

# 2023 Investor factsheet

## Overview and financial performance



### About CPPGroup Plc

CPPGroup Plc is a UK AIM-listed business, with a history in creating and scaling assistance products for insurance and financial services' clients that make bad days better for millions of consumers who may have missed their flight; have lost their luggage; have broken their mobile phone; need a doctor's consultation; or have lost their credit card.

### Meet the team



**David Morrison**  
Chairman



**Simon Pyper**  
Chief Executive Officer



**David Bowling**  
Chief Financial Officer

### Investment case

**InsurTech focus** – Our Blink Parametric business (Blink) completed 2023 with high-margin, Annual Recurring Revenue of £1.0 million (+63% vs 2022) and provides an opportunity for rapid medium-term value creation.

**Established businesses in growth markets** – CPP India and CPP Turkey are strong contributors to the Group. India is an exciting market, with a growing middle-class and strong GDP growth which will fuel our addressable market.

**Simple operating model** – focused on sustainable growth from a lower cost base.

**Partnerships with leading global businesses** – we create products that bring our partners ancillary revenue streams, profit and enhanced customer loyalty.

**Resources to transform the business** – a cash position of £19.0 million at the end of 2023 provides the resources to complete the Change Management Programme and fund investment in Blink.

### Our path forward

#### A growth-led strategy for all stakeholders:

In October 2022 we set out our strategy to move CPP away from its Legacy businesses and towards a digital parametric business, led by Blink and supported by CPP India and CPP Turkey, delivering:

- A global, growth-orientated business.
- Differentiated, higher-margin products.
- Closer relationships with our business partners to deliver long-term value creation.
- Accelerated growth in ARR and increased visibility on contracted revenues.
- Lower central cost model.
- Improving EBITDA margins.
- Capital efficiency.

Scaling Blink  
Parametric

Growing our  
Indian and Turkish  
businesses

Simplifying the  
Group and transform  
to new model

Addressing IT  
infrastructure

### 2023 financial highlights

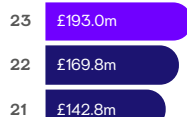
#### Disciplined performance supporting strategic progress:

- Good revenue growth from Core business units (CPP India, CPP Turkey and Blink) despite FX headwinds.
- EBITDA margin adversely impacted by growth of lower margin products in India, investment in Blink's operational capability as the business prepares to scale, and adverse FX.
- Cash has decreased due to exceptional costs associated with the CMP, IT development in India, and planned investment in Blink.

#### Revenue

**£193.0m**

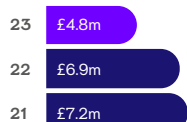
up 14% vs 2022



#### EBITDA

**£4.8m**

down 30% vs 2022



#### Revenue from Core business units<sup>1</sup>

**£181.0m**

up 17% vs 2022



#### EBITDA from Core business units<sup>1</sup>

**£7.4m**

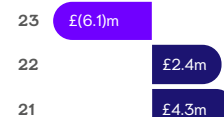
down 11% vs 2022



#### (Loss)/profit before tax

**£(6.1)m**

down 35% vs 2022



#### Net funds

**£15.3m**

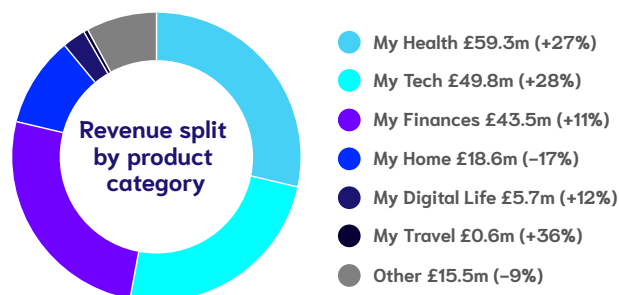
down 6% vs 2022



<sup>1</sup> Core business units comprises revenue and EBITDA from Blink Parametric, CPP India, CPP Turkey and Globiva.

## 2023 mix by product category

- Continued revenue growth in **My Health**, and **My Tech** products. A move to higher value tech devices in India has driven an increase in policy premium, driving higher revenue, but on fewer policies and at a lower margin.
- My Finances** (Card Protection) continues to decline in the UK and Europe. However, the product category remains attractive in both CPP India and CPP Turkey.
- My Travel**, our Blink proposition, is the only product with global reach. It is a key focus for the Group as we move forward.
- Other** predominantly represents revenue from BPM services provided by Globiva.



## 2023 mix by business unit



- CPP India £161.0m** (up 19% vs 2022)
- CPP Turkey £4.7m** (up 46% vs 2022)
- Globiva £14.5m** (down 8% vs 2022)
- Legacy £12.0m** (down 22% vs 2022)
- Blink £0.8m** (up 85% vs 2022)

### CPP India: EBITDA £5.8m (2022: £5.6m)

- CPP India is the Group's largest business. It distributes its products and services primarily to market-leading non-banking financial companies in India.
- Focused on organic growth through new product development and securing new partners, supported by advancements in its digital capabilities.
- Growth driven by LivCare – a health and wellness product, despite being a relatively low margin.
- Phase 1 of a new IT platform for CPP India operational from August 2023. Phase 2, due to go live in the spring of 2024 will allow CPP India to operate independently from the Centre and to service its growing partner base more effectively.

### Blink: EBITDA loss of £1.8m (2022: £0.4m loss)

- Blink is a global technology and software platform provider focused on delivering innovative travel disruption (flight delay and lost luggage) solutions to the travel insurance sector.
- Over scale through investments in capabilities, processes and people.
- 17 distribution customers in markets across North America, Europe, the UK and Asia – secured seven new client wins and a 100% renewal rate of its existing client base.

### CPP Turkey: EBITDA £1.2m (2022: £0.7m)

- CPP Turkey is a multi-partner, multi-product business with a growing microinsurance and assistance product portfolio.
- Over 20 long-standing partnerships across the mobile, digital and financial services sectors.
- Newly formed management team.
- Strong in year performance driven by customer growth, new product development, customer experience improvements and cost management.

### Globiva: EBITDA £2.2m (2022: £2.4m)

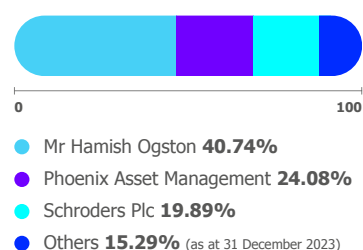
- Globiva is 51% owned by the Group and provides outsourced business process management services to a predominately tech-focused client base. In November 2023, to further simplify CPP, the Group agreed to the disposal of its holding in Globiva over the next three years for an overall consideration of approximately £5.1m.

### Legacy: EBITDA of £1.8m (2022: £1.9m)

- The Group's Legacy businesses, as expected, continued their decline in 2023, and have started to be closed or wound down. During the year the Group exited from its operations in Spain and commenced the closure process for the UK Legacy business.

## Shareholder information

### Major shareholdings



### Contact details:

Nominated adviser: **Liberum Capital Limited (020 3100 2000)**

Investor Relations consultants: **H2Radnor (020 3897 1830)**

Website: <https://corporate.cppgroup.com>

Email: [investor.relations@cppgroup.com](mailto:investor.relations@cppgroup.com)