



FY22 Investor presentation
October 2022

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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.

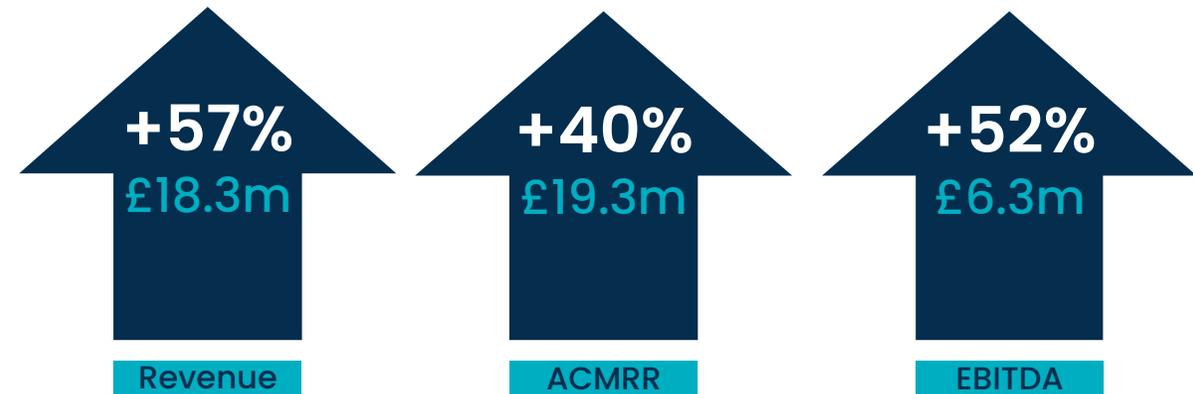
Our opportunity

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

Our advantage

Fast, secure, global network

FY22 Delivering Record Results



- / Successful launch of **Proximity Cloud** and **Exchange Cloud**, securing multiple 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

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

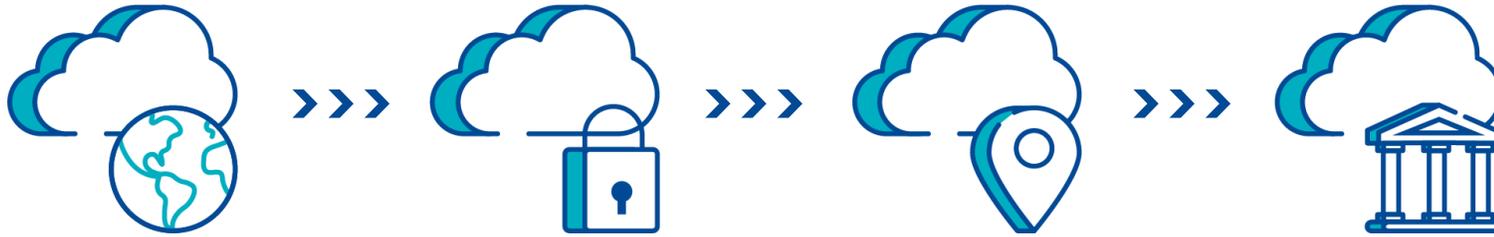
- / We believe security protocols and performance analytics are the most important thing for IT to think about
- / Organisations need a dedicated security team monitoring 24/7 against cyber-attacks, Denial of Service and any incidents and events on the periphery of the network.



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 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

