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PROVIDER SECTOR
InvestAcc

FINANCIAL STRENGTH ASSESSMENT

Analysis by **AKG Financial Analytics Ltd**
Accessible • Comparative • Independent

AKG



ABOUT THIS FINANCIAL STRENGTH ASSESSMENT

This AKG report and the analysis and ratings contained within it provide assessment of financial strength and associated considerations. Financial Strength is focused on the ability of a company to deliver ongoing operational capability in the interest of its customers and in line with their fairly held expectations. AKG's perspective in the assessment of financial strength is wholly that of a customer of a product or service. From that foundation, this analysis is specifically designed to inform financial advisers and assist in their required understanding of a company's operational financial strength.

Given the underlying customer perspective, the financial strength of companies needs to be focused at an operational level (i.e. the elements and functions of an organisation which operate to specifically deliver and manage a proposition or service to the customer), specifically on the company that is effecting the product or service that a customer is selecting. This is important, because from the customer's perspective it is that company that needs to survive in a form that maintains the requisite operational characteristics to meet their fairly held requirements. And it is thus at this level that the selection needs of the customers' advisers must be met. This contrasts to credit rating, which will be undertaken at group or parent company level where investment or debt placement etc. is made.

Further details on how analysis is undertaken is provided at the end of this report and may also be obtained from AKG.



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Rating & Assessment Commentary

Rating & Assessment Commentary

Group & Parental Context

Company Analysis

Guide



RATINGS

Overall Financial Strength

Additional Financial Strength and Supporting Ratings

	Non Profit Financial Strength	Unit Linked Financial Strength	With Profits Financial Strength	Service	Image & Strategy	Business Performance
InvestAcc Pension Administration Ltd	▣	▣	▣	★★★★★	★★★★★	★★★★★



SUMMARY

- The InvestAcc group was acquired by the Marwyn group in October 2024 and has become the key platform and brand through which Marwyn is progressing a "buy and build" mergers and acquisitions (M&A) strategy in the SIPP market
- The acquiring entity Marwyn Acquisition Company II Ltd (MACII) was listed on the London Stock Exchange in July 2024 and completed the acquisition of the parent company of the InvestAcc group, InvestAcc Holdings Ltd (IHL) in October 2024 for £41.5m with funds of £30m raised from institutional investors
- The group includes InvestAcc Pension Administration Ltd (IPAL), the key SIPP administration business and the target of this AKG report
- Since acquisition there has been no significant deviation from the underlying SIPP and SSAS strategy and propositional offering, and IPAL has continued to grow its SIPP and SSAS business organically with total AuA increasing to £6.0bn as at 30 September 2025 and with 15,218 combined pension scheme members
- IPAL remains smaller than some of its competitors, but the growth in customer numbers and assets together with its management of costs has led to a positive financial performance and continued capital generation over recent years, and as part of a M&A strategy there is an expectation for that growth to accelerate
- The acquisition of the AJ Bell Platinum business by IPAL is due to complete in November 2025 and will add 3,400 pension schemes and £3.3bn AuA
- IGL raised debt of £25m to support this acquisition, with private debt manager Kartesia, demonstrating increased access to equity and debt markets to support its M&A strategy
- InvestAcc continues to receive strong recognition both for its service and proposition, regularly winning awards; the integration of the AJ Bell Platinum book represents a material operational challenge, and so successful migration will be critical to preserving InvestAcc's service reputation
- The business moved to new premises in 2024, with substantial renovations made since, to meet its ongoing growth needs for the foreseeable future
- A new Treasury function was established in 2025 associated with its customer cash pooling activities to provide greater flexibility and a wider range of banking partners and products to clients for the cash balances they hold
- Service remains strong, with 98.3% achieved for rolling 12 months to 31 December 2024 (and 95.6% to 30 September 2025).



COMMENTARY

Financial Strength Ratings

Prior to the purchase of the InvestAcc business in October 2024 by acquisition vehicle MACII - which subsequently changed its name to InvestAcc Group Ltd (IGL) - InvestAcc was owned by private individuals, which potentially limited its access to further financial resources. The group's deliberately prudent approach to growth and close attention to regulatory and other market environmental changes had acted as mitigating factors in this respect.

The purchase by Marwyn's acquisition vehicle has fundamentally altered InvestAcc's ownership and growth trajectory. Under private ownership by its founders, the business pursued cautious, organic growth supported by strong cash generation. As part of Marwyn's listed vehicle, InvestAcc now benefits from access to institutional equity and debt markets, enabling a leveraged buy and build strategy. This brings clear opportunities for scale but also introduces new execution and integration risks that were less relevant under the previous model.

Funds managed by Marwyn Investment Management LLP (MIMLLP) invested £16.7m into MAC II as part of its £30m fundraise, and £11.6m was attributed to buying the shares of parent company InvestAcc Holdings Ltd (which had previously been known as InvestAcc Group Ltd).

Within the group's KPIs is regulatory capital coverage; this is the surplus capital in the group's regulated entities, above the regulated capital requirement, and as at 31 December 2024 the group SCR coverage was 295%. In isolation, IPAL's reported FCA coverage was 229% as at August 2025, with a surplus of almost £3m.

IGL is seeking further acquisitions within the UK wealth and pensions market and to build the UK's leading specialist pensions administration business, with an initial focus on SIPP and SSAS markets - the acquisition of the book of AJ Bell Platinum SIPPs and SSASs is expected to complete in November 2025.

This transaction is supported by Kartesia, a Luxembourg based European specialist provider of financing solutions for SMEs which is providing InvestAcc with a £25.0m uni-tranche facility, deployed from its Senior Opportunities (KSO) strategy. The facility finances the acquisition while also allowing flexibility to support InvestAcc's broader acquisition strategy.

At the same time, Marwyn reaffirmed its long-term commitment to InvestAcc and its strategy by entering into an agreement to maintain a minimum holding of 12.4m InvestAcc ordinary shares, equating to 25% of the company's current share capital, in addition to the only Sponsor share. This demonstrates confidence in the firm's vision and future growth, with Marwyn's approach to long term ownership - value extraction over a period of time often through a process of dilution - itself creating a condition of stable longer term ownership for its investments. This somewhat differentiates it and should be seen as positive for a business such as InvestAcc.

