

Crown Agents
Bank

Crown Agents Bank Limited (2334687)

Annual Report and Financial Statements
For the year ended 31 December 2025

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Chair's Report for the year ended 31 December 2025

There has never been a more important time to be an FX and payments player in the markets we serve. The world is in geopolitical turmoil, and this is affecting financial markets across the globe. We are positioned at the centre of structurally changing global flows, providing critical liquidity to some of the most dynamic and fast-growing markets in the world.

We have stayed present in regions when others have pulled out, providing clients with essential FX, payments and banking services. This is one of many reasons why we are a trusted brand with a loyal and long-standing client base. These relationships, some of which go back decades, are not easy to replicate. This combined with real time access to financial markets through our technology and our nimble, structure, makes us a unique player in this space.

In 2025, I'm delighted to say that we have returned to growth. We've strengthened foundations, invested in technology, including AI, and diversified our revenue streams. We are now more efficient, resilient and better positioned for sustainable, and profitable, long-term growth. We have created more revenue generating roles and expanded our geographical coverage. We have invested in new products and markets and maintained rigorous financial discipline. Our financial performance reflects this progress, with total income increasing by 11% to £118.2m (2024: £106.5m) and Adjusted EBITDA up 11% to £36.5m, both ahead of market expectations.

Our ability to operate reliably in complex markets remains a differentiating strength. Amid global uncertainty, I am proud of how the Company has navigated the landscape. We have anticipated change and adapted quickly to deliver for our clients. All of this was achieved with a strong focus on responsible business, demonstrated by our platinum rating from EcoVadis and our position as one of a small number of firms holding B Corp certification.

2025 was also a year of renewal for the Board. We welcomed James Hopkinson as Group CFO and Executive Director. Henri Obi from Helios Investment Partners replaced Simon Poole who retired earlier this year. Pleasingly, payments specialists Kush Saxena and Peter Klein also joined. The diversity and depth of experience around the Board table continue to strengthen governance and decision-making as we support the executive team in delivering our purpose and strategy.

Our approach to capital allocation remains focused on long-term value. We are not proposing a dividend for the 2025 financial year but will be revisiting our capital management framework in 2026.

So, what does 2026 hold? Markets continue to change. The US GENIUS Act has paved the way for more stablecoin usage, with particularly strong use cases in frontier markets. The Company is well positioned to respond to our clients' evolving needs in this space.

In closing, I would like to thank our clients for their continued trust in us, our shareholders for their continued support and our people for their hard work and commitment. This is not an easy time to navigate the business world. Changes in the market create risk, but they also create new opportunities, and we are positioned to build a stronger and more ambitious business as a result.

Ann Cairns
Chair
04 March 2026

Strategic Report for the year ended 31 December 2025

Chief Executive Officer's Report

Delivering prosperity in the markets we serve - has never been more relevant. CAB 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 11% year-on-year to £118.2m, and 30% half-on-half to £66.8m, 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.

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.

CAB 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.

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 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 £195k in 2024 to £200k 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 11% 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 11%. 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 started to increase 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 £36.5m for the year-ended 31 December 2025 (2024: £32.8m). Adjusted EBITDA margin remained at 31% (2024: 31%). 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.

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.

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

Our strategy

CAB specialises in FX and cross-border payments for hard-to-reach markets. Its strength of network and expertise means it can move money in and out of complex market environments and region.

Our four strategic aims are as follows:

<p>NETWORK Strengthen breadth and depth of network</p>	<p>CLIENTS Deepen existing relationships and expand the client base</p>
<p>Our global payments and FX infrastructure is a key differentiator and driver of the business. Our dedicated team are focused on expanding our local market presence and enhancing our transactional capabilities in high-growth and hard-to-reach markets around the world.</p>	<p>We serve a highly diversified international client base with specialised requirements across four core segments: banks, non-bank financial institutions, development organisations and corporates. Strengthening existing relationships and improving cultural alignment remain key priorities, supported by increased in-country engagement and the continued development of a decentralised sales model.</p>
<p>UNIFIED PLATFORM Single client access point for all specialist FX, payments and banking services.</p>	<p>INVEST AND INNOVATE Growth through targeted investment</p>
<p>Our relationship-led model draws clients to our platform, providing access to multiple products through a seamless execution experience. Our banking licence further enables connectivity to hard-to-reach markets, strengthening our competitive advantage.</p>	<p>Our growth is underpinned by disciplined investment in differentiated, world-class products across new markets. We maintain a robust framework to ensure we respond to evolving client needs and macroeconomic drivers, while prioritising scalability and a structurally lower cost to serve.</p>

Our strategy

Network	Clients
<p>2025 delivery</p> <ul style="list-style-type: none"> – Added 60 new nostro and liquidity providers while exiting 15 underutilised relationships – Established direct connectivity with local partner banks to speed up payment flows and reduce reliance on external rails – Delivered new ACH payment rails for 54 currencies to offer substantially reduced transaction costs – Added 4 new payment currencies (124 total) <p>Priorities</p> <ul style="list-style-type: none"> – In 2026, we significantly improved our USD and EUR clearing network with the addition of a major global banking partner – Enhance quality of network through review of network partners – Continue to expand network in new geographies (e.g. MENA) 	<p>2025 delivery</p> <ul style="list-style-type: none"> – Continued to increase our client base, including significant new relationships in China and the Middle East – Added 46 net new active clients in year – Expanded our sales coverage team to service clients in four regions – Deepened our relationships with central banks in key African countries (30 central bank clients) – Supported IDO clients through market uncertainty (£41.4bn of FX volume traded) <p>Priorities</p> <ul style="list-style-type: none"> – Continue to grow client base and reduce client concentration – Develop relationships with new central banks – Grow sales coverage to provide depth in on-the-ground coverage (e.g. MENA, Americas and Sub Saharan Africa) – Continue to develop wider client offering to grow wallet share
Platform	Invest and innovate
<p>2025 delivery</p> <ul style="list-style-type: none"> – Expanded global reach with local presence in US and the Middle East – Expanded choice through offering all currency pairs in CNY – Expanded our deposit offering as well as our range of treasury and hedging capabilities – Created new structured trade finance solutions to support more clients 	<p>2025 delivery</p> <ul style="list-style-type: none"> – Pivoted 65% of capital expenditure to support new product and services development. – Enabled new client offerings products including FX Derivatives and Guaranteed deposit facilities – Developing a CAB stablecoin proposition
Priorities	Priorities
<ul style="list-style-type: none"> – Scale up primary and secondary syndication solutions for trade-finance – Drive volume growth in derivatives in and deposits – Expand use of new payment rails e.g. ACH and mobile wallets. Further expand direct connectivity to partner banks 	<ul style="list-style-type: none"> – Growth in capex to support new products and revenue streams – Investment to modernise our core platforms to create scalability supporting our growth plans and speed to market – Test and launch stablecoin product

Financial Review and Key Performance Indicators (“KPIs”)

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 Payments FX volumes increasing 13% year-on-year and the number of payments processed increasing 19%. Growth was broad based across existing client vintages along with a +46 net increase in transacting clients.

Income growth was driven by our Banks and Fintechs & Corporates sectors (representing ~89% 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 ~11% of total income) through a challenging year, which saw the impact of reducing funding levels change how they deliver on their priorities.

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 +52%. 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.

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

Twelve Months Ended 31 December	2025	2024	YoY growth %	H2 vs H1 growth %
Total Income (£m)	118	106	11%	30%
Profit After Tax (£m)	15	15	(6)%	337%
Total Income (ex Net Interest Income) (£m)	87	75	16%	48%
Adjusted EBITDA (£m)	37	33	11%	63%
Adjusted EBITDA margin (%)	31%	31%	–%	26%
Average total deposits (£bn)	1.5	1.4	4%	(2)%
Shareholders funds (£m)	166	151	10%	8%
Number of Active Clients	592	546	8%	3%
FX & Payment FX Volume (£bn)	41	37	13%	9%
Capital Expenditure (£m)	8	15	(46)%	39%

Total Income by product

£m	2025	2024	YoY growth %	H1 2025	H2 2025	H2 vs H1 growth %
Wholesale FX	48	39	23%	17	31	77%
Payments	29	30	(1)%	14	16	15%
<i>of which</i>						
Payments FX	14	15	(5)%	6	8	26%
Other Payments	15	15	4%	8	8	5%
Total Transactional income	77	69	13%	31	46	50%
Banking	41	38	8%	20	20	–%
<i>of which</i>						
Nil from cash management	32	32	(1)%	17	15	(9)%
Trade finance and other income	9	6	52%	4	5	38%
Total Income	118	107	11%	51	67	30%

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	13	1%	6	7	16%
Take Rates	0.32%	0.28%	13%	0.24%	0.38%	57%
G10 Currencies						
Volumes £bn	28	23	20%	14	15	6%
Take Rates	0.07%	0.07%	7%	0.06%	0.08%	19%

Wholesale FX Income increased to £48m (+23% 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 growth of £14m (+77%) 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.

Payments FX Income was 5% down year-on-year, with a 30% 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 4% year-on-year and 5% 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 at £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 in 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 in the 12 months to 31 December 2025 stood at £1,456m up 4% versus prior year (2024: £1,405m) reflecting a steady underlying growth as clients use us for integrated transactional banking.

Trade Finance and Other Income grew by 52% YoY 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 4 months as at the year end. We are not looking to actively grow this book, 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	2024	YoY growth %	H1 2025	H2 2025	H2 vs H1 growth %
Banks ¹	72	63	15%	34	39	15%
Fintechs and Corporates ¹	33	30	10%	12	21	67%
IDOs	13	14	(4)%	6	8	42%
Total	118	107	11%	51	67	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 61% of total income and remains our largest segment generating £72m of income in 2025. This is up 15% year-on-year benefitting from higher Wholesale and Payment FX volumes, a marginal increase in take rates and a higher average Trade Finance balance.

Fintechs and Corporates accounted for 28% of total income, generating £33m, up 10% 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 11% of income with earnings declining 4% year-on-year to £13m, in line with expectations following the reduction in global aid flows. However performance strengthened significantly in H2, with income up 42%, 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	2024	YoY growth %	H1 2025	H2 2025	H2 vs H1 growth %
Americas	42	38	9%	21	21	1%
UK	30	29	1%	11	18	61%
Europe	5	4	11%	2	3	72%
Africa	36	28	29%	15	22	47%
Middle-East	1	2	(20)%	1	1	40%
Asia	5	5	(6)%	3	2	(8)%
Total	118	107	11%	51	67	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 9% 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.31% of income, mostly from Banks, growing at 29% year-on-year. 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 61% 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.

Expenses (£m)

Category	2025 (£m)	2024 (£m)	YoY growth %	H2 vs H1 growth %
Staff expenses (excluding variable compensation)	40	39	3%	3%
Variable compensation	9	5	93%	178%
Total Staff Costs	49	43	12%	21%
Cost of Sales	7	6	16%	24%
Other operating expenses	27	25	6%	12%
Total operating expenses (excluding D&A)	82	74	11%	18%
Depreciation and amortisation	11	9	19%	(4)%
Total operating expenses before non-underlying items	93	83	11%	15%
Non-underlying items	4	3	61%	(85)%
Total operating expenses after non-underlying items	97	86	13%	7%

Total reported operating expenses (excluding depreciation and amortisation) increased by 11% year-on-year to £82m (18% 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 year end of 350, down 14% versus 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 12% 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 6% 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 licenses in new regions. Furthermore, in 2024, we received a VAT refund of £0.6m which did not reoccur in 2025.

Depreciation and amortisation increased 19% year on year to £11m, 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.

Profitability

As a result of an 11% growth in total income, whilst controlling cost growth, the business generated an Adjusted EBITDA of £37m (2024: £33m) growing 11% year on year with depreciation and amortisation increasing reflecting higher capex in the prior year.

Statutory PAT was down 6% reflecting exceptional costs (£4.5m) 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: 23%). CAB incurred a total tax charge of £5.5m compared to to £4.7m 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 25%.

Balance Sheet

The 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	777	616	26%	–%
Fixed Term Deposits	679	789	(14)%	(5)%
Total Deposits	1,456	1,405	4%	(2)%

Balance Sheet

	2025 (£m)	2024 (£m)	YoY growth %
Cash at central banks	258	585	(56)%
Money market funds	218	488	(55)%
Loans and advances to banks	127	185	(31)%
Debt securities	678	246	175%
Non-HQLA Assets	5	0	1200%
Treasury Assets	1,286	1,504	(15)%
Trade Finance	270	180	50%
Working Capital	22	33	(34)%
Right of use assets	15	17	(11)%
Intangible assets	24	24	(2)%
Fixed and Other Assets	55	61	(10)%
Total assets	1,671	1,818	(8)%
Customer deposits – Current	916	776	18%
Customer deposits – Term	526	814	(35)%
Customer Deposits	1,441	1,589	(9)%
Other liabilities	64	78	(18)%
Shareholders funds	166	151	10%
Total Liabilities + Equity	1,671	1,818	(8)%

The Bank 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, highlighting 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 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, CAB assessed its interest rate sensitivity at c.£2m for a 1% parallel shock to interest rates, down from c.£5m in the prior year.

Trade Finance lending is up 50% year-on-year to £270m as we grew lending to around our risk 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.

Capital Expenditure

Capex for the year stood at £8m 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 Automated Clearing House (ACH) build-out. We are also investing into our product capability.

Capital, Liquidity and Investment

CAB remains well capitalised, highly liquid 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 lending activities 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 23.3% (2024: 20%) reflecting the accumulated profits offset by a controlled increase in the trade finance portfolio. Total proforma CET1 Capital stood at £141.8m (2024: £126.3m) an increase of 12%, returning £50.2m surplus over regulatory requirements.

Liquidity metrics remain strong with both LCR and NSFR well above regulatory minimums at 124% and 140% 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 21.1% (2024: £20.7%)

Dividend

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

Outlook

Following a strong performance in 2025, CAB 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.

CAB 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.

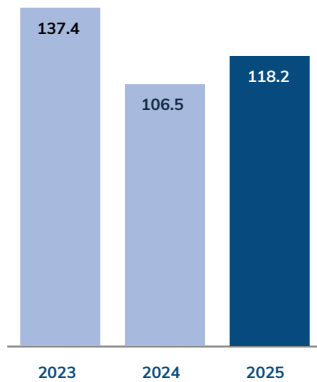
The business is expected to deliver continued positive operating leverage supporting a structural improvement in cost-income ratio over time. We expect additional investment in client-facing teams and network to be partially offset by efficiency gains from automation and process improvements.

CAB 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 CAB now operating near the upper end of its on-balance-sheet lending appetite, we believe that CAB 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

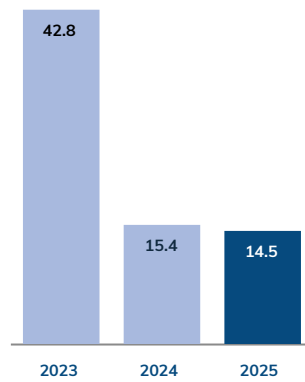
Key Performance Indicators (KPIs)



TOTAL INCOME

£118.2m

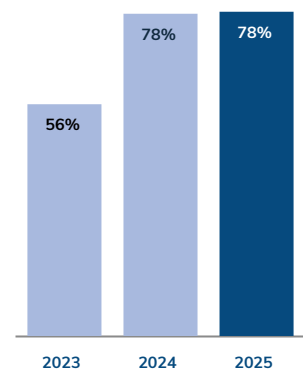
2024: £106.5m



REPORTED PAT

£14.5m

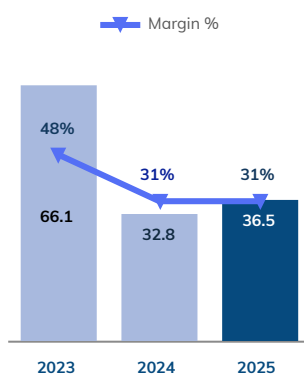
2024: £15.4



ADJUSTED COST: INCOME RATIO

78%

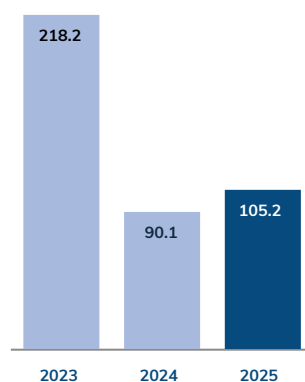
2024: 78%



ADJUSTED EBITDA /
ADJUSTED EBITDA MARGIN

£36.5m

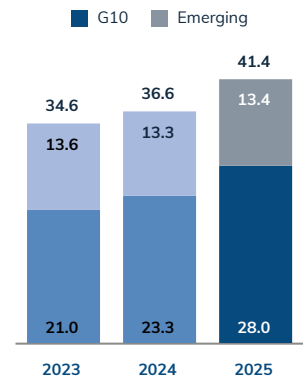
2024: £32.8m



ADJUSTED EBITDA /
AVERAGE FTE

£105.2k

2024: £90.1k

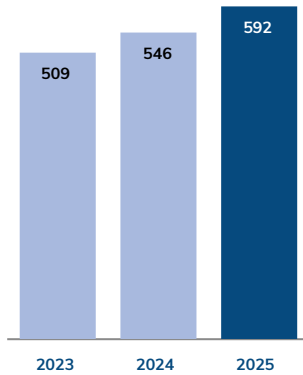


WHOLESALE FX AND
PAYMENTS FX VOLUMES

£41.4bn

2024: £36.6bn

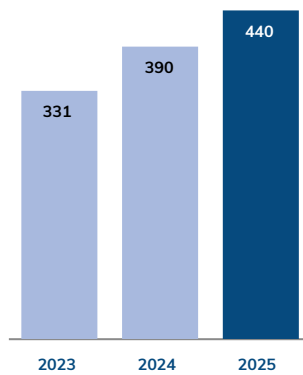
Key Performance Indicators (KPIs) *continued*



NUMBER OF UNIQUE ACTIVE CLIENTS

592

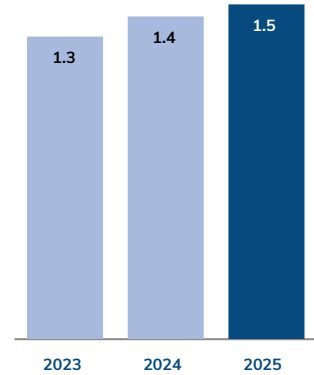
2024: 546



NUMBER OF BANKING PARTNERS

440

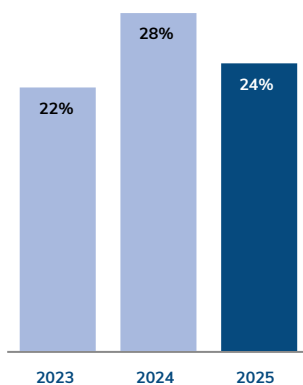
2024: 390



AVERAGE DEPOSITS

£1.5bn

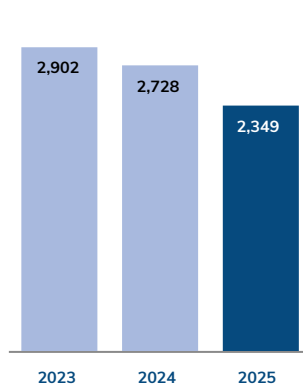
2024: £1.4bn



GENDER DIVERSITY IN MANAGEMENT

24%

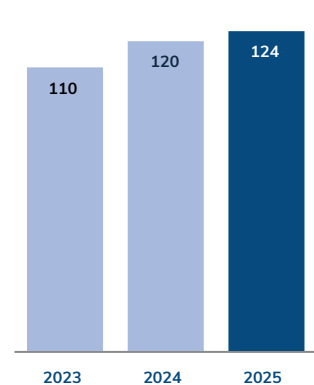
2024: 28%



DEVELOPMENT AID FLOWS

£2,349m

2024: £2,728m



NUMBER OF CURRENCIES OFFERED

124

2024: 120

Responsible Business Report

2025 marked a significant step change in how CAB embeds responsibility at the core of its business strategy. Our sustainability agenda sits within our broader Responsible Business approach, reflecting our governance, social and commercial commitments. During the year, we continued to strengthen our Responsible Business performance, with improvements across all major ratings, including the achievement of an inaugural EcoVadis Platinum rating, placing CAB in the top 1% of banks globally for sustainability performance.

