

Manx Financial Group PLC
(the "Group")

Acquisition of the remaining 49.9% interest of Payment Assist Limited

Manx Financial Group PLC (AIM:MFX), the holding company providing a range of diversified financial services to the Isle of Man and the United Kingdom, announces it has brought forward the acquisition of the remaining 49.9% interest in Payment Assist Limited ("Payment Assist"). The transaction was completed on 13 September 2024. From this date, the Group will hold 100% of Payment Assist and fully consolidate Payment Assist's trading results.

On 16 May 2022, the Group announced an Agreement to acquire a 50.1% interest in Payment Assist by Manx Ventures Limited ("Manx Ventures"), a wholly owned subsidiary of the Group. The Group also announced Manx Ventures had entered into an Option to acquire the remaining shareholding in Payment Assist for £5 million at any time for a period of two years after publication by Payment Assist of its audited accounts for the period to 31 December 2024.

Following discussions between Manx Ventures and the other shareholders of Payment Assist (being Neil Jeffrey, Colin Ellard, Spencer Wrench and Simon Bevan - together the "Vendors"), the Vendors agreed to bring forward the sale of their 49.9% holding for a consideration of £5 million on completion of an Addendum to the Agreement ("Addendum").

All Vendors' interests in Payment Assist concluded on the signing of the Addendum and they will receive no further dividend payments. On the basis of internal forecasts, the Board anticipates that this transaction will reduce the cost of acquiring the remaining shareholding under the original Option by up to £4 million, principally derived by the savings in any future dividends previously due to the Vendors. The consideration will be funded through the Group's unutilised liquidity.

Pursuant to this acquisition, Neil Jeffery and Colin Ellard will resign as directors of Payment Assist, whilst Group employees James Smeed and Marcus Gregory will remain on the Board of Directors. Mr Jeffrey will remain employed until 31 December 2024 as part of the Agreement and thereafter he will be retained on a consultancy arrangement for a further three years.

Commenting on the acquisition, Douglas Grant, CEO of the Group stated:

"We have worked with Payment Assist for over nine years through our banking subsidiary, Conister Bank Limited and held a majority stake in the business for over two years. During this time, we have grown the business, and it now makes sound financial sense for the Group to bring forward its opportunity to acquire the remaining shareholding. Payment Assist's customer focused, short-term lending products remain in great demand during these uncertain economic times. This is a major acquisition for the Group, not only in terms of deploying our liquidity safely, but also in continuing to progress our growth strategy in niche markets."

Disclosures required under AIM Rule 12 include: The consideration will be funded from the Group's existing cash resources. Payment Assist revenue as at 31 December 2023 was £10.822 million, Profit before Tax was £2.363 million with a Net Asset Value at that date of £1.786 million.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU No. 596/2014) AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018. UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

For further information, please contact:

Manx Financial Group PLC
Denham Eke,
Executive Vice Chair
Tel: +44 (0) 1624 694694

Beaumont Cornish Limited
Roland Cornish/James Biddle
Tel: +44 (0) 20 7628 3396

Greentarget Limited
Jamie Brownlee
Tel: +44 (0) 20 3307 5726

Nominated Adviser

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