

30 January 2025

Fintel plc

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

Year End Trading Update, Completion of Acquisition and Notice of Full Year Results

Positive financial performance, significant strategic expansion

Fintel (AIM: FNTL), a leading provider of fintech and support services to the UK retail financial services sector, today announces a trading update for the year ended 31 December 2024, and the successful completion of the acquisition of RSMR following regulatory approval.

Financial highlights

- Positive performance and significant strategic progress with full year results in line with Board expectations
- Revenue increased **21% to £78.3m** (FY23: £64.9m)
- Core¹ revenue increased **22% to £68.9m** (FY23: £56.6m),
- Core SaaS & Subscription revenue **up 17% to £44.1m** (FY23: £37.6m)
- Adjusted EBITDA² growth of **8.5% to £22.2m** (FY23: £20.5m), following investment to expand products, services and capabilities
- Strong balance sheet with £6.3m of cash, and £50m of headroom in our £80m Revolving Credit Facility
- Net debt position³ of **£23.7m** (FY23: net cash of £1.7m), representing comfortable leverage of **1.1x**, following significant spend on acquisitions and step up in investment

Financial performance - Revenue

Statutory revenue increased 21% to £78.3m (FY23: £64.9m) with the non-core business performing in line with expectations delivering revenues of £9.4m (FY23: £8.4m).

Core revenue increased to £68.9m (FY23: 56.6m), up 22%, supported by revenue of £15m (FY23: £1.5m) from our acquired portfolio.

On a like-for-like⁴ basis, core organic revenue increased by 2% (Lfl: FY24: £52.6m; FY23: £51.7m), stripping out the impact of acquisitions and the gross-to-net recognition of the re-contracted software seller agreement.

Strategic and operational highlights

- Significant growth in SaaS and subscription revenue in the core business (up 17%)
- Four strategic acquisitions and investments completed, supporting our strategy of adding scale, IP and quality data sets to consolidate a fragmented technology market
 - **Threesixty Services** - July 2024
 - **ifaDASH** - March 2024
 - **Owen James** - January 2024
 - **Synaptic Software** - January 2024

- Focus on acquisition integration and delivering revenue synergies, to drive medium term organic growth
- New distribution agreement with Mortgage Brain, with its CRM, sourcing and submission software available to Fintel's wide network of advisers
- Strengthening of intermediary proposition through access to proprietary technology and services
- Organic investment in technology and data propositions to expand growth opportunity, including the release of Defaqto's Matrix 360 in January 2025

Regulatory approval received to complete acquisition of Rayner Spencer Mills Research Limited

- On 16 July 2024, the Company announced a conditional agreement to acquire 70% of Rayner Spencer Mills Research Limited ("RSMR"), a UK-based company specialising in providing independent investment research, ratings, and support to financial advisers, investment professionals, and financial services firms. The remaining 30%, owned by management, will be acquired over the following 24 months, subject to price and performance.
- Regulatory approval was granted in late December 2024, and the acquisition was successfully completed on 7 January 2025, for an initial net cash consideration of £5.2m. The expected EBITDA contribution for FY25 is c.£0.5m.

Outlook

Fintel continues to drive growth through the expansion of new customers and technology solutions within the UK Retail Financial Services market. The recent acquisitions provide an excellent platform for growth, contributing towards our strategic ambitions of inspiring better outcomes across the market.

The backdrop for Fintel remains positive, underpinned by the dynamic structural market shifts in UK financial services, including regulatory requirements and demand for data and insights, as intermediaries and product providers navigate an evolving market. This, together with our recent acquisitions, positions Fintel strongly for sustained organic growth going forward.

After assessing the financial impact of the increase in Employer's National Insurance Contributions (NIC) announced in the budget, we have concluded that the business will make the necessary steps to absorb the forecasted additional cost of c.£0.65m for FY25, without negatively impacting earnings.

While we remain mindful of macroeconomic uncertainties, we are confident of delivering further strategic progress in 2025, as we focus on ongoing integration of recent acquisitions, realising further synergies and achieving sustained organic growth.

Matt Timmins, Joint CEO of Fintel plc, said:

"2024 has been a year of continued strategic progress and positive financial performance. The business has performed well, with complementary acquisitions supporting significant growth in SaaS and subscription revenues.

"We have welcomed four new businesses to the Fintel family in 2024, with the previously announced acquisition of RSMR also receiving regulatory approval in December 2024. Through these strategic acquisitions and continued investment in our unique technology and data propositions, we have successfully expanded our IP, scale and reach, which will support future organic growth.

"We are confident of delivering further progress in the year ahead, with our extensive platform positioning us strongly to capitalise on the multiple growth opportunities available in a fragmented retail financial services market."

Notice of Full Year Results

Fintel intends to announce its Full Year Results for the year ended 31 December 2024 on 18 March 2025.

Footnotes

¹Core business excludes revenues from panel management and surveying.

²Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share option charges and exceptional operating costs.

³ Net debt position excludes any adjustment under IFRS16 "Lease Accounting" and compares gross cash balances to gross borrowings under the Group's £80m Revolving Credit Facility.

⁴ Like-for-like basis strips out the impact of acquisitions and the changes in revenue recognition of a software reseller agreement.

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Notes to Editors

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

Fintel provides technology, compliance and regulatory support to thousands of intermediary firms, 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

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