Our work, within our trade finance operations, we continue to expand access to finance in underserved and hard-to-reach regions, supporting financial inclusion and delivering tangible benefits to local communities. We connect these markets to the global financial system, develop products that support emerging economies and generate sustainable commercial value. This commitment is illustrated by our work in Burkina Faso, with a detailed case study available in our Sustainability Report (refer below for further details).

Alongside this, we are strengthening supplier selection and onboarding processes to embed Responsible Business requirements across our value chain. In 2025, we joined the UN Global Compact Network UK's Sustainable Supplier Programme, further elevating sustainability standards among participating vendors and amplifying our impact.

Our world, in our environmental efforts, we continue to publish third party verified greenhouse gas emissions data, reporting in line with Streamlined Energy and Carbon Reporting (SECR), SS2/25, and Task Force on Climate-Related Financial Disclosures (TCFD) frameworks (refer to Directors report). In 2025, we continued our move in carbon offset investments from traditional reduction methods to Carbon Removal solutions, reinforcing our commitment to more effective and impactful climate action. Beyond data, we remain dedicated to achieving Net Zero by 2050. We have maintained our annual update of our net zero strategy and roadmap, and adopted enterprise-wide interim targets, embedding progress throughout CAB.

Our organisation, in 2021, we set ambitious gender diversity targets: 45% female representation across the CAB and 30% in senior management. While we have made significant progress, we currently stand at 38% female representation and 24% in senior management. We remain dedicated to cultivating a best-practice culture.

Our commitment to community engagement strengthened further in 2025, with reported community contributions increasing by 82% and volunteering hours per employee rising by 15% compared to 2024.

While we have made strong progress, we know there is still work to do to meet all of our ambitious targets, and we remain focused on closing these gaps. For a comprehensive view of our achievements and areas for further improvement, please explore our dedicated Sustainability report which will be available on the following link.

<https://www.crownagentsbank.com/sustainability/>

S172 Companies Act 2006

The relationship between CAB and our stakeholders is fundamental to the strategy, purpose and values of our business and drives our decision-making.

The Board is required by section 172(1) of the Companies Act 2006 to act in a way that would be most likely to promote the long-term success of the Company and take into account all of our stakeholders when making decisions. The Board directly and indirectly seeks to understand the interests and priorities of these stakeholders on an ongoing basis.

The following table includes instances where the Directors have had regard to section 172(1) factors (which are not mutually exclusive) when discussing certain matters in Board meetings and taking decisions where relevant. Some of these instances are explained in more detail elsewhere in the Strategic Report and the Directors' Report

Section 172(1) factor	Where section 172(1) factor featured in Board considerations
a The likely consequences of any decision in the long term	– Strategic progress (page 5)
b Interests of employees	– Strategic progress (page 5) – Stakeholder Engagement (page 21)
c Fostering the Company's business relationships with suppliers, customers and others	– Strategic progress (page 5) – Stakeholder engagement (page 21)
d Impact of operations on the community and the environment	– Strategic progress (page 5) – Stakeholder engagement (page 21) – https://cabpayments.com/#sustainability
e Maintaining a reputation for high standards of business conduct	– Strategic progress (page 5) – Risk Management (page 26)
f Acting fairly between members of the Company	– Our strategy (page 4) – Stakeholder Engagement (page 21)

How the Directors fulfil their s172 duty under the Companies Act 2006:

Diverse set of skills, knowledge and experience

- The Board has a diverse set of skills, knowledge and experience which assists it in making informed decisions promoting the long-term success of the Company whilst considering the needs of our stakeholders.
- Information on our Board composition, can be found on page [44](#).

Board information and monitoring

- The Board receives detailed papers and in-person updates from management which they query, challenge, and debate, to ensure conflicting stakeholder views are carefully considered.
- Updates on the progress of actions and implementation of decisions are also provided, to allow the Board to review and adjust as situations (and stakeholder priorities) inevitably evolve.

Board discussion

- All directors constructively challenge and contribute to discussions, as well as offer additional perspectives, advice and strategic guidance.

Strategic direction and culture

- The Board sets the strategic direction, values and culture of the Company. It sets the tone for how business is done and has embedded an expectation that stakeholder considerations are central to decision-making at all levels of the organisation.

Stakeholder engagement

- Engagement plays a crucial role in enabling directors to thoroughly grasp stakeholder needs and make informed decisions addressing their priorities.
- Highlights of our stakeholder engagement during the year can be found on page [23](#).

Directors' key engagements with stakeholders in 2025

Stakeholder	How we engage	Outcomes
<p>Employees We want to continue to be a positive place to work and build careers, with motivated, talented people who feel supported to deliver our strategy.</p>	<ul style="list-style-type: none"> – Employee events, including leadership forums, webcasts, townhalls, as well as events forming part of the Board's workforce engagement programme allow the Board to hear the employee voice on important issues first-hand. – Annual and pulse engagement surveys for all employees help the Board and management to gain insights into the employee experience. 	<ul style="list-style-type: none"> – These interactions help to ensure continued connection between the Board and workforce and inform the Board's decision-making around people specific matters.
<p>Communities We continue to recognise the importance of supporting our communities through colleague volunteering, community investment and long-term charitable and community organisation partnerships.</p>	<ul style="list-style-type: none"> – Ongoing engagement with B Corp, EcoVadis and ratings agencies to reinforce a culture of continuous improvement. – Supporting employees in volunteering and action on sustainability with up to two days' paid volunteering leave per year. – CAB is committed to matching up to £1,000 of the total funds raised by an employee, subject to prior approval. – Bringing employees together to celebrate cultural events including a Diwali festive lunch and a poetry workshop to mark Black History Month. 	<ul style="list-style-type: none"> – Engagement with EcoVadis resulted in CAB achieving a Platinum rating in 2025. – Employee participation in volunteering and fundraising for local causes continues to rise year on year.
<p>Regulators and governments Maintaining constructive dialogue and relations with the relevant authorities in the markets in which we operate helps support the achievement of our strategic aims.</p>	<ul style="list-style-type: none"> – Regular engagement meetings with the CRO, CFO and CEO and CAB's regulators, with key interactions, insights and areas of regulatory focus being reported to the Board by the CRO. – Board and Risk Committee scrutiny of the 2025 ILAAP and ICAAP ahead of approval for publication. – Ongoing relationship development with central banks and government bodies in target markets. 	<ul style="list-style-type: none"> – Frequent and varied engagements with governmental representatives in key markets and regulators provide an opportunity for open dialogue and is critical in ensuring that the Board understands and continues to meet its regulatory obligations.
<p>Suppliers We are committed to building strong relationships with our suppliers supported by robust procurement policies and processes to help us improve efficiency and reduce costs.</p>	<ul style="list-style-type: none"> – The Board does not interact directly with CAB's suppliers; however, the Board maintains oversight of key supplier relationships including the relationship between the Audit Committee and the external auditor. – Building and maintaining positive relationships with vendors involves regular communication, fostering collaborative partnerships and resolving any disputes that may arise. 	<ul style="list-style-type: none"> – All supplier-related activity is managed in line with CAB's procurement standards to ensure that supplier risk is managed appropriately. – Outcomes of supplier engagements provide context and support the Board's understanding when reviewing and approving the annual Modern Slavery Statement.

Decisions Made During the Year

The Board operates having regard to the duties of the Directors, including the relevant matters set out in section 172(1)(a)-(f) of the Companies Act 2006. A key focus for the Board is setting, and monitoring execution against CAB's strategy.

Principal decisions taken by the Board consider how the decision furthers CAB's purpose and aligns with one or all of its' strategic pillars: Network, Clients, Platform and Invest and innovate.

All decisions made by the Board are subject to the submission of quality, appropriate information by way of Board papers, provided to the Board in a timely manner. Our Board meetings are structured in such a way to allow sufficient time to dedicate to all topics. When making decisions, each Director ensures that they act in a way they consider, in good faith, would most likely promote the Company's success for the benefit of its shareholders, and has due regard (among other matters) to the factors set out above.

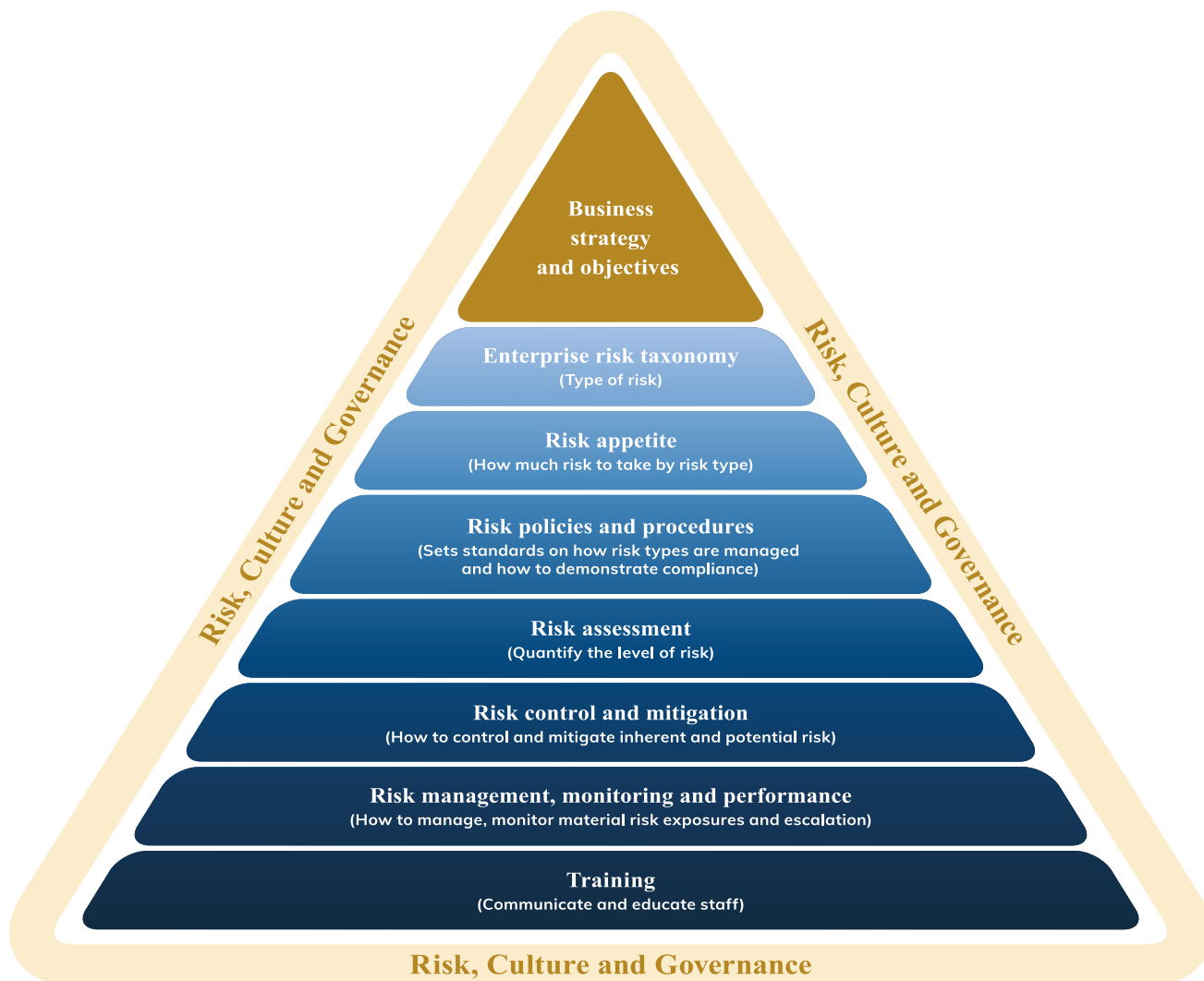
Key Board activities and decisions

Strategy	Performance
<ul style="list-style-type: none"> – Throughout the year, the Board actively engaged in strategic planning and business development discussions, culminating in a dedicated strategy session to review strategic initiatives and chart the future direction of CAB. 	<ul style="list-style-type: none"> – Monitored financial performance against the budget, prior year and analyst consensus. – Approved all financial results announcements and publications and the FY24 Annual Report. – Reviewed the risks and opportunities for the FY25 budget and agreed the direction of travel for the FY26 budget and the three year plan.
Business, operational highlights and current trading	People and leadership
<ul style="list-style-type: none"> – Monitored the execution of the restructure programme from planning to implementation. – Received regular business performance updates, including the issues and challenges faced by management through reporting from the CEO, CFO and CRO and other members of the Executive Committee. – Received presentations from each business area over the course of the year. – Reviewed management and external presentations covering critical areas such as geographic expansion, cyber security enhancements, technology infrastructure and AI implementation 	<ul style="list-style-type: none"> – Appointed James Hopkinson as CFO. – Appointed Kush Saxena and Peter Klein as Independent Non-executive Directors. – Appointed Henry Obi as Nominee Non-executive Director representing Helios. – Oversaw changes in executive management. – Received reports on workforce engagement and considered results and actions arising from employee engagement survey.
Risk and compliance	Governance and investor relations
<ul style="list-style-type: none"> – Received regular reports from Money Laundering Reporting Officer. – Reviewed Risk & Control Profile update. – Reviewed and approved CAB’s Risk Appetite Statements & Tolerance Limits. – Reviewed and approved the Enterprise Risk Management Framework – Received regular reports on Consumer Duty. – Responsible Business (including ESG). 	<ul style="list-style-type: none"> – Conducted the Board and Committee performance review. – Received reports from Board Committee Chairs following each of their meetings. – Approved the Company policies on issues including whistleblowing, non-audit services and tax. – Reviewed investor relation strategy and monitored share price performance.
Board development	
<ul style="list-style-type: none"> – Received deep dives and training sessions, including: <ul style="list-style-type: none"> – market view – artificial intelligence in industry – whistleblowing – digital currency market evolution – financial crime risk 	

Risk Management

Principal risks and uncertainties

The following diagram outlines the key components of CAB's risk framework.



The foundation of CAB's risk management is the Enterprise Risk Management Framework ("ERMF"). In concert with the relevant architecture (e.g. risk taxonomy, risk appetite, etc.) it ensures that risk is suitably identified, assessed, monitored, managed, and mitigated within CAB.

The taxonomy allows CAB to construct and calibrate its Risk Appetite Statement (RAS) and tolerance limits (TLs) that quantify, by risk type, how much risk it is willing to accept under business as usual and stress conditions, in order to achieve CAB's business strategic goals and objectives, and align with CAB's corporate and financial planning, reflecting its business model and organisation.

CAB's Risk & Compliance team has created a broad suite of policies and procedures to link the operating standards and practices with the business strategy and risk appetite. These tools include assurance activities, risk mitigation, controls, and robust reporting and governance, based on the risk framework of identification, assessment, management, and reporting of risk.

The outcomes of regular risk assessments and monitoring form a feedback loop, against which risk appetite thresholds are assessed and established. At least once per calendar year, the risk framework and its associated component parts are assessed in the context of the latest corporate strategy, refining requirements as needed and ensuring a timely assessment of current and emerging risks.

Risk Culture

The Board and the executive management is responsible for establishing and embedding a culture of risk awareness and a strong internal control environment.

We achieve this with leaders who set the tone from the top, strongly supported by governance structures, clear definitions of responsibilities, performance management and regular communications that reinforce appropriate behaviours and corporate values.

Equally, all employees have a role to play in driving a positive risk culture through their overall vigilance and motivation, and an innate desire to identify, manage and communicate risk-related issues, including escalation and resolution as appropriate.

All our people need to:

- understand the risks relating to their role and activities, including any relevant policies, processes and procedure documents;
- take on board how successfully managed risks can help them achieve their objectives;
- be accountable for particular risks and how they can manage them; and
- report systematically and in a timely manner on emerging risks, near-misses, incidents, control failures and improved business practices.

Our risk culture is further reinforced by the responsibility of the business to own and manage risk in accordance with the ‘three lines of defence’ principle, and the ERMF.

Governance of Risk

The Company's risk governance structure is outlined below:

<p>The Board</p> <p>The Board is responsible for setting the strategy, corporate objectives, and risk appetite. The Board reviews ERMF annually to ensure that it remains fit for purpose and complies with relevant laws and regulations including the UK Corporate Governance Code.</p>				
<p>Board Committee</p> <p>Risk Committee</p> <p>Responsible for assisting the Board in approving and overseeing the ERMF. Provides the Board with recommendations and advice on key matters relating to risk and compliance. It receives risk reporting and escalations from the Executive Risk Committee.</p>				
<p>Management Committees</p> <p>Executive Committee</p> <p>The Executive Committee is chaired by the CEO and is responsible for developing, proposing and implementing Board approved strategy.</p> <p>Executive Risk Committee</p> <p>The Executive Risk Committee is chaired by the CRO with members being the Executive Committee and the Money Laundering Reporting Officer ("MLRO"). It provides Executive level enterprise-wide risk management oversight and escalates key risks issues and recommendations to the Risk Committee in line with the approved ERMF. It also receives escalation from its five risk sub-committees</p>				
Operational Risk Committee	Asset & Liability Risk Committee	Credit Risk Committee	Financial Crime Risk Committee	Lifecycle Committee
	Prudential and Working Group		Financial Crime Systems Committee	

Risk Appetite

Aligned to the enterprise risk taxonomy, CAB's risk appetite articulates for each risk a qualitative risk appetite statement and quantified maximum level of risk that the Bank is prepared to accept in achieving its strategic objectives and business plan. In doing so, the interests of CAB's clients, shareholders, capital and other regulatory requirements are all considered. This assessment requires input from subject matter experts and management to define the appetite statement and threshold for each material risk. These are supported, where appropriate, by a suite of quantitative metrics to help monitor performance against its set appetite.

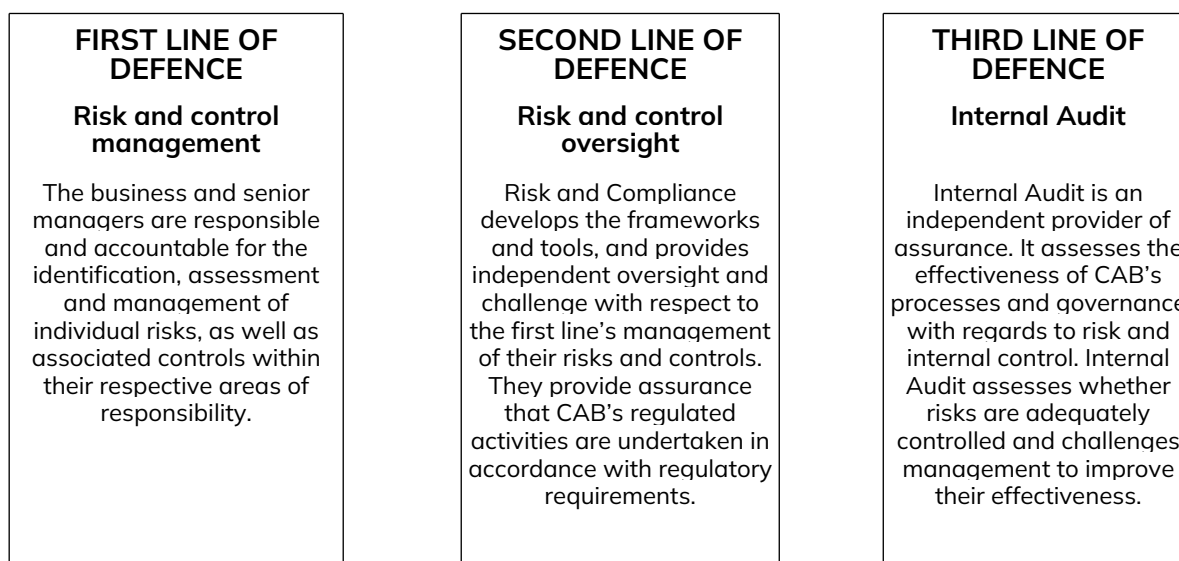
Each risk sub-committee has representatives from the second line of defence providing oversight and challenge, as required:

Risk sub-committees	Risk type covered
Asset & Liabilities Risk Committee	Capital adequacy, liquidity, funding and market risk
Credit & Lifestyle Risk Committee	Credit, reputational, client, country and associated operational risks
Operational Risk Committee	Operational ((excluding people risk which is addressed at ERC))
Financial Crime Risk Committee	Financial crime risk

It is to be noted that Business, Regulatory Compliance and Conduct (level 1 risks) are within the remit of ERC and not the sub-committees

Three lines of defence

CAB operates a tripartite risk governance framework, generally known as the three lines of defence model, which distinguishes between risk management and oversight. The approach provides clear and concise separation of duties, roles and responsibilities.



