

EBS Pensions Limited announces its 2018 Results, reporting an 89% increase in client numbers to 31,452 and a rebound to significant pre-tax profitability of £1.55m

Wednesday, 24 July 2019

The Embark Group ('Embark') is pleased to announce the financial results for its subsidiary, EBS Pensions Limited ('EBS'), which trades under a range of white label brands for leading distribution partners. Following the sale of EBS to the Embark Group in mid-2017 the business has been through a period of transition. This has involved integrating into the new parent company infrastructure and material changes to its underlying manufacturing approach. In late 2018, these changes were significantly accelerated with the asset purchase of the Option SIPP from a market competitor, which significantly increased the size and reach of the business.

The integration of EBS (and the Option SIPP) into the Group's infrastructure has greatly supported an improvement in the cost of operations. This, coupled with outperformance in the distribution of services via our market facing partners, has led to significant improvement in the P&L. As a result, EBS has achieved a pre-tax trading profit of **£1.55m**, up from a close to break-even position of **-£0.01m** for the same period in 2017. The business is now one of the largest SIPP operators in the UK by client numbers.

This position, coupled with a strong balance sheet and regulatory capital coverage ratio, further supports the AKG Financial Strength Rating of B (Strong) attained by EBS in early 2018.

Trading for 2019 continues to show similar progression, with solid underlying client growth, advancement of our technology investments, and good overall profit performance for the year to date.

Paul Downing, Director of EBS, commented "2018 was another transitional year for EBS. The acquisition of the Option SIPP product produced a major positive catalyst in the latter part of the year, and we will now see scale benefits coming to the fore as we move forward at pace."

Phil Smith, Group CEO of the Embark Group, commented "We are very pleased with the step up in performance of EBS and its rapid transition to become a 'go to' provider in both the Advised and D2C channels. It has outperformed our growth and profit expectations significantly over the last twelve months. Looking forward, EBS is very well positioned for further growth in this highly positive market."

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Editors' notes

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About Embark Group

Embark Group is a full-scale retirement solutions provider, active across the UK market in the areas of SSAS, SIPP, Investment Wrap, Fund Research and Employee Benefits Consulting.

The Group trades under the brands Embark, Vested, Rowanmoor, EBS, The Adviser Centre, Discus, Hornbuckle and Embark Pensions. It also operates a wide portfolio of white label services for business such as RBS Coutts, Standard Life, Nutmeg, BestInvest, Charles Stanley, Moneyfarm and Wealthsimple.

Businesses within the Embark Group have been established in the market for more than 30 years, and have a long history of working closely with intermediary distribution partners and consumers of all levels of affluence.

The Group employs **c487** people across eight businesses in seven office locations (London, Edinburgh, Leicester, Salisbury, Bolton, Tetbury and Milton Keynes). It has **£15bn** in assets under administration on behalf of **c142,000** consumer clients.

www.embarkgroup.co.uk

About EBS Pensions

EBS was established more than 35 years ago, to serve clients disillusioned with the traditional style of pension investment, and who had a desire to manage their own pension funds. This resulted in EBS being one of the first companies to offer Small self-administered schemes (SSASs). EBS's oldest SSAS, which is still in existence, was established in June 1976.

EBS expanded the business by establishing self-invested personal pensions (SIPPs) in March 2000. It has built a good reputation in the pensions market for being a firm that helps to solve clients' problems rather than establishing a pre-determined path for all schemes.

EBS entered the white label pension market, supporting BestInvest and Charles Stanley Direct, over the last ten years. It became part of the Embark Group in May 2017 and was awarded an AKG financial strength rating of B (Strong) in early 2018.

www.ebspensions.co.uk