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This announcement contains inside information.

22 February 2019

Firm offer by Non-Standard Finance plc ("NSF") for Provident Financial plc ("Provident")

- *All-share offer by NSF for Provident to create a leading UK non-standard finance provider with strong positions in credit cards, home credit, branch-based lending and guarantor loans*
- *Transaction formally supported by shareholders holding over 50 per cent. of Provident's share capital, representing a significant statement of support in favour of the NSF management and its future plans*
- *Transformation plan to:*
 - *Revitalise Provident's prospects and rebuild culture delivered by a strengthened management team with proven sector expertise*
 - *Unlock substantial value for Provident and NSF shareholders, whilst benefiting customers and employees*
 - *Achieve cost savings, revenue synergies and lower funding costs as well as the potential for capital returns over time from disposals and capital efficiency*
 - *Return Provident's culture to one focused on positive customer outcomes, working closely with regulators*

Summary and highlights

NSF announces the terms of a firm offer to acquire the entire issued share capital of Provident (the "Transaction").

- Under the terms of the Transaction, which will be subject to the Conditions and further terms to be set out in the Offer Document, Provident Shareholders will be entitled to receive:

For each Provident Share: 8.88 New NSF Shares

- Based on NSF's Closing Price of 58 pence per NSF Share on 21 February 2019 (being the last Business Day before the date of this announcement), the Transaction:
 - values each Provident Share at 511 pence;
 - values the entire issued and to be issued ordinary share capital of Provident at approximately £1.3 billion; and
 - would result in Provident Shareholders owning approximately 87.8 per cent. of the Enlarged NSF Group and becoming major participants in the potential future value creation in the Enlarged NSF Group.
- The NSF Board believes that the Transaction would deliver significantly greater benefits for both Provident Shareholders and NSF Shareholders than either Provident or NSF would otherwise

be able to deliver on their own.

- The New NSF Shares will be issued to Provident Shareholders credited as fully paid and will rank *pari passu* in all respects with the NSF Shares in issue at the time the New NSF Shares are issued pursuant to the Transaction, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after Completion. The New NSF Shares will not carry any entitlement to receive any final dividend declared by NSF in respect of the year ended 31 December 2018.
- Conditions to the Offer include approval of the issuance of the New NSF Shares by NSF Shareholders, receipt of approvals from the FCA, the PRA and the CBI, receipt of approval from the CMA and other conditions and further terms as set out in Appendix 1.
- Woodford, Invesco and Marathon have given irrevocable undertakings to accept the Offer and letters of intent to accept (or procure acceptance of) the Offer in respect of, in aggregate, over 50 per cent. of Provident's issued share capital.
- NSF intends to complete a demerger of its home credit business, Loans at Home, to assist with the CMA competition approval process and for Loans at Home to be admitted to trading either on the Main Market (with a standard listing) or on AIM. Although the timing and structure of the Demerger remain subject to further consideration, including by the CMA, it is expected that the Demerger will take place simultaneously with, or very shortly following, Completion, thereby allowing Provident Shareholders who participate in the Transaction, as well as existing NSF Shareholders, to receive shares in the newly-listed Loans at Home.
- The NSF Board, which has been so advised by Ondra LLP and Deutsche Bank as to the financial terms of the Transaction, considers the terms of the Transaction to be fair and reasonable. In providing their advice to the NSF Board, Ondra LLP and Deutsche Bank have taken into account the NSF Board's commercial assessment of the Transaction.
- NSF will have the right to reduce the number of New NSF Shares that Provident Shareholders will receive under the terms of this Transaction by the amount of any dividend (or other distribution) which is declared, paid or made by Provident to Provident Shareholders, on a basis to be determined by NSF. NSF will increase the number of New NSF Shares that Provident Shareholders will receive under the terms of this Transaction by the amount of any dividend (or other distribution) which is declared, paid or made by NSF to NSF Shareholders by reference to a record date falling prior to Completion, save for any final dividend declared by NSF in respect of the year ended 31 December 2018.

NSF as a growth driver

NSF was founded in 2014 by a highly experienced management team led by John van Kuffeler with the objective of acquiring and then growing businesses in the UK's non-standard consumer finance sector. Regulated by the FCA, the sector is fragmented, with few large, well-capitalised groups, creating an opportunity for NSF.

Since its creation, NSF has experienced significant growth, leading to a total net loan book value of over £300 million as at 31 December 2018 (reflecting year-on-year growth of 28.5 per cent. for the 12 month period ended 31 December 2018) and a combined customer base of over 180,000 from its network of 130 locations across the UK. This growth has been driven by acquisitions, in accordance with the company's founding objective, and organically by the diligent execution of NSF's strategy by its highly experienced management team, creating a leading player in NSF's chosen segments of the non-standard finance sector. At the same time, NSF is focused on ensuring the delivery of good customer outcomes whilst maintaining tight controls on risk and impairment. Against this backdrop, the NSF Board believes that the NSF Share price does not reflect the underlying value or progress of the business and has been hindered by NSF's concentrated shareholder register and low levels of liquidity.

Strategic rationale

NSF intends to capitalise on its operational and commercial success by acquiring and transforming Provident to unlock substantial value for all shareholders of, and stakeholders in, both Provident and NSF. The Transaction is expected to create a well-balanced group with leading positions in some of the most attractive segments of the non-standard finance sector.

Provident is a company which has faced a number of challenges in the recent past. However, the NSF Board believes Provident continues to have significant potential which, under the right leadership and pursuing a revised business strategy, can be unlocked for the benefit of Provident Shareholders, employees and customers. A letter to Provident employees from John van Kuffeler, the NSF founder and Chief Executive, is set out at Appendix 4 of this announcement.

The NSF Board believes the Transaction will:

- establish the Enlarged NSF Group as a leading non-standard finance provider that can meet the evolving needs of customers across a range of different product categories in a growing sector;
- bring the combined business under the leadership of the highly-experienced NSF management team that has a history of creating shareholder value in the UK non-standard finance sector;
- deliver more attractive and sustainable shareholder returns, including distributions to shareholders, than each of Provident and NSF might achieve on their own;
- deliver growth and improve profitability prospects through the execution of NSF's transformation plan to revitalise Provident's performance, realise operational and funding synergies and create the opportunity for capital returns over time;
- simplify the business portfolio through the sale of Moneybarn, the Demerger and the sale or closure of Satsuma;
- offer a broad product range to NSF and Provident customers and the wider non-standard finance sector to take full advantage of cross-selling opportunities;
- restore Provident's culture, enhancing the focus on delivering positive customer outcomes; and
- bring best-in-class regulatory practices and relationships to each of Provident's businesses as part of the Enlarged NSF Group, restoring the confidence of regulators in both Provident and Vanquis as part of the Enlarged NSF Group.

The NSF Board expects the Transaction to remedy Provident's recent disappointing financial performance, operational shortcomings and ongoing cultural issues. As a matter of priority, the NSF Board intends to address:

- the Provident Board's limited operational experience in the non-standard finance sector and the significant turnover in senior management at Provident Board, group and divisional levels;
- Provident's ongoing cultural challenges as demonstrated by a series of recent regulatory sanctions, including from the ICO, ASA and FCA;
- Provident's disappointing financial performance and its management's inability to deliver shareholder returns;

- Provident's high and rising central costs;
- the size of the cost base in Provident's home credit business where, despite the business' significant scale, costs remain high as a percentage of revenue;
- Provident's inability to effect positive operational change, exemplified by the unsuccessful project to transform Provident's home credit business;
- Provident's unsuccessful implementation of its recovery plan outlined in the prospectus issued in connection with the Provident rights issue in February 2018;
- the series of regulatory failures within the Provident Group which has led to enhanced supervision by the FCA, increased capital requirements from the PRA, and a risk mitigation programme agreed with the CBI; and
- Provident's failure to enter high growth segments of the non-standard finance sector, including the guarantor loan market.

NSF therefore believes the Transaction will reposition and revitalise Provident's businesses and their respective product offerings within the non-standard finance sector, enhancing their prospects for profitable growth. Under the leadership of the NSF Board and strong management team, the Transaction also represents an opportunity to unlock substantial value from an enlarged customer base in a highly specialised sector.

NSF's plans for the Enlarged NSF Group

To effect this transformation, the NSF Board intends to:

- retain the NSF Board to oversee the Enlarged NSF Group;
- focus the Enlarged NSF Group on four core divisions - credit cards, home credit, branch-based lending and guarantor loans;
- implement a transformation plan to revitalise the performance of Provident's core businesses within the Enlarged NSF Group through:
 - the appointment of strengthened management teams;
 - the execution of revised business strategies including an optimised product offering and the improvement of operational cost control;
 - a review of the product offering and taking advantage of the cross-selling of products across the enlarged customer base; and
 - the restoration of Provident's culture by enhancing the focus on delivery of good customer outcomes;
- realise operational cost synergies by, among other things, rationalising head office and central costs, simplifying management structures within Provident and reducing funding costs arising from increased scale and stability;
- simplify the structure of the Enlarged NSF Group to unlock shareholder value through:
 - the intended demerger of NSF's home credit business, Loans at Home; and
 - the sale of Moneybarn, Provident's vehicle finance business, and the sale or closure of Satsuma, Provident's short-term unsecured loans business, as NSF

views both businesses as non-core to the future strategy of the Enlarged NSF Group. Sale proceeds are expected to be returned to shareholders of the Enlarged NSF Group, subject to the outcome of discussions with lenders to the Enlarged NSF Group;

- restore the confidence of regulators in the management of both Provident and Vanquis over time, a process that NSF believes should permit the release of excess capital from the Provident Group; and
- apply to transfer NSF's listing on the London Stock Exchange from a standard listing to a premium listing as soon as possible following Completion.

The compelling nature of the Transaction is evidenced by the level of shareholder support received by NSF in respect of the Transaction. Each of Woodford, Invesco and Marathon, in their capacity as Provident Shareholders, have irrevocably undertaken, and given letters of intent, to accept (or procure the acceptance of) the Offer in respect of, in aggregate, approximately 50.01 per cent. of Provident's issued share capital. This represents a significant statement of support in favour of the NSF Board, its management approach and its plans for the Enlarged NSF Group, over the existing Provident Board.

Commenting on the Transaction, John van Kuffeler, the founder and Chief Executive of NSF, said:

"This transaction will create a market leader in the non-standard finance sector with a strong position in all four main segments. We have recognised the strong logic and value creation potential of a combination with Provident for some time and hence approached the Provident Board with a proposal in January last year. That approach was rebuffed and since then Provident has further lost its way. However, NSF has extensive management expertise and experience, and the correct strategy to turn Provident around and release significant value by combining it with our own fast-growing businesses for the benefit of customers, employees and investors. I'm delighted that holders of over 50 per cent. of Provident's shares have given their support to our proposal today."

This summary should be read in conjunction with the following full announcement and the Appendices. The Transaction will be subject to the Conditions and other terms set out in this announcement and to the full terms and conditions which will be set out in the Offer Document. Appendix 2 to the full announcement contains bases and sources of certain information contained in this announcement. Details of irrevocable undertakings and letters of intent received by NSF are set out in Appendix 3 to the full announcement. A letter to Provident employees from John van Kuffeler, the NSF founder and Chief Executive, is set out at Appendix 4 of this announcement. Terms used in this announcement are defined in Appendix 5 to the full announcement.

A copy of this announcement will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on NSF's website at www.nsfgroupplc.com while the Offer remains open for acceptance. For the avoidance of doubt, the contents of this website and of any other website accessible by hyperlinks on this website, are not incorporated by reference into, and do not form part of, this announcement.

Advisers

Ondra LLP and Deutsche Bank are acting as financial advisers to NSF in respect of the Transaction. Slaughter and May is acting as legal adviser to NSF in respect of the Transaction. Maitland/AMO is acting as public relations adviser to NSF in respect of the Transaction. Shore Capital is acting as corporate broker to NSF in respect of the Transaction.

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Firm Further Information

This announcement is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Transaction or otherwise. The Transaction will be made solely pursuant to the terms of the Offer Document, which will contain the full terms and conditions of the Transaction, including details of how to vote in respect of the Transaction. Any decision in respect of, or other response to, the Transaction should be made only on the basis of the information contained in the Offer Document.

The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice.

This announcement does not constitute a prospectus or prospectus equivalent document.

Overseas Jurisdictions

The information contained herein is not for release, distribution or publication, directly or indirectly, in or into the United States, Canada, Australia, Japan, New Zealand, South Africa or any other Restricted Jurisdiction where applicable laws prohibit its release, distribution or publication. The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the applicable securities laws. This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Copies of this announcement and any formal documentation relating to the Transaction are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Unless otherwise determined by NSF and permitted by applicable law and regulation, the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Notice to US investors in Provident: The Transaction relates to the shares of an English company and is being made by way of a takeover offer. If, in the future, NSF determines to extend the offer into the United States, the Transaction will be carried out in compliance with applicable United States laws and regulations. Financial information included in this announcement and the Offer Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Important Notices relating to Financial Advisers

Ondra LLP, which is regulated in the United Kingdom by the FCA, is acting as financial adviser to NSF and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than NSF for providing the protections afforded to clients of Ondra LLP nor for providing advice in relation to any matter referred to herein.

