



Currency Exchange International Announces a 4% Increase in Revenue for the Year Ended October 31, 2024 over the Prior Year

January 22, 2025

Toronto, Canada - Currency Exchange International, Corp. (the "Group" or "CXI") (TSX: CXI; OTC: CURN), today reported net income of \$2.5 million for the year ended October 31, 2024, \$7.7 million, or 76% lower than the prior year (all figures are in U.S. dollars except where otherwise indicated). This 2024 reported net income reflected \$13.3 million net income in the United States and a net loss of \$10.8 million in Canada. These years' results include several non-recurring charges in Canada totaling \$7.7 million. Excluding these items, adjusted net income¹ remained flat compared to the prior year and adjusted diluted earnings per share¹ ("EPS") was 3% higher than the prior year. The completed consolidated financial statements and management's discussion and analysis ("MD&A") can be found on the Group's SEDAR profile at www.sedarplus.ca.

2024 Reported Results	EBITDA \$13.4 million, decreased by 30% YoY	Net Income \$2.5 million, decreased by 76% YoY	Diluted EPS \$0.38, decreased by 75% YoY	ROE 3%, decreased by 77% YoY
2024 Adjusted Results ¹	EBITDA¹ \$19.7 million, increased by 3% YoY	Net Income¹ \$10.2 million, remained flat YoY	Diluted EPS¹ \$1.56, increased by 3% YoY	ROE¹ 12%, decreased by 15% YoY

Below is a reconciliation of reported results to adjusted results based on non-recurring items:

	Year ended October 31, 2024	Year ended October 31, 2023
	\$	\$
Earnings before interest, taxes, depreciation and amortization (EBITDA)	13,395,665	19,198,090
Income before income tax	8,672,947	14,524,785
Net income	2,473,849	10,193,507
Basic earnings per share	0.39	1.59
Diluted earnings per share	0.38	1.52
Adjusting items' impact on income before income tax		
<i>Specified item: Impairment charges</i>	2,627,038	-
<i>Specified item: Regulatory compliance charges</i>	2,516,019	-
<i>Specified item: Non-recurring tax items</i>	1,183,374	-
Total impact of adjusting items on income before income tax	6,326,431	-
Adjusting items' impact on net income		
<i>Specified item: Deferred tax assets reversal</i>	1,429,852	-
Total adjusting items (before income tax impact)	7,756,283	-
Adjusted results¹		
EBITDA – adjusted	19,722,096	19,198,090
Income before income tax – adjusted	14,999,378	14,524,785
Net income – adjusted	10,211,678	10,193,507
Basic earnings per share – adjusted	1.62	1.59
Diluted earnings per share – adjusted	1.56	1.52

¹ These are non-GAAP measures based on management-determined non-recurring items. For further information, refer to the key performance and non-GAAP financial measures section on page 4, and for full reconciliation, refer to the key performance and non-GAAP financial measures section on page 21 in the MD&A.

The Group's revenue was 4% higher than the prior year reflecting overall growth, of which 7% was achieved in the United States while revenue in Canada was 6% lower than the prior year. Revenue in the United States represented 81% (79% in the prior year) while Canada represented 19% (21% in the prior year). The Group's capital position remained robust, and liquidity was strong with \$79.4 million in total equity and \$73.8 million in net working capital as of October 31, 2024.

Randolph Pinna, CEO of the Group, stated, "CXI group revenue grew over the prior year allowing us to keep our balance sheet strong while we continue to focus on growth and managing expenses. There were non-recurring items that materially impacted the group's consolidated financial results for the 2024 year. It remains clear that the group's business model is very strong in the United States as it is diverse, with the continuous growth in the payments business complimented by a successful banknotes model for both our Financial Institutions and our Direct to Consumer offering through online, agent and physical branch locations. Our management team and I remain committed to executing on our strategic plan which is focused on the return on capital for our shareholders. The group is confident it will continue to grow and become a leader in the supply of banknotes and international payments through continued customer growth while improving efficiencies using new technologies and the roll out of product enhancements".

