Results Presentation
for the six months to 30 June 2021
Agenda

1. Overview of 1H 2021
2. Financial Update
3. Outlook
4. Appendix
Overview of 1H 2021
1H 2021 Financial & Operational Highlights (1/2)

- £55m of capital raised in successful IPO on the High Growth Segment of the London Stock Exchange
- Strength of value proposition resonated with new and existing customers
- Continued to take advantage of enormous market opportunity in UK Defined Contribution pensions
- Strong financial performance across all metrics for 1H 2021
- Strong growth in customers, assets and revenue on a scalable technology platform demonstrating operating leverage over time
1H 2021 Financial & Operational Highlights (2/2)

Development of AUA since Inception (£bn)

Dec-18 to Jun-21 CAGR 106%


£2.0bn

Development of ARR Revenue since Inception (£m)


CAGR 102%

0.1 0.3 0.6 1.3 2.1 3.0 4.7 5.7 8.8 12.3

538k
Registered Customers 1H 2021

155k
Active Customers 1H 2021

92k
Invested Customers 1H 2021

£2bn
Assets under Administration 1H 2021

£9m
LTM Revenue June 2021

£12m
Annual Run Rate Revenue June 2021

>95%
Customer Retention Rate 1H2021
PensionBee’s Growth Story

Significant growth achieved across Customers, AUA and Revenue

<table>
<thead>
<tr>
<th>Growth in Invested Customers (000s)</th>
<th>Translates into Increasing AUA Base (£m)</th>
<th>Which Drives ARR Revenue (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>+81%</td>
<td>+117%</td>
<td>+114%</td>
</tr>
<tr>
<td>51</td>
<td>92</td>
<td>12.3</td>
</tr>
<tr>
<td>Jun-20</td>
<td>Jun-21</td>
<td>Jun-21</td>
</tr>
</tbody>
</table>
Business Updates to further our Strategic Goals (1/2)

1 Efficient investment in customer acquisition and brand awareness
   - Majority of spend focused on top 3 channels as expected (TV, OOH and Paid Search)
   - New Brand Campaign rolled out nationally across all channels
   - Continued optimisation of digital channels to grow rapidly while keeping Cost per Invested Customer (CPIC) in line with thresholds

2 Leadership in product innovation
   - Transfer tracker: enables more effective and detailed tracking of transfers and reduces inbound queries
   - Push notifications provide real-time transactional information to customers and expected to reduce inbound queries
   - Provider-based onboarding efficiency improvements through relationship deepening
Business Updates to further our Strategic Goals (2/2)

3 Continued investment in and development of an industry leading technology platform
   - Data Platform in operation, based on best-of-breed open source and proprietary data warehouse and data pipeline components. Creating insight into marketing ROI initially
   - Platform improvements in database optimisation and data reconciliation

4 Continued focus on excellent customer service
   - High customer retention >95%, driving recurring revenue
   - Strong response times maintained on all channels
   - 4.7 ★ Excellent Trustpilot rating maintained

5 Continued focus on investment solutions designed for customers
   - Ongoing engagement with asset managers and customers as part of active ownership obligations
   - £724k payment over FTSE Russell index matter to be invested into product development to support growth

Excellent Customer Service Reflected in Metrics and Awards

- Average live chat waiting time (of 15,575 live chats as at June 2021): 27 seconds
- Average phone line waiting time (of 19,189 phone calls as at June 2021): 42 seconds
- Email cases closed within 72 hours (of 85,746 emails as at June 2021): 86%
2 Financial Update
AUA Growth Driven by New and Existing Customers
High customer retention and strong continuous net flows generate attractive lifetime value

Quality of AUA Growth in H1
- Average Pot Size: £21.6k
- Underlying Cohort Growth: c.5%
- Customer Retention Rate: >95%

Continuous Compounding of AUA

Strong Net Flows from New & Existing Customers

(1) New Customers referring to customers acquired between January and June 2021 while Existing Customers referring to customers acquired between 2016 to 2020.
Scalability Generates Operating Leverage over Time

Resilient revenue margin combined with scalability of technology platform achieves operating leverage

Resilient Gross Revenue Margin of 69 bps
Supports Revenue Growth

Annual Run Rate Revenue (£m)

Scalable Technology Platform Drives Margin Improvement

Adj. EBITDAM Margin (%) and Adj. EBITDA Margin (%)

Marketing Investment

1H 2020
1H 2021

Adjusted EBITDAM Margin
Adjusted EBITDA Margin
Disciplined Marketing Investment Drives Healthy Growth
Data-driven acquisition approach has enabled scaled-up marketing investment within cost thresholds

PensionBee Continues to Scale up Marketing Investment

Cumulative Marketing Expenditure (£m)(1)

- Dec-20: 16.0
- Jul-21: 22.1

+£6.1m

Whilst Maintaining Cost Discipline

Cumulative Invested Customers (k) and Cumulative CPIC (£)(2)

- Dec-16: 365
- Dec-17: 298
- Dec-18: 209
- Dec-19: 37.8
- Dec-20: 206
- Jun-21: 240

