

**PensionBee Group plc**  
Incorporated in England and Wales  
Registration Number: 13172844  
LEI: 2138008663P5FHPGZV74  
ISIN: GB00BNDRLN84



22 January 2025

## PensionBee Group plc

### Q4 2024 Results

**Group achieves Adjusted EBITDA breakeven, supported by UK profitability and continued execution of successful strategy**

PensionBee Group plc ('PensionBee' or the 'Company', together with its subsidiaries the 'Group'), a leading online pension provider, today announces a trading update (unaudited) for the quarter ended 31 December 2024.

### Summary

- Assets under Administration increased by 34% year on year to £5.8bn (December 2023: £4.4bn), underpinned by strong Net Flows from new and existing customers, and supportive markets.
- Revenue for the quarter increased by 38% year on year to £9m (Q4 2023: £7m). Annual Run Rate Revenue increased by 36% to £38m (December 2023: £28m).<sup>1</sup>
- Adjusted EBITDA<sup>2</sup> breakeven for the Group was achieved for the full year of 2024 (FY 2024: £0m), with an Adjusted EBITDA Margin of 1%. UK Adjusted EBITDA<sup>3</sup> was positive for the full year of 2024, recording an Adjusted EBITDA Margin of 7%, and marking a significant milestone.
- Enhanced marketing efficiency, driven by our data-led strategy, resulted in a 9% increase in Net Flows per £1 of Marketing Spend. Every £1 of marketing spend generated £96 of net inflows in 2024 (2023: £88).<sup>4</sup>
- Customer Retention Rate<sup>5</sup> and AUA Retention Rate<sup>6</sup> were both >95%, supported by continued strong customer satisfaction (4.7★ Excellent Trustpilot score<sup>7</sup>) and ongoing product innovation.

### Romi Savova, CEO of PensionBee, commented:

*"At the end of 2024, PensionBee celebrated ten years since inception and the launch of our US business, an important step in creating a global leader in the consumer retirement market. We continued to execute on our growth strategy, reaching £5.8 billion in Assets under Administration on behalf of 265,000 Invested Customers. We also delivered on our long-standing ambition of achieving Adjusted EBITDA profitability in the UK and delivered Adjusted EBITDA breakeven for the Group as well as making a significant investment in our US business.*

*In the UK, we optimised our marketing expenditure while growing our brand awareness, introduced our new sustainable investing option, the Climate Plan, and maintained an efficient operational approach to exceptional customer service. We continued to prioritise automation as the foundation for efficient customer and asset growth.*

*In the US, we established our diversified multi-medium marketing strategy, activating key channels such as search, social media, mobile app campaigns, email nurturing and public relations. We launched our native mobile app in December, enabling customers to access PensionBee through both app stores. Our £20 million capital raise in October 2024 will enable us to accelerate the growth of our US business in the coming years."*

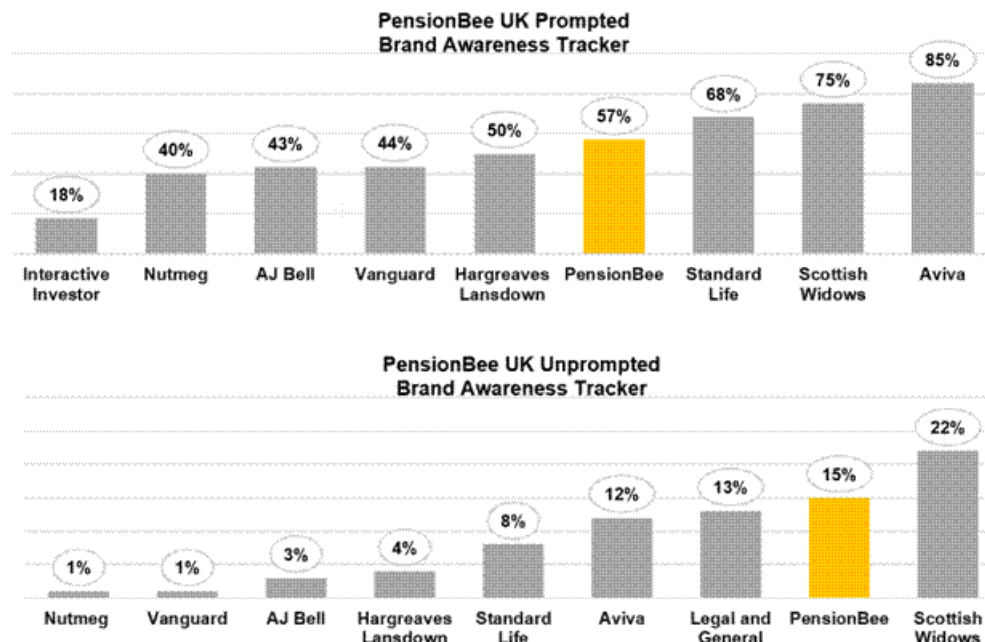
### United Kingdom Operational Highlights

Over the past quarter PensionBee has continued to advance its strategic goals, growing its customer base and Assets under Administration through efficient customer acquisition and its decade long investment in brand awareness.

