



CPPGroup Plc

FULL YEAR RESULTS 2023

Company disclaimers and reminders

The following presentation, including any printed or electronic copy of these slides, information communicated during any delivery of the presentation and any question and answer session or any document or material distributed at or in connection with the presentation (together, the "Presentation"), has been prepared by CPPGroup plc (the "Company"). By attending (whether in person or by telephone) or reading this Presentation, you agree to the conditions set out below.

This Presentation is only directed at persons in the United Kingdom who are qualified investors (as defined in Article 2(e) of the EU Directive 2017/1129 which forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018) who also (i) have professional experience in matters relating to investments who fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"), or (ii) are persons falling within article 49(2)(a) to (d) (high net worth companies, unincorporated associations and other bodies) of the Order, or (iii) fall within another exemption to the Order (all such persons referred to in this paragraph together being referred to as "Relevant Persons" and each such person being a "Relevant Person"). Any person who is not a Relevant Person must not act or rely on this communication or any of its contents. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

By accepting this Presentation and not immediately returning it, the recipient represents and warrants to the Company and Liberum Capital Limited ("Liberum") that they are a Relevant Person. This Presentation is not to be disclosed to any other person or used for any other purpose. This Presentation must not be copied, reproduced, published, distributed, disclosed or passed to any other person at any time without the prior written consent of the Company. No reliance may be placed, for any purposes whatsoever, on the information contained in this Presentation or on its completeness and this Presentation should not be considered a recommendation by the Company or Liberum or any of their respective affiliates in relation to any purchase of or subscription for securities of the Company. Liberum has not authorised the contents of, or any part of, the Presentation. The Presentation has been prepared by and is the sole responsibility of the Company and the directors of the Company. The Company has provided the information in the Presentation, which does not purport to be comprehensive and has not been fully verified by the Company or any of their respective shareholders, directors, officers, agents, employees, advisers or affiliates.

While the information contained herein has been prepared in good faith, neither the Company nor Liberum, their respective affiliates nor any of their respective shareholders, directors, officers, agents, employees, advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other information made or to be made available (whether orally or in writing) to any interested party or its advisers (all such information being referred to as "Information") and liability therefore is expressly disclaimed. In particular, no representation or warranty is given as to the achievement or reasonableness of any future projections, management estimates, prospects or returns. Accordingly, neither the Company, Liberum, their respective affiliates, nor any of its respective shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability, whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation. Nothing in this disclaimer shall exclude liability for any representation or warranty made fraudulently. This Presentation contains certain statements that may be forward-looking and that are subject to a variety of risks and uncertainties. There are a number of important factors that could cause actual results to differ materially from those projected or suggested in any forward-looking statement made by the Company in respect of itself and its subsidiaries. Words such as "may", "will", "to", "expect", "plan", "believe", "anticipate", "intend", "could", "would", "estimate" or "continue" or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements.

Neither the issue of this Presentation, nor any part of its contents, is to be taken as any form of commitment on the part of the Company to proceed with any transaction and the Company's right to terminate any discussions or negotiations with any prospective investors is reserved. In no circumstances will the Company be responsible for any costs, losses or expenses incurred in connection with any appraisal or investigation of the Company. In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent. This Presentation should not be considered as the giving of investment advice by the Company, Liberum, their respective affiliates, nor any of its respective shareholders, directors, officers, agents, employees or advisers. In particular, this Presentation does not constitute an offer or invitation to subscribe for or purchase any securities and neither this Presentation, nor anything contained herein, shall form the basis of any contract or commitment whatsoever. Each party to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and each recipient should satisfy itself in relation to such matters.

Neither this Presentation nor any copy of it nor the information contained herein may be (a) taken or transmitted into Australia, Canada, Japan, the Republic of South Africa, the Republic of Ireland or the United States of America (each a "Restricted Territory"), their territories or possessions; (b) distributed to any U.S. Person (as defined in Regulation S under the United States Securities Act of 1933 (as amended)); or (c) distributed to any individual outside a Restricted Territory who is a resident thereof in any such case for the purpose of offer for sale or solicitation or invitation to buy or subscribe for any securities or in the context where its distribution may be construed as such offer, solicitation or invitation, in any such case except in compliance with any applicable exemption.

The distribution of this Presentation in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this Presentation comes should inform themselves about, and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

Liberum is acting exclusively for the Company and no one else in relation to the matters and arrangements contained or referred to in the Presentation. Liberum will not regard anyone other than the Company as a client in relation to any such matters or be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to any such matters.

Session Agenda

Highlights

- CEO Summary
- Financial Highlights
- What We Do
- Moving Forward

A little more on Blink Parametric

Financial Results

- Revenue
- EBITDA
- EBITDA Margin

Highlights

- CEO Summary
- Financial Highlights
- What We Do
- Moving Forward

CEO Summary

Full Year Results 2023

- Business performed as expected over the past year.
- Margin movement (India) and investment in Blink, though planned for, had an adverse impact on profitability.
- FX movements reduced EBITDA for the year by £0.8 million.

Operations

- Change Management Programme (“CMP”) progressing well, **operational** and **execution** risk for remainder of programme now **significantly reduced**.
- Disposal of interest in both Globiva and KYND consistent with our strategy and moreover, provides funds not previously forecast.
- Continued investment in Blink’s operational infrastructure.

Blink Parametric

- Making good progress, not as fast as I would like, with contract renewal rates, new business wins and growth in pipeline providing sufficient validation that the strategy is appropriate and correct.
- Blink ends the year with contracted Annualised Recurring Revenues (“ARR”) of £1.0 million which is 63% increase on prior year.

Financial Highlights

12 months to 31 December 2023

- Good revenue growth from Core business units despite FX headwinds.
- EBITDA margin adversely impacted by growth of lower margin products in India and investment in Blink.
- A weakening of both the Indian rupee and Turkish lira has impacted the reported results (revenue and EBITDA).
- Cash has decreased due to exceptional costs associated with the CMP, IT development in India and the planned investment in Blink.

