



*Capital Markets Day
2 November 2022*

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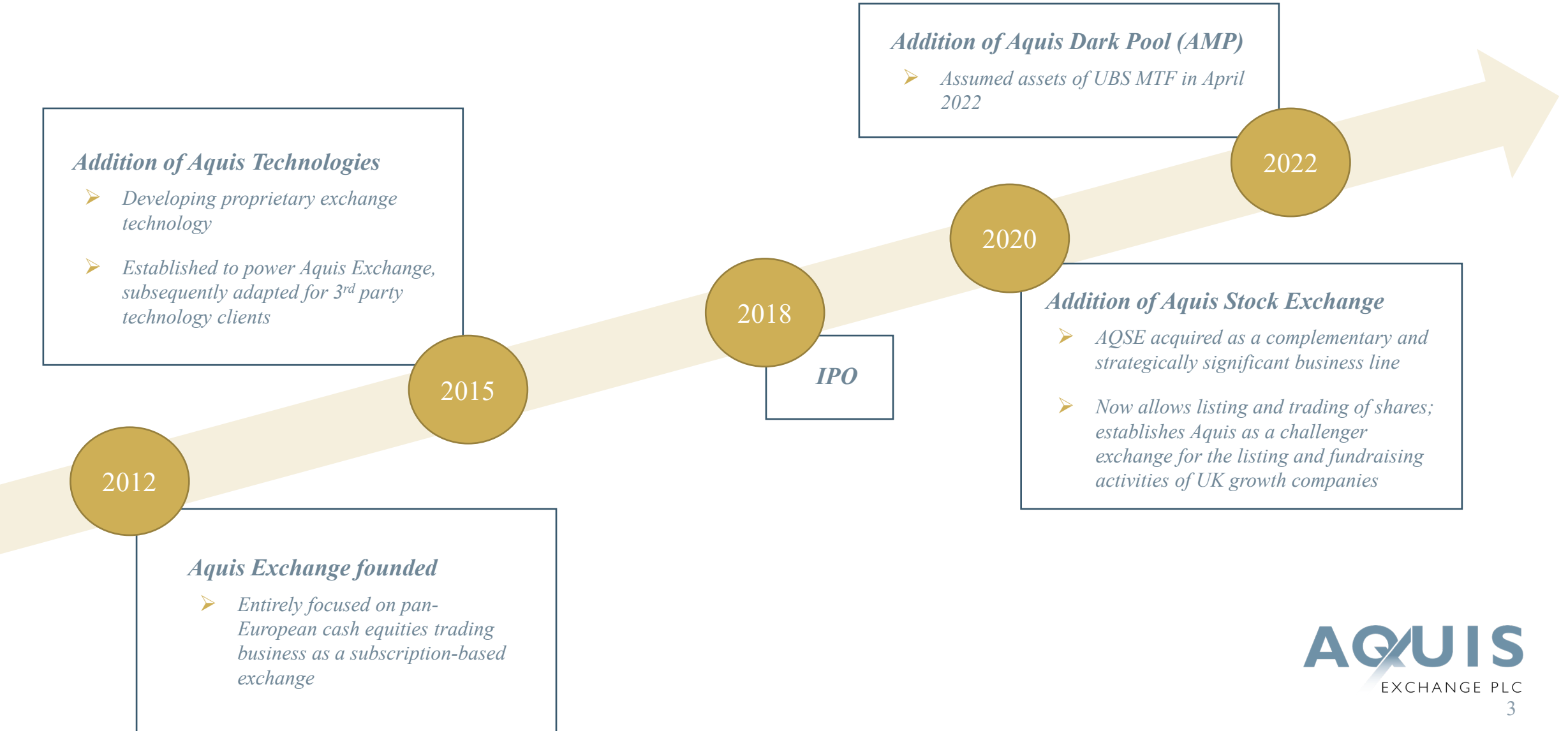


