

21 April 2022

XPS Pensions Group plc

Pre-close trading update and notice of full year results

XPS Pensions Group plc ("XPS" or the "Group") is pleased to provide its pre-close trading update (unaudited) for the year ended 31 March 2022 ahead of its full year results expected to be released in late June.

Trading update

The Group performed well with revenues growing 8% organically year on year.

Underlying the good performance, Advisory revenues grew 7% year on year, comprising Pensions Actuarial and Consulting growing 5% and Pensions Investment Consulting growing 18%. Advisory has continued to see high client activity levels driven by continued regulatory changes as well as further new business wins for the Group. Pensions Administration revenues grew 9% year on year driven by new client wins coming on stream and project work.

SIP revenues were up 9% year on year as strong underlying sales helped offset the impact of the bank base rate reduction in the first half of the year, while the recent base rate increases will have a positive impact on revenues looking forward. The acquisition of the trade and assets of Michael J Field Consulting Actuaries ("Michael J Field") completed in February 2022, and we are pleased that the integration of the business is progressing well.

The National Pensions Trust ("NPT") business has performed strongly with revenue growing 38% year on year, and total assets under management now over £1.3 billion.

During the year, the Group continued to win significant new blue-chip clients within the Pensions Advisory and Administration divisions, where landmark appointments such as the Group's appointment as advisor to BT Group plc ("BT Group") are testament to the strength of the XPS brand and our drive to continually generate innovative ideas to help our clients. The launch of our UK defined benefit ("DB") master trust with abrnn plc in March 2022 will bring an additional product set to help pension funds on their DB journey. In addition, we have continued to invest in strengthening our proposition in several areas, including in technology across the Group and in our risk transfer and market leading member analytics capabilities.

The Board is pleased with the Group's performance for the year and anticipates the financial performance to be in line with market expectations.

Paul Cuff, Co-CEO commented:

"This year we celebrated our five-year anniversary of listing on the London Stock Exchange, and it was a very successful year for the Group. A key headline is of course the strong growth across all our divisions but there were many more milestones along the way. I am proud that our success in delivering strongly for our clients was recognised as we won both Actuarial Consulting Firm of the Year and Investment Consulting Firm of the Year at the Professional Pensions UK Pensions Awards 2021. We also achieved significant new client wins, including being appointed pensions advisory partner by BT Group, sponsor of the UK's largest private sector pension scheme. Furthermore, we announced a partnership with abrnn plc to launch a UK DB master trust and we completed the acquisition of Michael J Field.

While each of these were pleasing achievements for the Group, we also continued to maintain our focus on delivering for all our clients who have needed our support against a backdrop of significant levels of regulatory change. It has been fantastic to win several large, high-profile mandates during the year in addition to the BT Group; these new wins will come fully on stream in the year ahead and support our continued confidence in growth into the future.

XPS is only as good as its people. We would like to thank all our colleagues for what they have achieved during the year, and we were pleased by the results of our latest employee survey, with 95% of respondents agreeing that XPS is a good place to work, an improvement on the previous year's 94%. As we continue to focus on helping clients and stakeholders move towards a more sustainable future, we made excellent progress in our journey to limit our own environmental impact as we became carbon neutral across the entire value chain.

We are mindful of the current inflationary backdrop but remain confident in our business model to be able to minimise the impact of inflationary pressures on profits through a continued focus on overall efficiency and our disciplined approach to pricing. Looking to the year ahead, we expect continued high levels of client activity as regulatory change continues to work its way through our industry. We are well placed to help our existing clients and to win new ones with the strong brand and capabilities we have established. “

-Ends-

For further information, contact:

Enquiries:

XPS Pensions Group

Snehal Shah, Chief Financial Officer +44 (0)20 3978 8626

Canaccord Genuity (Joint Broker) +44 (0) 20 7523 8000

Adam James

Patrick Dolaghan

RBC Capital Markets (Joint Broker) +44 (0)20 7653 4000

James Agnew

Jonathan Hardy

Jamil Miah

Media Enquiries

Camarco

Gordon Poole +44 (0)20 3757 4997

Rosie Driscoll +44 (0)20 3757 4981

Notes to Editors:

XPS Pensions Group plc is the largest pure pensions consultancy in the UK, specialising in pensions actuarial & consulting, investment consulting and pensions administration. The XPS Pensions Group business combines expertise, insight and technology to address the needs of both pension trustees and sponsoring companies for over 1,500 pension schemes on an ongoing and project basis. These clients include 40 schemes with over £1bn of assets, and we undertake pensions administration for over 950,000 scheme members.