



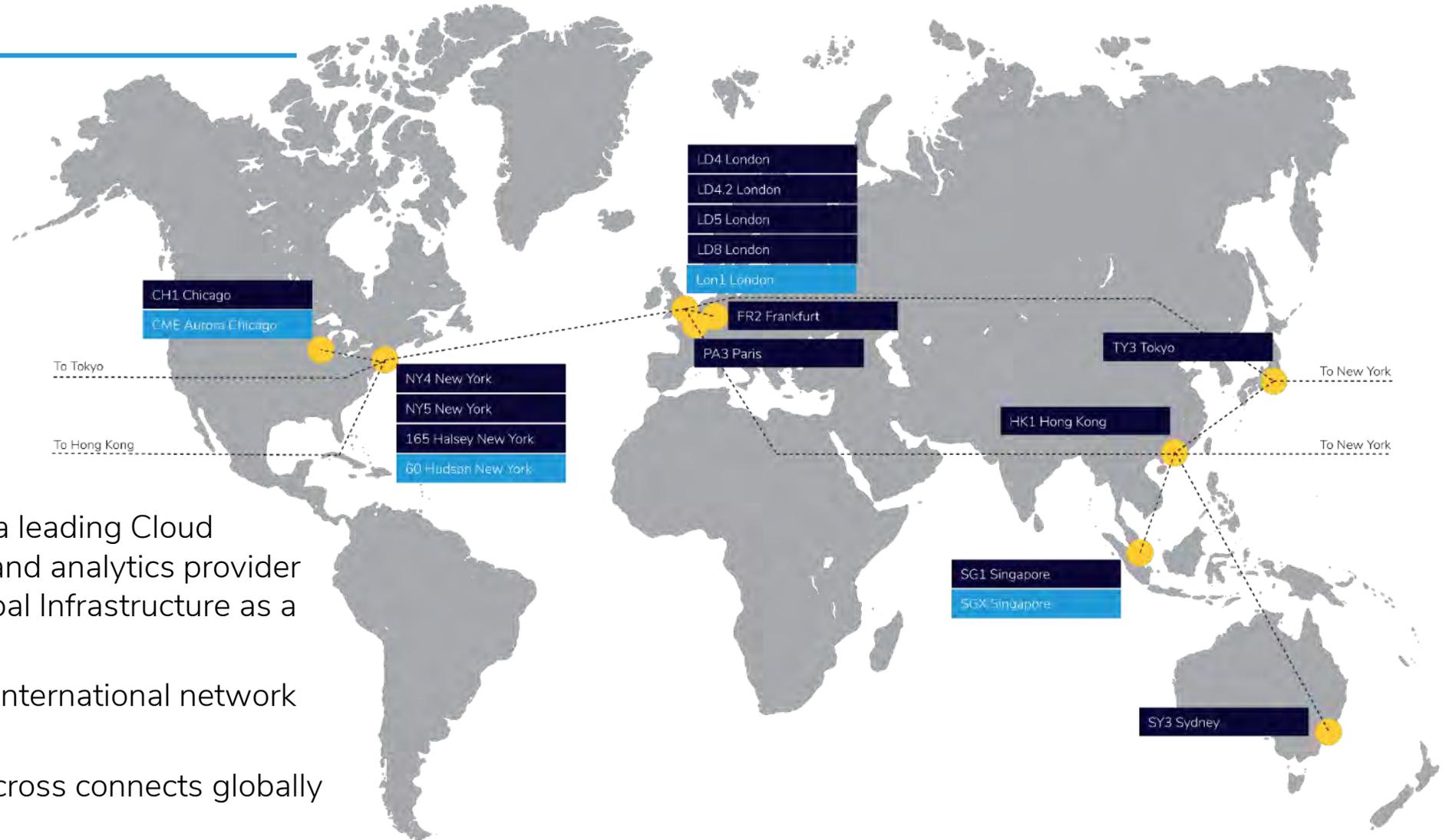
**Beeks** Financial  
Cloud

**Build. Connect. Analyse.**

**Final Results FY20**

Gordon McArthur CEO and Fraser McDonald CFO

# Who we are



Beeks Financial Cloud is a leading Cloud computing, connectivity and analytics provider for financial services: global Infrastructure as a Service (“IaaS”)