As at 30 June 2025, IGL confirmed its current key shareholders (more than 3% of voting shares held) are:

- Marwyn Investment Management Ltd (59.8%)
- Nicholas Gardner (12.6%)
- M&G Investment Management (Recovery) (6.14%)
- M&G Investment Management (Small Cap) (2.05%)
- River Global Investors LLP (3.99%)
- Dowgate Capital (3.56%)

InvestAcc Pension Administration Ltd

InvestAcc has been in the SIPP market since 2003, and IPAL was set up specifically to operate the SIPPs from 2010 within the widening group. IPAL has demonstrated a positive track record of trading performance since inception and maintained a good level of capital adequacy. The latter demonstrated through a deliberate focus on generating cash and increasing shareholder funds, to ensure that an adequate level of capital and liquidity was maintained given the propensity for industry regulatory change to impact the business.

Some of its peers are significantly larger still but IPAL is growing organically and through acquisition. IPAL's role within the group remains central, being the acquisition vehicle for the AJ Bell Platinum book, and given this, plus the group M&A

strategy and organic growth expected to continue, IPAL is scaling up considerably against some of its peers and looking positively at the future.

Service Rating

The pensions administration business has achieved further scale milestones with the business reporting in October 2025 that combined SIPP and SSAS AuA had risen to £6.0bn and total pension members were over 15,000. High levels of service performance have continued and to maintain these, administration and customer service staff numbers increased again through 2024 and into 2025. Customer retention rates have remained strong, at a rate of 96.3% for InvestAcc's SIPP product in the 12 month period to 30 June 2025. InvestAcc's service quality scores for all SIPP and SSAS schemes were 97.3% over the same period, reflecting InvestAcc's ongoing focus on providing excellent service to its customers.

The company reports its service delivery achievement on a rolling 12 month basis and as at 30 September 2025 was maintaining a significant (>95%) level of work completed within published service standards, underpinned by high internal service expectations.

The quality of its service as a pensions provider has also been recognised more widely in industry awards and InvestAcc compares favourably alongside larger competitors in terms of intermediary recognition including, in 2024, winner of Moneyfacts 'Best Pension Service' for the fifth year in a row and winner of 'Best SIPP Provider' for the fifth time, as well as being Highly Commended for 'Service Beyond The Call Of Duty'.

Further recognition came in November 2024 when InvestAcc won five stars at the Financial Adviser Service Awards 2024. This was the seventh year, out of the last eight years, where InvestAcc had received a five-star service award at the FASA, and the business believes these awards demonstrate the strong customer focus at the heart of InvestAcc's purpose and culture.

Image & Strategy Rating

The InvestAcc group was acquired by the Marwyn Group in October 2024 and has become a key platform and brand through which Marwyn is progressing its goal to build the UK's leading specialist pension administration business in the public markets, with an initial focus on the SIPP market. InvestAcc Group is executing this strategy by creating what it describes as a 'resilient and customer-centred leader' through a 'buy and build' M&A strategy and by developing other strategic partnerships. The SIPP market remains fragmented and, combined with UK demographics of an ageing population and over £8.5trn of wealth concentrated in pension and property assets, provides a structural opportunity for inorganic growth, the business states.

With c. £6bn of AuA, InvestAcc is smaller than several of its largest peers but has differentiated itself through consistent service quality and capital prudence. Under new ownership it is positioning to become a consolidator, using its award-winning service reputation as a competitive edge against larger rivals, and will see AuA increase to over £9.0bn by the end of 2025 through completion of the acquisition of AJ Bell Platinum assets.

InvestAcc has created reasonably wide exposure in the market and continues to improve its brand perception. The business has had a key focus on financial advisers for distribution and markets to existing supporters whilst developing relationships with new intermediaries, and this continues under new ownership as it seeks to gain panel positions with key firms and develop relationships with DFM partners. It also makes use of general advertising, and has been supported by an external web and digital marketing partner to make better use of website and social media channels.

Key promotion through targeted participation in industry awards, where InvestAcc often performs well against larger, more established SIPP providers, will also continue. Positive results from these reflect well on InvestAcc as it grows from a relatively small pensions administrator to a more significant position in terms of market presence.

The directors and senior management have a strong focus on the direction and impact of increased regulation in the market which is used to support the sales and marketing message, and this is now supplemented by group management (CEO and new CFO) and NEDs, strengthening corporate governance further.

The group has always been open to the acquisition of books of business, but has had strict views on the quality that these would need to be, such is the desire to retain a minimal exposure to non standard assets. The new ownership brings significantly more ability and appetite to consider a wider range of acquisition opportunities but there is no indication that

any compromise on quality will be seen. The business reports that a good number of opportunities are apparent in the market, comprising non-core books from larger providers, as well as independent operations.

During 2025, the group undertook a strategic project to enhance the capability and systems associated with its customer cash pooling activities and created a Treasury Function. The first phase of the project was to provide greater flexibility and a wider range of banking partners and products to clients for the cash balances and was launched in August 2025.

Business Performance Rating

IPAL has demonstrated improvement on the majority of its KPIs during its last reporting period. Having extended its year end to match with its new parent, the latest period covered 14 months to 31 December 2024 and SIPP members increased to 11,974 at the year end [2023: 10,327]; SSAS schemes were up from 406 to 471; and total AuA increased to £5.4bn.

Revenue for the 14 month period was £8.1m, up from £5.8m for the 12 month period to October 2023. The increase was 23% on an annualised basis. Profit before tax (PBT) increased to £3.5m [2023 restated: £2.2m], an annualised increase of 36%, with the PBT margin remaining above its industry peer group at 42%, management reported.

Total expenses in 2024 were £4.8m, which represented a 16% increase annualised. The average monthly number of staff employed by the company rose from 80 to 89 in 2024 and staff costs remained the most significant element of costs (67% in 2024, down from 72% in 2023). Total group staff numbers increased to 115 [2023: 100, in the previous Group company IHL]. IPAL paid dividends of £0.7m to connected companies during the period [2023: £0.84m], with the remaining retained funds of £2.3m increasing shareholder funds to £6.3m as at 31 December 2024. In January 2025, after the year end, IPAL paid a further dividend of £2.1m to its parent company, IHL.

Overall IPAL remains a solid business, growing year on year with considerable consistency, with double digit revenue growth in recent years. Reasonable profits have been retained, and shareholder funds have grown throughout its recent trading history, standing at around £6.3m as at the end of December 2024 [October 2023 restated: £4.1m].

