



Full Year Results

For the year ended 31 December 2022



Agenda



- 1 Strategic Overview
- 2 Financial Update
- 3 Conclusion
- 4 Appendix

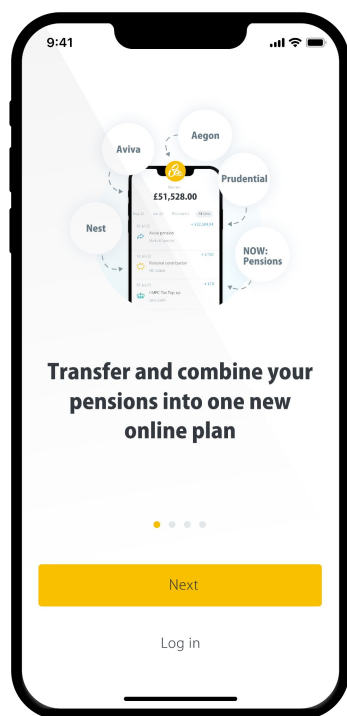
1 Strategic Overview

Strategic Overview

- 1 PensionBee is a leading online pension provider: solving genuine problems for our customers, who are searching for an easy way to manage their pensions in one place
- 2 The £700bn Core Target Market of Transferable Pensions is vast and resilient, with demand for our services supported by growing national awareness of the importance of pensions
- 3 We have built a household brand name and continue to invest in acquiring new customers with a declining Cost per Invested Customer, thereby optimising marketing spend
- 4 Strategic investment in our scalable technology developed over the past decade has enabled us to deliver innovative new features and make efficiency gains
- 5 2023 will see us continuing to acquire market share and pursuing our medium to long term objective of 1 million Invested Customers, while we also introduce some new, adjacent products that will enable our customers to prepare for a happy retirement

1

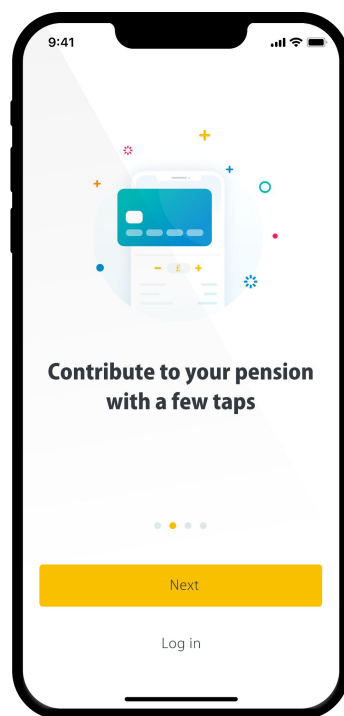
A Leading Online Pension Provider in the UK: Solving Genuine Problems for Consumers