Financial Highlights for the three-month periods ended October 31, 2024 and 2023:

- Revenue increased by 1% or \$0.3 million to \$23.1 million compared to \$22.8 million. Payments revenue grew 20% or \$0.7 million over the prior period and Banknotes revenue declined by 2% or \$0.4 million;
- Reported EBITDA decreased by 95% or \$5.6 million to \$0.3 million from \$5.9 million due to several non-recurring charges in Canada. Adjusted EBITDA² was \$5.9 million, similar to the prior period;
- Reported net loss was \$2.8 million, compared to \$2.3 million net income in the prior period due to several non-recurring charges in Canada. Adjusted net income² increased 21% or \$0.5 million to \$2.8 million from \$2.3 million in the prior period;
- Reported loss per share was \$0.45 on a basic and fully diluted basis, compared to the prior year reported earnings per share of \$0.36 and \$0.34, respectively. Adjusted earnings per share² were \$0.44 and \$0.42 on a basic and fully diluted basis, respectively; and
- The Group had strong capital and liquidity positions of \$79.4 million in net working capital and \$73.8 million in total equity as of October 31, 2024.

Financial Highlights for the years ended October 31, 2024 and 2023:

- Revenue increased by 4% or \$3.3 million to \$85.3 million compared to \$82.0 million. Payments revenue grew 12% or \$1.7 million over the prior year and Banknotes revenue grew by 2% or \$1.6 million;
- Reported EBITDA decreased by 30% or \$5.8 million to \$13.4 million from \$19.2 million due to several non-recurring charges in Canada. Adjusted EBITDA² increased by 3% or \$0.5 million to \$19.7 million from \$19.2 million last year;
- Reported net income declined by 76% or \$7.7 million to \$2.5 million from \$10.2 million due to several non-recurring charges in Canada. Adjusted net income² \$10.2 million, similar to last year;
- Reported earnings per share were \$0.39 on a basic basis and \$0.38 on a fully diluted basis, compared to reported earnings per share of \$1.59 and \$1.52, respectively in the prior year. Adjusted earnings per share² for 2024 were \$1.62 and \$1.56 on a basic and a fully diluted basis, respectively; and
- Cash flows from operating activities, excluding the changes in working capital amounted to \$14.1 million compared to \$12.0 million.

² These are non-GAAP measures based on management-determined non-recurring items. For further information, refer to key performance and non-GAAP financial measures section on page 4 of this document.

Corporate Highlights for the three-month periods ended October 31, 2024:

- The Group continued to grow its Payments product line benefiting from the recent investments in core banking platform integration which enabled the Group to expand its reach and increase its volumes in the United States. The Group's Payments volume increased to \$1.99 billion compared to \$1.44 billion in the same period last year;
- The Group maintained its strong presence in the direct-to-consumer market through its network of company-owned branch locations, agent relationships, and in the states where it operates its OnlineFX platform. During the fourth quarter, the Group added two new company-owned branch locations in the states of Massachusetts and Georgia; and
- The Group continued its banknotes market penetration into the financial institutions sector in the United States with the addition of 89 new clients.

Selected Financial Data

The following table summarizes the performance of the Group over the last eight fiscal quarters:

Three-month period ended	Reported results						Adjusted results based on non-recurring items ³	
	Revenue	Net operating income	Net (loss) income	Earnings/(loss) per share (diluted)	Total assets	Total equity	Adjusted net income	Adjusted earnings per share (diluted)
	\$	\$	\$	\$	\$	\$	\$	\$
10/31/2024	23,049,079	2,871,128	(2,817,897)	(0.45)	131,161,584	79,392,355	2,780,445	0.42
7/31/2024	23,993,252	6,747,390	3,935,350	0.59	163,224,374	83,103,393	4,644,984	0.69
4/30/2024	20,095,168	3,818,275	506,522	0.08	159,910,390	79,940,478	1,936,375	0.29
1/31/2024	18,106,918	2,247,267	849,874	0.13	133,780,438	80,520,993	849,874	0.13
10/31/2023	22,786,072	5,818,667	2,303,822	0.34	132,049,444	79,232,981	2,303,822	0.34
7/31/2023	23,587,589	6,438,354	4,056,478	0.60	129,643,409	77,590,126	4,056,478	0.60
4/30/2023	18,694,919	3,743,069	2,243,708	0.33	134,697,253	73,104,851	2,243,708	0.33
1/31/2023	16,886,189	2,734,159	1,589,499	0.24	133,072,968	71,448,732	1,589,499	0.24

Exchange Bank of Canada's Strategic Review

On January 7, 2025 CXI announced the formation of a Special Committee of independent directors to consider a range of strategic options for its wholly-owned subsidiary, Exchange Bank of Canada ("EBC"), a federally chartered non-deposit-taking Canadian Schedule I bank. The strategic review is exploring and considering several different opportunities to maximize long-term value for shareholders and focus the Company's resources towards its profitable U.S. operations.