Assets are largely represented by cash balances of £6.8m. IPAL started accounting for contract balances under IFRS rules in 2024, these acknowledging the timing of invoicing vs. the timing of services provided and thus recognition of revenue. This resulted in contract assets (accrued income) of £0.3m (SSAS services, billed in arrears) and contract liabilities (deferred income) of £2.1m in respect of SIPP services, invoiced in advance, being recognised on the balance sheet. There was no other significant external borrowing at the balance sheet date.

IPAL and its sister companies IL and VWL representing the pension administration business and independent financial advisory business acquired by Marwyn, were historically consolidated in IHL, but IHL is now an interim holding company only, and consolidation has moved up to topco, IGL. VWL is smaller than the pensions administration business in terms of turnover (£2.8m in the 14 months to December 2024) and profit contribution (PBT £1.1m) but both measures were an increase on prior year and profit margins also virtually doubled in what it described as a 'more settled period'. Vesta held cash of £1.8m as at 2024 year end [2023: £1.2m].

IGL's business performance reflects the combination of IPAL, IL and Vesta, which were acquired on 9 October 2024. The group shortened its accounting period to match the new group year end of 31 December 2024, reporting a 6 month trading period, and these businesses were consolidated in the audited IGL statements from October 2024 to December 2024 only. Thus, the audited figures for 2024 contain just under 3 months' worth of trading on a consolidated basis. Revenue totalled £2.5m in that period, derived from pension administration services (54%), wealth management (23%), appointed representative (AR) revenue (9%) and treasury interest income (15%). A consolidated operating loss of £2.2m was made, with net negative cash flow of £3.4m.

The current financial year covers 12 months to December 2025 and published interim accounts for the 6 months to June 2025 on an unaudited, consolidated basis. IGL has continued to deliver on its strategic objectives in this period, generating revenue of £6.0m in the six months and increasing the number of active pension schemes to 13,940 (11.8% growth from 31 December 2024), and client retention remained above 96%.

Group & Parental Context



BACKGROUND

InvestAcc began life in 1992 when DHC Brokers Ltd (DHC) was established in Cockermouth to meet the broader client needs of a Cumbrian accountancy practice, offering specialist independent financial planning. This developed into advice in pensions, tax-efficient investments and life assurance to individuals and businesses, and the company name was changed from DHC to InvestAcc Ltd (IL) in October 2000. Around this time the business relocated to Carlisle and also successfully gained HMRC Pensioner Trustee status.

By 2001 the business had evolved beyond its accountancy practice context and was operating mainly in financial planning and the management of SSAS schemes. It developed its first SIPP product when it entered into a joint venture with Newcastle Building Society and launched the Minerva SIPP in 2003.

In 2010 the current group structure was established. Up to this point all the business (except trustee services) was run through IL, and a strategic decision to separate the pension business led to the establishment in 2010 of IPAL. InvestAcc Wealth Management Ltd (IWML) providing wealth management services was also formed alongside IPAL and the existing IL company, with UK based entity InvestAcc Group Ltd (since renamed as InvestAcc Holdings Ltd) introduced at that point, as a group holding company.

IL continues to provide compliance services to intermediaries.

In 2020 the wealth management business was granted discretionary permissions to launch a range of risk targeted model portfolios and continued to distance from the pensions business, with IWML renamed as Vesta Wealth Ltd and rebranded Vesta Wealth, operating from separate business premises. As at 31 March 2024, Funds under Management were £464m by Vesta, of which £105m were in its own range of risk targeted discretionary managed model portfolios on both a passive and active basis.

Renamed from DHC Pension Trustees Ltd in 2003, InvestAcc Pension Trustees Ltd (IPT) is the trustee of the SIPP schemes, holding the assets, and acts as Professional Trustee and Scheme Administrator for the SSAS. IPT is a fully owned subsidiary of IHL.

The group is headquartered in Carlisle, with further offices in Tees Valley and Newcastle upon Tyne. Business Development Managers (BDMs) in the South, Central, Scotland, Northern Ireland and North provide UK-wide coverage.

InvestAcc is now backed by Marwyn, which has a long track record of investing in businesses across UK, Europe and North America. Founded in 2005, Marwyn uses publicly-listed acquisition vehicles to identify and acquire platform businesses before pursuing buy-and-build strategies to create long-term value.

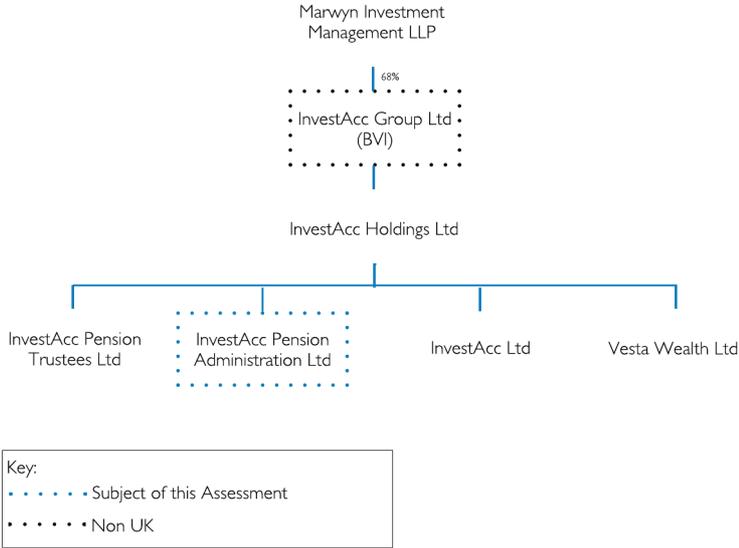
In July 2024, it was reported that Marwyn Acquisition Company II Ltd had purchased InvestAcc for £41.5m. MACII's objective is to build the UK's leading specialist pensions administration business, with an initial focus on the SIPP segment, and InvestAcc the first step in this strategy. The deal was subject to regulatory approvals, and completed in October 2024.

MACII was established in the BVI as a BVI business company under the BVI Business Company Act, 2004 and listed on the Main Market of the London Stock Exchange on 4 December 2020. It has a registered address in Tortola, BVI and a UK establishment address in London. Prior to the acquisition by MACII in October 2024, the UK based InvestAcc Group Ltd was renamed as IHL, and at the same point MACII was given the group name.

In March 2025, IGL announced the second acquisition of its buy and build strategy with AJ Bell's Platinum SIPP and SSAS business consisting of 3,562 schemes with £3.2bn in AuA and a high-net-worth client base. The acquisition is due to complete in November 2025 and will bring IGL's total AuA to over £9.0bn across 18,000 SIPP and SSAS accounts.



