

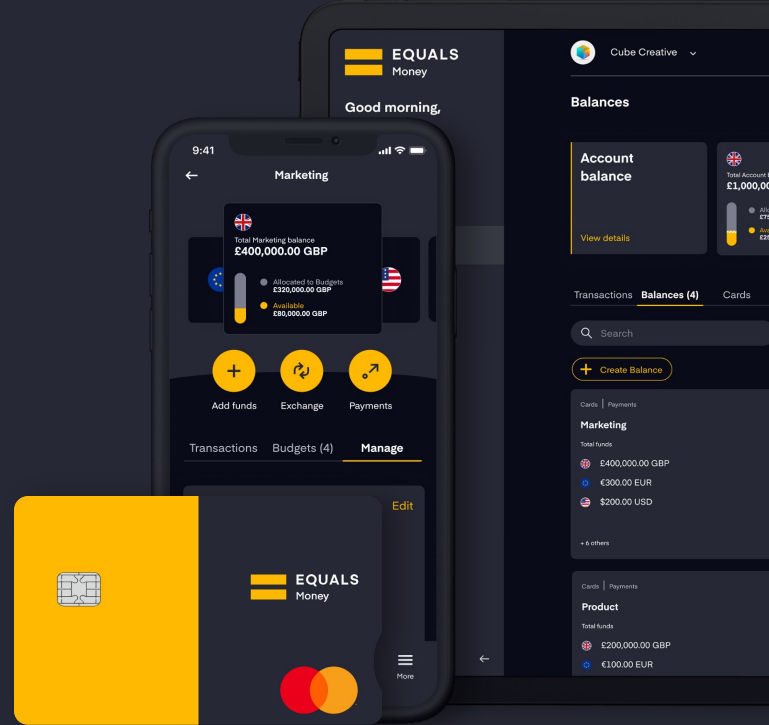


# FY-2023 Results and H1-2024 Trading Update

April 2024

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CEO, Equals Group

**Richard Cooper**  
CFO, Equals Group



# Agenda

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Summary



## Products

### Accounts

Own-name multi-currency IBANs

### Cards

Debit & Prepaid

### Payments

FX or same currency



## Differentiators

### Unified platform

Payments & Cards

### Connectivity

Direct integration into payment networks

### Compliance

Strategic focus

### Human interaction

FinTech capabilities augmented by personal service



## Platform

### Equals Money

SMEs

### Equals Solutions

Larger Corporates / Complex

### Account Hierarchy

Unlimited accounts / sub-accounts

### Approval protocols

Highly configurable / bespoke

### Multiple delivery methods

Direct, via API or white-label

# FY-2023 Highlights

## Strong Growth and Profits

Transactions +35% at £12.4bn  
Revenue +37% to £95.7m  
EBITDA\* +70% to £20.6m  
Maiden interim dividend of 0.5p paid

## Platform

Equals money API available to customers  
Increased automation of "payments out"  
White-labels of Equals Money  
FairFX replatformed to Equals Money

## European Expansion

Acquisition of Equals Money Europe (formerly Oonex)  
Regulatory clearance received and integration on plan

## Sales & marketing

Re-structure of Sales & Marketing  
Increased expertise & experience  
Sales enablement team & QA  
Improved digital estate / SEO / PPC