Based in the UK with an international network of eighteen datacentres

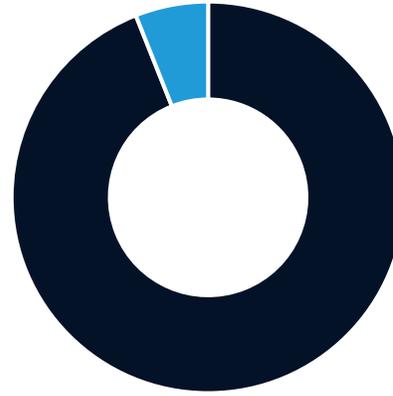
More than 400 pre-built cross connects globally



# Build. Connect. Analyse.

- Beeks is a leading Cloud computing, connectivity and analytics provider for financial services.
- We operate solely in financial services markets where huge data volumes demand scalable offerings
- These latency sensitive environments need to be built, connected and analysed and Beeks is one of the few companies in the world that can provide this
- Our strategy is to help our customers formulate a Cloud strategy, build across the board Cloud capabilities - public, private and secure - and replicate that in different regions
- We're uniquely positioned to take advantage of growing market trends

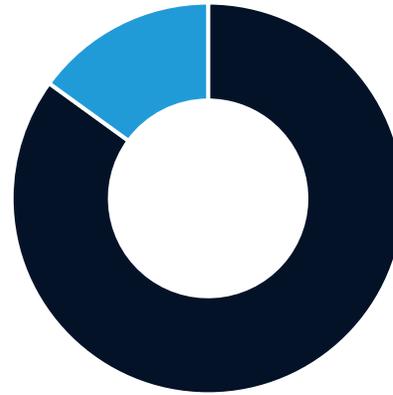
Business model Revenue



94% Recurring  
6% Non-recurring

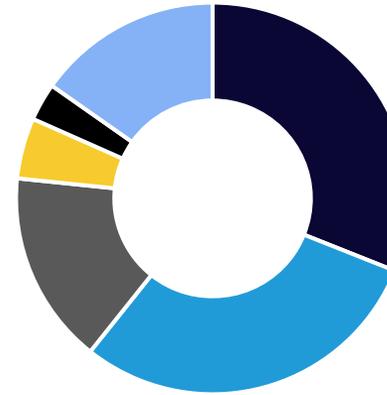


Revenue by segment



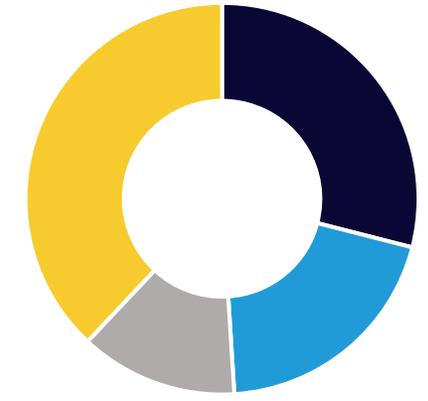
85% Institutional  
15% Retail

Revenue by product



31% Dedicated servers  
30% VPS  
16% Connectivity  
5% Hardware sales  
7% Analytics  
11% Security/ Co-location/ other

