Preliminary Results
for the year ended 31 December 2021
Agenda

1. Strategic Update
2. Financial Update
3. Outlook
4. Appendix
1 Strategic Update
Overview

● Concluded our first year as a public company delivering revenue growth that exceeded guidance given at the time of the IPO, and firmly on track with respect to other metrics.
  - Assets under Administration: £2.6bn
  - Revenue: £13m

● Latest data from the Office of National Statistics demonstrates strong growth in the Pension Consolidation Market, which exceeds £700bn.

● Industry data from Boring Money demonstrates our value proposition continued to resonate with consumers as our brand awareness increased to 25%, a 44% rise over 2021.

● Initiatives to continue growing our customer base, maintain our innovative product offering and leverage our technology platform are off to an excellent start for the year.

● Our plan to transition to the Premium Segment of the London Stock Exchange has progressed well and is on track.
FY 2021 Financial & Operational Highlights

Development of AUA since Inception (£bn)

- Dec-18 to Dec-21 CAGR 99%

Development of ARR Revenue since Inception (£m)

- Dec-18 to Dec-21 CAGR 97%

658k
Registered Customers
FY 2021

172k
Active Customers
FY 2021

117k
Invested Customers
FY 2021

£2.6bn
Assets under Administration
FY 2021

£13m
LTM Revenue
Dec 2021(1)

£16m
Annual Run Rate Revenue
Dec 2021

>95%
Customer Retention Rate
FY 2021

(1) FY 2021 financials are unaudited
Pension Consolidation Market Exceeds £700 billion

Transferable Assets in The Pension Consolidation Market (£bn)

Our Customer Focused Solution is Resonating

PensionBee Is Highly Ranked vs. Peers…(1)

...Leading to Industry Recognition...

...And A Significant Increase in Brand Awareness(2)

Boring Money Awards won in Jan-22


PensionBee Is Leapfrogging the Competition

Higher AUA Growth vs. Platform and Robo Advisers (Rebased to 100)(1)

Higher Growth in Customers (Rebased to 100)(1)


(2) CAGR is calculated Dec 2017 - Dec 2021
2022 Marketing Strategy

1. Accelerate customer growth and marketing spend, while closely monitoring CPIC
   - Continue to invest in our top channels: TV, Out of Home and Paid Search
   - Optimising our 2022 marketing channel mix with predictive media mix models and designing tailored customer journeys based on our single customer multi touch point insights

2. Broadening customer appeal with specific product marketing campaigns
   - Consolidating customers remain our main target customer and will be centre stage in our proposition
   - Extra effort to attract socially responsible customers with our Fossil Fuel Free campaign and self-employed customers with an easy to contribute-to pension product

3. Build trust and maximise customer reach through our press office and educational campaigns
   - Doubling press mentions, building PensionBee’s status as a trusted brand
   - Broad customer appeal with focus to increase female customer base
   - Educational campaigns and our pension confident podcast to maximise customer reach

Billboards, taxis and the Brentford Premier League sponsorship are examples of how we continue to use Out Of Home as a channel.

Combining your old pensions into one new online plan.

Campaigns will remain focused on consolidating customers.

Boost reach and create trust with more press mentions and education through our press campaigns, videos and podcasts.
2022 Product Strategy
2022 Technology Strategy

1. Preparing to scale to 1 million customers
   - Maintaining a strong technical foundation to support the business’ growth plans through scale testing, architecture and infrastructure optimisation
   - Data platform readied to extract maximum insight from data collected about increasing volumes of customer touchpoints and behaviour

2. Automation to drive operational leverage
   - Continuing to increase key productivity metrics, IC/FTE and revenue/FTE, through process automation and improvements
   - Straight-through automation of increasing proportion of pension transfers
   - Product development tooling improved to help increase velocity while maintaining quality

3. Strengthening information security and operational processes
   - Increasing standardisation, monitoring and automation in information security, operations and compliance
   - Maintaining and improving on the ISO 27001 baseline
   - Embracing Zero Trust security model to enhance productivity without compromising on security