Horizon Scanning

Emerging risks

CAB seeks to identify emerging risks through reviewing macroeconomic, geopolitical and country risk, regulatory change, cyber security, sector trends, financial crime and other external factors. Our risk assessment processes take account of both top-down and bottom-up input, allowing the identification of granular risks alongside more significant strategic, financial and non-financial risk trends.

These emerging trends are increasingly influencing our risk profile and are being incorporated into our principal risk assessments. In particular, advances in artificial intelligence (AI) and other emerging technologies have the potential to reshape our competitive position, workforce, and operational model. While these developments introduce new and evolving risks, they also create opportunities that we are actively exploring.

To ensure an informed and coordinated approach, we have established an AI Working group comprising senior leaders from across the business. This group is responsible for assessing the implications of emerging technologies, identifying associated risks, and advising on opportunities for their safe and effective use. In addition, our AI Policy, introduced during the financial year, provides a framework for the responsible adoption of AI.

Developments in digital currencies, including stablecoins and tokenised payment solutions, may influence cross-border settlement models and liquidity flows, creating both a potential threat for the CAB as well as an opportunity. While CAB's direct exposure currently remains limited, evolving regulation and increasing institutional adoption could introduce considerations across financial crime, regulatory compliance, operational resilience and conduct risk. CAB continues to build capabilities and monitor developments through established risk governance forums to ensure alignment with risk appetite and existing control frameworks.

Internal Control Environment

Embedded within our risk management processes are the internal controls framework, encompassing our policies, procedures and practices and risk mitigation processes. Key controls operate across all areas of our business, including but not limited to financial reporting, commercial, operational and risk and compliance activities. The control framework includes risk assessment, control activities, as well as monitoring and testing.

We remain on-track to achieve compliance with the material controls related elements of the revised UK Corporate Governance Code for our financial year commencing 1 January 2026. This will require the Board to include a declaration in the annual report explaining how it has monitored and reviewed the effectiveness of the internal controls framework, and its conclusion as to the effectiveness of material controls.

Overview of Principal Risks

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 CAB arising from:</p> <ul style="list-style-type: none"> the broader risk of CAB's business model or strategy proving inadequate due to macroeconomic s, geopolitical, industry, regulatory, competitive environment or other factors, or adverse events and media coverage that could negatively impact CAB's name and reputation thereby impacting its ability to achieve its strategic objectives 	<ul style="list-style-type: none"> CAB'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. CAB 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 CAB's business, operations, financial performance and reputation. CAB'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 markers 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. CAB 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 geopolitical issues in these markets. CAB 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. CAB has a medium-term strategy in place to continue diversifying revenues across geographies, clients and products whilst investing in its sales team.

Current context	Mitigants and other considerations
2. Financial crime risk	
<p>Risk Descriptions:</p> <p>The risk associated with criminal activity in the form of money laundering, terrorist financing, bribery and corruption, sanctions, tax evasion and fraud.</p> <ul style="list-style-type: none"> • 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. • CAB 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. • CAB's organisation structure and control environment continues 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 CAB'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 entity. 	<ul style="list-style-type: none"> • To effectively mitigate risks, CAB 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 CAB'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 CAB'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. • CAB 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.

Current context		Mitigants and other considerations
3. Operational risk		
<p>Risk Description:</p> <p>The risk of loss or other non-financial impact, resulting from inadequate or failed internal processes, people and systems, or from external events.</p>	<ul style="list-style-type: none"> • CAB 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 level reflect the size and complexity of CAB. • CAB relies on a combination of manual and automated processes. Specific clients have bespoke processes that are inherently prone to human errors. CAB is acutely aware that a technology incident could result in manual intervention as part of its recovery efforts. 	<ul style="list-style-type: none"> • CAB is Cyber Essentials and ISO27001 accredited. Additionally, CAB continues to enhance its operational resilience efforts with a key focus on critical third-party resilience testing. • CAB deploys several attraction and retention strategies throughout the employee lifecycle, including hybrid-working and competitive employee benefits. • Process and control automation is proactively considered, acknowledging that not all processes can be automated but regular process review cycles support in ensuring processes and procedures are consistently updated and maintained.

Current context		Mitigants and other considerations
4. Credit risk		
<p>Risk Description:</p> <p>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.</p>	<ul style="list-style-type: none"> • Credit risk arises inherently from CAB'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. • CAB'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 CAB'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, CAB maintains a balanced credit risk profile, supported by sound governance, regular stress testing, and alignment with CAB's overarching risk appetite and capital management framework. 	<ul style="list-style-type: none"> • Credit risk remains a key area of focus for CAB. • CAB'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 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 Credit Support Annexes (CSAs), where appropriate, to ensure effective collateralisation and reduce potential counterparty exposure.

Current context		Mitigants and other considerations
5. Market risk		
<p>Risk Description:</p> <p>The risk of losses occurring from adverse value movements of CAB's assets and liabilities; principally relating to FX and interest rates.</p>	<ul style="list-style-type: none"> • CAB'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 CAB'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 CAB's regulatory capital and leverage ratios. 	<ul style="list-style-type: none"> • 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. CAB 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. CAB manages IRRBB through strategies employed to mitigate risks to net interest income and economic value.

Current context		Mitigants and other considerations
6. Regulatory and compliance risk		
<p>Risk Description:</p> <p>The risk arising from non-compliance with laws and regulations governing financial services institutions in the markets in which we operate.</p>	<ul style="list-style-type: none"> • As CAB continues to grow in size and complexity, including expansion into new jurisdictions and the introduction of new products and services, it faces an increasingly diverse and evolving legislative and regulatory landscape. This growth amplifies the potential risk of non-compliance, which could result in legal or regulatory sanctions, material financial loss, and/or reputational damage across the markets in which we operate. 	<ul style="list-style-type: none"> • Regulatory Horizon Scanning: Ongoing monitoring of upcoming UK 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 CAB 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.

Current context		Mitigants and other considerations
7. Capital adequacy risk		
<p>Risk Description:</p> <p>The risk of CAB 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.</p>	<ul style="list-style-type: none"> • CAB's capital ratios can be affected by various business activities and the failure to meet prudential capital requirements, internal targets and/or to support its 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. 	<ul style="list-style-type: none"> • CAB has robustly defined capital adequacy thresholds, constructed in reference to regulatory requirements and maintains capital ratios in excess of these. • CAB 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 Treasury Committee, who monitor and manage capital risk in line with CAB's capital management objectives, capital plan and risk frameworks. • If CAB 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. CAB's Pillar 3 disclosures contain a comprehensive assessment of its capital requirements and resources and are published separately on CAB's website.

Current context	Mitigants and other considerations
8. Liquidity and funding risk	
<p>Risk Description:</p> <p>The risk that CAB cannot meet its contractual or contingent obligations in a timely manner as they fall due. Funding risk is the risk that CAB cannot maintain access to a sufficient stable funding base to maintain its liquidity.</p>	<ul style="list-style-type: none"> • CAB’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.
	<ul style="list-style-type: none"> • 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. • CAB 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.

Current context		Mitigants and other considerations
9. Conduct risk		
<p>Risk Description:</p> <p>The risk that the conduct of CAB 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</p>	<ul style="list-style-type: none"> • As CAB 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 CAB 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 CAB has acted improperly towards clients; and • Behaviour or practices that fall short of market integrity or regulatory requirements. • Such failures could result in unfair or inappropriate client outcomes, leading to reputational damage, regulatory scrutiny, and potential financial loss. 	<ul style="list-style-type: none"> • 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.

Going Concern

The Directors have considered the financial position of CAB, including the net current asset position, regulatory capital requirements and estimated future cash flows and have concluded that there is reasonable expectation that CAB has adequate resources to continue in operational existence for a period of 12 months from when these financial statements are authorised for issue and that CAB will be able to meet its obligations as they fall due. Furthermore, the Directors are of the view that:

- there are no material uncertainties relating to events or conditions that cast significant doubt on CAB's ability to continue as a going concern;
- there are no significant judgements made by management in determining whether or not the adoption of the going concern is appropriate; and
- there are no material uncertainties to disclose in respect of going concern.

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

Post year-end events

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 the parent company, CAB Payments Holdings plc (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 reporting period identified.

Approval by the Board

The report was approved by the Board and signed on its behalf by:



Neeraj Kapur
Chief Executive Officer
04 March 2026

Directors' Report for the year ended 31 December 2025

The Directors submit their report and the audited financial statements of CAB for the year ended 31 December 2025.

Principal Activity

CAB is a regulated bank providing banking services particularly as a digital foreign exchange and payment partner for a globally diversified wholesale client base wishing to make payments in local currency across emerging markets. CAB is authorised by the Prudential Regulation Authority (PRA), and regulated by the PRA and the Financial Conduct Authority (FCA).

Business Review and Future Developments

The business review and future developments are discussed in the Strategic Report.

Research and Development

The Company has been involved in research and development during the year largely enhancing its electronic payment platform which is fundamental to its business.

Results and Dividends

The profit for the year after taxation amounted to £14.5m (2024: £15.4m). A dividend of £nil was declared during 2025 (2024: £nil).

Political Donations

No political donations were made in 2025 (2024: £nil).

Going Concern

Refer to page 40 on strategic report.

Future Developments

Refer to CEO report.

Financial Instruments

Refer to the notes to the financial statements.

Directors Remuneration

Refer to Note 29 for the directors remuneration disclosures.

Risk Management

CAB's Board determines overall strategy, the markets in which it will operate and the levels of risk acceptable to CAB. Management, as part of its PRA Pillar 3 Capital Adequacy disclosure requirements, has performed an assessment of these requirements and the information, including remuneration, can be found on CAB website <https://www.crownagentsbank.com/regulatory-and-financial-information/>.

CAB complies with the regulators' minimum capital requirement as at 31 December 2025. CAB's regulatory capital is entirely CET1 capital as follows:

	2025	2024
	£'000	£'000
Shareholders' funds	165,799	150,598
Less: intangible assets	(23,840)	(24,398)
Regulatory capital	141,959	126,200
CET 1 ratio	20.6%	26.4%

Details of the principal risks and risk management arrangements are set out in the Strategic Report.

Energy and Carbon Report

CAB recognises that the risks associated with climate change are subject to rapidly increasing prudential, regulatory, political, and societal focus both in the UK and internationally.

As the nature of our business model is relatively short-term, we consider that climate change is unlikely to have any significant medium to long term impact on the business.

As part of our enhanced approach we have the following in place:

- The Chief Risk Officer (CRO) holds delegated overall responsibility for the management of climate-related risks, with day-to-day operational responsibility delegated to the Head of Sustainability,
- We use recognised industry guidance and publicly available indices to assess our exposure to countries vulnerable to climate change. We ensure compliance with regulatory requirements and provide ongoing horizon scans and statements on our reporting obligations.
- Undertook Climate-related scenario analysis of our capital and liquidity risk profile as part of the 2024 Board approved ILAAP and ICAAP documents; and
- Consider the potential impacts of climate change on our prudential risk profile, including capital adequacy and liquidity are viewed as being absorbed within our existing risk appetite threshold statements.

Through our continued work with IDOs, NGOs, governments and other partners in countries vulnerable to climate related events, we help support the movement of funds to those most affected. This work may create a short term increase in revenues for CAB. We remain aware of our exposures in a number of African countries whose economies rely heavily on the petrochemical industry.

Reporting period

The reporting period for the data in this report is 1 January 2025 to 31 December 2025 with 2024 comparatives.

Measurement Methodology

The GHG emissions were assessed following the GHG Protocol Corporate Standard and the 2025 emission conversion factors published by the Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Energy Security and Net Zero (DESNZ).

The assessment follows the GHG Protocol dual reporting approach for assessing Scope 2 emissions from electricity usage. The operational control approach has been used.

Environmental Management System

2025 has been a transformative year for Responsible Business at CAB. As our department continues to develop, we have taken steps to ensure our progress is in line with industry best practice. This includes our continued development of our Environmental Management Policy ("EMP"), which includes our Environmental Management System ("EMS").

In addition to our GEMP, we have also maintained incorporate Responsible Business within our supplier code of conduct and our Vendor Registration Form for all suppliers.

In 2025 we continued to successfully keep below our 5% reduction target. Please see the breakdown below of our emissions at CAB level:

CAB's Streamlined Energy and Carbon Reporting disclosures are as follows:

Summary of location-based results (tCO2e)	2025	2024
Scope 1 (tCO2e)	84.0	106.0
Scope 2 (tCO2e)	53.0	66.0
Scope 3 (tCO2e)	1,152.7	1,340.0
Total tCO2e	1,289.7	1,512.0
Actual tCO2e per £m turnover	10.8	14.6

CAB operates from the News UK Building and does not have direct operational control over building energy procurement, consumption, or metering. Accordingly, CAB's - which is a proportion of the parent company's emissions - energy consumption and associated emissions are reported within the News UK Building's Streamlined Energy and Carbon Reporting (SECR) disclosure and represent CAB's proportionate share.

	2025	2024
Direct emissions (Scope 1) – Natural gas (tCO2e)	84.0	106.0
Indirect emissions (Scope 2) – Purchased electricity (tCO2e)*	53.0	66.0
Other indirect emissions (Scope 3) – Hire car travel (tCO2e)**	0.8	1.1
Total energy consumed (kWh)***	755,284.0	926,486.0
Intensity ratio tCO2e (gross Scope 1,2 &3, location-based per £m revenue)*	1.2	1.6
Intensity ratio: tCO2e (gross Scope 1, 2 & 3, location-based per employee)*	0.4	0.4
Total gross location-based emissions (tCO2e)	137.8	173.1

* Natural gas consumption only.

** Electricity generation only – Does not include transmission and distribution or WTT.

Electricity-related emissions factors were updated in April 2025 due to a correction in the emissions dataset used by our reporting platform. 2024 disclosures reflect the most accurate data available at the time of publication

Diversity and Inclusion

The Board has approved a policy on diversity and inclusion. In our commitment to diversity and inclusion, CAB values the unique contributions of our diverse workforce, fostering a culture of openness, mutual respect, and collaboration. CAB prioritises equal opportunities, ensuring fairness and inclusivity in all aspects of employment with policies prohibiting discrimination based on various factors, including race, gender, disability, and age, and emphasising abilities and aptitudes regardless of disabilities, and offers retraining opportunities for employees who become disabled during their tenure.

Details of CAB's policy for giving full and fair consideration to applications for employment of disabled persons, continuing employment of and appropriate training for employees who become disabled, training, career development, promotion of disabled employees can be found on our website - <https://www.crownagentsbank.com/careers/>

Directors

The directors of CAB who were in office during the year and, except as indicated, up to the date of signing the financial statements were:

Director	Gender	Committees			
		Remuneration	Audit	Nomination	Risk
A Cairns* (Chairman)	F	X	-	X	-
S Chishti*	F	X	-	X	-
J Johnson-Calari*	F	-	X	-	X
K Jordan*	F	-	X	-	X
Neeraj Kapur (CEO)	M	-	-	-	-
S Poole** (resigned 30 April 2025)	M	-	-	-	-
R Hallett (former CFO - resigned 10 February 2025)	M	-	-	-	-
C Brown*	F	X	X	X	X
N Harwerth*	F	X	X	X	X
J Hopkinson (appointed 17 July 2025)	M	-	-	-	-
P Klein* (appointed 27 June 2025)	M	-	-	-	-
H Obi** (appointed 30 April 2025)	M	-	-	-	-
K Saxena* (appointed 27 June 2025)	M	-	-	-	-

* independent non-executive director

** non-executive director

Lesley Martin is the Company Secretary.

Directors' Responsibilities Statement

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' Indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. CAB also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Shareholders Matters

As laid out in its Articles of Association, CAB has dispensed with holding annual general meetings and with the laying of financial statements before shareholders in general meeting.

Independent auditors

The auditors, PricewaterhouseCoopers LLP have expressed their willingness to continue in office.

On behalf of the Board,



Neeraj Kapur
Director
4 March 2026

Independent auditors' report to the members of Crown Agents Bank Limited

Report on the audit of the financial statements

Opinion

In our opinion, Crown Agents Bank Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise:

- the Statement of Financial Position as at 31 December 2025;
- the Statement of Profit or Loss for the year then ended;
- the Statement of Other Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 8, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Context

The year ended 31 December 2025 is our first year as the external auditors of Crown Agents Bank Limited. In planning for our first year audit, we met with the Audit Committee and members of management across the business to discuss and understand the business and any significant developments during the year, and to understand their perspectives on associated business risks. We used this insight, in addition to our understanding of the predecessor auditors' approach, and our industry experience, to form our views regarding the audit risks and to develop our planning audit approach to address those risks.

Overview

Audit scope

- As part of designing our audit, we determined materiality and assessed the risks of material misstatement to the financial statements of the Company. Audit procedures have been performed over all material balances.

Key audit matters

- First time adoption of hedge accounting.

Materiality

- Overall materiality: £1,800,000 based on 5% of the three-year average profit before tax excluding non-underlying items.
- Performance materiality: £1,300,000.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Key Audit Matter	How our audit addressed the key audit matter
<p>First time adoption of hedge accounting</p> <p>Refer to Note 1 and Note 13 of the financial statements.</p> <p>During the year the Company has adopted hedge accounting in accordance with IAS 39 <i>Financial Instruments: Recognition and Measurement</i> for the first time, with hedge accounting relationships linked to the Company's mitigation of interest rate risks.</p> <p>The Company is exposed to interest rate risk on Customer accounts and market movements in future interest cash flows on Cash and balances at central banks.</p> <p>The Company uses derivative financial instruments in the form of interest rate swap contracts to hedge these risks. These are designated in hedge accounting relationships, as long as the Company can demonstrate that the hedge accounting arrangements are highly effective, in accordance with accounting standards.</p> <p>We focused our work on the adoption of hedge accounting for both types of hedges implemented by the Company:</p> <ul style="list-style-type: none"> • Hedges of Customer accounts which are designated as fair value hedges; • Hedges of the Company's Cash and balances at central banks which are designated as cash flow hedges. 	<p>Our audit approach comprised the following:</p> <ul style="list-style-type: none"> • We verified hedge documentation was in place at inception, and that it was prepared in accordance with IAS 39 requirements; • We reviewed management's assessment of the behavioural modelling used in the designation of the hedged items at inception; • We verified the existence of the hedged items and hedging instruments, on a sample basis; • We re-performed prospective and retrospective hedge effectiveness tests performed by management for each hedge relationship; • We re-performed the reconciliation between the output of the retrospective effectiveness assessments to the general ledger to confirm ineffectiveness adjustments had been posted accurately; • We evaluated and tested the appropriateness of disclosures made in relation to hedge accounting adoption.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

The Company is a regulated bank providing banking services particularly as a digital foreign exchange and payment provider for a wholesale client base wishing to make payments in local currency across emerging markets. Our risk assessment performed as part of our planning of the audit gave consideration to relevant internal and external factors, including economic risk and the company's strategy. Based on the materiality, we performed audit procedures over all material account balances and financial information of the Company. Our audit procedures on the Company provided us with sufficient audit evidence as the basis for our audit opinion on the financial statements as a whole.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall Company materiality	£1,800,000.
How we determined it	5% of the three-year average profit before tax excluding non-underlying items
Rationale for benchmark applied	We consider profit / loss before taxation to be the most appropriate benchmark used in assessing the performance of the Company as the business is listed and profit orientated. Given volatility in performance, we consider it appropriate to take an average of the results of the preceding three years. We believe that profit/loss before taxation adjusted for non-underlying items losses is an appropriate measure as it eliminates the impact of items which significantly impact comparability.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £1,300,000 for the Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £170,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- performing a risk assessment to identify factors that could impact the going concern basis of accounting, including the impact of internal risks (e.g. strategy execution) and external risks (e.g. macroeconomic conditions);
- understanding and evaluating management's financial forecasts;
- understanding and evaluating the Company's stress testing of liquidity and regulatory capital, including the severity of the stress scenarios that were used;
- review of correspondence with and reports from regulators, including the Prudential Regulation Authority ('PRA') and Financial Conduct Authority ('FCA'); and
- reading and evaluating the adequacy of the disclosures made in the financial statements in relation to going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of regulations and regulatory compliance including regulatory reporting requirements and conduct of business, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006 and relevant tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries in relation to revenue and cost targets, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Review of correspondence with and reports from regulators, including the Prudential Regulation Authority ('PRA') and Financial Conduct Authority ('FCA').
- Review of reporting to the Audit Committee and Risk Committee in respect of compliance and legal matters.
- Enquiry of management and those charged with governance, and review of internal audit reports insofar as they related to the financial statements.
- Obtaining confirmations from third parties to confirm the existence of a sample of balances.
- Identifying and testing journal entries, including those posted to certain account combinations.
- Challenging significant assumptions and judgements made by management in its accounting estimates and assessing them for bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the Company for the financial year ended 31 December 2025. Our uninterrupted engagement covers one financial year.