Deutsche Bank AG is authorised under German Banking Law (competent authority: European Central Bank) and, in the United Kingdom, by the PRA. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the PRA and FCA. Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates will be responsible to any person other than NSF for providing any of the protections afforded to clients of Deutsche Bank nor for providing advice in relation to any matters referred to in this announcement. Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Bank in connection with this announcement, any statement contained herein, or otherwise. Deutsche Bank is acting as financial adviser to NSF and no other person in connection with the contents of this announcement.

Shore Capital, which is authorised and regulated in the United Kingdom by the FCA, acts as broker to NSF and will not regard any other person as its client and will not be responsible to anyone other than NSF for providing the protections afforded to clients of Shore Capital nor for providing advice in relation to any matter referred to herein.

Forward-Looking Statements

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Provident and certain plans and objectives of NSF with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'hope', 'aims', 'continue', 'will', 'may', 'should', 'would', 'could', or, in each case, their negative or other words of similar meaning. They appear in a number of places throughout the announcement and include statements regarding the intentions, beliefs or current expectations of the NSF and the NSF Board. These statements are based on assumptions and assessments made by NSF in light of its experience and its perception of

historical trends, current conditions, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. NSF does not assume any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. No statement in this announcement is intended as a profit forecast or profit estimate and no statement in this presentation should be interpreted as such.

The forward-looking statements contained in this announcement speak only as at the date of this announcement. Except as required by the FCA, the London Stock Exchange or applicable law (including as may be required by FCA's Listing Rules, the Disclosure and Transparency Rules and the Prospectus Rules), NSF and its directors expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement, whether as a result of any change in events, conditions or circumstances or otherwise on which any such statement is based.

Ondra LLP and Deutsche Bank (and their respective affiliates) expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Dealing and Opening Position Disclosure Requirements

Under Rule 8.3(a) of the City Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure. Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be

made by no later than 3.30 pm (London time) on the Business Day following the date of the relevant dealing. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on website

A copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on NSF's website at www.nsfgroupplc.com no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, the content of this website is not incorporated by reference into, and does not form part of, this announcement.

Requesting Hard Copy Documents

In accordance with Rule 30.3 of the City Code, Provident Shareholders, persons with information rights and participants in Provident Share Schemes may request a hard copy of this announcement by contacting Sarah Day, during business hours on +44 20 3869 9020. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Transaction should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Provident Shareholders, persons with information rights and other relevant persons for the receipt of communications from Provident may be provided to NSF during the Offer Period as required under Section 4 of Appendix 4 of the City Code to comply with Rule 2.11(c).

Rounding

Certain figures included in this announcement, including financial information, have been subjected to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.

Rule 2.9

In accordance with Rule 2.9 of the City Code, NSF announces that, as at the date of this announcement, it has 312,049,682 ordinary shares of 5 pence each in issue and admitted to trading on the Main Market of the London Stock Exchange. The International Securities Identification Number for these ordinary shares is GB00BRJ6JV17.

The person responsible for arranging the release of this announcement on behalf of NSF is Peter Reynolds, NSF Director, IR and Communications.

This announcement and the information herein is not for release, publication or distribution, in whole or in part, directly or indirectly, in or into the United States, Australia, Canada, New Zealand, Japan, the Republic of South Africa or any other Restricted Jurisdiction in which such release, publication or distribution would be unlawful.

Firm offer by Non-Standard Finance plc ("NSF") for Provident Financial plc ("Provident")

1. Introduction

NSF announces the Transaction including the terms of a firm offer to acquire the entire issued share capital of Provident, further details of which are set out below.

2. The Transaction

It is intended that the Transaction will be implemented by way of a takeover offer within the meaning of Part 28 of the Companies Act 2006 and will be subject to the Conditions and other terms set out in this announcement and to further terms and conditions to be set out in the Offer Document. Under the Offer, Provident Shareholders will receive:

For each Provident Share: 8.88 New NSF Shares

Based on NSF's Closing Price of 58 pence per NSF Share on 21 February 2019 (being the last Business Day before the date of this announcement), the Transaction:

- values each Provident Share at 511 pence;
- values the entire issued and to be issued ordinary share capital of Provident at approximately £1.3 billion; and
- would result in Provident Shareholders owning approximately 87.8 per cent. of the Enlarged NSF Group and becoming major participants in the potential future value creation in the Enlarged NSF Group.

The NSF Board believes that the Transaction would deliver significantly greater benefits for both Provident Shareholders and NSF Shareholders than either Provident or NSF would otherwise be able to deliver on their own.

The New NSF Shares will be issued to Provident Shareholders credited as fully paid and will rank *pari passu* in all respects with the NSF Shares in issue at the time the New NSF Shares are issued pursuant to the Transaction, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after Completion. The New NSF Shares will not carry any entitlement to receive any final dividend declared by NSF in respect of the year ended 31 December 2018. Applications will be made to the UK Listing Authority for the New NSF Shares to be admitted to the Official List and to the London Stock Exchange for the New NSF Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities.

The Provident Shares will be acquired pursuant to the Offer fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto. In the event that the Transaction is to be implemented by way of a Scheme, any New NSF Shares issued to Provident pursuant to the Scheme will be issued on the same basis.

NSF intends to complete the Demerger to assist with the CMA competition approval process and for Loans at Home to be admitted to trading either on the Main Market (with a standard listing) or on AIM. The NSF Board expects the Demerger to be effected as a dividend *in specie* of the shares in the holding company of Loans at Home.

Conditions to the Offer include approval of the issuance of the New NSF Shares by NSF Shareholders, receipt of approvals from the FCA, the PRA and the CBI, receipt of approval from the CMA and other conditions and further terms as set out in Appendix 1.

NSF has received support for the Transaction from holders of Provident Shares representing, in aggregate, approximately 50.01 per cent. of Provident's issued share capital. Woodford, Invesco and Marathon have given irrevocable undertakings to accept the Offer and letters of intent to accept (or procure acceptance of) the Offer in respect of, in aggregate, over 50 per cent. of Provident's issued share capital.

The NSF Board, which has been so advised by Ondra LLP and Deutsche Bank as to the financial terms of the Transaction, considers the terms of the Transaction to be fair and reasonable. In providing their advice to the NSF Board, Ondra LLP and Deutsche Bank have taken into account the NSF Board's commercial assessment of the Transaction.

NSF will have the right to reduce the number of New NSF Shares that Provident Shareholders will receive under the terms of this Transaction by the amount of any dividend (or other distribution) which is declared, paid or made by Provident to Provident Shareholders, on a basis to be determined by NSF. NSF will increase the number of New NSF Shares that Provident Shareholders will receive under the terms of this Transaction by the amount of any dividend (or other distribution) which is declared, paid or made by NSF to NSF Shareholders by reference to a record date falling prior to Completion, save for any final dividend declared by NSF in respect of the year ended 31 December 2018.

3. Background to the Transaction and NSF's Plans for the Enlarged NSF Group

The Transaction represents, in the view of the NSF Board, a compelling strategic and financial opportunity to create shareholder value and improve customer outcomes. Provident is a company which has faced a number of challenges in the recent past. However the NSF Board believes Provident continues to have significant potential which, under the right leadership and pursuing a revised business strategy, can be unlocked for the benefit of Provident Shareholders, employees and customers. A letter to Provident employees from John van Kuffeler, the NSF founder and Chief Executive, is set out at Appendix 4 of this announcement.

The NSF Board believes the Transaction will:

- establish the Enlarged NSF Group as a leading non-standard finance provider that can meet the evolving needs of customers across a range of different product categories in a growing sector;
- bring the combined business under the leadership of the highly-experienced NSF management team that has a history of creating shareholder value in the UK non-standard finance sector;
- deliver more attractive and sustainable shareholder returns, including distributions to shareholders, than each of Provident and NSF might achieve on their own;
- deliver growth and improve profitability prospects through the execution of NSF's transformation plan to revitalise Provident's performance, realise operational and funding synergies and create the opportunity for capital returns over time;
- simplify the business portfolio through the sale of Moneybarn, the Demerger and the sale or closure of Satsuma;
- offer a broad product range to NSF and Provident customers and the wider non-standard finance sector to take full advantage of cross-selling opportunities;

- restore Provident's culture, enhancing the focus on delivering positive customer outcomes; and
- bring best-in-class regulatory practices and relationships to each of Provident's businesses as part of the Enlarged NSF Group, restoring the confidence of regulators in both Provident and Vanquis as part of the Enlarged NSF Group.

NSF's plans for the Enlarged NSF Group

Following Completion, the NSF Board intends to:

- **Retain the NSF Board to oversee the Enlarged NSF Group** - John van Kuffeler will remain as CEO, Charles Gregson as Chairman and Nick Teunon as CFO, with the existing NSF Executive and Non-Executive Directors remaining in post. With 68 years of combined experience in non-standard consumer finance (including over 33 years of experience at Provident) and over 175 years in financial services, the NSF Board will continue to draw on its expertise and experience in its oversight of the Enlarged NSF Group.
- **Focus the Enlarged NSF Group on four core divisions** - credit cards, home credit, branch-based lending and guarantor loans - each of which is a market-leading business with exposure to profitable segments of the non-standard finance sector and capable of delivering highly attractive returns.
- **Implement a transformation plan to revitalise the performance of Provident's core businesses** - this is expected to be achieved by implementing the following initiatives across Provident's businesses within the Enlarged NSF Group. Each of these initiatives is described in more detail in section 4 below at *Future business of the Enlarged NSF Group*:
 - the appointment of strengthened management teams;
 - the execution of revised business strategies including an optimised product offering and the improvement of operational cost control;
 - a review of the product offering to ensure a complementary product range will be offered and taking advantage of cross-selling opportunities across the enlarged customer base; and
 - the restoration of Provident's culture, enhancing the focus on the delivery of good customer outcomes.
- **Realise synergies** - the NSF Board expects the Transaction to generate operational cost savings, reduced funding costs and revenue synergies for the Enlarged NSF Group:
 - **Operational cost synergies:** NSF believes that there is potential scope for cost savings by removing duplicated functions across the Enlarged NSF Group and achieving greater operational efficiencies, in particular, potentially reducing the size of Provident's central costs and the cost base of Provident's home credit business. The NSF Board believes the costs in home credit are too high, as evidenced by its cost to income ratio of 69 per cent. for the six months ended 30 June 2018 (30 June 2017: 47 per cent.) compared to, despite its smaller size, the considerably lower ratio of Loans at Home for the same period (H1 2018: 59 per cent.; H1 2017: 58 per cent.). NSF will seek to reverse Provident's central cost base inflation which, based on Provident's management guidance (as communicated at the 2018 interim results of Provident), is expected to grow by £10 million in 2018 (from a central cost base of £12.8 million in 2017). Following

Completion, NSF expects, subject to completion of a review of functional requirements and any consultation obligations, to be able to reduce costs from the rationalisation of overlapping head office functions and central costs as well as the simplification of management structures and certain corporate and support functions related to Provident's status as a listed company, which will no longer be required.

- **Reduced funding costs:** The NSF Board expects to leverage the enhanced scale of the Enlarged NSF Group to secure funding at similar levels to those currently available to Provident. NSF, which is presently unrated, has funding of £231 million (as stated at H1 2018) at an average cost of 8.9 per cent. (on an annualised basis as of H1 2018), whereas Provident, which is BBB- rated, secures blended funding at a cost of 4.3 per cent. The NSF Board believes that there will be further scope to reduce the Enlarged NSF Group's funding costs through the successful implementation of its transformation plan to restore profitability and growth.
- **Revenue synergies:** Given the complementary product offering of Vanquis, Everyday Loans and the NSF Guarantor Loans Division, NSF believes there are cross-selling opportunities from introducing Everyday Loans and the NSF Guarantor Loans Division's products to Vanquis' base of 1.7 million customers, 65 per cent. of which have previously expressed an interest in a personal loan.
- **Simplify the structure of the Enlarged NSF Group to unlock shareholder value** - the NSF Board intends to simplify the structure of the Enlarged NSF Group in order to create value for its shareholders.
 - **The Demerger of NSF's home credit business, Loans at Home** - although the timing and structure of the Demerger remain subject to further consideration, including by the CMA, it is expected that the Demerger would take place simultaneously with, or very shortly following, Completion, and that Loans at Home would be admitted to trading either on the Main Market (with a standard listing) or on AIM. It is therefore expected that, as a result of the Demerger, in addition to holding New NSF Shares, Provident Shareholders who participate in the Transaction will benefit from holding shares in the newly-listed Loans at Home. The Demerger is intended to assist with the competition approval process with the CMA to receive the Antitrust Approval. The NSF Board considers that Loans at Home is, and will continue to be, a viable, well-managed, independent, standalone business. As the Demerger remains subject to review by the CMA, NSF reserves the right to change its strategic plans with respect to Loans at Home as described in this announcement, including (without limitation) the timing of the Demerger.
 - **The sale of Moneybarn and the sale or closure of Satsuma** - NSF views both businesses as non-core to the future strategy of the Enlarged NSF Group.
 - Moneybarn is Provident's vehicle finance business and a leader in the provision of vehicle finance for the non-standard credit market. The NSF Board intends to sell Moneybarn in a competitive auction process, to be launched following Completion.
 - Satsuma is Provident's short-term unsecured loans business. Satsuma has been loss-making since its inception and despite statements by the Provident Board dating back to 2015 conveying its expectation and aim that Satsuma would move into profitability, this has failed to materialise. The NSF Board intends to sell Satsuma or to close it, running-off its loan book in due course.

