

5 March 2026

CAB | Payments

CAB Payments Holdings plc and its subsidiaries
("CAB", "CAB Payments", the "Group" or the "Company")

Full Year Results 2025 **Returning to profitable growth: Business transformed, strategy delivering**

CAB Payments, the specialist bank connecting fast growing and dynamic markets to the global financial system, today announces its audited results for the 12 months ended 31 December 2025. It returns to profitable growth with Total Income up 12% year on year to £119m and Adjusted EBITDA up 14% to £35m.

Commenting on the results, Neeraj Kapur, Group CEO, said today:

"These results mark a turning point. We have exceeded market expectations and delivered strong growth in revenue, volumes, client numbers and underlying profitability. We are seeing the benefits of the strategic realignment of the business that took place in the second half of 2024 and the first half of 2025. Our relationship-led approach is winning and growing clients.

Our purpose is to deliver prosperity in the markets we serve. These are some of the world's fastest-growing, hardest-to-reach economies, and they are playing an ever more important role in global commerce with greater demand for access to the international financial framework. We are investing in our network, our people, our products and our platform to ensure we deliver on that purpose. The Group enters 2026 with strong momentum and we are confident of delivering sustained, profitable growth. We expect to grow our top line significantly. This will improve operating leverage, drive compounding profits and meaningful capital generation."

Highlights:

- Total Income +12% YoY to £119m and +30% HoH, driven by broad-based growth in client acquisition and deepening of relationships across new products and markets
- Adjusted EBITDA +14% YoY to £35m; with adjusted EBITDA margin rising to 30% (2024: 29%) demonstrating increasing operating leverage, notably in H2
- Adjusted EPS +9% YoY to 6.8p
- Reported EPS down 0.2p per share to 5.4p per share after one-off restructuring costs
- Active clients increased to 592 (2024: 546); client onboarding times reduced by 40%
- Wholesale FX & Payment FX volumes +13% to £41.9bn (2024: £37.2bn); payments processed +19% to 1.2m transactions
- New York office opened in December 2025; Abu Dhabi office commenced in January 2026; further selective licenses progressing in Africa and LATAM
- Additional US dollar and euro clearing banking partner appointed, strengthening operational resilience and adding capacity to better serve our clients and markets

- Strong pro-forma CET1 ratio of 22.1% (2024: 19.2%), balance sheet remains highly liquid and short-dated
- Entered 2026 with robust performance in January and February
- Targeting high-teens to low 20s percentage CAGR growth in Total Income (ex Net Interest Income) over the next 3 years and higher operating leverage leading to strong capital generation

A business transformed, returned to growth - a compelling shareholder proposition

- An attractive shareholder story
 - **Quality revenue growth** - diversified, sustainable and profitable growth
 - **Operational leverage delivery** - cost-base reshaped, productivity focus leading to profit accretion
 - **Growth through infrastructure investment** - technology, people, network, relationships, driving scalability
- A differentiated investment thesis:
 - **Structural growth drivers** - Aligned to fast-growing and dynamic markets
 - **Specialised emerging markets network** - differentiated and trusted access to complex markets
 - **Deep relationships** - relationships built over decades with central banks and other clients, driving sustainable growth
 - **Flexible payments platform** - with direct multi-rail access and built-in flexibility to evolve
 - **Scalable business model** - with long-term operating leverage
 - **Regulated infrastructure platform** - licences driving preferential market access to liquidity, relationship longevity and trust

New medium-term framework:

2026 trading has started well and the Group expects its strategy to continue to deliver.

Revenue

- Well positioned to deliver Total Income excluding Net Interest Income growing at a high teens to low 20s percentage CAGR over the next three years
- Lower US interest rates are expected to create near-term headwinds for Net Interest Income

Operating leverage

- Expect to deliver continued positive operating leverage and a structural reduction in Cost: Income ratio over time

Investment

- The Group expects Capital Expenditure to increase in 2026 while it builds out its future-ready operating platform for the next stage of growth

Capital

- Capital-lite cash generative business model growing surplus capital for deployment into growth and shareholder returns
- Formal capital return framework to be laid out at the FY26 results

Significant improvement in strategic KPIs

- Active clients: 592, up from 546 in 2024 (+8%); strong sales performance and relationship-led model continued to drive growth
- Total FX volumes +13% to £41.9bn (2024: £37.2bn)
 - G10 FX volumes +20% to £28.4bn (+9% HoH), driven by increased demand from local and central banks
 - Emerging FX volumes broadly flat at £13.5bn (+16% HoH), with lower IDO volumes offset by higher Fintech activity
 - Take-rates increased to 15bps (2024: 14bps 2023: 25bps) reflecting specialised access to liquidity and structured solutions activity notably in H2
- Payments processed +19% to 1.2m transactions, supported by expanded payment rails including new Automated Clearing House (ACH) and payment to mobile capability
- Revenue is more diverse, with top 5 corridor concentration at 32% well below the 49% peak in H1-2023
- Trade Finance income +52%, as we supported more clients and built our capabilities further, including starting secondary distribution
- Average deposits +4% to £1.5bn, underpinned by call deposit growth
- Interest-rate hedging strategy successfully deployed to manage potential income volatility arising from rate changes

Strategic progress alongside client growth underpins confidence for delivery in 2026

- Two new offices licensed and operational: New York (Q4 2025) and Abu Dhabi (Q1 2026).
- FX Derivatives capability built, ACH rails expanded to 54 currencies and A+ rated Guaranteed Deposits product launched
- Network expanded with 39 new nostro accounts and 11 new liquidity providers; total partners now 440 (2024: 390)
- Additional US dollar and euro clearing banking partner appointed
- Trade Finance syndication capability progressed

Investor presentations

CAB Payments will host two webcasts for the investment community:

5 March, 09:30 UKT — Analyst & Institutional Investor Webcast

- Presentation with Neeraj Kapur, Group CEO, and James Hopkinson, Group CFO.
- Presentation available at: <https://www.cabpayments.com/investors>
- Register: <https://secure.emincote.com/client/cab/2025annualresults>
- Please submit any Q&A to ir@cabpayments.com, answers will be published on the Group's website

6 March, 09:30 UKT — Retail Investor Webcast

- Presentation with Neeraj Kapur, Group CEO, and James Hopkinson, Group CFO.
- Presentation available at: <https://www.equitydevelopment.co.uk/news-and-events/cab-payments-investor-presentation-fy-results-6th-march-2026>
- Written questions can be submitted throughout the live session and responses will be published on the Group's website

About CAB Payments:

CAB Payments, via its operating subsidiary Crown Agents Bank Limited, exists to deliver prosperity in the markets we serve. With a network built over more than 180 years, we connect the world's hardest-to-reach financial markets to the global economy, moving money across 124 currencies and 800+ currency pairs via API, digital platforms or bespoke solutions. Crown Agents Bank Limited is one of the first banks to achieve B Corporation™ status and holds the Platinum Sustainability Rating from EcoVadis, ranking within the top 1% of companies assessed globally.

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Overview of financial performance

Total income

- Total Income +12% YoY to £119.0m (2024: £106.4m), with strong acceleration into H2 (+30% HoH) despite emerging NII headwinds from reduced global interest rates
- Total Income excluding NII +17% YoY to £87.5m (2024: £74.6m), +48% HoH
- Wholesale FX Income +25% (+75% HoH), driven by volume growth from banking, fintech and corporate clients and improved margins
- Payments Income flat YoY (+15% HoH) reflecting a non-recurrence of margin dislocation in early 2024 that affected revenue growth. Payment volumes increased 27% HoH as growth resumed
- Banking Income +8% YoY (flat HoH), reflecting 1% reduction YoY (down 9% HoH) in Net Interest Income despite 4% growth in average deposits, as interest rates fell towards the end of the year. This was offset by Trade Finance income which increased 52% YoY (+38% HoH)

Operating expenses

- Operating costs (excluding Depreciation and Amortisation) +10% to £83.9m (2024: £76.2m) reflecting inflation, as well as investment in our client facing teams, product and building our network of offices internationally
- Staff costs (ex-variable comp): broadly flat, as guided, reflecting execution of restructuring plan in Q1 allowing selected investment in front office teams and network expansion
- Variable compensation increased, aligned to performance and strategic delivery improvements
- Cost of sales +16%, reflecting higher activity-based transaction costs
- Other operating expenses +8%, reflecting inflation and professional fees as we built out product and risk management capability

Profitability

- Adjusted EBITDA +14% to £35.2m with Adjusted EBITDA margin at 30% (2024: 29%), demonstrating improving operating leverage
- Adjusted Cost:income ratio at 79% (2024: 80%) with significant improvement in H2 vs H1 (74% vs 85%)
- Depreciation & amortisation +25% YoY to £10.6m (2024: £8.5m) due to higher 2024 capex beginning to amortise in 2025
- Adjusted PAT +9%; Adjusted EPS +9% YoY
- Reported PAT down 4% to £13.6m (2024: £14.2m) due to restructuring costs and higher tax

Investment

- As guided, investment is £8.7m (down 42% YoY, as guided) was largely focused on product enhancements

Capital & liquidity

- Proforma CET1 ratio strengthened to 22.1%(2024: 19.2%) as we remain a well-capitalised bank with a very low level of lending relative to our deposits
- The group is highly liquid with NSFR and LCR ratios strong at 148% and 123% respectively. Adjusted ROE was 11% (2024: 11%)

Note:

- (a) *All growth rates are year-on-year unless specified*
- (b) *2024 Total Income has been re-presented to add back IFRS 16 interest expense on lease liabilities reflecting updated presentation of the Group's financial statements. The IFRS 16 interest expense on lease liabilities is reflected separately in the Profit and Loss statement under other finance costs.*
- (c) *In Q1 2025, a review of the primary nature of client payment activity was completed and a portion of client income was reclassified from Wholesale FX income to Payment FX income. To ensure comparability, prior period financial information related to these products has been reclassified, amounting to £2.2m of FY24 income from Wholesale FX to Payment FX*

Selected Financial Information and KPIs for Continued Operations:

Adjusted Income statement (£m)

Twelve Months Ended 31 December	2025	2024	YoY growth % H2 vs H1 growth %	
Wholesale FX	48.7	39.0	25 %	75 %
Payments	29.5	29.5	– %	15 %
Banking	40.8	37.9	8 %	– %
Total Income	119.0	106.4	12 %	30 %
Staff costs	(50.4)	(45.7)	10 %	22 %
Other operating expenses	(33.5)	(30.5)	10 %	9 %
Reversal of impairment provisions	0.1	0.6	(83)%	(100)%
Adjusted EBITDA	35.2	30.8	14 %	69 %
IFRS 16 Interest expense on lease liabilities	(1.4)	(0.9)	56 %	(14)%
Depreciation & Amortisation	(10.6)	(8.5)	25 %	4 %
Adjusted Profit Before Tax	23.2	21.3	9 %	122 %
Adjusted taxation	(5.8)	(5.3)	9 %	122 %
Adjusted Profit after Tax	17.4	16.0	9 %	122 %
Adjusted EPS (pence)	6.8	6.3	9 %	119 %

Selected Financial Information (£m) - Reported

	2025	2024	YoY growth % H2 vs H1 growth %	
Profit before tax	18.5	17.6	5 %	397%
Profit after tax	13.6	14.2	(4)%	387%
Earnings per share (pence)	5.4	5.6	(4)%	389%

Wholesale FX and Payments FX Information

	Volume (£bn)		Take Rate (%)		Income (£m)	
	2025	2024	2025	2024	2025	2024
G10	28.4	23.7	0.07%	0.06%	20.5	15.3
Emerging Markets	13.5	13.5	0.31%	0.29%	42.2	38.5
Total	41.9	37.2	0.15%	0.14%	62.7	53.8

Other Management Information

	2025	2024	YoY growth %	H2 vs H1 growth %
Capital & Investment				
Core Capex (£m)	8.6	12.5	(31)%	49%
Capital intensity (% of Total Income)	7%	14%	(50)%	14%
Operating Free Cash Flow (£m)	27.2	15.5	75%	86%
Operating Free Cash Flow Conversion (%)	77%	50%	54%	11%
Total CET1 Capital (£m)	129.3	116.0	11%	12%
CET1 Ratio (%)	22.1%	19.2%	15%	13%
Margin				
Adjusted EBITDA Margin (%)	30%	29%	3%	32%
Adjusted Cost:Income Ratio (%)	79%	80%	(1)%	(12)%
Income				
Total Income (excl. Net Interest Income) (£m)	87.5	74.6	17%	48%
Wholesale & Payments FX (£m)	78.2	68.5	14%	49%
Wholesale and Payment FX Volume (£bn)	41.9	37.2	13%	11%
Income by client type				
Banks (£m)	71.9	62.4	15%	16%
Fintechs & Corporates (£m)	33.2	28.8	15%	66%
IDOs (£m)	13.9	15.2	(9)%	36%

Chief Executive Officer's Review

'Delivering prosperity in the markets we serve has never been more relevant. The Group plays a vital role in a world of shifting trade dynamics and development in fast-growing and complex economies. The macro-economic conditions throughout the world are complex and turbulent. Our consistent presence, and enduring purpose helps us stay the course as we connect communities, institutions and businesses to the global financial system, enabling capital to flow where it is needed most

We have fundamentally reshaped how we do business. Where previously we offered specific products to particular clients, we now seek to build deep, lasting relationships across our client base – from central banks and international development organisations to commercial banks and corporates – offering them the power of our entire platform to solve their challenges. This shift to a broader relationship-driven model and a solutions focus is the foundation of our sustainable growth.

In 2025, our purpose and model translated into meaningful results. Total Income grew 12% year-on-year to £119.0m, and 30% half-on-half to £67.2m, ahead of market expectations. This is a significant step forward and evidence that our relationship-led model is working.

With our transformation complete, we are focused on capturing the significant opportunity ahead. Our cost base is now reshaped for growth, and we see the operational leverage inherent in our model – income growth outpacing cost growth. Reported EPS, however, fell 4% to 5.4p, reflective of the one-time investment we made to complete this transformation.

In the markets we serve, business is built on trust, face-to-face. Our expansion into New York, Abu Dhabi and deeper into Africa puts us closer to clients, facilitating the relationship-led approach that sets us apart. We are now where our clients need us most. Global macro-headwinds are ever present, including a changing political landscape, trade tariffs and availability of finance. This adds a level of volatility and uncertainty which our clients are navigating. This is also where we can stand up and excel as an institution.

Our reputation as a reliable partner is driven by our expertise in providing fast, secure and effective FX and cross-border payment solutions in complex environments. We deliver a strong value proposition for clients, guiding them through market complexity while continuing to invest for global growth.

The Group is now a stronger and more focused organisation, well placed to deliver sustainable growth and value. I am proud of what we have achieved together.

Significant market opportunity

The markets we serve are vast and growing. Africa's cross border payments exceed \$300 billion annually while Latin American and Caribbean remittance flows surpassed \$170 billion in 2025.

As larger institutions eye these opportunities, our longstanding presence, local expertise, and strong relationships set us apart. While some institutions are only now seeking to return or expand their footprint, we have consistently supported clients in these regions, often stepping in when others have withdrawn. This consistency of service is an important differentiator and has built deep trust over time.

The global digital payments revolution is gathering pace. There are approximately 1.1 billion mobile wallets in Sub-Saharan Africa⁽¹⁾ and 37% of adults in Latin America and the Caribbean have a mobile-money account⁽²⁾. We embrace these trends through investments in solutions such as Automated Clearing House (ACH) rails, delivering faster, lower-cost payments to multiple endpoints including mobile wallets.

We are also exploring how we can help deliver blockchain-based payments, including central bank-backed stablecoins. Stablecoin networks are expanding rapidly and are growing in significance in the markets which we serve. We want to be on the front foot as regulation develops in this space to ensure we are providing clients with the serve they need. As regulatory reforms like the Pan-African Payments and Settlement System promote greater interoperability, we are investing in modern infrastructure to enhance liquidity and connectivity.

¹ Finance in Africa. July 2025

² World Bank. July 2025

Strategic Progress

Our four-pillar strategy focusing on clients, network, platform and innovation is driving momentum and robust financial results. In 2025, we achieved significant milestones. Critically, we have shifted from simply providing individual products to delivering comprehensive and integrated solutions – a change that reflects our broader pivot to relationship-driven banking.

Our long-standing relationships with central banks, recognised by our Global Markets Awards at the 2025 Central Banking Awards, provide the foundation for stable, recurring income. These partnerships, built over decades, differentiate us from competitors and underpin the sustainability of our growth.

Increasing our client base

We are increasingly the partner of choice for clients. In 2025, our net active client base grew to 592, up from 546 in 2024. We have strengthened our position across key client segments with our banking clients, recognising our collaborative and transparent approach. We have repositioned our sales teams to serve clients through multiple lenses: geographies, client type and products. We also significantly improved our client onboarding times, bringing them down by 40%, delivering a better client journey and quicker times to monetisation. In 2025, we grew our average revenue per client from £193.3k in 2024 to £201k in 2025, reflecting our push to gain a higher share of wallet from our existing client base.

Developing our network

Our network of liquidity and nostro providers expanded to 440 as of 31 December 2025, up from 390 in the same period last year.

We continually review our relationships to ensure we can deliver market-leading pricing and quality for clients. Our banking licence is a critical differentiator and fundamental to our relationship-driven model and building our network. Local banks engage with us as a regulated peer, not just a service provider.

Our network is strengthened further by mutually beneficial partnerships, such as providing international transactional banking in return for improved liquidity and pricing. We are delighted to have been onboarded by another major global bank in early 2026, who will provide us with USD clearing services. This specific relationship enables us to expand transaction volumes and improve ease of business, as well as diversify our essential USD clearing capabilities.

Enhancing our platform

In 2025, we ramped up our structured solutions proposition, delivering more stable fee income and unlocking liquidity for central banks and corporates, underpinning resilient revenue flows.

Our expanded product suite now enables us to, for example, offer FX derivatives and A+ rated deposits, which increase our ability to meet client need and post-launch, they will help improve the quality and breadth of our client conversations. While we have launched these products we have not yet monetised these and intend to do so in 2026. We also enhanced our payment capabilities through ACH rails allowing us to win more large-scale payment mandates. Our ACH rails now cover 54 currencies and have the

ability to deliver to billions of endpoints including mobile wallets, while significantly lower our cost to serve. Clients also benefit from unmatched FX versatility.

We can price virtually any currency we offer against any other, from G10 majors to frontier markets, giving them access to corridors others cannot reach.

Our trade finance capabilities continue to attract new clients and achieve robust growth, especially in Sub-Saharan Africa where we help bridge the trade finance gap that constrains the growth of some of the region's most dynamic economies. The size of the opportunity is significantly more than our balance sheet capacity, and we are developing our syndication and primary distribution capabilities to originate more of this important offering, connecting those with the capital to the demand from markets.

Investing in innovation

As a regulated bank, we are disciplined in capital allocation. We invest where we see returns and every investment is tied to revenue growth or operational efficiency.

For example, we are developing a stablecoin proposition for faster, lower-cost payments. This will align both with our clients needs and regulatory requirements as they crystallise. We want to be at the forefront as this technology develops. It has enormous potential to enhance flows in our key markets, but we need to ensure we are working with central banks and governmental policy aims.

In the near-term, we will invest in our core banking platform to enhance client experience and improve processes. This will improve processes such as client management, trading desk management, payment system integration and onboarding times. This will enhance operational leverage which remains an important strategic driver in our business.

Financial Performance

I am very pleased to report that our hard work has delivered improved financial performance. The year-on-year and half-on-half income growth is the result of the commitment of our people, in delivering our purpose and serving our growing client population.

As mentioned earlier, Total Income grew 12% year-on-year, ahead of market expectations. Growth was broad-based across service lines reflecting strategic progress as we built stronger relationships with our existing clients and onboarding new ones. Net interest income was marginally down year-on-year as interest rate cuts in the latter half of the year took effect. This is a trend we expect to continue into 2026.

Operating costs, excluding depreciation and amortisation, increased by 10%. Following the completion of our strategic restructuring in early 2025, we have successfully reshaped our cost base to support growth, reducing the number of roles in our organisation by 20% in Q1 and pivoted investment more into client facing activity. This demonstrated the true resilience of our business, with colleagues exhibiting strong determination during periods of uncertainty, delivering the overall robust result for 2025.

