



H1 23 Investor presentation

February 2023

Gordon McArthur **CEO**
Fraser McDonald **CFO**

Disclaimer



The information contained in this document (the "Presentation") has been prepared by Beeks Financial Cloud Group plc (the "Company").

This Presentation has not been approved by an authorised person in accordance with section 21 of the Financial Services and Markets Act 2000 and therefore it is being delivered for information purposes only. This Presentation has not been fully verified and is subject to material updating, revision and further verification and amendment without notice. Nothing in this Presentation or in any accompanying management discussion of the Presentation constitutes or forms part of, nor is it intended to constitute or form part of: (i) an invitation or inducement to engage in any investment activity, whether in the United Kingdom or in any other jurisdiction; (ii) any recommendation or advice in respect of the ordinary shares (the "Shares") in the Company; or (iii) any offer or invitation to sell, purchase or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any Shares, nor shall the Presentation or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract thereof.

Neither this Presentation nor any copy of it may be taken or transmitted into the United States of America or its territories or possessions (the "United States"), or distributed, directly or indirectly, in the United States, or to any "US person" as defined in Regulation S under the US Securities Act of 1933, as amended (the "Securities Act"), including US resident corporations or other entities organised under the laws of the United States or any state thereof or non-U.S. branches or agencies of such corporations or entities. Neither this Presentation nor any copy of it may be taken or transmitted into or distributed, directly or indirectly, in Australia, Japan, Canada, New Zealand or the Republic of South Africa, or any other jurisdiction which prohibits the same except in compliance with applicable securities laws.

The distribution of this Presentation or any information contained in it may be restricted by law in certain jurisdictions, and any person into whose possession any document containing this Presentation or any part of it comes should inform themselves about, and observe, any such restrictions. No action has been taken by the Company that would permit possession or distribution of this Presentation or any other offer or publicity material relating to securities in the Company in any jurisdiction where action for that purpose is required. Accordingly, such recipients represent that they are able to receive this Presentation without contravention of any applicable legal or regulatory restrictions in jurisdiction in which they reside or conduct business. Any failure to comply with these restrictions may constitute a violation of Canadian, United States or other national or provincial securities laws.

This Presentation may contain certain forward-looking statements with respect to the Company's expectations and plans, strategy, management's objectives, future performance, production, costs, revenues, and other trend information. These statements and forecasts involve risk, uncertainties and assumptions about the Company, its assets, its subsidiaries and investments, including, among other things, the development of its business, trends in its operating industry, and future capital expenditures and acquisitions. In light of these risks, uncertainties and assumptions, the Company's actual results could differ materially from those included in this document or as otherwise discussed alongside the Presentation. The statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Nothing in this Presentation should be construed as a profit forecast. Past share performance cannot be relied on as a guide to future performance. Any forward looking statements speak only as at the date of this Presentation and the Company does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation.

No undertaking, representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its members, directors, officers or employees or any other person as to the accuracy, correctness, completeness or fairness of the information, including estimates, opinions, targets and other forward looking statements, contained in this Presentation and no reliance should be placed on it. Neither the Company or any of its members, directors, officers or employees nor any other person takes any responsibility for, or accepts any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation or its contents or otherwise arising in connection herewith, or undertakes to publicly update, review, correct any inaccuracies which may become apparent, or revise any forward-looking statement whether as a result of new information, future developments or otherwise.

Other than in accordance with the Company's obligations under the AIM Rules for Companies, the Company is not under any obligation to update or keep current the information contained in this Presentation and any opinions expressed in it are subject to change without notice.

This Presentation does not constitute an offer of securities for sale in the United States. The securities referred to herein have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in the United States absent registration under the Securities Act or an available exemption from, or as part of a transaction not subject to, the registration requirements of the Securities Act and, in each case, in compliance with any applicable securities laws of any state or other jurisdiction of the United States. No public offer of the securities referred to herein is being made in the United States.

In addition, the Shares have not been and will not be registered under the applicable laws of Australia, Canada, Japan and South Africa and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan, New Zealand or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or South Africa.

