

Manx Financial Group

UK deposit taking licence approved

UK deposit approval

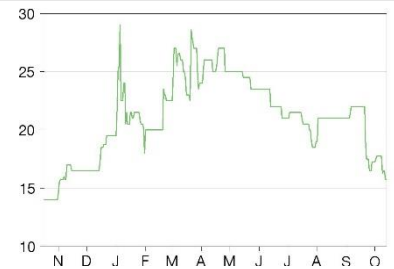
Banks

16 October 2023

Price 17p
Market cap £20m

CET1 ratio (December 2022) 12.4%
Shares in issue 115.5m
Free float 39.4%
Code MFX
Primary exchange AIM
Secondary exchange N/A

Share price performance



Business description

Manx Financial Group is an Isle of Man-based diversified financial services group. Through its subsidiaries such as Conister Bank and Payment Assist, the group operates in resilient niche lending and financial markets in both the UK and the Isle of Man.

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Manx Financial Group (MFX) has announced that its wholly owned subsidiary, Conister Bank, has obtained regulatory approval to accept deposits in the UK. The new licence approval – authorised by the Prudential Regulation Authority, FCA and FSA – provides a step change in Conister’s options for sourcing liquidity to fulfil its growth ambitions with a range of UK deposits and wholesale funding.

Year end	Revenue (£m)	PBT (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
12/19	16.5	3.0	1.66	0.00	10.2	N/A
12/20	16.4	2.0	1.37	0.00	12.4	N/A
12/21	20.0	3.0	1.97	0.24	8.6	1.4
12/22	26.1	5.2	3.15	0.38	5.4	2.2

Note: *EPS is fully diluted.

The bank already had an Isle of Man Class 1(1) deposit taking licence, issued by the Isle of Man Financial Services Authority (FSA) and regulated by the Financial Conduct Authority (FCA), allowing it to lend in the UK. The new licence should enhance Conister’s UK small and medium-sized enterprise (SME) lending activities. Manx estimates that it currently has a 1.8% share of the relevant UK SME lending market, valued at £15.7bn. In the announcement, management continued to guide towards a total loan book of c £0.4bn in FY23 (H123: £0.34bn).

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