GOCOMPARE.COM GROUP PLC
PROSPECTUS

OCTOBER 2016

This document comprises a prospectus for the purposes of Article 3 of European Union Directive 2003/71/EC, as amended, relating to Gocompare.com Group plc (the ''**Company**'') and has been approved by the Financial Conduct Authority of the United Kingdom (''**FCA**'') in accordance with section 87A of the Financial Services and Markets Act 2000 of England and Wales, as amended (''**FSMA**''), and prepared and made available to the public in accordance with the Prospectus Rules of the FCA made under section 73A of FSMA. This prospectus is not an offer or invitation to the public to subscribe for or purchase fully paid ordinary shares in the capital of the Company (''**Gocompare.com Shares**'') but is issued solely in connection with the admission of Gocompare.com Shares to the premium listing segment of the Official List of the FCA and to the London Stock Exchange's main market for listed securities. It is proposed that Admission will take place shortly following the Demerger and, unless the context requires otherwise, this document has been prepared on the assumption that the Demerger Resolution will be passed at the general meeting of esure Group plc and that the Demerger will become effective as proposed.

Application will be made to the FCA for all Gocompare.com Shares to be admitted to the premium listing segment of the Official List of the FCA and to the London Stock Exchange for Gocompare.com Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. No application has been made or is currently intended to be made for Gocompare.com Shares to be admitted to listing or trading on any other exchange. It is expected that Admission will become effective, and that dealings in Gocompare.com Shares will commence on the London Stock Exchange, at 8:00 a.m. on 3 November 2016 (International Security Identification Number: GB00BZ02Q916).

This prospectus is issued solely in connection with Admission. This prospectus does not constitute or form part of an offer or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities by any person. No offer of Gocompare.com Shares is being made in any jurisdiction.

The directors of the Company, whose names appear on page 36 of this prospectus, and the Company accept responsibility for the information contained in this prospectus. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and contains no omission likely to affect the import of such information.

This prospectus should be read in its entirety. See the section entitled 'Risk Factors' for a discussion of certain risks relating to the business of the Company and its subsidiaries.

Gocompare.com Group plc

(incorporated in England and Wales under the Companies Act 2006 with registered number 6062003)

Introduction to the premium listing segment of the Official List and admission to trading on the main market of the London Stock Exchange

Sponsor

Deutsche Bank

Ordinary share capital immediately following Admission

Issued and fully paid Gocompare.com Shares

Number	Nominal value
up to 418,500,000	up to £83,700.00

Deutsche Bank AG is authorised under German banking law (competent authority: European Central Bank) and, in the United Kingdom, by the PRA. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the PRA and FCA. In connection with Admission and the Demerger, Deutsche Bank is acting through its London branch. Deutsche Bank is acting exclusively for the Company and esure Group plc and no one else in connection with Admission and the Demerger and they will not regard any other person (whether or not a recipient of this prospectus) as a client in relation to Admission or the Demerger and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to Admission or the Demerger or any other transaction, matter or arrangement referred to in this prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Deutsche Bank by FSMA or the regulatory regime established thereunder or under the regulatory regime of any other applicable jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Deutsche Bank nor any of its affiliates accepts any responsibility whatsoever for the contents of this prospectus including its accuracy, completeness and verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or its subsidiaries, Gocompare.com Shares or Admission or the Demerger. Deutsche Bank and its affiliates accordingly disclaim, to the fullest extent permitted by applicable law, all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise be found to have in respect of this prospectus or any such statement. No representation or warranty, express or implied, is made by Deutsche Bank or any of its affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this prospectus, and nothing in this prospectus will be relied upon as a promise or representation in this respect, whether or not to the past or future.

The distribution of this prospectus in certain jurisdictions may be restricted by law and therefore persons into whose possession this prospectus comes should inform themselves about and observe any such restrictions in relation to Gocompare.com Shares or this prospectus, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Except in the United Kingdom, no action has been taken or will be taken in any jurisdiction that would permit possession or distribution of this prospectus in any country or jurisdiction where action for that purpose is required. Accordingly, this prospectus may not be distributed or published in any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration. Failure to comply with these restrictions may constitute a violation of the securities laws or regulations of such jurisdictions.

Gocompare.com Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the ''**US Securities Act**''), and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Gocompare.com Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, and none of the foregoing authorities have passed upon or endorsed the merits of Admission or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

This prospectus is dated 11 October 2016.

TABLE OF CONTENTS

SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These Elements are numbered in Sections A-E (A.1-E.7).

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of 'not applicable'.

SECTION A—INTRODUCTION AND WARNING

A.1 Warning to investors

This summary should be read as an introduction to this prospectus.

This prospectus should be read in its entirety. Where a claim relating to the information contained in this prospectus is brought before a court, a plaintiff might, under the national legislation of the European Economic Area member states, have to bear the costs of translating this prospectus before the legal proceedings are initiated.

Civil liability attaches to the Directors and the Company, who are responsible for this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this prospectus or if it does not provide, when read together with the other parts of this prospectus, key information in order to aid in consideration of the admission of Gocompare.com Shares to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities.

A.2 Consent for intermediaries

Not applicable. No consent has been given by the Company or any person responsible for drawing up this prospectus to the use of this prospectus for subsequent resale or final placement of securities by financial intermediaries.

SECTION B—ISSUER

B.1 Legal and commercial name

The legal name of the company is Gocompare.com Group plc.

B.2 Domicile/legal form/legislation/country of incorporation

The Company is a public limited company domiciled in England and Wales. It was incorporated in England and Wales on 23 January 2007 as Gocompare.com Holdings Limited with registered number 6062003. Gocompare.com Holdings Limited re-registered as a public limited company and changed its name to Gocompare.com Group plc on 13 September 2016. The Company operates under the Companies Act.

B.3 Current operations and principal activities

The Company operates a leading UK price and product comparison website, Gocompare.com, which attracts approximately 5 million visits every month. Gocompare.com offers a free online service that is designed to save consumers money. Gocompare.com enables consumers to compare the prices and features of more than 40 products in a quick and easy way.

The Company was launched by a team of insurance comparison experts in November 2006 and was the first UK insurance price and product comparison website to display both product features and prices in its search results. The Group aims to help Customers make better informed purchasing decisions and uses data gathered from over 20 million unique Customers in the last 10 years to underpin its drive to continually improve its Customer proposition and leverage its strong market position. In the first half of 2016 there were over 15 million Customer Interactions on or from Gocompare.com.

Gocompare.com provides fair and unbiased product comparison services. Gocompare.com compares over 600 Partner brands[1] across more than 40 products, does not accept advertising or sponsored listings and is not tied to any particular product provider. To date the Group's strategic focus has been on providing comparison services relating to insurance products, however, the Directors believe that there is a significant opportunity to strengthen the Group's position in insurance product comparison, refocus on growth initiatives in the comparison of other products and explore data science opportunities arising from analysis of its Customer database including refining the accuracy of product comparisons and enhancing the relevance of products compared.

Gocompare.com does not charge Customers for using its services and Customers are not expected to find an identical product for a cheaper price by going direct to the Partners' own websites. Instead, the Group primarily generates revenue from fees paid by Partners each time a Customer clicks through to the Partner's website and completes a transaction with that Partner.

B.4a Significant recent trends affecting the Group and its industry

The first UK insurance price and product comparison website was launched in 2002. Since that date, price and product comparison websites have become an everyday part of the financial services landscape for UK consumers with most UK consumers having researched a product on a price and product comparison website. UK financial services price and product comparison websites now receive over 26 million visits each month and, in 2015, approximately 70 per cent. of car insurance policy switches and over 65 per cent. of home insurance switches were derived from price and product comparison websites.

In the UK, most price and product comparison website activity is still for car insurance and home insurance switches, however, the industry has been broadening its reach into other product comparisons, such as credit card, savings account and energy switches and consumer interest in using price and product comparison websites to research those products is increasing. In recent years, UK regulators have become increasingly focused on consumer choice and seeking to promote activity that is beneficial to the consumer. For example, the Office of Gas and Electricity Markets (''**Ofgem**'') and the Office of Communications (''**Ofcom**'') have been encouraging consumers to consider switching energy and broadband providers to ensure they obtain a product best suited to their needs and budget. Price and product comparison websites make it quick and easy for consumers to compare products and make an informed choice about purchasing, or switching to, a range of products.

The Directors believe that there is room for growth in the number of car and home insurance policy switches that are derived from UK price and product comparison websites and that the Company can benefit from that growth. The Directors also believe that there is significant room for growth in the market for the comparison of products beyond the insurance market from where the Company currently generates most of its revenue and that the Company can benefit from that growth.

Developments in the underlying markets for general insurance and other products available on Gocompare.com also impact the Business. For example, the motor insurance industry has historically fluctuated in cyclical patterns defined by periods of low premiums, such periods being known as a 'soft' insurance market, followed by periods of diminished competition and higher premiums, such periods being known as a 'hard' insurance market. In each period covered by the Historical Financial Information (certain of which were 'soft' motor insurance markets), switching activity in the motor insurance sector has remained flat year-on-year or has increased, however, switching activity in the motor insurance sector tends to increase significantly in 'hard' motor insurance markets, as when motor insurance premiums start to increase, this encourages consumers to review their motor insurance policies and search for more attractive products with lower premiums, thereby boosting the demand for motor insurance comparison services. The Directors believe that the increasing premiums in the motor insurance industry experienced in 2015 and 2016 has been a contributing factor to increased Customer Interactions.

Evolving technology and the continuing transition to online continues to change consumer behaviour in a way which is beneficial to price and product comparison websites. In addition, mobile technology is becoming an increasingly important part of the industry landscape with over a third of visits to Gocompare.com coming from mobile devices in 2015, up from approximately 19 per cent. in 2013.

[1] A single Partner may feature more than one brand on Gocompare.com.

B.5 Group structure

The Company is a public limited company domiciled in England and Wales and is the holding company of the Group. The Company has one principal financing subsidiary, Gocompare.com Finance Limited, and one principal operating subsidiary, Gocompare.com Limited. Gocompare.com Limited is solo-regulated by the FCA, as an insurance intermediary, for both prudential and conduct matters.

B.6 Major shareholders

As at the Reference Date, the entire issued share capital of the Company is held and controlled by esure Services Limited.

Immediately following the Demerger, the shareholders of the Company will be the same as the shareholders of esure Group plc as at the Record Time.

As at the Reference Date, and so far as is known to the Company by virtue of the notifications made to esure Group plc pursuant to the Companies Act, MAR and/or the Disclosure Guidance and Transparency Rules, the following, directly or indirectly, are interested in 3 per cent. or more of the issued share capital of esure Group plc:

Shareholder	Number of esure Group plc shares	Percentage holding[2]
Sir Peter Wood	128,609,655	30.85%
Toscafund Asset Management LLP	54,459,930	13.06%
Fidelity International Limited	40,032,761	9.60%
Invesco Asset Management	19,429,782	4.66%
Jupiter Asset Management Limited	16,762,595	4.02%
J O Hambro Capital Management	16,194,020	3.88%

(2) The percentage holding has been calculated using the 416,864,465 esure Shares in issue at the Reference Date as the denominator.

Following the Demerger, no Shareholder has or will have different voting rights from any other holder of Gocompare.com Shares in respect of any Gocompare.com Shares held by them and the Gocompare.com Shares held by them will rank pari passu in all respects with all other Gocompare.com Shares.

Pursuant to a relationship agreement between the Company and Sir Peter Wood that will have effect from Admission, Sir Peter Wood will be able to nominate one person to be a director of the Company for so long as he (and any of his Associates, when taken together) holds at least 15 per cent. of the Gocompare.com Shares.

B.7 Selected historical key financial information

The table below sets out summary selected historical key financial and operational information for the Group in H1 2016, H1 2015 and the financial years ended 31 December 2015, 2014 and 2013.

	As at and for the six months ended 30 June		As at and for the year ended 31 December		
Income statement data (£m)	**2016**	**2015**	**2015**	**2014**	**2013**
		(unaudited)			
Revenue	**72.8**	**59.5**	**118.9**	**113.1**	**109.9**
Insurance	68.5	57.1	113.9	108.8	106.7
Strategic Initiatives	4.3	2.4	5.0	4.3	3.2
Cost of sales	(22.1)	(15.1)	(31.6)	(27.2)	(29.3)
Gross profit	**50.7**	**44.4**	**87.3**	**85.9**	**80.6**
Distribution expenses	(25.6)	(20.6)	(43.4)	(41.5)	(39.0)
Administrative expenses	(10.7)	(10.7)	(20.8)	(18.8)	(16.5)
Profit for the year/period	**11.6**	**10.7**	**19.1**	**20.3**	**19.6**
Financial position data (*£m*)					
Total assets	32.0	45.6	24.7	52.7	49.5
Total liabilities	21.7	13.1	13.5	11.2	11.1
Cash flow data (*£m*)					
Cash flow from operating activities	17.0	8.9	18.8	19.8	19.1
Cash flow from investing activities	(0.9)	(1.1)	(1.3)	(1.4)	(2.2)
Cash flow from financing activities	(12.5)	(19.7)	(49.4)	(17.2)	(11.8)
Cash and cash equivalents at the end of the year	7.9	24.3	4.3	36.2	35.0
Increase/(decrease) in cash and cash equivalents	3.6	(11.9)	(31.9)	1.2	5.1
Key performance indicators					
Customer Interactions(3) (*m*)	16.9	13.0	25.5	24.1	23.0
Insurance	14.1	11.5	22.5	21.2	20.6
Strategic Initiatives	2.8	1.5	3.0	2.9	2.4
Revenue Per Interaction(4) (*£*)	4.30	4.57	4.67	4.70	4.78
Insurance	4.85	4.96	5.07	5.14	5.19
Strategic Initiatives	1.53	1.60	1.68	1.48	1.33

(3) Customer Interaction is defined as: (a) for products where the quote process begins on Gocompare.com, as each unique instance of activity within any half hour period in which a Customer initiates such a quote process, although they do not necessarily complete a purchase (such products accounted for 91.3 per cent. and 90.8 per cent. of the Group's Customer Interactions in 2015 and H1 2016, respectively), and (b) for the remainder of the Group's products, each instance in which a Customer clicks through to a Partner website from Gocompare.com.

(4) Revenue Per Interaction is defined as revenue divided by Customer Interactions in a particular period.

The Group primarily generates revenue from fees paid by Partners each time a Customer clicks through to the Partner's website and completes a transaction with that Partner (income per sale). As a result, the number of Customer Interactions, the Group's ability to convert such Customer Interactions into completed transactions, the amount of revenue per Customer Interaction and the amount of its marketing and other expenditures in a particular period drives the Group's results of operations.

The Group experienced a 30.2 per cent. increase in Customer Interactions in H1 2016 compared with H1 2015 and a 5.7 per cent. increase in 2015 compared with 2014. The Group attributes this increase partly to the successful relaunch in July 2015 of its Gio Compario advertising campaign and continued marketing activities with respect thereto. Importantly, the Directors believe that increasing premiums in the motor industry experienced in 2015 and 2016 have been a contributing factor to increased Customer Interactions as more consumers engaged with price and product comparison websites and were more likely to switch to new product providers.

The Group's Revenue Per Interaction is determined principally by the level of income per sale that the Group negotiates with its Partners, which are transaction fee rates that are applied to completed transactions for products that are listed on Gocompare.com, as well as Conversion Rates (the Group's success in converting Customer Interactions into completed transactions). During the periods under review, the Group's Revenue Per Interaction has benefited from the positive impact on Conversion Rates resulting from a number of initiatives aimed at enhancing Customer experience, such as, for instance, by introducing features that make it easier to interact with Customers such as live chat. In addition, Revenue Per Interaction has benefitted from the Group's ability to increase its income per sale as a result of its annual negotiations with Partners in successive years which, in turn, has benefited from the value proposition offered by the Group to its Partners.

The Group has invested heavily in marketing initiatives in order to develop its brand reputation and drive traffic to Gocompare.com. In 2015, approximately 78 per cent. of the Group's expense base was related to media expenditures. The Group's marketing expenditures are primarily concentrated on the development and launch of television advertisements and brand and generic pay-per-click advertising (''**PPC**'') on search engines. In 2015, 39 per cent. of the Group's marketing expenditures were attributable to cost of sales (which primarily relate to generic PPC) compared with 61 per cent. which were attributable to distribution expenses (which include brand related PPC and other brand related marketing initiatives), which aggregated to approximately £75.0 million during this period.

Save as set out above, there has been no significant change in the financial condition or operating results of the Company or the Group during or, as at the date of this document, subsequent to, the periods covered by the selected key historical financial information set out in the table above.

Pre-Admission developments

As at the date of this prospectus, the Group has no indebtedness. Prior to Admission, the Group will drawdown £75 million under the Term Loan Facility to pay a pre-Demerger cash dividend of approximately £65.3 million to the esure Group and to pay expenses associated with the Demerger and Admission of approximately £9.7 million.

Prior to Admission, the Company intends to pay an additional cash dividend of approximately £8 million to esure Services Limited in the normal course of business to extract excess cash retained in the Group.

B.8 Selected key pro forma financial information

The following Group consolidated unaudited pro forma statement of net assets as at 30 June 2016 has been prepared to illustrate the pro forma effect of the following items as if they had occurred on 30 June 2016:

- the drawdown by Gocompare.com Finance Limited of £75 million under the Term Loan Facility in connection with the Demerger;
- the payment of a pre-Demerger cash dividend of approximately £65.3 million from the Group to the esure Group; and
- the payment of expenses incurred by the Group to implement the Demerger and Admission.

The Group consolidated unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Group's actual net assets. It may not, therefore, give a true picture of the Group's net assets nor is it indicative of the financial position that may or may not be expected to be achieved in the future.

Group consolidated unaudited pro forma statement of net assets as at 30 June 2016

	Group statement of Group net assets as at 30 June 2016 (note 1)	Adjustments: Drawdown under Term Loan Facility by Gocompare.com Finance Limited (note 2)	Adjustments: Payment of cash dividend to esure Services Limited (note 3)	Adjustments: Demerger and Admission expenses (note 4)	Pro forma Group statement of Group net assets as at 30 June 2016
	£m	*£m*	*£m*	*£m*	*£m*
Non-current assets					
Goodwill	2.5	—	—	—	2.5
Other intangible assets	0.9	—	—	—	0.9
Property, plant and equipment	1.3	—	—	—	1.3
Deferred tax assets	0.1	—	—	—	0.1
Current assets					
Trade and other receivables	19.3	—	—	—	19.3
Cash and cash equivalents	7.9	75.0	(65.3)	(9.7)	7.9
Total assets	**32.0**	**75.0**	**(65.3)**	**(9.7)**	**32.0**
Current liabilities					
Trade and other payables	17.9	—	—	—	17.9
Current tax liabilities	2.9	—	—	—	2.9
Non-current liabilities					
Deferred tax liabilities	0.0	—	—	—	0.0
Provisions	0.9	—	—	—	0.9
Loans and other borrowings	—	75.0	—	—	75.0
Total liabilities	**21.7**	**75.0**	**—**	**—**	**96.7**
Net assets /(liabilities)	**10.3**	**0.0**	**(65.3)**	**(9.7)**	**(64.7)**

Notes

(1) The consolidated unaudited pro forma statement of net assets of the Group as at 30 June 2016 has been extracted without material adjustment from the Historical Financial Information of the Group for the six months ended 30 June 2016, as set out in Schedule II of this document.

(2) Gocompare.com Finance Limited will drawdown £75.0 million under the Term Loan Facility in connection with the Demerger.

(3) The Group will pay a cash dividend of approximately £65.3 million to the esure Group.

(4) As a result of, or incidental to, Admission and the Demerger, the Group estimates that it has incurred additional expenses of approximately £9.7 million, which were not accrued at 30 June 2016. Such expenses do not include any expenses that may be incurred in connection with the vesting of Gocompare.com Shares under the Foundation Awards.

(5) No account has been taken of actual changes in the financial position of the Group since 30 June 2016 or the additional cash dividend of approximately £8 million to be paid by the Company to esure Services Limited prior to Admission in the normal course of business to extract excess cash retained in the Group.

B.9 Profit forecasts

The Directors forecast that the Group expects 20 to 30 per cent. growth in operating profit for the Group for the financial year ending 31 December 2016 compared to the financial year ended 31 December 2015 (the ''**2016 Profit Forecast**'').

The Directors note the 2019 EBITDA guidance provided by the esure Board on 5 August 2016 (the ''**EBITDA Guidance**'').

The Directors consider the EBITDA Guidance to no longer be valid.

The Directors note that the EBITDA guidance was originally provided in the context of the Company being a subsidiary of the wider esure Group and reflects base case assumptions and expectations for the Company to 2019. While the EBITDA Guidance was not a profit forecast for the esure Group, in the context of the Demerger and with reference to the Prospectus Rules, the EBITDA Guidance is a profit forecast for the Group on a standalone basis. In this new context and in light of market practice for such profit forecasts, the Directors have considered it appropriate to apply a range of more significant downside scenarios to the EBITDA Guidance, in addition to the potential negative impact of macro-economic and industry downside scenarios, both individually and in aggregate for each year to 2019, as well as on a compounded basis across multiple years to 2019. The compounding and aggregating effect of these downside scenarios on the EBITDA Guidance, in addition to the potential impact of macro-economic and industry downside scenarios, over a period of more than three calendar years is such that the EBITDA Guidance does not remain valid.

The Directors remain confident of the prospects for the Business and have provided guidance for the financial year ending 31 December 2016 above.

B.10 Audit report on historical financial information—qualifications

Not applicable.

B.11 Working capital—qualifications

Not applicable. The Company is of the opinion that, taking into account the Term Loan Facility, the Group has sufficient working capital for its present requirements, that is, for at least the next 12 months following the date of publication of this prospectus.

SECTION C—SECURITIES

C.1 Description of class of the securities

On Admission, Gocompare.com Shares will have an International Security Identification Number GB00BZ02Q916 and SEDOL number BZ02Q91. It is expected that Gocompare.com Shares will be traded on the main market for listed securities of the London Stock Exchange under the ticker symbol GOCO. Gocompare.com Shares will, on Admission, comprise the entire issued share capital of the Company.

C.2 Currency of the securities in issue

Gocompare.com Shares will be denominated in Pounds Sterling.

C.3 Number of issued and fully paid Gocompare.com Shares

On Admission, the number of Gocompare.com Shares in issue will be equal to the number of esure Shares in issue at the Record Time. Gocompare.com Shares will have a par value of £0.0002 each and all shares will be fully paid.

As at the Reference Date, there were 416,864,465 esure Shares in issue. Up to a further 1,635,535 esure Shares may be issued by esure Group plc to satisfy entitlements under esure Group plc's 2013 all-employee share save plan and certain share awards. These additional esure Shares will be issued prior to the Record Time.

C.4 Rights attaching to Gocompare.com Shares

All Gocompare.com Shares will rank pari passu in all respects, there being no conversion or exchange rights attaching thereto, and all Gocompare.com Shares will have equal rights to participate in capital, dividend and profit distributions by the Company.

On a show of hands every Shareholder who is present in person shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per Gocompare.com Share.

C.5 Description of restrictions on free transferability of Gocompare.com Shares

Save as described in the paragraph below, there are no restrictions on the free transferability of Gocompare.com Shares.

Transfer restrictions under the Companies Act

The Company may, under the Companies Act, send out statutory notices to those it knows or has reasonable cause to believe have an interest in Gocompare.com Shares, asking for details of those who have an interest and the extent of their interest in a particular holding of Gocompare.com Shares. When a person receives a statutory notice and fails to provide any information required by the notice within the time specified in it, the Company can apply to the court for an order directing, among other things, that any transfer of Gocompare.com Shares which are the subject of the statutory notice is void.

Transfer restrictions under the Articles

The Board can decline to register any transfer of any Gocompare.com Share which is not fully paid. The Board may also decline to register a transfer of a certificated Gocompare.com Share unless the instrument of transfer:

- is duly stamped or certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty and is accompanied by the relevant share certificate or such other evidence of the right to transfer as the Board may reasonably require;
- is in respect of only one class of share; and
- if to joint transferees, is in favour of not more than four such transferees.

Registration of a transfer of an uncertificated share may be refused in the circumstances set out in the uncertificated securities rules (as defined in the Articles) and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

The Board may decline to register a transfer of any of the Company's certificated shares by a person with an interest of 0.25 per cent. or more of the existing Gocompare.com Shares (exclusive of any shares held in treasury) if such a person has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Act, unless the transfer is shown to the Board to be pursuant to an arm's length sale (as defined in the Articles).

C.6 Applications for admission to trading on regulated markets

Application will be made for the entire issued and to be issued ordinary share capital of the Company to be admitted to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities. No application has been made or is currently intended to be made for Gocompare.com Shares to be admitted to listing or trading on any other exchange.

C.7 Dividend policy

The Directors intend to adopt a dividend policy which will reflect the Group's aim of generating value for Shareholders while ensuring that it retains sufficient capital to fund planned growth in its core business as well as both strategic and financial investments.

Assuming that sufficient distributable reserves are available at the time and subject to any regulatory capital requirements, the Directors initially intend to target a dividend of between 20 and 40 per cent. of the Group's annual reported profits after tax adjusted for any exceptional items.

Subject to capital not being required to fund organic growth, strategic investments and acquisitions in the medium term, the Directors intend to return any excess capital to Shareholders over time in the form of special dividends.

The Directors are not intending to pay a final dividend for the financial year ending 31 December 2016 given the short period between Admission and the start of the financial year.

Going forward, it is envisaged that interim dividends will be paid in October of the relevant financial year and final dividends in May of the following financial year in approximately even proportions.

The Group may revise its dividend policy from time to time.

SECTION D—RISKS

D.1 Key information on key risks relating to the Group and its industry

(A) Key information on the key risks relating to the Group

The environment in which the Group operates is highly competitive. Existing competitors and new market entrants may be able to react to consumer expectations and adapt to modern use of technology faster and more successfully than the Group.

The product segments in the price and product comparison industry may fail to grow as forecast and may decline and the growth in demand experienced by the Group for price and product comparison services, both in its existing and its targeted segments, may be slower than anticipated, not arise, or, indeed, be negative.

The Group may not continue to be able to attract a sufficient level of traffic to Gocompare.com at a commercially reasonable cost. Further, traffic to Gocompare.com depends on ongoing consumer awareness and appreciation of the Gocompare brand. The status of the Gocompare brand may be adversely affected by a number of factors including a reduction in the effectiveness of the Group's media, online and other advertising campaigns, litigation, employee misconduct, operational failures, regulatory investigations, negative publicity, poor performance and changes to its relationships with key Partners.

The Group's primary source of revenue are the fees paid by Partners each time a Customer clicks through to the Partner's website and completes an application for a product or service. There is no guarantee that consumers will complete transactions having visited Gocompare.com or that Partners will not seek to reduce the amount they pay to the Group for providing the consumer lead.

The number and quality of the Group's Partners and their products increases the value of the Group's comparison search results to consumers. Consumer interest and the Group's ability to attract consumer traffic to Gocompare.com and convert that traffic into revenue-generating transactions, is dependent, in part, on the quality and diversity of the products listed on Gocompare.com.

Failure to encourage new Partners to contract with the Group and the loss of existing Partners may lead to a decrease in consumer interest in the Group and revenues.

The Group's success depends on the abilities of key personnel and on the ability of consumers to access Gocompare.com. The Group may be unable to retain such key personnel or attract highly skilled individuals to its Business in the future.

If the Group was to experience service disruptions or other performance problems, this could have a material adverse effect on the Group's capacity to attract consumers.

After the Demerger, the Group could fail to meet the challenges involved in operating successfully as a stand-alone business and may fail to realise anticipated benefits.

(B) Key information on the key risks relating to the industry in which the Group operates

The Group and its operations are based in the UK and are therefore vulnerable to any deterioration in UK economic, market and fiscal conditions, including in the run-up to, and following the implementation of, the United Kingdom leaving the European Union.

The Business is concentrated in the UK private motor and home insurance markets and is therefore susceptible to cyclical patterns and adverse developments in these markets.

The Group is subject to wide-ranging legal and regulatory requirements and supervision, changes to which may result in additional compliance costs and diversion of management time and resources. Failure to comply with such requirements may result in investigations, disciplinary action, fines, reputational damage and the revocation of the Group's licences, permissions or authorisations.

The Group is subject to industry and individual analysis and review by the UK Competition and Markets Authority (''**CMA**'') and other bodies responsible for scrutinising UK Government and EU policies and laws. On 29 September 2016, the CMA announced the launch of a market study in relation to the supply of web-based, app-based or other digital intermediary services (''**Digital Comparison Tools**'' or ''**DCTs**'') in the UK which are used by consumers to compare and/or switch between a range of products and services from a range of businesses. As part of the study, the CMA proposes to examine four themes, with a view to considering the extent to which the supply of DCT services in the UK has or may have effects adverse to the interests of consumers, and the extent to which steps can and should be taken to remedy, mitigate or prevent any such adverse effects: (1) what consumers expect from DCTs, how they use them and their experiences; (2) the impact of DCTs on competition between suppliers listed on them; (3) how effectively DCTs compete with each other; and (4) the effectiveness of existing regulatory approaches to DCTs. The CMA will publish its interim report by 28 March 2017 (including an indication of whether the CMA intends to refer the market for an in-depth market investigation) and will publish its final market study report, setting out its findings and the action (if any) which the CMA proposes to take by 28 September 2017. Market studies can result in a range of possible outputs, including a market investigation reference relating either to the whole study or part of it, consumer/competition enforcement, recommendations to government or to regulators, or a report proposing no further action. At this stage, it is not possible for the Group to predict the outcome of this study with any certainty.

As part of its Business, the Group collects, retains and processes confidential information, including the personal data of Customers and employees. As a result, the Group's operations are subject to data protection and privacy laws and industry standards. Data gathered by the Group must be collected, used, processed and stored in accordance with such laws and standards. The Group cannot provide any assurance that such measures will adequately protect the transmission of personal data. The Group's systems could be targeted by criminal activity, including fraud, theft or cyber-attacks, which could result in the loss or leak of personal data.

D.3 Key information on the key risks that are specific to Gocompare.com Shares

There is no prior trading record for Gocompare.com Shares and if there are significant selling volumes in the Gocompare.com Shares in the period following the Demerger, such sales could adversely affect the market price of Gocompare.com Shares.

The Company may decide to offer additional Gocompare.com Shares in the future, diluting the interests of existing Shareholders and potentially adversely affecting the market price of the Gocompare.com Shares.

The Company may determine not to pay dividends. If it determines that it will pay dividends, there can be no assurance that it will be able to pay dividends in the future.

Shareholders may not be able to exercise pre-emption rights or participate in certain future issues of Gocompare.com Shares and certain Shareholders outside the UK may not be able to participate in future issues of Gocompare.com Shares.

The ability of Shareholders outside the UK to bring actions or enforce judgments against the Company or the Directors may be limited.

Sir Peter Wood is expected to be the beneficial owner of approximately 30.85 per cent. of the issued Gocompare.com Shares immediately following Admission. As a result, Sir Peter Wood will be able to exercise significant influence over matters requiring shareholder approval, including the election of directors and significant corporate transactions.

SECTION E—OFFER

E.1 Total net proceeds of the offer and estimated expenses

Not applicable. There is no offer of the Company's securities.

E.2a Reasons for the offer and use of proceeds

Not applicable. There is no offer of the Company's securities.

E.3 Terms and conditions of the offer

Not applicable. There is no offer of the Company's securities.

E.4 Material interests in the offer

Not applicable. There is no offer of the Company's securities.

E.5 Name of persons offering to sell the securities/lock up arrangements

Not applicable. There is no offer of the Company's securities.

E.6 Dilution

Not applicable. There is no offer of the Company's securities.

E.7 Expenses charged to investors

Not applicable. There are no commissions, fees or expenses to be charged directly to Shareholders in connection with the Demerger or Admission. The aggregate expenses of, or incidental to, Admission and the Demerger to be borne by the Company are estimated to be approximately £9.7 million (inclusive of amounts in respect of VAT). The Company intends to pay for such expenses out of cash resources, including cash to be drawn down under the Term Loan Facility. Such expenses do not include any expenses that may be incurred in connection with the vesting of Gocompare.com Shares under the Foundation Awards.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Time and date[(1)(2)]
esure General Meeting	11:00am on 1 November 2016
Record Time	6:00pm on 2 November 2016
In-specie distribution of Gocompare.com Shares to esure Shareholders	3 November 2016 (immediately prior to Admission)
Admission and commencement of dealings in Gocompare.com Shares on the London Stock Exchange	8:00am on 3 November 2016
CREST accounts credited in respect of Gocompare.com Shares in uncertificated form	8:00am on 3 November 2016
Latest date for despatch of definitive share certificates (where applicable) for Gocompare.com Shares in certificated form	10 November 2016

Notes

(1) Times and dates set out in the timetable above and mentioned throughout this prospectus that fall after the date of publication of this prospectus are indicative only and may be subject to change without further notice.

(2) All references to time in this timetable are to London time.

RISK FACTORS

The risks and uncertainties associated with Gocompare.com Shares, the Business and the industry in which it operates, described below, together with all other information contained in this prospectus, should be carefully considered in light of Admission.

The risks relating to the Group, its industry and Gocompare.com Shares summarised in the section of this prospectus headed 'Summary' are the risks that the Directors believe to be the most essential to an assessment of Gocompare.com Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, you should consider not only the information in the key risks summarised in the section of this prospectus headed 'Summary' but also, among other things, the risks and uncertainties described below.

The risks and uncertainties described below represent those the Directors consider to be material as at the date of this prospectus. However, these risks and uncertainties are not the only ones facing the Group. Additional risks and uncertainties not presently known to the Directors, or that the Directors currently consider to be immaterial, may individually or cumulatively also materially and adversely affect the Business, results of operations, financial condition and/or prospects of the Group. If any or a combination of these risks actually occurs, the Business, results of operations, financial condition and/or prospects of the Group could be materially and adversely affected. In such case, the market price of Gocompare.com Shares could decline. You should consider carefully the information in this prospectus in light of your personal circumstances.

1. RISKS RELATING TO THE BUSINESS

1.1 The environment in which the Group operates is highly competitive. The evolution of the price and product comparison market has led to greater competition to retain and acquire consumers. A failure to remain competitive could have a material adverse effect on the Business, operating margins and financial results of the Group

The Group operates in a rapidly changing and highly competitive environment. Aggressive growth by price and product comparison websites puts increased pressure on the Group. If Partners reduce the amount they pay to the Group for providing the consumer lead or if the Group increases advertising expenditure in order to raise brand awareness, the Group's operating margins and financial results could be adversely affected.

Other participants in the price and product comparison market have, and new entrants may have, greater financial and other resources. This could enable them to invest in the production and marketing of new and innovative technologies, in particular enhanced search and comparison capabilities or functionalities. This could further increase competition in the price and product comparison market, which may result in a reduction in the Group's market share. Additionally, the business models adopted by new entrants to the market, or existing competitors, may be more attractive to consumers. Failure to provide competitive and innovative offerings could impact the ability of the Group to retain and attract consumers. This could have a material adverse effect on the Business, operating margins and financial results of the Group.

The strategic evolution of the price and product comparison market has brought about a new type of competitor. These new entrants to the market are looking to leverage the status of trusted brands and establish consumer bases in their existing industries. Market entrants with websites in different industries, for example, a real estate portal with a function to search properties to buy and rent; an online market place for car shoppers and sellers; and a travel search engine for flights, hotels and car hires, are seeking to exploit their influence and move into different sectors, which could include comparison of the products on which the Group focuses. For example, these websites allow users to purchase insurance with preferred providers at the completion of their initial transaction on the website.

1.2 The Group is dependent on car and home insurance comparison as a key source of its revenue. If new entrants to the price and product comparison market were to cause the Group's revenue from these market segments to decrease, this could have a material adverse impact on the Group's Business and financial results

The Group remains heavily dependent on car insurance comparison as its key source of revenue. If Partners offering car insurance products conclude that it is more beneficial to contract with specialists in the motor industry given their early access to consumers, or offer such specialists more competitive prices than they offer to the Group, this could have a material adverse effect on the Group's market share and its ability to generate revenue from car insurance price and product comparison. This could have a material adverse effect on the Business and the Group's financial results.

In the context of home insurance comparison, mortgage partners and/or real estate search portals may benefit from early access to potential home insurance consumers through the mortgage application or property search processes. If new entrants with specialist websites continue to enter the market, competition for consumers could intensify further, which may result in a reduced market share for the Group. New entrants could also challenge the Group in terms of consumer confidence in the quality of its offering and how the Group differentiates itself from other price and product comparison websites. Increased competition could require the Group to use additional resources on advertising in the home insurance comparison market in order to ensure that the Group continues to retain and acquire consumers. This could have an adverse effect on the Group's operating margins and financial results.

1.3 If consumer interest or confidence in the use of price and product comparison websites diminishes, or consumers become more concerned with understanding the quality of the product and not just how much it costs, this could have a material adverse effect on the Business and the Group's financial results

The success of the Business depends on continued consumer interest in the use of price and product comparison websites. The Group is exposed to changes in behaviour of its consumers and the markets in which it compares insurance and other products; its success is dependent to a large extent on the Group's ability to anticipate, rapidly react to and take advantage of such changes. A large proportion of the Group's Customer base is made up of consumers wanting to switch to a more financially attractive product. If consumers stop looking for more financially attractive products, choose to renew existing policies, are offered better deals directly by their product or service provider or if the prices of various products compared by the Group begin to converge substantially, this could diminish consumer interest in the use of price and product comparison websites and could have a material adverse effect on the Business and the Group's financial results.

The Group operates in a market where integrity, trust and confidence are crucial. If there is a change in the consumer perception of price and product comparison websites being a trusted market place, or product and/or service providers cease to sell products through price and product comparison websites, this could have a material adverse effect on the Business and the Group's financial results.

1.4 Product segments in the price and product comparison industry may fail to grow as forecast and may decline and the growth in demand experienced by the Group for price and product comparison services, both in its existing and its targeted segments, may be slower than anticipated, not arise, or, indeed, be negative

The success of the Business relies, in part, on its ability to anticipate, target and penetrate areas of growth within the product and service comparison segments in which it participates and in which it is seeking to participate. A number of factors might affect industry growth and the Group's growth within it, including broader economic and market conditions. These factors can be difficult to predict and in many cases, are out of the Group's influence and control. There can be no assurance that the industries in which the Group participates will grow as anticipated, and it is possible that demand for various product segments will decline, which could materially adversely affect the Group's results of operations, financial condition and prospects. Further, there is no assurance that the Group will maintain or increase its market share in the product segments in which it participates or is seeking to participate and the Group's market share of these product segments may decline in the future.

1.5 Failure by the Group to continue to attract a sufficient level of traffic to Gocompare.com at a commercially reasonable cost could have a material adverse effect on the Business and the Group's financial results

The Group incurs significant costs in relation to media and online (including search engine) advertising campaigns in an effort to increase traffic to the Group's website. Such campaigns may be ineffective, unsuccessful or may become more expensive (including if, for example, search engines increase their charges for search engine advertising) and consequently, if the Group is unable to ensure that website traffic to Gocompare.com continues to be attracted in a cost-effective way, the campaign costs may offset revenues arising from resulting traffic. Additionally, any negative publicity associated with the Group's brands could counterbalance the positive effects of such campaigns.

Broadcast media is a major source of media expenditure for the Group, with the majority of the Group's broadcast budget being spent on television advertising. If the Group fails to increase the efficiency of its TV advertising spend, this could have a material adverse effect on the Group's operating margins.

In addition, the Group utilises online search engine advertising. The Group's position in any advertising results that are displayed on a search engine results page is determined by a number of factors that are set by the search engine, and include the price that the Group is willing to bid for a keyword. The Group believes that it has carefully chosen the keywords for which it is a priority for Gocompare.com to feature prominently on search engines, such as Google and Bing, and the Group sets the price that it is willing to pay for various keywords at a level intended to ensure that Gocompare.com features at or near the top of the advertising results for those keywords. If the Group is unable to correctly determine the keywords that consumers use when searching online for relevant products or services, the Group may in some instances only be able to rely on the display of Gocompare.com within the search engine's natural (or unpaid) search results to generate traffic to Gocompare.com. Given that natural (or unpaid) search results will appear below paid search results on a results page, the Group may be unable to generate sufficient traffic to Gocompare.com from such positioning. Additionally, competitors may choose to outbid the Group for certain keywords. This could result in Gocompare.com featuring further down the advertising results on the results page for that user's search query (or potentially not at all). If the number of visits generated to the Group's website via paid search terms was to reduce such that the Group's expenditure on paid search advertising was to become disproportionate to traffic generated, this could have a material adverse effect on the Group's operating margins and financial results.

1.6 The Group employs techniques to enhance the positioning of Gocompare.com in search engine listings. If the Group fails to employ these techniques in an effective and successful manner, this could have a material adverse impact on the Group's ability to generate traffic to Gocompare.com

When delivering natural (or unpaid) search results, online search engines typically use complex algorithms to select the results that are most relevant to users' search queries. Such algorithms change frequently and incorporate a number of variables that are out of the direct control of the Group. In an attempt to improve the ranking of Gocompare.com in a search engine's natural (or unpaid) listings, the Group adopts a process known as 'search engine optimisation' or 'SEO'. This process is aimed at enhancing the relevance of Gocompare.com to common consumer queries. However, due to the frequency with which the search engine algorithms change, this process or other techniques adopted by the Group may not successfully adapt to the algorithms, which means Gocompare.com may not feature sufficiently prominently in the search results of a search engine to encourage adequate traffic. In addition, if a search engine were to develop its own price and product comparison service, this could have a detrimental effect on the Group's ranking in the search results of that search engine and the Group's ability to attract traffic to Gocompare.com, in particular if a search engine were to position its own offering in a more prominent position on the search results pages.

Search engines may also display paid search advertising—as well as natural (or unpaid) search results—on search results pages in response to particular queries of users. The number (and position) of any paid search advertising on search results pages is determined by the search engine and depends on a number of factors which are out of the direct control of the Group. Where paid search advertisements are displayed on a search engine's results page above the natural (or unpaid) results, consumers may be more likely to click on the advertisement, rather than scrolling through the natural (or unpaid) search results. In particular, this may occur if the advertisements are insufficiently distinguishable from the natural (or unpaid) results on the page. Since products purchased as a result of consumers following a link in natural (or unpaid) search results involve minimal associated direct costs, such purchases generally result in higher gross margins to the Group. Therefore, a reduction in traffic to Gocompare.com via natural (or unpaid) results as a result of a lower position on results pages, or users instead choosing to navigate to Gocompare.com through a Gocompare advertisement on the same page, could have a material adverse effect on the Group's operating margins and financial results.

The use of smartphones and tablet devices to purchase products via the internet has rapidly increased in recent years. Given the smaller screens of such devices, the position of Gocompare.com on search engines' results pages is even more important for consumers looking to purchase products on their smartphones or tablet devices as it is even less likely that the consumer will scroll down to the results lower down on the results page. If Gocompare.com does not feature in the first few results in response to a user's search query conducted on a smartphone or tablet device, this could have a material adverse effect on the Group's operating margins and financial results.

Furthermore, search engines may have terms of service which prohibit websites from engaging in certain practices aimed at improving their rankings in natural (or unpaid) search results on the basis that the search engines consider such practices to be deceptive or manipulative, and thus contrary to the effective functioning of their search algorithms. If a search engine considers that the Group employs such practices, or if a search engine modifies its terms of service in the future such that any practices Gocompare.com currently employs to improve its rankings are considered contrary to the search engine's modified terms of service, the search engine could penalise the website (for example, by lowering its search ranking). As search engines drive higher consumer traffic to Gocompare.com, this could have a material adverse effect on the Business and the Group's operating margins.

1.7 Traffic to Gocompare.com depends on consumer awareness and appreciation of the Gocompare brand. Negative publicity or failure to sustain and strengthen the status of the Gocompare brand may affect the Group's ability to retain and attract consumers

The Business and future growth of the Group depend on the visibility of and consumer trust in the Gocompare brand. The Group is reliant on the ongoing strength and growth of the Gocompare brand to maintain and increase its ability to attract consumers, Partners and/or advertisers.

The Group is best known for its advertising campaign fronted by Gio Compario, the iconic fictional moustached tenor and comparison enthusiast. If the person who currently plays Gio Compario were to cease playing that role for any reason and the Group were unable to find a suitable person to replace him, quickly, or at all, this may adversely affect the strength and perception of the Gocompare brand and/or the Group's ability to maintain and increase its ability to attract consumers, Partners and/or advertisers.

Negative publicity surrounding the Group could materially weaken confidence in the Group's services. Among other things, the publication of poor financial results, the termination of contracts with key Partners, failure by suppliers or Partners to fulfil contracts with the Group or consumers, threatened or actual litigation, adverse regulatory investigations or actions, or disruptions to Gocompare.com could result in a negative publicity campaign. In particular, a lack of objectivity in the search results on Gocompare.com (or a perceived lack of objectivity among consumers) could have a material adverse effect on the Business and the Group's financial results. The Group could also face cyber-attacks or security breaches, which could lead to the abuse by a third party of consumer and/or other personal data. Such an eventuality could have a material adverse effect on the Group's ability to cultivate consumer trust. Indeed, any negative publicity could materially harm the Gocompare brand, reduce traffic to Gocompare.com and damage relationships with existing, and potential, key Partners.

The Group is also exposed to damage to its brand arising from its relationships with third party service partners and suppliers. For example, the Group's reputation could suffer as a result of arrangements provided to consumers by third parties which provide 'white label' solutions for certain search segments, such as energy, savings and breakdown. The Group's relationship with such service partners is limited to that of a contractual business relationship; no common ownership or control rights exist between the Group and such partners. However, although the Group cannot be held responsible for the content of such websites, the Group may suffer reputational loss as a result of the poor service of, or consumer disturbance caused by, such service partners. Additionally, legal or regulatory proceedings brought against such service partners could damage the Gocompare brand and could consequently have a material adverse effect on the Business and the Group's financial results. The Group has recently started to offer promotions through cashback websites to incentivise Customers to purchase products or services after obtaining a quote from Gocompare.com. There is no guarantee that this initiative will encourage consumers to purchase products or services.

1.8 The failure or inadequacy of Group software, technology architecture and disaster recovery processes, whether as a result of technical fault, actions of third parties or malicious cyber-attacks, could have a material adverse effect on the Business, the Group's reputation and financial results

The Group's success is dependent upon consumers being able to access Gocompare.com at all times. Major and sustained disruptions to the internet infrastructure and other performance problems resulting from a number of variables that are outside of the Group's control, including internet capacity constraints during peak times, could have a material adverse effect on the Business and the Group's financial results.

There can be no assurance that the technology architecture employed by the Group will perform to the required standards at all times. Additionally, as the Group expands its service offering, Gocompare.com may not be able to manage adequately any resulting increased usage. If the Group fails to maintain its technology architecture, or is unsuccessful in adapting to changing consumer habits or the widespread adoption of new internet, networking or telecommunications infrastructure, this could have a material adverse effect on the Business, the Group's market position and financial results.

Changes to the Group's software and technology architecture could also result in a loss of data or cause consumers and Partners to experience delays or interruptions in service. This could cause consumer dissatisfaction with the Group's service offering, which could discourage consumers and Partners from using the Group's services and lead them to use competing online price and product comparison services. Furthermore, the Group's competitors may be more successful in developing and marketing new technologies and may be able to offer consumers more compelling environments at a faster pace than the Group. If the Group fails to implement innovative technologies and adapt to changing consumer behaviour, this could result in a decrease of traffic to Gocompare.com, which could have a material adverse effect on the Group's ability to complete revenue-generating transactions.

The Group takes advantage of efficient and uninterrupted operation of its computer and communications systems. Consumer access to Gocompare.com and the speed with which a consumer navigates and makes purchases affects the attractiveness of the Group's services. While the Group has disaster recovery and business continuity contingency plans, no assurance can be given that, if a serious disaster affecting the Business, systems or operations occurred such plans would be sufficient to enable the Group to recommence its service offering without loss of business. The Group has outsourced the operation and maintenance of the two data server sites from which Gocompare.com is hosted. These two data server sites are separately located. One server site is used for the live operation of Gocompare.com and the other acts as a fail-safe in the event that the primary server fails. If the live server site fails, contingency capabilities will come into play in short order in order to enable the Group to recommence its service offering without loss of business. While it is not expected that any manual changeover would take a material amount of time, if a more fundamental failure at the live server site occurs, for example if there is a prolonged power outage or if the building becomes inaccessible, there is a manual process which enables the second server site to be activated. If the Group is forced to execute this manual changeover and Gocompare.com is not accessible on demand, or the website does not load as quickly as consumers expect, consumers may seek out the services of competitors when they might not ordinarily do so.

The emergence of new, and the evolution of existing, industry standards could require the Group to incur significant costs to modify or update existing software, or require a move to completely new technology structures and systems. The development and implementation of a more sophisticated technology architecture may be technically challenging and could require significant investment. There can be no assurance that the Group will be able to recoup the cost of such investment. Furthermore, if the Group is unable to develop such technology internally through its own resources, it may have to acquire external technology from or engage third parties to develop it. Any of these things could have a material adverse effect on the Group's operating margins and financial results.

The Group's platform, in common with all technology platforms, is also vulnerable to computer viruses and other cyber-attacks or disruptions from unauthorised use of its services and systems by third parties or employees. Such attacks could lead to interruptions or delays or a complete shutdown of Gocompare.com. Further, the Group's disaster recovery plans may not adequately cater for such events and the Group's insurance policies may not cover any loss or damage suffered by the Group, including losses resulting from business interruption.