£3bn

+17% YoY

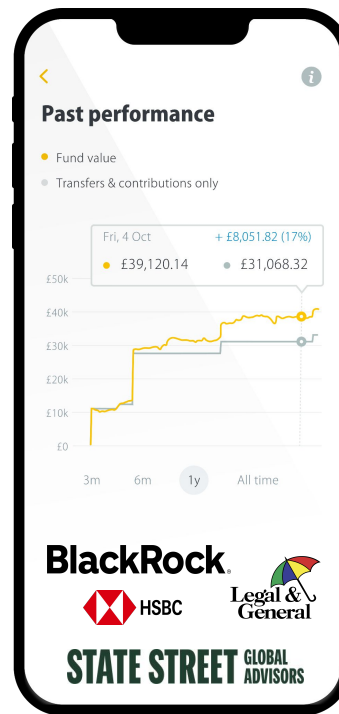
Assets under
Administration
Dec 2022



183k

+56% YoY

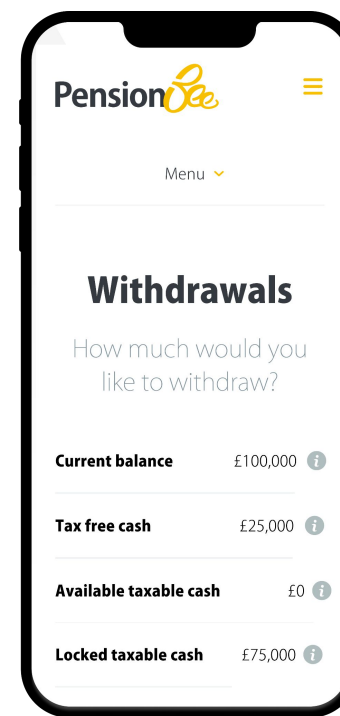
Invested
Customers
Dec 2022



£18m

+38% YoY

LTM
Revenue
Dec 2022



>97%

Stable YoY

Customer
Retention Rate
Dec 2022

Award-winning offering



Trustpilot 4.6 out of 5 - Excellent



PROFESSIONAL
PENSIONS
UK PENSIONS
AWARDS 2021

WINNER

DC Innovation of the Year
PensionBee

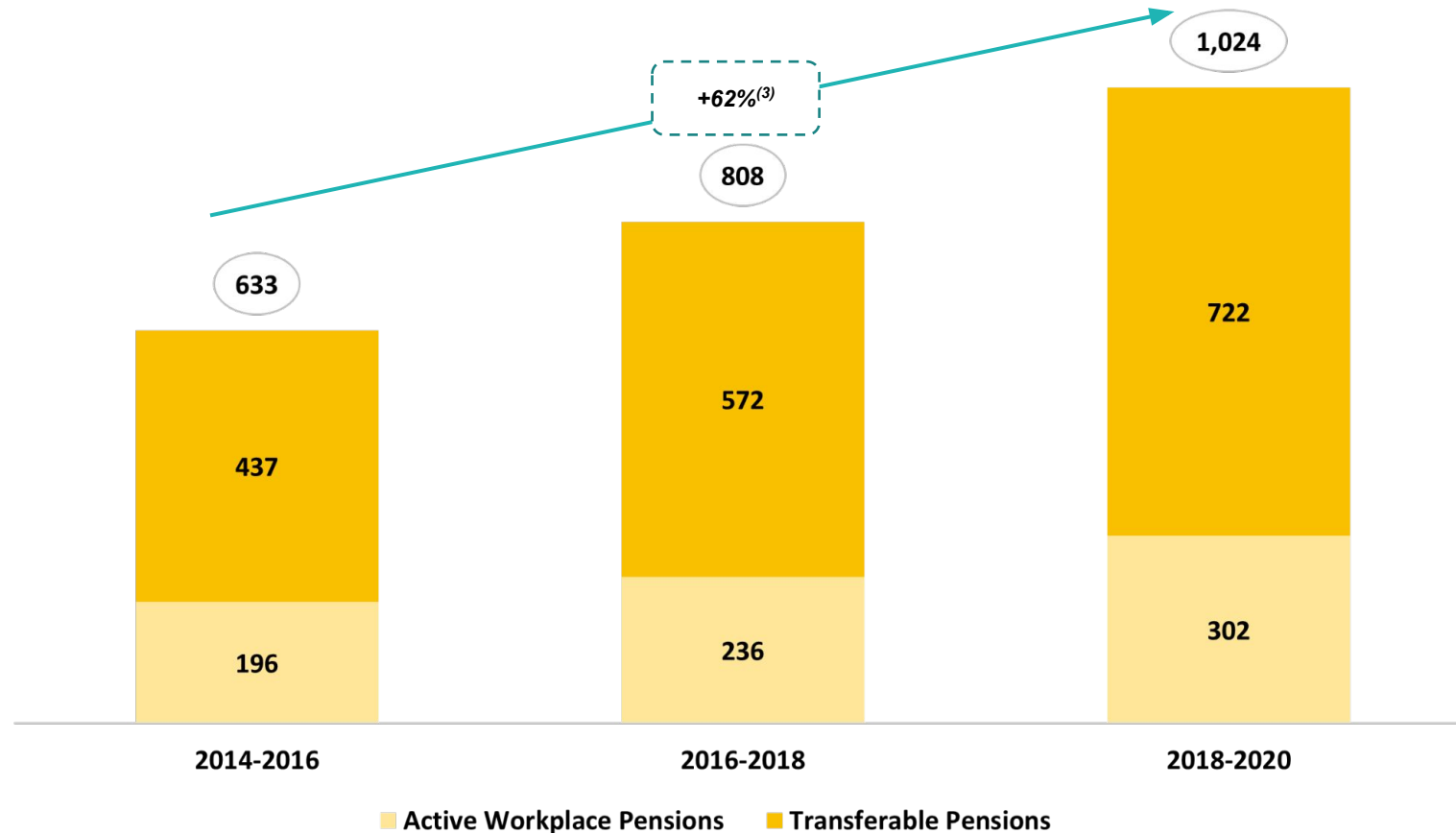


*All figures as at 31 Dec 2022

2

£700bn Core Target Market of Transferable Pensions is Underpinned by Structural Growth Drivers

PensionBee's Core Target Market Exceeds £700 billion⁽¹⁾



- UK is the **second largest Defined Contribution pensions market in the world**, after the US⁽²⁾
- **> £1 trillion Market Opportunity** (UK Defined Contribution Pensions)
- **> £722 billion Core Target Market** (the 'Transferable Pensions Market')
- Rapid growth in Core Target Market driven by:
 - Supportive regulatory changes
 - Regular job switching
 - Increased pension awareness in the UK
- **Enormous opportunity for PensionBee's continued growth**

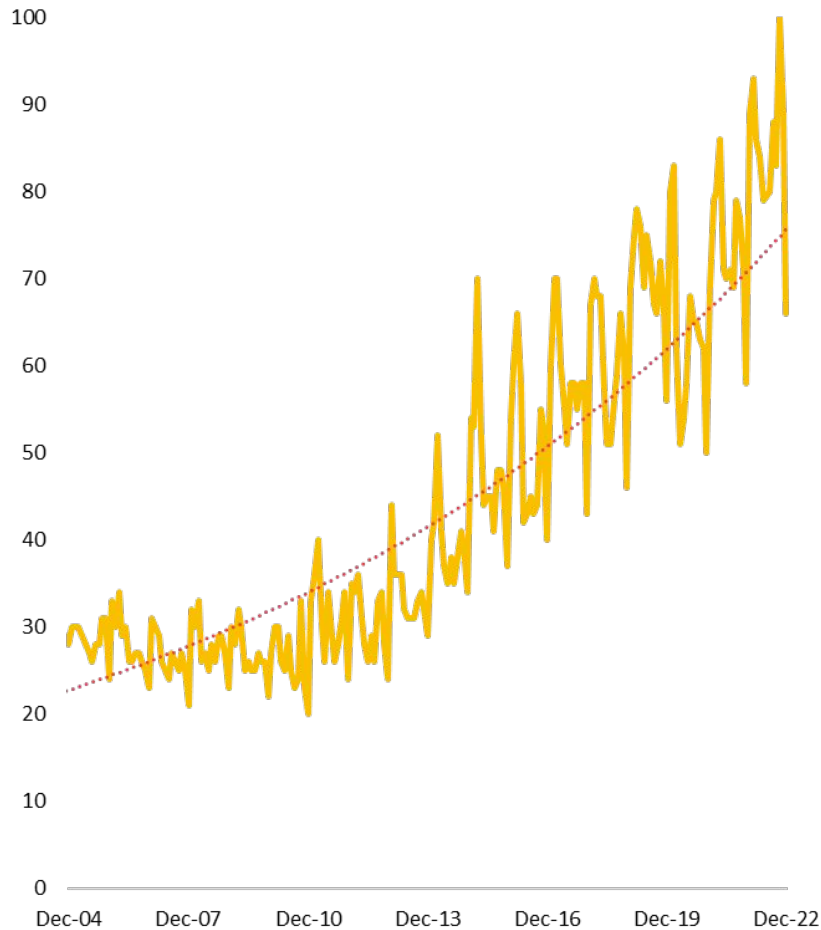
(1) Source: Office of National Statistics, *Wealth in Great Britain: Pension Wealth*, February 2022. Transferable pensions (the Pension Consolidation Market) includes Active Personal Pensions, Defined Contribution accessed and unaccessed pensions and preserved pensions expected from former spouse.

(2) Based on 2021 data from *Global Pension Assets Study 2022* Willis Towers Watson

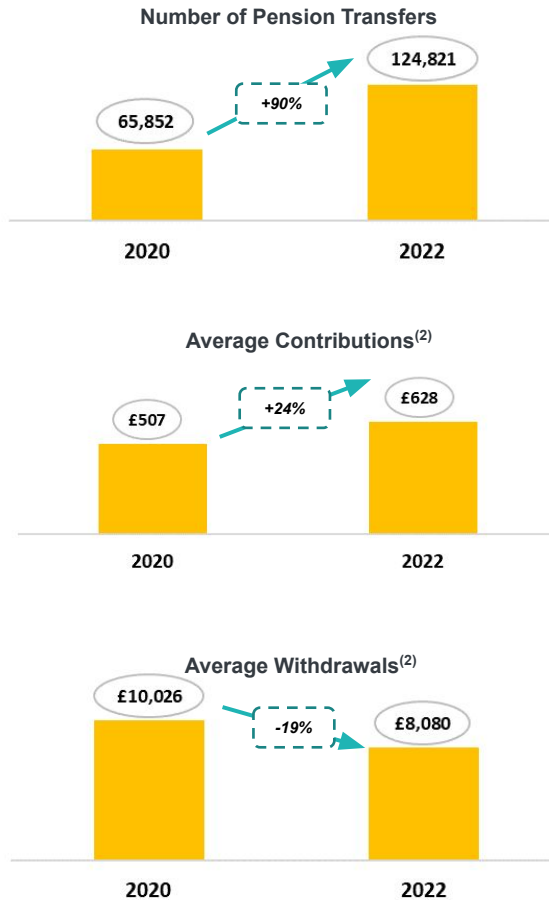
(3) Growth between 2014-2016 to 2018-2020

National Awareness and Market Prominence Grows

The national awareness of pensions is growing, demonstrated by Google search volumes⁽¹⁾

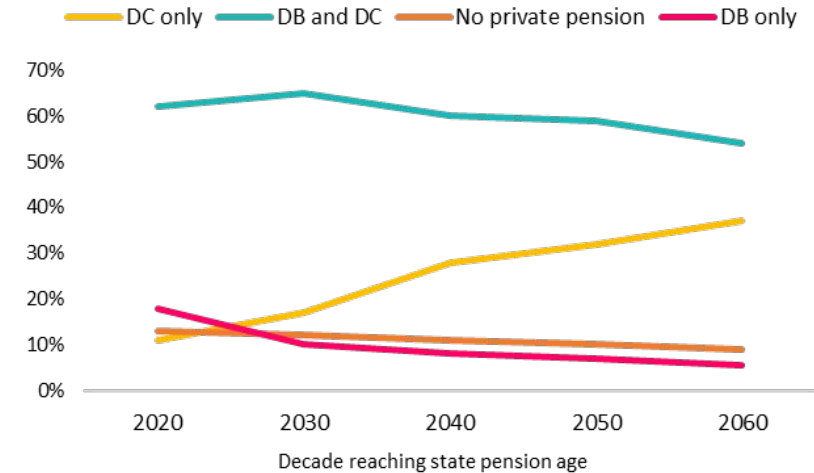


Transfers and contributions continue to grow whilst withdrawals decrease

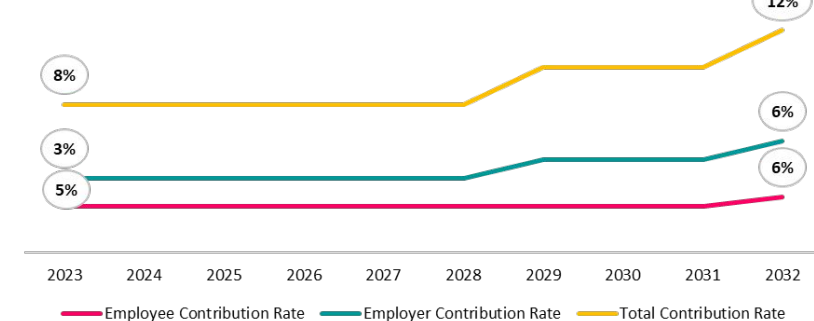


Future trends are supportive of our market opportunity

The proportion of working age people with each private pension type within the household by cohort⁽³⁾



