

ZPG Plc

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Zoopla owner ZPG mulling its options as Gocompare rejects "highly opportunistic" takeover offer

Zoopla owner ZPG Plc (LON:ZPG) is mulling its options after price comparison site Gocompare.com Group PLC (LON:GOCO) publicly rejected its takeover approach on Tuesday evening.

FTSE 250-listed ZPG - which also owns uSwitch - tabled a cash-plus-shares offer of 110p a share which valued Gocompare at almost £420mIn.

READ: Zoopla owner ZPG gains as it buys Money.co.uk and raises full-year earnings forecast

Gocompare dismissed the bid out of hand, labelling it "highly opportunistic" and telling investors that it "fundamentally undervalues the company".

ZPG made initial approach back in May

It is the second time Gocompare has fended off interest from ZPG this year, claiming that a previous "unsolicited approach" was also rejected back in May.

At that time, ZPG also valued the company at 110p a share, although the offer was wholly in shares.

The most recent approach represents a 16% premium to Gocompare's closing share price of 95p on November 7, the day before ZPG put forward its proposal.

But Gocompare pointed out that the offer is a discount to its share price of 110.5p which it closed at as recently as October 11.

Gocompare's board said it had made "significant progress" since it demerged from Esure Group PLC (LON:ESUR) this time last year and reiterated its confidence about its full-year prospects.

ZPG "considering its position"

After this latest pushback, ZPG said it is "currently considering its position".

As part of the City takeover code, ZPG has until December 12 to either revive its interest or tell the markets that it won't be lodging another bid.

Gocompare shares rose 1.96% to 104p, while ZPG fell 1.54% to 332.80 in Wednesday's afternoon session.

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Share Information

Code: ZPG
Listing: LSE
Sector: Media
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Company Synopsis:

ZPG Plc (LSE:ZPG) (ZPG) is a digital media, lead generation and workflow solutions platform that owns and operates some of the UK's most trusted digital brands including Zoopla, uSwitch, PrimeLocation, Hometrack and Property Software Group. Our mission is to provide the most useful resources for consumers when finding, moving or managing their home and to be the most effective partner for related businesses.

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