

26 January 2023

Fintel plc

("Fintel", the "Company", the "Business" or the "Group")

Year End Trading Update

And

Notice of Full Year Results

Strong financial performance. Significant strategic progress. Positioned for growth.

Fintel (AIM: FNTL), the leading provider of fintech and support services to the UK Retail Financial Services sector, today issues a trading update for the year ended 31 December 2022.

Financial Highlights

- Core revenue growth **up c.8%** to **£56.4m** (FY21: £52.2m)
- Core SaaS & Subscription revenue **up c.7%** to **£36.8m** (FY21: £34.3m)
- Total revenue growth **up £2.6m** to **£66.5m** (FY21: £63.9m)
- Adjusted EBITDA¹ growth **of c.6%**, in line with Board expectations (FY21: 6%) while continuing to invest in our core products and services
- Net cash position² of **£12.8m** (FY21: £2.5m) with Revolving Credit Facility ("RCF") fully repaid and undrawn since June 2022 driven by operating cash conversion expected to be in excess of 100% (FY21: 116%)
- New and increased four year £80m Revolving Credit Facility completed in December 2022, on more favourable terms, providing significant, flexible funding capacity for inorganic and organic growth opportunities arising in the market

Operational Highlights

- Continued growth in Core SaaS and Subscriptions revenue across all three operating divisions
- Significant progress in conversion to Distribution as a Service ("DaaS") with c.70% (target 60%) of Distribution Partner revenue converted to multi-year subscription agreements by 31 December 2022
- Major upgrade to our proprietary advice software with additional modules released to enhance the intermediary software service offering
- Selective M&A pipeline expected to enhance earnings and growth opportunities in the medium term

Revolving Credit Facility

The planned refinancing of the Group's £45m RCF took place in Q4 of 2022 with a new, four year RCF completing on 5 December 2022 that increased the Group's borrowing capacity to £80m. The RCF remains fully undrawn at 31 December 2022. More favorable terms were achieved including a reduction in overall margin and the option of a £20m accordion, whilst existing leverage covenants remain in place. An additional bank, Santander, joined NatWest and Virgin Money in the banking syndicate. This funding capability underpins the Group's ability to make strategic acquisitions of scale, whilst still maintaining its track record of prudent leverage.

Outlook

A backdrop of dynamic structural shifts in UK financial services continues to position Fintel well to achieve strong and sustained organic growth looking forward. This underpins our ability to develop and acquire enhanced capabilities that can be deployed to our expansive client base.

The Board remains confident of delivering future earnings growth in line with its expectations and making continued strategic progress.

Matt Timmins, Joint CEO of Fintel plc, said:

"2022 has been a year of continued strategic progress and strong trading. The business has performed well, with both revenue and earnings growth in line with the Board's expectations, despite the challenging macro-economic climate.

"Continued enhancement and expansion of our technology and service platform has contributed to increased Core SaaS and Subscription income across all operating divisions. In addition to delivering a strong financial performance, we are also delighted to be recognised as the "Best Professional Adviser Service Company of the Year" for the fifth consecutive year, as well as being accredited as an "Outstanding Company to Work For" by Best Companies.

"Our resilient operating cashflow conversion, combined with our enhanced funding capacity provide considerable financial agility as we pursue strategic acquisitions, and we remain confident that Fintel is in a strong position to deliver both our strategic goals and growth ambitions."

Notice of Full Year Results

Fintel intends to announce its Full Year Results for the year ended 31 December 2022 on 21 March 2023.

¹ Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share option charges and exceptional operating costs.

² Net cash position excludes any adjustment under IFRS16 "Lease Accounting" and compares gross cash balances to gross borrowings under the Group's £80m Revolving Credit Facility.

For further information please contact:

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Notes to Editors

Fintel is the UK's leading fintech and support services business, combining the largest provider of intermediary business support, SimplyBiz, and the leading research, ratings and Fintech business, Defaqto.

Fintel provides technology, compliance and regulatory support to thousands of intermediary businesses, data and targeted distribution services to hundreds of product providers and empowers millions of consumers to make better informed financial decisions. We serve our customers through three core divisions:

The Intermediary Services division provides technology, compliance, and regulatory support to thousands of intermediary businesses through a comprehensive membership model. Members include directly authorised IFAs, Wealth Managers and Mortgage Brokers.

The Distribution Channels division delivers market Insight & analysis and targeted distribution strategies to financial institutions and product providers. Clients include major Life & Pension companies, Investment Houses, Banks, and Building Societies.

The Fintech and Research division (Defaqto) provides market leading software, financial information and product research to product providers and intermediaries. Defaqto also provides product ratings (Star Ratings) on thousands of financial products. Financial products are expertly reviewed by the Defaqto research team and are compared and rated based on their underlying features & benefits. Defaqto ratings help consumers compare and buy financial products with confidence.

For more information about Fintel, please visit the website: www.wearefintel.com

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