1.9 Failure by consumers to complete transactions upon visiting Gocompare.com would materially adversely affect operating margins and the Group's financial results

Consumers may access Gocompare.com and use its comparison services free of charge. The Group's primary source of revenue are the fees paid by Partners. These fees are themselves primarily based on a cost-per-acquisition ("**CPA**") pricing model, under which the Partner pays a fee to the Group each time a consumer has clicked through to the Partner's website and completed an application for a product or service. If a substantially large percentage of the consumer traffic to Gocompare.com is not converted into completed transactions which originate from Gocompare.com or Partners seek to reduce the amount they pay to the Group for providing the consumer lead, this could have a material adverse effect on the Group's operating margins and financial results.

The rate at which traffic is converted into completed transactions depends upon various factors, some of which are not within the control of the Group, including for example if Partners' products are not competitively priced or do not meet consumers' needs. Further, if Partners choose to narrow the acceptance criteria for their products such that there is an increase in the number of application refusals, or if the websites of Partners become unavailable for any reason or are not easily navigable and accessible and consumers are unable to find the product or service application page, this could have a material adverse effect on the Conversion Rates and, consequently, the Business and the Group's financial results. Additionally, a consumer may be more inclined to complete a transaction requiring a lower level of commitment than a transaction requiring a longer commitment and substantial monthly payments.

1.10 False or inaccurate reporting by Partners under the CPA pricing model, the adoption of an alternative Partner fee arrangement or the bankruptcy of a Partner could have a material adverse effect on the Group's operating margins

The CPA pricing model is reliant on Partners accurately and honestly reporting the quantity of completed transactions a Partner makes which result from traffic to and from Gocompare.com. This includes not only transactions that are converted on the Partner's website after the consumer has received the quote on and clicked through from Gocompare.com, but also transactions that are converted over the phone where the consumer has been directed to that Partner after obtaining a quote on Gocompare.com. Although the Group's contracts with its Partners state that such sales are attributable to the Company and that the Company should consequently be remunerated for transactions converted in this way, it is a challenge for the Group to ensure that all transactions converted over the phone are accounted for and there is no guarantee that the Group will receive all resulting revenues. The Company has audit rights in its arrangements with Partners but if Partners do not accurately allocate sales to the Group, this could have a material adverse effect on the Group's operating margins.

Dependence upon the CPA pricing model as the Group's primary source of revenue means that if the Group is forced to offer an alternative fee structure to Partners, this could have a material adverse effect on the Group's operating margins and financial results as the alternative structure may not be as profitable to the Group as the CPA pricing model.

If a Partner were to declare bankruptcy, the Group may be unable to recoup any fees owed to it at that point in time and would lose a source of potential future revenue. Such fees could be substantial, the loss of which could have an adverse impact on the Group's operating margins and financial results. Additionally, this could have a material adverse effect on the reputation of the Business and the Group's brand if Partners are unable to fulfil contracts with consumers who have purchased products or services after visiting Gocompare.com.

1.11 The number of the Group's Partners and the quality and diversity of their products affects the Group's ability to attract consumer traffic to Gocompare.com. Failure to encourage new Partners to contract with the Group and the loss of existing Partners may lead to a decrease in consumer interest in the Group's offering

Consumer interest and the Group's ability to attract consumer traffic to Gocompare.com and convert that traffic into revenue-generating transactions is dependent, in part, on the quality and diversity of the products listed on Gocompare.com. When consumers use Gocompare.com, they look for recognised brands. If the Group is unable to attract recognised Partners, or if key recognised Partners terminate their relationships with the Group, this could decrease consumer traffic to Gocompare.com, which could have a material adverse effect on the Group's ability to complete revenue-generating transactions. Additionally, if a number of key Partners refused to list all or certain of their products or services on Gocompare.com, this could create the impression that the Group has a limited offering of services and products. This could make Gocompare.com less attractive to consumers and may encourage other Partners to stop using the Group's services, instead contracting with competitors with more extensive offerings. Failure to encourage new Partners to contract with the Group and the loss of existing Partners may lead to a decrease in consumer interest in the Group's offering and a reduction in market share and this, in turn, could have a material adverse effect on the Business and the Group's financial results.

1.12 Any future investments, companies and/or technologies acquired by the Group or merger and acquisition activity may be unsuccessful

The Group may invest in or acquire businesses, companies and/or technologies. In identifying potential investments and acquisitions, the Group would make every effort to ensure appropriate due diligence is carried out and that no more than an appropriate price is paid, but such investment or acquisition activity carries inherent risks and may leave the Group exposed to lower than expected performance of such investments within the expected time frame and to losses on such investments.

The Group plans to make venture capital-style strategic investments and acquisitions in technology-focused businesses with an approximate target investment size of £1 million to £6 million. By making such investments, the Group will also seek opportunities to develop strong and mutually-beneficial working relationships with those businesses including in relation to the development of new technologies which may be of use to the Business and further differentiate Gocompare.com from its key competitors.

There is no guarantee that any investment or acquisition will be successful, nor that the Group will be able to successfully exit any investment or acquisition if it chooses. Further, the Group may have insufficient funds to participate in future funding of investments, which could affect the value of such investments to the Group.

Investment and acquisition activity may divert financial and management resources away from the Business. In addition, there is a risk that the business, company and/or technology being invested in or acquired will not realise expected returns or synergistic benefits and the value of that investment may need to be written down, in whole or in part.

1.13 Innovation in technology is experiencing rapid growth. The use of smartphones to purchase products via the internet is increasing. Failure to react to consumer expectations and rapidly adapt to modern use of technology could result in a loss of market share

The Group's ability to maintain its market position in the rapidly changing online market depends on numerous variables, including attracting and retaining qualified staff, the development and implementation of software and effective advertising.

The Group is exposed to changes in behaviour of consumers and the markets in which it compares insurance and other products; its success is dependent to a large extent on the Group's ability to anticipate, rapidly react to and take advantage of such changes. For example, changes in lifestyle and technology could give rise to new types of entrants into the market, such as pay-as-you-go car insurance, or the developments of new distribution channels, such as through social media or apps, may require further adaptation of the Group's business operations. Such changes could result in a reduced demand for the Group's services and require the Group to expend significant energy and resources on changing its service offering, building new risk and pricing models, modifying and renewing its operating and IT systems and/or retaining or hiring new people.

The use of smartphones and tablet devices to purchase products via the internet has rapidly increased in recent years. Use of the Group's services through such devices can be more challenging for consumers, given the smaller screen size and capacity constraints, and could lead to service disruptions if the Group fails to adapt to changing technologies. The Group provides a version of Gocompare.com that is functional on smartphone and tablet devices. However, the Group may fail to capture a significant share of an increasingly important market for price and product comparison services if it is slow to accommodate actual and anticipated technologies that are more compatible with such devices. Given the rapid growth in online consumer purchases, this could have a material adverse effect on the Business and the Group's financial condition.

Certain competitors allow consumers to arrange insurance cover via an app, confirming such cover immediately by email. The app itself is downloaded onto the consumer's smartphone, which facilitates consumer engagement on a more direct and personal level, and facilitates ease of use. Consumers who use apps developed by price and product comparison websites might become less reliant on search engines. The permanent place of the app on the consumer's smartphone may also encourage more frequent and loyal use of the services. The Company does not have an app. An increase in the use of apps to purchase insurance, whether directly through the Partner or through an app designed by a competitor price and product comparison website, could result in a reduction in traffic to Gocompare.com and a decrease in the Group's market share. This could have a material adverse effect on the Business and the Group's financial results.

Apps may enable competitors to reach new consumers and markets and realise efficiencies that have competitive and cost benefits, which may allow competitors to offer more competitive rates to Partners. This could encourage Partners to renegotiate the terms of their contracts with the Group, which could result in less favourable terms for the Group. This could have a material adverse effect on the Group's operating margins.

1.14 Any failure or shortcoming in the Group's ability to process data could have a material adverse effect on the Group's reputation

As part of its Business, the Group collects, retains and processes confidential information, including the personal data of Customers and employees. As a result, the Group's operations are subject to data protection and privacy laws and industry standards. Data gathered by the Group must be collected, used, processed and stored in accordance with such laws and standards. If the Group fails to comply with applicable laws, it faces the risk of regulatory censure and/or fines. The enforcement of either penalty could have a material adverse effect on the Group's reputation and financial results.

The Group utilises software to encrypt and authenticate data in order to effect the secure handling of confidential information. The Group commits significant financial resources to reinforce its information security and combat cyber-attacks. While the Group has not suffered a cyber-attack to date which has led to the loss or leak of personal data, the Group cannot provide any assurance that such measures will adequately protect personal data from cyber-attacks or other criminal activity such as fraud or theft in the future. The loss or leak of personal data could deter consumers from providing the Group with their personal data and could result in a decline in website traffic and Conversion Rates, damage the Group's reputation and involve costly litigation and/or regulatory action, all of which could materially adversely affect the Business and the Group's financial results.

1.15 Failure by the Group to prevent fraudulent clicks or fraudulent activity in relation to the products or services available on Gocompare.com could damage the Group's relationships with Partners, third parties and advertisers

A fraudulent click occurs when a person clicks on a link with the intention of either raising revenue for themselves or causing financial or reputational damage to the targeted website. A significant number of invalid clicks to a third party's website could result in a decrease in the quality and value of clicks that the Group delivers to a third party's website. This may result in a reduced return on the relevant third party's investment in the Group's services because such clicks will not lead to actual applications. If the Group is unable to detect and prevent the occurrence or frequency of such clicks, this could damage the Group's relationship with the affected third parties and could cause the Group difficulties in collecting fees. If the Group's risk to fraud increases, it may be forced to lower its CPA rates. These eventualities could have a material adverse effect on the Business and the Group's operating margins.

Furthermore, if the Group's Customers breach the terms of business of a Partner, for example by taking out insurance or a mortgage using a false identity, this could deter other Partners from contracting with the Group or could lead to key Partners terminating their contracts with the Group. Additionally, if the Group's competitors are able to manage their fraud risk more successfully than the Group, its Partners may be more inclined to contract with them over the Group. This could expose the Group to potential losses, which could have a material adverse effect on the Group's operating margins.

The Group could also fall foul of invalid clicks via search engines. If the number of invalid clicks to Gocompare.com from high-cost sources of traffic was to increase, this could require the Group to pay fees to search engines for clicks which could never convert into revenue-generating transactions. This could result in increased advertising costs for the Group with no offset of such costs from the usual resulting increase in Conversion Rates.

1.16 The Group uses software and external data servers to host and operate Gocompare.com. There can be no assurance that the same software or external data servers will continue to be available on commercially reasonable terms

The Group utilises external data servers to host and operate Gocompare.com. As would be expected, the Group can only exercise limited control over the third parties it contracts with. Any material failure or disruption to the services provided by third parties could have a material adverse effect on the Business and the Group's reputation.

The Group uses some software developed by third parties. This software helps improve the Customer experience of finding and applying for certain products by using an algorithm to filter search results in order to determine which products an applicant is more likely to be accepted for. This software is believed to help the Group improve its Conversion Rates by only presenting applicants with products for which they have a higher chance of acceptance by the product provider. If the Group was to lose its rights to use such software, or if the agreement between the Group and the software partner is not performed in accordance with its terms, the Group's ability to maintain its service offering in this respect could be restricted. Additionally, there can be no assurance that the software, or other similar software, currently used by the Group will continue to be available on commercially reasonable terms from the same third parties. This could have a material adverse effect on the Business and the Group's financial results.

1.17 Growth of the Group could place substantial pressure on the Group's management and infrastructure. This could have a material adverse effect on management's ability to deliver its strategy

If the Group fails to improve its systems and infrastructure to accommodate growth in operations, this could increase the strain on the Group's ability to deliver its services and could have a material adverse effect on management's ability to deliver the Group strategy.

Additional expenses as a result of the Group becoming a public company, including registration and listing fees and ongoing corporate governance costs, could also put a strain on the Group's ability to maintain and enhance the quality of its service offering. Such expenditure could also divert funds from the recruitment and training of skilled personnel or planned or potential mergers and acquisitions. If the Group fails to manage the Group's growth in an efficient and organised manner, this could have a material adverse effect on the Business and the Group's financial condition.

1.18 Failure to prevent the use of the Group's intellectual property by third parties could adversely affect the Business and the Group's future prospects

The Group has a portfolio of registered UK and European trade marks which protect the names and logos of the Group's brands and slogans. In addition to such rights, the Group adopts further measures to reduce the risk of infringement of its intellectual property by third parties. However, these steps may not be sufficient in preventing such third parties from using the Group's trade secrets, information or systems. In any event, due to the evolving nature of internet-related businesses, the scope of protection of proprietary rights is uncertain and as such the Group cannot provide any assurances as to the viability or value of its intellectual property rights.

To the extent that the Group is unable to protect its brands, technologies and databases by way of registration, competitors may be able to exploit the Group's intellectual property without compensating the Group. Such exploitation may negatively impact the Group's reputation and damage the brand. Additionally, competitors may be able to develop similar technologies or brands to those of the Group without infringing the Group's intellectual property rights.

1.19 Protecting the Group's intellectual property could involve costly and time-consuming measures or litigation

The Group could incur significant costs if it is forced to engage in litigation to protect its intellectual property or other rights. This could have a material adverse effect on the Group's operating margins. As the Group faces increasing competition, the possibility of being subject to intellectual property rights claims grows. The outcome of any such litigation cannot be predicted and there is a risk that the Group could lose its rights to valuable information that is crucial to the functioning of the Business. Failure to prevent the use of its intellectual property, secrets, information or systems by third parties could have a material adverse effect on the Business and the Group's future prospects.

If the Group were found to be in breach of a third party's intellectual property rights, it may be required to pay compensation to that party, or could be prevented from continued use of certain technologies. The Group may consequently need to apply for a licence for any technology it is prevented from using and the Group cannot be certain that such a licence will be available on commercial terms or at all. In the event that the Group is unable to replace such a licence, the Group may be forced to limit its service offering. This may challenge the Group's ability to compete with competitors and could have a materially adverse effect on the Business and the Group's financial results.

1.20 The Group could face liability for information on its websites

The law relating to the liability of online services companies for information carried on, or disseminated through, their services is currently unclear. Claims could be made under the laws of the United Kingdom or another jurisdiction for defamation, libel, negligence, copyright or trade mark infringement, invasion of privacy or other claims based on the nature and content of the information disseminated.

Third parties who are the subject of information concerning them on Gocompare.com may assert claims of defamation or other injury. These types of claims have been brought, sometimes successfully, against providers of online services as well as print publications. If litigation were successfully brought against the Group, its insurance policies may not cover this loss. Any of these events could have a material adverse effect on the Business, financial condition and results of operations of the Group.

The Group provides information on Gocompare.com, including listings of personal finance, insurance, travel and other services that has been sourced from, and hyperlinked to, websites maintained by third parties, including its Partners. Providers could assert that information concerning them on Gocompare.com contains errors or omissions and third parties could seek damages for losses incurred if consumers rely upon incorrect information published by the Group. Among other things, the Group might be subject to claims that by directly or indirectly providing links to websites operated by third parties it is liable for wrongful acts by the third parties operating those websites. Even if these claims do not result in liability to the Group, it could incur significant costs in investigating and defending itself against these claims.

1.21 The Group is dependent on its senior management team as well as certain other key personnel, and may face operational challenges as well as challenges in recruiting and retaining suitable personnel if such persons leave the Group

The Group's success will depend on its ability to attract and retain executives and personnel. The Group's current management team is expected to make significant contributions to the growth and success of the Business.

As the Group grows, it will need to recruit and retain additional personnel, and failure to do so could affect the Business or result in decreased profitability. The competition for employees with industry experience is fierce, particularly in the IT sector. A substantial loss of qualified employees, and a failure to employ similarly qualified employees in their place, could have a material adverse effect on the Business. If the incentive package offered by the Group does not prove sufficient to attract and retain qualified employees, the Group may incur additional costs arising from the need to recruit and retain new employees. This could have a material adverse effect on the Group's operating margins and financial results.

If the FCA, by whom the Group is regulated, considers that certain members of management cease to have the appropriate qualifications and/or experience or cease to be fit and proper to perform their functions, the FCA may withdraw its approval of such individuals holding FCA-controlled functions within the Group. Similarly, if the FCA considers that potential members of management put forward by the Group for FCA approval do not have appropriate qualifications and/or experience or are not fit and proper to perform FCA-controlled functions, the FCA may not approve the applications made in respect of such individuals. Any FCA decision(s) in this regard could have a material adverse effect on the Business.

2. RISKS RELATING TO THE INDUSTRY

2.1 There is uncertainty in relation to the impact that the referendum on the UK's exit from the European Union may have on the Group

On 23 June 2016, a referendum was held in which eligible persons voted in favour of a proposal that the UK leave the EU. The result of the referendum increases political and economic uncertainty in the UK for the foreseeable future, including during any period while the terms of any UK exit from the EU are negotiated. The vote to leave also raises questions surrounding Scotland's independence from the UK.

A significant amount of the regulatory regime that applies to the Group is derived from EU directives and regulations. For so long as the UK remains a member of the EU, those sources of legislation will (unless otherwise repealed or amended) remain in effect. However, any UK exit could change the legal and regulatory framework in which the Group operates. Additionally, the terms of any UK exit from the EU could generate restrictions on the movement of capital and the mobility of personnel.

It is not clear what the impact on the Group (including its Business, employees, operations and assets) will be if, and on what terms, the UK leaves the EU, but such a change may have a materially adverse effect on the Business, results of operations, financial condition and prospects of the Group.

2.2 The Group and its operations are based in the UK and are therefore vulnerable to any deterioration in UK economic, market and fiscal conditions, including in the run-up to, and following the implementation of, the UK leaving the European Union

The Group is based in the UK and only sells its products to consumers in the UK. The Group is therefore exposed to the economic, market and fiscal conditions in the UK and to changes in any of these conditions.

Any deterioration in economic conditions in the UK (including deterioration caused by uncertainties arising from the UK's decision to leave the European Union) could result in a downturn in new business and sales volumes of the Group's products. Such a deterioration could also have a material adverse effect on the Group's ability to comply with its external debt covenants or to meet the payments of any financing arrangements. Although the Group does not expect any such material deterioration in the short term any such development could have a material adverse effect on the Business and the Group's operating results. An economic downturn could also result in increased incidence of internal and/or external fraud.

2.3 The Group's operations are concentrated in the UK private motor and home insurance comparison markets and is therefore particularly vulnerable to cyclical patterns in these markets

The general insurance industry, and particularly motor insurance, is subject to cyclical patterns, some of which the Group is unable to predict. The motor insurance market has historically fluctuated in cyclical patterns defined by periods of low premiums, such periods being known as a 'soft' insurance market, followed by periods of lessened competition and higher premiums, such periods being known as a 'hard' insurance market. Many of the factors contributing to these patterns are beyond the control of the Group. In each period covered by the Historical Financial Information (certain of which were 'soft' motor insurance markets), switching activity in the motor insurance sector has remained flat year-on-year or has increased, however, switching activity in the motor insurance sector tends to increase significantly in 'hard' motor insurance markets, as when motor insurance premiums start to increase, this encourages consumers to review their motor insurance policies and search for more attractive products with lower premiums, thereby boosting the demand for motor insurance comparison services. Conversely, switching activity typically decreases in 'soft' markets, as when premiums are low there is a greater likelihood that consumers will stay with a provider, thereby limiting the need for comparison services.

If the motor insurance market 'softens' significantly over the short to medium term, this could have a material adverse effect on the Group's financial results. Over the longer term, the unpredictability and competitive nature of the motor industry may lead to significant period-to-period and year-to-year volatility in the Business and the Group's financial results.

Other factors out of the control of the Group may also affect the demand for the Group's services. For example, in the mortgage industry, increases in the level and volatility of interest rates and rising house prices could result in a lower number of mortgage applications. Weaknesses in market conditions could also affect the availability of finance, particularly to high risk applications, which could consequently reduce transactions. Additionally, once they have obtained a mortgage, consumers may be less inclined to review their rates and search for something more attractive due to the long-term nature of the commitment and the complex process to remortgage and even obtain a quote. The Group may not be able to accurately predict the impact of the above on the Business, the Group's prospects, results of operations and financial position and as a result the Group's underlying profitability and financial results may be adversely affected.

2.4 The Business is subject to regulation by various governmental authorities and other public authorities

The Company and a number of its subsidiaries are subject to regulation by a number of authorities in the UK, including (but not limited to) the FCA and the Information Commissioner's Office. In particular, Gocompare.com Limited is authorised and regulated in the UK by the FCA to carry on insurance mediation activities. Gocompare.com Limited also has an interim variation of permissions from the FCA in respect of credit brokerage activities as Gocompare.com features insurance products which allow deferment of the payment of the insurance premium (and would thus involve a consumer credit agreement).

The FCA is responsible for the conduct and prudential regulation of Gocompare.com Limited and has wide powers to supervise and intervene in the Business. The FCA also has a wide range of enforcement powers relating to Gocompare.com Limited's permissions to carry on specified regulated activities. If the FCA determines that Gocompare.com Limited has failed to comply with applicable regulations or, following such determination, has not undertaken the required corrective action, the FCA could impose sanctions including the issue of a public censure or private warning on Gocompare.com Limited, or the imposition of unlimited fines on Gocompare.com Limited or its approved persons. Any of these sanctions, whether imposed individually or in conjunction with other disciplinary measures, could have a material adverse effect on the Business and the Group's reputation. Additionally, the Group could suffer substantial negative publicity and significant expense and diversion of management time and attention as a result of any regulatory investigations, by the FCA or any other regulatory authority, which could affect the Group's ability to retain and attract Customers. Although the Group dedicates significant resources to compliance with its regulatory and industry obligations, there is no guarantee that such measures will eradicate the risk that a regulator could find that the Group has failed to comply with applicable regulations.

2.5 The Group is subject to industry and individual analysis and review by the CMA and other bodies responsible for scrutinising UK Government and EU policies and laws

On 20 April 2016, the House of Lords EU Internal Market Sub-Committee published a report on online platforms and the EU Digital Single Market. The report notes concerns about the market power of some online platforms, including price and product comparison websites, and the ability of these platforms to impose restrictive terms and conditions on their trading partners. The report contains a non-binding recommendation that the CMA investigate markets in which particular concerns arise, with a view to determining whether codes of practice are needed. In particular, the report comments on how some online platforms use their market power to prevent trading partners from offering their products more cheaply elsewhere.

On 25 May 2016, the European Commission published a communication on online platforms and the digital single market outlining the key issues it has identified in its review of online platforms and the European Commission's approach to addressing the regulatory challenges presented by online platforms. Alongside the communication, the European Commission published guidance on the application of the Unfair Commercial Practices Directive (including the application to online platforms), and will review in 2017 whether an update to the existing consumer protection rules is required to ensure there is sufficient transparency for consumers.

On 29 September 2016, the CMA announced the launch of a market study in relation to the supply of web-based, app-based or other digital intermediary services (''**Digital Comparison Tools**'' or ''**DCTs**'') in the UK which are used by consumers to compare and/or switch between a range of products and services from a range of businesses. As part of the study, the CMA proposes to examine four themes, with a view to considering the extent to which the supply of DCT services in the UK has or may have effects adverse to the interests of consumers, and the extent to which steps can and should be taken to remedy, mitigate or prevent any such adverse effects: (1) what consumers expect from DCTs, how they use them and their experiences; (2) the impact of DCTs on competition between suppliers listed on them; (3) how effectively DCTs compete with each other; and (4) the effectiveness of existing regulatory approaches to DCTs. The CMA will publish its interim report by 28 March 2017 (including an indication of whether the CMA intends to refer the market for an in-depth market investigation) and will publish its final market study report, setting out its findings and the action (if any) which the CMA proposes to take by 28 September 2017. Market studies can result in a range of possible outputs, including a market investigation reference relating either to the whole study or part of it, consumer/competition enforcement, recommendations to government or to regulators, or a report proposing no further action. At this stage, it is not possible for the Group to predict the outcome of this study with any certainty.

There is currently a restriction on the private car insurance market whereby comparison websites are not allowed to prevent their trading partners from offering a lower rate to competitor price and product comparison websites, imposed by the CMA following its private car insurance market investigation. Such a restriction currently only exists in the following markets relevant to the Business: UK car insurance and online travel agents. However, if an industry-wide review of such clauses was to result in a general prohibition across other relevant markets, the Group would be forced to renegotiate numerous contracts. Additionally, if such renegotiations result in the Group being unable to distinguish itself from competitors, this could have a material adverse effect on the Group's ability to attract consumers.

On 6 October 2016, the CMA announced that it had closed its investigation into a suspected breach of competition law by some price comparison websites that offer energy tariff comparisons in relation to paid online search advertising on the grounds of administrative priorities. In the case closure statement, the CMA noted that it considers that in some circumstances, agreements restricting bidding behavior in relation to paid online search advertising may have harmful effects on competition, particularly where one or more similar agreements include parties that collectively represent a material share of the relevant markets and, in the context of brand bidding restrictions, as a result of negative matching obligations in relation to brand terms which an advertiser would not negatively match but for the agreement. The CMA has indicated that the market study into DCTs will be an opportunity for the CMA to explore further the nature of competition between price comparison websites and their relationship with service providers, and that the CMA may revisit its priorities for further antitrust enforcement action in this area in light of further information, including what emerges in the course of this market study. As noted above, at this stage, it is not possible for the Group to predict the outcome of this study with any certainty.

2.6 The Group is subject to regulation of its advertising and to consumer solicitation laws and regulations

Gocompare.com Limited and other members of the Group offer consumers the opportunity to receive emails and other communications in relation to the services and products listed on Gocompare.com. Such communications may, depending upon their content, constitute 'financial promotions' under FSMA. FSMA provides that firms that are not authorised by one or both of the FCA and/or the PRA must not communicate financial promotions unless the content of the communication has been approved by an entity that is authorised by one or both of the FCA and/or the PRA, or unless a legislative exemption applies. Breach of this restriction is a criminal offence, with sanctions including potential imprisonment and/or a fine.

FCA-authorised firms (such as Gocompare.com Limited) must comply with detailed provisions within the FCA Handbook in respect of financial promotions that are made and approved by them. Breach of these rules can result in disciplinary action being taken by the FCA against the authorised firm. Sanctions arising from such disciplinary action could potentially include private or public censure and/or a fine and/or a requirement to modify the operations of the relevant firm.

Any sanctions arising from breach of applicable law or regulation relating to financial promotions—whether imposed on Gocompare.com Limited, or on another Group entity, could have a material adverse effect on the Group's reputation. Additionally, any contracts entered into as a result of an unlawful communication are potentially unenforceable. If any of the Group's commercial contracts are found to be unenforceable, this could adversely impact the Group's operating margins and financial results.

From time to time the Group has received complaints about advertising campaigns it has run, including complaints from the Advertising Standards Authority (the "**ASA**"). For example, following a complaint from a competitor in 2015, the ASA investigated claims made by the Company in television advertising about the number of Customers of the Group. The ASA considered that the claim made by the Company was misleading and not substantiated. The Company was advised that the advertisement should not be shown again but no fine or other sanction was imposed on the Group. A successful complaint against one of the Group's advertising campaigns could generate negative publicity or result in a cost to the Group were it required to change any of its advertising.

Unfavourable publicity concerning the Group or the price and product comparison industry could damage the Gocompare brand and if future branding efforts are not successful, the Group's revenue and ability to attract consumers may be unfavourably impacted, which may have an adverse effect on the Group's financial condition and future prospects.

2.7 The Group is subject to privacy-related regulation. This could limit the way in which the Group currently uses personal information

The Group discloses its information collection and dissemination practices in a privacy policy published on Gocompare.com. The Group follows strict security procedures in the storage and disclosure of personal information as required by law. In order to provide its services, the Group collects and processes Customer personal data and discloses such data to a number of third party service providers and Partners. This personal data is necessary in order to provide consumers with quotations and services.

The Group also uses personal information to track a consumer's activities. This allows the Group to determine the efficiency of its services and more accurately target its services and marketing. The ability to retain, use and share personal data is therefore crucial in enabling the Group to generate Business. If consumers were to become less willing to disclose their personal information on Gocompare.com, this could have a material adverse effect on the Conversion Rates and the Group's financial results.

The Group's activities in relation to personal data are subject to data collection laws, including the Data Protection Act 1998 (the "**Data Protection Act**"), the Privacy and Electronic Communications (EC Directive) Regulations 2003, as amended, and other laws that seek to protect the privacy of internet users and regulate the disclosure of personal information. Additionally, the scope of interpretation of data protection and privacy laws are still developing. If new laws or court judgments relating to the use of personal information are introduced or if any regulatory authority were to investigate the Group's data protection policies and find that they did not meet the requisite standards, the Group could be subject to enforcement notices, monetary fines, and criminal charges and found to be in breach of contractual arrangements. This could have a material adverse effect on the Business, reputation and operating margins of the Group.

The Group discloses personal data of consumers to Partners so that it is able to provide the consumer with a tailored quote. If the Partners breach data protection law and use the personal data for a purpose other than that for which it was provided, the Group could suffer reputational damage and this could deter consumers from using the Group's services. This could have a material adverse effect on the Business and the Group's financial results.

2.8 The Group may suffer from increased charges, financial loss, penalties and reputational damage if there is a change in tax legislation, or if the Group fails to manage tax risks adequately

Changes in the tax rates and tax laws of both the UK and EU, or HMRC's published practice, or changes in or interpretation of or misinterpretation of the law or HMRC's published practice, or any failure to manage tax risks adequately could result in increased charges, financial loss, penalties and reputational damage, which may have an adverse effect on the Group's financial condition. In 2015 the esure VAT group received approval from HMRC for a special method for its VAT partial exemption calculation. This approval can be reviewed, amended or revoked by HMRC at any time. As a result of the Demerger, the Group will de-register from the esure VAT group, register as its own VAT group and apply for a special method for its VAT partial exemption calculation. Should HMRC reject or amend the Group's application for a special method, this could have a material adverse effect on the Group's operating margins and financial results.

Additionally, the taxation of e-commerce businesses is continually evolving. The Group is therefore vulnerable to changes in how such businesses are taxed. Currently, e-commerce businesses are taxed on a similar basis to traditional businesses, but it is possible that changes in tax rates, tax laws or HMRC's published practice could result in the Group having to pay increased charges. This could have a material adverse effect on the Group's operating margins and financial results.

3. RISKS ASSOCIATED WITH THE DEMERGER

3.1 After the Demerger, the Group could fail to meet the challenges involved in operating successfully as a stand-alone business and the Demerger may fail to realise anticipated benefits

The Group may not realise the benefits expected to result from the Demerger because of the challenges of operating successfully as a stand-alone business. These challenges include: (i) demonstrating to interested parties that the Demerger will not result in adverse changes in standards of business and impairment of relationships with consumers or employees; (ii) retaining key personnel; (iii) distraction of management; and (iv) difficulty in marketing and communicating effectively the capabilities of the Group as a stand-alone business.

Any failure of the Group to meet the challenges involved in operating as a successful stand-alone business could have a material adverse effect on the Business, reputation, financial condition and/or operating results of the Group.

There can be no assurance that the Group will realise any or all of the anticipated benefits of the Demerger, in either a timely manner or at all. If the Group fails to realise some or all of the anticipated Demerger benefits, it could have a material adverse effect on the Business, reputation, financial condition and/or operating results of the Group.

3.2 The Company has indemnification obligations in favour of esure Group plc

The Company and esure Group plc entered into a demerger agreement prior to the publication of this prospectus to effect the Demerger and to govern the post-Demerger obligations of the Group and the esure Group.

The Demerger Agreement contains customary demerger mutual cross indemnities under which the Company indemnifies esure Group plc against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the Business carried on by the Group prior to the Demerger and esure Group plc indemnifies the Company against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the business carried on by the esure Group other than the Group prior to the Demerger. Claims made under these mutual cross indemnities by the indemnified party are, subject to the right of the indemnifying party to defend any such claim, required to be paid by the indemnifying party. These mutual cross indemnities are unlimited in terms of amount and duration.

It is not anticipated that the Group will be required to pay any amounts pursuant to such indemnity obligations, however, if the amounts payable are substantial, this could have a material adverse effect on the Business, financial condition and/or operating results of the Group.

4. RISKS RELATING TO GOCOMPARE.COM SHARES

4.1 Significant trading volumes of Gocompare.com Shares in the period following the Demerger could impact the market price of Gocompare.com Shares

Following Admission there may be a period of relatively high volume trading in Gocompare.com Shares as the shareholder register of the Company finds its natural composition. The Directors are unable to predict whether substantial amounts of Gocompare.com Shares will be sold in the open market following Admission. Sales of a substantial number of Gocompare.com Shares after Admission, or the perception that these sales might occur, could depress the market price of Gocompare.com Shares.

4.2 There is no prior trading record for Gocompare.com Shares

Since Gocompare.com Shares have not previously traded, their market value is uncertain. Following Admission, the market price of Gocompare.com Shares may be volatile and may go down as well as up. The Group's operating results and prospects from time to time may be below the expectations of market analysts and investors.

At the same time, equity market conditions may affect Gocompare.com Shares regardless of the Group's operating performance. Stock market conditions are affected by many factors, such as general economic and political conditions, terrorist activity, movements in, or outlook on, interest rates and inflation rates, currency fluctuations, commodity prices, changes in investor sentiment towards the price and product comparison website sector and the supply of and demand for capital. In addition, the price of Gocompare.com Shares could be negatively affected by the occurrence of any of the risks described in this prospectus.

Accordingly, the market price of Gocompare.com Shares may not reflect the underlying value of the Group's assets, and the price at which investors may dispose of their Gocompare.com Shares at any point in time may be influenced by a number of factors, only some of which may pertain to the Group while others may be outside its control.

4.3 The Company may decide to offer additional Gocompare.com Shares in the future, diluting the interests of existing Shareholders and potentially adversely affecting the market price of Gocompare.com Shares

If the Company decides to offer additional Gocompare.com Shares or other securities convertible into Gocompare.com Shares in the future, including in order to serve as currency for any acquisitions and/or investments, this could dilute the interests of existing Shareholders and/or have an adverse impact on the market price of Gocompare.com Shares. An additional offering by the Company, or the public perception that an offering may occur, could have an adverse impact on the market price of Gocompare.com Shares.

4.4 There can be no assurance that dividends will be paid on Gocompare.com Shares

The Company may determine not to pay dividends. If it determines that it will pay dividends, there can be no assurance that it will be able to pay dividends in the future. Under UK company law, a company can only pay cash dividends to the extent that it has distributable reserves and cash available for this purpose. As a holding company, the Company's ability to pay dividends in the future will be affected by a number of factors, including having sufficient distributable reserves and its ability to receive sufficient dividends from subsidiaries.

The ability of companies within the Group to pay dividends and the Company's ability to receive distributions from its investments in other entities are subject to restrictions, including, but not limited to, the existence of sufficient distributable reserves and cash and covenants in the Group's facilities. Any of the foregoing could have an adverse impact on the market price of Gocompare.com Shares.

4.5 Shareholders may not be able to exercise pre-emption rights or participate in certain future issues of Gocompare.com Shares and Shareholders outside the UK may not be able to participate in future issues of Gocompare.com Shares

In the case of a future allotment of new Gocompare.com Shares for cash, existing Shareholders have certain statutory pre-emption rights unless those rights are disapplied. An issue of new Gocompare.com

Shares not for cash or when pre-emption rights have been disapplied could dilute the interests of the then existing Shareholders.

Securities laws in certain jurisdictions may restrict the participation, or the Company's ability to allow participation, by certain Shareholders in such jurisdictions in any future issue of Gocompare.com Shares or of other securities carried out by the Company.

Certain Shareholders outside the UK, including, but not limited to, holders of the Gocompare.com Shares in the United States, may not be able to exercise any preemptive or preferential rights in respect of Gocompare.com Shares held by them or to participate in a rights offer, including in connection with an offering below market value, unless the Company decides to comply with local requirements. Shareholders in the United States may not be able to exercise such rights unless a registration statement under the US Securities Act is effective with respect to such rights or an exemption from the registration requirements thereunder is available. In such cases, Shareholders resident in such non-UK jurisdictions may experience a dilution of their shareholding, possibly without such dilution being offset by any compensation received in exchange for subscription rights. No assurance can be given that local requirements will be complied with or that any registration statement would be filed in the United States or other relevant jurisdiction so as to enable the exercise of such holders' pre-emption rights or participation in any rights offer.

The foregoing could have an adverse impact on the market price of Gocompare.com Shares and the ability of the Company to raise funds to meet the requirements of its Business.

4.6 Applicable insurance laws in the UK may discourage potential acquisition proposals and delay, deter or prevent change of control of Gocompare.com Limited, which may in turn reduce the value of Gocompare.com Shares

A person is only permitted to acquire or increase its 'control' of a firm that is solo-authorised and regulated by the FCA (such as Gocompare.com Limited) after the FCA has given its approval to such an increase/acquisition of control. In the context of Gocompare.com Shares in respect of which this prospectus is published, a person acquires control over a UK-authorised person if such person holds, or is entitled to exercise or control the exercise of, 20 per cent. or more of the voting power at any general meeting of the UK-authorised person or of the parent undertaking of the UK-authorised person.

A person is also regarded as acquiring control over the UK-authorised person if that person exercises significant influence over the management of the UK-authorised person or its parent. Accordingly, any person who proposes to acquire 20 per cent. or more of Gocompare.com Shares would become a controller of the Company and, in each case, prior approval by the FCA would be required.

In circumstances where the notification/approval regime established in Part XII of FSMA is engaged, the FCA has 60 working days from the day on which it acknowledges the receipt of a notice of change of control to determine whether to approve the new controller or object to the transaction. This period may (subject to limits) cease to run while the FCA is awaiting the provision of further information that it requests from an applicant during the approval process. If approval is given, it may be given unconditionally or subject to such conditions as the FCA considers appropriate. Breach of the notification and approval regime imposed by the FCA on controllers is a criminal offence.

These laws may change and may, in their current or any future form, discourage potential acquisition proposals and may delay, deter or prevent a change of control of the Group, including through transactions, and in particular unsolicited transactions, that some or all of the Shareholders might consider to be desirable. This may, in turn, reduce the value of Gocompare.com Shares.

4.7 Not all rights available to shareholders under US law will be available to holders of the Gocompare.com Shares

Rights afforded to shareholders under English law differ in certain respects from the rights of shareholders in typical US companies. The rights of holders of the Gocompare.com Shares are governed by English law and the Articles. In particular, English law currently significantly limits the circumstances under which the shareholders of English companies may bring derivative actions. Under English law, in most cases, only the Group may be the proper plaintiff for the purposes of maintaining proceedings in respect of wrongful acts committed against it and, generally, neither an individual shareholder, nor any group of shareholders, has any right of action in such circumstances. In addition, English law does not afford appraisal rights to dissenting shareholders in the form typically available to shareholders in a US company.

4.8 Sir Peter Wood will have significant influence over the Group as a result of his shareholding, and his interests may not be aligned with those of other Shareholders

Sir Peter Wood is expected to be the beneficial owner of approximately 30.85 per cent. of the issued Gocompare.com Shares immediately following Admission.

If Sir Peter Wood remains the beneficial owner of more than 25 per cent. of the issued Gocompare.com Shares following Admission, he will have the power to block special resolutions of the Company. In practice, Sir Peter Wood may be able to block special resolutions of the Company in circumstances where he is the beneficial owner of less than 25 per cent. of the issued Gocompare.com Shares following Admission if not all Shareholders exercise their votes in respect of the relevant special resolutions.

Sir Peter Wood has entered into a Relationship Agreement with the Company which is conditional on Admission. In the Relationship Agreement, Sir Peter Wood agrees, among other things, that neither he, nor any of his Associates, will exercise their powers in such a way that would mean the Group is not capable of operating independently of him and/or any of his Associates. Sir Peter Wood also agrees that neither he nor any of his Associates will influence the day-to-day running of the Company and the Group at an operational level. The Relationship Agreement grants Sir Peter Wood the right to nominate one director for appointment to the Board for so long as he (together with his Associates) holds 15 per cent. or more of the voting rights exercisable at a general meeting of the Company.

Notwithstanding the terms of the Relationship Agreement, Sir Peter Wood will be able to exercise significant influence over matters requiring shareholder approval, including the election of directors, approval of the Company's remuneration policy and significant corporate transactions. This concentration of ownership may have the effect of delaying, deferring or preventing a change in control, merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control, which could in turn have an adverse effect on the trading price of Gocompare.com Shares. The interests of Sir Peter Wood may not necessarily be aligned with other Shareholders.

IMPORTANT NOTICES

GENERAL

The contents of this prospectus are not to be construed as legal, business or tax advice. Recipients of this prospectus should consult their own lawyer, financial adviser or tax adviser for legal, financial or tax advice, as appropriate. Furthermore, the Company and the Directors accept no responsibility for the accuracy or completeness of any information reported by the press or other media, or the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Demerger, Admission, esure Group plc or the Group. The Company and the Directors make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of FSMA and PR 3.4.1 of the Prospectus Rules, neither the publication of this prospectus nor any distribution of Gocompare.com Shares shall, under any circumstances, create any implication that there has been no change in the Business or affairs of the Group taken as a whole since the date of this prospectus or that the information contained herein is correct as of any time subsequent to its date.

This prospectus has been published solely in connection with Admission. Those considering the Demerger should only rely on the information in the esure Shareholder Circular.

No person has been authorised to give any information or to make any representations in connection with Admission other than the information and representations contained in this prospectus and, if any other information or representations is or are given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors or the Sponsor. No representation or warranty, express or implied, is made by the Sponsor as to the accuracy or completeness of such information, and nothing in this prospectus is, or shall be relied upon as, a promise or representation by the Sponsor as to the past, present or future.

Recipients of this prospectus may not reproduce or distribute this prospectus, in whole or in part, and may not disclose any of the contents of this prospectus or use any information herein for any purpose other than considering Admission. Such recipients of this prospectus agree to the foregoing by accepting delivery of this prospectus.

esure Shareholders and prospective investors in Gocompare.com Shares will be deemed to have acknowledged that they have not relied on Deutsche Bank or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this prospectus for their investment decision.

Deutsche Bank and its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to the Company, esure Group plc and their respective affiliates, for which they have received customary fees. Deutsche Bank and its affiliates may provide such services to the Company, esure Group plc and their respective affiliates in the future.

This prospectus has been approved by the FCA in accordance with section 87A of FSMA. Admission to trading on the London Stock Exchange's main market for listed securities constitutes admission to trading on a regulated market.

US CONSIDERATIONS

The Gocompare.com Shares have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no offering of the Gocompare.com Shares in the United States. At the time of the Demerger, the Gocompare.com Shares will not be listed on any securities exchange in the United States, and the Company expects to rely on an exemption from registration under the US Securities Exchange Act of 1934, as amended, provided by Rule 12g 3-2(b) thereunder.

The Gocompare.com Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Gocompare.com Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

NO INCORPORATION OF WEBSITES

The contents of the websites of any member of the Group or the esure Group do not form part of this prospectus, and no one should rely on such websites.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus relate to the future, including forward-looking statements relating to the Group's financial position and strategy. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue' or other similar words. These statements discuss future expectations concerning the Group's results of operations or financial condition, or provide other forward-looking statements.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, including the risk factors set out in the section entitled 'Risk Factors', many of which are beyond the Group's control, and which may cause the actual results to differ materially from those expressed in the statements contained in this prospectus. The Group's actual results of operations, financial condition and the development of the business sectors in which the Group operates may differ materially from those suggested by the forward-looking statements contained in this prospectus due to certain factors including, but not limited to, domestic and global economic and business conditions, market-related risks pertaining to the insurance industry as a whole, the policies and actions of regulatory authorities, market developments regarding insurance products, the impact of competition, technological development, inflation, deflation, the timing, impact and other uncertainties of any future acquisitions, combinations or divestments within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which the Group operates. In addition, even if the Group's actual results of operations, financial condition and the development of the business sectors in which it operates are consistent with the forward-looking statements contained in this prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Recipients of this prospectus are cautioned not to put undue reliance on forward-looking statements.

Other than as required by law, none of the Company, its officers, advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this prospectus will actually occur, in part or in whole.

Additionally, statements of the intentions of the Board and/or Directors reflect the present intentions of the Board and/or Directors, respectively, as at the date of this prospectus and may be subject to change as the composition of the Board alters, or as circumstances require. Except as required by law, the Company disclaims any obligation or undertaking to update or revise any forward-looking statement in this prospectus.

The forward-looking statements speak only as at the date of this prospectus. To the extent required by applicable law or regulation (including as may be required by the Companies Act, Prospectus Rules, Listing Rules, MAR, Disclosure Guidance and Transparency Rules and FSMA), the Company will update or revise the information in this prospectus. Otherwise, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this prospectus to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

FINANCIAL INFORMATION

Recipients of this prospectus should consult their own professional advisers to gain an understanding of the financial information contained in this prospectus. An overview of the basis for presentation of financial information in this prospectus is set out below.

Presentation of financial information

The financial information for the three years ended 31 December 2015 and six months ended 30 June 2015 and 30 June 2016 contained in this prospectus has been prepared in accordance with the requirements of the Prospectus Directive Regulation and the Listing Rules and in accordance with International Financial Reporting Standards as adopted by the European Union (''**IFRS**'') and has been reported on by KPMG LLP. The significant accounting policies are set out within Note 2 to the Group's consolidated historical financial information in Schedule II (*Historical Financial Information*).

Non-IFRS financial measures

The Company has included in this prospectus certain key performance indicators (''**KPIs**'') that are non-IFRS financial measures. These include ''**EBITDA**'', which is defined as profit before interest, income tax expense/(benefit), depreciation and amortisation, and ''**EBITDA Margin**'', which is defined as EBITDA as a percentage of revenue for the relevant period. Neither EBITDA nor EBITDA Margin is a recognised measure of financial performance or liquidity under IFRS and prospective investors should not consider these non-IFRS financial measures as alternatives to comparable IFRS measures. EBITDA and EBITDA Margin have been included on the basis that they are useful indicators of the Group's operating performance and financial condition in addition to the Group's historical financial information prepared in accordance with IFRS.

Because of the discretion that the Company and other companies have in defining and calculating non-IFRS financial measures, care should be taken in comparing the Group's KPIs, EBITDA and EBITDA Margin to similarly termed measures of other companies, as such measures may not be directly comparable. See Part III (*Financial Information relating to the Group*) and Part IV (*Operating and Financial Review*) for more information.

2016 Profit forecast

This prospectus includes in Part VII (*2016 Profit Forecast*) the Directors' 2016 Profit Forecast for the financial year ending 31 December 2016 which has been prepared using the accounting policies adopted by the Group in preparing the Historical Financial Information for the six month period ended 30 June 2016 set out in Schedule II (*Historical Financial Information*). The 2016 Profit Forecast is based on: (a) the financial results of the Group for the six month period ended 30 June 2016; (b) the financial results for the Group for the month ended 31 July 2016 and the month ended 31 August 2016; and (c) the Director's forecast for the financial year ending 31 December 2016.

Abbreviations and rounding of figures

The Group's financial information is presented in Pounds Sterling. The abbreviations '£m' or '£ million' represent millions of Pounds Sterling, and references to 'pence' and 'p' represent pence in Pounds Sterling.

The financial information presented in a number of tables in this prospectus has been rounded to the nearest whole number or the nearest decimal place. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this prospectus reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Company has been incorporated under the laws of England and Wales. Substantially all of the assets of the Group are located in the United Kingdom. None of the Directors or officers is a citizen or resident of the United States. As a result, it may not be possible for holders of Gocompare.com Shares to effect service of process within the United States upon the Company or such persons or to enforce outside the United States judgments obtained against the Company or such persons in US courts, including, without limitation, judgments based upon the civil liability provisions of the US securities laws or the laws of any state or territory within the United States. In addition, awards of punitive damages in actions brought in the United States or elsewhere may be unenforceable in the United Kingdom. Holders of Gocompare.com Shares may also have difficulties bringing original actions in courts outside the United States, to enforce liabilities based upon US securities laws or the laws of any state or territory within the United States.

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Sir Peter Wood (*Chairman*) Angela Seymour-Jackson (*Deputy Chairman and Senior Independent Director*) Matthew Crummack (*Chief Executive Officer and Executive Director*) Nick Wrighton (*Chief Financial Officer and Executive Director*) Zillah Byng-Thorne (*Non-Executive Director*) Adrian Webb (*Non-Executive Director*)
Company secretary	Jennifer Perry
Registered office	Imperial House Imperial Way Newport Gwent NP10 8UH United Kingdom Telephone No: +44 (0) 8435 047 357
Sponsor	**Deutsche Bank AG, London Branch** Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Reporting accountants and auditor	**KPMG LLP** 15 Canada Square London E14 5GL United Kingdom
Legal advisers to the Company as to English law	**Slaughter and May** One Bunhill Row London EC1Y 8YY United Kingdom
Legal advisers to the Company as to US law	**Paul, Weiss, Rifkind, Wharton & Garrison LLP** 10 Noble Street London EC2V 7JU United Kingdom
Legal advisers to the Sponsor as to English and US law	**Freshfields Bruckhaus Deringer LLP** 65 Fleet Street London EC4Y 1HS United Kingdom
Registrar	**Equiniti Limited** Aspect House Spencer Road Lancing West Sussex BN99 6DA United Kingdom

PART I

THE BUSINESS AND MARKET OVERVIEW

1. OVERVIEW OF THE BUSINESS

The Company operates a leading UK price and product comparison website, Gocompare.com, which attracts approximately 5 million visits every month. Gocompare.com offers a free online service that is designed to save consumers money. Gocompare.com enables consumers to compare the prices and features of more than 40 products in a quick and easy way.

The Company was launched by a team of insurance comparison experts in November 2006 and was the first UK insurance price and product comparison website to display both product features and prices in its search results. The Group aims to help Customers make better informed purchasing decisions and uses data gathered from over 20 million unique Customers in the last 10 years to underpin its drive to continually improve its Customer proposition and leverage its strong market position. In the first half of 2016 there were over 15 million Customer Interactions on or from Gocompare.com.