- **Dividend policy and potential for shareholder distributions** - given Provident's recent financial performance and operational shortcomings, the NSF Board will need to review its dividend policy shortly following Completion. However, the NSF Board intends that future dividend payments to shareholders of the Enlarged NSF Group will, over time, reflect its stated policy of paying out at least 50 per cent. of normalised post-tax earnings. This is subject to discussions with the PRA in respect of the restrictions currently imposed on the payment of dividends from the Vanquis business. NSF also intends to distribute to shareholders of the Enlarged NSF Group any excess capital arising from the expected improvement of Provident's capital efficiency and the proceeds of any sale of Moneybarn and/or Satsuma, subject to the outcome of discussions with lenders to the Enlarged NSF Group. NSF's final year dividend for the financial year ended 31 December 2018 is expected to be in line with its stated policy and to be paid to existing NSF Shareholders with a record date prior to Completion.
- **Restore the confidence of regulators** - the NSF Board expects the transformation plan it will implement across the Provident businesses within the Enlarged NSF Group to, over time, restore confidence of regulators in the management of both Provident and Vanquis, a process that NSF believes should permit the release of excess capital from the Provident Group.
- **Transfer NSF to a premium listing** - the NSF Board will apply to the FCA to transfer NSF's current listing on the Official List under the Listing Rules from a standard listing to a premium listing as soon as possible following Completion. A separate announcement will be made regarding the transfer in due course.

NSF as a growth driver

NSF was founded in 2014 by a highly experienced management team led by John van Kuffeler with the objective of acquiring and then growing businesses in the UK's non-standard consumer finance sector. Regulated by the FCA, the sector is fragmented, with few large, well-capitalised groups, creating an opportunity for NSF.

NSF's strategy is to become a leader in each of its chosen segments, by acquiring attractive businesses with high risk adjusted margins and the potential to deliver annual loan book growth and a return on assets of 20 per cent. or more. Once acquired, NSF seeks to realise that potential through careful investment in each business's core assets including distribution networks, people, technology and brands. At the same time, NSF is focused on ensuring the delivery of good customer outcomes through a positive business culture whilst maintaining tight controls on risk and impairment.

Since its creation, NSF has experienced significant growth, leading to a total net loan book value of over £300 million (reflecting year-on-year growth of 28.5 per cent. for the 12 month period ended 31 December 2018) and a combined customer base of over 180,000 from its network of 130 locations across the UK. This growth has been driven both by acquisitions, in accordance with the company's founding objective, and organically by the diligent execution of NSF's strategy by its highly experienced management team, creating a leading player in NSF's chosen segments of the non-standard finance sector.

Year-on-year, each of the NSF business divisions has experienced strong growth on a standalone basis. Everyday Loans remains the largest NSF business, whose branch network has almost doubled in size in the three years of NSF ownership. As at 31 December 2018, Everyday Loans' net loan book, before fair value adjustments, had increased by 24.8 per cent. to £181.8 million (2017: £145.6 million) driven by a combination of new branches and a high level of productivity. The NSF Guarantor Loans Division also grew strongly, benefitting from high market demand which gave rise to a record number of leads into the two guarantor loan brands and an increased conversion of

those leads into loans. As at 31 December 2018, the NSF Guarantor Loans Division's net loan book had reached £77.4 million (2017: £47.9 million), representing an increase of 61.7 per cent. compared to the previous year. Following a period of structural transformation, NSF's home credit business, Loans at Home, also performed well after a particularly strong rate of growth in 2017 and increased its loan book by 2.1 per cent. to £41.0 million as at 31 December 2018 (2017: £40.2 million). Against this backdrop, the NSF Board believes that the NSF Share price does not reflect the underlying value or progress of the business and has been hindered by NSF's concentrated shareholder register and low levels of liquidity.

NSF intends to capitalise on the NSF Group's commercial and operational success, by acquiring and transforming Provident in order to unlock substantial value for all shareholders of, and stakeholders in, both Provident and NSF. The Transaction is expected to create a well-balanced group with leading positions in some of the most attractive segments of the non-standard finance sector.

NSF has a highly experienced management team

The NSF Board believes that, under NSF's stewardship, the Enlarged NSF Group will be particularly well-placed to take full advantage of the continued strong demand for non-standard finance in the UK in a way which Provident has not managed to do in recent years.

NSF has a strong pool of managerial talent which it intends to deploy across the business divisions of the Enlarged NSF Group. In particular, the NSF Board includes the former Chairman and CEO and Deputy Chairman of Provident with combined experience of over 33 years at Provident. NSF's CEO, John van Kuffeler, was Chief Executive, and then Chairman, of Provident for a combined total of 22 years. Under his leadership, Provident delivered an exceptional performance, with a cumulative total shareholder return over the period of more than 4,000 per cent.

Since John van Kuffeler stepped down from the Provident Board, Provident has been under significant pressure both strategically and operationally with the result that Provident's performance has deteriorated dramatically. Provident has issued three profit warnings in just over 18 months (January 2019, August 2017 and June 2017) with profits falling from £343.9 million in 2016 to a loss of £123.0 million in 2017 and the suspension of Provident's dividend in 2017. Since Provident's first profit warning in June 2017, Provident's share price has declined by more than 70 per cent.

Drawing upon its experience, the NSF Board believes that through the application of a revised strategy, executed by its highly experienced management team, NSF can both revitalise Provident's performance and unlock substantial value from both Provident and NSF for the benefit of all shareholders of the Enlarged NSF Group.

Provident's recent performance and operational shortcomings

A number of shortcomings at Provident have had a significant and adverse impact on its performance in recent years, which are described in more detail below:

- **The Provident Board's limited operational experience in the non-standard finance sector:** In contrast to NSF, the Provident Board, which has seen a high turnover in its composition over the past 18 months, has limited experience of the non-standard consumer credit sector and limited operational experience of its three business divisions.
- **The project to transform Provident's home credit business:** In the Provident 2017 Annual Report, the Chairman acknowledged that Provident's migration to a new operating model in its home credit business was "*poorly executed*". The result was an unprecedented and substantial increase in agent attrition and vacancies, a change that was unanticipated by the Provident Board, causing discontinuity and disruption to Provident's service to customers. Provident experienced a pre-exceptional loss of £118.8 million during 2017 (compared with a pre-exceptional profit of £115.2 million during 2016), a sharp reduction in active customers from 782,000 (2016) to 527,000 (2017) and a

£207.8 million reduction in the receivables book from £560.0 million (2016) to £352.2 million (2017). NSF believes that it was both the failure to appreciate the fundamental importance of the customer relationship and the absence of any rigorous challenge to a highly risky implementation plan that led to this substantial deterioration in the trading performance of the home credit business. Following the transition to a new operating model, Provident has failed to effectively address the size of the division's cost base which, despite Provident's significant scale, remains high as a percentage of its revenue and the business remains loss-making, with collections on older balances not improving.

- **Failure of Provident's recovery plan:** In the prospectus issued in connection with Provident's rights issue in February 2018, Provident stated that it expected its recovery plan to be substantially implemented by the end of the first half of 2018. However, a delay in obtaining FCA clearance to enable the implementation of variable pay for field staff and continued poor collections performance from its back book, falling short of internal plans, may force Provident to abandon its stated aim of returning the home credit business to profitability in 2019.
- **A series of regulatory failures:** The Provident Board has overseen significant regulatory failings in all three of its business divisions.
 - In light of Vanquis being ordered to pay compensation to customers by the FCA, Vanquis negotiated a settlement with the FCA in 2017 at a total cost of £172.1 million following failures by its sales teams to disclose to customers the treatment of charges for Vanquis' repayment option plan product ("**ROP**") as a purchase transaction which could attract interest.
 - Moneybarn, Provident's car finance division, is subject to ongoing investigation by the FCA in relation to affordability, forbearance and termination options. This resulted in Provident reflecting a provision of £20.0 million in its 2017 accounts.
 - Despite having been subject to a period of intense regulatory scrutiny by the FCA following the poorly executed transition to a new business model and other regulatory failings outlined above, and despite assurances provided in the company's rights issue prospectus that the Provident Board was addressing *'governance and culture issues more widely across the Provident Financial Group, refocusing on the customer first'*, the Provident Group's home credit business was sanctioned in January 2019 by the ASA, which found that one of Provident's marketing initiatives was irresponsible. The Provident Group has also received fines from the ICO for sending nuisance communications in the form of spam text messages and emails.
- **Enhanced supervision and increased capital requirements:** As a consequence of the disruption to Provident's home credit business and the FCA's investigations into Vanquis and Moneybarn, Provident has been under enhanced supervision by the FCA since 2017. The FCA has also required Provident to undertake certain formal commitments, including the successful execution of its home credit recovery plan. Separately, the PRA has substantially increased the Provident Group's regulatory capital requirements. These increased requirements, which include a block on dividends from Vanquis to the rest of the Provident Group, combined with Provident's deteriorating financial performance in 2017, resulted in Provident launching a deeply-discounted rights issue in February 2018.
- **Failure to enter high growth segments of the non-standard finance sector:** Despite significant financial resources, a broad customer base and a long history of offering non-standard finance products to the British public, Provident has failed to capitalise on these opportunities and enter and exploit new and fast-growing segments of the UK's non-standard finance sector.

- Provident has twice tried and failed to launch a guarantor loan product within its consumer credit division (first using the 'Tandem' brand and then subsequently using the 'Glo' brand), resulting in the run-off of the business in 2016 and the write-off of its IT investment. In contrast, NSF's guarantor loans business has continued to perform strongly with a more than six-fold increase in revenue and 36-fold increase in normalised operating profit during the six months to 30 June 2018. In its latest trading update, NSF confirmed that, in the 12 months to 31 December 2018, its guarantor loans business grew its loan book by 62 per cent.
- Vanquis has struggled to materially grow its customer base and operating profit at the rates achieved prior to the ROP settlement, with new account bookings for 2018 of 366,000, 71,000 lower than in 2017.
- **Significant increase in costs:** Central operating costs at Provident have increased significantly due to the recruitment of additional individuals to central functions. The NSF Board believes that this has duplicated equivalent divisional roles. NSF believes that certain areas of the Provident Group have grown out of proportion to their operational needs, in particular the Provident Group head office and the central management of Provident's home credit business.
- **Continuing cultural challenges:** Despite the launch of a series of initiatives in 2018, there is little evidence to suggest that the Provident Board has been successful in addressing Provident's cultural failings which included poor communication between the operational teams and the Provident Board as well as a lack of focus on the delivery of positive customer outcomes. Separately, the recent ASA sanction and associated public criticism suggests that the business is not sufficiently focused on delivering positive customer outcomes.
- **Disappointing financial performance:** Despite having stated on 19 October 2018 that: *'The group has continued to make sound progress during the third quarter on delivering its operational objectives for 2018'*, Provident's latest trading update issued on 15 January 2019 included a further profit warning, in addition to those issued in June 2017 and August 2017. This detrimental outlook prompted a 19 per cent. reduction in Provident's share price on the day of its trading update.

In the view of the NSF Board, each of these factors has contributed to Provident's poor operating and financial performance that have in turn reduced shareholder value by more than 70 per cent. over the past three years. NSF views the Transaction as an opportunity to reposition and revitalise Provident's businesses and their respective product offerings within the non-standard finance sector, to restore Provident's culture by enhancing the focus on good customer outcomes and, under the leadership of NSF's management, over time, restore the confidence of regulators in the management of Provident's businesses and extract significant value from the Enlarged NSF Group.

4. **NSF's detailed plans for the Enlarged NSF Group and intentions regarding Provident's businesses, employees and pension scheme**

Lack of access to undertake detailed planning

NSF and its advisers have not been provided with access to the Provident Board or to Provident's non-public information or documentation and therefore have only been able to undertake due diligence from industry information and publicly available data. Accordingly, NSF has not been able to undertake any substantial analysis in order to formulate detailed plans or intentions regarding the impact of the Transaction on the Provident business. No statement in this section 4, or in this announcement more generally, is a post-offer undertaking for the purpose of Rule 19.5 of the City Code.

