



CONYGAR ZDP PLC

INTERIM REPORT
Period ended 31 March 2014

Conygar ZDP PLC

Interim Results

for the period ended 31 March 2014

INTERIM MANAGEMENT REPORT

Conygar ZDP PLC (the “Company”) is a company registered in England and Wales, incorporated on 28 November 2013 and is a wholly owned subsidiary of The Conygar Investment Company PLC (the “Parent”) which is a company incorporated in England and Wales.

The Company’s principal investment objective is to provide the holders of the zero dividend preference shares (“ZDP Shares”) with a predetermined final capital entitlement. It was incorporated to be the issuer of the zero dividend preference shares.

On repayment, ZDP shareholders are entitled to receive an amount equal to 100 pence per share increased daily at an equivalent annual rate of 5.5% per annum. The ZDP Shares repayment date is 9 January 2019 and the final capital entitlement will be 130.7 pence per ZDP Share.

The Parent has entered into a Contribution Agreement with the Company to provide an undertaking to pay any costs and expenses incurred by the Company and to enable the Company to meet its payment obligations in respect of the ZDP Shares. Although the Parent has entered into an undertaking to meet all liabilities as they fall due it is important to note that all risks are borne by the ZDP shareholders who are not guaranteed to receive their full capital entitlement.

STATEMENT OF DIRECTORS’ RESPONSIBILITIES

The Directors confirm to the best of their knowledge that:

- (a) the condensed set of financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’;
- (b) the Interim Management Report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.7R, being an indication of important events during the first six months of the financial year, a description of principal risks and uncertainties for the remaining six months of the year, and their impact on the condensed set of financial statements; and
- (c) includes a fair review of the information required by Disclosure and Transparency Rule 4.2.8R (disclosure of related parties’ transactions and changes therein).

N J Hamway
Chairman

20 May 2014

Conygar ZDP PLC
Statement of Comprehensive Income
For the period ended 31 March 2014

		<i>28 November 2013 to 31 March 2014 Unaudited £'000</i>
	<i>Note</i>	
Administrative expenses	3	(1)
Operating loss		<u>(1)</u>
Finance costs	4	(396)
Loss before Taxation		<u>(397)</u>
Taxation		<u>–</u>
Total comprehensive loss for the period		<u><u>(397)</u></u>

Conygar ZDP PLC
Statement of Changes in Equity
For the period ended 31 March 2014

	<i>Share Capital</i> £000	<i>Capital Contribution</i> £000	<i>Retained Earnings</i> £000	<i>Total</i> £000
Balance as at 28 November 2013	–	–	–	–
Issue of ordinary shares	50	–	–	50
Total comprehensive loss for the period	–	–	(397)	(397)
Contribution by parent company	–	397	–	397
Balance as at 31 March 2014	<u>50</u>	<u>397</u>	<u>(397)</u>	<u>50</u>

Conygar ZDP PLC
Balance Sheet
As at 31 March 2014

	<i>Note</i>	<i>31 March 2014 Unaudited £000</i>
Non-current assets		
Amounts due from parent company	5	<u>29,777</u>
Total non-current assets		<u>29,777</u>
Total assets		29,777
Non-current liabilities		
Zero dividend preference shares	6	<u>29,727</u>
Total non-current liabilities		<u>29,727</u>
Total liabilities		<u>29,727</u>
Net assets		<u><u>50</u></u>
Equity		
Share capital	7	50
Capital contribution		397
Retained earnings		<u>(397)</u>
Total equity		<u><u>50</u></u>

Conygar ZDP PLC
Notes to the Interim Results
For the period from 28 November 2013 to 31 March 2014

1. General information

Conygar ZDP PLC (the “Company”) was incorporated on 28 November 2013 and is registered in England and Wales. The Company is a wholly owned subsidiary of The Conygar Investment Company PLC, (the “Parent”). The condensed financial information is prepared for the period from 28 November 2013 to 31 March 2014.

2. Significant accounting policies

Basis of Preparation

The financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’. They do not include all of the information required for full annual financial statements and have been reviewed but not audited. The accounting policies applied by the Company in the interim report will be the same as those which will be applied to the annual financial statements.

The annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards (‘IFRS’) as issued by the IASB.

The board of directors approved the above results on 20 May 2014. Copies of the interim report may be obtained from the Company Secretary, Conygar ZDP PLC, Fourth Floor, 110 Wigmore Street, London W1U 3RW.

Segmental reporting

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

Statement of cash flows

No Cash Flow Statement is presented as all funding activities are provided by the Parent.