Gocompare.com provides fair and unbiased product comparison services. Gocompare.com compares over 600 Partner brands[5] across more than 40 products, does not accept advertising or sponsored listings and is not tied to any particular product provider. To date the Group's strategic focus has been on providing comparison services relating to insurance products, however, the Directors believe that there is a significant opportunity to strengthen the Group's position in insurance product comparison, refocus on growth initiatives in the comparison of other products and explore data science opportunities arising from analysis of its Customer database including refining the accuracy of product comparisons and enhancing the relevance of products compared.

Gocompare.com does not charge Customers for using its services and Customers are not expected to find an identical product for a cheaper price by going direct to the Partners' own websites. Instead, the Group primarily generates revenue from fees paid by Partners each time a Customer clicks through to the Partner's website and completes a transaction with that Partner.

2. STRENGTHS

The Directors believe that the Group's performance since its inception has been driven by a number of core strengths which underpin the Business and which have been enhanced over time and mean that the Group is well placed to manage future growth.

2.1 An iconic brand and an attractive Customer proposition

The Company has built a strong and effective brand in the insurance price and product comparison market and takes pride in its Customer proposition. Gocompare.com has become a leading UK insurance price and product comparison website and receives over 5 million visits a month.

Gocompare.com is designed to save Customers money and help Customers make better informed decisions and the Company strives to help Customers choose products suited to their needs. The Directors believe that Gocompare.com delivers on its core Customer proposition of simplifying Customer choice and making it quick and easy for Customers to compare products and make an informed decision about purchasing, or switching to, the products compared on Gocompare.com.

The Company continuously strengthens its Customer proposition and, in 2013, teamed up with an independent financial researcher to integrate additional product feature details into product comparison results. Furthermore, the Company has introduced a feature whereby users can see what other Customers think of providers' products. This is intended to give Customers another tool to help them to make better informed decisions when purchasing the products they compare.

The Directors believe that the Company's well recognised brand enhances its Customer recall and is one of the core strengths of the Company. Brand awareness is a key driver of traffic growth to Gocompare.com. This can be seen most recently in light of the relaunch of the Gio Compario advertising campaign in July 2015, which led to a marked increase in brand awareness and online searches for 'Gocompare' shortly after relaunch.

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5 A single Partner may feature more than one brand on Gocompare.com.

2.2 A highly cash-generative business model

The Group has a track record of strong positive cash flow generated from operations. To date the Group has channeled these strong positive returns into two fundamental purposes: (i) dividends to shareholders; and (ii) investment in growth. The highly cash-generative nature of the Business has enabled the Company to pay significant dividends historically, including £12.5 million, £49.4 million, £17.2 million and £11.8 million in H1 2016, 2015, 2014 and 2013, respectively.

2.3 A talented entrepreneurial team and technology drive the Customer journey

The Directors believe that fostering talent is key to the continuous development of the Business. When building its expertise, the Company has sought to attract and retain individuals who are driven and entrepreneurial and the presence of these qualities is central to the Company being well placed to leverage the Gocompare brand and build scale across a wide range of product categories, both new and current.

The Company has recently formed a strong, refreshed leadership team and has adopted a flat management structure. This structure is designed to help the Company execute its strategy more efficiently while allowing it to retain the flexibility to adapt quickly to changing market conditions and trends. In June 2016, the Company appointed a new chief executive officer, Matthew Crummack. Matthew is a highly experienced executive and was most recently chief executive officer of lastminute.com from 2011 until the business was acquired by lastminute.com Group (previously Bravofly Rumbo Group) in March 2015.

The Gocompare.com website is designed to make it easy and efficient for Customers to compare prices and products online and is continuously evolving. Furthermore, the scalability and adaptability of the Company's technology platform assists in rapid delivery of the Customer proposition. The Company's systems have proven themselves within the price and product comparison market and give the Company flexibility to assess and adapt to new opportunities as they arise.

The Company has a successful history of innovation in website functionality and capability and the Company intends to invest in innovation across all aspects of the Business. Functional teams within the Company take an entrepreneurial approach to product design and development and are afforded the creative autonomy to develop new product and service features to meet evolving Customer requirements.

2.4 Providing demonstrable benefits to Partners

The Company aims to consistently provide demonstrable benefits to Partners. Part of the attractiveness of the Business to Partners is that it provides a cost-effective Customer acquisition proposition with access to millions of potential Customers through a single platform. However, cost-effectiveness alone is not a unique offering to Partners and the Company seeks to differentiate itself through its enhanced technology interface with Partners and the fact that it was the first insurance price and product comparison website in the UK to enable Customers to compare product features, not just prices.

Separately, the Company's fraud prevention focus helps the Company to attract Partners who may be interested in savings associated with the Company's fraud prevention features. For example, the Company operates a point-of-quote fraud detection and prevention service that seeks to identify whether an insurance quote request appears to be fraudulent based on the current and past interaction of the device from which the quote has been generated and the Company's quote database.

3. STRATEGY

The Company's vision is to offer consumers a 'go to' marketplace for price and product comparison. The Company's approach to realising its vision and delivering successful and sustainable growth is derived through a number of areas of strategic focus.

3.1 Strengthening and building on the Company's position in insurance comparison

The Company's strategic focus to date has been on providing price and product comparison services for insurance products in the UK. Insurance price and product comparison has experienced significant, profitable growth since the Company's inception and in H1 2016 the Company had the second largest combined market share in the UK car and home insurance comparison product categories. The Directors believe that the Company has an opportunity to build its market share within the insurance price and product comparison market and that this market itself will continue to grow.

A number of areas of insurance price and product comparison have historically received less Customer attention on Gocompare.com, including breakdown, landlord, student and travel insurance comparison services. The Company hopes to direct existing site traffic to these other insurance product categories and increase revenue earned from these categories.

3.2 Growth beyond insurance comparison

The size of the market for price and product comparison services outside of insurance products is considerable, as is the opportunity for the Company to leverage the Gocompare brand and improve its Customer proposition across these other products. The Directors believe that comparison of such products has considerable revenue potential for the Company given the Company's expertise in insurance comparison, the size of the market and the Company's small footprint in these categories. In early 2016, the money and home services product categories were the subject of a brand relaunch which involved a significant marketing campaign resulting in an increase in revenues generated by the Strategic Initiatives segment in H1 2016 from £2.4 million in H1 2015 to £4.3 million in H1 2016, an increase of over 79 per cent.

3.3 Continual improvement of the Customer journey

Since 2006, the Company has gathered data from over 20 million Customers and uses this information to improve the Customer journey, better attract and retain Customers, optimise marketing spend and drive growth. By more effectively analysing and utilising the information it has, the Company hopes to better serve the needs of Customers by continually improving the Customer journey and offering comparison services in a broader range of product categories.

3.4 Targeted and effective capital deployment

The Directors believe that the Demerger will enhance the ability of the Group to allocate resources and deploy capital on growth strategies tailored to the Business.

Following Admission, the Group has plans to make venture capital-style strategic investments and acquisitions in small and growing technology-focused businesses. The Group is targeting an approximate investment size of £1 million to £6 million. In making such investments, the Group will also seek opportunities to develop strong mutually beneficial working relationships with those businesses including in relation to the development of new technologies which may be of use to the Business and thereby further differentiate Gocompare.com from its key competitors. It is also hoped the investments will complement the Company's ability to attract and retain talent where individuals are drawn to participating in value creation and disruption in the fintech and insurtech spaces.

4. HISTORY AND DEVELOPMENT OF THE COMPANY AND THE DEMERGER

4.1 Foundation, ownership and key milestones

The Company was launched by a team of insurance comparison experts in November 2006. In 2007, the Company obtained a start-up loan facility of £30 million from the esure Group and the esure Group also bought an option to purchase a 50 per cent. holding in the Company. The start-up loan facility was fully repaid by the Company in 2010 and the esure Group exercised its option to purchase a 50 per cent. holding in the Company, in tranches, with the final tranche being exercised in 2012.

When it launched in 2006, the Group only offered car insurance comparison services. In 2007, the Group grew its platform to offer motorbike, van and home insurance comparison services and has continued to grow the number of products compared on Gocompare.com since then. In addition, the Company teamed up with an independent financial researcher in 2013 to integrate additional product and service details rather than just listing prices and, in 2014, introduced Customer product reviews so that users of Gocompare.com can see what other Customers think of Partners' policies and services.

On 31 March 2015, the esure Group acquired the remaining 50 per cent. of the Company, making the Company a wholly-owned subsidiary of esure Group plc.

Throughout 2015, the Company sought to reposition itself for growth and reduce its cost base. Part of this growth focus coincided with the relaunch of the money and home services categories of price and product comparison.

In 2015, the Company won the 'Combatting Fraud Broking Initiative of the Year' award at Post Magazine's Insurance Fraud Awards. This was in recognition of work with Iovation Inc., the fraud prevention business, to implement a service that can identify fraud and misuse at point of quote.

In June 2016, the Company appointed a new chief executive officer, Matthew Crummack. Matthew was chief executive officer of lastminute.com from 2011 until the business was acquired by lastminute.com Group (previously Bravofly Rumbo Group) in March 2015.

Over 20 million people have interacted with Gocompare.com since its launch and the Company has grown from a start-up to being a major player in the price and product comparison industry and is well placed for the next phase as an independent publicly listed business.

The Company's price and product comparison service does not favour the brands or products of any Partner on any of its comparison services. The service is based on independence and transparency, with comparison results ranked according to price, based on their individual cover requirements. No commercial preference is provided to any Partner, therefore ranking is transparent and is never compromised by any relationship with a business. Consumers will see esure Group brands listed when they use the Company's insurance comparison services, however, no preferential ranking is, or has ever been, provided to these brands over other Partners.

4.2 Pre-Demerger cash dividend and drawdown under the Term Loan Facility

On 13 September 2016, the esure Board announced its intention to separate the Group from the esure Group. The Demerger will create two distinct, legally separate, groups with different strategic, operational and economic characteristics, with their own dedicated management teams. Separation will allow for a more focused management approach to be taken by the management team of the Company.

Subject to the passing of the Demerger Resolution by esure Shareholders at the esure General Meeting the following steps are expected to take place prior to the completion of the Demerger and Admission:

- Gocompare.com Finance Limited will drawdown £75 million under the Term Loan Facility; and
- the Group will pay a pre-Demerger cash dividend of approximately £65.3 million to the esure Group.

Prior to Admission, the Company also intends to pay an additional cash dividend of approximately £8 million to esure Services Limited in the normal course of business to extract excess cash retained in the Group.

Following the Demerger, the cash dividends described above will provide the esure Group with additional headroom above the esure Group's solvency capital requirements.

4.3 The Demerger

The Demerger is proposed to be effected by esure Group plc declaring an interim in-specie distribution of all of the Gocompare.com Shares to esure Shareholders, effective immediately prior to Admission.

As at the Reference Date, the entire issued share capital of the Company is held by esure Services Limited. Immediately following the Demerger, the shareholders of the Company will be the same as the shareholders of esure Group plc as at the Record Time.

If the Demerger proceeds, esure Shareholders who are registered on the esure Share Register at the Record Time will receive:

one Gocompare.com Share for each esure Share

then held by them so that, upon the Demerger becoming effective, all esure Shareholders will hold one Gocompare.com Share for each esure Share held at the Record Time. esure Shareholders will continue to own their existing esure Shares unless sold by them.

Prior to the implementation of the Demerger, esure Services Limited will make an in-specie distribution of Gocompare.com Shares to esure Holdings Limited, which, in turn, will make an in-specie distribution of Gocompare.com Shares to esure Finance Limited, which, in turn, will make an in-specie distribution of Gocompare.com Shares to esure Group plc.

The Demerger will then be implemented by esure Group plc making an interim in-specie distribution, immediately prior to Admission, of all of the Gocompare.com Shares then held by them to esure Shareholders who are registered on the esure Share Register at the Record Time (the "**Demerger Dividend**").

Detailed information about how the Demerger will be effected is contained in the esure Shareholder Circular and those considering the Demerger should only rely on the information in the esure Shareholder Circular.

5. OVERVIEW OF THE MARKET

5.1 Introduction

The Group operates the Business through its website, Gocompare.com. The Group competes for brand awareness in both online and offline advertising markets. Competitors of the Group include price and product comparison websites, market specialists upselling into insurance and other product categories, and product and service providers.

5.2 The UK online insurance price and product comparison market

The first UK insurance price and product comparison website was launched in 2002. Since that date, price and product comparison websites have become an everyday part of the financial services landscape for UK consumers with most UK consumers having researched a product on a price and product comparison website. UK financial services price and product comparison websites now receive over 26 million visits each month and, in 2015, approximately 70 per cent. of car insurance policy switches and over 65 per cent. of home insurance switches were derived from price and product comparison websites.

In the UK, most price and product comparison website activity is still for car insurance and home insurance switches, however, the industry has been broadening its reach into other product comparisons, such as credit card, savings account and energy switches and consumer interest in using price and product comparison websites to research those products is increasing. In recent years, UK regulators have become increasingly focused on consumer choice and seeking to promote activity that is beneficial to the consumer. For example, Ofgem and Ofcom have been encouraging consumers to consider switching energy and broadband providers to ensure they obtain a product best suited to their needs and budget. Price and product comparison websites make it quick and easy for consumers to compare products and make an informed choice about purchasing, or switching to, a range of products.

The Directors believe that there is room for growth in the number of car and home insurance policy switches that are derived from UK price and product comparison websites and that the Company can benefit from that growth. The Directors also believe that there is significant room for growth in the market for the comparison of products beyond the insurance market from where the Company currently generates most of its revenue and that the Company can benefit from that growth.

5.3 Consumers

Consumers are most often drawn to price and product comparison websites on the basis of their ease of use and desire to save money on the cost of the product they are comparing.

Consumers use comparison websites on the basis that they act as an objective facilitator between the consumer and the service provider and function to help the consumer find the best deal. Price and product comparison websites are also often used by consumers as a research tool rather than to simply obtain new products or services. Nevertheless, it is important that the Company ensures it is perceived by consumers as offering an unbiased search relating to a broad range of products.

5.4 Technology

Evolving technology and the continuing transition to online continues to change consumer behaviour in a way that is beneficial to price and product comparison websites. In addition, mobile technology is becoming an increasingly important part of the industry landscape with over a third of visits to Gocompare.com now coming from mobile devices, up from approximately 19 per cent. in 2013.

6. DIVIDEND POLICY

The Directors intend to adopt a dividend policy which will reflect the Group's aim of generating value for Shareholders while ensuring that it retains sufficient capital to fund planned growth in its core business as well as both strategic and financial investments.

Assuming that sufficient distributable reserves are available at the time and subject to any regulatory capital requirements, the Directors initially intend to target a dividend of between 20 and 40 per cent. of the Group's annual reported profits after tax adjusted for any exceptional items.

Subject to capital not being required to fund organic growth, strategic investments and acquisitions in the medium term, the Directors intend to return any excess capital to Shareholders over time in the form of special dividends.

The Directors are not intending to pay a final dividend for the financial year ending 31 December 2016 given the short period between Admission and the start of the financial year.

Going forward, it is envisaged that interim dividends will be paid in October of the relevant financial year and final dividends in May of the following financial year in approximately even proportions.

The Group may revise its dividend policy from time to time.

7. DESCRIPTION OF THE GROUP'S BUSINESS

The Company operates a leading UK price and product comparison website, Gocompare.com, which attracts approximately 5 million visits every month. Gocompare.com offers a free online service that is designed to save consumers money. Gocompare.com enables consumers to compare the prices and features of more than 40 products in a quick and easy way.

The Company was launched by a team of insurance comparison experts in November 2006 and was the first UK insurance price and product comparison website to display both product features and prices in its search results. The Group aims to help Customers make better informed purchasing decisions and uses data gathered from over 20 million unique Customers in the last 10 years to underpin its drive to continually improve its Customer proposition and leverage its strong market position. In the first half of 2016 there were over 15 million Customer Interactions on or from Gocompare.com.

Gocompare.com provides fair and unbiased product comparison services. Gocompare.com compares over 600 Partner brands[6] across more than 40 products, does not accept advertising or sponsored listings and is not tied to any particular product provider. To date the Group's strategic focus has been on providing comparison services relating to insurance products, however, the Directors believe that there is a significant opportunity to strengthen the Group's position in insurance product comparison, refocus on growth initiatives in the comparison of other products and explore data science opportunities arising from analysis of its Customer database including refining the accuracy of product comparisons and enhancing the relevance of products compared.

[6] A single Partner may feature more than one brand on Gocompare.com.

Gocompare.com does not charge Customers for using its services and Customers are not expected to find an identical product for a cheaper price by going direct to the Partners' own websites. Instead, the Group primarily generates revenue from fees paid by Partners each time a Customer clicks through to the Partner's website and completes a transaction with that Partner.

The Company's price and product comparison services fit into two reporting segments: 'Insurance' and 'Strategic Initiatives'. The range of products for which the Company provides comparison services in each segment is set out below.

7.1 Insurance

The comparison services provided under the Insurance segment comprise over 400 brands and can be split into three categories: motor, property and other. Customers are able to compare the following products under each of these three categories:

Motor	Property	Other
Car	Home	Pet
Motorbike	Landlord	Travel
Van	Student	
Taxi		
Motorhome		
Breakdown		

The Company operates its own website platform for car, motorbike, van, home and pet insurance comparison services, displaying a wide range of products offered by its panel of insurers. This gives the Company complete flexibility to continually improve the Customer experience. Taxi, motorhome, breakdown, landlord, student and travel comparison services are provided via partnerships with third party online comparison service providers.

In H1 2016, the Company had the second largest combined market share in the UK car and home insurance comparison segments.

The table below provides certain information with respect to the Group's Insurance reporting segment for each of H1 2016, H1 2015, 2015, 2014 and 2013.

	Six months ended 30 June		Year ended 31 December		
Insurance	**2016**	**2015**	**2015**	**2014**	**2013**
		(unaudited)			
Customer Interactions[7] (m)	14.1	11.5	22.5	21.2	20.6
Revenue (£m)	68.5	57.1	113.9	108.8	106.7
Cost of sales (£m)	(18.8)	(14.1)	(28.7)	(25.0)	(28.0)
Gross profit (£m)	49.7	43.0	85.2	83.8	78.7

(7) Customer Interaction is defined as: (a) for products where the quote process begins on Gocompare.com, as each unique instance of activity within any half hour period in which a Customer initiates such a quote process, although they do not necessarily complete a purchase (such products accounted for 91.3 per cent. and 90.8 per cent. of the Group's Customer Interactions in 2015 and H1 2016, respectively), and (b) for the remainder of the Group's products, each instance in which a Customer clicks through to a Partner website from Gocompare.com. This information is unaudited.

7.2 Strategic Initiatives

The Company provides a wide range of comparison services outside of those falling under the Insurance segment mentioned above. It offers these additional services through its own website via partnerships with third party online comparison service providers. By doing so the Company has an ancillary source of income and is able to remain focused on its chosen areas of strategic focus while at the same time ensuring it offers Customers a broader range of price and product comparison services in line with its competitors.

The products compared under the Strategic Initiatives segment comprise over 250 brands and can be split into three categories: money, home services and other. Customers are able to compare the following products under each of these three categories:

Money	Home Services	Other
Loans	Gas and electricity	Life
Mortgages	Broadband, TV and phone	Health
Credit cards		Income
Current accounts		Illness
Savings		Holidays
		Flights
		Hotels

In early 2016, the money and home services product categories were the subject of a brand relaunch which involved a significant marketing campaign. The Company expects to focus on the money and home services categories, together with its existing core offering, over the near future.

The table below provides certain information with respect to the Group's Strategic Initiatives reporting segment for each of H1 2016, H1 2015, 2015, 2014 and 2013.

	Six months ended 30 June		Year ended 31 December		
Strategic Initiatives	**2016**	**2015**	**2015**	**2014**	**2013**
		(unaudited)			
Customer Interactions[(8)] (m)	2.8	1.5	3.0	2.9	2.4
Revenue (£m)	4.3	2.4	5.0	4.3	3.2
Cost of sales (£m)	(3.3)	(1.0)	(2.9)	(2.2)	(1.3)
Gross profit (£m)	1.0	1.4	2.1	2.1	1.9

(8) Customer Interaction is defined as: (a) for products where the quote process begins on Gocompare.com, as each unique instance of activity within any half hour period in which a Customer initiates such a quote process, although they do not necessarily complete a purchase (such products accounted for 91.3 per cent. and 90.8 per cent. of the Group's Customer Interactions in 2015 and H1 2016, respectively), and (b) for the remainder of the Group's products, each instance in which a Customer clicks through to a Partner website from Gocompare.com. This information is unaudited.

8. MARKETING

From its inception, the Company has invested in its brand to attract, engage and retain its Customer audience.

8.1 Attracting our Customer audience

The Company utilises a diversified mass media advertising approach to reach a broad range of consumers, increase brand awareness and maximise direct-to-site traffic.

The Company's marketing investment is tailored to cyclical trends and seasonality and monitored carefully so that the Company is able to continually improve cost efficiency and take an effective targeted marketing approach. The Directors believe that the combined effect of the Company's advertising approach and careful monitoring of the perceived impact of such advertising on Customer Interactions has enabled it to spend less on television advertising than each of its top three competitors in 2015 and yet achieve the overall highest first mention brand awareness for that year based on industry research.

8.1.1 Online

A key component of the Company's online marketing strategy is linked to the use of search engines by consumers. In some cases, Customers will visit Gocompare.com by entering the website address directly into their web browser. However, in most cases, visitors access Gocompare.com as a result of clicking through from a natural (unpaid) or sponsored listing on a search engine, or a link on a third party website or email. Gocompare brand awareness therefore plays a key part in attracting consumers to click through to Gocompare.com.

The distinction between sponsored search engine listings and natural (or unpaid) search engine listings, and the Company's use of both types of listing, is described below.

Sponsored search engine listings

Sponsored listings are typically displayed at the top of the search engine's web page. The Company has a dedicated search engine marketing team which focuses on and purchases listings on search engines' results pages for certain keyword searches. The team is able to make these listings further targeted by linking them with particular times of the day or particular geographical locations. Similarly, the Company utilises paid-for online advertisements which can be programmed to work in a similar way to direct traffic to Gocompare.com.

Through pay-per-click (''**PPC**'') optimisation, the Company is able to reduce Customer acquisition costs on a cost-per-click basis. A website's position within the sponsored listings is determined by the relevancy of the listing to the Customer and the revenue generated by the search engine in relation to that listing. The search engine's revenue depends upon the bid price the website has paid for the search term and the click through rate of the listing. Therefore, the greater the brand awareness of Gocompare.com, the more Customers might click on the sponsored listing, which in turn decreases the bid price payable to the search engine.

Natural (or unpaid) search engine listings

Search engines do not typically charge websites to appear in natural (or unpaid) listings. Instead, they use complex algorithms to select results that are most relevant to the users' search query. In an attempt to improve the ranking of Gocompare.com in a search engine's natural (or unpaid) listings, the Company adopts a process known as 'search engine optimisation' or 'SEO'. This process is aimed at enhancing the relevance of Gocompare.com to common Customer queries and thus improving the ranking of Gocompare.com in natural (or unpaid) listings.

The Company focuses primarily on Google and Bing for its SEO activities, which combined account for approximately 95 per cent. of search engine traffic in the UK. Since products purchased as a result of Customers following a link in natural (or unpaid) search results involve minimal direct costs, such purchases generally result in higher margins to the Group.

8.1.2 Television, radio and print media

The Company has an advertising presence in television and radio, community events and print media.

The Company is best known for its advertising campaign fronted by Gio Compario, the iconic fictional moustached tenor and comparison enthusiast. In 2015, the Company reintroduced its Gio Compario advertising campaign, having first introduced the character in 2009. These advertisements were broadcast on television and radio and included in print media. The television advertisement debuted with a special 90-second version on 26 July 2015 and ran for approximately two months, which resulted in a significant increase in brand recognition for the Company.

The Company has an online consumer information publication called, 'Covered', which features articles about motoring, consumer financial services and leisure. It is hoped that consumers that read this online magazine will be more likely to use Gocompare.com when they seek a price and product comparison. In addition, the Company supports community events and musical concerts to complement the Company's television and radio advertising campaigns.

8.2 Engaging our Customer audience

The Company has a public relations team tasked with the job of reaching the Company's wide Customer base. This team is dedicated to increasing awareness of the Gocompare brand and serves to engage the existing Customers who have interacted with the Company before.

Once a Customer has completed a price and product comparison on Gocompare.com, with their consent, the Customer is sent price confirmation emails and reminders about the opportunity to purchase a product compared on Gocompare.com. Opportunities for cross-selling product categories that the

Customer did not compare as part of their interaction with Gocompare.com are also taken by the Company as part of ongoing engagement of the Customer audience.

The Company has recently started to offer promotions via cashback websites to Customers in an effort to incentivise them to purchase products from Partners through Gocompare.com.

8.3 Retaining our Customer audience

The Company's core Customer proposition is to save Customers money, be simple and easy to use and provide Customers with a market-leading experience across a wide range of products. The Gocompare brand is based on the values of trustworthiness, personal touch, dynamism, empowerment and being straightforward.

The Company uses email to maintain communication post-purchase where Customers are asked to review their experience on Gocompare.com and, later, sent policy renewal emails when products purchased following a comparison on Gocompare.com are due to expire.

The Directors believe that there is a significant opportunity in exploring data science opportunities arising from its Customer database. It is hoped that this will both strengthen the Company's position in insurance comparison and help it refocus on growth initiatives in the comparison of other products of interest to Customers.

9. RISK MANAGEMENT STRATEGY AND RISK GOVERNANCE

9.1 Risk management strategy

The Group believes it has put in place a robust risk management strategy to evaluate the key risks facing the Group. This strategy assists the Company in achieving its objectives, fulfilling its obligations to Shareholders and delivering consistency in all matters related to risk and is subject to annual review and approval by the Board.

The Group considers the following to be key to the Group's risk management strategy:

- identifying, assessing, managing and mitigating threats to the Business;
- appropriately allocating capital and resources to ensure balance of risk and reward; and
- ensuring compliance with all applicable laws, regulations, sound business principles and internal policies to ensure the highest quality of treatment for the Company's Customers.

9.2 Risk governance

The Board ensures that measures are in place to provide independent and objective assurance on the effective identification and management of risk and on the effectiveness of the controls in place to mitigate those risks.

This independence and objectivity is achieved through the Board's Audit and Risk Committee, composed only of independent Non-Executive Directors. The Audit and Risk Committee is responsible for review of the effectiveness of the Group's internal controls and of the assurance processes, based on reports from functions which are themselves independent: internal audit, risk management and compliance.

The senior management of the Group are responsible for the day-to-day management of the Business and for ensuring that the risk and control strategy, framework and culture are understood and observed at every level of the organisation.

10. IT INFRASTRUCTURE

The Group's information technology infrastructure and systems underpin the Business. As such, the Group strives to ensure that its information technology infrastructure and systems are kept up to date with evolving technology and meet the requirements and needs of the Group's staff and consumers.

The availability and performance of all of the Group's core information technology systems has historically been strong and capacity has been managed well within industry standards. The security of the Group's systems is regarded by the Group as being of paramount importance. As a result, an internal

IT Security Manager is responsible for and monitors all related activities. To date, no material information technology security breaches have occurred to the Group's systems.

The Group has outsourced the operation and maintenance of a significant part of its IT infrastructure to a third party who provides the two data server sites from which Gocompare.com is hosted. These two data server sites are separately located. One server site is used for the live operation of Gocompare.com and the other acts as a fail-safe in the event that the primary server site fails. If the live server site fails, contingency capabilities will come into play in short order.

11. INTELLECTUAL PROPERTY

The Group holds a portfolio of registered UK and European trade marks which protect the names and logos of the Gocompare brand. The Group actively protects its trade mark portfolio and seeks to identify applications for similar trade marks. While other branding materials such as slogans, logos, colours and designs are not registered, some protection may be afforded by unregistered design rights, unregistered trade marks and copyright. The Group does not own any patents.

The key websites for the Group's brands all have current domain name registrations held by or on behalf of the Group. Registrations for a number of domain names which are similar to the names of the Group's key websites or are related to advertising campaigns undertaken by the Group are also held by or on behalf of the Group. The Group retains information shared by Customers, with their consent, in its databases. There are currently no outstanding intellectual property infringement actions involving any member of the Group as defendant or any charges over any intellectual property rights held by the Group.

PART II

DIRECTORS, SENIOR MANAGERS, CORPORATE GOVERNANCE AND REMUNERATION

1. DIRECTORS

The Directors and their principal functions within the Group, together with a brief description of their business experience and principal business activities outside the Group, are set out below. The business address of each of the Directors (in such capacity) is Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom.

Sir Peter Wood—*Chairman*

Sir Peter founded the esure Group in February 2000 and has served as the esure Group's Chairman since that date. Sir Peter served as the esure Group's Chief Executive Officer from April 2006 until February 2012.

Previously, Sir Peter founded the Direct Line general insurance business in 1985. Sir Peter built Direct Line up to become the UK's largest ever private motor insurer and direct home insurer and one of the UK's leading direct financial services brands. Sir Peter retired as chairman of Direct Line in June 1997. During the 1990s, Sir Peter also served as a director of Bankinter SA in Spain, and founded three other insurance companies around the world including Línea Directa Aseguradora, a company serving the Spanish direct insurance market. Sir Peter also founded Privilege Insurance with Royal Bank of Scotland.

Sir Peter oversaw esure Group's acquisition of 50 per cent. of the Company in 2007 and its agreement to acquire the remaining 50 per cent. of the Company in December 2014.

Between 1996 and 2000, Sir Peter was a non-executive director of Centrica plc. In 1998, he was appointed as a non-executive director to the board of the Economist Group, where he served until March 2004.

In 1996, Sir Peter was awarded a CBE for services to the UK financial services industry and, in June 2016, was made a Knight Bachelor in the Queen's 90th birthday honours list for his services to UK industry and philanthropy.

Sir Peter chairs the Nomination Committee and is a member of the Disclosure Committee.

Angela Seymour-Jackson—*Deputy Chairman and Senior Independent Director*

Angela became a non-executive director of the board of esure Group plc in October 2015 and sits on its remuneration committee and its risk committee. She is also a non-executive director of Henderson Group plc and Rentokil Initial plc where she is a member of the remuneration and risk committees and the remuneration committee, respectively.

From December 2012 until September 2016 Angela was managing director of workplace savings at Aegon UK. She was also a member of Aegon UK's independent governance committee.

Prior to joining Aegon UK, Angela held a variety of senior sales and marketing roles at Norwich Union Insurance, General Accident, CGNU and Aviva, including running Aviva's direct to consumer personal lines insurance business. She was CEO of RAC Motoring Services from 2010 to 2012 and led the sale of that business to The Carlyle Group.

Angela chairs the Remuneration Committee and is a member of the Audit and Risk Committee and the Nomination Committee.

Matthew Crummack—*Chief Executive Officer and Executive Director*

Matthew was CEO of lastminute.com from 2011 until the business was acquired by lastminute.com Group (previously Bravofly Rumbo Group) in March 2015. Post-acquisition, he served as Deputy CEO and Chief Integration Officer until 31 December 2015.

Matthew was formerly a Senior Vice President of Global Lodging at Expedia, has previously worked for Nestlé UK and spent eight years at Procter & Gamble in a variety of UK and European sales and marketing roles. In May 2015, Matthew became a non-executive director of National Express plc. He is also a director of his own UK-based company, Interventus Limited.

In June 2016 Matthew was awarded an Honorary Doctor of Science from Aston University in recognition of his achievements as an alumnus.

Matthew chairs the Disclosure Committee.

Nick Wrighton—*Chief Financial Officer and Executive Director*

Nick is a Chartered Accountant and was Deputy CFO at esure Group plc from January 2014 having joined in June 2012 as Group Financial Controller. Nick was part of the esure Group plc team that guided the company's flotation on the London Stock Exchange in 2013 and worked on the acquisition of the remaining 50 per cent. of the Company in 2014.

Prior to joining esure Group plc, Nick spent five years at Brit Insurance, where he held a number of finance roles including Financial Controller for Brit Insurance Limited, and seven years at RSA.

Nick is a member of the Disclosure Committee.

Zillah Byng-Thorne—*Non-Executive Director*

Zillah became a non-executive director and a member of the audit committee and nomination committee of Paddy Power Betfair plc in February 2016. Zillah was previously a non-executive director of Betfair Group plc prior to its merger with Paddy Power plc. Prior to this, Zillah was Chief Financial Officer of Trader Media Group from 2009 and interim Chief Executive until July 2013, Chief Financial Officer of Fitness First Group Ltd from 2006 to 2009, and Chief Financial Officer of the Thresher Group from 2002 to 2005.

Zillah has also previously held senior finance positions with GE Capital and HMV Media Group, qualified as an accountant with Nestlé UK Ltd, and was a non-executive Director of Mecom Group plc from 2011 until February 2015. She is also currently Chief Executive Officer of Future plc, having previously served as Chief Financial Officer.

Zillah chairs the Audit and Risk Committee and is a member of the Remuneration Committee and the Nomination Committee.

Adrian Webb—*Non-Executive Director*

Adrian has 30 years' experience in marketing and communications including 20 years with major financial services brands. He served as Head of Group Public Relations with Direct Line, then Head of Communications with Virgin's banking arm before joining award-winning London consultancy, Consolidated Communications, as Strategy Director in 2000.

Adrian joined the esure Group in 2002 becoming Head of Marketing and Communications. He was part of the esure Group plc team that guided the company's MBO in 2010 and flotation on the London Stock Exchange in 2013. Adrian retired from the esure Group in May 2015 and was appointed a Non-Executive Director of the Company on 21 July 2015 having worked with the Company extensively since esure Group plc's first investment in the Company.

Adrian is a member of the Audit and Risk Committee, the Remuneration Committee and the Nomination Committee.

2. SENIOR MANAGERS

In addition to the Executive Directors, the current members of the senior executive team with responsibility for day-to-day management of the Business are set out below. The business address of each of the Senior Managers (in such capacity) is Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom.

Faisal Galaria—*Chief Strategy and Investments Officer*

Faisal has almost 20 years' of experience as a successful entrepreneur, adviser and general manager with expertise gained at various stages of the business life-cycle. Faisal's recent experience includes roles as Venture Partner at Octopus Ventures and Managing Director at Alvarez & Marsal. He has previously held senior management positions at Spotify, Kayak.com and Skype.

Lee Griffin—*Chief Operations Officer*

Lee was part of the original team that founded the Company. Prior to joining the Company, Lee was part of the team at Admiral that worked on the launch of confused.com.

Lee has over 20 years' of experience in the insurance industry and has been closely involved in the development and growth of price and product comparison websites for much of his career.

3. THE BOARD AND GOVERNANCE

The Group is firmly committed to high standards of corporate governance and maintaining a sound framework for the control and management of the Business. As an insurance intermediary, the Group is regulated by the FCA. Accordingly, many of the corporate governance practices and principles expected of listed companies are already well established within the Group. In addition, in anticipation of Admission, the Board has adopted a number of measures with regard to its governance arrangements in order to be in a position to comply with the principles and provisions of the UK Corporate Governance Code on Admission.

3.1 The Board

The Board is responsible for leading and controlling the Group and has overall authority for the management and conduct of the Business and the Group's strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal control and risk management (including financial, operational and compliance controls, and for reviewing the overall effectiveness of systems in place), and for the approval of any changes to the capital, corporate and/or management structure of the Group.

3.2 Compliance with corporate governance requirements

Overview

The Group complies, and in the financial year ended 31 December 2015 complied, with the corporate governance requirements of the Companies Act and with the corporate governance requirements of FSMA (and regulations made thereunder) applicable to it as a result of its insurance mediation business. As an unlisted company, the UK Corporate Governance Code does not apply to the Company as at the date of this prospectus, and, accordingly, the Group complies with all applicable corporate governance standards.

Compliance with UK Corporate Governance Code

From Admission, the UK Corporate Governance Code will apply to the Group. The Group will, on Admission, comply with the UK Corporate Governance Code. Thereafter the Group intends to continue to comply with the relevant principles and provisions of the UK Corporate Governance Code on an ongoing basis.

Board and Committee independence

The UK Corporate Governance Code recommends that at least half the board of directors of a UK-listed company (excluding the chairman) should comprise 'independent' non-executive directors, being individuals determined by the Board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the director's judgement. It also recommends that a UK company's remuneration and audit committees should comprise at least three independent non-executive directors, and that its nomination committee should comprise a majority of independent directors.

From Admission, the Board will initially comprise six members: the Chairman, the two Executive Directors and three additional Non-Executive Directors. The Chairman, Sir Peter Wood, will be a major shareholder of the Company on Admission and has served as Chairman of the esure Board since 2000 and was therefore not independent on his appointment as Chairman of the Board. Of the other Non-Executive Directors:

- Zillah Byng-Thorne is considered by the Board to be independent for the purposes of the UK Corporate Governance Code;
- Angela Seymour-Jackson also serves as an independent non-executive director on the esure Board having been appointed to that board on 13 October 2015, but is considered by the Board to be independent for the purposes of the UK Corporate Governance Code notwithstanding that role; and
- Adrian Webb was an employee of the esure Group from 25 March 2002 to 13 May 2015, but is considered by the Board to be independent for the purposes of the UK Corporate Governance Code notwithstanding that role.

In reaching these conclusions regarding the independence of Angela Seymour-Jackson and Adrian Webb, the Board have considered the requirements of the UK Corporate Governance Code and the nature of the relationships and circumstances outlined above which are relevant to the Board's determination of independence.

In addition to the assessment of independence pursuant to the UK Corporate Governance Code, the Board also believes that the involvement of Angela Seymour-Jackson and Adrian Webb as Non-Executive Directors (and their fulfilling roles recommended for independent non-executives by the UK Corporate Governance Code) is in the best interests of the Group and Shareholders bearing in mind their extensive experience and detailed knowledge of the Business, and particularly in the context of the Company's flotation as a newly listed and publicly traded entity.

The Group therefore considers that it complies with the relevant requirements of the UK Corporate Governance Code in relation to the balance of executive and independent non-executive directors on the Board and with the requirements for composition of the Group's Audit and Risk Committee, Remuneration Committee and Nomination Committee.

In addition, although the Company has no immediate intention to appoint another independent Non-Executive Director, it is aiming to find an additional independent Non-Executive Director within 12 months of Admission.

Senior Independent Director

The UK Corporate Governance Code also recommends that the board of directors of a company with a premium listing on the Official List of the FCA should appoint one of its independent non-executive directors to be the senior independent director (the "**SID**"). The SID should be available to shareholders if they have concerns that the normal channels of chairman, chief executive officer or other executive directors have failed to resolve or for which such channel of communication is inappropriate. Angela Seymour-Jackson has been appointed as the Company's SID and is Deputy Chairman of the Board.

Annual re-election

The UK Corporate Governance Code recommends that all directors of FTSE 350 companies should be subject to annual election by shareholders. Accordingly, Directors will all voluntarily put themselves up for re-election at the Company's next annual general meeting (to be held in the second quarter of 2017). Going forward, it is currently intended that, for so long as is recommended by the UK Corporate Governance Code, the Company's directors will continue to be subject to annual re-election at each further annual general meeting. In addition, prior to recommending their re-election to Shareholders, the Board will also carry out an annual re-assessment of the ongoing independence of each of the non-executive directors and make an appropriate statement disclosing their status in the Company's annual report.

Diversity

As at Admission, the Board will have 33 per cent. women members and all future appointments will be made with regards to diversity, including gender. In accordance with the UK Corporate Governance Code, the Group will report on the Board's policy on diversity, including gender, in its next annual report.

3.3 Board Committees

The Board has established a number of committees, whose terms of reference are documented formally and updated as necessary. If the need should arise, the Board may set up additional committees as appropriate.

Audit and Risk Committee

The Audit and Risk Committee will be chaired by Zillah Byng-Thorne, and its other members on Admission will be Adrian Webb and Angela Seymour-Jackson. The Audit and Risk Committee meets at least four times a year, or more frequently if required.

The Audit and Risk Committee's terms of reference state that the Audit and Risk Committee must comprise at least three independent non-executive directors, of whom at least one must have recent and relevant financial experience. The Board considers each of Zillah Byng-Thorne, Adrian Webb and Angela Seymour-Jackson to have recent and relevant financial experience.

Appointments to the Audit and Risk Committee are made by the Board, on recommendation by the Nomination Committee. Appointments to the Audit and Risk Committee are for a period of up to three years and may be extended for further periods of up to three years, provided the director whose appointment is being considered still meets the criteria for membership.

The responsibilities of the Audit and Risk Committee include: (i) receiving and reviewing reports from the Company's external auditors, monitoring their effectiveness and independence and making recommendations to the Board in respect of their remuneration, appointment and dismissal; (ii) monitoring and reviewing internal audit activities, reports and findings; (iii) reviewing the financial statements of the Company; (iv) overseeing the Company's procedures for detecting fraud, preventing bribery and non-compliance; (v) reviewing, on behalf of the Board, the effectiveness of the Group's system of internal financial controls and internal control systems; (vi) advising the Board on the Company's risk strategy, risk policies and current risk exposures, including any prudential risks; (vii) overseeing the implementation and maintenance of the overall risk management framework and systems; and (viii) reviewing the Company's risk assessment processes and capability to identify and manage new risks.

When appropriate, the Audit and Risk Committee meets with the Group's senior managers in attendance. The Audit and Risk Committee will also meet separately at least once a year with the Group's external and internal auditors without management present. The chairman of the Audit and Risk Committee will be available at annual general meetings of the Company to respond to questions from Shareholders on the Audit and Risk Committee's activities.

The Audit and Risk Committee has considered and adopted a policy on the provision of non-audit services by the external auditors and procedures to protect the auditor's independence and objectivity.

Remuneration Committee

The Remuneration Committee will be chaired by Angela Seymour-Jackson, and on Admission its other members will be Adrian Webb and Zillah Byng-Thorne. The Remuneration Committee will meet at least two times a year, or more frequently if required.

The Remuneration Committee's terms of reference state that the Remuneration Committee must comprise at least three independent non-executive directors.

Appointments to the Remuneration Committee are made by the Board, on recommendation by the Nomination Committee. Appointments to the Remuneration Committee are made for a period of up to three years which may be extended for further periods of up to three years, provided the director whose appointment is being considered still meets the criteria for membership.

The responsibilities of the Remuneration Committee include: (i) determining and agreeing with the Board the remuneration policy and total individual remuneration packages of the Chairman and other Executive Directors and other senior management, including, where relevant, benefits and pension arrangements; (ii) determining and agreeing with the Board any performance-related pay schemes for senior management; and (iii) overseeing any major changes in employee benefit structures throughout the Group. No Director or executive shall be involved in any decisions about his or her own remuneration.

Nomination Committee

The Nomination Committee will be chaired by Sir Peter Wood, and on Admission its other members will be Angela Seymour-Jackson, Zillah Byng-Thorne and Adrian Webb. The Nomination Committee, which was established recently in anticipation of Admission, will meet at least two times a year, or more frequently if required.

The Nomination Committee's terms of reference state that a majority of its members must be independent non-executive directors.

Appointments to the Nomination Committee are made by the Board, and are for a period of up to three years (which may be extended for further periods of up to three years, provided the director whose appointment is being considered still meets the criteria for membership).

The responsibilities of the Nominations Committee include: (i) reviewing the size, structure and composition of the Board and ensuring that the Board comprises the right balance of skills, knowledge, diversity and experience; (ii) identifying and nominating for approval candidates to fill any vacancies on the Board; (iii) giving full consideration to succession planning for the Group; and (iv) making recommendations to the Board concerning membership of the Audit and Risk Committee and the Remuneration Committee.

From Admission, the Nomination Committee will also generate a report to be included in the Company's annual report. This will describe the activities of the Nomination Committee including the process used to make appointments and explain if external advice or open advertising has not been used.

Disclosure Committee

The Disclosure Committee will be chaired by Matthew Crummack, and on Admission its other members will be Sir Peter Wood, Nick Wrighton and certain other senior employees. The Disclosure Committee will meet at such times as shall be necessary or appropriate, as determined by the chairman of the Disclosure Committee.

The Disclosure Committee is responsible for monitoring, evaluating and enhancing disclosure controls and procedures of the Group.

The terms of reference of the Disclosure Committee cover such issues as membership and frequency of meetings, together with the requirements for a quorum for meetings. The duties of the Disclosure Committee covered in the terms of reference are in relation to financial reporting and other material disclosures.

Controlling Shareholder

Sir Peter Wood is expected to be the beneficial owner of approximately 30.85 per cent. of the issued Gocompare.com Shares immediately following Admission.

If Sir Peter Wood remains the beneficial owner of more than 25 per cent. of the issued Gocompare.com Shares following Admission, he will have the power to block special resolutions of the Company. In practice, Sir Peter Wood may be able to block special resolutions of the Company in circumstances where he is the beneficial owner of less than 25 per cent. of the issued Gocompare.com Shares following Admission if not all Shareholders exercise their votes in respect of the relevant special resolutions.

Sir Peter Wood has entered into a Relationship Agreement with the Company which is conditional on Admission. In the Relationship Agreement, Sir Peter Wood agrees, among other things, that he will exercise his powers to ensure that the Group is capable of operating independently of him and any of his Associates and that neither he nor any of his Associates will influence the day-to-day running of the

Company and the Group at an operational level. The Relationship Agreement grants Sir Peter Wood the right to nominate one director for appointment to the Board for so long as he (together with his Associates) holds 15 per cent. or more voting rights exercisable at a general meeting of the Company.

4. REMUNERATION

Details regarding remuneration of Directors is set out in section 10 of Part X (*Additional Information*).

PART III

FINANCIAL INFORMATION RELATING TO THE GROUP

1. SELECTED HISTORICAL FINANCIAL INFORMATION

The tables in sections 1.1 to 1.3 of this Part III set out certain data from the Group's consolidated statement of comprehensive income, the Group's consolidated statement of financial position and certain data from the Group's consolidated statement of cash flows for the three years ended 31 December 2015 and the six months ended 30 June 2016 and 30 June 2016.

The table in section 1.4 sets out certain other financial and operational information in respect of the same periods. The information contained in tables 1.1 to 1.3 has been extracted or derived without material adjustment from the Historical Financial Information set out in Schedule II (*Historical Financial Information*) or, where indicated, from the Group's unaudited accounting records, operating systems and other financial information prepared by the Group.

The following information should be read in conjunction with the information contained in the section entitled 'Important Notices—Financial Information', Part IV (*Operating and Financial Review*), and Schedule II (*Historical Financial Information*), as well as the rest of the prospectus.

1.1 Consolidated Statement of Comprehensive Income

	Six months ended 30 June		Year ended 31 December		
(£m)	**2016**	**2015**	**2015**	**2014**	**2013**
		(unaudited)			
Revenue	**72.8**	**59.5**	**118.9**	**113.1**	**109.9**
Cost of sales	(22.1)	(15.1)	(31.6)	(27.2)	(29.3)
Gross profit	**50.7**	**44.4**	**87.3**	**85.9**	**80.6**
Distribution expenses	(25.6)	(20.6)	(43.4)	(41.5)	(39.0)
Administrative expenses	(10.7)	(10.7)	(20.8)	(18.8)	(16.5)
Operating profit	**14.4**	**13.1**	**23.1**	**25.6**	**25.1**
Other income	0.1	0.2	0.2	0.2	0.4
Net finance costs	—	—	—	—	—
Other expenses	—	—	—	—	—
Profit before taxation	**14.5**	**13.3**	**23.3**	**25.8**	**25.5**
Taxation	(2.9)	(2.6)	(4.2)	(5.5)	(5.9)
Profit for the year/period	**11.6**	**10.7**	**19.1**	**20.3**	**19.6**

1.2 Consolidated Statement of Financial Position Data

	As at 30 June	As at 31 December		
(£m)	**2016**	**2015**	**2014**	**2013**
		(unaudited)		
Non-current assets	4.8	4.7	4.7	4.6
Current assets	27.2	20.0	48.0	44.9
Total assets	**32.0**	**24.7**	**52.7**	**49.5**
Current liabilities	20.8	12.3	10.4	10.3
Non-current liabilities	0.9	1.2	0.8	0.8
Total liabilities	**21.7**	**13.5**	**11.2**	**11.1**
Net assets	**10.3**	**11.2**	**41.5**	**38.4**
Share capital	0.0	0.0	0.0	0.0
Share premium	2.7	2.7	2.7	2.7
Retained earnings	7.6	8.5	38.8	35.7
Other reserves	—	—	—	—
Total equity	**10.3**	**11.2**	**41.5**	**38.4**

1.3 Consolidated Cash Flows Statement Data

(£m)	Six months ended 30 June		Year ended 31 December		
	2016	2015	2015	2014	2013
		(unaudited)			
Cash flow from operating activities	17.0	8.9	18.8	19.8	19.1
Cash flow from investing activities	(0.9)	(1.1)	(1.3)	(1.4)	(2.2)
Cash flow from financing activities	(12.5)	(19.7)	(49.4)	(17.2)	(11.8)
Cash and cash equivalents at the end of the year	7.9	24.3	4.3	36.2	35.0
Increase/(decrease) in cash and cash equivalents	3.6	(11.9)	(31.9)	1.2	5.1

1.4 Key Performance Indicators

To analyse the Company's business performance, determine financial forecasts and help develop long-term strategic plans, the Company reviews the KPIs set forth below. The data in each of the tables below is presented on an actual historical basis.

