

18 January 2018

FairFX Group plc

("FairFX" or "the Group" or "the Company")

Trading Statement

Strong Growth with turnover exceeding £1 billion

FairFX, the e-banking and international payments group, is pleased to provide the market with a trading update for the year ended 31st December 2017 ("FY17").

Full year turnover for the Group was in excess of £1.1 billion, an increase of 39% on the prior year (2016: £798 million) and in line with management expectations.

On an organic basis, excluding the effects of the CardOne Banking ("CardOne") acquisition, which completed in August 2017, Group turnover was up 17.3% at £936 million. Underlying growth in turnover (excluding the effects of lower margin business for Leicester City FC) was up 27% for the year. As a result of this strong performance, the Group expects revenues and profits to be ahead of market expectations for FY17.

Growth was driven by the Group's continued focus on its core products of International Payments (up 19.5%) and Prepaid Cards (up 18.0%). In keeping with the Group's stated strategic objective of growing the Corporate segment of the business, usage of the Company's corporate card platform rose by 61.9% compared to 2016. Furthermore, during FY17, 68,136 new UK domiciled retail customers were acquired, bringing the total to 701,206.

The integration of CardOne into the Group has been successful and the planned synergies have been realised during 2017 with more expected to follow in 2018. As a result of the CardOne transaction, there will be further focus on optimising the combined marketing spend. The appointment of Ben Wynn as Chief Product and Marketing Officer means the Group is now well placed to refine an integrated marketing strategy for 2018 and beyond.

The Company's focus in 2018 will be based on the two core themes of rapid product innovation and extracting increasing economies of scale.

On the product innovation side, a key focus in 2018 will be on rolling out new products in Banking by building upon the technology acquired as part of the CardOne transaction. In this regard, the Group will be rolling out the Fair Everywhere multi-currency bank account product in the first quarter of 2018 with a focus on the business sector and more specifically, SME's. In addition, the Group has development pipelines for the corporate expenses platform and the retail FX card offerings. All product roll-outs will be accompanied by an integrated marketing strategy across both digital and traditional channels.

Regarding the realisation of economies of scale, as previously announced, the Group will be using its Mastercard membership to enable it to issue its own cards and has a number of initiatives in progress to rationalise its supply chain and minimise costs.

FairFX CEO, Ian Strafford-Taylor, commented:

"The performance and evolution of FairFX during 2017 gives us great confidence for the prospects for 2018 and beyond. The Company grew consistently through the year and did not miss a step through the acquisition of CardOne Banking, which is testament to the management depth we now possess. We have a clear roadmap internally to achieve our 2018 goals, which will see the business continue its growth, further broaden the product offering and improve margins."

This announcement contains inside information.

Contact:

FairFX Group plc +44 (0) 20 7778 9308
Ian Strafford-Taylor, CEO

Cenkos Securities plc +44 (0) 20 7397 8900
Max Hartley/Callum Davidson

Yellow Jersey
Charles Goodwin +44 (0) 7747 788 221
Katie Bairsto +44 (0) 7946 424 651
Abena Affum +44 (0) 7555 159 808

About FairFX

FairFX is a leading challenger brand in banking and payments that disintermediates the incumbent banks with a superior user experience and low cost operating model. This enables personal and business customers to make easy, low-cost multi-currency payments in a broad range of currencies and across a range of FX products all via one integrated system. The FairFX platform facilitates payments either direct to Bank Accounts or at 30 million merchants and over 1 million ATM's in a broad range of countries globally via Mobile apps, the Internet, SMS, wire transfer and MasterCard/VISA debit cards.

FairFX provides banking and payment services to both personal and business customers through four channels: Currency Cards, Physical Currency, International Payments and Bank Accounts. The Currency Card and Physical Currency offerings facilitate multiple overseas payments at points of sale and ATM's whereas the International Payments channel supports wire transfer foreign exchange transactions direct to Bank Accounts. For Corporates, FairFX has a market-leading business-expenses solution based around its corporate prepaid platform and card that can yield significant savings on a Corporate's procurement through better controls and improved transparency and also streamline the procurement process thus saving administrative costs. Through the recent acquisition of CardOne, FairFX now has the capability to offer retail and business Bank Accounts with all the functionality you would expect from a Bank, namely faster payments, BACs, direct debits, international payments and a debit card.

This information is provided by RNS
The company news service from the London Stock Exchange

END

TSTSFEESEWFASEIF