Revenue	FY 23 £m	Vs LYR %
Core	181.0	17%
Legacy	12.0	(22)%
Reported	193.0	14%

EBITDA	FY 23 £m	Vs LYR %
Core	3.0	(39)%
Legacy	1.8	(8)%
Reported	4.8	(30)%

Cash	December 2023 £m	December 2022 £m
Available	10.9	13.2
'Restricted'	8.1	7.8
Reported	19.0	21.0

EBITDA Margin	FY 23 %	FY 22 %
Core	1.7%	3.2%
Legacy	14.7%	12.4%
Reported	2.5%	4.0%

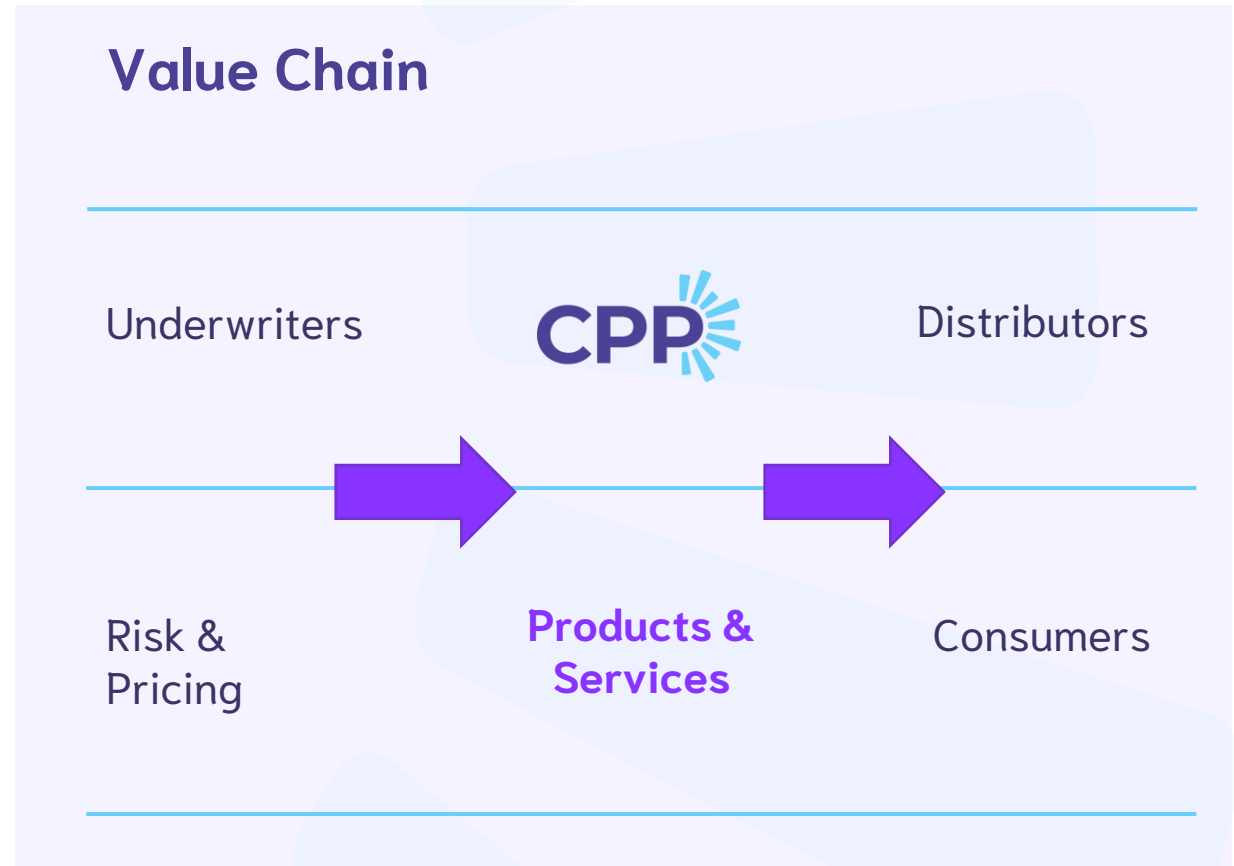
Core: India, Globiva, Turkey, Blink Parametric and Central Functions
Legacy: UK (Legacy and MGA), Spain, Italy, Portugal
Reported: Core plus Legacy

What We Do

CPP operates in the “Products and Services” section within the Insurance Industry Value Chain.

We create products and services for distributors which differentiate and augment their consumer proposition. Simply put, we make their products more “sticky” with the end consumer.

We are too small to operate in the underwriting space and so are reliant on third party distribution channels to reach the end consumer.