£250
£200

(1) Cumulative Marketing Expenditure since FY2015.
(2) Cumulative CPIC is defined as the cumulative marketing and advertising costs incurred by PensionBee since FY2015 up until the relevant point in time, divided by the cumulative number of Invested Customers at that point in time.
Illustrative Unit Economics

The nature of pension assets drive lifetime revenue profile

1. Customer Acquisition
   - £200-250 CPIC
   - Pot Size £21.6k
   - 0.69% Cont. Rev. Margin

2. Asset Driven Lifetime Revenue
   - Scalable technology platform
   - Low cost to serve customers

3. Indicative Inputs
   - Indicative Annual Revenue / Customer
   - Indicative Lifetime Value

4. LTV/CAC
   - Methodological data driven approach to customer acquisition
   - Attractive LTV/CAC
   - Attractive Payback Period

- Money Manager Fees
- Customer Servicing Costs
- Lifetime Value
3 Outlook
### Medium Term Financial Objectives & Guidance

<table>
<thead>
<tr>
<th>Metric</th>
<th>Guidance Provided in Prospectus</th>
<th>Reconfirming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Growth</td>
<td>High double digit revenue growth over short to medium term. Solid double-digit growth over the longer term</td>
<td>✓</td>
</tr>
<tr>
<td>Gross Revenue Margin &amp; Money Manager Fees</td>
<td>To remain consistent with historical levels as a proportion of revenue over the medium term</td>
<td>✓</td>
</tr>
<tr>
<td>Tech Platform &amp; Other Costs</td>
<td>Targeting around 30% of revenue in the medium to long term</td>
<td>✓</td>
</tr>
<tr>
<td>Marketing Costs</td>
<td>£50-60m of aggregate spend over the next 3 years, with % spend increasing by mid-to-high double digits over the period ending December 2023. More moderate growth in marketing expected from the beginning of 2024</td>
<td>✓</td>
</tr>
<tr>
<td>Adj. EBITDA Margin(^{(1)})</td>
<td>Medium term target of 25-35%; targeting 50+% in the longer-term</td>
<td>✓</td>
</tr>
<tr>
<td>Break-even Point / Profitability</td>
<td>Monthly break-even expected to be achieved on an Adj. EBITDA basis by the end of 2023</td>
<td>✓</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Adjusted EBITDA Margin is defined as earnings for the financial year before taxation, finance costs, depreciation, share based compensation and non-recurring items including transaction costs / Revenue
Outlook for 2021

- Revenue Growth expected to be in line with market expectations for 2021, driven by
  - Ongoing rapid growth of investment in marketing
  - Continued product innovation to maintain customer satisfaction
  - Further investment in people and technology

- Adjusted EBITDA Margin for FY 2021 broadly in line with market expectations

- A further trading update will be provided after the third quarter
Appendix
# 1H2021 Financial Highlights

## KPIs

<table>
<thead>
<tr>
<th>KPIs</th>
<th>As at Period End</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Jun-2020</td>
<td>Jun-2021</td>
<td>YoY</td>
<td></td>
</tr>
<tr>
<td>AUA (£m)</td>
<td>915</td>
<td>1,987</td>
<td>117%</td>
<td></td>
</tr>
<tr>
<td>AUA Retention Rate (% of AUA)</td>
<td>&gt;95%</td>
<td>&gt;95%</td>
<td>Stable</td>
<td></td>
</tr>
<tr>
<td>Registered Customers (’000)</td>
<td>297</td>
<td>538</td>
<td>81%</td>
<td></td>
</tr>
<tr>
<td>Active Customers (’000)</td>
<td>87</td>
<td>155</td>
<td>78%</td>
<td></td>
</tr>
<tr>
<td>Invested Customers (’000)</td>
<td>51</td>
<td>92</td>
<td>81%</td>
<td></td>
</tr>
<tr>
<td>Customer Retention Rate (% of IC)</td>
<td>&gt;95%</td>
<td>&gt;95%</td>
<td>Stable</td>
<td></td>
</tr>
<tr>
<td>Cost per Invested Customer (£)</td>
<td>209</td>
<td>240</td>
<td>Within Threshold</td>
<td></td>
</tr>
<tr>
<td>Same-year RC: IC conversion (%)</td>
<td>17%</td>
<td>17%</td>
<td>Stable</td>
<td></td>
</tr>
<tr>
<td>Contractual Revenue Margin (% of AUA)</td>
<td>0.68%</td>
<td>0.69%</td>
<td>+1bp</td>
<td></td>
</tr>
</tbody>
</table>

## Financials

<table>
<thead>
<tr>
<th>Financials</th>
<th>Over the 6-month Period Ending</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jun-2020</td>
<td>Jun-2021</td>
<td>YoY</td>
<td></td>
</tr>
<tr>
<td>Revenue (£m)</td>
<td>2.6</td>
<td>5.4</td>
<td>109%</td>
<td></td>
</tr>
<tr>
<td>Annual Run Rate (ARR) Revenue (1) (£m)</td>
<td>5.7</td>
<td>12.3</td>
<td>114%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA (£m)</td>
<td>(4.0)</td>
<td>(7.6)</td>
<td>89%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA margin (% of revenue)</td>
<td>(155) %</td>
<td>(141)%</td>
<td>+14ppt</td>
<td></td>
</tr>
</tbody>
</table>