GROUP STRUCTURE (SIMPLIFIED)



Company Analysis: InvestAcc Pension Administration Ltd



BASIC INFORMATION

Company Type

Non-insured SIPP Operator

Ownership & Control

InvestAcc Group Ltd, incorporated in the British Virgin Islands

Year Established

2010

Country of Registration

UK

Head Office

Solway House Business Park, Kingstown, Carlisle, Cumbria, CA6 4BY

Contact

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Key Personnel

Role	Name
InvestAcc Group Chair	M Hodges
InvestAcc Group CEO	W Self
InvestAcc Group CFO	V Nursiah
Group Chief Risk Officer	J Keely
Group Chief Commercial Officer	A Dibble
InvestAcc Managing Director	N E Gardner
Finance Director & Company Secretary	J K Barnes
Director	G Mirfin
Sales & Marketing Director	N T Bennett
Director	D Gardner
Pensions Director	G R Duguid
Compliance Manager	J D Targett
Office Manager	C Yule
SSAS Team Leader	A Plunkett

Company Background

IPAL is a wholly owned subsidiary of IHL. IPAL was incorporated in 2010 and is a specialist SIPP and SSAS provider, working with authorised intermediaries throughout the UK. It is regulated by the FCA with permission to provide regulated products and services and to control, but not to hold, client money.

The SSAS business was formed in 1997, and in 2003 the Minerva SIPP was launched. The Flexi SIPP was launched in November 2011, and SIPP Lite has been available since July 2012.

For SIPPs, investments are held in trust by a separate company, IPT, along with the SIPP member as co-trustee. IPT is a fully owned subsidiary of IHL.

IPAL employed an average of 89 people in the year ended 31 December 2024 [2023: 80].



OPERATIONS

Governance System and Structure

To support the "buy and build" strategy IGL has significantly enhanced the group's board and governance arrangements. Shortly following completion of the acquisition of IPAL, three independent NEDs, including one as Senior Independent Director. The UK Corporate Governance Code was adopted and IGL established five Board committees: Audit Committee, Risk Committee, Remuneration Committee, Nomination Committee and Disclosure Committee.

The group management team was also strengthened in 2024 through the appointment of both a Chief Risk Officer (CRO) and Chief Commercial Officer (CCO). The financial statements set out an overview of the group's governance arrangements, including an explanation of areas of non-compliance with the UK Corporate Governance Code, and includes a report from each of the board committees, setting out their roles and responsibilities, an overview of the activities they have each undertaken since their establishment, and a description of their areas of focus for 2025 and beyond.

In April 2025, IGL appointed a new Group CFO and Executive Director, Vinoy Nursiah, and stated that he "will play a pivotal role in shaping and delivering the group's strategic objectives, ensuring its financial strength and operational agility".

The pensions administration business itself maintains a comprehensive Compliance and Business Risk Management plan detailing the governance of the operation. The plan includes rules and guidelines to be followed by all employees of IPAL to ensure that compliance with the terms of the Financial Services & Markets Act 2000 and accordance with the FCA's high level principles is maintained. Three individuals have specific compliance responsibilities within IPAL. The Compliance Officer (also the Managing Director of IPAL) has ultimate responsibility for ensuring compliance with FCA regulations. An annual report is produced by the Compliance Manager as a review of the previous year, which confirms any remedial action taken and amendments to future compliance plans. This is submitted to the Board of Directors who have ultimate responsibility for risk management and governance of the business. A Quality Audit Manager, working within the Compliance function, has contributed to maintaining quality across the company.

The group maintains a robust internal control framework which it states encompasses detailed policies and procedures across all functions, and continuous monitoring of compliance with regulatory requirements. The internal controls are designed to identify and manage risks effectively, to ensure compliance with applicable laws and regulations, and to provide reliable financial reporting and operational processes.

The group considers that its monitoring of KPIs relating to service standards, service performance, complaint levels and consumer outcomes all support the assessment that InvestAcc's administrative controls are effective. These KPIs are reported to and overseen by the relevant subsidiary boards. Whilst the existing governance and control processes are proportionate for the current business, there is a commitment to enhance the risk, governance and control framework further in 2025 in order to support the Group's growth plans.

The financial control framework includes robust financial policies and procedures, oversight by the group of each subsidiary's financial operations and performance, and continuous monitoring of compliance with regulatory requirements. Since the acquisition of the InvestAcc businesses in October 2024, an increased level of third-party day to day accounting support has been provided. In addition, further financial controls have been implemented in banking, payroll and management reporting in line with the Group's policies.

As at the balance sheet date, senior management had not identified any material controls which have not operated effectively and there were no material issues previously reported.

Risk Management

Group management state that there is a strong risk aware culture across the business, based on open communication, transparency, informed decision making, leadership and clear accountabilities.

The group takes a proactive approach to risk management with processes that are embedded within the organisation. These are supported by a strong compliance function which communicates, advises and supports the business in applying the risk and compliance framework and supporting policies and procedures. This includes developing and implementing computer-based training and in-person training, where appropriate. Consumer Duty has been embedded across the business, ensuring that consistently positive customer outcomes remain integral to all processes.

In order to support the group's growth plans, the group's risk appetite framework continues to be enhanced to provide further comfort that key risks are identified, monitored and controlled. This will also help to ensure that the board remains actively engaged, and will outline the boundaries of acceptable risk taking for each risk category and highlight where there is a greater or lesser appetite for risk.

The principal risks faced by the group have been fully assessed and form part of the comprehensive group risk register, which is reviewed and updated by the Risk Committee at each meeting and summaries presented to the board as required. The risk register sits alongside the risk and compliance oversight activity, which is reported to monthly governance meetings, the Risk Committee and to periodic board meetings. Appropriate controls and mitigating actions have been identified and are tracked through the governance meetings. Where further actions are identified, they are tracked by management through to completion.

Consumer protection is where IPAL sees its primary adherence to FCA objectives to be, alongside the potential threat of money laundering, and the financing of terrorism. These and other business risks are well considered within the Compliance and Business Risk Management Plan, which details the procedures to be taken in respect of each risk activity and the regularity of review, which ranges from annually to monthly, with some aspects ongoing, undertaken on a daily basis.

A disaster recovery and business continuity plan is active and reviewed annually.