Sheena Coutinho (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London

4 March 2026

Statement of Profit or Loss for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Interest income	3	55,772	58,831
Interest expense	3	(29,770)	(38,403)
Net interest income		26,002	20,428
Gains 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	16,429	15,835
Net foreign exchange gain	6	61,965	53,797
Other operating income	7	735	616
Total income, net of interest expense		118,203	106,499
Operating expenses before non-underlying items	8	(92,564)	(83,159)
Non-underlying items	8 a	(4,486)	(2,772)
Operating expenses after non-underlying items		(97,050)	(85,931)
Other finance costs	3 a	(1,339)	(876)
Impairment reversal on financial assets at amortised cost	31	154	377
Profit before tax		19,968	20,069
Tax expense	9	(5,459)	(4,678)
Profit for the year		14,509	15,391

Statement of Other Comprehensive Income for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Profit for the year		14,509	15,391
Other comprehensive income for the year:			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedge reserve	13	(244)	–
Movement in investment in debt securities at fair value through other comprehensive income	15	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	21	(25)	(5)
Other comprehensive income net of tax		(98)	15
Total comprehensive income		14,411	15,406

Company registration number 2334687

The notes on pages [58](#) to [132](#) form part of these financial statements.

Statement of Financial Position as at 31 December 2025

	Note	As at 31 December 2025 £'000	As at 31 December 2024 £'000
Assets			
Cash and balances at central banks	10	257,867	584,679
Money market funds	11	218,157	488,197
Loans and advances on demand to banks	12	127,035	184,683
Investments in debt securities at amortised costs	14	234,790	246,021
Investment in debt securities at fair value through OCI	15	442,751	–
Other loans and advances to banks	12	274,956	180,095
Other loans and advances to non-banks	12	21,521	32,564
Unsettled transactions	16	8,900	10,866
Derivative financial assets	13	489	4,884
Investments in equity securities		679	553
Other assets ¹	16	27,071	29,352
Current tax asset ¹		8,839	9,386
Investments in subsidiary undertakings	17	4,476	1,899
Accrued income		2,033	925
Property, plant and equipment	18	2,188	2,679
Right of use assets	19	14,977	16,830
Intangible assets	20	23,840	24,398
Total assets		1,670,569	1,818,011
Liabilities			
Customer accounts	22	1,441,097	1,589,481
Derivative financial liabilities	13	1,384	539
Unsettled transactions	23	20,772	35,173
Other liabilities	23	6,725	12,818
Accruals	23	13,529	9,160
Lease liabilities	19	18,281	17,076
Deferred tax liability	21	928	1,217
Provisions	24	2,054	1,949
Total liabilities		1,504,770	1,667,413
Equity			
Called up share capital	25	41,200	41,200
Retained earnings	26	124,563	109,264
Investment revaluation reserve		207	134
Cash flow hedge reserve	13	(244)	–
Debt securities revaluation reserve	15	73	–
Shareholders' funds		165,799	150,598
Total liabilities and equity		1,670,569	1,818,011

¹ Additional disclosure has been made in respect of current income tax to present it separately to Other assets. Refer to Note 16 for further information.

Company registration number - 2334687

The notes on pages 58 to 132 form part of these financial statements. The Board of Directors approved and authorised for issue the 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

Statement of Changes in Equity for the year ended 31 December 2025

	Share capital	Retained earnings	Investment revaluation reserve	Debt securities revaluation reserve	Cash flow hedge reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2025	41,200	109,264	134	–	–	150,598
Profit for the year (Note 26)	–	14,509	–	–	–	14,509
Other comprehensive income:						
Movement in investment revaluation reserve for equity instruments at fair value through other comprehensive income	–	–	98	–	–	98
Cash flow hedge reserve (Note 13)	–	–	–	–	(244)	(244)
Movement in investment in debt securities at fair value through other comprehensive income (Note 15)	–	–	–	73	–	73
Income tax relating to these items (Note 21)	–	–	(25)	–	–	(25)
Other comprehensive income net of tax	–	–	73	73	(244)	(98)
Total comprehensive income	–	14,509	73	73	(244)	14,411
Transactions with owners in their capacity as owners:						
Share-based payment expense (Note 27)	–	620	–	–	–	620
Deferred tax on share based payment expense (Note 21)	–	170	–	–	–	170
Balance at 31 December 2025	41,200	124,563	207	73	(244)	165,799
Balance at 1 January 2024	41,200	92,885	119	–	–	134,204
Profit for the year (Note 26)	–	15,391	–	–	–	15,391
Other comprehensive income:						
Movement in investment revaluation reserve for equity instruments at fair value through other comprehensive income	–	–	20	–	–	20
Income tax relating to these items (Note 21)	–	–	(5)	–	–	(5)
Other comprehensive income net of tax	–	–	15	–	–	15
Total comprehensive income	–	15,391	15	–	–	15,406
Transactions with owners in their capacity as owners:						
Share-based payment expense (Note 27)	–	988	–	–	–	988
Dividends declared (Note 26)	–	–	–	–	–	–
Balance at 31 December 2024	41,200	109,264	134	–	–	150,598

Company registration number - 2334687

The notes on pages [58](#) to [132](#) form part of these financial statements.

Statement of Cash Flows for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Cash (outflow)/inflow from operating activities	28	(614,029)	99,180
Tax paid		(4,687)	(11,766)
Payments for interest on lease liabilities		–	(33)
Net cash (used in)/generated from operating activities		(618,716)	87,381
Cash flow used in investing activities			
Purchase of property, plant and equipment	18	(108)	(2,334)
Purchase of intangible assets	20	(6,778)	(12,141)
Purchase of equity investments		–	(53)
Purchase of investments in subsidiary undertakings	17	(2,577)	(1,269)
Net cash used in investing activities		(9,463)	(15,797)
Cash flow used in financing activities			
Repayment of principal portion of the lease liability		–	(257)
Net cash used in financing activities		–	(257)
Net (decrease)/increase in cash and cash equivalents		(628,179)	71,327
Cash and cash equivalents at the beginning of the year		1,257,559	1,181,046
Effect of exchange rate changes on cash and cash equivalents		(26,321)	5,186
Cash and cash equivalents at the end of the year		603,059	1,257,559
Analysed as follows:			
Cash and balances at central banks	10	257,867	584,679
Money market funds	11	218,157	488,197
Loans and advances on demand to banks	12	127,035	184,683

Company registration number - 2334687

The notes on pages [58](#) to [132](#) form part of these financial statements.

Notes to the Financial Statements for the year ended 31 December 2025

1. Statement of Accounting Policies

a) General information

Crown Agents Bank Limited ("CAB", also referred to as the "Company") is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office as at 31 December 2025 is 3 London Bridge St, London SE1 9SG, England.

CAB provides regulated banking services that connect emerging and frontier markets to the rest of the world, using foreign exchange (FX) and payments technology. CAB is authorised by the Prudential Regulation Authority (PRA) and regulated by the PRA and the Financial Conduct Authority ("FCA").

b) Basis of preparation

The financial statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value, as disclosed in the accounting policies set out within these financial statements, and in accordance with the UK-adopted International Accounting Standards in conformity with the applicable legal requirements of the Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statements are set out in this Note. These accounting policies have been consistently applied to all the years presented unless otherwise stated. The balance sheet has been presented in order of liquidity.

'Non-underlying items' presented in the statement of profit or loss and related notes have been referred to as 'adjusting items' in the prior year.

The preparation of financial statements in conformity with IFRS as adopted by the UK requires the use of certain critical accounting estimates which have been disclosed in Note 2. The financial statements are presented in British Pound Sterling (£). All values are rounded to the nearest thousand (£'000), except when otherwise indicated.

CAB has adopted the following new or amended IFRSs and interpretations that are effective from 1 January 2025, none of which had any material impact on the Company's financial statements.

Accounting standard	Amendment/interpretation
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates:	Lack of Exchangeability (Issued August 2023). The standard is effective 1 January 2025.

c) Going concern

The Directors have assessed the ability of CAB 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 CAB has 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 CAB have been prepared on a going concern basis.

Critical to reaching this view was the output of internal stress assessments which modelled the impact of severe yet plausible stresses which underpinned the Going concern assessment.

In reaching their conclusions, the Directors also considered the results of the 2025 Going Concern assessment and the 3 year Budget and Corporate Plan.

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 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 Corporate Plan which was Board approved during December 2025.

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

CAB 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 CAB'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 20. 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.

d) 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 statements 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.

1. Statement of Accounting Policies *continued*

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.

e) Fees and commission income

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

- **Account management and payment services:** CAB 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 CAB 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. CAB 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 by CAB for issuing financial guarantee contracts. The performance obligation of CAB 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:** CAB 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 CAB 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.

1. Statement of Accounting Policies *continued*

f) 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 Company's FX and payment services, clients agree to terms and conditions for all transactions at the time of signing a contract with the Company. On trade date the Company 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 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.

g) Foreign currency transactions and balances policy

(i) Functional and presentational currency

The Company'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 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).

1. Statement of Accounting Policies *continued*

(iii) 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.

h) 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. CAB'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.

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.

i) Intangible assets

Intangible assets 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 CAB 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.

j) 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

k) 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.

1. Statement of Accounting Policies *continued*

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.

l) 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.

m) Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when CAB 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, CAB 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.

1. Statement of Accounting Policies *continued*

CAB'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. CAB'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. Fair value is determined in the manner described in Note 37.

CAB's financial assets designated at FVTOCI comprise primarily its investments in debt securities at FVTOCI, also not held for trading (Note 13) 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 (Note 7) in the statement of profit or loss and other comprehensive income.

Investments in debt securities at FVTOCI 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(d)) 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

CAB 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.

1. Statement of Accounting Policies *continued*

(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

CAB'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

CAB'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 (see Note 1(d) above).

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, CAB'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

CAB'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 Bank 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 Bank 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.

1. Statement of Accounting Policies *continued*

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 Company 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.

CAB 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 Bank 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 CAB'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 CAB'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. CAB 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 CAB 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 CAB 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 CAB'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

CAB 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).

1. Statement of Accounting Policies *continued*

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, CAB 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, CAB 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

CAB 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 CAB will measure the loss allowance based on lifetime ECL rather than 12-month ECL.

Definition of default

CAB 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 CAB, in full.

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

Write-off policy

CAB 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 CAB'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 CAB under the contract and the cash flows that CAB 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 described in Note 31.

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

1. Statement of Accounting Policies *continued*

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, CAB's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial guarantee contracts and letter of credit confirmations / bill acceptances, as CAB 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 CAB expects to receive from the holder, the debtor, or any other party.

If CAB 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, CAB measures the loss allowance at an amount equal to 12 month ECL at the current reporting date.

CAB 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.

CAB 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. The ECL provision in relation to off balance sheet assets (i.e financial guarantees, Working Capital commitments and letters of credit confirmations/bill acceptances) is presented in Provisions.

n) Employee benefits

CAB provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements, medical insurance and defined contribution pension plans. CAB has implemented a one-off Free Share Scheme following the 2023 listing and a Matching/Partnership Share Scheme, both schemes for all employees. CAB 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); and
- 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 CAB.

Share-based payment arrangements

CAB 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 to 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 Company'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. Settlements 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.

CAB has no cash-settled arrangements.

Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 27.

o) 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 company financial statements but are disclosed unless they are remote.

p) Share capital

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

1. Statement of Accounting Policies *continued*

q) Leases (CAB as lessee)

CAB assesses whether a contract is or contains a lease, at inception of the contract. CAB recognises a right-of-use asset and corresponding lease liability 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 with value of less than £10k). For these leases, CAB 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, CAB uses its incremental borrowing rate. Lease payments included in the measurement of CAB's lease liabilities are fixed lease payments less any lease incentives receivable. The lease liabilities are presented as a separate line in the statement of financial position.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability (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 statement of financial position.

CAB 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 Company has 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.

r) Non-underlying items

CAB 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. CAB 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 CAB 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.

1. Statement of Accounting Policies *continued***s) New and revised IFRS accounting standards in issue but not yet effective**

At the date of authorisation of these financial statements, CAB 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 Company's financial statements.

*Anything not mentioned in the above table is not relevant.

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

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In preparing the financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts. For the year ended 31 December 2025, none of the judgements and estimates made were assessed as critical for the purposes of annual reporting.

Financial statement preparation includes the consideration of the impact of climate change on the financial statements. There has been no material impact identified on the financial reporting judgement and estimates.

3. Net Interest Income

	2025	2024
	£'000	£'000
Interest income:		
Interest on cash and balances at central banks	22,039	29,894
Interest on loans and advances	15,154	12,967
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	195
Interest income	55,772	58,831
Interest expense:		
Interest on financial liabilities at amortised cost	(29,170)	(38,232)
Interest on interest rate swaps	(444)	–
Other interest expense ¹	(156)	(171)
Interest expense	(29,770)	(38,403)
Total net interest income	26,002	20,428

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

	2025	2024
	£'000	£'000
Interest expense on lease liabilities (Note 19c)	(1,339)	(876)

*Prior period reclassification

During the year, the Bank 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 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	(39,279)	876	(38,403)
Net interest income	19,552	876	20,428
Total income, net of interest expense	105,623	876	106,499
Other finance costs	–	876	(876)

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

	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

	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	–	254
FX Payment Fees	101	185
Total fees and commission income	16,429	15,835

6. Net Foreign Exchange Gain

	2025	2024
	£'000	£'000
Wholesale FX ¹	47,960	41,209
FX gain on payment transaction revenue	14,005	12,588
Total	61,965	53,797

¹ Wholesale FX income include movements arising from open foreign currency positions amounting to a loss of (£343k) in 2025 (2024: gain of £472k).

7. Other Operating Income

	2025	2024
	£'000	£'000
Research and development expenditure refund from HMRC	59	616
Gain on sale of debt securities portfolio (Note 13)	660	–
Gain on sale of trade finance loan positions (Note 12)	16	–
Total other operating income	735	616

8. Operating Expenses

	2025	2024
	£'000	£'000
Staff costs and directors' emoluments		
Salaries and bonuses	39,657	34,979
Share-based payments	620	991
Social security costs	5,720	4,681
Pension costs	2,587	2,617
Fees payable to the auditor		
Audit	955	731
Audit related services ¹	36	62
Depreciation and amortisation		
Amortisation of intangible assets (Note 20)	8,265	6,827
Depreciation of property, plant, and equipment (Note 18)	632	762
Depreciation of right-of-use assets (Note 19)	1,853	1,482
Other expenses		
Low-value lease expenses	88	59
Bank charges	3,780	3,086
Clearing costs	2,640	2,441
Process automation costs	2,484	2,115
Software licenses	8,213	7,388
Professional fees	1,710	1,872
Transfer pricing (intragroup)	3,343	3,967
Irrecoverable VAT	1,465	1,095
Legal Fees	415	367
Recruitment	751	1,328
Travel	1,348	951
External information providers	505	466
Corporate promotional events and corporate memberships	863	559
Other operating expenses	4,634	4,333
Total operating expenses before non-underlying items	92,564	83,159
Non-underlying items	4,486	2,772
Total operating expenses after non-underlying items	97,050	85,931

¹ Fees for non-audit work during the year related to a limited assurance review in connection with the CAB claim that the firm does not hold client money or custody assets.

8. Operating Expenses *continued***a) Non-underlying items can be analysed as follows:**

The Company 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 Company 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 Company 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:

	2025	2024
	£'000	£'000
Transformational costs ¹	343	718
Transition costs ²	1,490	1,852
Redundancy costs	2,653	202
Total non-underlying items	4,486	2,772

1 Transformational costs comprise payments to consultants involved in strategic initiatives and strategic restructuring costs (2025: £343k and 2024: £718k).

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 CAB, including Executive Directors, was 347 (2024: 364) and the number of employees at year end was 350 (2024: 406). All employees are in the UK.

9. Tax Expense**a) Analysis of tax expense for the year****i. Tax expense**

	2025	2024
	£'000	£'000
Current tax		
Corporation tax based on the taxable profit for the year	5,384	4,432
Adjustment in respect of prior years	432	(271)
	5,816	4,161
Deferred tax		
Origination and reversal of temporary differences	(357)	517
Total tax expense for the year	5,459	4,678
Effective tax %	27%	23%

ii. Amounts recognised directly in other comprehensive income

	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	25	5
Deferred tax charge (Note 21b)	25	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.

	2025	2024
	£'000	£'000
Profit before taxation	19,968	20,069
Standard rate corporation tax of 25% on profit before taxation (see note below) (2024: 25%/)	4,992	5,017
Effect of:		
Fixed asset differences	(212)	(342)
Expenses not deductible for tax	247	274
Adjustment in respect of prior years	432	(271)
Total tax expense for the year	5,459	4,678

The total amount of tax paid by the company during the year is £4,687k (2024: £4,678k)

10. Cash and Balances at Central Banks

	2025	2024
	£'000	£'000
Cash and balances at central banks ¹	257,867	584,679

¹ All cash and balances at central banks are allocated as such on the 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 £nil (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.

Refer to Note 31 on Credit risk for further details on impairment loss allowance.

11. Money Market Funds

	2025	2024
	£'000	£'000
Open Ended Investment Companies		
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
Morgan Stanley Euro Liquidity Fund	–	25,747
BlackRock ICS US Treasury Fund Class Premier Distributing USD	–	39,904
JP Morgan - EUR Liquidity LVNAV Capital Dist	21,875	–
	218,157	488,197
Component of Money Market Funds included in the 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 criterion set out in IFRS 9. The funds are all rated AAA (in 2024 and 2025) based on a basket of credit ratings agencies, all approved by the Financial Conduct Authority.

Refer to Note 37 on fair value measurements for further details.

12. Loans and Advances

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

	2025	2024
	£'000	£'000
Loans and advances (gross)		
Loans and advances on demand to banks	127,055	184,686
Other loans and advances to banks	274,994	180,126
Other loans and advances to non-banks	21,704	32,835
Total	423,753	397,647
Less: Impairment loss allowance		
Loans and advances on demand to banks	(20)	(3)
Other loans and advances to banks	(38)	(31)
Other loans and advances to non-banks	(183)	(271)
Total	(241)	(305)
Net Loans and advances on demand to banks	127,035	184,683
Net Other loans and advances to banks	274,956	180,095
Net Other loans and advances to non-banks	21,521	32,564
Net loans and advances	423,512	397,342
Component of loans and advances included in the statement of cash flows under:		
Cash and cash equivalents	127,035	184,683
Total	127,035	184,683

12. Loans and Advances *continued***a) Collateral management**

CAB's other loans and advances to banks include £5,201k of encumbered assets (2024: £411k) relating to collateral for derivative contracts with other financial institutions, comprising £4,830k of cash collateral and £371k relating to other balances, all of which are 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, CAB 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..

Refer to Note 31 on Credit Risk for further details on impairment loss allowance.

13. 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 Company. Notional principal amounts are the amounts of principal underlying the contract at the reporting date.

	2025			2024		
	Notional principal £'000	Assets £'000	Liabilities £'000	Notional principal £'000	Assets £'000	Liabilities £'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 derivatives assets and derivative liabilities

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

13. Derivative Financial Instruments *continued*

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	411	280

¹ Collateral management

The Bank 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 Bank 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 Company had posted cash collateral of £4,830k (included in Loans and Advances) and held cash collateral of £nil (included in Customer Deposits) in relation to derivatives.