#### **Efficient Investment in Customer Acquisition and Growing Brand Awareness:**

PensionBee's UK business has continued to grow and invest in its brand and acquire customers efficiently. We invested £1m in diversified marketing activities across the quarter, optimising between channels to maximise our return on investment. We invested £9m in UK marketing across 2024, bringing the cumulative UK marketing investment since inception to £64m. Over 2024, our acquisition strategy has been concentrated on reaching customers with larger account balances, resulting in growth of 16% in the average UK account balance to c.£22,000 (Q4 2023: c.£19,000). This strategy has also resulted in an increase in Net flows per £ of Marketing Spend to £96 (FY 2023: £88). Cost per Invested Customer was stable (Q4 2024: £242 vs. Q4 2023: £241), highlighting the strength of the Company's marketing capability and efficiency of spend. Prompted Brand Awareness ended the quarter at 57%, whilst Unprompted Brand Awareness, reported now for the first time, was 15%, demonstrating that PensionBee continues to solidify its

Awareness, reported now for the first time, was 15% demonstrating that PensionBee continues to solidify its presence in the UK as a trusted household name.<sup>8</sup>



#### **Leadership in Product Innovation:**

Throughout the year and the fourth quarter of 2024, PensionBee has remained committed to innovation, continuing to release and invest in valuable and engaging tools to meet the evolving needs of its UK customers. These tools have included performance analytics and retirement planning tools, designed to empower customers to make more informed decisions and plan more effectively for their future.

In the fourth quarter of 2024 the Company continued to listen closely to its customers, offering retirement solutions tailored to their needs. In December 2024, PensionBee introduced a new sustainable investing option, the Climate Plan, to existing customers. The Climate Plan was launched to new customers in January 2025. The Climate Plan excludes fossil fuel producers and also aims for total carbon emissions produced by investee companies to be reduced by at least 10% each year.

#### **Focus on Excellent Customer Service:**

Across the quarter, PensionBee has continued to deliver its industry leading customer service, as evidenced through the achievement of a 4.7★ Excellent Trustpilot rating from approximately 11,500 Trustpilot reviews (December 2023: 4.6★) and the maintenance of rapid customer response times.<sup>9</sup>

Delivering exceptional levels of customer satisfaction is central to PensionBee's ambition of retaining and serving its customers throughout their lifetimes, seeing them through retirement. As such, PensionBee maintained a Customer Retention Rate >95% across 2024 (Q4 2023: >95%).<sup>5</sup>

#### **Investment in and Development of Leading Technology Platform:**

During 2024, PensionBee continued to strengthen and invest in the scalability of its technology platform, which continues to be a driving force for PensionBee's competitive advantage. Ongoing investment in internal automation has resulted in further efficiency gains, reflected in a 20% productivity improvement year on year (Q4 2024: 1,333 Invested Customers / Staff Member vs. Q4 2023: 1,112 Invested Customers / Staff Member).<sup>10</sup>



#### **United States Operational Highlights**

In 2024, PensionBee entered the US market, the world's largest Defined Contribution pension market, in collaboration with our longstanding partner and one of the world's largest money managers, State Street, who will provide essential marketing support to PensionBee. PensionBee will serve this substantial

who will provide meaningful marketing support to PensionBee. PensionBee will pursue this substantial growth opportunity to reach millions of underserved Americans across the US, capitalising on its decade long investment in its scalable technology platform, leadership in product innovation and industry leading focus on excellent customer service to respond to the strong consumer demand for a simple and effective retirement solution.

