Preliminary Results
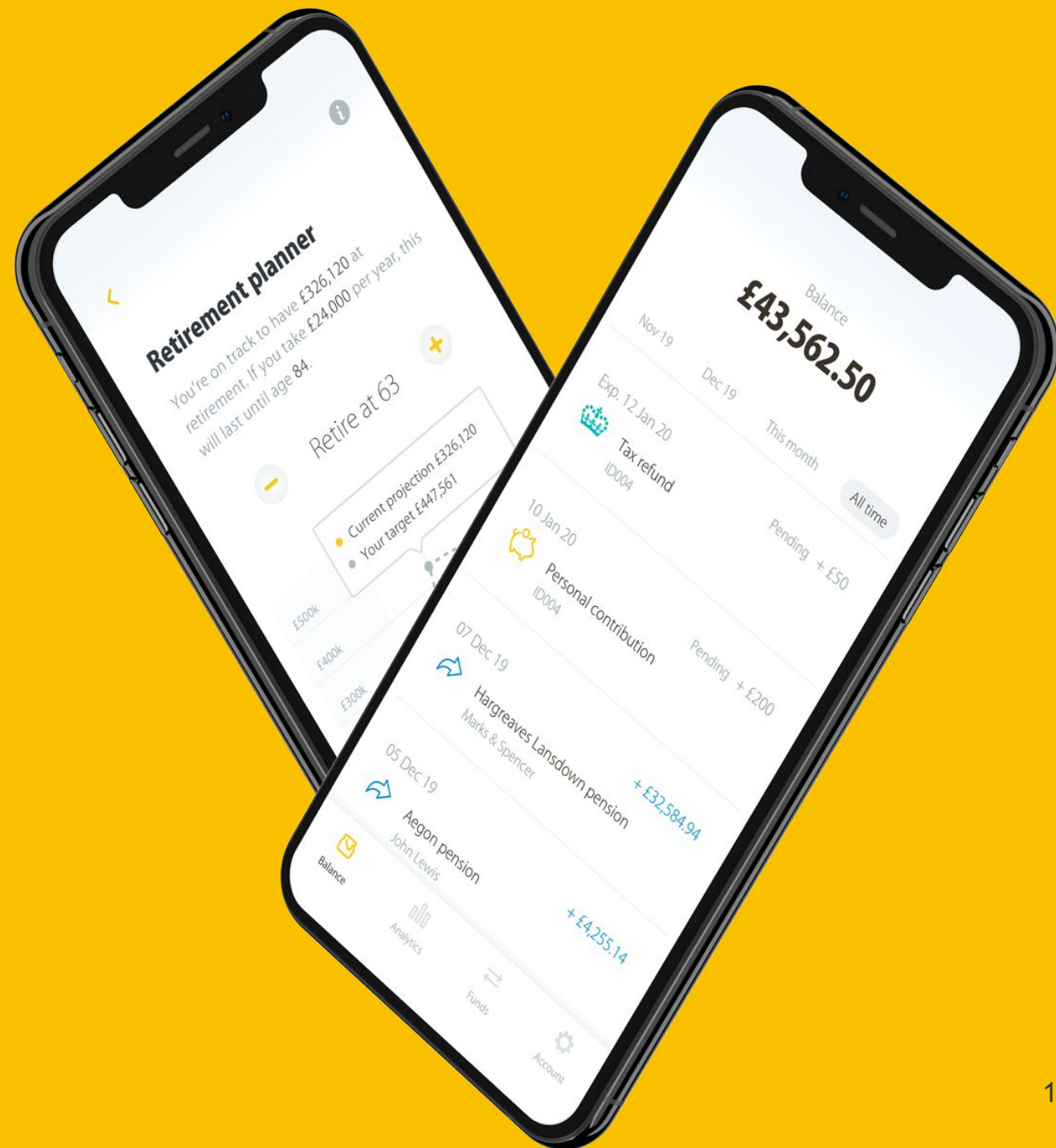
for the year ended 31 December 2021