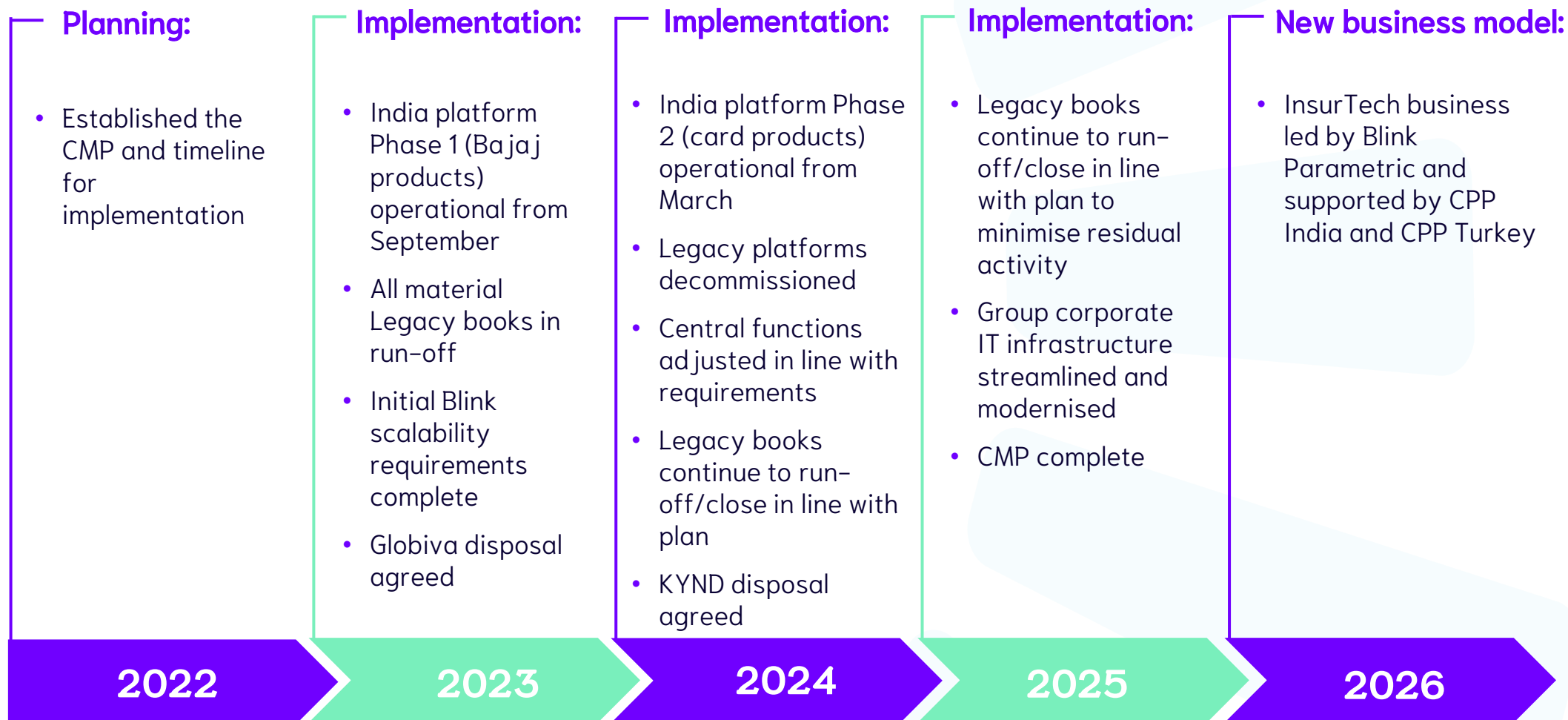
What We Do

CPP provides products and services which 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.....

Product Category	Revenue FY 2023 £m	Vs Lyr %	Policies December 2023 Millions	Vs Lyr %
My Health	59.2	28%	2.0	(23)%
My Tech	49.8	28%	2.0	12%
My Finances	35.5	25%	3.3	(9)%
My Home	18.5	(16)%	2.1	(2)%
My Digital Life	2.8	35%	0.7	(3)%
My Travel	0.6	31%	–	–
Sub-Total	166.4	20%	10.1	(7)%
Globiva/Other	14.6	(9)%	–	–
Core Total	181.0	17%	10.1	(7)%
Reported	193.0	14%	10.5	(8)%

Moving Forward



A little more
on...

...Blink Parametric

Why Focus On Blink?



Market Attractiveness

- Group's only "Global" product set
- Strong demand for key offering (see later)
- Product sits outside of regulated markets – Blink offers "assistance services" **not** "insurance services"
- Few competitors



Attractive Economics

- High Gross Profit margin (**circa 80%**) and long-term Operational Gearing benefits, with high "drop through" to bottom line. **Target EBITDA Margin +40%**
- Quality of earnings, with multi-year contracts and +90% renewal rates.

Improved market value



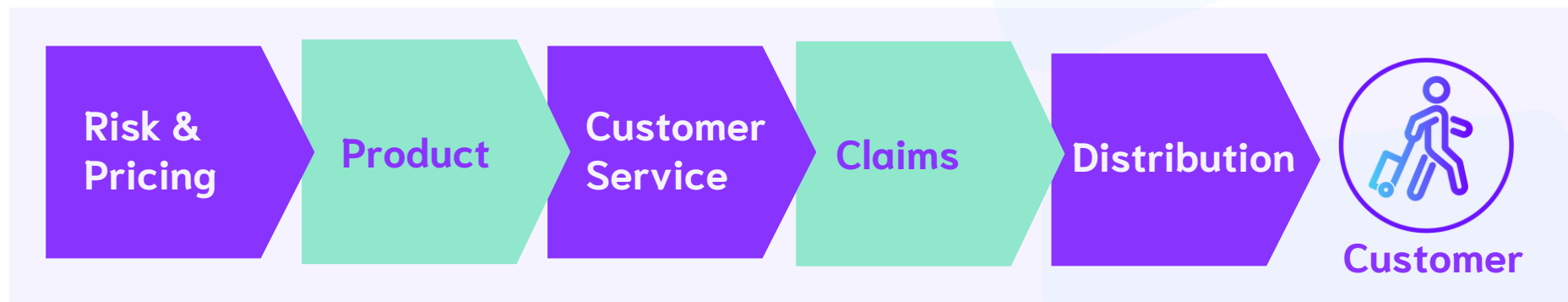
Operationally Capable

- Know how
- Resource investment
- People, processes and structures in place or soon to be in place

Improved market value

What We Do

Global Insurer Value Chain



Blink provides parametric “white label” solutions which are embedded into an Insurer’s product and deliver real-time automated claims decisions to customers at their time of need.

Current product suite focused on:

Flight Disruption (flight delay & lost luggage) with £20 million addressable market

Cyber Security (personal data monitoring) with £10 million addressable market

“Addressable market” is internal estimate of Blink’s maximum revenue potential

Our Strategy



Insurer

Partner with global or large national insurers

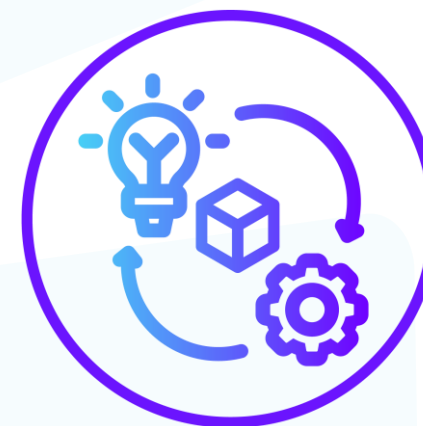
- Assurant
- MAWDY
- Zurich
- Blue Cross
- Europ Assistance



Market Development

With each Partner

- Initial launch into 1 or 2 geographies
- Over time increase geographic coverage
- Become key provider of parametric solutions



Product Development

Work with Partners to develop parametric services, which are:

- Digitally delivered
- Data rich
- High velocity of claims

Building Positive Outcomes

Or where do the benefits sit...

