

New US licence widens global footprint

4 June 2025

CAB Payments has announced that its subsidiary, Crown Agents Bank Limited, has received regulatory approval to operate a representative office in New York. Over time, we would expect this development to boost growth in the greater Americas region, and in particular the LATAM regions of South and Central America.

We knew the licence application process was underway and, as detailed in our April 2025 initiation report, [Hyper-focused on under-serviced EM payments](#), it will help to build additional and stronger relationships with US-based US Dollar clearing partners, which are key to the execution of CAB's FX and cross-border payments transactions. It allows CAB to solicit business directly in New York, and ramp up 'in-market' sales efforts.

We remind readers that the New York office follows the setup of CAB's EU office in Amsterdam (licensed April 2024), and that a further licence application is in process to operate an office in Abu Dhabi.

All of these footprint expansions form part of CAB's strategic plan to be a primary player in moving money for clients (both ways) between developed markets (mostly Europe and North America) and emerging markets (mostly Africa, Asia, Middle East and Latin America – with a focus on 'hard to reach' frontier markets). The granting of the New York licence shows strong execution against that plan.

We summarise CAB's current and intended footprint on page 2, with full details of CAB's strategy in our [initiation note](#).

We have not updated forecasts at this time but will do so in due course as more details of the opportunity and its potential become clearer.

Fundamental value significantly above current share price

Our fundamental value is 90p per share, using a DCF model. The share rating looks extremely low compared to banks with far lower growth prospects and who are more 'capital-hungry'.

Company data

EPIC	CABP.L
Price (last close)	41.25p
52 weeks Hi/Lo	155p/38p
Market cap	£105m
ED Fair Value / share	90p
Avg. daily volume (3m)	362k

Share price, p



Source: investing.com

Description

CAB Payments Holdings plc is a market leader in business-to-business cross-border payments and foreign exchange, specialising in hard-to-reach markets. CAB Payments uses its strength of network, technology, and expertise to seamlessly move money where it's needed and is the holding company for Crown Agents Bank, a UK-regulated bank.

Next event

H1 results - 14 August 2025

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Key financials & valuation metrics

Year to 31 Dec (£m)	FY21A	FY22A	FY23A	FY24A	FY25E	FY26E
FX + Pmts volume, £bn	23.1	35.0	34.6	37.2	41.3	46.7
Total Income	53.5	109.4	137.1	105.5	110.8	121.5
Adj. EBITDA	14.9	55.0	64.6	30.8	32.9	39.4
Adj. EBITDA margin	27.9%	50.2%	47.2%	29.1%	29.7%	32.4%
PBT	9.5	43.9	37.6	17.6	15.0	24.8
EPS basic (p)	10.3	14.0	9.6	5.6	4.4	7.2
Net assets	74.5	108.3	131.5	146.6	158.8	178.4
CET1 Ratio (min 9.6%)	30.3%	33.4%	25.0%	19.2%	19.5%	20.7%
P/E	4.0	3.0	4.3	7.4	9.4	5.8
P/B	1.41	0.97	0.80	0.72	0.66	0.59

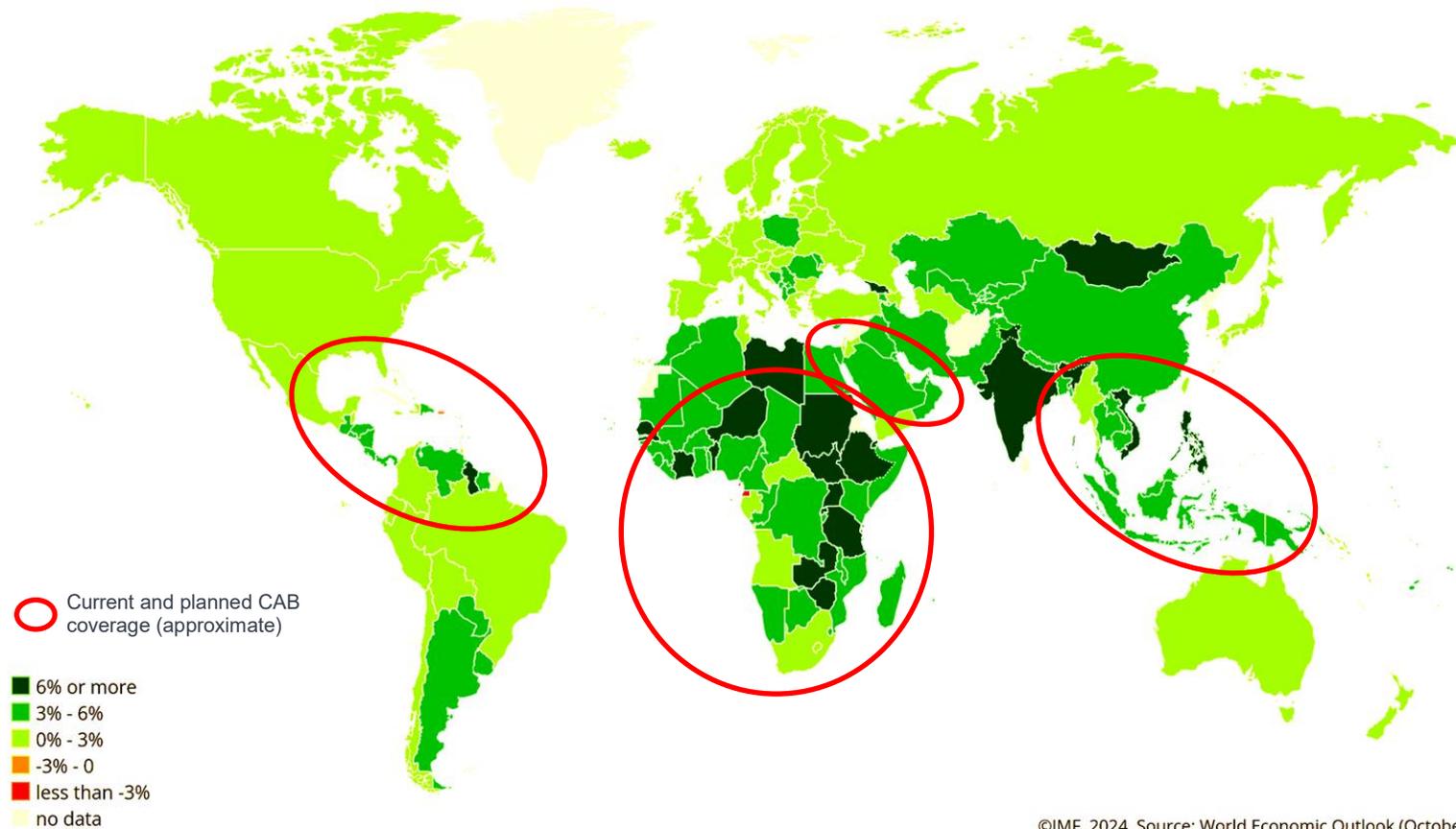
Source: Company data, Equity Development, Priced at 03/06/25

CAB targets a vast market with a focus on the world's fastest growing economies

Priority markets are Emerging Market economies with >4% GDP growth. **The combined geographic coverage of CAB's existing network and its new initiatives (sub-Saharan Africa, Asia Pacific, Latin America and the Middle East) includes many of the world's fastest growing economies** (dark and mid-green shading). It does not target flows into and out of India and China (liquid FX markets with characteristics resembling Developed Markets).

IMF DataMapper

Real GDP growth (Annual percent change, 2025)



©IMF, 2024, Source: World Economic Outlook (October 2024)

Source: Company, IMF

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