There are certain HMRC tax and claims management cases ongoing within the market but InvestAcc's exposure to these is limited; 85%-90% of IPAL business comes via advisers who would be the primary target of any such actions. The business has PI insurance and considerable cash reserves which mitigate the financial risk of claims against it.

InvestAcc has retained its long-standing conservative stance of not permitting non-standard assets within its SIPP and SSAS products, other than fixed-term bank deposits, which remains a key differentiator in maintaining a low-risk profile and reassuring advisers of operational prudence.

Administration

Service is provided to advisers and scheme clients from the company's offices in Carlisle. InvestAcc has continued to invest in people and processes, to meet the demand of customers and their advisers. It has added new members to the team, introduced new processes and refined existing ones to ensure service standards were maintained.

Developments such as a cloud based telephone system, and Customer Relationship Management system, have been adopted. Although these are different aspects of administration, both provide a maturing of the adviser interaction.

InvestAcc has continued to develop and upgrade its online services with a view to achieving straight through processing (STP). The online view is provided by Delta Financial Systems Ltd (Delta). Re-platforming onto Delta's Platinum Pro system has now been completed, improving capacity and STP ability. The migration took place in a cautious, managed implementation and whilst significantly hard work, this approach ensured the least possible disruption to client service. The AJ Bell Platinum acquisition is underway, with SIPP plans being migrated directly onto the new system, due to complete in November 2025.

Benchmarks

InvestAcc publishes details of its service standards online alongside a monthly service report showing how the standards have been attained. Internally, standards are set very high and are not therefore always fully met, but this clearly has helped external results and led to a high level of consistency across the latest rolling 12 month period. As at September 2025, InvestAcc reported that over 95% of its work was completed within service standard in the preceding 12 months.

With regular awards and commendations, InvestAcc demonstrates recognition of the product and service it provides. Most recent awards include:

- 'Best SIPP Provider' at the 2025 Investment Life & Pensions Moneyfacts Awards (its 6th time of winning)
- Financial Adviser 5-Star Service Award in 2024 (its 7th time receiving a 5-Star Award)
- Gold Defaqto Pension Service Award in 2025 and 2024
- Winner of 'Best SIPP Provider' at the 2025 Money Marketing Awards
- 5 star ratings for Minerva SIPP, SIPP Lite and SSAS in the 2025 Annual Moneyfacts Star Ratings
- 'Best Pension Service' at the 2024, 2023, 2022, 2021 and 2020 Investment Life & Pensions Moneyfacts Awards

Outsourcing

IT support is provided by Delta as noted above, an established provider of pensions and retirement administration technology for the financial services industry. Delta is an Associate Member of the Association of Member-Directed Pension Schemes (AMPS) and cites its clients to include the Scottish Widows Platform (formerly Embark), James Hay, HSBC and Legal & General. It claims its technology helps administer one in three of every SIPP and SSAS in the UK.

Apart from some specific compliance-related activity on an ad-hoc basis to supplement and review the internal processes, no other significant outsourcing is undertaken.



STRATEGY

Market Positioning

InvestAcc Group's long-term Goal is to build the UK's leading specialist pension administration business in the public markets. Its initial focus is the SIPP market which the IGL senior management describe as fragmented and, combined with UK demographics of an ageing population and over £8.5 trillion of wealth concentrated in pension and property assets, they consider provides a structural opportunity for inorganic growth.

IGL intends to create a resilient and customer-centred leader through a targeted buy and build, M&A strategy and through strategic partnerships. The UK SIPP market remains fragmented, with the top five administrators accounting for less than half of total AuA. Increasing regulatory scrutiny around Consumer Duty, capital adequacy and customer outcomes is encouraging further consolidation across the sector, creating conditions that support the rationale for InvestAcc's buy and build growth strategy.

IPAL focuses on distribution through a range of intermediated channels with some ancillary direct capability. Developing and servicing products via intermediaries is a key component of the distribution model, with new business sought predominantly from adviser intermediaries (representing around 80% to 85%) although the Minerva SIPP and SIPP Lite can also be accessed by investors directly.

Existing intermediary clients benefit from a mix of face to face / video and telephone support, which continues to be an increasingly important part of the mix. InvestAcc also maintains regular contact with key firms through emails, newsletters etc. across a wide range of personnel at each firm. Relationships with new firms are developed both reactively (where it sees a strong conversion from enquiries) as well as proactively - IPAL directly targets the likes of national firms, wealth managers, large regionals, accountancy linked and chartered firms, which it sees its service and expertise best placed to support.

Links to DFMs are also an important and growing route to market, as is the addition of the company to national intermediary panels - InvestAcc has succeeded in gaining panel positions with some large national and network firms recently and continues to deepen and add to these relationships.

To further promote the business to a wider audience, digital (online) advertising is now being used, through simple forms such as Google Ads together with more direct website and social media promotion. InvestAcc is also an associate sponsor of Carlisle United FC.

From an adviser and client perspective a wide range of investments options are permitted. These include the relative USP that the business enjoys with commercial property and land. Non-standard assets had been managed down to a very low

level, in line with regulatory and market developments, but the business has experienced an increase in NSI over the past couple of years with the increasing use by members and their advisers of Fixed Term deposits in line with rising interest rates. Unbreakable term deposits and notice accounts exceeding 30 days being the only NSI allowable by the business. The suspension of various property funds has also had a small impact through recent times.

Proposition

The directors consider the genesis and development of the business to have been different from that of most similar firms. This has influenced the current business in that it operates in a niche area and is able to differentiate itself by supporting investment in assets, such as commercial property, which many others do not.

InvestAcc has been able, to date, to maintain a relatively low cost base to support its operations and promote propositions that remain cost competitive, whilst delivering high service levels and support. The property administration team at InvestAcc has become more significant over time and is a fairly substantial operation within the business now.

The Minerva SIPP is operated by IPAL and was launched in 2003 to offer a 'more flexible approach to retirement planning, together with an efficient and personal service'. The scheme allows a wide choice of investment including Commercial Property and Land (which can be held on an individual or group basis, with or without borrowing), Unit Trusts and OEICs, and individual Stocks, Shares and ETFs. Any combination of permitted investments may be made within a Minerva SIPP, with all choices held together within the same SIPP.