The Board of Directors and Management are focused on assessing stakeholder interests and evaluating the optimal path forward for EBC on an orderly basis. Further announcements will be made. CXI emphasizes that there is no assurance the strategic review will result in any specific transaction. The Company remains committed to ensuring minimal disruption to its customers and employees throughout this process.

³ These adjusted results are non-GAAP measures based on management-determined non-recurring items. For further information, refer to the reconciliation on page 1 and the key performance and non-GAAP financial measures section on page 4 of this document.

Earnings Conference Call Details

CXI plans to host a conference call on **Thursday, January 23, 2025, at 8:30 AM EST.**

To participate in or listen to the call, please dial the appropriate number:

Toll Free - North America: **(+1) 800 717 1738**

Conference ID Number: **99780**

About Currency Exchange International, Corp.

Currency Exchange International is in the business of providing comprehensive foreign exchange technology and processing services for banks, credit unions, businesses, and consumers in the United States and select clients globally. Primary products and services include the exchange of foreign currencies, wire transfer payments, Global EFTs, and foreign cheque clearing. Wholesale customers are served through its proprietary FX software applications delivered on its web-based interface, www.cxifx.com ("CXIFX"), its related APIs with core banking platforms, and through personal relationship managers. Consumers are served through Group-owned retail branches, agent retail branches, and its e-commerce platform, order.ceifx.com ("OnlineFX").

The Group's wholly-owned Canadian subsidiary, Exchange Bank of Canada, based in Toronto, Canada, provides foreign exchange and international payment services in Canada and select international foreign jurisdictions. Customers are served through the use of its proprietary software, www.ebcfx.com ("EBCFX"), related APIs to core banking platforms, and personal relationship managers.

Contact Information

For further information please contact:

Bill Mitoulas

Investor Relations

(416) 479-9547

Email: bill.mitoulas@cxifx.com

Website: www.cxifx.com

KEY PERFORMANCE AND NON-GAAP FINANCIAL MEASURES

The Group measures and evaluates its performance in this document using a number of financial metrics and measures, such as adjusted net income, which do not have standardized meanings under generally accepted accounting principles (GAAP) and may not be comparable to other companies. The Group's management believes that these measures are more reflective of its operating results and provide the readers of this document with a better understanding of management's perspective on the performance. These measures enhance the comparability of our financial performance for the current year with the corresponding period in the prior year. For further information, including a reconciliation, refer to key performance and non-GAAP financial measures in the MD&A.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This press release includes forward-looking information within the meaning of applicable securities laws. This forward-looking information includes, or may be based upon, estimates, forecasts, and statements as to management's expectations with respect to, among other things, demand and market outlook for wholesale and retail foreign currency exchange products and services, future growth, the timing and scale of future business plans, results of operations, performance, and business prospects and opportunities. Forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "preliminary", "project", "will", "would", and similar terms and phrases, including references to assumptions.

Forward-looking information is based on the opinions and estimates of management at the date such information is provided, and on information available to management at such time. Forward-looking information involves significant risks, uncertainties and assumptions that could cause the Group's actual results, performance, or achievements to differ materially from the results

discussed or implied in such forward-looking information. Actual results may differ materially from results indicated in forward-looking information due to a number of factors including, without limitation, the competitive nature of the foreign exchange industry, the impact of COVID-19 or the evolving situation in Ukraine on factors relevant to the Group's business, currency exchange risks, the need for the Group to manage its planned growth, the effects of product development and the need for continued technological change, protection of the Group's proprietary rights, the effect of government regulation and compliance on the Group and the industry in which it operates, network security risks, the ability of the Group to maintain properly working systems, theft and risk of physical harm to personnel, reliance on key management personnel, global economic deterioration negatively impacting tourism, volatile securities markets impacting security pricing in a manner unrelated to operating performance and impeding access to capital or increasing the cost of capital as well as the factors identified throughout this press release and in the section entitled "Risks and Uncertainties" of the Group's Management's Discussion and Analysis for the three-month periods and years ended October 31, 2024 and 2023. Forward-looking information contained in this press release represents management's expectations as of the date hereof (or as of the date such information is otherwise stated to be presented) and is subject to change after such date. The Group disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

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