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HSBC is acting exclusively for the Company and no one else in connection with the arrangements described in the attached document. It will not regard any other person (whether or not a recipient of this document) as its client in relation to the arrangements described in the attached document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the arrangements described in the attached document or any transaction referred to herein.

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000, as amended (“FSMA”) if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser.

This document comprises a supplementary prospectus (the “**Supplementary Prospectus**”) relating to Phoenix Group Holdings (“**Phoenix**” or the “**Company**”) prepared in accordance with the Prospectus Rules of the FCA made under section 73A of FSMA. This Supplementary Prospectus has been approved by the FCA in accordance with section 87A of FSMA, will be made available to the public and has been filed with the FCA in accordance with the Prospectus Rules. This Supplementary Prospectus together with the documents incorporated into it by reference (as set out in paragraph 2 (“*Publication of 2018 Interim Results*”) of this Supplementary Prospectus) will be made available to the public in the United Kingdom in accordance with Prospectus Rule 3.2.1 by the same being made available, free of charge, at www.thephoenixgroup.com and at the Company’s principal place of business at Juxon House, 100 St. Paul’s Churchyard, London EC4M 8BU, United Kingdom.

This Supplementary Prospectus is supplementary to, and must be read in conjunction with, the combined circular and prospectus published by the Company on 30 May 2018 in relation to: (i) the Acquisition; (ii) the Rights Issue; and (iii) Re-admission (the “**Circular and Prospectus**”).

Capitalised terms used and not defined in this Supplementary Prospectus shall have the meaning given to such terms in the Circular and Prospectus.



(a company incorporated as an exempted company with limited liability under the laws of the Cayman Islands with registered number 202172)

Supplementary Prospectus

Proposed acquisition of Standard Life Assurance

Re-admission of up to 733 million Shares to the premium listing segment of the Official List and to trading on the LSE’s main market for listed securities

Sponsor

HSBC

You should read this Supplementary Prospectus and the Circular and Prospectus (including any documents incorporated herein and therein by reference) as a whole carefully and in their entirety. In particular, your attention is drawn to the section of the Circular and Prospectus headed “Risk Factors” which sets out certain risks that may materially affects the value of an investment in the Company, the Group, the Shares or the Depositary Interests.

As the Acquisition constitutes a reverse takeover under the Listing Rules, admission of the Existing Shares in issue immediately prior to Completion to the premium listing segment of the Official List and to trading on the LSE’s main market for listed securities will be cancelled upon Completion. Applications will be made to the UKLA and the LSE, respectively, for the Shares, including the New Shares issued pursuant to the Rights Issue and the Acquisition Shares, to be re-admitted to the premium listing segment of the Official List of the UKLA and to trading on the LSE’s main market for listed securities. Phoenix anticipates that Completion will take place on 31 August 2018 (subject to obtaining regulatory approval from the CBI by 30 August 2018) and it is currently expected that Re-admission will become effective as soon as practicable following Completion, whereupon an announcement will be made by the Company to a Regulatory Information Service.

Save as disclosed in this Supplementary Prospectus, since the publication of the Circular and Prospectus, there have been no significant new factors, material mistakes or inaccuracies relating to the information contained in the Circular and Prospectus.

HSBC Bank plc (“**HSBC**” and the “**Sponsor**”), which is authorised by the PRA and regulated in the United Kingdom by the PRA and the FCA, is acting exclusively for the Company and no one else in connection with the arrangements described in the Circular and the Prospectus and this Supplementary Prospectus and will not regard any other person (whether or not a recipient of this document) as a client in relation to the arrangements described in the Circular and Prospectus and this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to the arrangements referred to in this document.

Neither HSBC nor any of its affiliates accepts any responsibility whatsoever or makes any representation or warranty, express or implied, for the contents of this document, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the arrangements described in the Circular and Prospectus and this Supplementary Prospectus, and nothing contained in the Circular and Prospectus or this Supplementary Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. HSBC and its affiliates accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of the Circular and Prospectus, this Supplementary Prospectus or any such statement.

The Company's securities have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. You are reminded that you have received this electronic transmission and the attached document on the basis that you are a person into whose possession this document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. Any person in the United States who obtains a copy of the attached document and who is not a Qualified Institutional Buyer as defined in Rule 144A under the Securities Act who is also a Qualified Purchaser as defined under Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended is required to disregard it.

