

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, CANADA, JAPAN, SOUTH AFRICA OR AUSTRALIA OR ANY OTHER JURISDICTION WHERE SUCH DISTRIBUTION WOULD BE UNLAWFUL.

This announcement is not a prospectus nor an offer of securities for sale in any jurisdiction, including in or into the United States, Canada, Japan, South Africa or Australia.

Neither this announcement, nor anything contained herein, nor anything contained in the Registration Document (as defined herein) shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Investors should not purchase any shares referred to in this announcement or the Registration Document except solely on the basis of the information contained in a prospectus in its final form (together with any supplementary prospectus, if relevant, the “Prospectus”), including the risk factors set out therein, that may be published by CAB Payments Holdings Limited (the “Company”), to be re-registered as a public limited company with the name CAB Payments Holdings plc prior to Admission (as defined below), in due course in connection with a possible offer of ordinary shares in the Company (the “Ordinary Shares”) and the possible admission to listing of such Ordinary Shares to the premium listing segment of the Official List of the Financial Conduct Authority (the “FCA”) and to trading on the main market for listed securities of London Stock Exchange plc (the “London Stock Exchange”). A copy of any Prospectus published by the Company will, if published, be available for inspection on the Company’s website at <http://www.cabpayments.com>, subject to certain access restrictions.

8 June 2023

CAB Payments Holdings Limited¹

Announcement of Intention to Publish a Registration Document and Expected Intention to Float on the London Stock Exchange

A market leader in B2B cross-border payments and FX, specialising in emerging markets, seeks listing on London Stock Exchange

Initial public offering to institutions and enabling retail investor access through an intermediaries offer via the REX platform

CAB Payments Holdings Limited (“CAB Payments” or “the Company”), a market leader in business to business (“B2B”) cross-border payments and foreign exchange, specialising in emerging markets, today announces its intention to publish a registration document (the “Registration Document”) and its potential intention to undertake an initial public offering (the “IPO” or the “Offer”). Should CAB Payments proceed with the Offer, the Company will apply for admission of its ordinary shares to the premium listing segment of the Official List of the FCA and to trading on London Stock Exchange’s main market for listed securities (together, “Admission”).

Bhairav Trivedi, Chief Executive Officer of CAB Payments, said: “Our intention to list on the London Stock Exchange is a sign of confidence in the high quality offering we provide to our customers in a large and growing market; confidence in our strong financial profile backed by a track record of revenue and Adjusted EBITDA growth, as well as cash generation; and confidence in the UK as the home for innovative and growing global businesses.

“I am tremendously excited to take the step of listing CAB Payments’ shares via a premium listing. It will broaden our ownership and bring more of the transparency that we value so highly throughout our business model. Operating as a publicly traded company will help us to continue to pursue our strategy of delivering long-term sustainable growth all cementing our position as a payments and forex partner of choice for blue-chip customers transacting in emerging markets. In turn, this will support us in our mission to connect more people in traditionally hard-to-reach regions with global financial infrastructure, enhancing financial inclusion and strengthening local economies.

¹ The holding company that owns Crown Agents Bank

“I want to thank all CAB Payments employees who have worked hard to create the offering we have today. This is the beginning of a new, exciting chapter for CAB Payments, and one that is based on the strong foundations we have spent years building. Together we will help governments, institutions, and organisations move money to where it’s most needed.”

Introduction to CAB Payments:

1. CAB Payments is transforming the way payments and FX move to and from emerging markets, connecting traditionally hard-to-reach regions to global financial infrastructure

- Headquartered in London, United Kingdom, CAB Payments is a market leader in B2B cross-border payments and foreign exchange, specialising in emerging markets, facilitating flows to and from over 150 countries.
- It uses its network, technology and expertise to support its blue-chip customer base to move money where it is needed most. The Group provides one of the largest and most reliable sources of hard currency into many of its chosen markets.
- Its high-quality customers span global major market banking groups, local emerging markets banks and financial institutions, non-banking financial institutions, fintechs and international development organisations. CAB Payments has developed long-term customer relationships, with 96% retention among its largest 100 clients, whilst at the same time increasing its total client count by 14.1% over the last three years (i.e. between FY2020 and FY2022).
- CAB Payments’ wholly-owned subsidiary, Crown Agents Bank, has a UK banking licence, making it a preferred provider to other banks, governments, aid organisations and other counterparties that value the rigorous compliance standards required by a banking licence, while also enabling it to offer a broader range of products and services.

2. The Group operates in a large, fast-growing market undergoing favourable structural shifts

- Despite its rapid growth in transaction volumes, the Group executes transactions representing less than 1 per cent of global annual flows into emerging markets. It is growing market share in a fast-growing market.
- The target market (currently \$2.3 trillion in flows) is expected to grow at a CAGR of 4.2 per cent per annum from 2022 to 2027.
- There is a switch from regional and domestic banks to specialists as banks seek to exit a business line which is subscale and difficult for them.
- CAB Payments sits within a unique space within this market, combining the trust and compliance of the larger banks with the specialist know-how of the independent specialists, enabling it to capitalise on favourable structural shifts.

3. CAB Payments has a strong financial profile, underpinned by growth and profitability

- The Group is a market-leading specialist in emerging markets cross-border payments and foreign exchange, covering over 150 countries as of 31 December 2022. The Group has strong unit economics driving growth and profitability. Its track record is underpinned by strong volumes in FX and payments, and an expanding customer base while benefiting from a capital-light, scalable business model based off a well-invested technology platform that drives strong margins and operational leverage.
- The Group’s differentiated network capacity and underlying infrastructure has meant revenue has grown by an approximately 79 per cent CAGR from FY20 to FY22. The stickiness of its customers has supported CAB Payments to deliver Net Revenue Retention of more than 150 per cent for the five years ended 31 December 2022.
- A lean cost structure and investment to automate and digitise back end processes means the business has a strong balance sheet and capital position, and is looking to accelerate this growth trajectory through increasing its sales team and expanding geographically.

