Embargoed until 07.00 on 25 February 2022

PRELIMINARY ANNOUNCEMENT FOR RIGHTMOVE PLC YEAR ENDED 31 DECEMBER 2021

Financial highlights

	2021	2020	2019	Change vs 2020	Change vs 2019
Revenue (£m)	304.9	205.7	289.3	+48%	+5%
Operating profit (£m)	226.1	135.1	213.7	+67%	+6%
Underlying operating profit(1) (£m)	231.0	137.5	219.7	+68%	+5%
Final dividend (pence)	4.8p	4.5p	nil	7%	-
Basic earnings per share	21.3	12.6	19.6	+69%	+9%
Underlying earnings per share(2)	21.8	12.8	20.3	+70%	+7%

Performance relative to 2020 reflects the exceptional Covid customer discounts provided between April and October 2020, therefore comparisons to 2019 are also included.

- Revenue up £15.6m/5% on 2019 reflecting the growth in both customer spending and ARPA, partially offset by a decline in New Homes revenues. Relative to 2020, revenues grew by 48%, as similarly strong product usage and package upgrades combined with an absence of 2020's Covid customer discounts to drive strong revenue growth
- Operating profit of £226.1m, up 6% on 2019 (2019: £213.7m) and up 67% on 2020 (2020: £135.1m)
- Underlying operating profit(1) of £231.0m, up 5% on 2019 (£219.7m) and 68% on 2020 (2020: £137.5m)
- Basic earnings per share of 21.3p up 9% from 19.6p compared to 2019, and underlying earnings per share(2) of 21.8p, up 7% from 20.3p. Compared to 2020, basic earnings per share up 69% (2020: 12.6p) and underlying earnings per share(2) up 70% (2020: 12.8p)
- Final dividend for 2021 of 4.8p (2019: nil; 2020: 4.5p) per ordinary share, taking the total dividend for 2021 to 7.8p
- £238.8m of cash returned to shareholders through share buybacks and dividends in 2021 (2019: £148.5m; 2020: £30.1m)
- Cash (including money market deposits) at the end of the period of £48.0m (2019: £36.3m; 2020: £96.7m)

Operational highlights

- Average Revenue Per Advertiser (ARPA)(3) up 9% (£101) on 2019 to £1,189 per month (2019: £1,088; 2020: £778)
- Relative to December 2019, Agency ARPA is up by £120 (12%), driven primarily by product purchases, package upgrades and pricing actions
- Strong uptake of our premium Optimiser 2020 package, with 21% of independent agents now subscribing, up from 9% in December 2020
- Membership numbers are 1% down since the start of the year, at 18,969; with 16,110 (+188) Agency branches and 2,859 (-416) New Homes developments (31 December 2019: 16,347 and 3,462; 31 December 2020: 15,922 and 3,275)
- Time on site averaged 1.5 billion(4) minutes per month over the period (2019 1.0 billion; 2020: 1.3 billion), reflecting Rightmove's trusted brand and the strong property market. Site visits of 2.5 billion(4) (2019: 1.6 billion; 2020: 2.1 billion), up 56% from 2019 and up 19% from 2020

- Continued innovation with the launch of three additional digital marketing solutions and further progress in Rental and Mortgages as part of digitising more of the transaction
- Rightmove is committed to becoming a Net Zero business and has submitted fully verified near-term and net zero targets to the SBTi to achieve a significant reduction in emissions by 2030

(1) Underlying Operating Profit is defined as operating profit before share-based payments charges (including the related National Insurance)
(2) Underlying EPS is defined as underlying profit (profit for the year before share-based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period
(3) 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 year
(4) Source: Google Analytics.

Current trading and outlook

Rightmove's network effects continue to position us at the heart of the UK property market and our financial performance in 2021 reflects the trust that our customers placed in our digital products to help their businesses to respond to the opportunities presented by the buoyant housing market.

As the market normalises, we expect the number of transactions to return to pre-pandemic levels. We remain alert to the macro environment, but Rightmove is not materially impacted by the property market cycle other than in the most extreme circumstances and we believe the UK online property advertising market will continue to grow.

We will maintain our disciplined cost management and focus on revenue growth, with costs in the historic range of 25%-27% of revenues.

The strength of our proposition, coupled with the innovation delivered during the past two years and the momentum generated during in 2021, underpins the Board's confidence in Rightmove's outlook for 2022 and beyond.

Peter Brooks-Johnson, Chief Executive Officer, said:

Our position at the heart of Britain's home-moving journeys strengthened even further in 2021, with people spending an incredible 18 billion minutes searching and researching for their new home. I'm proud of our role in helping more people than ever before find a home that meets their needs and helping our customers help sellers and landlords achieve the best price by having their properties marketed to by far the biggest home-moving audience in the UK.

Our ambition to make home moving easier in the UK is undiminished and drives our everyday business and longer-term strategy, and I'm excited about our plans to use our industry leading platform to digitise more of the home-moving journey.

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

Enquiries:	**Investor Relations**	Investor.Relations@rightmove.co.uk
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Chair's Statement

It is my pleasure to present Rightmove's results for the year ended 31 December 2021. Rightmove celebrated its 21st Birthday in 2021 and we are delighted that our results demonstrate the resilience of the Group's business model, the return to more normal operating conditions and continuity of growth from 2019, looking through the disruption of 2020.

2021 has been the busiest year in Rightmove's history, with record numbers of home hunters spending over 18 billion minutes on our platforms. The UK property market has seen extraordinary activity this year with over 1.4m transactions fuelling an increase of 4.6% in average house prices. The strong market has presented opportunities and pressures for our customers and our business, and I am proud that our teams have delivered great service to our customers and home hunters during the year.

In September, we were able to hold a Group-wide employee day, bringing all our teams together after 18 months of remote working, with many new team members experiencing for the first time the enjoyment of 'all being in it together' and able to meet new colleagues for the first time. Our workforce has grown by 12%, with over one-third joining during lockdown, and bringing people together has been extremely important to us.

Financial Results

The Group's results reflect the strength of our business model and core value proposition, delivering underlying operating profit(1) of £231.0m (2020: 137.5m) and operating profit of £226.1m (2020: £135.1m) from revenue of £304.9m (2020: £205.7m). Underlying earnings per share(2) was 21.8p (2020: 12.8p) and basic earnings per share 21.3p (2020: 12.6p). Our cash(3) position at the year-end was £48.0m (2020: £96.7m), having returned all surplus cash to shareholders.

Returns to shareholders and dividend

In keeping with our policy of returning free cash to our shareholders, £238.8m (2020: £30.1m) was returned through the share buyback programme, which resumed in March, and dividend payments in May and October.

The Board remains confident in our ability to deliver sustainable returns to shareholders and is recommending a final dividend of 4.8p per share for 2021 (2020: 4.5p). The final dividend will be paid, subject to shareholder approval, on 27 May 2022. The share buyback programme, which paused for the Closed Period from 1 January, will resume in March 2022.

Board priorities and governance

There have been no changes to the Board or Committee membership during the year.

In 2021, the Board has focused on augmenting the senior leadership team, investing in our core business and in two key strategies aimed at improving tenants' rental journeys and providing home buyers with an effective digital journey towards selecting a mortgage.

In corporate governance, we aim to be best in class and have established a Corporate Responsibility Committee to oversee the Group's Environmental, Social and Governance (ESG) strategy. The Audit Committee has overseen the competitive tender for new external auditors and proposed the appointment of EY LLP to replace KPMG LLP, which the Board has recommended for shareholder approval at our AGM in May. The Group Risk Committee has supported the Audit Committee's work, notably recommending a new comprehensive Risk Management Framework which will be fully implemented in 2022 (see the Corporate Governance Report and Risk Management section for details).

I am pleased to report that the comprehensive set of ESG initiatives and performance targets set by the Board in 2020 have enhanced our approach and oversight of environmental risks, employee welfare and governance (see the Sustainability Report for details). This year we are able to report under the recommendations of the Taskforce for Climate-related Financial Disclosures and submit our environmental targets to the Science Based Targets initiative. We continue to make progress on the Social side of ESG, with support for our employees and the communities in which our offices are based. We have also made a significant increase in our charitable giving programme this year, and aim to continue to do so in the coming year.

Looking ahead

We fully appreciate the talent and dedication of our teams and on behalf of the Board, I would like to thank all our employees for their outstanding efforts in delivering such strong results in another challenging year and for serving our customers and consumers so well.

Following a year of strong recovery and a return to the growth trajectory our stakeholders expect, we are confident that our investment in technology and people will uphold Rightmove's position as the UK's number one property portal. We are committed to investing in our core business, to providing the premium service that our customers expect and the truly compelling consumer experience homehunters know and love, in addition to pursuing our complementary new strategies.

I am looking forward to working with our teams in 2022 as we continue to invest in the long-term sustainability of our business and to create more value for all our stakeholders.

Andrew Fisher
Chair
25 February 2022

Chief Executive's review

Over the past 21 years Rightmove, along with thousands of our customers, has changed the way that Britain searches and researches property. The past two years have demonstrated the trust that Britain's homemovers place in Rightmove, not only as the place to find their next home but as the most reliable source of information about the housing market. The pandemic encouraged many to reconsider what they wanted from their home, leading to a busy property market during 2021. This strong market, and Rightmove's place at the heart of it, led to record levels of engagement with our platforms; homehunters spent over 18 billion minutes on our platforms searching for a new home or location and considered new possibilities, 15% higher than any previous year. This record traffic extended Rightmove's share of audience time compared to other property portals.

The increased levels of buyer demand created a consequent reduction in the number of properties available for sale. The healthy transaction numbers and lack of available stock encouraged many agents to invest more heavily in Rightmove products to ensure they could drive their businesses forward by winning those instructions which were available. The record growth of average revenue per advertiser (ARPA) to £1,189 is testament to the trust our agent customers place in the Rightmove marketing products to help them to grow their businesses.

