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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

14 February 2023

Amigo Holdings PLC

Conclusion of Enforcement Action

Amigo Holdings PLC ("Amigo" or "the Company"), a provider of mid-cost credit in the UK, welcomes the conclusion of the previously announced Financial Conduct Authority ('FCA') Enforcement proceedings into the group's historic lending practices and complaints' handling processes (the 'Legacy Issues').

Amigo's new Board and management have cooperated with the FCA's investigation which has now concluded. The Company accepts the findings of the Enforcement proceedings which are set out in detail within the FCA's Final Notice published on its website.

Although Amigo is not required to pay a financial penalty, it accepts that if it were not for its current financial position, the Company would have been subject to a penalty of £72,900,000. In reaching agreement on the level of the final penalty, the FCA recognised that any penalty would cause Amigo serious financial hardship and would have threatened the Company's ability to meet its commitments to redress creditors identified under Amigo's Scheme of Arrangement, which was sanctioned by the High Court in May 2022 (the "Scheme").

The final conclusion of the Enforcement proceedings represents an important milestone for the Company in bringing the Legacy Issues to a close. In reaching this milestone, the Company acknowledges the time and resource allocated by the FCA to review the historic business and to identify previous customer harm.

At a wider level the outcome from the investigations and the contents of the Final Notice will, we believe, provide useful guidance to both Amigo and all firms which provide credit to customers who are not readily able to access the services of the mainstream credit providers.

Since the Enforcement Action commenced in 2020 the Board of the Company has completely changed and the senior management team substantially refreshed by the engagement of subject matter experts. This approach has allowed Amigo to reflect on the past behaviours and to develop its new business proposition, RewardRate, which fully incorporates the lessons learned. Since this investigation began, Amigo's new Board and executive team have established a strong business plan, improved approach to individual conduct and put in place more robust lending controls in pursuit of compliant and better customer outcomes.

Danny Malone, Chief Executive of Amigo, said: "I would like to apologise again to any customers impacted for the past failings in lending practises that occurred during the period 2018-2020. As a new Board and management team, we fully accept the lessons that needed to be learnt for the future and our focus remains on rebuilding a business that delivers better outcomes for customers, backed by stronger lending controls and a better culture.

"The FCA's decision in October 2022 to allow Amigo to return to lending on a pilot basis reflects the significant change that has been undertaken in the business, and we would like to thank the FCA for working constructively with us. The conclusion of this investigation enables us to draw a line under these historic lending issues as we seek to secure the capital required for the future."

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.

ENDS

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About Amigo Loans

Amigo is a public limited company registered in England and Wales with registered number 10024479. The Amigo Shares are listed on the Official List of the London Stock Exchange. Since October 2022, Amigo has offered guarantor loans and non-guarantor personal loans under its RewardRate brand. Both products reward customers for on-time payments with an annual, interest-free, payment holiday and the opportunity to reduce the effective APR, encouraging better financial management and facilitating a long-term improvement of customers' credit scores and financial mobility. Amigo has provided guarantor loans in the UK from 2005, offering access to mid-cost credit to those who are unable to borrow from traditional lenders due to their credit histories. The guarantor loan concept introduces a second individual to the lending relationship, typically a family member or friend with a stronger credit profile than the borrower. This individual acts as guarantor, undertaking to make loan payments if the borrower does not. Amigo's back book of loans issued pre-November 2020 is in the process of being run off with all net proceeds due to creditors under a Court approved Scheme of Arrangement. Amigo Loans Ltd and Amigo Management Services Ltd are authorised and regulated in the UK by the Financial Conduct Authority.

Additional Information

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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