Blink



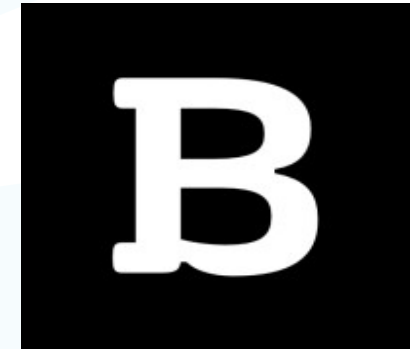
For the Insurer

- Differentiated product
- Improved outcomes for customer, which drive increased Renewal Rates and New Business
- Reduced claims processing time and costs
- Actionable real-time data on their customers



For the Customer

- Automated claims process (no forms)
- Immediate resolution (cash or voucher)
- Real-time help at their time of need
- Engaged, loyal and satisfied customer



For Blink Parametric

- Multi-year contracts
- 100% Renewal Rates
- High Gross Profit margin and high drop through to bottom line

Our Pricing Model

Blink

1 Fixed minimum fee

Fixed monthly minimum fees for software services (converts into credits for eligible customers)

2

Individual policy basis + overage

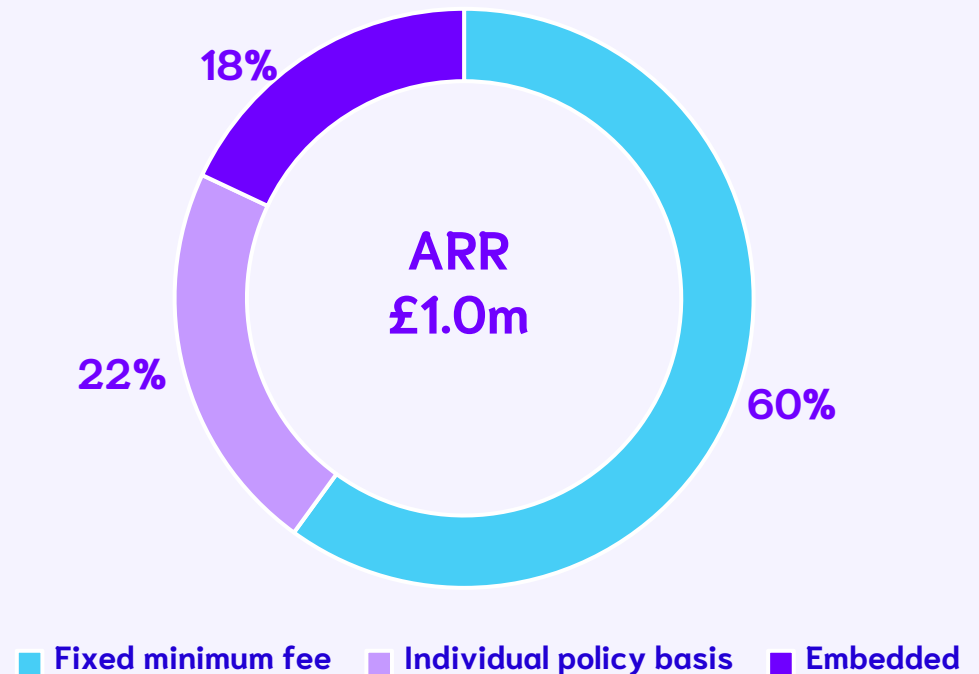
Fee per customer per month where there is no minimum fee in place and when clients go past credits under the minimum fee

3

Embedded

Monthly fee for all users in base

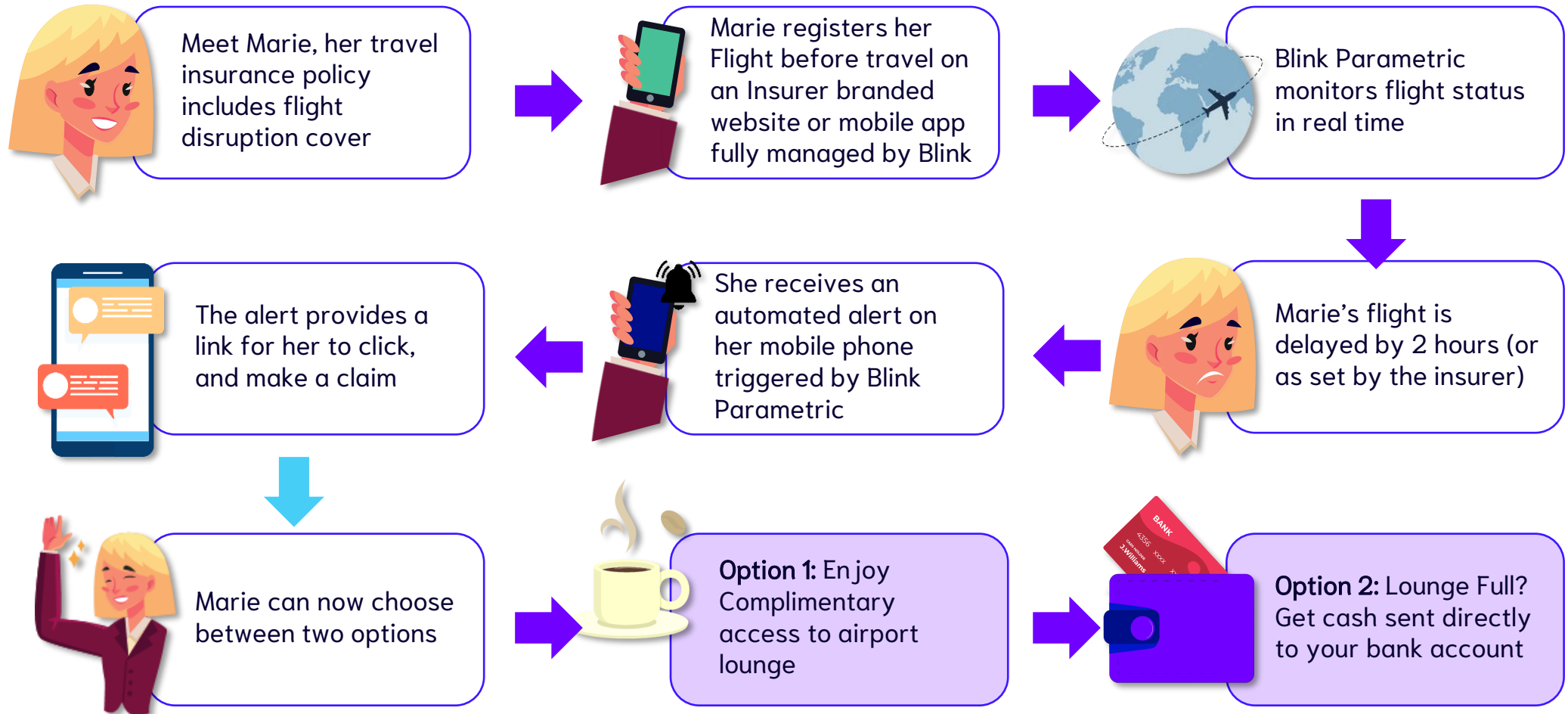
ARR split by model



Blink Parametric was paid fees for providing its services to 1.4m customers of our clients, generating £0.8m in reported revenue in 2023.

