

Amigo Holdings PLC

Market Update

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Amigo Holdings PLC  
08 June 2020

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

8 June 2020

**Amigo Holdings PLC**  
("Amigo" or the "Company")

**Market update on complaints, dividend update, departure of Chairman and conclusion of Formal Sale Process**

**Update on complaints**

Amigo has seen a significant increase in customer complaints in recent weeks. As announced on 27 May 2020, Amigo, in line with its commitment to managing complaints raised by customers in accordance with regulatory requirements, has agreed a Voluntary Requirement with the Financial Conduct Authority to work through and reach a decision, before the end of June 2020, on a backlog of complaints which have arisen principally in 2020.

Whilst there is significant uncertainty about the eventual outcome, Amigo expects that the cost of clearing the backlog of complaints covered by the Voluntary Requirement will be at least £35 million and could be materially higher.

In addition, Amigo expects to report a material increase in the provision in respect of complaints within its full year results for the year to 31 March 2020, which are expected to be announced by the end of June 2020.

In light of this increase in provision, the board believes that it is prudent to conserve capital in the business and thus will not be recommending a final dividend for the year ended 31 March 2020.

**Update on departure of Chairman**

On 9 December 2019, Amigo announced that Stephan Wilcke would not stand for re-election at Amigo's forthcoming annual general meeting. Mr Wilcke has now served formal notice of resignation on the board on 7 June 2020. The Board intends to agree with Mr Wilcke over the coming days, a mutually agreeable termination date, expected to be a date after the

forthcoming general meeting on 17 June 2020. The board would like to thank Stephan for his significant contribution to the business over many years.

Amigo will make an announcement in relation to the handover date of Mr Wilcke to an interim Chairman in due course.

Stephan Wilcke commented: *"I have chosen to resign now to make it crystal clear to everyone that the assertions made by Richmond Group about the motivations of myself and the board as clinging to our seats for our own ends are completely false. The EGM vote is about the Relationship Agreement and compliance with regulatory obligations, and nothing else. I feel able to resign at this point in time as the two key matters keeping me on the board being the FSP and the Relationship Agreement dispute with Richmond Group are now settled."*

### **Conclusion of Formal Sale Process ("FSP")**

Amigo has concluded the FSP announced on 27 January 2020. The FSP identified a number of potential acquirors who made indicative offers that were materially above where Amigo's shares were trading at the time they were received and the board considered worth further investigating. However, given the current market environment, the potential acquirer with whom the Company has been in discussions has withdrawn from the FSP. The Company is not currently in receipt of any other offers and therefore the board is terminating the FSP with immediate effect.

Amigo is committed to working with all stakeholders and regulators to determine a clear path forward for the Company.

Following this announcement, the Company is no longer considered to be in an offer period, as defined in the City Code on Takeovers and Mergers (the "**Code**"), and the requirement to make disclosures under Rule 8 of the Code has now ceased.

### **Full year results to 31 March 2020**

Amigo expects to update the market on its full year results by the end of June 2020.

### **Contacts:**

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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014. The person responsible for this announcement is Roger Bennett, Company Secretary.

### **Senior Secured Notes**

This announcement constitutes notice by Amigo Luxembourg S.A. (the "**Issuer**") to the holders of the Issuer's 7.625% Senior Secured Notes due 2024 (for the notes issued pursuant to Rule 144A of the United States Securities Act of 1933, ISIN: XS1533928468 and Common Code: 153392846; for the notes issued pursuant to Regulation S of the United States Securities Act of 1933, ISIN: XS1533928625 and Common Code: 153392862) (the "**Notes**") issued pursuant to pursuant to Section 4.03(a)(3) of an indenture dated January 20, 2017 among, inter alia, the Issuer, the guarantors named therein and U.S. Bank Trustees Limited, as

trustee and security agent. Amigo Holdings PLC is the indirect parent company of the Issuer. This announcement shall constitute a "Report" to holders of the Notes.

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