Industry-suggested increases to workplace contributions over the next 10 years⁽⁴⁾



(1) Google Trends to Dec-22 for 'pensions'. Numbers represent search interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term.

(2) PensionBee data. Average contributions calculated by total contributions (£)/total number of ICs, average withdrawals calculated by total withdrawals (£)/total number of ICs who have requested a withdrawal.

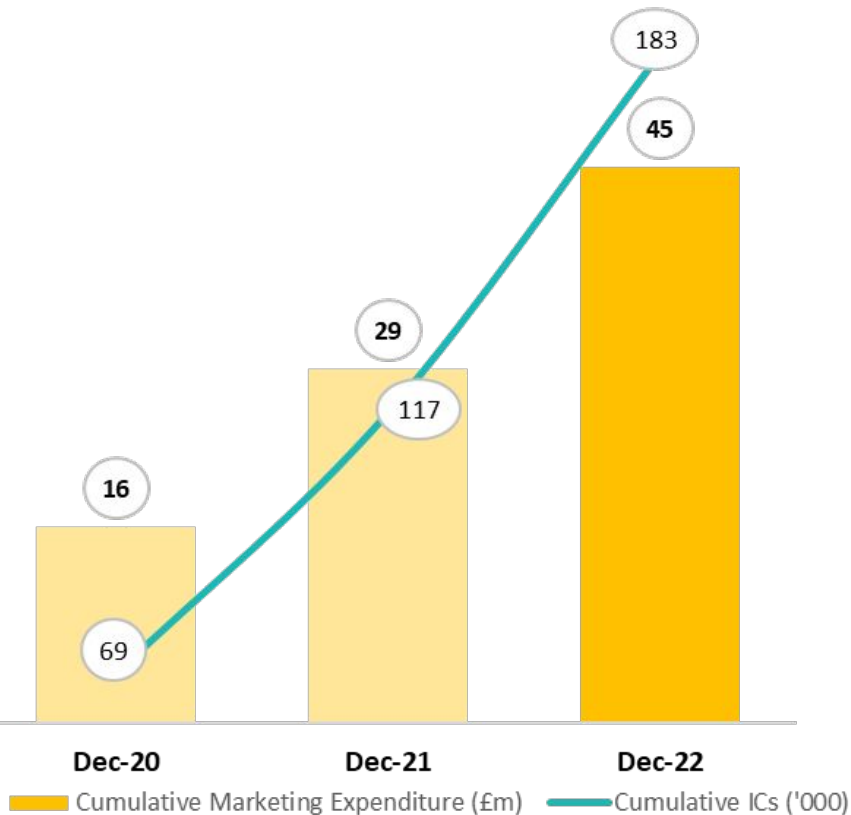
(3) GOV.UK. (2023). Analysis of future pension incomes. [online] Available at: <https://www.gov.uk/government/statistics/analysis-of-future-pension-incomes/analysis-of-future-pension-incomes#interactions-between-adequacy-measures>.

(4) Automatic Enrolment: What will the next decade bring? (2022). Available at: <https://www.abi.org.uk/globalassets/files/publications/public/Its/2022/automatic-enrolment-what-will-the-next-decade-bring/>.

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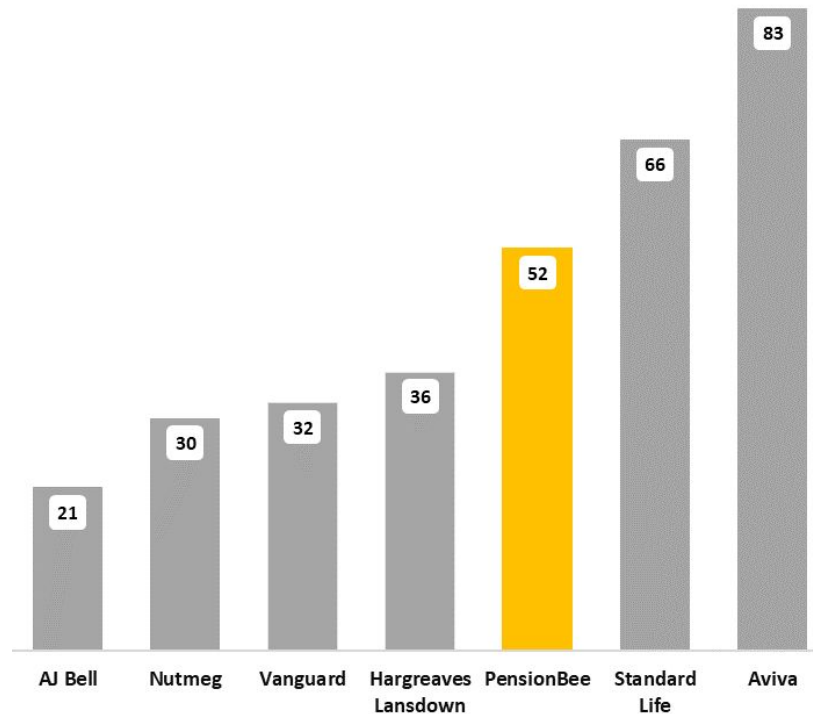
Household Brand Status and Data-Led Approach Drives Reduction in Cost per Invested Customer over 2022

Cumulative £45 million investment has enabled growth in customer base

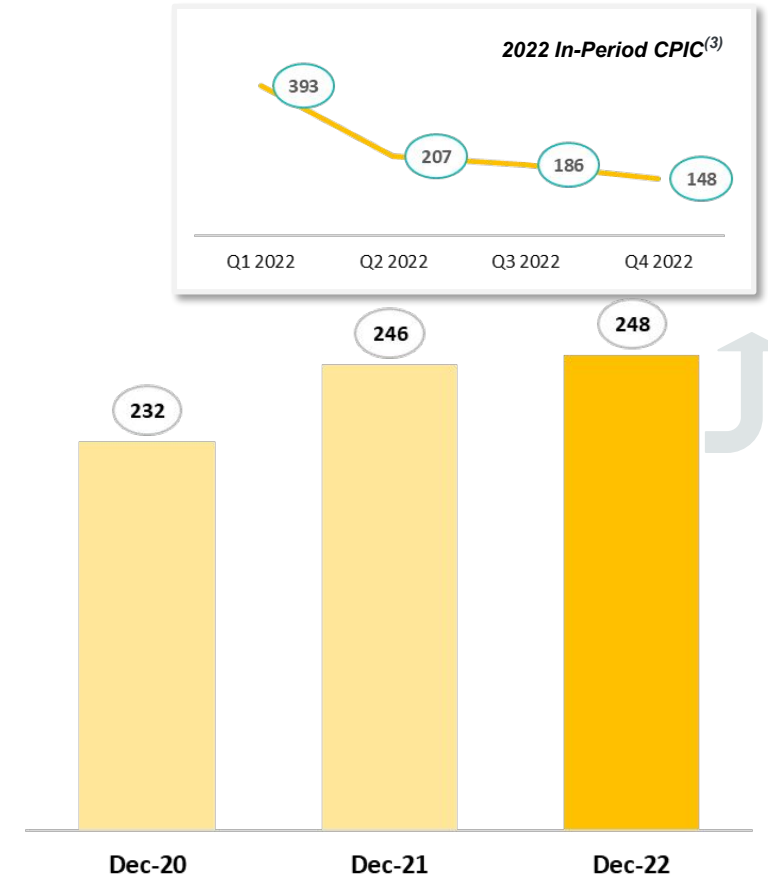


PensionBee: now a household brand name⁽¹⁾

A Consumer brand awareness survey (%)