Canaccord Genuity Limited ("Canaccord Genuity") is acting as nominated adviser and broker to the Company and in the provision of corporate finance to the Company, within the meaning of the Financial Conduct Authority's Conduct of Business Sourcebook ("COBS"), and no one else in connection with the proposals contained in this Presentation. Accordingly, recipients should note that Canaccord Genuity is neither advising nor treating as a client any other person and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Canaccord Genuity under the COBS nor for providing advice in relation to the proposals contained in this Presentation.

Cloud computing services for financial markets



- / We consider Beeks to be one of the largest pure play cloud providers in capital markets
- / Financial services organisations historically slow to adopt the cloud – now gaining traction
- / We have been selected by some of the forerunners
- / They need: low latency and security – at scale

What: Compute. Connectivity. Analytics.

How: Public. Private. Proximity.

For: Banks. Exchanges. Brokers. Traders.

To run: Low latency Multicast trading Environments.

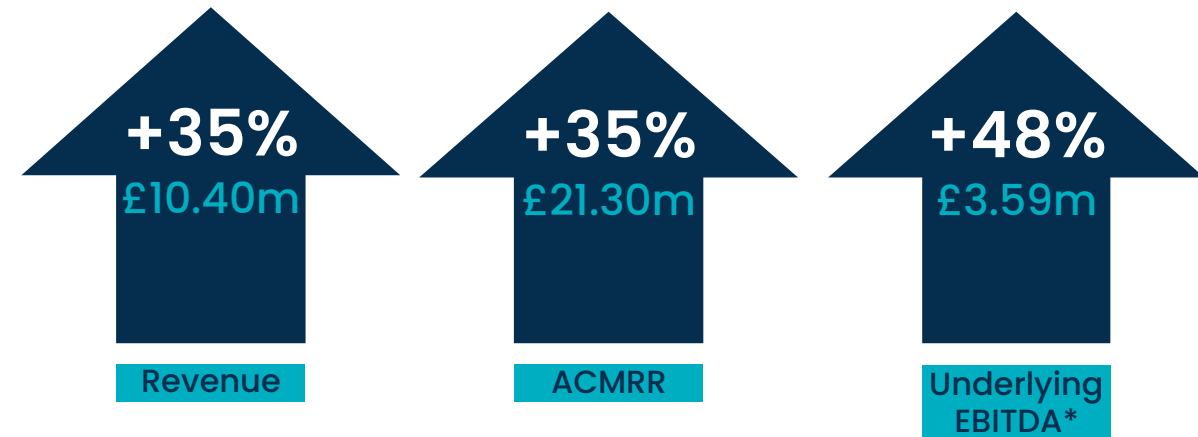
Our opportunity

- / 5,000 financial services organisations
- / 60 major global stock exchanges

Our advantage

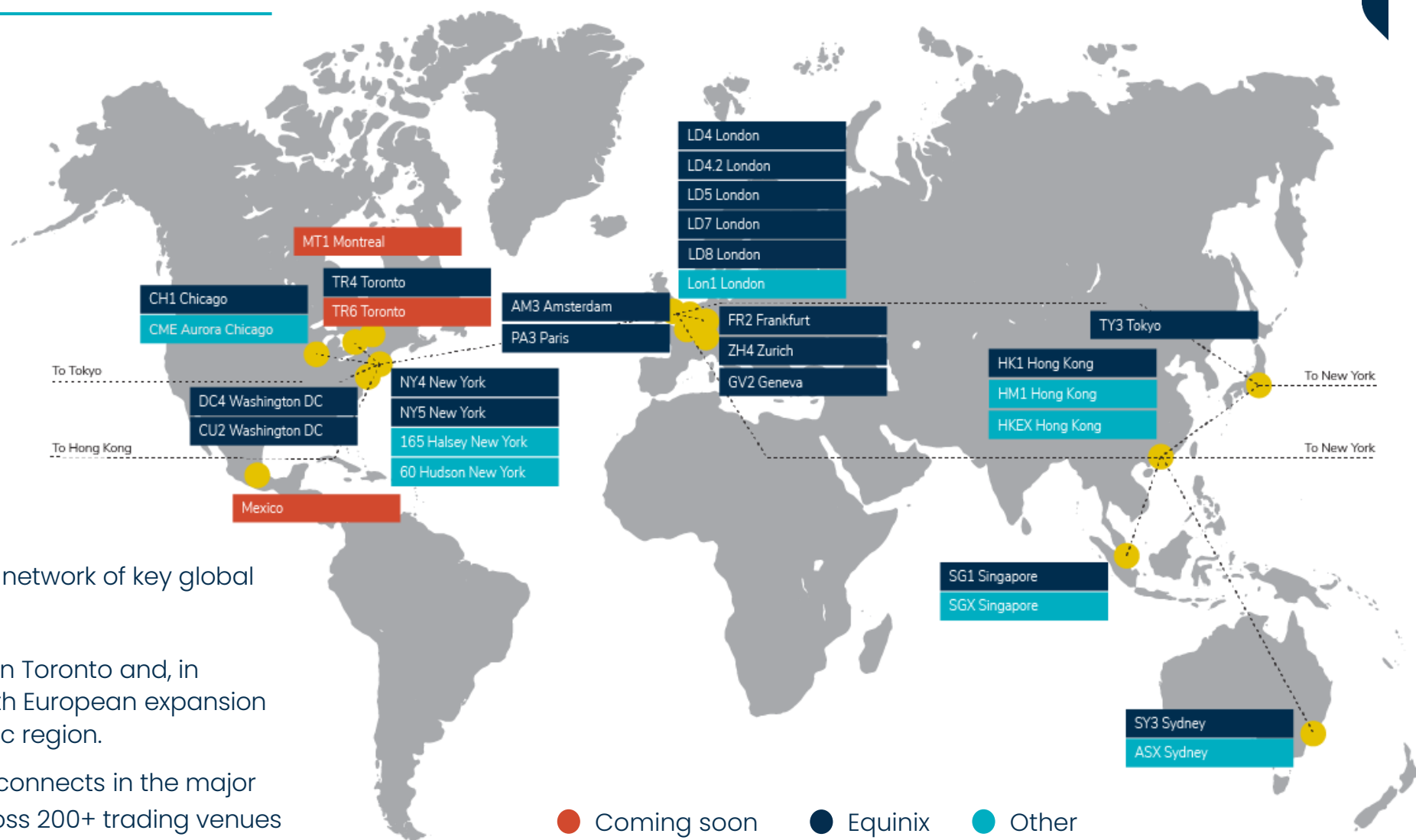
Fast, secure, global network

H1 FY23 Continued Strong Growth



- / Further momentum with **Proximity Cloud** and **Exchange Cloud**, securing contracts and considerably expanding our market reach and sales pipeline

Global infrastructure

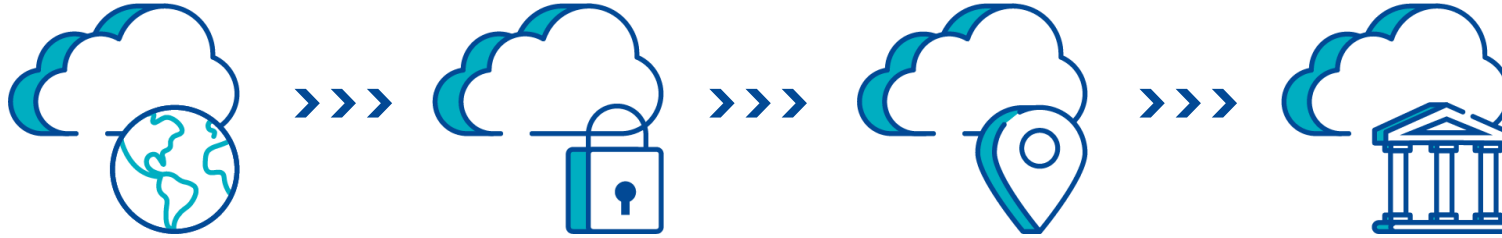


Based in the UK with a growing network of key global financial data centres

Coming soon: further services in Toronto and, in partnership with IPC, Mexico with European expansion planned in Spain and the Nordic region.