Agenda

1   Strategic Update

2   Financial Update

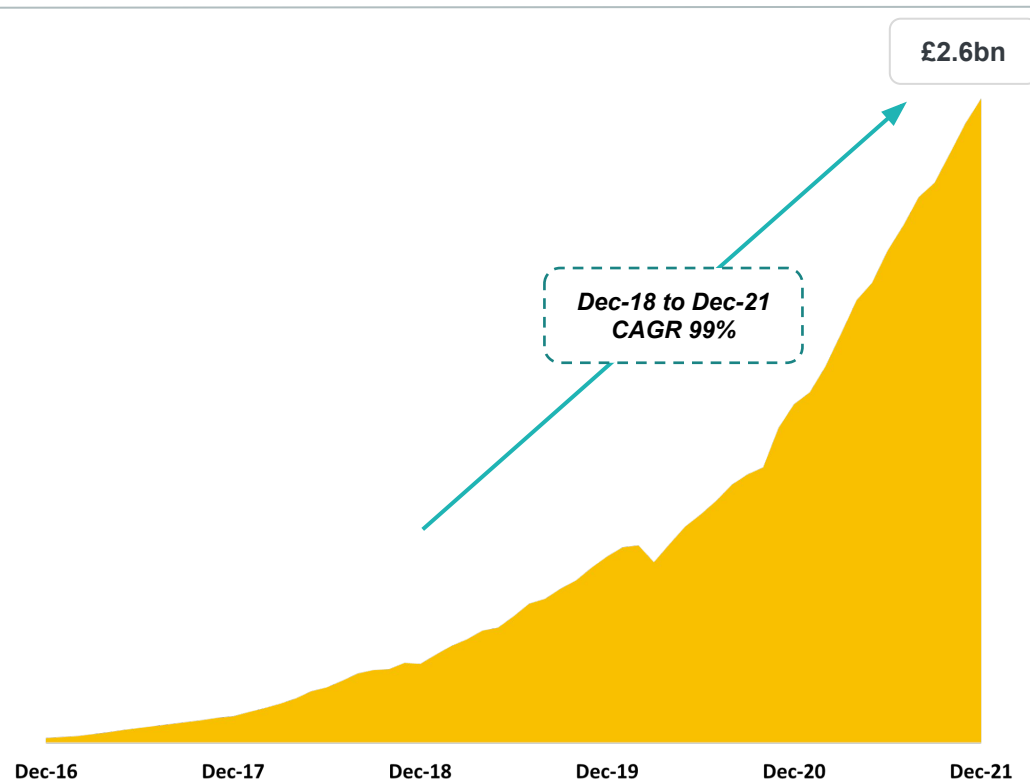3   Outlook

4   Appendix

PensionBee
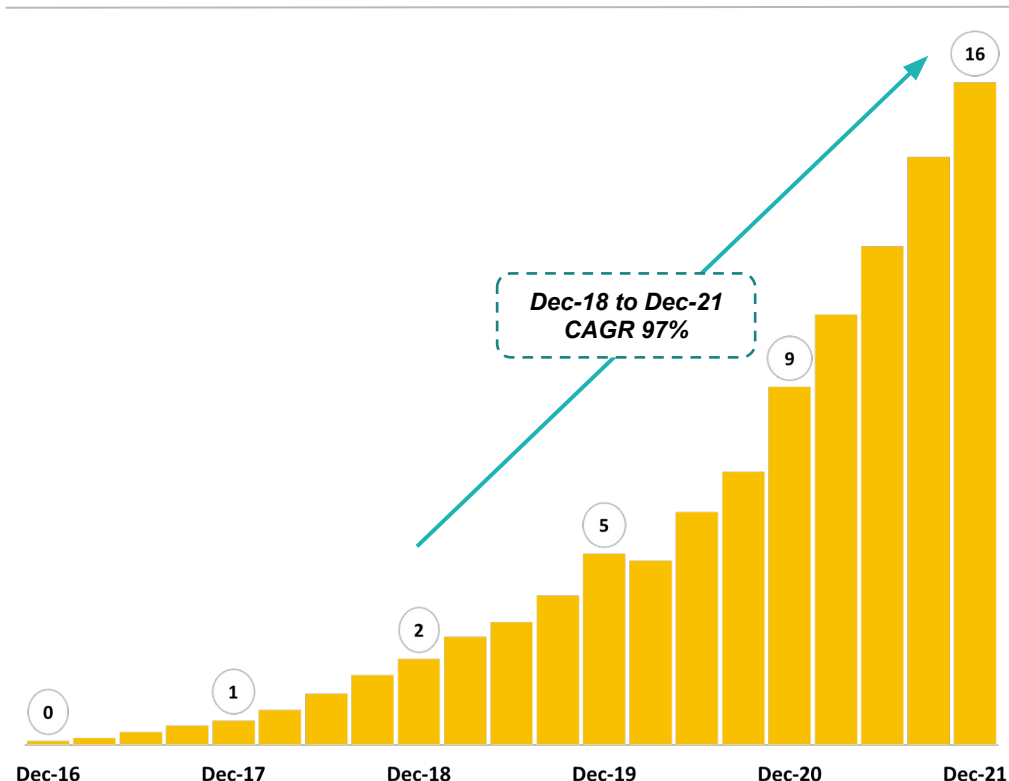
1 **Strategic Update**

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)

£2.6bn

Dec-18 to Dec-21 CAGR 99%

Dec-16   Dec-17   Dec-18   Dec-19   Dec-20   Dec-21

Development of ARR Revenue since Inception (£m)