We have increased client-facing headcount in New York and Abu Dhabi as well as London and Amsterdam. While this will lead to higher operating costs going forward, our cost base is structured to deliver sustainable growth and positive operating leverage over time.

We generated Adjusted EBITDA of £35.2m for the year-ended 31 December 2025 (2024: £30.8m). Adjusted EBITDA margin grew to 30% (2024: 29%). With our cost base now re-baselined and our investment focus targeted on revenue growth, we have a strong opportunity to generate further operational leverage.

Finally, we generated double-digit growth in profitability with Adjusted EPS growing 9% to 6.8 pence per share. However, reported EPS fell 4% to 5.4p per share, reflecting the one-off costs we needed to incur to complete our transformation. Overall, a very pleasing set of results evidencing the value of our purpose and the effectiveness of the strategy that supports it. As the global landscape continues to shift, we enter 2026 with confidence and commitment to our growth plans.

Outlook

Looking ahead to 2026, we are well-placed to build on our progress. The strong run-rate of sustainable revenues, a robust pipeline of new clients, and ongoing market expansion provides confidence for further growth.

While the global environment remains unpredictable, CAB Payments is more essential than ever to an increasing part of the global community.

We are expecting to face interest rate headwinds going into next year, as global interest rates fall, particularly in the US and UK. Overall, we are aiming for high-teens to low-20s percentage CAGR in Total Income (excluding Net Interest Income) over the next three years. This is together with delivering improving operational leverage.

Our business model is also highly cash generative and we expect to generate a significant capital surplus balancing investing for further growth as well as a shareholder return programme for which we will lay out a framework next year.

I wish to thank our colleagues for their unwavering commitment and support during this pivotal and transformative year. Their talent, expertise, and shared ambition have made this progress possible. We are well-positioned to deliver further growth, serve our clients and deliver lasting prosperity where it is needed most.

Neeraj Kapur
Group Chief Executive Officer
4 March 2026

Financial Review

Overall

The business has delivered revenue growth, demonstrated cost discipline following the restructuring in the first quarter, attracted more clients, and made broad-based strategic progress. These advances have translated into tangible financial growth with income and profitability building throughout the year.

While macro-economic challenges and volatility persist, we have worked to reduce their impact through broadening the sources of income, reducing concentrations in our business, improving our risk management tools and, most importantly, remaining focused on supporting our clients.

Business volumes continued to increase through the year, with Wholesale and Payment FX volumes increasing 13% year-on-year and the number of payments processed rising 19%. Growth was broad based across existing client vintages along with a +46 increase in transacting clients.

Income growth was driven by our Banks and Fintechs & Corporates sectors (representing ~88% of total income) as we continue to be their partner of choice and as we increased our reach and capability.

We also remained a key partner for IDOs, (representing ~12% of total income) through a challenging year, which saw the impact of reducing funding levels change how they deliver on their priorities.

Note: All amounts in the financial review section are presented in millions (£m) as whole numbers unless otherwise stated. Percentages and totals are calculated using underlying actual figures to one decimal place and may not recalculate exactly from the presented amounts due to rounding.

Summary Financial Information and KPIs				
	2025	2024	YoY growth %	H2 vs H1 growth %
Twelve Months Ended 31 December				
Total Income ¹ (£m)	119.0	106.4	12%	30%
Profit After Tax (£m)	13.6	14.2	(4%)	387%
Total Income (ex Net Interest Income) (£m)	87.5	74.6	17%	48%
Adjusted EBITDA ¹ (£m)	35.2	30.8	14%	69%
Adjusted EBITDA margin ¹ (%)	30%	29%	3%	32%
Adjusted Return on Equity (%)	11%	11%	–%	111%
Earnings Per Share (pence) ¹	5.4	5.6	(4%)	389%
Adjusted Earnings Per Share (pence) ¹	6.8	6.3	9%	119%
Average total deposits (£bn)	1.5	1.4	4%	(2%)
Shareholders funds (£m)	160.7	146.6	10%	7%
Number of Active Clients	592	546	8%	3%
Wholesale and Payment FX Volume (£bn)	41.9	37.2	13%	11%
Capital Expenditure (£m)	8.7	15.0	(42%)	49%

With the opening of new offices in the US and Abu Dhabi, together with existing offices in the UK and Europe, and plans to deepen the on-the-ground presence in Africa and elsewhere, we are well placed to continue to grow our core FX and Payments proposition, underpinned by our banking licence.

We delivered costs to plan which included executing a restructuring in Q1. We have delivered income growth whilst keeping staff costs broadly flat year on year, excluding variable pay, as guided.

While non-staff costs increased due to market-wide inflation and higher transactional volumes, strong income performance and an improved cost profile delivered higher Adjusted EBITDA and margins, with a

half-on-half marginal gain of +58%. We acknowledge that there is scope for significant improvement in Adjusted EBITDA margin and our Cost-Income ratio and this will be of strong focus going forward.

Total Income by product

£m	2025	2024	YoY growth %	H1 2025	H2 2025	H2 vs H1 growth %
Wholesale FX	48.7	39.0	25 %	17.7	31.0	75 %
Payments	29.5	29.5	— %	13.7	15.8	15 %
<i>of which</i>						
Payments FX	14.0	14.8	(5)%	6.2	7.8	26 %
Other Payments	15.5	14.7	5 %	7.5	8.0	7 %
Total Transactional income	78.2	68.5	14 %	31.4	46.8	49 %
Banking	40.8	37.9	8 %	20.4	20.4	— %
<i>of which</i>						
Net Interest Income	31.5	31.8	(1)%	16.5	15.0	(9)%
Trade finance and other income	9.3	6.1	52 %	3.9	5.4	38 %
Total Income	119.0	106.4	12 %	51.8	67.2	30 %

¹ See alternative performance measures for definition / Page 84.

Wholesale FX and Payment FX volumes and Take Rates

Combined Wholesale and Payment FX	2025	2024	YoY growth %	H1 2025	H2 2025	H2 vs H1 growth %
Emerging Market Currencies						
Volumes £bn	13.5	13.5	— %	6.3	7.3	16 %
Take Rates	0.31 %	0.29 %	7 %	0.24 %	0.38 %	58 %
G10 Currencies						
Volumes £bn	28.4	23.7	20 %	13.6	14.8	9 %
Take Rates	0.07 %	0.06 %	17 %	0.06 %	0.07 %	17 %

Wholesale FX Income increased to £49m (+25% year-on-year) driven by a combination of volume growth and take rate growth, particularly in the second half of the year. Income benefitted from growth across every vintage of clients: newly onboarded, the scaling of 2024 onboarded clients and mature clients.

Our strategy of supporting prosperity in the markets we serve continued to deliver tangible value in 2025, underpinned by increasingly close working relationships with Central Banks.

Momentum accelerated through the year, with half-on-half income rising £13m (+75%), driven by increases in both volumes and take rates. Performance was further supported by some episodic dislocation causing take rate volatility in a small number of our periphery markets (<£2m) partly offsetting the short lived market dislocation observed in Q1-24.

Payment FX Income was 5% down year-on-year, with a 29% increase in Payment FX volumes more than offset with a fall in take rate.

The second half of the year delivered income of £8m, up 26% half-on-half, reflecting an increase in Payment FX volumes partially offset with marginally lower take rates.

Other payments revenue, which includes correspondent banking and income from pension payments, was up 5% year-on-year and 7% half-on-half. In the period we processed over 1.2m payments through our platform driven by increased activity and the onboarding of new correspondent banking clients. Since the year end we have also added a new global bank to our USD and EUR clearing partners, adding to our ability to serve more clients and markets.

Banking income of £41m increased 8% year-on-year driven by the controlled growth of Trade Finance offset by the impact of interest rate reductions on net interest income towards the end of the year.

Net Interest Income from cash management was £32m, down 1% year-on-year, reflecting lower global interest rates, partly offset by a favourable shift towards call deposits. Income declined 9% half-on-half driven by falling base rates and the cost of the interest rate risk management programme executed in H2 2025. Average deposits for the 12 months to 31 December 2025 stood at £1,451m, up 4% versus prior year (2024: £1,400m), reflecting a steady underlying growth as clients expand their use of our integrated transactional banking services.

Trade Finance and Other Income grew by 52% year-on-year to £9m, driven primarily by the growth in trade finance balances and a c.£0.7m gain on the sale of a portion of our bond portfolio. During the year we also successfully sold or risk participated Trade Finance exposures of c.£92m for a small net gain. The exposures in the portfolio are all under one year and the portfolio has an average duration of four months as at the year end. We are not looking to actively grow this book much further, however our strategy is to start syndicating transactions. This will magnify the impact we can have on the economies we serve without requiring material additional capital from our balance sheet.

Total Income by Client Segment (£m)

Client Type	2025 (£m)	2024 (£m)	YoY growth %	H1 2025 (£m)	H2 2025 (£m)	H2 vs H1 growth %
Banks ¹	71.9	62.4	15 %	33.3	38.6	16 %
Fintechs & Corporates ¹	33.2	28.8	15 %	12.5	20.7	66 %
IDOs	13.9	15.2	(9)%	5.9	8.0	36 %
Total	119.0	106.4	12 %	51.7	67.3	30 %

¹ During the period we consolidated previous segments of EMFIs and Major Market Banks (MMBs) into a single 'Banks' segment and changed "NBFI and Fintechs" to "Fintechs and Corporates" which better reflects how we manage the business and our go-to-market strategy.

Banks represent 60% of total income and remains our largest segment generating £71.9m of income in 2025. This is up 15% year-on-year benefitting from £2.4bn higher Wholesale and Payment FX volumes, a marginal increase in take rates and a higher average Trade Finance balance.

Fintechs & Corporates accounted for 28% of total income, generating £33m, up 15% year-on-year. Growth was driven by a £0.7m uplift from higher utilisation of working capital facilities which supported a £2.8bn (up 52%) increase in Wholesale and Payment FX volumes. This more than offset a year-on-year reduction in take rates resulting from the short-lived market dislocation in Q1-24 which was partially mitigated by episodic dislocations in a small number of our periphery markets in H2 2025.

IDOs accounted for 12% of income, with earnings declining 9% year-on-year to £14m, in line with expectations following the reduction in global aid flows. However, performance strengthened significantly in H2, with income up 36%, as we remained closely engaged with our clients, reflecting margin expansion from recent lows and some volume growth.

Total Income by Region (£m)

Geography (by client domicile)	2025 (£m)	2024 (£m)	YoY growth %	H1 2025 (£m)	H2 2025 (£m)	H2 vs H1 growth %
Americas	41.3	37.6	10 %	20.5	20.8	1 %
UK	29.4	28.7	2 %	11.2	18.2	63 %
Europe	6.1	5.9	3 %	2.4	3.7	54 %
Africa	36.0	27.6	30 %	14.6	21.4	47 %
Middle-East	1.1	1.4	(21)%	0.5	0.6	20 %
Asia	5.1	5.2	(2)%	2.6	2.5	(4)%
Total	119.0	106.4	12 %	51.8	67.2	30 %

The above table shows the breakdown of Total income by client domicile. Our specialised business has attracted clients from all over the world as they seek to access hard to reach markets and to connect to the global financial system. While over 60% of transactional revenue has an African nexus, the clients we engage with can be located in the continent of Africa or elsewhere in the world.

The Americas (North America, LATAM and the Caribbean) represents c.35% of our income currently and with Banks representing the largest segment within the region. We have invested in building further momentum in this region following the opening of our New York office in H2 2025. Year-on-year income grew 10% benefitting from growth in central bank activity and an increase in mix towards call deposits. Half-on-half growth was moderated because of net interest income headwinds.

Africa is our second largest region, with c.30% of income, mostly from Banks. growing at 30% YoY. This reflects our continued focus to serve Africa and build out a leading liquidity network across the continent. We are looking to invest further in our footprint in Africa with more, on the ground presence in 2026.

UK represents c.25% of our income growing 63% half-on-half largely driven by a 15% increase in FX volumes and a 5bps increase in FX margins mostly from our Fintechs and Corporates segment which represents over 80% of income in this region.

Europe and MENA are newer investments with the Amsterdam office, after a slower than expected start, now transacting with clients and the Abu Dhabi office scaling up following the licence approval in January 2026. We acknowledge that our European Office (CAB Europe) has taken longer than we would have liked towards monetisation and scale, but we are now seeing momentum building.

Expenses (rounded to the nearest £m)

Category	2025 (£m)	2024 (£m)	YoY growth %	H2 vs H1 growth %
Staff expenses (excluding variable compensation)	41.7	41.2	1 %	5 %
Variable compensation	8.7	4.5	93 %	163 %
Total Staff Costs	50.4	45.7	10 %	22 %
Cost of Sales	6.6	5.7	16 %	20 %
Other operating expenses	26.9	24.8	8 %	7 %
Total operating expenses (excl. D&A)	83.9	76.2	10 %	17 %
Depreciation and amortisation	10.6	8.5	25 %	4 %
Total operating expenses before non-underlying items	94.5	84.7	12 %	15 %
Non-underlying items	4.7	3.7	27 %	(88)%
Total operating expenses after non-underlying items	99.2	88.4	12 %	6 %
FTE (spot)	366	421	(13)%	7 %
Transactions ('000)	1,163	976	19 %	9%
STP Rate	94%	93%	1 %	

Total reported operating expenses (excluding depreciation and amortisation) increased by 10% year-on-year to £84m (17% half-on-half). This reflected the normalisation of variable compensation, growth in cost of sales and increases in other operating costs largely supporting the expansion of the Bank's global footprint.

We demonstrated good cost control including executing the restructuring action in Q1, driving operational efficiency and working to absorb inflationary pressures. Underlying operating costs (excluding depreciation and amortisation) increased by 3% year-on-year when removing the variable pay uplift, variable cost of sales and the one off £0.6m VAT refund recognised in H1 2024.

FTE at the end of 2025 was 366, down 13% on 2024 reflecting the execution of the strategic restructuring exercise and controlled investment, focused on building our product capability and expanding the depth and reach of our client facing capability.

Total Staff costs excluding variable compensation costs were maintained broadly flat year on year, in line with previous guidance. Total staff costs were up 10% year-on-year, driven mostly by the normalisation of variable compensation in the period reflecting the improved performance and execution of the turnaround strategy.

Cost of sales increased 16% year-on-year largely reflecting the growth in the number of transactions processed, up 19%, along with the credit guarantee insurance costs for the Trade Finance risk participation.

Other operating expenses increased to £27m, up 8% year-on-year, largely reflecting the combination of inflationary costs, investment in product enhancements such as Trade Finance credit risk participation, formation of the Bank's balance sheet hedging capabilities and the legal and travel spend required to set up new licences in new regions. Furthermore, in 2024, we received a VAT refund of £0.6m which did not reoccur in 2025.

Depreciation and amortisation increased 25% year on year to £10.6m, reflecting the higher capital expenditure from 2024 which started to amortise in 2025.

Non-underlying items (formerly referred to as adjusting items) largely reflects restructuring costs associated with the redundancy programme conducted in the first quarter of the year which were in line with previous guidance, along with the cost of setting up new international entities.

Profitability

As a result of a 12% growth in revenue, whilst controlling cost growth, the business generated an Adjusted EBITDA of £35.2m (2024: £30.8m) growing 14% year on year. The Group also generated Adjusted PAT of £17.4m up 9% versus 2024 (2024: £16.0m) with depreciation and amortisation increasing reflecting higher capex in the prior year.

Statutory PAT was down 4% reflecting exceptional costs (£4.7m) associated with the restructuring programme we conducted in the first quarter and higher tax YoY reflecting prior year adjustments in 2024 and 2025.

Taxation

The effective tax rate for the year was 27% (2024: 19%). The Group incurred a total tax charge of £5.0m compared to £3.4m in 2024, reflecting a combination of the improvement in profitability and an adjustment in respect of prior year. Underlying effective tax rate in 2025, excluding prior year adjustments, remains in line with 2024 at just under 25%.

Balance sheet

The Group Balance Sheet remains well capitalised, highly liquid and short dated with total shareholders' funds increasing 10% year-on-year.

Total Deposits at the balance sheet date decreased by 9% to £1.4bn (2024: £1.6bn).

The spot decrease in balances is largely related to movements around the 2024 balance sheet date. Within deposits there has been a trend of increasing call account balances, up 18% year-on-year and reducing term deposits. During the year we have developed a new A+ rated deposit product as we look to build options for clients to meet their deposits needs.

Average deposits across the year are up 4% year-on-year. Average deposits were up largely due to the growth in deposits from Banks, as we continue to expand our correspondent banking capabilities, and from Fintechs and Corporates as we provided Safeguarded deposit services.

Average Deposits (£m)	2025 (£m)	2024 (£m)	YoY growth %	H2 vs H1 growth %
Call Deposits	773	611	27 %	– %
Fixed Term Deposits	678	789	(14)%	(5)%
Total Deposits	1,451	1,400	4 %	(2)%

The Group has repositioned its asset strategy through the year with the aim to reduce risk and P&L volatility, and to broadly match the currency of assets and liabilities.

Treasury assets composition has changed through the year, however we have reformed the Bank's low-risk approach to balance sheet management. With most deposits received in USD, the Bank has reduced its cross-currency exposure by reducing both cash held at the Bank of England and Money Market Funds and reallocated funds to debt securities (up 175%).

Debt securities increased to £678m (2024: £246m), with holdings largely in government and other high-grade investment securities. This reflects our strategy to allocate liquidity to high quality (all AA rated or better), HQLA (short duration) eligible, short tenure assets in the currency matching the underlying deposits.

The Bank significantly reduced the Group's exposure to interest rate movements by deploying an interest rate risk management policy. This resulted in some assets, previously held to hedge rate movements, being sold resulting in a one off gain on sale of c.£0.7m. At the year-end, the Group assessed its interest rate sensitivity at just under £2m for a 1% parallel shock to interest rates, down from under £5m in the prior year.

Trade Finance lending is up 50% year-on-year to £270m as we grew lending to around our appetite levels. An enhanced 'originate to distribute' model was launched in the year and c.£92m of trade assets were successfully sold or risk participated for a small net gain. The next stage of this business will be to increase the distribution volumes through continued bi-lateral sales and syndicating transactions.

Balance Sheet

	2025 (£m)	2024 (£m)	YoY growth %
Cash at Central Banks	257.9	584.7	(56)%
Money Market Fund	218.2	488.2	(55)%
Loans and advances to banks	129.9	185.6	(30)%
Debt Securities	677.5	246.0	175%
Non-HQLA Assets	5.1	0.2	2450%
Treasury Assets	1,288.6	1,504.7	(14)%
Trade Finance	269.8	179.7	50%
Working Capital	21.5	32.6	(34)%
Right of use assets	15.7	17.8	(12)%
Intangible Assets	31.2	30.6	2%
Fixed and Other Assets	32.9	39.4	(16)%
Total Assets	1,659.7	1,804.8	(8)%
Customer Deposits – Current	915.6	775.8	18%
Customer Deposits – Term	520.9	809.2	(36)%
Customer Deposits	1,436.5	1,585.0	(9)%
Other Liabilities	62.5	73.2	(15)%
Shareholders Funds	160.7	146.6	10%
Total Liabilities + Equity	1,659.7	1,804.8	(8)%

Capital Expenditure

Capex for the year stood at £8.7m, broadly in line with guidance, with over 70% of investment allocated towards revenue-generating capabilities. Key projects include the continued investment in our new payment channels such as mobile wallet build and ACH build-out. We are also investing into our product capability as well as international expansion as we enhance our presence in key regions.

Capital, Liquidity and Investment

The Group continues to be well capitalised, highly liquid, short dated and focused on transactional activity with >65% of revenues driven by transactional FX and Payments activities with the remainder driven by Banking products.

As at 31 December 2025, only 22% of deposits were allocated towards short term trade and working capital lending with the remainder placed in High Quality Liquid Assets with Central Banks (HQLA). To put that into context, a typical bank in the UK would lend out at least three times this proportion of deposits¹.