Nevertheless, NSF management and the NSF Board have longstanding sector involvement and experience in acquiring and operating regulated businesses, including past direct involvement and detailed working knowledge of Provident. Their intentions with respect to the Provident business, based on this experience and knowledge alone, are set out in this section 4. The proposals outlined in this section 4 remain subject to detailed implementation planning following Completion. Employees or their representatives will be consulted regarding proposals in accordance with any applicable consultation requirements and a letter to Provident employees from John van Kuffeler, the NSF founder and Chief Executive, is set out at Appendix 4 of this announcement.

Following Completion, NSF intends to complete a detailed review of Provident in order to fully evaluate the opportunities to realise value (the "**Post-Completion Review**"). It is envisaged that the Post-Completion Review will lead to changes in the composition of the Provident business following the Transaction. While the parameters of the Post-Completion Review have not been finalised, it is expected to comprise a review of the Enlarged NSF Group, in particular, its product offering (including potential cross-selling opportunities) as well as the culture, regulatory relationships, management, cost base and central functions of Provident. Further details are set out in this section 4.

Future business of the Enlarged NSF Group

Although no discussions have yet been held between NSF and Provident in relation to integration of the respective businesses, as set out in section 3, the NSF Board believes that the Enlarged NSF Group will have a comprehensive suite of capabilities and a broad product offering for non-standard finance consumers.

As the Post-Completion Review has not yet taken place, NSF cannot be certain what effect there will be on Provident's business. The NSF Board has, however, already identified a number of actions which it expects to implement in relation to Provident's core businesses within the Enlarged NSF Group:

(i) **Strengthening of management teams**

- **The Provident Board:** While the NSF Board will remain unchanged following Completion with John van Kuffeler, Charles Gregson and Nick Teunon remaining, respectively, as CEO, Chairman and CFO to oversee the Enlarged NSF Group, the NSF Board expects that each of the existing Provident directors (including the existing Provident Non-Executive Directors) will cease to be directors of Provident on or shortly after Completion.
- **Vanquis:** Vanquis has suffered from weak performance with a material decrease in new account bookings, and has not had a permanent CEO since the departure of Chris Sweeney on 1 November 2018. At Completion, NSF intends to appoint a new Chairman and CEO of Vanquis to help re-energise growth and oversee a refresh of Vanquis' product offering.
 - NSF is delighted to announce that, subject to the receipt of relevant regulatory approvals, Niall Booker, a Non-Executive Director of NSF, has agreed to join Vanquis as Chairman with effect from Completion. Niall brings considerable experience, having previously held a number of senior positions within large regulated banks including: HSBC, where he spent 30 years and managed the bank's US sub-prime card business successfully through the financial crisis; and the Co-operative Bank, where he was appointed CEO after it announced a £1.5 billion capital shortfall in June 2013. While at the Co-operative Bank, Niall oversaw the initial recapitalisation of the bank, the rebuilding of its relationship with the regulators, the unwinding of its distressed credit book, the rebuilding of its risk function, the successful migration of its IT system and the retention of a substantial portion of its customer base. The directors of NSF are confident that Niall's years of experience and proven leadership in the industry will be a valuable asset to Vanquis going forward.

- NSF has also identified a number of highly experienced candidates for the role of CEO of Vanquis and expects to be in a position to announce an appointment, subject to the receipt of relevant regulatory approvals, prior to Completion.
- **Home credit:** As further set out at (ii) *Transformation plan for Provident: Home Credit* of this section 4, it is expected that Loans at Home's current CEO and CFO (whose experience in the home credit sector totals over 55 years, in aggregate), as well as its Chief Risk Officer, will operate the home credit business of the Enlarged NSF Group while John van Kuffeler will become Chairman of the division (the "**Home Credit Team**").
- **Regulatory authority approval:** The NSF Board expects that the individuals to be appointed to the boards of Vanquis, Provident Personal Credit Limited, Moneybarn and the Enlarged NSF Group's home credit business will need to be approved by the FCA, the PRA and/or the CBI. The NSF Board does not expect any adverse impact on the Transaction timetable and further details are set out in section 11 below.

(ii) **Transformation plan for Provident**

- **Vanquis:** The NSF Board intends to review the Vanquis product offering to ensure that a complementary product range will be offered by Vanquis, Everyday Loans and the NSF Guarantor Loans Division to the customers of the Enlarged NSF Group.
 - The NSF Board also intends to reintroduce, subject to dialogue with the FCA in order to ensure such reintroduction is carried out in a fully regulatory compliant manner, a refreshed ROP product. Prior to the ROP settlement, ROP had been a popular Vanquis product giving customers an optional add-on to their credit card to assist them in managing their credit. ROP is a practical addition to the Vanquis product offering that, if reintroduced in a regulatory compliant manner, will enable Vanquis to enhance the value of its existing products for its customer base while enabling consumers to manage their credit in a responsible manner.
 - It is also expected that the Vanquis customer base will benefit from a wider range of products offered by other businesses within the Enlarged NSF Group such as Everyday Loans and the NSF Guarantor Loans Division as detailed below.
- **Home credit:** NSF will introduce Loans at Home's experienced and proven leadership team to run the home credit division of the business of the Enlarged NSF Group. The Home Credit Team will draw upon both its experience at Loans at Home, including its operational and cultural transformation of Loans at Home, as well as its considerable knowledge of the non-standard finance sector more generally, to revitalise the home credit business of the Enlarged NSF Group.
 - While at Loans at Home, the Home Credit Team has worked closely with specialist regulatory advisers and trade organisations and also established an open and positive working relationship with the FCA. The NSF Board expects the Home Credit Team to implement the same transparent and proactive approach in the home credit business of the Enlarged NSF Group.
 - In addition, the Home Credit Team has revolutionised Loans at Home's operating processes through the introduction of a technology-driven model to reflect the fast pace of change in the home credit sector and new methods of consumer engagement. Loans at Home customers can now benefit from a mobile-friendly customer portal and recent developments have included a delegation app for agents and the introduction of a manager lending app. The NSF Board expects the Home Credit Team to implement a business turnaround based on a more flexible operating model, utilising technological innovation to improve operational oversight and lending and collections performance.

- Following Completion, the NSF Board expects the home credit business of the Enlarged NSF Group to start to shift the mix of loans written towards more shorter-term products than is currently the case in Provident's home credit business. By shortening the average term of loans written, whilst there may be a temporary reduction in the rate of loan book growth, average yield should start to increase, which the NSF Board believes would lead to an improved financial performance. The NSF Board also believes that shorter-term products are more closely aligned with home credit customer needs as they reduce the total cost of credit.
- It is also expected that, following Completion, the Home Credit Team would seek to increase the cost efficiency levels of the home credit business of the Enlarged NSF Group and start to bring them towards the levels of Loans at Home today, with a view to further identifying opportunities for cost reduction given economies of scale over time. The NSF Board believes the costs in home credit are too high, as evidenced by its cost to income ratio of 69 per cent. for the six months ended 30 June 2018 compared to, despite its smaller size, the considerably lower ratio of Loans at Home for the same period (30 June 2018: 59 per cent.).
- Following Completion, subject to approval of the FCA (and any approval required from the CBI), NSF also intends to adopt a variable pay structure for employees of the home credit business of the Enlarged NSF Group. In accordance with NSF's current practice with respect to the business managers in its Loans at Home business, this is expected to involve potential bonus payments for the relevant employees with the quantum of any such payments being based on a balanced scorecard of criteria centred on the achievement of good customer outcomes including collections performance. Affected employees will be contacted in due course regarding the effect of this change.
- In conjunction with the introduction of variable pay, NSF intends to implement a more flexible operating model, enabling field staff to better match customer requests for the timing of visits with their own working hours. This will encompass a return to face-to-face underwriting by field staff, who the NSF Board believes are best-placed to assess the latest circumstances facing the customer.

(iii) **Cross-selling of products across the enlarged customer base**

- **Everyday Loans:** Everyday Loans will look to take full advantage of the cross-selling opportunities for its products in order to capitalise on Vanquis' extensive customer base that has similar demographics to NSF's branch-based lending and guarantor loans customers. The NSF Board expects such cross-selling opportunities to arise once the management of the core Provident businesses within the Enlarged NSF Group have managed to turnaround the current cultural and regulatory shortcomings.
 - NSF expects to gradually introduce Everyday Loans' unsecured loan products to Vanquis' substantial customer base of 1.7 million customers. The NSF Board intends to carry out a strategic review of Vanquis' pilot lending business with the possibility of closing it and referring Vanquis customers to Everyday Loans and the NSF Guarantor Loans Division for loans.
 - Given the similarity in customer profile between Everyday Loans and Vanquis, NSF believes that Everyday Loans' products and approach will be attractive to a meaningful proportion of Vanquis' customer base, 65 per cent. of which have indicated their interest in a personal loan. Everyday Loans currently has over 60,000 customers and so NSF believes that the potential upside to Everyday Loans' standalone growth potential could be significant.

- **NSF Guarantor Loans Division:** The NSF Board intends to seek additional growth opportunities for the NSF Guarantor Loans Division by offering guarantor loan products to the current Provident customer base, in particular, focusing on existing Vanquis consumers. The NSF Guarantor Loans Division will look to take full advantage of opportunities to cross-sell its guarantor loan products, which have been experiencing significant growth in consumer demand in a fast growing segment and which are not currently offered to Provident customers by the Provident Group. Given the expanded customer base and appetite for such products, the NSF Board expects the NSF Guarantor Loans Division to be able to capitalise on this opportunity to drive accelerated growth in what will be one of the Enlarged NSF Group's four core areas of focus. The NSF Guarantor Loans Division currently has over 20,000 customers and so NSF believes that the potential upside to the NSF Guarantor Loans Division's standalone growth potential could be significant.

(iv) **Restoration of a positive business culture**

- **Strong values:** NSF has strong values based on positive stakeholder outcomes which the NSF Board believes has helped to drive NSF's success to-date. The NSF Board has developed this culture by focusing on the well-being of its staff and self-employed agents, clear stakeholder communications, appropriate staff incentives, investment in recruitment and training and engagement with the communities in which the businesses operate. These elements will remain a focus for the NSF Board within all businesses of the Enlarged NSF Group.
- **Customer relationships:** Across the Provident businesses within the Enlarged NSF Group, the NSF Board will inject a clear focus on building longstanding personal relationships with customers as the NSF Board believes that the quality of customer relationships, and how they are managed, is one of the key drivers of NSF's operational success and that this can be replicated across Provident. Increasing customer engagement is a key goal for the NSF Group and the NSF Board is committed to putting the customer at the heart of the operations of the Enlarged NSF Group.
- **Employee and management incentives:** Under John van Kuffeler's leadership, the NSF Board will seek to infuse NSF's existing culture into the Provident business by deploying its balanced approach with appropriate incentives for management and employees across the Enlarged NSF Group, including potentially operating malus and clawback where customer outcomes are compromised. These incentives will help to increase focus on front line customer relationships as well as operational and financial performance including the reduction of the cost base. This will be a particular focus in the Provident businesses within the Enlarged NSF Group and will include appropriate packages for the new management at Vanquis and the Enlarged NSF Group's home credit business. Incentives will be subject to approval of shareholders of the Enlarged NSF Group at the appropriate time, to the extent required. The Board also intends to grant every individual who is a Loans at Home employee on the date of the Demerger (and not under notice) an option over shares in the newly-listed Loans at Home equal in value to £2,000 (by reference to the offer price of Loans at Home shares on initial public offering), subject to the individual remaining an employee of Loans at Home for a period of three years (at which point the shares in Loans at Home may be sold).
- **Business practice:** The refreshed management of Vanquis and the home credit business of the Enlarged NSF Group will introduce best-in-class regulatory practices to the respective businesses with a view to improving those businesses' relationships with the FCA, the PRA and the CBI and to ensuring compliance with applicable law and regulation and to restore regulators' confidence in the management of both Provident and Vanquis. Prior to the date of this announcement, the NSF Board has discussed the Transaction with the FCA and the PRA.

Employees and management, headquarters and locations

NSF attaches great importance to the skills and experience of the employees of the Provident Group and expects existing Provident Group personnel to play an important role in driving the future

success of the combined business following Completion. However, the NSF Board believes that, in light of Provident's recent financial performance and as part of the Post Completion Review, Provident's high cost base needs to be evaluated and reduced. Subject to the outcome of the Post Completion Review, a reduction in headcount may be necessary. Any such reduction, if necessary, is expected to predominantly involve Provident's London office, as the NSF Board intends to implement a de-centralised divisional strategy across the businesses of the Enlarged NSF Group alongside a lean London-based head office. This approach, which is consistent with the proven NSF model, is expected to simplify management structures enabling fast economic-based decision-making within each core division and the creation of an efficient, non-bureaucratic organisation with reduced central costs. Each of the four core businesses will have a strong management team supported by members of the NSF Board and senior management in non-executive positions to provide coordination and oversight over non-business specific areas such as IT, Risk, HR and regulation.

The headquarters of the Enlarged NSF Group will be in London. While the NSF Board has no intention to make changes to Provident's divisional head office locations, the NSF Board does expect, subject to the outcome of the Post-Completion Review, to implement a rationalisation plan to simplify the central functions of and, where relevant, remove duplication from, the head office functions and locations of the Enlarged NSF Group.