### Major Milestones Achieved in the US

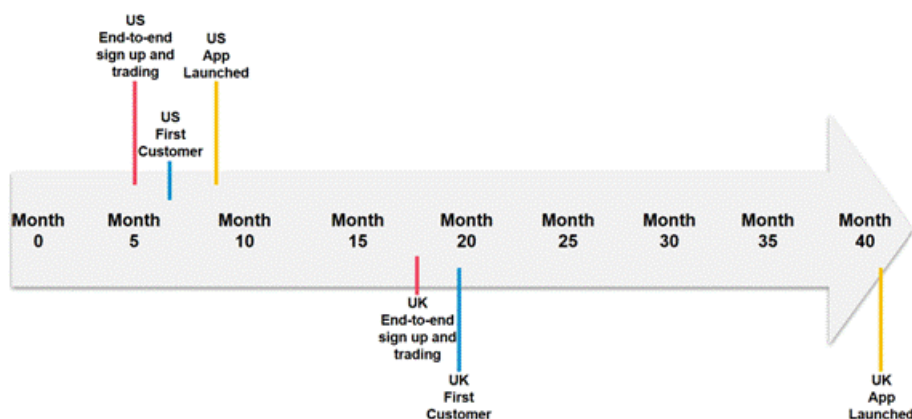
In 2024, PensionBee US successfully finalised its commercial agreement with State Street, registered as an investment adviser with the Securities and Exchange Commission, and launched a fully operational platform.

Since its SEC registration in July 2024, PensionBee US has been advancing at a rapid pace, leveraging its scalable technology platform. This robust technological foundation has enabled PensionBee US to hit key milestones and progress at a faster rate than initially achieved in the UK, generating Revenue by December 2024.

Over Q4 PensionBee continued to build the foundations of its US business, rolling out further components of its multichannel, diversified marketing strategy and onboarding its first customers through early testing. The year concluded with the launch of the native mobile app on both the Google Play and Apple App Stores in December.

Over the coming weeks and months, PensionBee intends to launch its ROTH IRA and to continue building custom rollover journeys for the largest providers. PensionBee will also continue to build out its Safe Harbor IRA proposition, working with its partners at State Street, relevant third parties and potential clients.

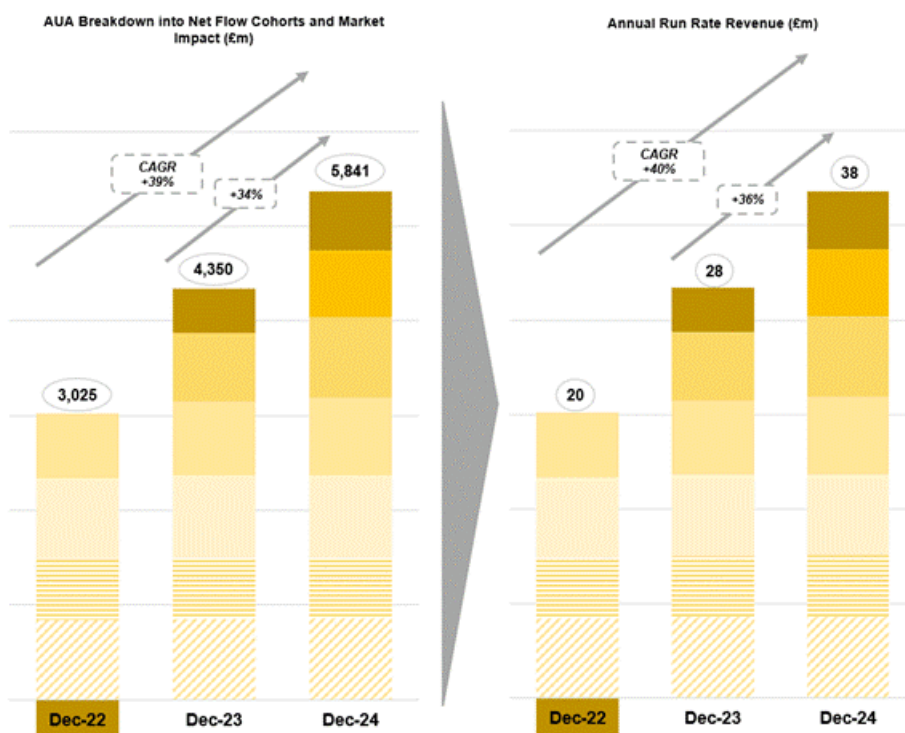
### PensionBee US is Progressing Rapidly<sup>11</sup>



### Group Financial Update

PensionBee has continued to deliver consistent and predictable Revenue growth, driven by the compounding nature of its Assets under Administration ('AUA'), ongoing Net Flow generation across cohorts and a stable Revenue Margin over Q4 2024 supported by >95% Customer and AUA Retention Rates reflecting the compounding nature of the asset base. Compounding growth has translated into predictable Revenue, with Revenue for the Group in 2024 of £33m (December 2023: £24m) and Annual Run Rate Revenue growth of 36% year on year to £38m (Q4 2023: £28m). PensionBee ended 2024 with a strong cash balance of £35m.