Financial performance

- Adjusted EBITDA (i.e. EBITDA including net interest income and excluding non-recurring operating expense) increased 265 per cent to £55 million in 2022 (2021: £15 million), with an adjusted EBITDA margin of circa 50 per cent (2021: 28 per cent), benefitting from (i) low fixed cost base effectively managed via machine learning and automation, and (ii) extremely low variable costs / high gross margins.
- Operating free cash flow increased 359 per cent to £50 million (2021: £11 million), equating to strong cash conversion of 92 per cent in 2022.

	Total income for the year ended 31 December			
	2020	2021	2022	YoY
			£ '000	%
FX	14,904	29,241	63,425	116.9%
Payments	12,993	20,368	33,661	65.3%
Banking Services	6,370	3,887	12,349	217.7%
Total income	34,267	53,496	109,435	104.6%

Current trading statement (Q1)

	As at 31 December			As at 31 March	
	2020	2021	2022	2022	2023
		£ '000		£ '000	
Total income	34,267	53,496	109,435	16,844	41,260
Adjusted EBITDA	1,631	14,933	54,561	6,119	26,363
Adjusted EBITDA margin	5%	28%	50%	36%	64%
Operating Free Cash Flow	(4,909)	10,889	50,000	5,308	25,429
<u>Cash Conversion (%)</u>	(301)%	73%	92%	87%	96%

- Revenue of £41.3m for the three months ended 31 March 2023, driven by higher volume and average take rates (calculated as FX and cross-currency payments income divided by respective volumes) and new customer wins made in 2022.
- Revenues are 145 per cent higher than in the same period last year, with March 2023 monthly results being the 3rd highest month on record.
- Costs continue to be well controlled, with the Group benefitting from economies of scale.
- Consequently, YTD Adjusted EBITDA margin at 64% compares to 36% Q1 2022, up +28 per cent.

4. CAB Payments has built a differentiated extensive and deep global payments network ensuring payments and facilitating customer acquisition

- The Group's underlying network and infrastructure allows faster, more reliable, transparent and competitively priced FX and payments services.
- In addition to a dedicated in-house partnership team maintaining coverage and liquidity partners to keep its underlying infrastructure reliable and efficient, distinguishing features of CAB Payments' network include:
 - 135 geographically diverse local bank accounts, allowing CAB Payments to send funds in a single step and balance transaction volumes across multiple partners
 - 218 trading and liquidity partners, from which CAB Payments sources FX, ensuring that even large transactions are subject to robust competition
 - Commercial relationships with 25 central banks, providing a de facto seal of approval to its services and ensuring CAB Payments stays abreast of any developing regulation
- As a most recent example, in June 2023, the Group entered into an agreement to partner with PagoNxt, part of the Santander Group, to offer same-day delivery payments to Africa and Asia. The Group's technology and infrastructure will give PagoNxt and Santander customers access to efficient

and reliable cross-border payments services across hard-to-reach markets via the Group's Local Bank Account Network and its other local third party liquidity providers.

5. CAB Payments is built upon a well-invested, scalable and compliance-led tech platform which has been purpose-built for sophisticated institutional customers working with emerging markets

- The proprietary EMpower Payments API offers secure, enterprise-grade integrations, and enjoys 99.9 per cent uptime. The flexibility of the platform, including its multiple client interfaces (e.g., GUI, API), along with its differentiated features and functionality, and infrastructure purpose-built to minimize transaction friction, are key differentiators for CAB Payments' clients. Customers choose CAB Payments for its expansive geographical footprint, faster transaction speeds and competitive pricing.
- The EMpowerFX platform is designed with the specific requirements of emerging markets and illiquid currencies in mind and enables real-time FX pricing and trading across over 140 currencies. EMpower Payments, the B2B end-to-end automated payments gateway, enables payments in 61 currencies across 92 countries, providing a specialised liquidity platform with competitive pricing.
- Given the markets in which CAB Payments interact with, at the heart of the business is a compliance-first culture. The Company embeds bank-grade KYC/AML compliance processes, and ML-based transaction screening & monitoring - meaning CAB Payments is subject to UK bank risk standards, while delivering emerging market growth.

6. CAB Payments has a high-calibre leadership team driving a strong social impact by enhancing financial inclusion and strengthening local economies

- With a senior executive team with rich experience across top-tier fintech companies and financial institutions, the Group is united around its goal to make a significant social impact by helping to drive financial inclusion, formalise financial markets and strengthen the local economies where it operates.
- So far, CAB Payments has delivered £3.3bn of development aid flows, £1.9bn remittance flows and £14.6bn of flows into low and lower-middle income countries.

7. Looking ahead, CAB Payments has set a clear strategy to deliver growth, based on enhancing its products and services to grow and expand its customer base and geographic footprint

- The next phase of strategy for the Group is to expand its sales and delivery capacity to take advantage of its market leading product and service offering. Plans for growth include expanding the geographical presence of its sales, partnerships and customer service functions (thereby achieving 24-hour coverage) as well as further penetrating specific client segments (e.g., global banks). Other opportunities ahead include exploring the offering of FX forwards, further sale of banking products, incorporating digital currencies – including CBDC's – and inorganic growth.

8. Financial targets and objectives

The Group has set financial targets and objectives for 2023 and the mid-term in respect of the measures presented below.

