

hddlestock

Company Presentation

January 5, 2021



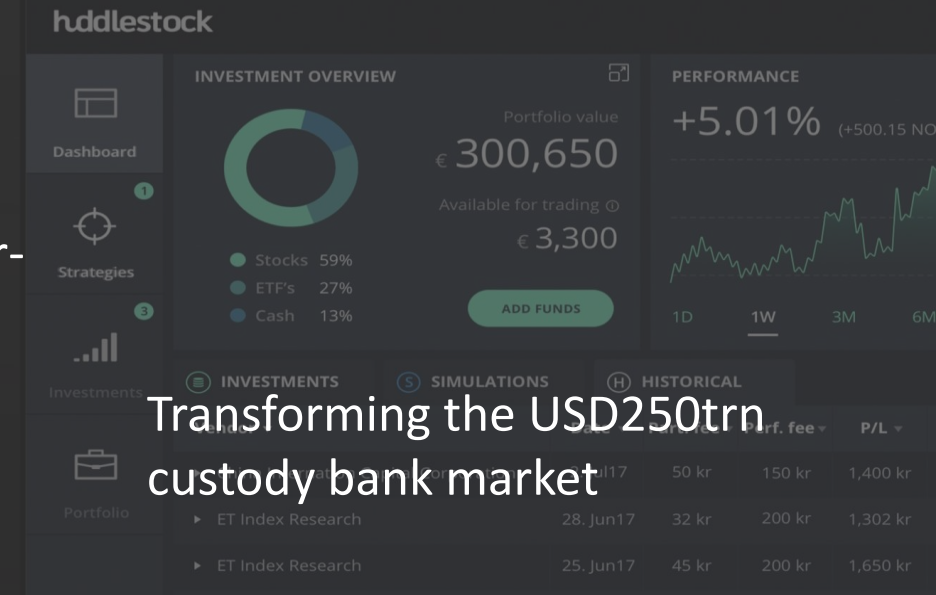
Customer validated technology



BNP PARIBAS

Scalable and with strong near-term profitability drivers

Transforming the USD250trn custody bank market



Company Summary



WORLD CLASS TECHNOLOGY

- **Huddlestock** offers access to cutting-edge technology, low pricing and geographic spread with unique “Saas” solution
- **Industrial validation from BNP Paribas**
- Huddlestock’s technology raises custody banks and retail trading venues’ competitive edge by enabling a **differentiated and real-time, open and data-centric platform** under lower costs and better operational efficiency



ATTRACTIVE MARKET

- The **custody market** is highly competitive with fierce price competition. Automation and standardization are key growth drivers. Consolidation is accelerating
- **FinTech is going to be a major force next decade** and WealthTech is at the leading edge of FinTech
- The **future of custody banking is open, data-centric platforms** Total CUM is USD250trn
- The **online brokerage market** is growing strongly



SCALABLE BUSINESS MODEL & VALUE CREATION

- **Scalable digital business model and supportive industry trends** in WealthTech make it well positioned for Fintech megatrend
- **Scalable digital business model** and soon entering self-financing profitable growth
- **Short path to profitability** - major revenue potential at marginal additional cost
- **Validated technology** and strong counterparties support solid pipeline of contracts in the future

Transformation accelerating in the USD250trn custody bank market



Changing value proposition

Traditionally custody banks - safe keepers of assets

Technology is now changing the value proposition in custody



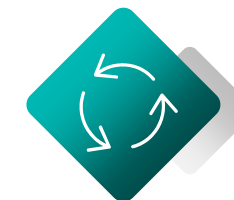
Technology driving transformation

Custody banks are transforming and becoming service providers - all in one place



Higher competition

Automation has led to **increased competition and concentration**



24/7 flexibility

Clients want real-time access to global trading venues, intelligent reporting, data servicing, compliance monitoring