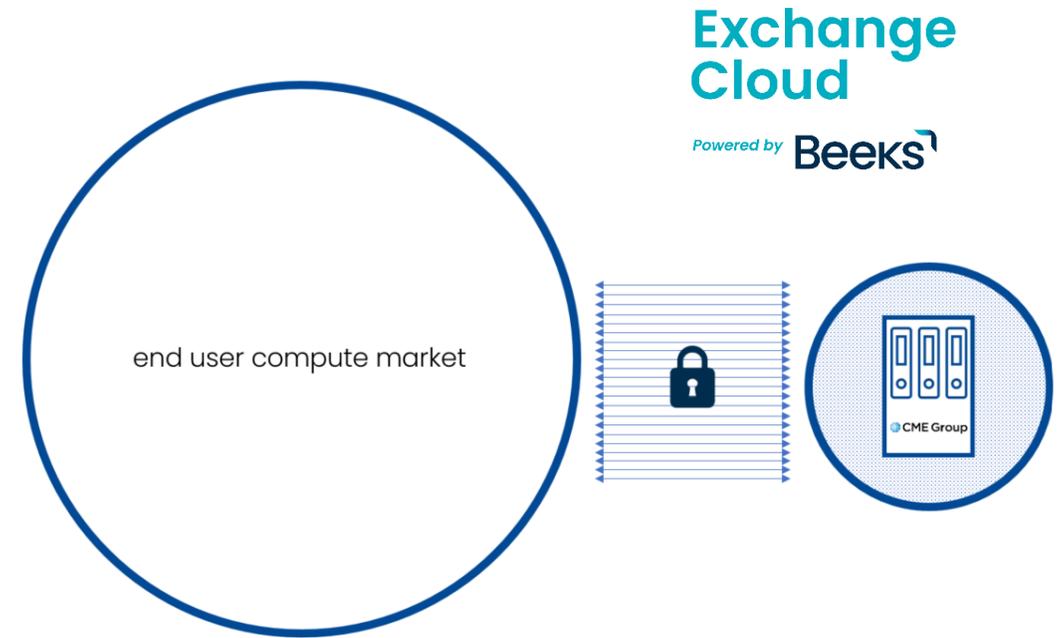
Proximity Cloud
Tier 1 Organisations

Exchange Cloud
Global exchanges

Exchange Cloud opportunity

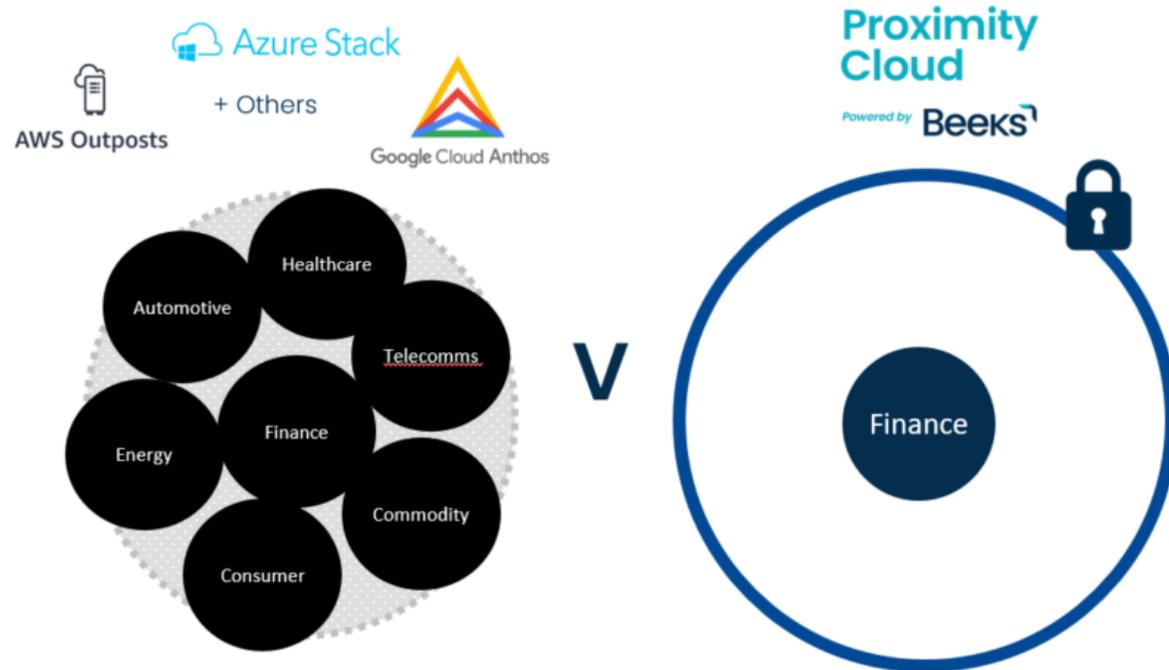


- / A version of Proximity Cloud explicitly designed for **global exchanges** and electronic communication networks (**ECNs**)
- / **Launched in H2**
- / Developed in response to Beeks' identified demand from global exchanges for a **secure, multi-client cloud environment**
- / Clients can offer both end user cloud compute to their own customers, as well as maintain space for their own internal use if required
- / **Inbuilt analytics** can monitor the performance of the exchange, including market data replay functionality
- / **In negotiations** with a number of **world-leading global exchanges**
- / Continuing to accelerate Beeks' addressable market and market share



- / 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
- / Currently in talks with all major Exchanges across the globe as well as additional proof of concept implementations