Introduction
Glenn Collinson



*The evolution of
Aquis Exchange Plc
Alasdair Haynes*

The evolution of Aquis



Aquis tomorrow: the future of markets

AQUIS STOCK EXCHANGE



Scale-up capital



Empowering
retail

DATA

AQUIS EXCHANGE



Subscription-
based



Diversified
offering



Top tier
international
stock exchange

AQUIS TECHNOLOGIES



Cloud-based



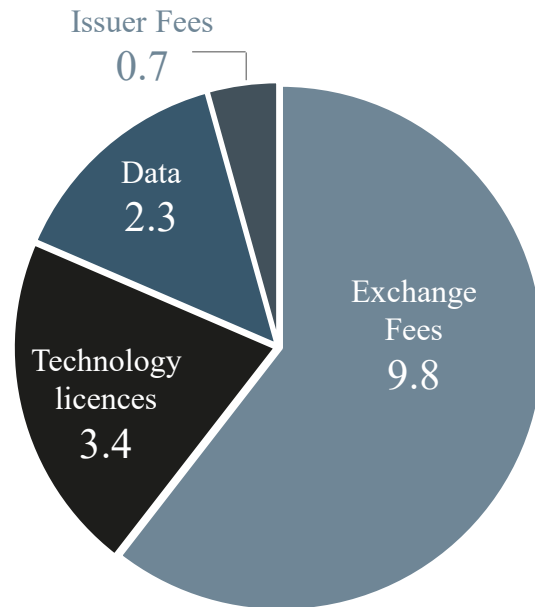
24/7



The revenue story
Richard Fisher

Split of revenue

2021 Net Revenue: £16.2m

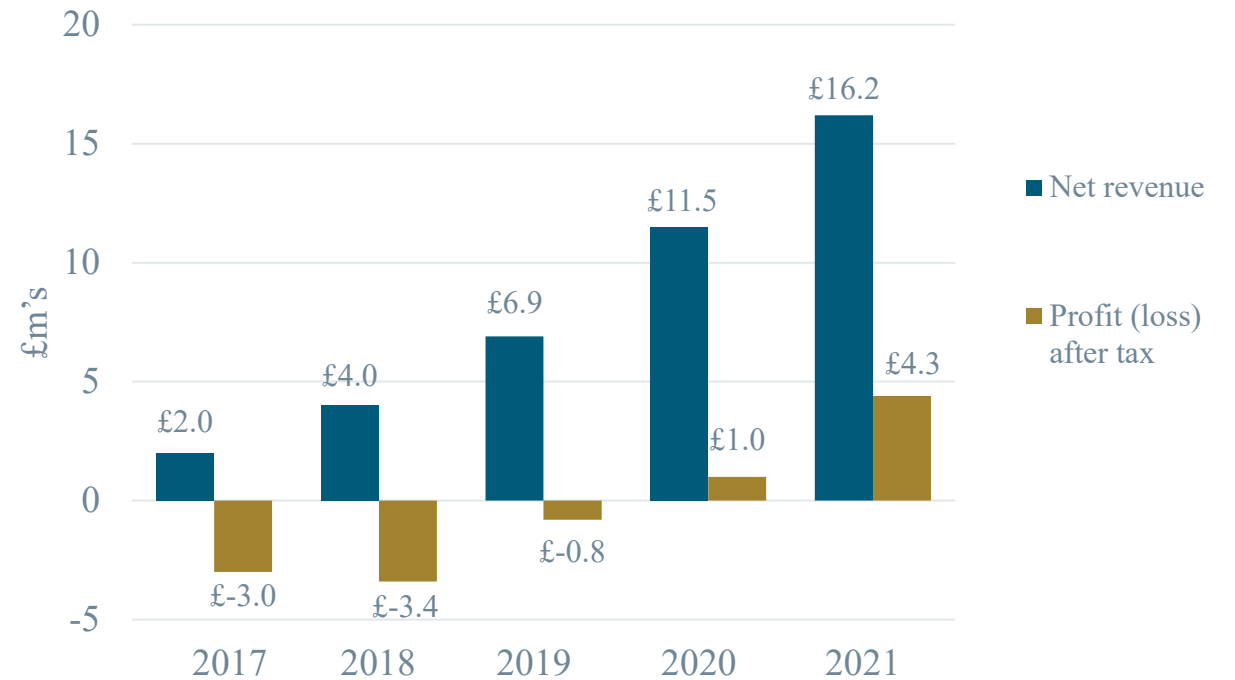


Aquis' initial investment thesis was based on exchange fees only – these however now account for 57% of revenues



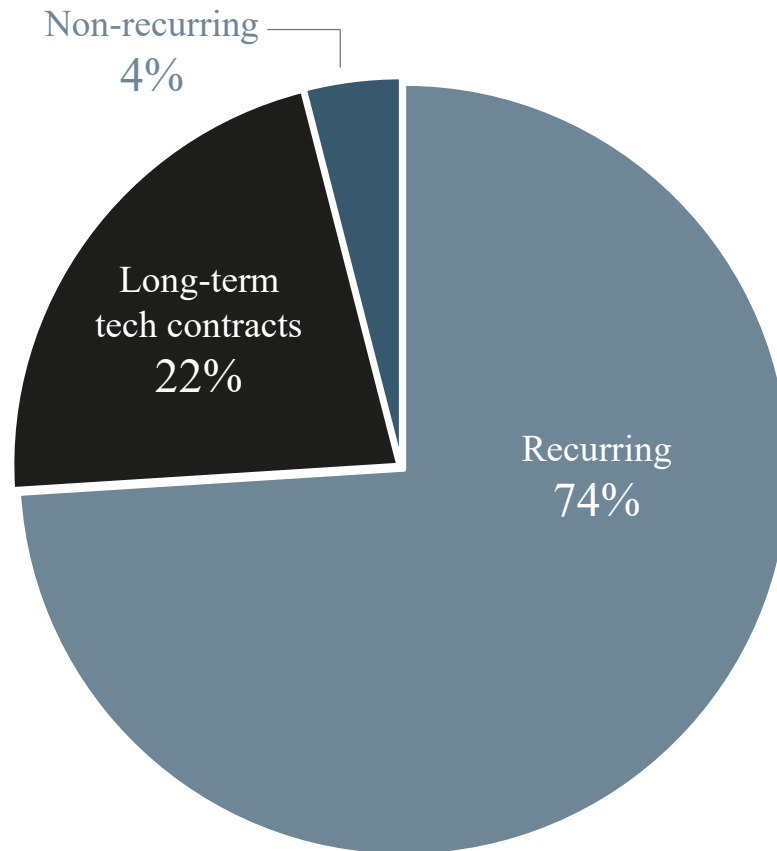
There are revenue growth opportunities across all areas

Revenue progression 2017-2021



Nature of revenue

2021 Gross Revenue: £17.2m



74% of revenues are recurring



Of the remaining 26%, 22% reflects technology contracts – we classify these as repeat business rather than recurring revenue, but they are highly likely to renew in future

Drivers of future revenue



Market share

Number / tiering of members



Total no. of quoted companies



Number of tech clients

Number of contract renewals



*Next generation stock
exchange
Adrian Ip*

What does a next generation stock exchange look like?