4. Team growth and development
   - Investment in training and professional development of technology team, ensuring PensionBee is seen as a technical employer of choice and maintaining a high retention rate

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Invested Customers per Staff Member\(^{(1)(2)}\)

- Dec-19: 565
- Dec-20: 628
- Dec-21: 743

Revenue ‘000 per Staff Member\(^{(1)(2)}\)

- Dec-19: £53
- Dec-20: £57
- Dec-21: £81

\(^{(1)}\) Management Information as at 31 December 2021
\(^{(2)}\) 2 year CAGR, Dec-19 to Dec-21
2 Financial Update
AUA Growth Driven by High Retention Rate

Continuous Compounding of AUA

Customer Retention Rate(1)

(£ bn)

Yr Yr

%)

(1) See glossary for definition
Positive Flows Generate Recurring & Compounding AUA

### Strong Net Flows from New & Existing Customers (1)

<table>
<thead>
<tr>
<th>(£ m)</th>
<th>Dec-20</th>
<th>Net Flows New Customers (1)</th>
<th>1,358</th>
<th>Net Flows Existing Customers (2)</th>
<th>725</th>
<th>Market Growth &amp; Other</th>
<th>226</th>
<th>Dec-21</th>
<th>2,587</th>
</tr>
</thead>
</table>

### Net Flows (2) by Customer Cohorts

<table>
<thead>
<tr>
<th>(£ m)</th>
<th>Dec-17</th>
<th>Dec-18</th>
<th>Dec-19</th>
<th>Dec-20</th>
<th>Dec-21</th>
<th>1,358</th>
<th>745</th>
<th>328</th>
<th>108</th>
<th>2,587</th>
</tr>
</thead>
</table>

(1) New Customers refers to customers acquired between Jan and Dec 2021 while Existing Customers refers to customers acquired between 2016 to 2020.

(2) Net flows include consolidation, contribution, withdrawal and attrition.
Scalability Generates Operating Leverage over Time

Resilient Gross Revenue Margin of 69 bps
Supports Revenue Growth

- **Annual Run Rate Revenue (£m)**
  - Dec-19: 5
  - Dec-20: 9
  - Dec-21: 16

  **+85%**

Scalable Technology Platform Drives Margin Improvement

- **Adj. EBITDA Margin (%)**
  - FY 2019: (49)%
  - FY 2020: (35)%
  - FY 2021: (28)%

- **Adj. EBITDAM Margin (%)**
  - FY 2019: (166)%
  - FY 2020: (166)%
  - FY 2021: (129)%

**Adj. EBITDAM profitability expected by month of Dec-2022**

**Adj. EBITDA profitability expected by month of Dec-2023**

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(1) Adjusted EBITDA Margin is the profit or loss for the period before taxation, finance costs, depreciation, share based compensation and transaction costs as a percentage of revenue for the relevant period.

(2) Adjusted EBITDAM Margin 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.

(3) Arrows represent high level indicative guidance around trends in the KPIs.
Disciplined Marketing Investment Drives Healthy Growth

Significant Brand Investment Continues to Grow

Cumulative Marketing Expenditure (£m)\(^{(1)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-19</td>
<td>8</td>
</tr>
<tr>
<td>Dec-20</td>
<td>16</td>
</tr>
<tr>
<td>Dec-21</td>
<td>29</td>
</tr>
</tbody>
</table>

\(2\text{y CAGR} +92\%\)

\(+£13\text{m}\)

Whilst Maintaining Cost Discipline\(^{(3)}\)

Cumulative Invested Customers (k) and Cumulative CPIC (£)\(^{(2)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cumulative ICs (‘000)</th>
<th>Cumulative CPIC (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-16</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Dec-17</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Dec-18</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Dec-19</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>Dec-20</td>
<td>206</td>
<td>206</td>
</tr>
<tr>
<td>Dec-21</td>
<td>232</td>
<td>232</td>
</tr>
<tr>
<td>Dec-22</td>
<td></td>
<td>246</td>
</tr>
</tbody>
</table>

Small uptick expected in H1 2022 and strong decline by December

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\(^{(1)}\) 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. Arrow represent high level indicative guidance around trends.