Financial year ending 31 December 2023

- **Total income:** The Group expects total income growth of approximately 45% in the year ending 31 December 2023 as compared to the year ended 31 December 2022.
- **Exceptional costs:** The Group expects exceptional costs in the year ending 31 December 2023 to be primarily associated with those relating to its preparation for the IPO, and estimates that such costs will be approximately 15% of total operating expenses for the year ending 31 December 2023.
- **Capital expenditure:** The Group expects capital expenditure to be approximately 8% to 10% of total income in the year ending 31 December 2023.
- **Tax rate:** The Group expects its effective tax rate to be approximately 23% for the year ending 31 December 2023.

Mid-term targets

- **Total income:** The Group is targeting total income growth at a 35%-40% CAGR in the mid-term, compared to the Group's target of 45% for 2023.
- **FX and Payments total income:** The Group is targeting FX and Payments total income (excluding clearing costs) to increase to approximately 90% to 95% of total income in the mid-term. Furthermore, in the mid-term, the Group is expecting its Payments income will grow faster compared to its FX income since this business line is starting from a smaller base.
- **Adjusted EBITDA margin:** The Group is targeting an improvement in its Adjusted EBITDA margin to approximately 55% to 60% in the mid-term.
- **Capital expenditure:** The Group is targeting capital expenditure of approximately 10% of total income throughout the mid-term. The Group expects the purchase of intangible assets, reflecting primarily continued investments in its platforms and technology, as well as purchases of property, plant and equipment as the Group expands further internationally in the event it obtains its payments licence in the Netherlands and as it seeks to open other trading desks.
- **Cash Conversion:** The Group is targeting cash conversion (after capital expenditure) of more than 80% in the mid-term. This target is below the cash conversion for the year ended 31 December 2022 since capital expenditure as a percentage of total income is targeted to be greater than that during 2022.
- The Group expects capital expenditure to remain the only significant cash outflow in the mid-term.

The financial targets and objectives for 2023 and the mid-term targets assume a constant currency exchange rate.

Potential Offer Highlights:

Should CAB Payments proceed with the IPO, it is expected to have the following features:

- The Company's shares would be admitted to the premium listing segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange.
- The Offer is expected to comprise a secondary sell-down of existing ordinary shares by Merlin Midco Limited (a wholly owned subsidiary of Helios Investors III, L.P. and Helios Investors III (A), L.P. (together, the "Helios Funds")) and certain other existing shareholders, and there would be no primary element to the Offer.
- It is expected that Ordinary Shares representing up to a further 15 per cent of the Offer would be made available pursuant to an over-allotment option.
- The Offer would be a targeted offering to institutional investors outside the United States pursuant to Regulation S and to QIBs (defined below) in the United States pursuant to Rule 144A under the United States Securities Act of 1933 (the "Securities Act") or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
- The Offer is also expected to include an intermediaries offer in the United Kingdom, under which the shares would be offered to intermediaries that will facilitate the participation of certain retail investors in the United Kingdom through the REX platform.
- Any additional details in relation to the potential Offer would be disclosed in an Intention to Float announcement and / or the Prospectus, if and when published.
- In the future, the Company expects that it would be eligible for inclusion in the FTSE UK indices.

The Company has engaged Barclays Bank PLC, acting through its Investment Bank ("Barclays") as Joint Global Co-ordinator and Joint Bookrunner, J.P. Morgan Securities plc, which conducts its UK investment banking activities as J.P. Morgan Cazenove ("J.P. Morgan") as Sole Sponsor, Joint Global Co-ordinator and Joint Bookrunner, and Canaccord Genuity Limited ("Canaccord Genuity"), Liberum Capital Limited ("Liberum") and Peel Hunt LLP ("Peel Hunt") to act as Joint Bookrunner in the event the Offer proceeds. STJ Advisors Group Limited ("STJ") is acting as Financial Adviser to the Company.

A copy of the Registration Document will be uploaded to the National Storage Mechanism and will be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> once approved by the FCA. A copy of the Registration Document will also be available online at <http://www.cabpayments.com>, subject to certain access restrictions.

Supplemental Information for Bona-fide Unconnected Sell-Side Research Analysts

Information in relation to the Company will be made available via a link to unconnected research analysts today. Please request access from Barclays (BarclaysProjectConnect2022@barclays.com) or J.P. Morgan (CONNECT23_WG@jpmorgan.com) if you are a bona-fide research analyst and would like to receive access to the information.

Enquiries:

<p>FTI Consulting (Public Relations Adviser to CAB Payments)</p> <p>Ed Bridges</p> <p>+44 (0) 7768 216 607</p> <p>edward.bridges@fticonsulting.com</p>
<p>Joint Global Co-ordinators and Joint Bookrunners</p> <p><u>Barclays</u></p> <p>James Woolf / Nikita Turkin / Casey Bandman / Stuart Jempson</p> <p>+44 (0) 20 7623 2323</p> <p><u>J.P. Morgan (Sole Sponsor)</u></p> <p>Amit Nayyar / Virginie de Grivel Nigam / Alia Malik / James Summer</p> <p>+44 (0) 20 7742 4000</p>
<p>Financial Adviser</p> <p><u>STJ Advisors</u></p> <p>Marcus Le Grice / Anthony Bor</p> <p>+44 (0) 20 7659 1125</p>
<p>Joint Bookrunners</p> <p><u>Canaccord Genuity / QUEST</u></p> <p>Emma Gabriel / Sam Lucas</p> <p>+44 (0) 20 7523 8000</p> <p><u>Liberum</u></p> <p>Chris Clarke / Edward Mansfield</p> <p>+44 (0) 20 3100 2000</p> <p><u>Peel Hunt</u></p> <p>Paul Gillam / Sohail Akbar</p> <p>+44 (0) 20 7418 8900</p>
<p>Intermediaries Offer Co-ordinator</p> <p><u>Peel Hunt / REX Retail</u></p> <p>Info@rexretail.com</p> <p>+44 (0) 20 7418 8900</p>

Appendix: Further Information On The Group and Financial Statements

History of the Group

Terms used but not defined in this announcement have the meanings that will be ascribed to them in the Registration Document.

