

FOR IMMEDIATE RELEASE

11 February 2026

**Manx Financial Group Plc**  
(The "Group")

**Q4 FY 2025 Update**

Manx Financial Group (AIM: MFX), the holding company providing a wide range of diversified financial services to the Isle of Man and the United Kingdom, reports on the quarter ended 31 December 2025. All figures quoted are subject to audit confirmation.

**Douglas Grant, Group CEO, commented:**

"As part of our initiatives to increase investor communications, I am pleased to release the second of our quarterly operational updates to keep shareholders and prospective shareholders up to date with highlights within the Group's operations. This quarter, we will again focus on Conister Bank Limited and Payment Assist Limited."

**Highlights**

- Conister Bank's loan book grew by 2.1% over the quarter, with deposits increasing by 7.3% in the same period. The loan book increased by 11.6% in the full year, with deposits growing by 11.7% over the same period;
- Conister Bank's net lending rate provisionally increased by 1.0% to 10.4% during the year;
- Conister Bank's entry into the UK consumer overdraft market has now received regulatory approval and is scheduled to commence during Q2 2026;
- The results of the FCA's consultation relating to the industry's historical Discretionary Commission Arrangements ("DCA") are due in March 2026. The Group expects an additional provision will be required; and
- Payment Assist Limited advances grew by £59.7 million in the final quarter, an increase of 45.5% compared to the same quarter in the previous year. Advances for the full year grew by 28.9% to £219.7 million.

**Overview**

Loan book growth of the Group's principal businesses was maintained in 2025 at 12.0%, albeit tempered in the last quarter by a slowdown in activity as businesses and consumers put investment decisions on hold ahead of the Budget. Leaks and speculation about potential measures to be included began early and continued up until the Chancellor's statement in Parliament. This created a climate of uncertainty in which spending plans for many Small and Medium sized Enterprises ("SMEs") and consumers were put on hold. Activity has now picked up again, and with the inflation and cost of living issues affecting both consumers and SMEs (which together constitute our core customer base) continuing, we believe demand for the Group's short term financing products will remain robust.

With regard to the Group's DCA liability in relation to motor vehicle sales, the Group considers that an increase in this provision will be required based upon the Financial Conduct Authority's ("FCA") provisional remediation methodology. Until the redress scheme has been finalised and announced in March, the actual increase in this provision cannot be accurately calculated. Once finalised, the Group will provide an update in the next quarterly operational update or in the annual accounts - whichever is published first. The Group has also made an additional provision in relation to the Government's withdrawal of its 100% guarantee for certain loans issued under the Covid-era Bounce Back Loan Scheme. The Group notes that, by making provisions early, it will remove these historic distractions from its balance sheet to allow it to focus on the future. In a similar context, shareholders will remember that 2024's result included a one-off gain following the provision reversal of £1.8 million. Adjusting for these three one-off provisions covering both years will provide a better understanding of the Group's operational performance by flattening any abrupt annual movement.

In terms of investor relations, we attended our first live event in London, hosted by Mello, and were gratified by the level of interest shown by the retail investors at the conference. We plan to attend a ShareSoc event in Leeds in April, alongside our annual appearance at the Master Investor Conference (also in April), and we will host another Investor Meet Company presentation on the announcement of our 2025 results.

**Conister Bank**

The loan book, being gross loans net of deferred income and before provisions, increased by 11.6% in the year. This, together with an increase in deposits of 11.7%, improved our liquidity position and left our loan-to-deposit ratio, a key operational efficiency metric, virtually unchanged at 92.8%, a movement of just 0.1%. With interest rates easing slowly, the Bank has been able to improve its provisional net lending rate, being its gross lending rate net of commissions, by 1.0% to 10.4% during the year, this has fed through to an improved net interest margin of 53.0%, being an improvement of 15.9% year-on-year.

