

Finablr PLC

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Travelex owner Finablr considers London float after strong demand for Network International IPO

Travelex owner Finablr is considering a stock market flotation in London that could raise at least US\$200m.

The United Arab Emirates-based payments company, which also owns UAE Exchange and Xpress Money, said it could sell a mix of new and existing shares totalling at least 25% of its equity.

However, Finablr chief executive Promoth Manghat said it was too early to talk about proceeds or the exact number of existing shares to be sold since the company had not made a final decision to proceed with the IPO.

The group has engaged Barclays Bank, Goldman Sachs, JP Morgan Securities to act as joint global co-ordinators and joint bookrunners and EFG-Hermes, Merrill Lynch and Numis Securities to act as joint bookrunners if the initial public offering goes ahead.

Indian businessman Bavaguthu Shetty, who is co-chair of Finablr and owns a 51% stake in Travelex, said: "We have tremendous opportunities ahead of us and we are well placed to capture these, through the significant investments we have made in building capabilities and the strong management team we have put in place.

"I am very excited about what we have built and this is the right time to consider the future growth of Finablr and whether the business would benefit from becoming a listed company."

Finablr is looking at a premium listing on the main market of the London Stock Exchange.

Rival finalises plans for biggest London IPO

The announcement comes as Finablr rival, Network International, is set to become London's biggest IPO of the year on strong demand.

Morgan Stanley, the bookrunner for Network's IPO, on Monday, narrowed the price range to 430p and 450p from 395p to 465p and said the books are "multiple times oversubscribed throughout this price range".

Mastercard has agreed to make a US\$300m cornerstone investment in the listing, buying up to 9.99% of Network's shares.

The float is set to take place on Wednesday.

Network International was founded in 1994 and made an underlying profit of US\$152m last year on revenues of US\$298m.

Finablr float could help cut debt

Price: £1.74

Market Cap: £1.22 billion

1 Year Share Price Graph



Share Information

Code: FIN

Listing: LSE

52 week High Low
191.4 134.4

Sector: Business & education services

Website: www.finablr.com

Company Synopsis:

Finablr PLC is a United Arab Emirates-based payments company, which owns the Travelex, UAE Exchange and Xpress Money brands.

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If Finablr pursues an IPO, the money raised could help cut the company's net debt, which stood at US\$564.2mIn at the end of 2018, although Manghat said the company is comfortable with its borrowing level.

Adjusted earnings (EBITDA) in 2018 totalled US\$210.4mIn.

Finablr managed US\$114.5bn in volumes for its clients as of December.

The company's network spans more than 170 countries and its biggest markets are India, Pakistan, Bangladesh and the Philippines.

UAE Exchange bought Travelex, the world's largest foreign exchange specialist, for £800mIn in 2016.

The European IPO market has dried up recently with proceeds falling to US\$292mIn in the first three months of 2019 from \$13.9bn a year ago, according to Refinitiv data.

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