CAB Payments Holdings

H1 income +31% y-o-y, growth guidance reiterated

10 August 2026

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

Half year results saw *Total Income* rise to £67.6m, up 31% y-o-y (H125: £51.8m) with *Income excl. Deposit Net Interest Income* up 48% to £52.3m. This was mostly driven by volume growth in Emerging Markets and take-rate expansion, which benefitted from the fees derived from CAB's additional services to EM central banks. Management have reiterated confidence in their growth guidance of high-teens to low-twenties percentage CAGR in Total Income (excl. Deposit NII).

Adj. EBITDA was £23.8m, up 82% (H125: £13.1m); adj. EBITDA margin was 35.3% (H125: 25.3%); PBT grew 4.7x, to £14.6m (H125: £3.1m); and basic EPS grew 4.1x from 0.9p to 3.7p.

Capital position strengthens, maiden interim dividend

CAB's capital position firmed, with net assets +15% y-o-y to £171.5m, and the CET1 ratio up from 19.5% to 21.7%, the highest of UK-listed banks (page 2). Management have announced a new capital management framework including an inaugural interim dividend of 2.1p and a progressive dividend from 2027. Over the medium term, CAB seeks to maintain a CET1 ratio of 16.5% - 17.5% (c. 2% above total capital requirement). Surplus capital will be used for attractive growth opportunities, with any additional surplus returned to shareholders through share buybacks and /or special dividends.

Further growth opportunities

Management state "*There is a lot to be excited about"* while progressing current growth opportunities and pursuing new ones. For example, the relatively new offices in Amsterdam, New York, and Abu Dhabi are expected to deliver further volume growth. A Guyana office is to open in H2 with further offices planned for Nigeria and Cote d'Ivoire. Deutsche Bank is a new addition to CAB's strategic clearing network (in addition to Citi, NatWest, Bank of New York and others) which they expect to drive further growth of correspondent banking clients. New products continue to be rolled out (such as mobile payments and smart routing) with further offerings at a relatively advanced stage, such as Stablecoin solutions in EM, the initial offering of which is set for testing in H2 and for rollout in H127.

Key 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					2.6%
P/B	1.55	1.39	1.36	1.27	1.12

*Source: Company data, Equity Development, Priced at 06/08/26. *Mostly net interest income.*

Company data

EPIC	CABP.L
Price (last close)	80p
52 weeks Hi/Lo	97p/46p
Market cap	£203m
Avg. daily volume (3m)	189k

CAB Payments are 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 - October 2026

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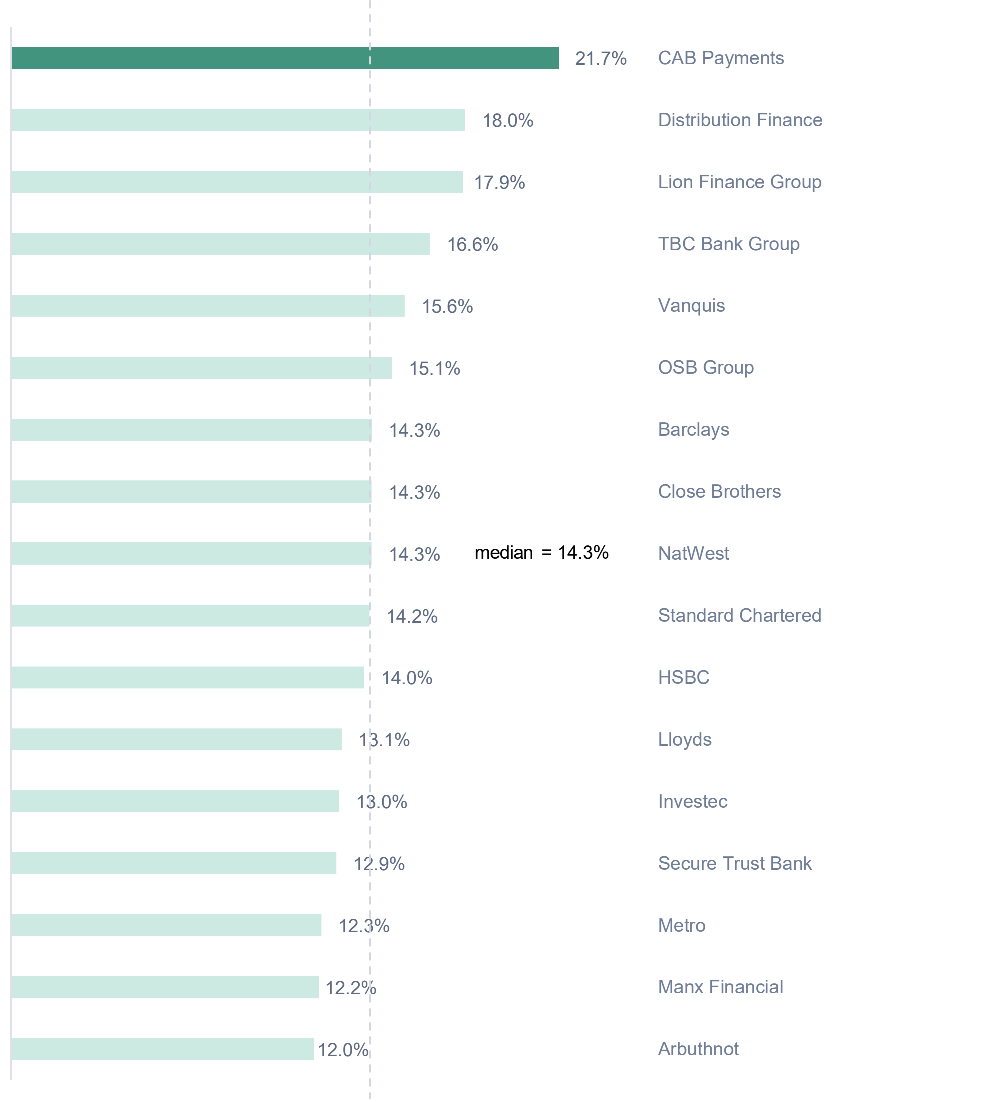
CET1 Ratios of UK-listed banks



Source: Latest available Company reports.

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