Foreign exchange derivatives held for economic hedging

The Bank 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 Bank 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 £5,416k). 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 Bank 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:

	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)	–	–	–

13. Derivative Financial Instruments *continued***Fair value hedges**

The Bank 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 an interest rate swap since October 2025. The objective is to hedge the interest rate sensitivity of these customer deposits to changes in interest rates. In this swap, the Bank 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 Bank held the following interest rate swaps as hedging instruments in fair value hedges of interest rate risk.

Hedging instruments and ineffectiveness

	2025			Changes in fair value use to calculate hedge ineffectiveness ²	Ineffectiveness portion recognised in profit or loss
	Notional principal	Assets	Liabilities		
	£'000	£'000	£'000		
Interest rate hedging¹					
Interest rate swaps – customer accounts	259,644	92	(480)	(16)	(16)
Total at year end	259,644	92	(480)	(16)	(16)

	2024			Changes in fair value use to calculate hedge ineffectiveness ²	Ineffectiveness recognised in profit or loss
	Notional principal	Assets	Liabilities		
	£'000	£'000	£'000		
Interest rate hedging¹					
Interest rate swaps – customer accounts	–	–	–	–	–
Total at year end	–	–	–	–	–

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.

13. Derivative Financial Instruments *continued***Hedged items in fair value hedges**

	Carrying Amount		Accumulated amount of fair value hedge adjustments included in carrying amount		Changes in the value used for the calculating hedge ineffectiveness ¹	Cumulative balance of fair value adjustments from de-designated hedge relationships ²
	Assets	Liabilities	Assets	Liabilities		
	£'000	£'000	£'000	£'000		
2025						
Customer accounts						
Total as at 31 December 2025	–	259,164	92	(480)	(16)	–
2024						
Customer accounts						
Total as at 31 December 2024	–	–	–	–	–	–

1 This represents a gain/(loss) change in fair value used for calculating hedge ineffectiveness

2 This represents a credit/(debit) to the balance sheet value

Income statement impact of fair value hedges

	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 (Note 5)		
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 Bank 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 Bank 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.

13. Derivative Financial Instruments *continued***Hedging instruments and ineffectiveness**

	Notional principal	Assets	Liabilities	Changes in fair value use to calculate hedge ineffectiveness ¹	Loss recognised in OCI	Ineffectiveness recognised in profit or loss	Amount reclassified from reserves to income
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2025							
Interest rate swaps	127,800	42	(286)	–	(244)	(24)	(24)
2024							
Interest rate swaps	–	–	–	–	–	–	–

¹ This represents a gain/(loss) change in fair value used for calculating hedge ineffectiveness.

Hedged items in cash flow hedges

	2025			2024		
	Change in fair value used for calculating hedge ineffectiveness ¹	Cash flow hedge reserve	Cumulative balance in the cash flow hedge reserve from de-designated hedge	Change in fair value used for calculating hedge ineffectiveness ¹	Cash flow hedge reserve	Cumulative balance in the cash flow hedge reserve from de-designated hedge
	£'000	£'000	£'000	£'000	£'000	£'000
Cash and balances at central banks	(24)	(244)	–	–	–	–
Total at 31 December	(24)	(244)	–	–	–	–

Impact of cash flow hedges on profit and loss

	2025	2024
	£'000	£'000
Net loss on financial assets and financial liabilities mandatorily held at fair value through profit or loss		
Ineffective portion loss	(24)	–
Interest income		
Interest income from the interest rate swaps	53	–
Interest expense from the interest rate swaps	(104)	–

13. Derivative Financial Instruments *continued*

Impact of cash flow hedges on profit and loss and other comprehensive income

	2025 £'000	2024 £'000
Cash flow hedge reserve balance as at 1 January	–	–
Loss recognised in other comprehensive income on effective portion of changes in fair value of hedging instruments	(244)	–
Cash flow hedge reserve balance as at 31 December	(244)	–

Maturity of hedging instruments

	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 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 ratio	99.87 %	–	–	–	–	–	–	–

14. Investment in Debt Securities at Amortised Costs

CAB's investment in debt securities 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.

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

The amortised cost carrying amount approximates its fair value based on market prices. Refer to Note 37 for fair value measurements.

a) Sale of GBP Capital sub-portfolio

CAB 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, CAB 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 from disposal amounting to £660k (2024: £nil) was recognised in the statement of profit or loss. The amount is immaterial and has therefore not been presented separately on the face of the statement of profit or loss.

Refer to Note 31 on Credit risk for further details on impairment loss allowance.

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

CAB 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.

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

Refer to Note 37 on fair value measurements for further details.

16. Other Assets and Unsettled Transactions

A. Other assets

	2025	2024
	£'000	£'000
Financial assets:		
Balances with mobile network operators ¹	60	196
Staff loans	378	349
Amounts due from group companies	19,184	21,691
Transactions debited by third party Nostro provider ²	10	566
Other assets	2,118	779
Less: impairment loss	(38)	(92)
Total	21,712	23,489
Non-financial assets:		
VAT refund	1,482	2,465
Prepayments	3,629	3,363
Deferred tax	248	35
Total	5,359	5,863
Total other assets	27,071	29,352

¹ Balances with mobile network operators ("MNO"s) are due to CAB in respect of mobile money transfer. CAB 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 third party nostro providers at year end and funds paid for 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.

16. Other Assets and Unsettled Transactions *continued***B. Unsettled transactions**

	2025	2024
	£'000	£'000
Unsettled transactions	8,902	10,870
Less: impairment loss	(2)	(4)
Unsettled transactions ³	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 are settled early in the following year.

***Prior period reclassification in other assets**

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

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

	As previously reported	Adjustment	Reclassified
For the year ended 31 December 2024	£'000	£'000	£'000
Total non-financial assets:	15,249	(9,386)	5,863
Total other assets	38,738	(9,386)	29,352
Other assets	38,738	(9,386)	29,352
Current tax asset	–	(9,386)	9,386

B. Unsettled transactions

	2025	2024
	£'000	£'000
Unsettled transactions	8,902	10,870
Less: impairment loss	(2)	(4)
Unsettled transactions ³	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 are settled early in the following year.

17. Investments in Subsidiary Undertakings

Investments in subsidiary undertakings were as follows:

	2025	2024
	£'000	£'000
Reconciliation		
At 1 January	1,899	630
Additions	2,577	1,269
Impairments	–	–
At 31 December	4,476	1,899
Analysed as:		
CAB Europe B.V	2,163	1,899
Crown Agents Global Markets	2,313	–
	4,476	1,899

Management performed an impairment assessment on the carrying amount of the investments in subsidiaries at year-end. The calculation for the value in use of the subsidiaries and the assessment of key assumptions and related sensitivity analysis provided in Note 20 are relevant when considering the impairment review of the investment in subsidiary undertakings where the net asset value of the subsidiary is lower than the investment in subsidiary balance.

The value in use exceeds the carrying amount of the net asset value of the subsidiaries and the investment in subsidiary undertakings carrying amounts, therefore no impairment has been recognised at year-end for both subsidiary undertakings (2024: nil).

18. Property, Plant and Equipment

	Leasehold improvements ¹	Computer equipment	Fixtures & fittings ²	Total
2025	£'000	£'000	£'000	£'000
Cost				
At 1 January 2025	2,694	3,982	534	7,210
Additions	22	119	–	141
Fully depreciated asset write off	(1,506)	(1,322)	(411)	(3,239)
At 31 December 2025	1,210	2,779	123	4,112
Accumulated depreciation and impairment				
At 1 January 2025	1,778	2,308	445	4,531
Charge to profit or loss	106	508	18	632
Fully depreciated asset write off	(1,506)	(1,322)	(411)	(3,239)
At 31 December 2025	378	1,494	52	1,924
Net book value				
As 1 January 2025	916	1,674	89	2,679
At 31 December 2025	832	1,285	71	2,188

¹ Includes office fit out costs reclassified from Fixtures and fittings.

² Includes artwork.

	Leasehold improvements ¹	Computer equipment	Fixtures & fittings ²	Total
2024	£'000	£'000	£'000	£'000
Cost				
At 1 January 2024	122	2,772	2,272	5,166
Additions	947	1,356	31	2,334
Disposals	(131)	(146)	(13)	(290)
Reclassification ¹	1,756	–	(1,756)	–
At 31 December 2024	2,694	3,982	534	7,210
Accumulated depreciation				
At 1 January 2024	112	1,902	1,975	3,989
Charge to profit or loss	248	495	19	762
Disposals	(126)	(89)	(5)	(220)
Reclassification ¹	1,544	–	(1,544)	–
At 31 December 2024	1,778	2,308	445	4,531
Net book value				
At 1 January 2024	10	870	297	1,177
At 31 December 2024	916	1,674	89	2,679

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 statement of profit or loss, statement of financial position and equity.

² Includes artwork.

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

19. Leases (CAB as a Lessee)

CAB has recognised a right of use asset ("ROU") and lease liabilities for its property leases which are for an average lease term of five-year and ten-month period. The discount rate is used as the incremental borrowing rate ("IBR") for the existing lease with an IBR in the range of 5.33% –7.06% (2024: 5.33% – 7.06%).

CAB makes fixed payments on a quarterly basis, in advance, to the lessors for the use of the properties and there are no variable payments. The property leases have a lease incentive, 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 non-service components which are not included in the ROU and have been expensed in 'Other operating expenses' line item in Note 8. These expenses amount to £923k (2024: £860k).

The dilapidation provision as at 31 December 2025 amounted to £2,017k (2024: £1,885k) with £133k interest recognised in the statement in 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.

CAB leases of low value fixtures and equipment are expensed in 'Other operating expenses' line item in Note 8 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 within the lease agreements by the lessors.

The lease interest payments charged as an expense for the year totalled £1,339k (2024: £792k).

There were no leases entered into but which had not commenced as at the year-end.

a) Right of use assets

All CAB's ROU assets are non-current assets. A reconciliation of CAB's ROU assets as at 31 December 2025 and 31 December 2024 are shown below:

	Leasehold property ¹ £'000
Cost	
As 1 January 2025	18,065
At 31 December 2025	18,065
Accumulated depreciation	
As 1 January 2025	1,235
Charge to profit or loss ¹	1,853
At 31 December 2025	3,088
Net book value	
At 31 December 2025	14,977
Cost	
At 1 January 2024	1,760
Additions	18,065
Lease assignment	(695)
As 31 December 2024	19,130
Accumulated depreciation	
At 1 January 2024	1,071
Charge to profit or loss ¹	1,482
Lease assignment	(253)
At 31 December 2024	2,300
Net book value	
As 31 December 2024	16,830

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 20 for further details on impairment.

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

b) Lease liabilities

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

	Leasehold property £'000
Lease liabilities as at 1 January 2025	17,076
Add: interest on lease liabilities	1,205
At 31 December 2025	18,281
Lease liabilities as at 1 January 2024	884
Additions during the year	16,317
Payments during the year	(290)
Lease assignment	(627)
Add: interest on lease liabilities	792
At 31 December 2024	17,076

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

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

	2025 £'000	2024 £'000
Non-current	16,457	15,870
Current	1,824	1,206
Lease liabilities	18,281	17,076

The maturity analysis of lease liabilities is disclosed in Note 30.

c) Impact on the profit and loss

The following are the amounts recognised in profit or loss:

	2025 £'000	2024 £'000
Depreciation expense of right-of-use assets (Note 8)	1,853	1,482
Interest expense on lease liabilities (Note 3)	1,339	792
- Interest expense on leases liabilities	1,205	708
- Interest expense on dilapidation provision	134	84
Impact of lease assignment	-	(21)
Expense relating to leases of low-value assets (Note 7)	88	59
Total amount recognised in profit or loss	3,280	2,312

CAB had total cash outflows for all leases of £28k (2024: £290k).

20. Intangible Assets

	Brand/name	Core accounting software	Other software	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2025	1,464	5,922	45,275	52,661
Additions	55	198	7,530	7,783
Impairments	–	(76)	–	(76)
Fully amortised asset write off	–	–	(1,964)	(1,964)
At 31 December 2025	1,519	6,044	50,841	58,404
Accumulated amortisation and impairment				
At 1 January 2025	217	4,557	23,489	28,263
Charged for the year	47	696	7,522	8,265
Fully amortised asset write off	–	–	(1,964)	(1,964)
At 31 December 2025	264	5,253	29,047	34,564
Net book value				
At 1 January 2025	1,247	1,365	21,786	24,398
At 31 December 2025	1,255	791	21,794	23,840

	Brand/name	Core accounting software	Other software	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2024	1,464	5,383	33,673	40,520
Additions	–	855	11,286	12,141
Reclassification of software from core to non-core	–	(316)	316	–
At 31 December 2024	1,464	5,922	45,275	52,661
Accumulated amortisation				
At 1 January 2024	168	4,313	16,955	21,436
Charged for the year	49	438	6,340	6,827
Reclassification of software from core to non-core	–	(194)	194	–
At 31 December 2024	217	4,557	23,489	28,263
Net book value				
At 1 January 2024	1,296	1,070	16,718	19,084
At 31 December 2024	1,247	1,365	21,786	24,398

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 CAB are expensed. Software expensed in the period amounts to £5,006k (2024: £3,583k).

Internally generated assets include payment-related software that is created and utilised in CAB's operation. Internally generated intangible assets are disclosed within Other software and amounts to £15,255k (2024: £10,271k).

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 £'000	Remaining Useful life	Carrying amount £'000	Remaining 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 have finite lives - see Note 1 for accounting policies on the amortisation method and useful lives.

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

Impairment assessment

CAB tests intangible assets annually for impairment, or more frequently if there are indicators that the assets may be impaired. During the period, the market capitalisation of CAB Payments, the listed holding company, was below its net asset value and was therefore assessed as a potential impairment indicator. In accordance with IAS 36, an impairment assessment was performed.

The value in use that has been used for the impairment assessment of Intangible Assets also applies to PPE (Note 18), ROU Assets (Note 19), and the parent's Investments in Subsidiary Undertakings (Note 17).

Value in use

The Directors treat the business as a single cash-generating unit for the purposes of testing intangible assets for impairment. The recoverable amount of intangible assets was calculated by reference to the business estimated value-in-use. The inputs and assumptions used in the calculation of the value in use at year-end were assessed as reasonable and appropriate for the purposes of year-end financial reporting, because there were no significant changes impacting the business negatively. Therefore, no impairment charge was taken during the period.

The Directors treat the business as a single cash-generating unit for the purposes of testing intangible assets for impairment. 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:

CAB 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 CGU are the cash flows projections based on the Corporate Plan approved by the Board covering a three-year period ending 31 December 2028. The forecasts are compared with actual performance and verifiable economic data and they reflect management's view of future business prospects at the time of the assessment.

(iii) Terminal growth rate

The terminal growth rate has remained at 2% being an industry realistic benchmark based on the UK's long term inflation rate target.

(iv) Sensitivity analysis of key assumptions in calculating value in use

CAB 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 intangible assets, PPE, Right of Use asset and investment in subsidiaries are allocated. CAB 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 CGUs.

21. Deferred Tax

a) Deferred tax liability

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

	2025	2024
	£'000	£'000
Deferred tax liability	928	1,217

	Property, plant and equipment	Investment in equity	Intangible assets	Total
Deferred tax liability 2025				
At 1 January 2025¹	118	41	1,058	1,217
Charge/(Credit) to profit and loss 2025	(204)	–	(110)	(314)
Charge to other comprehensive income 2025	–	25	–	25
At 31 December 2025	(86)	66	948	928
Deferred tax liability/(asset) 2025				
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 2024¹	118	41	1,058	1,217

¹ The amounts in this table in respect of the prior period have been updated to show deferred tax assets as well as liabilities. The opening position for liabilities only at 1 Jan 2025 was £1,217.

The deferred tax liability can be further analysed as follows:

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

b) Deferred tax recognised in the year

	2025	2024
	£'000	£'000
Accelerated tax depreciation on property, plant and equipment	(204)	3
Intangible assets	(110)	514
Expected credit loss provision	5	–
Share based payments	(48)	–
Total tax expense/(credit) to profit or loss	(357)	517
Charged to other comprehensive income:		
Deferred tax expense on investment on equity securities	25	5
Total deferred tax charge/(credit) for the year	(332)	522

c) Unrecognised deferred tax assets and deferred tax liability

At the reporting date, CAB had £nil (2024: £nil) unused tax losses available for offset against future profits.

22. Customer Accounts

	2025	2024
	£'000	£'000
Repayable on demand	688,916	674,220
Other customers' accounts with agreed maturity dates or periods of notice by residual maturity repayable:		
3 months or less	710,873	852,062
1 year or less but over 3 months	41,308	63,199
	1,441,097	1,589,481

Customer accounts are deposits that customers hold with CAB. CAB is transaction led and does not borrow to finance lending. A substantial proportion of customer accounts are current 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 CAB in respect of the Other loans and advances to bank and off balance sheet assets including financial guarantees and letters of credit noted Note 24. These are not restricted cash and are available for use.

23. Other Liabilities, Unsettled Transactions and Accruals

A. Other liabilities

	2025	2024
	£'000	£'000
Financial liabilities		
Trade creditors	243	831
Funds received in advance	2,407	891
Transactions credited by third party nostro providers ¹	99	1,437
Amounts due to group companies	1,996	6,950
Other Liabilities	247	33
	4,992	10,142
Non-financial liabilities		
Payroll related tax liabilities	1,372	1,944
Deferred income ²	361	732
	1,733	2,676
Total other liabilities	6,725	12,818

¹ These balances represent amounts that are credited incorrectly by third party nostro providers at year-end.

² Deferred income relates to payments that are received from customers before the services are provided to customers.

B. Unsettled transactions

	2025	2024
	£'000	£'000
Unsettled transactions ³	20,772	35,173

³ Unsettled transactions result from foreign exchange 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 shortly after the balance sheet date.

C. Accruals

	2025	2024
	£'000	£'000
Accruals ⁴	13,529	9,160

⁴ Accruals comprise the payroll related accruals amounting to £7.2m and various other individual expenses which have not yet been invoiced for goods received or services provided, e.g. audit fees, bank charges, professional fees, and payroll accruals.

24. Provisions

	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 (Note 31)	37	65
Dilapidation provision for the London Bridge Lease (Note 19) 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. CAB provides financial guarantees to multiple counterparties. Please refer to Note 31 for the maximum exposure of financial guarantee contracts. CAB received premiums of £58k (2024: £4k).

(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. CAB confirms the letters of credits issued by an issuing bank and charged fixed fees which are received either in advance or at a later date. CAB provides these acceptances to multiple counterparties. Refer to Note 31 for the maximum exposure of letter of credit confirmations / bill acceptances. CAB received premiums of £826k (2024: £984k).

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 CAB in respect of the assets underlying the financial guarantees and letter of credits noted above. This cash is not restricted and is available for use by CAB.

(iii) Working Capital facilities – undrawn commitments

Working Capital is a credit facility offered by CAB to its clients. CAB charges a facility fee for provision of each facility when drawn down. During the year CAB provides this facility to multiple counterparties. Refer to Note 31 for the maximum exposure of Working capital commitments. CAB received facility fees of £nil (2024: £40k).

25. Called up Share Capital

	2025	2024
	£'000	£'000
Authorised, allotted, issued, and fully paid (£1 Ordinary shares)		
As at 1 January	41,200	41,200
New capital	–	–
As at 31 December	41,200	41,200

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends or the repayment of capital.

26. Retained Earnings

	2025
	£'000
Balance at beginning of year	109,264
Profit for the year	14,509
Share-based payment expense	620
Deferred tax on share based payment expense	170
Balance at end of year	124,563
	2024
	£'000
Balance at beginning of year	92,885
Profit for the year	15,391
Share-based payment expense (Note 27)	988
Balance at end of year	109,264

There were no dividends declared and paid in 2025 (2024: £nil).