The Group's former parent company ("Crown Agents") was founded in 1833. The Group is a UK-regulated provider of foreign exchange and cross-border payments, with a focus on facilitating flows to and from emerging markets. The Group is authorised and regulated by the PRA and the FCA as an entity that contains a UK-regulated bank.

Building on its historical roots and footprint, as well as strong relationships with governments and central banks, over the last five years the Group, and its highly experienced management team, has built and developed its emerging market-oriented foreign exchange platform (EMpowerFX) and payments platform (EMpower Payments), including through the acquisition of Segovia (a NY-based fintech firm), as well as invested heavily in automation of operations.

Acquisition by Helios Funds and subsequent growth of the business: The Helios Funds, advised by Helios Investment Partners, through Merlin Midco Limited acquired the Group in 2016. Since the Helios acquisition, Helios and the Group have strengthened the Group's core offering by further building out its FX platform and payments network and infrastructure, which has contributed to the recent growth experienced. The business has grown substantially since the Helios acquisition and the primary intention of the next five years is to scale further and refine the Group's FX and payments network and capability.

Key Performance Indicators and Financial Information

The following key metrics are monitored by CAB Payments to assess the performance of its business:

	As at 31 December			As at 31 March	
	2020	2021	2022	2022	2023
	£ '000			£ '000 (Unaudited)	
Revenue	33,893	53,149	109,919	16,844	41,260
Total Income	34,267	53,496	109,435	16,844	41,260
Adjusted EBITDA	1,631	14,933	54,561	6,119	26,363
Adjusted EBITDA margin	5%	28%	50%	36%	64%
Cash Conversion	(301)%	73%	92%	87%	96%

The following tables set forth reconciliations of the non-IFRS financial measures presented above to the most nearly comparable IFRS measures:

Adjusted EBITDA and Adjusted EBITDA Margin

	For the year ended 31 December			For the three months ended 31 March	
	2020	2021	2022	2022	2023
	£ '000			£ '000 (Unaudited)	
Profit/(loss) before tax	(2,405)	9,512	43,491	4,391	18,653
<i>Adjusted for:</i>					
Amortisation	3,030	4,275	4,600	1,438	1,167
Depreciation	1,006	1,146	1,138	290	324
Non-recurring items	-	-	5,332	-	6,219
Adjusted EBITDA	1,631	14,933	54,561	6,119	26,363
Total income	34,267	53,496	109,435	16,844	41,260
Adjusted EBITDA Margin %	5%	28%	50%	36%	64%

Operating Free Cash Flow and Cash Conversion

	For the year ended 31 December			For the three months ended 31 March	
	2020	2021	2022	2022	2023
		£ '000		£ '000 (Unaudited)	
Adjusted EBITDA	1,631	14,933	54,561	6,119	26,363
<i>Adjusted for:</i>					
Capital expenditure – Intangibles	(6,540)	(4,044)	(4,561)	(811)	(934)
Operating Free Cash Flow	(4,909)	10,889	50,000	5,308	25,429
Cash Conversion %	(301)%	73%	92%	87%	96%

Consolidated income statement

	For the year ended 31 December			For the three months ended 31 March	
	2020	2021	2022	2022	2023
		£ '000		£ '000 (Unaudited)	
Continuing Operations					
Interest income					
<i>Interest income calculated using the EIR</i>	6,936	2,706	17,108	1,384	11,357
<i>Other interest and similar income</i>	6	2	63	4	90
Interest expense	(5,180)	(1,410)	(10,398)	(290)	(6,033)
Net interest income	1,762	1,298	6,773	1,098	5,414
Net gain on financial assets mandatorily held at fair value through comprehensive income	2,064	888	1,009	(100)	568
Gains on money market funds	335	3	3,584	33	1,907
Fees and commission income	10,955	11,825	15,797	3,399	3,517
Net foreign exchange gain	18,777	39,135	82,756	12,414	29,854
Revenue	33,893	53,149	109,919	16,844	41,260
Other operating income/ (loss)	374	347	(484)	-	-
Total income	34,267	53,496	109,435	16,844	41,260
Operating expenses					
<i>Recurring</i>	(36,505)	(44,134)	(60,270)	(12,368)	(16,342)
<i>Non-recurring</i>	-	-	(5,332)	-	(6,219)
Impairment (loss)/ reversal on financial asset at amortised cost	(167)	150	(342)	(85)	(46)
(Loss)/ profit before taxation	(2,405)	9,512	43,491	4,391	18,653
Tax charge	(387)	(1,899)	(10,456)	(951)	(4,514)
(Loss)/ profit for the period from continuing operations	(2,792)	7,613	33,035	3,440	14,139

	For the year ended 31 December			For the three months ended 31 March	
	2020	2021	2022	2022	2023
		£ '000		£ '000 (Unaudited)	
Other comprehensive income for the year:					
Items that may be reclassified subsequently to profit or loss:					
Foreign exchange gains/ (losses) on translation of foreign operations	(29)	(153)	119	60	(64)
Items that will not be reclassified subsequently to profit or loss:					
Movement in investment revaluation reserve for equity instruments at fair value through other comprehensive income	17	12	88		
Income tax relating to items	(4)	(2)	(17)		
Other comprehensive income/ (loss) for the year net of tax	(15)	(143)	190	60	(64)
Total comprehensive income for the period	(2,807)	7,470	33,225	3,500	14,075