Proforma CET1 ratio² increased to 22.1% (2024: 19.2%) reflecting the accumulated profits offset by a controlled increase in the trade finance portfolio Total proforma CET1 Capital stood at £129.3m (2024: £116.0m) an increase of 12% retaining a £41.1m surplus above the Overall Capital Requirement.

Liquidity metrics remain strong with both LCR and NSFR well above regulatory minimums at 123% and 148% respectively.

¹ Defined as a basket of comparable transaction banks: Barclays, Lloyds, NatWest, Standard Chartered, Standard Bank, Commerzbank and HSBC as at 31 December 2024.

² Proforma CET1 ratio includes 2025 audited profits and pillar 1 operational risk uplift. Regulatory CET1 ratio as at 31 December 2025 is 19.9% (2024: 19.7%)

Dividend

No dividends have been declared in 2025 (2024: nil). The Group does not currently have a dividend policy.

Outlook

Following a strong performance in 2025, the Group has started trading positively in 2026 and expects its strategy to continue delivering more diversified and sustainable revenue growth. CAB operates in markets that typically grow faster than global averages and are becoming increasingly central to world-wide flows. Expanding client coverage, market penetration and product depth was key to 2025 performance and will continue to be our focus over the medium-term.

The Group therefore believes it is well placed to deliver Total Income excluding Net Interest Income growing at a high-teens to low-20s percentage CAGR in Total Income over the next three years. In the near term, lower US interest rates are expected to create headwinds for Net Interest Income.

The business is expected to deliver continued positive operating leverage supporting a structural improvement in cost-income ratio over time. We expect additional investment in client-facing teams and network to be partially offset by efficiency gains from automation and process improvements.

The Group expects Capital Expenditure to increase in 2026 while it builds a future-ready operating platform as it enters the next phase of growth.

Our business model is structurally highly cash generative. With the Group now operating near the upper end of its on-balance-sheet lending appetite, we believe that the Group will generate significant surplus capital over the next 3 years leading to capacity for investment in growth as well as a potential shareholder return programme, a framework for which will be laid out at the time of the 2026 results.

James Hopkinson
Chief Financial Officer

Principal Risks and Uncertainties

Effective risk management is critical to realising our strategy. We have an established risk management framework to manage and mitigate the various risks that we face.

As at 31 December 2025 our principal risks consisted of:

	Current Context	Mitigants and other considerations
1. Business risk		
<p>Risk Description</p> <p>The risks to the Group arising from:</p> <ul style="list-style-type: none"> the broader risk of the Group's business model or strategy proving inadequate due to macroeconomics, geopolitical, industry, regulatory, competitive environment or other factors; or adverse events and media coverage that could negatively impact the Group's name and reputation thereby impacting its ability to achieve its strategic objectives. 	<ul style="list-style-type: none"> The Group's business model and operations rely on the continued relationships with a diversified network of counterparties, liquidity providers and partner banks for clearing USD, GBP and EUR. The Group provides access to emerging markets, with a level of concentration to Sub-Saharan Africa. Significant changes to our partner network or key markets (e.g. the risk of market dislocations, general access, regulatory, economic, or geopolitical conditions) would have a corresponding impact on the Group's business, operations, financial performance and reputation. The Group's business model and operations rely on the continued relationships with a diversified network of counterparties and partners including liquidity providers. <p>Potential events may include:</p> <ul style="list-style-type: none"> Adjustments in the nature of our partner networks impacting access to local liquidity or clearing services. Structural changes to markets that result in the removal or narrowing of margins and/or access to preferential local market currency rates. Changes to local economies including market structure (e.g. regulatory/central bank monetary actions): <ul style="list-style-type: none"> Economic or political events (e.g. changes in government). Translation risk associated with significant strengthening in GBP relative to USD. 	<ul style="list-style-type: none"> The Board and Management periodically: <ul style="list-style-type: none"> Review and update the strategic plan, budgets, targets, emerging opportunities, and threats. Track and manage, through governance, a range of metrics and early warning indicators to highlight emerging risks to performance; these continue to be developed and enhanced. The Group has a dedicated Network and Partnerships Function, who develop and manage our key local relationships; actions continue to be taken to ensure these are adequately diversified including key currencies such as USD and GBP. This function also tracks and reports regulatory changes and geo-political issues in these markets. The Group has a strategic risk register which tracks the top risks and the corresponding actions planned and underway to mitigate these. This is reported periodically to the Risk Committee and Executive Risk Committee. The Group has a medium-term strategy in place to continue diversifying revenues across geographies, clients and products whilst investing in its sales team.

2. Financial crime risk

Risk Descriptions

The risk associated with criminal activity in the form of money laundering, terrorist financing, bribery and corruption, sanctions, tax evasion and fraud.

- Foreign Exchange (FX) remains the dominant product, utilised by over 90% of clients. However, correspondent banking and payment services are core offerings. AML and sanctions risks remain most pronounced, within this area, and Trade Finance, accounting for the majority of Suspicious Activity Reports submitted to the NCA.
- The Group delivers services to clients across global jurisdictions, including Africa, the Americas and Caribbean, the Middle East, the USA, Canada, and Europe. Historically, client concentration was weighted toward higher-risk countries; however, continued trends show increased payment flows from low-risk to higher-risk jurisdictions. Despite this, new clients in higher risk regions continued to be onboarded in 2025, while strategic expansion into the Americas and the UAE is underway to reduce reliance on African markets.
- In 2025 there was no significant change in the distribution of Client types within CAB's portfolio and Financial Institutions remain the largest segment of CAB's Client portfolio.
- CAB specialises in segments including Fintechs, Money Service Businesses (MSB), and charities, but also includes segments such as financial institutions, Central Banks and supranational organisations.
- The Group's organisational structure and control environment continue to be assessed as low due to no legacy financial crime issues, and no major control failures. The introduction of the UAE subsidiary may impact this operating risk, although the Group's licensed subsidiaries operate in a simple, non-complex structure and are physically located in jurisdictions with well established regulatory standards.
- Regulatory oversight and scrutiny are generally lower for many Fintechs and MSBs. Continued observed regulatory penalties in 2025, related to control deficiencies within MSBs, highlight persistent challenges in mitigating financial crime risk in this sector, supporting their classification as higher risk. Similarly, financial institutions operating in high-risk jurisdictions are assessed as higher risk due to the inherent country-level exposure, which may present additional challenge to the Group.
- To effectively mitigate risks, the Group enforces rigorous onboarding standards and comprehensive due diligence for correspondent banking, supported by strong governance structures and dedicated client risk approval committees.
- A robust country risk framework mitigates the Group's exposure to high-risk countries. This framework includes complete prohibitions of some countries and detailed restrictions on others.
- Screening and monitoring controls enforce the framework, and the Group's employees have a strong awareness and understanding of the legal and regulatory environment in which they operate, including the relevant financial crime prevention provisions.
- The Group continues its investment programme in anti-financial crime technology, focusing on advanced analytics and rule-set optimisation. Following the successful implementation of a new transaction monitoring system and screening upgrades in 2024, Phase 2 enhancements were delivered in 2025, introducing machine learning capabilities and improved alert handling. Additional upgrades to sanctions screening and real-time monitoring are underway to further strengthen detection and response.
- Regular training is delivered to ensure standards are continuously maintained.
- A dedicated Risk and Compliance Function provides oversight and undertakes thematic assurance activity to identify potential gaps and issues.

3. Operational risk

Risk Description

The risk of loss or other non-financial impact, resulting from inadequate or failed internal processes, people and systems, or from external events.

- The Group relies extensively on the use of technology, including the inter-relationship between multiple third-party services, which is central to the processing and its operating environment. System resiliency coupled with the growing sophistication of cyber-attacks is consistently under review.
- Resource capacity and capability impact all risk types, these are monitored frequently to ensure staffing levels reflect the size and complexity of the Group.
- The Group relies on a combination of manual and automated processes. Specific clients have bespoke processes that are more prone to human errors. The Group is acutely aware that a technology incident could result in manual intervention as part of its recovery efforts.
- The Group is Cyber Essentials and ISO 27001 accredited. Additionally, the Group continues to enhance its operational resilience efforts with a key focus on critical third-party resilience testing.
- The Group deploys several attraction and retention strategies throughout the employee lifecycle, including hybrid-working and competitive employee benefits.
- Process and control automation is proactively considered across the Group, acknowledging that not all processes can be automated but regular process review cycles support in ensuring processes and procedures are consistently updated and maintained.

4. Credit risk

Risk Description

The risk of financial loss arising from a borrower's or counterparty's failure or inability to meet their financial obligations in accordance with contractual terms.

- Credit risk arises inherently from the Group's core banking, financing, and treasury activities. It represents the potential for financial loss should counterparties fail to meet their contractual obligations in full and on time.
- The Group's exposure to credit risk primarily stems from its lending and trade finance operations, including working capital overdrafts, letters of credit, guarantees, and other customer financing products. These exposures are managed through robust credit approval processes, ongoing monitoring, and clearly defined risk appetite parameters.
- Counterparty credit risk also emerges from the Group's foreign exchange, payment, and derivative transactions, where counterparties may be unable or unwilling to fulfil their financial or collateral obligations as they fall due. Such exposures are mitigated through the use of collateral management frameworks, netting agreements, and credit support annexes (CSAs) where appropriate.
- In addition, treasury and liquidity management activities contribute to credit risk through the placement of surplus funds with financial institutions and investments in high-quality liquid assets (HQLA) and money market instruments. These exposures are controlled by adhering to internal counterparty limits, minimum credit rating thresholds, and concentration risk metrics.
- Overall, the Group maintains a balanced credit risk profile, supported by sound governance, regular stress testing, and alignment with the Group's overarching risk appetite and capital management framework.
- Credit risk remains a key area of focus for the Group, given its central role in the Group's banking, financing, and treasury activities.
- The Group's risk appetite thresholds are designed in alignment with regulatory requirements and are informed by the outcomes of the Internal Capital Adequacy Assessment Process (ICAAP) and internal risk assessments.
- A well-established Credit Risk Policy defines portfolio-level exposure limits and a maximum individual counterparty exposure framework, ensuring appropriate diversification and concentration control.
- The Credit & Lifecycle Risk Committee provides oversight at both the individual counterparty and portfolio levels, ensuring that exposures remain within approved risk appetite and policy parameters.
- Comprehensive credit assessment, approval, and ongoing monitoring frameworks are in place to manage and mitigate exposures in line with the Group's credit management objectives and enterprise risk framework.
- Counterparty credit risk arising from foreign exchange and derivative transactions is mitigated through the use of ISDA Master Agreements and CSAs, where appropriate, to ensure effective collateralisation and reduce potential counterparty exposure.

5. Market risk

Risk Description

The risk of losses occurring from adverse value movements of the Group's assets and liabilities; principally relating to FX and interest rate fluctuations.

- The Group's market risk exposure occurs primarily through FX volatility and IRRBB.
- The economic and financial market uncertainties remain elevated. Disruptive adjustment to interest rate levels, deteriorating trade or geopolitical tensions could have implications for FX rates and the value of the Group's Nostro balances. Alternatively, a decline in interest rates may compress net interest margin across the business.
- Adverse changes in FX rates can impact capital ratios given elements of the risk-weighted assets exposures are denominated in foreign currencies.
- Failure to account for foreign currency movements could result in an adverse impact on the Group's regulatory capital and leverage ratios.
- An assessment of market risk drivers is conducted as part of the ICAAP, and to assess BAU and stressed market risk.
- Market Risk exposure limits are staggered, to constrain typical market risk exposure. The Group primarily trades in the FX spot market and risk appetite limits are set and monitored at both an aggregate and currency level.
- Defensive positions are typically taken to the extent that markets exhibit increased market risk events, such as during national elections.
- Interest rate risk in the banking book (IRRBB) is primarily driven by mismatches between the profile of client deposits, capital, investments for cash management purposes, and lending. The Group manages IRRBB through strategies employed to mitigate risks to net interest income and economic value.

6. Regulatory and compliance risk

Risk Description

The risk arising from non-compliance with laws and regulations governing financial services institutions in the markets in which we operate.

- As the Group continues to grow in terms of increasing size and complexity it brings with it an increasingly diverse legislative and regulatory landscape and potentially increasing the risks of legal or regulatory sanctions, material financial loss and/or reputational damage in the markets in which we operate.
- Regulatory Horizon Scanning: Ongoing monitoring of upcoming UK and international regulatory developments to anticipate and prepare for changes.
- Regulatory Impact Assessments: Conducting impact analysis for new regulations to identify operational, financial, and compliance implications.
- Timely Regulatory Engagement: Prompt and comprehensive responses to all regulatory requests and inquiries.
- Market Entry Compliance: Verification that the Group holds all necessary licenses and permissions before operating in any jurisdiction.
- Partnership Due Diligence: Collaboration with local providers that are regulated entities or hold appropriate local licenses to ensure compliance and reduce risk.
- Legal Assurance for Expansion: Engagement of third-party legal counsel for new territorial expansions to confirm adherence to local laws and regulatory requirements.
- Regulatory Updates Communication: Issuing regular compliance bulletins to staff on new or changing regulations.
- Regular Compliance Audits: Performing periodic thematic reviews to ensure adherence to regulatory requirements.
- Executive Reporting: Including regulatory risk metrics and compliance status in ExCo-level reporting.

7. Capital adequacy risk

Risk Description

The risk of the Group having insufficient quality or quantity of capital, to meet its regulatory capital requirements and internal thresholds to cover risk exposures and withstand a severe stress as identified as part of the ICAAP.

- The Group's capital ratios can be affected by various business activities and the failure to meet prudential capital requirements, internal targets and/or to support the Group's strategic plans.
- The key risk drivers with capital implications are credit risk, market risk and operational risk, each of which is addressed within its relevant section.
- The Group has robustly defined capital adequacy thresholds, constructed in reference to regulatory requirements and maintains capital ratios in excess of these.
- The Group produces an ICAAP at least once each calendar year. Challenge and oversight of the ICAAP occurs at the Asset & Liability Risk Committee and the Risk Committee before approval by the Board.
- Day-to-day capital risk exposure is managed by the Treasury function with oversight from the Asset & Liability Risk Committee and the Group Treasury Committee, who monitor and manage capital risk in line with the Group's capital management objectives, capital plan and risk frameworks.
- If the Group were to encounter a significant stress on capital resources, a Recovery Plan is maintained which includes options to ensure it can remain sufficiently capitalised to remain viable. Recovery Plan metrics are regularly monitored and reported against. The Group's Pillar 3 disclosures contain a comprehensive assessment of its capital requirements and resources and are published separately on the Group's website.

8. Liquidity and funding risk

Risk Description

The risk the Group cannot meet its contractual or contingent obligations in a timely manner as they fall due. Funding risk is the risk that the Group cannot maintain access to a sufficient stable funding base to maintain its liquidity.

- The Group's liquidity ratios (i.e. LCR and Net Stable Funding Ratio (NSFR)) can be affected by various business activities, either idiosyncratic or market-wide, that could impact prudential liquidity requirements and corresponding business activities, and investor or depositor confidence.
- The key liquidity risk drivers are depositor outflows, and intraday liquidity requirements.
- Funding and liquidity risks are managed within a comprehensive risk framework in reference to regulatory requirements and internal thresholds to ensure there is no significant risk that liabilities cannot be met as they fall due.
- The Group produces an ILAAP at least once per calendar year. Challenge and oversight of the ILAAP occurs at the Asset & Liability Risk Committee and the Risk Committee before approval by the Board.
- The primary metrics used to monitor and assess the adequacy of liquidity are the Overall Liquidity Adequacy Rule (OLAR), the LCR and NSFR.
- Day-to-day liquidity risk exposure is managed by the Treasury function with oversight from the Asset & Liability Risk Committee.
- Treasury conducts regular and comprehensive liquidity stress testing, including reverse stress testing, to ensure that the liquidity position remains within the Board's appetite.

9. Conduct risk

Risk Description

The risk that the conduct of the Group and its staff, towards clients (or in the markets in which it operates), leads to unfair or inappropriate client outcomes and results in reputational damage and/or financial loss.

- As the Group continues to operate in complex markets and deliver services to a diverse client base, there is an ongoing risk that actions, processes, or products originating within the Group could lead to client detriment. Conduct risk may arise through several channels, including:
- Product design that fails to meet client needs or expectations;
- Inappropriate sales practices that do not align with regulatory or market standards;
- Poor complaint handling, particularly where the Group has acted improperly towards clients;
- Behaviour or practices that fall short of market integrity or regulatory requirements; and
- Such failures could result in unfair or inappropriate client outcomes, leading to reputational damage, regulatory scrutiny, and potential financial loss.
- Integration of Conduct Risk in Product Governance: All new products undergo a formal approval process that includes an assessment of conduct risk to ensure suitability and fair client outcomes.
- Robust Complaints Management Framework: Complaints are systematically logged, thoroughly investigated, and resolved with documented responses to maintain transparency and accountability.
- Gifts and Hospitality Controls: A formal Gifts and Hospitality Policy is in place, requiring prior approval and mandatory logging of all instances to prevent conflicts of interest.
- Mandatory Conduct and Ethics Training: All employees complete annual training focused on conduct, ethics, and cultural standards to reinforce expected behaviours and regulatory compliance.
- Executive-level reporting: Including conduct risk metrics and thematic reviews in regular ExCo-level updates.
- Conduct Risk MI (Management Information): Tracking indicators such as complaints trends, client detriment cases, and breaches.
- Whistleblowing Framework: Strengthening anonymous reporting channels and ensure staff confidence in escalation processes.
- Communication monitoring: surveillance of electronic communications (emails, chats, voice recordings) to ensure compliance with conduct standards.

Financial Statements

Consolidated Statement of Profit or Loss

		2025	2024
	Note	£'000	£'000
Interest income	3	55,788	58,857
Interest expense	3	(29,779)	(38,403)
Net interest income		26,009	20,454
Gain on money market funds		14,688	16,070
Net loss on financial assets and financial liabilities mandatorily held at fair value through profit or loss	4	(1,616)	(247)
Fees and commission income	5	16,488	15,745
Net foreign exchange gain	6	62,685	53,803
Other operating income		735	616
Total income		118,989	106,441
Operating expenses before non-underlying items	7	(94,523)	(84,659)
Non-underlying items	7a	(4,674)	(3,741)
Operating expenses after non-underlying items		(99,197)	(88,400)
Other finance costs	3	(1,384)	(897)
Impairment reversal on financial assets at amortised cost		113	450
Profit before tax		18,521	17,594
Tax expense	8	(4,965)	(3,382)
Profit for the year		13,556	14,212

Profit for the financial year arises from continuing operations and is attributable to the owners of the parent.

Earnings per share		2025	2024
		pence	pence
Basic earnings per share	28	5.4	5.6
Diluted earnings per share		5.2	5.3

Earnings per share relate entirely to continuing operations.

Consolidated Statement of Other Comprehensive Income

	2025	2024
	£'000	£'000
Profit for the year	13,556	14,212
Other comprehensive income for the year:		
Items that may be reclassified subsequently to profit or loss:		
Foreign exchange (losses)/gains on translation of foreign operations	(53)	4
Cash flow hedge reserve	12	(244)
Movement in investment in debt securities at fair value through other comprehensive income	14	73
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	98	20
Income tax relating to these items	19	(24)
Other comprehensive (loss)/income net of tax	(150)	19
Total comprehensive income	13,406	14,231

Consolidated Statement of Financial Position

		As at 31 December 2025	As at 31 December 2024
	Note	£'000	£'000
Assets			
Cash and balances at central banks	9	257,867	584,679
Money market funds	10	218,157	488,197
Loans and advances on demand to banks	11	129,946	185,559
Investment in debt securities at amortised cost	13	234,790	246,021
Investment in debt securities at fair value through OCI	14	442,751	–
Other loans and advances to banks	11	274,956	180,084
Other loans and advances to non-banks	11	21,521	32,596
Unsettled transactions		8,900	10,866
Derivative financial assets	12	489	4,884
Investment in equity securities		679	553
Other assets ¹	15	9,614	9,944
Current tax asset ¹		8,839	9,397
Accrued income		2,033	925
Property, plant and equipment	16	2,299	2,781
Right of use assets	17	15,713	17,754
Intangible assets	18	31,170	30,605
Total assets		1,659,724	1,804,845
Liabilities			
Customer accounts	20	1,436,533	1,585,000
Derivative financial liabilities	12	1,384	539
Unsettled transactions		20,772	35,173
Other liabilities		4,843	5,967
Accruals		13,451	10,380
Lease liabilities	17	19,037	18,069
Deferred tax liability	19	928	1,217
Provisions	21	2,054	1,949
Total liabilities		1,499,002	1,658,294
Equity			
Called up share capital	22	85	85
Treasury shares reserve		(264)	(244)
Retained earnings		161,065	146,724
Investment revaluation reserve		200	126
Cash flow hedge reserve	12	(244)	–
Debt securities revaluation reserve	14	73	–
Foreign currency translation reserve		(193)	(140)
Shareholders' funds		160,722	146,551
Total liabilities and equity		1,659,724	1,804,845

¹ Additional disclosure has been made in respect of current income tax to present it separately to Other assets. Refer to Note 15 for further information.