Customer Journey – Flight Delay

Blink



Claims are instantly and digitally settled by Blink – using the insurer's cash not Blink's.

Our Journey towards large-scale adoption

Blink

Planning:

- Development of plan to build out operational and infrastructure capability within Blink.
- Define distribution strategy & build out pipeline.

2022

Implementation:

- Execution of scaling plan leading to materially improved operational environment.
- Pipeline developed leading to 7 blue chip insurers launching.
- Implemented product & UX enhancements for Travel solutions.
- Widened team & skill sets.

2023

Implementation:

- Launch new Cyber solution and scale distribution.
- Signing new contracts with global insurers and scale existing clients.
- Build out operational support models.
- Identify further insurance lines to develop solutions.
- Significant growth in ARR.

2024

Implementation:

- Scaling existing contracts signed in '23 & '24.
- Geographical roll-out of insurance contracts.
- Fully scalable business with 24/7 global support model.
- Additional product lines developed and launched outside of Travel and Cyber.
- Unique data sets driving commercial advantage.

2025

Scaled business:

- Operating with 10+ multi-national insurance clients across multiple markets.
- Working with a large number of onward distribution partners across banking, telco, airlines and large affinity businesses.
- Products in market across 4+ insurance lines.
- Data provision to insurers additional revenue stream.
- Mature business at the centre of CPP's commercial strategy.

2026

Highlights 2023

Blink

Commercial highlights

- £1.0m contracted ARR in 2023, increase of >60% on 2022.
- Signed and launched a Global Agreement with MAWDY (Mapfre Global Digital Assistance)
- Signed and launched regional agreement with Zurich in APAC region.
- 7 new partnerships signed with blue-chip insurance clients to embed Blink's technology into their Travel Insurance products.
- Expanded market reach into 10 markets including US, UK, Ireland, Italy & Switzerland.
- **100% renewal rate** with existing clients – extending key contracts including Blue Cross on long-term deals.

Operational highlights

- Large-scale increase in adoption of Blink's technology:
 - Blinks technology was included in 1.4m policies in 2023
 - Increase in flights monitored through Blink's technology
 - Increase in claims paid through Blink's technology

Multiple award-winning solution



Gold Award 'Claims Product Solution of the Year'
Gold Award 'Customer Care Solution of the Year'

Looking Ahead...

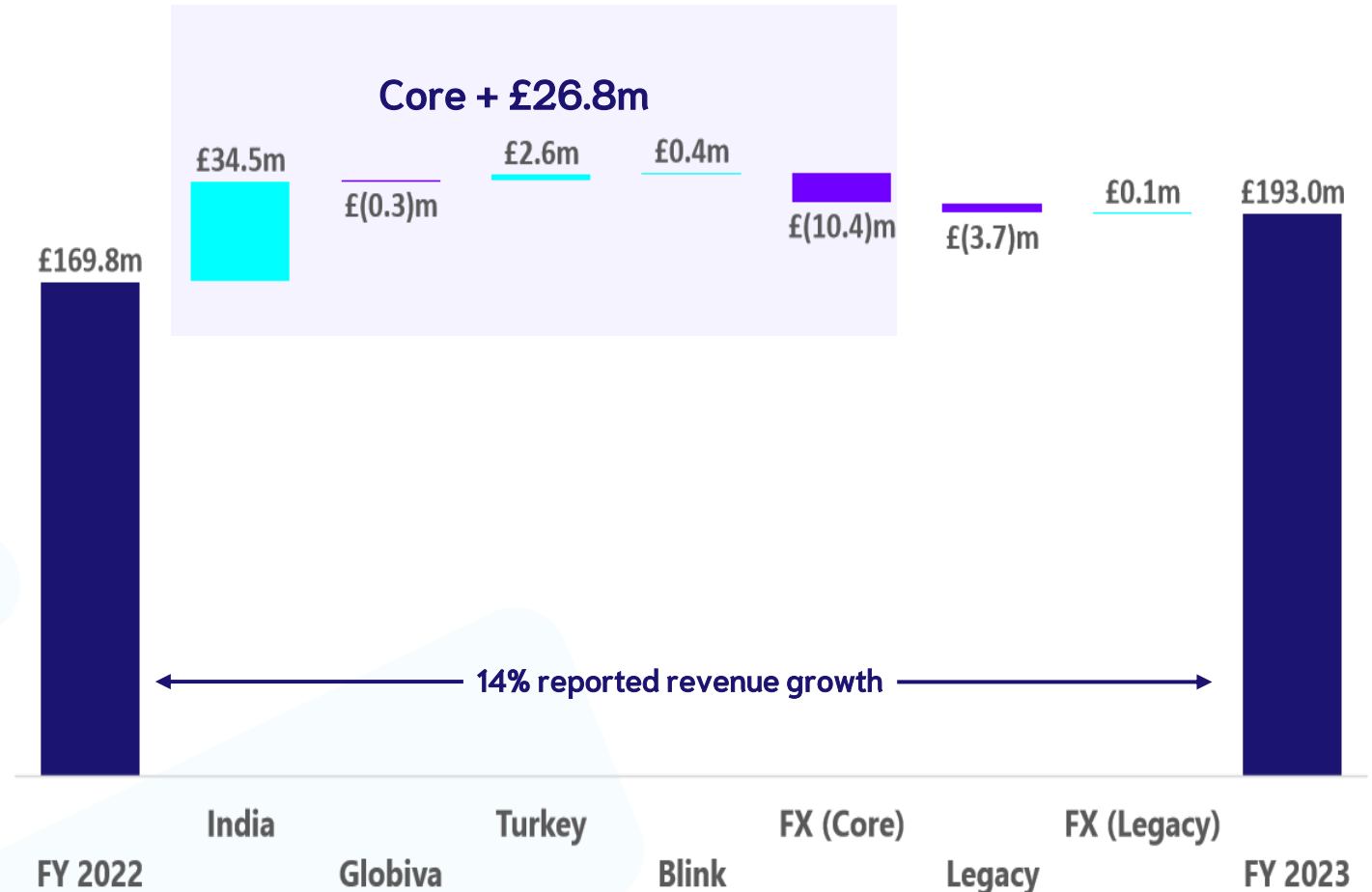
- Positive start to 2024 with 3 new client launches in Q1.
- Scaling existing live client contracts through farming activity.
- Progression of pipeline to launch further large insurance clients.
- Widen distribution across APAC region in 2024.
- Deliver additional Travel related solutions expanding current market opportunity.
- Launch of revised Cyber product into market & scale distribution.
- Deploy global support model for 24/7 global solutions.