Cumulative CPIC has remained stable, while in-period CPIC is declining⁽²⁾



(1) PensionBee brand tracker, January 2023. Prompted brand awareness measured through a consumer survey asking 'Which of the following have you heard of?' with respect to UK financial services brands: Aviva 83%, Scottish Widows 77%, Standard Life 66%, Royal London 55%, PensionBee 52%, Hargreaves Lansdown 36%, Vanguard 32%, Fidelity 30%, Nutmeg 30%, AJ Bell 21%, Interactive Investor 9%.

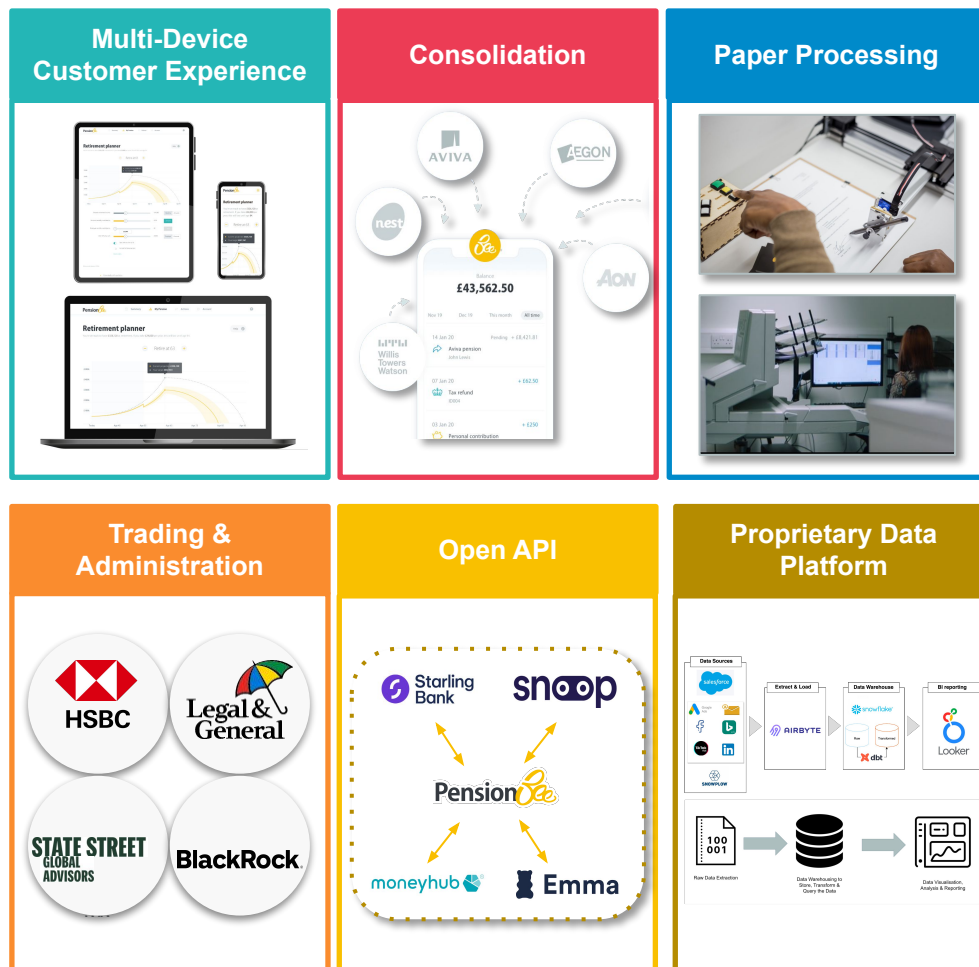
(2) Cumulative CPIC is defined as the cumulative marketing and advertising costs incurred by PensionBee since FY2015 up until the relevant point in time, divided by the cumulative number of Invested Customers at that point in time

(3) In-Period CPIC is defined as the marketing costs for the relevant period divided by the number of Invested Customers for that same period

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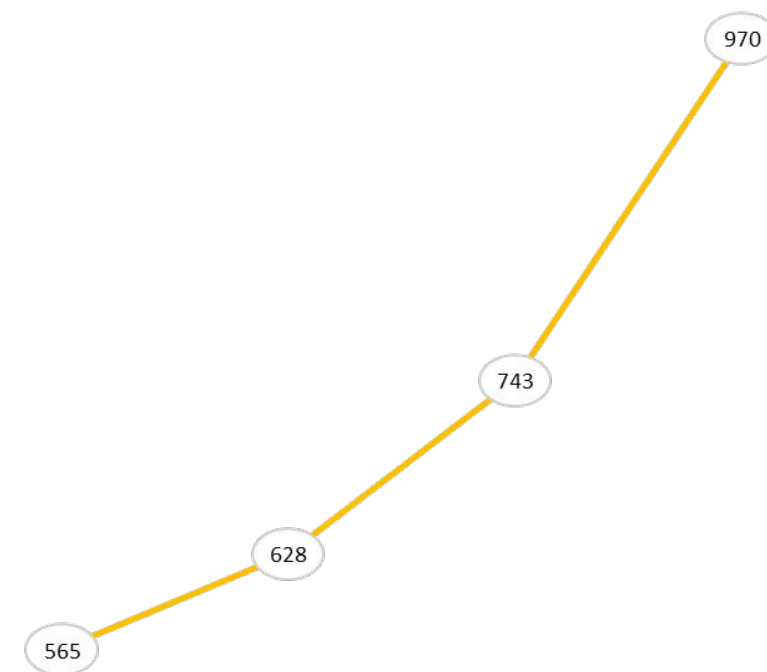
Scalable Technology Platform Underpins Sustainable Competitive Advantage

Decade Long Investment in Customised Technology



Scalable Technology Platform Generating Operational Leverage

Invested Customers per Staff Member



Dec-19

Dec-20

Dec-21

Dec-22

99.9%

Uptime
over 2022

128ms

Request Latency
Average web transaction
response time over LTM

1,699

Releases
across all platforms
over 2022

Ongoing Delivery Against our Strategic Pillars (1/2)