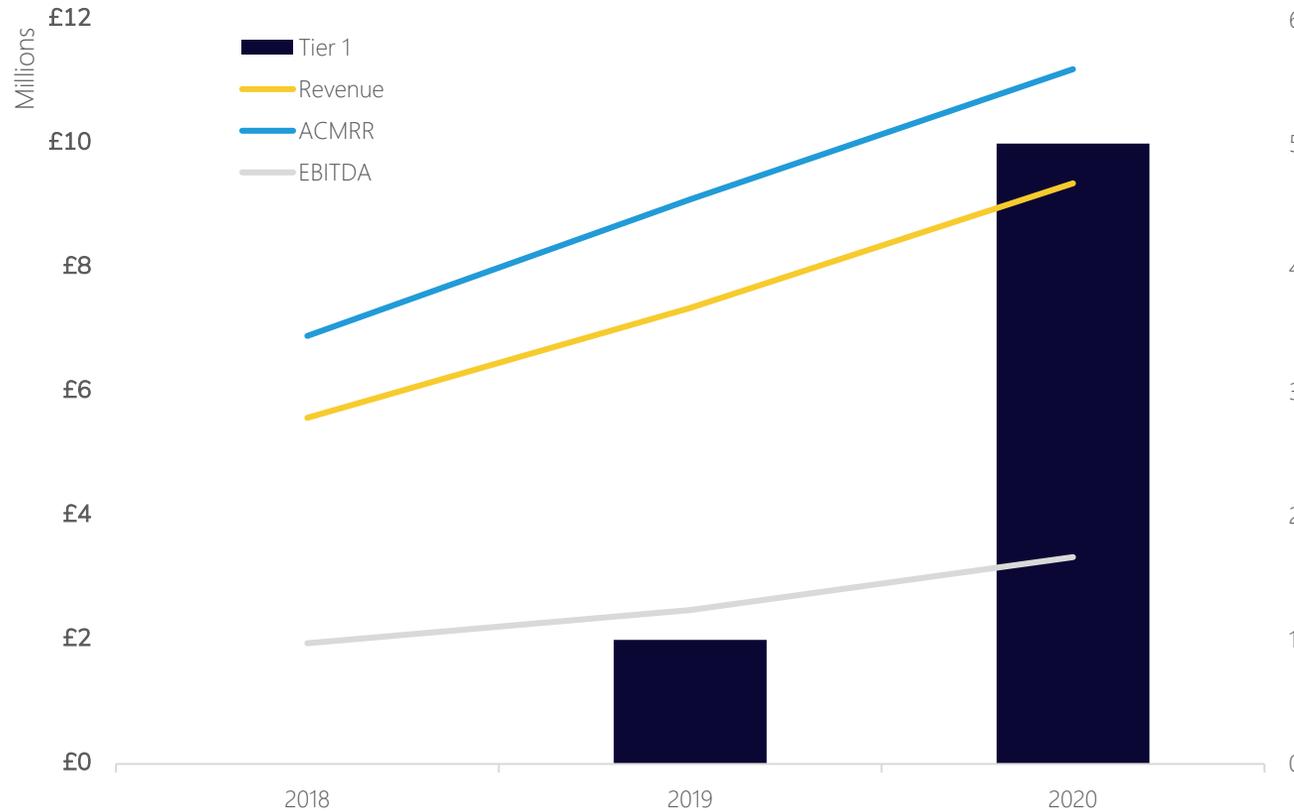
Revenue by Geography



29% UK  
20% US  
13% Europe  
38% Rest of World



# Business model drives growth in recurring revenues



Metric	2018	2019	2020	% Growth
Revenue	£5.58m	£7.35m	£9.36m	68%
ACMRR	£6.9m	£9.1m	£11.2m	62%
EBITDA*	£1.95m	£2.48m	£3.33m	44%
<b>Tier 1 customers</b>	0	3	5	
Acquisitions	0	1	2	

\*EBITDA 2020 increased by £0.52m as a result of the transition to IFRS 16, excluding IFRS 16 EBITA would be £2.81m. The cumulative % increase excludes the IFRS 16 adjustment.

