

Thursday, 20 April 2023

GB GROUP PLC
("GBG", "Group" or the "Company")
Pre-close trading update

GB Group plc (AIM: GBG), the experts in digital location, identity and identity fraud software, today announces a trading update for the year to 31 March 2023.

Results in line with expectations

GBG confirms that it will deliver its full year results in line with the trading update provided on 21 February 2023. The Group expects reported revenue to be £278.8 million (FY22: £242.5 million), representing growth of 15.0%.

On a pro forma basis, organic constant currency revenue growth was 3.7%. This fully adjusts for the impact of the two prior year acquisitions, including the associated FY23 deferred revenue haircut adjustment. It also adjusts for £4.2 million of revenue from US stimulus customers in the prior period and the full £15.4 million impact from the year-on-year decline in cryptocurrency customer revenues.

Adjusted operating profit is expected to be £59.8 million (FY22: £58.8 million), representing a margin of 21.5%. Within this, gains on foreign exchange are expected to be approximately £3 million.

Net debt at 31 March 2023 was approximately £106 million (FY22: £107 million), despite a negative £8.6 million retranslation impact since FY22 from the conversion of US dollar-denominated debt into pound sterling.

GBG's FY23 results will be published in mid-June.

Chris Clark, CEO, commented:

"As noted in our February update, the difficult global macroeconomic environment has impacted performance in certain parts of the group, particularly our GBG Americas Identity business. Despite this, the wider group has displayed resilience, including double-digit growth in both Location and Fraud. GBG's ability to continue to deliver growth, maintain strong operating margins and cash generation against the difficult backdrop, is in no small part due to our team and their dedication throughout the year to deliver for our valued customers."

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About GBG

We are the experts in digital location, identity and managing fraud risk and compliance. Helping organisations across the globe eliminate customer friction and fraud from their digital experiences. GBG develop and deliver address verification, digital identity, fraud risk and compliance software to businesses globally.

Through the combination of the latest technology, the most accurate data and our unrivalled expertise, GBG helps organisations ranging from start-ups to the largest consumer and technology brands in the world deliver seamless experiences, so their customers can transact online with greater confidence.

To find out more about how we help our customers establish trust with their customers visit www.gbgbplc.com and follow us on LinkedIn and Twitter @gbgbplc.

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