

Provident Financial

18:47 16 Apr 2019

Provident chairman blasts NSF over "unlawful" dividend payments

The chairman of Provident Financial PLC (LON:PFG), Patrick Snowball, has blasted hostile takeover bidder Non-Standard Finance PLC (LON:NSF) over "unlawful" dividend payments in the latest broadside over the future of the sub-prime lender.

In a letter to shareholders, Snowball said the admission by NSF that certain dividends paid out since 2015 had been in contravention of the Companies Act was "a telling indictment" of the competency of NSF and the "weak oversight" from its board.

READ: NSF receives over 50% acceptance from Provident Financial shareholders for takeover bid

He added that the payments, which NSF said were "technical infringements", called into question their ability to run Provident, a firm "some seven times larger than their own", if the hostile bid succeeded.

NSF originally revealed the discrepancies in a statement on Friday, although it stressed that they had "no bearing" on its financial performance.

The admission is a welcome opportunity for Provident to stick the knife in as it has been battling a hostile takeover bid from NSF, headed by its ex-boss John Van Kuffeler, since February.

The £1.3bn offer, which has been branded by Snowball as "more of a coup d'état than a hostile takeover", has already secured acceptances from shareholders representing over 50% of the company's shares.

Three of Provident's major shareholders, Woodford Investment Management, Invesco Asset Management and Marathon Asset Management, have also indicated that they will accept NSF's bid.

It follows a turbulent year that has seen Provident rocked by regulatory fines, a plunge in profits, and a declining share price.

In early morning trading on Tuesday, Provident shares were up 0.7% at 519.4p.

Price: 169

Market Cap: £428.36 m

1 Year Share Price Graph



Share Information

Code: PFG

Listing: LSE

52 week High Low
492.7 126.87

Sector: Financial Services

Website: www.providentfinancial.com

Company Synopsis:

Provident Financial plc is a United Kingdom-based company engaged in the credit card business. The Company operates in two divisions: consumer credit division and Vanquis Bank. The consumer credit division includes home credit and direct repayment loans.

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