The Provident Group occupies 201 properties in the UK and the Republic of Ireland (as at 31 December 2017) (including home credit branches nationwide, a home credit contact centre in Bradford and a Vanquis contact centre in Chatham) and the NSF Group (excluding Loans at Home, which will be subject to the Demerger) occupies over 60 properties (as at 31 December 2018). NSF may choose to leverage its geographic footprint to consolidate some of these non-head office locations within the Enlarged NSF Group where appropriate. The NSF Board does not expect any such consolidation to result in a material rationalisation of the non-head office locations and it is expected that Provident's home credit business will remain operationally based and headquartered in Bradford and the Vanquis contact centre will remain in Chatham.

Notwithstanding the plans described above, NSF intends to safeguard the existing contractual and statutory employment rights of Provident employees, subject to the introduction of flexible working and a variable pay structure (to be agreed with the FCA (and the CBI, to the extent required)) to the contractual terms of employees of the Enlarged NSF Group's home credit business. Save as indicated elsewhere in this section 4, NSF does not expect to make a material change in the balance of skills and functions of the employees and management of Provident.

Other than the changes described *Employees and management, headquarters and locations* of this section 4 and any sale of fixed assets forming part of Moneybarn or Satsuma, no changes are expected with regard to the Provident Group's fixed asset base.

Pensions

The existing contractual and statutory rights in relation to existing pensions contributions of Provident's management and employees will be safeguarded in accordance with applicable law. The accrued benefits for members of Provident's defined benefit pension schemes will not be affected by the Transaction. Provident's defined benefit pension scheme will remain substantially closed to new members. Given that NSF and its advisers have only been able to undertake due diligence based on publicly available information, NSF does not have information about the funding position of Provident's defined benefit pension scheme necessary to form intentions regarding the current arrangements for the funding of any scheme deficit.

Save as set out in this section 4, the Board does not intend for the Transaction to have any impact on the existing businesses of NSF.

5. Information relating to Provident

Provident is incorporated in England and Wales with registered number 00668987. Its registered office is located at No. 1 Godwin Street, Bradford, West Yorkshire, BD1 2SU. Provident's ordinary shares are admitted to the Official List and to trading on the Main Market of the London Stock Exchange, with a premium listing.

Established in 1880, the core business of the Provident Group is to supply personal credit products to non-standard credit market customers, being those with lower incomes, those with no credit history or a very limited credit history and those who have had problems with credit in the past but are now over those problems. The Provident Group operates through three divisions which focus on different areas of the non-standard lending market: (i) Vanquis, which primarily offers non-standard credit cards to approximately 34,700 depositors (as at 31 December 2017); (ii) the consumer credit division, encompassing Provident (which provides home collected credit products) and Satsuma (which provides online unsecured loans); and (iii) Moneybarn, which provides vehicle finance. It serves approximately 2.5 million customers and has approximately 5,947 employees (as at 22 February 2018). In 2017, the Provident Group reported a loss after tax and exceptional items of £134.4 million, a loss per share of 90.7 pence and made no dividend payments.

6. Information relating to NSF

NSF is incorporated in England and Wales with registered number 09122252. Its registered office is at 7 Turnberry Park Road, Gildersome, Morley, Leeds, LS27 7LE. NSF's ordinary shares are admitted to the Official List and to trading on the Main Market of the London Stock Exchange, with a standard listing.

NSF was established in 2014 to acquire and grow businesses in the UK's non-standard consumer finance sector. Under the direction of its highly experienced board, NSF has acquired a sustainable group of businesses offering credit to the c.10-12 million UK adults who are not served by (or choose not to use) mainstream financial institutions. NSF provides credit to over 180,000 customers through its three business divisions: (i) unsecured branch-based lending; (ii) guarantor loans; and (iii) home credit. Each business is fully authorised by the FCA and has benefited from significant investment in branch expansion, recruitment, training and new IT infrastructure and systems. These investments have supported the delivery of improved customer outcomes together with growing financial returns for shareholders. For the year ended 31 December 2018, NSF's net loan book, before fair value adjustments, had increased by 28.5 per cent. to £300.2 million (2017: £233.7 million), driven by investment in new branches, systems and people as well as productivity improvements and continued tight management of impairment across all three business divisions.

NSF has continued to consolidate its position as a leading player in its chosen segments of the UK's non-standard finance sector. Strong organic growth in branch-based lending and home credit has been complemented by contributions from George Banco which, was acquired in August 2017, positioning the Group as a leading player in the fast growing guarantor loans segment.

Details of NSF's business divisions:

- **Unsecured branch-based lending:** Everyday Loans, NSF's largest business, has 65 branches, confirming NSF's position as the UK's largest branch-based provider of unsecured loans in the non-standard finance sector. NSF has a wide geographic coverage and therefore strong access to customers.
- **Guarantor loans:** The acquisition of George Banco in August 2017 transformed NSF's position in the exciting and fast growing UK guarantor loans segment. NSF's guarantor loan business has experienced particularly strong performance across a range of key performance indicators including loan book growth and number of customers whilst maintaining a tight control on impairment.
- **Home credit:** Loans at Home has a network comprising 897 self-employed agents operating out of over 65 offices and serving 93,500 active customers, and has enjoyed

strong year-on-year loan book growth.

NSF has great strength and depth of management expertise and sectoral knowledge. NSF's CEO, John van Kuffeler, has extensive experience in the non-standard finance sector. He was Chief Executive, and then Chairman, of Provident for a combined total of 22 years. In addition, he was Chairman of Marlin Financial Group Limited, the consumer debt purchasing company, for four years until its sale in February 2014 and was also Chairman of Hyperion Insurance Group Limited for five years until December 2013. John van Kuffeler was previously Chief Executive of Brown Shipley Holdings PLC which included Medens Trust Limited, a consumer car finance company, and was Chairman of the credit committee of Brown Shipley Holdings PLC's main banking subsidiary, Brown, Shipley & Co. Limited. He is also a former Chairman of the J.P. Morgan Fleming Technology Trust PLC and the Finsbury Smaller Quoted Companies Trust PLC.

NSF's CFO, Nick Teunon, was Chief Financial Officer of the consumer debt purchasing company, Marlin Financial Group Limited, led the finance function and mergers and acquisitions activity as CFO of FTSE International and was Group Finance & Strategy Director at the Press Association for seven years.

Before joining NSF as an Executive Director and as CEO of Everyday Loans, Miles Cresswell-Turner was a partner in Duke Street LLP specialising in the finance sector, a partner at Palamon Capital Partners LLP and a director at HSBC Investment Bank.

NSF's Non-Executive Chairman, Charles Gregson has held a number of senior positions including at Provident where he was a Non-Executive Director and Deputy Chairman for a total of 12 years, Nex Group plc where he was Chairman, Wagon Finance Group Limited and International Personal Finance Plc.

NSF's independent Non-Executive Directors also bring considerable managerial experience to the team. Niall Booker has spent 35 years in a number of senior banking roles, including as Group Managing Director and CEO of HSBC North America, and CEO of the Cooperative Bank where he was recruited to turn around the performance of the bank in 2013.

Heather McGregor, who has a PhD in structured finance, spent her early career at ABN Amro and is now the Executive Dean of Edinburgh Business School and the Graduate School of Business of Heriot-Watt University. A consumer champion, she was a regular columnist for the Financial Times as 'Mrs Moneypenny'.

This highly experienced Board and senior management team have an unrivalled knowledge of the non-standard finance sector and a history of creating value for shareholders. The NSF Board includes the former Chairman and CEO and Deputy Chairman of Provident with a combined 33 years of experience at Provident. The NSF Board therefore has a detailed working knowledge of Provident's business.

7. NSF Shareholder approvals and Prospectus

In order to approve the Transaction at the NSF General Meeting, NSF will be required to seek the approval of NSF Shareholders for the issue of the New NSF Shares. NSF will be also required to produce a Prospectus in connection with the listing of the New NSF Shares and, due to the fact the Transaction is classified as a reverse takeover under the Listing Rules given the relative sizes of NSF and Provident, the re-admission of the Enlarged NSF Group to the Official List and to trading on the London Stock Exchange's Main Market for listed securities.

The Transaction will not constitute a Class 1 transaction for NSF as NSF Shares have a standard listing. Accordingly, except for the approvals set out above, NSF will not be required to seek the approval of NSF Shareholders for the Transaction.

8. Share Schemes

Participants in the Provident Share Schemes will be contacted regarding the effect of the Transaction on their rights under the Provident Share Schemes and provided with further details

concerning the proposals which will be made to them in due course. Details of the proposals will be set out in separate letters to be sent to participants in the Provident Share Schemes.

9. Compulsory Acquisition, Delisting and Re-registration

If NSF receives acceptances under the Offer in respect of, or otherwise acquires, 90 per cent. or more of the Provident Shares to which the Offer relates and 90 per cent. or more of the voting rights carried by the Provident Shares to which the Offer relates, and assuming that all of the other Conditions have been satisfied or waived (if capable of being waived), NSF intends to exercise its rights pursuant to the provisions of Part 28 of the Companies Act 2006 to acquire compulsorily the remaining Provident Shares in respect of which the Offer has not been accepted, on the same terms as the Offer.

Following the Offer becoming or being declared unconditional in all respects, if NSF receives acceptances in respect of the Offer in respect of, or otherwise acquires, 75 per cent. or more of the total number of Provident Shares or the appropriate special resolutions are otherwise passed, and subject to any applicable requirements of the UKLA, it is intended that NSF will procure that Provident makes applications to cancel the listing of Provident Shares on the UKLA's Official List and to cancel trading in Provident Shares on the London Stock Exchange's Main Market for listed securities.

Following such cancellation, it is intended that Provident will be re-registered as a private limited company. Such cancellation and re-registration would significantly reduce the liquidity and marketability of any Provident Shares not assented to the Offer.

10. Disclosure of Interests

As at the date of this announcement, neither NSF, nor any of its directors has:

- any interest in, or right to subscribe for, any Provident Shares nor does any such person have any short position in Provident Shares, including any short position under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of Provident Shares; or
- borrowed or lent any Provident Shares or entered into any financial collateral arrangements relating to Provident Shares.

11. Further terms and Conditions to the Offer and timetable

Appendix 1 sets out the Conditions (and the extent to which any Condition is capable of being waived at the sole discretion of NSF) and further terms to which the Transaction will be subject.

The Transaction is conditional on, among other things:

- valid acceptances of the Offer being received in respect of not less than 90 per cent. of the Provident Shares to which the Offer relates;
- the approval of the Transaction at the NSF General Meeting;
- the Antitrust Approval;
- the Regulatory Approvals; and
- fulfilment of those other terms and conditions listed in Appendix 1.

Under Rule 31.7 of the City Code, except with the consent of the Panel, all of the Conditions must be satisfied or the Offer will lapse within 21 days of the first closing date or the date the Offer

becomes or is declared unconditional as to acceptances, whichever is the later. Rule 31.7 also provides that the Panel's consent to an extension will normally only be granted, broadly, if the outstanding condition involves a material official authorisation or regulatory clearance relating to the Transaction.

The timetable for obtaining each of the Regulatory Approvals is controlled, respectively, by the FCA, the PRA and the CBI and the timetable for obtaining the Antitrust Approval is controlled by the CMA. These timetables differ from, and can be longer than, the conventional timetable for an offer under the City Code. It is expected that it will take up to approximately 12 weeks from the date of this announcement to receive the Regulatory Approvals and up to approximately eight weeks from the date on which the formal CMA filing relating to the Offer is made to receive the Antitrust Approval.

The NSF Board expects that the individuals to be appointed to the boards of the Enlarged NSF Group's home credit business, Provident Personal Credit Limited, Vanquis and Moneybarn will need to be approved, in each case in advance of taking up their appointment and performing certain functions within the relevant businesses, by: (i) the FCA, to perform one or more controlled functions; (ii) the PRA and/or the FCA, to perform one or more senior management functions; and/or (iii) the CBI, under its fitness and probity regime, depending on precisely which functions the individuals will perform for the relevant businesses.

The timetable for obtaining approvals in respect of such individuals will be controlled by the FCA, PRA and/or the CBI, as applicable. Although such applications are technically made by the firms for which an individual is to perform a function, it is hoped that these processes can run alongside the processes to approve NSF as a controller of Vanquis, Provident Management Services Limited, Provident Personal Credit Limited, Moneybarn Limited, Moneybarn No. 1 Limited and Moneybarn No.4 Limited. The NSF Board does not expect any adverse impact on the Transaction timetable especially given that the respective individuals are already approved by the FCA to perform controlled functions in respect of NSF (even if they are not approved to conduct any senior management functions for any person and have not received the CBI fitness and probity regime approval in the past).

Provident Shareholders who have accepted the Offer will not be able to withdraw their acceptances from the date on which the Offer becomes or is declared unconditional as to acceptances until the date on which the Offer becomes or is declared unconditional in all respects or lapses. Accordingly, if the 21 day period in Rule 31.7 is extended by the Panel, Provident Shareholders will not be able to withdraw acceptances for the duration of this extended period.