(£m)	Six months ended 30 June		Year ended 31 December		
	2016	2015	2015	2014	2013
	(unaudited)	*(unaudited)*	*(unaudited)*	*(unaudited)*	*(unaudited)*
Customer Interactions(9) *(m)*	**16.9**	**13.0**	**25.5**	**24.1**	**23.0**
Insurance	14.1	11.5	22.5	21.2	20.6
Strategic Initiatives	2.8	1.5	3.0	2.9	2.4
Revenue Per Interaction(10) *(£)*	**4.30**	**4.57**	**4.67**	**4.70**	**4.78**
Insurance	4.85	4.96	5.07	5.14	5.19
Strategic Initiatives	1.53	1.60	1.68	1.48	1.33
EBITDA(11) *(£m)*	**15.3**	**14.0**	**24.5**	**27.1**	**26.1**
EBITDA Margin(12) *(%)*	**21.0**	**23.5**	**20.6**	**24.0**	**23.7**

(9) Customer Interaction is defined as: (a) for products where the quote process begins on Gocompare.com, as each unique instance of activity within any half hour period in which a Customer initiates such a quote process, although they do not necessarily complete a purchase (such products accounted for 91.3 per cent. and 90.8 per cent. of the Group's Customer Interactions in 2015 and H1 2016, respectively), and (b) for the remainder of the Group's products, each instance in which a Customer clicks through to a Partner website from Gocompare.com.

(10) Revenue Per Interaction is defined as revenue divided by Customer Interactions in a particular period.

(11) EBITDA is a non-IFRS financial measure, but is included here because the Company believes that EBITDA is an additional useful indicator of the Group's operating performance and financial condition in addition to the Group's historical financial information prepared in accordance with IFRS. However, the calculation of EBITDA presented herein may not be comparable to other similarly titled measures of other companies and is not a measurement under IFRS or other generally accepted accounting principles. Accordingly, undue reliance should not be placed on the EBITDA data in the prospectus and it should not be considered as a substitute for operating profit, profit for the year, cash flow or other financial measures computed in accordance with IFRS. The Group defines EBITDA as profit before tax for the period before interest, income tax expense/(benefit), depreciation and amortisation. The table below reconciles EBITDA to the Group's profit before tax for the periods indicated:

(£m)	Six months ended 30 June		Year ended 31 December		
	2016	2015	2015	2014	2013
	(unaudited)	*(unaudited)*	*(unaudited)*	*(unaudited)*	*(unaudited)*
Profit after tax	11.6	10.7	19.1	20.3	19.6
Interest	0.0	0.0	0.0	0.0	0.0
Income tax expense / (benefit)	2.9	2.6	4.2	5.5	5.9
Depreciation and amortisation	0.8	0.7	1.2	1.3	0.6
EBITDA	15.3	14.0	24.5	27.1	26.1

(12) EBITDA Margin is a non-IFRS financial measure and represents EBITDA as a percentage of revenue for the relevant period.

PART IV

OPERATING AND FINANCIAL REVIEW

This Part IV should be read in conjunction with the rest of this prospectus, including, in particular, the section of this prospectus entitled 'Important Notices—Financial Information', Part III ('Financial Information relating to the Group') and Schedule II ('Historical Financial Information'). The financial information considered in this Part IV ('Operating and Financial Review') is extracted from the financial information set out in Schedule II ('Historical Financial Information') unless otherwise stated.

The following discussion and analysis of the Group's results of operations and financial condition contains forward-looking statements that reflect the Group's plans, estimates and beliefs and involve risks and uncertainties. The Group's actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this prospectus, particularly in the sections of this prospectus entitled 'Risk Factors' and 'Important Notices—Forward-Looking Statements'.

In this discussion, the six months ended 30 June 2016 and 30 June 2015 are referred to as H1 2016 and H1 2015, respectively. The financial information presented in tabular form in the following discussion has been rounded to the nearest decimals. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column.

1. OVERVIEW

The Company operates a leading UK price and product comparison website, Gocompare.com, which attracts approximately 5 million visits every month. Gocompare.com offers a free online service that is designed to save consumers money and enables them to search for and compare over 40 types of products in a quick and easy way.

The Company was launched by a team of insurance comparison experts in November 2006 and Gocompare.com was the first UK insurance price and product comparison website to display both product features and prices. The Group aims to help Customers make better informed purchasing decisions and uses data gathered from over 20 million Customers since its launch to underpin its drive to continually improve its Customer proposition. In H1 2016 the Group had approximately 16.9 million Customer Interactions on Gocompare.com.

2. PRINCIPAL FACTORS AFFECTING RESULTS OF OPERATIONS

The Group generates revenue primarily from fees paid by Partners each time a Customer clicks through to a Partner's website and completes a transaction with that Partner (such fees it defines as its income per sale). As a result, the number of Customer Interactions, the Group's ability to convert such Customer Interactions into completed transactions, the amount of revenue per Customer Interaction and the amount of its marketing and other expenditures in a particular period drives the Group's results of operations. The Group has two reporting segments:

- *Insurance segment* (as described in section 7.1 of Part I ('*Business and Market Overview*')) which accounted for 94.1 per cent., 96.0 per cent., 95.8 per cent., 96.2 per cent. and 97.1 per cent. of the Group's revenues in H1 2016, H1 2015, 2015, 2014 and 2013, respectively (a substantial majority of revenues within the Group's Insurance segment in each of the periods under review have related to car insurance); and
- *Strategic Initiatives segment* (as described in section 7.2 of Part I ('*Business and Market Overview*')).

The following section contains a description of the key drivers of the Group's results of operations, both in general and those specific to the periods under review. The Directors believe that these factors are important to an understanding of the nature of the Group's financial condition and results of operations in these periods under review and future periods.

2.1 Customer Interactions

The Group's ability to generate revenue depends in large part on the volume of traffic to its website and the resulting Customer Interactions that it produces. Assuming stable Conversion Rates and income per sale, a greater number of Customer Interactions will result in greater revenues. The following table sets forth the number of Customer Interactions by segment for the periods indicated.

	Six months ended 30 June		Year ended 31 December		
(millions of Customer Interactions)	2016	2015	2015	2014	2013
Insurance	14.1	11.5	22.5	21.2	20.6
Strategic Initiatives	2.8	1.5	3.0	2.9	2.4
Total	**16.9**	**13.0**	**25.5**	**24.1**	**23.0**

The number of Customer Interactions that the Group has in a particular period is significantly affected by the level of Customer awareness of the Gocompare brand as well as marketing activities undertaken that are designed to increase such brand awareness or access to the Group's website. The Group experienced a 30.2 per cent. increase in Customer Interactions in H1 2016 compared with H1 2015 and a 5.7 per cent. increase in 2015 compared with 2014. The Group attributes this increase partly to the successful relaunch in July 2015 of its Gio Compario advertising campaign and continued marketing activities with respect thereto. The Directors believe that the Gio Compario campaign relaunch successfully advanced brand recognition of the Group among potential Customers (accounting for the fact that there is often a time lag effect in terms of when brand-related expenditures will begin to yield greater Customer Interactions). In addition, Customer Interactions in the Strategic Initiatives segment have been positively impacted by increased marketing focus on the segment's products in H1 2016 when the Group introduced a marketing campaign for Money products. Increased Customer Interactions during the periods under review have also been driven by increased search engine related marketing expenditures by the Group as well as actions taken to increase the efficiency of its expenditures in this area. See ''Marketing Initiatives''.

In addition to marketing initiatives, developments in the underlying markets for the products available on Gocompare.com also can lead to changes in the number of Customer Interactions between periods. This is particularly the case in the general insurance industry. For example, the motor industry has historically fluctuated in cyclical patterns defined by periods of low premiums, such periods being known as a 'soft' insurance market, followed by periods of reduced supply and higher premiums, such periods being known as a 'hard' insurance market. In each period covered by the Historical Financial Information (certain of which were 'soft' insurance markets), switching activity in the motor insurance sector has remained flat year-on-year or has increased, however, switching activity in the motor insurance sector tends to increase significantly in 'hard' motor insurance markets; when motor insurance premiums start to increase, Customers tend to review their motor insurance policies and search for more attractive products, thereby boosting the demand for motor insurance comparison services. The Directors believe that the higher premiums in the motor insurance industry experienced in 2015 and 2016 were a contributing factor to increased Customer Interactions.

The breadth of the product range compared on Gocompare.com also has an impact on total Customer Interactions with a broader range facilitating Customer Interactions through cross-selling as Customers searching for different product types access the website and are then able to search and purchase multiple products to suit their needs. In addition, the Group seeks to encourage Customer Interactions through the implementation of various enhancements designed to improve the Customer journey and the Directors believe such enhancements have also positively impacted Customer Interactions in the periods under review.

The Directors believe that evolving technology and the continuing transition to online continues to change consumer behaviour in a way that encourages Customer Interactions. In addition, mobile technology is becoming an increasingly important part of the industry landscape with over one third of visits to Gocompare.com coming from mobile devices in H1 2016, up from approximately 19 per cent. in 2013. As at June 2016, 45 per cent. of visitors to Gocompare.com visited the website using a desktop computer, 35 per cent. visited using a mobile device and 20 per cent. visited using a tablet.

2.2 Revenue Per Interaction (''RPI'')

Revenue Per Interaction (defined as revenue divided by Customer Interactions in a particular period) is determined principally by the number of Customer Interactions and the level of income per sale that the Group negotiates with its Partners (see paragraph 2.3 below (*Relationships with Partners*)) as well as the

Group and its Partners' success in converting Customer Interactions into completed transactions from which the Group derives its revenue.

Conversion Rates are principally dependent upon the competitiveness of the price-comparison website market generally and the quality of the beginning-to-end experience of Customers using Gocompare.com and its Partners' websites to complete a transaction (i.e., the customer journey). The quality of the Customer journey is affected to a significant degree by the quantity and quality of the products on offer on the website and the ease of accessing quotes and then proceeding to completing the transaction through the functionality of Gocompare.com and Partners' websites. In addition, Conversion Rates may be impacted to the extent that Customers compare prices for products offered on Gocompare.com to prices offered for those same or similar products on offer through other price and product comparison websites or other providers (which may differ because each website negotiates its own pricing with insurers or due to the offering of discounts) and the level of prices found through such sources.

The following table sets forth RPI by segment for the periods indicated.

	Six months ended 30 June		Year ended 31 December		
(in £)	**2016**	**2015**	**2015**	**2014**	**2013**
Insurance	4.85	4.96	5.07	5.14	5.19
Strategic Initiatives	1.53	1.60	1.68	1.48	1.33
Total	**4.30**	**4.57**	**4.67**	**4.70**	**4.78**

RPI has benefited from the Group's ability to increase its income per sale as a result of its annual renegotiations with Partners in successive years. However, the Group has experienced slight declines in RPI in recent periods that has reflected a limited shift in the mix of products for which transactions have been completed, both within the Insurance segment and between the two segments.

Due to the relative values of the products which are being compared on Gocompare.com, there is significant variance among the products as to the amount of revenues received per transaction (i.e., income per sale). For example, transactions of car insurance products yield more revenue per transaction than travel insurance products, principally reflecting the fact that car insurance products tend to be more expensive and the Group is therefore able to charge Partners a higher income per sale for car insurance products compared with travel insurance products. During the periods under review, revenue from car insurance products was relatively stable. RPI in H1 2016 was lower compared with H1 2015 as a result of the increase in the volume of interactions from the Strategic Initiatives segment, which have lower income per sale levels than the majority of Insurance segment products and the relative growth in sales of travel insurance products within the Insurance segment (which also have lower income per sale levels than car insurance products), both of which were due to the increased marketing focus on such products during this period. In addition, there is a natural tendency for Conversion Rates to decline slightly as volumes increase, which also had an impact on RPI in H1 2016 as compared to H1 2015. The Directors believe that this last factor is largely due to the tendency of increased marketing initiatives to drive an increased number of browsers to the website who may be less likely to complete a transaction than most Customers.

The Directors believe that, during the periods under review, the Group's RPI benefited from the positive impact on Conversion Rates of a number of initiatives designed to enhance the Customer experience (including the introduction of features that make it easier to interact with Customers including live chat). Based on data collected over the one year period between July 2015 and June 2016, the Group calculates that, assuming that there are no changes to the Group's Partners or the products offered on Gocompare.com, small changes in interaction to Conversion Rates can result in a material change to revenues.

2.3 Relationships with Partners

The value proposition of Gocompare.com for Customers depends, to a great extent, on its ability to enable Customers to search for quotes from a large and diverse range of insurance and other products across the product categories that the Group offers. This not only expands choice for Customers, but also leads to more competitively priced products. The Directors believe that the Group's ability to offer a wide range of options from a number of different Partners enhances the appeal of the value proposition, increases traffic to the site and ultimately results in a greater number of revenue-generating transactions.

The Group generates revenue primarily based on a CPA model whereby Partners pay the Group a negotiated flat fee in connection with transactions that are completed by Customers (although there is a certain limited amount of revenue that the Group generates on a pay-per-click model and that the Group generates when products sold on Gocompare.com are renewed by Customers). The Directors believe that the value proposition that the Group offers to its Partners, by impacting the flat fee rates that it is able to negotiate with such Partners for completed transactions (i.e., income per sale), has a significant effect on the Group's RPI and overall financial performance. The overall context of the relationship which the Group, and other price and product comparison businesses, have with insurers is shaped by the fact that there is a large number of suppliers of insurance products, whereas there are only four major price and product comparison websites for insurance products in the United Kingdom. In addition, the Directors consider that its negotiating position with its Partners is strengthened due to the value-added features of its offering to Partners, such as its product feature comparison capability, sophisticated fraud analysis and enhancements to improve the Customer journey.

The amount of income per sale varies by product and Partner. A significant majority of the Group's contracts with Partners are renegotiated annually and the terms then implemented in the first few months of the year. The greater the proportion of Gocompare.com-sourced visitors completing transactions with Partners compared with their overall business, the more valuable the Group's relationship is to that Partner, with a resulting positive impact on the Group's negotiating position in terms of income per sale. Conversely, any dissatisfaction with the Group's value proposition could diminish the income per sale that the Group generates. Contracts with Partners are typically of a one-year duration and are renegotiated annually, however certain contracts are for two-year periods and one contract has a five-year term. Income per sale is also impacted by price inflation driven by general inflation in the economy as a whole and by income per sale rates established by the Group's competitors with respect to their own products. The Group has been successful in negotiating increases in its income per sale in each of the successive periods during the periods under review, which has had a positive effect on its RPI and overall financial performance.

2.4 Marketing Initiatives

The Group's most effective tools to attract visitors to its website are its marketing tools, which include both brand and product-specific marketing initiatives. Both the quantity of the Group's marketing expenditures and the quality of marketing that derives therefrom have a direct impact on the number of Customer Interactions and revenue of the Group. The type of marketing initiatives undertaken and the timing of any significant marketing campaign can have a significant effect on the Group's revenues and marketing expenditure in a particular period. During the periods under review, the Group emphasised investment in its brand and has also invested in developing certain of its product categories, such as Money (including current accounts, loans and credit cards) and new campaigns focusing on the Group's Energy, Car and Home products. In 2015, approximately 79 per cent. of the Group's expense base was related to media expenditures which increased at a proportionally higher rate than the income generated by the Group, which was primarily driven by click volume and cost per click inflation, and which led to a decline in marketing margins as compared to 2014 (which continued to decline in H1 2016). Television-based advertising is the primary medium for conveying creative initiatives and has been a key driver of website traffic and revenue throughout the periods under review. The Group spent £22.3 million in television-related expenditure in 2015 (representing 53.7 per cent. of its distribution costs) compared with £22.1 million in television-related expenditure in 2014 (representing 50.0 per cent. of its distribution costs).

Increased marketing expenditures, whether in terms of generic search engine marketing or brand-related marketing expenditures, are expected to have the effect of driving additional traffic to the website and result in greater Customer Interactions. In terms of quality of marketing expenditures, particularly attractive marketing campaigns that have wide Customer appeal are likely to yield a greater number of Customer Interactions, whereas less appealing marketing campaigns are unlikely to be as effective in terms of producing the same yield of Customer Interactions. The Group's relaunch of the Gio Compario advertising campaign in July 2015 is an example of the former case—the Directors believe that this creative advertising campaign has been memorable and impactful for Customers yielding strong results in terms of Customer Interactions, despite the fact that year-on-year expenditures on television and broadcasting have remained relatively stable during the periods under review. The quality of creative advertising, by both the Group and its competitors, therefore has an impact on the Gocompare brand strategy and the efficiency of its expenditures.

The focus of marketing expenditures also plays a role in determining the yield of Customer Interactions that result, particularly in terms of the product focus that such marketing expenditures exhibit. For example, marketing focused on Money products prior to the Christmas holiday season may be expected to yield a higher number of Customer Interactions than a Money-focused advertising campaign that was not timed to coincide with periods of rising Customer demand.

The Group typically launches creative initiatives every six to nine months, which usually consists of four to seven TV advertisements that are rolled out over varying periods depending on the success of a particular creative initiative. TV advertisements are supported by radio advertisements. Brand awareness encourages new Customers to use Gocompare.com and drives existing Customers to reuse the website, thereby resulting in greater Customer Interactions which enhances the website's appeal for Partners. In turn, the Directors believe this leads more Partners to partner with the Group and thereby creates a cyclical network effect. Search engines do not typically charge websites to appear in natural (or unpaid) listings. Instead, they use complex algorithms to select results that are most relevant to the users' search query. Higher levels of brand awareness typically generate higher levels of lower cost traffic to Gocompare.com. This is because the costs associated with users searching for Gocompare.com or terms associated with the Gocompare brand results in lower cost-per-click transactions than transactions generated by less specific search terms.

Product-specific marketing initiatives consist primarily of SEO initiatives and search engine marketing expenditures that directly generate traffic and Customer Interactions, but require continuous investment per transaction—the Group bids for particular search terms and phrases and pays a fee to the relevant search engine each time a click is generated. As a result of the bidding process, the costs incurred by the Group for search engine marketing is dependent upon the behaviour and bidding of competitors for the same search terms and thus will be impacted by their marketing strategies and budget. Brand-related PPC is typically less expensive than generic PPC (for example, a successful bid price for the term ''Gocompare'' will likely be significantly lower than a successful bid price for the term ''car insurance''), but also tracks more closely other brand related marketing initiatives, such as television advertising. For example, a successful television advertising campaign is likely to lead to greater searches for the Gocompare brand on search engines as Customers go online specifically to search for Gocompare.com rather than a generic product (such as car insurance) and this in turn will produce higher brand-related PPC costs (because of the greater number of clicks generated), but costs per click would tend to be lower. A successful television advertising campaign also often leads to higher generic PPC costs, as greater brand awareness drives a larger number of consumers searching for products more generally to click on the Group's advertisement when it appears. Notwithstanding this effect, the Group has a great deal of control over its PPC expenditures through its bidding and adjusts the volume of its PPC expenditure to drive Customer Interactions based on many factors, including the timing and effectiveness of TV and other brand advertising. The Group is currently investing significantly in both brand and product-specific marketing initiatives in order to increase market share for both insurance and other products.

In 2015, 42.1 per cent. of the Group's marketing expenditures were attributable to cost of sales (which primarily relate to generic PPC) compared with 57.9 per cent. which were attributable to distribution expenses (which include brand related PPC and other brand related marketing initiatives) totaled approximately £75.0 million during this period. The table below sets forth the breakdown of the Group's marketing expenditures and certain other measures for the periods indicated.

	Six months ended 30 June		**Year ended 31 December**		
	2016	**2015**	**2015**	**2014**	**2013**
Marketing expenditures(13) *(£m)* . .	47.7	35.7	75.0	68.7	68.3
Marketing margin(14) (%)	34.5	40.0	36.9	39.3	37.9

(13) Marketing expenditures are the aggregate of cost of sales and distribution expenses. See ''Description of Key Line Items in the Consolidated Profit and Loss Account.''

(14) Marketing margin is calculated as the difference between revenue and marketing expenditure divided by revenue.

The decline in marketing margin in H1 2016 compared with 2015 reflected the launch of advertising campaigns for certain Strategic Initiatives products and greater expenditures on related generic PPC costs as the Group is investing in advancing these products. There is generally a time lag in terms of when marketing expenditures on television and broadcast initiatives are incurred and when resulting revenues begin to flow to the Group (in particular for less established products) and this has had an impact on the marketing margin during this period. The Group's marketing margin decreased in 2015 as the Gio Compario campaign was relaunched and the Group incurred expenditure on the production of this new creative initiative. In addition, the relaunch of the Gio Compario campaign resulted in increased brand traffic and, as a result, increased brand-related PPC costs. Marketing margins between the periods also reflected higher margins in 2014 compared with 2015 and 2013 as the Group chose to reduce PPC expenditure in 2014 as a result of the competitive environment in that year.

The Group has begun investigating marketing options and alternative online methods to increase brand awareness and website traffic volumes, such as a YouTube sales channel and targeted advertising through channels such as Facebook, which could represent a lower cost per acquisition to traditional paid search driven sales. In addition, the Group has improved the quality of its cross-selling initiatives, whereby existing Customers are solicited to purchase additional products and has also improved its data analytics capabilities. Each of these initiatives, however, is at an early stage and has not had a material impact on the Group's results of operations during the periods under review. As a result of these initiatives and other factors, the Directors are targeting medium-term improvement in the Group's marketing efficiency.

2.5 Seasonality

The Group's results of operations are impacted by seasonality with respect to certain of its products, in particular in relation to travel insurance and energy products. While revenue in relation to energy products tends to increase in the winter months, the Group's revenue overall typically experiences a decline nearer to the end of the year due to lower transaction volumes in the majority of product offerings as a result of the Christmas and year-end holiday period. A further exception to the decline in transactions during the pre-Christmas and year-end holiday period is in relation to credit card and related Money products.

2.6 Taxation

The Group's results of operations are also impacted by the corporate tax rates in force in the United Kingdom, which have declined during the periods under review and are set to continue to decline in the near future. The standard rate of corporation tax was reduced from 23 per cent. to 21 per cent. effective as of 1 April 2014, with a further reduction from 21 per cent. to 20 per cent. effective from 1 April 2015. Pursuant to the Finance (No 2) Act 2015, the rate of corporation tax is to be reduced to 19 per cent. from 1 April 2017 and to 17 per cent. from 1 April 2020.

3. RECENT DEVELOPMENTS AND CURRENT TRADING

The Directors have provided a profit forecast for 2016. For further information on this profit forecast, please see Part VII (2016 Profit Forecast) of this prospectus. Consistent with its profit forecast for 2016 and based on the same assumptions, the Directors expect that total revenue growth in 2016 compared with 2015 will be slightly lower than the total revenue growth rate achieved in H1 2016 compared with H1 2015. The level of revenue growth for the full year 2016 compared to the full year 2015 is expected in part as a result of an anticipated catch up effect related to the impact of the successful relaunch of the Gio Compario advertising campaign and the expected continued 'hardening' of the UK motor insurance market. Also based on the same assumptions as those included for the 2016 Profit Forecast, the Directors expect the Group's total revenue growth rate to stabilise in the high single digits (compared with 2016 revenue) before increasing to the low double digits in 2018 (compared with 2017 revenue). The anticipated growth levels in 2017 and 2018 reflect the Directors' expectation of revenue growth from each of the Group's segments in these periods as a result of anticipated growth in Customer Interactions, further improvements in Conversion Rates and higher income per sale. See also ''Important Notices—Forward-Looking Statements'', ''—Principal Factors Affecting Results of Operations'' and ''Risk Factors''.

The Group is currently in the process of growing its senior management team and recruiting additional key members to serve on its board of directors. The Group expects that, in order to attract the most suitable managers, it will be required to incur additional expenses relating to salaries and compensation going forward. The Directors expect that administrative costs in the second half of 2016 will increase reflecting both these developments and costs related to operating as a listed company and that such increased administrative costs will amount to an annualised incremental cost of approximately £3 million compared with 2015 and the full year effect of which will begin to be experienced in 2017 and beyond. Thus, while the expenses incurred in the recruitment of senior managers and board members has not had a major impact on the results of operations during the periods under review, the Group expects that increased expenditures on the strengthened leadership team will have an impact on the Group's results of operations in 2016 and going forward.

The Group has plans to make venture capital-style strategic investments and strategic acquisitions in small and growing technology focused businesses. The Group is targeting an approximate investment size of £1 million to £6 million per investment. In making such investments, the Group will also seek opportunities to develop strong mutually beneficial working relationships with those businesses including in relation to the development of new technologies which may be of use to the Business and thereby further differentiate Gocompare.com from its key competitors. The investments are also intended to reinforce the Group's ability to attract and retain talent as individuals are drawn to participating in creative initiatives and disruption in the fintech and insurtech spaces. As the Group has not made any venture capital-style investments to date, that activity has not had an impact on the Group's historical performance. However, going forward, it is expected that such venture capital-style investing will form part of the Group's capital management policy (see ''Liquidity and Capital Resources'').

4. DESCRIPTION OF KEY LINE ITEMS IN THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

4.1 Revenue

The Group generates revenue primarily from fees paid by Partners, which are providers of products that appear on its various comparison services, each time a Customer clicks through to the Partner's website and completes a transaction with that Partner. A small amount of revenue is generated from renewals and there are a small number of instances in which revenue is earned on a per click basis when Customers click through to a Partner's website (even if no sale is completed).

4.2 Cost of sales

Cost of sales includes all costs that are directly attributable to an individual sale, and are primarily attributable to generic PPC expenditures (including costs related to bidding for generic PPC terms and product-specific PPC terms).

4.3 Distribution expenses

Distribution expenses include all marketing expenditures that are not directly attributable to an individual sale, such as broadcast expenditures (TV, radio etc.), brand-related PPC, and production and media buying costs.

4.4 Administrative expenses

Administrative expenses include staff, IT, legal, regulatory and all support function-related costs.

5. RESULTS OF OPERATIONS

The following table sets forth the Group's consolidated statement of comprehensive income, including each line item as a percentage of revenue, presented in accordance with IFRS for the periods indicated.

Consolidated statement of comprehensive income (£m)	Six months ended 30 June				Year ended 31 December					
	2016	(%)	2015	(%)	2015	(%)	2014	(%)	2013	(%)
			(unaudited)							
Revenue	72.8	*100.0*	59.5	*100.0*	118.9	*100.0*	113.1	*100.0*	109.9	*100.0*
Cost of sales	(22.1)	*(30.4)*	(15.1)	*(25.4)*	(31.6)	*(26.6)*	(27.2)	*(24.0)*	(29.3)	*(26.7)*
Gross profit	**50.7**	***69.6***	**44.4**	***74.6***	**87.3**	***73.4***	**85.9**	***76.0***	**80.6**	***73.3***
Distribution expenses	(25.6)	*(35.2)*	(20.6)	*(34.6)*	(43.4)	*(36.5)*	(41.5)	*(36.7)*	(39.0)	*(35.5)*
Administrative expenses	(10.7)	*(14.7)*	(10.7)	*(18.0)*	(20.8)	*(17.5)*	(18.8)	*(16.6)*	(16.5)	*(15.0)*
Operating profit	14.4	*19.8*	13.1	*22.0*	23.1	*19.4*	25.6	*22.6*	25.1	*22.8*
Other income	0.1	*0.1*	0.2	*0.3*	0.2	*0.2*	0.2	*0.2*	0.4	*0.4*
Net finance costs	—	—	—	—	—	—	—	—	—	—
Other expenses	—	—	—	—	—	—	—	—	—	—
Profit before taxation	**14.5**	***19.9***	**13.3**	***22.4***	**23.3**	***19.6***	**25.8**	***22.8***	**25.5**	***23.2***
Taxation	(2.9)	*(4.0)*	(2.6)	*(4.4)*	(4.2)	*(3.5)*	(5.5)	*(4.9)*	(5.9)	*(5.4)*
Profit for the year/period	11.6	*15.9*	10.7	*18.0*	19.1	*16.1*	20.3	*17.9*	19.6	*17.8*

5.1 Comparison of six months ended 30 June 2016 and 30 June 2015

Revenue

The Group generated revenue of £72.8 million in H1 2016, an increase of £13.3 million, or 22.4 per cent., from £59.5 million in H1 2015. This increase was principally due to the continued 'hardening' of the market for car insurance products during this period which drove switching by consumers (and which also impacted the Group's revenue in 2015), the continued success of the Group's Gio Compario advertising campaign and an increase in PPC expenditures, which effectively drove an increase in Customer Interactions for both the Insurance and Strategic Initiatives segments. Revenue was also positively impacted by improving income per sale amounts as a result of contract negotiations with Partners in the early months of 2016. The following table sets forth the Group's revenue by segment for the periods indicated.

	For the six months ended 30 June		
	2016	2015	% Change H1 2016 to H1 2015
		(unaudited)	
	(£m)		*(%)*
Insurance	68.5	57.1	20.0
Strategic Initiatives	4.3	2.4	79.2
Total	**72.8**	**59.5**	**22.4**

Insurance

The Insurance segment generated revenue of £68.5 million in H1 2016, an increase of £11.4 million, or 20.0 per cent., from £57.1 million in H1 2015. This increase was largely the result of the factors described above, namely the 'hardening' of the motor insurance market which encouraged switching, the continued success of the Gio Compario advertising campaign, success in PPC initiatives related to the Insurance segment and improving income per sale.

Strategic Initiatives

The Strategic Initiatives segment generated revenue of £4.3 million in H1 2016, an increase of £1.9 million, or 79.2 per cent, from £2.4 million in H1 2015. This increase was due to the introduction of a marketing campaign focused on Money products during this period, which led to increased sales. In addition, the Strategic Initiatives segment benefited from increased management focus in general during this period, and in particular, improvements in the customer journey for products within this segment.

Cost of sales

The Group's cost of sales were £22.1 million in H1 2016, an increase of £7.0 million, or 46.4 per cent., from £15.1 million in H1 2015. This increase was a result of investments in generic PPC bidding and increased generic PPC traffic, itself largely resulting from the increased brand visibility of the Group in the wake of the successful Gio Compario marketing campaign. See ''Principal Factors Affecting Results of Operations—Marketing Initiatives''. The Group's gross margin (its gross profit as a percentage of revenue) declined to 69.6 per cent. in H1 2016 from 74.6 per cent. in H1 2015.

The following table sets forth the Group's cost of sales by segment for the periods indicated.

	For the six months ended 30 June		
	2016	**2015**	**% Change H1 2016 to H1 2015**
		(unaudited)	
	(£m)		*(%)*
Insurance	(18.8)	(14.1)	33.3
Strategic Initiatives	(3.3)	(1.0)	230.0
Total	**(22.1)**	**(15.1)**	**46.4**

Insurance

The Insurance segment incurred costs of sales of £18.8 million in H1 2016, an increase of £4.7 million, or 33.3 per cent., from £14.1 million in H1 2015. This increase was primarily a result of increased generic PPC related expenditures following on from higher volumes due to the successful Gio Compario campaign. The Group's gross margin with respect to its insurance segment was 72.6 per cent. and 75.3 per cent. in H1 2016 and H1 2015, respectively.

Strategic Initiatives

The Strategic Initiatives segment incurred costs of sales of £3.3 million in H1 2016, an increase of £2.3 million, or 230.0 per cent., from £1.0 million in H1 2015. This increase was principally a result of large increases in generic PPC expenditures to promote new Money products. The Strategic Initiatives segment's gross margin was 23.3 per cent. and 58.3 per cent. in H1 2016 and H1 2015, respectively, which was lower than the gross margins in its Insurance segment during the corresponding periods due in part to the lower income per sale for many of the Strategic Initiatives products compared with those in the Insurance segment as well as the disproportionate impact of brand marketing initiatives on the Insurance segment and the catch up characteristic of revenue growth which trails increased marketing expenditures.

Distribution expenses

The Group's distribution expenses were £25.6 million in H1 2016, an increase of £5 million, or 24.3 per cent., from £20.6 million in H1 2015. The increase was primarily a result of increased brand-related PPC costs and was also due to the fact that distribution expenses in H1 2015 were slightly lower in anticipation of the Group's plans to relaunch the Gio Compario advertising campaign in the second half of 2015.

Administrative expenses

The Group's administrative expenses were £10.7 million in H1 2016, which remained flat as compared to administrative expenses in H1 2015. The following table sets forth the Group's administrative expenses by source for the period indicated.

	For the six months ended 30 June		
	2016	2015	% Change H1 2016 to H1 2015
		(unaudited)	
	(£m)		(%)
Staff	3.8	4.3	(11.6)
Non-Staff	6.9	6.4	7.8
Total	**10.7**	**10.7**	**0**

Staff costs declined in H1 2016 compared with H1 2015 because a reduction in staff costs was partially offset by an increase in non-staff related costs and reflects the Group's emphasis on cost control measures. The reduction in staff costs was driven by a reduction in aggregate salaries due to a cost base restructuring exercise undertaken in H1 2015, which included a function by function review, to improve profitability. See ''Comparison of years ended 31 December 2015, 31 December 2014 and 31 December 2013—Administration expenses''. The Group's average monthly number of employees as at 30 June 2016 was 162 (198 as at 30 June 2015). Non-staff costs increased during this period as a result of higher IT-related costs incurred in the process of the continual development of the Group's IT systems.

Other income

The Group's other income was £0.1 million in H1 2016 and £0.2 million in H1 2015, which reflects interest earned on cash held on deposit.

Taxation

The Group's taxation expenses were £2.9 million in H1 2016, an increase of £0.3 million, or 11.5 per cent., from £2.6 million in H1 2015. This increase was principally a result of a higher profit before tax in H1 2016 as compared to H1 2015, despite the lower applicable tax rate.

Profit for the year

For the reasons outlined above, the Group's profit after tax was £11.6 million in H1 2016, an increase of £0.9 million, or 8.4 per cent., from £10.7 million in H1 2015.

5.2. Comparison of years ended 31 December 2015, 31 December 2014 and 31 December 2013

Revenue

The Group generated revenue of £118.9 million in 2015, an increase of £5.8 million, or 5.1 per cent., from £113.1 million in 2014. This increase was partly the result of the successful re-launch of the Gio Compario advertising campaign in July 2015, which led to an increase in Customer Interactions and transactions in the second half of 2015, particularly with respect to the Group's car products, as well as increased PPC expenditures. The increased revenues also principally resulted from the 'hardening' of the market for car insurance products, which encouraged switching. The Group generated revenue of £113.1 million in 2014, an increase of £3.2 million, or 2.9 per cent., from £109.9 million in 2013. Revenue growth in the periods under review was positively impacted by improving income per sale amounts as a result of contract negotiations with Partners. The following table sets forth the Group's revenue by segment for the periods indicated.

	For the year ended 31 December				
	2015	2014	2013	% Change 2015 to 2014	% Change 2014 to 2013
		(£m)			(%)
Insurance	113.9	108.8	106.7	*4.7*	*2.0*
Strategic Initiatives	5.0	4.3	3.2	*16.3*	*34.4*
Total	**118.9**	**113.1**	**109.9**	***5.1***	***2.9***

Insurance

The Insurance segment generated revenue of £113.9 million in 2015, an increase of £5.1 million, or 4.7 per cent., from £108.8 million in 2014. This increase was largely the result of the success of the Gio Compario advertising campaign and 'hardening' of the motor insurance market. Revenue from the Insurance segment of £108.8 million in 2014 represented an increase of £2.1 million, or 2.0 per cent., from £106.7 million in 2013. This increase was largely due to the positive impact of improving income per sale amounts as a result of contract negotiations with Partners.

Strategic Initiatives

The Strategic Initiatives segment generated revenue of £5.0 million in 2015, an increase of £0.7 million, or 16.3 per cent., from £4.3 million in 2014. This increase was partially a result of the spillover effects of the Gio Compario campaign which enhanced the Gocompare brand and drove increased traffic to the website. Revenues in relation to energy products in the Strategic Initiatives segment also benefited in 2015 from increasing awareness of energy prices as a result of the 2015 General Elections, which had the effect of encouraging Customers to review their energy product options, as well as increased marketing expenditures targeted at promoting energy products. The Strategic Initiatives segment generated revenue of £3.2 million in 2013 and therefore 2014 revenues increased by £1.1 million, or 34.4 per cent., compared with 2013. This increase was largely the result of a successful advertising campaign in relation to the Group's energy products during this period.

Cost of sales

The Group's cost of sales were £31.6 million in 2015, an increase of £4.4 million, or 16.2 per cent., from £27.2 million in 2014. This increase was a result of investments in generic PPC bidding and increased generic PPC traffic, some of which were necessitated by the success of the Gio Compario advertising campaign in the second half of 2015. See ''Marketing Initiatives''. The Group's cost of sales in 2014 were £2.1 million lower compared with 2013 (£29.3 million), principally due to decreased generic PPC-related expenditures in 2014 as the Group chose to reduce its search engine marketing expenditures as a result of the competitive environment in that year. The Group's gross margin (its gross profit as a percentage of revenue) declined to 73.4 per cent. in 2015 from 76.0 per cent. in 2014 (and was 73.3 per cent. in 2013).

The following table sets forth the Group's cost of sales by segment for the periods indicated.

	For the year ended 31 December				
	2015	2014	2013	% Change 2015 to 2014	% Change 2014 to 2013
		(£m)			(%)
Insurance	28.7	25.0	28.0	*14.8*	*(11.1)*
Strategic Initiatives	2.9	2.2	1.3	*31.8*	*69.2*
Total	**31.6**	**27.2**	**29.3**	***16.2***	***(7.2)***

Insurance

The Insurance segment incurred costs of sales of £28.7 million in 2015, an increase of £3.7 million, or 14.8 per cent., from £25.0 million in 2014. This increase was primarily a result of increased generic PPC-related expenditures. Costs of sales of £25.0 million for the Insurance segment in 2014 represented a £3.0 million decrease, or 10.7 per cent., from £28.0 million in 2013. This decrease was primarily due to strategic reductions in PPC-related expenditures as a result of the Group's assessment of competitors' expenditures during this period. The Group's gross margin with respect to its Insurance segment was 74.8 per cent., 77 per cent. and 73.8 per cent. in 2015, 2014 and 2013, respectively.

Strategic Initiatives

The Strategic Initiatives segment incurred costs of sales of £2.9 million in 2015, an increase of £0.7 million, or 31.8 per cent., from £2.2 million in 2014. This increase was principally a result of increased generic PPC expenditures designed to promote the Group's Energy products. Costs of sales for the Strategic Initiatives segment increased by £0.9 million, or 69.2 per cent., in 2014 from 1.3 million in 2013. This increase was also primarily caused by increased generic PPC expenditures during this period. The Strategic Initiatives segment's gross margin was 42.0 per cent., 48.8 per cent. and 59.4 per cent. in 2015, 2014 and 2013, respectively, which is lower than the gross margins in its Insurance segment during the corresponding periods due in part to the lower income per sale for many of the Strategic Initiatives products compared with those in the Insurance segment and also due to the tendency of brand marketing initiatives to have a more significant impact on the Group's established Insurance products as compared to the products in the Strategic Initiatives segment.

Distribution expenses

The Group's distribution expenses were £43.4 million in 2015, an increase of £1.9 million, or 4.6 per cent., from £41.5 million in 2014. While overall distribution expenses were relatively stable during this period, the slight increase was primarily as a result of increased media buying and production costs which resulted from the successful relaunch in July 2015 of the Gio Compario campaign (which led to increased brand-related searches for the Group), which more than offset lower distribution expenses in H1 2015 pending the Gio Compario relaunch. The Group's distribution expenses increased by £2.5 million, or 6.4 per cent., in 2014 from £39.0 million in 2013. This increase was largely a result of production costs in relation to the roll-out of an advertising campaign in the first quarter of 2014 ('landofsavingmoney').

Administrative expenses

The Group's administrative expenses were £20.8 million in 2015, an increase of £2.0 million, or 10.6 per cent., from £18.8 million in 2014, reflecting an increase in non-staff costs. The Group's administrative expenses increased by £2.3 million, or 13.9 per cent., in 2014 from £16.5 million in 2013, reflecting an increase in staff costs. The following table sets forth the Group's administrative expenses by source for the periods indicated.

	For the year ended 31 December				
	2015	**2014**	**2013**	**% Change 2015 to 2014**	**% Change 2014 to 2013**
		(£m)		*(%)*	
Staff	9.0	9.0	7.6	*0*	*18.4*
Non-staff	11.8	9.8	8.9	*20.4*	*10.1*
Total	**20.8**	**18.8**	**16.5**	***10.6***	***13.9***

Staff costs were stable in 2015 compared with 2014 largely due to a reduction in aggregate salaries between the periods as a result of a cost base restructuring exercise undertaken in H1 2015, which included a function by function review, to improve profitability. As part of this exercise, management undertook a headcount review leading to the termination of 46 employees in July 2015. The Group estimates that this exercise led to savings of approximately £2 million per year compared with the Group's cost base in 2014. Staff costs also benefited from a reduction in temporary staff between the periods. The impact of these factors was offset in large part by £1.1 million of one-off costs which the Group incurred in 2015 as a result of the cost base restructuring exercise and the resulting terminations, a limited hiring of new staff in certain functions and a change in the team incentive scheme to reward individual and team performance, which had the effect of increasing amounts payable under the scheme in 2015. Staff costs increased in 2014 compared with 2013 largely due to higher aggregate salaries as a result of an increase in the average monthly number of employees (including Directors). The average monthly number of employees (including Directors) were 176, 199 and 166 in 2015, 2014 and 2013, respectively. Average salary per employee (including Directors) has remained relatively stable in 2013-2015, but is expected to rise in 2016 as a result of the addition of senior management (which is expected to also result in higher overall staff costs in 2016 compared with 2015). See ''Recent Developments and Current Trading'' above.

Non-staff costs increased in 2015 compared with 2014 largely as a result of higher IT-related costs relating to changes made to the Group's IT systems to enhance its ability to interact with Customers. In addition, the Group incurred an increase in legal expenses in 2015 relating to an industry-wide regulatory investigation which has since concluded (see ''Risk Factor'' 2.5). The impact of these factors was partially offset by increased VAT recovery following HMRC's approval of a new partial exemption method for the Group and lower regulatory costs. As a result of the Demerger, the Group will lose the benefit of the partial exemption method which applies to it currently as part of the esure Group. The Group will apply to HMRC for its own VAT group registration and to obtain approval for a partial exemption method. Non-staff costs increased in 2014 compared with 2013 principally as a result of higher IT-related costs to enhance the Group's IT systems, which were partially offset by lower legal and regulatory costs.

Other income

The Group's other income was £0.2 million in both 2015 and 2014, which reflects interest earned on cash held on deposit, and was £0.4 million in 2013, which includes £0.1 million of income related to a grant received from public authorities in Wales as a result of the Group's employment of staff at its headquarters in Newport as well as interest earned on cash held on deposit.

Taxation

The Group's taxation expenses were £4.2 million in 2015, a decrease of £1.3 million, or 23.6 per cent., from £5.5 million in 2014. This decrease was principally a result of a lower profit before tax as well as a reduction in the UK corporation tax rate, which averaged 20.25 per cent. in 2015 compared with 21.50 per cent. in 2014. In addition, the Group received a tax credit during this period of £0.6 million related to a distribution of shares from the employee benefit trust. The Group's taxation expenses decreased by £0.4 million, or 6.8 per cent., in 2014 from £5.9 million in 2013. This decrease was primarily a result of a reduction in the UK corporation tax rate, which averaged 23.25 per cent. in 2013.

Profit for the year

For the reasons outlined above, the Group's profit after tax was £19.1 million in 2015, a decrease of £1.2 million, or 5.9 per cent., from £20.3 million in 2014. The Group's profit after tax in 2014 represented an increase of £0.7 million, or 3.6 per cent., from £19.6 million in 2013.

6. LIQUIDITY AND CAPITAL RESOURCES

The Group's principal source of liquidity during the periods under review was the cash generated from operations. The Group's liquidity requirements have arisen in the periods under review primarily from the need to fund marketing expenses, to fulfill normal operational and administrative cash requirements, to fund tax obligations and to make dividend payments. The Group is also subject to a regulatory capital requirement pursuant to which it must maintain 2.5 per cent. of its revenues for the prior financial year as regulatory capital.

The Group has been a highly cash-generative business during the periods under review, having generated net cash inflows from operating activities of £18.8 million, £19.8 million and £19.1 million in 2015, 2014 and 2013, respectively, with limited outflows from investing or financing activities (other than the payment of dividends) during these periods. The highly cash-generative nature of its business has enabled the Group to pay significant dividends historically, including £12.5 million, £49.4 million, £17.2 million and £11.8 million in H1 2016, 2015, 2014 and 2013, respectively. An additional cash dividend of approximately £8 million is expected to be paid by the Company to esure Services Limited in the normal course of business prior to Admission to extract excess cash from the Company. The Group has no current plans for any material increase in its capital expenditures.

Going forward, the Group will be obliged to pay interest and make capital repayments in connection with the Demerger Facilities Agreement (see ''Borrowings'' below). The Company's ability to pay dividends is expected to be constrained to a certain degree by cash flow requirements as a result of these liquidity requirements.

The Group's venture capital-style investments are expected to be financed by contributions by the Group from the cash which it generates through the operation of its Business after satisfying the liquidity requirements described above, including capital expenditure requirements, the service and repayment of debt and dividend payments made in accordance with the Group's dividend policy.

The following table sets forth the Group's consolidated cash flow data for the periods indicated.

Cash Flow Statement (£m)	Six months ended 30 June		Year ended 31 December		
	2016	2015	2015	2014	2013
		(unaudited)			
Cash flow from operating activities	17.0	8.9	18.8	19.8	19.1
Cash flow from investing activities	(0.9)	(1.1)	(1.3)	(1.4)	(2.2)
Cash flow from financing activities	(12.5)	(19.7)	(49.4)	(17.2)	(11.8)
Cash and cash equivalents at the end of the year	7.9	24.3	4.3	36.2	35.0
Increase/(decrease) in cash and cash equivalents	3.6	(11.9)	(31.9)	1.2	5.1

Cash flow from operating activities

Net cash inflow from operating activities increased by £8.1 million during H1 2016 compared with H1 2015 which relates to the varying timing of payments to certain suppliers during this period.

Net cash inflow from operating activities decreased by £1.0 million during 2015 compared with 2014 primarily as a result of the slight reduction in profit before tax between the periods and an increase in trade and other payables as certain outstanding invoices issued to Partners had not been paid by the end of the year.

Net cash inflow from operating activities increased by £0.7 million during 2014 compared with 2013 as a result of the increase in profit before tax in 2014 and reduced taxation as a result of the decline in the UK corporation tax rate between the periods.

Cash flow from investing activities

The Group has had limited cash flow from investing activities during the periods under review. The Group had net cash outflows from investing activities of £0.9 million, £1.1 million, £1.3 million, £1.4 million and £2.2 million in H1 2016, H1 2015, 2015, 2014 and 2013, respectively, principally relating to software improvements and expenditures in order to enhance the Customer experience on Gocompare.com offset to a limited degree in each period by interest received from cash deposits held with banks.

Cash flow from financing activities

The Group had net cash outflows of £12.5 million, £19.7 million, £49.4 million, £17.2 million and £11.8 million in H1 2016, H1 2015, 2015, 2014 and 2013, respectively, reflecting dividends paid to Shareholders.

7. BORROWINGS

Prior to Admission, Gocompare.com Finance Limited intends to drawdown £75 million pursuant to the Term Loan Facility in order to fund: (i) payment of a cash dividend of approximately £65.3 million from the Group to the esure Group; and (ii) payment of expenses related to the Demerger and Admission, and has also been given access to the £10 million Working Capital Facility.

The Demerger Facilities Agreement was entered into by the Company, Gocompare.com Finance Limited and Gocompare.com Limited (each a ''**Guarantor**'') on 13 September 2016 and has a five-year term from the date of drawdown. The Term Loan Facility may only be used for the purposes set forth above, while the Working Capital Facility may be used for general corporate purposes (which does not include the repayment of other indebtedness).

The Demerger Facilities Agreement has a coupon of LIBOR plus 2.40 per cent. per annum until 31 December 2016, which may ratchet either upwards or downwards based upon the outcome of a financial covenant test (which tests the ratio of consolidated total net borrowings to adjusted consolidated EBITDA) by 25 basis points for each 0.5x change in leverage (or by 35 basis points where the leverage ratio is greater than or equal to 3.0:1), with a minimum floor of 1.40 per cent. per annum when the ratio is less than 1.0:1, and a maximum of 2.75 per cent. per annum when the ratio is greater than or equal to 3.0:1.

The Demerger Facilities Agreement is subject to a number of conditions precedent which, as at the date of this prospectus, have all been satisfied or are otherwise within the control of the Group except for the approval by esure Shareholders of the Demerger Resolution at the esure General Meeting. The Demerger Facilities Agreement is subject to several covenants and undertakings, including information undertakings, a guarantor coverage test, a leverage covenant (requiring consolidated total net borrowings to not exceed 3.5 times adjusted consolidated EBITDA during the first year of the Demerger Facilities Agreement and ending on 31 December 2017, 3.0 times from 31 December 2017 to 31 December 2018 and 2.5 times thereafter), an interest coverage covenant (requiring the ratio of consolidated EBIT to consolidated net finance costs to not be less than 4 to 1, and a negative pledge. The Demerger Facilities Agreement contains customary events of default, including cross-default provisions, as well as customary representations and warranties and, separately, a mandatory repayment obligation, which, subject to waiver by the lenders, would require Gocompare.com Finance Limited to repay any drawn funds if Admission does not occur within 10 business days of the date of their drawdown. It is expected that Gocompare.com Finance Limited will drawdown the Term Loan Facility in full on the date of the esure General Meeting or the following business day if drawdown is not possible on the date of the esure General Meeting.

The Term Loan Facility is subject to flexible repayment conditions, with a minimum required annual installment of £10 million, with the first repayment on the date falling 12 months after the closing date of the Term Loan Facility and the final repayment of the balance due upon expiry of its term. Each loan under the Working Capital Facility must be repaid on the last day of its interest period (which will be one, two, three or six months at the option of Gocompare.com Finance Limited).

8. CONTRACTUAL OBLIGATIONS AND OTHER COMMITMENTS

The following table sets forth as of 30 June 2016, a summary of the Group's contractual obligations and commercial commitments.

	Payments to be made by period				
	Less than 1 year	**From 1 to 3 years**	**From 3 to 5 years**	**5 or more years**	**Total**
			(£m)		
Operating lease obligations[15]	0.5	0.9	0.9	0.7	3.0
Commercial contracts	0.8	2.6	—	—	3.4
Total	**1.3**	**3.5**	**0.9**	**0.7**	**6.4**

(15) Only lease obligation relates to the Group's headquarters in Newport.