Other comprehensive income for the year:	For the year ended 31 December			For the three months ended 31 March	
	2020	2021	2022	2022	2023
	£ '000			£ '000 (Unaudited)	
Total profit or (loss) attributable to:					
- Owners of the parent	(2,614)	7,143	30,696	3,218	13,165
- Non-controlling interests	(178)	470	2,339	222	974
Total	(2,792)	7,613	33,035	3,440	14,139
Total comprehensive income attributable to:					
- Owners of the parent	(2,628)	7,010	30,873	3,274	13,105
- Non-controlling interests	(179)	460	2,352	226	970
Total	(2,807)	7,470	33,225	3,500	14,075

Consolidated statement of cash flows

	For the year ended 31 December			For the three months ended 31 March	
	2020	2021	2022	2022	2023
	£ '000			£ '000 (Unaudited)	
Net Cash Inflow/ Outflow from Operating Activities	10,537	320,234	(248,846)	(179,979)	(61,090)
Income tax paid	(218)	(2,111)	(9,583)	-	(6,310)
Payments for interest on lease liabilities	(7)	(20)	(19)	(5)	(18)
Net cash generated from/ (used in) operating activities	10,312	318,103	(258,448)	(179,984)	(67,418)
Cash Flow from Investing Activities					
Sale/ (purchase) of investments	1,980	(216)	1	-	-
Purchase of property, plant and equipment	(706)	(470)	(346)	(57)	(86)
Purchase of intangible assets	(6,540)	(4,044)	(4,561)	(811)	(934)
Net cash used in investing activities	(5,266)	(4,730)	(4,906)	(868)	(1,020)
Cash Flow from Financing Activities					
Capital injection from issue of shares	-	500	-	-	-
Repayment of principal portion of the lease liability	(304)	(232)	(233)	(84)	(177)
(Decrease)/ increase in overdrawn accounts	(70)	-	-	5	-
Net cash (used in)/ generated from financing activities	(374)	268	(233)	(79)	(177)
Net increase/ (decrease) in cash and cash equivalents	4,672	313,641	(263,587)	(180,931)	(68,615)
Cash and cash equivalents at the beginning of the year	802,418	805,167	1,120,109	1,120,109	907,053
Cash and balances at central banks	579,088	677,864	676,492	676,492	607,358
Money market funds	60,599	52,738	336,737	336,737	209,486
Loans and advances to banks on demand	162,731	74,565	106,880	106,880	90,209
Exchange (losses)/gains on cash and cash equivalents	(1,924)	1,301	50,531	39,943	7,755
Cash and cash equivalents at the end of the year	805,166	1,120,109	907,053	979,121	846,193
Cash and balances at central banks	677,864	676,492	607,358	670,550	661,598
Money market funds (open ended investment companies)	52,738	336,737	209,486	221,024	103,281
Loans and advances repayable on demand	74,564	106,880	90,209	87,547	81,314

Consolidated statement of financial position

	As at 31 December			As at 31 March
	2020	2021	2022	2023
	<i>£ '000</i>			
Assets				
Cash and balances at central banks	677,864	676,492	607,358	661,598
Money market funds	52,738	336,737	209,486	103,281
Loans and advances on demand to banks	74,565	106,880	90,209	81,314
Other loans and advances to banks	151,852	74,430	93,164	77,539
Loans and advances to customers	-	-	4,748	4,508
Derivative financial assets	2,305	1,641	6,590	10,180
Unsettled transactions	18,273	10,767	12,960	21,732
Accrued income	893	1,344	856	815
Investments in debt securities	162,369	73,248	414,061	480,786
Investments in equity securities	154	382	488	484
Other assets	4,403	8,203	19,537	9,779
Property, plant and equipment	2,514	2,057	1,579	1,451
Right of use assets	1,065	761	1,134	1,024
Intangible assets	22,733	22,663	22,624	22,385
Total assets	1,171,728	1,315,605	1,484,794	1,476,876
Liabilities				
Customer accounts	1,072,794	1,192,725	1,307,698	1,283,770
Derivative financial liabilities	13,511	7,669	4,565	17,689
Unsettled Transactions	2,094	18,338	25,782	20,706
Other liabilities	4,116	7,233	11,518	7,893
Provisions	137	32	79	7
Lease liabilities	1,051	819	1,281	1,122
Deferred tax liability	824	402	316	230
Accruals	6,040	8,659	19,364	17,039
Total liabilities	1,100,567	1,235,877	1,370,603	1,348,456
Equity				
Called up share capital	67,510	68,010	68,010	68,010
Retained earnings	1,138	8,870	40,299	53,557
Investment revaluation reserve	21	30	97	97
Other reserves	(2,170)	(2,270)	(1,870)	(1,870)
Foreign currency translation reserve	1	(142)	(31)	(91)
Equity attributable to owners of the parent	66,500	74,498	106,505	119,703
Non-controlling interests	4,661	5,230	7,686	8,717
Shareholders' funds	71,161	79,728	114,191	128,420
Total equity and liabilities	1,171,728	1,315,605	1,484,794	1,476,876

The Board and Senior Management

Should the Company proceed with the IPO, its Board of Directors (the “Board”) would comprise:

Name	Position
Ann Cairns	Chair
Bhairav Trivedi	Chief Executive Officer
Richard Hallett	Chief Financial Officer
Nöel Harwerth	Senior Independent Director
Simon Poole	Non-Executive Director
Jennifer Johnson-Calari	Independent Non-Executive Director
Karen Jordan	Independent Non-Executive Director
Susanne Chishti	Independent Non-Executive Director
Caroline Brown	Independent Non-Executive Director
Mario Shiliashki	Independent Non-Executive Director

Ann Cairns (Chair)

Ann is on the board of Lightrock, a global private equity platform investing in sustainable businesses. She is Chair of the TMF Group, a global provider of compliance and administrative services, and Chair of the Financial Alliance for women, a global peer-to-peer network whose members work in more than 135 countries to build programmes that support women with access to capital, information, education and markets. She is also a member of the UK Government’s Artificial Intelligence Council. Ann has previously held board positions with ICE, AstraZeneca and Charity Bank and was the lead non-executive for BEIS, the UK Government’s department for Business, Energy and Industrial Strategy.