The lack of new stock saw fewer new entrants to the agency industry than in previous years and made existing agencies equally cautious about expanding their branch networks. However, our record agent retention rate of over 91% drove a 1% increase in total agency membership, despite the low number of new agency joiners.

Although our number of developer customers remained stable, the imbalance between supply and demand and the impact of Covid on construction rates saw the number of New Homes developments listed on Rightmove fall by nearly 6% during 2021, with many developers having already sold all their projected H1 2022 completions by the end of 2021. This lack of stock to sell reduced developers' marketing needs, with spend dropping across various media platforms. Against this background, the 2% growth in ARPA from New Homes developers is testament to the strength of the new products released in the year - Advanced Development Listings and Native Search Adverts.

The robustness of the Rightmove model and the value of our service are underlined by the overall record ARPA growth of £411 (53%) in the year (a 9% increase from 2019), despite the headwinds generated by the stock-constrained market in 2021. The actions taken to support our customers through discounts, training and other support during 2020 have made Rightmove a stronger business. Revenue in 2021 was 5% higher than 2019 at £304.9m, with strong momentum carried into 2022.

While the core property marketing proposition continues to go from strength to strength, Rightmove's long standing ability to build smaller businesses which leverage and support the core business continues to drive growth. In 2021 these businesses - Commercial property, Data Services, Overseas property, Third Party Advertising and the early-stage Tenant Services and Mortgages businesses grew by 30% to contribute £31.9m (2020: 24.6m).

Our preparation for agile remote working at the start of 2020 means our teams have been able to continue to innovate at pace. During 2021, the team released countless improvements to the platform for consumers and four significant new products, which are already generating revenue. Our focus remains steadfastly on making home moving easier in the UK, with progress also on our longer-term initiatives within Tenant Services and Mortgages. Whilst both initiatives are early in their revenue growth, we have experimented with and implemented many features which have yielded significant learnings both in our ability to make the process easier for home movers, and more efficient for our customers.

I am immensely proud that we have worked with our customers to help homehunters in the busiest UK property market since 2007[(4),] despite the ongoing challenges of the pandemic. The efficiency of the 2021 housing market is testament to the resilience of the thousands of people who work in the UK property industry and the benefits that a digital market can bring. Rightmove's sense of common purpose is stronger than ever, with 89% of our people responding to the annual 'Have Your Say' survey, agreeing that Rightmove is a great place to work.

Our ambition to make home moving easier in the UK is undiminished and drives our everyday business and longer-term strategy to build a valuable, sustainable business for all our stakeholders.

Our Strategy – making home moving easier

The place consumers turn to and return to first

Rightmove's place at the heart of home-moving in the UK has been hard won and our audience has high expectations of the technology and quality of the services we offer. In 2021, we maintained our culture of continuous improvement and innovation to make home-moving easier and to make our platforms a compelling experience for our users. For 15 years in a row, Rightmove has been a more popular search term than 'property for sale' according to Google, and 17 years for 'property to rent'.

In 2021, consumers made over 2.5 billion[(5)] visits to our platforms and spent over 18.3 billion[(5)] minutes (2020: 15.9 billion minutes) on Rightmove. This level of consumer engagement has been achieved by delivering the best and most relevant search and research tools and access to the most up-to-date, engaging and comprehensive property content available. Consistent with our restless drive for improvement, despite a ground-up refresh of the property details pages in 2020, we released a further 70 iterations in 2021 which made the pages more efficient for home hunters, while highlighting features which are becoming much more important, such as a property's energy performance and its tenure.

Over 71% of all time spent on Rightmove's platforms in 2021 was to our mobile-optimised site and apps, which have again seen the fastest growth, with a 16% increase in mobile site-time and a 14% increase in app time during 2021[(5)]. Our mobile-optimised website and apps benefited from continuous investment with, for example, ground-up rebuilds of our popular draw-a-search and keyword-sort features. The total amount of time spent on Rightmove apps is over 12 times[(6)] that spent on our closest competitor's and our mobile and tablet apps have over 5 times[(6)] more unique visitors on average per month, with each user spending an average of twice as much time per month[(6)].

The availability of our platforms is vital for both homeowners and home hunters and we have maintained an industry-leading level of "uptime" of 99.99%, meaning our platforms were unavailable for just under 15 minutes during 2021.

Our property research tools are widely used by landlords, homeowners, buyers and sellers. Consumers spent over 728 million minutes using our sold prices data from an archive of over 58m properties, an increase of 21% on 2020. As many home hunters reassessed their accommodation requirements and commute times during the pandemic, the use of our 'Where Can I Live?' tool increased by 22% in 2021, compared to 2020.

We value our role as a trusted source of housing market knowledge for UK home hunters and send our consumer email to an average of five million consumers every week. Rightmove's unique property demand data, analytical capabilities and access to real-time search and sales patterns provides valuable insights and commentary on property and home moving trends. Our House Price Index is the most accurate leading indicator of house prices in the UK, based on 95% of newly advertised properties in the UK.

Our continuous investment in building our brand and the popularity of our website and apps means that 84% of visits to our platforms are direct visits, initiated either by consumers going directly to our site or launching our app. We have again focused on search engine optimisation and consumer engagement, understanding that the behaviour of our audience is always evolving.

Unrivalled returns for our customers through digital marketing solutions and insight

Our objectives are to help our customers to save time, grow their market share, market more effectively and create new revenue streams. We achieve this by giving our customers access to the largest possible home moving audience, helping them to win more business, and by providing them with a range of digital services and information.

While we are proud of the extended product suite we offer, we work hard to ensure that the platform works for all our customers. The record traffic to Rightmove, coupled with the strong property market throughout the year, delivered a record 65 million property-specific leads to our customers, up 26% on 2020.

Rightmove's product suite has been carefully designed to be effective in both stock-constrained and demand-constrained markets. In the extreme stock-constrained market of 2021, our agent customers turned more than ever to our products to help them to win property sales instructions efficiently.

Winning the right to an instruction to sell or to let a property is critical to an agent's success. Our premium packages, Enhanced and Optimiser 2020, help our customers to generate more opportunities to win instructions cost effectively. The packages include branding and property-promotion solutions to boost agents' performance in the 'awareness' stage of the marketing funnel, while our popular Local Valuation Alert and Rightmove Discover products fast-track agents to the 'consideration' stage.

The market structure particularly highlighted the effectiveness of our vendor lead products and the benefits of our unrivalled first-party data driven agent branding products. Responding to our customers' needs, we increased the inventory of our lead generation products by 22%, increasing the number of vendor leads generated by 20% on 2020.

Recognising the value of our additional products, nearly 1,400 customers chose to upgrade to our Optimiser 2020 package. These package upgrades, along with customers choosing to buy more products, and our pricing actions contributed to record agency ARPA growth between January and December 2021.

The strong demand from home-hunters has led to many New Homes developments being fully sold off-plan, significantly reducing the requirement for developers to advertise. Pleasingly, despite the strong demand for New Homes, 28% of New Homes developments upgraded to our new Advanced Development Listings subscription package, launched in April 2021, which creates an opportunity to cross-sell and up-sell plots on a development, providing better engagement and lead-generation.

We continue to innovate our product set to bring together Rightmove's extensive first-party dataset and reduce advert-management effort for our customers by leveraging the creative assets they have already shared as part of their listings. The second of our next generation marketing products, Native Search Adverts, launched for our New Homes customers in November. By combining enhanced designs tailored to our developers' needs and our intelligent retargeting, pioneered with our Sold By Me product, Native Search Adverts are performing more than five times better than location only targeted banner ads.

Rightmove's value to our customers goes beyond digital advertising solutions; we also offer tools to our customers to help them to run their businesses more efficiently. In the busy and often resource-constrained environment in 2021, these tools took on heightened importance.

Rightmove Plus, included free of charge as part of all Rightmove membership packages, helps customers throughout the property marketing lifecycle. Agents tell us, for example, that the new version of the Best Price Guide, a reporting tool within Rightmove Plus which helps them to gather comparable properties to support their suggested property price, saves them up to an hour per market appraisal. The Best Price Guide was used over 14 million times in 2021.

The video viewing tool developed during 2020 to help with Covid-restricted viewings allowed our customers not only to remain safe during the early part of 2021, but to process efficiently the higher-than-normal level of home hunter enquiries generated in the remainder of the year. Over 400,000 virtual video viewings were delivered using the secure Rightmove platform in 2021, more than double those of 2020, while the new appointment booking tool was used by tenants to request over 344,000 physical viewings.

Our market-leading professional training programme, free to all members, remains an invaluable tool for our customers. The topics covered in 2021 ranged from 'preparing for an HMRC inspection' to 'recruiting the best talent' and from 'winning new sellers' to 'how to help tenants with accessibility needs to find the right home'. In the year, we added courses that gave our customers continuing professional development (CPD) certification. This accredited learning has added an extra, welcome dimension to our offering and is helping agents to fulfil mandatory training. In 2021, over 4,500 individuals from nearly 2,500 branches received foundation and advanced certificates in GDPR (Data Protection). Overall, in 2021 our webinars were viewed by nearly 24,000 property professionals both live and through our on-demand service. Our Rightmove Hub, which hosts all the material closed the year with more than 1,000,000 page views.

Rightmove's Commercial Real Estate (CRE) portal provides access to the largest audience of agents/ surveyors, landlords/owners, developers and investors in the UK. The changes in ways of working over the last two years have accelerated digital adoption as more agents and occupiers have used Rightmove both to advertise and to search for property and, having experienced the ease of using digital tools, have continued to do so. This dynamic is reflected in the healthy growth of our audience, with time spent on our commercial property pages increasing by 17% and leads to CRE customers increasing by 25% during 2021. The Rightmove platform increasingly generates leads from occupiers with significant scale, allowing CRE agents not only to earn a fee on the property being advertised but to introduce clients to the other professional services they offer.