Beeks can support 400+ cross connects in the major international finance hubs across 200+ trading venues

The evolution of Beeks Cloud



- / We believe Beeks is well positioned to address the Cloud compute requirements of the world's largest capital markets and financial services organisations
- / Beeks provide managed **low-latency compute, connectivity** and **analytics** provisioning within these latency sensitive environments
- / We consider Beeks to be one of the few companies in the world that can build, connect and analyse at scale
- / Through fast product development, Beeks has responded quickly to changing client needs in an evolving market offering 4 variations of cloud provision - **Public.Private.Proximity.Exchange.**
- / Catering to a wide spectrum of clients from retail to **institutional Tier 1 clients** and **Exchanges**

Client segment evolution

Public Cloud
Retail VPS Broker

Private Cloud
Mid Market Institutions

Proximity Cloud
Tier 1 Organisations

Exchange Cloud
Global exchanges

Exchange Cloud: building pipeline

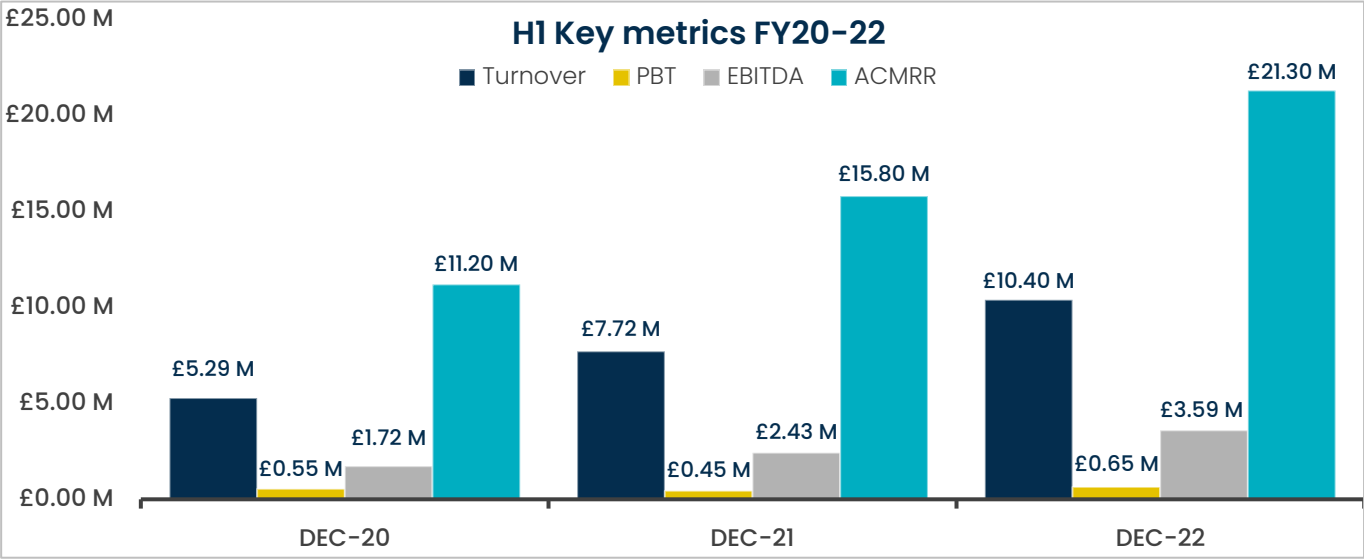
- / Exchange Cloud represents a **transformative opportunity** for Beeks, accelerating addressable market and market share
- / A version of Proximity Cloud explicitly designed for **global exchanges** and electronic communication networks (**ECNs**)
- / Launched in H2 FY 22
- / **ICE Global Network's (IGN)** part of ICE Data Services, a division of Intercontinental Exchange (**NYSE: ICE**), signed a multi-year contract, with a period of exclusivity
- / **Final contractual negotiations with two further material Exchange Cloud clients, following 12 and 18 month sales cycles and proof of concepts**
- / A record pipeline of further opportunities, with a number of world-leading global exchanges