27. Share-Based Payments

CAB operates a number of employee equity-settled schemes as part of its strategy. 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 (share-based payment reserve), over the period in which the service and the performance conditions are fulfilled (the vesting period). Movements in the statement of profit or loss and other comprehensive income during the year for all schemes were as follows:

	2025	2024
	£'000	£'000
Share-based payments expenses recognised in statement of profit or loss and other comprehensive income		
Share-based scheme 1 - 2023 LTIP Scheme (Note 27a)	213	660
Share-based scheme 2 - 2024 LTIP Scheme (Note 27b)	164	162
Share based scheme 3 - 2025 LTIP Scheme (Note 27c)	190	–
Share-based scheme 4 - Free Share scheme ¹	53	166
Expense arising from equity settled share-based payment transactions	620	988

¹ During the year, a free share scheme granted to certain employees in prior periods vested. The financial impact of the vesting, including the related share-based payment expense, was assessed as immaterial to the financial statements and therefore no additional disclosures have been provided.

a) Share-based scheme 1 - 2023 LTIP Scheme

Description and vesting requirements

The 2023 LTIP awards are share awards subject to service and performance conditions and were granted to incentivise senior management on 11 July 2023. The vesting conditions were subject to performance measures relating to relative total shareholder return (market condition) and earnings per share (non-market condition). Each measure is assessed independently over the vesting period. The 2023 LTIP awards have an individual conduct gateway requirement that results in the award lapsing if not met. The scheme includes a clawback condition for a minimum period of three years which is assessed as reasonable time per the scheme rules.

The 2023 LTIP award movements for the year to 31 December 2025 is as follows:

	Two-year awards		Three-year awards	
	Holding period	Non-holding period	Holding period	Non-holding period
Share-based payments scheme 1	Number of awards			
Outstanding at 1 January 2025	481,172	668,744	878,387	660,932
Granted during the year	-	-	-	-
Released during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Forfeited during the year	(481,172)	(668,744)	(211,282)	(116,156)
Lapsed during the year	-	-	-	-
Outstanding at 31 December 2025	-	-	667,105	544,776
Vested and exercisable at 31 December 2025	-	-	-	-
Outstanding at 1 January 2024	629,851	758,463	1,106,713	758,451
Granted during the year	-	-	-	-
Released during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Forfeited during the year	(148,679)	(89,719)	(228,326)	(97,519)
Outstanding at 31 December 2024	481,172	668,744	878,387	660,932
Vested and exercisable at 31 December 2024	-	-	-	-

Modification of the 2023 LTIP Scheme

On 4 June 2024, the Remuneration Committee resolved to amend the performance conditions by (i) withdrawing the TSR condition and (ii) reducing the EPS metrics, applicable to all outstanding awards other than those to Executive Directors which remained unchanged.

In line with requirements of IFRS 2:26-27, this change has been accounted for as a modification of the scheme. The incremental fair value, as a result of the modification, was measured as the difference between the fair value before and after the modification date. The impact of the modification was £nil.

Inputs to the model

The calculation of the 2023 LTIP expense takes into account the following key inputs at grant date and modification date:

	Key inputs at grant date		Key inputs at modification date	
	Two year awards	Three year awards	Two year awards	Three year awards
Grant date	11 July 2023	11 July 2023	n/a	n/a
Modification date	n/a	n/a	4 June 2024	4 June 2024
Share price at grant date (£)	£3.10	£3.10	n/a	n/a
Share price at modification date (£)	n/a	n/a	£1.52	£1.52
Actual leavers	34,029	34,029	–	–
Vesting period	11 July 2025	11 July 2026	11 July 2025	11 July 2026
Earnings per share minimum level	Minimum 25.5p	Minimum 33.4p	Minimum 13.9p	Minimum 16.7p
Total shareholder return discount	45%	39%		
Holding period discount	8%	9%	8%	9%
Leavers lapse provision (holding/non-holding period)	0%/22%	0%/31%	0%/12%	0%/21%
Clawback condition – effect on valuation	0%	0%	0%	0%
Model used	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo

The incremental expense at the modification date was recognised in the statement of profit or loss and other comprehensive income over the vesting period of the Scheme. However, this incremental expense in 2024 was reversed at year-end because the non-market condition which was modified was assessed as unachievable and the awards would not vest and the impact of the modification was £nil. The non-market EPS performance conditions have been assessed as unachievable, and the awards are not expected to vest as at 31 December 2025. Accordingly, the EPS related share-based payment expense for the year is £nil.

b) Share-based scheme 2 – 2024 LTIP Scheme

Description and vesting requirements

The 2024 Long Term Incentive Plan awards are share awards subject to service and performance conditions and were granted to incentivise senior management on 19 June 2024 and 11 November 2024. The vesting conditions are subject to performance measures relating to relative total shareholder return and earnings per share. Each measure is assessed independently over the vesting period. The 2024 LTIP awards have an individual conduct gateway requirement that results in the award lapsing if not met. The scheme includes a clawback condition for a minimum period of three years which is assessed as reasonable time per the scheme rules

The 2024 LTIP award movements for the year to 31 December 2025 were as follows:

	Senior Management		Executive Directors
	Holding period	Non-holding period	Holding period
	Number of awards		
Outstanding at 1 January 2025	1,067,065	2,329,001	1,448,629
Granted during the year	–	–	–
Released during the year	–	–	–
Cancelled during the year	–	–	–
Forfeited during the year	–	(582,055)	(420,739)
Outstanding at 31 December 2025	1,067,065	1,746,946	1,027,890
Vested and exercisable at 31 December 2025	–	–	–
Outstanding at 1 January 2024	–	–	–
Granted during the year	1,838,117	2,329,001	1,448,629
Released during the year	–	–	–
Cancelled during the year	–	–	–
Forfeited during the year	(771,052)	–	–
Outstanding at 31 December 2024	1,067,065	2,329,001	1,448,629
Vested and exercisable at 31 December 2024	–	–	–

Inputs to the models

The calculation of the 2024 LTIP expense takes into account the following key inputs:

	Key inputs		
	Senior Management	Senior Management	Executive Directors
Grant date	19 June 2024	11 November 2024	11 November 2024
Share price at grant date (£)	1.244	0.75	0.75
Actual leavers	771,052	–	–
Vesting period	'April 2027	'April 2027	'November 2027
Minimum earnings per share	14.2p	14.2p	14.2p
Total shareholder return discount	37%	26%	26%
Holding period discount	9%	18%	18%
Leavers lapse provision (holding/non-holding period)	0%/31%	0%/25%	0%/n/a
Clawback condition – effect on valuation	–%	–%	–%
Model used	Monte Carlo	Monte Carlo	Monte Carlo

The resulting value is expensed to the statement of profit and loss and other comprehensive income over the vesting period in line with the vesting of the interests concerned.

The non-market EPS performance conditions have been assessed as unachievable, and the awards are not expected to vest as at 31 December 2025. Accordingly, the EPS related share-based payment expense for the year is £nil.

c) Share-based scheme 3 – 2025 LTIP Scheme**Description and vesting requirements**

The 2025 Long Term Incentive Plan awards are share awards subject to service and performance conditions and were granted to incentivise senior management on 02 April 2025. An additional tranche was awarded including a cash award on 2 September 2025 to certain employees. The vesting conditions are subject to performance measures relating to EPS, Cost-Income ratio and Adjusted EBITDA per average full time employees for the April 2025 awards and the Adjusted Profit after Tax for the September 2025.

Each measure is assessed independently over the vesting period. The 2025 LTIP awards have an individual conduct gateway requirement that results in the award lapsing if not met. The scheme includes a clawback condition for a minimum period of three years which is assessed as reasonable time per the scheme rules.

The 2025 LTIP award movements for the year to 31 December 2025 were as follows:

	Number of LTIP Awards	
	April	September
Outstanding at 1 January 2025	–	–
Granted during the year	8,793,880	6,209,818
Released during the year	–	–
Cancelled during the year	–	–
Forfeited during the year	–	(417,907)
Outstanding at 31 December 2025	8,793,880	5,791,911
Vested and exercisable at 31 December 2025	–	–

Inputs to the models

The calculation of the 2025 LTIP expense takes into account the following key inputs:

	Key Inputs	
Grant date	2 April 2025	2 September 2025
Vesting date	3 April 2028	Cash Award - 2 March 2026 Share Award - 3 April 2028
Share price at grant date (£)	44.15 pence	50.4 pence
Actual leavers	–%	–%
Vesting period	36 months	Cash Award - 6 months Share Award - 31 months
Minimum earnings per share	15 pence	n/a
Minimum cost-income ratio	75%	n/a
Minimum Adjusted EBITDA per average FTE	£135k	n/a
Minimum Adjusted profit after tax	n/a	£19.3m
Holding period discount	20%	n/a
Leavers lapse provision	19%	Cash Award - 0% Share Award - 17.4%
Clawback condition – effect on valuation	Nil	Nil
Model used	Finnerty Model	n/a

The resulting value is expensed to the statement of profit and loss and other comprehensive income over the vesting period in line with the vesting of the interests concerned.

Note: The non-market performance condition (Adjusted Profit After Tax) for the September 2025 LTIP and cash awards has been assessed as unachievable. Consequently, the awards are not expected to vest, and no share-based payment expense has been recognised for the period.

28. Notes to the Statement of Cash Flows

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

	2025	2024
	£'000	£'000
Profit before taxation	19,968	20,069
Adjusted for non-cash items:		
Amortisation	8,265	6,827
Depreciation		
– Right of use of assets	1,853	1,482
– Property, plant and equipment	632	762
Share-based payment charge	620	988
Effective interest rates	–	(89)
(Profit)/loss on write-off of:		
– Property, plant and equipment	–	70
– Right Of Use Asset	–	(184)
Interest accrued on lease liabilities	1,205	792
Impairment of intangible assets	76	–
Intangible assets accrued	(1,005)	–
Property, plant and equipment accrued	(33)	–
Effect of currency exchange rate change	(408)	(1,301)
Net movement in FX derivatives	(23,865)	–
Effect of other non-monetary transactions	(196)	–
	7,112	29,416
Changes in working capital:		
Net increase in loans and advances to banks other than on demand	(100,743)	(44,361)
Net (decrease)/increase in customer accounts	(71,543)	28,372
Net (increase)/decrease in investment in debt securities	(441,578)	107,553
Net decrease/(increase) in other loans and advances to non-banks	5,951	(23,999)
Net (increase)/decrease in unsettled transactions	(12,435)	12,643
Investments in subsidiaries	–	(1,269)
Net decrease in other assets	2,828	3,642
Net decrease in other liabilities	(6,882)	(4,954)
Net (increase)/decrease in accrued income	(1,108)	292
Net decrease/(increase) in accruals	4,369	(8,155)
Net cash (outflow)/generated from operating activities¹	(614,029)	99,180

¹ Cash flows from operating activities include interest received of £53,860k (2024: £59,556k) and interest paid of £31,673k (2024: £47,146k).

B. Non-cash transactions

Non-cash transactions from investing activities for CAB during the year include acquisition of right of use assets amounting to £nil (2024: £18,065k).

C. Changes in liabilities arising from financing activities

CAB's changes in lease liabilities are in Note 19. There are no other changes in liabilities from financing activities.

29. Related Parties

Controlling parties

The immediate parent of CAB is CAB Payments Holdings plc (following the liquidation of previous parent company, Cab Tech Holdco Limited, during the year), is the only group to consolidate these financial statements as at 31 December 2025 and 31 December 2024. No company is required to consolidate CAB Payments Holdings plc financial statements this year (2024: no company consolidated CAB Payments Holdings plc). Copies of the financial statements of CAB Payments Holdings plc may be obtained from 3 London Bridge Road, SE1 9SG London, England. Unless otherwise stated, the share capital across all entities in the table below consists solely of ordinary shares and the proportion of ownership held equals the voting rights held by the parent.

Related entities

	Principal activity/ business	Country of incorporation and principal place of business	Registered Offices
Crown Agents Global Markets LTD	Payments	United Arab Emirates	2462 Register 08, Level 24, Al Sila Tower, Abu Dhabi, Global Market Square, Abu Dhabi, Al Maryah Island, UAE
CAB Europe BV (direct subsidiary)	Payments	Netherlands	Gustav Mahlerplein 2, 1082MA, Amsterdam, Netherlands
Stichting CAB Payments Europe (indirect subsidiary) ¹	Trust company	Netherlands	Gustav Mahlerplein 2, 1082MA Amsterdam, Netherlands
Entities under common control			
CAB US Inc	Fintech	US	One Rockefeller Plaza, 10th Floor, New York, NY 10020, US
Segovia Technology International Ltd	Holding Company	Cayman Islands	Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands
Segovia Technology Côte d'Ivoire SARL	Dormant	Ivory Coast	01 BP 5754 Abidjan 01, Côte d'Ivoire
Segovia Technology Kenya Limited	Dormant	Kenya	ICEA Lion Centre, Chiromo Road, Westlands, P.O. Box 10643-00100, Nairobi, Kenya
Segovia Technology 454 Limited ^{1/2}	Dormant	Malawi	P.O. Box 3028, Blantyre, Malawi
Segovia Technology Nigeria Limited ^{1/2}	Dormant	Nigeria	2 Obuasi Close, Off Monrovia Street, Wuse II, Abuja, Federal Capital Territory, Nigeria.
Segovia Technology Rwanda Corporation Limited ^{1/2}	Dormant	Rwanda	Nyarugenge, P.O. Box 6571, Kigali, Rwanda
Segovia Technology Tanzania Company Limited ^{1/2}	Dormant	Tanzania	Plot No. 18, Rukwa Street, Masaki, P.O. Box 38192, Dar es Salaam, Tanzania
Segovia Technology Company Uganda Limited ^{1/2}	Dormant	Uganda	C/O ENSafrica Advocates 4th Floor Rwenzori Towers Plot 6 Nakasero Road, P. O. Box 24665, Kampala, Uganda

¹ Wholly owned subsidiary

² Entity in process of dissolution

b) Balances with other related parties

As at the year end, CAB had intercompany balances which are presented within other assets and other liabilities with a number of related entities as follows:

	2025	2024
	£'000	£'000
CAB Payments Holdings plc	14,174	17,948
CAB Tech HoldCo Limited	–	(6,131)
CAB US Inc (formerly Segovia Technology Company)	2,382	2,554
Segovia Technology International Ltd	(90)	(71)
CAB Global Markets	757	–
Segovia Technology Cote d'Ivoire	(13)	(13)
Segovia Technology (Kenya) Co	100	186
Segovia Technology 454 Ltd (Malawi)	356	367
Segovia Technology Rwanda Corp Ltd	127	332
Segovia Technology (Tanzania) Co	(287)	(312)
Segovia Technology (Uganda) Co.Ltd	(717)	(422)
CAB Europe BV	379	296
Stichting CAB Payments Europe	20	7
	17,188	14,741
Total receivable (Note 16)	19,184	21,691
Total payable (Note 23)	(1,996)	(6,950)
	17,188	14,741

CAB held a bank account for its parent company, CAB Payments Holdings Plc with a year-end balance of £249k (2024: £108k) and for CAB Europe with a year-end balance of £1,014k (2024: £881k).

c) Remuneration of key management personnel (including directors)

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

	2025	2024
	£'000	£'000
Short-term employee benefits (including bonuses and NICs Ers)	8,295	4,393
Post-employment benefits	65	141
Share-based payments	365	454
Total remuneration	8,725	4,988

In 2025 no contributions were made by the Company on behalf of Directors to a defined contribution pension scheme. (2024: 45k for 2 directors included in the table above. No retirement benefits accrued for any director (2024: £nil) under a defined benefit pension scheme.

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

29. Related Parties *continued*

The aggregate emoluments (including pension contributions and exit compensation) of CAB's key management personnel (excluding Directors) were £4,957k (2024: £2,591k).

Richard Hallett, former CFO, stepped down from the Board on 10 February 2025. Richard received payments in lieu of notice of £450,000 relating to 12 months' salary and £45,000 relating to 12 months' pension allowance. He received a payment of £57,115 in respect of annual leave. He also received a payment of £35,000 in lieu of benefits, including a contribution towards the cost of specialist careers coaching and advice.

Payments to Former Directors

Bhairav Trivedi, former CEO, worked as Senior Advisor to the Board in 2025 until the termination of his employment on 31 March 2025. In 2025, Bhairav received salary of £168,750, pension contributions of £16,875, medical insurance to the value of £754 and a payment in respect of legal fees of £11,231. Bhairav did not participate in the 2025 Executive Director annual bonus plan. Bhairav was eligible to participate in a separate plan relating to his period as an advisor to the Board, however, he did not receive any bonus in this respect.

Bhairav Trivedi received 1,000 Free Shares under the Share Incentive Plan on 26 March 2024, which vested in March 2025. Bhairav's Free Shares were withdrawn from the Share Incentive Plan and resulted in gross income of £443 to him in May 2025.

Richard Hallett also received 1,000 Free Shares under the Share Incentive Plan on 26 March 2024, which lapsed on termination of his employment in February 2025. No LTIP awards were scheduled to vest for Bhairav Trivedi or Richard Hallett in 2025.

Richard Hallett and Bhairav Trivedi retained their FY23 LTIP awards, pro-rated for their service from grant to vesting of the award, when they ceased their employments as 'Good Leavers'. Their 'Good Leaver' status was based on discretion exercised by the Committee as permitted under the rules of the Crown Agents Bank Long-Term Incentive Plan. Both former Directors' FY23 awards will lapse in full.

d) Expense recharges to CAB Payments Holdings plc

An amount of £14,174k (2024: £17,948k) was receivable (net) from CAB Payments. The amount relates to payments made by CAB on behalf of, or recharged to, CAB Payments.

CAB Payments holds a bank account with CAB and the balance at year-end was £249k (2024: £108k).

e) Other related party transactions

CAB invested in its subsidiaries. Refer to Note 17 for further details. The transfer pricing costs incurred against CAB Europe, CAB US Inc and Crown Agents Global Markets is £3,343k (2024: £3,697k) disclosed in Note 8.

30. Contingent Liabilities and Commitments

a) Contingent liabilities

CAB does not have contingent liabilities at the balance sheet date.

b) Commitments

In 2025, CAB 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 statement of profit or loss over the life of the contract in line with the benefits received.

Further commitments are discussed in Note 19 and Note 24.

31. Credit Risk

Credit Risk is the risk of financial loss arising from a borrower or counterparty's failure or inability to meet their contractual financial obligations to the Bank as they fall due. Credit risk arises inherently from CAB 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. Credit risk is a principal risk, arising from financial assets which are loans and advances on demand to banks, other loans and advances to banks, other loans and advances to non-banks, investment in debt securities, unsettled transactions, accrued income, and other asset exposures. In addition, CAB considers off-balance sheet exposures from financial guarantees, acceptances, confirmations, and Working capital all to be subject to a credit risk. These exposures are managed through robust credit approval processes, ongoing monitoring, and clearly defined risk appetite parameters.

Counterparty credit risk also emerges from CAB'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 using 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, CAB maintains a prudent and diversified credit risk profile, supported by sound governance, regular stress testing, and alignment with CAB overarching risk appetite and capital management framework. Information about the credit risk management policy of CAB is contained in the Strategic Report.

31. Credit Risk *continued***a) Credit risk management**

CAB monitors credit risk per class of financial instrument. CAB recognises expected credit losses on financial assets that are measured at amortised cost which includes 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, unsettled transactions, accrued income, investment in debt securities, other assets, as well as off-balance sheet account (undrawn commitments) such as financial guarantees, letter of acceptances, letter of confirmations and Working Capital.

b) Exposure to credit risk by instrument

The table below outlines the classes identified, as well as the financial statement line item and the note. The related notes contain an analysis of the items included in the financial statement line for each class of financial instrument including how the exposure to credit risk arise. There are no changes to the exposures to risks on these financial instruments and how those exposures to risk arise compared to prior year.