The distribution of this Supplementary Prospectus into jurisdictions other than the UK may be restricted by law. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, subject to certain exceptions, this Supplementary Prospectus should not be distributed, forwarded to or transmitted in or into the United States, Australia, Canada, Japan, South Africa or any other restricted or excluded territories or any jurisdiction where to do so would be unlawful.

No person has been authorised to give any information or make any representations other than those contained in this Supplementary Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or by HSBC. The delivery of this Supplementary Prospectus shall not, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this Supplementary Prospectus or that the information in this Supplementary Prospectus is correct as at any time subsequent to its date.

The contents of this Supplementary Prospectus and any subsequent communication from the Company or HSBC or any of their respective affiliates, officers, directors, employees or agents are not to be construed as legal, financial or tax advice. Each prospective investor in the Company should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice. The contents of the websites of the Group and Standard Life Aberdeen do not form part of this Supplementary Prospectus.

The date of this document is 23 August 2018.

SUPPLEMENTARY INFORMATION

This Supplementary Prospectus is supplemental to, and should be read in conjunction with the Circular and Prospectus. To the extent that there is any inconsistency between a statement in this Supplementary Prospectus and a statement contained in the Circular and Prospectus, the statement in this Supplementary Prospectus will prevail. This Supplementary Prospectus has been prepared in accordance with section 87G of FSMA and the Prospectus Rules and approved for publication by the FCA.

1. BACKGROUND

Following the publication of the Circular and Prospectus, the Company announced its unaudited half-yearly interim results for the six months ended 30 June 2018 (the “**2018 Interim Results**”) on 23 August 2018.

The Company considers the publication of the 2018 Interim Results to be a significant new factor relating to the information contained in the Circular and Prospectus and, accordingly, this Supplementary Prospectus has been prepared in accordance with section 87G of FSMA and PR 3.4 of the Prospectus Rules.

Other than the 2018 Interim Results, there is no further information that is required to be disclosed in this Supplementary Prospectus pursuant to section 87G of FSMA.

2. PUBLICATION OF 2018 INTERIM RESULTS

On 23 August 2018, the Company announced its 2018 Interim Results. The table below sets out the parts of the 2018 Interim Results that are incorporated by reference into, and form part of, this Supplementary Prospectus so as to provide certain information required pursuant to the Prospectus Rules and only the parts of the document identified in the table below are incorporated into, and form part of, this Supplementary Prospectus. The parts of this document which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Supplementary Prospectus. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this Supplementary Prospectus.

Reference document	Information incorporated by reference	Page number in reference document
2018 Interim Results of the Company		
	The discussion and analysis for the six months ended 30 June 2018 contained in the “ <i>Business Review</i> ” section	3-8
	Independent Auditor’s review report	14
	Condensed consolidated income statement	15
	Condensed statement of consolidated comprehensive income	16
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3. UPDATES TO SUMMARY

As a result of the release of the 2018 Interim Results, the summary information which forms part of the Circular and Prospectus is hereby supplemented as follows:

Element	Disclosure Requirement	Disclosure
B.7	Selected historical key financial information	<p><i>Selected historical key financial information of Phoenix</i></p> <p>On 23 August 2018, the Company published its unaudited half-yearly interim results for the six months ended 30 June 2018. The tables below set out the Company’s summary selected condensed consolidated financial information as at and for the six months ended 30 June 2018 and 2017. The data has been extracted without material adjustment from the Company’s unaudited condensed consolidated financial statements.</p>

Summary selected condensed statement of consolidated income

	Six months ended 30 June	
	2018	2017
	(£ million) (unaudited)	
Net income	889	2,945
Total operating expenses	(864)	(2,950)
Finance costs	(67)	(64)
(Loss)/profit for the year before tax	(42)	(69)
Tax credit/(charge) attributable to policyholders' returns	4	(32)
Tax credit attributable to owners	14	5
Tax (charge)/credit	18	(27)
(Loss) for the year attributable to owners.....	(24)	(96)
Attributable to: Owners of the parent.....	(24)	(96)
Non-controlling interests	—	—
	(24)	(96)