Financial Results

- Revenue
- EBITDA
- EBITDA Margin

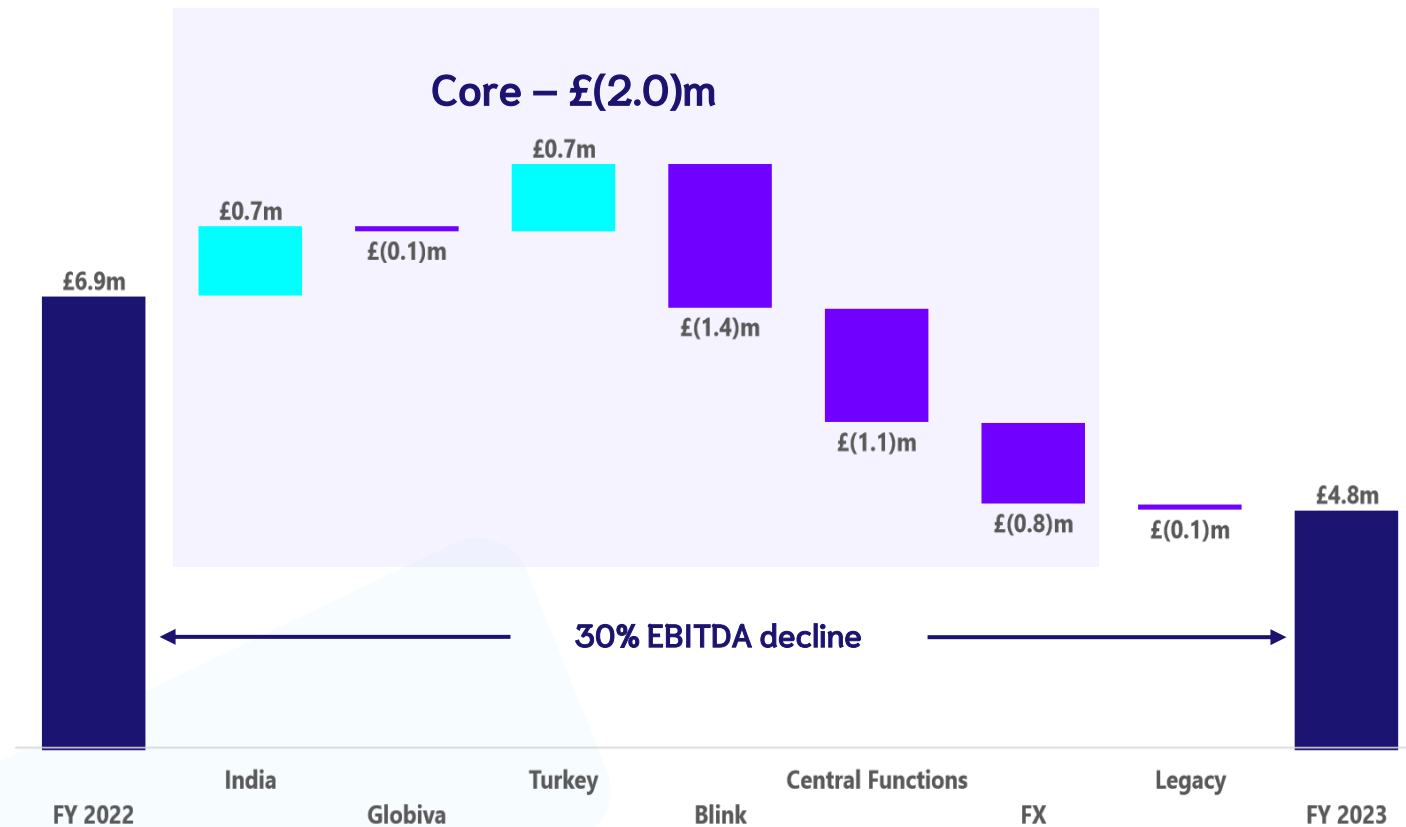
Revenue

- Revenue growth through strong sales performance in India and Turkey.
- Blink ARR has increased to £1.0m in 2023, from £0.6m in 2022.
- Legacy business continues to decline as expected.
- Currency headwinds have partially offset some of the India and Turkey increases.