### Predictable and Recurring Revenue Base



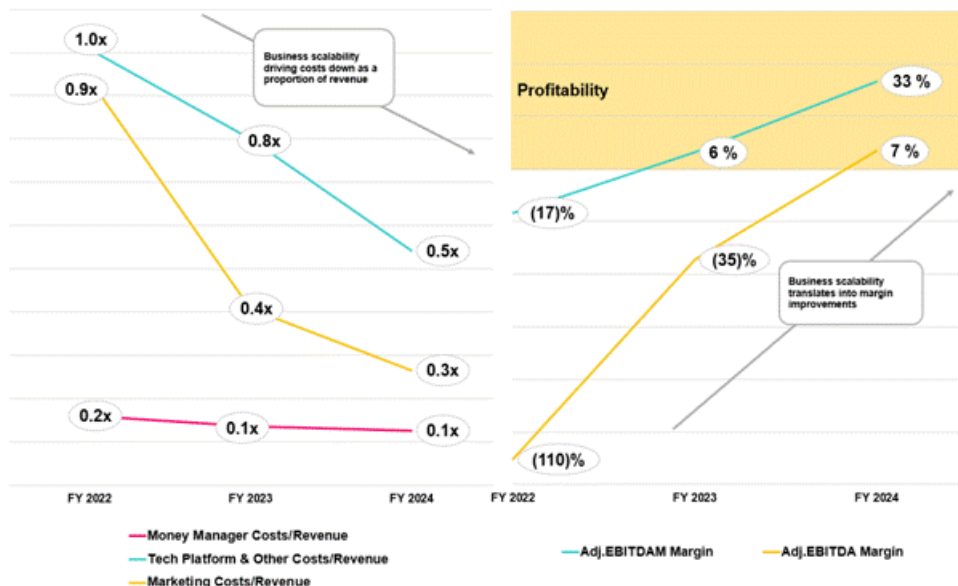
Note on Charts: Shaded bars on charts represent AUA. From bottom to top: Cohort 2016-2019 AUA, Cohort 2020, Cohort 2021 AUA, Cohort 2022 AUA, Cohort 2023 AUA, Cohort 2024 AUA, and Market Growth and Other AUA (darkest orange).

PensionBee's scalable business has continued to drive operating leverage and profitability. The UK Cost Base<sup>12</sup> for FY 2024 has remained stable at £(32)m (FY 2023: £(32)m), achieved through a combination of flat Money Manager Costs relative to Revenue, stable Technology Platform Costs and efficient marketing spend.

### Business Scalability to Drive Margin Improvements

A combination of strong predictable Revenue growth, business scalability and strict cost discipline has continued to drive high growth and to generate a third consecutive quarter of positive Adjusted EBITDA for the Group at £2m for Q4 2024 (Q4 2023: £1m) as well as Adjusted EBITDA Breakeven for the Group of £0.4m for FY 2024. These significant Group milestones have been supported by the achievement of UK Adjusted EBITDA profitability for FY 2024 of £2m (FY 2023: £(8)m), in line with guidance.

### PensionBee UK Scalability and Profitability



Note on Charts: Charts relate to PensionBee UK only.

The Cost Base<sup>13</sup> for FY 2024 for the Group amounted to £(33)m, an increase of 2% (FY 2023: £(32)m). US marketing expenses of £1m have been fully reimbursed by State Street.

### Group Financial Guidance Framework

The Company is pleased to confirm that the guidance relating to 2024 has been achieved within the guidance framework previously presented at its recent Capital Markets Day:

#### Revenue Objectives:

- PensionBee expects Revenue for the Group to exceed £30m for the full year 2024.
  - Delivered:** PensionBee achieved Revenue of £33m for the Group.
- Ambition to reach >£100m of Group Revenue in the short to medium term (by year 5), with a longer term (5 to 10 years) ambition to exceed £250m.

#### Profitability Objectives:

- PensionBee expects to reach Group Adjusted EBITDA breakeven for the full year 2024.
  - Delivered:** PensionBee achieved Adjusted EBITDA breakeven for the Group of £0m.
- Ambition to reach Adjusted EBITDA Margin for the Group of approximately 20% in the short to medium term (by year 5), with a longer term (5 to 10 years) ambition to reach c.50%.