Company registration number – 09659405. The Board of Directors approved and authorised for issue the consolidated financial statements on 4 March 2026. Signed on behalf of the Board by:

N Kapur
Group Chief Executive Officer

J Hopkinson
Group Chief Finance Officer

Consolidated Statement of Changes in Equity

	Share capital £'000	Treasury shares reserve £'000	Retained earnings £'000	Investment revaluation reserve £'000	Debt securities revaluation reserve £'000	Cash flow hedge reserve £'000	Foreign currency translation reserve £'000	Total £'000
Balance at 1 January 2025	85	(244)	146,724	126	–	–	(140)	146,551
Profit for the year	–	–	13,556	–	–	–	–	13,556
Other comprehensive income:								
Foreign exchange gain on translation of foreign operations	–	–	–	–	–	–	(53)	(53)
Movement in investment revaluation reserve for equity instruments at fair value through other comprehensive income	–	–	–	98	–	–	–	98
Cash flow hedge reserve (Note 12)	–	–	–	–	–	(244)	–	(244)
Movement in investment in debt securities at fair value through other comprehensive income (Note 14)	–	–	–	–	73	–	–	73
Income tax relating to these items (Note 19)	–	–	–	(24)	–	–	–	(24)
Other comprehensive income net of tax	–	–	–	74	73	(244)	(53)	(150)
Total comprehensive income	–	–	13,556	74	73	(244)	(53)	13,406
Transactions with owners in their capacity as owners:								
Share-based payment expense	–	–	615	–	–	–	–	615
Deferred tax on share based payment expense	–	–	170	–	–	–	–	170
Acquisition of treasury shares by EBT	–	(20)	–	–	–	–	–	(20)
Total	–	(20)	785	–	–	–	–	765
Balance at 31 December 2025	85	(264)	161,065	200	73	(244)	(193)	160,722
Balance at 1 January 2024	85	–	131,478	111	–	–	(144)	131,530
Profit for the year	–	–	14,212	–	–	–	–	14,212
Other comprehensive income:								
Foreign exchange losses on translation of foreign operations	–	–	–	–	–	–	4	4
Movement in investment revaluation reserve for equity instruments at fair value through other comprehensive income	–	–	–	20	–	–	–	20
Income tax relating to these items (Note 19)	–	–	–	(5)	–	–	–	(5)
Other comprehensive (loss)/income net of tax	–	–	–	15	–	–	4	19
Total comprehensive income	–	–	14,212	15	–	–	4	14,231
Transactions with owners in their capacity as owners:								
Share-based payment expense	–	–	996	–	–	–	–	996
Change in ownership interest in subsidiary	–	–	38	–	–	–	–	38
Share capital reduction	–	(244)	–	–	–	–	–	(244)
Total	–	(244)	1,034	–	–	–	–	790
Balance at 31 December 2024	85	(244)	146,724	126	–	–	(140)	146,551

Consolidated Statement of Cash Flows

	Note	2025 £'000	2024 £'000
Cash (outflow)/inflow from operating activities	23	(613,426)	96,774
Tax paid		(4,687)	(11,766)
Payments for interest on lease liabilities		(45)	(33)
Net cash (used in)/generated from operating activities		(618,158)	84,975
Cash flow used in investing activities			
Purchase of property, plant and equipment	16	(134)	(2,428)
Purchase of intangible assets	18	(7,639)	(12,524)
Refund of investments in subsidiary undertakings		–	39
Purchase of equity investments		–	(53)
Net cash used in investing activities		(7,773)	(14,966)
Cash flow used in financing activities			
Repayment of principal portion of the lease liability		(193)	(295)
Purchase of treasury shares		(20)	(244)
Net cash used in financing activities		(213)	(539)
Net (decrease)/ increase in cash and cash equivalents		(626,144)	69,470
Cash and cash equivalents at the beginning of the year		1,258,435	1,183,777
Effect of exchange rate changes on cash and cash equivalents		(26,321)	5,188
Cash and cash equivalents at the end of the year		605,970	1,258,435
Analysed as follows:			
Cash and balances at central banks	9	257,867	584,679
Money market funds	10	218,157	488,197
Loans and advances on demand to banks	11	129,946	185,559

Notes to the Financial Statements

1. Statement of Accounting Policies

The following accounting policies relate to the financial statements of CAB Payments Holdings plc (the 'Company') and its subsidiaries (collectively referred to as the 'Group').

a) General information

The Company is incorporated and domiciled in England. On 4 July 2023 the Company was re-registered as a public limited company, CAB Payments Holdings plc, in order to align with its strategic objectives. The address of its registered office as at 31 December 2025 is 3 London Bridge St, London, SE1 9SG, England.

The Company's shares trade under the ticker code of CABP.L.

The Group is a market leader in business-to-business cross-border payments and foreign exchange, specialising in hard-to-reach markets.

b) Basis of preparation

The financial information included in this preliminary announcement have been prepared in accordance with the Disclosure and Transparency Rules of the UK Financial Conduct Authority, and the principles of UK-adopted international accounting standards, but do not comply with the full disclosure requirements of these standards.

The financial information contained in this announcement does not constitute the statutory financial statements of the Group as at and for the year ended 31 December 2025, but is derived from those financial statements, which have been prepared in accordance with the UK adopted International Accounting Standards (UK-adopted International Financial Reporting Standards (IFRSs)) in conformity with the applicable legal requirements of the Companies Act 2006.

The statutory financial statements themselves have been approved by the Board of Directors and reported on by the auditor and will be delivered to the Registrar of Companies following the Group's Annual General Meeting. The auditor reported on those financial statements: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under s498(2) or (3) of the Companies Act 2006.

The preliminary is presented in British Pound Sterling (£). All values are rounded to the nearest thousand (£'000), except when otherwise indicated.

c) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all of the entities controlled by the Company made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

A subsidiary is an entity controlled directly or indirectly by the Company. The Company controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the investee.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated profit or loss account from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the Group are eliminated on consolidation, with the exception of foreign currency gains and losses on intragroup monetary items denominated in a foreign currency of at least one of the parties.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

The Group has established employee benefit trusts (EBTs) to hold shares to meet the Group's obligation to provide shares awarded to employees under the share incentive plan. Shares held by the EBTs are deducted from equity and presented as Treasury Shares until such time that the shares settle. The EBT is controlled and recognised by the Company using the look-through approach, i.e. as if the EBT is included within the accounts of the Company.

d) Going concern

The Directors have assessed the ability of the Company and of the Group to continue as a going concern based on the net current asset position, regulatory capital requirements and estimated future cash flows. The Directors have formed the view that the Company and the Group have adequate resources to continue in existence for a period of at least 12 months from when these financial statements are authorised for issuance. Accordingly, the financial statements of the Company and the Group have been prepared on a going concern basis.

Critical to reaching this view were:

- The output of internal stress assessments which were conducted at a Company and a Group level and modelled the impact of severe yet plausible stresses which underpinned the Going concern assessment.
- The output of the reverse stress testing assessment which modelled the scenarios that would have to occur in order for the Group to fall below its Total Capital Requirement (being the aggregate of Pillar 1 and Pillar 2A capital requirements).

In reaching their conclusions, the Directors also considered the results of the 2025 Going concern assessment and the three year Budget and Corporate Plan.

i. Internal stress assessments

In total, three stresses were considered:

- That income from all new products and new markets, which are either in their infancy and/or are unproven, do not succeed. For prudence, all costs were assumed to be retained as per the base case plan;
- Market Stress which modelled the impacts of a severe global recession which leads to increased credit defaults and a low interest rate environment detrimentally impacting Net Interest Income and GBP sharply depreciating against USD;
- Idiosyncratic Stress which modelled the impact of a material reduction in revenue driven by idiosyncratic events.

The Group's most recent ICAAP was approved by the Board in June 2024. As part of this Going Concern assessment, severe, but plausible Idiosyncratic, and Combined stresses similar to those applied in that ICAAP are applied to the three year Budget and Group Corporate Plan which was Board approved during December 2025.

In all the stresses noted above the Group maintained sizeable surpluses to the Total Capital Requirement and liquidity requirements.

ii. Reverse stress tests

The reverse stress tests are used to assess vulnerabilities of the Group and determine what extreme adverse events would cause the business to fail. Where any of these events are deemed to be plausible, the Group will adopt measures to mitigate the impact of such events where plausible.

The Group did not identify reasonably possible scenarios which could result in failure to continue in operational existence for a period of at least 12 months from when these financial statements are authorised for issuance.

iii. Conclusion

The Directors are of the view that:

- There are no material uncertainties relating to events or conditions that cast significant doubt on the Company's and the Group's ability to continue as a going concern; and The significant judgements and estimates made by management in determining whether or not the adoption of the going concern is appropriate are disclosed in Note 18. The forecasts and assumptions used for impairment assessments were the same used for the going concern assessment.

Accordingly, the financial statements have been prepared on a going concern basis.

e) Interest income and interest expense

i) Net interest income

Interest income and interest expense for all interest-bearing financial instruments, including interest accruals on related FX contracts, are recognised within Net interest income in the consolidated statement of profit or loss and other comprehensive income. The interest expense on financial liabilities and interest income on assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, is recognised using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

ii) Net loss on financial instruments measured at fair value through profit or loss

This balance comprises the interest income or interest expense on FX derivatives. It is measured at the contractual interest rate. The balance also comprise:

- Fair value gains or losses on the hedged instruments;
- Fair value gains and losses on the hedged items measured at amortised cost;
- The effective portion adjustments of the fair value hedges; and
- Effective gains/losses reclassified to income statement from cash flow hedge reserve when a hedged item affected net profit.

f) Fees and commission income

Fees and commission receivable which are not an integral part of the effective interest rate are recognised as income as the Group fulfils its performance obligations. Fees and commission income includes the following key revenue streams:

- **Account management and payment services:** the Group's performance obligation in relation to account management services is to provide management or maintenance services to its current account holders. The revenue for these services is recognised over the life of the contract on a monthly basis as fees are received. Crown Agents Bank Ltd (CAB) provides the service. Payment services fees relate to services offered by the Group to its clients by executing payment transactions. Revenue from providing services is recognised at a point in time when the services are rendered i.e. when the payments are executed.
- **Pension payment fees:** pension payment fees are charged to pension companies for making payment to pension beneficiaries on their behalf. The Group acts as a principal in rendering these services to its clients. Revenue from providing services is recognised at a point in time when the services are rendered i.e., when the payments are executed.
- **Trade finance – Financial guarantee income:** includes fixed fees earned for issuing financial guarantee contracts. The performance obligation of the Group is to provide financial assurance to the recipient of the guarantee in case of payment default. Revenue is recognised over the period of the contract term. The fees for providing financial guarantee services are charged and collected upfront.

- **Trade Finance – Income from letters of credit:** the Group also receives fees in respect of the issue of letters of credit where the performance obligations are typically fulfilled towards the end of the client contract. Where it is unlikely that the letter of credit will be drawn down, it is recognised in fee and commission income over the life of the facility, rather than as an adjustment to the effective interest rate for loans expected to be drawn as they are short-term facilities. The fees for acceptance of letters of credits include fees and are charged and collected upfront. Other charges include advising fees, confirming bank fees, and bank charges, all of which are collected on the completion of the term of the letter of credit.
- **Electronic platform fees:** fees for the services provided by the Group using its electronic platform to facilitate bulk payments to its clients. Revenue is recognised at a point in time when the services are rendered i.e., when the payments are executed.

g) Net foreign exchange gain

Net FX gain comprises wholesale FX and FX gain on payment transactions as follows:

- **Wholesale FX - Profit on settlement of FX contracts:** these profits arise on FX Settlements involving the instruction of client payments to specific recipients. Under the Group's FX and payment services, clients agree to terms and conditions for all transactions at the time of signing a contract with the Group. On trade date the Group measures these cash flows at fair value, with further changes in fair value being recognised in profit or loss until the settlement of the contract. This balance includes both realised and unrealised FX income at year-end.
- **Wholesale FX - Remeasurement of non-sterling balances:** Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated to the functional currency using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. FX gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss except for FX gains and losses in relation to instruments measured at fair value through other comprehensive income (FVTOCI) which are recognised in other comprehensive income (OCI).
- **Wholesale FX - Fair value gains or losses on derivatives:** this comprises the profits and losses on remeasurement of forward FX derivatives carried at fair value through profit and loss (FVTPL).
- **FX gain on payment transaction revenue:** a FX gain or loss on payment transactions is the difference between the spot exchange rate between the functional currency and the foreign currency at the date of the payment transaction.

h) Foreign currency transactions and balances policy

(i) Functional and presentational currency

The Company's and the Group's functional and presentational currency is British Pound Sterling (£).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated to the functional currency using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

FX gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss except for FX gains and losses in relation to instruments measured at fair value through other comprehensive income (FVTOCI) which are recognised in other comprehensive income (OCI).

(iii) Group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated to the Group's presentational currency at exchange rates prevailing at the close of business on the balance sheet date. Income and expense items are translated at the exchange rates on the day of the transaction.

FX differences arising on the translation of a foreign operation are recognised in other comprehensive income and accumulated in the Foreign Currency Translation Reserve (FCTR).

(iv) Lack of exchangeability on currencies

If a currency becomes unexchangeable either for purposes of translating foreign currency transactions during the year or foreign operations and FX balance sheet balances to GBP at reporting date, management estimates the spot exchange rates for such currencies in line with IAS 21 requirements by using either:

- an observable exchange rate without adjustment (e.g. exchange rates from the market sources or independent providers like Reuters); or
- an estimation technique e.g. first subsequent available exchange rate from official independent sources.

The impact of this amendment, effective 1 January 2025, has been assessed as not material to the Group.

i) Taxation

The tax expense for the period comprises current and deferred tax recognised in the reporting period. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. If current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current or deferred tax assets or liabilities are not discounted.

Current tax

Current tax is the tax expected to be payable on the taxable profit for the year and on any adjustment to tax payable in respect of previous years. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

If a company within the Group incurs losses within the period, that company may surrender trading losses and other amounts eligible for relief from corporation tax to another Group company (the 'claimant company') for the claimant company to set off against its own profits for corporation tax purposes as permitted by HMRC.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

j) Intangible assets (excluding Goodwill)

Intangible assets (except for Goodwill) are stated at cost less accumulated amortisation and accumulated impairment losses. The residual value of such intangible assets is amortised, using the straight-line method, over their estimated useful lives, as follows:

- Core accounting software – 12.5 years;
- Other software – 5 years (subject to regular management assessment of the economic benefit of the asset); and
- Brand/name – 50 years (acquired).

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditure that does not meet these criteria is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Long-term software-as-a-service (SaaS) type contracts that do not meet the definition of an asset (rental of software) are expensed to profit and loss over the period of the contract in line with the benefits received.

k) Property, plant and equipment, and depreciation

Property, plant and equipment are stated in the statement of financial position at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bring the asset to its working condition for its intended use. Depreciation commences when an asset becomes available for use and is calculated to write down assets to their residual value in equal instalments, on a straight-line basis over their estimated useful lives, as follows:

Leasehold improvements	Life of lease
Computer equipment	5 years
Fixtures and fittings	5 years
Artwork	20 years

l) Impairment of non-financial assets

At each statement of financial position date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired, such as a decline in operational performance, geopolitical uncertainty, economic uncertainty i.e. rising interest rates and inflation, or changes in the outlook of future profitability among other potential indicators. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash inflows that are largely independent of the cash flows of other groups of assets. This should be at a level not higher than an operating segment. The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss unless the asset has been revalued then the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. An impairment loss recognised on goodwill is not reversed in a subsequent period.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of profit or loss and other comprehensive income.

Goodwill is allocated on acquisition to the cash-generating unit expected to benefit from the synergies of the combination. Goodwill is included in the carrying value of cash-generating units for impairment testing.

Disposal groups held for sale are measured at the lower of their carrying amount and fair value less costs to sell. At initial classification of the disposal group as held for sale, the carrying amounts of all the individual assets and liabilities in the disposal group are measured in accordance with the Group's accounting policies. If fair value less costs to sell for the disposal group is below the aggregate carrying amount of all of the assets and liabilities included in the disposal group, the disposal group is written down. The impairment loss is recognised in profit or loss for the period.

m) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with commercial or central banks and exposures to money market funds (transacted via open-ended investment companies). Cash equivalents are short-term highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

n) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in the net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of any non-controlling interest in the acquiree.

Goodwill is tested for impairment at the end of each accounting period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Goodwill is accounted for at cost less accumulated impairment losses.

o) Financial instruments

Financial assets and financial liabilities are recognised in the Company and Group statements of financial position when the Company or Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting. The trade date is the date of the commitment to buy or sell the financial asset.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are measured subsequently at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Despite the foregoing, the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if equity instruments are held as a strategic investment and not held with the intention to realise a profit.

By default, all other financial assets are measured subsequently at fair value through profit or loss.

The Group's financial assets measured at amortised cost consist of:

- Cash and balances at central banks;
- Loans and advances on demand to banks;
- Other loans and advances to banks;
- Other loans and advances to non-banks;
- Investment in debt securities at amortised cost;
- Other assets;
- Accrued income; and
- Unsettled transactions.

The nature of all financial items included in a given balance sheet line item is as shown in the respective note breakdown.

The Group's financial assets measured at FVTPL consist of money market funds and derivative financial instruments.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss.

The Group's financial assets designated at FVTOCI comprise primarily its investments in debt securities at FVTOCI, also not held for trading (Note 14) and investment in equity securities, which are not held for trading.

The equity instruments are held as a strategic investment and not held with the intention to realise a profit.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the Investment revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9 unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Other operating income' line item in the statement of profit or loss and other comprehensive income.

Investments in debt securities at FVTOCI's business model is to hold to collect and sell. They are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the debt securities revaluation reserve. The cumulative gain or loss is reclassified to profit or loss on disposal of the investments.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost (Note 1 (e)) above. Interest income is recognised in the statement of profit or loss and other comprehensive income in the 'Net interest income' line item (Note 3).

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(ii) Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the contractual substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through profit and loss.

Financial liabilities at fair value through profit and loss

The Group's financial liabilities at fair value through profit and loss consist of derivative liabilities (see below for policy on derivative financial instruments).

Financial liabilities at fair value through profit and loss are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss.

Financial liabilities at amortised cost

The Group's financial liabilities at amortised cost consist of customer accounts, unsettled transactions and other liabilities such as trade creditors, funds received in advance, transactions credited by third-party nostro providers and other creditors.

Financial liabilities at amortised cost are measured subsequently at amortised cost using the effective interest method .

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iii) Derivative financial instruments

The Group's derivatives policy only permits dealing in forward FX contracts and interest rate swaps to hedge, to provide services to clients or to facilitate cash management.

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the reporting date.

Derivatives are financial instruments that derive their value from the price of underlying items such as equities, interest rates or other indices. Derivatives are recognised initially and are subsequently measured at fair value through profit or loss. Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative.

Hedge accounting

Under certain conditions, the Group may designate a recognised asset or liability, a firm commitment or highly probable forecast transaction into a formal hedge accounting relationship with a derivative that has been entered to manage interest rate and risks present in the hedged item. The Group has a policy to apply hedge accounting in accordance with IAS 39.