The InvestAcc SIPP Lite is a lower cost option, for those that do not require multiple investment accounts, or wish to invest in commercial property and land at outset. It is aimed at people who want to make investments that a personal pension will not allow but who only want to hold one single investment, in addition to the mandated SIPP bank account. This investment account could be another bank account or one of the following: Stockbroker account, DFM, open market Platform/Wrap account or a Trustee Investment Plan. For individuals that require additional investments at a later date, such as commercial property and land, they can upgrade their SIPP Lite plan to a Minerva SIPP.

InvestAcc SSAS is offered for business owners who want to run their pension affairs alongside the business, taking advantage of SSAS legislation.



KEY COMPANY FINANCIAL DATA

Last 3 reporting periods up to 31 December 2024

Capital Resources Disclosures

	Oct 22 £m	Oct 23 £m	Dec 24 £m
Available capital resources	4.2	5.0	6.6
Capital resources requirement (CRR)	1.7	1.9	2.2
Excess capital resources	2.5	3.1	4.4
CRR coverage ratio (%)	251	266	300

The financial year end of the group and its entities was changed to December for 2024 to align with the wider group's new year end.

As at 31 December 2024, IPAL had Tier 1 capital (own funds) of [£6.6m [2023: £5.0m] set against a total capital requirement of £2.2m [2023: £1.9m]. It therefore exceeded the current regulatory minimum capital adequacy requirement at 300% [266%]. As at 30 August 2025, the capital coverage position was 229%.

As part of IGL, IPAL states it benefits from access to further capital, should it be required, from the group.

The recognition of term bank deposits as non-standard assets (NSIs) - unbreakable deposits in excess of 30 days fulfilling this definition - caused an increase in capital requirement in 2020 and 2023, but overall IPAL holds limited NSIs in its SIPPs and these continue to be managed down. The caveat here being that the AJ Bell transfer and other acquisitions may naturally be expected to increase the level of NSI's, although IPAL's stance remains that it will not accept NSI's other than fixed term bank deposits.

Statement of Financial Position

	Oct 22 £m	Oct 23 £m	Dec 24 £m
Assets	4.5	5.8	9.5
Current liabilities	(0.3)	(0.6)	(2.9)
Long-term liabilities	0.0	0.0	(0.3)
Net assets	4.2	5.2	6.3

Statement of Changes in Equity

	Oct 22 £m	Oct 23 £m	Dec 24 £m
Equity at start of period	3.5	4.2	4.1
Movement due to:			
Share capital and premium	0.0	0.0	0.0
Retained earnings	0.7	1.0	2.3
Other	0.0	0.0	0.0
Equity at end of period	4.2	5.2	6.3

Having become a subsidiary member of a listed entity, IPAL's accounting policy was changed from UK GAAP to IFRS, resulting in a restating of prior year accounts for comparative purposes. The balance sheet for the prior year ending 31 October 2023 was subject to a number of IFRS adjustments, including a restatement to capture the capitalisation of right-of-use assets and recognition of associated lease liabilities under IFRS 16. There were also adjustments for the prior period relating to revenue recognition, to include accrued and deferred income on pension administration services that were not previously recognised under UK GAAP. Retained earnings as at 31 October 2023 were reduced by £1.1m as a result of this restatement and, after other adjustments, net assets (total equity) were reduced to £4.1m [2023 before restatement: £5.2m].

During the 14 months to 31 December 2024, the business recorded leasehold property improvements of £0.7m net of depreciation in the year, and increased right-of-use assets, as the business relocated to larger office premises to accommodate the continued growth of the business. This led to total non-current assets rising to £1.4m [2023 restated: £0.4m]. A large tax asset (current tax receivable £0.5m) was created through the wider group tax position and other assets increased; the result of all this is reflected in the table above.

Notwithstanding such changes, cash remained the most significant balance sheet asset, and stood at £6.8m as at 31 December 2024 [2023: £5.1m]. The balance sheet has continued to strengthen year on year, and despite a dividend payment of £0.7m in 2024, profit of £2.3m was retained. Shareholders' funds increased to £6.3m [2023 restated: £4.1m].

Income Statement

	Oct 22 £m	Oct 23 £m	Dec 24 £m
Revenue	4.6	5.8	8.1
Other operating income	0.0	0.0	0.0
Operating expenses	(2.8)	(3.6)	(4.8)
Operating profit (loss)	1.7	2.3	3.3
Other gains (losses)	0.0	0.1	0.2
Profit (loss) before taxation	1.7	2.4	3.5
Taxation	(0.3)	(0.5)	(0.5)
Profit (loss) after taxation	1.4	1.8	3.0
Other comprehensive income	0.0	0.0	0.0
Dividends	(0.7)	(0.8)	0.7
Retained profit (loss)	0.7	1.0	2.3

Financial Ratios

	Oct 22 %	Oct 23 %	Dec 24 %
Operating margin	38	39	41
Pre-tax profit margin	38	40	43
Employee costs as a % of revenue	44	44	40

Revenue for the 14 month period was £8.1m, up from £5.7m (restated) for the 12 month period to October 2023. The increase was 23% on an annualised basis. The directors of IPAL judged the business to have two categories of revenue under IFRS, based on the characteristics of the work being performed and the consequent effect on the nature of revenue recognition; these were pension administration services and bank interest sharing arrangements (interest earned on client cash deposits).

For PAS, the timing or billing is such that invoicing does not necessarily represent the timing of services and, as a result, contract assets and liabilities arise depending on whether the services are billed in arrears (for SSAS) or in advance (SIPP). In both cases, the contract asset or liability will be realised in the following year. Income from PAS was £6.0m for the 14 month period to 31 December 2024, compared with £4.4m in the 12 months to 31 October 2023, and interest income was £2.1m.

Profit before tax (PBT) increased to £3.5m [2023 restated: £2.2m], an annualised increase of 36%. After dividends of £0.7m, retained funds of £2.3m increased shareholder funds to £9.5m.

Total expenses in 2024 were £4.8m, which represented a 16% increase annualised. The average monthly number of staff employed by the company rose from 80 to 89 in 2024 and staff costs remained the most significant element of costs (67% in 2024, down from 72% in 2023). Total group staff numbers increased to 115 [2023: 100, in the previous Group company IHL]. IPAL paid dividends of £0.7m to connected companies during the period [2023: £0.84m] and made a further dividend payment of £2.1m to its parent company, IHL, in January 2025.