## Compliance

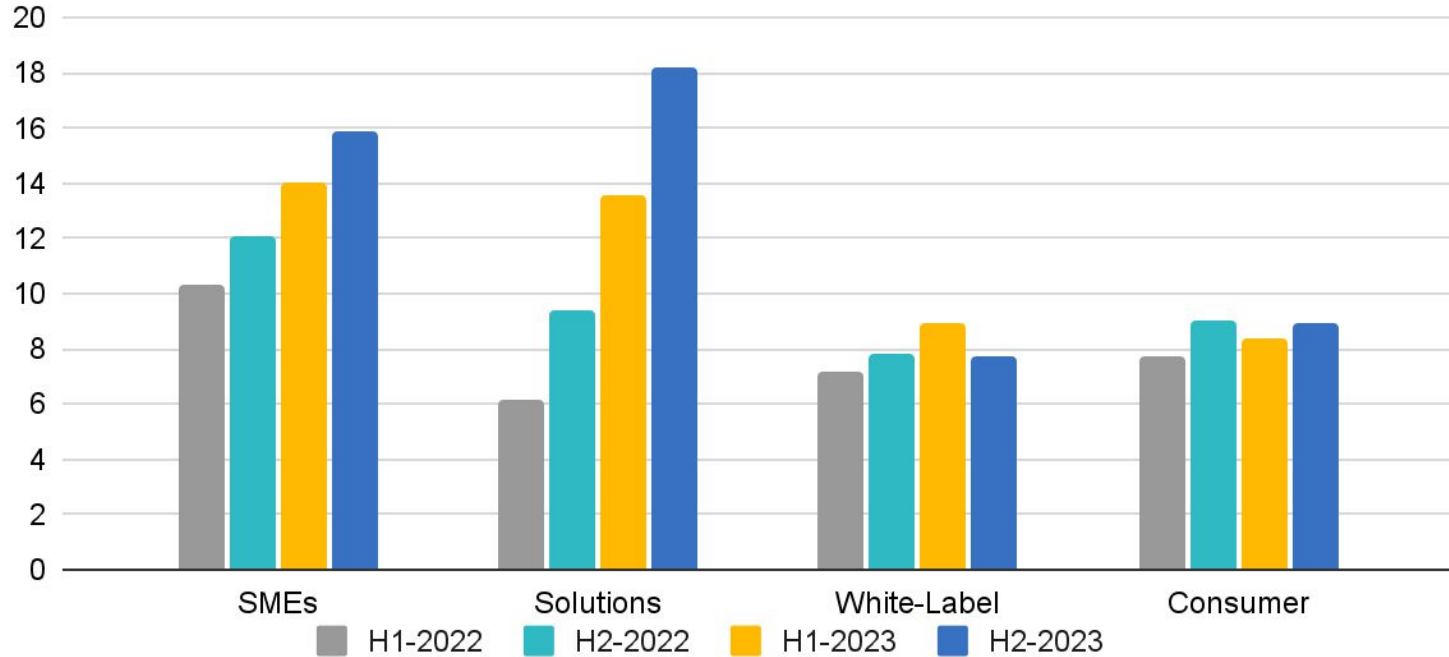
Continued investment into personnel  
Automation of KYC augmented with specialist teams for B2B  
Featurespace - AI Transaction monitoring

## Technology

Audit of tech stack supports 10x scalability  
Strong cadence of product development  
ISO 27001 certification achieved

\* Adjusted EBITDA

## Revenue per six-month period



# Equals Money Europe

## Entity



Acquisition completed on July 4th 2023

Renamed to Equals Money Europe SA on August 9th 2023

Full clearance granted by NBB

## Recruitment



Key hires in place to bring full operational capability.

Moved staff in both Brussels and Amsterdam to new offices to ensure Equals culture can be embedded

Advanced stages of filling local MD and CFO positions

## Products



Integration work completed with KBC, ING and Barclays providing full Equals Money platform through EM EU