16

Dec-18 to Dec-21 CAGR 97%

9

5

2

1

0

Dec-16   Dec-17   Dec-18   Dec-19   Dec-20   Dec-21

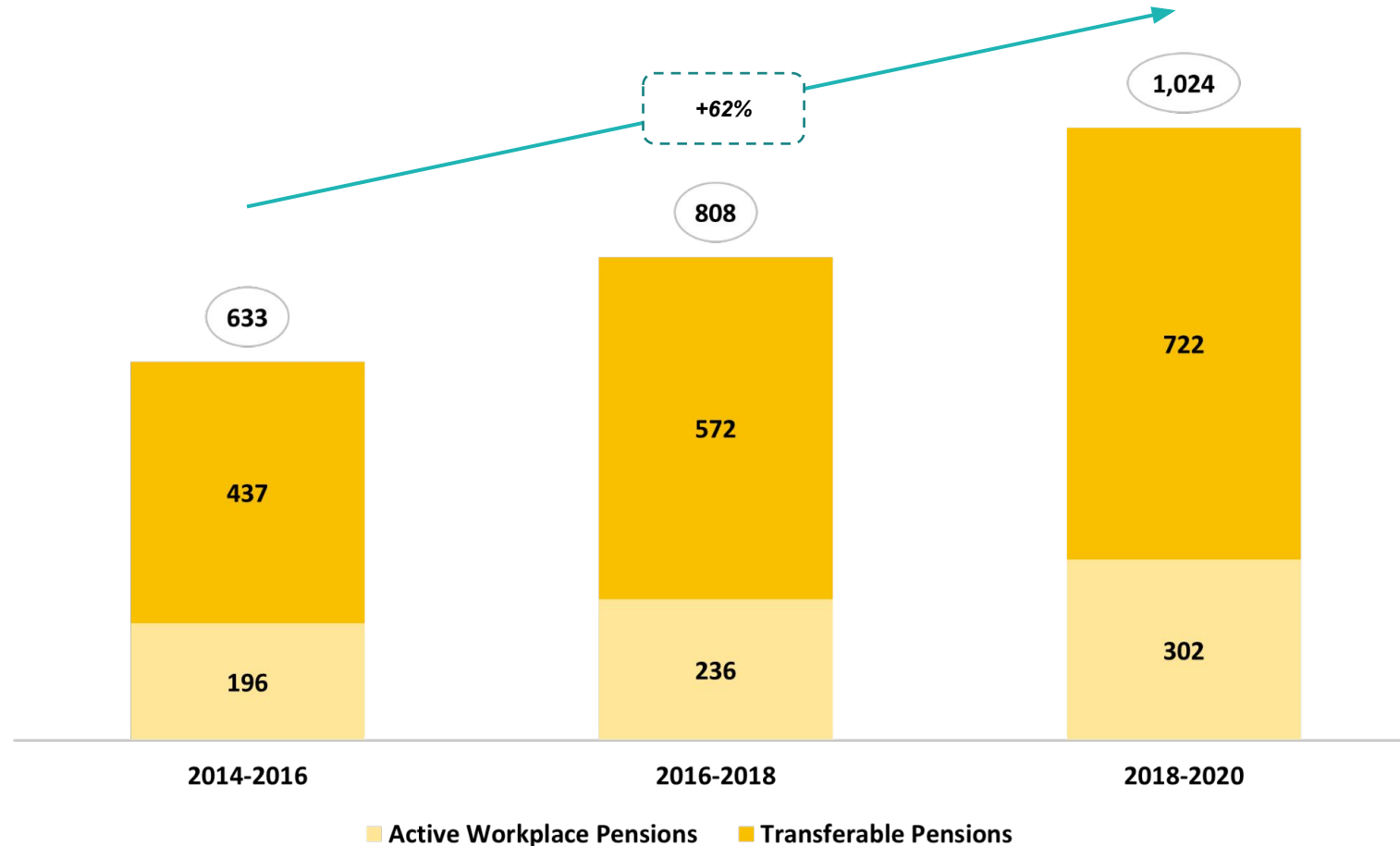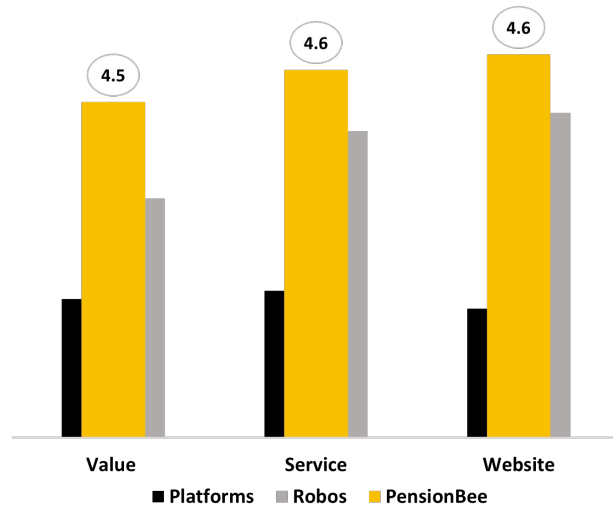| **658k**	**172k**	**117k**	**£2.6bn**	**£13m**	**£16m**	**>95%**
Registered Customers FY 2021	Active Customers FY 2021	Invested Customers FY 2021	Assets under Administration FY 2021	LTM Revenue Dec 2021[1]	Annual Run Rate Revenue Dec 2021	Customer Retention Rate FY 2021

(1) FY 2021 financials are unaudited

Pension Consolidation Market Exceeds £700 billion

Transferable Assets in The Pension Consolidation Market (£bn)

	2014-2016	2016-2018	2018-2020
Total	633	808	1,024
Transferable Pensions	437	572	722
Active Workplace Pensions	196	236	302

+62%

■ Active Workplace Pensions   ■ Transferable Pensions

Our Customer Focused Solution is Resonating

PensionBee Is Highly Ranked vs. Peers…[1]

Chart showing scores: Value 4.5, Service 4.6, Website 4.6 (PensionBee)

Legend: ■ Platforms ■ Robos ■ PensionBee

…Leading to Industry Recognition…

Boring Money Awards won in Jan-22

Badges: boring money BEST BUY PENSIONS 2022, boring money BEST FOR CUSTOMER SERVICE 2022, boring money BEST FOR BEGINNERS 2022

🏆 'Overall Best Buy for Pensions' (also won in 2021)

🏆 'Best for Customer Service' (also won in 2021)

🏆 'Best for Beginners' (also won in 2021)