There are two categories of hedge relationships:

- Macro Fair value hedge: to manage the fair value of interest rate risks of recognised assets or liabilities or firm commitments.
- Macro Cash flow hedge: to manage interest rate risks of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction.

In the case of the hedge of a forecast transaction, the transaction must have a high probability of occurring and must present an exposure to variations in cash flows that are expected to affect reported profit or loss.

Hedges are considered to be highly effective if all the following criteria are met:

- At inception of the hedge and throughout its life, the hedge is prospectively expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk.
- The Group establishes the hedging ratio by matching the notional amount of the derivatives with the principal of that portion of the portfolio being hedged and manages this on a monthly basis by entering into interest rate swaps. This is tested using regression analysis.
- Prospective and retrospective effectiveness of the hedge should be within a range of 80–125%.
- This is tested using regression analysis where the slope of the regression line must be between -0.80 and -1.25 and the data pairs between the hedged item and the hedging instrument are regressed to a 95% confidence interval. The regression co-efficient (R squared), which measures the correlation between the variables in the regression, is at least 96%.

In the case of the hedge of a forecast transaction, the transaction must have a high probability of occurring and must present an exposure to variations in cash flows that are expected to affect reported profit or loss.

Macro Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recorded in 'Net loss on financial assets and financial liabilities mandatorily held at fair value through profit or loss', together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the income statement over the remaining term to maturity of the hedged item. If the hedged item is sold or repaid, the unamortised fair value adjustment is recognised immediately in the income statement. .

Macro Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedging instruments are initially recognised in other comprehensive income, accumulating in the cash flow hedge reserve within equity. These amounts are subsequently recycled to the income statement in the periods when the hedged item affects profit or loss. Both the derivative fair value

movement and any recycled amount are recorded in the 'Cashflow hedge reserve' line item in other comprehensive income.

The Group assesses hedge effectiveness using the hypothetical derivative method, which creates a derivative instrument to serve as a proxy for the hedged transaction. The terms of the hypothetical derivative match the critical terms of the hedged item and it has a fair value of zero at inception. The hypothetical derivative and the actual derivative are regressed to establish the statistical significance of the hedge relationship.

Any ineffective portion of the gain or loss on the hedging instrument is recognised in the profit or loss immediately.

If a cash flow hedge is discontinued, the amount accumulated in the cash flow hedge reserve is released to the income statement as and when the hedged item affects the income statement.

Should the Group consider the hedged future cash flows are no longer expected to occur due to reasons, the cumulative gain or loss will be immediately reclassified to profit or loss.

(iv) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(v) Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Repurchase of the Company's own equity instruments is recognised and deducted directly from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(vi) Financial guarantee contracts and letter of credit confirmations/bill acceptances – provisions

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Letters of credit confirmations/bill acceptances

A letter of credit confirmation/acceptance is a letter from an issuing bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. The Group confirms/accepts the letters of credit issued by an issuing bank and charges fixed fees which are received either in advance or at a later date.

Fees relating to financial guarantee contracts and letter of credit confirmations/bill acceptances issued by the Group can be received upfront and these fees are amortised on a straight-line basis to income over the year. The receivable increases over the life of the contract as service is performed with the corresponding recognition of income in the statement of profit or loss. All financial guarantee contracts issued by the Group are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and

- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the Group's revenue recognition policies.

Such amounts are presented as provisions on the statement of financial position and the remeasurement is included within the reversal of impairment/(impairment loss) on financial assets at amortised cost.

(vii) Impairment of financial assets

The Group recognises loss allowances for Expected Credit Loss (ECL) in accordance with IFRS 9 on financial assets.

Equity investments are not subject to impairment, consistent with IFRS 9.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL (referred to as Stage 1); or
- full lifetime ECL (referred to as Stage 2 and Stage 3).

For Stages 1 and 2, interest revenue is calculated on the gross carrying amount. Under Stage 3, interest revenue is calculated based on the net carrying amount (gross amount less ECL).

The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. For these financial assets, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

The Group monitors all financial assets, financial guarantee contracts and letter of credit confirmations/bill acceptances that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet the earlier of either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECLs

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's Effective Interest Rate (EIR).

The measurement of expected credit losses is a function of the

- probability of default
- loss given default (i.e. the magnitude of the loss if there is a default); and
- exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial guarantee contracts and letter of credit confirmations/bill acceptances, the exposure includes the amount of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For a financial guarantee contract and letter of credit confirmations/bill acceptances, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor, or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Presentation of ECL

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and

- financial guarantee contracts: as a provision.

The Group recognises an increase or decrease in impairment in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

p) Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements, medical insurance and defined contribution pension plans. The Group has implemented a one-off Free Share Scheme following the 2023 listing and a Matching/Partnership Share Scheme, both schemes for all employees. The Group also provides share incentive schemes to Executive Directors and certain other key employees or senior management as follows:

- Long-Term Incentive Plans (LTIP);
- a Matching/Partnership Share Incentive Plan (all employees)
- a Free Shares Plan* (all employees);

*Applicable to 2024 only.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Pension contributions

All pension contributions are accounted for as defined contributions and paid over on a monthly basis. No liability for pension entitlement accrues to the Group.

Share-based payment arrangements

The Group provides share-based payment arrangements to certain employees (as noted above). The awards are equity-settled arrangements and are measured at fair value of the equity instruments at the grant date. The fair value is expensed on a straight-line basis over the vesting period. The fair value of the employee services received in exchange for the grant of the awards is recognised in employee benefit expenses together with a corresponding increase in equity (retained earnings), over the period in which the service and the performance conditions are fulfilled (the vesting period). The grant date fair value is not adjusted for subsequent changes in the fair value of the equity instruments.

Long-term incentive plan awards are subject to performance conditions. LTIP awards granted in 2023 and 2024 are subject to both market performance conditions (relating to Total Shareholder Returns) and non-market performance conditions (relating to Earnings Per Share) The 2025 LTIP awards are subject non-market performance conditions only (relating to Earnings Per Share, Cost-Income Ratio and Adjusted EBITDA per average full-time equivalent employee for 2025 LTIP and Adjusted Profit After Tax for 2025 LTIP Acceleration Award).

Service conditions are not taken into account when determining the grant date and for fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Any other conditions attached to an award, but without an associated service requirement, are non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award. Share awards vest when service conditions are met.

Where the equity-settled arrangements are modified before the vesting date, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to the date of vesting. If modified after vesting, it is recognised immediately. Where a modification is not beneficial to the employee there is no change to the charge for the share-based payment. Settlement and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the statements of profit or loss and other comprehensive income.

The Group has no cash-settled arrangements.

q) Investments in subsidiaries

Investments in subsidiaries are non-monetary assets measured at cost less impairment.

r) Provisions and contingent liabilities

Provisions are recognised in respect of present obligations arising from past events where it is probable that outflows of resources will be required to settle the obligations and they can be reliably estimated. Provisions comprises dilapidation provision on the leased office space.

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or those present obligations where the outflows of resources are uncertain or cannot be measured reliably. Contingent liabilities are not recognised in the consolidated and Company financial statements but are disclosed unless they are remote.

s) Share capital

On issue of ordinary shares, any consideration received is included in equity net of any directly attributable transaction costs.

t) Earnings per share

i. Basic earnings per share

Basic earnings per share is calculated on the Group's profit or loss after taxation attributable to the owners of the parent and based on the weighted average of ordinary shares at the end of the year.

ii. Diluted earnings per share

Diluted earnings per share is calculated on the Group's profit or loss after taxation attributable to owners of the parent and based on the weighted average of ordinary shares at the end of the year and the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Performance-based employee share options are treated as contingently issuable shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time.

u) Dividends

Dividends are recognised in the financial statements in the period they are paid.

v) Leases (Group as lessee)

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and corresponding lease liabilities with respect to all lease arrangements

in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets (such as small items of fixtures and equipment and value of less than £10,000). For these leases, the Group recognises the lease payments as an Operating Expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the Group's lease liabilities are fixed lease payments less any lease incentives receivable.

The lease liabilities are presented as a separate line in the consolidated statement of financial position.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liabilities, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs and estimations of any dilapidation obligations. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'impairment of non-financial assets' policy.

In line with IFRS 9, a liability is derecognised when the obligation in the contract is extinguished or cancelled, which in the context of the lease liabilities, they are derecognised when the Group and its subsidiaries have been legally released from the obligations by the creditors.

The dilapidation provision is recognised in accordance with IAS 37 when a present obligation exists due to a lease agreement requiring restoration of premises. It is initially measured at the best estimate of the expected costs to settle the obligation, discounted to present value if the time value of money is material. Subsequently, the provision is reviewed at each reporting date and adjusted for changes in estimates, such as cost revisions or discount rate changes. If initially discounted, the unwinding of the discount is recognised as an interest expense in profit or loss.

w) Non-underlying items

The Group separately identifies results before non-underlying items. These measures are not measures of performance under IFRS and should be considered in addition to, and not as a substitute for, IFRS measures of financial performance and liquidity. The Group uses its judgement to classify items as non-underlying. Income or expenses are recognised and classified as non-underlying when the following criteria are met:

- The item does not arise in the normal course of business; and
 - The items are material by amount or nature.

Non-underlying items include other income or expenses not considered to drive the operating results of the Group including transaction, transformational, as well as restructuring costs. When items meet the criteria, they are recognised and classified as non-underlying and this is applied consistently from year to year,

w) New and revised IFRS accounting standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

Accounting standard*	Details of amendment
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures effective 1 January 2026	The amendments provide guidance related to: <ul style="list-style-type: none"> • Financial assets with ESG-linked features; • Settlement of financial liabilities by electronic payments.
New sustainability standards issued by the International Sustainability Standards Board (ISSB) effective 1 January 2026 in the UK	The ISSB issued its first two sustainability reporting standards on 26 June 2023. This included: <ul style="list-style-type: none"> • General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1), the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. • Climate-related Disclosures (IFRS S2), the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.
IFRS 18 Presentation and Disclosure in Financial Statements effective 1 January 2027	IFRS 18 affects all companies, bringing significant changes to how companies present their income and what information companies need to disclose, and making certain 'non-GAAP' measures part of audited financial statements for the first time. There will be three new categories of income and expenses, two defined income statement subtotals and one single note on management-defined performance measures.
IFRS 19 Reduced Disclosures for Subsidiaries	To simplify and reduce the cost of financial reporting by subsidiaries while maintaining the usefulness of their financial statements. This standard is not applicable to the Group consolidated financial statements.

Anything not mentioned in the above table is not relevant.

The Group does not expect that the adoption of the Standards listed above will have a material impact on the consolidated and Company Financial Statements of the Group and the Company in future periods, with the exception of IFRS 18 where the impact has yet to be determined.

2. Segment Reporting

Operating segments are determined by the Group's internal reporting to the Chief Operating Decision Maker (CODM). The CODM has been determined to be the Group's Executive Committee. The information regularly reported to the Executive Committee for the purposes of resource allocation and the assessment of performance, is based wholly on the overall activities of the Group. Based on the Group's business model, the Group has determined that it has only one reportable segment of continuing operations.

The CODM assesses the profitability of the segment based on a measure of EBITDA and Adjusted EBITDA and is defined as follows:

- EBITDA – Calculated as Profit before Tax and IFRS 16 lease liability interest, depreciation and amortisation. Although it is typical to calculate EBITDA before interest, our net interest income is generated from operational client deposits and subsequent re-investment to generate returns for the shareholder and therefore remains included within EBITDA.

- Adjusted EBITDA – EBITDA before Non-underlying items (Non-underlying items were referred to as Adjusting items in the prior year).

All revenue from external clients is generated through its operations located in the UK and on that basis is wholly attributable to the UK and all non-current assets, other than financial instruments and deferred tax assets, are located in the UK.

a) Income

The Group derives its income as follows:

	2025	2024
Income by business line from continuing operations	£'000	£'000
FX ¹	48,679	38,997
Payments ¹	29,517	29,510
Banking services and other income ²	40,793	37,934
Total income – net of interest expense	118,989	106,441

Prior period reclassifications

¹ At the beginning of the financial year ended 31 December 2025, the Group reassessed its client transaction classifications within the FX and Payments segments and concluded that certain transaction more appropriately meet the definition of Payment transactions. To improve the clarity and comparability of the reported financial information in line with IFRS 8, income related to these clients amounting to £2.2m has been reclassified from the FX line to the Payments line for the 2024 comparative period.

This reclassification is presentational in nature and does not impact previously reported profit before tax, profit for the year, earnings per share, equity, or the statement of financial position.

² Refer to Note 3a for details on the reclassification of interest expense on lease liabilities disclosed within related to Banking Services and Other Income.

FX: Revenue categorised as FX is from clients with a need to exchange a bulk amount from one currency for another without onward payment to another party. The Group's FX revenue is derived from profit on settlement of FX contracts, remeasurement of sterling balances, fair value losses on derivatives and FX gain on payment transaction revenue. The accounting policy for the Group's Net FX gain revenue and its components is disclosed in Note 1 (g).

Payments: The Group's payments revenue include payments FX, same currency payments (corresponding activity income, and account management fees), pension payments and platform revenue. Payments FX comprises of the margin derived from bid-ask spreads on foreign currency conversion and fees paid by clients to transfer money from or to a third party, cross borders.

Same currency relates to payment services provided for payments transacted without an exchange of foreign currency largely relating to major market currency clearing and includes fees for account management activities and payments execution. Pension payments fees relate to amounts earned on processing of pension scheme foreign currency payments. Platform revenue relates to recurring fixed fees rather than fees earned on transaction volumes.

Banking services and other income: The Group also generates income from trade finance (including trade finance and letters of credit), working capital services, interest earned from other placements with banks, interest earned from advances to non-banks outside the Working Capital facility, interest from staff loans,

and net gains from financial assets/liabilities measured at fair value. The Group takes client funds earmarked for other needs as client deposits and makes short-term investment in the money market to generate gain on money market funds.

b) Profitability

The Group measures profitability for the reporting segment on an EBITDA and Adjusted EBITDA basis. EBITDA is useful as a measure of comparative operating performance between both previous periods and other companies as it removes the effect of taxation, depreciation and amortisation as well as items relating to capital structure, while adjusted EBITDA also removes the effect of non-underlying items.

Reconciliation of profit before tax from continuing operations to EBITDA and Adjusted EBITDA	2025	2024
	£'000	£'000
Profit before taxation	18,521	17,594
Adjusted for:		
Interest expenses on lease liabilities (Note 17)	1,384	897
Amortisation (Note 18)	7,930	6,213
Depreciation (Note 16) ¹	2,690	2,320
EBITDA	30,525	27,024
Non-underlying items	4,674	3,741
Adjusted EBITDA	35,199	30,765

1 Balance includes depreciation on property, plant and equipment, and depreciation on right of use of asset.

3. Net Interest Income

	Consolidated	
	2025	2024
	£'000	£'000
Interest income:		
Interest on cash and balances at central banks	22,039	29,894
Interest on loans and advances	15,170	12,993
Interest on letters of credit	1,525	1,347
Interest on interest rate swaps	130	–
Interest on investment in debt securities	16,625	14,428
Other interest income and similar income ¹	299	194
Interest income	55,788	58,857
Interest expense:		
Interest on financial liabilities at amortised cost	(29,179)	(38,232)
Other interest expense ¹	(156)	(171)
Interest on interest rate swaps	(444)	–
Interest expense (Note 3a)	(29,779)	(38,403)
Total net interest income (Note 3a)	26,009	20,454

1 Other interest income and similar income and other interest expense are interest received, interest accrued, or interest paid on the collateral balances paid to or received from our FX Swap Counterparties.

a) Other finance costs

	Consolidated	
	2025	2024
	£'000	£'000
Interest expense on lease liabilities (Note 17)	(1,384)	(897)

Prior period reclassification

During the year, the Group revised its presentation of interest expense on lease liabilities. This interest expense, previously included within the overall 'Interest Expense' line, is now presented separately on the face of the Statement of Profit or Loss under the heading 'Other Finance Costs' to enhance understandability of transactions of a similar nature.

As a result, the comparative figures for the year ended 31 December 2024 have been reclassified to conform to the current year's presentation. The reclassification is presentational only and has no impact on previously reported profit before tax, profit for the year, earnings per share, equity or the condensed consolidated statement of financial position. The impact of the reclassification on the comparative statement of profit or loss is as follows:

	As previously reported	Adjustment	Reclassified
	£'000	£'000	£'000
For the year ended 31 December 2024			
Interest expense	(39,300)	897	(38,403)
Net interest income	19,557	897	20,454
Total Income, net of interest expense	104,928	897	105,825
Total income	105,544	897	106,441
Other finance costs	–	897	(897)

4. Net Loss On Financial Instruments Mandatorily Measured At Fair Value Through Profit Or Loss

	Consolidated	
	2025	2024
	£'000	£'000
FX derivatives		
Interest expense on FX derivative contracts ¹	1,576	247
Fair value hedge movements		
Change in fair value of hedging instruments	337	–
Change in fair value of hedged risks attributable to hedged items	(321)	–
Cash flow hedge movements		
Ineffective portion of hedge recognised immediately	24	–
Total	1,616	247

¹ Hedge accounting has not been designated for the FX derivatives; therefore, interest expense is recognised separately from interest on financial assets measured at amortised cost. Fair value adjustments on these contracts are recognised within Net FX gains, offsetting the economically hedged foreign exchange movements.

5. Fees and Commissions Income

	Consolidated	
	2025	2024
	£'000	£'000
Fees and commissions income:		
Account management and payments	13,685	12,868
Pension payment fees	1,666	1,556
Trade finance	977	972
Electronic platform fees	–	164
FX Payment Fees	160	185
Total fees and commission income	16,488	15,745

6. Net Foreign Exchange Gain

	Consolidated	
	2025	2024
	£'000	£'000
Wholesale FX ¹	48,680	41,215
FX gain on payment transaction revenue	14,005	12,588
Total	62,685	53,803

¹ Wholesale FX income include movements arising from open foreign currency positions amounting to a loss of £334k in 2025 (2024: gain of £472k).

7. Operating Expenses

	Consolidated	
	2025	2024
	£'000	£'000
Staff costs and Directors' emoluments		
Salaries and bonuses	41,648	37,155
Share-based payments	615	996
Social security costs	5,401	4,753
Pension costs	2,683	2,701
Fees payable to the auditor		
Audit		
– the Company	605	711
– Group companies	1,035	731
Audit related services	236	319
Depreciation and amortisation		
Amortisation of intangible assets (Note 18)	7,930	6,213
Depreciation of property, plant, and equipment (Note 16)	649	767
Depreciation of right-of-use assets (Note 17)	2,041	1,553
Other expenses		
Low-value lease expenses	88	59
Clearing costs	2,640	2,441
Other bank charges	3,834	3,103
Software support/licences	8,350	7,599
Process automation costs	2,484	2,115
Professional fees	2,352	2,529
Irrecoverable VAT	1,658	1,344
Legal Fees	861	891
Recruitment	820	1,455
Travel	1,571	1,127
External Information Providers	536	495
Corporate Promotional Events and Corporate Membership	947	559
Other operating expenses	5,539	5,043
Operating expenses before non-underlying items	94,523	84,659
Non-underlying items (Note 7a)	4,674	3,741
Total operating expenses after non-underlying items	99,197	88,400

a) Non-underlying items can be analysed as follows:

The Group separately identifies results before non-underlying items. These measures are not measures of performance under IFRS and should be considered in addition to, and not as a substitute for, IFRS measures of financial performance and liquidity. The Group uses its judgement to classify items as non-underlying. Income or expenses are recognised and classified as non-underlying when the following criteria are met:

- The item does not arise in the normal course of business; and
- The items are material by amount or nature.

