



Reuss Private Group AG

Outstanding business performance in a challenging year

- **Gross revenue rises by 76% to CHF 188.2 m (previous year: 106.6 m)**
- **Net revenue grows by 19% to CHF 32.5 m (previous year: 27.3 m)**
- **EBITDA more than doubles, growing by 115% to CHF 7.1 m (previous year: 3.3 m)**
- **Consolidated net profit (after interest and tax) increases by 121% to CHF 2 m (previous year: 0.9 m)**
- **AUM expands by 15% to CHF 9 billion (previous year: 7.8 bn)**
- **AUA (including managed assets) volume remains stable at CHF 34.4 bn (previous year: 33.3 bn)**
- **Fixed Income boosts gross profits by 80% to CHF 11.9 m (previous year: 6.6 m)**

Felix Brem, CEO of Reuss Private Group, puts this turbulent year in context: "The result is even more impressive given that we are still in the investment and growth phase, which is why we will not be paying out any dividends at this time. In a difficult year we did not reduce our headcount - on the contrary, we created around ten per cent additional jobs in the second half of the year; and we want to provide our employees with a secure job even in a difficult market environment."

Fixed Income well above expectations

Reuss Private AG in Switzerland benefited particularly from a strong performance from the Fixed Income unit - gross profits were near on double those of the previous year in this area. Felix Ronner, CEO of Reuss Private AG, is already making plans for the future: "We achieved a stunning result and plan to expand the Fixed Income team, where this will help us to acquire new groups of customers or to move into new regions." The EBITDA for Reuss Private AG grew to CHF 4.34 m on the back of this achievement.

The consolidation widely expected in the Swiss wealth management market following the implementation of FIDLEG and FINIG is yet to materialise, however. "We continue to expect that the total volume of independent asset managers will carry on growing disproportionately. Banks are still underestimating the consequences, due to the strong client-advisor ties, of employees leaving them. At the same time, we assume that the number of licences issued to independent asset managers will only start to decline in the next three to four years," notes Brem.

Focus on Germany and Switzerland

The German subsidiary companies enjoyed equally gratifying growth. The Private Label Funds business of BN & Partners surged through the 20% growth mark to some CHF 6.692 m. Performance fees accounted for a significant proportion of the group's gross revenues.



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The funds and insurance platform Fondsnets was also able to increase its overall volume further and recorded, as a group of companies, an EBITDA of just under CHF 2.2 m. Fondsnets will make further inroads into the Fintech market based on the IT solutions from its Berlin-based subsidiary foo, which specialises in financial software and intelligent data systems. Furthermore, in the interest of focusing activities, Reuss Private Group has strengthened its core markets, expanding the business in Germany in preference to Liechtenstein.

"One company" approach in Germany

A new strategy is to bring all the German subsidiaries under one roof, adopting a one company approach. This allows better, more efficient use of all cross-company functions and creates synergies. At the same time there will be comprehensive, ongoing investment in the IT infrastructure.

"In today's world, the only way of complying efficiently with regulatory requirements whilst placing the client at the centre of all activities is to have automated, digitalised processes. This will be the area that separates the chaff from the wheat in future," asserts Felix Brem, explaining why a strong focus on developing the whole organisation's IT capability is necessary in view of its rapid growth. "In the third quarter of 2020 we saw a real acceleration in the number of end clients opening accounts, and this has continued in the first quarter of 2021. We're currently showing double the number of new accounts opened over the first quarter of 2020."

Reuss Private Group:

A unique financial services network

Reuss Private Group is a leading group of specialist financial services providers offering a comprehensive range of IT-based products and services for professional asset managers, family offices and sophisticated private investors.

Members of the Group include the independent Swiss wealth management and securities brokerage company Reuss Private AG, the German asset management company Reuss Private Deutschland AG, the German pioneer in liability umbrella policies BN & Partners Capital AG, as well as the German funds and insurance platform FONDSNET. Our German IT hub is the FONDSNET subsidiary foo Management, which is specialised in Fintech-related IT services.

The company works with over 1,600 independent financial services providers as sales partners and, with its 150 employees, manages CHF 34 bn (as at 31.12.2020) of assets. The majority owners run the company as a partnership.

www.reussprivategroup.com

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