## Equals Money



Full functionality of platform now available across EU

Solutions customers on-boarding under way

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## CFO Review

P&L

Cash flow summary

Revenue per six-month period

Gross profits

Cash costs

EPS increase

Acquisitions

## P & L summary

£ millions	H1-2023	H2-2023	FY-2023	FY-2022	% Change
Revenue	45.0	50.7	<b>95.7</b>	69.7	37.4%
GP %	52.4%	56.7%	<b>54.7%</b>	48.3%	
GP	23.6	28.7	<b>52.3</b>	33.7	55.5%
"Cash" costs	<u>(13.8)</u>	<u>(17.9)</u>	<u>(31.7)</u>	<u>(21.5)</u>	
<b>Adjusted EBITDA</b>	9.8	10.8	<b>20.6</b>	12.1	70.3%
Adjusted EBITDA %	21.8%	21.3%	<b>21.6%</b>	17.4%	
Exceptional items	-	(0.7)	<b>(0.7)</b>	0.0	
Acquisition costs	-	(1.4)	<b>(1.4)</b>	(0.2)	
Non-cash items	<u>(4.0)</u>	<u>(5.4)</u>	<u>(9.4)</u>	<u>(8.5)</u>	
PBT	5.8	3.3	<b>9.1</b>	3.4	167.8%
TAX	<u>(1.0)</u>	<u>(0.4)</u>	<u>(1.4)</u>	<u>0.1</u>	
PAT	<u>4.8</u>	<u>2.9</u>	<u>7.7</u>	<u>3.6</u>	118.2%
EPS	2.61p	1.61p	<b>4.22p</b>	1.80p	234.4% <sub>8</sub>



# Cash flow summary

<i>£ millions</i>	<u>FY-2022</u>	<u>FY-2023</u>	<u>Change</u>	<u>% Change</u>
Adjusted EBITDA	12.1	20.6	8.5	70.3%
<b>Add:</b>				
Other receipts	0.6	0.6	0.0	2.7%
<b>Less:</b>				
Leases	(1.0)	(0.9)	0.0	-4.2%
Capitalised Staff costs	(4.2)	(5.7)	(1.5)	34.9%
Other TFA	(1.1)	(1.4)	(0.3)	28.4%
Working capital movements	1.1	(1.0)	(2.2)	-189.5%
Acquisition costs through P&L	(0.2)	(1.4)	(1.2)	739.6%
Exceptional items	-	(0.7)	(0.7)	-
	<u>7.3</u>	<u>10.1</u>	<u>2.7</u>	<u>36.3%</u>
<b>Less:</b>				
CBIL repayment	(2.0)	-		
Interim dividend payment	-	(0.9)		
	<u>5.3</u>	<u>9.2</u>	<u>3.8</u>	<u>70.4%</u>
<b>Less:</b>				
Acquisitions	(0.8)	(4.5)	(3.6)	438.0%
Earn-outs	(2.6)	(1.1)	1.5	-58.2%
	<u>1.9</u>	<u>3.6</u>	<u>1.7</u>	<u>86.5%</u>
<b>Net cash flows</b>				
Opening cash	<u>13.1</u>	<u>15.0</u>	<u>1.9</u>	<u>14.8%</u>
<b>Closing cash</b>	<u>15.0</u>	<u>18.7</u>	<u>3.6</u>	<u>24.1%</u>

## Gross profits

	FY-2022		FY-2023	
	<u>£ millions</u>	<u>GP %</u>	<u>£ millions</u>	<u>GP %</u>
SMEs	8.0	53.8%	11.3	57.0%
Consumer	3.2	71.4%	2.6	70.3%
	11.2	57.9%	13.9	59.1%
White-label	1.9	12.4%	3.4	20.1%
<b>Total - International payments</b>	13.1	38.1%	17.3	43.0%
SMEs	4.7	63.6%	6.8	66.2%
Consumer	3.2	62.5%	3.0	60.4%
<b>Total - Cards</b>	7.9	63.2%	9.8	64.3%
<b>Solutions</b>	7.6	48.3%	18.2	57.3%
<b>Banking</b>	4.7	77.0%	7.0	83.8%
<b>Bureau</b>	0.5	45.2%	0.1	35.9%
	33.7	48.3%	52.3	54.7%
<i>Memo - by customer size</i>				
Total - SMEs	12.8	57.1%	18.0	60.1%
Total - Small/consumer	11.1	70.7%	12.7	74.0%