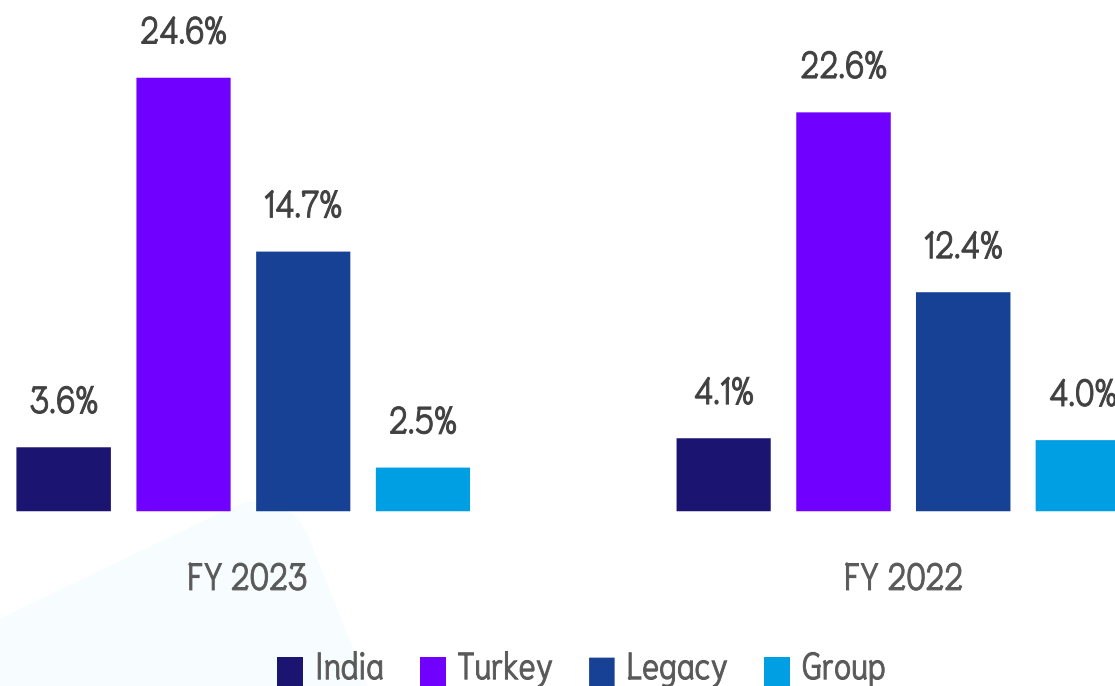
EBITDA

- India's revenue growth has not all converted into EBITDA as a result of the growth of lower margin products in My Health and My Tech.
- Operational investment into Blink reduces EBITDA as we invest to build capability and scale.
- Central costs increased due to Legacy closure costs and costs associated with decommissioning the Legacy IT platforms.
- Currency headwinds, have negatively impacted EBITDA by £0.8m.



EBITDA Margin

- Indian EBITDA margin reduced due to product mix.
 - Increased sales of lower margin products, such as LivCare (My Health) and FoneSafe (My Tech); and
 - Increased Card volumes (My Finances) with high upfront acquisition costs, decreasing margin – but leads to a larger renewal base with higher margins in year 2 and beyond.
- Turkish margin has increased due to strong renewal performance and moving to digital fulfilment.
- Blink investment has reduced the Group EBITDA margin – excluding Blink, margin would have been 0.7% higher at 3.2% (2022: 4.2%).
- Medium-term EBITDA margin increases through;
 - Growth in Blink and tech-led assistance products
 - A slimmer Centre, including savings from closure of the Legacy IT platform








Appendix

What we do

CPP provides products and services which 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.....



Product Category	Description	Products
 My Health	Utilising technology to care for consumers’ health through health check assessments, online doctor consultations and discounted medical, pharmacy and dentistry services. Supported with life and critical illness insurance	LivCare Mobile Doctor Services
 My Finances	Immediate assistance and financial protection to protect payment cards and mobile banking	Card Protection
 My Tech	Keeping consumers connected through theft and damage insurance for phone and gadgets, whilst providing real-time protection through anti-virus software and repair or replacement services in the event of loss, theft or damage	Phone and Gadget Insurance
 My Home	Helping consumers look after their homes through preventative maintenance services, extended warranties for appliances, home emergency assistance, combined with entertainment	Extended Warranty Home Emergency
 My Digital Life	Safeguarding consumers’ identities online through the monitoring in the event of personal data breaches	Identity Protection Mobile Payments Protection Dark web monitoring
 My Travel	Real-time automated solutions if consumer’s flights are cancelled, delayed or if their luggage is lost	Flight Disruption Lost Luggage

By Geography

The Group is focusing on **three core** business units:

1. India, which includes Globiva*;
2. Turkey; and
3. Blink Parametric (global travel disruption market)

By the end of 2025, the Group will have largely exited from its Legacy businesses.

Businesses	Revenue FY 2023 £m	EBITDA FY 2023 £m	Revenue FY 2022 £m	EBITDA FY 2023 £m
India	161.0	5.8	134.8	5.6
Globiva / Other	14.5	2.2	15.8	2.4
Turkey	4.7	1.2	3.2	0.7
Blink	0.8	(1.8)	0.5	(0.4)
Central Functions	–	(4.4)	–	(3.3)
Core Business	181.0	3.0	154.3	5.0
Legacy	12.0	1.8	15.5	1.9
Reported	193.0	4.8	169.8	6.9

***Note:** Globiva, of which CPP owns 51%, is a Business Process Management company based in India. The Group expects its holding in Globiva, to reduce below 51% in 2025, at which point the revenues and earnings will no longer be consolidated into the Group's results.

Income Statement

Continuing operations

	FY 2023			FY 2022		
	Core £m	Legacy £m	Reported £m	Core £m	Legacy £m	Reported £m
Revenue	181.0	12.0	193.0	154.3	15.5	169.8
Cost of sales	(159.0)	(3.1)	(162.1)	(133.9)	(5.1)	(139.0)
Gross profit	22.0	8.9	30.9	20.4	10.4	30.8
Administrative expenses *	(19.0)	(7.1)	(26.1)	(15.4)	(8.5)	(23.9)
EBITDA	3.0	1.8	4.8	5.0	1.9	6.9
Depreciation and amortisation	(2.4)	(0.4)	(2.8)	(2.1)	(0.5)	(2.6)
Exceptional items	(1.4)	(7.0)	(8.4)	(1.0)	(0.7)	(1.7)
Operating (Loss)/profit	(0.8)	(5.6)	(6.4)	1.9	0.7	2.6
Investment revenues	0.5	0.2	0.7	0.4	0.1	0.5
Finance costs	(0.4)	(0.0)	(0.4)	(0.7)	0.0	(0.7)
(Loss)/profit before taxation	(0.7)	(5.4)	(6.1)	1.6	0.8	2.4
Taxation	(1.8)	(0.2)	(2.0)	(2.0)	(0.3)	(2.3)
(Loss)/profit for the year from continuing operations	(2.5)	(5.6)	(8.1)	(0.4)	0.5	0.1
<u>Discontinued operations</u>						
Profit for the year from discontinued operations	–	–	–	–	0.7	0.7
(Loss)/profit for the year	(2.5)	(5.6)	(8.1)	(0.4)	1.2	0.8

* excluding depreciation, amortisation and exceptional items

Balance Sheet

	FY 2023	FY 2022
	£	£
Goodwill & other intangibles	7.2	5.3
Right of use assets	3.1	3.9
Property, plant & equipment	0.9	1.3
Investments	0.0	2.0
Non-current assets	11.2	12.5
Cash	19.0	21.0
Trade and other receivables	13.8	19.8
Trade and other payables	(25.7)	(26.2)
Working capital	7.1	14.6
Net contract liabilities	(5.2)	(5.9)
Net lease liabilities	(3.8)	(4.7)
Net corporation tax liabilities	(1.0)	(1.2)
Net deferred tax assets	0.0	(0.5)
Assets classified as held for sale	2.6	0.0
Inventories	0.0	0.1
Net borrowing	0.1	0.0
Provisions	(3.5)	(0.4)
Other balances	(10.8)	(12.6)
Net assets	7.5	14.5

Cash Flow

- Accelerated investment in the India IT platform drives an increase in capital expenditure to £3.9m.
- Cash generated by operations decreased by £1.8m due to CMP costs and increased Blink investment.
- Approximately 40% of our cash is 'restricted' and not immediately available for utilisation around the Group.
- The CMP is expected to consume cash over the next two years.
- £5m loan facility renewed for a further 3 years to August 2026. The facility is not currently drawn.