Non-underlying items include other income or expenses not considered to drive the operating results of the Group including transaction, transformational, as well as restructuring costs. When items meet the criteria, they are recognised and classified as non-underlying and this is applied consistently from year to year. The balance is broken down as follows:

	Consolidated	
	2025	2024
	£'000	£'000
Transformational costs ¹	529	1,687
Transition costs ²	1,492	1,852
Redundancy costs	2,653	202
Total non-underlying items	4,674	3,741

1 Transformational costs comprise payments to consultants involved in strategic initiatives and strategic restructuring costs (2025: £343k and 2024: £1,687k) and business setup costs (2025: £186k and 2024: £nil);

2 Transition costs relate to dual running, recruitment and settlement agreements.

b) Number of employees

The monthly average number of full-time equivalent staff employed within the Group, including Executive Directors, was 362 (2024: 378) and the number of employees at year end was 366 (2024: 421).

Average number of persons employed during the year by legal entity	2025	2024
Crown Agents Bank Limited	347	364
CAB US Inc (formerly Segovia Technology Company)	3	6
CAB Europe BV	10	8
Crown Agents Global Markets	2	–
Total	362	378

8. Tax Expense

a) Analysis of tax expense for the year

i. Tax expense

	Consolidated	
	2025	2024
	£'000	£'000
Continuing operations		
Current tax		
Corporation tax based on the taxable profit for the year	4,859	3,726
Adjustment in respect of prior years	463	(861)
	5,322	2,865
Deferred tax		
Origination and reversal of temporary differences	(357)	517
	(357)	517
Total tax expense for the year	4,965	3,382
Effective tax rate	27%	19%

ii. Amounts recognised directly in other comprehensive income

	Consolidated	
	2025	2024
	£'000	£'000
Aggregate deferred tax arising in the year and not recognised in net profit or loss and recognised in other comprehensive income:		
Current year	24	5
Adjustment in respect of prior years	–	–
Deferred tax charge (Note 19)	24	5

b) Factors affecting tax expense for the year

The tax assessed for the year is higher (2024: lower) than the standard rate of Corporation Tax in the UK.

	Consolidated	
	2025	2024
	£'000	£'000
Profit before taxation	18,521	17,594
Standard rate corporation tax of 25% on profit before taxation	4,630	4,399
Effect of:		
Expenses not deductible for tax	25	124
Fixed asset differences	(212)	(342)
Impact of overseas tax rates	59	62
Permanent difference due to banking surcharge levy	–	–
Prior year adjustments	463	(861)
Total tax expense for continuing operations for the year	4,965	3,382

The Company's tax loss of £492k (2024: £1,071k) was surrendered to other Group companies (corporation tax group relief) as permitted by HMRC. No tax has been paid by the Company in the current year (2024: nil).

9. Cash and Balances at Central Banks

	Consolidated	
	2025	2024
	£'000	£'000
Cash and balances at central banks¹	257,867	584,679

¹ All cash and balances at central banks are allocated as such on the Consolidated Statement of Cash Flows and the ECL balance is nil (2024: nil). Cash and balances at central banks include no encumbered assets (2024: £nil).

Cash and balances at central banks includes accrued interest of £522k (2024: £1,060k).

There are no restricted amounts within cash and balances at central banks. The cash and bank balances at central banks are measured at amortised cost as they meet the Solely Payment of Principal and Interest (SPPI) criteria and are held to collect contractual cash flows.

The carrying amount of these assets is equal to their fair value.

10. Money Market Funds

	Consolidated	
	2025	2024
	£'000	£'000
Open Ended Investment Companies		
Morgan Stanley Euro Liquidity Fund	–	25,748
Goldman Sachs USD Treasury Liquid Reserves Fund	177,635	402,594
Black Rock ICS USD Liquidity Fund	–	11,971
JP Morgan USD Liquidity LVNAV Fund	18,647	7,981
BlackRock ICS US Treasury Fund Class Premier Distributing USD	–	39,903
JP Morgan - EUR Liquidity LVNAV Capital Dist	21,875	–
	218,157	488,197
Component of Money Market Funds included in consolidated statement of cash flows under:		
Cash and cash equivalent balances	218,157	488,197

Money Market Funds are mandatorily held at fair value through profit or loss as they do not satisfy the SPPI criteria set out in IFRS 9. The funds are all rated AAA (in 2025 and 2024) based on a basket of credit ratings agencies, all approved by the Financial Conduct Authority.

11. Loans and Advances

Loans and advances are measured at amortised cost as they meet the SPPI criteria and are held to collect (“HTC”) contractual cash flows.

	Consolidated	
	2025 £'000	2024 £'000
Loans and advances (gross)		
Loans and advances on demand to banks	129,966	185,563
Other loans and advances to banks	274,994	180,148
Other loans and advances to non-banks	21,704	32,835
Total	426,664	398,546
Less: Impairment loss allowance		
Loans and advances on demand to banks	(20)	(4)
Other loans and advances to banks	(38)	(64)
Other loans and advances to non-banks	(183)	(239)
Total	(241)	(307)
Net Loans and advances on demand to banks	129,946	185,559
Net Other loans and advances to banks	274,956	180,084
Net Other loans and advances to non-banks	21,521	32,596
Net loans and advances	426,423	398,239
Component of loans and advances on demand to banks included in the consolidated statement of cash flows under:		
Cash and cash equivalents	129,946	185,559
Total	129,946	185,559

A. Collateral management

The Group's other loans and advances to banks include £5,201k of encumbered assets (2024: £411k) in relation to derivative contracts with other financial institutions and other balances which are all not overdue. These are not restricted and are available for use by the counterparty.

B. Sale of trade finance loans within Other loans and advances to banks

During the year, the Group disposed of nine trade finance loan positions within its Other loans and advances to banks (HTC) portfolio. Management assessed the impact of the sale on the HTC model and have concluded that they remain as HTC as sales are infrequent and insignificant and the business model/strategy remains to be HTC.

The gain from sale amounting to £16k (2024: £nil) was recognised in the statement of profit or loss under Other operating income. The amount is immaterial and has therefore not been presented separately on the face of the statement of profit or loss.

12. Derivative Financial Instruments

The tables below analyse the notional principal amounts and the positive and negative fair values of derivative financial instruments at 31 December for the Group. The Company does not have derivatives (2024:nil). Notional principal amounts are the amounts of principal underlying the contract at the reporting date.

Consolidated	2025			2024		
	Notional principal	Assets (Carrying amounts)	Liabilities (Carrying amounts)	Notional principal	Assets (Carrying amounts)	Liabilities (Carrying amounts)
	£'000	£'000	£'000	£'000	£'000	£'000
Foreign exchange derivatives:						
Total derivative assets/(liabilities) held for risk management	261,201	355	(618)	652,297	4,877	(539)
Total derivative assets/(liabilities) held for trading	–	–	–	733	7	–
Interest rate derivative contracts:						
Total derivative assets/(liabilities)	387,444	134	(766)	–	–	–
Total derivative assets/(liabilities)	648,645	489	(1,384)	653,030	4,884	(539)

Offsetting derivative assets and derivative liabilities

Consolidated					
2025	Gross amounts	Net amounts presented in the balance sheet	Amounts subjected on master netting arrangements ¹	Cash Collateral	Net amount
	£'000	£'000	£'000	£'000	£'000
Financial assets					
Derivative assets	489	489	(12)	–	477
Financial liabilities					
Derivative liabilities	(1,384)	(1,384)	386	4,830	3,832

Consolidated					
2024	Gross amounts	Net amounts presented in the balance sheet	Amounts subjected on master netting arrangements ¹	Cash Collateral	Net amount
	£'000	£'000	£'000	£'000	£'000
Financial assets					
Derivative assets	4,884	4,884	(4,690)	–	194
Financial liabilities					
Derivative liabilities	(539)	(539)	408	410	279

¹ Collateral management

The Group limits exposure to credit losses in the event of default by entering into master netting agreements with certain market counterparties. Collateral is exchanged under standard credit support annexes and is repayable on termination of the related derivative positions. As required by IAS 32, exposures are only presented net in these accounts where they are subject to legal right of offset and intended to be settled net in the ordinary course of business. As the Group does not presently have a legally enforceable right of set-off, these amounts have not been offset in the balance sheet, but have been presented separately in the table above. All derivative positions are fully collateralised in cash, therefore the carrying amount approximates fair value.

As at year-end, the Group had posted cash collateral of £4,830k (included in Other Loans and Advances to banks) and held cash collateral of £nil (included in Customer Deposits).

Foreign exchange derivatives held for economic hedging

The Group may enter into economic hedges that do not qualify for IAS 39 hedge accounting treatment, including derivatives such as forward foreign exchange contracts to manage currency risks of the Group as those noted in the table above. The forward FX contracts have been transacted to economically hedge assets and liabilities in foreign currencies and trading on behalf of clients. The unrealised fair value movement at the statement of financial position date is £1,873k (2024: fair value movement £5,423k). These derivative financial instruments and the underlying transactions will mature during 2026 (2024: mature during 2025). These derivatives are measured at fair value, with fair value movements recognised within 'Net FX gain', consistent with the presentation of the related foreign exchange impacts.

Interest rate derivatives held for hedging

The Group enters into derivative contracts for the purpose of hedging interest rates. The table below summarises the notional principal amounts and carrying values of derivatives designated in hedge accounting relationships at the reporting date. Included in the table above are derivatives held for hedging purposes as follows:

Consolidated	2025			2024		
	Notional principal	Assets	Liabilities	Notional principal	Assets	Liabilities
	£'000	£'000	£'000	£'000	£'000	£'000
Derivatives designated as fair value hedges:						
Interest rate swaps	259,644	92	(480)	–	–	–
Derivatives designated as cash flow hedges:						
Interest rate swaps	127,800	42	(286)	–	–	–
Total derivative held for hedging	387,444	134	(766)	–	–	–

Fair value hedges

The Group accepts customer accounts that are measured at amortised cost, including some denominated in foreign currency. These customer accounts held are exposed to changes in fair value due to movements in market interest rates. To manage the interest rate risk associated with these customer accounts, the entity enters into interest rate swaps since October 2025. The objective is to hedge the interest rate sensitivity of these customer accounts to changes in interest rates. In this swap, the Group would typically:

- Receive a fixed interest rate from the swap counterparty.
- Pay a floating interest rate

Possible sources of ineffectiveness include differences in the benchmark rates of interest used to value the hedged item and the hedging instrument, such as when cash collateralised interest rate swaps are discounted using SONIA and SOFR but this is not the benchmark rate of interest for the hedged item.

At 31 December 2025 the Group held the following interest rate swaps as hedging instruments in fair value hedges of interest rate risk.

Hedging instruments and ineffectiveness

Consolidated	2025			Changes in fair value use to calculate hedge ineffectiveness ²	Ineffectiveness portion recognised in profit or loss	2024			Changes in fair value use to calculate hedge ineffectiveness ²	Ineffectiveness recognised in profit or loss
	Notional principal	Assets	Liabilities			Notional principal	Assets	Liabilities		
2025	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest rate hedging ¹										
Interest rate swaps – customer accounts	259,644	92	(480)	(16)	(16)	–	–	–	–	–
Total at year end	259,644	92	(480)	(16)	(16)	–	–	–	–	–

1 Interest rate swaps are designated in hedges of the fair value of interest rate risk attributable to the hedged item.

2 This represents a (loss)/gains change in fair value used for calculating hedge ineffectiveness.

Income statement impact of fair value hedges

	Consolidated	
	2025	2024
	£'000	£'000
Net Interest income (Note 3)		
Interest income from the interest rate swaps	77	–
Interest expense from interest rate swaps	(340)	–
Ineffective portion loss	(16)	–
Net loss on financial assets and financial liabilities mandatorily held at fair value through profit or loss		
Change in fair value of hedging instruments	337	–
Change in fair value of hedged risks attributable to hedged items	(321)	–

Macro Cash flow hedges

The Group has exposure to market movements in future interest cash flows on Cash and balances at central banks. The amounts and timing of future cash flows, representing both principal and interest flows, are projected on the basis of contractual terms.

The hedging strategy of the Group involves using interest rate swaps to manage the variability in future cash flows by receiving a fixed GBP interest rate from the swap counterparty and paying a floating GBP interest rate. This is done on a portfolio/macro basis whereby each hedging instrument is designated against a group of hedged items.

Possible sources of ineffectiveness are as follows:

- Differences in the benchmark rates of interest used to value the hedged item and the hedging instrument, such as when cash collateralised interest rate swaps are discounted using SONIA but this is not the benchmark rate of interest for the hedged item.
- Differences in timing of cash flows between the derivative and the hedged item.

The hedged risk is determined as the variability of future cash flows arising from changes in the designated benchmark interest rates.

Maturity of hedging instruments

Consolidated	2025				2024			
	Less than one month	More than one month and less than one year	One to five years	More than five years	Less than one month	More than one month and less than one year	One to five years	More than five years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fair value hedges								
Interest rate swap								
Notional (£)	5,409	59,502	194,733					
Average fixed interest rate (%)	3.88%	3.65%	3.38%					
Weighted average maturity days	31 days	212 days	928 days					
Hedge effectiveness ratio	97.38%							
Cash flow hedges								
Interest rate swap								
Notional	2,663	29,287	95,850					
Average fixed interest rate (%)	3.91%	3.75%	3.57%					
Weighted average maturity days	31 days	212 days	928 days					
Hedge effectiveness ratio	99.87%							

13. Investment in Debt Securities at Amortised Cost

The Group's investment in debt securities at amortised cost consist of fixed rate bonds issued (or guaranteed) by central and private banks and floating rate notes. These are measured at amortised cost as they meet the SPPI criterion and are held to collect the contractual cash flows.

	Consolidated	
	2025	2024
	£'000	£'000
Investment in debt securities at amortised cost		
Balance at the beginning of the year	246,021	353,028
Purchases	708,220	211,209
Disposals	–	–
Redemptions	(716,962)	(321,926)
Exchange losses	(4,571)	(314)
Movement in premium/(discount) and accrued interest receivable	2,084	4,031
	234,792	246,028
Less: Impairment loss allowance	(2)	(7)
Balance at the end of the year	234,790	246,021

The amortised cost carrying amount approximates its fair value based on market prices.

A. Sale of GBP Capital sub-portfolio

The Group changed its interest rate risk management strategy to manage interest rate risk using interest rate swaps instead of a natural hedge of the debt securities. As a result, the Group sold debt securities from one distinct portfolio which was previously used to hedge against interest rate risk on GBP reserves. The sale, did not impact the strategy/business model of the remaining sub-portfolios which remain hold to collect.

The gain or loss from sale amounting to £660k (2024: £nil) was recognised in the statement of profit or loss under Other operating income. The amount is immaterial and has therefore not been presented separately on the face of the statement of profit or loss.

14. Investment in Debt Securities at Fair Value Through Other Comprehensive Income

The Group holds a portfolio of floating-rate notes and fixed rate bonds issued by investment-grade financial institutions. These instruments are managed under a business model whose objective is both to collect contractual cash flows and to sell financial assets to manage liquidity needs and optimise returns. The contractual terms of the notes give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Accordingly, the floating-rate notes are classified as debt instruments initially and subsequently measured at fair value through other comprehensive income (FVTOCI) in accordance with IFRS 9.

	Consolidated	
	2025	2024
	£'000	£'000
Investment in debt securities at FVTOCI		
Balance at the beginning of the year	–	–
Purchases	447,294	–
Exchange losses	(3,877)	–
Movement in premium/(discount) and accrued interest receivable	(739)	–
Fair value adjustments	73	–
Less: Impairment loss allowance	–	–
Balance at the end of the year	442,751	–

15. Other Assets and Unsettled Transactions

A. Other assets

	Consolidated	
	2025	2024
	£'000	£'000
Financial assets:		
Balances with mobile network operators ¹	823	1,468
Other loans	378	349
Funds paid in advance	1,819	706
Other assets	474	885
Less: impairment loss	(5)	(18)
Total	3,489	3,390
Non-financial assets:		
VAT refund	1,532	2,592
Prepayments	4,082	3,741
Deferred tax	511	221
Total	6,125	6,554
Total other assets*	9,614	9,944

1 Balances with mobile network operators (MNOs) are due to the Group in respect of mobile money transfers. The Group charges fees for services it provides to aid transfer of funds by its clients to beneficiaries via mobile money using MNOs. These balances are funds with the MNO which have yet to be transferred to beneficiaries.

2 These balances represent amounts that are debited in advance by the third party nostro providers at year-end and funds paid by the Group twice in error.

Financial assets are measured at amortised cost as they meet the SPPI criteria and are held to collect the contractual cash flows.

B. Unsettled transactions

	Consolidated	
	2025	2024
	£'000	£'000
Unsettled transactions	8,902	10,870
Less: impairment loss	(2)	(4)
Unsettled transactions³	8,900	10,866

3 Unsettled foreign currency transactions that are delayed due to time differences, public holidays in other countries (where the counterparties are located) or similar operational reasons. The arising balances are short-term in nature (typically less than four days) and were settled early in the following period.

*Prior period reclassification in other assets

During the year, the Group revised the presentation of Corporate tax receivable which was previously included within Other Assets is now presented separately on the face of the Consolidated Statement of Financial Position under the heading 'Current tax asset'. This change was made to enhance the clarity and understandability of the consolidated financial statements.

Accordingly, the comparative figures for the year ended 31 December 2024 have been reclassified to conform with the current year's presentation. The reclassification is presentational only and has no impact on previously reported profit before tax, profit for the year, earnings per share, equity, or the Consolidated Statement of Financial Position.

The impact of the reclassification on the comparative Consolidated Statement of Financial Position is as follows:

	As previously reported	Adjustment	Reclassified
	£'000	£'000	£'000
For the year ended 31 December 2024			
Total non-financial assets:	15,951	(9,397)	6,554
Total other assets	19,341	(9,397)	9,944
Other assets	19,341	(9,397)	9,944
Current tax asset	–	9,397	9,397

16. Property, Plant and Equipment

2025	Consolidated			
	Leasehold improvements ¹	Computer equipment	Fixtures & fittings ²	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2025	2,717	4,067	540	7,324
Additions	21	135	11	167
Fully depreciated asset write off	(1,506)	(1,322)	(411)	(3,239)
At 31 December 2025	1,232	2,880	140	4,252
Accumulated depreciation and impairment				
At 1 January 2025	1,778	2,317	448	4,543
Charge to profit or loss	107	523	19	649
Fully depreciated asset write off	(1,506)	(1,322)	(411)	(3,239)
At 31 December 2025	379	1,518	56	1,953
Net book value				
At 1 January 2025	939	1,750	92	2,781
At 31 December 2025	853	1,362	84	2,299

2024	Consolidated			
	Leasehold improvements ¹	Computer equipment	Fixtures & fittings ²	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2024	122	2,789	2,275	5,186
Additions	970	1,424	34	2,428
Disposals	(131)	(146)	(13)	(290)
Reclassification ¹	1,756	–	(1,756)	–
At 31 December 2024	2,717	4,067	540	7,324
Accumulated depreciation				
At 1 January 2024	111	1,907	1,977	3,995
Charge to profit or loss	248	499	20	767
Disposals	(125)	(89)	(5)	(219)
Reclassification ¹	1,544	–	(1,544)	–
At 31 December 2024	1,778	2,317	448	4,543
Net book value				
At 1 January 2024	11	882	298	1,191
At 31 December 2024	939	1,750	92	2,781

1 Reclassification of leasehold improvements (office fit out costs) incorrectly classified as fixtures and fittings in FY24 by the same amount. There is no impact to consolidated statement of profit or loss, consolidated statement of financial position and equity.

2 Includes artwork.

No impairment charge was taken in the period (2024: £nil).

17. Leases (Group as a Lessee)

The Group has recognised right-of-use (ROU) assets and lease liabilities for its property leases which have been accounted for as individual assets and liabilities. The discount rates used are the incremental borrowing rates in the range of 5.33% –7.06% (2024: 5.33% –7.06%).

The Group makes monthly/quarterly fixed payments in advance, to the lessors for the use of the properties, and there are no variable payments. The property leases have lease incentives, with the lease incentive receivable being deducted from the future lease payments.

The services provided by the lessors, such as cleaning, security, maintenance, and utilities, as part of the contract, are components which are not included in the ROU calculation and have been expensed in the 'Other operating expenses' line item in Note 7. These expenses amount to £929k (2024: £861k).