Instrument	Description	Note
Cash and balances at central banks	These are balances with the Bank of England, which has AA-credit rating. Balances are available on demand and are located in the UK.	10
Loans and advances on demand to banks	These are nostro bank accounts that CAB holds with other commercial banks in support of client payment flows.	12
Other loans and advances to banks	Trade Finance loans are short-term working capital loans to banks operating in trade finance markets. They assist buyers and sellers to finance their trade commitments on a transactional basis. The Company receives interest payments in return. Credit Support Annexes ("CSA") Loans represent collateral required from clients through a credit support annexe for initial and variation margin as part of derivative transactions. They are under a collateralised mark to market ("CTM") regime. A CTM model requires the out of the money party to post collateral with an amount equal to the cumulative mark to market value, either with the counterparty or with an exchange. Both initial and variation margin are refundable upon settlement of the derivative and is therefore accounted for as collateral. Discounted Letters of Credit are advanced letter of credit payments that CAB pays to counterparties before the completion of the sales and shipping process. The amount that CAB pays out is discounted by a discounted fee (interest rate) and as such, is lower than the principal expected to be received. They are essentially factoring transactions.	12
Other loans and advances to non-banks	Working capital is a type of overdraft facility where CAB agrees to provide customers with a facility for a set period with specific terms as set out in the Working capital facilities. The customers use the liquidity to undertake foreign exchange business with CAB. A flat facility fee is charged for the provision of services. CAB will lend money to customers solely for the purpose of assisting the customer with its specific liquidity requirements that arise from settlement timelines in its standard payment flows. The rate charged for the amount lent is the greater of (i). a fixed rate (e.g. 9%) or (ii). US Federal rate plus a spread (e.g. US Federal rate plus 1%).	12
Unsettled transactions	Unsettled transactions are unsettled balances resulting from foreign exchange transactions that are delayed due to time differences, public holidays in other countries (where the counterparties are located) or similar operational reasons. The balances are short-term (typically less than four days).	16

31. Credit Risk *continued*

Instrument	Description	Note
Investment in Debt Securities at amortised cost and debt securities measured at FVTOCI	<p>Fixed rate bonds (US Treasury bills) are US Treasury bills issued by the US government which offer a fixed rate of interest for a set period of time.</p> <p>Fixed rate bonds (other) are other fixed rate bonds issued by companies or G20 governments which offer a fixed rate of interest for a set period of time.</p> <p>Floating rate notes are investments in debt securities that pay a coupon determined by a reference rate which resets periodically. As such, the interest received is not fixed.</p> <p>Certificates of deposit ("CD"s) are Investments in debt securities that pay fixed interest for a fixed period of time. Unlike bonds, CDs are usually not tradable in a secondary market.</p>	14 and 15
Other assets	<p>Balances with mobile network operators are the payments from mobile network operators ("MNO"s) that are due to CAB in respect of mobile money accounts. In certain African countries, mobile money accounts are widely used, this service allows users to deposit money into an account stored on their mobile phones and to then send balances using a PIN-secured SMS text message to other users.</p> <p>One of the services that CAB provides is the transfer of funds by clients to beneficiaries via a mobile phone. Typically, a client will deposit funds in CAB's controlled bank account. These funds are then transferred to an account held with a MNO. Clients submit a request for a payment to be made on the Payment Gateway. On receipt of the request, funds are remitted from the account held with the MNOs to the beneficiary with CAB simultaneously deducting a fee. MNOs therefore provide CAB with the equivalent of a bank account.</p>	16
Accrued income	Accrued income is money owed to CAB for services rendered or provided that have not yet been invoiced. The balance arises from several components such as management fees, pension fee accruals, and other revenues.	
Off-balance sheet accounts	<p>These include trade finance guarantees, letter of acceptances and confirmation that are contingent liabilities and so require documented levels of performance to be achieved for settlement. Typically, CAB's counterparty is another bank and ordinarily the contract has a maximum tenor of six months.</p> <p>They also include the undrawn portion of Working capital facilities. These Working capital facilities are repayable on demand. Counterparties are able to draw down the facility up to agreed limit. As a result the undrawn portion of the facility does attracts an ECL provision.</p>	24

c) Maximum exposure to credit risk

The maximum credit exposures (gross balance before ECL adjustment) distributed across each instrument are summarised in the table below.

	2025	2024
	£'000	£'000
Cash and balances at central banks	257,867	584,679
Loans and advances on demand to banks	127,055	184,686
Other loans and advances to banks	274,994	180,126
Other loans and advances to non-banks	21,704	32,835
Unsettled transactions	8,902	10,870
Investments in debt securities at amortised costs	234,792	246,028
Investment in debt securities at fair value through OCI	442,751	–
Other asset (measured at amortised cost)	21,750	23,581
Accrued income	2,037	927
Total on-balance sheet exposure	1,391,852	1,263,732

Refer to Note 31 (h) for the financial assets carrying amounts tying to statement of financial position. The carrying amounts of financial assets best represents their maximum exposure to credit risk.

Off-balance sheet exposures

	2025	2024
	£'000	£'000
Financial guarantee contracts	818	809
Letters of Acceptance	430	1,698
Letters of Confirmations	3,962	23,246
Working capital facilities	9,169	14,555
Total off-balance sheet exposure ¹	14,379	40,308

¹ The total off-balance sheet exposure consists of the following: financial guarantee contracts, which are contracts 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, letter of credit confirmation / acceptance, which are letters from an issuing bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount and Working Capital facilities, which is a credit facility offered by CAB to its customers which allows customers to draw down on the facility on satisfaction of the terms of this facility.

d) Significant increase in credit risk

CAB uses a defined criteria to determine whether credit risk has increased significantly for each instrument. The criteria used are both quantitative changes in PD as well as qualitative. The table below summarises the range above which an increase in lifetime PD is determined to be significant, as well as some indicative qualitative indicators assessed. The Company uses an internal rating system from Rating 0 to 7 with Rating 8 representing default except for Fintechs and International Development Organisations (counterparties which do not fit the Moody's risk rating model (RiskCalc)). The table below represents the through-the-cycle (TTC) PD range per rating and the exposure-weighted distribution for 2025. Furthermore, ratings 0 to 3 represent investment grade ratings whilst 4 to 7 represent sub-investment grade ratings. This range is unchanged from previous years.

31. Credit Risk *continued*

Rating Type	Rating	TTC PD Range
Investment Grade	Rating 0	0%, 0.01%
	Rating 1	0.01%, 0.02%
	Rating 2	0.03%, 0.05%
	Rating 3	0.06%, 0.08%
Sub-Investment Grade	Rating 4	0.081%, 0.10%
	Rating 5	0.11%, 0.5%
	Rating 6	0.51%, 1.5%
	Rating 7	1.51%, 25%
	Rating 8 (Default)	100%

Irrespective of the outcome of the above rating assessment, CAB presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless CAB has reasonable and supportable information that demonstrates otherwise.

CAB has monitoring procedures in place to make sure that the criteria used to identify significant increases in credit risk are effective, meaning that significant increase in credit risk is identified before the exposure is defaulted. CAB performs periodic back-testing of its ratings to consider whether the drivers of credit risk that led to default were accurately reflected in the rating in a timely manner.

e) Incorporation of forward-looking information

CAB incorporates readily available forward-looking information in its computation of ECL and utilises external data to formulate a 'base case' scenario, projecting future economic variables and exploring a representative spectrum of alternative forecast scenarios. CAB assigns probabilities to the identified forecast scenarios, with the base case representing the singularly most probable outcome utilised for strategic planning and budgeting purposes.

Key drivers of credit risk and credit losses for each financial instrument class are meticulously identified and documented, and statistical analyses of historical data establish relationships between macro-economic variables and credit risk as well as credit losses. Throughout the reporting period, there have been no alterations to the estimation techniques or significant assumptions. CAB's balance sheet is made from a simple product suite where the significant macro-economic variable is GDP growth rates.

The largest exposures on the Balance Sheet are the Bank of England balances held to maturity, US Treasuries and other HQLA that are not negatively affected by inflation, interest rates and unemployment in respective jurisdictions and are with low-risk institutions.

Whilst inflation, interest rates and unemployment could affect the economic cycle in some of the relevant 130+ countries of risk, the exposure is short-term and typically less than 10% of CAB's balance sheet. The cost of providing detailed forecast macro-economic variables such as unemployment, inflation and interest rates would be onerous and potentially greater than the small exposure in such countries. Furthermore, in some jurisdictions such data may not be available.

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing historical data over the past 19 years.

CAB has performed a sensitivity analysis on how ECL on the main portfolio would change if the key assumptions used to calculate ECL change by macroeconomic scenario. The table below outlines the total ECL across the portfolio as of 31 December 2025, if the assumptions used to measure ECL remain as expected (amount as presented in the statement of financial position) for each of the macroeconomic scenarios. The changes are applied in isolation for illustrative purposes and are applied to each probability weighted scenario used to develop the estimate of expected credit losses. Each economic scenario represents the average 12-month probability of default ("PD") and ECL, assuming a 100% weighting to that scenario. There will be interdependencies between the various economic inputs and the exposure to sensitivity will vary across the economic scenarios.

31. Credit Risk *continued*

	2025			2024		
	Average	ECL	ECL sensitivity from base case	Average	ECL	ECL sensitivity from base case
	12m PD	£'000	£'000	12m PD	£'000	£'000
Base	0.07 %	316.7	0	0.12%	473.1	0
Upside	0.07 %	308.7	-8	0.11%	466	-7.1
Mild upside	0.07 %	311.7	-5	0.12%	468.9	-4
Stagnation	0.07 %	323.6	6.9	0.12%	479.5	6.4
Downside	0.07 %	327.4	10.7	0.12%	482.6	9.5
Severe	0.07 %	334.5	17.8	0.13%	488.3	16.2

There are no changes to the estimation techniques for ECL at year-end and there are no significant changes to the GDP growth rate when compared to prior year. It can be noted above that the sensitivity analysis does not result in significant changes to the ECL balances.

The ECL is calculated using a weighted case from the macro-economic scenarios above. The probability of each scenario occurring in both 2025 and 2024 is based on the following:

Economic Scenario	Probability Weighting
1. Base	30%
2. Upside	10%
3. Mild upside	15%
4. Stagnation	10%
5. Downside	20%
6. Severe	15%

f) Measurement of expected credit losses

ECL is applicable to financial assets classified at amortised cost. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions, and forecasts of future economic conditions.

CAB applies the general model for measuring ECL which uses a three-stage approach in recognising the expected loss allowance to its financial assets measured at amortised cost. CAB considers the model and the assumptions used in calculating these ECLs as key sources of estimation uncertainty. The key inputs used for measuring ECL are:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

The ECL Model allocates accounts to three Stages and calculates the impairment as:

- 12 months Expected Loss for accounts in Stage 1; and
- Lifetime Expected Loss for accounts in Stage 2 and Stage 3.

31. Credit Risk *continued*

CAB measures ECL considering the risk of default over the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if contract extension or renewal is common business practice.

The measurement of ECL is based on probability-weighted average credit loss. As a result, the measurement of the loss allowance should be the same regardless of whether it is measured on an individual basis or a collective basis (although measurement on a collective basis is more practical for large portfolios of items).

CAB has measured its ECL at a counterparty-level which is then aggregated to a product and segment level. In relation to the assessment of whether there has been a significant increase in credit risk it can be necessary to perform the assessment on a collective basis as noted below.

(i) Probability of Default

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. PDs are determined using the one-factor Merton-Vasicek model and transforms TTC PDs to a 1-month Forward-in-Time ("FiT") PD for each period of a loan's contractual life by decomposing the portfolio into systematic and idiosyncratic risk factors. The systematic factor captures risks relevant to the entire portfolio and is assumed to be correlated to the overall macroeconomy.

The idiosyncratic factor captures counterparty-specific characteristics. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates. The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact PD.

CAB estimates the remaining lifetime PD of exposures and how these are expected to change over time. CAB uses the Moody's RiskCalc tool to assign a risk rating to each counterparty which represents the probability of default. The factors considered in this process include macro-economic data including GDP per region – UK, US, Europe, Asia, Africa, and Middle East. CAB generates a 'base case' scenario of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. CAB then uses these forecasts, which are probability-weighted, to adjust its estimates of PDs.

(ii) Loss Given Default

The LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. The LGD model for portfolio incorporates information on time of recovery, recovery rates and seniority of claims. The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original effective interest rate ("EIR") of the loan.

(iii) Exposure at Default

The EAD is the estimated total value of CAB's exposures at the time of default. It includes all the outstanding amounts, including the account balance, interest, fees, and arrears as well as any default penalty and recovery fees associated with the defaulted account. For the balance sheet exposure the EAD specifically includes the committed but undrawn amount together with interest.

g) Groupings based on shared risks characteristics

When ECL is measured on a collective basis, (aggregating the results of each individual calculation) the financial instruments are grouped on the basis of shared risk characteristics, such as: instrument type, credit risk grade, and regional split.

The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures.

h) Impairment of financial assets

CAB's impairment loss on financial assets, undrawn commitments and financial guarantees that are subject to the expected credit loss model are as shown below:

	2025	2024
	£'000	£'000
Impairment recognised in profit or loss:		
Increase in ECL for Cash and balances at Central Banks	–	–
Increase/(decrease) in ECL for Loans and advances on Demand to Banks	14	(7)
Increase in ECL for Loans and Advances to Banks	7	4
Decrease in ECL for other Loans and Advances to Non-Banks	(87)	(225)
Decrease in ECL for Unsettled Transactions	(4)	(9)
Decrease in ECL for Investment in debt securities at amortised cost	(4)	(7)
Increase in ECL provision for debt securities at FVTOCI	1	–
(Decrease)/increase in ECL for other assets exposures	(55)	36
Increase in ECL for accrued income	2	1
Total impairment reversal recognised in profit or loss	(126)	(207)
Decrease in ECL for Guarantees	(1)	–
Decrease in ECL for Acceptances	–	(3)
Decrease in ECL for Confirmations	(2)	(1)
Decrease in ECL for Working capital facilities	(25)	(166)
Total impairment reversal recognised in profit or loss	(154)	(377)

31. Credit Risk *continued***i) Credit quality**

An analysis of CAB's credit rating, maturity and credit risk concentrations per class of financial asset is provided in the following tables.

(i) Portfolio grading

The table below displays a breakdown of the portfolio in terms of credit quality. Instruments with strong credit characteristics are categorised as 'investment grade' (risk grades 0 to 3), while those with higher credit risk are categorised as 'sub-investment grade' (risk grades 4 to 7).

Exposure by grade	2025			2024		
	Investment grade	Sub-investment grade	Total	Investment grade	Sub-investment grade	Total
	£'000	£'000	£'000	£'000	£'000	£'000
On-balance sheet exposure						
Cash and balances at central banks	257,867	–	257,867	584,679	–	584,679
Loans and advances on demand to banks	92,304	34,751	127,055	161,658	23,028	184,686
Other loans and advances to banks	35,751	239,243	274,994	666	179,460	180,126
Other loans and advances to non-banks	–	21,704	21,704	–	32,835	32,835
Unsettled transactions	289	8,613	8,902	3,209	7,661	10,870
Investment in debt securities at amortised cost	234,792	–	234,792	246,028	–	246,028
Investment in debt securities at fair value through OCI	442,751	–	442,751	–	–	–
Other assets	–	21,750	21,750	10	23,571	23,581
Accrued income	–	2,037	2,037	–	927	927
Total on-balance sheet exposure	1,063,754	328,098	1,391,852	996,250	267,482	1,263,732

The table below summarises the total off-balance sheet exposure.

Exposure by grade	2025			2024		
	Investment grade	Sub-investment grade	Total	Investment grade	Sub-investment grade	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Off-balance sheet exposure						
Financial guarantees	–	818	818	–	809	809
Acceptances	–	430	430	–	1,698	1,698
Confirmations	–	3,962	3,962	228	23,018	23,246
Working capital facilities	–	9,169	9,169	–	14,555	14,555
Total off-balance sheet exposure	–	14,379	14,379	228	40,080	40,308
Total exposure	1,063,754	342,477	1,406,231	996,478	307,562	1,304,040

(ii) Breakdown by country/region

The table below describes the gross carrying amount by location for each asset class.

2025							
Exposures by region	Americas	UK	Europe	Africa	Middle East	Asia	Total
On-balance sheet exposure	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash and balances at central banks	–	257,867	–	–	–	–	257,867
Loans and advances on demand to banks	27,746	29,910	32,378	26,222	1,672	9,127	127,055
Other loans and advances to banks	10,108	50,781	12,942	175,613	–	25,550	274,994
Other loans and advances to non-banks	–	16,565	–	5,139	–	–	21,704
Unsettled transactions	–	174	766	7,057	905	–	8,902
Investment in debt securities at amortised cost	186,441	48,349	–	–	–	2	234,792
Investment in debt securities at fair value through OCI	386,015	34,943	21,793	–	–	–	442,751
Other assets	–	19,314	527	1,880	29	–	21,750
Accrued income	–	2,037	–	–	–	–	2,037
Total on-balance sheet exposure	610,310	459,940	68,406	215,911	2,606	34,679	1,391,852

2024							
Exposures by region	Americas	UK	Europe	Africa	Middle East	Asia	Total
On-balance sheet exposure	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash and balances at central banks	–	584,679	–	–	–	–	584,679
Loans and advances on demand to banks	23,200	30,260	96,821	21,248	2,529	10,628	184,686
Other loans and advances to banks	9,974	26,482	–	134,380	–	9,290	180,126
Other loans and advances to non-banks	6	25,654	–	6,377	798	–	32,835
Unsettled transactions	3,217	11	–	7,642	–	–	10,870
Investment in debt securities at amortised cost	51,652	44,477	121,720	–	–	28,179	246,028
Other assets	–	23,381	–	200	–	–	23,581
Accrued income	–	927	–	–	–	–	927
Total on-balance sheet exposure	88,049	735,871	218,541	169,847	3,327	48,097	1,263,732

31. Credit Risk *continued*

The total off balance sheet exposure is broken down below.

2025							
Exposures by region	Americas	UK	Europe	Africa	Middle East	Asia	Total
Off-balance sheet exposure	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial guarantees	-	-	-	818	-	-	818
Acceptances	-	-	-	430	-	-	430
Confirmations	-	-	-	3,962	-	-	3,962
Working capital facilities	-	7,756	-	1,413	-	-	9,169
Total off-balance sheet exposure	-	7,756	-	6,623	-	-	14,379

2024							
Exposures by region	Americas	UK	Europe	Africa	Middle East	Asia	Total
Off-balance sheet exposure	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial guarantees	-	-	-	809	-	-	809
Acceptances	-	-	-	1,698	-	-	1,698
Confirmations	228	-	-	23,018	-	-	23,246
Working capital facilities	-	-	-	14,555	-	-	14,555
Total off-balance sheet exposure	228	-	-	40,080	-	-	40,308

(iii) Breakdown by maturity

The table below describes the gross carrying amount per maturity for each asset class.

Exposure by maturity	2025			2024		
	3 months or less	More than 3 months	Total	3 months or less	More than 3 months	Total
On-balance sheet exposure	£'000	£'000	£'000	£'000	£'000	£'000
Cash and balances at central banks	257,867	-	257,867	584,679	-	584,679
Loans and advances on demand to banks	127,055	-	127,055	184,686	-	184,686
Other loans and advances to banks	132,260	142,734	274,994	89,550	90,576	180,126
Other loans and advances to non-banks	21,704	-	21,704	32,835	-	32,835
Unsettled transactions	8,902	-	8,902	10,870	-	10,870
Investment in debt securities at amortised cost	134,115	100,677	234,792	38,561	207,467	246,028
Investment in debt securities at fair value through OCI	316,218	126,533	442,751	-	-	-
Other assets	21,750	-	21,750	23,227	354	23,581
Accrued income	2,037	-	2,037	927	-	927
Total on-balance sheet exposure	1,021,908	369,944	1,391,852	965,335	298,397	1,263,732

31. Credit Risk *continued*

The total off balance sheet exposure is broken down below.

Exposure by maturity	2025			2024		
	3 months or less	More than 3 months	Total	3 months or less	More than 3 months	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Off-balance sheet exposure						
Financial guarantees	743	75	818	250	559	809
Acceptances	430	–	430	1,430	268	1,698
Confirmations	3,483	479	3,962	22,555	691	23,246
Working capital facilities	9,169	–	9,169	–	14,555	14,555
Total off-balance sheet exposure	13,825	554	14,379	24,235	16,073	40,308
Total exposure	1,035,733	370,498	1,406,231	989,570	314,470	1,304,040

(iv) Loss allowance

The tables below describes gross carrying amount, loss allowance, and carrying amount after loss allowance per class of assets.

	2025			2024		
	Gross carrying	Loss allowance	Total	Gross carrying	Loss allowance	Total
	£'000	£'000	£'000	£'000	£'000	£'000
On-balance sheet exposure						
Cash and balances at central banks	257,867	–	257,867	584,679	–	584,679
Loans and advances on demand to banks	127,055	(20)	127,035	184,686	(3)	184,683
Other loans and advances to banks	274,994	(38)	274,956	180,126	(31)	180,095
Other loans and advances to non-banks	21,704	(183)	21,521	32,835	(271)	32,564
Unsettled transactions	8,902	(2)	8,900	10,870	(4)	10,866
Investment in debt securities at amortised cost	234,792	(2)	234,790	246,028	(7)	246,021
Investment in debt securities at fair value through OCI	442,751	–	442,751	–	–	–
Other assets	21,750	(38)	21,712	23,581	(92)	23,489
Accrued income	2,037	(4)	2,033	927	(2)	925
Total on-balance sheet exposure	1,391,852	(287)	1,391,565	1,263,732	(410)	1,263,322

31. Credit Risk *continued*

The off-balance sheet exposure is broken down below.

