



NextPoint Acquisition Corp. Announces Closing of Acquisitions of Liberty Tax and LoanMe

- NextPoint Financial expected to begin trading on TSX under ticker symbol “NPF” on July 6, 2021
- Announces upsize of previously announced private placement for total proceeds of \$112.6 million

All amounts in U.S. dollars.

Toronto, ON – July 2, 2021 - NextPoint Acquisition Corp. (TSX:NAC.U, NAC.WT.U) (“**NextPoint**” or the “**Company**”), a publicly traded special purpose acquisition corporation (“**SPAC**”), announced today that it has closed its qualifying acquisition of Liberty Tax and LoanMe, and an upsize of its previously announced private placements from US\$25 million to \$112.6 million. The Company will now operate as NextPoint Financial Inc. (“**NextPoint Financial**”) and its common shares (“**Common Shares**”) are expected to begin trading on the Toronto Stock Exchange under the ticker symbol “NPF” on July 6, 2021.

“In just over a year from establishing this SPAC, we have closed two acquisitions that immediately create a financial services company with scale and opportunities for synergistic growth. With a management team and board comprised of proven executives and operators across the financial services, digital and retail sectors, we have very quickly created an organization that is set to impact how financial services are delivered to North America consumers and small businesses,” said Andy Neuberger, Chairman of NextPoint Financial.

“Our pre-integration of Liberty Tax and LoanMe has already begun with loans currently available in many Company owned stores as well as franchised locations. We have significant interest from our network of approximately 1,300 franchisees to accelerate the roll-out of loan products and this will be complemented by an expanded offering that will include near prime loans, mortgages, insurance products, bookkeeping and other ancillary services. As our integration progresses, we will continue to look for opportunities to add new products and services for our client base and we will build on our leading technology platform that allows for seamless, multi-channel and digital delivery of tax preparation as well as all other products and services,” added Brent Turner, Chief Executive Officer of NextPoint Financial.

NextPoint Financial’s head office is located at 500 Grapevine HWY, Suite 402, Hurst, TX 76054 and the registered office is located at 595 Burrard Street, Suite 2600, Three Bentall Centre, Vancouver, BC, V7X 1L3, Canada.

Corporate Update

The Company also announced that after giving effect to the acquisitions, notice of redemption and the upsizing of its previously announced private placement, it will have approximately US\$100 available under its credit facility to execute its growth strategy and to fund working capital.

In connection with the closing of the transaction, 11.26 million Common Shares were issued pursuant to the previously announced private placement and 111,050 proportionate voting shares of NextPoint Financial (“**Proportionate Voting Shares**”) were issued to the vendors of Liberty Tax and LoanMe. After processing the redemptions of the class A restricted voting shares of the issuer (“**Class A Shares**”) and closing of the qualifying acquisition and the private placement, there are now 16,538,170 Common Shares and 168,550 Proportionate Voting Shares outstanding.



Investment Highlights

- **Countercyclical business model and resilient year-round operations** – Diversified fee and lending revenue: tax preparation and related (43%); consumer lending (36%); small and medium-sized enterprise (“SME”) lending (16%); and other services/new product roll-outs (5%)
- **Large market of underserved consumers and small business** – in excess of 163 million U.S. individual tax filings in 2020, growing consistently with over half of individual filed returns using paid tax preparation services; 30 million SMEs in the U.S., generally underserved by traditional financial institutions
- **Meaningful cross-selling opportunities** – A combined customer base of approximately 2 million customers for existing and new product and service offerings
- **Significant growth potential** – Anticipated new products and services, built organically or through acquisitions in largely fragmented industry, may include mortgages, point of sale lending, lines of credit, mobile app subscription services, auto finance, mobile banking, debt resolution and financial health services
- **Robust and scalable technology platform** – We have re-engineered everything from the way our customers file their taxes, to how they receive and spend their refunds, to offering the financial products and services they need, when they need them, engaging consumers in the methods and on the platforms of their choosing; whether it is starting a return through two-way texting, using our mobile app, going on-line or visiting a branch face to face, we provide options no other tax preparer does; our platform will allow for the same approach with loans and additional financial services
- **Strong risk management and compliance focused culture** – robust underwriting capabilities to drive attractive risk-adjusted yields developed through LoanMe’s underwriting experience and (non-personal) data collection through more than 340,000 funded loans
- **Veteran leadership team** –Liberty Tax and LoanMe senior management to lead operations and growth under guidance of NextPoint board steeped in finance, retail and franchising expertise

NextPoint Financial Board of Directors

Andy Neuberger: Chairman of NextPoint Financial; over 25 years of financial services experience as founder of BasePoint Capital, an alternative lender where he deployed over \$4 billion in 73 transactions, and former Global Head of Warehouse Lending for Morgan Stanley.