## Impact of COVID-19

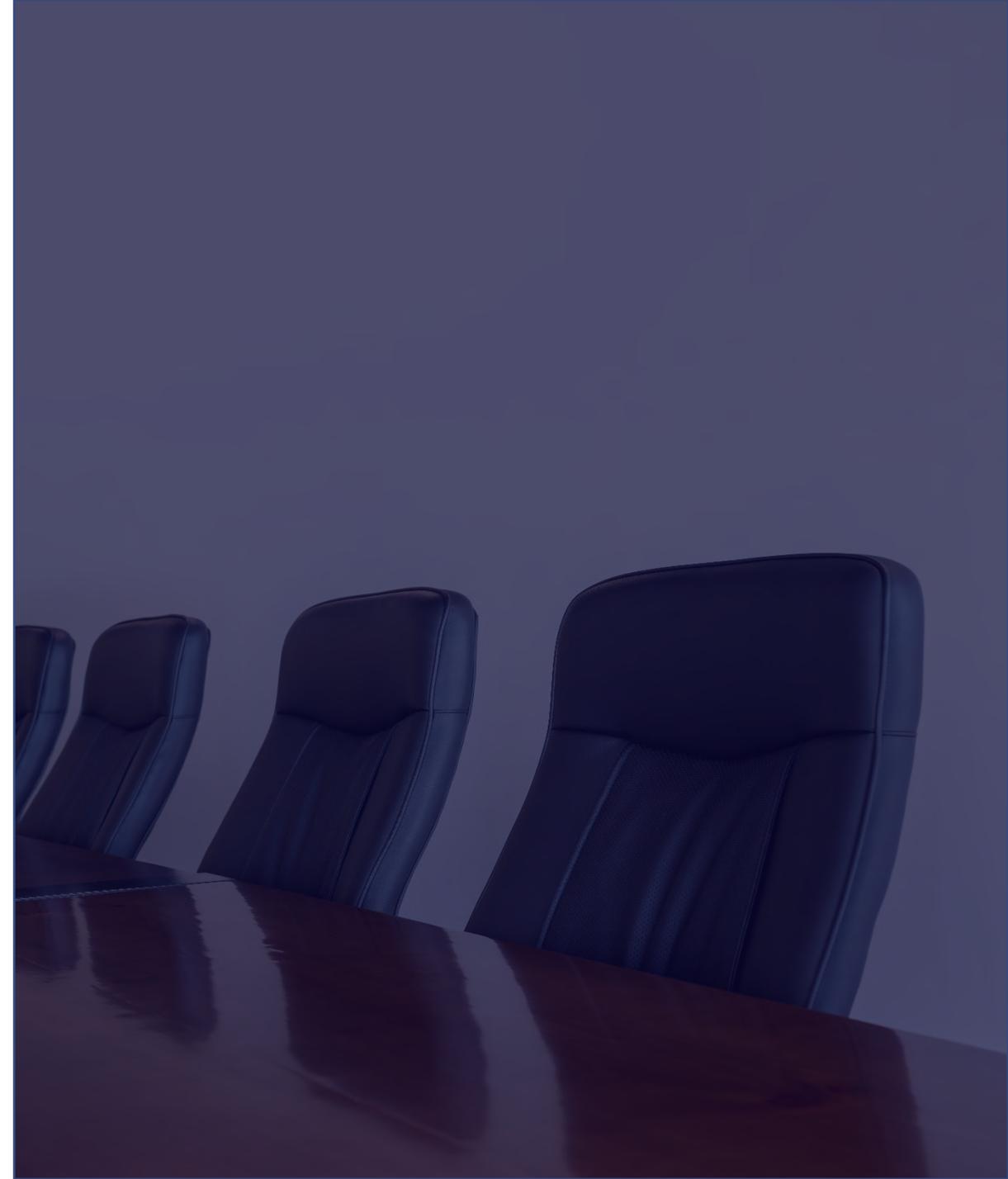
- Continued to support all customers
- Small delay in corporate decision making
- Delayed growth in second half of the year
- Underlying business model remained robust



# Invested

---

- Investment into revenue creation and delivery roles: new hires in sales, marketing, customer delivery and software development
- Sales footprint now spans UK and US
- Increased capacity by 45% in the year, grown more in one year than over the last three – to support our Tier 1 engagements
- Obtained ISO 27001 certification (gained post year end on 21 August 2020) to significantly improve customer implementation processes



# Entered new markets

---

- Diversify and expand service offering to grow and expand our business
- First hybrid Cloud deployment
- Strategic focus to grow our institutional customer base for public, private and secure Cloud deployment
- Increase attractiveness of offering beyond the trading segment
- Increase attractiveness of offering to the Tier 1 segment



Beeks provide a fully managed Cloud Connectivity solution from our London LD4 infrastructure, including fully redundant 10g network lines back to on-premise datacentres in Cardiff and Swansea.

From the Beeks infrastructure, Admiral are able to connect with major Cloud Service providers such as AWS, Google Cloud Platform and Microsoft Azure, as we look to digitally transform many of our existing workloads and business lines.

# The value of partnerships

---

- Announced an industry technology partnership in January
- Strategic selection considered pre-approved MSAs that provided access to Tier 1 organisations reducing sales friction
- Phase 1 85% complete (seven customers and \$1m annualised)



Beeks built a private IPC Cloud environment that gives our customers global access to key financial hubs. We're currently live in New York, London, Paris, Sydney, Chicago and Paris with Hong Kong, Frankfurt and Singapore upcoming.