The FCA consultation on introducing an industry wide compensation (redress) scheme with regard to DCA in relation to motor vehicle sales was opened on 7 October 2025 and closed on 12 December 2025. The results of the consultation are expected to be published by the FCA in March of this year. Whilst the Group believes that its historical practices were compliant with the law and regulations in place at the time, it recognises that there will be some cost to be incurred or compensation awarded to those car buyers affected and, therefore, recognises a provision based on its own probability weighted assessment of how the FCA would apply the various factors identified by the Supreme Court. The FCA consultation paper provides further detail on its proposed redress approach, including significantly broadening the scope of the overall redress scheme, how unfairness would be assessed, time bar and proposed redress methodology. Based on the FCA proposals in their current form and a re-analysis of our historical motor loans book, we have determined that an increase, albeit by a yet to be determined amount, in the provision from the previous provision of £0.2 million will be appropriate.

During the Covid-19 pandemic, Conister Bank acted as a funder within the UK Government's Bounce Back Loan Scheme. These loans had a 100% UK Government guarantee, which has now been withdrawn in certain cases. As a result, we have recognised a small provision for this loan portfolio to cover expected underwriting losses.

We have made good progress in implementing the white-label partnership with Fiinu plc to provide the Conister Overdraft. Regulatory approval was received in December and user acceptance testing is underway. We are working

on the remaining deliverables and are targeting product launch during Q2 2026, initially to Payment Assist Limited's substantial customer base of over 1,000,000 customers and 8,000 garages.

Since the FCA's overdraft reform in 2020, 16.5 million people have lost access to unarranged overdrafts, with a further 6-8 million losing arranged facilities since 2022. The reforms, which imposed a single interest rate and banned fixed fees, led many banks to reduce overdraft availability. Key features of the Conister Overdraft are that consumers do not need to switch banks to use it and it is the first overdraft in the UK where interest is capped at 90 days - after that point, interest stops completely.

#### **Payment Assist**

Our buy-now-pay-later subsidiary, Payment Assist Limited experienced a strong finish to the year, with advances for the fourth quarter up £18.7 million to £59.7 million, with annual advances increasing by £49.2 million to £219.7 million. The business has invested heavily in new collections software which it expects to be fully operational in Q1 2026 and is also finalising an additional liquidity facility, which it expects to announce later this year.

FCA oversight in this sector is scheduled to commence on 15 July 2026 and the company is well advanced in its preparation for this new piece of customer focused regulation. As the company continues to re-focus on lending to the automotive industry, it is reducing its exposure to the less profitable, more volatile, sectors.

Our Irish consumer credit licence application, which is automotive sector focused, is progressing as planned after a positive meeting with the Central Bank of Ireland ("CBI"). We are still anticipating a summer decision from the CBI on this licence. If favourable, we will then approach our IoM and UK regulators for permission to proceed.

#### **Manx Ventures**

In addition to Payment Assist, the Group's other unregulated lending subsidiaries have continued to deliver organic growth in their niche markets. Our FX business has delivered in line with expectations, while our Isle of Man wealth management subsidiary is performing well. In both the Isle of Man and the UK, we are planning to expand our insurance offering as we believe this will provide cross-selling opportunities for other parts of our Group.

The Board is examining options for the businesses in Manx Ventures to create monetisation opportunities to increase shareholder returns. These opportunities could include partial or outright sale, joint-venturing and IPOs for more mature businesses if market conditions allow. We will update shareholders on this strategy in our next quarterly report.

#### **Outlook**

The focus for 2026 is to become more efficient, eliminating unnecessary costs and driving organic growth through our main operating subsidiaries. As well as making our existing businesses more profitable, the Board believes that the current market and business environment has created opportunities for value accretive acquisitions. This could both help the Group to enter new sectors and increase our size, making us more attractive to a broader range of investors.

#### **Douglas Grant, Group CEO**

11 February 2026

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#### **About Manx Financial**

Manx Financial Group (AIM: MFX) is a diversified UK banking and financial services group with a proud Manx heritage. The Group holds Isle of Man and UK banking licences, allowing it to provide flexible funding solutions across both territories focused on SME lending. Knowledge of the SME sector has enabled MFX to build a portfolio of valuable subsidiaries, from start-ups to selective and accretive acquisitions, which are creating significant value for shareholders. These entrepreneurial subsidiaries are grouped under our entrepreneurial subsidiary Manx Ventures Limited.

#### **Nominated Adviser**

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