A

Efficient investment in customer acquisition and brand awareness

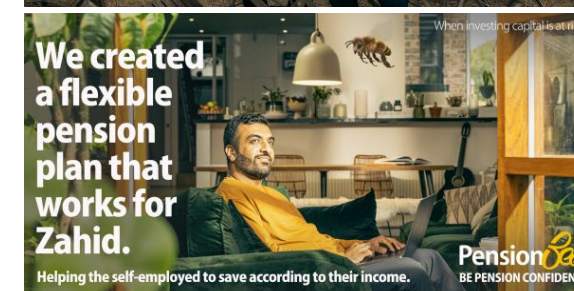
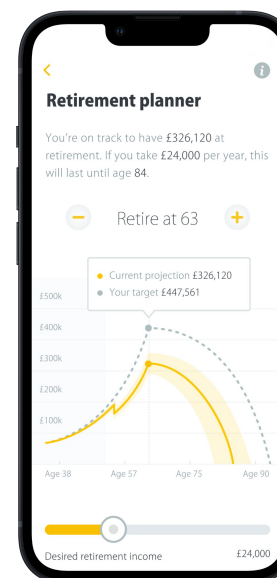
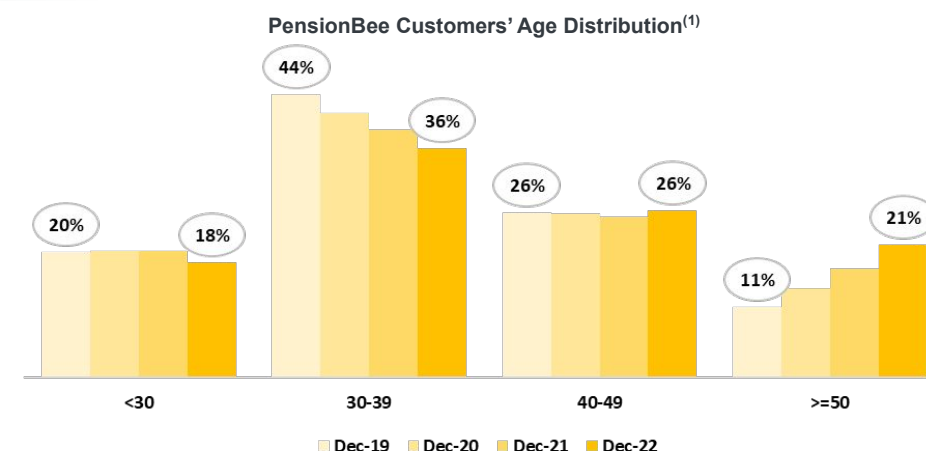
- Focus on cost-effective brand channels that reduce CPIC over time
- Further use of data to reduce CPIC on performance-led channels
- Building trust through high quality content assets
- Refining our proposition for socially responsible investors, at-retirement customers and female customers

B

Leadership in product innovation

- Engaging and targeted content within the product, educating customers on additional contributions and consolidation
- Empowering customers with the knowledge and tools they need to better understand their pension investments
- Delivering a life-insurance partnership with Lifesearch and exploring areas beyond our pensions product offering

Ongoing focus in reaching the mass market through efficient distribution



(1) Management Information as at 31 Dec 2022 based on Invested Customers

Ongoing Delivery Against our Strategic Pillars (2/2)

C Continued investment in and development of an industry leading technology platform

- Ongoing investment in automation and pension transfer efficiency improvements to support 1 million Invested Customers objective
- Expanding the Data Platform by broadening its utilisation within the business to support data-led decision making
- Further increasing our sophistication in Information Security by implementing our BeeSecure strategy

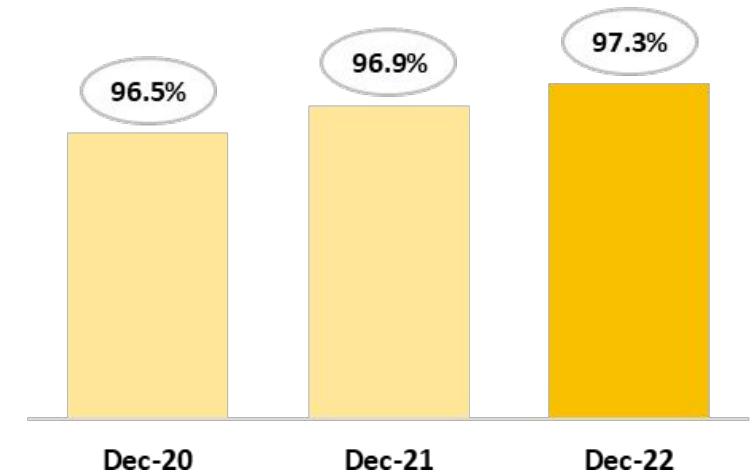
D Continued focus on excellent customer service

- Industry-leading response times across all of our communication channels
- Continued investment in personalised automated communications to proactively support our customers and their ability to self-serve

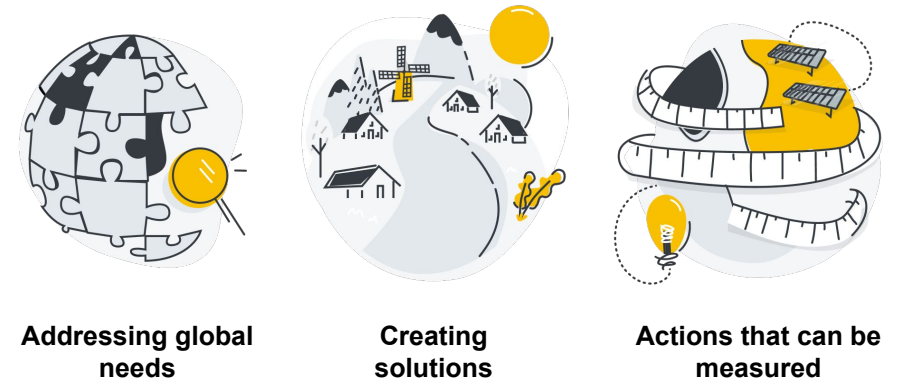
E Continued Focus on Investment Solutions Designed for Customers

- Maintaining a market-leading proposition by focusing on embedding our current investment plan range
- Maintaining a sharp focus on value for money for our customers

High Customer Retention Rate⁽¹⁾



Impactful Investing



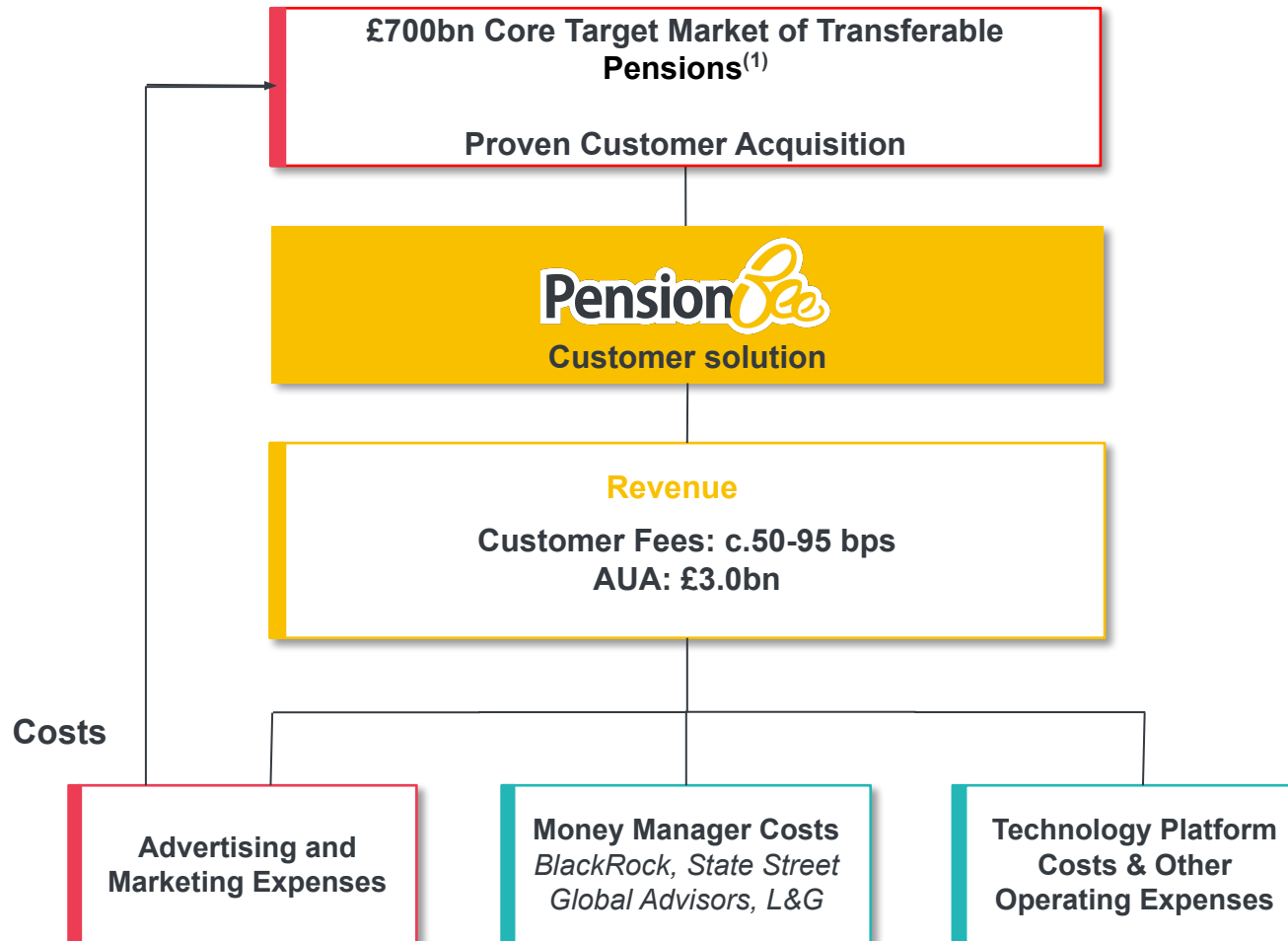
(1) Customer Retention Rate measures the percentage of retained PensionBee Invested Customers over the average of the trailing twelve months.