9. QUALITATIVE AND QUANTITATIVE DISCLOSURES ON MARKET RISK

See Note 15.2 to the Historical Financial Information, as set out in Schedule II (*Historical Financial Information*), for a discussion of the Group's foreign currency, credit, liquidity and other market risks.

10. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

See Note 2.18 to the Historical Financial Information, as set out in Schedule II (*Historical Financial Information*), for a discussion of the Group's critical accounting judgments and estimates.

11. EBITDA GUIDANCE

The Directors note the 2019 EBITDA guidance provided by the esure Board on 5 August 2016 (the "**EBITDA Guidance**").

The Directors consider the EBITDA Guidance to no longer be valid.

The Directors note that the EBITDA guidance was originally provided in the context of the Company being a subsidiary of the wider esure Group and reflects base case assumptions and expectations for the Company to 2019. While the EBITDA Guidance was not a profit forecast for the esure Group, in the context of the Demerger and with reference to the Prospectus Rules, the EBITDA Guidance is a profit forecast for the Group on a standalone basis. In this new context and in light of market practice for such profit forecasts, the Directors have considered it appropriate to apply a range of more significant downside scenarios to the EBITDA Guidance, in addition to the potential negative impact of macro-economic and industry downside scenarios, both individually and in aggregate for each year to 2019, as well as on a compounded basis across multiple years to 2019.

The Directors believe that the actual results of the Company for the period until the financial year ending 31 December 2019 may differ from the EBITDA Guidance, having considered the compounding and aggregating effect of the potential impact of macro-economic and industry downside scenarios and a number of significant downside scenarios, including:

- forecast revenues from non-insurance product lines not materialising either in part or at all;
- a material reduction in the effectiveness of advertising campaigns, leading to increased costs relating to media and reduced revenues;
- a significant change in search engine listings by search engine providers for paid and/or natural search results, leading to higher online media spend for paid search results and reduced revenues;
- a material change to the manner in which insurance companies distribute motor and home insurance products in the UK such that consumers no longer find price comparison websites an efficient way in which to purchase insurance policies; and
- a material change in competitive dynamics within the price comparison website industry such as entry of a new participant or significant changes in competitor strategy which could impact customer interactions, conversion dynamics and/or income per sale for the Company.

Consequently, the Directors consider the EBITDA Guidance to no longer be valid.

Notwithstanding the foregoing, the Directors remain confident of the prospects for the Business and have provided guidance for the financial year ending 31 December 2016 in Part VII (*2016 Profit Forecast*).

PART V

CAPITALISATION AND INDEBTEDNESS

The following tables show the Group's unaudited consolidated capitalisation and indebtedness as at 31 August 2016. The following tables do not reflect the impact of the introduction to the premium listing segment of the Official List and admission to trading on the main market of the London Stock Exchange on the Group's capitalisation and indebtedness (including drawdown by Gocompare.com Finance Limited under the Term Loan Facility or payment of the pre-Demerger cash dividend from the Group to the esure Group. Please refer to Part VI (*Unaudited Pro Forma Financial Information*) for an analysis of the impact of the introduction of the Gocompare.com Shares to the premium listing segment of the Official List and admission to trading on the main market of the London Stock Exchange on the consolidated net assets of the Group.

1. CAPITALISATION AND INDEBTEDNESS OF THE GROUP

The following table sets out the unaudited capitalisation and indebtedness of the Group as at 31 August 2016 and, unless otherwise noted, has been derived from the Group's Historical Financial Information.

	£m (unaudited)
Current debt	
Guaranteed	—
Secured	—
Unguaranteed / Unsecured	—
Total current debt	—
Non-current debt	
Guaranteed	—
Secured	—
Unguaranteed / Unsecured	—
Total non-current debt	—
Shareholders' Equity	
Share capital	0.0
Legal reserve	—
Other reserves(1)	2.7
Total	2.7

Notes

(1) Other reserves includes share premium, but does not include retained earnings.

2. NET INDEBTEDNESS

The information contained in this table sets out the unaudited net indebtedness of the Group as at 31 August 2016. It has been derived from the Group's consolidated accounting records and has been updated to reflect the position as at 31 August 2016, which is outside the period covered by the Group's Historical Financial Information.

	£m (unaudited)
Cash	10.1
Cash equivalents (Detail)	—
Trading securities	—
Liquidity	**10.1**
Current Financial Receivables[(1)]	**13.8**
Current bank debt	—
Current portion of non-current debt	—
Other current financial debt	—
Current Financial Debt	**—**
Net Current Financial Liquidity / (indebtedness)	**23.9**
Non-current Bank loans	—
Bonds Issued	—
Other non-current loans	—
Non-current Financial Indebtedness	**—**
Net Financial Liquidity	**23.9**

Notes

(1) Trade debtors are presented as Current Financial Receivables.

The Group has no indirect and contingent indebtedness.

3. POST BALANCE SHEET AND ADMISSION DATE EVENTS

As at the date of this prospectus, although Gocompare.com Finance Limited has entered into the Demerger Facilities Agreement, it has not drawn down under the Term Loan Facility or the Working Capital Facility and the Group has no indebtedness.

Prior to Admission, Gocompare.com Finance Limited intends to drawdown £75 million under the Term Loan Facility. Of this amount, approximately £65.3 million is expected to be paid to the esure Group as a cash dividend and approximately £9.7 million is expected to be retained by the Group to pay for Demerger and Admission expenses. Prior to Admission, the Company intends to pay an additional cash dividend of approximately £8 million to esure Group in the normal course of business to extract excess cash retained in the Group.

PART VI

UNAUDITED PRO FORMA FINANCIAL INFORMATION

SECTION A: UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Group consolidated unaudited pro forma statement of net assets as at 30 June 2016 set out below has been prepared to illustrate the impact of drawdown by Gocompare.com Finance Limited under the Term Loan Facility, the payment of a pre-Demerger cash dividend of approximately £65.3 million from the Group to the esure Group and expenses incurred by the Group to implement the Demerger and Admission. The unaudited statement of net assets has been compiled using the Group's consolidated statement of net assets as at 30 June 2016, adjusted to illustrate the pro forma effect of the aforementioned items as if they had occurred on 30 June 2016. The unaudited statement of net assets has been prepared under IFRS on a basis consistent with the accounting policies of the Group as applied in preparing the Historical Financial Information set out in Schedule II (*Historical Financial Information*) and on the basis set out in the notes below and in accordance with Annex I and Annex II to the Prospectus Directive Regulation.

The Group consolidated unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Group's actual net assets. It may not, therefore, give a true picture of the Group's net assets nor is it indicative of the financial position that may or may not be expected to be achieved in the future.

The following Group consolidated unaudited pro forma statement of net assets as at 30 June 2016 has been prepared to illustrate the pro forma effect of the following items as if they had occurred on 30 June 2016:

- the drawdown by Gocompare.com Finance Limited of £75 million under the Term Loan Facility in connection with the Demerger;
- the payment of a pre-Demerger cash dividend of approximately £65.3 million from the Group to the esure Group; and
- the payment of expenses incurred by the Group to implement the Demerger and Admission.

Group consolidated unaudited pro forma statement of net assets as at 30 June 2016

		Adjustments			
	Group statement of Group net assets as at 30 June 2016 (note 1)	**Drawdown under Term Loan Facility by Gocompare.com Finance Limited (note 2)**	**Payment of cash dividend to esure Services Limited (note 3)**	**Demerger and Admission expenses (note 4)**	**Pro forma Group statement of Group net assets as at 30 June 2016**
	£m	*£m*	*£m*	*£m*	*£m*
Non-current assets					
Goodwill	2.5	—	—	—	2.5
Other intangible assets	0.9	—	—	—	0.9
Property, plant and equipment	1.3	—	—	—	1.3
Deferred tax assets	0.1	—	—	—	0.1
Current assets					
Trade and other receivables	19.3	—	—	—	19.3
Cash and cash equivalents	7.9	75.0	(65.3)	(9.7)	7.9
Total assets	**32.0**	**75.0**	**(65.3)**	**(9.7)**	**32.0**
Current liabilities					
Trade and other payables	17.9	—	—	—	17.9
Current tax liabilities	2.9	—	—	—	2.9
Non-current liabilities					
Deferred tax liabilities	0.0	—	—	—	0.0
Provisions	0.9	—	—	—	0.9
Loans and other borrowings	—	75.0	—	—	75.0
Total liabilities	**21.7**	**75.0**	**—**	**—**	**96.7**
Net assets / (liabilities)	**10.3**	**0.0**	**(65.3)**	**(9.7)**	**(64.7)**

Notes

(1) The consolidated unaudited pro forma statement of net assets of the Group as at 30 June 2016 has been extracted without material adjustment from the Historical Financial Information of the Group for the six months ended 30 June 2016, as set out in Schedule II of this document.

(2) Gocompare.com Finance Limited will drawdown £75.0 million under the Term Loan Facility in connection with the Demerger.

(3) The Group will pay a cash dividend of approximately £65.3 million to the esure Group.

(4) As a result of, or incidental to, Admission and the Demerger, the Group estimates that it has incurred additional expenses of approximately £9.7 million, which were not accrued at 30 June 2016. Such expenses do not include any expenses that may be incurred in connection with the vesting of Gocompare.com Shares under the Foundation Awards.

(5) No account has been taken of actual changes in the financial position of the Group since 30 June 2016 or the additional cash dividend of approximately £8 million to be paid by the Company to esure Services Limited prior to Admission in the normal course of business to extract excess cash retained in the Group.

SECTION B: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

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The Directors
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11 October 2016

Ladies and Gentlemen

Gocompare.com Group plc

We report on the pro forma financial information (the '**Pro forma financial information**') set out in section A of Part VI of the prospectus dated 11 October 2016, which has been prepared on the basis described in Notes 1 to 28, for illustrative purposes only, to illustrate the impact of: (a) drawdown by Gocompare.com Finance Limited of £75 million under the Term Loan Facility in connection with the Demerger; (b) payment of a pre-Demerger cash dividend of approximately £65.3 million from the Group to the esure Group; and (c) the payment of expenses incurred by the Group in connection with the Demerger and Admission, on the financial information presented on the basis of the accounting policies set out in Note 2 to the Historical Financial Information on pages F-1 to F-28 of Schedule II (*Historical Financial Information*) to the prospectus. This report is required by paragraph 20.2 of Annex I to the Prospectus Directive Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

It is the responsibility of the Directors to prepare the Pro forma financial information in accordance with paragraph 20.2 of Annex I to the Prospectus Directive Regulation.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II to the Prospectus Directive Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I to the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of Gocompare.com Group plc.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Gocompare.com Group plc.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Gocompare.com Group plc.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

KPMG LLP

KPMG LLP

PART VII

2016 PROFIT FORECAST

SECTION A: PROFIT FORECAST FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2016

Set out below is the Directors' 2016 Profit Forecast for the Group for the financial year ending 31 December 2016 and the letter (set out in section B of this Part VII) from the Company's reporting accountants, KPMG LLP, in connection with the 2016 Profit Forecast.

1. 2016 PROFIT FORECAST

The Directors forecast that on the basis of preparation and principal assumptions set out below, the Group expects 20 to 30 per cent. growth in operating profit for the Group for the financial year ending 31 December 2016 compared to the financial year ended 31 December 2015.

2. BASIS OF PREPARATION

The Directors' 2016 Profit Forecast for the financial year ending 31 December 2016 has been prepared using the accounting policies adopted by the Group in preparing the Historical Financial Information for the six month period ended 30 June 2016 set out in Schedule II (*Historical Financial Information*). The 2016 Profit Forecast is based on:

- the financial results of the Group for the six month period ended 30 June 2016;
- the financial results for the Group for the month ended 31 July 2016 and the month ended 31 August 2016; and
- the Directors' forecast for the financial year ending 31 December 2016.

3. PRINCIPAL ASSUMPTIONS

The principal assumptions upon which the 2016 Profit Forecast is based are:

a) factors exclusively outside the influence or control of the Directors:

- there will be no material adverse change in economic conditions in the markets in which the Group operates and there will be no adverse impact on the Business following the recent UK vote to exit the EU;
- any changes in relevant legislation, government policy or other regulatory requirements will not materially affect the results of the Group;
- there will be no significant changes in competitor activity, no new entrants into the UK price and product comparison market and no significant changes in the way in which search engines (primarily Google and Bing) display or charge for listings; and
- there will be no interruptions to Business arising from circumstances outside the Group's control which would adversely affect the Group, its Customers or suppliers.

b) factors within the influence or control of the Directors:

- there will be no acquisitions or disposals by the Group which will have a material impact on the results.

SECTION B: ACCOUNTANT'S REPORT ON THE 2016 PROFIT FORECAST

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NP10 8UH

11 October 2016

Ladies and Gentlemen

Gocompare.com Group plc

We report on the profit forecast comprising projected operating profit of Gocompare.com Group plc (the '**Company**') and its subsidiaries (the '**Group**') for the year ending 31 December 2016 (the '**Profit Forecast**'). The Profit Forecast, and the material assumptions upon which it is based, are set out on page 84 of the prospectus issued by the Company dated 11 October 2016. This report is required by paragraph 13.2 of Annex I of the Prospectus Directive Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Profit Forecast in accordance with the requirements of the Prospectus Directive Regulation.

It is our responsibility to form an opinion as required by the Prospectus Directive Regulation as to the proper compilation of the Profit Forecast and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

Basis of preparation of the Profit Forecast

The Profit Forecast has been prepared on the basis stated on page 84 of the Prospectus and is based on the unaudited interim financial results for the six months ended 30 June 2016, the unaudited management accounts for the two months ended 31 August 2016 and a forecast to 31 December 2016. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Group.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group. Whilst the assumptions upon which the Profit Forecast are based are solely the responsibility of the directors of the Company, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the directors of the Company which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed and whether any material assumption made by the directors of the Company appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion the Profit Forecast has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Group.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

KPMG LLP

KPMG LLP

PART VIII

REGULATORY INFORMATION

1. UK REGULATORY ENVIRONMENT

1.1 Statutory regulatory framework

The statutory framework for the regulation of the financial services industry in the United Kingdom is set out in FSMA which requires providers of specified financial services in the United Kingdom to be authorised and/or regulated by the relevant regulatory authority or authorities. Financial services firms are subject to the authority of one or both of the two UK regulators, the PRA and the FCA, for their prudential supervision. The PRA is responsible for the prudential regulation of all banks, insurers and some designated investment firms. Although the PRA is responsible for the prudential regulation of these firms, they are dual-regulated as the FCA regulates their obligations in respect of conduct of business and consumer protection. For other financial services firms, including insurance intermediaries, the FCA is the sole regulator in both prudential and conduct matters. Gocompare.com Limited is solo-regulated by the FCA and the remainder of this section refers specifically to the powers of the FCA.

1.2 Authorisation to carry on regulated activities

Subject to certain exemptions provided in FSMA, no person may carry on a regulated activity in the United Kingdom unless they are appropriately authorised by the Relevant Regulator to do so. Regulated activities include insurance mediation activities, including (in relation to a contract of insurance) dealing as agent, arranging (bringing about) deals, advising on deals, or making arrangements with a view to transact (referred to in this Part VIII as carrying on the business of an ''**insurance intermediary**'').

FSMA, and secondary legislation made under it, provides that certain persons may, subject to satisfying certain prescribed conditions, carry on activities that would otherwise require authorisation by the Relevant Regulator without being authorised. Examples of such persons include, in respect of insurance mediation activities, appointed representatives who have been validly appointed and providers that are solely offering intermediation of certain motor and travel insurance contracts with an annual premium of less than €500.

Insurance intermediaries are authorised and regulated by the FCA. Insurance intermediaries must comply with certain regulatory requirements relating to levels of financial resources that they must hold (including in respect of capital and liquidity), corporate governance and risk management and controls, among others. The precise regulatory requirements of insurance intermediaries will vary depending upon the nature of the regulated activities that the relevant firm is authorised to conduct in the United Kingdom. Certain relevant requirements are set out at a high level in Schedule 6 to FSMA and further supported by the provisions of the FCA Handbook. The FCA has the power to cancel or vary a firm's permission or to withdraw a firm's authorisation.

1.3 Insurance Mediation Directives and Insurance Distribution Directive

The Insurance Mediation Directive I (''**IMD I**'') was implemented in EU Members States in 2005. IMD I sets standards covering matters such as intermediary fitness and propriety, training, competence, prudential requirements and complaints handling. It also requires a certain minimum level of pre-sale information to be given to customers by insurance intermediaries.

On 3 July 2012, the European Commission presented a proposal for the revision of IMD I, the Insurance Mediation Directive II (''**IMD II**''). After extensive dialogue between the European Commission and the Council of the European Union (the ''**Council**''), the Council agreed a general approach with the Commission in respect of IMD II on 5 November 2014. Subsequently, however, the proposed IMD II was reframed as the Insurance Distribution Directive (''**IDD**'') which came into force on 22 February 2016 and must be implemented by UK legislation by 23 February 2018. The IDD extends the scope of IMD I and will cover insurance intermediaries, including Gocompare.com Limited. The IDD contains a number of provisions that are expected to impact the Business and operations, in some cases in ways that it cannot currently predict. Changes that may affect the Group's current operations include registration requirements, professional and organisational requirements, minimum standards of requirements relating to continuing professional training and development, minimum levels for professional indemnity insurance and higher levels of disclosure obligations to customers. In addition, there may be an indirect material adverse effect on the Group as some ancillary insurance intermediaries are exempt from the IDD and this may benefit certain competitors of the Group.

1.4 Supervision and enforcement

The FCA has extensive powers to supervise and intervene in the affairs of an authorised firm under FSMA. For example, it can require firms to provide information or documents with respect to any matter or prepare and update a 'skilled persons' report under sections 166 and 166A of FSMA. It can also formally investigate a firm. The FCA has the power to take a range of disciplinary enforcement actions, including public censure, restitution, fines or sanctions and the award of compensation. The FCA's approach to supervision has shifted in order to support a judgement based and pre-emptive approach. This approach allows the FCA to conduct in-depth and structured supervision of firms. The FCA's Firm Systematic Framework means that firms are supervised pro-actively in order to assess whether the firm is being run (both currently and prospectively) in a way that treats customers fairly, minimises risks to market integrity and does not impede competition. Such ongoing supervision is carried out through firm-specific assessment and may result in the Group being subject to a greater degree of regulatory scrutiny relative to some or all of its competitors.

1.5 Approved persons

FSMA gives the FCA powers and responsibilities over individuals carrying on certain roles for or on behalf of an authorised firm within the UK financial services industry. These roles are described as 'controlled functions' and the individuals performing them are described as 'approved persons'. The main purpose of the approved persons regime is the protection of consumers and the UK financial system through ensuring the fitness and propriety of individuals working in certain positions and roles within the financial services industry. Approved persons are typically individuals. However, a body corporate can be an approved person, for example, if the body corporate is a director of an authorised firm.

The controlled functions which an approved person performs are functions which have been identified by the FCA as being key to the operations of the approved persons regime in accordance with the provisions of Part V of FSMA. They are divided between 'significant influence functions' and 'the customer dealing function.' Significant influence functions include governing functions, required functions, the systems and controls function or any other significant management function. They are typically relevant to a firm's directors, non-executive directors, compliance officer, chief risk officer and heads of significant departments, among others. The customer dealing function covers persons dealing with an authorised firm's customers or property belonging to such customers. Subject to certain narrow exceptions, a person must have regulatory approval before they can perform any of these controlled functions.

It is expected that the existing approved persons regime will be replaced, at a date to be determined in 2018, by the extension of the existing Senior Managers & Certification Regime (the "**SMCR**") that has applied to UK banks, building societies, credit unions, PRA-designated investment firms and branches of foreign banks operating in the UK since 7 March 2016. The Government's intention in this respect was announced in a policy paper of October 2015, with this paper confirming that the SMCR will be extended to cover individuals working in any firm that is authorised to carry out regulated activities under FSMA. Legislation providing for the extension of the SMCR (the Bank of England and Financial Services Act 2016) received Royal Assent in May 2016 and it is likely that subsequent secondary legislation, consultation papers and other publications from the FCA will provide additional detail regarding how the extension of the SMCR will be implemented.

1.6 Change of control of authorised firms

Under the FSMA change of control regime a person who has decided to acquire or increase its 'control' over a firm that is solo-authorised and regulated by the FCA is required to notify the FCA of their decision and to receive approval from the FCA before becoming a 'controller' or increasing their interest in such a firm to or above certain thresholds. A person must also notify the FCA when the transaction which results in such an increase takes place. Any acquisition of, or increase in, control over Gocompare.com Limited (or its parent undertaking, as set out below) would be subject to this regime.

A proposed 'controller' for the purposes of the controller regime is any natural or legal person or such persons 'acting in concert' who decides to acquire or increase, directly or indirectly, his or her or its control over an authorised firm in the United Kingdom (including an insurance intermediary).

'Control' over a UK-authorised firm is acquired if the acquirer:

- holds 10 per cent. or more (20 per cent. or more if the authorised firm is an insurance intermediary) of the shares or voting rights in that company or in its parent undertaking; or
- is able to exercise significant influence over the management of the firm by virtue of the acquirer's shares or voting power in the company or its parent undertaking.

Increases in control of an insurance intermediary registered in accordance with the IMD I beyond the 20 per cent. threshold do not require the consent of the Relevant Regulator. Reducing or proposing to reduce control below the relevant threshold also gives rise to an obligation to notify the Relevant Regulator.

Breach of the notification and approval regime imposed by FSMA on controllers is a criminal offence.

1.7 Maintenance of capital requirements

As an insurance intermediary in the UK which is authorised and regulated by the FCA, Gocompare.com Limited is currently subject to limited minimum capital requirements (the higher of £5,000 and 2.5 per cent. of annual revenue from the regulated activities of each intermediary). Gocompare.com Limited has capital resources significantly in excess of these minimum capital requirements.

1.8 Consumer complaints and compensation

Any disputes that arise between Gocompare.com Limited and its Customers that are not successfully resolved by Gocompare.com Limited may be dealt with by the Financial Ombudsman Service (''**FOS**''). The FOS operates independently of the FCA and deals with disputes for certain categories of complaints made by customers against UK-authorised persons.

1.9 Mitigation and management of financial crime risk

One of the FCA's statutory objectives is to protect and enhance the integrity of the UK financial system. The FCA is under a duty to consider the importance of minimising the risk of the firms it regulates being used for financial crime. As part of this duty, the FCA would consider the measures that a firm takes to monitor, detect and prevent financial crime, including measures in respect of money laundering, terrorist financing, data security, bribery and corruption, fraud and sanctions breaches.

FCA-authorised firms (such as the Gocompare.com Limited) are required to undertake certain administrative procedures and checks, which are designed to prevent money laundering. The FCA's Senior Management Arrangements, Systems and Controls sourcebook contains rules which require firms to take reasonable care to establish and maintain effective systems and controls for countering the risk that the firm might be used to further financial crime. For these purposes, financial crime includes any offence involving fraud or dishonesty, misconduct in, or misuse of information relating to, a financial market or handling the proceeds of crime, as well as bribery and corruption offences.

The FCA additionally has partial responsibility (alongside other UK authorities, including HMRC) for supervisory responsibilities arising from the Money Laundering Regulations 2007 (the ''**MLRs**''). The MLRs establish measures including the need for firms to engage in risk-based customer due diligence, hold appropriate, risk-sensitive policies and procedures in specified areas, and report any suspicious activity that may be evidence of money laundering to the National Crime Agency. The FCA is responsible for monitoring the compliance of FCA-regulated firms (and certain non-regulated businesses) with the MLRs.

1.10 Conduct of business regime applied to Gocompare.com Limited

As an insurance intermediary, Gocompare.com Limited is subject to conduct of business rules set out in the Conduct of Business Sourcebook and the Insurance Conduct of Business Sourcebook contained within the FCA Handbook.

These Sourcebooks set out a detailed regulatory framework that includes requirements regarding topics including:

- the information that Gocompare.com Limited must provide when communicating about insurance policies with retail clients;
- Gocompare.com Limited's payment or receipt of any fees or commissions (including any non-monetary benefits); and
- the details of pre-contractual information to be provided by Gocompare.com Limited when selling, amending or renewing any policy.

1.11 CMA and EU market investigation into price and product comparison websites

On 20 April 2016, the House of Lords EU Internal Market Sub-Committee published a report on online platforms and the EU Digital Single Market. The report notes concerns about the market power of some online platforms, including price and product comparison websites, and the ability of these platforms to impose restrictive terms and conditions on their trading partners. The report contains a non-binding recommendation that the CMA investigate markets in which particular concerns arise, with a view to determining whether codes of practice are needed. In particular, the report comments on how some online platforms use their market power to prevent trading partners from offering their products more cheaply elsewhere.

On 25 May 2016, the European Commission published a Communication on Online platforms and the Digital Single Market outlining the key issues it has identified in its review of online platforms and the European Commission's approach to addressing the regulatory challenges presented by online platforms. One of the areas of concern identified by the European Commission relates to a perceived unfairness in B2B relations (e.g. unfair terms and conditions). The European Commission will conduct further investigations and by spring 2017 intends to decide whether further regulatory action is required. Alongside the Communication, the European Commission published guidance on the application of the Unfair Commercial Practices Directive (including the application to online platforms), and will review in 2017 whether an update to the existing consumer protection rules is required to ensure there is sufficient transparency for consumers.

On 29 September 2016, the CMA announced the launch of a market study in relation to the supply of web-based, app-based or other digital intermediary services (''**Digital Comparison Tools**'' or ''**DCTs**'') in the UK which are used by consumers to compare and/or switch between a range of products and services from a range of businesses. As part of the study, the CMA proposes to examine four themes, with a view to considering the extent to which the supply of DCT services in the UK has or may have effects adverse to the interests of consumers, and the extent to which steps can and should be taken to remedy, mitigate or prevent any such adverse effects: (1) what consumers expect from DCTs, how they use them and their experiences; (2) the impact of DCTs on competition between suppliers listed on them; (3) how effectively DCTs compete with each other; and (4) the effectiveness of existing regulatory approaches to DCTs. The CMA will publish its interim report by 28 March 2017 (including an indication of whether the CMA intends to refer the market for an in-depth market investigation) and will publish its final market study report, setting out its findings and the action (if any) which the CMA proposes to take by 28 September 2017. Market studies can result in a range of possible outputs, including a market investigation reference relating either to the whole study or part of it, consumer/competition enforcement, recommendations to government or to regulators, or a report proposing no further action. At this stage, it is not possible for the Group to predict the outcome of this study with any certainty.

There is currently a restriction on the private motor insurance market, whereby comparison websites are not allowed to prevent their trading partners from offering a lower rate to competitor price and product comparison websites, imposed by the CMA following its private motor insurance market investigation. Such a restriction currently only exists in the following markets relevant to the Business: UK motor insurance and online travel agents. However, if an industry-wide review of such clauses was to result in a general prohibition across other relevant markets, the Group would be forced to renegotiate numerous contracts. Additionally, if such renegotiations result in the Group being unable to distinguish itself from competitors, this could have a material adverse effect on the Group's ability to attract consumers.

1.12 Consumer complaint handling

The Group follows the FCA's consumer outcomes for the treatment of consumers and abides by the FCA's principles of good regulation. In particular, staff in the consumer service and complaints team are reminded and trained on their obligations to:

- conduct Business with integrity;
- pay due regard to consumers' interests and treat them fairly;
- communicate with consumers in a way which is clear, fair and not misleading; and
- maintain systems and controls which are appropriate to the Business.

The above requirements are supplemented by detailed rules and guidance contained within the FCA Dispute Resolution Sourcebook which provides specific complaint handling procedures for firms. The Group abides by these complaint handling procedures which make it necessary for the Group to:

- ensure consumers are aware of their right to complain and how to do so;
- understand the role of the FOS and cooperate with them as appropriate;
- establish internal complaints handling procedures and suitable management controls;
- train staff to be able to identify and deal with complaints;
- take steps to spot and remedy any recurring or systemic problems which may give rise to complaints; and
- log and report complaints.

FCA-regulated firms such as Gocompare.com Limited fall under the compulsory jurisdiction of the FOS. As such, where a consumer is dissatisfied with the Group's response to a complaint, they may refer the matter to the FOS for adjudication. The FOS can make compensation awards to consumers which are binding against the Group.

The Group is obligated to provide the FCA with half-yearly reports on consumer complaints.

1.13 Data Protection

The Data Protection Act, which came into force on 1 March 2000, regulates in the United Kingdom the obtaining and use of personal data relating to living individuals. Personal data includes any data about an individual (known as a 'data subject') by which he or she can be identified (including, for example, a name, address, age or bank or credit card details). The data need not in any sense be private. The Data Protection Act applies to both computerised data and to certain sets of manual data such as address books and filing systems. It lays down certain principles which, in general, must be followed by those who hold personal data. The Data Protection Act gives effect to an EU Directive. The Group and everyone working in the Business must comply with it. Breach of the Data Protection Act may give rise to criminal or civil liability, and other enforcement action can be taken. From 25 May 2018, the Data Protection Act will be replaced by the EU General Data Protection Regulation (''**GDPR**'') which was published on 4 May 2016 and will apply directly in the EU from 25 May 2018. The GDPR contains provisions including stricter rules and new obligations for data controllers and processors.

The Company has appointed a Data Protection Officer (''**DPO**'') who ensures compliance with the requirements of the Data Protection Act and gives guidance when necessary. The Company's data protection policy ensures that personal data is processed with the consent of the individual concerned or where consent is not required. The methods in which the Company collects personal information are tailored so that they capture only the personal information that is necessary for the purpose for which it has been provided. Requests for information by individuals and any distribution of personal data to a third party for processing must be cleared by the DPO. The DPO is responsible for how data is retained. The Company's employees must comply with the data protection policy and any failure to do so will lead to disciplinary action.

PART IX

TAXATION

1. UK TAXATION

The following paragraphs are intended only as a general guide to current UK law and HMRC's current published practice, which are both subject to change at any time, possibly with retroactive effect. Furthermore, the following paragraphs are not exhaustive and relate only to certain limited aspects of the UK tax consequences of holding or disposing of Gocompare.com Shares.

*The paragraphs below are intended to apply only to Shareholders: (i) who are resident for UK tax purposes and, if individuals, domiciled in the UK; (ii) to whom split-year treatment does not apply; (iii) who are the absolute beneficial owners of their Gocompare.com Shares and any dividends paid in respect of them; (iv) who hold their Gocompare.com Shares as investments (otherwise than through an individual savings account (''**ISA**'') or a pension arrangement) and not as securities to be realised in the course of a trade; and (v) who hold less than 5 per cent. of the Gocompare.com Shares.*

The paragraphs below may not apply to certain Shareholders, such as dealers in securities, broker dealers, insurance companies and collective investment schemes, pension schemes, persons who are otherwise exempt from UK taxation and persons who have (or are deemed to have) acquired their Gocompare.com Shares by virtue of an office or employment or persons who are treated as holding their Gocompare.com Shares as carried interest. Such Shareholders may be subject to special rules.

The material set out in the paragraphs below does not constitute tax advice. Any person who is in any doubt as to their tax position or who is subject to tax in a jurisdiction other than the UK should consult an appropriate professional adviser.

1.1 Direct taxation of dividends

UK withholding tax

The Company will not be required to withhold tax at source when paying a dividend.

Individual Shareholders within the charge to UK income tax

The Finance Act 2016 changed the tax treatment of dividends paid to Shareholders who are individuals within the charge to UK income tax, with effect in relation to dividends paid on or after 6 April 2016. The following summary does not address the tax treatment of dividends paid before that date.

The tax treatment of dividends paid by the Company to individual Shareholders on or after 6 April 2016 is as follows.

- Dividends paid by the Company will not carry a tax credit.
- All dividends received by an individual Shareholder from the Company (or from other sources) will, except to the extent that they are earned through an ISA, self-invested pension plan or other regime which exempts the dividends from tax, form part of the Shareholder's total income for income tax purposes and will represent the highest part of that income.
- A nil rate of income tax will apply to the first £5,000 of taxable dividend income received by an individual Shareholder in a tax year (the ''**Nil Rate Amount**''), regardless of what tax rate would otherwise apply to that dividend income.
- Any taxable dividend income received by an individual Shareholder in a tax year in excess of the Nil Rate Amount will be taxed at a special rate, as set out below.
- That tax will be applied to the amount of the dividend income actually received by the individual Shareholder (rather than to a grossed-up amount).

Where a Shareholder's taxable dividend income for a tax year exceeds the Nil Rate Amount, the excess amount (the ''**Relevant Dividend Income**'') will be subject to income tax:

- at the rate of 7.5 per cent., to the extent that the Relevant Dividend Income falls below the threshold for the higher rate of income tax;

- at the rate of 32.5 per cent., to the extent that the Relevant Dividend Income falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax; and
- at the rate of 38.1 per cent., to the extent that the Relevant Dividend Income falls above the threshold for the additional rate of income tax.

In determining whether and, if so, to what extent the Relevant Dividend Income falls above or below the threshold for the higher rate of income tax or, as the case may be, the additional rate of income tax, the Shareholder's total taxable dividend income for the tax year in question (including the part within the Nil Rate Amount) will, as noted above, be treated as the highest part of the Shareholder's total income for income tax purposes.

Corporate Shareholders within the charge to UK corporation tax

Shareholders within the charge to corporation tax which are ''small companies'' (for the purposes of UK taxation of dividends) will not generally be subject to tax on dividends from the Company.

Other Shareholders within the charge to corporation tax will not be subject to tax on dividends from the Company so long as the dividends fall within an exempt class and certain conditions are met. In general: (i) dividends paid on non-redeemable shares that do not carry any present or future preferential rights to dividends or to the company's assets on its winding up, and (ii) dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital) and who is entitled to less than 10 per cent. of the profits available for distribution and would be entitled to less than 10 per cent. of the assets available for distribution on a winding-up, are examples of dividends that fall within an exempt class.

1.2 Chargeable gains

Individuals

A disposal or deemed disposal of Gocompare.com Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK capital gains tax, depending on the circumstances and subject to any available exemption or relief. No indexation allowance will be available to an individual holder of Gocompare.com Shares in respect of any disposal of Gocompare.com Shares. However, the capital gains tax annual exemption (which is £11,100 for individuals in the 2016/17 tax year) may be available to exempt any chargeable gain, to the extent that the exemption has not already been utilised.

With effect from 6 April 2016, capital gains tax will generally be charged at 10 per cent. to the extent that the total chargeable gains and, generally, total taxable income arising in a tax year, after all allowable deductions (including losses, the income tax personal allowance and the capital gains tax annual exempt amount), are less than the upper limit of the income tax basic rate band. To the extent that any chargeable gains (or part of any chargeable gains) arising in a tax year exceed the upper limit of the income tax basic rate band when aggregated with any such income (in the manner referred to above), capital gains tax will be charged at 20 per cent.

Companies

A disposal of Gocompare.com Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief. Indexation allowance may reduce the amount of any chargeable gain for these purposes, but may not create or increase any allowable loss.

1.3 Stamp duty and stamp duty reserve tax (''SDRT'')

The following statements are intended as a general guide to the current UK stamp duty and SDRT position, and apply regardless of whether or not a Shareholder is resident in the UK. It should be noted that certain categories of person, including market makers, brokers, dealers, and other specified market intermediaries, are entitled to exemption from stamp duty and SDRT in respect of purchases of securities in specified circumstances.

A sale of Gocompare.com Shares will generally be subject to UK stamp duty (if the shares are in certificated form) or SDRT (if the sale is settled through the UK's CREST system of paperless transfers), in either case at the rate of 0.5 per cent. of the amount or value of the consideration.

Any stamp duty payable (as opposed to SDRT) is rounded up to the nearest £5. No stamp duty (as opposed to SDRT) will be payable if the amount or value of the consideration is (and is certified to be) £1,000 or less. Stamp duty or SDRT is usually paid or borne by the purchaser.

2. UNITED STATES TAX CONSIDERATIONS

The following discussion is a summary of certain US federal income tax considerations generally applicable to US Holders of the ownership and disposition of Gocompare.com Shares received pursuant to the Demerger. This discussion assumes that any US Holders hold or will hold their Gocompare.com Shares as capital assets for US federal income tax purposes (generally, property held for investment purposes). This discussion does not address all potentially relevant US federal income tax matters, and, unless otherwise specifically provided, it does not address any state, local, non-US, alternative minimum, estate, gift, net investment income tax or any other non-income tax consequences of holding or disposing of Gocompare.com Shares so acquired. This discussion is limited to US Holders that will not own, and will not be treated as owning for US federal income tax purposes, 5 per cent. or more (by vote or value) of Gocompare.com Shares.

This discussion is for general guidance only and does not address the consequences applicable to certain categories of holders subject to special treatment under the United States Internal Revenue Code of 1986, as amended (the ''**Code**''), including tax exempt organisations, pass-through entities, banks and other financial institutions, insurance companies, qualified retirement plans, individual retirement accounts or other tax-deferred accounts, persons that hold Gocompare.com Shares as part of a straddle, hedging transaction, conversion transaction, constructive sale, synthetic security or other integrated transactions, or other similar arrangements, persons that acquired Gocompare.com Shares in connection with the exercise of employee stock options or otherwise as compensation for services, brokers or dealers in securities or foreign currencies, traders in securities electing to mark to market, regulated investment companies or real estate trusts, and US persons whose functional currency (as defined in the Code) is not the US dollar.

This discussion is based on existing provisions of the Code, its legislative history, existing final, temporary and proposed Treasury Regulations promulgated thereunder, administrative pronouncements or practice, judicial decisions and interpretations of the foregoing, all as of the date hereof. Future legislative, judicial or administrative modifications, revocations or interpretations, which may or may not be retroactive, may result in US federal income tax consequences significantly different from those discussed herein. This discussion is not binding on the Internal Revenue Service (the ''**IRS**''). No ruling has been or will be sought or obtained from the IRS with respect to any of the US federal income tax consequences discussed herein. There can be no assurance that the IRS will not challenge any of the conclusions described herein and that a United States court will not sustain such challenge.

If a partnership (or other entity or arrangement treated as a partnership for US federal tax purposes) acquires Gocompare.com Shares, the tax treatment of a partner (or other owner) of such partnership will generally depend upon the status of the partner and the activities of the partnership. A US person that is an owner or partner of a pass-through entity that acquires Gocompare.com Shares is urged to consult its own tax adviser regarding the tax consequences of owning and disposing of Gocompare.com Shares.

This summary is of a general nature only and is not intended to be tax advice to any holder, and no representation with respect to the tax consequences to any particular investor is made. Holders are urged to consult their tax advisers with respect to the income tax considerations relevant to them, with regard to their particular circumstances.

2.1 Dividends

Subject to the passive foreign investment company (''**PFIC**'') rules discussed below, the gross amount a US Holder realises in any distribution, to the extent paid out of their current or accumulated earnings and profits (as determined for US federal income tax purposes) will be subject to US federal income taxation as a taxable dividend. However, the Company does not maintain calculations of earnings and profits in accordance with US federal income tax principles and, therefore, each US Holder should assume that the gross amount realised will constitute dividend income for US federal income tax purposes.

The amount of the dividend distribution that a US Holder must include in income as a US holder will be the US dollar value of the Pound Sterling payments made, determined at the GBP/USD spot rate on the date the dividend distribution is includible in such US Holder's income, regardless of whether the payment is in fact converted into US dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date a US Holder includes the dividend payment in income to the date the US Holder converts the payment into US dollars will be treated as ordinary income or loss and will not be eligible for the special tax rate applicable to qualified dividend income.

Subject to applicable limitations and provided that as expected, (i) the Company is eligible for the benefits of the Convention Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital Gains, signed July 24, 2001, as amended (the ''**UK-US Tax Convention**''), and (ii), the Company is not classified as a PFIC in the tax year of distribution or in the preceding tax year, dividends paid by the Company to non-corporate US Holders, including individuals, would be generally treated as qualified dividends for US federal income tax purposes and eligible for the preferential tax rates applicable to long-term capital gains, provided certain holding period and other conditions are satisfied. US Holders should assume that any amount of such distributions will not be eligible for the dividends received deduction available to certain US corporate shareholders. Any dividend distribution will be treated as taxable income from sources outside the United States, and will, depending on a US Holder's circumstances, be either ''passive'' or ''general'' income for purposes of computing the foreign tax credit allowable to such US Holder.

2.2 Sale, exchange or other taxable disposition

Subject to the PFIC rules discussed below, upon a sale, exchange or other taxable disposition of a Gocompare.com Share, a US Holder will generally recognise a capital gain or loss equal to the difference between the amount realised on such sale or exchange (or, if the amount realised is denominated in Pounds Sterling, its US dollar equivalent, determined by reference to the GBP/USD spot rate of exchange on the date of disposition) and the tax basis of such US Holder's Gocompare.com Shares. For US federal income tax purposes, a US Holder will acquire an initial tax basis in Gocompare.com Shares equal to the US dollar fair market value of the Gocompare.com Shares received by such US Holder as of the date of the Demerger. Any gain or loss will be a long-term capital gain or loss if the Gocompare.com Shares have been held for more than one year and will be short-term gain or loss if the holding period is equal to or less than one year. A US Holder's holding period for the Gocompare.com Shares received in the Demerger will begin on the day after the date of the Demerger. Such gain or loss will generally be considered US source gain or loss for US foreign tax credit purposes. Long-term capital gains of non-corporate taxpayers are eligible for preferential rates of taxation. For both corporate and non-corporate taxpayers, limitations apply to the deductibility of capital losses.

If a US Holder receives Pounds Sterling on the sale of Gocompare.com Shares, generally any gain or loss resulting from currency exchange fluctuations during the period from the date of the sale of such shares to the date the sales proceeds are converted into US dollars will be treated as ordinary income or loss that is US source and will not be eligible for the preferential tax rates applicable to long-term capital gains.

2.3 Passive Foreign Investment Company (PFIC)

Special US federal income tax rules apply to US persons owning stock of a PFIC. A non-US corporation is classified as a PFIC if, for any taxable year, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable ''look-through rules'', either (i) 75 per cent. or more of its gross income constitutes ''passive income'', or (ii) 50 per cent. or more of the quarterly average value of its assets is attributable to assets which produce, or are held for the production of, passive income. For this purpose, ''passive income'' generally includes interest, dividends, rents, royalties, annuities, certain gains from the sale of stock and securities, and certain gains from commodities transactions.

The Company believes it is not currently a PFIC and does not anticipate it will become a PFIC in the foreseeable future. However, the determination as to whether the Company is a PFIC for any taxable year is based on the application of complex US federal income tax rules, which are subject to differing interpretations. Whether the Company will be a PFIC for any tax year is a factual determination made on an annual basis and depends on the composition and value of the Company's assets and the amount and type of the Company's income over the course of each such tax year, as well as certain factors which are beyond the Company's control, including the market price of Gocompare.com Shares. As a result, PFIC status cannot be predicted with certainty as of the date of this prospectus. Because of the above-described uncertainties, there can be no assurance that the IRS will not challenge the determination made by the Company concerning the Company's PFIC status or that the Company will not be a PFIC for any taxable year. US Holders are urged to consult their own tax advisors regarding the application of PFIC rules to their investments in Gocompare.com Shares.

In any year in which the Company is classified as a PFIC, a US Holder will be required to file an annual report with the IRS containing such information as Treasury Regulations and/or other IRS guidance may require. A failure to satisfy such reporting requirements may result in penalties and an extension of the time period during which the IRS can assess a tax. US Holders should consult their own tax advisers regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621.

2.4 Information reporting and backup withholding

Information reporting might apply to the Demerger Dividend and any dividends paid in respect of Gocompare.com Shares and proceeds from the sale, exchange, or other disposition of such Gocompare.com Shares within the United States. Backup withholding (at a rate of 28 per cent.) might apply to such payments made to a US Holder, unless the US Holder furnishes its taxpayer identification number, certifies that such number is correct, certifies that such US Holder is not subject to backup withholding and otherwise complies with the applicable requirements of the backup withholding rules. Certain US Holders, including corporations, are generally not subject to backup withholding and information reporting requirements, if they properly demonstrate their eligibility for exemption. US persons who are required to establish their exempt status must generally provide IRS Form W-9 (Request for Taxpayer Identification Number and Certification). Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against the US Holder's federal income tax liability, provided that the required information is furnished to the IRS in a timely manner.

2.5 Required disclosure with respect to foreign financial assets

Certain US Holders are required to report information relating to an interest in Gocompare.com Shares, subject to certain exceptions (including an exception for shares held in accounts maintained by certain financial institutions), by attaching a completed IRS Form 8938, Statement of Specified Foreign Financial Assets, with their tax return for each year in which they hold an interest in the shares.

US Holders are urged to consult their own tax advisers regarding information reporting requirements relating to their ownership of Gocompare.com Shares.

PART X

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Directors, whose names appear on page 36 of this prospectus, and the Company accept responsibility for the information contained in this prospectus. To the best of the knowledge of the Directors and the Company, each having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. INCORPORATION AND ACTIVITY OF THE COMPANY

The Company was incorporated and registered in England and Wales under the Companies Act as a private company limited by shares on 23 January 2007 with registered number 6062003. On 13 September 2016, the Company was re-registered as a public limited company and changed its name to Gocompare.com Group plc.

The principal legislation under which the Company operates and under which Gocompare.com Shares will be created is the Companies Act and regulations made thereunder.

The Company is domiciled in England and Wales with its registered and head office at Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom. The telephone number of the Company's registered office is +44 (0) 8435 047 357.

3. SHARE CAPITAL OF THE COMPANY

3.1 Issued share capital of the Company on Admission

On Admission, the number of Gocompare.com Shares in issue will be equal to the number of esure Shares in issue at the Record Time. Gocompare.com Shares will have a par value of £0.0002 each and all shares will be fully paid.

As at the Reference Date, there were 416,864,465 esure Shares in issue. Up to a further 1,635,535 esure Shares may be issued by esure Group plc to satisfy entitlements under esure Group plc's 2013 all-employee share save plan and certain share awards. These additional esure Shares will be issued prior to the Record Time.

3.2 History of Gocompare.com Shares

The Company was incorporated with share capital of £1,000 divided into 1,000 ordinary shares of £1 each. Since then, the following changes have occurred in its issued and fully paid share capital:

(A) On 23 January 2007, the Company's 1,000 ordinary shares of £1 nominal value were sub-divided into 10,000,000 ordinary shares of £0.0001 nominal value each.

(B) Between 23 January 2007 and 31 December 2009, there were no new issues of shares.

(C) Between 1 January 2010 and 31 December 2010, the aggregate nominal value of the Company's share capital was increased from £1,000 to £1,960.79 by the following issues of shares:

Date of Issue	Class	Number of shares issued	Aggregate nominal value
1 April 2010	Ordinary Shares	2,400,000	£240.00
23 June 2010	Ordinary Shares	7,207,900	£720.79
		9,607,900	£960.79

(D) Between 1 January 2011 and 31 December 2011, there were no new issues of shares.

(E) Between 1 January 2012 and 31 December 2012, the aggregate nominal value of the Company's share capital was increased from £1,960.79 to £2,000 by the following issues of shares:

Date of Issue	Class	Number of shares issued	Aggregate nominal value
12 December 2012	Ordinary Shares	392,100	£39.21
		392,100	£39.21

(F) Between 1 January 2013 and 31 December 2015, there were no new issues of shares.

(G) The issued and fully paid share capital of the Company at 30 June 2016, the date of the most recent balance sheet of the Company included in Schedule II (*Historical Financial Information*), was as follows:

Class	Nominal Value	Number of shares in issue	Aggregate nominal value
Ordinary Shares	£0.0001	20,000,000	£2,000.00
			£2,000.00

(H) On 9 September 2016, the issued and fully paid share capital of the Company was the subject of a share consolidation effected by consolidating every 2 Gocompare.com Shares of £0.0001 each into 1 Gocompare.com Share with a nominal value of £0.0002 each.

Class	New Nominal Value	Number of shares in issue	Aggregate nominal value
Ordinary Shares	£0.0002	10,000,000	£2,000.00
			£2,000.00

(I) On 9 September 2016, the Company created and allotted 406,864,465 Gocompare.com Shares with a nominal value of £0.0002 each to esure Services Limited for the total nominal amount of £81,372.893 so that the aggregate nominal value of Gocompare.com Shares in issue became £83,372.893.

Class	New Nominal Value	Number of shares in issue	Aggregate nominal value
Ordinary Shares	£0.0002	416,864,465	£83,372.893
			£83,372.893

(J) As at the Reference Date, there were 416,864,465 esure Shares in issue. Up to a further 1,635,535 esure Shares may be issued by esure Group plc to satisfy entitlements under esure Group plc's 2013 all-employee share save plan and certain share awards. These additional esure Shares will be issued prior to the Record Time. Therefore and subject to the passing of the Demerger Resolution by esure Shareholders at the esure General Meeting, the Company will create and allot up to 1,635,535 Gocompare.com Shares with a nominal value of £0.0002 each to esure Services Limited so that the number of Gocompare.com Shares in issue immediately before Admission matches the number of esure Group Shares in issue at the Record Time.