Dilapidation provision as at 31 December 2025 amounted to £2,017k (2024: £1,884k) with £133k interest recognised in the statement of profit or loss and other comprehensive income. The expected outflow of economic benefits will be in 2034 at the end of the London Bridge lease term.

The Group's leases of low-value fixtures and equipment are expensed in the 'Other operating expenses' line item in Note 7 on a straight-line basis (see accounting policy in Note 1 for leases). These amounted to £88k (2024: £59k).

There were no short-term leases during the year (2024: none).

The lease terms covers only the non-cancellable lease term. There are no purchase, extension, or termination options and residual guarantees in the leases.

There are also no restrictions or covenants imposed by the leases.

The lease interest charged as an expense for the year totalled £1,384k (2024: £897k).

The Company does not have any leases and had no lease payments under non-cancellable operating leases during 2025 (2024:).

a) Right-of-use assets

All the Group's right-of-use assets are non-current assets. A reconciliation of the Group's right-of-use assets as at 31 December 2025 and 31 December 2024 are shown below:

	Consolidated
	Leasehold property¹
	£'000
Cost	
At 1 January 2025	19,061
Additions	–
At 31 December 2025	19,061
Accumulated depreciation	
At 1 January 2025	1,307
Charge to profit or loss ¹	2,041
At 31 December 2025	3,348
Net book value	
At 31 December 2025	15,713
Cost	
At 1 January 2024	1,760
Additions	19,061
Lease assignment	(695)
At 31 December 2024	20,126
Accumulated depreciation	
At 1 January 2024	1,071
Charge to profit or loss ¹	1,553
Lease assignment	(252)
At 31 December 2024	2,372
Net book value	
At 31 December 2024	17,754

1 There is only one class of right-of-use assets which are the property leases.

The Directors consider ROU assets for indicators of impairment at least annually, or when there is an indicator of impairment. There are no physically visible impairment indicators on the leased properties at year-end.

Refer to Note 18 for further details on impairment.

No impairment charge was taken during the year (2024: nil).

b) Lease liabilities

A reconciliation of the Group's remaining operating lease payments as at 31 December 2025 and 31 December 2024 are shown below:

	Consolidated
	Leasehold property
	£'000
Lease liabilities as at 1 January 2025	18,069
Payments during the year ¹	(238)
Foreign exchange revaluation	(45)
Add: interest on lease liabilities	1,251
At 31 December 2025	19,037
Lease liabilities as at 1 January 2024	884
Additions during the year	17,264
Payments during the year ¹	(328)
Lease assignment	(628)
Foreign exchange revaluation	63
Add: interest on lease liabilities	814
At 31 December 2024	18,069

¹ Payments during the year include payments for interest on lease liabilities and the repayment of the principal portion of the lease liability.

There were no variable lease payments expenses in the reporting period (2024: £nil).

The Group's lease liabilities as at 31 December 2025 and 31 December 2024 are split into current and non-current portions as follows:

	Consolidated	
	2025	2024
	£'000	£'000
Non-current	17,035	16,681
Current	2,002	1,388
Lease liabilities	19,037	18,069

c) Impact on the profit and loss

The following are the amounts recognised in profit or loss:

	Consolidated	
	2025	2024
	£'000	£'000
Depreciation expense of right-of-use assets (Note 7)	2,041	1,553
Interest expense on lease liabilities (Note 3)	1,384	897
Impact of lease assignment	–	(21)
Expense relating to leases of low-value assets (Note 7)	88	59
Total amount recognised in profit or loss	3,513	2,488

The Group had total cash outflows for all leases of £266k (2024: £328k).

18. Intangible Assets

	Consolidated				
	Goodwill	Core accounting software	Other software	Brand/name	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2025	5,919	5,922	44,150	1,483	57,474
Additions	–	198	8,318	55	8,571
Impairments	–	(76)	–	–	(76)
Fully amortised asset write off	–	–	(1,964)	–	(1,964)
At 31 December 2025	5,919	6,044	50,504	1,538	64,005
Accumulated amortisation and impairment					
At 1 January 2025	–	4,557	22,093	219	26,869
Charged for the year	–	696	7,183	51	7,930
Fully Amortised Asset Write Off	–	–	(1,964)	–	(1,964)
Exchange rate loss	–	–	–	–	–
At 31 December 2025	–	5,253	27,312	270	32,835
Net book value					
At 1 January 2025	5,919	1,365	22,057	1,264	30,605
At 31 December 2025	5,919	791	23,192	1,268	31,170

	Consolidated				
	Goodwill	Core accounting software	Other software	Brand/name	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2024	5,919	5,872	31,653	1,483	44,927
Additions	–	855	11,669	–	12,524
Reclassification of software from core to non-core	–	(805)	805	–	–
Exchange rate loss	–	–	23	–	23
At 31 December 2024	5,919	5,922	44,150	1,483	57,474
Accumulated amortisation					
At 1 January 2024	–	4,428	16,038	167	20,633
Charged for the year	–	437	5,724	52	6,213
Reclassification of software from core to non-core	–	(308)	308	–	–
Exchange rate loss	–	–	23	–	23
At 31 December 2024	–	4,557	22,093	219	26,869
Net book value					
At 1 January 2024	5,919	1,444	15,615	1,316	24,294
At 31 December 2024	5,919	1,365	22,057	1,264	30,605

Software that does not result in an intangible asset (right to receive access to the supplier's application software in the future is a service contract) of the Group are expensed. Software expensed in the period amounts to £5,139k (2024: 3,790k).

Internally generated assets include payment-related software that is created and utilised in the Group's operation.

Internally generated intangible assets are disclosed within Other software and amounts to £15,666k (2024: £10,508k).

There are no other individual purchased intangible assets that are considered material to each class of intangible assets (2024: none).

Individually material intangible assets internally generated:

	2025		2024	
	Carrying amount	Remaining	Carrying amount	Remaining
	£'000	Useful life	£'000	Useful life
FX derivatives platform	3,120	48 months	2,361	60 months
New Transaction Monitoring System	1,595	41 months	1,688	53 months

All intangible assets (except Goodwill) have finite lives – see Note 1 for accounting policies on the amortisation method and useful lives.

Other software held by the Group includes software relating to the payments, process/platform, compliance, and banking.

Goodwill

The goodwill relates to the acquisitions:

- by the Company, on 31 March 2016, of the entire share capital of both CAB, a regulated bank
- by the Group, on 1 July 2019, of the entire share capital of CAB US Inc, a US- based fintech company
- **CGU:** goodwill relating to the acquisitions of both CAB and CAB US Inc. is allocated to CAB being the Group's only cash-generating unit. The carrying amount of goodwill has been allocated to the one operating segment for all periods. The CGUs are determined at Company level because specific revenue streams can not be attributed to individual assets.

The goodwill is tested for impairment at the CGU level. Impairment reviews were performed on the carrying values of all goodwill and intangible assets as follows:

- Goodwill and other intangible assets: reviewed against a value in use calculation of CAB, the cash-generating unit.

The Group tests goodwill and intangible assets annually for impairment, or more frequently if there are indications that the assets might be impaired. The decrease in the market capitalisation below the net asset value of the Company as at 31 December 2025 was identified as a potential impairment indicator and as required by IAS 36, an impairment assessment was performed.

The value in use that has been used for the impairment assessment of Goodwill and Intangible Assets also applies to PPE (Note 16), ROU Assets (Note 17), and the parent's Investments in Subsidiary Undertakings.

Value in use

The recoverable amounts of the cash-generating units are based on value in use calculations which use cash flow projections based on financial budgets approved by the Board of Directors covering a three-year period ending 31 December 2028, with the terminal growth rate applied from the start of 2028.

i. Discount rate

The Group uses a post-tax discount rate based on the WACC on 10.5% (2024: 9%) in line with requirements of IAS 36.

ii. Cash flows

The future cash flows of the CGUs are the cash flows projected for a three-year period for which detailed forecasts are available and utilise assumptions regarding the long-term pattern of sustainable cash flows thereafter. Forecasts are compared with actual performance and verifiable economic data, but they reflect management's view of future business prospects at the time of the assessment.

iii. Terminal growth rate

The terminal growth rate remains unchanged at 2% being an industry realistic benchmark based on the UK long-term inflation rate target..

iv. Sensitivity analysis of key assumptions in calculating value in use

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions (i.e cash flows, growth rate and the discount rate) used to determine the recoverable amount for the CGU to which goodwill and intangible assets, PPE, ROU and investment in subsidiaries are allocated. The Group believes that any reasonably possible change in the key assumptions on which

the recoverable amount of the CGU is based would not cause the aggregate carrying amount of the assets to exceed the aggregate recoverable amount of the related CGUs.

19. Deferred Tax

a) Deferred tax liability

The deferred tax liability recognised in the consolidated financial statements is as follows:

	Consolidated			Total £'000
	Property, plant and equipment £'000	Investment in equity £'000	Intangible assets £'000	
Deferred tax liability 2025				
At 1 January 2025	118	41	1,058	1,217
(Credit) to profit and loss 2025	(202)	–	(111)	(313)
Charge to other comprehensive income 2025	–	24	–	24
At 31 December 2025	(84)	65	947	928
Deferred tax liability 2024				
At 1 January 2024	115	36	544	695
Charge/(Credit) to profit and loss 2024	3	–	514	517
Charge to other comprehensive income 2024	–	5	–	5
At 31 December 2024	118	41	1,058	1,217

The deferred tax liability can be further analysed as follows:

	Consolidated	
	2025 £'000	2024 £'000
Liability reversing at 25%	928	1,217
At 31 December 2025	928	1,217

b) Deferred tax recognised in the year

	Consolidated	
	2025 £'000	2024 £'000
Accelerated tax depreciation on property, plant and equipment	(202)	3
Intangible assets	(111)	514
Expected credit loss provision	–	–
Total tax expense to profit or loss¹	(313)	517
Charged to other comprehensive income:		
Deferred tax expense on investment on equity securities	24	5
Total deferred tax expense in other comprehensive income	24	5
Total deferred tax charge for the year	(289)	522

¹ Includes a deferred tax asset credit of £nil (2024: £nil).

20. Customer Accounts

	Consolidated	
	2025	2024
	£'000	£'000
Repayable on demand	684,342	676,720
Other customers' accounts with agreed maturity dates or periods of notice by residual maturity repayable:		
3 months or less	710,873	845,081
1 year or less but over 3 months	41,318	63,199
2 years or less but over 1 year	–	–
	1,436,533	1,585,000

Customer accounts are accounts that customers hold with the Group. A substantial proportion of customer accounts are easy access accounts that, although repayable on demand, have historically formed a stable deposit base.

Customer accounts also include cash collateral from customers amounting to £7,400k (2024: £17,806k) held by the Group in respect of the assets' underlying financial guarantees and letters of credit. These are not restricted cash and are available for use by the Group.

21. Provisions

	Consolidated	
	2025	2024
	£'000	£'000
Expected credit loss for off balance sheet balances:		
Financial guarantee liability	–	1
Liability for letter of credit confirmations/bill acceptances	1	2
Working capital facilities – undrawn commitments	36	62
ECL for off balance sheet balances	37	65
Dilapidation provision for the London Bridge Lease (Note 17) ¹	2,017	1,884
Provisions	2,054	1,949

¹ The dilapidation provision includes accrued interest of £133k (2024: £84k) which was recognised in the statement of profit or loss and other comprehensive income. The expected timing of any resulting outflows of economic benefits on the dilapidation provision is 2034 which is the end of the lease term for the London Bridge lease.

i. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. The Group provides financial guarantees to multiple counterparties. The Group received premiums of £58k (2024: £5k).

ii. Letter of credit confirmations/bill acceptances

A letter of credit confirmation/bill acceptance is a letter from an issuing bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. The Group confirmed the letters of credit issued by an issuing bank and charged fixed fees which are received either in advance or at a later date. The Group provides these acceptances to multiple counterparties. The Group received premiums of £826k (2024: £967k).

The uncertainties relating to the amount or timing of any outflow are those inherent within the products concerned, notably that the relevant counterparty will not carry out its obligations. Cash collateral of £7,400k (2024: £17,806k) was held by the Group in respect of the assets' underlying financial guarantees and letters of credit noted above. This cash is not restricted and is available for use by the Group.

iii. Working Capital facilities – undrawn commitments

Working Capital is a credit facility offered by the Group to its clients. The Group charges a facility fee for provision of each facility when drawn down. The Group provides this facility to multiple counterparties. The Group received facility fees of £nil (2024: £40k).

22. Called Up Share Capital

	2025 '000	2024 '000
Number of ordinary shares		
Authorised, allotted, issued, and fully paid (Ordinary Shares)	254,143	254,143
Ordinary share balance	£'000	£'000
As at beginning of the year	85	85
Total share capital – at year-end	85	85

There are no restrictions on the distribution of dividends and the repayment of capital. The nominal value per share is 0.033pence.

There were no changes to the ordinary share capital and the number of shares in issue during the year ended 31 December 2024.

A. Merger relief reserve

The Company's merger relief reserve was created on acquisition of additional interest in its subsidiary, CTH, in 2023. Following the liquidation of CTH during the year, the reserve was transferred to Retained earnings (2024: £100,442k).

23. Notes to the Statement of Cash Flows

i. Reconciliation of profit before taxation to net cash outflow from operating activities

	Consolidated	
	2025	2024
	£'000	£'000
Profit before taxation		
Continuing operations	18,521	17,594
Adjusted for non-cash items:		
Amortisation	7,930	6,213
Depreciation		
– Right of use of assets	2,041	1,553
– Property, plant and equipment	649	767
Share-based payment charge	615	996
Effective interest rates	–	(89)
(Profit)/loss on write-off of:		
– Property, plant and equipment	–	71
– Right of use assets	–	(184)
Interest accrued on lease liabilities	1,251	814
Impairment of intangible assets	76	–
Intangible assets accrued	(932)	–
Property, plant and equipment accrued	(33)	–
Effect of currency exchange rate change ¹	(431)	(1,219)
Net movement in FX derivatives	(23,865)	–
Effect of other non-monetary transactions	(195)	(20)
	5,627	26,496
Changes in working capital:		
Net increase in loans and advances to banks other than on demand	(100,754)	(44,349)
Net (decrease)/increase in customer accounts	(71,626)	27,634
Net (increase)/decrease in investment in debt securities	(441,578)	107,553
Net decrease/(increase) in other loans and advances to non-banks	5,983	(24,031)
Net (increase)/decrease in unsettled transactions	(12,435)	12,643
Net decrease in other assets	888	243
Net decrease in other liabilities	(1,494)	(1,718)
Net (increase)/decrease in accrued income	(1,108)	290
Net decrease/(increase) in accruals	3,071	(7,987)
Net cash (outflow)/generated from operating activities²	(613,426)	96,774

¹ Effects of currency exchange rate change include the fair value (loss)/gain on derivatives which is disclosed in Note 6.

² Cash flows from operating activities include interest received of £53,877k (2024: £59,582k) and interest paid of £31,683k (2024: £47,167k).

i. Non-cash transactions – Consolidated

Non-cash transactions from investing activities for the Group during the year include acquisition of right-of-use assets amounting to £nil (2024: £19,061).

ii. Changes in liabilities arising from financing activities

The Group's changes in lease liabilities are detailed in Note 17. There are no other changes in liabilities from financing activities.

24. Related Parties

The immediate parent undertaking of the Company which had control up to 6 July 2023 was Merlin Midco Limited. As at the year end Merlin Midco Limited's ownership was 45.1% (2024: 45.1%), which is held by a nominee company Diagonal Nominees Limited and has the highest shareholding. As such no company is required to consolidate these financial statements this year (2024: no company consolidated the entity).

The related party transactions (which were all at arm's length and were transacted at market prices) are as follows:

a) Remuneration of key management personnel (including Executive Directors)

The remuneration of the Group's key management personnel is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	Consolidated	
	2025	2024
	£'000	£'000
Short-term employee benefits (including bonuses and Employer's NICs)	8,344	4,393
Post-employment benefits	65	141
Share-based payments	365	457
Total remuneration	8,774	4,991

In 2025, no contributions were made by the Group on behalf of Directors to a defined contribution pension scheme. In 2024, £45k such contributions were made by the Group on behalf of two Directors and this was included in the table above. In 2025, no retirement benefits accrued for any Director (2024: £nil) under a defined benefit pension scheme.

The aggregate emoluments (including pension contributions and exit compensation) of the Group's key management (excluding Directors) were £4,957k (2024: £2,908k).

The aggregate emoluments (including share-based payment charge) and accrued pension contributions of the highest paid Director in the Group were £964k (2024: £578k) and £nil (2024: £nil) per annum respectively.

b) Company related party balances

In addition to the above related party transactions and balances of the Group, the Company had outstanding balances with the following intercompany entities within the Group as at 31 December 2025:

1. £14,174k (2024: £18,262k) payable to CAB. The amount relates to the payments made by CAB on behalf of, or recharged to the Company.
2. The Company holds a bank account with CAB with a year-end balance of £249k (2024: £108k).

25. Contingent Liabilities and Commitments

a) Contingent liabilities

The Group and the Company do not have contingent liabilities at the balance sheet date.

b) Commitments

In 2025, the Group entered into a one-year contract to assist with the ongoing automation of manual processes. The following payments are due under the contract:

	2025	2024
Payment Due	£'000	£'000
Not later than one year	973	1,883
Later than one year and not later than five years	–	–
	973	1,883

The total of the amounts due under the contract are expensed to the consolidated statement of profit or loss over the life of the contract in line with the benefits received.

Further commitments are discussed in Note 17 and Note 21.

26. Liquidity Risk

Information relating to the liquidity risk policy is provided in the Strategic Report. The undiscounted liquidity cash flow profile of the Group's financial liabilities (including interest receivable/payable on maturity) is as follows:

	Consolidated				
	Less than 3 months or on demand	3 months – 1 year	1 year – 5 years	More than 5 years	Total
Liabilities 2025	£'000	£'000	£'000	£'000	£'000
Non-derivative liabilities					
Customer accounts	1,395,212	41,321	–	–	1,436,533
Unsettled transactions	20,772	–	–	–	20,772
Other liabilities	3,098	–	–	–	3,098
Accruals	13,451	–	–	–	13,451
Lease liabilities	838	2,485	16,028	5,579	24,930
Total	1,433,371	43,806	16,028	5,579	1,498,784
Derivative liabilities					
Derivative financial instruments	1,384	–	–	–	1,384

	Consolidated				
	Less than 3 months or on demand	3 months – 1 year	1 year – 5 years	More than 5 years	Total
Liabilities 2024	£'000	£'000	£'000	£'000	£'000
Non-derivative liabilities					
Customer accounts	1,523,028	64,138	–	–	1,587,166
Unsettled transactions	35,115	–	–	–	35,115
Other liabilities ¹	3,299	–	–	–	3,299
Accruals	10,380	–	–	–	10,380
Lease liabilities	108	289	13,375	11,656	25,428
Total	1,571,930	64,427	13,375	11,656	1,661,388
Derivative liabilities					
Derivative financial instruments	539	–	–	–	539

¹ Excludes non-financial liabilities such as HM Revenue & Customs.

27. Interest Rate Risk

Interest Rate Risk in the Banking Book (IRRBB) is assessed and measured on a behavioural basis by applying behavioural assumptions including those for the behaviour of non-maturity deposits and the investment of capital. This assessment is performed across a range of regulatory prescribed and internal interest rate shock scenarios IRRBB is measured through a combination of economic value and earnings-based measures:

- Economic value sensitivity – a range of interest rate scenarios is applied to assess a change in market value of assets, liabilities and off-balance sheet items repricing at different times for an unexpected change in interest rates.
- Net interest income sensitivity – impact on earnings over a defined period of an unexpected change in interest rates.

These measures are monitored at least monthly and were as follows at 31 December:

	2025	2024
Economic Value (consolidated)	£'000	£'000
+ 200bp parallel shift in yield curve ¹	(1,570)	8,165
– 200bp parallel shift in yield curve ¹	1,579	(8,826)
Net interest income sensitivity (12-month period)		
+100bp parallel shift in yield curve	1,706	8,795
– 100bp parallel shift in yield curve	(1,706)	(8,795)

¹ 2024 economic value sensitivity has been restated to reflect the behaviouralisation of non-maturity deposits (previously included on a contractual repricing basis). The decrease in sensitivity for both the economic value and net interest income metrics is as a result of the structural hedge of non-maturity deposits implemented in 2025 protecting the Group against unexpected downward shocks in interest rates.