🏆 'Best for low-cost SIPP less than £50K'
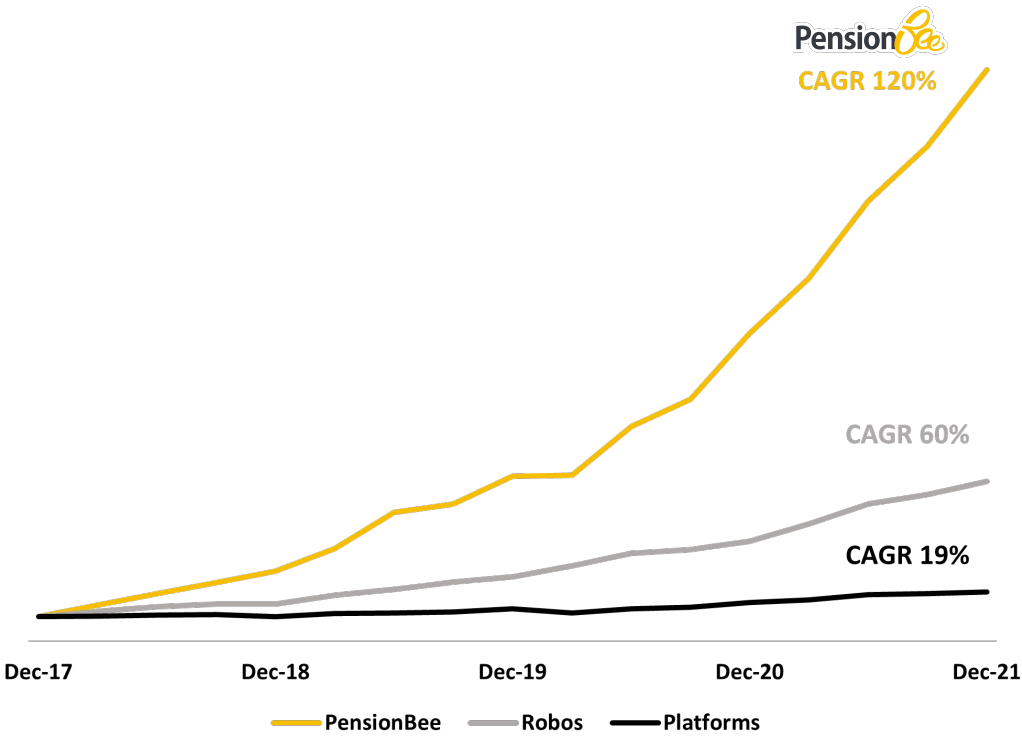
🏆 'Best for low-cost SIPP more than £50K'
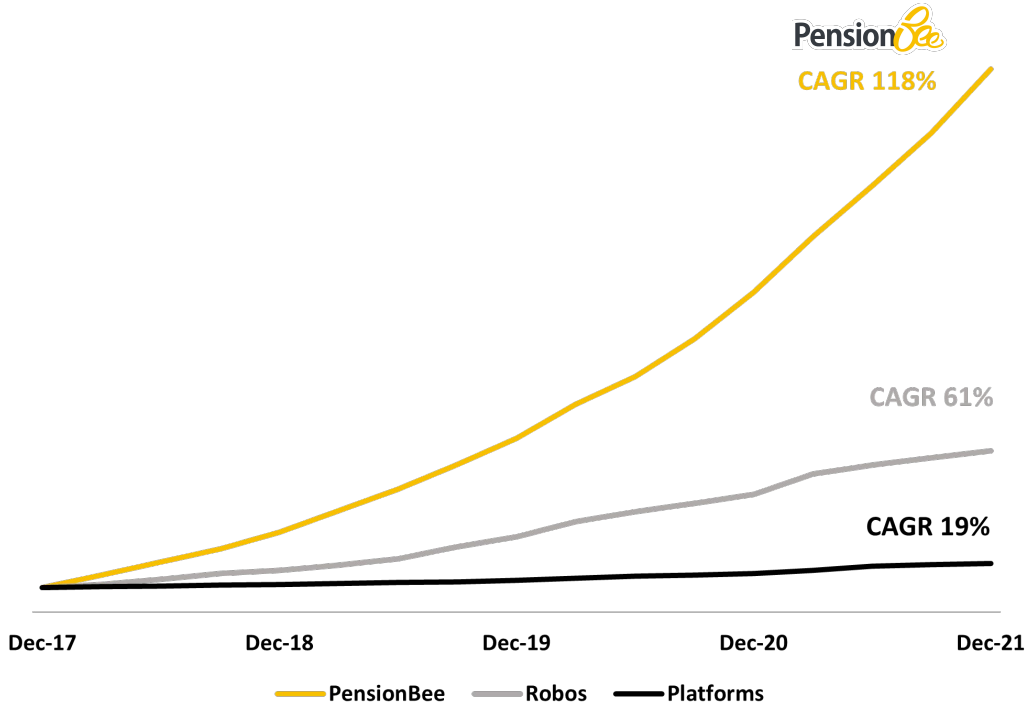
…And A Significant Increase in Brand Awareness[2]

Brand awareness chart: Interactive Investor 5, AJ Bell Youinvest 6, Nutmeg 18, PensionBee 25 (+44%), Hargreaves Lansdown 32, Aviva 72, HSBC 81

Legend: ■ 2021 ■ 2022

PensionBee Is Leapfrogging the Competition

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

PensionBee
CAGR 120%

CAGR 60%

CAGR 19%

Dec-17   Dec-18   Dec-19   Dec-20   Dec-21

— PensionBee   — Robos   — Platforms

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

PensionBee
CAGR 118%

CAGR 61%

CAGR 19%

Dec-17   Dec-18   Dec-19   Dec-20   Dec-21

— PensionBee   — Robos   — Platforms

(1) Boring Money, Feb 2022. Data on UK D2C Investment Market – "Platforms" – (Hargreaves Lansdown, Interactive Investor, AJ Bell Youinvest, Vanguard). "Robos" - (Nutmeg, Moneybox, Moneyfarm, Wealthify, Wealthsimple and Others)
*(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.

Campaigns will remain focused on consolidating customers.
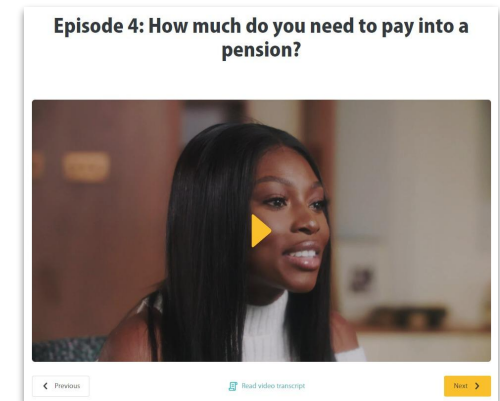
Boost reach and create trust with more press mentions and education through our press campaigns, videos and podcasts.

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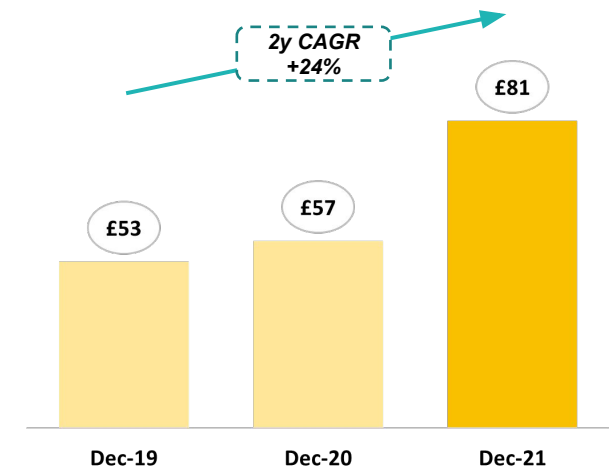
4 Team growth and development
- Investment in training and professional development of technology team, ensuring PensionBee is seen as a technical employer of choice and maintaining a high retention rate

Invested Customers per Staff Member[1][2]