	2025			2024		
	Gross carrying	Loss allowance	Total	Gross carrying	Loss allowance	Total
Off-balance sheet exposure	£'000	£'000	£'000	£'000	£'000	£'000
Financial guarantees	818	–	818	809	(1)	808
Acceptances	430	–	430	1,698	–	1,698
Confirmations	3,962	(1)	3,961	23,246	(2)	23,244
Working capital facilities	9,169	(36)	9,133	14,555	(62)	14,493
Total off-balance sheet exposure	14,379	(37)	14,342	40,308	(65)	40,243
Total exposure	1,406,231	(324)	1,405,907	1,304,040	(475)	1,303,565

(v) Breakdown as a function of staging

An analysis of CAB's expected credit loss per class of financial asset, internal rating, and staging without taking into account the effects of any collateral or other credit enhancements is provided in the following tables.

	2025			2024		
	£'000			£'000		
ECL	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Loans and advances on demand to banks	20	–	–	2	1	–
Sub-investment grade	20	–	–	2	1	–
Other loans and advances to banks	38	–	–	28	3	–
Investment grade	–	–	–	–	–	–
Sub-investment grade	38	–	–	28	3	–
Other loans and advances to non-banks	90	–	93	3	175	93
Investment grade	–	–	–	–	–	–
Sub-investment grade	90	–	93	3	175	93
Unsettled transactions	2	–	–	3	1	–
Sub-investment grade	2	–	–	3	1	–
Investment in debt securities at amortised cost	2	–	–	7	–	–
Investment grade	2	–	–	7	–	–
Other asset exposures	38	–	–	92	–	–
Investment grade	–	–	–	–	–	–
Sub-investment grade	38	–	–	92	–	–
Accrued income	4	–	–	2	–	–
Investment grade	–	–	–	–	–	–
Sub-investment grade	4	–	–	2	–	–
Total on-balance sheet ECL	194	–	93	137	180	93
Total on-balance sheet ECL			287		410	

31. Credit Risk *continued*

The off-balance sheet breakdown of ECL per instrument at each stage is shown below:

ECL	2025			2024		
	£'000			£'000		
Off-balance sheet items	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financial guarantees	-	-	-	-	1	-
Investment grade	-	-	-	-	-	-
Sub-investment grade	-	-	-	-	1	-
Confirmation	1	-	-	2	-	-
Investment grade	-	-	-	-	-	-
Sub-investment grade	1	-	-	2	-	-
Working capital facilities	36	-	-	-	62	-
Investment grade	-	-	-	-	-	-
Sub-investment grade	36	-	-	-	62	-
Total off-balance sheet ECL	37	-	-	2	63	-
Total off-balance sheet ECL		37			65	
Total ECL		324			475	

The on balance sheet and off-balance sheet breakdown of maximum exposure per instrument at each stage is shown below.

Maximum exposure per staging	2025			2024		
	£'000			£'000		
On-balance sheet items	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Cash and balances at central banks	257,867	-	-	584,679	-	-
Loans and advances on demand to banks	126,746	308	1	183,782	904	-
Other loans and advances to banks	269,755	5,239	-	171,011	9,115	-
Other Loans and advances to non-banks	21,611	-	93	731	32,010	94
Unsettled Transactions	8,902	-	-	9,509	1,361	-
Investment in debt securities at amortised cost	234,792	-	-	246,028	-	-
Investment in debt securities at fair value through OCI	442,751	-	-	-	-	-
Other asset exposures	21,750	-	-	23,490	91	-
Accrued income	2,037	-	-	927	-	-
Total on-balance sheet maximum exposure	1,386,211	5,547	94	1,220,157	43,481	94
Total on-balance sheet maximum exposure		1,391,852			1,263,732	
Off-balance sheet items						
Financial guarantees	818	-	-	649	160	-
Acceptances	152	278	-	1,306	392	-
Confirmation	3,690	272	-	20,399	2,847	-
Working capital facilities	9,169	-	-	-	14,555	-
Total off-balance sheet maximum exposure	13,829	550	-	22,354	17,954	-
Total off-balance sheet maximum exposure		14,379			40,308	
Total maximum exposure per stage	1,400,040	6,097	94	1,242,511	61,435	94
Total maximum exposure		1,406,231			1,304,040	

32. Liquidity Risk

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

Liabilities 2025	Less than 3 months	3 months	1 year	More than	Total
	or on demand	- 1 year	- 5 years	5 years	
	£'000	£'000	£'000	£'000	£'000
Non-derivative liabilities					
Customer accounts	1,399,777	41,321	–	–	1,441,098
Unsettled transactions	20,772	–	–	–	20,772
Other liabilities	4,992	–	–	–	4,992
Accruals	13,529	–	–	–	13,529
Lease liabilities	764	2,267	15,189	5,579	23,799
Total	1,439,834	43,588	15,189	5,579	1,504,190
Derivative liabilities					
Derivative financial instruments	1,384	–	–	–	1,384

Liabilities 2024	Less than 3 months	3 months	1 year	More than	Total
	or on demand	- 1 year	- 5 years	5 years	
	£'000	£'000	£'000	£'000	£'000
Non-derivative liabilities					
Customer accounts	1,527,510	64,138	–	–	1,591,648
Unsettled transactions	35,115	–	–	–	35,115
Other liabilities ¹	10,142	–	–	–	10,142
Accruals	9,160	–	–	–	9,160
Lease liabilities	–	166	12,477	11,656	24,299
Total	1,581,927	64,304	12,477	11,656	1,670,364
Derivative liabilities					
Derivative financial instruments	539	–	–	–	539

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

33. Currency Risk

The table below shows CAB's net currency exposures that give rise to the net currency gains and losses recognised in the statements of profit or loss and other comprehensive income. Such exposures comprise the monetary assets and monetary liabilities of CAB that are not denominated in sterling. CAB has structural FX positions derived from non-GBP balances held within CAB US Inc and CAB Europe. Non-structural positions are driven by transactions to fund local currency nostro balances and unsettled spot FX transactions.

At 31 December, the net exposure of those financial instruments by currency were as follows:

Currency 2025	Net foreign currency monetary (liabilities)/assets in £'000					
	US Dollar	Euro	KES	UGX	Other	Total
(Liabilities)/assets	(28,462)	(41,959)	125	434	7,194	(62,668)
Net forward purchases/(sales)	20,884	39,039	(116)	21	(4,733)	55,095
	(7,578)	(2,920)	9	455	2,461	(7,573)
Change in assets/(liabilities) due to a change in currency value by						
+100 basis points	(76)	(29)	–	5	25	(75)
-100 basis points	76	29	–	(5)	(25)	75

Currency 2024	Net foreign currency monetary (liabilities)/assets in £'000					
	US Dollar	Euro	KES	UGX	Other	Total
(Liabilities)/assets	(409,388)	(93,107)	714	154	(11,663)	(513,290)
Net forward purchases	408,714	92,328	(199)	(79)	12,874	513,638
	(674)	(779)	515	75	1,211	348
Change in assets/(liabilities) due to a change in currency value by						
+100 basis points	(7)	(8)	5	1	12	3
-100 basis points	7	8	(5)	(1)	(12)	(3)

An analysis of the total financial instruments, split between GBP and other currencies, is as follows:

	2025	2024
	£'000	£'000
Assets		
Denominated in other currencies	1,247,027	996,423
Liabilities and equity		
Denominated in other currencies	(1,311,732)	1,507,681

A 10% appreciation in the value of GBP against all other currencies would decrease CAB's profit or loss value by £757k (2024: £35k decrease).

A 10% depreciation in the value of GBP against all other currencies would increase CAB's profit or loss value by £757k (2024: £35k increase).

34. Interest Rate Risk

a) Interest rate sensitivity

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
	£'000	£'000
Economic Value		
+200bp parallel shift in yield curve ¹	(1,570)	8,442
– 200bp parallel shift in yield curve ¹	1,579	(9,119)
Net interest income sensitivity (12-month period)		
+100bp parallel shift in yield curve	1,706	8,442
– 100bp parallel shift in yield curve	(1,706)	(9,119)

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 CAB against unexpected downward shocks in interest rates.

35. Capital Management

Capital risk is the risk that CAB has insufficient capital resources to meet the minimum regulatory requirements in all jurisdictions where regulated activities are undertaken, to support its credit rating and to support its growth and strategic options.

a) Capital risk management

In addition to the management of liquidity and market risks the ALCO is responsible for ensuring the effective management of CAB's capital risk. Specific levels of authority and responsibility in relation to capital risk management have been assigned to the appropriate committees.

b) Externally imposed capital requirements

CAB manages its capital on an entity basis with no consideration of other group companies.

Capital risk is measured and monitored using limits set in relation to capital all of which are calculated in accordance with relevant regulatory requirements.

CAB's regulatory capital consists solely of CET 1 capital which includes ordinary share capital, retained earnings and reserves after deductions for intangible assets and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.

CAB's capital plans are developed with the objective of maintaining capital that is adequate in quantity and quality to support CAB's risk profile, regulatory and business needs. Capital forecasts are continually monitored against relevant internal target capital ratios to ensure they remain appropriate and consider risks to the plan including possible future regulatory changes.

In order to do so, CAB calculates those capital requirements on a daily basis and, using a traffic light warning system based on an internal buffer, reports to ALCO, or, should the need arise, the Board.

CAB manages capital risk on an ongoing basis through other means such as:

- Stress testing: internal CAB specific stress testing is undertaken to quantify and understand the impact of sensitivities on the capital plan and capital ratios arising from stressed macroeconomic conditions. Reverse stress testing is also performed to identify the extent of stress that could be survived before limits are breached.
- Risk mitigation: as part of the stress testing process, actions are identified that should be taken to mitigate the risks that could arise in the event of material adverse changes in the current economic and business environment.
- Senior management awareness and transparency: Capital management information is readily available at all times to support CAB's executive management's strategic and day-to-day business decision making, as may be required.

Full details of the capital adequacy requirements for CAB are provided in its Pillar 3 disclosures which can be found on the website of Crown Agents Bank Limited (www.crownagentsbank.com). These Pillar 3 disclosures are not audited.

The capital resources of the Company consists of equity (called up share capital and retained earnings as disclosed in Note 25 and Note 26.

36. Classification of Financial Instruments

The carrying values of the financial assets and financial liabilities are summarised by category below:

	2025	2024
	£'000	£'000
Financial assets		
Mandatorily measured at fair value through profit or loss		
Money market funds	218,157	488,197
Derivative financial instruments	489	4,884
	218,646	493,081
Measured at amortised cost		
Cash and balances at central banks	257,867	584,679
Loans and advances on demand to banks	127,035	184,683
Other loans and advances to banks	274,956	180,095
Other loans and advances to non-banks	21,521	32,564
Investment in debt securities at amortised costs	234,790	246,021
Unsettled transactions	8,900	10,866
Other assets (excluding non-financial assets)	21,712	23,489
Accrued income	2,033	925
	948,814	1,263,322
Measured at fair value through other comprehensive income		
Investment in debt securities at FVTOCI	442,751	–
Investment in equity securities	679	553
	443,430	553

	2025	2024
	£'000	£'000
Financial liabilities		
Mandatorily measured at fair value through profit or loss		
Derivative financial instruments	1,384	539
	1,384	539
Measured at amortised cost		
Client accounts	1,441,097	1,589,481
Unsettled transactions	20,772	35,173
Other liabilities (excluding non-financial liabilities)	4,992	10,142
Lease liabilities	18,281	17,076
Accruals	13,529	9,160
	1,498,671	1,661,032

37. Fair Value Measurements

a) Fair value methodology

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are determined at prices quoted in active markets, where available. In some instances, such price information is not available for all instruments and CAB applies valuation techniques to measure such instruments. These valuation techniques make maximum use of market observable data but in some cases, management estimate unobservable market inputs within the valuation model. There is no standard model and different assumptions would generate different results. To provide an indication about the reliability of the inputs used in determining fair value, CAB has classified its financial instruments that are measured at fair value into the three levels of the fair value hierarchy explained further below, based on the lowest level input that is significant to the entire measurement of the instrument.

b) Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Inputs to Level 1 fair value are quoted prices (unadjusted) in active markets for identical assets. An active market is one in which transactions for the asset occurs with sufficient frequency and volume to provide pricing information on an on-going basis.

Money market funds and exchange traded funds are valued at fair value based on the price a willing buyer would pay for the asset. Any gain or loss is taken through the profit and loss account. The money market funds include contractual terms such that they are traded at par until the total market value of the underlying instruments deviates from that par value by a certain amount (typically 20bps). The funds have each traded at par at all times since the initial investment by CAB.

The fair value of CAB's Investment in debt securities at FVOCI is determined by using discounted cash flow models that use market interest rates as at the end of the period.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivative financial instruments) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value such an instrument are observable, the instrument is included in Level 2.

Fair values of investment in equity securities are included in Level 2.

Level 3 – Unobservable inputs for the asset or liability

Inputs to Level 3 fair values are based on unobservable inputs for the assets at the last measurement date. If all significant inputs required to fair value an instrument are observable then the instrument is included in Level 2, if not it is included in Level 3.

There were no transfers between fair value hierarchy level during the year (2024: £nil). There were no changes in valuation techniques used during the year (2024: £nil)

c) Financial instruments measured through FVTPL and FVTOCI are categorised at Level 1 or 2 fair value hierarchy

Financial assets and financial liabilities at fair value through profit or loss	Valuation techniques	Inputs
Derivative financial assets (FVTPL)	<p>The Mark-to-Market (“MTM”) calculation for foreign currency forwards is performed within Core Banking System (“CBS”) based on market inputs pulled from Reuters at the end of each trading day.</p> <p>CBS applies a straight-line interpolation calculation to derive the requisite forward points for each currency based on the maturity date of the transaction – these points are added to the spot rate to derive a revaluation rate.</p> <p>The MTM calculation for Interest Rate Swaps is performed with ALMIS system based on market inputs pulled from Reuters at the end of each trading day.</p>	Reuters quoted spot rates and forward points. Market-observable yield curves, forward interest rate curves.
Money market funds (FVTPL)	Net asset value based on the valuation of the underlying Level 1 investments.	Quoted market prices but not for identical assets.
Investment in debt securities (FVTOCI)	Investments in debt securities measured at FVTOCI are valued using discounted cash-flow (DCF) techniques, which estimate fair value by discounting expected future contractual cash flows at market-based discount rates. The discount rates incorporate observable yield-curve data, credit spreads, and relevant market inputs consistent with the instrument’s risk profile. Fair value measurements rely primarily on Level 2 observable inputs, unless quoted prices in active markets (Level 1) are available.	Market-observable yield curves, credit spreads, expected cash flows, probability-of-default and loss-given-default assumptions, and issuer-specific credit risk factors.
Investment in equity securities (FVTOCI)	In order to undertake its business, CAB utilises the Swift payment system, the conditions of which oblige participants to invest in the shares of SWIFT, in proportion to participants’ financial contributions to SWIFT.	The fair value is calculated annually based on price received from SWIFT and is approved annually at reporting period.
Derivative financial liabilities (FVTPL)	<p>The MTM calculation for FX forwards is performed within CBS based on market inputs pulled from Reuters at the end of each trading day.</p> <p>CBS applies a straight-line interpolation calculation to derive the requisite forward points for each currency based on the maturity date of the transaction – these points are added to the spot rate to derive a revaluation rate.</p> <p>The MTM calculation for Interest Rate Swaps is performed with ALMIS system based on market inputs pulled from Reuters at the end of each trading day.</p>	Reuters quoted spot rates and forward points. Market-observable yield curves, forward interest rate curves.

d) Financial assets and financial liabilities at fair value through profit or loss

Forward foreign exchange contracts have been transacted to economically hedge assets and liabilities in foreign currencies with movements recognised at fair value through profit or loss.

Any gain or loss is taken through the statement of profit or loss and other comprehensive account.

e) Amounts recognised in profit or loss

The gains, losses and changes in fair values of financial assets at fair value through profit or loss recorded in the statement of profit or loss and other comprehensive income is as follows:

	2025	2024
	£'000	£'000
Gain on money market funds (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 (Statement of profit or loss)	(1,657)	(231)

f) Fair values of financial assets that are measured at amortised cost

Apart from the fixed rate bonds, the carrying amounts of financial assets and liabilities measured at amortised cost are approximately the same as their fair values due to their short-term nature. The fair value of the fixed rate bonds is provided below.

g) Impairment and risk exposure

Information about the impairment of financial assets, their credit quality and CAB's exposure to credit risk can be found in the accounting policy note for financial instruments (Note 1(n)).

h) Financial liabilities measured at amortised cost

The carrying amounts of financial liabilities at amortised cost are approximately the same as their fair values due to their short-term nature.

i) Financial instruments measured at fair value

The valuation levels of the financial assets and financial liabilities accounted for at fair value are as follows:

Asset/(liability) type – 2025	Level 1 £'000	Level 2 £'000	Stress on Notional balances	Sensitivity £'000
Financial assets at fair value				
– Money market funds	218,157	–	1% increase in interest rates	(448)
– Derivative financial assets - FX Forwards	–	355	£ exchange-rate rise of 1%	(4)
– Derivative financial assets - Interest rate swaps	–	134	1% increase in interest rates	(592)
– Investment in debt securities at FVTOCI	442,751	–	1% increase in interest rates	(574)
– Investment in equity securities	–	679	Equity price +5%	34
Financial liabilities at fair value				
– Derivative financial liabilities - FX Forwards	–	(618)	£ exchange-rate rise of 1%	(926)
– Derivative financial liabilities - Interest rate swaps	–	(766)	1% increase in interest rates	(4,229)
	660,908	(216)		(6,739)

37. Fair Value Measurements *continued*

Asset/(liability) type – 2024	Level 1	Level 2	Stress on Notional balances	Sensitivity
	£'000	£'000		£'000
Financial assets at fair value				
– Money market funds	488,197	–	1% increase in interest rates	(4,625)
– Derivative financial assets - FX Forwards	–	4,884	£ exchange-rate rise of 1%	(4,184)
– Investment in equity securities	–	553	Equity price +5%	28
Financial liabilities at fair value				
– Derivative financial liabilities - FX Forwards	–	(539)	£ exchange-rate rise of 1%	(901)
	488,197	4,898		(9,682)

These are all recurring fair value measurements. There were no financial assets classified as Level 3 and there were no movements between fair value levels.

j) Fair value and carrying amount of investment in debt securities

	2025		2024	
	£'000		£'000	
	Carrying value	Fair value	Carrying value	Fair value
Fixed and floating rate bonds				
US Treasury Bills (excluding accrued interest)	133,566	133,522	–	–
Other fixed rate bonds (excluding accrued interest)	51,864	51,922	200,354	200,280
Floating rate bonds	48,453	48,471	43,493	43,516
Accrued interest	950	950	2,079	2,079
At 31 December	234,833	234,865	245,926	245,875

Note: the fair values of the fixed rate bonds are based on market quoted prices. They are classified as Level 1 fair values in the fair value hierarchy due to the liquid nature of the bond holdings, having observable and transparent secondary market pricing. The carrying values of the investments in debt securities at FVTOCI is equal to the fair values.

38. 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 Holdings plc (ultimate parent company of CAB), (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 events after the reporting period requiring disclosure or further adjustments to the financial information.

Head Office Contact Details

Registered office

Crown Agents Bank
3 London Bridge Street
London
SE1 9SG
United Kingdom

Tel: +44 (0)203 903 3000
www.crownagentsbank.com
enquiries@crowagentsbank.com

T: +44 (0)20 3903 3000
F: +44 (0)20 8661 6830

Crown Agents Bank Limited
Registered in England and Wales
No 2334687

Auditor

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT
United Kingdom

Tel: +44 (0) 20 7583 5000
F: +44 (0) 20 7212 7500
Website: www.pwc.co.uk