### Group Financial Summary

| Group Metrics (unless otherwise stated)         | As at Period End |          |            |
|---|------------------|----------|------------|
|   | Dec-2023         | Dec-2024 | YoY change |
| AUA (£m) <sup>14</sup>                          | 4,350            | 5,841    | 34%        |
| AUA Retention Rate (% of AUA) <sup>6</sup>      | >95%             | >95%     | Stable     |
| Invested Customers (thousands) <sup>15</sup>    | 229              | 265      | 16%        |
| Customer Retention Rate (% of IC) <sup>5</sup>  | >95%             | >95%     | Stable     |
| UK Cost per Invested Customer (£) <sup>16</sup> | 241              | 242      | Stable     |
| Revenue Margin (% of AUA) <sup>17</sup>         | 0.64%            | 0.64%    | Stable     |
| Annual Run Rate Revenue (£m) <sup>1</sup>       | 28               | 38       | 36%        |

| Group Metrics (unless otherwise stated) | Over the 12-month Period Ending |          |            |
|---|---------------------------------|----------|------------|
|   | Dec-2023                        | Dec-2024 | YoY change |
| Opening AUA (£m) <sup>14</sup>          | 3,025                           | 4,350    | 44%        |
| Gross Inflows (£m)                      | 1,174                           | 1,334    | 14%        |
| Gross Outflows (£m)                     | (118)                           | (150)    | 45%        |

| Gross Outflows (£m)                  | (2023)       | (2024)       | 2024       |
|--------------------------------------|--------------|--------------|------------|
| <b>Net Flows (£m)<sup>18</sup></b>   | <b>857</b>   | <b>876</b>   | <b>2%</b>  |
| Market Growth and Other (£m)         | 468          | 615          | N/M        |
| <b>Closing AUA (£m)<sup>14</sup></b> | <b>4,350</b> | <b>5,841</b> | <b>34%</b> |

|   | Over the 3-month Period Ending |          |            |
|---|--------------------------------|----------|------------|
| Group Metrics (unless otherwise stated)             | Dec-2023                       | Dec-2024 | YoY change |
| <b>Revenue (£m)<sup>19</sup></b>                    | <b>7</b>                       | <b>9</b> | <b>38%</b> |
| <b>Adjusted EBITDA (£m)<sup>2</sup></b>             | <b>1</b>                       | <b>2</b> | <b>N/M</b> |
| Adjusted EBITDA Margin (% of Revenue) <sup>20</sup> | 11%                            | 18%      | 6ppt       |

|   | Over the 12-month Period Ending |           |            |
|---|---------------------------------|-----------|------------|
| Group Metrics (unless otherwise stated)             | Dec-2023                        | Dec-2024  | YoY change |
| <b>Revenue (£m)<sup>19</sup></b>                    | <b>24</b>                       | <b>33</b> | <b>39%</b> |
| Cost Base (£m) <sup>13</sup>                        | (32)                            | (33)      | 2%         |
| <b>Adjusted EBITDA (£m)<sup>2</sup></b>             | <b>(8)</b>                      | <b>0</b>  | <b>N/M</b> |
| Adjusted EBITDA Margin (% of Revenue) <sup>20</sup> | (35)%                           | 1%        | 36ppt*     |

|  | Over the 12-month Period Ending |          |            |
|--|---------------------------------|----------|------------|
| Group Metrics (unless otherwise stated)                | Dec-2023                        | Dec-2024 | YoY change |
| <b>UK Adjusted EBITDA (£m)<sup>3</sup></b>             | <b>(8)</b>                      | <b>2</b> | <b>N/M</b> |
| UK Adjusted EBITDA Margin (% of Revenue) <sup>21</sup> | (35)%                           | 7%       | 41ppt*     |