Statement of Cash Flows

	Oct 22 £m	Oct 23 £m	Dec 24 £m
Net cash generated from operating activities	1.4	2.0	
Net cash used in investing activities	(0.1)	0.0	
Net cash used in financing activities	(0.7)	(0.8)	
Net increase (decrease) in cash and cash equivalents	0.5	1.1	1.7
Cash and cash equivalents at end of period	4.0	5.1	6.8

Assets under Administration (AuA)

	Oct 22 £m	Oct 23 £m	Dec 24 £m
Assets at start of period	2,784.0	3,056.0	3,599.0
Inflows	462.4	532.4	912.4
Outflows	(144.6)	(191.1)	(345.2)
Net market and other movement	(45.8)	201.7	689.8
Assets at end of period	3,056.0	3,599.0	4,856.0
Growth rate (%)	10	18	35
Net inflows as % of opening AuA	11	11	16

Cash increased by £1.7m in the 14 month period to 31 December 2024. IPAL no longer produces a cashflow statement given the change in accounting basis and as part of a group this is provided at IGL consolidated level only. In excess of dividends was again generated in the year, increased by 27.5% to £5.1m.

The AuA table above illustrates SIPP business only. Total AuA (SIPP and SSAS) increased from £3.99bn to £5.40bn in the 14 month period to 31 December 2024. SIPP Members increased to 11,974 [10,327] and SSAS Schemes to 471 [406]. The AJ Bell Platinum acquisition is expected to provide a further 3,400 pension schemes across SIPP and SSAS, and £3.3bn of AuA.

In its June 2025 interims, IGL stated that the number of active SIPP and SSAS schemes increased by 1,473 (11.8%) in the period, to 13,940, and AuA at the period end totalled £5.8bn, driven by steady increases in the customer base.

Customer retention rates have remained strong, at a rate of 96.3% for InvestAcc's SIPP product in the 12-month period to 30 June 2025. InvestAcc's service quality scores for all SIPP and SSAS schemes were 97.3% over the same period, reflecting InvestAcc's ongoing focus on providing excellent service to its customers.

Guide



INTRODUCTION

For over 30 years AKG has particularly focused on the financial strength requirements of financial advisers, who when acting on behalf of their clients, need to ascertain a company's ability to deliver sustained provision.

From this customer perspective, the financial strength of companies needs to be focused at an operational level, specifically on the company that is effecting the product or service that a customer is selecting. This is important, because from the customer's perspective it is that company (not some higher corporate entity) that needs to survive in a form that maintains the requisite operational characteristics to meet their fairly held requirements. And it is thus at this level that the selection needs of the customers' advisers must be met.

It is also important to understand the sector approach (comparative peer groups) that is adopted in financial strength assessment and rating process.

At AKG, this is again driven by the end customer perspective and the fact that assessment is designed solely for this purpose, i.e. as a component in helping customers' advisers to select between comparable companies competing to deliver relevant products or services.

AKG's focus and approach has remained consistent over the years since it commenced assessment and rating support for the market. However, coverage, format and presentation has rightly evolved over this period, in line with the needs and expectations of assessment and rating users in the market. And AKG considers further changes on a continual basis.

Further details including an explanation of what is included in the assessment reports and coverage can be found online at <https://www.akg.co.uk/information/reports>.

AKG's process for assessment and rating is to use a balanced scorecard of measures and comparative information, relevant to the companies contained within each peer group. This is gathered via Public Information only for non-participatory assessments and public information plus company interactions with companies for participatory assessments. Further details on AKG's process can be found at <https://www.akg.co.uk/information/reports>.

This includes further information on the different participatory and non-participatory basis and for companies wishing to learn more about participatory assessment AKG is pleased to outline this and welcomes contact.

This is a participatory assessment.



RATING DEFINITIONS

Overall Financial Strength Rating

The objective is to provide a simple indication of the general financial strength of a company from the perspective of those financial advisers who when acting on behalf of their clients need to ascertain a company's ability to deliver sustained operational provision of products or services.

The overall rating inherently reflects the mix of business within the company, since different types of customer or policyholder have different requirements and expectations, and the company may have particular strengths and weaknesses in respect of its key product or service areas. However, it also takes account of comparison across the sector in which it is assessed.

The rating takes into account those of the following criteria which are relevant (depending upon the company's mix of business in-force): capital and asset position, expense position and profitability, structure (and size) of funds within the company, parental strength (and likely attitude towards supporting the company), operational capability, management

strength and capability, strategic position and rationale, brand and image, typical fund performance achievements or product / service features, its operating environment and ability to withstand external forces.

Rating Scale	A	B+	B	B-	C	D	☐
	Superior	Very Strong	Strong	Effective	Challenged	Very Challenged	Not applicable

With Profits Financial Strength Rating

The objective is to provide a simple indication of the with profits financial strength of a company, where it currently offers with profits business or has existing with profits business within it.

This is from the perspective of those financial advisers who when acting on behalf of their clients, for this product type, need to ascertain a company's ability to deliver sustained operational provision of with profits funds, products or propositions. Its comparison is with other companies within the assessment sector that offer or have with profits business.

The main criteria taken into account are: capital and asset position, expense position and profitability, the amount of with profits business in-force, parental strength (and likely attitude towards supporting the company), and image and strategy.

NOTE: More detailed analysis of with profits companies is included in AKG's UK Life Office With Profits Reports.

Rating Scale	★★★★★	★★★★	★★★	★★	★	☐
	Excellent	Very Good	Good	Adequate	Poor	Not Rated

Unit Linked Financial Strength Rating

The objective is to provide a simple indication of the unit linked financial strength of a company, where it currently offers unit linked business or has existing unit linked business within it. This is from the perspective of those financial advisers who when acting on behalf of their clients, for this product type, need to ascertain a company's ability to deliver sustained operational provision of unit linked products or propositions. Its comparison is with other companies within the assessment sector that offer or have unit linked business.

The main criteria taken into account are: capital and asset position, expense position and profitability, structure (and size) of funds within the company, parental strength (and likely attitude towards supporting the company), operational capability, management strength and capability, strategic position and rationale, brand and image, typical fund performance achievements or product / service features, its operating environment and ability to withstand external forces.

Rating Scale	★★★★★	★★★★	★★★	★★	★	☐
	Excellent	Very Good	Good	Adequate	Poor	Not Rated

Non Profit Financial Strength Rating

The objective is to provide a simple indication of the non profit financial strength of a company, where it currently offers or has existing products and propositions such as term assurance and annuities. This focuses on the company's ability to deliver sustained operational provision of such non profit products or propositions. Its comparison is with other companies within the assessment sector that offer or have non profit business.