Class	Nominal Value	Number of shares in issue	Aggregate nominal value
Ordinary Shares	£0.0002	up to 418,500,000	up to £83,700.00
			up to £83,700.00

3.3 Authorisations relating to the share capital of the Company

Shareholder resolutions

On 28 September 2016, esure Services Limited, in its capacity as sole shareholder of the Company, passed the following written resolutions relating to the share capital of the Company:

(A) subject to and conditional upon (in the case of the authorities described in sub-paragraphs (i) and (ii) below) Admission, the Board be generally and unconditionally authorised, in substitution for (with effect from Admission) all subsisting authorities, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company:

(i) up to an aggregate nominal amount of £27,900 (such amount to be reduced by the nominal amount of any shares in the Company allotted or rights to subscribe for or to convert any security into shares in the Company granted under sub-paragraph (ii) below in excess of such sum); and

(ii) comprising equity securities (as defined in section 560(1) of the Companies Act) up to an aggregate nominal amount of £55,800 (such amount to be reduced by any allotments of any shares in the Company or grants of rights to subscribe for or to convert any security into shares in the Company made under sub-paragraph (i) above) in connection with an offer by way of a rights issue:

(a) to holders of shares in the Company in proportion (as close as may be practicable) to their existing holdings; and

(b) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply until the end of the next annual general meeting of the Company (or, if earlier, until the close of business on 31 July 2017), but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares in the Company under any such offer or agreement as if the authority had not ended;

(B) subject to and conditional upon the passing of the resolution described in section 3.3(A) above, the Board be given the power, in substitution for all subsisting powers, to allot equity securities (as defined in section 560(1) of the Companies Act) for cash under the authority given by the resolution described in section 3.3(A) above and/or to sell shares in the Company held by the Company as treasury shares for cash as if section 561 of the Companies Act did not apply to any such allotment or sale, such power to be limited:

(i) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under sub-paragraph (ii) of the resolution described at section 3.3(A) above by way of a rights issue only):

(a) to holders of shares in the Company in proportion (as close as may be practicable) to their existing holdings; and

(b) to holders of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary as permitted by the rights of those securities,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;

(ii) to the allotment (otherwise than under paragraph (i) above) of equity securities or sale of treasury shares up to a nominal amount of £4,185; and

(iii) to the allotment of equity securities or the sale of treasury shares (in addition to the power granted under paragraph (ii) above) up to a nominal value of £4,185 provided that such additional power be used only for the purposes of financing (or refinancing, if the authority is used within six months after the original transaction) which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on disapplying pre-emption rights most recently published by the Pre-Emption Group prior to 30 September 2016,

such power to apply until the end of the next annual general meeting of the Company (or, if earlier, until the close of business on 31 July 2017), but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended; and

(C) the Company be authorised for the purposes of section 701 of the Companies Act to make one or more market purchases (as defined in section 693(4) of the Companies Act) of shares in the Company, such power to be limited:

(i) to a maximum number of 41,685,357 shares in the Company; and

(ii) by the condition that a minimum price which may be paid for a share in the Company is £0.0002 and the maximum price which may be paid for a share in the Company is the highest of:

(a) an amount equal to 5 per cent. above the average market value of a share in the Company for the five Business Days immediately preceding the day on which that share in the Company is contracted to be purchased; and

(b) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out,

in each case, exclusive of expenses,

such power to apply until the end of the next annual general meeting of the Company (or, if earlier, 31 July 2017) but, in each case so that the Company may enter into a contract to purchase shares in the Company which will or may be completed or executed wholly or partly after the power ends and the Company may purchase shares in the Company pursuant to any such contract as if the power had not ended.

Undertaking in relation to share capital authorities

At the time that the shareholder resolutions in respect of the share capital authorities set out above were proposed and passed, it was not possible to determine how many Gocompare.com Shares would need to be issued by the Company in order to ensure that the number of Gocompare.com Shares in issue immediately before Admission matches the number of esure Shares in issue at the Record Time. As a result, the headroom contained within those authorities will mean that, on Admission, the standing share capital authorities available to the Board until the Company's next annual general meeting are likely to be slightly in excess of the level of standing annual authorities generally considered to be appropriate for a listed company. Accordingly, in order to demonstrate that the Group does not intend to breach, *inter alia*, the guidance of investment protection committees or the Pre-Emption Group's ''Statement of Principles'' regarding routine disapplication of pre-emption rights, unless further shareholder approval is granted after Admission:

- to the extent that the authority conferred by the resolution described at sub-paragraph (i) of section 3.3(A) above is in respect of an aggregate nominal amount which exceeds one-third of the aggregate nominal amount of the Company's issued ordinary share capital immediately following Admission (the ''**Admission Capital**''), the Board will not exercise that authority in respect of such excess;

- to the extent that the authority conferred by the resolution described at sub-paragraph (ii) of section 3.3(A) above is in respect of an aggregate nominal amount which exceeds two-thirds of the Admission Capital, the Board will not exercise that authority in respect of such excess; and

the Board will limit the exercise of the power conferred by the resolution described at section 3.3(B) above, as limited by sub-paragraphs (ii) and (iii) of that section, to an aggregate nominal amount which is not more than five per cent. of the Admission Capital in respect of sub-paragraph (ii) and a further five per cent. of the Admission Capital in respect of sub-paragraph (iii).

3.4 Confirmations

As at the Reference Date and save as otherwise disclosed in this Part X:

- no share or loan capital of the Company has, since the incorporation of the Company, been issued or agreed to be issued, or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash, to any person;
- no commission, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital;
- no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option; and
- the Company held no treasury shares (as defined in the Companies Act).

No Gocompare.com Share has been marketed to, nor are any Gocompare.com Shares available for purchase by, the public in the United Kingdom or elsewhere in connection with the introduction of Gocompare.com Shares to the London Stock Exchange.

4. INFORMATION ABOUT GOCOMPARE.COM SHARES

4.1 Description and type of securities being offered

Gocompare.com Shares will be denominated in Pounds Sterling and quoted in Pounds Sterling on the London Stock Exchange.

4.2 Listing

Application will be made to the FCA for all of the Gocompare.com Shares to be admitted to the premium listing segment of the Official List. Application will also be made to the London Stock Exchange for Gocompare.com Shares to be admitted to trading on its main market for listed securities. No application has been made for admission of Gocompare.com Shares to trading on any other stock exchange (nor is it the current intention of the Company to make any such application in future).

It is expected that Admission will become effective and that dealings in Gocompare.com Shares will commence on the London Stock Exchange by no later than 8:00 a.m. (London time) on 3 November 2016.

There is no prior trading record for Gocompare.com Shares.

4.3 Form of Gocompare.com Shares

Gocompare.com Shares will be in registered form and will be capable of being held in certificated and uncertificated form. The Registrar of the Company is Equiniti Limited.

Title to the certificated Gocompare.com Shares (if any) will be evidenced by entry in the register of members of the Company and title to uncertificated Gocompare.com Shares will be evidenced by entry in the operator register maintained by Equiniti Limited (which will form part of the register of members of the Company).

No share certificates will be issued in respect of Gocompare.com Shares in uncertificated form. If any such Gocompare.com Shares are converted to be held in certificated form, share certificates will be issued in respect of those Gocompare.com Shares in accordance with applicable legislation. No temporary documents of title have been or will be issued in respect of Gocompare.com Shares.

It is currently anticipated that Gocompare.com Shares will be eligible to join CREST, the computerised paperless system for settlement of sales and purchases of shares in the London securities market, with effect immediately upon Admission and the commencement of dealings on the London Stock Exchange.

4.4 Rights attached to Gocompare.com Shares

All Gocompare.com Shares will rank pari passu in all respects, there being no conversion or exchange rights attaching thereto, and all Gocompare.com Shares will have equal rights to participate in capital, dividend and profit distributions by the Company.

4.5 Description of restrictions on free transferability

Save as described in the paragraphs below, there are no restrictions on the free transferability of Gocompare.com Shares.

Transfer restrictions under the Companies Act

The Company may, under the Companies Act, send out statutory notices to those it knows or has reasonable cause to believe have an interest in its shares, asking for details of those who have an interest and the extent of their interest in a particular holding of shares. When a person receives a statutory notice and fails to provide any information required by the notice within the time specified in it, the Company can apply to the court for an order directing, among other things, that any transfer of shares which are the subject of the statutory notice is void.

Transfer restrictions under the Articles

The Board can decline to register any transfer of any share which is not a fully paid share. The Board may also decline to register a transfer of a certificated share unless the instrument of transfer:

- is duly stamped or certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty and is accompanied by the relevant share certificate or such other evidence of the right to transfer as the Board may reasonably require;
- is in respect of only one class of share; and
- if to joint transferees, is in favour of not more than four such transferees.

Registration of a transfer of an uncertificated share may be refused in the circumstances set out in the uncertificated securities rules (as defined in the Articles) and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

The Board may decline to register a transfer of any of the Company's certificated shares by a person with an interest of 0.25 per cent. or more of the existing Gocompare.com Shares (exclusive of any shares held in treasury) if such a person has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Act, unless the transfer is shown to the Board to be pursuant to an arm's length sale (as defined in the Articles).

4.6 Taxation

Certain information on taxation in the United Kingdom and the United States is set out in Part IX (*Taxation*). The information contained in Part IX (*Taxation*) is intended only as a general guide to the current tax position in the United Kingdom and the United States for the Shareholders described therein.

5. SUMMARY OF THE ARTICLES

The Articles, which were adopted 12 September 2016, subject to and with effect from Admission contain (among others) provisions to the following effect.

5.1 Unrestricted objects

The objects of the Company are unrestricted.

5.2 Limited liability

The liability of the Company's members is limited to any unpaid amount on Gocompare.com Shares held by them.

5.3 Change of name

The Articles allow the Company to change its name by resolution of the directors. This is in addition to the Company's statutory ability to change its name by special resolution under the Companies Act.

5.4 Share rights

Subject to any rights attached to existing Gocompare.com Shares, Gocompare.com Shares may be issued with such rights and restrictions as shareholders may by ordinary resolution decide, or (if there is no such resolution or so far as it does not make specific provision) as the directors may decide. These rights and restrictions will apply as if they were set out in the Articles. Redeemable shares may be issued, subject to any rights attached to existing Gocompare.com Shares. The directors can decide on the terms and conditions and the manner of redemption of any redeemable shares. These terms and conditions will apply as if they were set out in the Articles. Subject to the Articles, any resolution passed by the shareholders and other shareholders' rights, the directors may decide how to deal with any Gocompare.com Shares.

5.5 Voting rights

Shareholders will be entitled to vote at a general meeting or class meeting whether on a show of hands or a poll, as provided in any applicable statutes in force from time to time concerning companies insofar as they apply to the Company (in this section, the "**Companies Acts**"). The Companies Acts provide that:

- on a show of hands every member present in person has one vote and every proxy present who has been duly appointed by one or more members will have one vote, except that a proxy has one vote for and one vote against if the proxy has been duly appointed by more than one member and the proxy has been instructed by one or more members to vote for and by one or more other members to vote against. For this purpose, the Articles provide that, where a proxy is given discretion as to how to vote on a show of hands, this will be treated as an instruction by the relevant shareholder to vote in the way that the proxy decides to exercise that discretion; and
- on a poll every member has one vote per share held by him, her or it and he, she or it may vote in person or by one or more proxies. Where he, she or it appoints more than one proxy, the proxies appointed by him, her or it taken together shall not have more extensive voting rights than he, she or it could exercise in person.

This is subject to any rights or restrictions which are given to any Gocompare.com Shares or on which Gocompare.com Shares are held.

If more than one joint shareholder votes (including voting by proxy), the only vote which will count is the vote of the person whose name is listed before the other voters on the register for the relevant Gocompare.com Share.

5.6 Restrictions

No shareholder shall be entitled to vote at any general meeting or class meeting in respect of any Gocompare.com Share held by him, her or it if any call or other sum then payable by him, her or it in respect of that share remains unpaid or if a member has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Acts.

5.7 Dividends and other distributions

The Company may by ordinary resolution from time to time declare dividends not exceeding the amount recommended by the Board. Subject to the Companies Acts, the Board may pay interim dividends, and also any fixed rate dividend, whenever the financial position of the Company, in the opinion of the Board, justifies its payment. If the Board acts in good faith, it is not liable to holders of Gocompare.com Shares with preferred or pari passu rights for losses arising from the payment of interim or fixed dividends on other shares.

The Board may withhold payment of all or any part of any dividends or other monies payable in respect of Gocompare.com Shares from a person with a 0.25 per cent. interest (as defined in the Articles) if such a person has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Acts.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide, all dividends shall be apportioned and paid pro rata according to the amounts paid up on the share during any portion of the period in respect of which the dividend is paid. Except as set out above, dividends may be declared or paid in any currency.

The Board may, if authorised by an ordinary resolution of the Company, offer shareholders (excluding any member holding shares as treasury shares) in respect of any dividend the right to elect to receive ordinary shares by way of scrip dividend instead of cash.

Any dividend unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and revert to the Company unless the Board decides otherwise.

The Company may stop sending cheques, warrants or similar financial instruments in payment of dividends by post in respect of any shares or may cease to employ any other means of payment, including payment by means of a relevant system, for dividends if either (i) at least two consecutive payments have remained uncashed or are returned undelivered or that means of payment has failed or (ii) one payment remains uncashed or is returned undelivered or that means of payment has failed and reasonable enquiries have failed to establish any new postal address or account of the holder. The Company may resume sending dividend cheques, warrants or similar financial instruments or employing that means of payment if the holder requests such resumption in writing.

5.8 Variation of rights

Subject to the Companies Acts, rights attached to any class of shares may be varied with the written consent of the holders of not less than three-fourths in nominal value of the issued shares of that class (calculated excluding any shares held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares. At every such separate general meeting (except an adjourned meeting) the quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares).

The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking pari passu with them.

5.9 Transfer of shares

Gocompare.com Shares are in registered form. Any Gocompare.com Shares may be held in uncertificated form and, subject to the Articles, title to uncertificated shares may be transferred by means of a relevant system. Provisions of the Articles do not apply to any uncertificated shares to the extent that such provisions are inconsistent with the holding of shares in uncertificated form or with the transfer of shares by means of a relevant system.

Subject to the Articles, any member may transfer all or any of his or her certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve. The instrument of transfer must be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee.

The transferor of a share is deemed to remain the holder until the transferee’s name is entered in the register.

The Board can decline to register any transfer of any share which is not a fully paid share. The Board may also decline to register a transfer of a certificated share unless the instrument of transfer:

- is duly stamped or certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty and is accompanied by the relevant share certificate or such other evidence of the right to transfer as the Board may reasonably require;
- is in respect of only one class of share; and
- if to joint transferees, is in favour of not more than four such transferees.

Registration of a transfer of an uncertificated share may be refused in the circumstances set out in the uncertificated securities rules (as defined in the Articles) and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

The Board may decline to register a transfer of any of the Company's certificated shares by a person with a 0.25 per cent. interest (as defined in the Articles) if such a person has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Acts, unless the transfer is shown to the Board to be pursuant to an arm's length sale (as defined in the Articles).

5.10 Sub-division of share capital

Any resolution authorising the Company to sub-divide any of its shares can provide that, as between the shares resulting from the sub-division, any of them may have a preference or advantage or be subject to any restriction as compared with the others.

5.11 General meetings

The Articles rely on the Companies Act provisions dealing with the calling of general meetings. The Companies Act provides that an annual general meeting must be called by notice of at least 21 clear days. Upon listing, the Company will be a 'traded company' for the purposes of the Companies Act and as such will be required to give at least 21 clear days' notice of any other general meeting unless a special resolution reducing the period to not less than 14 clear days has been passed at the immediately preceding annual general meeting or at a general meeting held since that annual general meeting or, prior to the Company's first annual general meeting following Admission, or at any other general meeting following Admission.

Notice of a general meeting must be given in hard copy form, in electronic form, or by means of a website and must be sent to every member and every director. It must state the time and date and the place of the meeting and the general nature of the business to be dealt with at the meeting. As the Company will be a publicly traded company, the notice must also state the website address where information about the meeting can be found in advance of the meeting, the voting record time, the procedures for attending and voting at the meeting, details of any forms for appointing a proxy, procedures for voting in advance (if any are offered), and the right of shareholders to ask questions at the meeting. In addition, a notice calling an annual general meeting must state that the meeting is an annual general meeting.

Each director shall be entitled to attend and speak at any general meeting. The chairman of the meeting may invite any person to attend and speak at any general meeting where he or she considers that this will assist in the deliberations of the meeting.

5.12 Directors

(A) Number of directors

The directors shall be not less than two and not more than 14 in number. The Company may by ordinary resolution vary the minimum and/or maximum number of directors.

(B) Directors' shareholding qualification

A director shall not be required to hold any Gocompare.com Shares.

(C) Appointment of directors

Directors may be appointed by the Company by ordinary resolution or by the Board. A director appointed by the Board holds office until the following annual general meeting of the Company and is then eligible for reappointment.

The Board or any committee authorised by the Board may from time to time appoint one or more directors to hold any employment or executive office for such period and on such terms as they may determine and may also revoke or terminate any such appointment.

(D) Retirement of directors

At every annual general meeting, (i) any director appointed since the last annual general meeting, (ii) any director who has held office for two preceding annual general meetings without retiring from office and (iii) any director who has held office with the Company for a continuous period of nine years or more shall retire from office and each such person may offer himself or herself for reappointment by the shareholders.

(E) Removal of directors by special resolution

In addition to any power of removal conferred by the Companies Acts, the Company may by special resolution remove any director before the expiration of his or her period of office.

(F) Vacation of office

The office of a director shall be vacated if:

- he or she resigns or offers to resign and the Board resolves to accept such offer;
- his or her resignation is requested by all of the other directors and all of the other directors are not less than three in number;
- he or she is or has been suffering from mental or physical ill-health and the Board resolves that his or her office be vacated;
- he or she is absent without the permission of the Board from meetings of the Board (whether or not an alternate director appointed by him or her attends) for six consecutive months and the Board resolves that his or her office is vacated;
- he or she becomes bankrupt or compounds with his or her creditors generally;
- he or she is prohibited by law from being a director;
- he or she ceases to be a director by virtue of the Companies Acts; or
- he or she is removed from office pursuant to the Articles.

If the office of a director is vacated for any reason, he or she must cease to be a member of any committee or sub-committee of the Board.

(G) Alternate directors

Any director may appoint any person to be his or her alternate and may at his or her discretion remove such an alternate director. If the alternate director is not already a director, the appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved.

(H) Proceedings of the Board

Subject to the provisions of the Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions vested in or exercisable by the Board.

The Board may appoint a director to be the chairman or a deputy chairman and may at any time remove him or her from that office. Questions arising at any meeting of the Board shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

All or any of the members of the Board may participate in a meeting of the Board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present at the meeting and shall be entitled to vote and to be counted in the quorum.

The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons as it thinks fit, provided that the majority of persons on any committee or sub-committee must be directors. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in the Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.

(I) Remuneration of directors

Each of the directors shall be paid a fee at such rate as may from time to time be determined by the Board, but the aggregate of all such fees so paid to the directors shall not exceed £2 million per annum or such higher amount as may from time to time be decided by ordinary resolution of the Company. Any director who is appointed to any executive office shall be entitled to receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board or any committee authorised by the Board may decide, either in addition to or in lieu of his or her remuneration as a director. In addition, any director who performs services which in the opinion of the Board or any committee authorised by the Board go beyond the ordinary duties of a director, may be paid such extra remuneration as the Board or any committee authorised by the Board may determine. Each director may be paid his or her reasonable travelling, hotel and incidental expenses (including any tax payable on such expenses) of attending and returning from meetings of the Board, or committees of the Board or of the Company or any other meeting which as a director he or she is entitled to attend, and shall be paid all other costs and expenses properly and reasonably incurred by him or her in the conduct of the Company's business or in the discharge of his or her duties as a director. The Company may also fund a director's or former director's expenditure and that of a director or former director of any holding company of the Company for the purposes permitted under the Companies Acts and may do anything to enable a director or former director or a director or former director of any holding company of the Company to avoid incurring such expenditure as provided in the Companies Acts.

(J) Pensions and gratuities for directors

The Board or any committee authorised by the Board may exercise the powers of the Company to provide benefits by the payment of gratuities or pensions or by insurance or in any other manner for any director or former director or his or her relations, dependants or persons connected to him or her, but no benefits (except those provided for by the Articles) may be granted to or in respect of a director or former director who has not been employed by or held an executive office or place of profit with the Company or any of its subsidiary undertakings or their respective predecessors in business without the approval of an ordinary resolution of the Company.

(K) Directors' interests

The Board may, subject to the provisions of the Articles, authorise any matter which would otherwise involve a director breaching his or her duty under the Companies Acts to avoid conflicts of interest. Where the Board gives authority in relation to a conflict of interest, or where any of the situations described in (i) to (v) below applies in relation to a director, the Board may (a) require the relevant director to be excluded from the receipt of information, participation in discussions and/or the making of decisions related to the conflict of interest or situation; (b) impose upon the relevant director such other terms for the purpose of dealing with the conflict of interest or situation as it may determine; and (c) provide that the relevant director will not be obliged to disclose information obtained otherwise than through his or her position as a director of the Company and that is confidential to a third party or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence. The Board may revoke or vary such authority at any time.

Subject to the provisions of the Companies Acts, and provided he or she has declared the nature and extent of his or her interest to the Board as required by the Companies Acts, a director may:

(i) be party to, or otherwise interested in, any contract with the Company or in which the Company has a direct or indirect interest;

(ii) hold any other office or place of profit with the Company (except that of auditor) in conjunction with his or her office of director for such period and upon such terms, including remuneration, as the Board may decide;

(iii) act by himself or herself or through a firm with which he or she is associated in a professional capacity for the Company or any other company in which the Company may be interested (otherwise than as auditor);

(iv) be or become a director or other officer of, or employed by or otherwise be interested in any holding company or subsidiary company of the Company or any other company in which the Company may be interested; and

(v) be or become a director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of his or her appointment as a director of that other company.

A director shall not, by reason of his or her office be liable to account to the Company or its members for any benefit realised by reason of having an interest permitted as described above or by reason of having a conflict of interest authorised by the Board and no contract shall be liable to be avoided on the grounds of a director having any such interest.

(L) Restrictions on voting

No director may vote on or be counted in the quorum in relation to any resolution of the Board concerning his or her own appointment, or the settlement or variation of the terms or the termination of his or her own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested save to the extent permitted specifically in the Articles.

Subject to certain exceptions set out in the Articles, no director may vote on, or be counted in a quorum in relation to, any resolution of the Board in respect of any contract in which he or she has an interest and, if he or she does so, his or her vote shall not be counted.

Subject to the Companies Acts, the Company may by ordinary resolution suspend or relax to any extent the provisions relating to directors' interests or the restrictions on voting or ratify any transaction not duly authorised by reason of a contravention of such provisions.

(M) Borrowing and other powers

Subject to the Articles and any directions given by the Company by special resolution, the business of the Company will be managed by the Board who may exercise all the powers of the Company, whether relating to the management of the business of the Company or not. In particular, the Board may exercise all the powers of the Company to borrow money, to guarantee, indemnify, mortgage or charge any of its undertaking, property, assets (present and future) and uncalled capital and to issue debentures and other securities and to give security for any debt, liability or obligation of the Company or of any third party. The Articles do not impose any borrowing restrictions on the Board or the Company.

(N) Indemnity of directors

To the extent permitted by the Companies Acts, the Company may indemnify any director or former director of the Company or any associated company against any liability. In addition, the Company may purchase and maintain for any director or former director of the Company or any associated company insurance against any liability.

5.13 Methods of service

Any notice, prospectus (including a share certificate) or other information may be served on or sent or supplied to any shareholder by the Company personally, by post, by means of a relevant system, by sending or supplying it in electronic form to an address notified by the shareholder to the Company for that purpose, where appropriate, by making it available on a website and notifying the shareholder of its availability, or by any other means authorised in writing by the shareholder.

6. MANDATORY BIDS AND COMPULSORY ACQUISITION RULES RELATING TO GOCOMPARE.COM SHARES

Other than as provided by the Takeover Code and Chapter 28 of the Companies Act, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules that apply to Gocompare.com Shares.

6.1 Mandatory bid

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if an acquisition of interests in shares were to increase the aggregate holding of the acquirer and its concert parties to interests in shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties would be required (except with the consent of the Panel on Takeovers and Mergers (‘‘**Panel**’’)) to make a cash offer for the outstanding Gocompare.com Shares at a price not less than the highest price paid for interests in shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of interests in shares by a person holding (together with its concert parties) shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person’s percentage of the total voting rights in the Company.

‘Interest in shares’ is defined broadly in the Takeover Code. A person who has long economic exposure, whether absolute or conditional, to changes in the price of shares will be treated as interested in those shares. A person who only has a short position in shares will not be treated as interested in those shares.

In particular, people will be treated as having an interest in shares if:

- they own them;
- they have the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or have general control of them;
- by virtue of any agreement to purchase an option or derivative they:
    - have the right or option to acquire them or call for their delivery; or
    - are under an obligation to take delivery of them,

  whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- they are party to any derivative:
    - whose value is determined by reference to its price; and
    - which results, or may result, in their having a long position in it.

‘Voting rights’ for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting.

Persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), cooperate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. Certain categories of people will be deemed to be acting in concert with each other unless the contrary is established.

6.2 Squeeze-out

Under the Companies Act, if a 'takeover offer' (as defined in section 974 of the Companies Act) is made for the Gocompare.com Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the Gocompare.com Shares to which the offer relates and not less than 90 per cent of the voting rights carried by the Gocompare.com Shares to which the offer relates, it could, within three months of the last day on which its takeover offer can be accepted, compulsorily acquire the remaining 10 per cent. The offeror would do so by sending a notice to outstanding members telling them that it will compulsorily acquire their Gocompare.com Shares and then, six weeks later, it would execute a transfer of the outstanding Gocompare.com Shares in its favour and pay the consideration for the outstanding Gocompare.com Shares to the Company, which would hold the consideration on trust for outstanding members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

6.3 Sell-out

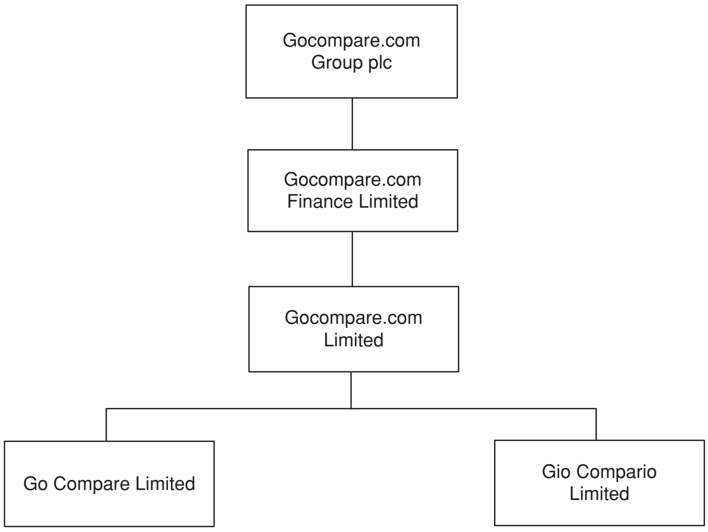
The Companies Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all of the Gocompare.com Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. in value of the Gocompare.com Shares and not less than 90 per cent. of the voting rights carried by the Gocompare.com Shares, any holder of Gocompare.com Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Gocompare.com Shares. The offeror is required to give any member notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his/her rights, the offeror is entitled and bound to acquire those Gocompare.com Shares on the terms of the offer or on such other terms as may be agreed.

7. ORGANISATIONAL STRUCTURE

After implementation of the Demerger, the Group will comprise the Company and its subsidiaries. The Company is expected to have the following wholly-owned subsidiaries upon Admission:

Company name	Place of incorporation	Principal activity
Gocompare.com Finance Limited	England and Wales	Finance subsidiary
Gocompare.com Limited	England and Wales	Operating subsidiary
Go Compare Limited	England and Wales	Dormant
Gio Compario Limited	England and Wales	Dormant

A structure chart showing the Company and all its subsidiaries is set out below.



8. INTERESTS OF MAJOR SHAREHOLDERS

8.1 Major Shareholders

As at the Reference Date, the entire issued share capital of the Company is held and controlled by esure Services Limited.

Immediately following the Demerger, the shareholders of the Company will be the same as the shareholders of esure Group plc as at the Record Time. A summary of the steps to be taken to effect the Demerger, including the transfer by way of dividend of the Company from esure Services Limited to esure Group plc to the shareholders of esure Group plc, is set out in section 4.3 of Part I (*The Business and Market Overview*).

As at the Reference Date, and so far as is known to the Company by virtue of the notifications made to esure Group plc pursuant to the Companies Act, MAR and/or the Disclosure Guidance and Transparency Rules, the following, directly or indirectly, are interested in 3 per cent. or more of the issued share capital of esure Group plc:

Shareholder	Number of esure Group plc shares	Percentage holding[16]
Sir Peter Wood	128,609,655	30.85%
Toscafund Asset Management LLP	54,459,930	13.06%
Fidelity International Limited	40,032,761	9.60%
Invesco Asset Management	19,429,782	4.66%
Jupiter Asset Management Limited	16,762,595	4.02%
J O Hambro Capital Management	16,194,020	3.88%

(16) The percentage holding has been calculated using the 416,864,465 esure Shares in issue at the Reference Date as the denominator.

Following the Demerger, no Shareholder has or will have different voting rights from any other holder of Gocompare.com Shares in respect of any Gocompare.com Shares held by them and the Gocompare.com Shares held by them will rank pari passu in all respects with all other Gocompare.com Shares.

8.2 Rule 9 Disclosures

Under Rule 9 of the Takeover Code, when (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which, taken together with shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code, or (ii) any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company, but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he is interested, then in either case, that person is normally required to make a general offer in cash for all the remaining equity share capital of that company at the highest price paid by him, or any persons acting in concert with him, for shares in that company within the 12 months prior to announcement of the offer.

Whitewash procedure

When a company redeems or purchases its own voting shares, under Rule 37 of the Takeover Code any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the Takeover Code. Rule 37 of the Takeover Code provides that, subject to prior consultation, the Panel will normally waive any resulting obligation to make a general offer under Rule 9 if there is a vote of independent shareholders and a procedure along the lines of that set out in Appendix 1 to the Takeover Code is followed. Appendix 1 to the Takeover Code sets out the procedure which should be followed in obtaining that consent of independent shareholders. Under Note 1 on Rule 37 of the Takeover Code, a person who comes to exceed the limits in Rule 9.1 in consequence of a company's purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the directors is such that the person is, or is presumed to be, acting in concert with any of the directors. However, there is no presumption that all the directors (or any two or more directors) are acting in concert solely by reason of a proposed purchase by a company of its own shares, or the decision to seek shareholders' authority for any such purchase.

Under Note 2 on Rule 37 of the Takeover Code, the exception in Note 1 on Rule 37 described above will not apply, and an obligation to make a mandatory offer may therefore be imposed, if a person (or any relevant member of a group of persons acting in concert) has acquired an interest in shares at a time when he, she or it had reason to believe that such a purchase of its own shares by the company would take place. However, Note 2 will not normally be relevant unless the relevant person has knowledge that a purchase for which requisite shareholder authority exists is being, or is likely to be, implemented (whether in whole or in part).

The Panel must be consulted in advance in any case where Rule 9 of the Takeover Code might be relevant. This will include any case where a person or group of persons acting in concert is interested in shares carrying 30 per cent. or more but does not hold shares carrying more than 50 per cent. of the voting rights of a company, or may become interested in 30 per cent. or more on full implementation of the proposed purchase of own shares. In addition, the Panel should always be consulted if the aggregate interests in shares of the directors and any other persons acting in concert, or presumed to be acting in concert, with any of the directors amount to 30 per cent. or more, or may be increased to 30 per cent. or more on full implementation of the proposed purchase of own shares.

Subject to certain limits, the Company has authority to purchase Gocompare.com Shares under the terms of the shareholder resolution summarised below. The maximum number of Gocompare.com Shares that the Company may purchase under this authority is 41,685,357. The authority is due to expire at the conclusion of the first annual general meeting of the Company following Admission or 31 July 2017, whichever is later. If, prior to such expiry:

- the Company were to exercise that authority in full;
- the aggregate percentage shareholding of Sir Peter Wood in the Company immediately following Admission is approximately 30.85 per cent.; and

- none of the Gocompare.com Shares which Sir Peter Wood holds are purchased by the Company under that authority and no Gocompare.com Shares had been newly issued by the Company between the date of Admission and the date that the authority is fully exercised,

then, Sir Peter Wood's shareholding in the Company would increase to approximately 34.3 per cent.

Notwithstanding the provisions of Rule 37 of the Takeover Code, the Panel has waived any obligation which would otherwise require Sir Peter Wood and any person deemed to be acting in concert with Sir Peter Wood to make a mandatory offer under Rule 9 of the Takeover Code on the grounds that his or their interest in the Company has increased only as a result of the purchase by the Company of its own shares pursuant to the authority conferred by the written resolution summarised above.

The Company currently expects to seek renewal of that authority from Shareholders at the first annual general meeting of the Company following Admission and to seek Shareholder consent to an equivalent waiver in respect of any renewed authority to purchase Gocompare.com Shares that is sought. The granting of the waiver will then also be subject to renewed approval from the Panel, without which Rule 9 of the Takeover Code will apply with respect to increases in interests in Gocompare.com Shares caused by the purchase by the Company of its own shares.

8.3 Confirmations

Other than as described in section 8.2 of this Part X and in the description of the Relationship Agreement in section 16.2 of this Part X, as at the Reference Date and immediately after Admission, to the knowledge of the Company, esure Group plc is not directly or indirectly owned or controlled by another corporation or by any foreign government and there is no person who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company.

As at the Reference Date, the Company is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company (other than as a result of implementation of the Demerger).

Pursuant to a relationship agreement between the Company and Sir Peter Wood that will have effect from Admission, Sir Peter Wood will be able to nominate one person to be a director of the Company for so long as he (and any of his Associates, when taken together) holds at least 15 per cent. of the Gocompare.com Shares.

9. DIRECTORS AND SENIOR MANAGEMENT

9.1 Directorships and partnerships outside the Group

The details of those companies and partnerships outside the Group of which the Directors are currently directors or partners, or have been directors or partners at any time during the five years prior to the publication of this prospectus, are as follows:

Directors

Sir Peter Wood (*Chairman*)

Current directorships and partnerships

89 Middle Road LLC
530 South Ocean Boulevard LLC
540 SO Limited
540 South Ocean Boulevard LLP
Esure Finance Limited
Esure Group plc
Esure Holdings Limited
Esure Insurance Limited
Esure Services Limited
Landorder Limited
The Plymouth Rock Company
P.J. Wood Associates Limited
RYT Aviation LP Inc
The W1 London Limited
WONE International Group US Holdings Inc
WONE International Holdings Limited
WONE International Services Limited

Previous directorships and partnerships

Esure Property Limited
Esure Property Management Limited
Royalton Group Holdings Limited

Angela Seymour-Jackson (*Deputy Chairman and Senior Independent Director*)

Current directorships and partnerships

Esure Group plc
Henderson Group Holdings Asset Management Limited
Henderson Group plc
Rentokil Initial plc

Previous directorships and partnerships

Aegon UK plc
Aegon UK Corporate Services Limited
Aegon UK Services Limited
AVIVA Wrap UK Limited
RAC Finance (Holdings) Limited
RAC Finance Group Limited
RAC Finance Limited
RAC Financial Services Limited
RAC Group Limited
RAC Insurance Limited
RAC Limited
RAC Motoring Services
Royal Automobile Club Foundation for Motoring Limited

Matthew Crummack (*Chief Executive Officer*)

Current directorships and partnerships

Interventus Limited
Interventus PCC Limited
National Express Group plc

Previous directorships and partnerships

All-Hotels Limited
Cordex Computer Services Limited
First Option Hotel Reservations Limited
Globepost Limited
Last Minute Network Limited
Lastminute.com Limited
Lastminute.com Overseas Holdings Limited
Lastminute.Com Theatrenow Limited
Lastminute.Com UK Holdings Limited
Leisure Cars Group Limited
Leisure Cars Holdings Limited
Leisure Cars International Limited
Leisure Cars U.K. & Ireland Limited
LM Travel Services Limited
LMNEXT Services (UK) Limited
LMNEXT UK Limited
Online Travel Corporation Limited
Online Travel Services Limited
OTBE Group Services Limited
OTC Travel Management Limited
Taskbrook Limited
The Destination Group Limited
Travelbargains Limited
Travelcoast Limited
TVL Europe
TVL Travel Limited

Nick Wrighton (*Chief Financial Officer*)

Current directorships and partnerships

None.

Previous directorships and partnerships

Esure Broker Limited

Wrighton Consulting Limited

Zillah Byng-Thorne (*Non-Executive Director*)

Current directorships and partnerships

A&S Publishing Company Limited
Beach Magazines and Publishing Limited
Byng & Mckenzie Consultants Ltd
Etihad Topco Limited
Future Holdings 2002 Limited
Future IP Limited
Future Network Limited
Future Plc
Future Publishing (Overseas) Limited
Future Publishing Holdings Limited
Future Publishing Limited
Futurefolio Limited
Fxm International Limited
Maxza Enterprises Limited
Paddy Power Betfair Plc
Professional Publishers Association Ltd
Sarracenia Limited

Previous directorships and partnerships

2nd Byte Limited
Agnew Stores Limited
Auto Trade-Mail Limited
Auto Trader Holding Limited
Auto Trader Holland Limited
Auto Trader Limited
Betfair Group Limited
C.S.L. Media Limited
Capitalbody Limited
Cater Stoffell and Fortt Limited
Chester Square Limited
Connected Fitness Labs Limited
D&A Haddow Limited
Delta Point Associates Limited
Faxpress Limited
First Quench Retailing Limited
Fitness First (Birmingham) Limited
Fitness First (Camberley) Limited
Midland Auto Trader Limited
Mike Corby Holdings Limited
Moray Limited
Music Maker Limited
Music Maker Publications (Holdings) Limited
One Rebel Ltd
Rambo A Limited
Rambo B Limited
Rambo D Limited
The Victoria Wine Company Limited
Thresher and Company
Thresher Group Limited
Thresher Leasing Limited
Thresher Wines Acquisitions Limited
Thresher Wines Financial Services Limited
Trademail Holdings Limited
Fitness First (Coventry) Limited
Fitness First (Northampton) Limited
Fitness First (Old Street) Limited
Fitness First Clubs Limited
Fitness First Finance Limited
Fitness First for Women LTD
Fitness First Holdings Limited
Fitness First Overseas Holdings Limited
Fleets Lane Limited
Future (Business Entertainment) Publishing Limited
Future (Motoring) Publishing Limited
Futurefolio IP Limited
Gondola Holdings plc
Hope Lodge (Management) Limited
Hurst Italia Limited
Irish Auto Trader Limited
Ironglove Limited
Mecom Group Limited
Trader Data Systems Limited
Trader Finance (2009) Limited
Trader Licensing Limited
Trader Media (Earls Court) Group Limited
Trader Media (Earls Court) Holdings Limited
Trader Media Corporation (2003) Limited
Trader Media Finance Limited
Trader Media Group (2003) Limited
Trader Media Group Holdings Limited
Trader Media Group Limited
Trader Media Holdings Limited
Trader Media Limited
Trader Media Property Limited
Trader Publishing Limited
Trainline Investments Holdings Limited

Adrian Webb (*Non-Executive Director*)

Current directorships and partnerships

Gas Tag Ltd
Webb of Intrigue Limited

Previous directorships and partnerships

Post Restaurants Limited

Senior Managers

Faisal Galaria (*Chief Strategy and Investments Officer*)

Current directorships and partnerships

Flightdeck Consulting Limited
Plan9 Tech Incubator
Singleview Systems Limited

Previous directorships and partnerships

Alvarez & Marsal Corporate Performance Improvement LLP

Lee Griffin (*Chief Operations Officer*)

Current directorships and partnerships

None.

Previous directorships and partnerships

None.

9.2 Conflicts of interest

Save as set out below, there are no actual or potential conflicts of interest between the duties owed by the Directors or the Senior Managers to the Company and the private interests and/or other duties that they may also have:

- Sir Peter Wood is a director and non-executive chairman of both the Company and esure Group plc.
- Angela Seymour-Jackson is a non-executive director of both the Company and esure Group plc.

Although the directorships set out above are considered by the Board to represent potential conflicts of interest, as at the date of this prospectus, they are not considered by the Board to represent actual conflicts of interest.

If any matters arise for discussion by the Board in relation to the Company's relationship with esure Group plc whilst each of Sir Peter Wood and/or Angela Seymour-Jackson remain, respectively, a director of esure Group plc, Sir Peter Wood and/or Angela Seymour-Jackson will recuse himself and/or herself, as relevant, from any input on such matter (including recusing themselves from voting on such matter). The Board will take a similar approach to any other potential conflicts that may arise for its members from time to time.

9.3 Directors and Senior Managers' confirmations

(A) As at the date of this prospectus, no Director or Senior Manager has during the last five years:

(i) been convicted in relation to fraudulent offences;

(ii) been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company;

(iii) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies); or

(iv) been disqualified by a court from acting as a member of the administrative, management or supervisory body of a company or from acting in the management or conduct of the affairs of any company.

(B) No Director was selected to act in such capacity pursuant to any arrangement or understanding with any shareholder, consumer, supplier or any other person having a business connection with the Group. Pursuant to the Relationship Agreement, Sir Peter Wood will, conditional on Admission, have the right to nominate one director for appointment to the Board for so long as he (together with his Associates) holds 15 per cent. or more of the voting rights exercisable at a general meeting of the Company.

(C) There are no family relationships between any of the Directors and Senior Managers.

(D) There are no outstanding loans or guarantees granted or provided by any member of the Group for the benefit of any of the Directors or Senior Managers.

9.4 Interests of Directors and Senior Management in the share capital of the Company

The Directors and Senior Management do not hold any interests in Gocompare.com Shares as at the date of this prospectus and will not do so in the period prior to Admission. The table below sets out the expected interests of the Directors and Senior Management in the share capital of the Company (all of which, unless otherwise stated, are beneficial and include the interest of persons connected with them) immediately following Admission.

	Interests immediately following Admission	
Director	**No. of Gocompare.com Shares**	**%(1)**
Sir Peter Wood (*Chairman*)	128,609,655	30.85
Angela Seymour-Jackson (*Deputy Chairman and SID)*	0	0
Matthew Crummack (*Chief Executive Officer*)	0	0
Nick Wrighton (*Chief Financial Officer*)(4)	54,121(2)	0.01
Zillah Byng-Thorne (*Non-Executive Director)*	0	0
Adrian Webb (*Non-Executive Director)*	986,903(3)	0.24
Senior Manager		
Faisal Galaria (*Chief Strategy and Investments Officer*)	0	0
Lee Griffin (*Chief Operations Officer*)(4)	0	0

Notes

(1) The percentage holding has been calculated using the 416,864,465 esure Shares in issue at the Reference Date as the denominator.

(2) Of these 54,121 Gocompare.com Shares, 210 Gocompare.com Shares are dependent upon on a dividend equivalent payment that is expected to be made in the form of esure Shares in connection with an esure Group plc dividend due to be paid on 21 October 2016. This dividend equivalent payment has been estimated based on the closing price of esure Shares as at the Reference Date. The total number of esure Shares issued under this dividend equivalent payment, and therefore the stated number of 54,121 Gocompare.com Shares, remains subject to the closing price of esure Shares on 21 October 2016.

(3) Of these 986,903 Gocompare.com Shares, 232,450 Gocompare.com Shares are expected to be held by Adrian Webb's spouse and 41 Gocompare.com Shares are dependent upon on a dividend equivalent payment that is expected to be made in the form of esure Shares in connection with an esure Group plc dividend due to be paid on 21 October 2016. This dividend equivalent payment has been estimated based on the closing price of esure Shares as at the Reference Date. The total number of esure Shares issued under this dividend equivalent payment, and therefore the stated number of 986,903 Gocompare.com Shares, remains subject to the closing price of esure Shares on 21 October 2016.

(4) Nick Wrighton and Lee Griffin have outstanding awards under the esure Group PSP and SAYE schemes that will not have vested prior to the Demerger Record Time. Both Nick and Lee will be treated as 'good leavers' for the purposes of these schemes, following completion of the Demerger.

10. DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

10.1 Executive Directors

The Company has undertaken a review of remuneration for senior management in preparation for Admission. The objective of the remuneration review was to provide a reward structure for management and employees that enables the Group to recruit, motivate, retain and reward employees in order to support its business goals. Underpinning this objective are the following principles:

- aligning the interests of management with that of current and future Shareholders;
- an appropriate balance between short-term reward and recognition and strong linkage to long-term performance;
- ability to attract and retain senior management and the wider employee group;
- reward structures, performance conditions and targets that are simple and easily understood; and
- supporting the Company's collegiate and inclusive culture.

As a result of the review, some salaries were adjusted where necessary to reflect the scope of the role in a plc environment. The Executive Directors, Matthew Crummack and Nick Wrighton, are employed under service agreements dated 7 October 2016. Under the terms of these agreements, Matthew Crummack receives a salary of £400,000 and Nick Wrighton a salary of £225,000. Base salaries will be reviewed at least annually and assessed taking into account the scope and requirements of the role, experience of the incumbent and the total remuneration package. Account will also be taken of remuneration arrangements in peer companies and the wider employee group.

Recognising the importance of motivating key individuals and focusing on the delivery of high performance of the Group, the Company proposes to make conditional share awards to a small number of individuals, including the Executive Directors, immediately after Admission ("**Foundation Awards**"). The awards will be made in Gocompare.com Shares under the new Performance Share Plan ("**PSP**"), described in more detail below. These awards will be subject to stretching financial targets, which will be disclosed at a later date. Performance will be tested at the end of 2017 and 2018 and awards will vest, subject to that performance as well as underlying general performance conditions as defined by the Remuneration Committee, as soon as possible after the end of 2018 and be released following a one year post-vesting holding period. The awards for Matthew Crummack and Nick Wrighton will be over Gocompare.com Shares valued at grant at £3,000,000 and £1,000,000 respectively. Awards are subject to malus and clawback in accordance with the PSP rules described in section 11.5 below and the Board has the discretion to reduce the value of awards if considered appropriate in the context of company performance. The Board also intends to make awards in Gocompare.com Shares to each employee after Admission under the new Share Incentive Plan ("**SIP**"), described in more detail below.

Executive Directors will be expected to build and hold Gocompare.com Shares of at least 200 per cent. of their annual salary to align with the long-term interests of Shareholders.

In respect of the 2016 bonus year, the Executive Directors will be entitled to receive an annual performance-related bonus at the Remuneration Committee's discretion, based on its view of performance during the year with reference to strategic, directional and personal objectives for 2016.

From 2017, each Executive Director is eligible to participate in the Company's bonus plan under which the target bonus is 50 per cent. of the maximum award. The maximum award is payable if stretching targets including key financial objectives are met. Maximum awards for 2017 are up to 100 per cent. of salary for Executive Directors. A portion of bonus awards in respect of 2017 performance onwards will, for Executive Directors and selected senior management, normally be deferred into Gocompare.com Shares over a period of three years and released in equal tranches in each of the three years. The initial percentage deferred will be 30 per cent. of any bonus award although this figure may be amended in future years.

Executive Directors and other key employees will continue to be eligible to participate in the PSP from 2017 (following the Foundation Awards made under this plan to selected key individuals upon Admission in 2016), described in more detail below. It is anticipated that annual awards from 2017 will be 200 per cent. of salary for Matthew Crummack and 150 per cent. of salary for Nick Wrighton.

Performance conditions for the 2017 awards will reference one or more measures, including a market-based measure, although other conditions may be introduced for this or future awards. Performance will be tested over a three year cycle and awards held for an additional period which will transition over time up to two years. The Committee intends to keep the holding period under review in light of market practice in this area.

Like all employees, Executive Directors will be eligible to participate in the SIP and the Stock Purchase Plan (''**SPP**''), described in more detail in section 11 of this Part X below.

The employer pension contribution is up to 16 per cent. of salary for Executive Directors which may be taken in cash in lieu of pension if the Executive Director so chooses.

Executive Director contracts provide for 30 paid days' holiday each year and twelve months' notice of termination from either side.

10.2 Non-Executive Directors

The appointments of each of Sir Peter Wood, Angela Seymour-Jackson and Zillah Byng-Thorne are for a fixed term of three years commencing 12 September 2016. Adrian Webb was already a director of the Company on 12 September 2016, he will also have a fixed term of three years commencing 12 September 2016. The appointments of each of the Non-Executive Directors are subject to re-election when appropriate by the Company in general meeting.

Pursuant to sections 79 to 82 of the Enterprise and Regulatory Reform Act, the Chairman's and Non-Executive Directors' remuneration will be subject to shareholder approval. In the event that such approval is not obtained when required, the appointment letters provide that they will have no entitlement to compensation or damages in respect of loss suffered as a consequence.

Sir Peter Wood is entitled to receive an annual fee of £250,000 for his role as non-executive Chairman.

Both Zillah Byng-Thorne and Adrian Webb are entitled to receive an annual fee of £60,000. Zillah Byng-Thorne is entitled to an additional fee of £10,000 per annum for her duties as chairman of the Audit and Risk Committee. Angela Seymour-Jackson is entitled to a fee of £125,000 per annum for her duties as Deputy Chairman and Senior Independent Director and as chairman of the Remuneration Committee. For remuneration purposes, the appointment of each of the Non-Executive Directors is deemed to have taken effect on 1 August 2016 to reflect work undertaken by each Non-Executive Director in connection with the Demerger before their appointments could be finalised.

Each Non-Executive Director is also entitled to reimbursement of reasonably and properly incurred expenses including any tax payable on such expenses.

The Chairman and Non-Executive Directors are not entitled to receive any compensation on termination of their appointments and are not entitled to participate in the Company's share, bonus or pension schemes. Their appointments may be terminated by either party at any time upon three months' prior written notice in accordance with the Articles or the Companies Act or upon their otherwise ceasing to be a Director.

The Chairman and Non-Executive Directors are subject to confidentiality undertakings without limitation in time.

The Chairman and Non-Executive Directors will have the benefit of a qualifying third party indemnity from the Company (the terms of which are in accordance with the Companies Act) and appropriate directors' and officers' liability insurance.

Save as set out in this section 10.2 and section 10.1 above, there are no existing or proposed service agreements or letters of appointment between the Directors and any member of the Group.

10.3 Directors' and Senior Managers' Remuneration

Under the terms of their service contracts, letters of appointment and applicable incentive plans, in the year ended 31 December 2015, the aggregate remuneration and benefits to the Senior Managers was £244,821.