## Cash costs

£ millions	FY-2022	FY-2023	Change	% Change
Marketing costs	1.9	<b>2.6</b>	0.7	38.0%
Staff costs	14.4	<b>20.3</b>	5.9	41.0%
IT costs	2.0	<b>3.2</b>	1.2	59.9%
Professional fees	1.2	<b>2.2</b>	1.0	81.7%
Compliance costs	0.7	<b>1.5</b>	0.8	120.8%
Property costs	0.9	<b>1.2</b>	0.2	24.5%
Travel and other costs	0.4	<b>0.7</b>	0.3	63.2%
Cash costs in current period	<u>21.5</u>	<u><b>31.7</b></u>	<u>10.2</u>	<u>47.2%</u>
Average UK headcount*	268	<b>331</b>	63	23.5%
UK headcount as at 31st December*	285	<b>369</b>	84	29.5%

\*Does not include Equals Money Europe employees of which there were 28 as at 31st December 2023.

## EPS Increase

	<b>£ millions</b>	
Adjusted EBITDA increasing by:	8.5	Up 70%
Gain on disposal of Bureau	0.4	
Increase in acquisition costs	(1.2)	
Increase in exceptional items	(0.7)	
Change in non-cash items	(1.2)	
Increase in tax Charge on increased profits and increased rates of tax	(1.5)	
<b>NET INCREASE IN P.A.T</b>	<b>4.2</b>	
Total PAT in year	7.7	
EPS enhancement due to profits	4.29 p	
EPS offset owing to dilution	(0.07) p	
<b>Basic EPS - based on weighted average # of shares in year*</b>	<b>4.22 p</b>	
<b>Adjusted, basic EPS</b>	<b>7.16 p</b>	

\*Shares in issue at year end: 186,627,898. At 15 April 2024: 187,627,898.

# Acquisitions

	<u>Total</u>	<u>Roggett</u>	<u>Hamer &amp; Hamer</u>	<u>Oonex</u>
<b>Business</b>		Open banking	SME FX	EU payments
<b>Regulatory licence</b>		Yes	Yes	Yes
<b>Date acquired in 2024</b>		January	April	July
<b>Consideration:</b>	<u>£m</u>			
In cash	4.5	0.4	1.5	2.6
In Equals shares	4.4	0.5	-	3.9
Acquired liabilities	1.5	-	-	1.5
Future earn-outs	2.1	0.5	0.8	0.8
Costs capitalised	0.2	0.2	-	-
	<b>12.7</b>	<b>1.6</b>	<b>2.3</b>	<b>8.8</b>
FV & def tax	3.3	0.7	0.3	2.3
<b>Total, intangibles</b>	<b>16.0</b>	<b>2.3</b>	<b>2.6</b>	<b>11.1</b>
<b>Acquisition costs in P&amp;L</b>	<b>1.4</b>	<b>0.2</b>	<b>0.2</b>	<b>1.0</b>
<b>Items outstanding at 15 April 2024</b>				
Earn-outs	0.8	-	0.8	-
Acquisition liabilities	0.7	-	-	0.7
	<b>1.5</b>	<b>-</b>	<b>0.8</b>	<b>0.7</b>