EBITDA	
Exceptional items	
Non-cash items	
Working capital movements	
Cash generated by operations	
Tax	
Operating cash flow	
Capital expenditure	
Lease repayments	
Disposal of discontinued operations	
Net finance revenues	
Costs of refinancing the bank facility	
Dividends	
Net decrease in cash	
FX	
Opening cash	
Cash balance	

FY 2023	FY 2022
£m	£m
4.8	7.0
(7.2)	(1.7)
0.1	0.0
7.8	2.0
5.5	7.3
(1.9)	(3.5)
3.6	3.8
(3.9)	(2.7)
(1.4)	(1.4)
0.0	(0.9)
0.7	0.4
(0.1)	0.0
0.0	(0.7)
(1.1)	(1.5)
(0.9)	0.1
21.0	22.4
19.0	21.0

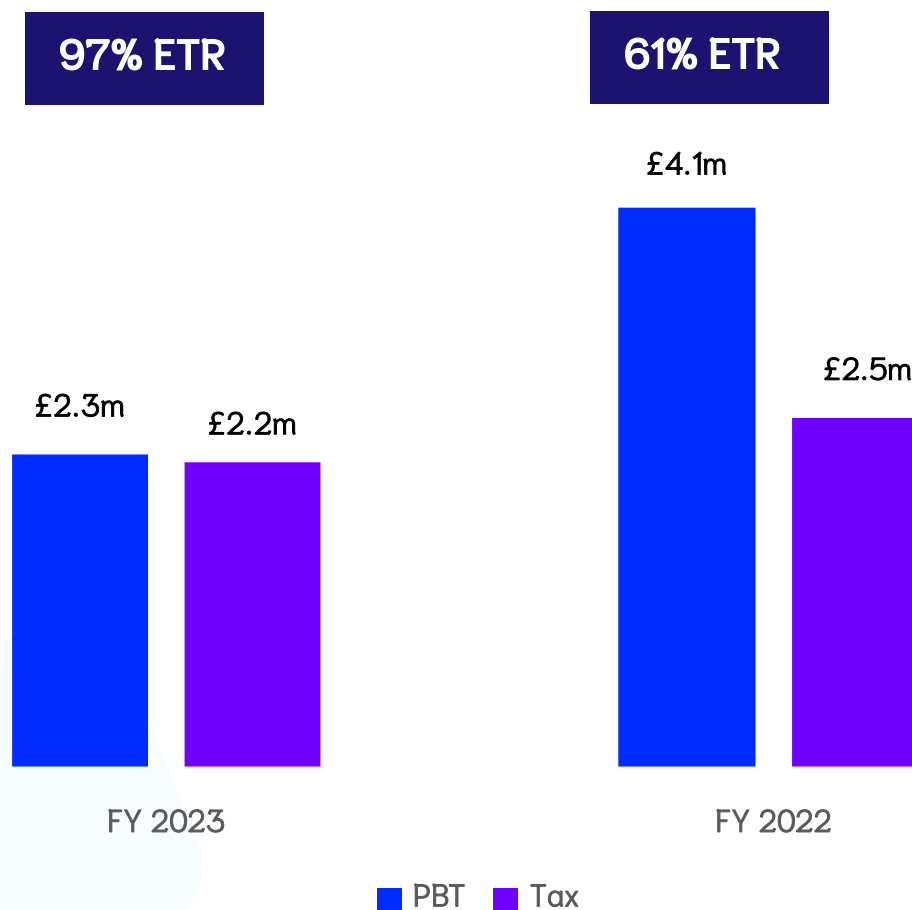
Exceptional Items

- Restructuring and closure costs comprise redundancy/ settlement costs in Spain and the UK (including the Centre).
- Onerous contract provisions recognised for the closure of the UK, Spain and Portugal, along with provisions for decommissioning the Group's legacy IT systems in the Centre.
- The Deferred Bonus Plan relates to a share-based payment retention plan established to retain key colleagues during the CMP.

	FY 2023			FY 2022		
	Core £m	Legacy £m	Reported £m	Core £m	Legacy £m	Reported £m
Operating profit	(0.8)	(5.6)	(6.4)	1.9	0.7	2.6
Restructuring and Closure Costs	0.3	3.4	3.7	0.5	0.3	0.8
Onerous Contracts	–	3.4	3.4	–	0.2	0.2
Deferred Bonus Plan	1.1	–	1.1	–	–	–
IT Asset Impairment	–	0.2	0.2	–	0.2	0.2
Globiva Compansation Payment	–	–	–	0.5	–	0.5
Total exceptionals	1.4	7.0	8.4	1.0	0.7	1.7
Underlying operating profit	0.6	1.4	2.0	2.9	1.4	4.3

Effective Tax Rate (ETR) – Adjusted*

- High ETR of 97% reflects the following factors:
 - losses generated by the Centre and Blink are not offset;
 - a large proportion of the Group's profits are from India, which has a tax rate of 25.2%;
 - tax is payable on dividend repatriations from India and Turkey; and
 - local tax rates in Turkey and Italy are higher than UK rates.
- Reported ETR is -32% compared to +96% in FY 2022. The negative rate reflects:
 - the substantial CMP exceptional charges;
 - increased operational investment in Blink; and
 - tax payable in our profitable Indian and Turkish markets.



* Adjusted to remove the impact of exceptional items

Foreign Exchange

Businesses	Revenue FX impact 2023 £m	EBITDA FX impact 2023 £m
India	(8.4)	(0.4)
Globiva	(0.9)	(0.2)
Turkey	(1.1)	(0.2)
Blink	0.0	0.0
Central Functions	–	–
Core Total	(10.4)	(0.8)
Legacy	0.1	0.0
Reported	(10.3)	(0.8)

Our Partners

CPP India:



CPP Turkey:



Blink Parametric:





CPPGroup Plc

FULL YEAR RESULTS 2023