The only Director remunerated by the Group in the year ended 31 December 2015 was Adrian Webb. In the year ended 31 December 2015 he was remunerated as follows:

Name	Position	Annual Salary/Fees/ Bonus (£)	Other Benefits (£)	Date of Joining the Group
Adrian Webb	Non-Executive Director	£51,270.00	£0.00	21 July 2015

10.4 Remuneration Policy

Overview of Remuneration Policy

The Company's aim is to attract, retain and motivate the best talent to help ensure continued growth and success as it enters the next stage of its development operating as a listed company.

In line with the principles stated in section 10.1, the remuneration policy aims to align the interests of the Executive Directors and also the wider employee group with that of current and future Shareholders and aims to strike an appropriate balance between short-term reward and recognition and strong linkage to long-term performance as well as supporting the Company's collegiate and inclusive culture.

Overall remuneration levels have been set at levels that are considered by the Remuneration Committee to be appropriate for the size and nature of the Business, having taken independent advice where necessary, in order to ensure that the policies and remuneration structure is appropriate for the listed company environment.

The information above summarises the key components of the Executive Director and Non-Executive Director remuneration arrangements which will form part of the remuneration policy subject to formal approval by Shareholders at the first annual general meeting of the Company following Admission in accordance with the regulations set out in the Large and Medium-sized Companies and Groups (Accounts and Report) (Amendment) Regulations 2013. It is currently intended that this policy will apply for three years from that date, and that it will be operated for the period from Admission until that annual general meeting.

The details of the Group's Executive Director and Non-Executive Director remuneration for the financial year, including the operation of the Group's incentive plans and payments made under them, will be set out each year in an annual report on remuneration contained in the Group's annual report, as per the requirements of the relevant statutory instrument.

11. SUMMARY OF SHARE-BASED INCENTIVE PLANS

Following Admission, the Company intends to operate an executive long-term incentive plan, the PSP and a bonus deferral plan under which a portion of annual bonuses may be deferred into Gocompare.com Shares, the Deferred Bonus Plan (''**DBP**''). Together the PSP and DBP are the ''**Executive Plans**''. The Company also intends to operate two tax-advantaged all-employee plans: the SIP (a share acquisition and free share plan); and the SPP (a savings-related share option plan), which together with the Executive Plans are the ''**Plans**''. The main features of these Plans are set out below, with the common terms of the Executive Plans and the Plans as a whole set out in sections 11.5 and 11.6 respectively.

11.1 The PSP

Status

The PSP was adopted by the Board on 10 October 2016, conditional on Admission. The PSP is a discretionary executive share plan, under which the Board may grant share-based awards (''**PSP Awards**'') to incentivise and retain eligible employees.

Grant of PSP Awards

The Board may not normally grant PSP Awards over Gocompare.com Shares to an eligible employee with a maximum total market value (as determined by the Board) in respect of any financial year in excess of 250 per cent. of the relevant individual's annual base salary. The PSP rules however contain provisions to grant awards in excess of the limit in case of the Foundation Awards (described below) and any awards to be granted to an eligible employee associated with their recruitment by way of compensating them for any loss of incentives in their previous office or employment (a ''**Recruitment Award**''). Recruitment Awards may only be granted to an employee on one occasion.

Performance and other conditions

Unless the Board determines otherwise, PSP Awards will typically be subject to performance conditions.

Any performance conditions applying to PSP Awards may be amended or substituted, provided that an event occurs that causes the Board to consider that the new performance conditions would be more appropriate and not materially less difficult to satisfy. The Board may also impose other conditions on the vesting of PSP Awards.

Vesting, exercise and release

PSP Awards subject to performance conditions will normally have those conditions assessed as soon as reasonably practicable after the end of the relevant performance period, and, to the extent that the performance conditions have been met, the awards will vest either on that date or such later date that the Board determines. The Board's intention is that PSP Awards (other than the Foundation Awards and any Recruitment Awards) granted to the Executive Directors will be subject to a performance period of at least three years. Any PSP Awards that are not subject to performance conditions will normally vest on the third anniversary of the grant date or such other date that the Board determines.

The Board may also determine that a PSP Award is also subject to an additional holding period following vesting, during which Gocompare.com Shares subject to the PSP Award will not be delivered to participants and at the end of which the PSP Awards will be 'released'. If at any time the Committee determines to grant PSP Awards in the form of nil-cost options, these will normally be exercisable from vesting, or where relevant, release, until the tenth anniversary of the grant date.

Foundation Awards

The Board intends that the Foundation Awards will be granted under the PSP within 42 days of Admission. The performance conditions applicable to the Foundation Awards will be assessed at the end of the 2017 and 2018 financial years. The Foundation Awards will normally vest, subject to the rules of the PSP, as soon as reasonably practicable after the performance conditions have been measured in early 2019 and will then be subject to a holding period of a further one year.

11.2 The DBP

Status

The DBP was adopted by the Board on 10 October 2016, conditional on Admission. The DBP is a discretionary executive share plan implemented so that a portion of a participant's bonus is deferred into a share-based award (a ''**DBP Award**'').

Vesting of DBP Awards

The intention is that DBP Awards will normally vest in three equal tranches on the first, second and third anniversaries of the grant date although the DBP will allow for the DBP Awards to be subject to different vesting schedules at the Board's discretion. If Awards are made as nil-cost options, they will normally be exercisable (to the extent vested) from vesting until the tenth anniversary of the grant date.

11.3 The SIP

Status

The SIP was adopted by the Board on 10 October 2016, conditional on Admission. The SIP is an all-employee share ownership plan which has been designed to meet HMRC requirements so that

Gocompare.com Shares can be provided to UK employees under the SIP in a tax-efficient manner. Under the SIP, eligible employees may be: (i) awarded up to £3,600 worth of free Gocompare.com Shares (''**Free Shares**'') each year; (ii) offered the opportunity to buy Gocompare.com Shares with a value up to a maximum of the lesser of £1,800 and 10 per cent. of the employee's pre-tax salary each year (''**Partnership Shares**''); (iii) given up to two free Gocompare.com Shares (''**Matching Shares**'') for each Partnership Share bought; and/or (iv) allowed or required to purchase Gocompare.com Shares using any dividends received on Gocompare.com Shares held in the SIP (''**Dividend Shares**''). The Board may determine that different limits will apply in the future should the relevant legislation change the maximum levels of participation referred to above.

SIP Trust

The SIP operates through a UK resident trust (the ''**SIP Trust**''). The trustee of the SIP Trust purchases or subscribes for Gocompare.com Shares that are awarded to or purchased on behalf of participants in the SIP. A participant will be the beneficial owner of any Gocompare.com Shares held on their behalf by the trustee of the SIP Trust.

Eligibility

Each time that the Board decides to operate the SIP, all UK resident tax-paying employees of the Company and its subsidiaries participating in the SIP must be offered the opportunity to participate. Other employees of the Group may be permitted to participate at the Board's discretion. Employees who are invited to participate must have completed a minimum qualifying period (not exceeding eighteen months in the case of Free Shares, and Matching Shares and Partnership Shares with no accumulation period) of employment (as determined by the Board) before they can participate.

Free Shares

There will be a holding period of between three and five years (or such other period as may be permitted by legislation from time to time) (the precise duration to be determined by the Board) during which the participant cannot withdraw the Free Shares from the SIP Trust unless the participant leaves. The Board, in its discretion, may provide that the Free Shares will be forfeited if the participant leaves other than because of injury, disability, redundancy, retirement or the sale of the individual's employing company or business out of the Group (each a ''**SIP Good Leaver Reason**'') or on death.

Partnership Shares

The Board may allow an employee to use pre-tax salary to buy Partnership Shares at their then market value. Once acquired, Partnership Shares may be withdrawn from the SIP by the participant at any time.

Matching Shares

The Board may, in its discretion, offer Matching Shares free to an employee who has purchased Partnership Shares. There is a holding period of between three and five years (or such other period as may be permitted by legislation from time to time) (the precise duration to be determined by the Board) during which the participant cannot withdraw the Matching Shares from the SIP Trust unless the participant leaves. The Board, in its discretion, may provide that the Matching Shares will be forfeited if the participant leaves other than for a SIP Good Leaver Reason, on death, or if he withdraws the related Partnership Shares.

Reinvestment of dividends

The Board may allow or require a participant to reinvest the whole or part of any dividends paid on Gocompare.com Shares held in the SIP. Dividend Shares must be held in the SIP Trust for no less than three years, unless the participant leaves.

Corporate events

In the event of a general offer being made to Shareholders (or a similar takeover event taking place), participants will be able to direct the trustee of the SIP Trust as to how to act in relation to their Gocompare.com Shares held in the SIP. In the event of an internal reorganisation, any Gocompare.com Shares held by participants may be replaced by equivalent shares in a new holding company.

Variation of capital

Gocompare.com Shares acquired on a variation of share capital of the Company will usually be treated in the same way as the Gocompare.com Shares acquired or awarded under the SIP in respect of which the rights were conferred and as if they were acquired or awarded at the same time.

Rights attaching to Gocompare.com Shares

Any Gocompare.com Shares allotted under the SIP and held in the SIP Trust will rank equally with Gocompare.com Shares then in issue (except for rights arising by reference to a record date prior to their allotment). In the event of a rights issue, participants will be able to direct the trustee of the SIP Trust as to how to act in respect of their Gocompare.com Shares held in the SIP.

11.4 Stock Purchase Plan (''SPP'')

Status

The SPP was adopted by the Board on 10 October 2016, conditional on Admission. The SPP is an all-employee share option plan which has been designed to meet HMRC requirements so that UK employees can acquire Gocompare.com Shares under the SPP in a tax-efficient manner.

Eligibility

Each time that the Board decides to operate the SPP, all UK resident tax-paying employees and full-time directors of the Company and its subsidiaries participating in the SPP must be offered the opportunity to participate. Other employees of the Group may be permitted to participate at the Board's discretion. Employees who are invited to participate must have completed a minimum qualifying period (not exceeding five years) of employment (as determined by the Board) before they can participate.

Savings contract

Under the SPP, eligible employees may enter into a linked savings contract to make savings over a three or five-year period. Monthly savings by an employee under all savings contracts linked to options granted under any tax-advantaged savings-related share option plan may not exceed the statutory maximum (currently £500). The Board may set a lower limit in relation to any particular grant. At the end of the three or five-year savings contract, employees may either withdraw their savings on a tax-free basis or use their savings to acquire Gocompare.com Shares.

Exercise price

The proceeds of the savings contract can be used to exercise an option to acquire Gocompare.com Shares at an exercise price per Gocompare.com Share set at the date of invitation (or such other date as may be specified in the invitation in line with the relevant legislation). The exercise price may not be manifestly less than 80 per cent. (or such other percentage as may be permitted by the relevant legislation) of the market value of a Gocompare.com Share at the date of invitation. The exercise price will be set using prices taken from the period during the 42 days beginning on: (i) Admission; (ii) the first dealing day after the announcement of the Company's results for any period; (iii) any day on which the Board determines that exceptional circumstances exist which justify the issue of invitations under the SPP at that time; or to the extent that dealing restrictions prevent invitations from being issued in any of the preceding three periods, (iv) the dealing day on which such dealing restrictions are lifted.

Exercise of options

Ordinarily, an option may be exercised within six months of the date the savings contract matures. Options not exercised by the end of this period will lapse.

Cessation of employment

Options will normally lapse immediately upon a participant ceasing to be employed by or hold office with the Group. However, if a participant so ceases because of their injury, disability, redundancy, retirement or the sale of the individual's employing company or business out of the Group or if the option has been held for at least three years on the date of cessation, their option will not lapse and may be exercised early for a period of up to six months after cessation of office or employment. If a participant dies, their option may be exercised for 12 months after their death by their personal representatives.

Corporate events

In the event of a change of control or winding-up of the Company, the options may be exercised early.

Alternatively, the Board may permit options to be exchanged for equivalent options over shares in a different company (including the acquiring company). If the change of control is an internal reorganisation of the Group, options will lapse unless the participants agree to exchange their options for equivalent options over shares in the new holding company.

Adjustments

In the event of a variation of the Company's share capital, the Board may adjust the number of Gocompare.com Shares subject to options and/or the exercise price applicable to options in such manner as it determines.

Rights attaching to Gocompare.com Shares

Gocompare.com Shares issued and/or transferred under the SPP will not confer any rights on any participant until the participant in question has received the underlying Gocompare.com Shares. Any Gocompare.com Shares allotted will rank equally with Gocompare.com Shares then in issue (except for rights arising by reference to a record date prior to their issue).

11.5 Terms common to the Executive Plans

Eligibility

All employees (including Executive Directors) of the Company or any of its subsidiaries are eligible for selection to participate in the Executive Plans at the discretion of the Board.

Timing of awards

Awards may be granted during the 42 days beginning on: (i) Admission; (ii) the first dealing day after the announcement of the Company's results for any period; (iii) any day on which the Board determines that exceptional circumstances exist which justify the making of an award at that time; or, to the extent that dealing restrictions prevent awards from being granted in any of the preceding three periods, (iv) the first dealing day on which such dealing restrictions are lifted.

Form of awards

The Board may grant awards as conditional awards of Gocompare.com Shares, nil-cost options over Gocompare.com Shares or as conditional cash awards or options to acquire a cash amount which relates to the value of a certain number of notional Gocompare.com Shares (except in respect of awards granted under the US section of these plans, which cannot take the form of options). No payment is required for the grant of an award.

Settlement

At its discretion, the Board may (unless the Board has determined otherwise at an earlier point) decide to satisfy awards with a cash payment equal to the market value of the Gocompare.com Shares that the participants would have received had the relevant award been satisfied with Gocompare.com Shares.

Dividend equivalents

The Board may decide that participants will receive an amount (in cash and/or additional Gocompare.com Shares) equal in value to any dividends that would have been paid on the Gocompare.com Shares which vest on such terms and over such period (ending no later than the date on which the award vests or, if there is a holding period, is released) as the Board may determine. This amount may assume the reinvestment of dividends and exclude or include special dividends.

Malus and clawback

The Board may decide, at any time prior to the vesting of awards (or where PSP Awards are subject to a holding period, release), to impose further conditions on the awards or reduce the number of Gocompare.com Shares under awards (including to nil) (''**malus**''). The circumstances in which the Board may consider operating malus are:

(a) a material misstatement of the financial results of any member of the Group;

(b) an error in the assessment of any performance condition applicable to a PSP Award or in the information or assumptions on which the award was granted, vests or was released (in the case of a PSP Award) or was granted or vests (in the case of a DBP Award);

(c) a material failure of risk management by any member of the Group or a relevant business unit;

(d) serious reputational damage to any member of the Group or a relevant business unit;

(e) misconduct on the part of the participant,

or any other circumstances which the Board in its discretion considers to be similar in their nature or effect to those set out above.

In order to invoke the malus provisions, the relevant circumstances must have taken place within the period beginning on (i) in the case of a PSP Award, the grant date or the start of the relevant performance period, if the PSP Award is subject to a performance condition or such earlier date as the Board may determine, or (ii) in the case of a DBP Award, the grant date and ending on the sixth anniversary of the grant date (the ''**Clawback Period**'').

Similarly, in certain circumstances the Board may recover value from the participant following the vesting (or where PSP Awards are subject to a holding period, release) of an award (''**clawback**''). The clawback provisions may be implemented at any time prior to the sixth anniversary of the grant date (or such later date as the Board may determine is appropriate in the event of an investigation into the conduct of the participant, a business unit or group company which begins but is not concluded prior to the sixth anniversary of the grant date) by a reduction in (i) the vesting of any subsisting Gocompare.com Share awards, or (ii) the number of Gocompare.com Shares under any vested but unexercised nil-cost option (whether under the relevant plan or another) and/or (iii) the participant being required to return some or all of the cash or Gocompare.com Shares delivered under their award(s) to the Company or to make a cash payment in respect of that cash or those Gocompare.com Shares.

The circumstances in which the Board may consider operating clawback are set out in (a) to (e) above, provided that they occur during the Clawback Period.

The Board will retain the discretion to calculate the amount subject to recovery, including whether or not to claw back gross or net of any tax or social security contributions applicable to the award.

Cessation of employment

Except in certain circumstances set out below, an unvested award will lapse immediately upon a participant ceasing to be employed by or to hold office with the Group. However, if a participant so ceases because of their ill-health, injury, disability, the sale of the participant's employing company or business out of the Group or in other circumstances at the discretion of the Board (except where he is summarily dismissed), their award will ordinarily continue to vest (and be released) on the date when it would have vested (and been released) if he had not so ceased to be a Group employee or director, taking into account the satisfaction of any performance conditions applicable to PSP Awards measured over the original performance period.

However, the Board retains discretion to allow the award to vest (and, in the case of a PSP Award, be released) following the individual's cessation of office or employment, taking into account any performance conditions applicable to PSP Awards measured up to that point.

Unless the Board decides otherwise, vesting will also take into account the proportion of the vesting period (or, in the case of a PSP Award subject to performance conditions, the performance period) which has elapsed on the participant's cessation of office or employment.

If a participant dies, unless the Board decides otherwise (except in respect of awards under the US sections of these plans, where there is no such discretion), their award will vest (and be released) as soon as reasonably practicable after the date of their death on the basis set out for other 'good leavers' above.

If a participant ceases to be an officer or employee of the Group during a holding period applicable to PSP Awards, their PSP Award will normally be released at the end of the holding period, unless the Board determines that it should be released as soon as reasonably practicable after cessation of office or employment (except in respect of awards granted under the US sections of those plans, where there is no such discretion). If a participant dies during the holding period, their award will be released as soon as reasonably practicable after the participant's death. However, if the participant is summarily dismissed, any outstanding PSP Awards he holds will lapse immediately.

Awards structured as nil-cost options may normally be exercised to the extent vested for a period of 12 months (or such other period as the Board may determine) after vesting (or, where PSP Awards are subject to a holding period, release). Where nil-cost options have already vested (and, where relevant, been released) on the date of cessation of office or employment, those nil-cost options may be exercised for a period of 12 months from the date of cessation, unless the participant is summarily dismissed, in which case their nil-cost options will lapse. If a participant dies, a released nil-cost option (or vested nil-cost option in the case of the DBP) may be exercised from the date of release/vesting until the first anniversary of the death.

Corporate events

In the event of a change of control of the Company, awards will vest (and be released) early. The proportion of any unvested awards which vest will be determined by the Board taking into account the extent to which any performance conditions applicable to PSP Awards have been satisfied at that time and, unless the Board determines otherwise, the proportion of the vesting period, or in case of PSP Awards subject to performance conditions, the performance period, which has elapsed.

Alternatively, the Board may permit awards to be exchanged for awards of shares in a different company (including the acquiring company). If the change of control is an internal reorganisation of the Group or if the Board so decides, participants may be required to exchange their awards. Participants who hold released/vested nil-cost options will always be required to exchange their awards in the event of an internal reorganisation.

If other corporate events occur such as a winding-up of the Company, demerger, delisting, special dividend or other event which, in the Board's opinion, may materially affect the current or future value of Gocompare.com Shares and the Board determines it would not be appropriate or practical to adjust awards, the Board may determine that awards will vest (and be released) on the same basis as for a change of control.

Variation of capital

If there is a variation of share capital of the Company or in the event of a demerger, delisting, special dividend or other event which in the Board's opinion may affect the current or future value of Gocompare.com Shares, the Board may make such adjustments to the number of Gocompare.com Shares subject to awards and/or any performance condition applicable to PSP Awards as it considers appropriate.

Rights attaching to Gocompare.com Shares

Gocompare.com Shares issued and/or transferred under the PSP and DBP will not confer any rights on any participant until the participant in question has received the underlying Gocompare.com Shares. Any Gocompare.com Shares allotted will rank equally with Gocompare.com Shares then in issue (except for rights arising by reference to a record date prior to their issue).

11.6 Terms common to the Plans

Limits

The Plans may operate over new issue Gocompare.com Shares, treasury Gocompare.com Shares or Gocompare.com Shares purchased in the market. The rules of the Plans provide that, in any 10 year rolling period, not more than 10 per cent. of the Company's issued ordinary share capital may be issued under the Plans and under any other employee share plan adopted by the Company.

In addition, the rules of the PSP and the DBP provide that, in any 10 year rolling period, not more than 5 per cent. of the Company's issued ordinary share capital may be issued under the PSP, DBP and any other discretionary employee share plan adopted by the Company.

Gocompare.com Shares transferred out of treasury under the Plans will count towards these limits for so long as this is required under institutional shareholder guidelines. Gocompare.com Shares issued or to be issued pursuant to awards granted before Admission or in relation to the Foundation Awards (described above) will not count towards these limits. In addition, awards which are relinquished or lapse will be disregarded for the purposes of these limits.

Amendments

The Board may, at any time, amend the provisions of the Plans in any respect, although the consent of the trustee of the SIP Trust must be obtained in respect of amendments to the SIP. The prior approval of Shareholders at a general meeting of the Company must be obtained in the case of any amendment to the advantage of eligible employees or participants which is made to the provisions relating to eligibility, individual or overall limits, the basis for determining the entitlement to, and the terms of, awards, the adjustments that may be made in the event of any variation to the share capital of the Company and/or the rule relating to such prior approval. There are however exceptions from this requirement to obtain shareholder approval for any minor amendment to benefit the administration of the Plans, to take account of the provisions of any legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for any participant or member of the Group. Except in respect of the SIP, no amendment may be made to the material disadvantage of the existing rights of participants of any plan unless every participant who may be affected by such amendment has been invited to indicate whether or not he approves the amendment, and the amendment is approved by a majority of those who have so indicated.

Non-transferability

Options/awards are not transferable other than to the participant's personal representatives in the event of his or her death.

Benefits not pensionable

The benefits received under the Plans are not pensionable.

Overseas plans

The Board may, at any time, establish further plans based on the Plans for overseas territories. Any such plan will be similar to the Plans but may be modified to take account of local tax, exchange control or securities laws. Any Gocompare.com Shares made available under such further overseas plans must be treated as counting against the limits on individual and overall participation under the Plans.

Termination

No options/awards may be granted under the Plans more than ten years after Admission.

12. PENSION LIABILITIES

The Group does not operate a defined benefit pension scheme. Employees are either automatically enrolled into a stakeholder pension scheme or opt-in to join the group personal pension plan known as 'Smart Pensions'. Under this scheme, the Company matches contributions up to 6 per cent. of salary into Smart Pensions. Furthermore, Smart Pensions uses salary sacrifice arrangements to achieve national insurance savings on contributions. As part of this salary sacrifice arrangement, the employees agree to reduce their salary by the amount of money which they (and HMRC) put into the pension fund. The Company uses this reduction in salary to make a tax and national insurance contribution into the employees' pension of the same amount. The Company will also pass on any employer national insurance savings to the employees' pension scheme.

13. EMPLOYEES

As at 30 June 2016, the Group employed 170 people (including Directors). The average monthly number of employees (including Directors) employed by the Group for the years ended 31 December 2015, 2014 and 2013 was 176, 199 and 166.

	Year ended 31 December		
	2015	2014	2013
Number of employees	176	199	166

14. LITIGATION

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this prospectus, a significant effect on the Company's and or the Group's financial position or profitability.

15. RELATED PARTY TRANSACTIONS

(A) Between 1 January 2013 and the date of this prospectus, no member of the Group entered into any Related Party Transactions other than:

- (a) as disclosed in Note 23 to the Historical Financial Information (set out on page F-26 of Schedule II (*Historical Financial Information*)); and
- (b) as set out below in paragraph (B).

(B) The following Related Party Transaction was carried out between 1 January 2016 and the date of this prospectus:

Compensation of key management personnel:

The key management personnel are considered to be the Directors and Senior Managers. Directors' and Senior Managers' remuneration (including any cash bonuses and benefits in kind) and contributions to post employment benefit plans for the period from 1 January 2016 to the Reference Date were as follows:

	Period ended on the Reference Date
	(£)
Emoluments (including any cash bonuses and benefits in kind)	512,016.16
Contributions to defined contribution pension schemes (including cash pensions)	20,479.19
	532,495.35

16. MATERIAL CONTRACTS

Save as disclosed below, there are no contracts (other than contracts entered into in the ordinary course of business) to which the Company or any member of the Group is a party which: (i) are, or may be, material to the Group and which have been entered into in the two years immediately preceding the date of this prospectus; or (ii) contain obligations or entitlements which are, or may be, material to the Group as at the date of this prospectus.

16.1 Demerger Agreement

The Demerger Agreement was entered into on 11 October 2016 between esure Group plc and the Company to effect the Demerger and to govern the post-Demerger obligations of the Group and the esure Group in respect of, among other things, taxes and their respective indemnity obligations. Certain aspects of the Demerger Agreement are conditional upon the passing of the Demerger Resolution, the approval by the esure Board of the Demerger Dividend, the FCA having acknowledged (and such acknowledgement not having been withdrawn) that the application for Admission has been approved and, after satisfaction of any conditions to which such approval is expressed to be subject, will become effective as soon as a dealing notice has been issued, the London Stock Exchange having acknowledged (and such acknowledgement not having been withdrawn) that Gocompare.com Shares will be admitted to trading on the main market and the Sponsor's Agreement and the esure Sponsor's Agreement not having terminated in accordance with its terms. As a result, the Demerger will become effective, save for Admission, immediately prior to Admission.

The Demerger Agreement contains customary demerger mutual cross indemnities under which the Company indemnifies esure Group plc against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the business carried on by the Group prior to the Demerger and esure Group plc indemnifies the Company against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the business carried on by the esure Group other than the Group prior to the Demerger. Claims made under these mutual cross indemnities by the indemnified party are, subject to the right of the indemnifying party to defend any such claim, required to be paid by the indemnifying party. These mutual cross indemnities are unlimited in terms of amount and duration.

The Demerger Agreement sets out how guarantees, indemnities or other assurances given by esure Group companies for the benefit of Group companies (or vice versa) will be dealt with following the Demerger. In terms of the Demerger Agreement, the beneficiary of such a guarantee must generally seek to obtain the guarantor's release from the guarantor's obligations thereunder and, pending release, indemnify the guarantor against all amounts paid by it under the guarantee and ensure that the guarantor's exposure under the guarantee is not increased. Both the esure Group and the Group will be permitted access to each other's records for a period of ten years following the Demerger. Both groups have agreed to keep certain information on the other group confidential, subject to certain customary exemptions.

The Demerger Agreement will terminate if the conditions set out above have not been satisfied by 8:00 a.m. on 31 December 2016 (or such other time and date as the parties may agree). esure Group plc is entitled to terminate the Demerger Agreement at any time prior to Admission.

The esure Group will continue to provide certain limited company secretarial, share scheme, technical accounting and tax consultancy services on an as-requested basis to the Group for a period expected to end on 31 May 2017 under the terms of the Demerger Agreement. Services provided by the esure Group to the Group will be charged on a cost-plus basis.

16.2 Relationship Agreement

The Company and Sir Peter Wood entered into the Relationship Agreement on 11 October 2016, conditional only on Admission. The principal purpose of the Relationship Agreement is to ensure that the Company is capable at all times of carrying on its Business independently of Sir Peter Wood and any of his Associates (as defined in Appendix I to the Listing Rules) (together, the "**Controlling Shareholder**").

The Relationship Agreement will take effect on Admission and will continue until the earlier of: (i) Gocompare.com Shares ceasing to be admitted to the Official List of the FCA and to trading on the London Stock Exchange; or (ii) the Controlling Shareholder ceasing to own, when taken together, 15 per cent. or more of the Gocompare.com Shares or the voting rights attached to the Gocompare.com Shares unless at the time the Controlling Shareholder shall cease to own, when taken together, 15 per cent. or more of the Gocompare.com Shares or the voting rights attaching to the Gocompare.com Shares, Sir

Peter Wood remains the Chairman of the Company, in which event the Relationship Agreement shall terminate six months after Sir Peter Wood ceases to be the Chairman of the Company.

Sir Peter Wood has undertaken, until the Relationship Agreement terminates, in respect of himself and his Associates (if any):

- that transactions and arrangements between the Company and any one of Sir Peter Wood and/or any of Sir Peter Wood's Associates (if any) will be conducted at arm's length and on normal commercial terms;
- that neither Sir Peter Wood nor any of his Associates (if any) will take any action that would have the effect of preventing the Company from complying with its obligations under the Listing Rules; and
- that neither Sir Peter Wood nor any of his Associates (if any) will propose or procure the proposal of a shareholder resolution which is intended to circumvent the proper application of the Listing Rules.

The Company has undertaken that, for so long as Sir Peter Wood and any concert party (within the meaning of the Takeover Code) of Sir Peter Wood have (in aggregate) an interest, either direct or indirect, in 30 per cent. or more of the aggregate voting rights attaching to the Gocompare.com Shares, and subject to the prior consent of the Panel being obtained (if necessary) by the Company and/or Sir Peter Wood: (a) at each annual general meeting of the Company, the Company shall propose to the independent Shareholders (being the Shareholders other than Sir Peter Wood and any concert party of Sir Peter Wood) by poll a resolution to waive the obligation by Sir Peter Wood to make a general offer to the independent Shareholders for their Gocompare.com Shares in accordance with Rule 9 of the Takeover Code that might otherwise arise if the Company were to purchase its Gocompare.com Shares in the future; and (b) in the event the Company proposes to issue new Gocompare.com Shares and the participation by Sir Peter Wood in such subscription would or might reasonably compel Sir Peter Wood to make a general offer to the independent Shareholders for their Gocompare.com Shares in accordance with Rule 9 of the Takeover Code, the Company shall convene a general meeting of its shareholders at which the Company shall propose to the independent Shareholders by poll a resolution to waive any obligation by Sir Peter Wood or his concert party to make a general offer to the independent Shareholders for their Gocompare.com Shares in accordance with Rule 9 of the Takeover Code as a result of Sir Peter Wood taking up his entitlement to acquire such new shares.

The Relationship Agreement entitles Sir Peter Wood to nominate one person to be a director of the Board for so long as he together with his Associates, when taken together, hold at least 15 per cent. of the Gocompare.com Shares or voting rights exercisable at a general meeting of the Company.

Notwithstanding Sir Peter Wood's right to nominate one person to be a director of the Board (as described in the paragraph above), the Board believes that, together with the provisions of the Listing Rules relating to ''related party transactions'' and the provisions of the Companies Act relating to conflicts of interest and Sir Peter Wood's duties as a director of the Company, the terms of the Relationship Agreement will enable the Company to carry on its Business independently from Sir Peter Wood and any of his Associates, and ensure that all transactions and relationships between the Company and Sir Peter Wood and his Associates are, and will be, at arm's length and on, in the Company's reasonable opinion, normal commercial terms. In addition, until the Relationship Agreement terminates, Sir Peter Wood has undertaken that neither he nor any of his Associates (if any) shall operate, establish, own or acquire an undertaking which engages in any business that competes with the Group. This non-compete undertaking is limited to the UK but shall not prohibit, after Admission, Sir Peter Wood or any of his Associates (if any) being entitled to acquire up to (but not more than) 5 per cent. in aggregate of the shares of any class of any company engaged in business that would constitute a competing business provided: (a) the shares of such company are listed on a recognised stock exchange; and (b) Sir Peter Wood shall not be a consultant to or director of such company.

Furthermore, until the Relationship Agreement terminates, Sir Peter Wood shall not and will procure that none of his Associates (if any) shall, solicit for employment of any of the Executive Directors, without the prior approval of the majority of the independent Directors on the Board.

16.3 Demerger Facilities Agreement

On 13 September 2016, Gocompare.com Finance Limited as borrower and the Company, Gocompare.com Finance Limited and Gocompare.com Limited as guarantors, entered into a new facilities agreement provided by a syndicate of four banks coordinated by Deutsche Bank AG, London Branch with Lloyds Bank plc, The Governor and Company of the Bank of Ireland, Santander UK plc and AIB Group (U.K.) P.L.C. as Mandated Lead Arrangers, and Santander UK plc as Facility Agent (the "**Demerger Facilities Agreement**"). The Demerger Facilities Agreement contains two facilities, a £75 million term loan facility (the "**Term Loan Facility**") and a £10 million working capital facility (the "**Working Capital Facility**").

The Demerger Facilities Agreement is subject to a number of conditions precedent which, as at the date of this prospectus, have all been satisfied or are otherwise within the control of the Group except for the approval by esure Shareholders of the Demerger Resolution at the esure General Meeting.

The Term Loan Facility has a term of five years, to be repaid in annual instalments of £10 million and the final repayment of the balance due upon expiry of its term. The Term Loan Facility is to be used to pay a cash dividend by the Company to esure Services Limited prior to Admission and to cover the Demerger and Admission expenses. It is not to be used for general corporate purposes.

The Working Capital Facility also has a term of five years and is to be used for the Company's general corporate purposes.

As of Admission, interest in respect of drawdowns under the Demerger Facilities Agreement will be payable at a rate of LIBOR plus a margin of 2.40 per cent. per annum until 31 December 2016, which may ratchet either upwards or downwards based upon the outcome of a financial covenant test (which tests the ratio of consolidated total net borrowings to adjusted consolidated EBITDA) by 25 basis points for each 0.5x change in leverage (or by 35 basis points where the leverage ratio is greater than or equal to 3.0:1), with a minimum floor of 1.40 per cent. per annum when the ratio is less than 1.0:1, and a maximum of 2.75 per cent. per annum when the ratio is greater than or equal to 3.0:1.

Further to the above, the Demerger Facilities Agreement has the following financial covenants, which will be tested semi-annually:

- *Leverage*: the Group's consolidated total net borrowings must not, at the end of each measurement period, exceed 3.5 times adjusted consolidated EBITDA for that measurement period during the first year after the date of the credit agreement and ending on 31 December 2017, 3.0 times from 31 December 2017 to 31 December 2018 or 2.5 times at any time thereafter.
- *Interest cover*: the ratio of consolidated EBIT to consolidated net finance costs must not be less than 4 to 1 at the end of each measurement period.

In addition, the Demerger Facilities Agreement contains customary covenants (including those related to asset disposals, acquisitions, financial indebtedness and a negative pledge) subject to certain agreed exceptions and monetary baskets and, separately, a mandatory repayment obligation, which, subject to waiver by the lenders, would require Gocompare.com Finance Limited to repay any drawn funds if Admission does not occur within 10 business days of the date of their drawdown. It is expected that Gocompare.com Finance Limited will drawdown the Term Loan Facility in full on the date of the esure General Meeting or the following business day if drawdown is not possible on the date of the esure General Meeting.

The Demerger Facilities Agreement contains a change of control provision under which, upon the occurrence of a change of control of the Company, the lenders may refuse to fund utilisation requests under the Demerger Facilities Agreement, cancel their commitments and require prepayment of all outstanding amounts.

Admission will not constitute a change of control under the Demerger Facilities Agreement.

16.4 Sponsor's Agreement

The Company and Deutsche Bank entered into the Sponsor's Agreement on 11 October 2016. Pursuant to the terms of the Sponsor's Agreement:

- the Company has confirmed its appointment of Deutsche Bank as sponsor in connection with the application for Admission, and Deutsche Bank has confirmed its acceptance of such appointment;
- Deutsche Bank has been granted all powers, authorities and discretions which are necessary for or incidental to the performance of its responsibilities under the Listing Rules and the Prospectus Rules;
- the Company has agreed to deliver certain documents to Deutsche Bank relating to the application for Admission and Deutsche Bank's responsibilities under the Listing Rules and Prospectus Rules;
- the Company has given customary representations, warranties, undertakings and indemnities to Deutsche Bank; and
- Deutsche Bank has the right to terminate the Sponsor's Agreement in certain circumstances prior to Admission. These circumstances include: (i) the prospectus has become or is discovered to be untrue, inaccurate or misleading in a manner which is material in the context of the Demerger; (ii) the breach by the Company of any of the warranties or undertakings contained in the Sponsor's Agreement, where the effect of such breach, in the opinion of Deutsche Bank (acting in good faith) is material in the context of the Demerger; and (iii) the application for Admission is refused by the FCA or the London Stock Exchange or where Admission will not be granted.

17. PROPERTY

The Group has the following property interest, which is held by Gocompare.com Limited:

Property Size/Use	Location	Tenure/Quality of Title	Rent	Term	Major Encumbrances
26,672 sq. feet/office space	Imperial House Imperial Way Newport Gwent NP10 8UH	Leasehold Title absolute	£372,074.40 per annum, subject to review on 8 February 2018 and every five years thereafter for the term of the lease	15 years from and including 8 February 2013 to 8 February 2028	N/A

The Company does not believe that there are any material environmental issues which may affect the Company's utilisation of its tangible fixed assets.

18. SIGNIFICANT CHANGE

There has been no significant change in the financial or trading position of the Group since 30 June 2016, being the date to which the Historical Financial Information set out in Schedule II (*Historical Financial Information*) was prepared.

As at the date of this prospectus, the Group has no indebtedness. Prior to Admission, Gocompare.com Finance Limited intends to drawdown £75 million under the Term Loan Facility. Of this amount, approximately £65.3 million is expected to be declared and paid by the Company to esure Services Limited as a cash dividend prior to Admission and approximately £9.7 million is expected to be retained by the Company to pay for Demerger and Admission expenses.

Prior to Admission, the Company intends to pay an additional cash dividend of approximately £8 million to esure Services Limited in the normal course of business to extract excess cash retained in the Group.

19. WORKING CAPITAL STATEMENT

The Company is of the opinion that, taking into account the Term Loan Facility, the Group has sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of the publication of this prospectus.

20. CONSENTS

The Company has received the following written consents, which are available for inspection at the times and locations set out in section 24 of this Part X, in connection with the publication of this prospectus:

- KPMG LLP has given and not withdrawn its written consent to the inclusion in this prospectus of
  - the report set out on pages F-1 to F-2 of Schedule II (*Historical Financial Information*);
  - the report set out in Part VI (*Unaudited Pro Forma Financial Information*); and
  - the report set out in Part VII (*2016 Profit Forecast*)

  in the form and context in which they appear and has authorised the contents of its reports for the purposes of item 5.5.3R(2)(g) of the Prospectus Rules.

A written consent under the Prospectus Rules is different from a consent filed with the SEC under section 7 of the US Securities Act. As Gocompare.com Shares have not been and will not be registered under the US Securities Act, KPMG LLP has not filed a consent under section 7 of the US Securities Act.

21. EXPENSES OF ADMISSION AND THE DEMERGER

The aggregate expenses of, or incidental to, Admission and the Demerger to be borne by the Company are estimated to be approximately £9.7 million (inclusive of amounts in respect of VAT). Such expenses do not include any expenses that may be incurred in connection with the vesting of Gocompare.com Shares under the Foundation Awards.

22. AUDITOR

The auditors of the Company were KPMG Audit Plc since the date of its incorporation to 6 August 2014. On the 17 September 2014 the Directors appointed the parent entity KPMG LLP as auditor of the Company, whose registered office is 15 Canada Square, London E14 5GL. KPMG LLP is a member of the Institute of Chartered Accountants in England and Wales and has no material interest in the Group.

23. SOURCES OF INFORMATION

23.1 Financial information

Unless otherwise stated in this prospectus, financial information in relation to the Group referred to in the prospectus has been extracted without material adjustment from the Historical Financial Information set out in Schedule II (*Historical Financial Information*) or has been extracted from those of the Group's accounting records that have been used to prepare that financial information. Shareholders should ensure that they read the whole of this prospectus and not rely only on the key information or information summarised within it.

KPMG LLP's report on the Historical Financial Information is set out on pages F-1 to F-2 in Schedule II (*Historical Financial Information*). Unless otherwise indicated, none of the financial information relating to the Group or any operating information relating to the Group has been audited (even where such operating information includes certain financial metrics). Statutory audited accounts of the Company, on which KPMG LLP has given unqualified reports and which contained no statement under section 498(2) or 498(3) of the Companies Act, have been delivered to the Registrar of Companies in respect of the accounting period ended 30 June 2016 and the financial years ended 31 December 2015, 2014 and 2013.

23.2 Unaudited operating information

Unaudited operating information in relation to the Group is derived from the following sources: (i) management accounts for the relevant accounting periods presented; and (ii) internal financial reporting systems supporting the preparation of financial statements. Operating information derived from management accounts or internal reporting systems in relation to the Group is to be found principally in the section entitled 'Summary', Part I (*The Business and Market Overview*), Part III (*Financial Information relating to the Group*) and Part IV (*Operating and Financial Review*).

Management accounts are prepared using information derived from accounting records used in the preparation of the Historical Financial Information, but may also include certain other management assumptions and analyses.

23.3 Industry and market data

Where third party information has been used in this prospectus, the source of such information has been identified. The Company confirms that such information has been accurately reproduced and, so far as the Company is aware and has been able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

24. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom and at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 28 days from the date of publication of this prospectus:

- the Articles;
- the Historical Financial Information as set out in Schedule II (*Historical Financial Information*) and KPMG LLP's report thereon;
- the unaudited pro forma financial information and the report thereon by KPMG LLP, as set out in Part VI (*Unaudited Pro Forma Financial Information*);
- the profit forecast and the report thereon by KPMG LLP, as set out in Part VII (*2016 Profit Forecast*);
- the written consent letter of KPMG LLP referred to in section 20 of this Part X; and
- a copy of this prospectus.

For the purposes of item 3.2.4 of the Prospectus Rules, this prospectus will be published in printed form and available free of charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 28 days from the date of publication of this prospectus at Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom. In addition, the prospectus will be published in electronic form and be available on the Group's website at www.gocomparegroup.com.

SCHEDULE I

DEFINITIONS

The definitions set out below apply throughout this prospectus, unless the context requires otherwise.

Term	Meaning
2016 Profit Forecast	has the meaning given to it in Part VII (*2016 Profit Forecast*);
Admission	means the introduction of Gocompare.com Shares to the premium listing segment of the Official List and the admission of such shares to trading on the London Stock Exchange's main market for listed securities (in accordance with the current edition of the Admission and Disclosure Standards produced by the LSE);
Articles	means the articles of association of the Company in force as of Admission;
ASA	means the Advertising Standards Authority;
Associate	has the meaning given to it in Appendix I to the Listing Rules;
Audit and Risk Committee	means the audit and risk committee of the Board;
Board	means the board of directors of the Company;
Business	means the business conducted by the Group, as described in this prospectus and, where applicable, any future operations in which the Group will have an interest;
Chairman	means the chairman of the Board, whose details are set out in Part II (*Directors, Senior Managers, Corporate Governance and Remuneration*);
Company	means Gocompare.com Group plc, a public limited company incorporated in England and Wales with registered number 6062003 whose registered office is Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom;
CMA	means the UK Competition and Markets Authority;
Companies Act	means the Companies Act 2006 of England and Wales, as amended, supplemented or replaced from time to time;
Companies Acts	means the applicable statutes in force from time to time concerning companies insofar as they apply to the Company;
Conversion Rates	means the Group's success in converting Customer Interactions into completed transactions;
Council	means Council of the European Union;
CPA	means cost-per-acquisition or the cost-per-acquisition pricing model, as the context requires;
CREST	means the system for the paperless settlement of trades in securities and the holding of uncertificated securities in accordance with the CREST Regulations operated by Euroclear UK;
Customer	means someone who enters preliminary identification details on Gocompare.com, although they do not necessarily complete a purchase;

Term	Meaning
Customer Interactions	means (a) for products where the quote process begins on Gocompare.com, as each unique instance of activity within any half hour period in which a Customer initiates such a quote process, although they do not necessarily complete a purchase (such products accounted for 91.3 per cent. and 90.8 per cent. of the Group's Customer Interactions in 2015 and H1 2016, respectively), and (b) for the remainder of the Group's products, each instance in which a Customer clicks through to a Partner website from Gocompare.com;
DBP	means the deferred bonus plan as described in section 11.2 of Part X (*Additional Information*);
DCT	means web-based, app-based or other digital intermediary services;
Demerger	means the proposed demerger of the Group from the esure Group, to be implemented through the Demerger Dividend;
Demerger Agreement	means the agreement relating to the demerger of the Group from the esure Group dated 11 October 2016, a summary of the principal terms of which is set out in section 16.1 of Part X (*Additional Information*);
Demerger Dividend	means the in-specie distribution of Gocompare.com Shares by esure Group plc described in section 4.3 of Part I (*The Business and Market Overview*);
Demerger Facilities Agreement	means the loan facilities agreement comprising the Term Loan Facility and the Working Capital Facility;
Demerger Resolution	means the resolution put to the esure Shareholders at the esure General Meeting to approve the Demerger;
Directors	means the directors of the Company as at the date of this prospectus, whose details are set out in Part II (*Directors, Senior Managers, Corporate Governance and Remuneration*);
Disclosure Committee	means the disclosure committee of the Board;
Disclosure Guidance and Transparency Rules	means the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook), as amended;
Data Protection Act	means Data the Protection Act 1998;
EBITDA	means profit before interest, income tax expense/(benefit), depreciation and amortisation;
EBITDA Guidance	means the guidance provided by the esure Board in relation to the future performance of the Company as discussed in section 11 of Part IV (*Operating and Financial Review*);
EBITDA Margin	means EBITDA as a percentage of revenue for the relevant period;
esure Board	means the board of directors of esure Group plc;
esure Finance Limited	means esure Finance Limited, a private limited company incorporated in England and Wales with registered number 07064319 whose registered office is The Observatory, Castlefield Road, Reigate, Surrey RH2 0SG, United Kingdom;

Term	Meaning
esure General Meeting	means the general meeting of esure Group plc to be held at 11:00am on 1 November 2016 pursuant to the notice of meeting set out in the esure Shareholder Circular and any adjourned meeting thereof;
esure Group	means in respect of any time prior to completion of the Demerger, esure Group plc and its subsidiaries and subsidiary undertakings including those companies which form part of the Group; and in respect of any period following completion of the Demerger, esure Group plc and its subsidiaries and subsidiary undertakings excluding those companies which form part of the Group;
esure Group plc	means esure Group plc, a public limited company incorporated in England and Wales with registered number 7064312 whose registered office is The Observatory, Castlefield Road, Reigate, Surrey RH2 0SG, United Kingdom;
esure Holdings Limited	means esure Holdings Limited, a private limited company incorporated in England and Wales with registered number 03729119 whose registered office is The Observatory, Castlefield Road, Reigate, Surrey RH2 0SG, United Kingdom;
esure Services Limited	means esure Services Limited, a private limited company incorporated in England and Wales with registered number 02135610 whose registered office is The Observatory, Castlefield Road, Reigate, Surrey RH2 0SG, United Kingdom;
esure Share Register	means the register of members of esure Group plc;
esure Shareholder Circular	means the shareholder circular sent to esure Shareholders relating to the Demerger dated 11 October 2016;
esure Shareholders	means a registered holder of esure Shares;
esure Shares	means the fully paid ordinary shares in the capital of esure Group plc;
Executive Director	means the executive Directors, whose details are set out in Part II (*Directors, Senior Managers, Corporate Governance and Remuneration*);
Executive Plans	means the DBP and the PSP;
EU	means the European Union;
FCA	means the Financial Conduct Authority of the United Kingdom;
FCA Handbook	means the FCA's Handbook of Rules and Guidance;
FOS	means the Financial Ombudsman Service of the United Kingdom;
Foundation Awards	has the meaning given to it in section 10.1 of Part X (*Additional Information*);
FSMA	means the Financial Services and Markets Act 2000 of England and Wales, as amended;
Gio Compario Limited	means Gio Compario Limited, a private limited company incorporated in England and Wales with registered number 06998007 whose registered office is Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom;

Term	Meaning
Gocompare.com	means the website of the Company, www.Gocompare.com;
Gocompare.com Limited	means Gocompare.com Limited, a private limited company incorporated in England and Wales with registered number 05799376 whose registered office is Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom;
Gocompare.com Finance Limited	means Gocompare.com Finance Limited, a private limited company incorporated in England and Wales with registered number 10227007 whose registered office is Imperial House, Imperial Way, Newport, Gwent NP10 8UH, United Kingdom;
Gocompare.com Shares	means the fully paid ordinary shares in the capital of the Company;
Group	means the Company and its subsidiaries from time to time, and, as at the date of this prospectus, refers to the Company and all entities that will be subsidiaries of the Company immediately following completion of the Demerger;
Historical Financial Information	means the consolidated Group financial information for the three years ended 31 December 2015 and six months ended 30 June 2016 (as reported on by KPMG LLP) as set out in Schedule II (*Historical Financial Information*);
HMRC	means HM Revenue and Customs in the United Kingdom;
IDD	means the Insurance Distribution Directive ((EU) 2016/96) that came into force on 22 February 2016 and must be implemented in the UK by 23 February 2018, which amends, replaces and extends the scope of IMD I;
IFRS	means International Financial Reporting Standards;
IMD I	means the Insurance Mediation Directive I;
IMD II	means the Insurance Mediation Directive II;
Insurance Mediation Directive	means the EU Insurance Mediation Directive Regulation (2002/92/EC);
KPIs	means key performance indicators;
Listing Rules	means the listing rules of the FCA made under section 74(4) of FSMA;
London Stock Exchange or **LSE**	means London Stock Exchange plc or the market conducted by it, as the context requires;
MAR	means the Market Abuse Regulation;
Nomination Committee	means the nomination committee of the Board;
Non-Executive Director	means the non-executive Directors, whose details are set out in Part II;
Ofcom	means the Office of Communications;
Official List	means the Official List of the FCA;
Ofgem	means the Office of Gas and Electricity Markets;
Panel	means the Panel on Takeovers and Mergers;
Partner	means a recognised business partner of the Business who has entered into a 'Partner Agreement' with a member of the Group;

Term	Meaning
PFIC	means a passive foreign investment company as described in section 2.3 of Part IX (*Taxation*);
Plans	means the DBP, PSP, SIP and SPP;
Pounds Sterling or **£**	means the lawful currency of the United Kingdom;
PRA	means the Prudential Regulation Authority of the United Kingdom;
Prospectus Directive Regulation	means the EU Prospectus Directive Regulation (2004/809/EC);
Prospectus Rules	means the rules for the purposes of Part VI (*Unaudited Pro Forma Financial Information*) of FSMA in relation to offers of securities to the public and the admission of securities to trading on a regulated market;
PSP	means the performance share plan as described in section 12.1 of Part X (*Additional Information*);
Record Time	means 6:00pm on 2 November 2016, being the time and date for determining entitlement to Gocompare.com Shares of esure Shareholders under the Demerger;
Reference Date	10 October 2016, being the last practicable date prior to the publication of this document;
Registrar	Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom;
Related Party Transaction	has the meaning ascribed to 'related party transactions' in paragraph 9 of IAS 24, being the Standard adopted according to Regulation (EC) No. 1606/2002;
Relationship Agreement	means the agreement entered into between the Company and Sir Peter Wood dated 11 October 2016;
Relevant Regulator	means, as appropriate in the context, either the PRA and/or the FCA;
Remuneration Committee	means the remuneration committee of the Board;
Senior Management	means Faisal Galaria and Lee Griffin and ''**Senior Manager**'' is to be construed accordingly;
SEO	means search engine optimisation;
Shareholder	means a registered holder of Gocompare.com Shares;
SID	means the senior independent non-executive director of the Board;
SIP	means the share incentive plan described in section 11.3 of Part X (*Additional Information*);
Sponsor	means Deutsche Bank AG, acting through its London Branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB;
Sponsor's Agreement	means the agreement between the Company and the Sponsor dated 11 October 2016;
SPP	means the stock purchase plan described in section 11.4 of Part X (*Additional Information*);

Term	Meaning
Term Loan Facility	means the £75 million five year term facility described in section 16.3 of Part X (*Additional Information*);
UK	means the United Kingdom of Great Britain and Northern Ireland;
UK Corporate Governance Code	means the UK Corporate Governance Code published by the Financial Reporting Council, as in force from time to time;
US Holder	means a beneficial owner of Gocompare.com Shares that is: (i) a citizen of or an individual resident of the US, as determined for US federal income tax purposes; (ii) a corporation (or other entity treated as a corporation for US federal income tax purposes) created or organised under the laws of the US or any state thereof or the District of Columbia; (iii) an estate the income of which is subject to US federal income taxation regardless of its source; or (iv) a trust (A) if a court within the US is able to exercise primary jurisdiction over its administration and one or more US persons have authority to control all substantial decisions of the trust or (B) that has a valid election in effect under applicable US Treasury regulations to be treated as a US person;
US Securities Act	means the US Securities Act of 1933, as amended;
VAT	means value added tax; and
Working Capital Facility	means the £10 million five year working capital facility described in section 16.3 of Part X (*Additional Information*).