\(^{(3)}\) Arrows represent high level indicative guidance around trends in the KPIs.
Illustrative Unit Economics Demonstrate Lifetime Revenue Profile

1. Customer Acquisition
   - CAC
   - Revenue
   - Money Manager Fees
   - Customer Servicing Costs
   - Lifetime Value

2. Asset Driven Lifetime Revenue
   - £200-250 CPIC
   - 0.69% Cont. Rev. Margin
   - Pot Size
     - 2020: £19.7k
     - 2021: £22.0k

3. Scalable technology platform
   - Low cost to serve customers

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

- £19k
- 0.60%
- £114
- (2)
- £(19)
- £95
- 95%
- 7.2 – 9.0x
- £1,805
- £200-250
- 20 years
- LTV / CAC
- £1,805
- £200-250
- 20 years
- LTV / CAC
- £1,805
3 Outlook
## Medium Term Financial Objectives & Guidance

<table>
<thead>
<tr>
<th>Metric</th>
<th>Guidance Provided in Prospectus</th>
<th>Re-confirming</th>
<th>2021 Achievement</th>
<th>FY 2022 Guidance</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><a href="#">✓</a></td>
<td>103% Above IPO guidance</td>
<td>&gt;£20m in revenue, assuming relative market stability</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><a href="#">✓</a></td>
<td>82% Net Revenue Margin Achieved</td>
<td>In line with historical averages, assuming similar customer behaviours</td>
</tr>
<tr>
<td>Tech Platform &amp; Other Costs</td>
<td>Targeting around 30% of revenue in the medium to long term</td>
<td><a href="#">✓</a></td>
<td>(28)% Adj. EBITDAM Margin On track</td>
<td>Monthly Adj. EBITDAM profitability by December 2022</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><a href="#">✓</a></td>
<td>£13m expenditure On track</td>
<td>c.£17-20m currently expected, with flexibility to adjust in line with guidance</td>
</tr>
<tr>
<td>Adj. EBITDA Margin(1)</td>
<td>Medium term target of 25-35%; targeting 50+% in the longer-term</td>
<td><a href="#">✓</a></td>
<td>(129)% Adj. EBITDA Margin On track</td>
<td>Further margin improvement expected</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><a href="#">✓</a></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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(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

(2) All guidance assumes relative market stability
Calendar Updates

● 2021 Annual Report will be released on 14 April 2022

● We are actively working to transition from the High Growth Segment to the Premium Segment and expect to make a further announcement in April 2022

● Q1 2022 quarterly trading update will be released on 21 April 2022
4 Appendix
## FY 2021 Highlights

### KPIs

<table>
<thead>
<tr>
<th>KPIs</th>
<th>As at Period End</th>
<th>Dec-2019</th>
<th>Dec-2020</th>
<th>Dec-2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUA (£m)</td>
<td></td>
<td>745</td>
<td>1,358</td>
<td>2,587</td>
<td>91%</td>
</tr>
<tr>
<td>AUA Retention Rate (% of AUA)</td>
<td></td>
<td>&gt;95%</td>
<td>&gt;95%</td>
<td>&gt;95%</td>
<td>Stable</td>
</tr>
<tr>
<td>Registered Customers (’000)</td>
<td></td>
<td>232</td>
<td>403</td>
<td>658</td>
<td>63%</td>
</tr>
<tr>
<td>Active Customers (’000)</td>
<td></td>
<td>64</td>
<td>119</td>
<td>172</td>
<td>44%</td>
</tr>
<tr>
<td>Invested Customers (’000)</td>
<td></td>
<td>38</td>
<td>69</td>
<td>117</td>
<td>70%</td>
</tr>
<tr>
<td>Customer Retention Rate (% of IC)</td>
<td></td>
<td>&gt;95%</td>
<td>&gt;95%</td>
<td>&gt;95%</td>
<td>Stable</td>
</tr>
<tr>
<td>Cost per Invested Customer (£)</td>
<td></td>
<td>206</td>
<td>232</td>
<td>246</td>
<td>Within Threshold</td>
</tr>
<tr>
<td>Same-year RC: IC conversion (%)</td>
<td></td>
<td>16%</td>
<td>17%</td>
<td>18%</td>
<td>+1ppt</td>
</tr>
<tr>
<td>Contractual Revenue Margin (% of AUA)</td>
<td></td>
<td>0.68%</td>
<td>0.69%</td>
<td>0.69%</td>
<td>Stable</td>
</tr>
</tbody>
</table>

