

12 September 2017

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

CSF Group plc
("CSF", the "Company" or the "Group")

Update on Potential Disposal

Following the Company's announcement on 8 September 2017, CSF Group announces that the Board of Directors of the Company (the "Board") has now accepted a conditional indicative offer letter ("Offer Letter") in respect of the disposal of one of the Group's operating subsidiaries (the "Potential Disposal"). The Potential Disposal would be subject to the satisfaction of a number of conditions precedent, including certain restructuring activities, financing and the execution of binding definitive agreements.

As indicated in the Company's announcement on 8 September 2017, the proposed consideration in respect of the Potential Disposal under the Offer Letter will be nominal, although the Board believes that the Potential Disposal would significantly improve the Group's financial position due to the potential elimination of certain liabilities and the potential reduction of lease rental payments.

The Offer Letter grants certain rights of exclusivity to the potential purchaser and certain provisions of the Offer Letter are subject to timing restrictions. There can be no certainty that the Offer Letter will lead to a transaction, or the final terms on which any transaction might be agreed, or its timing.

Amongst other things, the Potential Disposal will need to be undertaken in accordance with the AIM Rules for Companies and other applicable regulations.

The Company will provide further updates as and when appropriate.

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