#### Notes

- \* A ppt is a percentage point. A percentage point is the unit for the arithmetic difference of two percentages.
- Annual Run Rate ('ARR') Revenue is calculated using the recurring Revenue for the relevant month multiplied by 12.
  - Adjusted EBITDA is the profit or loss for the period before taxation, finance costs, depreciation, share based compensation and transaction costs.
  - UK Adjusted EBITDA includes Other Income of £1.2m arising from inter-company transactions with PensionBee US. All inter-company transactions are calculated on an arm's length basis.
  - Cumulative Net Flows over the relevant period divided by Cumulative Marketing spend over the relevant period.
  - 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. As of Q4 2024 Invested Customer Retention is at >95%.
  - AUA Retention Rate measures the percentage of retained PensionBee AUA from transfers out 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. As of Q4 2024 AUA Retention is at >95%.
  - Trustpilot score of 4.7★ out of 5 (based on 11,486 reviews) recorded as at 7 January 2025.
  - PensionBee prompted brand awareness tracker, January 2024. 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 85%, Scottish Widows 75% Standard Life 68%, PensionBee 57%, Hargreaves Lansdown 50%, Vanguard 44%, AJ Bell 43%, Nutmeg 40%, Interactive Investor 18%. PensionBee unprompted brand awareness tracker, January 2024 measured through a consumer survey asking 'Thinking about pensions what brands come to mind?': Scottish Widows 22%, PensionBee 15%, Legal and General 13%, Aviva 12%, Standard Life 8%, Hargreaves Lansdown 4%, AJ Bell 3%, Vanguard 1%, Nutmeg 1%.
  - Customer response times of 13 seconds average live chat waiting time (of 3,394 live chats over Q4 2024), 57 seconds average phone waiting time (of 10,059 phone calls over Q4 2024) and 85% of email cases closed within <72 hours (of 41,167 emails over Q4 2024).
  - Productivity, measured using Invested Customers per Staff Member metric, is calculated using an LTM average for the total workforce, including US and UK workforce. Management information as at 31 December 2024.
  - Month 0 is legal entity incorporation.
  - Cost Base is the total operating costs, including Money Manager Costs, Advertising and Marketing Expenses and Technology Platform Costs & Other Operating Expenses, for the relevant period.
  - Group Cost Base is the total Group operating costs, including Money Manager Costs, Advertising and Marketing Expenses and Technology Platform Costs & Other Operating Expenses, for the relevant period. US Marketing Expenses of £1m have been fully reimbursed by State Street, therefore have not been included in the Group Cost Base.
  - 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.
  - Invested Customers ('IC') means those customers who have transferred pension assets or made contributions into one of PensionBee's investment plans.
  - UK Cost per Invested Customer ('CPC') means the cumulative UK advertising and marketing costs incurred since PensionBee commenced trading up until the relevant point in time divided by the cumulative number of UK Invested Customers at that point in time. This measure monitors cost discipline of customer acquisition. PensionBee's desired UK CPC threshold is £200-£250.
  - Revenue Margin is calculated by using the last twelve months of Recurring Revenue over the average quarterly AUA held in PensionBee's investment plans over the period.
  - 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.

- 19 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.
- 20 Adjusted EBITDA Margin means Adjusted EBITDA as a percentage of Revenue for the relevant period.
- 21 UK Adjusted EBITDA Margin means UK Adjusted EBITDA as a percentage of UK Revenue for the relevant period.

A copy of this Q4 2024 Results Announcement will be made available post-market close on 22 January for download at: [pensionbee.com/uk/investor-relations/results-and-reports](https://pensionbee.com/uk/investor-relations/results-and-reports).

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## About PensionBee

PensionBee is creating a global leader in the consumer retirement market with £5.8 billion in assets on behalf of 265,000 customers.

Founded in 2014, we aspire to make as many people as possible pension confident so that everyone can enjoy a happy retirement.

We help our customers to combine their retirement savings into a new online account, which they can manage from the palm of their hand.

PensionBee accounts are invested by the world's largest investment managers, collectively looking after more than 10 trillion in savings between them. Each PensionBee customer has a personal account manager ("BeeKeeper") to guide them through their savings and retirement journey. PensionBee has an "Excellent" Trustpilot rating based on 11,500 reviews.

As a public company, we aspire to the highest standards in everything we do because our customers deserve peace of mind. Our team of approximately 204 professionals, based in London and New York, has one focus: you, our customer.

PensionBee is listed on the London Stock Exchange (LON:PBEE).

## Forward Looking Statements

Statements that are not historical facts, including statements about PensionBee's or management's beliefs and expectations, are forward-looking statements. The results contain forward-looking statements, which by their nature involve substantial risks and uncertainties as they relate to events and depend on circumstances which will occur in the future and actual results and developments may differ materially from those expressly stated or otherwise implied by these statements.

These forward-looking statements are statements regarding PensionBee's intentions, beliefs or current expectations concerning, among other things, its results of operations, financial condition, prospects, growth, strategies and the industry and markets within which it operates.

These forward-looking statements relate to the date of these results and PensionBee does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of the results.

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