- *POPs for access could grant single firms access to multiple exchanges/market data systems as onboarded*
- *Permanently running systems with the ability to upgrade without downtime brings greater economies of scale to the exchange business*
- *Ability to disrupt the current exchange technology licensing model with innovative commercial structures*
 - *Pay per exchange*
 - *Pay per functionality set*
 - *Pay per trade*
 - *Pay per auction*
 - *Pay per member*
 - *Pay per connection*

Exchange as a service

*Cloud-
based*

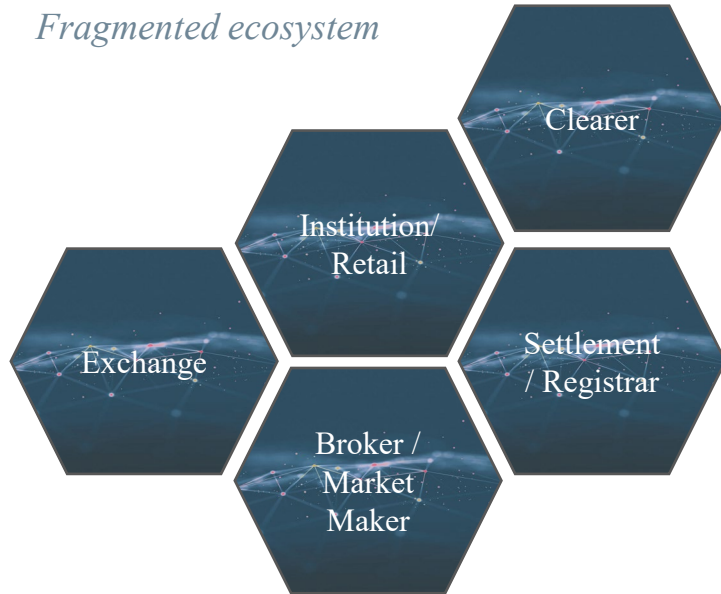
*24/7
No
downtime*

*Shared
multi-tenant
setup*

Considerations for the next generation stock exchange

Where we are today...

- *Fragmented ecosystem*



- *Historical vertically integrated structure has given way to a distributed ecosystem with multiple firms covering niche elements of the above*

What we need to solve for...

- *Major regulatory differences in multiple jurisdictions...*
 - *MiFID (EU)*
 - *Reg NMS (US)*
 - *CCP entities*
 - *Single vs. Multi-cloud*
 - *Classification of regulated instruments*
- *Clear trend in major jurisdictions towards competition resulting in:*
 - *Liquidity fragmentation*
 - *Execution quality (both in terms of price as well as other factors)*
 - *Consolidated tape/market data offerings*
 - *A "digital real-estate" revenue model of the exchange business*

The future of trading

The stock exchange industry today...

Data centres	×	High cost/ energy consumption
Spare capacity	×	High cost/ energy consumption
Disaster recovery	×	High-cost/ energy consumption
Staffing	×	High-cost
Fees	×	Co-location fees
	×	Market data fees
	×	Port fees
Post-Trade	×	Inefficient capital

The stock exchange industry of tomorrow...

✓	<i>Data centre locations provisioned on demand in the cloud</i>
✓	<i>Spare capacity spun up as required without downtime</i>
✓	<i>DR run in minimal form and created as required</i>
✓	<i>Multi-tenant environments and intelligent automation gains come from no-downtime 24/7 platforms</i>
✓	<i>The revenue model of regulated markets is unnecessary for the simplified model of the future with lower TCO</i>
✓	<i>Atomic settlement and T+0 solutions will make capital locked in the post-trade cycle more efficient, potentially via DLT</i>

Aquis paving the way

Multiple global, multi-asset class exchanges run from the cloud with a single exchange platform and team on a 24/7 basis

*Aquis leads the way in
exchange grade, low-
latency, cloud native
markets*

*Aquis leads the way in
exchange grade 24/7
markets*

Working on providing turnkey/multi-tenant solutions to address:

- *Reducing barriers to entry for smaller market adoption*
- *Simplifying the technology stack*
- *Allowing for continuously operating environments*

Size of the prize

Estimate of current
outsourced

~100

Exchanges outsourcing platform technology



Total Addressable
Market

~250

Primary and ATS/MTF based markets around the world



Non-financial/ non-
regulated firms

~5000+

Could use a lower TCO price-discovery and supply chain trading matching engine

Technology pipeline: larger than it has ever been with more growth to come

Competitive

*Winning business against
top tier opposition*

Credible

*National stock exchanges
and central banks as well
as start-ups*

Service-led

*Seen as a partner not a
vendor; senior team
involvement*

Innovative

*We pivot quickly and
effectively when needed*

Attractive pricing

*Ecosystem approach vs.
old style “DEC” pricing
structures*

Aquis now on the map as a serious player; disrupting both traditional legacy markets and other technology vendors