The main criteria taken into account are: capital and asset position, expense position and profitability, structure (and size) of funds within the company, parental strength (and likely attitude towards supporting the company), operational capability, management strength and capability, strategic position and rationale, brand and image, product / service features, its operating environment and ability to withstand external forces.

Rating Scale	★★★★★	★★★★	★★★	★★	★	☐
	Excellent	Very Good	Good	Adequate	Poor	Not Rated

Service Rating

The objective is to assess the quality of the organisation's service to the intermediary market in respect of the brand concerned.

Criteria taken into account include: performance in surveys, awards and benchmarking exercises (external and internal), the organisation's philosophy, service charters, the extent of investments designed to improve service, and feedback from intermediaries.

Rating Scale	★★★★★	★★★★	★★★	★★	★	☐
	Excellent	Very Good	Good	Adequate	Poor	Not Rated

Image & Strategy Rating

The objective is to assess the effectiveness of the means by which the organisation currently positions itself to distribute its products for the brand concerned and the plans it has to maintain and/or develop its position.

Criteria taken into account include: overall trends in the company's market share position, brand visibility and reputation, feedback from intermediaries and industry commentators, and AKG's view of the company's general strategy.

Rating Scale	★★★★★	★★★★	★★★	★★	★	☐
	Excellent	Very Good	Good	Adequate	Poor	Not Rated

Business Performance Rating

This review is an assessment of how the company and the brand has fared against its peers, and how it is perceived externally. Effectively this is how it has performed recently in the market. Whilst it will include performance indicators from the most recent available statutory reporting (report and accounts and SFCRs in the case of insurance companies, for example) it will also draw on other recent key performance elements before and after such disclosure, up to the point at which the assessment is undertaken.

Criteria taken into account include: increase/decrease in market shares, expense containment, publicity good or bad, press or market commentary, regulatory fines, and competitive position.

Rating Scale	★★★★★	★★★★	★★★	★★	★	☐
	Excellent	Very Good	Good	Adequate	Poor	Not Rated

AKG is an independent organisation. Originally established as an actuarial consultancy AKG has, for over 30 years, specialised in the provision of assessment, ratings, information and market assistance to the financial services industry.

As the market has evolved over this period, the range of entities considered by AKG has expanded. Consequently, AKG has brought additional skill sets into its operations. This has meant the inclusion of accounting, corporate finance, IT and market intelligence experience, alongside actuarial resources, to deliver an expanded professional capability.

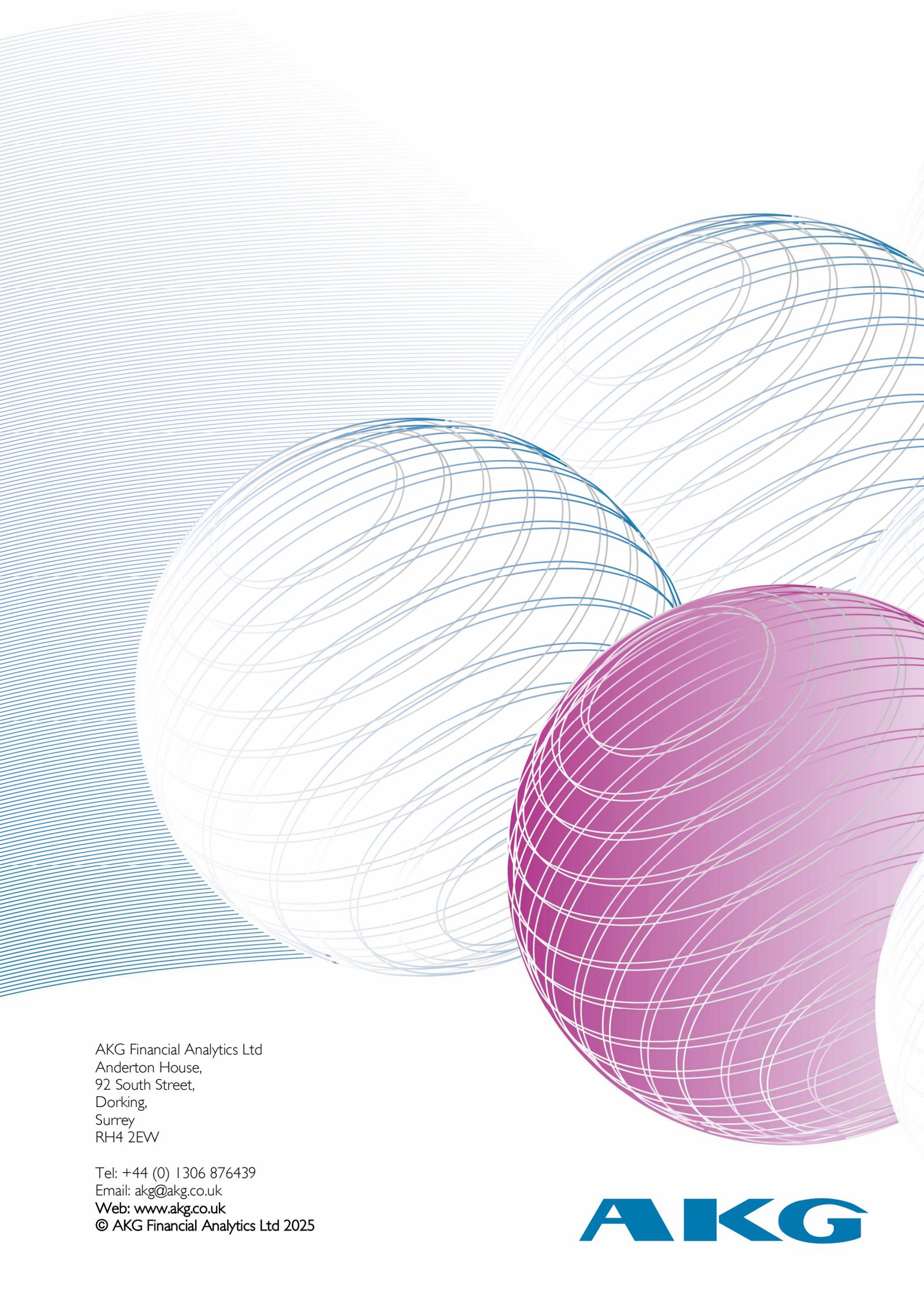
Today AKG's core purpose is in the provision of financial analysis and review services to support the wider financial services sector and its customers.

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