Until December 2022, Ann served as the executive Vice Chair of Mastercard, having previously been President of International Markets for the company, responsible for the management of all customer-related activities in over 200 countries around the world. During her time at Mastercard, Ann’s role focused on building sustainable, strong growth rates across both mature and emerging markets and she led the company’s expansion into new territories. Before joining Mastercard, Ann led the Financial Services Group with Alvarez & Marsal in London and during that time was the CEO of Lehman Holdings in Europe during their Chapter 11 process.

Ann spent over 20 years in banking, predominately in the payments and FX businesses. She was the CEO of Transaction Banking at ABN-AMRO, following 15 years in senior operational positions at Citigroup. She ran the payments infrastructure of Citi across 103 countries with circa 6000 staff and she launched the first-ever electronic currency trading platform for Citi during her time at the investment bank.

Ann has a First Class Pure Mathematics degree and honorary doctorate from Sheffield University and a M.Sc. with research into medical statistics and honorary doctorate from Newcastle University. She is also a fellow of London Business School.

Bhairav Trivedi (Chief Executive Officer and Director)

Bhairav has over 35 years of experience in the financial services industry, with a strong focus on payments and payment processing, cross-border remittance, and financial technology. He has held senior roles at leading financial institutions around the globe, including Group CEO of Finablr PLC and before that, Group CEO of Network International Holdings PLC; President and Chief Operating Officer of Sigue Global Services, and Managing Director, Global Head of Remittance Services at Citi’s Global Transaction Services from 2008 to 2010. He also founded PayQuik (an online remittance infrastructure provider later acquired by Citi) and has worked at McKinsey & Co., Fair Isaac and Providian Bancorp.

Bhairav holds an MBA from the Wharton School of the University of Pennsylvania, a Masters degree in Engineering Economic Systems from Stanford University, and an undergraduate degree in Mechanical Engineering from Birla Institute of Technology.

Richard Hallett (Chief Financial Officer and Director)

Richard’s career spans more than 30 years in top tier financial services organisations with an extensive track record across the investment banking, commercial and retail banking sectors both regionally and globally.

Richard was formerly CFO of Barclays Africa and CFO of Absa Capital. Previous roles also include senior positions at RBS, Morgan Stanley and Credit Suisse First Boston.

Richard started his career at Price Waterhouse as a qualified accountant and holds a BSc (Hons) in Chemistry from the University of East Anglia.

Nöel Harwerth (Senior Independent Director)

Nöel Harwerth is Chair of the UK Export Finance agency and serves on the Board of the UK Department of International Trade. She also serves on the boards of One Savings Bank and Scotia Bank Europe. Prior roles include the Boards of Standard Life, the London Metals Exchange and the Bank of England RTGS/CHAPS Board. She has served on the Boards of three mining companies: Dominion Diamond; Avocet; and Sirius Minerals. She was Chair of GE Capital Bank Europe until April 2017, and served as Chair of Sumitomo Mitsui Bank (Europe, Middle East and Africa) from 2004 to June 2015.

Nöel was appointed by the UK Government as Partnership Director of the London Underground and served in that role from 2003-2008, having previously served on the Board of Transport for London, where she chaired the Audit Committee. In 2006 she was appointed by the UK Government to the Board of the Tote and served as its audit chair until its privatisation.

From 1998 to 2004, Nöel was Chief Operating Officer of Citibank International PLC in London. Prior to joining Citicorp in 1988, she held senior positions in Dun and Bradstreet and Kennecott Copper Corporation where she worked on large complex international mining transactions. Nöel was educated at the University of Texas in Austin and holds a Juris Doctor Degree from the University of Texas Law School.

Simon Poole (Non-Executive Director)

Simon brings to the Board finance and administration experience across a range of businesses in numerous African countries. He has worked as an Operating Partner for Helios Investment Partners since 2011 and in this role he has served on Boards of Directors of Helios Towers Africa, Vivo Energy, Interswitch and Fawry. Earlier in his career he was CFO of Intel Global Ltd and Celtel International (in Burkina Faso, Chad and DRC). He started his career in London with finance and accounting roles with Price Waterhouse, Bank of America and BT.

He qualified as a Chartered Accountant with Price Waterhouse and is a member of the Institute of Chartered Accountants in England and Wales.

Jennifer Johnson-Calari (Independent Non-Executive Director)

Jennifer brings over 37 years of financial services experience. She is one of the principal architects and a former Director of The World Bank's Reserves Advisory and Management Program (RAMP).

Having started her career at the Federal Reserve Board, Jennifer then moved to the US Comptroller of the Currency (OCC), where she specialised in market risk management and participated in the Basel Committee of Bank Supervision. In 1990, she became Portfolio Manager at the International Bank for Reconstruction & Development, the first of five member institutions that make up The World Bank Group.

She later became Director of Sovereign Investment Partnerships at The World Bank, during which time RAMP became the world's leading provider of consulting and capacity-building services to public sector asset managers. During her tenure, Jennifer worked with over 50 official sector asset managers in emerging economies – including central banks, sovereign wealth funds and national pension funds – to strengthen governance and build investment management capacity.

