

## **Travelex Financing Plc**

### **Statement regarding Finablr Plc**

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### **Statement regarding Finablr Plc's RNS announcement dated 16 March 2020**

Travelex Financing Plc notes today's announcement released by Finablr Plc ('Finablr'), its indirect parent company, regarding the temporary suspension of listing of Finablr's shares, the trading update, Finablr's leadership change and the urgent measures taken by the Board of Finablr.

Travelex is taking Finablr's latest developments very seriously. Travelex operations continue as usual following the Finablr statement. In line with other businesses driven by travel volumes, Travelex acknowledges the severe challenges facing it as a result of the COVID-19 crisis. Travelex continues to take decisions regarding the operation of its business in the interests of all relevant stakeholders.

### **Enquiries**

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### **Finablr Plc's Announcement:**

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014.

16 March 2020

### **Suspension of Listing, Trading Update, Directorate Change and Urgent Board Measures**

Finablr PLC ("Finablr" or the "Company"), the global platform for payments and foreign exchange, today provides an update to the market as follows:

#### **Temporary suspension of listing of Finablr shares**

The Company confirms that the Financial Conduct Authority (the "FCA") has agreed to the temporary suspension of listing of the shares of Finablr PLC at the request of the Company.

#### **Current Trading Update**

On 12 March 2020, the Company announced a number of factors that were placing significant constraints on the Company's access to the daily liquidity the Company needs to manage its business effectively and its ability to negotiate longer term financing. Since that announcement, these constraints have become amplified and have now reached a point where they are having a material adverse impact

on the Company's operations, including resulting in the Company no longer being able to provide certain payment processing services.

In addition, the Board has been informed of the presence of cheques (written by Group companies and dating back to before the IPO), which may have been used as security for financing arrangements for the benefit of third parties. A preliminary view is that the amount of these cheques totals approximately US\$100 million. The existence of these cheques has only recently been brought to the attention of the Board and urgent investigations are ongoing.

As a result of the foregoing events, the Board is unable accurately to assess the financial position of the Company and there is a material uncertainty about the Group's ability to continue as a going concern.

The Board is looking to put in place a package of urgent measures aimed at restoring confidence and stability across its stakeholders – those measures are set out below.

#### **Executive Leadership**

Promoth Manghat has informed the Board that he has decided to step down as Chief Executive Officer, as well as from all other directorships and other offices of entities within the Finabl Group. The Board has accepted his resignation and thanks Promoth for his contribution to the Group over many years. Promoth has agreed to continue to support the Group while the Board finds a suitable successor.

The Board will immediately commission a search for a new Chief Executive Officer, to be in place as soon possible. Further announcements will be made in due course.

#### **Committee of Independent Non-Executive Directors Established**

The Board has decided to establish a committee of its Independent Non-Executive Directors to carry out a comprehensive review of the Company's liquidity and cashflow management functions, its financial and debt position, and its strategic options. The committee will meet on a regular basis and work with the Company's advisors, including those newly appointed advisors announced below.

#### **Appointment of Kroll to Undertake an Independent Review**

As stated in its announcement on 12 March 2020 with regards to the Board's intention to commission an independent investigation, the Board has appointed Kroll to carry out a more comprehensive review of related-party transactions and on and off-balance-sheet debt, including the issues identified above regarding the cheques and any other contingent liabilities

#### **Strengthening Company Finance Function**

The Board has decided that the Company will appoint a further accounting advisory team to support and strengthen the Company's finance function with a focus on liquidity. A further announcement will be made once the appointment is confirmed.

#### **Appointment of Independent Financial Advisor**

The Board is in the process of discussing with an Independent Financial Advisor its appointment to conduct a review of the Company's debt and cashflow position and to support the Management team in addressing its short- and longer-term financing needs. A further announcement will be made once the appointment has been finalised.

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