Rightmove's Data Services business supports the property industry by delivering property valuation tools and insights based on our unparalleled dataset. The Surveyor Comparable Tool, used by surveyors to make property valuations, was used in over 75% of mortgage transactions in the UK, with more than 2.4 million reports run in 2021. Our Automated Valuation Model is used by lenders and, overall, we valued more than £3.8 trillion worth of property in 2021.

The environment for Rightmove's Overseas property advertising business has been challenging. The uncertainty surrounding Brexit was followed by pandemic-related travel restrictions, which effectively prevented UK buyers from travelling to view properties abroad. We are now well-positioned to recover as these restrictions start to unwind and we can once again help prospective buyers to find their dream homes abroad.

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

Rightmove has played a significant role in digitising the property search market in the UK. We believe that, by using the power of technology to improve the journey from searching for a home to being ready to transact on it, we can make the process more transparent, more efficient and less stressful for both professionals and homehunters.

Digitisation also creates opportunities which expand and augment our revenue beyond classified advertising. While still in the early stages, we are encouraged by the possibilities we are uncovering.

Viewings Manager, our integrated appointments booking system, allows tenants to request an appointment electronically and to provide enhanced lead information which allows agents easily to assess the property's affordability and suitability. Once a viewing is confirmed, tenants can cancel or reschedule the appointment at the click of a button and receive automated reminders to help to avoid missed appointments, which is a key timesaving benefit for agents. Once a viewing has been completed, agents can seamlessly order a full tenant reference from Rightmove Landlord and Tenant Services, without the need to re-enter the tenant's details, again saving time and reducing the risk of error.

In 2021, we rebranded our tenant services business as Rightmove Landlord and Tenant Services and relaunched our tenant-referencing portal with added functionality. By offering one of the highest quality tenant reference products in the industry, we were able to introduce a market-leading landlord insurance product, which will provide increased cover at no extra cost. The next iteration of the referencing product - which leverages Open Banking technology to increase speed and accuracy yet further - is already underway.

When moving, tenants require a number of services, including home contents insurance and broadband, for their new homes. In 2021, we continued to develop our offering to tenants to secure these services, helping over 9,000 tenants. The combination of landlord and tenant products creates a valuable profit stream on top of the reference itself. In 2021 these additional services created an additional £4.30 profit per reference delivered. We see future growth in our ability to increase the number of tenants purchasing insurance therefore increasing the profit per reference and increasing our share of the referencing market.

Our quest to reduce the time taken by tenants to complete their rental journeys, from search to occupancy, remains a focus, with our first fully digital rental-progression flow due to enter testing in the first half of 2022. In the medium term, this flow will significantly enhance our opportunities to engage with tenants and offer them a transparent view of their progress towards moving in. It will also offer our customers a frictionless experience that minimises data entry and enables them to significantly reduce the administrative burden to let a property, while protecting them from regulatory risk. It will also allow us to offer more valuable services to tenants.

A vital part of the home buying journey is understanding affordability, which, for many people, starts with receiving an indication that they can secure a mortgage. Home movers tell us that they only start to be confident that they can secure a mortgage at the point they want to make an offer on the home they have chosen. This is too often late in the process and can lead to frustration and disappointment for the home buyer and wasted time, delays and potentially lost sales for agents. We will help home buyers to increase their confidence earlier in the property search and selection process by offering easy, personalised, lender backed mortgages in principle (MiP).

In 2021, we enhanced our nascent digital flow, bringing together the MiP and property search tools with helpful content which not only creates more certainty for borrowers, but increases the volume and quality of mortgage leads for our mortgage partner. While still early in our development, we increased the number of MiPs delivered four-fold compared to 2020 and the number of mortgage reservations nearly doubled. Plans are well advanced to make the journey to achieving a MiP easier and more efficient. This helps both prospective buyers and enhances agent efficiency through better qualified leads.

Our environment and society

Doing the right thing underpins our culture and fashions our response to a range of issues. We believe that Rightmove can and should be a force for good in the UK's drive to reduce carbon emissions and to make a difference in the communities in which we operate.

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

Our environmental strategy has two elements. Firstly, to use science-based targets to reduce Rightmove's carbon footprint within our own operations and supply chains. Secondly, to use the reach of our platforms to support initiatives to make the UK a carbon-neutral country.

In 2021, we committed to the Science Based Targets Initiative (SBTi) and have submitted our targets to ensure we play our part in meeting the 1.5°C climate challenge.

Also in 2021, we took the first steps to using our platform to promote energy efficient homes to homehunters. Highlighting the Energy Performance Certificate (EPC) on each property, for example, increases home hunter engagement with EPCs by 35%. Using the unique insight from our collaboration with the Department for Business, Energy & Industrial Strategy project to assess the value difference of low carbon homes, we created a series of stories to expand on the benefits for owners of reducing their home's carbon footprint, achieving widespread national media coverage.

We will continue to help to drive the UK's 'net zero' agenda by digitising home moving in the UK and helping consumers to understand the options and benefits of making their homes more energy efficient.

More information about all these initiatives and our progress in meeting our environmental and social targets can be found in the Sustainability Report.

Build great teams

Our people define Rightmove and create a culture which is highly supportive, innovative and open, where everyone matters and knows that their ideas will be explored and views respected. Our employees live by the central behaviours of doing the right thing for our customers and consumers, driving improvement, and taking responsibility for making things that matter happen.

We work hard to create one highly connected, collaborative team, with minimal hierarchy and bureaucracy, removing any barriers to rapid growth and innovation. As we have grown our teams by 12% in a challenging year for recruitment, we have remained disciplined in our determination to employ the right people and then to support them to be confident, to innovate and to lead effectively.

2021 has been another year of extended periods of remote working and it has been a challenge to foster a strong sense of belonging and connection. Rightmovers have shown remarkable resilience and pragmatism in the face of the continuing separation from each other, and I am pleased that against this backdrop we have only seen a small decline in connectedness in our 2021 'Have Your Say' survey. 89% (2020: 93%) of employees responding agreed that 'Rightmove is a great place to work', 89% think that they can be themselves at work and 89% are proud to work for Rightmove. Our commitment to restless improvement means that plans are in place to return these measures to their previous long-term averages.

I am proud of our achievements and would like to thank all our employees for their extraordinary efforts and commitment over the past year, which have contributed to such a strong set of results.

Peter Brooks-Johnson
Chief Executive Officer

25 February 2022

(1) Underlying Operating Profit is defined as operating profit before share based payments charges (including the related National Insurance)
(2) Underlying EPS is defined as profit for the year before share-based payments charges (including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period
(3) Cash including money market deposits
(4) Residential property transactions in the UK recorded by the Land Registry
(5) Source: Google analytics
(6) Source: Comscore Mobile Metrix® Mobile App only, total Audience, Custom-defined list of Rightmove (Mobile App) and Zoopla Property Search (Mobile App), January – December 2021, United Kingdom.

Chief Financial Officer's Review

Rightmove emerged strongly from the challenges of 2020, delivering a robust financial performance that exceeded its 2019 pre-pandemic results.

Revenue

Revenue increased by £99.2m/48% from 2020, to £304.9m (2020: £205.7m), reflecting both the ending of the 2020 customer Covid discounts, and strong product growth and package upgrades which drove ARPA growth during 2021.

	2021 £m	2020 £m	2019 £m	Change vs 2020 £m	Change vs 2020 %	Change vs 2019 %
Agency	224.5	141.6	209.2	82.9	58%	7%
New Homes	50.0	40.7	55.5	9.3	23%	(10%)
Other	30.4	23.4	24.6	7.0	30%	24%
Total revenue	**304.9**	**205.7**	**289.3**	**99.2**	**48%**	**5%**

	2021	2020	2019	Change vs 2020	Change vs 2020 %	Change vs 2019 %
Agency branches	16,110	15,922	16,347	188	1%	(1%)
New Homes devs	2,859	3,275	3,462	(416)	(13%)	(17%)

Total membership	**18,969**	**19,197**	**19,809**	**(228)**	**(1%)**	**(4%)**

Comparisons to the 2019 financial year have been included as the performance in 2020 was distorted by the exceptional customer Covid discounts provided between April and October 2020. The drivers of revenue growth are more clearly seen when compared to 2019's results.

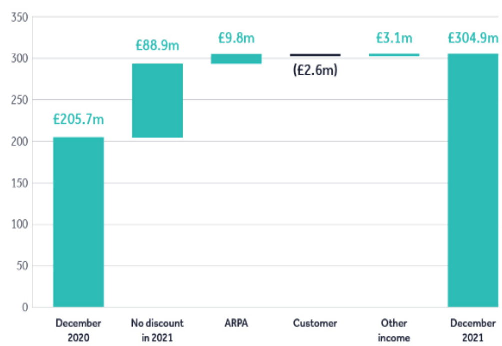
Agency revenues of £224.5m increased 7%/£15.3m on 2019, reflecting both increased use of our digital products by our agent customers and successful pricing actions during both 2020 and 2021. Relative to 2020, agency revenues grew by 58% as similarly strong product usage and package upgrades combined with the absence of 2020's Covid customer discounts to drive strong revenue growth. We saw strong product purchase and package upgrades as agents used our products to win instructions in what has been a buoyant housing market. Agency ARPA[(1)] increased to £1,155, up 12%/£120 from £1,035 in 2019 (up 58%/£425 on 2020 from £730). Agency customer numbers ended the year broadly flat at 16,110: an increase of 1%/188 compared to 2020 (2020: 15,922) - mostly new, independent, single-branch agents - and a decrease of 1%/237 branches compared to 2019 (2019: 16,347), as the stock-constrained market made it difficult for new agencies to start up.