# Current trading

**Ian Trafford-Taylor**

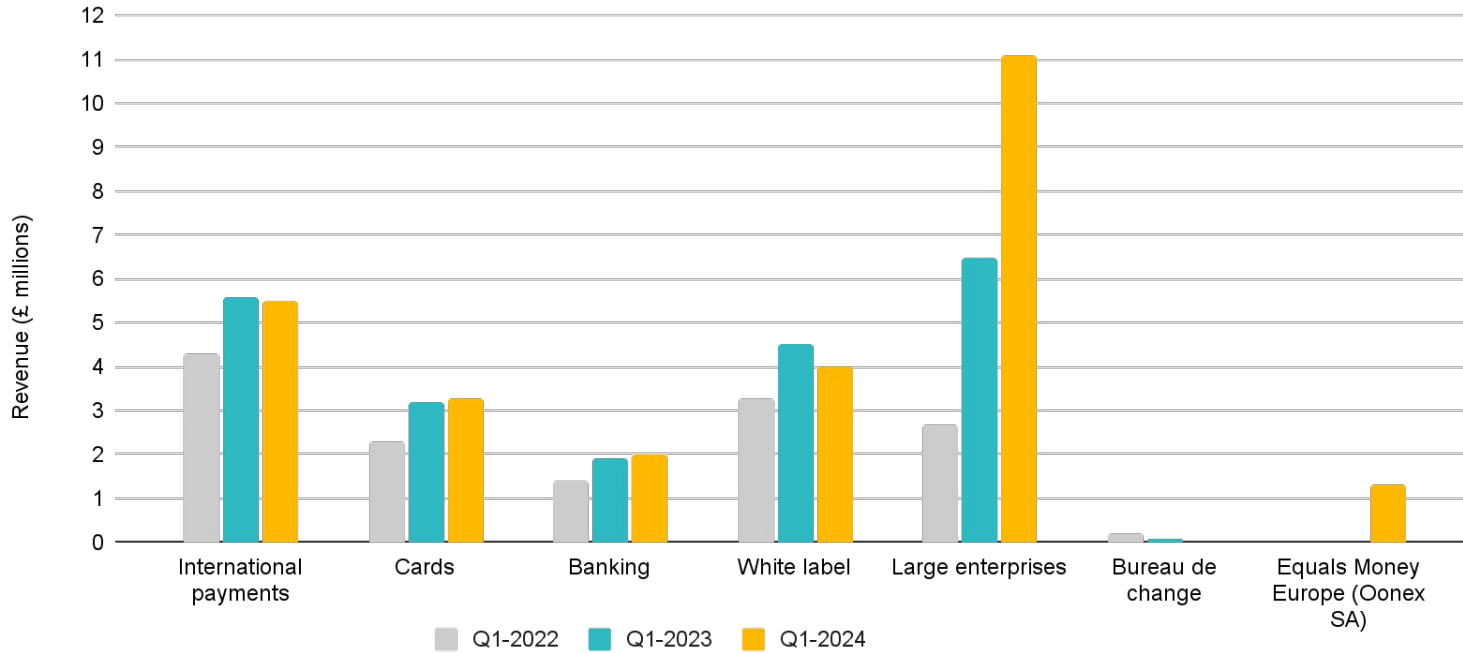
CEO, Equals Group

## Trading update

Revenue (£ millions)	Q1-2022	Q1-2023	Q1-2024
International payments	4.3	5.6	5.5
Cards	2.3	3.2	3.3
Banking	1.4	1.9	2.0
White label	3.3	4.5	4.0
Large enterprises ("Solutions")	2.7	6.5	11.1
Bureau de change	0.2	0.1	0.0
Equals Money Europe (Oonex SA)	0.0	0.0	1.3
<b>Total</b>	<b>14.2</b>	<b>21.8</b>	<b>27.2*</b>
Revenues per working day (£k)	225	340	431*
Vs Comparative period		54%	27%*

\*Revenue in in H1-2024 up to 12 April 2024 reached £31.9 million, up from £24.5 million in the same period in 2023, an increase of 30% which averages to £443k per day in the period 1.01.24 to 12.04.24

# 2024 Trading update





# Summary

## Continued growth

Turnover, revenues, profits and distributable reserves  
Dividend paying

## Cash generative

Strong balance sheet  
Active in M&A  
£21.6 million cash - 11.5p / share

## Product functionality

Unified platform incorporating cards and own-name multi-currency IBAN available directly, via API, or white-label

## Scalable Technology

Modern, modular architecture  
Strong governance  
10x capacity easily accommodated  
ISO27001 accreditation

## Compliance culture

Increased headcount and skills  
Firm-wide compulsory training  
Independent audits

## Strong, stable team

High retention of key staff  
LTIP and SIP programs key  
Investment into culture & inclusivity



# Q&A

**Ian Strafford-Taylor**

CEO, Equals Group

**Richard Cooper**

CFO, Equals Group