Conygar ZDP PLC
Notes to the Interim Results
For the period from 28 November 2013 to 31 March 2014

3. Administrative expenses

*28 November
2013
to 31 March
2014
£000*

Listing fees

1

4. Finance Costs

*28 November
2013
to 31 March
2014
£000*

Interest on ZDP shares

366

Amortisation of issue costs

30

396

5. Amounts due from parent company

*28 November
2013
to 31 March
2014
£000*

Balance at start of period

–

Parent loan issued

29,380

Additions under contribution agreements

397

Balance at end of period

29,777

Conygar ZDP PLC
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5. Amounts due from parent company (continued)

Funds raised through ZDP share issue, after the deduction of issue costs of £668,286 totalled £29,331,714. These funds have been transferred to the Parent as a non-interest bearing loan repayable on demand according to the Loan Agreement dated 7 January 2014.

On 7 January 2014 the Company entered into a Contribution Agreement with the Parent. The agreement provides an undertaking by the Parent to pay any costs and expenses incurred by the Company in respect of its operation and the continuation of its business and to enable the Company to meet its payment obligations in respect of the ZDP shares. The Parent has agreed to support the Company's obligations and has agreed to certain protections to ensure the Parent does not make distributions or returns of capital without retaining sufficient capital to meet its obligations to the Company.

6. Zero dividend preference shares

	<i>28 November 2013 to 31 March 2014 £'000</i>
Balance at start of period	–
Share issue	30,000
Unamortised share issue costs	(639)
Accrued capital	<u>366</u>
Balance at end of period	<u><u>29,727</u></u>

The Company issued 30,000,000 zero dividend preference shares ('ZDP shares') at 100 pence per share. The ZDP shares have an entitlement to receive a fixed cash amount on 9 January 2019, being the maturity date, but do not receive any dividends or income distributions. Additional capital accrues to the ZDP shares on a daily basis at a rate equivalent to 5.5% per annum, resulting in a final capital entitlement of 130.7 pence per share. The ZDP shares were listed on the London Stock Exchange on 10 January 2014.

During the period the Company has accrued for £366,000 of additional capital. The total amount repayable at maturity is 39,210,000.

The ZDP shares do not carry the right to vote at general meetings of the Company, although they carry the right to vote as a class on certain proposals which would be likely to materially affect their position. In the event of a winding-up of the Company,

Conygar ZDP PLC
Notes to the Interim Results
For the period from 28 November 2013 to 31 March 2014

the capital entitlement of the ZDP shares (except for any undistributed revenue profits) will rank ahead of ordinary shares but behind other creditors of the Company.

7. Share capital

The authorised share capital of the Company is fifty thousand ordinary shares issued at £1. On 28 November 2013 the Company issued fifty thousand ordinary shares at par value.

8. Controlling and related parties

The Company is wholly owned by The Conygar Investment Company PLC (the “Parent”). The Parent is therefore the immediate and ultimate controlling party.

The Company also entered into a non-interest bearing Loan Agreement with the Parent dated 7 January 2014. As at 31 March 2014 the Parent owed £29.8 million to the Company under the Loan Agreement.

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

9. Events after the reporting date

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



REES POLLOCK

Chartered Accountants

35 New Bridge Street
London EC4V 6BW
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Independent Review Report to Conygar ZDP PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the period ended 31 March 2014 which comprises the statement of comprehensive income, the statement of changes in equity, the balance sheet, and the related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure and Transparency Rules (“the DTR”) of the UK’s Financial Conduct Authority (“the UK FCA”). Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors’ Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRS as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting,” as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the period ended 31 March 2014 is not prepared, in all material aspects, in accordance with International Accounting Standard 34 as adopted by the European Union and the DTR of the UK FCA.

Rees Pollock
Chartered Accountants and Registered Auditors
London
20 May 2014

Notes:

- (a) The maintenance and integrity of The Conygar Investment Company PLC group website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.
- (b) Legislation in the United Kingdom governing the presentation and dissemination of financial information may differ from legislation in other jurisdictions.

Company Information

Directors and Advisers

Directors

N J Hamway (*Chairman*)
R T E Ware
P A Batchelor

Secretary

P A Batchelor

Registered Office

Fourth Floor
110 Wigmore Street
London W1U 3RW

Registrar

Share Registrars Limited
Suite E
First Floor
9 Lion and Lamb Yard
Farnham
Surrey GU9 7LL

Nominated Adviser & Stockbroker

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

Solicitors to the Company

Wragge Lawrence Graham LLP
4 More London Riverside
London SE1 2AU

Auditors

Rees Pollock
35 New Bridge Street
London EC4V 6BW