Nik Ajagu: Head of Media Solutions Americas and Global Head of Advertising Technology Partnerships at Facebook from 2007 to 2019; helped launch Ecosystem Ventures, contributing to the growth and development of companies such as Autonet Mobile (acquired by Lear Corporation in 2015) and Playspan (acquired by Visa in 2011); co-founder of Code and Canvas, and Barrel and Ink.

Jean Birch: more than 20 years of consumer retail experience running large restaurant companies, such as IHOP, Macaroni Grill and Corner Bakery Café; currently a director of Charlotte’s Web Holdings, Jack in the Box, CorePoint Lodging, and Forrester Research.

John Lederer: current Executive Chairman of Staples, Inc. and a Senior Advisor at Sycamore Partners LLC; former Chief Executive Officer of US Foods, Chairman and CEO of Duane Reade Holdings, Inc. and President at Loblaw Companies Limited; currently serves on the boards of US Foods, Inc., Maple Leaf Foods Inc., and Walgreens Boots Alliance, Inc.

Alicia Morga: founder and CEO of No. 8 Media, Inc.; founder and CEO of Consorte Media, Inc., a venture-backed digital marketing company; previously roles included venture capital for The Carlyle Group and



Hummer Winblad Venture Partners, corporate attorney for Wilson Sonsini Goodrich & Rosati, and investment banking at Goldman, Sachs & Co.

Wendy Lane: over 29 years of experience as a corporate director on 11 boards, three of which were internationally-based; previously chair of the Audit Committee of Laboratory Corporation, member of the Audit Committee of Willis Towers Watson plc and its predecessor; founded and chaired the Audit and Risk Committee of Al-Dabbagh Group Holding Co. Ltd.; sat on the Audit Committee of UPM-Kymmene Corporation, a \$16 billion Finnish paper, pulp and energy company.

William Minner: most recently a director of Franchise Group, Inc. and Chair of its audit committee; served as a Chief Financial Officer and consultant since 1996 to over 25 companies; previously Chairman, President and Chief Executive Officer of Suburban Federal Savings Bank.

Logan Powell: currently Marilyn and Charles H. Doebler IV Dean of Admission at Brown University, chair of the council of Ivy deans of admission and serves on several national non-profit advisory boards; previously director of admission at Princeton University, senior associate dean of admission at Bowdoin College and senior admissions officer at Harvard University.

Brent Turner: currently CEO of NextPoint Financial; over 27 years of experience in financial services including as CEO of Liberty Tax since 2019, Executive Vice President, Head of Consumer Lending at MetaBank, Vice President of Financial Services at Rent-A-Center, COO at Financial Payments, LP, AVP at Ace Cash Express and President at Quickcash, Inc.

Jonathan Williams: currently President of Lending at NextPoint Financial; over 29 years of experience in finance and accounting; previously President and CEO of LoanMe and held various positions with Morgan Stanley, Ameritrust Capital Group and Coldwell Banker.

Early Warning Reports

In connection with the completion of the qualifying acquisition, NextPoint Acquisition Sponsor LLC (the “**Sponsor**”) distributed all the Proportionate Voting Shares held by it to its members (collectively, the “**Distributed Shares**”). 28,750 Proportionate Voting Shares were distributed to an entity controlled by Andy Neuberger or persons related to him and 28,750 Proportionate Voting Shares were distributed to JAAR, LLC or persons related to it. The distribution did not take place through the facilities of any stock exchange or any other marketplace.

Immediately prior to the completion of the qualifying acquisition, the Sponsor owned an aggregate of 5,700,000 Class B shares of the issuer (“**Class B Shares**”), representing 99% of the issued and outstanding Class B Shares. Upon completion of the qualifying acquisition, each Class B Share automatically converted on a one hundred for one basis into Proportionate Voting Shares. Following the completion of the qualifying acquisition, the Sponsor no longer holds any Class B Shares or Proportionate Voting Shares. The Distributed Shares were held by the Sponsor for investment purposes.

In connection with the completion of the qualifying acquisition, 495,000 Class A Shares indirectly acquired by Andy Neuberger in connection with the private placement at a price of US\$10 per share converted into 495,000 Common Shares and 500,000 Class A Shares directly or indirectly acquired by JAAR, LLC in connection with the private placement at a price of US\$10 per share converted into 500,000 Common Shares. The acquisitions did not take place through the facilities of any stock exchange or any other marketplace.