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

2y CAGR +15%
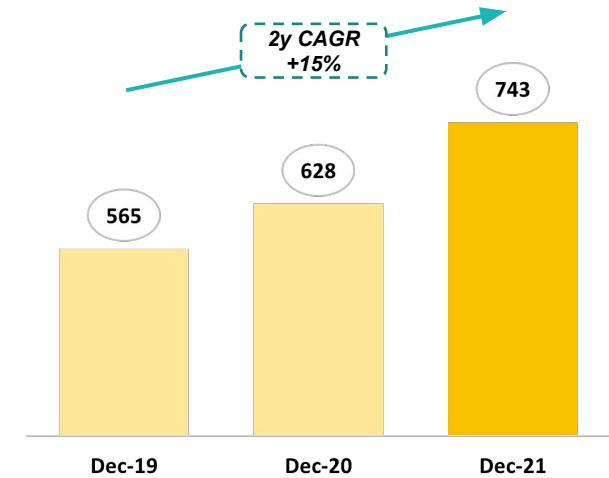
Revenue '000 per Staff Member[1][2]

Dec-19	Dec-20	Dec-21
£53	£57	£81

2y CAGR +24%

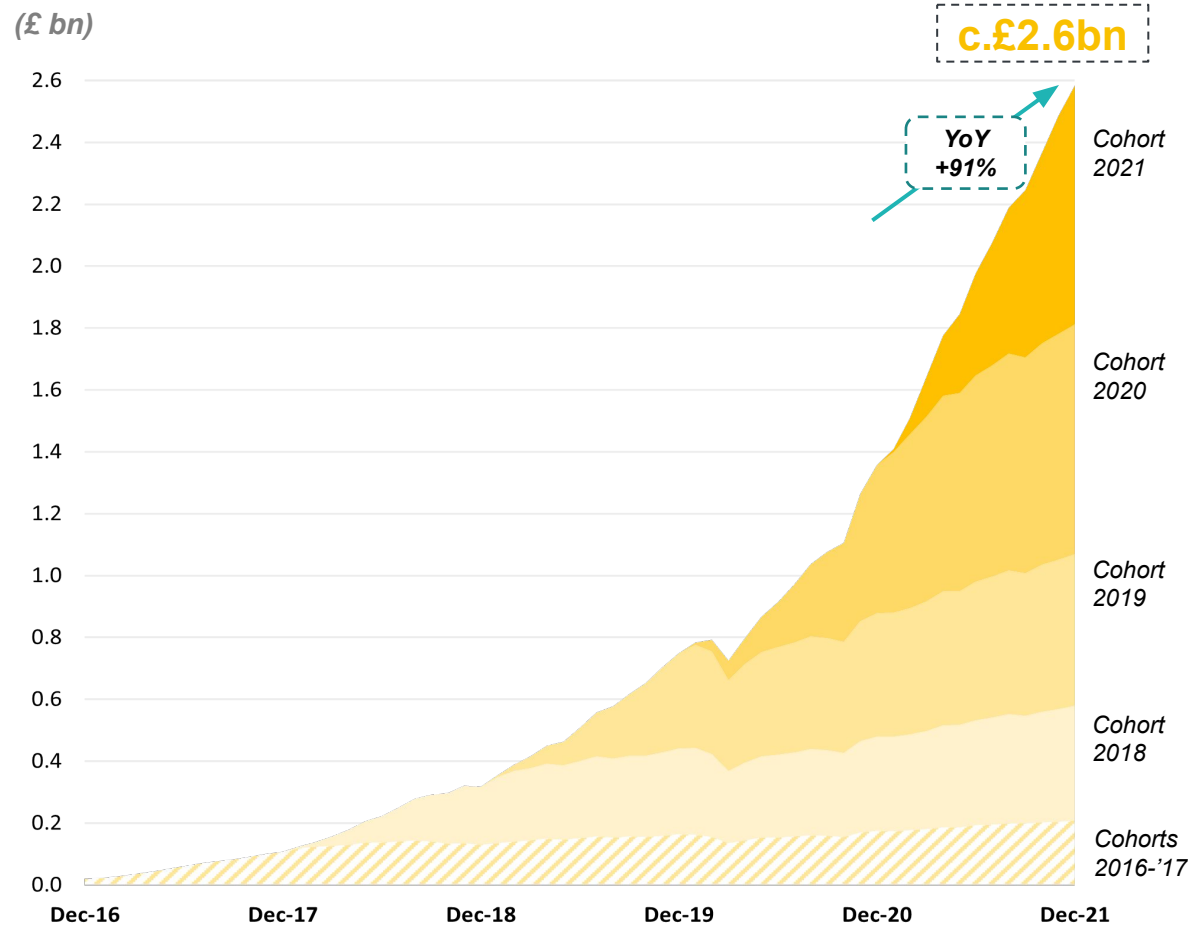(1) Management Information as at 31 December 2021
(2) 2 year CAGR, Dec-19 to Dec-21