Proximity Cloud: game changer



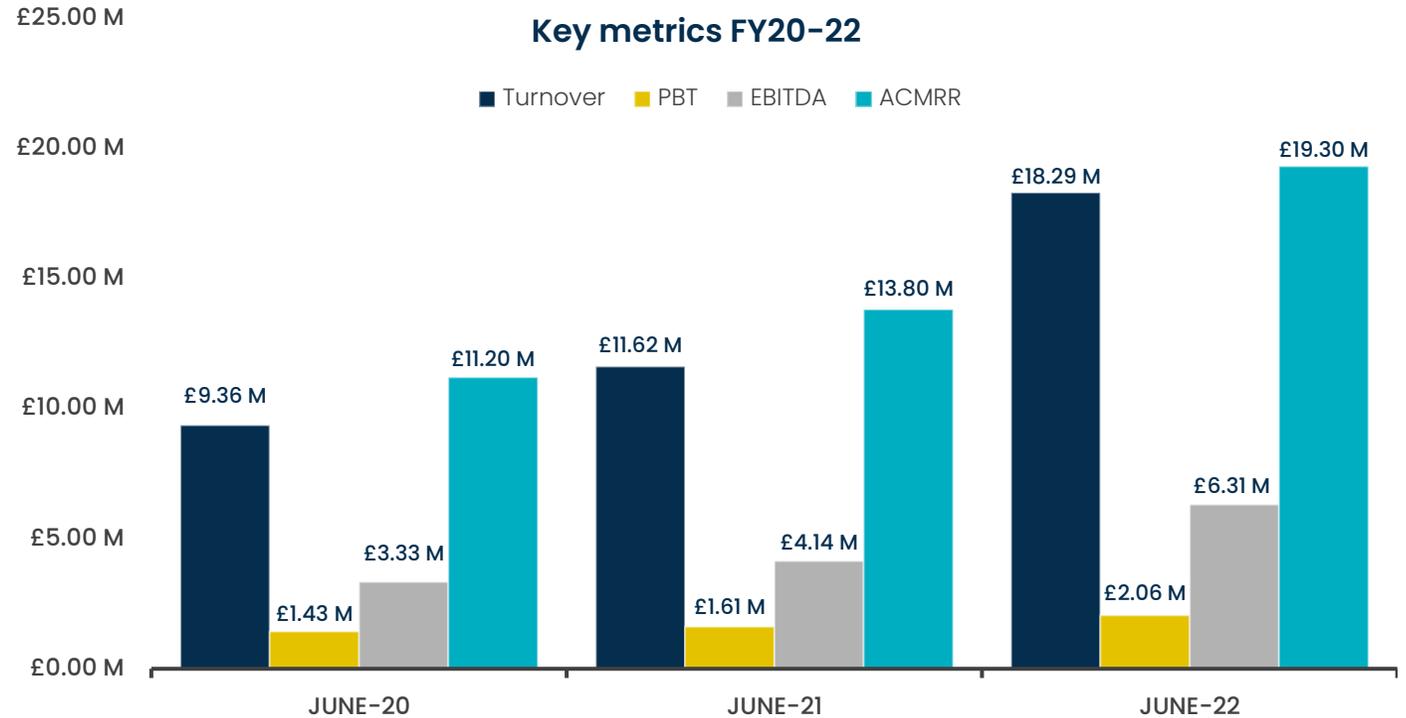
- / The total value of Proximity Cloud contracts to date stands at \$5.2 million since launch
- / The Proximity Cloud pipeline continues to build

- / Launched in August 2021 for **global Tier 1** community
- / **We believe unique to the market – the only fully configured, pre-installed physical trading environment optimised for low latency trading**
- / Provides the customer with a solution they can drop in to their **own private environment** which can be delivered anywhere
- / **Long-term deployments** aimed at larger organisations which gives more visibility and predictability to our revenue streams
- / Revenue recognition – significant upfront Point in time
- / We continue to invest in its evolution – the next iteration includes **additional functionality to its in-built analytics** using Grafana-based, front-end and enhanced alerting functionality.