2 Financial Update

Finance Overview

- 1 Scalable long-term business model addressing the vast, structurally growing and underserved transferable pensions market
- 2 High customer retention rate of 97%, coupled with mid-career customer base in pension accumulation phase, leads to compounding AUA which drives recurring and predictable Revenue
- 3 Scalable technology platform generates operating leverage and profitability
- 4 Strong balance sheet underpins year-end profitability without the requirement of further primary capital
- 5 Guidance Framework: The market opportunity coupled with the ability to grow and drive operating leverage is expected to generate a long-term, high-growth, high-margin business

Scalable Long-Term Business Model



Proven Customer Acquisition

- Large and Structurally Growing TAM
- Strong Brand Awareness Coupled with Data-Driven Acquisition Strategy

Simple, Focused Customer Solution

- Leading UK Pension Platform
- Combine, Contribute, Invest, Withdraw

Attractive Recurring Revenue Profile

- Simple Recurring Revenue Model – % of AUA daily charge
- 97% Retention Rates

Scalable Platform Model

- Marketing Costs** – Future investment in our brand and data capabilities
- Money Manager Costs** – Institutional fee rates
- Technology Platform Costs** – Proprietary scalable technology solutions coupled with continuous focus on automation to drive productivity improvements

(1) Source: Office of National Statistics, *Wealth in Great Britain: Pension Wealth*, February 2022. Transferable pensions (the Pension Consolidation Market) includes Active Personal Pensions, Defined Contribution accessed and unaccessed pensions and preserved pensions expected from former spouse.

Compounding AUA Drives Recurring Revenue

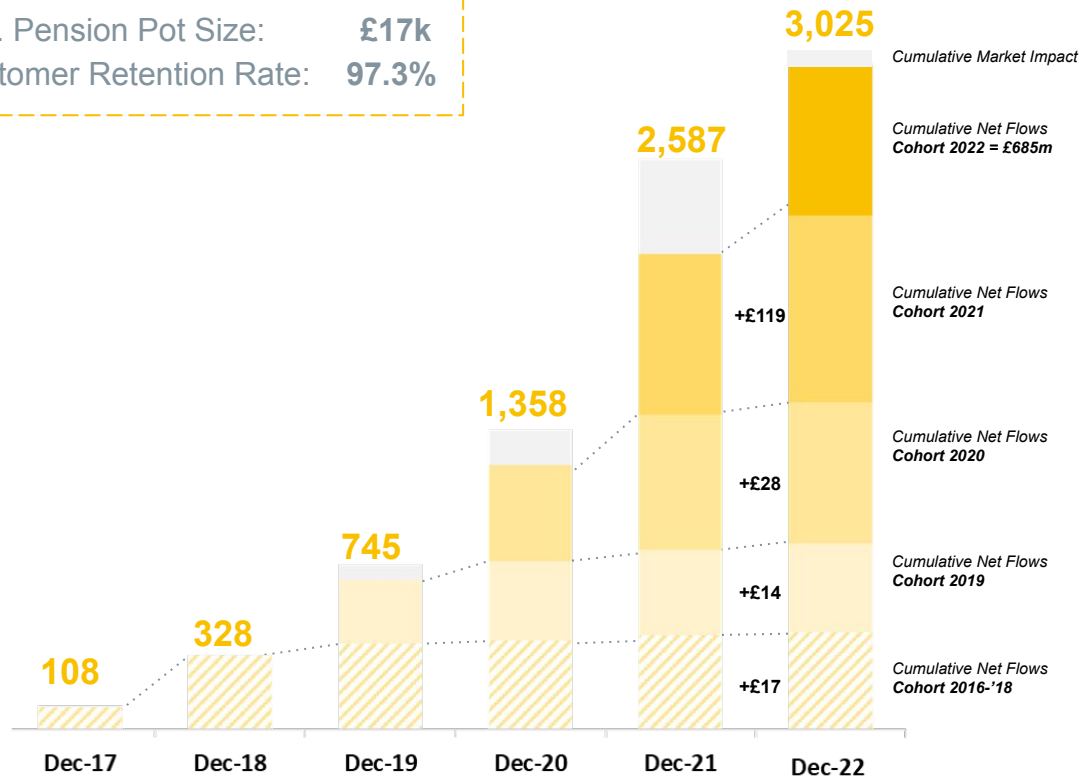
AUA Underpinned by New Customers and Existing Cohorts (£m)

