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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

30 October 2024

**CAB | PAYMENTS**  
CAB Payments Holdings plc and its subsidiaries  
('CAB Payments', the 'Group' or the 'Company')

#### UPDATE RE POSSIBLE OFFER FOR CAB PAYMENTS AND Q3 TRADING UPDATE

As announced on 10 October 2024, the Company received an unsolicited non-binding proposal from StoneX Group Inc. ('StoneX') relating to a possible cash offer for CAB Payments with a full share alternative in listed StoneX shares (the 'Possible Offer').

Discussions with StoneX are continuing and StoneX and its advisers are undertaking due diligence.

There can be no certainty that an offer will be made, nor as to the terms on which any offer may be made.

In accordance with Rule 2.6(a) of the Code, StoneX is required, by not later than 5.00 p.m. (London time) on 7 November 2024, to either announce a firm intention to make an offer for CAB Payments in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer for CAB Payments, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline may be extended with the consent of the Panel on Takeovers and Mergers (the 'Takeover Panel') in accordance with Rule 2.6(c) of the Code.

#### *Update on Q3 trading performance*

Revenue performance was in line with management expectations for July and August, but marginally below those expectations by the end of September. Whilst the Group continues to exhibit growth in volumes it has also experienced a dilution in overall take-rates. This has been a result of the mix of flows shifting towards lower-margin G10 currencies together with slower than usual economic trading activity in our core markets.

The Company has also had extensive discussions with its International Developmental Organisation ('IDO') clients during October. As previously highlighted, IDO budgets have reduced this year but it was still expected that volumes would increase in Q4 due to usual seasonality. There is now reason to believe that this pick-up in volumes in Q4 is unlikely to materialise owing to changing global macro-economic and political factors. The Group believes this will reduce expected IDO volumes significantly in 2024 with an element of this likely to be deferred into 2025.

In the nine months to 30 September 2024, the Group's FX & Payments volumes showed 9% growth on a combined basis

consisting of flat growth in emerging markets (+10% when excluding NGN, XAF and XOF) and 15% growth in developed markets. In comparison market-wide global payment volumes fell 6%.

Notwithstanding the above, the Group is making good progress in executing on the four strategic pillars laid out at its half-year results in September which will make a meaningful impact in 2025.

- **Network** - strong hiring progress in local jurisdictions. MENA licence process underway in Abu Dhabi and US licence process in final stages
- **Clients** - commenced Central Bank outreach program with strong relationships being built at the governor level
- **Platform** - strong trade finance utilisation levels. Asset returns performing well despite a reducing rate environment
- **Capital allocation** - VISA integration progressing well. Expect to launch FX derivatives in early 2025

The Group continues to invest for growth with operating costs (excluding D&A) expected to track in-line with the expectations set out at H1. Given the lower revenues, the positive operating leverage that was expected in H2 is now not expected to materialise.

**Neeraj Kapur, Group CEO of CAB Payments commented:**

*"I am pleased with the progress that has been made since setting out our strategic framework in early September. We are continuing to diversify the business and enhance relationships with our clients at a senior level, including with key Central Banks. Our business model remains robust and we are still winning market share despite short-term market headwinds.*

*"In terms of performance, the encouraging trading we saw early in H2, has subsequently been impacted by slower than expected flows from International Development Organizations and macro headwinds which are largely out of our control. We are expecting some of this volume to be deferred into 2025.*

*"I previously flagged that 2024 will be a reset year. As a team we are working hard to ensure that our strategic initiatives are put in place to deliver maximum impact in 2025."*

#### **About CAB Payments:**

CAB Payments Holdings PLC is the holding company for Crown Agents Bank Limited ('CAB'), a UK-regulated Bank providing FX and payments services, specialising in global FX and cross-border payments for hard-to-reach markets.

Unlike traditional banks, CAB's unrivalled network, technology, and expertise means it can move money in the most complex situations, to the most challenging markets, for organisations that expect the most.

Trusted by Central Banks and Blue Chip organisations across the globe, CAB connects its clients to underserved geographies rapidly, consistently, and equitably so money can move efficiently to where it is needed. Offering a single API for all FX and cross-border payments, covering 140+ markets and currencies across 700+ currency pairs. Its extensive global network of partners allows CAB to offer competitive prices and fast, reliable settlement.

CAB is one of the first banks to achieve B Corporation™ status. The bank was awarded the Gold Sustainability Rating by EcoVadis in 2022 & 2023 - ranked within the top 94% of 94,000 companies assessed across 160 countries and over 200+ industries.

The individual responsible for arranging the release of this announcement on behalf of CAB Payments is Lesley Martin.

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Allen Overy Shearman Sterling LLP is acting as legal adviser to CAB Payments in relation to the Possible Offer.

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#### **Publication on a website**

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at [www.cabpayments.com](http://www.cabpayments.com), by no later than 12 noon (London time) on the business day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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