28. Earnings Per Share

The calculation of the basic and diluted earnings per share at the reporting date is based on the following data:

	Consolidated	
	2025	2024
Earnings attributable to owners of the Group:	£'000	£'000
Continuing operations	13,556	14,212
	13,556	14,212

	2025	2024
	£'000	£'000
Weighted average number of ordinary shares		
Weighted average number of ordinary shares for basic earnings per share	254,143	253,863
Effect of dilutive share awards ¹	6,595	280
Weighted average number of ordinary shares for diluted earnings per share	260,738	254,143

1 This comprises the 2025 LTIP awards expected to vest as the targets have been assessed as achievable. The awards for the 2023 and 2024 LTIP schemes are not expected to vest and therefore, do not have a dilutive effect.

The basic and diluted earnings per share are as follows:

	2025	2024
	pence	pence
Basic and diluted earnings per share		
Basic EPS	5.4	5.6
Diluted EPS	5.2	5.3

29. Events after the Reporting Period

On the 2 March 2026 the Helios Consortium announced its firm intention to make an offer for the entire issued and to be issued share capital of CAB Payments (excluding the shares already owned or controlled by Helios Fund III) at the price of USD 1.15 per CAB Payments share in cash, together with an unlisted, illiquid, non-voting share alternative. The independent Board has had direct dialogue with Helios and has continued to engage extensively with a significant number of the Company's larger shareholders. Following this engagement, the Independent Board believes that the offer is highly opportunistic and fundamentally undervalues CAB Payments and its future prospects.

There were no other events after the reporting period requiring disclosure or further adjustments to the financial information.

Directors responsibility statement

Each of the Directors Ann Cairns, Neeraj Kapur, James Hopkinson, Noel Harwerth, Dr Caroline Brown, Susanne Chishti, Jennifer Johnson-Calari, Karen Jordan, Peter Klein, Henry Obi, Kushagra Saxena, Nitin Kaul confirm that, to the best of their knowledge:

- a) the group and company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities and financial position of the group and company, and of the profit of the group; and
- b) the 'Overview' and 'Strategic Report' includes a fair review of the development and performance of the business and the position of the group and company, together with a description of the principal risks and uncertainties that it faces.

Alternative Performance Measures

CAB Payments uses alternative performance measures (APM) when presenting its financial results. Management believe these provide stakeholders with additional useful information to interpret the underlying performance of the business. They are used by the Directors and management to monitor performance.

APMs used within this annual report are supplemental to, but not a substitute for, IFRS measures presented within the Financial Statements. They may not be comparable with the APMs of other companies. The APMs are calculated on the same basis as the prior year.

EBITDA

The key measure of profitability used internally at Executive Committees and Board, and externally with investors.

It is calculated as Profit before Tax and IFRS 16 lease liability interest expense, depreciation and amortisation. Although it is typical to calculate EBITDA before interest, our net interest income is generated from client deposits and subsequent reinvestment to generate returns for shareholders and therefore remains included within EBITDA.

The calculation for EBITDA can be seen in Note 2 Segment reporting.

Adjusted EBITDA and Adjusted EBITDA Margin

The Group believes that Adjusted EBITDA is a useful measure for investors because it is closely tracked by management to evaluate the Group's performance for making financial, strategic and operating decisions, as well as aiding investors to understand and evaluate the underlying trends in the Group's performance period on period, in a comparable manner.

Adjusted EBITDA margin is another measure of profitability, by understanding how much of the income is converted to profit, by calculating Adjusted EBITDA as a percentage of total income.

			2025	2024
Adjusted EBITDA	Reference		£'000	£'000
	Note 2	A	30,525	27,024
Add back: Non-underlying items	Note 7a)	B	4,674	3,741
Adjusted EBITDA		A+B	35,199	30,765

			2025	2024
Adjusted EBITDA margin	Reference		£'000	£'000
Adjusted EBITDA	Table above	A	35,199	30,765
Gross income (defined as total income, net of interest expense)	Consolidated Statement of Profit or Loss	B	118,989	106,441
Adjusted EBITDA margin		A / B	30%	29%

Adjusted Profit, Earnings Per Share and Adjusted Earnings per Share

A measure of profitability based on adjusting the statutory profit after tax by removing identified items that do not form part of the ongoing running costs of the business.

			2025	2024
			£'000	£'000
Adjusted Profit After Tax	Reference			
Profit Before Tax	Consolidated Statement of Profit or Loss	A	18,521	17,594
Add back: Non-underlying items	Consolidated Statement of Profit or Loss	B	4,674	3,741
Adjusted Profit Before Tax		C = A+B	23,195	21,335
Adjusted Tax (at standard rates: 2024: 25%)		D	(5,799)	(5,334)
Adjusted Profit After Tax		E = C-D	17,396	16,001
Number of Shares	Note 22	F	254,143,218	254,143,218
Adjusted basic Earnings Per Share (£)		E / F	0.068	0.063

Operating Free Cash Flow and Free Cash Flow conversion

A measure of cash flow generated by the business. It is a non-statutory measure used by the Board and the senior management team to measure the ability of the Group to support future business expansion, distributions, or financing. It is calculated as Adjusted EBITDA before the cost of purchasing property, plant and equipment, the cost of intangible asset additions, and the cost of lease payments. The Group also measures free cash flow conversion, being operating free cash flow as a percentage of Adjusted EBITDA.

			2025	2024
			£'000	£'000
Operating free cash flow:	Reference			
Adjusted EBITDA	Note 2b)	A	35,199	30,765
Less: additions of tangible fixed assets	Consolidated Statement of Cash Flows		(134)	(2,428)
Less: additions of intangible fixed assets	Consolidated Statement of Cash Flows		(7,639)	(12,524)
Less: cash payments made on property leases	Note 17b)		(238)	(328)
Operating free cash flow		B	27,188	15,485
Operating free cash flow conversion		B / A	77%	50%

Alternative Interest Income

The Group measures and monitors net interest income by its underlying commercial driver, which enables evaluation of performance in consideration of return on capital deployed and product profitability. This is done by capturing interest income by source and spreading the interest expense through an internal transfer pricing mechanism.

		Twelve Months Ended 31 December:	
		2025	2024
		£'000	£'000
Alternative Interest Income:	Reference		
Net interest income	Consolidated Statement of Profit or Loss	26,009	20,454
Gains on money market funds	Consolidated Statement of Profit or Loss	14,688	16,070
Net loss on financial assets and financial liabilities mandatorily held at fair value through profit or loss	Consolidated Statement of Profit or Loss	(1,616)	(247)
Total		39,081	36,277
Net interest income from cash management		32,192	31,772
Trade finance net interest income		5,105	3,640
Working capital facilities net interest income		1,784	865
Total		39,081	36,277

Adjusted cost - income ratio

The Cost-Income ratio measures operating efficiency and is calculated as operating expenses before non-recurring expenses divided by total operating income, expressed as a percentage. It indicates how much operating cost is incurred to generate one unit of operating income; a lower ratio reflects greater efficiency.

		Twelve Months Ended 31 December:	
		2025	2024
		£'000	£'000
Cost - Income Ratio	Reference		
Operating expenses excluding Non-underlying items	Consolidated Statement of Profit or Loss	94,523	84,659
Operating Income	Consolidated Statement of Profit or Loss	118,989	106,441
Cost-income ratio		79 %	80 %

Key performance indicator definitions

In 2025, the Group reviewed its key performance indicators (KPIs) to ensure they remain aligned with the Group's strategic priorities and provide stakeholders with more meaningful insights into performance. As a result of this review, the Group replaced the Capital and Capital Surplus, Operating free cash flow and conversion, number of currencies and Income per client KPIs with the Cost-Income ratio, Earnings per share (EPS) and Adjusted EPS, Average deposits and Adjusted EBITDA per full-time equivalent employee to align with the newly formed performance measures. These measures reflect how management monitor and track performance of the business throughout the year. The rest of the KPIs remained the same and are defined as follows:

Wholesale FX and Payment FX volumes (2024 KPI)

The FX business is reported across a number of products: Wholesale FX, Payment FX, and Pension FX. This income is measured collectively by the Group as the underlying economic drivers are broadly the same. The income, volume, and margins are all measured and monitored, along with the underlying currencies, to help the Group understand broader income performance.

The reported figures represent the accumulated income from all trades undertaken during the year, where the income of a single transaction has been generated from the bid/ask spread and any associated fees if the converted funds are then paid to a third-party beneficiary.

Wholesale FX and Payment FX income is the same as the Net Foreign Exchange gain reflected in the Consolidated Statement of Profit or Loss.

Number of Unique Active Clients (2024 KPI)

The Group measures the number of unique clients and their associated value to the organisation, in order to understand the impact through the organisational operations. A key element of success for the Group is to continue to bring on board new clients to help grow the top line Total Income. The number of unique clients is derived at a Group entity level, that contributed revenue in the preceding 12 months across any of the CAB Payments product offering. The Group is focused on a higher quality of earnings from its client base, ensuring that it maximises share of wallet and ensuring a cost-effective client relationship, with a particular focus on ensuring all clients generate more than £100k per annum.

Number of banking partners (2024 KPI)

The Group counts and measures its number of Banking Partners to understand the fortification of our global payment capability and the support there is for the FX specialism. The strategic aim is to continue to grow Banking Partners, either in the markets we currently serve, to provide competitive pricing, or to bring online new markets.

Development Aid Flows (2024 KPI)

This is the subsection of the Wholesale and Payment FX volumes from International Developed Organisations into Emerging Markets.

Gender Diversity in Management (2024 KPI)

The Board and Senior Management are committed to driving diversity and equality in the workforce, and do this through measurement of gender diversity at management level, which is defined as: number of female Vice President (VP), Senior Vice President (SVP), Directors (D), Managing Directors (MD), and Executive Vice President (EVP) (excludes Board) as a percentage of the overall FTE within those same corporate grades.

KPIs introduced in 2025

Adjusted EPS and Adjusted Cost: Income ratio are New KPIs and have been defined above under APMs

Reported profit and EPS are statutory measures

Adjusted EBITDA per Average FTE (New KPI)

Adjusted EBITDA per Average FTE measures productivity and is calculated as Adjusted EBITDA divided by the average number of full-time equivalent employees (FTEs) during the period. It indicates the level of earnings generated per employee, adjusted to exclude items not considered part of underlying operating performance.

Average deposits (New KPI)

Average deposits comprise the month on month average deposits throughout the year.

Glossary

In the annual report and accounts, the 'Group' or 'CAB Payments' refers to CAB Payments Holdings plc and its subsidiaries, the 'Company' or 'CPH' refers to CAB Payments Holdings plc, 'CAB' refers to Crown Agents Bank Limited, and 'CTH' refers to CAB Tech HoldCo Limited, a 100% subsidiary of the Company. The following definitions apply throughout this document unless the context requires otherwise:

Active Client	A client that has generated income within the last 12 months
Addressable Market	The market addressable by the Group, comprising primarily developed to emerging markets flows, excluding non-LCU flows and non-focus geographies
Admission	The ordinary shares of the Company were admitted to the premium listing segment of the Official List of the FCA and to trading on the Main Market of the London Stock Exchange on 11 July 2023
ALCO	Assets and Liabilities Committee
AML/CTF laws	Laws and regulations relating to corrupt and illegal payments, counter-terrorism financing, anti-bribery and corruption and adherence to anti-money laundering obligations, as well as laws, sanctions and economic trade restrictions relating to doing business with certain individuals, groups and countries
APAC	Asia Pacific Region
API	The Group's EMpower FX application programming interface
APM	Alternative Performance Measures as defined on pages to
B2B	Business to Business
Banking Services	One of the Group's three business lines
BEIS	Department for Business, Energy & Industrial Strategy
BN	Billion, i.e. 1,000 million
BRICS	BRICS is an intergovernmental organisation comprising Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Iran, and the United Arab Emirates.
CAB	Crown Agents Bank Limited, a regulated subsidiary of the Group
CABE	CAB Europe BV, a regulated Group subsidiary based in the Netherlands
CAGR	Compound Annual Growth Rate
CAIM	Crown Agents Investment Management Limited, a wholly owned subsidiary of the Company until it was sold on 31 March 2023
CAPEX	Expenditures made for goods or services that are recorded on a company's balance sheet
CBS	Core Banking System, the Group's banking software
CCY	Currency
CD	Certificate of deposits
CEO	Chief Executive Officer
CET1	Common Equity Tier 1
CFO	Chief Financial Officer
CGU	Cash generating unit
CHIPS	Clearing House Interbank Payments System
CRD IV	Capital Requirements Directive IV
CRR	the Capital Requirements Regulation (Regulation (EU) 575/2013)
CRWA	Credit risk weighted assets
CSA	Credit support annex
CSR	Corporate Social Responsibility
CTO	Chief Technology Officer
CTM	Collateralised mark to market
Currency corridor	Specific combinations of sending currency and receiving currency pairs, or, in some cases, country combinations
D	Corporate title: Director
DEFRA	Department for Environment, Food & Rural Affairs
EAD	Exposure at default
EBT	Employee benefit trust
ECL	Expected Credit Loss

EIR	Effective interest rate
Emerging FX	Markets other than developed markets
EMFI	Emerging Market Financial Institutions
ERMF	Enterprise Risk Management Framework
ESG	Environmental, Social and Governance
EU	European Union
EVP	Corporate title: Executive Vice President
FCA	Financial Conduct Authority
FDI	Foreign Direct Investment
FinTech	Financial Technology
FIT	Forward-in-time
FTEs	Full Time Employees, including temporary contractors and consultants filling in for permanent roles
FVTOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit and loss
FX	Foreign Exchange. When referring to the Group's services, it refers to one of the Group's business lines, including the Group's spot foreign exchange trading services
G10	Belgium, Canada, France, Italy, Japan, the Netherlands, the United Kingdom, the United States, Switzerland and the central banks of Germany and Sweden
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GUI	the Group's EMpower FX graphical user interface
Helios	Helios Investment Partners
HQLA	High Quality Liquid Assets
HTC portfolio	Held-to-Collect Portfolio
IAS	International Accounting Standard
ICAAP	Internal Capital Adequacy Assessment Process
IDO	International Developmental Organisation
IFRS	UK-adopted international accounting standards
ILAAP	Internal Liquidity Adequacy Assessment Process
IMTO	International Money Transfer Operator, a licence provided by the Central Bank Of Nigeria
Indirect Nostro	A bank account held by CAB with another bank who then relies on a domestic bank denominated in a foreign currency
IPO	Initial Public Offering
IRRBB	Interest rate risk in the banking book
JCF	JCF Nominees Limited, a wholly owned subsidiary of the Company until it was sold on 31 March 2023
KPI	Key Performance Indicator
KYC	Know Your Customer
LATAM	Latin America region
LCR	Liquidity Coverage Ratio
LGD	Loss given default
Local Bank Account Network	Demand accounts in the Group's name held with various local banks across the globe which provide the Group with direct access to local currency where it has such deposits
LTIP	Long term incentive plan
LSE	London Stock Exchange
MENA	Middle East and North Africa
MMB	Major Market Banks
M	Million
MD	Corporate title: Managing Director
MNO	Mobile network operator
MTM	Mark to market
NBFI	Non-Bank Financial Institution
NCI	Non-controlling interest

Netting	The practice of using funds received from one customer to fulfil an order in that same currency from another customer in order to capture both bid and ask spreads on the transaction
NGO	Non-Governmental Organisation
Non-LCU	Non-local currency, cross-border payments that take place with no FX transaction
Nostro	A bank account held by CAB in another country, denominated in a foreign currency
NRR	Net revenue retention
NSFR	Net Stable Funding Ratio
NXX	Nigerian Naira (NGN), Central African Franc (XAF) and West African Franc (XOF)
OCI	Other comprehensive income
OECD countries	The 38 member countries of the Organisation for Economic Co-operation and Development
OLAR	Overall Liquidity Adequacy rule
Payments	One of the Group's three business lines
PD	Probability of default
PLC	Public Limited Company
PPE	Property, plant and equipment
PRA	Prudential Regulation Authority
RAS	Risk Appetite Statement
Registrar	Equiniti Limited
Reorganisation	Certain steps taken by the Group prior to Admission as part of a reorganisation of its corporate structure, which resulted in all non-Group shareholders of CTH exchanging shares in CTH for ordinary shares in CAB Payments.
Revenue	When referring to the Group's financial results means 'total income, net of interest expense'
ROU	Right-of-use asset
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goals
SEC	US Securities and Exchange Commission
SECR	Streamlined Energy and Carbon Reporting
SPPI	Solely Payment of Principal and Interest principle under IFRS 9
Supranational	An international organisation with powers or influence that transcend national boundaries or governments
Senior Management	Employees with corporate titles of Vice President, Senior Vice President, Director or Managing Director
SVP	Corporate Title: Senior Vice President
SWIFT	Society for Worldwide Interbank Financial Telecommunication
Take rate	A combination of the dealing profit (i.e. the spread between any buy/sell of two FX trades undertaken), the margin added to the transaction (i.e. the fee element agreed with the customer for the transaction), and any additional fees charged; and the take rate is calculated as FX and cross-currency payments income divided by FX and cross currency payments volumes
TAM	Target Addressable Market
Target Market	The Group's core market today, which excludes large transactions (over \$50m transaction size) as well as China, India and the above-mentioned free format flows (including sanctioned markets)
Target Market Assessment	The approval process, which has determined that the ordinary shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels
TCFD	Task Force on Climate-related Financial Disclosures
TL	Tolerance Limits
Total income	When referring to the Group's financial results means 'total income, net of interest expense'
TN	Trillion
TPP	Third Party Currency Provider
TSR	Total Shareholder Return
UKLA	United Kingdom Listing Authority
WACC	Weighted average cost of capital
Working Capital	A working capital facility provided by the Group previously known as Liquidity as a Service.
VP	Corporate Title: Vice President

WTT	Well to tank factors reported under Scope 3 emissions representing those that are produced indirectly by the Group
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Currency abbreviations

BDT	Bangladeshi Taka
DKK	Danish Krone
EUR	Euro
GBP	British Pound Sterling
GHS	Ghanaian cedi
KES	Kenyan Shilling
MWK	Malawian Kwacha
NGN	Nigerian Naira
SDG	Sudanese Pound
UGX	Ugandan Shilling
XAF	Central African Franc: Currency of six independent states in Central Africa: Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea, and Gabon
XOF	West African Franc: Currency used by eight independent states in West Africa: Benin, Burkino Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo

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3. This announcement may contain statements which are, or may be deemed to be, “forward-looking statements”. All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on assumptions, expectations, valuations, targets, estimates, forecasts and projections of CAB Payments about future events, and are therefore subject to risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “plans”, “expects”, “budget”, “targets”, “aims”, “scheduled”, “estimates”, “forecast”, “intends”, “anticipates”, “seeks”, “prospects”, “potential”, “possible”, “assume” or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. CAB Payments gives no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risks (known and unknown) and uncertainties (and other factors that are in many cases beyond the control of CAB Payments) because they relate to events and depend on circumstances that may or may not occur in the future.
4. There are a number of factors that could affect the future operations of the CAB Payments group and that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These include factors, such as: domestic and global business and economic conditions; the impact of pandemics, asset prices; market-related risks such as fluctuations in interest rates and exchange rates, industry trends, competition, changes in government and regulation, changes in the policies and actions of governments and/or regulatory authorities (including changes related to capital and tax), changes in political and economic stability (including exposures to terrorist activities, the United Kingdom’s exit from the European Union, Eurozone instability, disruption in business operations due to reorganisation activities, interest rate, inflation, deflation and currency fluctuations), the timing impact and other uncertainties of future or planned acquisitions or disposals or offers. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.
5. Each forward-looking statement speaks only as of the date of this announcement. Neither the CAB Payments group nor any of their respective associates or directors, officers or advisers provides any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Forward-looking statements involve inherent risks and uncertainties. All forward-looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, CAB Payments group is neither under nor undertakes any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.