If the Offer becomes or is declared unconditional as to acceptances and, subsequently, becomes or is declared unconditional in all respects, NSF has agreed to keep the Offer open for acceptances for at least seven days following the date on which the Offer becomes or is declared unconditional in all respects.

An indicative timetable setting out the expected dates for implementation of the Offer will be included in the Offer Document.

12. Opening Position Disclosure

In connection with the Transaction, NSF will make a public Opening Position Disclosure setting out details of its interests or short positions in, or rights to subscribe for, any relevant securities of Provident by no later than 12 noon on 8 March 2019.

NSF's Opening Position Disclosure will include details of any interests or short positions in, or rights to subscribe for, any relevant securities of Provident held by all persons acting in concert with NSF.

13. Irrevocable Undertakings and Letters of Intent

NSF has received irrevocable undertakings from Woodford, Invesco and Marathon to accept the Offer, in respect of a total of 75,985,191 Provident Shares, representing, in aggregate, approximately 29.9999 per cent. of Provident's existing issued share capital as at 21 February 2019 (being the last Business Day before this announcement); and

These irrevocable undertakings will only cease to be binding if: (i) the Offer Document or Scheme Document (as the case may be) has not been posted within 28 days of the issue of this announcement (or: (a) within such longer period as NSF, with the consent of the Panel, determines; or (b) if NSF elects to exercise its right to switch to implement the Transaction by way of a Scheme rather than an Offer (or vice versa), within 28 days of the issue of the press announcement announcing any such switch); (ii) the Scheme or Offer lapses or is withdrawn; (iii) by 31 July 2019, or such date as is agreed in writing between NSF and Provident, the Transaction has not been completed (whether implemented by the Offer or by the Scheme); (iv) NSF announces before the Offer Document or Scheme Document (as applicable) is published that it does not intend to proceed with the Transaction and no new, revised or replacement Offer or Scheme (as applicable) is announced by NSF; or (v) an announcement is made of a competing offer for Provident and the consideration payable to Provident Shareholders per Provident Share under such competing offer is at least 10 per cent. higher (in the reasonable opinion of the provider of the irrevocable undertaking) than that payable pursuant to the Transaction.

NSF has also received letters of intent in respect of the Transaction from Woodford, Invesco and Marathon, in their capacity as Provident Shareholders in respect of 50,672,662 Provident Shares, in aggregate, representing approximately 20.0062 per cent. of Provident's existing issued ordinary share capital on 21 February 2019 (being the last Business Day before this announcement).

Further details of these irrevocable undertakings and letters of intent are set out in Appendix 3.

14. Overseas Shareholders

The availability of the Transaction to Provident Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. Overseas Shareholders should inform themselves of, and observe, any applicable legal or regulatory requirements. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

15. Documents on Display

A copy of this announcement and the irrevocable undertakings and the letters of intent described in section 13 and listed in Appendix 3 will be published on NSF's website (www.nsfgroupplc.com) no later than 12 noon (London time) on 25 February 2019 until the end of the Offer Period.

16. General

The acquisition of Provident Shares is proposed to be implemented by way of takeover offer within the meaning of Chapter 3 of Part 28 of the Companies Act 2006 but NSF may, with the agreement of the Panel, elect to implement the proposed acquisition by way of a court-sanctioned scheme of arrangement. If NSF so elects, the Scheme will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Offer.

The Offer Document setting out further details of the Offer, including the Offer timetable and the Form of Acceptance, will be sent (or made available) to Provident Shareholders (other than to persons resident in a Restricted Jurisdiction) in due course.

Further Information

This announcement is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any

vote or approval in any jurisdiction pursuant to the Transaction or otherwise. The Transaction will be made solely pursuant to the terms of the Offer Document, which will contain the full terms and conditions of the Transaction, including details of how to vote in respect of the Transaction. Any decision in respect of, or other response to, the Transaction should be made only on the basis of the information contained in the Offer Document.

The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice.

This announcement does not constitute a prospectus or prospectus equivalent document.

Overseas Jurisdictions

The information contained herein is not for release, distribution or publication, directly or indirectly, in or into the United States, Canada, Australia, Japan, New Zealand, South Africa or any other Restricted Jurisdiction where applicable laws prohibit its release, distribution or publication. The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the applicable securities laws. This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Copies of this announcement and any formal documentation relating to the Transaction are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Unless otherwise determined by NSF and permitted by applicable law and regulation, the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Notice to US investors in Provident: The Transaction relates to the shares of an English company and is being made by way of a takeover offer. If, in the future, NSF determines to extend the offer into the United States, the Transaction will be carried out in compliance with applicable United States laws and regulations. Financial information included in this announcement and the Offer Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Important Notices relating to Financial Advisers

Ondra LLP, which is regulated in the United Kingdom by the FCA, is acting as financial adviser to NSF and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than NSF for providing the protections afforded to clients of Ondra LLP nor for providing advice in relation to any matter referred to herein.

Deutsche Bank AG is authorised under German Banking Law (competent authority: European Central Bank) and, in the United Kingdom, by the PRA. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to

limited regulation in the United Kingdom by the PRA and FCA. Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates will be responsible to any person other than NSF for providing any of the protections afforded to clients of Deutsche Bank nor for providing advice in relation to any matters referred to in this announcement. Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Bank in connection with this announcement, any statement contained herein, or otherwise. Deutsche Bank is acting as financial adviser to NSF and no other person in connection with the contents of this announcement.

Shore Capital, which is authorised and regulated in the United Kingdom by the FCA, acts as broker to NSF and will not regard any other person as its client and will not be responsible to anyone other than NSF for providing the protections afforded to clients of Shore Capital nor for providing advice in relation to any matter referred to herein.

Forward-Looking Statements

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Provident and certain plans and objectives of NSF with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'hope', 'aims', 'continue', 'will', 'may', 'should', 'would', 'could', or, in each case, their negative or other words of similar meaning. They appear in a number of places throughout the announcement and include statements regarding the intentions, beliefs or current expectations of the NSF and the NSF Board. These statements are based on assumptions and assessments made by NSF in light of its experience and its perception of historical trends, current conditions, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. NSF does not assume any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. No statement in this announcement is intended as a profit forecast or profit estimate and no statement in this presentation should be interpreted as such.

The forward-looking statements contained in this announcement speak only as at the date of this announcement. Except as required by the FCA, the London Stock Exchange or applicable law (including as may be required by the FCAs Listing Rules, the Disclosure and Transparency Rules and the Prospectus Rules), NSF and its directors expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement, whether as a result of any change in events, conditions or circumstances or otherwise on which any such statement is based.

Ondra LLP and Deutsche Bank (and their respective affiliates) expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Dealing and Opening Position Disclosure Requirements

Under Rule 8.3(a) of the City Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure. Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day following the date of the relevant dealing. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on website

A copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on NSF's website at www.nsfgroupplc.com no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, the content of this website is not incorporated by reference into, and does not form part of, this announcement.

Requesting Hard Copy Documents

In accordance with Rule 30.3 of the City Code, Provident Shareholders, persons with information rights and participants in Provident Share Schemes may request a hard copy of this announcement by contacting Sarah Day, during business hours on +44 20 3869 9020. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Transaction should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Provident Shareholders, persons with information rights and other relevant persons for the receipt of communications from Provident may be provided to NSF during the Offer Period as required under Section 4 of Appendix 4 of the City Code to comply with Rule 2.11(c).

Rounding

Certain figures included in this announcement, including financial information, have been subjected to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.

Rule 2.9

In accordance with Rule 2.9 of the City Code, NSF announces that, as at the date of this announcement, it has 312,049,682 ordinary shares of 5 pence each in issue and admitted to trading on the Main Market of the London Stock Exchange. The International Securities Identification Number for these ordinary shares is GB00BRJ6JV17.

APPENDIX 1

CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE TRANSACTION

Part A: Conditions of the Offer

The Offer will be subject to the following conditions (as amended if appropriate):

Acceptance condition

- (A) valid acceptances being received (and not, where permitted, withdrawn) by not later than 1.00 p.m. on the first closing date of the Offer (or such later time(s) and/or date(s) as NSF may, with the consent of the Panel or in accordance with the City Code, decide) in respect of not less than 90 per cent. (or such lower percentage as NSF may decide) (1) in nominal value of the Provident Shares to which the Offer relates, and (2) of the voting rights attached to those shares, provided that this Condition shall not be satisfied unless NSF shall have acquired or agreed to acquire, whether pursuant to the Offer or otherwise, shares in Provident carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at general meetings of Provident. For the purposes of this Condition:
- (i) shares which have been unconditionally allotted but not issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, shall be deemed to carry the voting rights they will carry on being entered into the Register of Members of Provident; and
 - (ii) the expression 'Provident Shares to which the Offer relates' shall be construed in accordance with Part 28 of the Companies Act 2006;

Shareholder approval

- (B) the passing at the NSF General Meeting (or at any adjournment thereof) of such resolution or resolutions as is or are necessary to approve, implement and effect the Transaction and the acquisition of any Provident Shares including a resolution or resolutions to authorise the allotment of New NSF Shares pursuant to the Transaction;

Admission to listing

- (C) (i) the admission to the Official List of the New NSF Shares becoming effective in accordance with the Listing Rules and the admission of such shares to trading becoming effective in accordance with the Admission and Disclosure Standards of the London Stock Exchange; or (ii) if NSF so determines (and subject to the consent of the Panel): (a) the UKLA having acknowledged to NSF or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the New NSF Shares to the Official List with a standard listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**listing conditions**")) will become effective as soon as a dealing notice has been issued by the UKLA and any listing conditions having been satisfied; and (b) the London Stock Exchange having acknowledged to NSF or its agent (and such acknowledgement not having been withdrawn) that the New NSF Shares will be admitted to trading on the Main Market for listed securities of the London Stock Exchange;

Regulatory

- (D) the FCA:
- (i) giving notice for the purpose of section 189(4)(a) of FSMA that it has determined to approve; or
 - (ii) being treated, by virtue of section 189(6) of FSMA, as having approved,
- the acquisition of control (as defined in section 181 of FSMA read in conjunction with the Financial Services and Markets Act 2000 (controllers) (Exemption) Order 2009) over Provident Financial Management Services Limited, Provident Personal Credit Limited, Moneybarn Limited, Moneybarn No. 1 Limited and Moneybarn No.4 Limited by NSF which will arise from the successful completion of the Transaction;
- (E) the PRA:
- (i) giving notice for the purpose of section 189(4)(a) of FSMA that it has determined to approve; or
 - (ii) being treated, by virtue of section 189(6) of FSMA, as having approved,
- the acquisition of control (as defined in section 181 of FSMA) over Vanquis by NSF which will arise from the successful completion of the Transaction;
- (F) the CBI giving approval for the acquisition of a qualifying shareholding in Provident and Provident Personal Credit Limited;

Antitrust approvals and clearances

- (G) either:
- (i) the CMA confirming, in terms satisfactory to NSF, that the proposed acquisition of Provident by NSF or any matter arising therefrom or related thereto or any part of it will not be subject to a reference under sections 22 or 33 of the Enterprise Act 2002 (a "**CMA Phase 2 Reference**"); or
 - (ii) the CMA accepting under section 73(2) of the Enterprise Act 2002 undertakings that are reasonably satisfactory to NSF in lieu of making CMA Phase 2 Reference;

General third party clearances

(H) (other than in respect of or in connection with Conditions (D) to (G) (inclusive)) no government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution or any other body or person whatsoever in any jurisdiction (each a "Third Party") having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps which would or might be expected to:

- (i) require, prevent or delay the divestiture, or alter the terms envisaged for any proposed divestiture by any member of the Wider NSF Group or any member of the Wider Provident Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof;
- (ii) require, prevent or delay the divestiture by any member of the Wider NSF Group of any shares or other securities in Provident;
- (iii) impose any limitation on, or result in a delay in, the ability of any member of the Wider NSF Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Provident Group or the Wider NSF Group or to exercise management control over any such member;
- (iv) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider NSF Group or of any member of the Wider Provident Group;
- (v) make the Offer or its implementation or the acquisition or proposed acquisition by NSF or any member of the Wider NSF Group of any shares or other securities in, or control of Provident void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, delay or otherwise interfere with the same, or impose additional conditions or obligations with respect thereto, or otherwise challenge or interfere therewith;
- (vi) other than pursuant to the Transaction, require any member of the Wider NSF Group or the Wider Provident Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Provident Group or the Wider NSF Group owned by any third party;
- (vii) impose any limitation on the ability of any member of the Wider Provident Group to coordinate its business, or any part of it, with the businesses of any other members; or
- (viii) result in any member of the Wider Provident Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Offer or the acquisition or proposed acquisition of any Provident Shares having expired, lapsed or been terminated;

(I) other than in relation to the Antitrust Approval and the Regulatory Approvals, all:

- (i) notifications, necessary filings or applications having been made in connection with the Offer and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Offer or the acquisition by any member of the Wider NSF Group of any shares or other securities in, or control of, Provident;
- (ii) authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals deemed necessary or appropriate by NSF or any member of the Wider NSF Group for or in respect of the Offer, or the proposed acquisition of any shares or other securities in, or control of, Provident by any member of the Wider NSF Group having been obtained in terms and in a form satisfactory to NSF from all appropriate Third Parties or persons with whom any member of the Wider Provident Group has entered into contractual arrangements and all such authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals together with all material authorisations orders, recognitions, grants, licences, confirmations, clearances, permissions and approvals necessary or appropriate to carry on the business of any member of the Wider Provident Group remaining in full force and effect and all filings necessary for such purpose have been made and there being no notice or intimation of any intention to revoke, suspend, materially restrict, materially modify or not to renew any of the same at the time at which the Offer becomes otherwise unconditional; and
- (iii) necessary statutory or regulatory obligations in any jurisdiction having been complied with;

Certain matters arising as a result of any arrangement, agreement etc.