SCHEDULE II

HISTORICAL FINANCIAL INFORMATION

SECTION A: ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION

KPMG

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Private & confidential
The Directors
Gocompare.com Group plc
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Imperial Way
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11 October 2016

Ladies and Gentlemen

Gocompare.com Group plc

We report on the financial information set out on pages F-3 to F-30 for the years ended 31 December 2013, 31 December 2014 and 31 December 2015 and the six months ended 30 June 2016. This financial information has been prepared for inclusion in the prospectus dated 11 October 2016 of Gocompare.com Group plc on the basis of the accounting policies set out in paragraph 2. This report is required by paragraph 20.1 of Annex I to the Prospectus Directive Regulation and is given for the purpose of complying with that paragraph and for no other purpose. We have not audited or reviewed the financial information for the six months ended 30 June 2015 which has been included for comparative purposes only, and accordingly do not express an opinion thereon.

Responsibilities

The Directors of Gocompare.com Group plc are responsible for preparing the financial information in accordance with the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the prospectus dated 11 October 2016, a true and fair view of the state of affairs of Gocompare.com Group plc as at 31 December 2013, 31 December 2014 and 31 December 2015 and 30 June 2016 and of its profits, cash flows and recognised gains and losses for the years ended 31 December 2013, 31 December 2014 and 31 December 2015 and the six months ended 30 June 2016 in accordance with the basis of preparation set out in note 2 and in accordance with International Financial Reporting Standards as adopted by the European Union as described in note 2.1.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

KPMG LLP

SECTION B: HISTORICAL FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the periods ended 30 June 2016, 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013

Continuing operations	Notes	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
			(unaudited)			
		£m	*£m*	*£m*	*£m*	*£m*
Revenue	3	**72.8**	**59.5**	**118.9**	**113.1**	**109.9**
Cost of sales		(22.1)	(15.1)	(31.6)	(27.2)	(29.3)
Gross profit		**50.7**	**44.4**	**87.3**	**85.9**	**80.6**
Distribution expenses		(25.6)	(20.6)	(43.4)	(41.5)	(39.0)
Administrative expenses		(10.7)	(10.7)	(20.8)	(18.8)	(16.5)
Operating profit		**14.4**	**13.1**	**23.1**	**25.6**	**25.1**
Other income		0.1	0.2	0.2	0.2	0.4
Net finance costs		—	—	—	—	—
Other expenses		—	—	—	—	—
Profit before taxation	5	**14.5**	**13.3**	**23.3**	**25.8**	**25.5**
Taxation	9	(2.9)	(2.6)	(4.2)	(5.5)	(5.9)
Profit for the period attributable to owners of the Group		**11.6**	**10.7**	**19.1**	**20.3**	**19.6**
Other comprehensive income:						
Items that will not be reclassified to profit or loss:		—	—	—	—	—
Items that may be subsequently reclassified to profit or loss		—	—	—	—	—
Total other comprehensive income		—	—	—	—	—
Total comprehensive income for the period attributable to owners of the Group		**11.6**	**10.7**	**19.1**	**20.3**	**19.6**
Earnings per share						
Basic and diluted	10	**58p**	54p	96p	102p	**98p**

The notes on pages F-7 to F-30 form an integral part of this financial information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the periods ended 30 June 2016, 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013

	Notes	30 June 2016	30 June 2015	31 December 2015	31 December 2014	31 December 2013
			(unaudited)			
		£m	*£m*	*£m*	*£m*	*£m*
ASSETS						
Non-current assets						
Goodwill	11	2.5	2.5	2.5	2.5	2.5
Other intangible assets	12	0.9	1.3	0.8	0.7	0.6
Property, plant and equipment	13	1.3	1.3	1.3	1.5	1.5
Deferred tax assets	14	0.1	—	0.1	—	—
		4.8	5.1	4.7	4.7	4.6
Current assets						
Trade and other receivables	16	19.3	16.2	15.7	11.8	9.9
Cash and cash equivalents		7.9	24.3	4.3	36.2	35.0
		27.2	40.5	20.0	48.0	44.9
Total assets		**32.0**	**45.6**	**24.7**	**52.7**	**49.5**
LIABILITIES						
Current liabilities						
Trade and other payables	17	17.9	10.1	10.6	7.4	7.4
Current tax liabilities		2.9	2.6	1.7	3.0	2.9
		20.8	12.7	12.3	10.4	10.3
Non-current liabilities						
Deferred tax liabilities	16	—	—	—	—	0.1
Provisions	18	0.9	0.4	1.2	0.8	0.7
		0.9	0.4	1.2	0.8	0.8
Total liabilities		**21.7**	**13.1**	**13.5**	**11.2**	**11.1**
Net assets		**10.3**	**32.5**	**11.2**	**41.5**	**38.4**
EQUITY						
Share capital	19	0.0	0.0	0.0	0.0	0.0
Share premium account		2.7	2.7	2.7	2.7	2.7
Retained earnings		7.6	29.8	8.5	38.8	35.7
Total equity attributable to owners of the Group		**10.3**	**32.5**	**11.2**	**41.5**	**38.4**

The notes on pages F-7 to F-30 form an integral part of this financial information.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the periods ended 31 December 2013, 31 December 2014, 31 December 2015, 30 June 2015 and 30 June 2016

	Share capital	Share premium account	Retained earnings	Total
	£m	£m	£m	£m
01 January 2013	**0.0**	**2.7**	**27.9**	**30.6**
Profit for the period	—	—	19.6	19.6
Other comprehensive income	—	—	—	—
Total comprehensive income		**—**	**19.6**	**19.6**
Dividends paid	—	—	(11.8)	(11.8)
31 December 2013	**0.0**	**2.7**	**35.7**	**38.4**
Profit for the period	—	—	20.3	20.3
Other comprehensive income	—	—	—	—
Total comprehensive income	**—**	**—**	**20.3**	**20.3**
Dividends paid	—	—	(17.2)	(17.2)
31 December 2014	**0.0**	**2.7**	**38.8**	**41.5**
Profit for the period	—	—	10.7	10.7
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	10.7	10.7
Dividends paid	—	—	(19.7)	(19.7)
30 June 2015	**0.0**	**2.7**	**29.8**	**32.5**
Profit for the period	—	—	8.4	8.4
Other comprehensive income	—	—	—	—
Total comprehensive income	**—**	**—**	**8.4**	**8.4**
Dividends paid	—	—	(29.7)	(29.7)
31 December 2015	**0.0**	**2.7**	**8.5**	**11.2**
Profit for the period	—	—	11.6	11.6
Other comprehensive income	—	—	—	—
Total comprehensive income	**—**	**—**	**11.6**	**11.6**
Dividends paid	—	—	(12.5)	(12.5)
30 June 2016	**0.0**	**2.7**	**7.6**	**10.3**

Share capital represents the nominal value of shares that have been issued.

Share premium account represents the difference between the par value of the shares issued and the subscription or issue price.

Retained earnings include all current and prior period retained profits.

The notes on pages F-7 to F-30 form an integral part of this financial information.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the periods ended 30 June 2016, 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013

	Notes	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
			(unaudited)			
Cash flow from operating activities						
Profit for the year before taxation	4	14.5	13.3	23.3	25.8	25.5
Adjustment for:						
Depreciation of property, plant and equipment	13	0.2	0.3	0.4	0.4	0.3
Amortisation of intangible assets	12	0.6	0.4	0.8	0.9	0.3
Impairment of intangible assets		—	—	0.2	—	—
Loss on disposal of property, plant and equipment		—	—	—	—	0.1
Increase in trade and other receivables		(3.6)	(4.4)	(4.0)	(1.9)	(0.9)
Increase/(decrease) in trade and other payables and provisions		7.0	2.3	3.6	—	0.1
Taxation		(1.7)	(3.0)	(5.5)	(5.4)	(6.3)
Net cash from operating activities		**17.0**	**8.9**	**18.8**	**19.8**	**19.1**
Cash flow from investing activities						
Purchase of property, plant and equipment	13	(0.2)	(0.1)	(0.2)	(0.4)	(1.5)
Purchase of intangible assets	12	(0.7)	(1.0)	(1.1)	(1.0)	(0.7)
Net cash used in investing activities		**(0.9)**	**(1.1)**	**(1.3)**	**(1.4)**	**(2.2)**
Cash flow from financing activities						
Dividends paid	9	(12.5)	(19.7)	(49.4)	(17.2)	(11.8)
Net cash used in financing activities		**(12.5)**	**(19.7)**	**(49.4)**	**(17.2)**	**(11.8)**
Increase/(decrease) in cash and cash equivalents		**3.6**	(11.9)	(31.9)	1.2	5.1
Cash and cash equivalents at beginning of the year		4.3	36.2	36.2	35.0	29.9
Cash and cash equivalents at end of year		**7.9**	**24.3**	**4.3**	**36.2**	**35.0**

The notes on pages F-7 to F-30 form an integral part of this financial information.

NOTES TO THE FINANCIAL INFORMATION

For the periods ended 30 June 2016, 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013

1. CORPORATE INFORMATION

Gocompare.com Group plc (the ''**Company**'') is a company incorporated in England and Wales. The registered office of the Company is Imperial House, Imperial Way, Newport, Gwent NP10 8UH. The consolidated financial information incorporate the financial information of the Company and its subsidiaries that are controlled by the Company (referred to as the ''**Group**'').

The principal activity of the Group is providing an insurance price and product comparison website. The Company is a non-trading holding company.

All of the Company's subsidiaries are domiciled in the United Kingdom.

2. ACCOUNTING POLICIES

2.1. Basis of preparation

Statement of compliance

These statements present the Group financial information for the period ended 31 December 2013, 31 December 2014, 30 June 2015, 31 December 2015 and 30 June 2016, comprising of the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and related notes.

This financial information been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (''**IFRS**''). The financial information has been prepared on the historical cost basis.

This is the first year the Group has prepared its financial information in accordance with IFRS. Accordingly, the financial information as at 1 January 2013 (being the date of transition) and for the year ended 31 December 2013 and 31 December 2014 has been restated to comply with IFRS. UK GAAP differs in certain respects from IFRS, hence when preparing this financial information, management has amended certain accounting and valuation methods to comply with IFRS. The disclosures required by IFRS 1 'First time adoption of International Financial Reporting Standards' concerning the transition from UK GAAP to IFRS, are presented in Note 28.

Going concern

The consolidated financial information has been prepared on a going concern basis. The Group recognised a net profit after tax of £11.6m for the period ended 30 June 2016 (30 June 2015: £10.7m, 31 December 2015: £19.1m, 31 December 2014: £20.3m, 31 December 2013 £19.6m), and as at that date, current assets exceeded current liabilities by £10.3m (30 June 2015: £32.5m, 31 December 2015: £11.2m, 31 December 2014: £41.5m, 31 December 2013: £38.4m). Based on the Group's current financial situation and robust assessments of the Group's future, the Directors have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial information.

Functional and presentational currency

The financial information is presented in Pounds Sterling. The Group's functional currency is also Pounds Sterling as this is the currency of the primary economic environment in which the Group operates.

2.2. Basis of consolidation

The Group's financial information consolidate those of the Company and the subsidiaries that the Company controls directly and indirectly. Control is established when the Group is exposed, or has rights,

2. ACCOUNTING POLICIES (Continued)

to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the entity. Subsidiary companies are consolidated using the acquisition method.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtained control, and continue to be consolidated until the date when such control ceases.

In preparing this consolidated financial information any intra-group balances, unrealised gains and losses or income and expenses arising from intra-group trading are eliminated. Where accounting policies used in individual financial information of a subsidiary company differ from Group policies, adjustments are made to bring these policies in line with Group policies.

A new company, Gocompare.com Finance Limited, was incorporated on 11 June 2016, it is the parent company of Gocompare.com Limited and a subsidiary of the Company. For the period ending 30 June 2016 Gocompare.com Finance Limited had not trading activity but formed part of the consolidated financial information. For the periods ending 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013 the company was not in existence.

2.3. Changes to accounting policies

There are a number of amendments to standards with a date of initial application of 1 January 2016, the adoption of which has had no material effect on the Group’s accounting policies.

There are a number of standards, amendments and interpretations which have been issued by the International Accounting Standards Board but which have not yet been endorsed by the EU. The date of implementation of these standards, amendments and interpretations is uncertain but the impact of applying such standards, amendments and interpretations is not expected to be material.

2.4. Business combinations

The Group applies the acquisition method of accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of assets transferred by the Group, the liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquired subsidiary’s financial information prior to the acquisition. Assets acquired and liabilities assumed are measured at their acquisition-date fair values. Contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration is recognised in accordance with IAS 39 in profit or loss.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the fair value of consideration transferred, over the Group’s share of the acquisition-date fair values of identifiable net assets. After initial recognition, goodwill is measured at cost less accumulated impairment losses. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

Gocompare.com Finance Limited was incorporated on 11 June 2016. It is the parent company of Gocompare.com Limited and a subsidiary of the Company.

2.5. Revenue

Revenue represents amounts receivable for insurance and other product introductions. The Group recognises this revenue when a policy is sold and is measured at fair value of the consideration received or receivable, net of reported cancellations during the 14 day cooling off period. The Group deem the right to revenue to be when a policy is purchased by a customer.

2. ACCOUNTING POLICIES (Continued)

2.6. Cost of Sales

Cost of sales comprise the cost of services sold during the period.

2.7. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as other income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to the income statement in equal amounts over the expected useful life of the related asset.

2.8. Taxation

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those enacted or substantively enacted by the reporting date. Current tax assets and liabilities also include adjustments in respect of tax expected to be payable or recoverable in respect of previous periods.

Current tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the income statement.

Deferred tax

Deferred tax is provided in full using the balance sheet liability method, providing for temporary differences arising between the carrying amount of assets and liabilities for accounting purposes, and the amounts used for taxation purposes. It is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is recovered, using tax rates enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax is recognised in profit or loss except to the extent it relates to a business combination in which case the deferred tax is included as part of the assets and liabilities assumed for the purposes of calculating goodwill. Deferred tax relating to items recognised outside the income statement is also recognised outside the income statement, either in other comprehensive income or directly in equity as appropriate.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.9. Other intangible assets

Purchased software and licences are recognised as intangible assets, with the carrying value being reviewed at every reporting date for evidence of impairment and the value being written down if any impairment exists. If conditions subsequently improve, the previously recognised impairment may be reversed.

Amortisation of software begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of purchased software is amortised on a straight line basis over the expected useful life of the intangible asset.

Expenditure on research activities is recognised in the statement of profit and loss as an expense as incurred. Costs associated with the development of software for internal use are capitalised only if the

2. ACCOUNTING POLICIES (Continued)

software is technically feasible for sale or use on completion and the Group has both the intent and sufficient resources to complete the development. Subsequent expenditure is capitalised only if the cost of the asset can be reliably measured, will generate future economic benefits and there is an ability to use or sell the asset.

Expenditure on planning activities associated with website development is recognised in the Statement of Comprehensive Income as an expense as incurred. Costs associated with application and infrastructure development, graphical design and content development are capitalised where the expenditure can be directly attributed or allocated on a reasonable basis to preparing the website for its intended use and do not directly relate to advertising activity.

The cost of internally generated software and website costs are amortised over the expected useful life of the intangible asset on a straight line basis. The expected useful life is three years.

2.10. Property, plant and equipment

Property, plant and equipment

Property, plant and equipment comprise fixtures, fittings and equipment (including computer hardware). Replacement or major inspection costs are capitalised when incurred if it is possible that future economic benefits associated with the item will flow to the entity and the costs can be measured reliably.

These assets are stated at cost less depreciation and accumulated impairment. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is calculated using the straight-line method to write off the cost less residual values of the assets over the economic lives. This has been set between three and ten years.

The assets' residual values, useful lives and method of depreciation are reviewed and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income in the year in which the asset is derecognised.

Impairment and revaluation of property, plant and equipment

Carrying values are reviewed at each reporting date to determine whether there are any indications of impairment. If any such indications exist, the asset's recoverable amount is estimated and compared to the carrying value. The recoverable amount is the higher of the fair value of the asset, less costs to sell and the asset's value in use. Impairment losses are recognised through the income statement. Impairment may be reversed if conditions subsequently improve and credited through the income statement.

2.11. Financial assets

Classification

Financial assets falling within the scope of IAS 39 are designated as 'loans and receivables'. The Group determines the classification of its financial assets at initial recognition. During the periods ended 30 June 2016, 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013 the Group did not classify any financial assets 'at fair value through profit or loss', 'available-for-sale' or 'held to maturity'.

The Group's financial assets as at 31 December 2015, 31 December 2014 and 31 December 2013 include trade and other receivables and cash at bank which were classified as loans and receivables.

2. ACCOUNTING POLICIES (Continued)

Initial recognition of financial assets

The Group's financial assets are initially recognised at fair value, plus any directly attributable transaction costs. If the Group determines that the fair value of a financial asset on initial recognition differs from its transaction price, but the fair value measurement is not evidenced by a valuation technique that uses only data from observable markets, then the 'day-one gain' is deferred and is subsequently recognised as investment income only to the extent that it arises from a change in factor (including time) that a market participant would consider in setting a price.

Purchases and sales of financial assets are accounted for at the trade date.

Subsequent measurement

Loans and receivables are measured at amortised cost less accumulated impairment losses using the effective interest method.

Impairment of financial assets

Objective evidence of impairment may include default on cash flows from the asset and reporting financial difficulty of the issuer or counterparty.

The Group assess at each reporting date whether any financial assets held at amortised cost are impaired. Financial assets are impaired where there is evidence that one or more events occurring after the initial recognition of the asset may lead to a reduction in the estimated future cash flows arising from the asset. Impairment losses on financial assets classified as loans and receivables are calculated as the difference between the carrying value and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses and any reversals of impairments are recognised through the statement of comprehensive income.

Derecognition of financial assets

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or when the Group transfers substantially all the risks and rewards of ownership of the financial assets.

2.12. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, the Group has a currently enforceable legal right to offset the recognised amounts and it intends to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses are not offset in the statement of comprehensive income unless required or permitted by an accounting standard or interpretation.

2.13. Financial liabilities

Financial liabilities falling within the scope of IAS 39 are classified as 'other financial liabilities'. The Group determined the classification of its financial liabilities at initial recognition.

The Group's financial liabilities at the periods ended 30 June 2016, 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013 include only trade and other payables.

Initial recognition

Other financial liabilities are measured initially at fair value less directly attributable transaction costs.

Subsequent measurement

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised.

2. ACCOUNTING POLICIES (Continued)

Amortised cost is calculated by taking into account any fees or costs that are an integral part of effective interest rate, transaction cost and all other premiums and discounts. The amortisation is included in finance costs in the statement of comprehensive income.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit and loss.

2.14. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of the expenditure required to settle a provision to be reimbursed, the reimbursement is recognised as a separate asset only when the reimbursement is virtually certain. The expenses relating to a provision are presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.15. Employee benefits—pensions

The Group contributes to a defined contribution scheme for its employees. The contributions payable to this scheme are charged to the income statement in the accounting period to which they relate.

2.16. Share capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other assets to holders of the financial instruments.

2.17. Leases

Group as a lessee—operating leases

Leases which do not transfer to the Group substantially all the risks and benefits incidental to ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

2.18. Critical accounting judgements and estimates

The preparation of this financial information requires management to make judgements, estimates and assumptions that affect the application of policies and 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; however the financial information presented are based on conditions that existed at the balance sheet date.

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. ACCOUNTING POLICIES (Continued)

Key sources of estimation uncertainty and critical judgements in applying the Group's accounting policies

The key assumptions concerning the future, and other key sources of estimation uncertainty at each balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Revenue

The majority of the Group's revenue is derived from customers completing transactions with product providers. The Group's right to revenue is at the point a policy is purchased by a customer. The Group recognises revenue at the point in which the policy is purchased by the customer, however, the Group is reliant on the insurance partner providing sales confirmation. Where receipt of sales confirmation is outside normal month end process, an accrual is recognised based on the number of customers who leave the Company's website and the estimated proportion of customers who have clicked through and will purchase a product from a provider website.

The Group has a number of controls in place which include weekly and monthly review of provider performance against invoiced and/or accrued revenue, a comparison of accrued revenue at the end of the previous period to actual revenue invoiced during the following month, with significant differences investigated and frequent review of the status of aged balances.

2.19. Standards, amendments and interpretations in issue but not yet effective

The adoption of the following mentioned standards, amendments and interpretations after 30 June 2016 are not expected to have a material impact on the Group financial information. The Group is however continuing to assess the full impact that adopting IFRS 9 will have on future financial information, and therefore the full effect is yet to be determined.

	EU effective date—periods beginning on or after
IAS 7 (amendment) 'Statement of Cash Flows'—Disclosure initiative	*Expected to be endorsed before 1 January 2017*
IAS 12 (amendment) 'Income Taxes'—Recognition of deferred tax assets for unrealised losses	*Expected to be endorsed before 1 January 2017*
IFRS 9 'Financial Instruments'	*Expected to be endorsed before 1 January 2018*
IFRS 15 'Revenue from Contracts with Customers'	*Expected to be endorsed before 1 January 2018*
Clarifications to IFRS 15 'Revenue from Contracts with Customers'	*Expected to be endorsed before 1 January 2018*
IFRS 16 'Leases'	*Expected to be endorsed before 1 January 2019*
IFRS 10 (amendment) 'Consolidated Financial Statements' and IAS 28 (amendment) 'Investments in Associates and Joint Ventures'— Sale or contribution of assets between an investor and its associate or joint venture	*Endorsement has been postponed indefinitely*

3. REVENUE

Revenue for all periods is derived from the rendering of services and is attributable to trade activities within the UK.

4. OPERATING SEGMENTS

Information reported to the Board (Chief Operating Decision Maker) for the purposes of the assessment of segment performance is focused on the types of products customers have purchased. The Chief Operating Decision Maker does not review the assets and liabilities of the Group by reportable segments.

The Group's reportable segments under IFRS 8 are as follows:

- Insurance customers and activities ('Insurance'); and
- Strategic Initiatives customers and activities ('Strategic Initiatives').

Segment revenues and results

12 months ended 31 December 2013

Continuing operations	Insurance	Strategic Initiatives	Total
	£m	£m	£m
Revenue	106.7	3.2	109.9
Cost of sales	(28.0)	(1.3)	(29.3)
Gross profit	**78.7**	**1.9**	**80.6**
Distribution expenses			(39.0)
Administrative expenses			(16.5)
Operating profit			**25.1**
Other income			0.4
Net finance costs			—
Other expenses			—
Profit before taxation			**25.5**

12 months ended 31 December 2014

Continuing operations	Insurance	Strategic Initiatives	Total
	£m	£m	£m
Revenue	**108.8**	**4.3**	**113.1**
Cost of sales	(25.0)	(2.2)	(27.2)
Gross profit	**83.8**	**2.1**	**85.9**
Distribution expenses			(41.5)
Administrative expenses			(18.8)
Operating profit			**25.6**
Other income			0.2
Net finance costs			—
Other expenses			—
Profit before taxation			**25.8**

4. OPERATING SEGMENTS (Continued)

6 months ended 30 June 2015 (unaudited)

Continuing operations	Insurance	Strategic Initiatives	Total
	£m	£m	£m
Revenue	**57.1**	**2.4**	**59.5**
Cost of sales	(14.1)	(1.0)	(15.1)
Gross profit	**43.0**	**1.4**	**44.4**
Distribution expenses			(20.6)
Administrative expenses			(10.7)
Operating profit			**13.1**
Other income			0.2
Net finance costs			—
Other expenses			—
Profit before taxation			**13.3**

12 months ended 31 December 2015

Continuing operations	Insurance	Strategic Initiatives	Total
	£m	£m	£m
Revenue	**113.9**	**5.0**	**118.9**
Cost of sales	(28.7)	(2.9)	(31.6)
Gross profit	**85.2**	**2.1**	**87.3**
Distribution expenses			(43.4)
Administrative expenses			(20.8)
Operating profit			**23.1**
Other income			0.2
Net finance costs			—
Other expenses			—
Profit before taxation			**23.3**

6 months ended 30 June 2016

Continuing operations	Insurance	Strategic Initiatives	Total
	£m	£m	£m
Revenue	**68.5**	**4.3**	**72.8**
Cost of sales	(18.8)	(3.3)	(22.1)
Gross profit	**49.7**	**1.0**	**50.7**
Distribution expenses			(25.6)
Administrative expenses			(10.7)
Operating profit			**14.4**
Other income			0.1
Net finance costs			—
Other expenses			—
Profit before taxation			**14.5**

The accounting policies of the reportable segments are the same as the Group's accounting policies disclosed in Note 2.

All sales were made to external customers.

4. OPERATING SEGMENTS (Continued)

The Group is considered to have one service, being providing an internet based price and product comparison website.

The assets and liabilities of the Group are reported on an aggregated basis. They are not allocated to reportable segments and are reported on the same basis as disclosed in the consolidated statement of financial position on page F-4.

5. PROFIT BEFORE TAX

Profit before tax is stated after charging / (crediting):

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	(unaudited) *£m*	*(unaudited)* *£m*	*£m*	*£m*	*£m*
Government grants[1]	—	—		—	(0.1)
Depreciation of property, plant and equipment	0.2	0.3	0.4	0.4	0.3
Amortisation of intangible assets	0.6	0.4	0.8	0.9	0.3
Impairment of intangible assets	—	—	(0.2)	—	—
Operating lease expenses	0.2	0.2	0.3	0.4	0.5

(1) The Government grant received was in respect of job creation and the purchase of IT equipment.

6. STAFF COSTS

The average monthly number of employees (including directors) were:

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	Number	*(unaudited)* *Number*	*Number*	*Number*	*Number*
Service provision	92	113	101	116	96
Administration	70	85	75	83	70
	162	198	176	199	166

The aggregate staff costs comprised:

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	£m	*(unaudited)* *£m*	*£m*	*£m*	*£m*
Wages and salaries	3.3	3.8	6.8	7.7	6.7
Social security costs	0.4	0.4	1.9	1.0	0.7
Other pension costs	0.1	0.1	0.3	0.3	0.2
	3.8	4.3	9.0	9.0	7.6

7. DIRECTORS' REMUNERATION

Directors' emoluments and transactions:

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
		(unaudited)			
	£m	*£m*	*£m*	*£m*	*£m*
Remuneration	0.2	0.2	0.4	0.5	0.3
Pension scheme contributions	—	—	—	—	
	0.2	0.2	0.4	0.5	0.3

The number of directors who:

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	Number	*Number*	*Number*	*Number*	*Number*
Exercised share options	—	—	—	—	
Are members of a money purchase pension scheme	—	—	—	—	
	—	—	—	—	

Emoluments of the highest paid director:

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	£m	*£m*	*£m*	*£m*	*£m*
Remuneration	0.1	0.1	0.3	0.2	0.2
Pension scheme contributions	—	—	—	—	—
	0.1	0.1	0.3	0.2	0.2

8. TAXATION

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
		(unaudited)			
	£m	*£m*	*£m*	*£m*	*£m*
UK corporation tax	2.9	2.6	4.3	5.6	5.8
Deferred tax	—	—	(0.1)	(0.1)	0.1
	2.9	2.6	4.2	5.5	5.9
Profit before tax	14.5	13.3	23.3	25.8	25.5
Tax at the UK corporation tax rate of (31 December 2015: 20.25%, 30 June 2015: 20.25%, 31 December 2014: 21.50%, 31 December 2013: 23.25%)	2.9	2.6	4.7	5.5	5.9
		—			
Tax effect of		—			
—IFRS transition adjustment	—	—	0.1	—	—
—Adjustments in respect of prior periods	—		—	0.1	—
—Disallowable items	—		(0.6)	—	—
—Group relief	—		(0.1)	(0.1)	—
—Other	—	—	0.1	—	—
Tax expense for the year	2.9	2.6	4.2	5.5	5.9

The tax rate used for the 2016 calculations is the corporation tax rate of 20% (2015: 20.25%; 2014: 21.5%; and 2013: 23.25%) payable by corporate entities in the UK on taxable profits under tax law in that jurisdiction. The deferred tax rates used are those that apply to the year the tax charge or credit is expected to materialise.

Factors affecting the tax charge for future periods

The standard rate of corporation tax was reduced from 23 per cent. to 21 per cent. effective as of 1 April 2014, with a further reduction from 21 per cent. to 20 per cent. effective from 1 April 2015. Pursuant to the Finance (No 2) Act 2015, the rate of corporation tax is to be reduced to 19 per cent. from 1 April 2017 and to 17 per cent. from 1 April 2020.

9. DIVIDENDS

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
		(unaudited)			
	£m	*£m*	*£m*	*£m*	*£m*
Dividends paid during the period end of 62.5p per share (31 December 2015: 247p, 30 June 2015 98p, 31 December 2014: 86p, 31 December 2013: 59p)	12.5	19.7	49.4	17.2	11.8

10. EARNINGS PER SHARE

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
		(unaudited)			
	£m	*£m*	*£m*	*£m*	*£m*
Earnings for the purposes of basic and diluted earnings per share	11.6	10.7	19.1	20.3	19.6

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	Number	*Number*	*Number*	*Number*	*Number*
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000

11. GOODWILL

	£m
Cost	
At 30 June 2016, 30 June 2015*, 31 December 2015, 31 December 2014, 31 December 2013 and 1 January 2013	2.5
Accumulated amortisation and impairment losses	
At 30 June 2016, 30 June 2015*, 31 December 2015, 31 December 2014, 31 December 2013 and 1 January 2013	—
Carrying amount	
At 30 June 2016, 30 June 2015*, 31 December 2015, 31 December 2014, 31 December 2013 and 1 January 2013	2.5

* 30 June 2015 is unaudited.

The goodwill acquired on the acquisition of Gocompare.com Limited has been allocated to one cash-generating unit. The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired.

Impairment reviews have been carried out at 30 June 2016, 30 June 2015, 31 December 2015, 31 December 2014 and 31 December 2013; whereby the value of the Goodwill had not changed and the following has been applied for each period.

The recoverable amount of the cash-generating unit is based on its value in use, which is determined using cash flow projections derived from financial plans approved by the Board covering a three-year period. They reflect the Board's expectations of revenue, EBITDA growth, capital expenditure, working capital and operating cash flows, based on past experience and future expectations of business performance. Cash flows beyond the three-year period have been extrapolated using perpetuity growth rates.

A growth rate of three per cent. has been applied to extrapolate the cash flows into perpetuity. Growth has been capped at three per cent. so as not to exceed the long-term expected growth rate of the country and industry the cash generating unit operates in, in accordance with IAS 36. The pre-tax discount rate used was thirteen per cent.

The Directors are comfortable that a reasonable change in the underlying assumptions would not indicate an impairment.

12. OTHER INTANGIBLE ASSETS

	Software
	£m
Cost	
At 1 January 2013	0.5
Additions	0.7
Write-offs	(0.3)
At 31 December 2013	0.9
Additions	1.0
Write-offs	(0.8)
At 31 December 2014	1.1
Additions	1.0
Write-offs	(0.1)
At 30 June 2015	2.0
Additions	0.1
Write-offs	(0.5)
At 31 December 2015	1.6
Additions	0.7
Write-offs	(0.6)
At 30 June 2016	1.7
Amortisation and impairment charges	
At 1 January 2013	0.3
Charge for the year	0.3
Eliminated on write-off	(0.3)
At 31 December 2013	0.3
Charge for the year	0.9
Eliminated on write-off	(0.8)
At 31 December 2014	0.4
Charge for the period	0.4
Eliminated on write-off	(0.1)
At 30 June 2015*	0.7
Charge for the period	0.4
Eliminated on write-off	(0.1)
Impairments losses	(0.2)
At 31 December 2015	0.8
Charge for the period	0.6
Eliminated on write-off	(0.6)
At 30 June 2016	0.8
Carrying amount	
30 June 2016	0.9
31 December 2015	0.8
30 June 2015	1.3
31 December 2014	0.7
31 December 2013	0.6

* 30 June 2015 is unaudited.

13. PROPERTY, PLANT AND EQUIPMENT

	Fixtures, fittings and equipment
	£m
Cost	
At 1 January 2013	0.7
Additions	1.5
Disposals	(0.3)
At 31 December 2013	1.9
Additions	0.4
Disposals	(0.2)
At 31 December 2014	2.1
Additions	0.1
Disposals	(0.1)
At 30 June 2015*	2.1
Additions	0.1
Disposals	—
At 31 December 2015	2.2
Additions	0.2
Disposals	(0.3)
At 30 June 2016	2.1
Depreciation and impairment charges	
At 1 January 2013	0.3
Charge for the year	0.3
Eliminated on disposal	(0.2)
At 31 December 2013	0.4
Charge for the year	0.4
Eliminated on disposal	(0.2)
At 31 December 2014	0.6
Charge for the period	0.3
Eliminated on disposal	(0.1)
At 30 June 2015*	0.8
Charge for the period	0.1
Eliminated on disposal	—
At 31 December 2015	0.9
Charge for the period	0.2
Eliminated on disposal	(0.3)
At 30 June 2016	0.8
Carrying amount	
30 June 2016	1.3
31 December 2015	1.3
30 June 2015*	1.3
31 December 2014	1.5
31 December 2013	1.5

* 30 June 2015 is unaudited.

14. DEFERRED TAX

	Accelerated capital allowances
	£m
Cost	
At 1 January 2013	—
Write-offs	(0.1)
At 31 December 2013	(0.1)
Credited to profit or loss in the period	0.1
At 31 December 2014	—
Credited to profit or loss in the period	—
At 30 June 2015*	—
Credited to profit or loss in the period	0.1
At 31 December 2015	0.1
Credited to profit or loss in the period	—
At 30 June 2016	0.1

* 30 June 2015 is unaudited.

15. FINANCIAL ASSETS AND LIABILITIES

15.1 Financial assets

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	£m	*(unaudited)* *£m*	*£m*	*£m*	*£m*
Loans and receivables					
Trade and other receivables	19.3	16.2	15.7	11.8	9.9
Cash and cash equivalents	7.9	24.3	4.3	36.2	35.0
	27.2	40.5	20.0	48.0	44.9

15.2 Financial liabilities

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	£m	*(unaudited)* *£m*	*£m*	*£m*	*£m*
Other financial liabilities					
Trade and other receivables	17.9	10.1	10.6	7.4	7.4
	17.9	10.1	10.6	7.4	7.4

15. FINANCIAL ASSETS AND LIABILITIES (Continued)

Foreign currency risk

The Group has limited exposure to foreign currency risk. Substantially all of the Group's sales and purchases are denominated in Pounds Sterling.

Credit risk

Credit risk is the risk that a counterparty will not be able to pay amounts in full when due in accordance with the term of the contract, causing the Group to incur a financial loss. The Group's primary exposure to credit risk is the amounts due from its Partners.

The creditworthiness of potential Partners is reviewed as part of a detailed due diligence check prior to becoming accepted as a Partner. The integrity and creditworthiness of Partners is regularly reviewed as part of a Partner audit process. The Group produces an aged debtor ledger on a monthly basis and proactively engages with any Partner who has a balance outstanding that is outside the agreed terms. The Group has a small allowance for doubtful debts and has not had any material bad debts during the period.

Liquidity risk

Liquidity risk is the risk that the Group, although solvent, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due or can secure them only at excessive cost. The primary liquidity risk of the Group is the obligation to pay amounts due to suppliers as they fall due.

The Group is cash generative and has 30 day payment terms with all its key Partners. Liquidity risk is managed through a regular performance monitoring process which includes cash flow forecasting.

The remaining contractual maturities at the end of the reporting period of the Group's financial liabilities are all due within one year for all periods presented.

16. TRADE AND OTHER RECEIVABLES

	6 months ended 30 June 2016	**6 months ended 30 June 2015**	**12 months ended 31 December 2015**	**12 months ended 31 December 2014**	**12 months ended 31 December 2013**
	£m	*(unaudited)* *£m*	*£m*	*£m*	*£m*
Trade receivables	7.8	7.1	12.6	8.1	7.6
Allowance for doubtful debts	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
	7.7	7.0	12.5	8.0	7.5
Other receivables	—	1.0	0.2	—	—
Prepayments and accrued income	11.6	8.2	3.0	3.8	2.4
	19.3	16.2	15.7	11.8	9.9

16. TRADE AND OTHER RECEIVABLES (Continued)

Age analysis of past due debt

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
		(unaudited)			
	£m	*£m*	*£m*	*£m*	*£m*
1-30 days overdue	2.4	2.0	3.1	1.3	1.4
31-60 days overdue . . .	0.4	0.6	1.2	0.1	—
61-120 days overdue . .	0.4	—	0.2	0.1	—
	3.2	2.6	4.5	1.5	1.4

The Group does not hold any collateral over the above and the directors consider that the carrying amount of trade and other receivables approximates to their fair value.

17. TRADE AND OTHER PAYABLES

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
		(unaudited)			
	£m	*£m*	*£m*	*£m*	*£m*
Trade payables	1.4	2.3	2.1	2.9	0.8
Social security and other taxes	2.9	1.8	1.4	1.3	1.7
Other payables	0.3	—	0.1	1.7	1.8
Accrued expenses	13.3	6.0	7.0	1.5	3.1
	17.9	10.1	10.6	7.4	7.4

The directors consider that the carrying amount of trade and other payables approximates to their fair value.

18. PROVISIONS

	Other provisions
	£m
Cost	
At 1 January 2013	1.2
Utilised in the year	(1.0)
Credited to profit or loss	0.5
At 31 December 2013	0.7
Released in the year	(0.5)
Charged to profit or loss	0.6
At 31 December 2014	0.8
Released/Utilised in the year	(0.5)
Charged to profit or loss	0.1
At 30 June 2015*	0.4
Released in the year	—
Charged to profit or loss	0.8
At 31 December 2015	1.2
Released/Utilised in the year	(0.6)
Charged to profit or loss	0.3
At 30 June 2016	0.9

* 30 June 2015 is unaudited.

Other provisions relate to the present cost obligations, expected revenue claw back and an onerous contract of £0.4m provided in the year ended 31 December 2015. The onerous contract provision relates to technology licensing costs, where the committed cost until the end of the contract in 2016 exceeds the projected economic benefit that the technology is expected to provide.

19. SHARE CAPITAL

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	£m	*(unaudited)* *£m*	*£m*	*£m*	*£m*
Authorised, allocated, called up and fully paid					
20,000,000 Ordinary shares of £0.0001 each	0.0	0.0	0.0	0.0	0.0

20. CAPITAL MANAGEMENT

Capital comprises share capital, share premium and reserves stated on the statement of financial position. The Group's objective when managing capital is to provide sufficient resources to allow the continued investment in new services that is required in the rapidly changing market in which the Group operates and to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders. As the Group is cash generative it aims to pay all suppliers on time when the invoice falls due.

21. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
	£m	(unaudited) £m	£m	£m	£m
Land and building					
Within 1 year or on demand	0.5	0.2	0.3	0.2	0.2
More than 1 year but less than 2 years	0.9	0.9	0.9	0.8	0.5
More than 2 years but less than 5 years	0.9	0.9	0.9	0.9	0.9
More than 5 years	0.7	1.2	1.3	1.8	2.2
	3.0	3.2	3.4	3.7	3.8

The operating lease relates to a building the Group occupies.

22. GROUP SUBSIDIARY COMPANIES

	Country of incorporation	Class of shares held	Principal activity	Held directly or indirectly	Percentage held
Gocompare.com Finance Limited	England & Wales	Ordinary	Intermediate Holding	Direct	100%
Gocompare.com Limited	England & Wales	Ordinary	Operating Company	Indirect	100%
Go Compare Limited	England & Wales	Ordinary	Dormant	Indirect	100%
Gio Compario Limited	England & Wales	Ordinary	Dormant	Indirect	100%

Gocompare.com Finance Limited was incorporated on 11 June 2016, it is the parent company of Gocompare.com Limited and a subsidiary of the Company.

23. RELATED PARTY TRANSACTIONS

Parent and ultimate controlling party

Sales of £5.7m (31 December 2015: £5.9m, 30 June 2015: £2.3m, 31 December 2014: £4.8m, 31 December 2013: £6.4m) were made to the shareholder of the Group, of which £Nil (31 December 2015: £0.1m, 30 June 2015: Nil, 31 December 2014: £4.6m, 31 December 2013: £0.2m) remained due at the period end.

Commission of £0.0m (31 December 2015: £0.0m, 30 June 2015: £0.0m, 31 December 2014: £0.0m, 31 December 2013: £0.0m) was paid to the shareholder of the Group, of which £Nil (31 December 2015: £0.0m, 30 June 2015: £0.0m, 31 December 2014: £0.0m, 31 December 2013: £0.0m) remained due at the period end.

23. RELATED PARTY TRANSACTIONS (Continued)

Transactions with key management personnel

Key management personnel compensation comprised the following.

	6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015	12 months ended 31 December 2014	12 months ended 31 December 2013
		(unaudited)			
	£m	*£m*	*£m*	*£m*	*£m*
Short-term employee benefits	0.2	0.2	0.4	0.5	0.3
Post-employment benefits	—	—	—	—	—
Termination benefits	0.3	—	—	—	—
Other long-term benefits	0.1	—	—	—	—
Share-based payments	—	—	—	—	—
	0.6	0.2	0.4	0.5	0.3

24. CONTINGENT LIABILITIES

The Group had no contingent liabilities at the period end.

25. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period.

26. ULTIMATE CONTROLLING PARTY

The Company is a wholly owned subsidiary undertaking of esure Services Limited, a company incorporated and domiciled in England and Wales. esure Services Limited acquired the outstanding 50 per cent of the ordinary share capital of the Company (then called Gocompare.com Holdings Limited) on 31 March 2015. The Company's ultimate parent is esure Group plc.

The smallest group in which the results of the Group are consolidated is that headed by esure Group plc. The largest group in which the results of the Group are consolidated is that headed by esure Group plc. The consolidated accounts of esure Group plc may be obtained from esure Group plc, The Observatory, Reigate, Surrey RH2 0SG.

27. FIRST TIME ADOPTION OF IFRS

This is the first full year that the Group has presented consolidated financial information under IFRS. The following disclosures are required in the year of transition. The Group has applied IFRS 1 in preparing this consolidated financial information. The historic financial information presented here is provided on a consolidated basis for the Company. Disclosure in regards to the Group's transition to EU-IFRS for the year ended 31 December 2015 has not been presented in this note as the financial information previously published for the Group for this period was not on a consolidated basis.

27. FIRST TIME ADOPTION OF IFRS (Continued)

Reconciliation of equity at 1 January 2013 and 31 December 2013

	1 January 2013			31 December 2013		
	UK GAAP	**Transition Adjustment**	**IFRS**	**UK GAAP**	**Transition Adjustment**	**IFRS**
	£m	*£m*	*£m*	*£m*	*£m*	*£m*
ASSETS						
Non-current assets						
Goodwill	2.5	—	2.5	2.5	—	**2.5**
Other intangible assets	0.2	—	0.2	0.6	—	**0.6**
Property, plant and equipment	0.4	—	0.4	1.5	—	**1.5**
Deferred tax assets	—	—	—	—	—	**—**
	3.1	—	3.1	4.6	—	**4.6**
Current assets						
Trade and other receivables	9.1	—	9.1	9.9	—	**9.9**
Cash and cash equivalents	29.9	—	29.9	35.0	—	**35.0**
	39.0	—	39.0	44.9	—	**44.9**
Total assets	42.1	—	42.1	49.5	—	**49.5**
LIABILITIES						
Current liabilities						
Trade and other payables	6.8	—	6.8	7.4	—	**7.4**
Current tax liabilities	3.4	—	3.4	2.9	—	**2.9**
	10.2		10.2	10.3	—	**10.3**
Non-current liabilities						
Deferred tax liabilities	—	—	—	0.1	—	**0.1**
Provisions	1.2	—	1.2	0.7	—	**0.7**
	1.2		1.2	0.8	—	**0.8**
Total liabilities	11.4	—	11.4	11.1	—	**11.1**
Net assets	30.7	—	30.7	38.4	—	**38.4**
EQUITY						
Share capital	—	—	—	—	—	**—**
Share premium account	2.7	—	2.7	2.7	—	**2.7**
Retained earnings	28.0	—	28.0	35.7	—	**35.7**
Total equity attributable to owners of the Group	30.7	—	30.7	38.4	—	**38.4**

27. FIRST TIME ADOPTION OF IFRS (Continued)

Reconciliation of equity at 31 December 2014

	31 December 2014		
	UK GAAP	**Transition Adjustment**	**IFRS**
	£m	£m	£m
ASSETS			
Non-current assets			
Goodwill	2.5	—	2.5
Other intangible assets	0.2	0.5	0.7
Property, plant and equipment	1.5	—	1.5
Deferred tax assets	—	—	—
	4.2	0.5	4.7
Current assets			
Trade and other receivables	11.8	—	11.8
Cash and cash equivalents	36.2	—	36.2
	48.0	—	48.0
Total assets	52.2	0.5	52.7
LIABILITIES			
Current liabilities			
Trade and other payables	7.4	—	7.4
Current tax liabilities	3.0	—	3.0
	10.4	—	10.4
Non-current liabilities			
Deferred tax liabilities	—		—
Provisions	0.8	—	0.8
	0.8	—	0.8
Total liabilities	11.2	—	11.2
Net assets	41.0	0.5	41.5
EQUITY			
Share capital	—	—	—
Share premium account	2.7	—	2.7
Retained earnings	38.3	0.5	38.8
Total equity attributable to owners of the Group	41.0	0.5	41.5

27. FIRST TIME ADOPTION OF IFRS (Continued)

Reconciliation of profit for the year ended 31 December 2013 and 31 December 2014

	31 December 2013			31 December 2014		
Continuing operations	**UK GAAP**	**Transition Adjustment**	**IFRS**	**UK GAAP**	**Transition Adjustment**	**IFRS**
	£m	*£m*	*£m*	*£m*	*£m*	*£m*
Revenue	109.9	—	109.9	**113.1**	**—**	**113.1**
Cost of sales	(29.3)	—	(29.3)	(27.2)	—	(27.2)
Gross profit	**80.6**	**—**	**80.6**	**85.9**		**85.9**
Distribution expenses	(39.0)	—	(39.0)	(41.5)	—	(41.5)
Administrative expenses	(16.5)	—	(16.5)	(19.3)	0.5	(18.8)
Operating profit	**25.1**	**—**	**25.1**	**25.1**	0.5	**25.6**
Other income	0.4		0.4	0.2	—	0.2
Net finance costs	—	—	—	—	—	—
Other expenses	—	—	—	—	—	—
Profit before taxation	**25.5**	**—**	**25.5**	**25.3**	**0.5**	**25.8**
Taxation	(5.9)	—	(5.9)	(5.5)	—	(5.5)
Profit for the year attributable to owners of the Group	**19.6**	**—**	19.6	**19.8**	0.5	**20.3**
Other comprehensive income:						
Items that will not be reclassified to profit or loss:	—	—	—	—	—	—
Items that may be subsequently reclassified to profit or loss:	—	—	—	—	—	—
Total other comprehensive income	—	—	—	—	—	—
Total comprehensive income for the year attributable to owners of the Group	**19.6**	**—**	**19.6**	**19.8**	**0.5**	**20.3**

The majority of the transition adjustment relates to the recognition of internal development costs, with mandatory capitalisation required under IAS 38. Under UK GAAP the Group chose not to capitalise these costs, in accordance with SSAP 13.

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