2 **Financial Update**

AUA Growth Driven by High Retention Rate

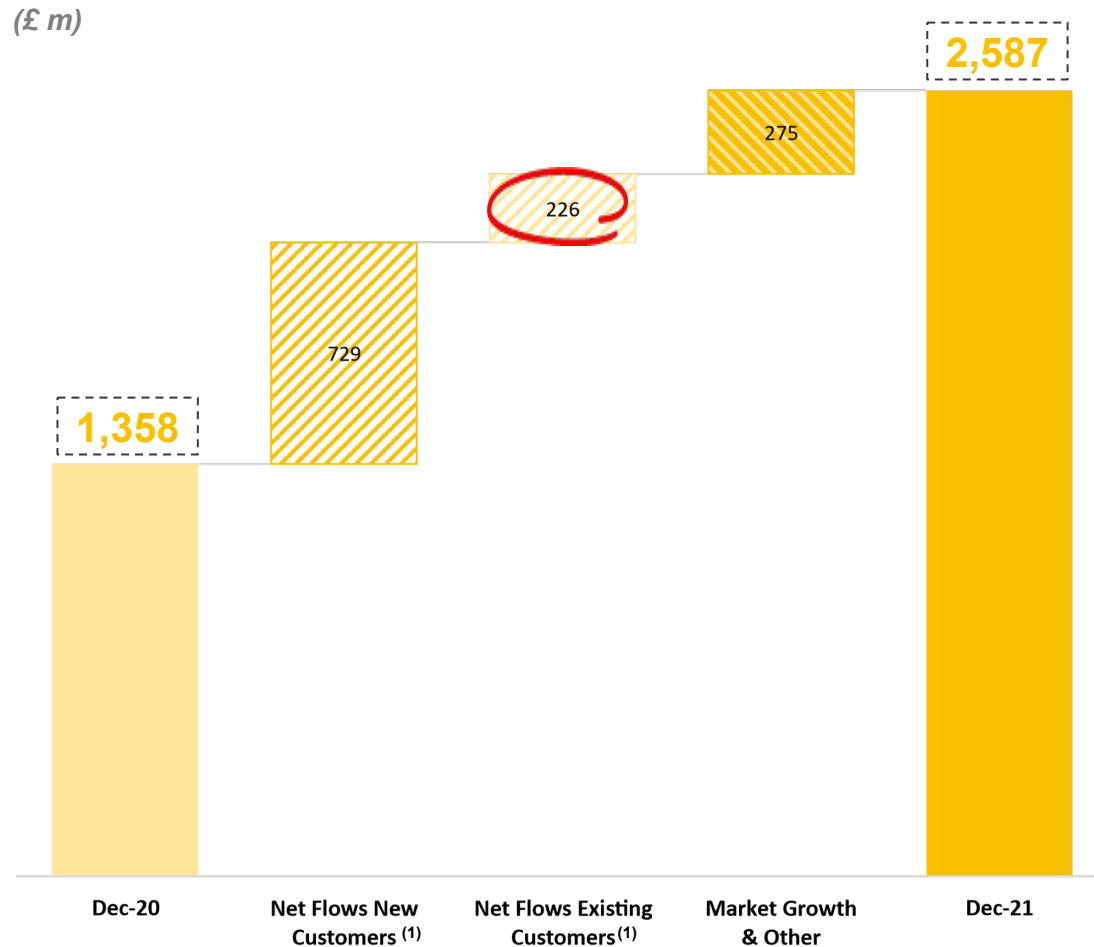## Continuous Compounding of AUA

(£ bn)
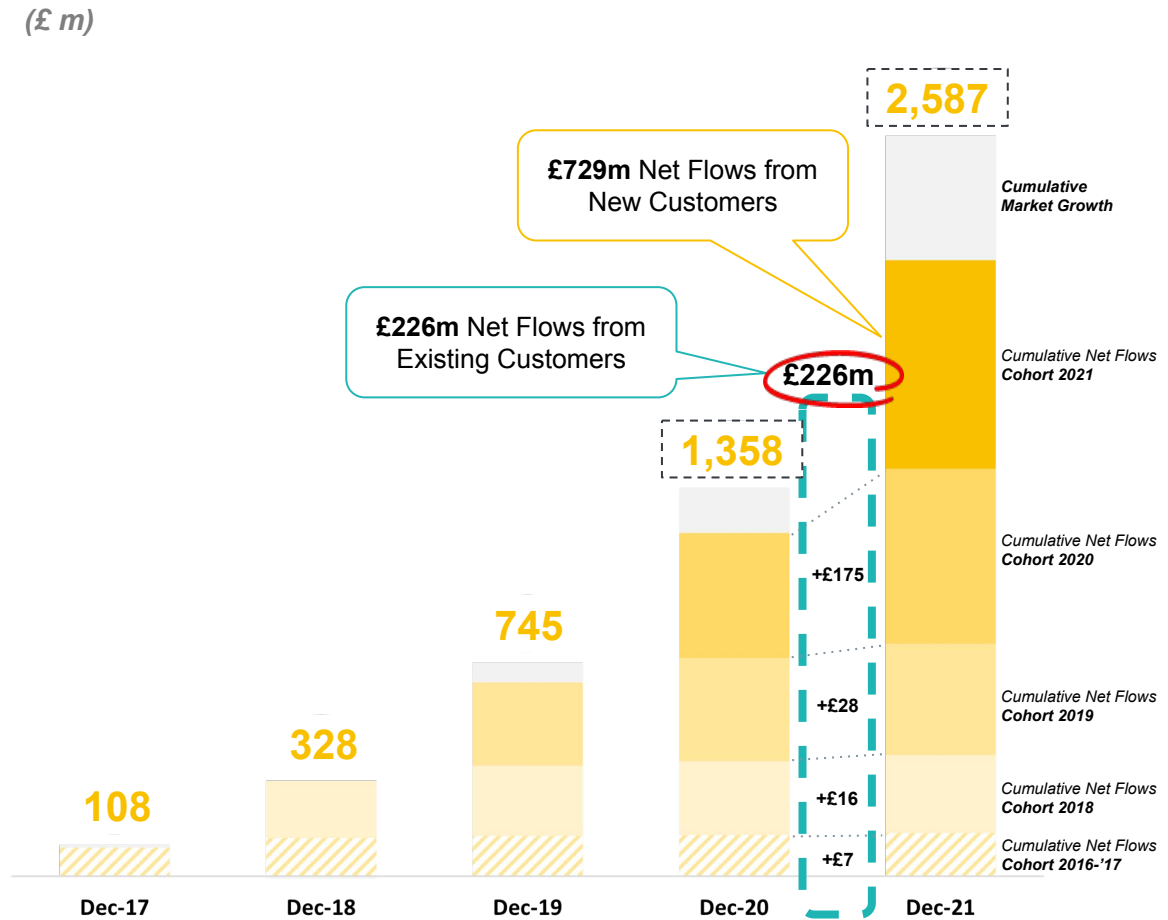
c.£2.6bn

YoY +91%

Cohort 2021
Cohort 2020
Cohort 2019
Cohort 2018
Cohorts 2016-'17

Customer Retention Rate[1]

(%)

