> |
| At the end of the period | <u>15,104</u> | <u>–</u> |

Conygar ZDP PLC
Notes to the interim results (continued)
For the six months ended 31 March 2024

5. Amounts due from Parent (continued)

On 3 October 2023, the Company placed 5 million ZDP shares, at a price of £1.00 per ZDP share (the “issue price”), with a further 10 million ZDP shares subscribed for by the Parent (each a “subscription share”).

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 as such has contributed £887,000, by way of a capital contribution in reserves, to meet the operational costs and ZDP accrued interest costs incurred by the Company up to 31 March 2024. As part of this, the Parent is subject to a number of operational restrictions and financial covenants which the Board monitors carefully. As at the date of signing these financial statements, the Parent has comfortably met all covenants and complied with all its obligations.

6. Trade and other receivables

| | <i>31 Mar</i> <i>2024</i> <i>£'000</i> | <i>31 Mar</i> <i>2023</i> <i>£'000</i> | <i>30 Sept</i> <i>2023</i> <i>£'000</i> |
|---|--|--|---|
| Prepaid administrative expenses | 8 | – | – |
| Prepaid fees in connection with the issue of ZDP shares | – | 13 | 32 |
| | <u>8</u> | <u>13</u> | <u>32</u> |

7. Trade and other payables

| | <i>31 Mar</i> <i>2024</i> <i>£'000</i> | <i>31 Mar</i> <i>2023</i> <i>£'000</i> | <i>30 Sept</i> <i>2023</i> <i>£'000</i> |
|------------------------|--|--|---|
| Amounts owed to Parent | – | – | 19 |
| Accruals | 3 | – | – |
| | <u>3</u> | <u>–</u> | <u>19</u> |

8. Zero dividend preference shares

| | <i>Six months ended 31 Mar 2024 £'000</i> | <i>Period from 2 Sept 2022 to 31 Mar 2023 £'000</i> | <i>Period from 2 Sept 2022 to 30 Sept 2023 £'000</i> |
|---|---|---|--|
| At the start of the period | – | – | – |
| Parent subscription for 10 million unpaid ZDP shares | 10,000 | – | – |
| Net proceeds from issue of 5 million ZDP shares | 4,226 | – | – |
| Amortisation of issue costs | 206 | – | – |
| Accrued capital | 664 | – | – |
| | <hr/> | <hr/> | <hr/> |
| At the end of the period | <u>15,096</u> | <u>–</u> | <u>–</u> |

On 3 October 2023, the Company placed 5 million ZDP shares, at a price of £1.00 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.

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.

The accrued capital entitlement of each ZDP share was 104.43p as at 31 March 2024.

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.

The fair value of the ZDP shares at 31 March 2024, based on the quoted bid price at that date, was £15,315,000.

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.

Conygar ZDP PLC
Notes to the interim results (continued)
For the six months ended 31 March 2024

9. Share capital

| As at 31 Mar 2024, 31 Mar 2023 and 30 Sept 2023 | <i>Number of shares</i> | <i>£'000</i> |
|---|-----------------------------|--------------|
| Ordinary shares of £1 each - Issued and partly paid as to 25p each | 50,000 | 13 |

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.

10. 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 amount due from the Parent to the Company, which is unsecured, interest free and repayable on demand, was £15,104,000 at 31 March 2024 (31 March 2023: £nil; 30 September 2023: £nil).

The amount due from the Company to the Parent, which is unsecured, interest free and repayable on demand was £nil at 31 March 2024 (31 March 2023: £nil; 30 September 2023: £19,000).

The Directors received no remuneration for their services to the Company during the period.

10. Controlling and related parties (continued)

On 3 October 2023, the Directors and directors of the Parent subscribed for the following ZDP shares at the issue price of £1 per ZDP share:

| | <i>31 Mar</i> <i>2024</i> <i>£'000</i> | <i>31 Mar</i> <i>2023</i> <i>£'000</i> | <i>30 Sept</i> <i>2023</i> <i>£'000</i> |
|------------|--|--|---|
| R T E Ware | 250,000 | – | – |
| N J Hamway | 250,000 | – | – |
| B S Sandhu | 250,000 | – | – |
| D Baldwin | 15,000 | – | – |
| F N Jones | 15,000 | – | – |
| C J D Ware | 10,000 | – | – |

11. Events after the reporting date

There were no subsequent events requiring disclosure in these financial statements.

Independent auditor’s review report on interim financial information of Conygar ZDP PLC

Conclusion

We have reviewed the accompanying condensed set of financial statements of Conygar ZDP PLC (“the Company”) as at 31 March 2024 which comprises the statement of financial position and the related condensed statements of income and changes in equity for the six-month period then ended. 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 31 March 2024 is not prepared, in all material respects, in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’ as adopted in the UK.

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.’ A review of interim financial information consists of making inquiries, 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.

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 Company to cease to continue as a going concern.

Directors' responsibilities

Management is responsible for the preparation and presentation of the condensed set of financial statements included in this half-yearly financial report in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted in the UK. As disclosed in Note 2, the annual financial statements of the Company are prepared in accordance with IFRS as adopted in the UK.

In preparing the interim financial information, 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.

Our responsibility

In reviewing the interim financial information, 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 the terms of our engagement. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Saffery LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE
15 May 2024

Directors and advisers

| | |
|--|--|
| Directors | N J Hamway (<i>Chairman</i>) R T E Ware D Baldwin |
| Secretary | D Baldwin |
| Registered office | First Floor, Suite 3 1 Duchess Street London, W1W 6AN |
| Registrar | Share Registrars Limited 3 The Millenium Centre Crosby Way Farnham Surrey GU9 7XX |
| Nominated adviser & stockbroker | Liberum Capital Limited Ropemaker Place, Level 12 25 Ropemaker Street London EC2Y 9LY |
| Solicitors | Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU |
| Auditors | Saffery LLP 71 Queen Victoria Street London EC4V 4BE |

Company Registration No 14333277