Quality of AUA

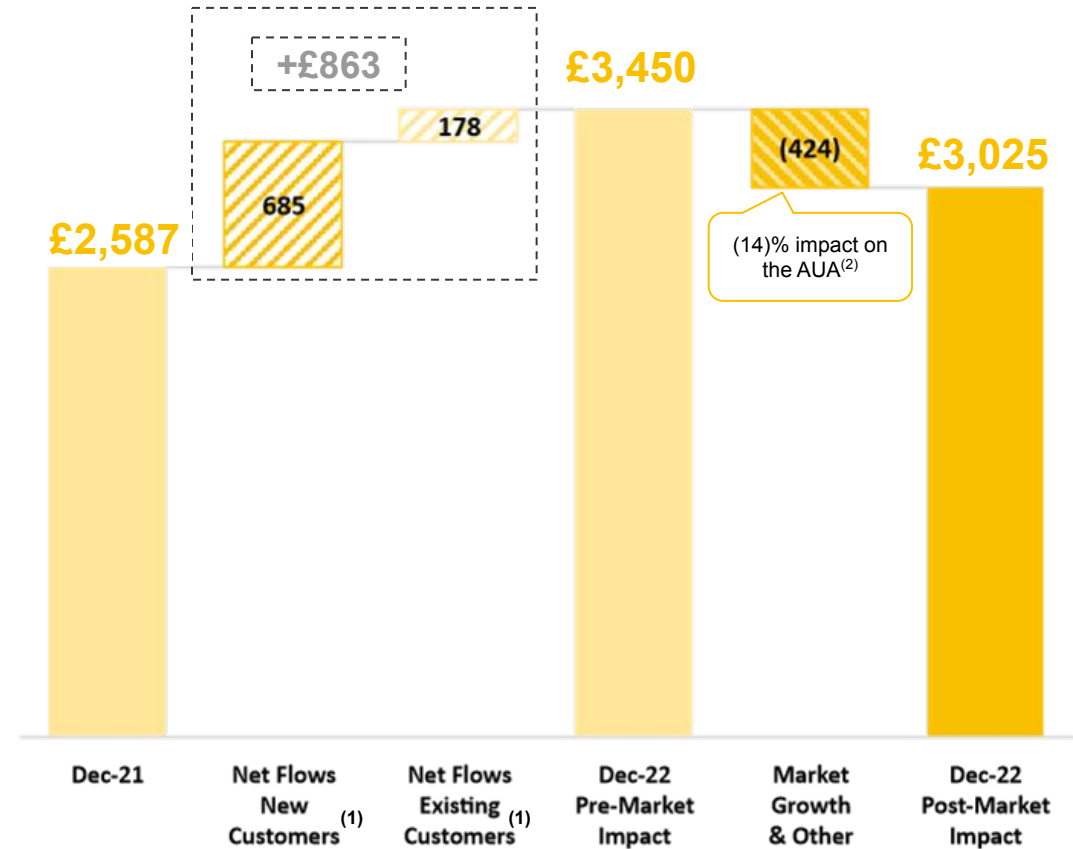
Across the portfolio as of Dec-22

Avg. Pension Pot Size: £17k

Customer Retention Rate: 97.3%



Strong 2022 Net Flows⁽¹⁾ (£m)



(1) New Customers referring to customers acquired between Jan and Dec-2022 while Existing Customers referring to customers acquired between 2016 to 2021

(2) The market impact on the AUA is based on the average AUA between Dec-21 and (pre-market impacted) Dec-22

Scalable Technology Platform generates Operating Leverage

KPI & Financials	For the Financial Year			YoY (FY21 to FY22)	Drivers
	FY20	FY21	FY22		
Assets under Administration	£1,358m	£2,587m	£3,025m	+17%	Drivers of AUA and embedded growth include (i) efficient customer acquisition driven by strong brand awareness >50% (ii) retention rate >97% and (iii) continued strong Net Flows
Total Revenue	£6.3m	£12.8m	£17.7m	+38%	Revenue driven by recurring and robustness of underlying AUA and stable revenue margin
<i>Realised Revenue Margin</i>	0.64%	0.64%	0.63%	stable	<i>Stable Realised Revenue Margin reflects demand for customer value proposition</i>
Operating Costs (excl. Marketing)	£(8.5)m	£(16.3)m	£(20.6)m	+26%	Scalable technology platform generates operating leverage over time
<i>of which Money Manager Costs</i>	£(0.9)m	£(2.3)m	£(2.8)m	+23%	<i>Money Manager costs are variable costs and remained historically within 15-20% of Revenue</i>
<i>of which Tech Platform Costs</i>	£(7.5)m	£(14.0)m	£(17.8)m	+27%	<i>Scalability of tech platform demonstrated thanks to automation and customer self-service features</i>
Marketing Costs	£(8.2)m	£(12.9)m	£(16.6)m	+29%	Improvement in marketing efficiency drives future long-term recurring Revenue growth
Adj. EBITDA Margin	£(10.4)m (166)%	£(16.4)m (129)%	£(19.5)m (110)%	+18 ppt	As a result of recurring Revenue and its scalable technology platform, PensionBee is well positioned to drive long term operating leverage
Profit before Tax (PBT) Margin	£(13)m (215)%	£(25)m (196)%	£(22)m (127)%	+69 ppt	Improvement in PBT reflecting our progress towards profitability and showcasing the operating leverage in our model, whilst we continue to grow

Balance Sheet & Capital Position

Balance Sheet & Capital Position		For the Financial Year		Comment
		FY21	FY22	
Balance Sheet (£m)	Net Cash Position	£44m	£21m	PensionBee has a strong cash position of £21m as of Dec-2022
Capital Surplus (£m)	Capital Resources	£32m	£20m	PensionBee is a capital light business. The operating subsidiary is authorised and regulated by the FCA and therefore adheres to capital requirements set by the FCA.
	Capital Requirement	£(0.9)m	£(1.2)m	As of December 2022, the capital resources stood at £20m (unaudited) as compared to a capital resource requirement of £1.2m (unaudited), resulting in coverage of 17x.
	Capital Surplus / Capital Coverage	£31m/ 34x	£19m/ 17x	We have maintained a healthy surplus over our regulatory capital requirement throughout and continue to manage our financial resources prudently.

Guidance Framework

Objective	Long Term (5 years+)	Short to Medium Term (next 5 years)
Revenue	<ul style="list-style-type: none"> Pursuing a c.2% market share of the substantial £700bn UK transferable pensions market⁽³⁾ pensions target market over the next 5-10 years. Equivalent to c.1m Invested Customers (assuming an average pension pot size of £20,000-£25,000). Expect to maintain relative Revenue margin stability, translating into a long term annual Revenue opportunity of c.£150m. 	<ul style="list-style-type: none"> Having achieved household brand name status, continue appealing to the mass market and competing to acquire more new customers with excellent product offering and personalised customer service. Focus on enabling customers to grow their pension balances. Aim to deliver superior and sustained annual revenue growth, underscoring the strength of PensionBee's strategy and execution capability.
Profitability	<ul style="list-style-type: none"> Targeting long-term Adjusted EBITDA⁽¹⁾ margins of over 50%, leveraging the scalability of the technology platform. 	<ul style="list-style-type: none"> Expect to achieve ongoing Adjusted EBITDA⁽¹⁾ profitability by the end of 2023 and to be profitable for the full year 2024. Will achieve this by steadily continuing to reduce the Cost per Invested Customer and focusing on the scalability of PensionBee's technology platform through further automation.
Outlook	<p>Year-to-date trading has been strong, driven by customer growth and healthy net flows from new and existing customers. The Company expects to continue execution against its business plan in 2023.</p>	

(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 market recovery by year end FY2023 and relative market stability beyond FY2023

(3) £700bn transferable pensions market figure refers to date over the 2018-2020 period, which is expected to continue to grow

3 Conclusion

Key Investment Highlights

- 1 A Leading Online Pension Provider: Solving Genuine Problems for Consumers
- 2 £700bn Core Target Market of Transferable Pensions Presents Mass Market Opportunity
- 3 Household Brand Name Supports Effective, Data-led Marketing Strategy to Acquire Customers
- 4 Scalable Technology Platform Developed over Past Decade Underpins Sustainable Competitive Advantage
- 5 Simple, Long-Term Business Model Demonstrates Growth in Recurring Revenue and Margins
- 6 Committed & Experienced Senior Leadership with Strong Ownership Culture
- 7 Purpose-Led Culture with Demonstrable Leadership in Environmental, Social and Governance Factors

Further Updates

- Thursday 13 April 2023: Publication of FY2022 Annual Report & Financial Statements
- Thursday 20 April 2023: Q1 2023 Trading Update
- Thursday 18 May 2023: Annual General Meeting

FY 2022 Highlights

KPIs		As at Period End			
		Dec-2020	Dec-2021	Dec-2022	YoY
AUA	(£m)	1,358	2,587	3,025	17%
AUA Retention Rate	(% of AUA)	96%	96%	97%	Stable
Registered Customers	('000)	403	658	986	50%
Active Customers	('000)	119	172	273	59%
Invested Customers	('000)	69	117	183	56%
Customer Retention Rate	(% of IC)	97%	97%	97%	Stable
Cost per Invested Customer	(£)	232	246	248	Within Threshold
Same-year RC: IC conversion	(%)	17%	18%	19%	+1ppt
Contractual Revenue Margin	(% of AUA)	0.69%	0.69%	0.69%	Stable
Realised Revenue Margin	(% of AUA)	0.64%	0.64%	0.63%	Stable

