

30 July 2024

**Fintel plc**

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

**Trading Update and Notice of Half Year Results**

***Continued growth and strategic expansion***

Fintel (AIM: FNTL), the award-winning provider of fintech and support services to the UK Retail Financial Services sector today issues a trading update for the six months ended 30 June 2024.

**Financial highlights - positive trading momentum, in line with Board expectations**

- Core<sup>1</sup> revenue increased to **£31.2m** (HY23: £27.6m), **up 13.3%**
- Core adjusted EBITDA<sup>2</sup> increased to **£9.3m** (HY23: £8.8m), **up c.5.2%**
- Core SaaS & Subscription revenue of **£20.0m** (HY23: £18.8m), **up c.6%**
- Statutory revenue of **£35.7m** (HY23: £31.7m), **up c.12.5%**
- Adjusted EBITDA<sup>3</sup> increased to **£9.6m** (HY23: £9.0m), **up c.6.6%**
- Strong liquidity with gross cash of **£7.4m** (FY23: £12.7m; HY23: £13.3m), after £6.2m deployed into strategic investments and acquisitions, and continued organic investment into product development of c.£2.5m in the period
- £64.0m of headroom in the £80.0m Revolving Credit Facility, providing flexibility for further investment
- Net debt position of £8.6m (HY23: net cash of £13.3m), with a net debt to EBITDA ratio of 0.4x
- Successful settlement in May 2024 of the 2021 'value builder' long term incentive scheme for 19 members of key management through £5m cash award, avoiding shareholder dilution

**Operational highlights - further progress with organic initiatives**

- Phase one development of Matrix 360 complete, offering an enhanced version of market and competitor intelligence software Defaqto Matrix. This provides the most comprehensive view of insurance products available in the market and enables providers to benchmark and optimise insurance product performance
- Launch of Fintel IQ, industry first connected technology and workflow platform, enabling a seamless advice process for larger intermediary firms

**Strategic highlights - continued strategic expansion with five acquisitions announced**

- Continued strategic expansion with five acquisitions announced year-to-date, totalling nine in the past 12 months, in line with Fintel's strategy to expand IP, capabilities and quality data sets within its core markets
- Conditional acquisition of **Rayner Spencer Mills Research**, one of the most recognised fund ratings and research agencies in the UK
  - o Extends Defaqto's fund research and ratings capabilities for financial services and investment professionals
- Acquisition of **Threesixty Services**, a provider of compliance and business support services
  - o Extends Fintel's range of quality services available to professional intermediaries, complementing its current offerings

- Acquisition of 70% of **ifaDASH**, a reg-tech solution that assists intermediaries with running an efficient, compliant business, by Fintel IQ
  - o Enhances Fintel's CRM capabilities, enabling digitisation of compliance between back-office systems
- New distribution agreement with **Mortgage Brain**, one of the leading providers of technology to the mortgage industry, alongside a minority investment by Fintel
  - o New agreement signed in March 2024, made Mortgage Brain's CRM, sourcing and submission software available to Fintel's wide network of advisers, helping them to efficiently source and place the best mortgage products for their clients
- Acquisition of **Owen James**, leading provider of strategic engagement events, via Fintel IQ
  - o Extends Fintel's flagship industry events programme and data and insights strategy through Owen James' unique market position
- Completion of acquisition of **Synaptic Software**, an independent provider of financial adviser planning and research software, by Fintel IQ
  - o Extends Fintel's current technology and research capabilities, delivering further growth and value opportunities

## Outlook

Fintel continues to benefit from regulatory and structural changes in the UK financial services market, with expansion of our products and services supporting our customers through this evolving landscape.

With a diverse customer base and proposition and further expansion of our technology and services platform through a series of successful acquisitions and organic investment into product development, Fintel is well positioned to benefit from operational efficiencies and growth opportunities.

The Board remains confident of meeting its expectations for the full year.

## Notice of Half Year Results

Fintel intends to publish its half year results for the six months ended 30 June 2024 on 17 September 2024.

### Matt Timmins, Joint CEO of Fintel plc, said:

"Fintel has made a strong start to 2024, with positive trading momentum and continued strategic expansion, bringing new capabilities to our customers while investing in enhancing our core propositions.

As we extend our service and technology platform, we remain focused on driving efficiencies within the UK retail financial services market and creating better outcomes for all participants.

Looking ahead, we are confident that our diverse proposition and customer base, underpinned by strong market drivers and recurring revenue streams, position us well to deliver continued strategic progress and growth."

## Notes

<sup>1</sup>Core business excludes revenues from Panel Management and Surveying.

<sup>2</sup>Core adjusted EBITDA represents earnings before interest, tax, depreciation, amortisation, share option charges and operating exceptional costs excluding Panel Management and Surveying.

<sup>3</sup>Adjusted EBITDA represents earnings before interest, tax, depreciation, amortisation, share option charges and operating exceptional costs.

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**Notes to Editors**

Fintel is a UK fintech and support services business, combining the award-winning intermediary business support services, and the leading research, ratings and fintech businesses.

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 and analysis and targeted distribution strategies to financial institutions and product providers. Clients include major Life and 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 and benefits. Defaqto ratings help consumers compare and buy financial products with confidence.

For more information about Fintel, please visit the website: [www.wearefintel.com](http://www.wearefintel.com)

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