96.4% — Dec-19
96.5% — Dec-20
96.9% — Dec-21

(1) See glossary for definition

13
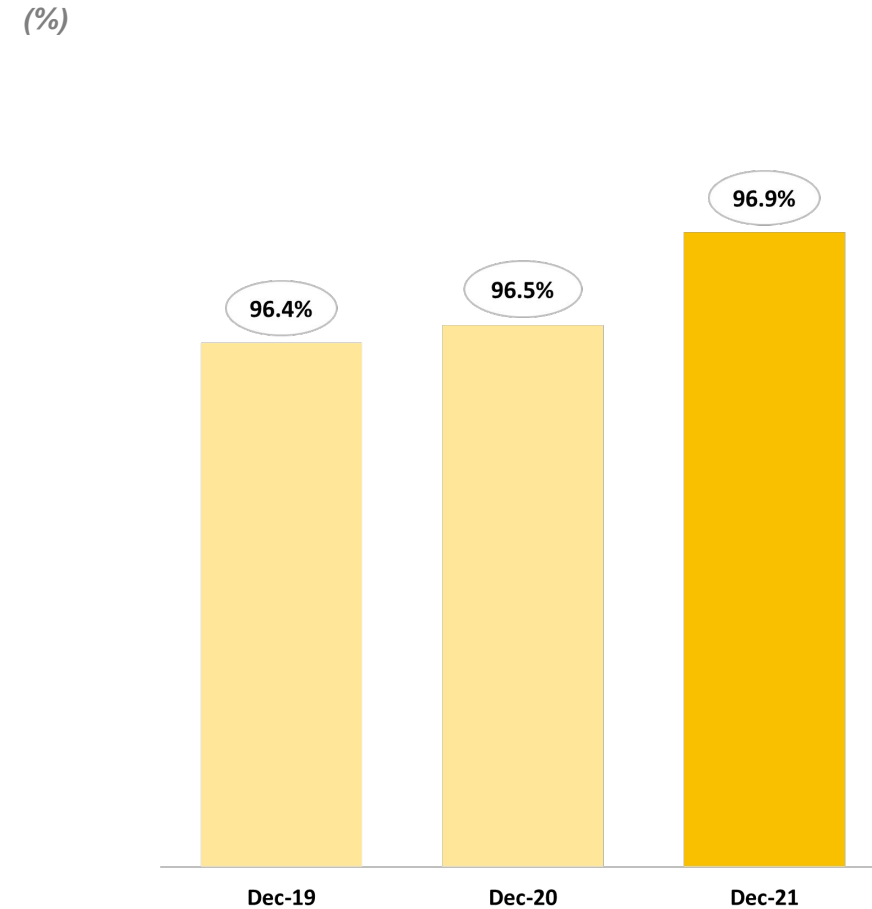
Positive Flows Generate Recurring & Compounding AUA

Strong Net Flows from New & Existing Customers[1]

(£ m)

Dec-20	Net Flows New Customers [1]	Net Flows Existing Customers [1]	Market Growth & Other	Dec-21
1,358	729	226	275	2,587

Net Flows[2] by Customer Cohorts

(£ m)

£729m Net Flows from New Customers

£226m Net Flows from Existing Customers

£226m

Cumulative Market Growth

Cumulative Net Flows **Cohort 2021**

Cumulative Net Flows **Cohort 2020**

Cumulative Net Flows **Cohort 2019**

Cumulative Net Flows **Cohort 2018**

Cumulative Net Flows **Cohort 2016-'17**

Dec-17	Dec-18	Dec-19	Dec-20	Dec-21
108	328	745	1,358	2,587

+£175
+£28
+£16
+£7
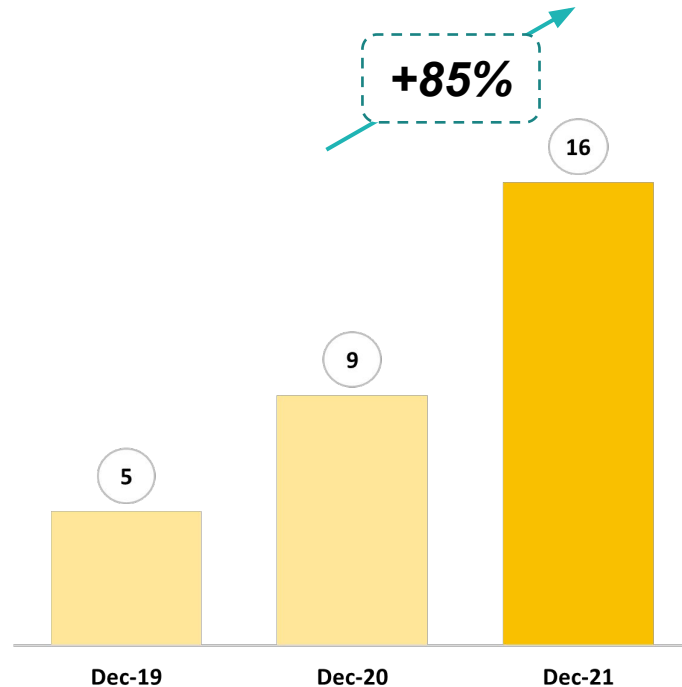
Scalability Generates Operating Leverage over Time

Resilient Gross Revenue Margin of 69 bps Supports Revenue Growth

Annual Run Rate Revenue (£m)

+85%

- Dec-19: 5
- Dec-20: 9
- Dec-21: 16

Scalable Technology Platform Drives Margin Improvement[3]