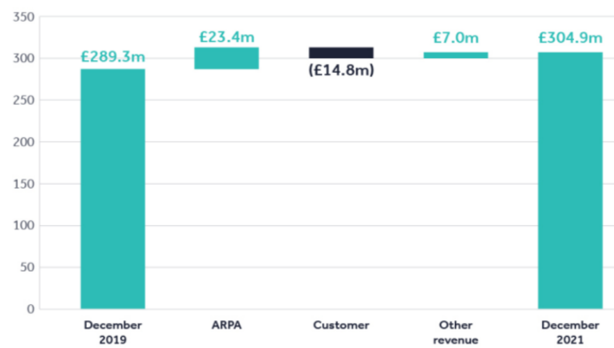
New Homes revenue of £50.0m fell by 10%/£5.5m on 2019, as the New Homes market was forward-sold for the entirety of 2021, and some developers reduced discretionary spend on our suite of digital advertising products as developments sold out and were advertised for shorter periods on our sites. Relative to 2020, revenue increased by 23%/£9.3m due to the absence of Covid discounts in 2021. Developments ended the year at 2,859, a decrease of 17%/603 developments on 2019 (2019: 3,462) and a decrease of 13%/416 developments on 2020 (2020: 3,275). However, new product launches and pricing actions meant that New Homes ARPA [(2)] increased to £1,367 per development per month - up 2%/£24 on 2019 and up 36%/£364 on 2020 (2020: £1,003; 2019: £1,343).

Other revenues of £30.4m increased 24% on 2019 (and increased 30% on 2020) as all business units, other than Overseas, saw strong growth. Demand for Data Services products increased due to the activity in the property market, which drove higher volumes of our Surveyor Comparable Tool and Automated Valuation Model; Commercial revenues increased as customer numbers and listings grew strongly throughout the year; and Third Party revenue increases were driven by higher website traffic, which resulted in additional sold inventory. The decline in Overseas' revenue was due to the ongoing Covid-related travel restrictions, preventing consumers travelling to view properties abroad during 2021.

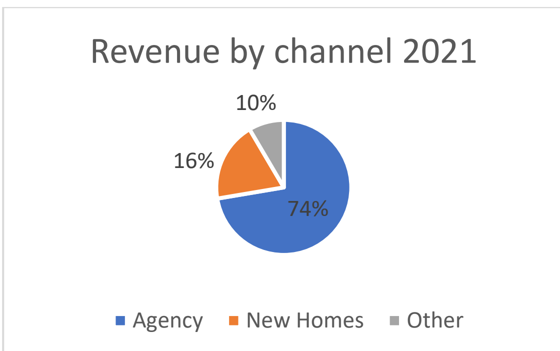
Revenue £m vs 2020

Revenue £m vs 2019





Revenue by segment



Administration costs

Operating costs of £81.2m increased by £10.6m/15% from £70.6m in 2020 and by £5.6m/7% from £75.6m in 2019.

Underlying operating costs(3) (defined as operating costs before the inclusion of share-based payments charges and related national insurance of £4.9m) were £76.3m - an increase of £8.1m/12% compared to (2020: £68.2m) and an increase of £6.7m/10% from 2019 (2019: £69.6m). The increased from 2019 is primarily due to:

- increased salary costs of £5.6m, due to the higher headcount in our product development teams and from Rightmove Landlord and Tenant Services payroll costs following the October 2019 acquisition;
- higher Tech costs of £0.9m, reflecting the surge in website traffic over the last two years which has driven increased supplier website costs;
- other cost increases of £0.2m: increases in marketing advertising spend (£0.4m); Rightmove Landlord and Tenant Services (£0.8m); investing in the digital mortgages journey (£0.4m); and higher training and recruitment costs (£0.4m) were mostly offset by lower staff-related expenses following continuing savings as a result of the changes in ways of working post pandemic.

The increase in costs compared to 2020 also largely reflects higher headcount costs of £5.9m, from investment in our product development teams and the return to normal payroll levels as senior management salary savings made during 2020 ended. In addition, marketing costs were £1.1m higher following a period of reduced marketing during the second quarter of 2020. Other cost increases, compared to 2020, included training and recruitment, technology costs and investment in mortgages.

Operating profit

	2021 £m	**2020 £m**	**2019 £m**	**Change vs 2020 £m**	**Change vs 2020 %**	**Change vs 2019 %**
Revenue	**304.9**	205.7	289.3	99.2	48%	5%
Other income	**2.4**	-	-	2.4	-	-
Admin costs	**(81.2)**	(70.6)	(75.6)	(10.6)	15%	7%
Operating profit	**226.1**	135.1	213.7	91.0	67%	6%
Operating Margin	***74%***	*66%*	*74%*			

Operating profit of £226.1m increased by £12.4m/6% on 2019 and by £91.0m/67% on 2020, with an operating profit margin of 74% (2019: 74%; 2020: 66%).

Underlying operating profit(4) of £231.0m, before the impact of the share-based incentive charges and related national insurance of £4.9m, increased by £11.3m vs 2019 and by £93.5m vs 2020 (2019: £219.7m; 2020: £137.5m), with an underlying operating profit margin(5) of 76% (2019: 76%; 2020: 67%).

The results and margins are impacted by other income of £2.4m - which is a one-off credit representing the release of the contingent consideration provision in relation to the acquisition of Rightmove Landlord and Tenant Services (previously Van Mildert) in 2019, as the threshold performance criteria were not met.

Earnings per share (EPS)

Basic EPS increased by 69% to 21.3p (2020: 12.6p; 2019: 19.6p), driven by the increase in profit and the reinstatement of the share buyback programme, which reduced the weighted average number of ordinary shares in issue to 858.8m (2020: 871.2m; 2019: 884.4m).

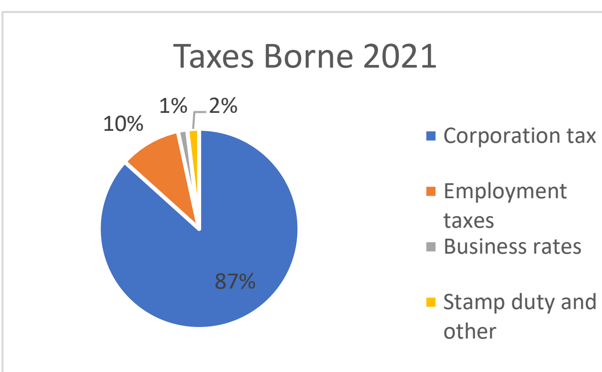
Underlying EPS(6) (based on underlying operating profit) increased by 70% to 21.8p (2020: 12.8p; 2019: 20.3p).

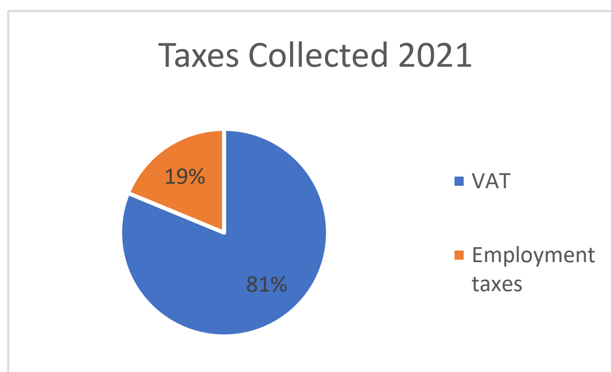
Taxation

The consolidated effective tax rate for the year ended 31 December 2021 was 18.9% (2020: 18.5%), slightly below the UK enacted tax rate of 19.0% mostly due to the release of the RLTS contingent consideration provision being exempt from tax.

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

As in prior years, the total amount of UK taxes paid and collected by the Group is significantly more than the corporation tax paid on UK profits. Rightmove's total tax contribution to the UK Exchequer in 2021 was £113.8m (2020: £96.3m). Of this, £48.0m (2020: £50.2m) related to taxes borne by the Group, while the remaining £65.8m (2020: £46.1m) was collected in respect of payroll taxes and VAT. The increase in the total tax contribution compared to the prior year is primarily due to higher operating profits following the significant Covid-19 discounts offered during 2020, which impacted both VAT and corporation tax.





Balance sheet

Summary consolidated statement of financial position

	2021	2020	Change
	£m	£m	£m
Property, plant and equipment	**12.0**	13.9	(1.9)
Intangible assets	**21.1**	22.1	(1.0)
Deferred tax asset	**2.2**	2.8	0.6
Trade and other receivables	**23.1**	23.5	(0.4)
Contract assets	**0.1**	0.3	(0.2)
Income tax receivable	**1.1**	1.2	(0.1)
Cash and money market deposits	**48.0**	96.7	(48.7)
Trade and other payables	**(22.8)**	(18.9)	(3.9)
Contract liabilities	**(2.6)**	(1.6)	(1.0)
Lease liabilities	**(11.0)**	(12.3)	1.3
Deferred tax liability	**-**	(0.9)	0.9
Provisions	**(0.6)**	(3.6)	3.0
Net assets	**70.5**	123.1	(52.6)

Rightmove's balance sheet at 31 December 2021 shows total equity of £70.5m (2020: £123.1m).

The year-on-year decrease in net assets of £52.6m primarily reflects the return of cash to shareholders by way of dividends and share buybacks during 2021.

Trade and other receivables fell slightly compared to December 2020 due to the timing of prepayments – down £0.8m - which was partially offset by an increase in net trade receivables of £0.5m, reflecting higher December 2021 revenues compared with December 2020. Debtor days were 22 days, lower than the 32 days in December 2020, as the disruption to business terms from the pandemic has ended.