AQX
David Stevens

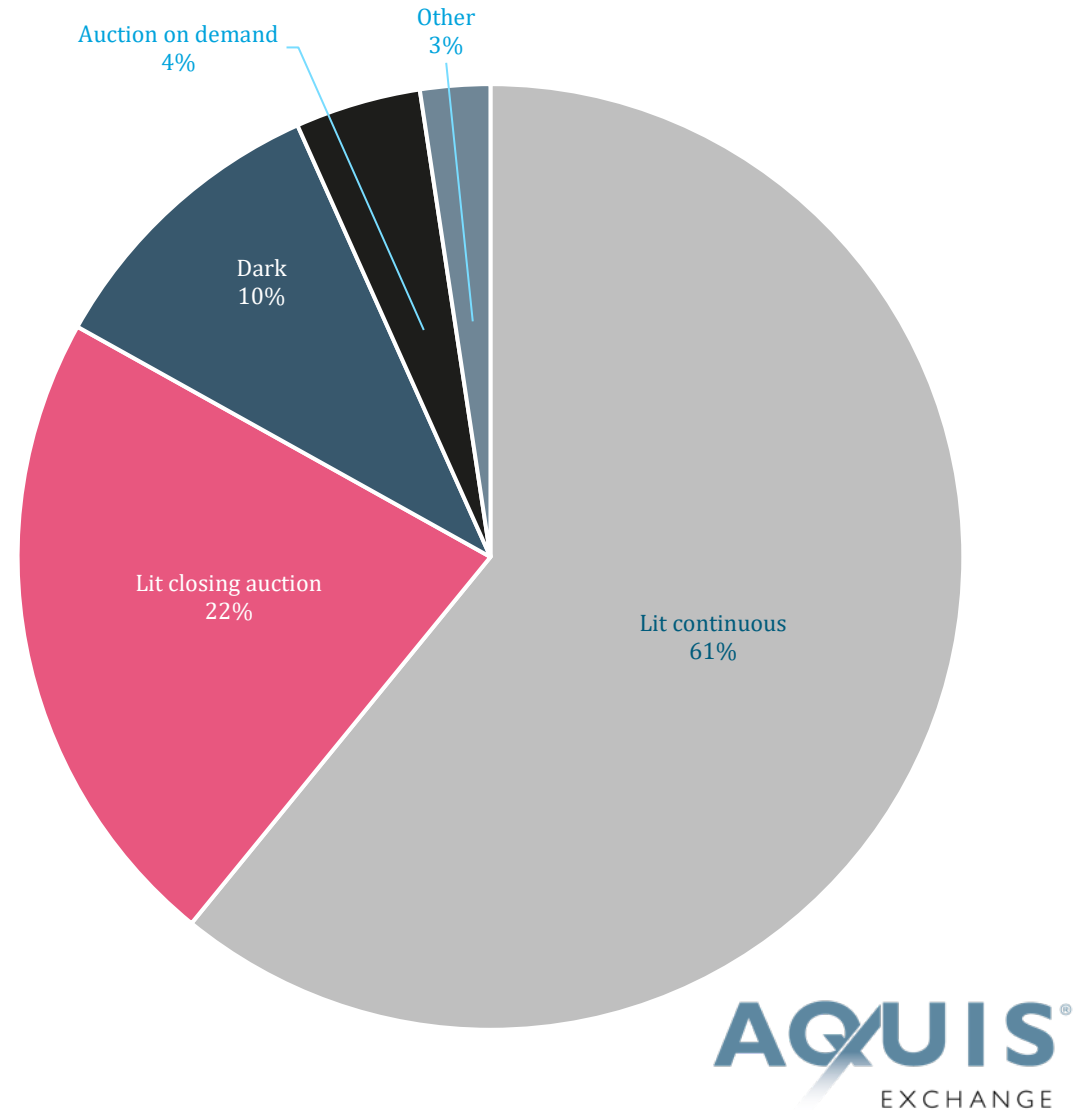
European equity markets

➤ Aquis has:

- Established market share in lit (7th largest)
- Largest alternative closing mechanism (MaC)
- Recently launched Auction on Demand (AoD)
- Successfully launched Aquis Dark (AMP)

➤ We expect:

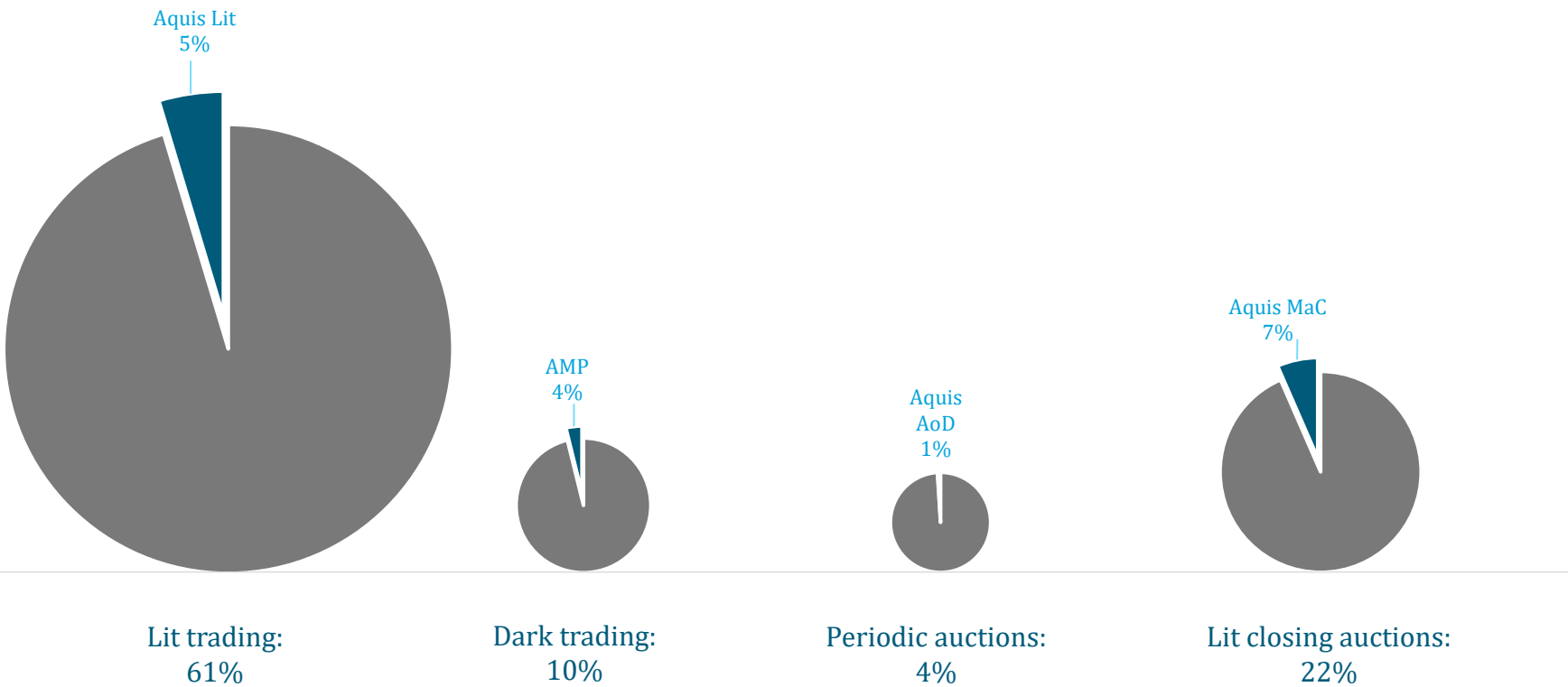
- A cyclical rebound in lit
- To grow number of MaC clients
- AMP and AOD can grow significantly



AQX at a glance



Diversification into fastest growing market segments



Data accurate as of October 2022

AQX in the lit book

Unique offering

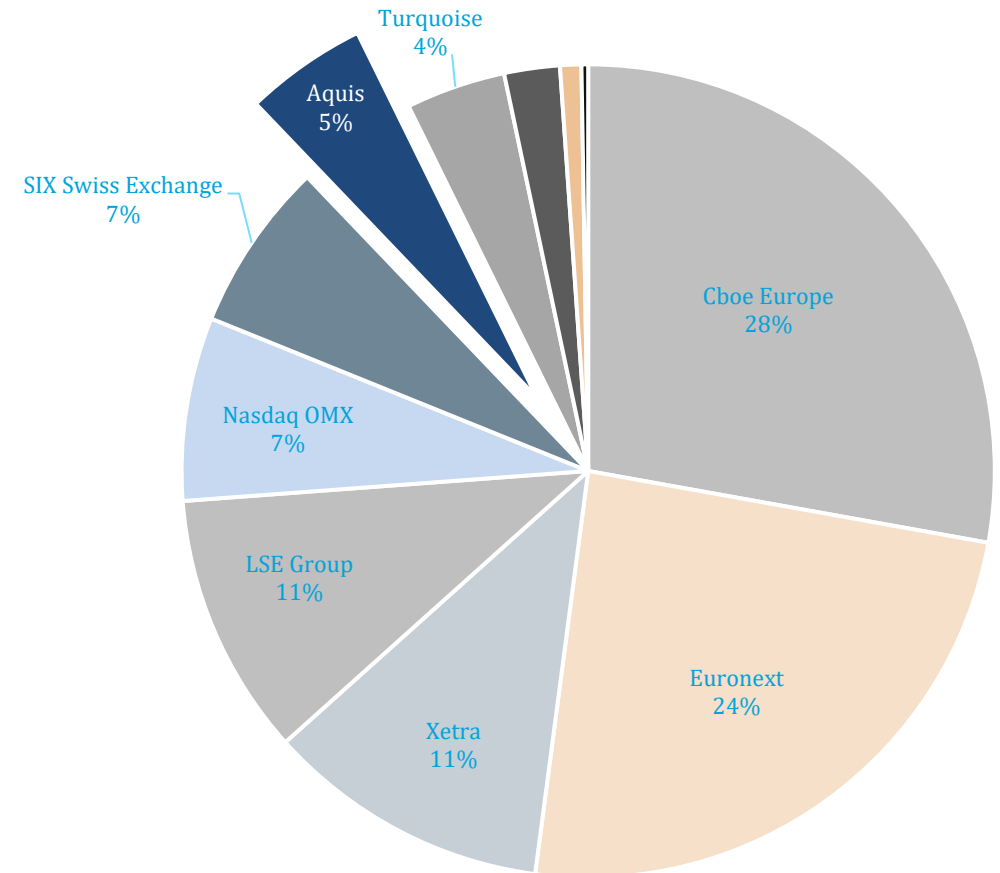
- *Subscription: fees with tiers*
- *Charged by messages, not value*
- *No non-client proprietary aggressive trading*
- *Low toxicity venue*

Current market conditions

- *Market share impacted by high volatility*
- *High frequency traders become dominant*