Our unparalleled multi-Cloud solution for the global financial markets empowers the use of Cloud for secure, high-performance data and voice communications, providing a tremendous competitive global advantage that will further enhance the value of this agreement.

# Acquired global scalability

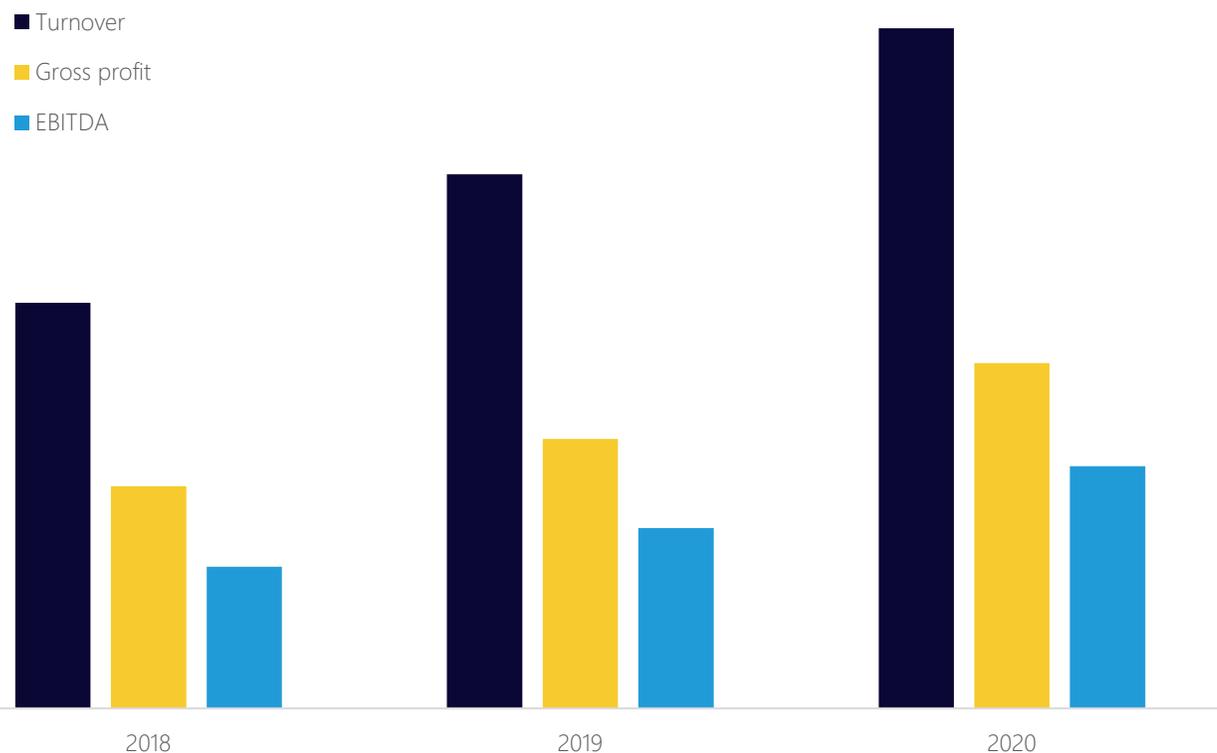
- Acquisition of Velocimetrics broadened Beeks' offering and expanding the total addressable global market
- Brought powerful analytics
- First SaaS based analytics offering to be launched in the next twelve months
- Broad additional tier 1 customers



As a Tier 1 Equity Trading organisation, we required trade and latency analytics for our global equities infrastructure and selected Velocimetrics after an exhaustive evaluation process.

As part of a bespoke development of low latency equity trading systems, a combination of network and application AppTap monitoring was used to provide real-time insight to the performance of our end-to-end trading systems in each of the co-located data centres across London, New York and Hong Kong.