Trade and other payables of £22.8m have increased by £3.9m, mostly due to higher VAT payables, and higher accruals (mostly reflecting the higher 2021 management bonus) and higher NI payable, due to increased headcount at the end of 2021 and the increased NI due on share-based payments as a result of the higher year-end share price (2021: £7.95; 2020: £6.51). Trade payments are being made in the same timely manner as in 2020.

Cash flow and liquidity

Rightmove remained debt-free during 2021 and cash generation remained strong, at 105% of operating profit. Cash generated from operating activities increased by £95.3m to £236.8m (2020: £141.5m)[(7)]. Reflecting this strong liquidity, we took the decision to cancel our revolving credit facility of £10m, which was never used, in the first half of the year.

The closing cash balance, including money market deposits, was £48.0m (2020: £96.7m). Surplus cash continues to be invested primarily in short-term, easily accessible money market deposits, including in a green money-market fund.

The Group bought back and cancelled 26.7m ordinary shares during the year (2020: 5.0m), at a cost of £175.6m (including expenses) as part of its ongoing share buyback programme (2020: £30.3m). Dividends totalling £64.5m (2020: nil) in relation to the final 2020 dividend payment and interim 2021 payment were also paid during year.

Aside from tax payments of £41.6m for the payment of the estimated full year 2021 tax liability, other payments of £4.7m included lease payments of £2.5m (2020: £2.2m), fixed asset purchases of £0.7m (2020: £2.3m), purchase of shares of £1.3m for the SIP (2020: £0.1m) and interest and bank charges of £0.2m (2020: £0.2m). Proceeds of £0.8m were received in relation to exercises of share-based incentives (2020: £0.7m).

Shareholder returns

Consistent with the policy of growing dividends in line with the increase in underlying EPS, the Directors are recommending a final dividend of 4.8p per ordinary share, which will be paid on 27 May 2022 to all shareholders on the register on 29 April 2022.

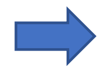
The share buyback programme will resume in March 2022.

Alison Dolan
Chief Financial Officer
25 February 2022

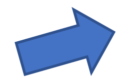
1) Agency ARPA is calculated as revenue from Agency advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average over the year
2) New Homes ARPA is calculated as revenue from New Homes developers in a given month divided by the total number of 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 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 £236.8m (2020: £141.5m) compared to operating profit as reported in the income statement of £226.1m (2020: £135.1m).

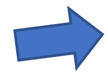
Principal risks and uncertainties

A description of the principal risks and uncertainties faced by the Group in 2021, together with the potential impact and monitoring and mitigating activities is set out in the table below.

	Key risk and description	**Impact**	**Changes in the year**	**Monitoring and mitigation**	**Change from prior year**
1	Macroeconomic environment The Group derives almost all its revenues from the UK and is therefore dependent on the macroeconomic conditions surrounding the UK housing market and consumer confidence, which impacts property transaction levels.	Substantially fewer housing transactions than is normal may lead to a reduction or consolidation in the number of Agency branches or a reduction in the number of New Home developments advertised; both of which are a major determinant of the Group's revenues. A more uncertain macro and political environment may also lead to a lengthening of the typical property transaction cycle, resulting in cash flow issues for smaller agents with lower stock levels. In addition, a contraction in the volume of transactions in the UK housing market could lead to a reduction in advertisers' marketing budgets, which could reduce the demand for the Group's property advertising products.	Housing transactions in 2021 were up 41% year on year versus 2020, ending the year at 1.44m(1). Transactions were up 26% on 2019. Overall membership numbers were down 1% since December 2020, reflecting a 1% increase in Agency branches and a 13% reduction in New Homes developments year on year. Membership was down 4% compared to December 2019 ARPA(2) was up 53%/£411 from 2020 to £1,189, reflecting the discounts given to customers during Q2 and Q3 of 2020. ARPA was up £9%/101 on 2019.	• Monitoring of the housing market, including leading indicators and membership trends. • Continuing to provide the most significant and effective exposure for customers' brands and properties. • Remaining the largest source of high-quality leads, offering value-adding products and packages and helping to drive operational efficiencies for our customers; thereby embedding the value of our membership. • Maintaining a flexible cost base that can respond to changing conditions.	

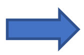
2	<u>Competitive environment</u> The Group operates in a competitive marketplace, with attractive margins and low barriers to entry, which may result in increased competition from existing competitors, or new entrants targeting the Group's primary revenue markets.	Increased competition may impact Rightmove's ability to grow revenues due to the potential loss of audience, advertisers or demand for additional advertising products.	Rightmove continued to retain the largest and most engaged audience of any UK property portal and its market share of the top four property portals was 88.0% in 2021[3] - a 1.5% increase from 2019 (86.5%)[3] and a slight increase on 2020 (87.8%)[3].	• Communication of Rightmove's value to advertisers. • Continued investment in our account management teams to help customers run their businesses more efficiently. • Sustained marketing investment in the Rightmove brand. • Sustained investment and innovation in serving all of our audiences.	
3	<u>New or disruptive technologies and changing consumer behaviours</u> Rightmove operates in a fast-moving online marketplace. Failure to innovate or adopt new technologies or failure to adapt to changing customer business models and evolving consumer behaviour may impact the Group's ability to offer the best products and services to its advertisers and the best consumer experience.	Failing to innovate may impact Rightmove's ability to grow revenues due to the potential loss of audience engagement, advertisers and demand for additional advertising products.	To further enhance our speed to market we have commenced a Cloud migration programme, allowing us to more easily leverage some of the latest technological innovations and improve our development turnaround times. In 2021, we successfully completed a proof of concept and will be migrating key areas of the platform over to Cloud through 2022 and beyond.	• Continual improvements to our platforms. • Developing our product proposition to continue meeting our customers' needs and evolving business models. • Large in-house technology team with culture of innovation. • Ongoing monitoring of consumer behaviour and annual 'Hackathons' which allow employees to spend time	

				during work hours to develop their own online property-related ideas. • Regular contact with the start-up and prop-tech communities to stay abreast of market innovations.	
4	Cyber security and IT systems The Group has a high dependency on technology and internal IT systems. In today's digital world there are increased risks associated with external cyber-attacks which could result in an inability to operate our platforms. A security breach, such as corruption or loss of key data, may disrupt the efficiency and functioning of the Group's day-to-day operations.	Any loss of website availability, or theft or misuse of data held within the Group's databases and IT systems, could result in reputational damage to the Group from loss of consumer and customer confidence in the Rightmove brand; and financial loss arising from potential penalties and fines.	We have invested in several protection and detection systems to protect our website during the year. These include on-site and Cloud-based DDoS mitigations; increasing capacity on our internet links; and upgrading network and web application fire walls. We have also invested in several security controls to further protect the internal IT systems including fully implementing two factor authentication (2FA). Our incident response capabilities have continued to be developed and we have also set up new systems to improve our visibility of our	• Disaster Recovery and Business Continuity Plans subject to regular testing and review. • Use of three data centres to load-balance and ensure optimal performance and business continuity capability. • Regular testing of the security of the IT systems and platforms including penetration testing. • Ongoing investment in security systems. • Ongoing monitoring of external threats. • Regular internal information security training and 'spearphishing' tests.	

			internet facing ‘digital footprint’.		
5	<u>Securing and retaining the right talent</u> Our continued success is dependent on our ability to attract, recruit, retain and motivate our highly skilled workforce.	The inability to recruit and retain talented people could impact our ability to maintain our financial performance and deliver growth. When key staff leave or retire, there is a risk that knowledge or competitive advantage is lost.	In addition to regular Group-wide interactive webinars hosted by our Executive Directors and Senior Leadership Team, our Non-Executive Directors have increased their in-person employee engagement activities during the year. The specialist recruitment team has been increased to support the growth in our Technology, Sales and Customer Experience Teams. There has been significant investment in employee development, particularly performance management, and a continued focus on employee wellbeing with a variety of new internal and external support services offered. Our hybrid working policy was introduced to keep people connected and productive, preserving Rightmove’s culture. In addition to many team	• Ongoing succession planning and development of future leaders. • Payment of competitive reward, including a blend of short and long-term incentives for senior management. • The ability for all employees to participate in the success of the Group through the SIP and SAYE schemes. • Regular staff communication and engagement. • Maintaining the culture of the Group, which generates significant staff loyalty.	

			activities designed to stimulate a sense of belonging, an all-employee Company Day was organised when restrictions were lifted enabling everyone to meet in person. Employee sentiment remains strong, with our ‘great place to work’ score at 89% (2020: 93%).		

Small increase in risk



Risk unchanged

(1) Source: HMRC transactions for the UK as published in January 2022.

