

CAB Payments Holdings



Income +22% y-o-y, driven by core EM volume growth

22 October 2026

CAB Payments is currently the subject of an unrecommended takeover bid by Mara BidCo Ltd.

In 9m to 30 Sep 26, *FX and payment volumes* grew to a record £32.5bn (+4% y-o-y), with Emerging Market (EM) volumes (CAB's main focus) up 23% to £12.1bn. Q3 volumes in EM and G10 markets exceeded the average of Q1 and Q2 by some distance (p2, top right chart). 12 new active clients were added, with total active clients up from 601 to 613 over Q3 (see p2).

Total Income over the 9m was c. £102m, +22% y-o-y. Full-year total income for FY25 was £119m. Total income excluding *deposit net interest income* (NII) was c. £79m, +32% y-o-y. Q3 total income was c. £34m (p2, bottom right chart), roughly the same as Q2, but income excluding NII grew from £26.1m in Q2 to c.£27m in Q3. This growth was lower than volume growth due to a reduction in EM take-rates, as CAB flagged with H1 results.

NII fell 5% y-o-y due to a lower average interest rate environment versus the prior year, and due to the hedging strategy that commenced towards the end of 2025. Average deposits grew 11% y-o-y.

Strategic progress

- Partnership with BVNK to develop stablecoin-based cross-border payment services for clients operating across select markets in the Global South. First stablecoin test trade executed.
- New Digital Assets leader hired to drive forward product development and commercial strategy.
- Application for licence extension submitted in Abu Dhabi to cover digital assets.
- Three new central banking clients onboarded across LATAM and Africa.
- Trade finance: First letter of credit confirmation for a South American central bank and first multilateral-backed trade loans in Latin America and Asia; Second trade finance syndication, a US\$100m facility for a client in West Africa.
- Completion of first club loan, a US\$50m facility in East Africa.

CAB has reiterated its previous guidance of expecting total Income (excluding NII) growth of high-teens to low-20s percentage CAGR over the course of 2026, 2027 and 2028.

Company data

EPIC	CABP.L
Price (last close)	83p
52 weeks Hi/Lo	97p/49p
Market cap	£211m
Avg. daily volume (3m)	133k

CAB Payments is a research client of Equity Development which is consequently seen as a connected party.

Share price, p



Source: Investing.com

Description

CAB Payments Holdings plc (CAB) specialises in B2B cross-border FX and payments, facilitating flows (both ways) between developed markets and hard-to-reach emerging markets. Clients are institutions such as commercial banks, central banks, payment Fintechs, and international development agencies. Transaction size averages c. US\$100k. Its operating company is UK-regulated Crown Agents Bank Limited.

Next event

Trading update – 19 January 2027

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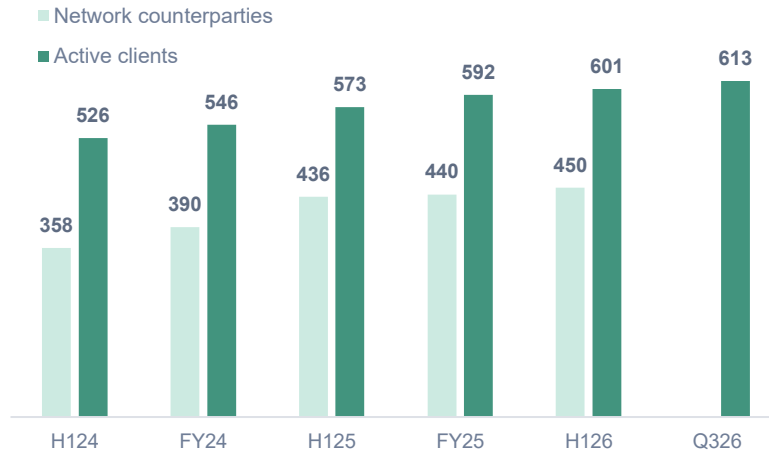
Key historic financials & valuation metrics