- (J) there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Provident Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which in consequence of the Offer or the proposed acquisition of any shares or other securities in Provident or because of a change in the control or management of Provident or otherwise, could or might result in:
 - (i) any moneys borrowed by or any other indebtedness (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or modified or affected or any obligation or liability arising or any action being taken or arising thereunder;
 - (iii) any assets or interests of any such member being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged;
 - (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any such member;
 - (v) the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm or body (or any

arrangement or arrangements relating to any such interest or business) being terminated, modified or affected;

- (vi) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- (vii) any such member ceasing to be able to carry on business under any name under which it presently does so; or
- (viii) the creation of any liability, actual or contingent, by any such member,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Provident Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, could result in any of the events or circumstances as are referred to in subparagraphs (i) to (viii) of this Condition;

Certain matters occurring since 31 December 2017

- (K) except as publicly announced by Provident in accordance with the Listing Rules, Disclosure Rules or Transparency Rules prior to 22 February 2019, no member of the Wider Provident Group having, since 31 December 2017:
 - (i) save as between Provident and wholly-owned subsidiaries of Provident or for Provident Shares issued pursuant to the exercise of options and vesting of awards granted under the Provident Share Schemes, issued or agreed to be issued, authorised or proposed the issue of additional shares of any class;
 - (ii) save as between Provident and wholly-owned subsidiaries of Provident or for the grant of options, awards and other rights under the Provident Share Schemes, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - (iii) other than to another member of the Provident Group, prior to Completion, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;
 - (iv) save for intra-Provident Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business;
 - (v) save for intra-Provident Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital;
 - (vi) issued, authorised or proposed the issue of any debentures (save for intra-Provident Group transactions) or, save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
 - (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in

respect to the matters mentioned in sub-paragraphs (i) or (ii) above, made any other change to any part of its share capital;

- (viii) save for intra-Provident Group transactions, implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement or entered into or changed the terms of any contract with any director or senior executive, other than in the ordinary course of business;
- (ix) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or could be restrictive on the businesses of any member of the Wider Provident Group or the Wider NSF Group or which involves or could involve an obligation of such a nature or magnitude or which is other than in the ordinary course of business;
- (x) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed;
- (xi) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Provident Group or the Wider NSF Group;
- (xii) waived or compromised any claim otherwise than of an immaterial amount in the ordinary course of business;
- (xiii) entered into any contract, commitment, arrangement or agreement or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (K);
- (xiv) having made or agreed or consented to any change to:
 - (a) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Provident Group for its directors, employees or their dependents;
 - (b) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (c) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (d) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;
- (xv) proposed, agreed to provide or modified the terms of any of the Provident Share Schemes or other benefit relating to the employment or termination of employment of any person employed by the Wider Provident Group; or
- (xvi) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Provident Shareholders in a

general meeting in accordance with, or as contemplated by, Rule 21.1 of the City Code;

No adverse change, litigation or regulatory enquiry

- (L) except as disclosed in the accounts for the year then ended, since 31 December 2017:
- (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Wider Provident Group and no circumstances have arisen which would or might reasonably be expected to result in such adverse change;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Provident Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no enquiry, investigation or investigation by any Third Party against or in respect of any member of the Wider Provident Group having been instituted, announced or threatened by or against or remaining outstanding in respect of any member of the Wider Provident Group; and
 - (iii) no contingent or other liability having arisen or become apparent to NSF or increased;
- (M) no government, governmental, quasi-governmental, supranational, statutory or regulatory body, trade agency, association, institution or professional body having responsibility for the regulation or supervision of banking, consumer credit or financial services having taken steps which are likely to:
- (i) result in the withdrawal, cancellation, termination, material modification of, imposition of material conditions on or refusal to renew any licence held by any member of the Wider Provident Group; or
 - (ii) be instituted, implemented, taken or omitted, or threatened to take or to omit, any other action,

the effect of which would be, or would reasonably be expected to materially and adversely to affect the businesses, assets, prospects or profits of the Wider NSF Group or of the Wider Provident Group, and upon no such licences or permissions terminating or otherwise becoming invalid as a result of the Offer or its implementation the effect of which would be materially and adversely to affect the businesses, assets, prospects or profits of the Wider NSF Group or of the Wider Provident Group;

No discovery of certain matters

- (N) NSF not having discovered:
- (i) that any financial, business or other information concerning the Wider Provident Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Provident Group is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading;
 - (ii) that any member of the Wider Provident Group or partnership, company or other entity (in which any member of the Wider Provident Group has a significant economic interest and which is not a subsidiary of Provident) is subject to any liability (contingent or otherwise) which is not disclosed in the annual report and accounts of Provident for the year ended 31 December 2017; or

- (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Provident Group; and

Anti-corruption, sanctions and criminal property

(O) NSF not having discovered that:

- (i) any past or present member of the Wider Provident Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the use, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters, or that there has otherwise been any such use, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which use, disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) on the part of any member of the Wider Provident Group;
- (ii) there is, or is likely to be, for that or any other reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Provident Group to make good, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Provident Group, under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction; or
- (iii) any:
 - (a) past or present member, director, officer or employee of the Wider Provident Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010 or any other applicable anti-corruption legislation and regulation;
 - (b) person that performs or has performed services for or on behalf of the Wider Provident Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, or any other applicable anti-corruption legislation and regulation; or
 - (c) member of the Wider Provident Group is or has been engaged in any transaction which would cause NSF to be in breach of any law or regulation upon its acquisition of Provident, including the economic sanctions of HMRC, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the European Union or any of its member states.

Part B: Waiver and invocation of the Conditions

NSF reserves the right to waive, in whole or in part, all or any of Conditions, except for Conditions (A) (*Acceptance condition*), (B) (*Shareholder approval*), and (C) (*Admission to listing*), which cannot be waived.

Conditions (B) (*Shareholder approval*) and (C) (*Admission to listing*) must be fulfilled by, and Conditions (D) to (O) (inclusive) fulfilled or waived by, midnight on the twenty-first day after the later

of the first closing date of the Offer and the date on which Condition (A) (*Acceptance condition*) is fulfilled (or in each such case such later date as NSF may, with the consent of the Panel, decide), failing which the Offer will lapse.

NSF shall be under no obligation to waive or treat as satisfied any of Conditions (D) to (O) (inclusive) by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions of the offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.

Part C: Certain further terms of the Offer

The Offer will lapse if there is a CMA Phase 2 reference in respect of the Offer before 3.00 p.m. on the first closing date of the Offer or the date on which the Offer becomes or is declared unconditional as to acceptances, whichever is the later.

NSF reserves the right to elect (with the consent of the Panel) to implement the Offer by way of scheme of arrangement pursuant to Part 26 of the Companies Act 2006. In such event, such Scheme will be implemented on the same terms so far as applicable, as those that would apply to the Offer, subject to appropriate amendments including such amendments as may be required by law or regulation. In particular, Condition (A) (*Acceptance condition*) would not apply and the Scheme would become effective and binding following: (i) approval of the Scheme at any meeting, or any adjournment thereof, of the Provident Shareholders convened by order of the Court pursuant to section 899 of the Companies Act 2006 for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment) by a majority in number representing 75 per cent. or more in value of Provident Shareholders present and voting either in person or by proxy; (ii) the resolutions required to approve and implement the Scheme, being those set out in the notice of general meeting of the Provident Shareholders, being passed by the requisite majority at such general meeting; and (iii) the sanction of the scheme by the Court (with or without modification, and any such modification being acceptable to NSF and Provident) and the delivery of a copy of the Court order to the Registrar of Companies of England and Wales.

If NSF is required by the Panel to make an offer for Provident Shares under the provisions of Rule 9 of the City Code, NSF may make such alterations to any of the Conditions as are necessary to comply with the provisions of that rule.

The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

The Offer will be governed by English law and be subject to the jurisdiction of the English courts and to the Conditions (as set out in this announcement and in the formal Offer Document and related Form of Acceptance). The Offer will comply with the applicable rules and regulations of the FCA and the London Stock Exchange and the City Code.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Provident Shares which will be acquired under the Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement.

Fractions of New NSF Shares may not be allotted or issued to persons accepting the Offer. Detailed terms regarding fractional entitlements will be set out in the Offer Document.

The Offer will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or e-mail) of interstate or foreign commerce of, or of any facility of a national securities exchange of any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

The New NSF Shares to be issued pursuant to the Offer have not been and will not be registered under the United States Securities Act of 1933 (as amended) nor under any of the relevant securities laws of any Restricted Jurisdiction. Accordingly, the New NSF Shares may not be offered, sold or delivered, directly or indirectly, in any Restricted Jurisdiction nor to any United States person, except pursuant to exemptions from applicable requirements of any such jurisdiction.

The New NSF Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the existing NSF Shares. Applications will be made to the UKLA for the New NSF Shares to be admitted to the Official List with a standard listing and to the London Stock Exchange for the New NSF Shares to be admitted to trading.

NSF reserves the right to direct that a portion of the Provident Shares to be transferred pursuant to acceptances of the Offer be transferred directly to a wholly-owned subsidiary of NSF.

APPENDIX 2

BASES AND SOURCES

In this announcement:

1. Unless otherwise stated:
 - financial information relating to the NSF Group has been extracted or derived (without any adjustment) from the audited Annual Report and Accounts for NSF for the year ended 31 December 2017 and NSF's announcement dated 22 January 2019 of its 2018 year-end trading update results (which are unaudited); and
 - financial information relating to the Provident Group has been extracted or derived (without any adjustment) from the audited Annual Report and Accounts for Provident for the year ended 31 December 2017 and Provident's announcement dated 15 January 2019 of its trading update (which are unaudited).
2. The value of the Offer is calculated:
 - by reference of the price of 511 pence per Provident Share, being the Closing Price on 21 February 2019, the last Business Day prior to this announcement; and
 - on the basis of the fully diluted number of Provident Shares in issue referred to in paragraph 4 below.
3. As at the close of business on 21 February 2019, being the last Business Day prior to the date of this announcement, Provident had in issue 253,284,814 Provident Shares (source: the most recent Voting Rights and Capital announcement of Provident dated 31 January 2019) and NSF had in issue 312,049,682 NSF Shares. The International Securities Identification Number for Provident Shares is GB00B1Z4ST84.
4. The fully diluted share capital of Provident (being 253,284,814 Provident Shares) is calculated on the basis of:
 - the number of issued Provident Shares referred to in paragraph 3 above;

- an assumption that any outstanding options or awards from the Provident Long Term Incentive Schemes 2006 and 2015 and the Provident Performance Share Plan (over up to 892,244 Provident Shares) will be satisfied using shares held in the Provident 2007 Employee Benefit Trust, in accordance with Provident's past practice; and
- an assumption that outstanding options under the Provident plc Employee Savings-related Share Options Scheme (2003), the Provident Employee Savings-related Share Options Scheme (2013) and the Provident Irish Employee Savings-related Share Options Scheme 2014 will not be exercised due to their exercise prices exceeding the current Provident share price.

Adjustments can be made once further information is made available, in particular, adjustments relating to options and awards granted during the year ended 31 December 2018.

5. The total shareholder return of Provident under the leadership of John van Kuffeler is calculated for the period from 25 October 1991 to 1 January 2014 and comprises the increase in share price over the period plus the reinvestment of dividends (assuming reinvestment on pay date). The total shareholder return is inclusive of International Personal Finance plc, which was demerged from Provident on 16 July 2007. All data is sourced from FactSet.
6. Each cost to income ratio is calculated as reported costs divided by reported revenues (such figures are based on disclosed adjusted financials for Provident and disclosed normalised financials for NSF).

