

**25 April 2016**

**CPPGROUP PLC**

**Supplement to Circular dated 8 April 2016**

**Withdrawal of proceedings seeking an interim injunction**

Further to the circular to shareholders published on 8 April 2016 (the "Circular") relating to the Requisition Notice served by Schroders on 18 March 2016 and the announcement relating to the issue of proceedings seeking an interim injunction against Mr Hamish Ogston (the "Proceedings"), the Board announces that it has today decided that the Company will withdraw from the Proceedings.

The reason for the Board's decision to withdraw is because Phoenix Asset Management Partners ("Phoenix") notified the Board of its decision to withdraw its support from the Board's position and its intention to abstain from voting in respect of the Resolutions proposed in the Requisition Notice.

The Board continues to recommend, unanimously, that CPP Shareholders vote against the Resolutions proposed in the Requisition Notice.

***Background to the proceedings***

The correspondence between the Company's advisers, Schroders and Mr Hamish Ogston in connection with the requisition prior to the publication of the Circular is set out in the Schedules to the Circular, together with the Board's reasons for unanimously recommending that CPP Shareholders vote against the Resolutions proposed in the Requisition Notice, being:

- The risks to the continuation of existing regulated activities currently carried out by the Company's Regulated Subsidiaries in the UK
- The future growth of the Company depends upon its ability to develop and market products
- Uncertainty arising from the appointment of the Requisition Candidates may adversely impact the Group's relationship with key stakeholders
- A Board with an appropriate balance of skills, independence, knowledge and experience represents the best corporate governance structure for CPP Shareholders
- The Requisition has caused unnecessary disruption to, and uncertainty within, the operations of the business at a time when the Board wants to focus wholly on the trading performance of the Group

In parallel with the correspondence with Schroders and Mr Ogston, the Board was in dialogue with Phoenix, which owns Ordinary Shares carrying approximately 39.3 per cent. of the voting rights in the Company.

Phoenix originally confirmed that it was supportive of the Board and in support of the Company's proposed application for an interim injunction against Mr Ogston and indeed signed a witness statement in support, which the Company subsequently understood could be served in the evidence in reply. On this basis the Company commenced the injunction proceedings.

On the evening of 21 April, Phoenix indicated that their position had changed and they were no longer supportive of the Company continuing the interim injunction against Mr Ogston. This was confirmed to the Company today (25 April) by Phoenix, having considered the evidence served by Mr Ogston on 22 April. Further, given that the Company was awaiting clarification from the FCA in respect of the regulatory effect of the change of the Board of the Company as per the Requisition Notice, it was also agreed with Phoenix today to await such clarification from the FCA, to ascertain whether that would alter Phoenix's position. The response from the FCA received late this afternoon did not provide sufficient grounds to alter the position of Phoenix.

In light of these developments, the Board has concluded that there is no merit in continuing with the legal proceedings and accordingly, in order to avoid the Company and Mr Ogston incurring further costs (which it is anticipated the Company may be primarily responsible for meeting as a result of having initiated the proceedings and then electing to withdraw) to withdraw from the Proceedings.

### ***Recommendation***

The Board continues to recommend, unanimously, that CPP Shareholders vote against the Resolutions.

Enquiries:

#### CPPGroup Plc

Mike Corcoran, Chief Financial Officer

Tel: 01904 544 541

#### Nominated Adviser and Broker

Numis Securities Limited: Stuart Skinner; Charles Farquhar

Tel: +44 (0)20 7260 1000

#### Media

Powerscourt Group: Justin Griffiths; Peter Ogden

Tel: +44 (0)20 7250 1446

Legal Matters:

Defined terms used in this Announcement shall, unless the context otherwise requires, have the meaning given to them in the Circular.

A copy of this Announcement will be made available on the Company's website and circulated to all registered holders of CPP Shares as at 6:00 p.m. on today's date.

Notes to Editors:

CPP provides a range of assistance based services to customers in the UK & Ireland and in a number of international markets across Asia, Europe and Latin America. The Company's core propositions provide peace of mind for customers covering a range of areas including lost and stolen credit cards, identity theft, insurance of mobile devices, and passport and lost luggage assistance.

For more information on CPP visit [www.cppgroupplc.com](http://www.cppgroupplc.com)

Further Information:

If in any doubt about any of the contents of this announcement, independent professional advice should be obtained.

Numis Securities Limited ("Numis"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company, as its nominated adviser and broker, and no one else in connection with the Requisition 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 the Requisition or any other matters referred to in this announcement. Numis'

responsibilities as the Company's nominated adviser, under the AIM Rules, are owed solely to the London Stock Exchange and not to the Company or its Directors or any other person. Apart from the responsibilities and liabilities, if any, which may be imposed on Numis by FSMA or the regulatory regime established thereunder, no responsibilities or liability (whether arising in tort, contract or otherwise) are or will be owed to the Company or to any Director, Shareholder or any other person, in respect of his voting decision in reliance on any part of this announcement, or otherwise. Numis makes no representation or warranty, express or implied, concerning the contents or completeness of this announcement. Numis accepts no liability whatsoever for the accuracy of any information or opinions contained in, or for the omission of any material information from, this announcement. Numis is not responsible for, nor has it authorized, the contents of any part of this announcement for any purpose.

This announcement is not an offer to sell or a solicitation of any offer to buy the securities of CPPGroup Plc (the "Company") in the United States, Australia, Canada, Japan, the Republic of South Africa or in any other jurisdiction where such offer or sale would be unlawful.

This announcement cannot be relied on for any investment contract or decision. No person has been authorised to give any information or make any representation and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors or Numis Securities.

#### Note regarding forward-looking statements:

This announcement includes statements that are, or may be deemed to be, "forward-looking statements" including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to dividends. These statements can be identified by the use of forward-looking terminology, including statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "estimates", "intends", "plans", "projects", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof. These forward-looking statements include all statements that are not matters of historical fact. They appear in a number of places throughout this announcement and include, but are not limited to, statements regarding the Directors' and/or the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial position, prospects, growth, strategies and the industry in which it operates.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance, achievements of or dividends paid by the Company to be materially different from the results, performance or achievements, or dividend payments expressed or implied by such forward-looking statements. Such forward-looking statements are not guarantees of future performance and are based on numerous assumptions regarding the Company's net asset value, present and future business strategies and income flows and the environment in which the Company will operate in the future. In addition, even if the results of operations, financial position and the development of the markets and industry in which the Group operates in any given period are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by forward-looking statements contained in this announcement, including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation, regulatory activity, currency fluctuations, changes in business strategy, political and economic uncertainty and other factors. Statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue or are likely to continue.

Any forward-looking statements speak only as of the date of this announcement. Subject to the requirements of the FCA, the London Stock Exchange, the AIM Rules (and/or any other applicable regulatory requirements) or applicable law, each of the Company, the Directors and Numis Securities

expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto, any new information or any change in events, conditions or circumstances after the date of this announcement on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.