Consistent Growth



- / Sales growth + 35%
- / ACMRR + 35% to £21.3m
- / + 48% growth in Underlying EBITDA vs prior period
- / + 44% growth in PBT vs prior period
- / Uplift in EBITDA margin, PBT margin consistent with prior period
- / Operating cash flow before working capital movements up 46% to £3.7m



*Underlying gross profit is statutory gross profit excluding other (grant) income and acquired amortisation costs
**Underlying EBITDA is defined as earnings before amortisation, depreciation, finance costs, taxation, acquisition costs, share based payments and exceptional non-recurring costs and excluding grant income
^Underlying operating profit excludes finance interest, amortisation on acquired intangibles, acquisition costs, share based payments and exceptional non-recurring costs and excluding grant income
^^Underlying profit before tax excludes amortisation on acquired intangibles, acquisition costs, share based payments and exceptional non-recurring costs and excluding grant income

FY23 key objectives



/ Convert the Exchange Cloud and Proximity Cloud pipeline



/ Continue product development / adding feature functionality



/ Continue momentum with IPC and Exchange Cloud partnerships



/ See a return on investment

Outlook



Opportunity

- / Growing track record and compelling reference clients
- / The majority of financial services organisations around the world are exploring how to utilise the power of the cloud
- / Through Private Cloud, Proximity Cloud and Exchange Cloud, we have the offering to support them
- / We have a considerable and growing pipeline

Outlook

- / Our principal focus for the second half will be to convert our substantial pipeline of opportunities across the newly launched Exchange Cloud
- / We continue to see a building pipeline across our Proximity and Private Cloud offerings, seeking continued 'land and expand' success with Tier 1 customers

“With our proven track record and well-established reputation as a provider of technology to the financial markets, we retain strong confidence in continued success for the Group.”





Beeks¹

Appendix

Board



Gordon McArthur
CEO

- / Founder & CEO since 2011
- / 20 years' experience in the IT Industry
- / Previous positions include senior commercial roles with IBM for 8 years



Fraser McDonald
CFO

- / At Beeks since 2016
- / Over 20 years' experience in finance, management and consulting roles
- / Previous roles include Head of Finance and Commercial Manager at ACCESS LLP (Serco Group PLC subsidiary)



Mark Cubitt
Chairman

- / 26 years' of PLC experience
- / Chairman of Concurrent Technologies PLC, also listed on AIM
- / Formerly CFO at Wolfson Microelectronics PLC and held numerous CFO roles in public and private companies



Will Meldrum
Independent NED

- / Currently SVP at S&P Global
- / Over 27 years' experience in financial services industry
- / Previously worked at Deutsche Bank managing interests across a portfolio of investments



Kevin Covington
Independent NED

- / Over 30 years' experience working in the global financial services industry
- / Runs boutique advisory firm, Change Alley, helping develop and grow fintech organisations
- / Ranked in the top 40 most influential people in Trading Technology by the Institutional Investor Magazine for a number of years

Income Statement



| Income Statement | 6 months to | | |
|---------------------|-------------------|-------------------|-------------------|
| | Dec-20 (£'000) | Dec-21 (£'000) | Dec-22 (£'000) |
| Turnover | 5,288 | 7,724 | 10,398 |
| CoS | (1,703) | (2,796) | (3,132) |
| Dep and Amort | (996) | (1,821) | (2,748) |
| *Gross profit | 2,589 | 3,137 | 4,518 |
| Gross Margin % | 49% | 41% | 43% |
| **EBITDA | 1,723 | 2,433 | 3,593 |
| EBITDA % | 33% | 31% | 35% |
| ^Operating profit | 727 | 612 | 845 |
| Operating Profit % | 14% | 8% | 8% |
| ^^Profit before tax | 545 | 450 | 645 |
| PBT % | 10% | 6% | 6% |

*Underlying gross profit is statutory gross profit excluding other (grant) income and acquired amortisation costs

