

CATTLES PLC (“CATTLES”) AND WELCOME FINANCIAL SERVICES LIMITED (“WFSL”) CREDITORS’ SCHEMES OF ARRANGEMENT (“THE SCHEMES”)

FAQs for the Schemes

The questions and answers below contain further information about the Cattles and WFSL Schemes and details post the Bar Date of 2 June 2011.

The questions and answers fall into the following sections:

- Section A – general questions;
- Section B – shareholders submitting creditor claims;
- Section C – trade and other creditors; and
- Section D – schemed landlords.

Both Schemes became effective on 2 March 2011. Scheme creditors had until the Bar Date (2 June 2011) to submit their claims in the Schemes. If a Scheme creditor failed to submit their claim by the Bar Date, they will not be entitled to any payments in that Scheme.

A full copy of the Explanatory Statement setting out the full terms of the Schemes can be found on the Scheme Website (www.cattles.co.uk/schemes).

A. GENERAL QUESTIONS

1) When did the Scheme become effective?

The Scheme of Arrangement for the creditors of Welcome Financial Services Limited (“the WFSL Scheme”) became effective on 2 March 2011. The Scheme Supervisors of the WFSL Scheme are Mrs Christine Laverty, Mr Richard Fleming and Mr Edward Boyle of KPMG LLP.

Under the terms of the WFSL Scheme, no Scheme creditor shall be permitted to commence or continue any proceedings against WFSL other than in the limited circumstances set out in Section 2 of the WFSL Scheme.

The Scheme of Arrangement for the creditors of Cattles plc (“the Cattles Scheme”) became effective on 2 March 2011. The Scheme Supervisors of the Cattles Scheme are Mr Simon Appell, Mr Alastair Beveridge and Mr Stuart Mackellar of Zolfo Cooper LLP.

Under the terms of the Cattles Scheme, no Scheme creditor shall be permitted to commence or continue any proceedings against Cattles other than in the limited circumstances set out in Section 2 of the Cattles Scheme.

2) What is a Scheme of Arrangement?

A scheme is a restructuring under Part 26 of the Companies Act 2006. It is a High Court process. The purpose of both the Cattles and WFSL schemes is to compromise certain creditor claims with a view to providing a better return to creditors than would be received if the companies went into insolvency processes.

3) Who is affected by the Scheme?

Broadly, the schemes will affect the financial creditors of WFSL and Cattles (ie banks, noteholders, bondholders and other lenders), landlords of vacant properties and any claims that shareholders may have, but not employees and ongoing suppliers. Further detail on those creditors not affected is set out below:

a) WFSL Creditors

The WFSL Scheme will not affect:

- current employees of WFSL (including Shopacheck),
- liabilities arising from its continuing business (including Shopacheck) including liabilities under leases of properties that WFSL continues to occupy at 2 March 2011, and
- any liabilities arising from any alleged mis-selling of PPI (see Section F below for more detail).

A non-exhaustive list of those trade creditors that may be owed money by WFSL and which will not be affected by the WFSL Scheme can be found on the Scheme Website (www.cattles.co.uk/schemes/wfs-creditor) or at Schedule 9 of the WFSL Scheme. In addition, the Scheme Website contains a list of those leases that will be affected by the WFSL scheme.

b) Cattles Creditors

The Cattles Scheme will not affect liabilities arising from its ongoing business including liabilities under leases of properties that Cattles continues to occupy.

A non-exhaustive list of those trade creditors that may be owed money by Cattles and which will not be affected by the Cattles Scheme can be found on the Scheme Website (www.cattles.co.uk/schemes/cattles-plc-creditor) or at Schedule 8 of the Cattles Scheme. In addition, the Scheme Website contains a list of those leases that will be affected by the Cattles Scheme.

4) How long will the Scheme last?

The Cattles and WFSL Schemes are both designed to last for a minimum of 7 years and 3 months (i.e. until at least 2 June 2018).

5) Can I submit a Claim Form in the Scheme?