# Income Statement



	2018 (£'000)	209 (£'000)	2020 (£'000)
<b>Income Statement</b>			
Turnover	5,583	7,352	9,360
CoS	(1,924)	(2,627)	(2,984)
Dep and Amort	(602)	(1,018)	(1,624)
<b>Gross profit</b>	<b>3,057</b>	<b>3,707</b>	<b>4,752</b>
<b>Gross Margin %</b>	<b>55%</b>	<b>50%</b>	<b>51%</b>
EBITDA*	1,946	2,479	3,334
<b>EBITDA %</b>	<b>35%</b>	<b>34%</b>	<b>36%</b>
Operating profit*	1,344	1,461	1,710
<b>Operating Profit %</b>	<b>24%</b>	<b>20%</b>	<b>18%</b>
Profit before tax**	1,191	1,316	1,433
<b>PBT %</b>	<b>21%</b>	<b>18%</b>	<b>15%</b>

\*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. EBITDA 2020 increased by £0.52m as a result of the transition to IFRS 16, excluding IFRS 16 EBITA would be £2.81m. The cumulative % increase excludes the IFRS 16 adjustment.

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

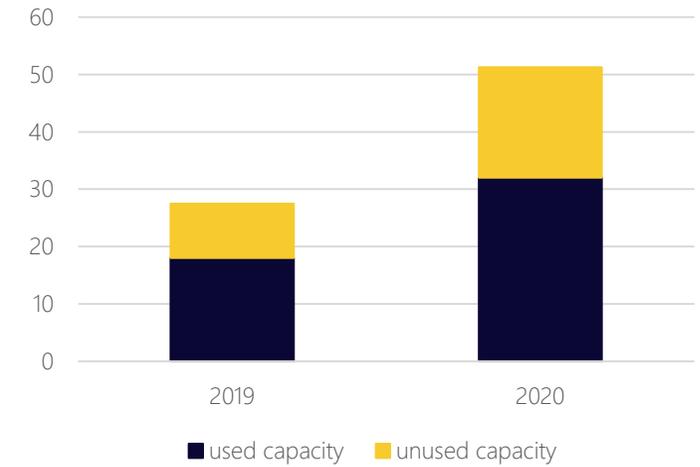
^^Underlying profit before tax excludes amortisation on acquired intangibles, acquisition costs, share based payments and exceptional non-recurring costs



# Capacity

Location	Rack capacity	unused capacity*	Location	Rack capacity	unused capacity*
London LD4.1	4.00	0.25	New York NY4	5.00	0.50
London LD4.2	6.00	3.00	New York NY5	5.00	2.50
London LD5	5.25	0.25	New York NYI (60H)	1.00	0.50
London LD8	6.00	5.00	New York Halsey	2.00	0.75
London Lon1	2.00	1.00	Chicago CH1	2.00	0.75
Tokyo TY3	2.00	0.75	Chicago DC3	3.00	0.25
Hong Kong HK1	2.00	0.50	Paris PA3	1.00	0.50
Singapore SG1	1.00	1.00	Frankfurt FR2	2.00	0.75
Singapore SGX	1.00	0.25	Sydney SY3	1.00	0.50

## Total rack capacity

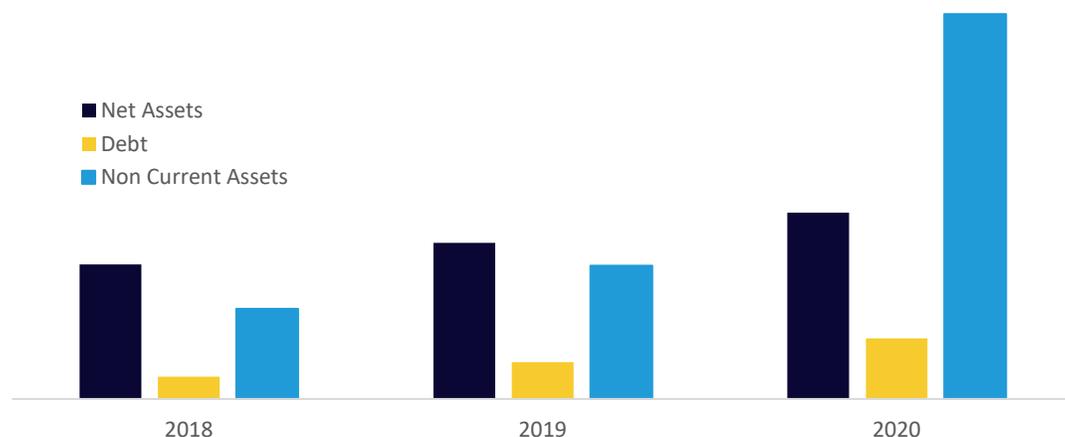


\*Total unused capacity of **18 racks** across locations



# Balance sheet and Cash Flows

- Strong, growing operating cash flows
- Continued investment in asset base to support growth (includes Tier 1)
- Low gearing (c30% debt / equity)
- Acquisition of VMX for up to £4.1m
- \*Lease accounting transition to IFRS16, resulting in additional £2.6m PPE and £2.7m lease liabilities