(2) Revenue from Agency and New Home advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average over the year

(3) Source: Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, ONTHEMARKET.COM, January - December 2021, United Kingdom

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Revenue	5	**304,886**	205,717
Other income	12	**2,407**	-
Administrative expenses		**(81,193)**	(70,575)
Operating profit	6	**226,100**	135,142
Operating profit before share-based incentive charges	*1*	***230,965***	*137,521*
Share-based incentives charge		***(4,865)***	*(2,379)*
Financial income		**20**	151
Financial expenses		**(471)**	(478)
Net financial expense		**(451)**	(327)
Profit before tax		**225,649**	134,815
Income tax expense	9	**(42,555)**	(25,040)
Profit for the year being total comprehensive income		**183,094**	109,775
Attributable to:			
Equity holders of the Parent		**183,094**	109,775
Earnings per share (pence)			
Basic	7	**21.3**	12.6
Diluted	7	**21.3**	12.6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Non-current assets			
Property, plant and equipment		**11,990**	13,852
Intangible assets		**21,141**	22,112
Deferred tax asset		**2,169**	2,843
Total non-current assets		**35,300**	38,807
Current assets			
Trade and other receivables	10	**23,112**	23,450
Contract assets	5	**120**	334
Income tax receivable		**1,057**	1,163
Money market deposits		**5,003**	-
Cash and cash equivalents		**42,985**	96,690
Total current assets		**72,277**	121,637
Total assets		**107,577**	160,444
Current liabilities			
Trade and other payables	11	**(22,757)**	(18,925)
Lease liabilities		**(2,177)**	(2,023)
Contract liabilities	5	**(2,633)**	(1,570)
Provisions	12	**(61)**	(666)
Total current liabilities		**(27,628)**	(23,184)
Non-current liabilities			
Lease liabilities		**(8,832)**	(10,287)
Provisions	12	**(585)**	(2,969)
Deferred tax liability		-	(859)
Total non-current liabilities		**(9,417)**	(14,115)
Total liabilities		**(37,045)**	(37,299)
Net assets		**70,532**	123,145
Equity			
Share capital		**860**	887
Other reserves		**572**	545
Retained earnings (net of own shares held)		**69,100**	121,713
Total equity attributable to the equity holders of the Parent		**70,532**	123,145

The financial statements were approved by the Board of directors on 25 February 2022 and were signed on its behalf by:

Peter Brooks-Johnson
Director

Alison Dolan
Director

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Profit for the year		**183,094**	109,775
Adjustments for:			
Depreciation charges	6	**3,448**	3,259
Amortisation charges	6	**991**	1,011
Financial income		**(20)**	(151)
Financial expenses		**471**	478
Non-cash gain and movements in other provisions		**(84)**	(20)
Share-based payments	14	**3,923**	2,102
Income tax expense	9	**42,555**	25,040
Operating cash flow before changes in working capital		**234,378**	141,494
Decrease in trade and other receivables	10	**338**	507
Increase/(decrease) in trade and other payables	11	**3,832**	(572)
(Decrease)/increase in provisions	12	**(2,989)**	465
Decrease in contract assets	5	**214**	95
Increase/(decrease) in contract liabilities	5	**1,063**	(541)
Cash generated from operating activities		**236,836**	141,448
Financial expenses paid		**(209)**	(198)
Income taxes paid		**(41,611)**	(44,959)
Net cash from operating activities		**195,016**	96,291
Cash flows used in investing activities			
Interest received on cash and cash equivalents		**23**	160
(Increase)/reduction in money market deposits		**(5,003)**	4,141
Acquisition of property, plant and equipment		**(700)**	(2,308)
Acquisition of intangible assets		**(19)**	(1,169)
Net cash used in investing activities		**(5,699)**	824
Cash flows used in financing activities			
Net dividends	8	**(64,447)**	2
Purchase of own shares for cancellation		**(174,369)**	(30,125)
Purchase of own shares for share incentive plans	13	**(1,284)**	(765)
Share-related expenses		**(1,224)**	(211)
Payment of lease liabilities		**(2,464)**	(2,159)
Proceeds on exercise of share-based incentives		**766**	716
Net cash used in financing activities		**(243,022)**	(32,542)
Net (decrease)/increase in cash and cash equivalents		**(53,705)**	64,573
Cash and cash equivalents at 1 January		**96,690**	32,117
Cash and cash equivalents at 31 December		**42,985**	96,690

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Share Capital £000	Own shares held £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000	Total equity £000
At 1 January 2020		892	(11,744)	402	138	51,652	41,340
Total comprehensive income							
Profit for the year		-	-	-	-	109,775	109,775
Transactions with owners recorded directly in equity							
Share-based payments	14	-	-	-	-	2,102	2,102
Tax credit in respect of share-based incentives recognised directly in equity	9	-	-	-	-	311	311
Net dividends	8	-	-	-	-	2	2
Exercise of share-based incentives	13	-	957	-	-	(241)	716
Purchase of shares for share incentive plans	13	-	(765)	-	-	-	(765)
Cancellation of own shares	13	(5)	-	5	-	(30,125)	(30,125)
Share-related expenses	13	-	-	-	-	(211)	(211)
At 31 December 2020		887	(11,552)	407	138	133,265	123,145
At 1 January 2021		**887**	**(11,552)**	**407**	**138**	**133,265**	**123,145**
Total comprehensive income							
Profit for the year		**-**	**-**	**-**	**-**	**183,094**	**183,094**
Transactions with owners recorded directly in equity							
Share-based payments	14	**-**	**-**	**-**	**-**	**3,923**	**3,923**
Tax credit in respect of share-based incentives recognised directly in equity	9	**-**	**-**	**-**	**-**	**928**	**928**
Net dividends	8	**-**	**-**	**-**	**-**	**(64,447)**	**(64,447)**
Exercise of share-based incentives	13	**-**	**1,248**	**-**	**-**	**(482)**	**766**
Purchase of shares for share incentive plans	13	**-**	**(1,284)**	**-**	**-**	**-**	**(1,284)**
Cancellation of own share	13	**(27)**	**-**	**27**	**-**	**(174,369)**	**(174,369)**
Share-related expenses	13	**-**	**-**	**-**	**-**	**(1,224)**	**(1,224)**
At 31 December 2021		**860**	**(11,588)**	**434**	**138**	**80,688**	**70,532**

1 General information

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 December 2021 or 2020 but is derived from those accounts. Statutory accounts for 2020 have been delivered to the registrar of companies, and those for 2021 will be delivered in due course.

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

Rightmove plc (the Company) is a public limited company registered in England (Company no. 6426485) domiciled in the United Kingdom (UK). The consolidated financial statements of the Company as at and for the year ended 31 December 2021 comprise the Company and its interest in its subsidiaries (together referred to as the Group). Its principal business 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 2021 are available upon request to the Company Secretary from the Company's registered office at 2 Caldecotte Lake Business Park, Caldecotte Lake Drive, Caldecotte, Milton Keynes, MK7 8LE or are available on the corporate website at plc.rightmove.co.uk.

Statement of compliance

The financial statements have been prepared and approved by the Board of directors in accordance with international accounting standards in accordance with UK-adopted international accounting standards ("UK-adopted IFRS").

The consolidated financial statements were authorised for issue by the Board of directors on 25 February 2022.

Basis of preparation

The accounts have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Alternative performance measures

In the analysis of the Group's financial performance, certain information disclosed in the financial statements may be prepared on a non-GAAP basis or has been derived from amounts calculated in accordance with IFRS but are not themselves an expressly permitted GAAP measure. These measures are reported in line with the way in which financial information is analysed by management and designed to increase comparability of the Group's year-on-year financial position, based on its operational activity. The key alternative performance measures presented by the Group are:

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

The directors believe that these alternative performance measures provide a more appropriate measure of the Group's business performance, as share-based payments are a non-cash charge and are largely driven by a valuation model rather than reflecting operational activity. The directors therefore consider underlying operating profit to be the most appropriate indicator of the performance of the business and year-on-year trends

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

Underlying profit

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

	2021	2020
	£000	£000
Profit for the year	**183,094**	109,775
Share-based incentives charge	**3,923**	2,102

NI on share-based incentives	**942**	277
Impact on tax charge	**(1,144)**	(580)
Underlying profit	**186,815**	111,574

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

	2021	2020
	£000	£000
Operating profit	**226,100**	135,142
Share-based incentives charge	**3,923**	2,102
NI on share-based incentives	**942**	277
Underlying operating profit	**230,965**	137,521

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:

	2021	2020
	£000	£000
Administration expenses	**81,193**	70,575
Share-based incentives charge	**(3,923)**	(2,102)
NI on share-based incentives	**(942)**	(277)
Underlying costs	**76,328**	68,196

Going concern

The directors have performed a detailed and extended going concern review and tested the Group's liquidity in a range of scenarios, as set out below.

Throughout the period, the Group was debt-free, remained strongly cash generative (105% of operating profit) and had a cash balance of £43.0m and money market deposits of £5.0m at 31 December 2021 (31 December 2020: cash balance £96.7m and money market deposits nil).

The Group resumed its share buy-back programme in March 2021, buying back shares to the value of £174.4m by 31 December 2021, and paid dividends totaling £64.5m between May and October 2021. The Group also cancelled its £10m committed revolving loan facility with Barclays Bank plc in April 2021, reflecting the Group's strong cash position and the fact that the facility had never been used.

Following the impact of Covid 19 on the property market during the prior year ended 31 December 2020, when the Group provided customers with discounts of up to 75% of their monthly subscriptions, no further discounts were provided to UK customers in 2021.

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 at least 12 months from the approval of these financial statements ("the going concern period") and modelled the likely timing of cashflows from our customers during the going concern period. These included severe, but plausible downside scenarios. The model considered the impact of changes in the key drivers of the Group's revenues, including customer numbers and average revenue per advertiser (ARPA). In all the scenarios tested, the Group remained cash positive and debt-free.

The directors are confident that the Group will remain cash positive and will have sufficient funds to continue to meet its liabilities as they fall due for a period of at least a period of 12 months from the date of approval of these financial statements, and have therefore prepared the financial statements on a going concern basis.

2 Judgements and estimates

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

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

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

3 Significant Accounting Policies

The accounting policies applied by the Group in the consolidated financial statements are in accordance with International Financial Reporting Standards as adopted by the UK Adopted IFRSs and are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2019. There are no standards that are issued but not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4 Operating segments

The Group determines and presents operating segments based on internal information that is provided to the Chief Executive Officer, who is the Group's Chief Operating Decision Maker.