Financials ⁽¹⁾		Over the 12-month Period Ending			
		Dec-2020	Dec-2021	Dec-2022	YoY
Revenue	(£m)	6	13	18	38%
Annual Run Rate (ARR) Revenue	(£m)	9	16	20	20%
Adjusted EBITDA	(£m)	(10)	(16)	(20)	(19)%
Adjusted EBITDA Margin	(% of Revenue)	(166)%	(129)%	(110)%	+18ppt
Profit/(Loss) before Tax	(£m)	(13)	(25)	(22)	10%
Profit/(Loss) before Tax Margin	(% of Revenue)	(215)%	(196)%	(127)%	+69ppt

Levels of AUA		Over the 12-month Period Ending			
		Dec-2020	Dec-2021	Dec-2022	YoY
Opening AUA	(£m)	745	1,358	2,587	91%
Gross Inflows	(£m)	593	1,099	1,060	(4)%
Gross Outflows	(£m)	(70)	(145)	(197)	36%
Net Inflows	(£m)	523	955	863	(10)%
Market Growth and Other	(£m)	90	275	(424)	n/m
Closing AUA	(£m)	1,358	2,587	3,025	17%

(1) Financial results for FY 2022 are audited
See glossary for definitions

4 Appendix

Glossary ^(1/2)

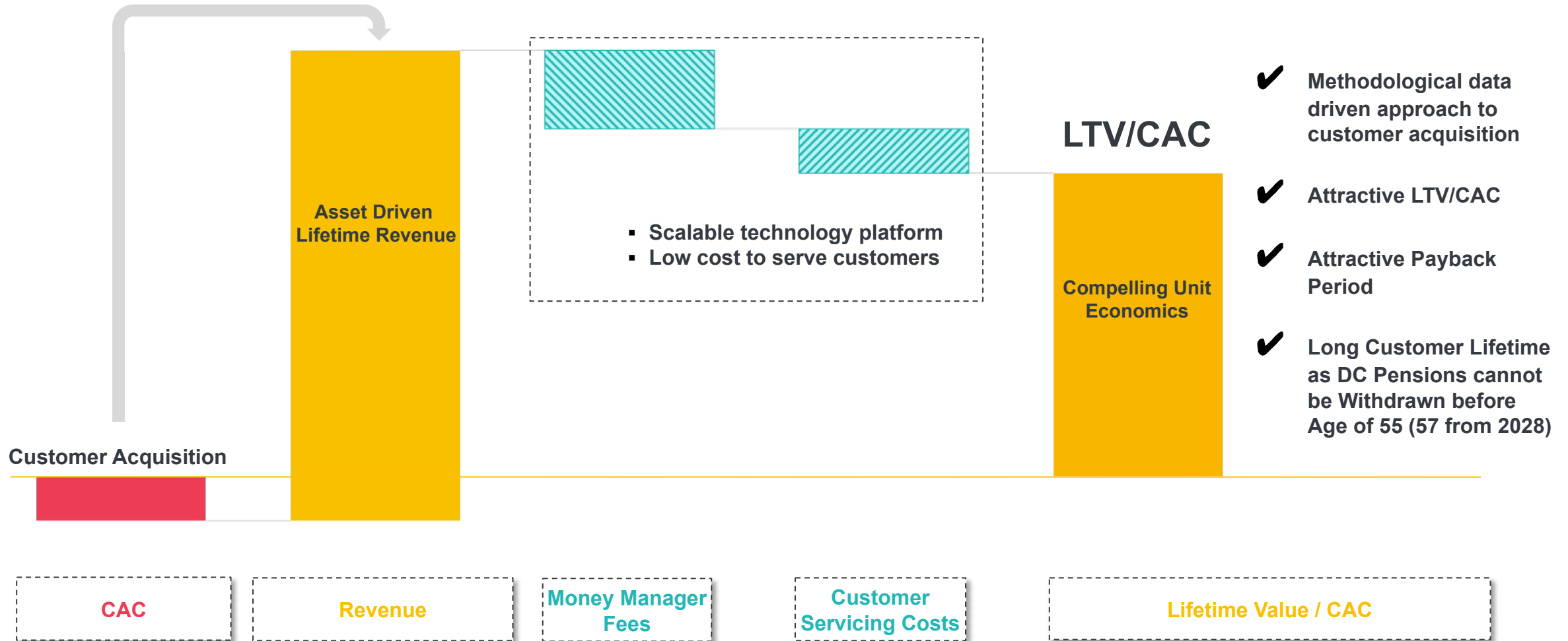
Active Customers (AC)	Active Customers (AC) means all customers who have requested to become an Invested Customer by accepting PensionBee's terms of business but for whom the transfer or contribution process is not yet completed and all customers who are classified as Invested Customers. <i>Note: This metric will be retired from the Company's ongoing regular reporting framework for 2023 onwards. Whilst the Active Customer metric is a more short-term indicator of customer pipeline, the focus is on Invested Customers that generate AUA.</i>
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 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.
Annual Run Rate (ARR) Revenue	Annual Run Rate (ARR) Revenue is calculated using the Recurring Revenue for the relevant month multiplied by 12. <i>Note: This metric will be retired from the Company's ongoing regular reporting framework for 2023 onwards, given the primary focus on the Revenue metric as the Company reaches profitability.</i>
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.
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. <i>Note: This metric will be retired from the Company's ongoing regular reporting framework for 2023 onwards, with the introduction of Realised Revenue Margin: expresses the recurring Revenue over the average quarterly AUA held in PensionBee's investment plans over the period.</i>
Cost per Invested Customer (CPIC)	Cost per Invested Customer (CPIC) means the cumulative advertising and marketing costs incurred since PensionBee commenced operations 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.
Customer Retention Rate (% 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.
Invested Customers (IC)	Invested Customers (IC) means those customers who have transferred pension assets or made contributions into one of PensionBee's investment plans.

Glossary (2/2)

Net Flows	Net Flows measures the cumulative inflow of PensionBee AUA from consolidation and contribution ('Gross Inflows'), less the outflows from withdrawals and transfers out ('Gross Outflows') over the relevant period.
Profit/(Loss) before Tax	Profit/(Loss) before Tax is a measure that looks at PensionBee's profit or losses for the year before it has paid corporate income tax.
Profit/(Loss) before Tax margin	Profit/(Loss) before Tax Margin means Profit/(Loss) before Tax as a percentage of Revenue for the relevant period.
Realised Revenue Margin	Recurring Revenue over the average quarterly AUA held in PensionBee's investment plans over the period.
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. <i>Note: This metric will be retired from the Company's ongoing regular reporting framework for 2023 onwards. Whilst the Registered Customers metric is a longer-term indicator of customer pipeline, the focus is on Invested Customers that generate AUA.</i>
Releases	Releases relates to product changes and upgrades made across all PensionBee platforms over the last 12 months.
Request Latency	Request latency refers to the average web request over the last 12 months. Low latency is associated with a positive user experience (UX).
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.
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. <i>Note: This metric will be retired from the Company's ongoing regular reporting framework for 2023 onwards. Whilst the Registered Customers metric is a longer-term indicator of customer pipeline, the focus is on Invested Customers that generate AUA.</i>
Uptime	Uptime measures the percentage of time that the product is successfully operational. PensionBee target SLA is 99.9%.

Attractive Unit Economics

Illustrative Unit Economics Demonstrates Strong Return Profile



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