Expect cyclical recovery

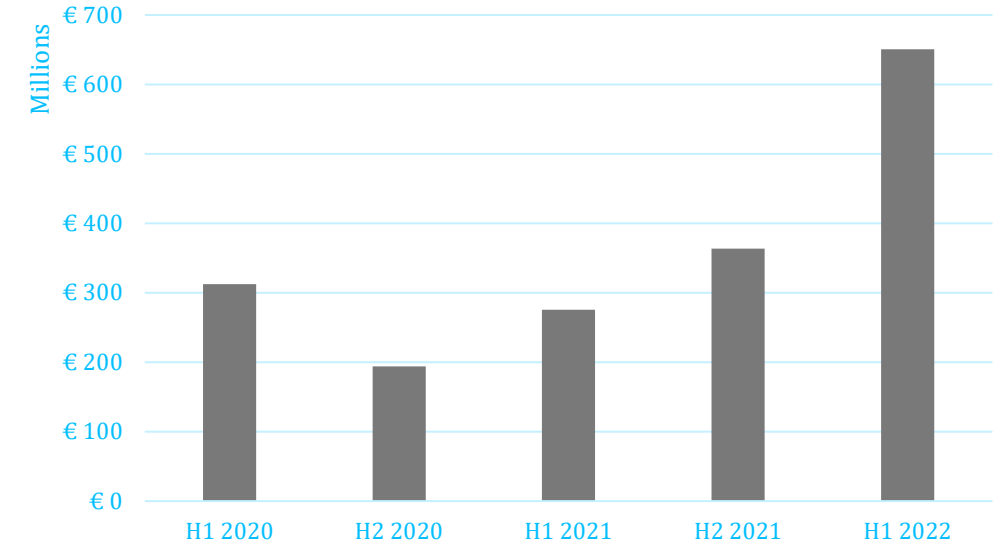
- *Volatility settles*
- *High frequency becomes less dominant*
- *Low toxicity becomes more valuable*



AQX closing auctions

Alternative closing auction offering significant client savings

- *Currently, closing auctions are dominated by primary exchanges*
 - *The status quo is expensive*
- *Aquis' MaC:*
 - *Brings competition to the close*
 - *Offers significant client savings*
- *The largest alternative closing mechanism in Europe*
 - *Number of clients increasing*



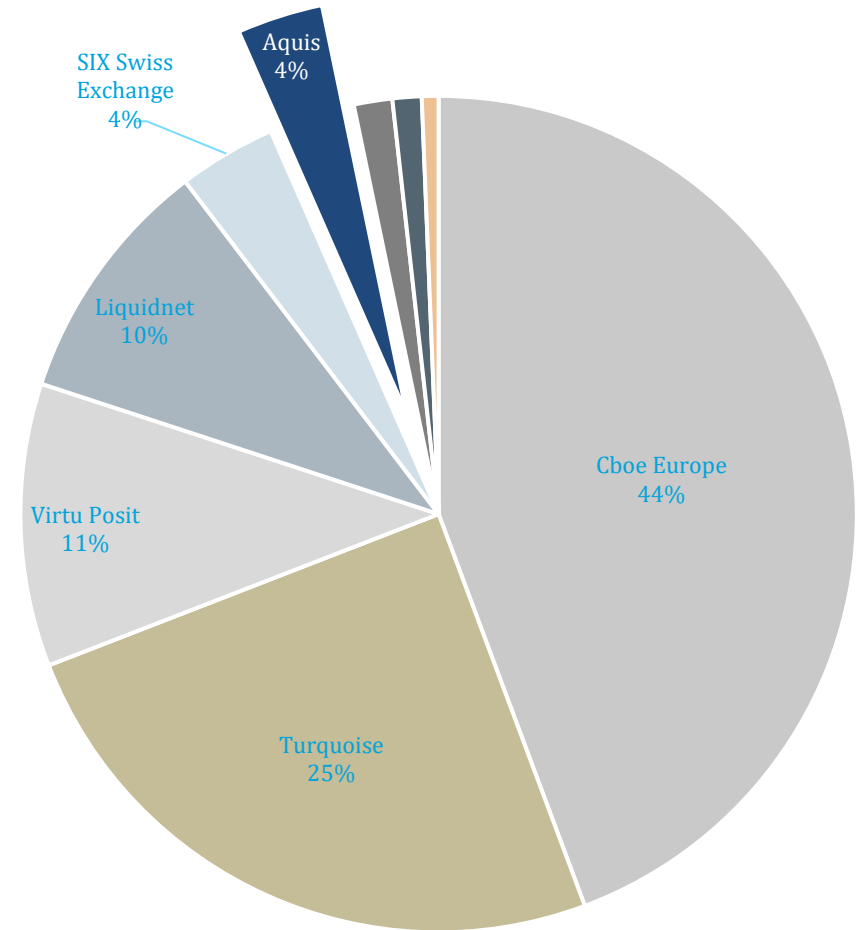
Aquis Matching Pool (AMP) – the Aquis dark pool trading initiative

Aquis in the dark

- *Assumed assets of UBS MTF in April 2022*
- *Transitioned on to Aquis technology in September 2022*
- *Maintained all clients and market share*

Future plans

- *Maintain pricing advantage*
- *Innovate order types and technology*



Size of the prize

European Equities Market Share – October 2022



Cboe Europe	26.59%
Euronext	22.94%
LSE Group	10.50%
Xetra	9.79%
Nasdaq OMX	7.10%
SIX Swiss Exchange	6.80%
Aquis	5.21%
Turquoise	4.92%
Bolsa de Madrid	2.22%
Virtu POSIT	1.18%
Liquidnet	1.03%
SIGMA X MTF	0.79%
Equiduct	0.58%
Wiener Borse	0.23%
Instinet Blockmatch	0.12%