APPENDIX 3

DETAILS OF IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT

IRREVOCABLE UNDERTAKINGS

Provider of irrevocable undertaking	Number of Provident Shares over which undertaking is given	Percentage of Provident issued share capital subject to the undertaking
Woodford Investment Management Limited	37,368,184	14.7534
Invesco Asset Management Limited	30,570,924	12.0698
Marathon Asset Management LLP	8,046,083	3.1767
Total	75,985,191	29.9999

The obligations of the Provident Shareholders listed in the table above under their respective irrevocable undertakings cease to be binding only on and from the earlier of the following occurrences:

- (A) if the Offer Document or Scheme Document (as the case may be) has not been posted within 28 days of the issue of this announcement (or: (a) within such longer period as NSF, with the consent of the Panel, determines; or (b) if NSF elects to exercise its right to switch to implement the Transaction by way of a Scheme rather than an Offer (or vice versa), within 28 days of the issue of the press announcement announcing any such switch);

- (B) the date on which the Scheme or Offer lapses or is withdrawn;
- (C) by 31 July 2019, or such date as is agreed in writing between NSF and Provident, the Transaction has not been completed (whether implemented by the Offer or by the Scheme);
- (D) NSF announces before the Offer Document or Scheme Document (as applicable) is published that it does not intend to proceed with the Transaction and no new, revised or replacement Offer or Scheme (as applicable) is announced by NSF; or
- (E) an announcement is made of a competing offer for Provident and the consideration payable to Provident Shareholders per Provident Share under such competing offer is at least ten per cent. higher (in the reasonable opinion of the provider of the irrevocable undertaking) than that payable pursuant to the Transaction.

LETTERS OF INTENT

Provider of letter of intent	Number of Provident Shares over which letter of intent is given	Percentage of Provident issued share capital subject to the letter of intent
Woodford Investment Management Limited	26,698,692	10.5410
Invesco Asset Management Limited	22,066,763	8.7122
Marathon Asset Management LLP	1,907,207	0.7530
Total	50,672,662	20.0062

Each of the Provident Shareholders listed in the table above has provided a non-binding letter of intent to accept, or so far as practicable, seek to procure acceptance of the Offer.

APPENDIX 4

LETTER TO PROVIDENT EMPLOYEES

Dear Provident employees,

I am writing to you about the firm offer announcement made this morning by Non-Standard Finance plc to acquire Provident Financial plc (the "**Transaction**"). Whilst this may be unsettling for many of you, I wanted to set out our rationale for the Transaction and an outline of our plans.

The board of Non-Standard Finance and I believe that completion of the Transaction would mark the end of what has been a very difficult period for you and for Provident over the past few years. We also believe it would also mark the beginning of a return to the steady success and progress that Provident enjoyed during my 22 years of leadership between 1991 and 2013.

Many of you will know me as a former colleague of many years and may have met me during my frequent visits round the Provident Group. You may also know that I believe in creating a positive business culture, one where staff and management enjoy their

work and customers are well served and looked after properly. By the end of my tenure there, I was incredibly proud of the values and culture that had been established, both of which I believe underpinned the business' success.

My management team at Non-Standard Finance share these values and include a number of the former Provident board and senior management team. We therefore understand the problems that some of you are facing and have a clear plan to address these. I am confident you will enjoy working with my colleagues, some of whom you will know well.

However, it is also important to be open and honest with you. There are some areas of the Provident Group which have grown out of proportion to the business as a whole, including Group Head Office and some of the central management functions at Provident's consumer credit division. Post-completion, there will be a detailed review of the value added by all of these areas to determine what further changes need to be made. We also intend to close or sell Satsuma and sell Moneybarn in a competitive auction process to be launched following completion, with suitable incentives for management to achieve a successful sale.

Non-Standard Finance will bring two highly successful businesses into the Transaction, both of which will provide new products and opportunities for the Enlarged Group. These are Everyday Loans, a lending business with 65 branches round the UK which specialises in £1,000 to £15,000 unsecured loans to those with impaired or thin credit records. We have almost doubled the size of Everyday Loans' branch network in the three years of our ownership. The second business is our Guarantor Loans Division (which trades under the trading names of TrustTwo and George Banco). This is a fast-growing business based in Trowbridge in Somerset and Bourne End in Buckinghamshire, that provides non-standard customers with unsecured loans that are supported by the presence of a guarantor. The addition of these businesses will broaden the product offering available to Provident's customers through the addition of two product categories that we believe are highly complementary. If the Transaction is completed, the combined Non-Standard Finance and Provident businesses going forward will therefore be:

- Vanquis Bank - one of the UK's leading sub-prime credit card businesses
- Provident's Consumer Credit Division - the UK's largest home credit business
- Everyday Loans - the UK's leading branch-based provider of sub-prime credit
- TrustTwo and George Banco - the UK's clear number two guarantor loans business

We believe that the Transaction would establish the Enlarged Group as a leading UK non-standard finance provider providing a broad product offering and driving good customer outcomes.

A further key part of the Transaction is that we intend to carry out the demerger of Loans at Home, Non-Standard Finance's home credit business. The demerger is intended to assist with the competition approval process, which is a condition for completion. The demerger, which remains subject to further consideration by the CMA, is expected to become effective shortly after completion of the Transaction and we intend to apply for the shares in Loans at Home to be admitted to trading on the London Stock Exchange.

Whilst I appreciate you and Provident have faced significant challenges in the recent past and that there is a lot of work to do, I am confident that under my leadership and by

executing the strategy outlined above we can transform Provident for the benefit of shareholders, customers and employees.

I look forward to meeting you in due course and working with you once the Transaction has been completed.

John van Kuffeler

Group Chief Executive & Founder
Non-Standard Finance plc

Important Notices

The directors of Non-Standard Finance accept responsibility for the information and opinions contained in this letter. To the best of the knowledge and belief of the directors of Non-Standard Finance (who have taken all reasonable care to ensure that such is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of such information.

This letter is not intended to, and does not, constitute or form any part of an offer to sell, issue or subscribe for, or an invitation or inducement to purchase, sell or subscribe for, any shares or other securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Transaction or otherwise. The Transaction will be made solely pursuant to the terms of the Offer Document to be sent to Provident shareholders in connection with the Transaction, which will contain the full terms and conditions of the Transaction, including details of how to vote in respect of the Transaction. Any decision in respect of, or other response to, the Transaction should be made only on the basis of the information contained in the Offer Document.

This letter does not constitute a prospectus or prospectus equivalent document.

A copy of this letter is available on Non-Standard Finance's website at www.nsfgroupplc.com (subject to certain restrictions relating to persons resident in certain jurisdictions outside the UK where local laws or regulations may result in risk of civil, regulatory or criminal exposure if information concerning the Transaction is sent or made available). For the avoidance of doubt, the content of this website is not incorporated by reference and does not form part of this letter.

APPENDIX 5

DEFINITIONS

"AIM"	the Alternative Investment Market of the London Stock Exchange
"Antitrust Approval"	the approval of the Condition of the Transaction set out at Condition (G) of Part A of Appendix 1
"ASA"	Advertising Standards Authority
"Business Day"	a day, (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London
"CBI"	the Central Bank of Ireland

"City Code"	the City Code on Takeovers and Mergers
"Closing Price"	the closing middle market quotations of a share derived from the Daily Official List of the London Stock Exchange
"CMA"	the Competition and Markets Authority
"Completion"	the completion of the Transaction
"Conditions"	the conditions of the Transaction set out in Appendix 1 to this announcement
"Court"	the High Court of Justice in England and Wales
"Dealing Disclosure"	an announcement pursuant to Rule 8 of the City Code containing details of dealings in interests in relevant securities of a party to an offer
"Demerger"	the intended demerger of Loans at Home from NSF
"Deutsche Bank"	Deutsche Bank AG, acting through its London branch
"Enlarged NSF Group"	the enlarged group following Completion, comprising the NSF Group and Provident Group but excluding Loans at Home, if the Demerger completes
"FCA"	the Financial Conduct Authority
"Form of Acceptance"	the form of acceptance of the Offer which will accompany the Offer Document
"FSMA"	the Financial Services and Markets Act 2000 (as it may have been, or may from time to time be, amended, modified, re-enacted or replaced).
"HMRC"	Her Majesty's Revenue and Customs
"Home Credit Team"	has the meaning given in (i) <i>Strengthening of management teams</i> of section 4
"ICO"	the Information Commissioner's Office
"Invesco"	Invesco Asset Management Limited
"London Stock Exchange"	London Stock Exchange plc

"Main Market"	the main market of the London Stock Exchange
"Marathon"	Marathon Asset Management LLP
"Moneybarn"	Moneybarn, a division of the Provident Group, which provides vehicle finance
"New NSF Shares"	the NSF Shares to be issued to Provident Shareholders pursuant to the terms of the Offer
"NSF"	Non-Standard Finance plc, incorporated in England and Wales with registered number 09122252
"NSF Board"	the board of directors of NSF
"NSF General Meeting"	the general meeting of NSF Shareholders to be convened to consider and if thought fit pass resolutions necessary to approve, implement and effect the Transaction
"NSF Group"	NSF and its subsidiary and associated undertakings on the date of this announcement
"NSF Guarantor Loans Division"	the guarantor loans division of NSF, consisting of George Banco and TrustTwo
"NSF Shareholders"	the holders of NSF Shares
"NSF Shares"	the ordinary shares of 5 pence each in the capital of NSF
"Offer"	the proposed takeover offer, as defined in Chapter 3 of Part 28 of the Companies Act 2006, to be made by or on behalf of NSF to acquire the entire issued share capital of Provident and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
"Offer Document"	the document to be sent to Provident Shareholders which will contain, inter alia, the terms and conditions of the Offer (and, should the Transaction be implemented by means of the Scheme, all references shall be construed as reference to the Scheme Document)
"Offer Period"	the period commencing on 22 February 2019 and ending on the earlier of the date on which the Offer becomes effective and/or the date on which the Offer lapses or is withdrawn (or such other date as the Panel may decide)
"Official List"	the official list maintained by the UK Listing Authority
"Opening Position Disclosure"	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position
"Overseas Shareholders"	Provident Shareholders who are resident in, ordinarily resident in, or

	citizens of, jurisdictions outside the United Kingdom
"Panel"	the Panel on Takeovers and Mergers
"Post-Completion Review"	has the meaning given in section 4
"PRA"	the Bank of England acting in its capacity as the Prudential Regulation Authority
"Prospectus"	the prospectus to be published by NSF in connection with the issuance of the New NSF Shares and the re-admission of the Enlarged NSF Group to the Official List and to trading on the London Stock Exchange's Main Market for listed securities in due course
"Provident"	Provident plc, incorporated in England and Wales with registered number 00668987
"Provident Board"	the board of directors of Provident
"Provident Group"	Provident and its subsidiary and associated undertakings
"Provident Share Schemes"	the employee share schemes of Provident as described and defined in Provident's latest annual report and accounts including but not limited to the Provident Financial plc Employee Savings-Related Share Option Scheme (2003), the Provident Financial Savings-Related Share Option Scheme 2013, the Provident Financial Share Incentive Plan (SIP), the Provident Financial Irish Savings-Related Share Option Scheme 2014, the Provident Financial Performance Share Plan, the Provident Financial Long Term Incentive Scheme 2015 and the Provident Financial Equity Plan
"Provident Shareholders"	the holders of Provident Shares
"Provident Shares"	the ordinary shares of 20 ⁸ / ₁₁ pence each in the capital of Provident
"Regulatory Approvals"	the approval of the Conditions of the Transaction set out at Conditions (D), (E) and (F) of Part A of Appendix 1
"Restricted Jurisdiction"	any jurisdiction where local laws or regulations may result in risk of civil, regulatory or criminal exposure if information concerning the Transaction is sent or made available to Provident Shareholders in that jurisdiction including, without limitation, United States, Australia, Canada, New Zealand, Japan and the Republic of South Africa
"ROP"	Vanquis' Repayment Option Plan product which, <i>inter alia</i> , allows the consumer to freeze their account for up to two years in certain defined circumstances, gives a payment holiday once every 12 months, provides a 'lifeline' feature and sends notification messages relating to payment reminders and credit limits
"Satsuma"	Satsuma Loans, a division of the Provident Group, which provides online unsecured loans
"Scheme"	a court sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 between Provident and Provident Shareholders to implement the Transaction, should the Transaction be

implemented by means of a scheme of arrangement

"Scheme Document"	should the Transaction be implemented by means of the Scheme, the document to be dispatched to Provident Shareholders including the particulars required by section 897 of the Companies Act 2006
"subsidiary"	has the meaning given in section 1159 of the Companies Act 2006
"subsidiary undertaking"	has the meaning given in section 1162 of the Companies Act 2006
"Third Party"	has the meaning given in Condition (H) of Part A of Appendix 1
"Transaction"	the proposed acquisition of the entire issued capital of Provident by NSF, to be effected by the Offer as described in this document (or by the Scheme under certain circumstances described in this document)
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"UK Listing Authority" or "UKLA"	the FCA as the authority for listing in the United Kingdom
"US" or "United States"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"Vanquis"	Vanquis Bank Limited
"Wider NSF Group"	NSF and its subsidiary undertakings, associated undertakings and any other undertaking in which NSF and/or such undertakings (aggregating their interests) have a significant interest
"Wider Provident Group"	Provident and its subsidiary undertakings, associated undertakings and any other undertaking in which Provident and/or such undertakings (aggregating their interests) have a significant interest
"Woodford"	Woodford Investment Management Limited

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