Under the terms of the Scheme, Scheme Creditors must, on or prior to 2 June 2011, have submitted a Claim Form to the Scheme Supervisors. Claim Forms submitted to the Scheme Supervisors after the deadline of 2 June 2011 will be rejected.

6) Why have I not received a Scheme Claim Form to complete and submit before the Bar Date?

Cattles sent a letter with a Cattles and a WFSL Scheme Claim Form attached to all (approximately 40,000) known and potential creditors of the companies. In addition, notices were placed in national newspapers and on the Cattles plc website (including detailed information on how creditors could submit a Claim Form).

All of these notices detailed that the Schemes became effective as at 2 March 2011, the Bar Date being 2 June 2011 and the requirement for creditors to submit a Scheme Claim Form to the Scheme Supervisors by the Bar Date.

7) I did not receive a Scheme Claim Form prior to the Bar Date and I'm a Scheme Creditor, I want to submit my Scheme Claim Form now.

Unfortunately, under the terms of both the Cattles and WFSL Schemes, it clearly states that Scheme Creditors must, on or before the Bar Date, submit a Claim Form for adjudication. The Scheme Supervisors have no discretion to accept claims received after the Bar Date.

B. SHAREHOLDERS SUBMITTING CREDITOR CLAIMS

8) Can I claim a tax loss?

Cattles, WFSL and the respective Scheme Supervisors can not advise you on your personal tax position. You should seek independent tax advice from your accountant as necessary.

C. TRADE AND OTHER CREDITORS

For all trade and other creditors of both Cattles and WFSL including suppliers etc

9) I provide services and/or supplies to Cattles and/or WFSL - did I need to submit a Claim Form to be paid my outstanding amounts?

For Cattles

All of Cattles' operations continue as normal and are unaffected by the Scheme becoming effective. Suppliers should continue to supply Cattles plc

as normal and should you be such a creditor, you will be paid in full in the ordinary course of business. Schedules 1 and 9 of the Cattles Scheme outline those trade creditors that may be owed money by Cattles and which will not be affected by the Cattles Scheme.

Therefore, those creditors not included within Schedules 1 and 9 of the Cattles Scheme needed to have provided a Claim Form to the Scheme Supervisors by 2 June 2011 to ensure their claim be assessed within the Cattles Scheme.

For WFSL

All of WFSL's operations continue as normal and are unaffected by the Scheme becoming effective. Suppliers should continue to supply WFSL as normal and should you be such a creditor, you will be paid in full in the ordinary course of business. Schedules 3 and 9 of the WFSL Scheme outline those trade creditors that may be owed money by WFSL and which will not be affected by the WFSL Scheme.

Therefore, those creditors not included within Schedules 3 and 9 of the WFSL Scheme needed to have provided a Claim Form to the Scheme Supervisors by 2 June 2011 to ensure their claim be assessed within the WFSL Scheme.

D. SCHEMED LANDLORDS

10) I am a landlord of properties occupied by WFSL, did I need to submit a Claim Form to be paid my outstanding amounts?

If the landlord is for a property that is to be retained in use by the business after the Schemes of Arrangement are implemented.

All of WFSL's operations continue as normal and are unaffected by the Scheme becoming effective. Landlords of sites from which WFSL will continue to operate will be paid rent and other sums due under the leases in the normal course of business.

Therefore, those landlords as above did not need to submit a Claim Form.

If the landlord is for a property that has been vacated by WFSL as at 2 March 2011.

WFSL's liabilities under leases of sites no longer used by WFSL will be compromised under the Scheme. This includes liabilities under leases where WFSL remains the tenant but has vacated the premises and contingent liabilities where WFSL is a former tenant, guarantor or former guarantor. A list of properties falling within this category is set out on the Scheme Website (www.cattles.co.uk/schemes/wfsl-creditor).

Therefore, those landlords included in the list on the Scheme Website needed to have provided a Claim Form to the Scheme Supervisors by 2 June 2011 to ensure their claim be assessed within the WFSL Scheme.