Adj. EBITDA Margin (%)[1] and Adj. EBITDAM Margin (%)[2]
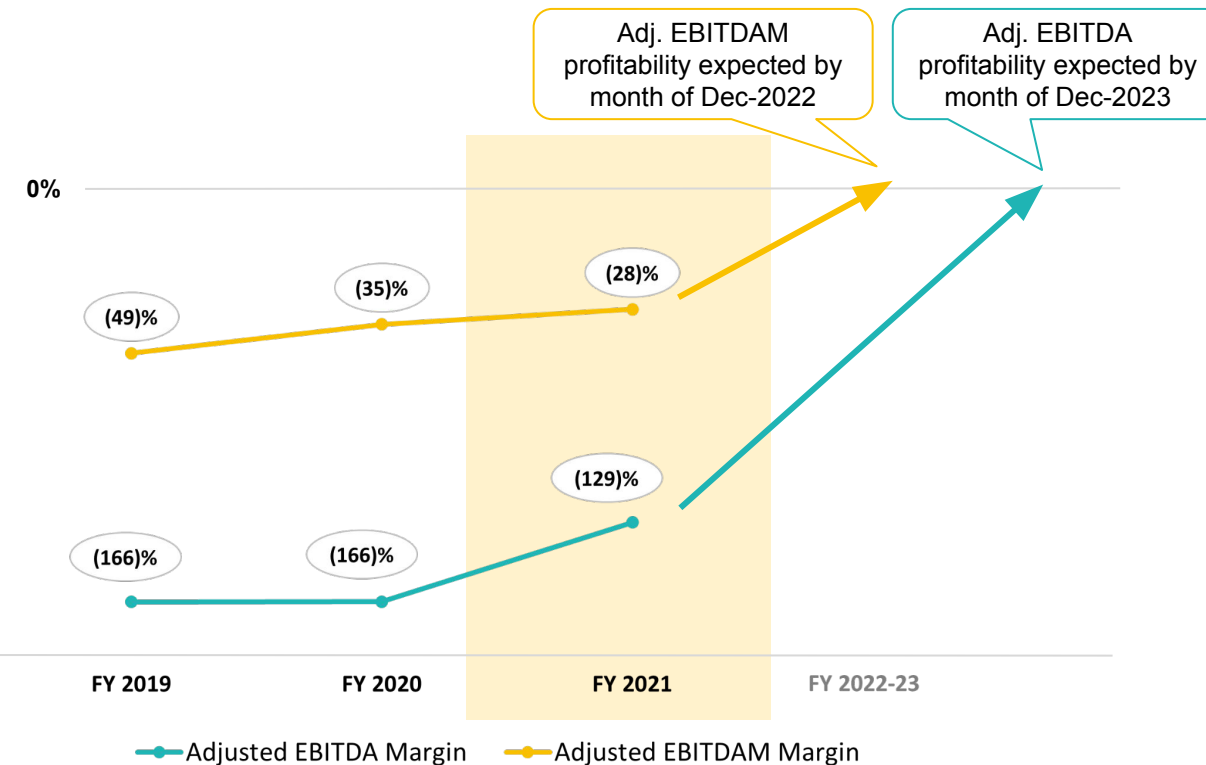
Adj. EBITDAM profitability expected by month of Dec-2022

Adj. EBITDA profitability expected by month of Dec-2023

0%

Adjusted EBITDAM Margin:
- FY 2019: (49)%
- FY 2020: (35)%
- FY 2021: (28)%

Adjusted EBITDA Margin:
- FY 2019: (166)%
- FY 2020: (166)%
- FY 2021: (129)%

FY 2019   FY 2020   FY 2021   FY 2022-23

—●— Adjusted EBITDA Margin   —●— Adjusted EBITDAM Margin

Disciplined Marketing Investment Drives Healthy Growth

Significant Brand Investment Continues to Grow

Cumulative Marketing Expenditure (£m)[1]

+£13m

2y CAGR +92%

Dec-19	Dec-20	Dec-21
8	16	29

Whilst Maintaining Cost Discipline[3]

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

Small uptick expected in H1 2022 and strong decline by December

£250

£200

CPIC values: 365, 298, 209, 206, 232, 246

ICs values: 1, 5, 17, 38, 69, 117

Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22

☐ Cumulative ICs ('000)   ── Cumulative CPIC (£)

PensionBee

Illustrative Unit Economics Demonstrate Lifetime Revenue Profile

2 Asset Driven Lifetime Revenue

0.69% Cont. Rev. Margin

£200-250 CPIC

1 Customer Acquisition

Pot Size 2020: £19.7k 2021: £22.0k

3
- Scalable technology platform
- Low cost to serve customers

LTV/CAC

4 Compelling Unit Economics

✔ **Methodological data driven approach to customer acquisition**

✔ **Attractive LTV/CAC**

✔ **Attractive Payback Period**

CAC

Revenue

Money Manager Fees

Customer Servicing Costs

Lifetime Value

3 Outlook

Medium Term Financial Objectives & Guidance

Metric	Guidance Provided in Prospectus	Re-confirming	2021 Achievement	FY 2022 Guidance
Revenue Growth	High double digit revenue growth over short to medium term. Solid double-digit growth over the longer term	✓	**103%** *Above IPO guidance*	>£20m in revenue, assuming relative market stability
Gross Revenue Margin & Money Manager Fees	To remain consistent with historical levels as a proportion of revenue over the medium term	✓	**82% Net Revenue Margin** *Achieved*	In line with historical averages, assuming similar customer behaviours
Tech Platform & Other Costs	Targeting around 30% of revenue in the medium to long term	✓	**(28)% Adj. EBITDAM Margin** *On track*	Monthly Adj. EBITDAM profitability by December 2022
Marketing Costs	£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	✓	**£13m expenditure** *On track*	c.£17-20m currently expected, with flexibility to adjust in line with guidance
Adj. EBITDA Margin[1]	Medium term target of 25-35%; targeting 50+% in the longer-term	✓	**(129)% Adj. EBITDA Margin** *On track*	Further margin improvement expected
Break-even Point / Profitability	Monthly break-even expected to be achieved on an Adj. EBITDA basis by the end of 2023	✓		

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

Financials[2]		Over the 12-month Period Ending			
		Dec-2019	Dec-2020	Dec-2021	YoY
Revenue	(£m)	4	6	13	103%
Annual Run Rate (ARR) Revenue[1]	(£m)	5	9	16	85%
Adjusted EBITDA	(£m)	(6)	(10)	(16)	-58%
Adjusted EBITDA margin	(% of revenue)	(166)%	(166)%	(129)%	+37ppt

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

PensionBee

(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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