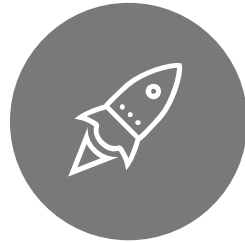


AQSE
David Stevens and
Philip Olm

The AQSE vision



*Home of growth
companies*



*Venue of choice for
companies looking
for £5m-£50m in
scale-up capital*



*300+ companies
quoted on AQSE*



*Material impact on
future revenues*

Aquis Stock Exchange (AQSE)

- ✓ *Recognised Investment Exchange (RIE), authorised to operate a “Stock Exchange”*
- ✓ *And an authorised “SME Growth Market”:*

Investors in companies admitted to trading on the SME Growth Market can benefit from SME tax reliefs (No stamp duty, IHT (business property) relief, CGT loss relief, SIPP, ISA and VCT/EIS eligible)

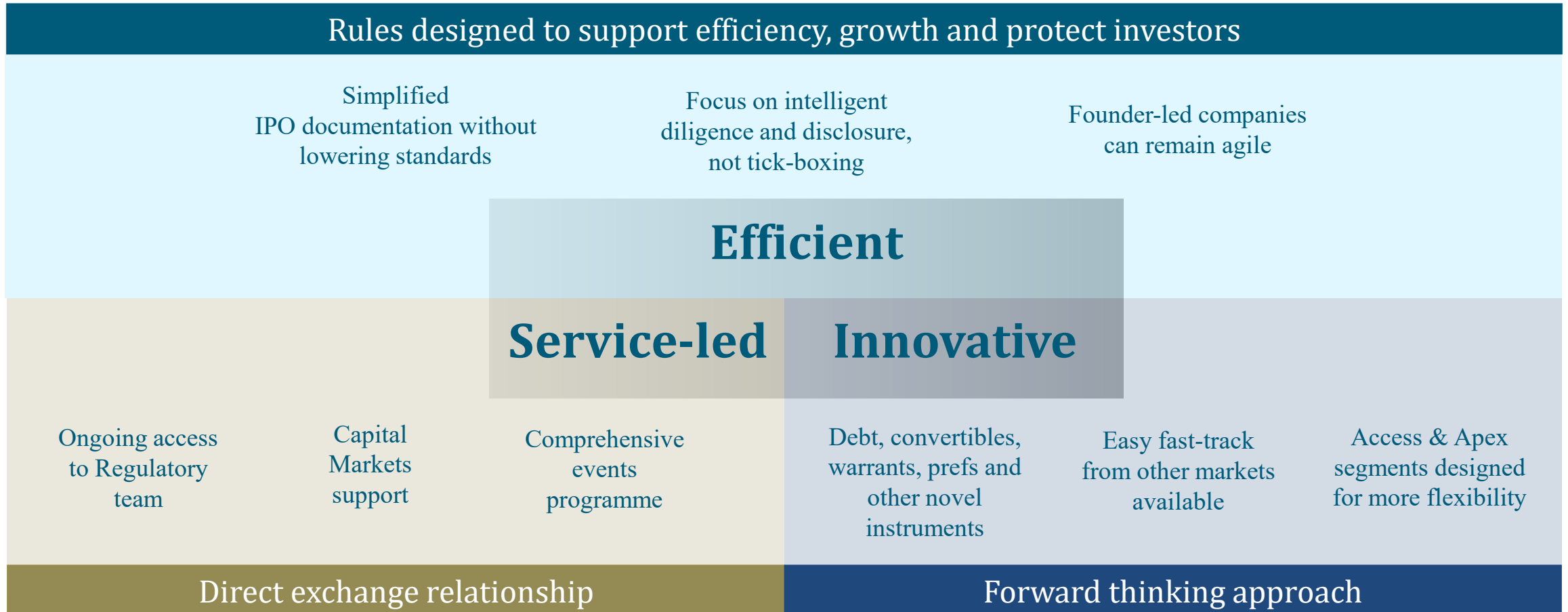
Access

For early stage companies without a trading history

Apex

For growth companies looking to scale-up

The AQSE USP



Laying the foundations



**Refined
regulatory
framework**



**Market data
parity**



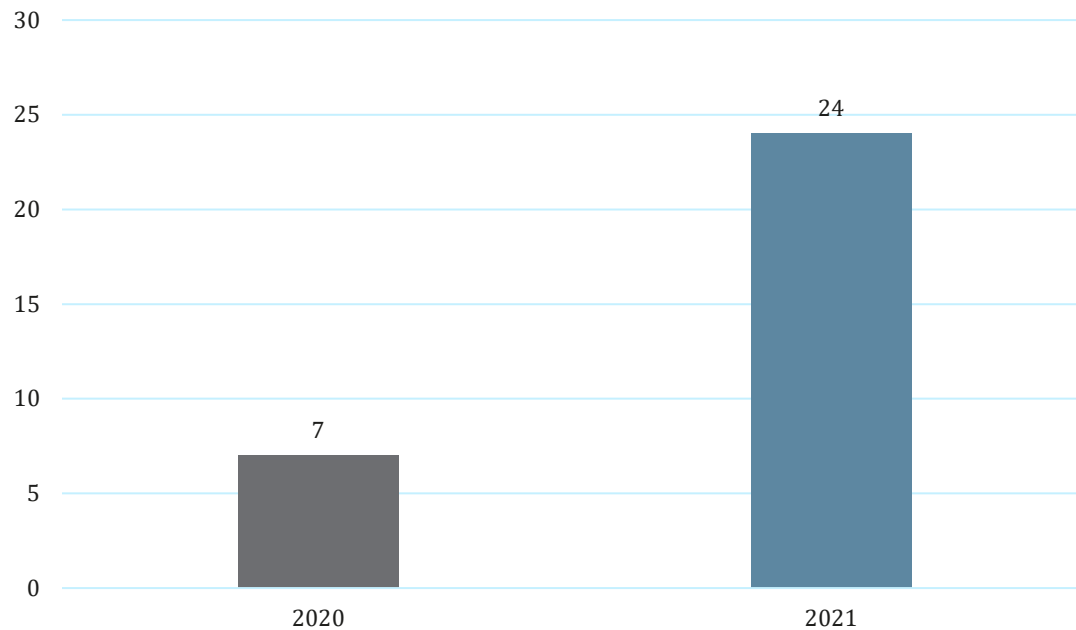
**Online
retail
brokers**



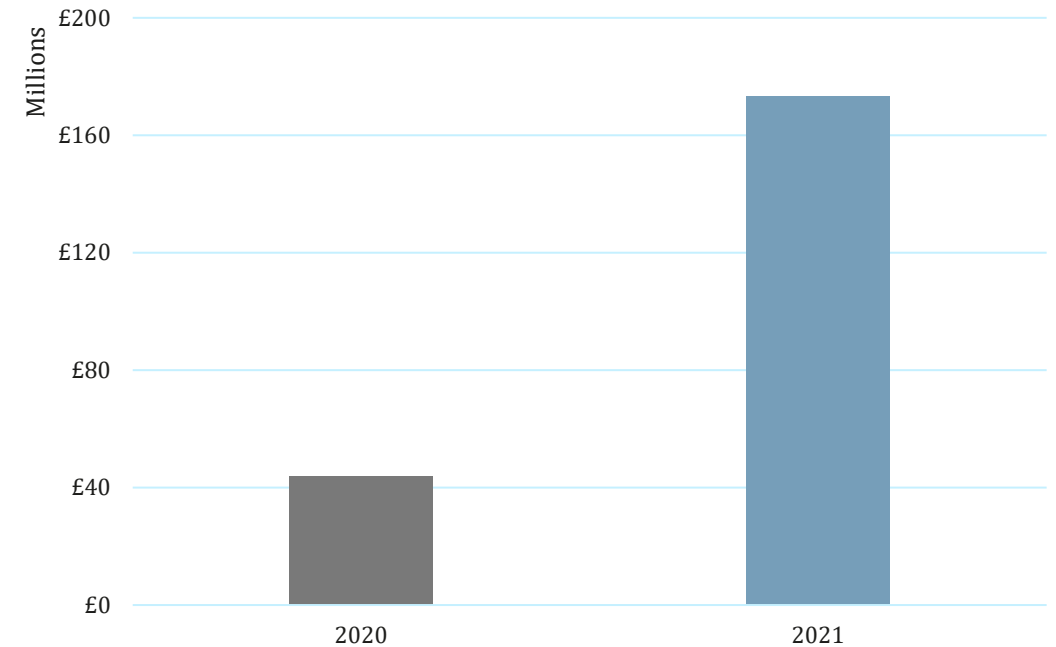
**Branding and
awareness**

Seeing the progress

Number of new issues



Fundraising capacity



52

Institutional investors, wealth managers & PCBs have invested in AQSE stocks

75

Institutional investors, wealth managers & PCBs supportive and willing to be introduced to AQSE stocks

AQSE: a next-generation stock exchange

- ✓ *Regulatory environment is shifting*
- ✓ *Now is the time for change*
- ✓ *We have the technology to challenge the status quo*

AQSE can:



Address the scale-up capital problem



Drive innovation through competitive tension



Provide a truly next generation stock exchange




Conclusion
Alasdair Haynes


Recent events have shown the power of markets