The Group's reportable segments are as follows:

- The **Agency** segment, which includes resale and lettings property advertising services provided on Rightmove's platforms and tenant referencing and insurance products sold by Rightmove Landlord and Tenant Services; and
- The **New Homes** segment, which provides property advertising services to new home developers and housing associations on Rightmove's platforms.

The **Other** segment which represents activities under the reportable segments threshold, comprises Overseas and Commercial property advertising services and non-property advertising services which include our Third-Party advertising and Data Services.

Management monitors the business segments at a revenue and trade receivables level separately for the purpose of making decisions about resources to be allocated and of assessing performance. All revenue in both years is derived from third parties and there is no inter-segment revenue.

Operating costs, financial income, financial expenses and income taxes in relation to the Agency, New Homes and the Other segment are managed on a centralised basis at a Rightmove Group Limited level and as there are no internal measures of individual segment profitability, relevant disclosures have been shown under the heading of Central in the table below.

	Agency £000	**New Homes £000**	**Subtotal £000**	**Other £000**	**Central £000**	**Adjustments £000**	**Total £000**
Year ended 31 December 2021							
Revenue	224,490	50,026	274,516	30,370	-	-	304,886
Operating profit[1]	-	-	-	-	230,965	(4,865) [2]	226,100
Depreciation and amortisation	-	-	-	-	(4,439)	-	(4,439)
Financial income	-	-	-	-	20	-	20
Financial expenses	-	-	-	-	(471)	-	(471)
Trade receivables[3]	6,091	9,573	15,664	2,046	-	220[4]	17,930
Other assets	-	-	-	-	89,505	142[4]	89,647

Liabilities	-	-	-	-	(36,683)	(362)[4]	(37,045)
Year ended 31 December 2020							
Revenue	141,636	40,656	182,292	23,425	-	-	205,717
Operating profit[1]	-	-	-	-	137,521	(2,379) [2]	135,142
Depreciation and amortisation	-	-	-	-	(4,270)	-	(4,270)
Financial income	-	-	-	-	151	-	151
Financial expenses	-	-	-	-	(478)	-	(478)
Trade receivables[3]	4,776	9,683	14,459	2,811	-	127[4]	17,397
Other assets	-	-	-	-	140,968	57[4]	141,025
Liabilities	-	-	-	-	(35,093)	(184) [4]	(35,277)

(1) Operating profit is stated after the charge for depreciation and amortisation.
(2) Central operating profit does not include share-based payments charge of £3,923,000 (2020: £2,102,000) and NI on share-based incentives charge of £942,000 (2020: £277,000).
(3) The only segment assets that are separately monitored by the Chief Operating Decision Maker relate to trade receivables net of any associated provision for impairment. All other segment assets are reported on a centralised basis.
(4) The adjustments column reflects the reclassification of credit balances in trade receivables and debit balances in trade payables made on consolidation for statutory accounts.

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

	2021		2020	
	Revenue	**Trade receivables**	Revenue	Trade receivables
Group	**£000**	**£000**	£000	£000
UK	**300,056**	**17,876**	202,468	17,252
Rest of the world	**4,830**	**54**	3,249	145
	304,886	**17,930**	205,717	17,397

5 Revenue

The Group's operations and main revenue streams are those described in these annual financial statements. The Group's revenue is derived from contracts with customers.

Disaggregation of revenue
In the following table, revenue is disaggregated by property and non-property advertising revenue. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 4).

Year ended 31 December 2021	**Agency £000**	**New Homes £000**	**Other £000**	**Total £000**
Revenue stream				
Property products	**224,490**	**50,026**	**14,211**	**288,727**
Non-property products	**-**	**-**	**16,159**	**16,159**
	224,490	**50,026**	**30,370**	**304,886**

Year ended 31 December 2020	Agency £000	New Homes £000	Other £000	Total £000
Revenue stream				
Property products	141,636	40,656	9,832	192,124
Non-property products	-	-	13,593	13,593
	141,636	40,656	23,425	205,717

Contract balances

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

	Note	**2021 £000**	2020 £000
Receivables, which are included in trade and other receivables	10	**18,645**	18,277
Contract assets		**120**	334
Contract liabilities		**(2,633)**	(1,570)

Contract assets relate to the Group's rights to consideration for services that have been provided at the reporting date. Contract assets are transferred to receivables when the rights to consideration have become unconditional.

The contract liabilities primarily relate to the advance consideration received from Agency, Overseas and Commercial customers, for which revenue is recognised as or when the services are provided.

6 Operating profit

	2021 £000	2020 £000
Operating profit is stated after charging:		
Employee benefits	**37,974**	34,832
Depreciation of property, plant and equipment	**3,448**	3,259
Amortisation of intangibles	**991**	1,011
Trade receivables impairment charge	**260**	701

Auditor's remuneration	**2021 £000**	2020 £000
Fees payable to the Company's auditor in respect of the audit		
Audit of the Company's financial statements	**53**	32
Audit of the Company's subsidiaries pursuant to legislation	**235**	208
Total audit remuneration	**288**	240
Fees payable to the Company's auditor in respect of non-audit related services		
Half year review of the condensed financial statements	**25**	19
All other services	**2**	2
Total non-audit remuneration	**27**	21

There were no other fees payable to KPMG LLP (2020: £nil).

7 Earnings per share (EPS)

		Pence per share	
	£000	**Basic**	**Diluted**
Year ended 31 December 2021			
Profit for the year and EPS	**183,094**	**21.3**	**21.3**
Underlying profit and underlying EPS	**186,815**	**21.8**	**21.7**
Year ended 31 December 2020			
Profit for the year and EPS	109,775	12.6	12.6
Underlying profit and underlying EPS	111,574	12.8	12.8

Weighted average number of ordinary shares (basic)

	2021 Number of shares	2020 Number of shares
Issued ordinary shares at 1 January less ordinary shares held by the EBT and SIP Trust	**884,234,565**	888,422,516
Less own shares held in treasury at the beginning of the year	**(13,285,490)**	(13,360,310)
Effect of own shares purchased for cancellation	**(12,603,891)**	(4,280,999)
Effect of share-based incentives exercised	**436,477**	409,021
Effect of shares purchased	**(11,640)**	(6,669)
Issued ordinary shares at 31 December less ordinary shares held by treasury, EBT and SIP	**858,770,021**	871,183,559

Weighted average number of ordinary shares (diluted)

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

	2021 Number of shares	2020 Number of shares
Weighted average number of ordinary shares (basic)	**858,770,021**	871,183,559
Dilutive impact of share-based incentives outstanding	**1,511,725**	2,491,363
	860,281,746	873,674,922

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

8 Dividends

Dividends declared and paid by the Company were as follows:

	2021		2020	
	Pence per share	**£000**	Pence per share	£000
2019 final dividend paid	**-**	**-**	-	-
2020 interim dividend paid	**-**	**-**	-	-
2020 final dividend paid	**4.50**	**38,900**	-	-
2021 interim dividend paid	**3.00**	**25,594**	-	-
	7.50	**64,494**		
Unclaimed dividends returned		**(47)**	-	(2)
Net dividends included in the statement of cash flows	**-**	**64,447**	-	(2)

After the reporting date, a final dividend of 4.8p (2020: 4.5p) per qualifying ordinary share, being £40,403,000 (2020: £39,228,000), was proposed by the Board of directors. The final dividend will be paid, subject to shareholder approval, on 27 May 2022.

The 2020 final dividend paid on 28 May 2021 was £38,900,000, being £328,000 lower than that reported in the 2020 Annual Report, which was due to a decrease in the ordinary sharers entitled to a dividend between 31 December 2020 and the final dividend record date of 30 April 2021.

The 2021 interim dividend paid on 29 October 2021 was £25,594,000, being £38,000 higher than that reported in the 2021 Half Year Report, which was due to an increase in the number of ordinary shares entitled to a dividend between 30 June 2021 and the interim dividend record date of 1 October 2021.

9 Income tax expense

	2021	2020
	£000	£000
Current tax expense		
Current year	**42,307**	25,272
Adjustment to current tax charge in respect of prior years	**113**	60
	42,420	25,332
Deferred tax		
Origination and reversal of temporary differences	**(113)**	219
Adjustment to deferred tax in respect of prior years	**175**	(351)
Increase in tax rate at which deferred tax is being recognised	**73**	(160)
	135	(292)
Total income tax expense	**42,555**	25,040

Income tax credit recognised directly in equity

	2021	2020
	£000	£000
Current tax		
Share-based incentives	**(609)**	(465)
Deferred tax		
Share-based incentives	**(260)**	250
Increase in tax rate at which deferred tax is being recognised	**(59)**	(96)
	(319)	154
Total income tax credit recognised directly in equity	**(928)**	**(311)**

Total income tax recognised directly in equity in respect of the Company was a credit of £211,000 (2020: £56,000 credit).

Reconciliation of effective tax rate

The Group's consolidated effective tax rate for the year ended 31 December 2021 is 18.9% (2020: 18.5%) which is lower than (2020: lower than) the standard rate of corporation tax in the UK due to the items shown below. A full reconciliation of the components of the tax charge is set out below:

	2021	2020
	£000	£000
Profit before tax	**225,649**	134,815
Current tax at 19.0% (2019: 19.0%)	**42,873**	25,614
Increase/(reduction) in tax rate at which deferred tax is being provided	**73**	(160)
Net non-taxable income /non-deductible expenses	**(654)**	77
Share-based incentives	**-**	50
Adjustment to deferred tax charge in respect of prior years	**175**	(351)
Adjustment to current tax charge in respect of prior years	**113**	60
Difference between the current and deferred tax rates	**(25)**	-
Research and development credit	**-**	(250)
	42,555	25,040

Factors affecting future tax charge

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax as at 31 December 2021 has been calculated at the average rate of 19.3% (2020:19.0%), which represents the average rate at which the deferred tax is expected to reverse in the future, based on substantively enacted UK tax rates.