	2018 (£'000)	2019 (£'000)	2020 (£'000)
<b>Cash flows from operating activities:</b>			
Operating cash flows before working capital (including tax paid)	1,486	2,310	2,976
Net receivables/payables/other	(1,038)	(211)	259
<b>Net cash from operating activities</b>	<b>448</b>	<b>2,099</b>	<b>3,235</b>
Purchase of PPE (net)	(1,071)	(1,222)	(2,819)
Purchase of goodwill/intangibles	(384)	(1,549)	(1,470)
<b>Net cash used in investing activities</b>	<b>(1,455)</b>	<b>(2,771)</b>	<b>(4,289)</b>
Proceeds from borrowings	-	990	1,485
Repayment of borrowings	(536)	(469)	(625)
Repayment of RoU			(517)
Interest paid/received	(153)	(145)	(190)
Sale and leaseback of PPE	203	-	-
Proceeds from the issue of new share capital	4,357	1	-
Dividends paid	-	(254)	(178)
Grant Income			174
<b>Net cash used in financing activities</b>	<b>3,871</b>	<b>123</b>	<b>149</b>
Net increase/decrease in cash	2,864	(549)	(905)
Cash at beginning of year	23	2,887	2,338
<b>Cash at end of year</b>	<b>2,887</b>	<b>2,338</b>	<b>1,433</b>



# 2021: Year of product

---

**BeeksAnalytics**

## FX SaaS launch

- Uses Velocimetrics technology to provide powerful network monitoring and trade analytics as a Cloud hosted offering



## V10 Velocimetrics

- Velocimetrics technology is at the heart of Beeks Analytics and continuing to innovate



## Network automation release

- Facilitate growth and enable product expansion by making a wider variety of Beeks products available via a self-service portal



## Standalone Beeks Private Cloud

- Secure low latency private environment
- Both public and private Cloud capability