Record Sales Growth



- / Record sales growth + 57%
- / ACMRR up 40% to £19.3m
- / 52% growth in EBITDA vs prior period
- / Majority of our revenue, and the growth driver for the business, is our Institutional customer base
- / Impact on margin reduction given level of investment - as expected



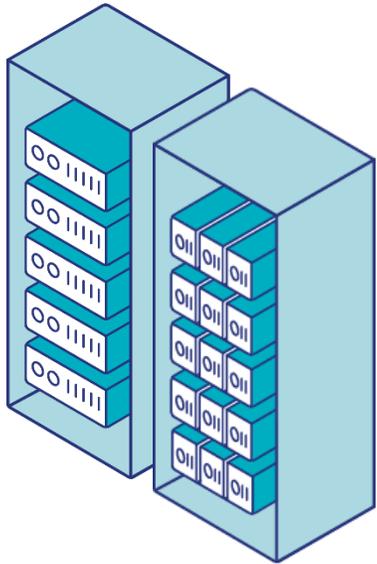
*Underlying gross profit is statutory gross profit excluding other (grant) income and acquired amortisation costs

**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

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 (FY22: 76%, FY21: 93%)
- / Accounting only – not cash
- / FY22 – £2.3m (12% of total revenue)
- / 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

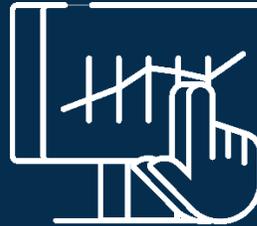
FY23 key objectives



/ Convert the Exchange Cloud and Proximity Cloud pipeline



/ Continue product development



/ Manage the wider inflationary impacts



/ See a return on investment



/ Continue momentum with ICE and IPC partnerships

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

- / While cognisant of the ongoing pressures of the macroeconomic environment, the size of the sales pipeline and expanded product offering provides the Board with confidence in the prospects for Beeks
- / We have the potential for considerable additional growth given the size of the sales pipeline, however these types of discussions will take time to flow through into contracts and revenues
- / As separately announced today, the Group has secured two 3-year contracts via a partner with aggregate TCV of \$2m, further underpinning our FY23 expectations

“ We will continue to invest into the development of our offering and increased sales and marketing activities to capitalise on our early successes in this significant market. We have a considerable and growing pipeline and look to the future with confidence. ”

The logo for Beeks, featuring the word "Beeks" in a white, sans-serif font. A small, light blue graphic element resembling a stylized '1' or a folded corner is positioned at the top right of the letter 's'.

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)



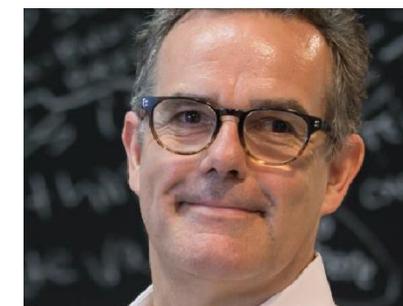
Mark Cubitt
Chairman

- / 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	June-20 (£'000)	June-21 (£'000)	June-22 (£'000)
Turnover	9,360	11,615	18,289
CoS	(2,984)	(3,535)	(6,192)
Dep and Amort	(1,624)	(2,251)	(3,867)
*Gross profit	4,752	5,829	8,230
Gross Margin %	51%	50%	45%
**EBITDA	3,334	4,142	6,311
EBITDA %	36%	36%	35%
^Operating profit	1,710	1,892	2,378
Operating Profit %	18%	16%	13%
^^Profit before tax	1,433	1,6080	2,057
PBT %	15%	14%	11%

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Cash Flow



Cash flows from operating activities:	FY20	FY21	FY22
	(£'000)	(£'000)	(£'000)
Operating cash flows before working capital (including tax paid)	2,976	4,011	6,754
Net receivables/payables/other	259	1,224	(2,246)
Net cash from operating activities	3,235	5,235	4,508
Purchase of PPE (net)	(2,819)	(3,831)	(4,711)
Purchase of PPE (DC additions IFR16)		(915)	(1,697)
Head Office Purchase	-	-	(3,094)
Purchase of intangible assets	(720)	(2,005)	(2,590)
Payment for acquisitions	(750)	(1,015)	-
Net cash used in investing activities	(4,289)	(7,766)	(12,092)
Proceeds from borrowings	1,485	3,050	3,670
Proceeds from grant income	174	907	-
Repayment of borrowings	(625)	(3,736)	(2,900)
Interest paid/received	(190)	(185)	(320)
Right-of-use lease repayments	(517)	(584)	(1,067)
Proceeds from the issue of new share capital	-	5,198	14,989
Dividends paid	(178)	(180)	-
Net cash used in financing activities	149	4,470	14,372
Net increase/(decrease) in cash	(905)	1,939	6,788
Cash at beginning of year	2,338	1,433	3,372
Cash at end of year	1,433	3,372	10,160

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