### Financials(2)

<table>
<thead>
<tr>
<th>Financials</th>
<th>Over the 12-month Period Ending</th>
<th>Dec-2019</th>
<th>Dec-2020</th>
<th>Dec-2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (£m)</td>
<td></td>
<td>4</td>
<td>6</td>
<td>13</td>
<td>103%</td>
</tr>
<tr>
<td>Annual Run Rate (ARR) Revenue(1) (£m)</td>
<td></td>
<td>5</td>
<td>9</td>
<td>16</td>
<td>85%</td>
</tr>
<tr>
<td>Adjusted EBITDA (£m)</td>
<td></td>
<td>(6)</td>
<td>(10)</td>
<td>(16)</td>
<td>-58%</td>
</tr>
<tr>
<td>Adjusted EBITDA margin (% of revenue)</td>
<td></td>
<td>(166)%</td>
<td>(166)%</td>
<td>(129)%</td>
<td>+37ppt</td>
</tr>
</tbody>
</table>

### Levels of AUA

<table>
<thead>
<tr>
<th>Levels of AUA</th>
<th>Over the 12-month Period Ending</th>
<th>Dec-2019</th>
<th>Dec-2020</th>
<th>Dec-2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening AUA (£m)</td>
<td></td>
<td>328</td>
<td>745</td>
<td>1,358</td>
<td>82%</td>
</tr>
<tr>
<td>Gross inflows (£m)</td>
<td></td>
<td>378</td>
<td>593</td>
<td>1,099</td>
<td>85%</td>
</tr>
<tr>
<td>Gross outflows (£m)</td>
<td></td>
<td>(34)</td>
<td>(70)</td>
<td>(145)</td>
<td>106%</td>
</tr>
<tr>
<td>Net inflows (£m)</td>
<td></td>
<td>344</td>
<td>523</td>
<td>955</td>
<td>83%</td>
</tr>
<tr>
<td>Market growth and other (£m)</td>
<td></td>
<td>73</td>
<td>90</td>
<td>275</td>
<td>n/m</td>
</tr>
<tr>
<td>Closing AUA (£m)</td>
<td></td>
<td>745</td>
<td>1,358</td>
<td>2,587</td>
<td>91%</td>
</tr>
</tbody>
</table>

(1) ARR Revenue is calculated using the Recurring Revenue for the month of Dec in 2019, 2020 and 2021 and multiplied by 12.
(2) FY 2021 financials are unaudited.
## Glossary

| **Assets under Administration (AUA)** | 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. |
| **AUA Retention Rate (% of AUA)** | 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. |
| **Registered Customers (RC)** | 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. |
| **Active Customers (AC)** | 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. |
| **Invested Customers (IC)** | Invested Customers (IC) means those customers who have transferred pension assets or made contributions into one of PensionBee’s investment plans. |
| **Customer Retention Rates (% of IC)** | 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. |
| **Cost per Invested Customer (CPIC)** | 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. |
| **Same Year RC:IC Conversion (% of RC)** | 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. |
| **Contractual Revenue Margin (% of AUA)** | 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. |
| **Revenue** | 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. |
| **Annual Run Rate (ARR) Revenue** | Annual Run Rate (ARR) Revenue is calculated using the Recurring Revenue for the relevant month multiplied by 12. |
| **Adjusted EBITDA** | Adjusted EBITDA is the profit or loss for the period before taxation, finance costs, depreciation, share based compensation and transaction costs. |
| **Adjusted EBITDA Margin** | Adjusted EBITDA Margin means Adjusted EBITDA as a percentage of Revenue for the relevant period. |
| **Adjusted EBITDAM Margin** | 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. |
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