Immediately prior to completion of the qualifying acquisition, Andy Neuberger and JAAR, LLC owned or controlled 495,000 Class A Shares and 500,000 Class A Shares, respectively. Upon completion of the qualifying acquisition and the distributions, Andy Neuberger indirectly owned or controlled an aggregate of 495,000 Common Shares and 28,750 Proportionate Voting Shares (representing an approximately 10%



voting interest in NextPoint Financial), in each case held by entities controlled by Andy Neuberger or persons related to him and JAAR, LLC directly or indirectly owned or controlled an aggregate of 500,000 Common Shares and 28,750 Proportionate Voting Shares (representing an approximately 10% voting interest in NextPoint Financial). Andy Neuberger and JAAR, LLC's respective positions in NextPoint Financial were acquired for investment purposes.

In connection with the completion of the qualifying acquisition, Franchise Group Intermediate L, LLC ("**Franchise Group**"), a wholly-owned indirect subsidiary of Franchise Group, Inc. (NASDAQ: FRG) acquired 67,400 Proportionate Voting Shares as part of the consideration for its holdings in Liberty Tax. The acquisition did not take place through the facilities of any stock exchange or any other marketplace.

Immediately prior to the completion of the qualifying acquisition, Franchise Group owned no securities of NextPoint Financial. Upon completion of the qualifying acquisition, Franchise Group owned 67,400 Proportionate Voting Shares (representing an approximately 20% voting interest in NextPoint Financial). Franchise Group's position in NextPoint Financial was acquired for investment purposes.

In connection with the completion of the qualifying acquisition, Bliksum, LLC ("**Bliksum**") acquired 37,099 Proportionate Voting Shares as part of the consideration for its holdings in LoanMe. The acquisition did not take place through the facilities of any stock exchange or any other marketplace.

Immediately prior to the completion of the qualifying acquisition, Bliksum owned no securities of NextPoint Financial. Upon completion of the qualifying acquisition, Bliksum owned 37,099 Proportionate Voting Shares (representing an approximately 10% voting interest in NextPoint Financial). Bliksum's position in NextPoint Financial was acquired for investment purposes.

About NextPoint Financial

NextPoint Financial is an all-inclusive marketplace for financial services empowering hardworking and underserved consumers and small businesses to get to the NextPoint in their financial futures. NextPoint Financial operates through Liberty Tax and LoanMe. Liberty Tax is a tax preparation service with over approximately 2,700 locations that serves approximately 1.6 million consumer and small business clients in the United States and Canada. LoanMe is an online lending platform that have serviced over 340,000 consumer and small business borrowers in the United States.

Forward-Looking Statements

Some of the statements contained in this press release are forward-looking statements within the meaning of applicable securities law and forward-looking information within the meaning of applicable Canadian securities laws (collectively, "**forward-looking statements**"). Forward-looking statements are all statements other than those of historical fact, and generally may be identified by the use of words such as "anticipate," "believe," "continue," "estimate," "expect," "future," "intend," "may," "model," "outlook," "plan," "pro forma," "project," "seek," "should," "will," "would" or other similar expressions that indicate future events or trends. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of financial and performance metrics, projections of market opportunity and market share, business plans and strategies, expansion and acquisition opportunities, growth prospects and consumer and industry trends. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of NextPoint's management and are not guarantees of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, assurance or definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and may differ materially from those contained in or implied by such forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the control of NextPoint. Factors that could cause actual results to differ materially from the results expressed or implied by such forward-looking statements include, among others: the effect of economic conditions on the industries and markets in which Liberty Tax and



LoanMe operate, including financial market conditions, fluctuations in prices, interest rates and market demand; risks relating to the uncertainty of the projected financial information; the effects of competition on future business; risks related to the organic and inorganic growth of future business and the timing of expected business milestones; the potential adverse effects of the ongoing COVID-19 pandemic on business and the U.S. economy; declines or unanticipated changes in consumer demand, possible departures from the combined company's senior management team; integration risks associated with acquisitions; changes in applicable laws and regulations and the significant expense of operating in a highly regulated industry; the combined company's ability to make payments on its indebtedness; and those factors discussed in documents of NextPoint filed, or to be filed with Canadian securities regulatory authorities. There may be additional risks that NextPoint does not know or that NextPoint currently believes are immaterial that could also cause actual results to differ from those expressed in or implied by these forward-looking statements. In addition, forward-looking statements reflect NextPoint's expectations, plans or forecasts of future events and views as of the date of this press release. NextPoint undertakes no obligation to update or revise any forward-looking statements contained herein, except as may be required by law. Accordingly, undue reliance should not be placed upon these forward-looking statements.

Certain Other Matters

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any offer or sale of securities in any jurisdiction where such offer, solicitation or sale would be unlawful prior to registration or qualification under securities laws of any such jurisdiction. The securities of NextPoint have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons," as such term is defined in Regulation S under the U.S. Securities Act, unless an exemption from such registration is available.

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