The New York Times


WITH INTEREST

The Week in Business: Liz Truss Concedes to the Markets

 Give this article  

 By **Marie Solis**

Oct. 23, 2022



Till Lauer

What's Up? (Oct. 16-22)

Uncertainty in Britain

Investors did not have a strong reaction on Thursday to [Liz Truss's announcement of her resignation](#) as British prime minister. The pound edged only slightly higher, and bond yields briefly fell, then reversed course. It was, perhaps, an anticlimactic conclusion to Ms. Truss's six weeks in office, which were marked by [big market swings](#) in response to her corporate tax cut proposals — plans she later reversed in the face of overwhelming backlash. But her exit

UK politics & policy [+ Add to myFT](#)

How the markets broke 'Trussonomics'

A visual journey through the collapse of Liz Truss's ill-fated economic project

Bloomberg UK
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Markets

'Markets Are Calling the Shots:' UK Traders React to Truss Exit

- Investors say the next leader has to win back market trust
- The energy crisis and inflation still weigh on British assets

Aquis is perfectly positioned as a major player in the markets of tomorrow



AQUIS EXCHANGE

High quality, low impact pan-European equities trading

*Top tier international stock
exchange*

AQUIS STOCK EXCHANGE

The home of growth companies

*The stock exchange venue for
growth companies to raise scale-
up capital*

AQUISTECHNOLOGIES

Modern, robust & adaptable

*The technology solution for
tomorrow's exchanges*

*A company built on strong foundations with a proven track record;
set for rapid growth across all three diverse yet synergistic divisions*