Drawing on her extensive experience Jennifer has co-authored and contributed to several books, journals and whitepapers relating to commodity fund revenue, central bank reserves management and policy issues.

Karen Jordan (Independent Non-Executive Director)

After more than 20 years advising some of the world's most successful financial services companies on regulatory matters, Karen now holds a small number of roles as Independent Non-Executive Director across financial services companies and the whistleblower protection charity, Protect.

Specialising in banking and asset management, Karen's executive roles included stints at PwC, Barclays and State Street. She has advised on global and cross-border regulatory and law enforcement matters involving a range of complex governance, regulatory and reputational challenges. She also took the lead role in ensuring that projects to provide redress to customers due to mis-selling or wrongdoing were well-managed and produced fair outcomes for those customers.

Karen has an auditing background and qualified as a Chartered Certified Accountant in 1992.

Susanne Chishti (Independent Non-Executive Director)

Susanne has over 25 years of industry expertise including at board-level, with a strong focus on organisational governance and the small and medium enterprise (SME) market. Her experience draws on 15 years in finance, having held senior positions at Deutsche Bank, Lloyds Banking Group, Morgan Stanley and Accenture.

She is an Independent Non-Executive Director at CMC Markets PLC, a FTSE250 company where she is also a member of the Risk, Audit, Nomination and Remuneration Committees and the CEO of FINTECH Circle, Europe's first Angel Network focused on fintech innovation.

A bestselling author, Susanne co-edited "The FINTECH Book" series, which has been translated into 10 languages and sold across 107 countries, in addition to six further fintech books published by Wiley. Her wealth of experience led her to being recognised among the "Top 10 global Fintech influencers in 2022" (Evening Standard), the Fintech Champion of the Year in 2019 (Women in Finance Awards) and in the European Digital Financial Services "Power 50" 2015, an independent ranking of the most influential people in digital financial services in Europe. Susanne holds an MBA from Vienna University of Economics and Business.

Caroline Brown (Independent Non-Executive Director)

Dr Brown brings a wealth of experience to CAB Payments as an Independent Non-Executive Director and commercially focused business leader with over 20 years of board experience driving strategic growth and leading high performing teams in the financial services and technology sectors.

Caroline has delivered business strategy across EMEA, the Americas, former-CIS, India and the Far East in commercial leadership roles for FTSE100 groups, mid-cap companies, and innovative small and medium sized enterprises. Her early career was in corporate finance with BAML (New York), UBS and HSBC advising global corporations and governments. She currently chairs the Audit and Risk Committee of a FTSE250 listed business, IP Group plc and formerly chaired the Audit and Risk Committee of W.A.G Payment Solutions plc, a financial solutions business, and the Audit, Risk and Compliance Committee of Earthport plc, a regulated payment institution, prior to its acquisition by VISA International.

Caroline holds a BA (first) and PhD from the University of Cambridge, is a Fellow of the Chartered Institute of Management Accounting and holds an MBA from the University of London.

Mario Shiliashki (Independent Non-Executive Director)

Mario brings over 20 years of experience in payments and fintech from across the world. He is currently the CEO of PayU Global Payments – a leading global online payments player in high-growth emerging markets across Latin America, Africa, Europe and Asia.

Prior to PayU, Mario was on the founding team of PayPal Europe and he went on to lead PayPal's expansion into Asia, building the business across Southeast Asia, India, Japan and Korea from the ground up. After PayPal, Mario led Mastercard's global eCommerce and cross-border initiatives, before launching and commercialising Mastercard's first open API developer platform. Earlier in his career, Mario was a Consultant at Bain & Company in London and an Equities Analyst at Goldman Sachs in New York.

Mario is a regular speaker at fintech conferences and contributor to a number of industry publications. He holds an MBA from Harvard Business School and an International Directors Programme diploma from INSEAD.

Senior Management

In addition to the members of the Board referred to above, the senior management team of the Company is expected to include:

Chris Green (Chief Risk Officer and Head of Compliance)

Chris has over 25 years of corporate financial services experience mainly in senior risk leadership roles. He joined CAB Payments from Royal Bank of Scotland where his roles included Head of Portfolio Management for Commercial Banking, Head of Commercial Credit, and Head of Risk for Business and Commercial Banking. Prior to that, he worked for GE Capital where he held Chief Risk Officer roles for several of its businesses both in France and EMEA.

He is a graduate of Cardiff University, where he gained a BEng (hons) in Manufacturing Systems & Management.

IMPORTANT LEGAL INFORMATION

The contents of this announcement, which has been prepared by and is the sole responsibility of the Company, has been approved by J.P Morgan Securities plc (which conducts its UK investment banking activities as J.P. Morgan Cazenove) solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended).

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement is not for release, publication or distribution in whole or part, directly or indirectly, in or into the United States, Australia, Canada, South Africa or Japan or any other jurisdiction where such distribution would be unlawful. This announcement does not constitute a prospectus or form part of any offer to sell, or any invitation or solicitation of an offer to buy, Ordinary Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful, including the United States (including its territories or possessions or any State of the United States and the District of Columbia (the “United States”), Australia, Canada, South Africa or Japan. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or the laws of any state of the United States. The Ordinary Shares may not be offered, sold or otherwise transferred in the United States, except to qualified institutional buyers (“QIBs”) as defined in, and in reliance on, Rule 144A under the Securities Act (“Rule 144A”) or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offering of securities in the United States.