Summary selected condensed consolidated statement of financial position

	As at 30 June	
	2018	2017
	(£ million) (unaudited)	
Total assets	82,197	85,186
Total liabilities.....	78,563	81,998
Equity attributable to owners of the parent	3,140	3,188
Tier 1 notes.....	494	—
Total equity	3,634	3,188

4. PROPOSED DIRECTORS

On 25 June 2018, the Company announced the appointment of two new non-executive directors to the Board of the Company, Barry O'Dwyer and Campbell Fleming, both of Standard Life Aberdeen. These appointments will be effective from Completion and are made in accordance with the terms of the Company's long-term strategic partnership with Standard Life Aberdeen.

On 2 May 2018, the Company announced that its Chairman, Henry Staunton, would not seek a further three-year term when his current term completes on 31 August 2018. On 3 August 2018, the Company announced that Nicholas Lyons has been appointed as Chairman effective from 1 September 2018, subject to regulatory approval (Nicholas Lyons, Barry O'Dwyer and Campbell Fleming together referred to as the "**Proposed Directors**").

4.1. *Proposed Directors' biographies*

Barry O'Dwyer (47)

Barry O'Dwyer is the Head of UK for Standard Life Aberdeen. Prior to the sale of Standard Life Assurance to Phoenix, he was the CEO of Standard Life Aberdeen's Pensions & Savings businesses. Mr O'Dwyer initially worked at Standard Life between 1988 and 2008 and has held several senior roles at Standard Life since re-joining the company in 2013. A Fellow of the Institute of Actuaries, Mr O'Dwyer has 30 years of experience in the insurance industry, in a career which has also included senior roles at Prudential and HBOS.

Campbell Fleming (54)

Campbell Fleming is the Global Head of Distribution at Aberdeen Standard Investments, the asset management business of Standard Life Aberdeen. He joined Aberdeen Asset Management in August 2016 from Columbia Threadneedle Investments where he was the Chief Executive – EMEA and Global COO for four years. Mr Fleming is the Chair of the Investment Association Trade Committee and previously held senior positions at JP Morgan Asset Management.

Nicholas Lyons (59)

Nicholas Lyons joined JP Morgan in 1982, where he worked for 12 years in Debt and Equity Capital Markets and Mergers and Acquisitions. He spent eight years at Lehman Brothers, as a Managing Director in their European Financial Institutions Group, ending his executive career in 2003 as Global Co-Head of Recruitment. Mr Lyons is an Alderman in the City of London Corporation.

4.2. *Other directorships/partnerships of the Proposed Directors*

In respect of each Proposed Director, details are set out below of the companies (not including any member of the Group) of which such Proposed Director has been a member of the administrative, management or supervisory bodies or partner at any time in the five years prior to the date of this Supplementary Prospectus:

Name	Current directorship/partnership	Previous directorship/partnership
Barry O'Dwyer	Elevate Portfolio Services Limited Standard Life Assurance Limited ⁽¹⁾ Standard Life Savings Limited Standard Life Savings Nominees Limited	Arts & Business Scotland Focus Solutions Group Limited Standard Life Aberdeen plc Standard Life Client Management Limited
Campbell Fleming	21 Aberdeen Standard Investments Limited Aberdeen Asset Managers Limited Aberdeen Asset Investments Limited Aberdeen Investment Solutions Limited Finca Santa Teresa Limited Fleming Flagship Limited Moy Sheep Farms LLP The Gael Syndicate LLP ⁽²⁾ The Heather Club Limited The Truelove Foundation	ADT Nominees Limited Sackville Property (GP) Limited Sackville SPF IV (GP) No.1 Limited Sackville SPF IV (GP) No.2 Limited Sackville SPF IV Property (GP) Limited Sackville SPF IV Property (GP) No.3 Limited Sackville Tandem Property (GP) Limited Sackville TIPP Property (GP) Limited Sackville TPEN Property (GP) Limited Sackville TSP Property (GP) Limited Sackville UK Property Select II (GP) Limited Sackville UK Property Select II (GP) No.1 Limited Sackville UK Property Select II (GP) No.2 Limited Sackville UK Property Select II (GP) No.3 Limited Sackville UKPEC1 Leeds (GP) Limited Sackville UKPEC2 Galahad (GP) Limited Sackville UKPEC3 Croxley (GP) Limited Sackville UKPEC4 Brentford (GP) Limited Sackville UKPEC5 Kensington (GP) Limited Tam UK Holdings Limited TC Financing Limited Threadneedle Asset Management (Nominees) Limited Threadneedle Asset Management Finance Limited Threadneedle Asset Management Holdings Limited Threadneedle Asset Management Holdings SÀRL Threadneedle Asset Management Limited Threadneedle Capital Management Limited Threadneedle Holdings Limited Threadneedle International Limited Threadneedle Investments Limited Threadneedle Investment Services Limited Threadneedle Management Services Limited Threadneedle Navigator ISA Manager Limited Threadneedle Pensions Limited Threadneedle Portfolio Managers Limited Threadneedle Portfolio Services Limited Threadneedle Property Investments Limited Threadneedle Unit Trust Manager Limited
Nicholas Lyons	Clipstone Logistics REIT plc Future Fuels No.1 LLP	Catlin Group Limited Dawson 2012 Limited Dawson Investments (UK) Limited Dawson Trustees Limited Friends Life Group Limited Friends Life Holdings plc Miller Insurance Holdings Limited Pension Insurance Corporation Group Limited Pension Insurance Corporation plc PFIH Limited