10 Trade and other receivables

Group	**2021 £000**	2020 £000
Trade receivables	**18,645**	18,277
Less provision for impairment of trade receivables	**(715)**	(880)
Net trade receivables	**17,930**	17,397
Prepayments	**5,028**	5,951
Interest receivable	**1**	4
Other debtors	**153**	98
	23,112	23,450

11 Trade and other payables

	2021 £000	2020 £000
Trade payables	**3,056**	2,742
Accruals	**7,748**	5,879
Other creditors	**979**	414
Other taxation and social security	**10,974**	9,890
Inter-group payables	**-**	-
	22,757	18,925

12 Provisions

	Dilapidations provision £000	**Employee Provisions £000**	**Contingent consideration £000**	**Total £000**
At 1 January 2021	**562**	**666**	**2,407**	**3,635**
Utilised during the year	**-**	**(666)**	**-**	**(666)**
Released during the year	**-**	**-**	**(2,407)**	**(2,407)**
Charged in the year	**84**	**350**	**-**	**434**
Reclassified in the year (Note 11)	**-**	**(350)**	**-**	**(350)**
At 31 December 2021	**646**	**-**	**-**	**646**
Current	**61**	**-**	**-**	**61**
Non-current	**585**	**-**	**-**	**585**
	646	**-**	**-**	**646**

	Dilapidations provision £000	Employee Provisions £000	Contingent consideration £000	Total £000
At 1 January 2020	507	256	2,407	3,170
Utilised during the year	-	(256)	-	(256)
Charged in the year	55	666	-	721
At 31 December 2020	562	666	2,407	3,635
Current	-	666	-	666
Non-current	562	-	2,407	2,969
	562	666	2,407	3,635

The dilapidations provision is in respect of any of the Group's leased properties where the Group has obligations to make good dilapidations. The non-current liabilities are estimated to be payable over periods from one to six years.

During the year the Group has accrued amounts in relation to employee related holiday pay, based on the estimated future payroll cost to the Group and has not been discounted as the time value of money is insignificant. The total amount at the end of the year has been reclassified to be shown as an accrual within Note 11 Trade and Other Payables.

The present value of the contingent and deferred consideration arising on acquisition of Rightmove Landlord and Tenant Services Limited was £2,407,000 at the point of acquisition. The fair value was reassessed at 30 June 2021 as nil, due to the possibility of meeting the threshold performance criteria within the remaining timescales, to the end of 2021, being remote. The consideration was released, at that point, to other income within the income statement.

13 Reconciliation of movement in capital and reserves

Group

Own shares held – £000

	EBT shares reserve £000	SIP shares reserve £000	Treasury shares £000	Total £000
Own shares held as at 1 January 2020	(2,191)	(3,205)	(6,348)	(11,744)
Shares purchased for share incentive plans	(765)	-	-	(765)
Shares transferred to SIP	734	(734)	-	-
Share-based incentives exercised in the year	397	378	36	811
SIP releases in the year	-	146	-	146
Own shares held as at 31 December 2020	(1,825)	(3,415)	(6,312)	(11,552)
Own shares held as at 1 January 2021	**(1,825)**	**(3,415)**	**(6,312)**	**(11,552)**
Shares purchased for share incentive plans	**(1,127)**	**(157)**	**-**	**(1,284)**
Shares transferred to SIP	**1,127**	**(1,127)**	**-**	**-**
Share-based incentives exercised in the year	**273**	**560**	**383**	**1,216**
SIP releases in the year	**-**	**32**		**32**
Own shares held as at 31 December 2021	**(1,552)**	**(4,107)**	**(5,929)**	**(11,588)**

Own shares held – number of shares

		Number of shares		
	EBT shares reserve	SIP shares reserve	Treasury shares	Total
Own shares held as at 1 January 2020	2,208,362	785,130	13,360,310	16,353,802
Shares purchased for share incentive plans	118,293	-	-	118,293
Shares transferred to SIP	(113,465)	113,465	-	-
Share-based incentives exercised in the year	(817,714)	(111,620)	(74,820)	(1,004,154)
SIP releases in the year	-	(29,400)	-	(29,400)
Own shares held as at 31 December 2020	1,395,476	757,575	13,285,490	15,438,541
Own shares held as at 1 January 2021	**1,395,476**	**757,575**	**13,285,490**	**15,438,541**
Shares purchased for share incentive plans	**148,147**	**20,278**	**-**	**168,425**
Shares transferred to SIP	**(148,147)**	**148,147**	**-**	**-**
Share-based incentives exercised in the year	**(237,058)**	**(133,200)**	**(805,018)**	**(1,175,276)**
SIP releases in the year	**-**	**(5,800)**	**-**	**(5,800)**
Own shares held as at 31 December 2021	**1,158,418**	**787,000**	**12,480,472**	**14,425,890**

(a) EBT shares reserve

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

At 31 December 2021, the EBT held 1,158,418 (2020: 1,395,476) ordinary shares in the Company, representing 0.1% (2020: 0.2%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held in the EBT at 31 December 2021 was £9,209,000 (2020: £9,085,000).

(b) SIP shares reserve

In November 2014, the Company established the Rightmove Share Incentive Plan Trust (SIP). This reserve represents the cost of acquiring shares less any exercises or releases of SIP awards. Employees of Rightmove Group Limited and Rightmove plc were offered 400 free shares with effect from 21 December 2021 (2020: 350), subject to a three-year service period. 133,200 shares were exercised (2020: 111,620) and 5,800 shares (2020: 29,400) were released by the SIP during the year in relation to good leavers and retirees. 148,147 shares were transferred to the SIP reserve from the EBT (2020: 113,465).

At 31 December 2021, the SIP held 787,000 (2020: 757,575) ordinary shares in the Company, representing 0.09% (2020: 0.09%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held in the SIP at 31 December 2021 was £6,257,000 (2020: £4,932,000).

(c) Treasury shares
This represents the cost of acquiring shares held in treasury less any exercises of share-based incentives. These shares were bought in 2008 at an average price of 47.60 pence and may be used to satisfy certain share-based incentive awards. An additional 1,376 (2020: nil) shares were issued as a result of rolled up dividend payments in relation to performance shares. The market value of the shares held in treasury at 31 December 2021 was £99,220,000 (2020: £86,489,000).

Other reserves
This represents the Capital Redemption Reserve in respect of own shares bought back and cancelled. The movement of £27,000 (2020: £5,000) is the nominal value of ordinary shares cancelled during the year.

Retained earnings
The loss on the exercise of share-based incentives of £482,000 (2020: £241,000 loss) is the difference between the value that the own shares, held by the EBT, SIP and treasury, were originally acquired at and the exercise price at which share-based incentives were exercised or released during the year.

14 Share-based payments

The Group and Company operate a number of share-based incentive schemes for executive directors and employees.

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

The Group recognised a total share-based incentives charge for the year of £3,923,000 (2020: £2,102,000) plus related national insurance of £942,000 (2020: £277,000) – total share-based payments related charges of £4,865,000 (2020: £2,379,000).

15 Related party disclosures

Inter-group transactions with subsidiaries

Under the inter-group loan agreement dated 30 January 2008, Rightmove Group Limited settles all expenses on behalf of the Company, including dividends paid to shareholders and share buybacks and related costs. During the year, the Company was charged interest of £238,000 (2020: £279,000) under this agreement and at 31 December 2021 the unsecured inter-group loan balance was £21,842,000 (2020: £46,799,000) including capitalised interest.

The dividends declared and paid by Rightmove Group Limited to the Company was £267,211,000 (2020: nil). Rightmove Group Limited declared a dividend in specie of £1,127,000 (2020: £734,000), representing the cost of the SIP shares transferred from the EBT to the SIP during the year.

The Company grants share options to employees of Rightmove Group Limited. This transaction is recognised as a recharge arrangement with an increase in the carrying value of the investment of Rightmove Group Limited.

Directors' transactions
There were no transactions with directors in either year other than those disclosed in the Directors' Remuneration Report. Information on the emoluments of the directors who served during the year, together with information regarding the beneficial interest of the directors in the ordinary shares of the Company is included in the Directors' Remuneration Report.

During the year, the directors in office in total had gains of £2,140.000 (2020: £2,153,000) arising on the exercise of share-based incentive awards. The total share-based payments charge in relation to the directors in office was £754,000 (2020: £965,000 credit). The credit in the prior year arose as a result of a reduction in the estimated performance of long-term incentive schemes in the period.

ADVISERS AND SHAREHOLDER INFORMATION

Contacts

Chief Executive Officer:	Peter Brooks-Johnson
Chief Financial Officer:	Alison Dolan
Company Secretary:	Sandra Odell
Website:	www.rightmove.co.uk

Financial calendar 2022

2021 full year results	25 February 2022
Final dividend record date	29 April 2022
Annual General Meeting	6 May 2022
Final dividend payment	27 May 2022
Half year results	29 July 2022

Registered office

Rightmove plc
2 Caldecotte Lake
Business Park
Caldecotte Lake Drive
Milton Keynes
MK7 8LE

Registered in
England no. 06426485

Corporate advisers

Financial adviser
UBS Investment Bank

Joint brokers
UBS AG London Branch
Numis Securities Limited

Auditor
KPMG LLP(1)

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(2)

(1) Auditor
KPMG LLP will cease to hold office and shareholder approval will be sought to appoint EY LLP as Rightmove's external auditor at the AGM on 6 May 2022.

(2) Shareholder enquiries
The Company's registrar is Link Group. They will be pleased to deal with any questions regarding your shareholding or dividends. Please notify them of your change of address or other personal information. Their contact details are:

Shareholder helpline: 0371 664 0300 calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

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