In the United Kingdom, this announcement is being distributed only to, and is directed only at, persons who: (A) (i) are “investment professionals” specified in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) fall within Article 49(2)(a) to (d) of the Order (and only where the conditions contained in those Articles have been, or will at the relevant time be, satisfied); and (B) are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom as defined in the European Union (Withdrawal) Act 2018; and (C) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the sale of any securities of the Company or any member of its group may otherwise lawfully be communicated; and (D) intermediaries using the Peel Hunt REX portal for distribution to retail investors in the United Kingdom (all such persons being “relevant persons”).

In the European Economic Area (the “EEA”), this announcement is addressed only to and directed only at, persons in member states who are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (“Qualified Investors”).

This announcement must not be acted on or relied on (i) in the United Kingdom, by persons who are not relevant persons, and (ii) in any member state of the EEA, by persons who are not Qualified Investors. Any investment or investment activity to which this announcement relates is available only to (i) in the United Kingdom, relevant persons, and (ii) in any member state of the EEA, Qualified Investors, and will be engaged in only with such persons.

This announcement may include statements that are, or may be deemed to be, “forward-looking statements” including its 2023 and mid-term financial targets and objectives relating to the business, financial performance, results of operations, financial condition, liquidity, prospects, growth and strategies and results of the Group and industry in which the Group operates. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “targets”, “anticipates”, “expects”, “intends”, “may”, “will”, “forecast” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. No representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. Any forward-looking statements reflect the Group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s business, results of

operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made.

The Group has not defined, and does not intend to define, "mid-term". The Group's mid-term financial targets or objectives should not be read as forecasts, projections or expected results and should not be read as indicating that the Group is targeting such metrics for any particular year, but are merely objectives that result from the Group's pursuit of its strategy. The Group's ability to meet its 2023 and mid-term objectives is based upon the assumption that the Group will be successful in executing its strategy and, furthermore, depends on the accuracy of a number of assumptions involving factors that are significantly or entirely beyond the Group's control and are subject to known and unknown risks, uncertainties and other factors that may result in the Group being unable to achieve these objectives. The Group's targets and objectives are based on assumptions that the Directors believe are reasonable, but which may turn out to be incorrect or different than expected, and the Group's ability to achieve them will depend on a number of factors, many of which are outside the Group's control, including significant business and economic uncertainties and risks.

In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur or the Company's or the Group's actual results, performance or achievements might be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Barclays Bank PLC ("Barclays") and J.P. Morgan Securities plc ("J.P. Morgan") (which conducts its UK investment banking activities as J.P. Morgan Cazenove), Canaccord Genuity Limited ("Canaccord Genuity"), Liberum Capital Limited ("Liberum") and Peel Hunt LLP ("Peel Hunt") (together, the "Banks"), STJ Advisors Group Limited (the "Financial Adviser"), the Company or any member of the Group, or any of such person's affiliates or their respective directors, officers, employees, agents or advisers expressly disclaim any obligation or undertaking to update, review or revise any such forward-looking statement or any other information contained in this announcement, whether as a result of new information, future developments or otherwise, except to the extent required by applicable law. You are therefore cautioned not to place any undue reliance on such forward-looking statements. In addition, even if the results of operations, financial condition and liquidity of the Group, and the development of the industry in which the Group operates, are consistent with the forward-looking statements set out in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. No statement in this announcement is intended to be a profit forecast.

Any purchase of Ordinary Shares in the possible IPO should be made solely on the basis of information contained in the Prospectus which may be issued by the Company in connection with the IPO. The information in this announcement is subject to change. Before purchasing any Ordinary Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus, if published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Neither this announcement, nor anything contained in the Registration Document, shall constitute, or form part of, any offer or invitation to sell, or any solicitation of any offer to acquire, any Ordinary Shares or any other securities, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.

The Group may decide not to go ahead with the possible IPO and there is therefore no guarantee that a Prospectus will be published, the Offer will be made or Admission will occur. Potential investors should not base their financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor the Registration Document, constitutes a recommendation concerning a possible offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, financial, accounting or legal advice, (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances or (iii) a personal recommendation to you.

None of the Banks nor any of their respective affiliates and/or any of their or their affiliates' directors, officers, employees, advisers and/or agents accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to, the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) and/or any other

information relating to the Company, the Group or its associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available, or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith.

Each of Barclays and J.P. Morgan is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom. Each of Canaccord Genuity, Liberum and Peel Hunt is authorised and regulated by the Financial Conduct Authority in the United Kingdom. The Financial Adviser is regulated by the Financial Conduct Authority. Each of the Banks and the Financial Adviser will be acting exclusively for the Company and certain selling shareholders and no one else in connection with the possible IPO. The Banks and the Financial Adviser will not regard any other person as their client in relation to the possible IPO and will not be responsible to anyone other than the Company and certain selling shareholders for providing the protections afforded to their respective clients nor for giving advice in relation to the possible IPO, the contents of this announcement or any transaction, arrangement or other matter referred to herein. In connection with the withdrawal of the UK from the European Union, the Banks may, at their discretion, undertake their obligations in connection with the possible IPO by any of their affiliates based in the EEA.

Certain data in this announcement, including financial, statistical, and operating information has been rounded. As a result of the rounding, the totals of data presented in this announcement may vary slightly from the actual arithmetic totals of such data. Percentages in tables may have been rounded and accordingly may not add up to 100%.

Unless otherwise indicated, market, industry and competitive position data are estimated (and accordingly, approximate) and should be treated with caution. Such information has not been audited or independently verified, nor has the Company ascertained the underlying economic assumptions relied upon therein.

For the avoidance of doubt, the contents of the Group's website or any website directly or indirectly linked to the Group's website, are not incorporated by reference into, and do not form part of, this announcement.