Note:

- (1) Barry O'Dwyer will resign as a director of Standard Life Assurance Limited upon completion of the Acquisition.
- (2) An application for strike-off of The Gael Syndicate LLP was submitted to Companies House on 16 June 2018.

4.3. Conflicts of interest and other matters

The Company is not aware of any conflicts of interest between any duties owed by the Proposed Directors to the Company and their private interests or other duties, except for the following:

- Barry O'Dwyer and Campbell Fleming have been nominated to the Board by Standard Life Aberdeen under the terms of the Relationship Agreement. Following Completion, both of these Proposed Directors will continue in their roles with Standard Life Aberdeen.

During the five years immediately prior to the date of this Supplementary Prospectus, none of the Proposed Directors has:

- been convicted in relation to a fraudulent offence;
- been associated with any bankruptcies, receiverships or liquidations whilst acting in his capacity as member of an administrative, management or supervisory body of a company, a partner with unlimited liability, a founder or a member of senior management of a company;
- received an official public incrimination and/or sanction by a statutory or regulatory authority (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer; or
- been appointed as (i) a member of the administrative, management or supervisory bodies of the Company, or (ii) a member of senior management of the Company, pursuant to an arrangement or understanding with major shareholders, customers, suppliers or other.

There are no family relationships between any of the Proposed Directors, or between any of the Proposed Directors and the Directors, or between any of the Proposed Directors and the Senior Managers.

5. UPDATE ON TIMING OF COMPLETION

Phoenix has received regulatory approvals from the FCA and the PRA and expects to receive regulatory approval from the CBI by 30 August 2018. Phoenix anticipates that Completion will take place on 31 August 2018 (subject to obtaining regulatory approval from the CBI by 30 August 2018) and it is currently expected that Re-admission will become effective as soon as practicable following Completion, whereupon an announcement will be made by the Company to a Regulatory Information Service.

6. REDEMPTION OF LENDER WARRANTS

Further to Phoenix's announcement on 23 July 2018 with respect to its outstanding Lender Warrants, Phoenix today announced that it has redeemed and cancelled all of the Lender Warrants. None of the Lender Warrants remain in issue.

7. RESPONSIBILITY

Phoenix, the Directors and the Proposed Directors accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company, the Directors and the Proposed Directors who have taken all reasonable care to ensure that such is the case, the information contained in this Supplementary Prospectus is in accordance with the facts and contains no omission likely to affect its import.

8. DOCUMENTS ON DISPLAY

In addition to those documents set out in paragraph 23 ("*Documents available for inspection*") of Part XV ("*Additional Information*") of the Circular and Prospectus, copies of the following documents will be published on the Company's website at www.thephoenixgroup.com and are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) up to the date of Re-admission at Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU:

- (i) the 2018 Interim Results; and
- (ii) this Supplementary Prospectus.

Dated: 23 August 2018