Year to 31 Dec (£m)	FY23A	FY24A	H125A	FY25A	H126A
FX + pmts volume, £bn	34.6	37.2	19.9	41.9	20.4
Total Income	137.1	106.4	51.8	119.0	67.6
FX + pmts Income	102.7	68.5	31.4	78.2	47.3
Banking Income*	34.3	37.9	20.4	40.8	20.3
Operating expenses	72.4	75.7	38.7	83.8	43.8
Adj. EBITDA	64.6	30.8	13.1	35.2	23.8
Adj. EBITDA margin	47.2%	28.9%	25.3%	29.6%	35.3%
PBT	37.6	17.6	3.1	18.5	14.6
EPS basic, p	9.6	5.6	0.9	5.4	3.7
Net assets	131.5	146.6	149.5	160.7	171.5
CET1 Ratio	25.5%	19.2%	19.5%	21.8%	21.7%
Dividend, p					2.1
Dividend yield					2.5%
Price/Book	1.60	1.44	1.41	1.31	1.20

Source: Company data, Equity Development, Priced at 21/10/26. *Mostly net interest income.

Recent trends: Core revenue drivers (top charts) & total income (bottom chart)

Number of network counterparties and active clients (end of period)



Source: Company.

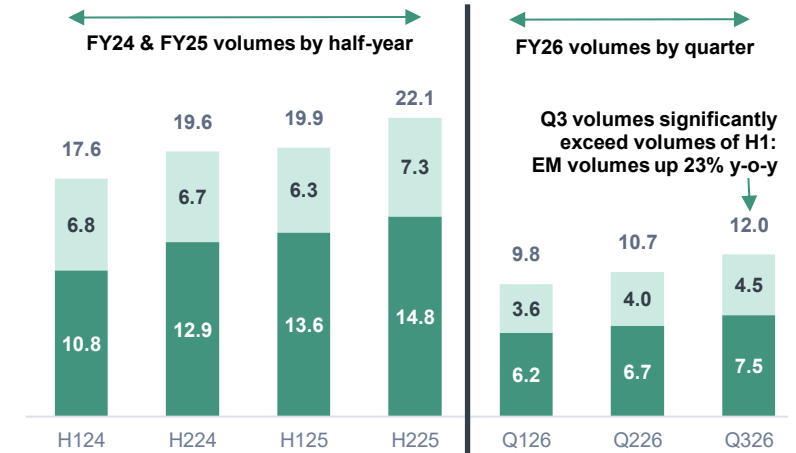
Income segments

Total income falls into three main product segments:

- **Wholesale FX:** clients moving funds cross-border within their own organisation; c. 46% of revenue. H1-26: +75% y-o-y to £31m.
- **Payments:** clients moving funds to a third party, both cross-border (Payments FX), and within country (other payments); c. 24% of revenue. H1-26: +19% y-o-y to £16.3m.
- **Banking:** primarily net interest income (NII) on client deposits, trade finance income, and some other fee income; c. 30% of revenue. H1-26: revenue was flat y-o-y with trade finance and other income +28% y-o-y.

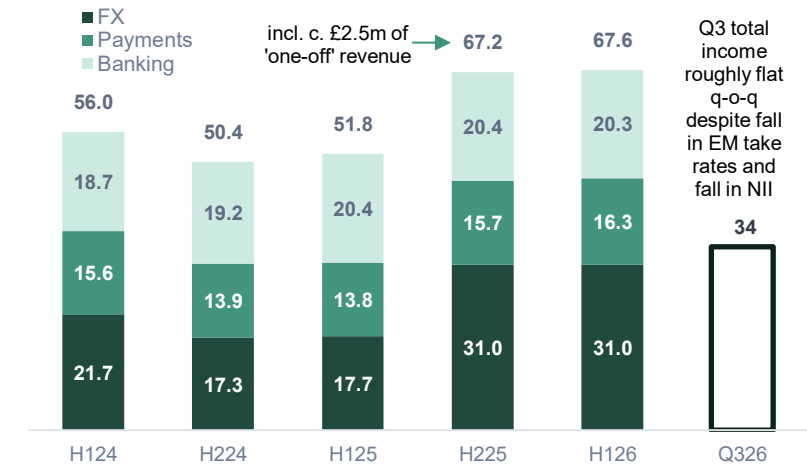
Source: Company, ED

FX & payments volumes, £bn



Source: Company. Totals may not add due to rounding

Total income, £m



Source: Company. Totals may not add due to rounding.

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