## Levels of AUA

<table>
<thead>
<tr>
<th>Levels of AUA</th>
<th>Over the 6-month Period Ending</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jun-2020</td>
<td>Jun-2021</td>
<td>YoY</td>
<td></td>
</tr>
<tr>
<td>Opening AUA (£m)</td>
<td>745</td>
<td>1,358</td>
<td>82%</td>
<td></td>
</tr>
<tr>
<td>Gross inflows (£m)</td>
<td>238</td>
<td>550</td>
<td>131%</td>
<td></td>
</tr>
<tr>
<td>Gross outflows (£m)</td>
<td>(30)</td>
<td>(69)</td>
<td>129%</td>
<td></td>
</tr>
<tr>
<td>Net inflows (£m)</td>
<td>208</td>
<td>482</td>
<td>131%</td>
<td></td>
</tr>
<tr>
<td>Market growth and other (£m)</td>
<td>(38)</td>
<td>148</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Closing AUA (£m)</td>
<td>915</td>
<td>1,987</td>
<td>117%</td>
<td></td>
</tr>
</tbody>
</table>

(1) ARR Revenue is calculated using the Recurring Revenue for the month of June in 2020 and 2021 and multiplied by 12.
<table>
<thead>
<tr>
<th>Glossary</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets under Administration (AUA)</td>
<td>Assets under Administration (AUA) is the total invested value of pension assets within PensionBee Invested Customers’ pensions. It measures the new inflows less the outflows and records a change in the market value of the assets. AUA is a measurement of the growth of the business and is the primary driver of Revenue.</td>
</tr>
<tr>
<td>AUA Retention Rate (% of AUA)</td>
<td>AUA Retention measures the percentage of retained PensionBee AUA from Transfer Outs over the average of the trailing twelve months. High AUA retention provides more certainty of future Revenue. This measure can also be used to monitor customer satisfaction.</td>
</tr>
<tr>
<td>Registered Customers (RC)</td>
<td>Registered Customers (RC) measures customers who have started the sign-up process and have submitted at least a name and an email address and includes those customers who are classified as Active Customers.</td>
</tr>
<tr>
<td>Active Customers (AC)</td>
<td>Active Customers (AC) means all customers who have requested to become an Invested Customer by accepting PensionBee’s terms of business but for whom the transfer or contribution process is not yet completed and all customers who are classified as Invested Customers.</td>
</tr>
<tr>
<td>Invested Customers (IC)</td>
<td>Invested Customers (IC) means those customers who have transferred pension assets or made contributions into one of PensionBee’s investment plans.</td>
</tr>
<tr>
<td>Customer Retention Rates (% of IC)</td>
<td>Customer Retention Rate measures the percentage of retained PensionBee Invested Customers over the average of the trailing twelve months. High customer retention provides more certainty of future Revenue. This measure can also be used to monitor customer satisfaction.</td>
</tr>
<tr>
<td>Cost per Invested Customer (CPIC)</td>
<td>Cost per Invested Customer (CPIC) means the cumulative advertising and marketing costs incurred since PensionBee commenced trading up until the relevant point in time divided by the cumulative number of Invested Customers at that point in time. This measure monitors cost discipline of customer acquisition. PensionBee’s desired CPIC threshold is £200-£250.</td>
</tr>
<tr>
<td>Same Year RC:IC Conversion (% of RC)</td>
<td>Same Year RC:IC Conversion percentage is calculated by dividing the number of Invested Customers as at the end of the period by the number of Registered Customers at the end of the period. This measure monitors PensionBee’s ability to convert customers through the acquisition funnel.</td>
</tr>
<tr>
<td>Contractual Revenue Margin (% of AUA)</td>
<td>Contractual Revenue Margin means the weighted average contractual fee rate across PensionBee’s investment plans (before applying any size discount) calculated by reference to the amount of AUA held in each plan across the period.</td>
</tr>
<tr>
<td>Revenue</td>
<td>Revenue means the income generated from the asset base of PensionBee’s customers, essentially annual management fees charged on the AUA, together with a minor revenue contribution from other services.</td>
</tr>
<tr>
<td>Annual Run Rate (ARR) Revenue</td>
<td>Annual Run Rate (ARR) Revenue is calculated using the Recurring Revenue for the relevant month multiplied by 12.</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>Adjusted EBITDA is the profit or loss for the period before taxation, finance costs, depreciation, share based compensation and transaction costs.</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>Adjusted EBITDA Margin means Adjusted EBITDA as a percentage of Revenue for the relevant period.</td>
</tr>
<tr>
<td>Adjusted EBITDAM Margin</td>
<td>Adjusted EBITDAM is the profit or loss for the period before taxation, finance costs, depreciation, share based compensation, transaction costs and marketing as a percentage of Revenue for the relevant period.</td>
</tr>
</tbody>
</table>
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