**Underlying EBITDA is defined as earnings before amortisation, depreciation, finance costs, taxation, acquisition costs, share based payments and exceptional non-recurring costs and excluding grant income

^Underlying operating profit excludes finance interest, amortisation on acquired intangibles, acquisition costs, share based payments and exceptional non-recurring costs and excluding grant income

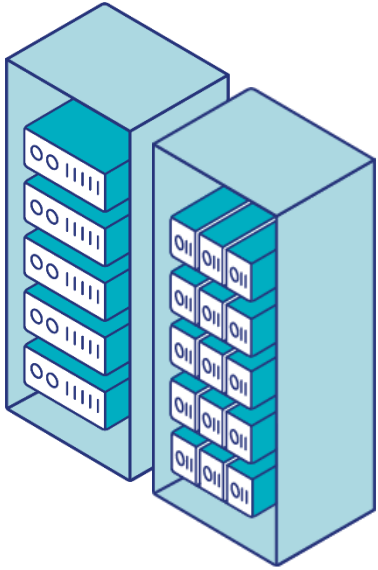
^^Underlying profit before tax excludes amortisation on acquired intangibles, acquisition costs, share based payments and exceptional non-recurring costs and excluding grant income

Cash Flow



| Cash flows from operating activities: | 6 months to | | |
|---|-------------------|-------------------|-------------------|
| | DEC 20 (£'000) | DEC 21 (£'000) | DEC 22 (£'000) |
| Operating cash flows before working capital (including tc | 1,482 | 2,521 | 3,684 |
| Net receivables/payables/other | 6 | (1,273) | (2,549) |
| Net cash from operating activities | 1,488 | 1,248 | 1,135 |
| Purchase of PPE (net) | (1,177) | (5,038) | (3,382) |
| Purchase of intangible assets | (868) | (1,277) | (1,433) |
| Payment for acquisitions | (1,015) | - | - |
| Net cash used in investing activities | (3,060) | (6,315) | (4,815) |
| Net cash used in financing activities | 901 | 2,804 | 216 |
| Net increase/(decrease) in cash | (671) | (2,263) | (3,464) |
| Cash at beginning of year | 1,433 | 3,372 | 10,160 |
| Cash at end of year | 762 | 1,109 | 6,696 |

Proximity / Exchange Cloud – Change in Business Model



- / Different Revenue Recognition Policy to traditional Private Cloud (Software/hardware element) – c50% upfront on day 1
- / Long term contracts with high TCV (c\$1m per rack)
- / Lower support model (Customer Data centre)
- / Customer owned
- / Change in % Recurring Revenue
- / Accounting only – not cash
- / Reported separately
- / Additional layer on top of ACMRR Private and Public Cloud growth

- / Reduce recurring revenue % of Overall Business but no difference in cash profile (accounting only)
- / Lower support should enhance operating margins

Why its needed



Security

- / Shared infrastructure causes problems with security, data access and data sovereignty
- / We can replace shared infrastructure through a dedicated, client-owned environment



Business demands

- / Things can change in the financial sector very quickly
- / Our customers need optimised systems that flex under load and market demand



Location

- / Financial organisations wish to deploy quickly in new trading regions globally
- / They also have their own data centres where they wish to have control of their infrastructure



Integration

- / Integrating low latency, virtual compute with analytics and execution engines is complex and painful
- / Beeks also solves supply chain problem by taking responsibility for the sourcing, support and component replacement through our regional supply chain hubs and Service Level Agreements



Engineering support

- / We believe security protocols and performance analytics are the most important thing for IT to think about
- / Organisations need a dedicated security team monitoring 24/7 against cyber-attacks, Denial of Service and any incidents and events on the periphery of the network.



Cost

- / Monthly subscription model means that organisations can get up and running with a comparatively low OPEX spend
- / We know how to get the technology off the ground cost effectively

The Beeks Group



/ We consider Beeks to be one of the largest pure play cloud provider in capital markets



/ Celebrating over ten years exclusive service in FS and capital markets



/ Listed on the London Stock Exchange AIM Market since 2018



/ Over 100 personnel globally



/ ISO certified



/ significantly expanded business and broadened product offering