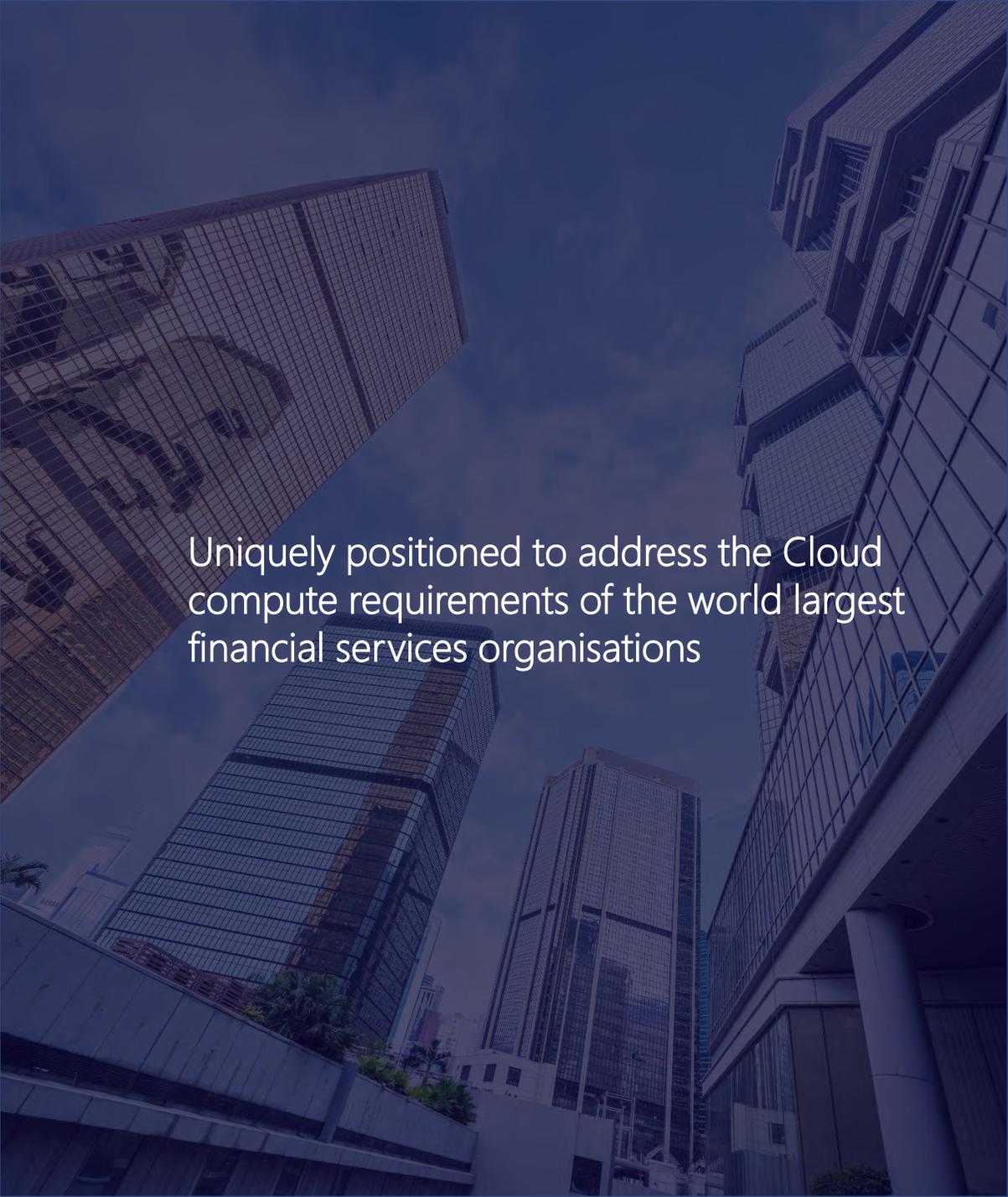
Increased:    Relevance   |   Size of addressable market   |   Differentiation   |   Revenue streams



# Summary and Outlook

---

- Acquisition of Velocimetrics has considerably expanded our offering and addressable market
- Entered the current financial year with a significantly expanded business, increased customer base, expanded product offering and increasing number of Tier 1 reference points
- While the Covid-19 pandemic may cause a delay in corporate decision making, the drivers for our business remain strong
- Current market environment is positive and confident in our ability to convert our growing sales pipeline



Uniquely positioned to address the Cloud compute requirements of the world largest financial services organisations

# 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 18 years' experience in finance, management and consulting roles
- Previous roles include Head of Finance and Commercial Manager at ACCESS LLP (subsidiary of Serco Group PLC)



**Mark Cubitt**  
Chairman

- 21 years' of PLC experience
- Formerly CFO at Wolfson Microelectronics PLC and Chairman of Superglass Holdings PLC
- Numerous CFO roles in public and private companies



**Will Meldrum**  
Independent NED

- Currently SVP and Chief of Staff at IHS Markit
- Previously worked at Deutsche Bank managing interests across a portfolio of investments



# Investment case

---



## Growing market opportunity

- Ideally positioned to benefit from long-term trends towards Cloud model



## Track record of growth

- Consistent track record of profitable, organic and cash generative growth based on recurring revenue business model



## Competitive differentiation

- Breadth & security of network, location and offering – all provide strong competitive advantage



## Proven expertise

- Growing number of Tier 1 reference cases



## Experienced management

- Experienced management team with proven industry expertise

# 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. Nothing in this presentation or in any accompanying management discussion of the Presentation constitutes, nor is it intended to constitute: (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 for sale, purchase or subscription of any Shares.

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.

No 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 accepts liability whatsoever for any loss howsoever arising from any 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.

The Company's ordinary shares have not be registered under the US Securities Act of 1933, as amended (the Securities Act) and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. No public offering of the ordinary shares is or will be made in the United States. In addition, the Company's ordinary 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 or South Africa or to any national, resident or citizen of Australia, Canada, Japan or South Africa.

