

Novia Financial sees profits rise by over 70%

Revenues up over 11%

Novia Financial, the online wrap platform is today pleased to announce another year of record results with audited accounts shortly to be filed at Companies House (for the year ending 31st December 2018) demonstrating operating profits up 72.5% to £5.6m

The Financial Report and Financial Statements show strong results across all key financial measures as Novia continues to progress in line with its corporate strategy. This robust performance comes despite continued market volatility.

- Revenues up 11.2% to £20.9m
- Sales up 3.2% to £1.273m
- Assets under management up 5% to £6.1billion

Inflows of newly submitted business increased during the year, with total new business of £1,273m being 3% up on the 2017 figure of £1,234m. Assets under administration held by Novia increased by 5% during the year, from £5,786m to £6,075m. The growth in assets under administration was reduced by the significant market drop in the fourth quarter of the year which saw the FTSE all share Index drop by 11%.

Revenues increased from £18.8m to £20.9m with administrative costs increasing by a modest 6.8% from £16.2m to £17.3m. The increase in costs in 2018 reflects greater expenditure on staff and technology to improve the level of support provided to advisers using the platform.

Bill Vasilieff said: "We are pleased to report such positive results which include an increase in business inflows, despite significant challenging market conditions. Whilst this increase is more modest than we have experienced in the past, it represents an extremely resilient performance under difficult trading conditions and when many competitors experienced falls. Continual feedback provided by advisers and analysts indicates that users enjoy the market leading service offered by Novia and we are delighted to report that our new online external web portal Adviser Zone has been successfully implemented and well received in the market."

Vasilieff continued: "Adviser Zone, which was built and developed by our in-house team, represented a significant build for the business and is expected to greatly enhance the user experience both for financial

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advisers and their clients. This new technology will also enable Novia to have greater control of propositional offerings to the market. Along-side the successful launch to market of Adviser Zone, we were also pleased to report continued investment in 2018 in our discretionary fund management service Copia Capital to support the sustained building bespoke custom portfolios.

Novia remains confident about the long-term strategic growth for the business

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Notes to editors:

Novia Financial plc launched to market in October 2008 to provide a comprehensive wealth management service or 'full wrap platform' for investment Advisers and their clients and now has approximately £6.6bn worth of assets under administration. Novia provides a transparent pricing structure as well as access to a wide range of product wrappers, an all-encompassing suite of portfolio management tools, and access to an extensive range of investments including direct equities, traditional authorised funds both onshore and offshore, exchange traded products such as ETFs and ETCs, as well as Cash Deposits, Structured Products and an integral Cash Facility.

The core operating system is provided by Australian-based GBST that has been developing software solutions for fund administration and financial services since 1996, and for wrap solutions since 1999. GBST include more than 60 of the world's leading banks, stockbrokers and fund managers on its systems. In 2016, it reported a revenue of AU\$108.1 million and an EBITDA of AU\$17.2million. The comprehensive suite of portfolio management tools is powered by Financial Express that also provides the data for the platform.

The Novia team, based in Bath, is led by Bill Vasilieff - joint cofounder of Selestia. Novia, as an independent proposition, has substantial financial backing from a combination of private individuals and corporate organisations. The board is chaired by Sir Anthony Cleaver (former Chairman and Chief Executive of IBM in the UK). Other members include John Beaumont, non executive, who has held a number of non executive roles in major public organisations and several technology startups, David Royds (non executive and investor), Bill Vasilieff, Novia's CEO, and Paul Parry, Novia's CFO. Novia Financial plc is authorised and regulated by the Financial Conduct Authority (Reg. No. 481600).