Efficiency is key to success

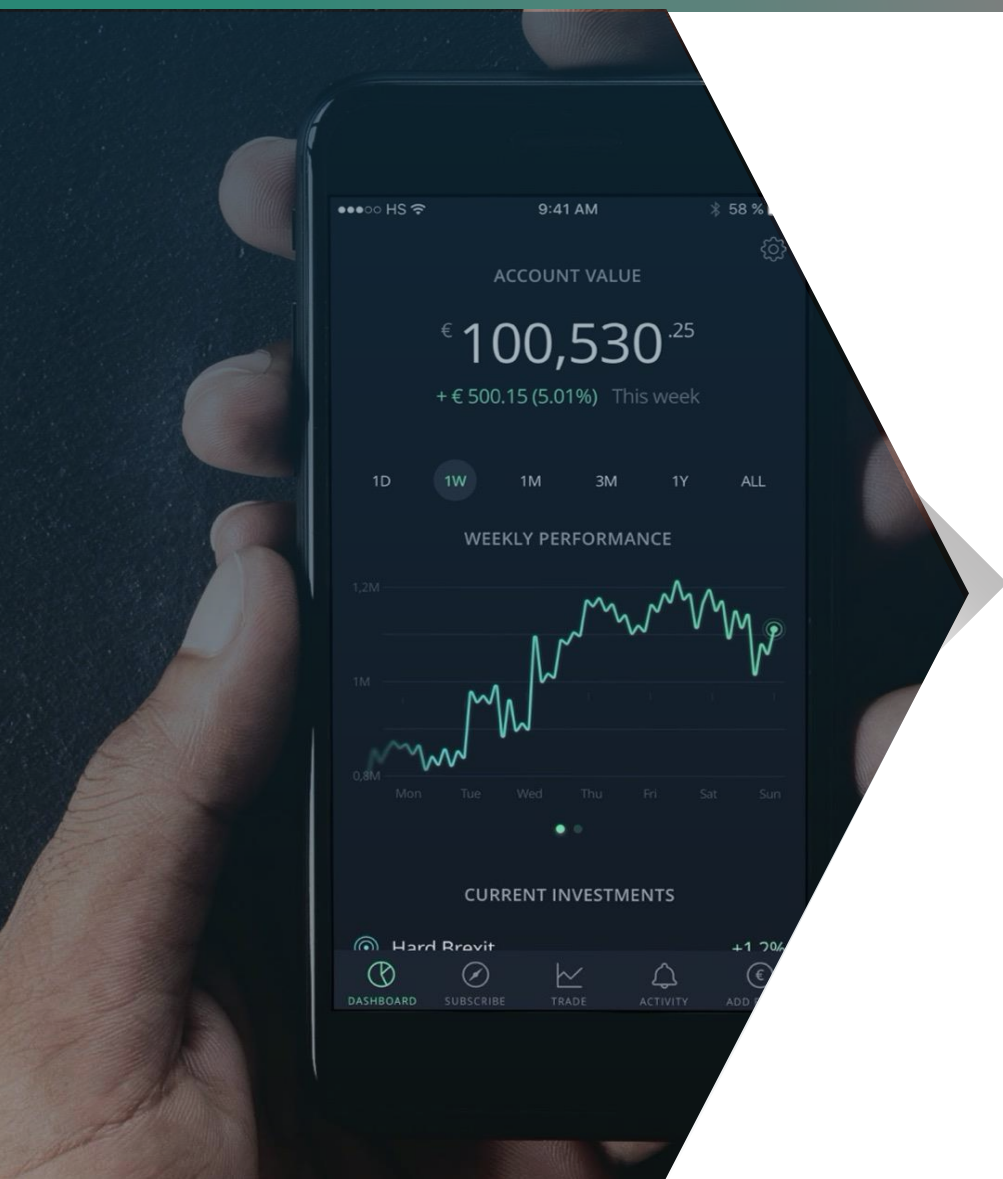
The **winners** in custody are focused on **delivering cost efficient platforms** and value-added services, grabbing a larger part of the revenue pie



Unique proposition by HUDL

Huddlestock - **uniquely positioned** with its technology solutions in this **niche market**

Market for Trading connectivity - growth is accelerating



Strong Growth in Trading

Investment in **securities trading** is a fast-growing **segment**



Technology

A highly competitive market where **technology and the right strategic partnerships** are the ultimate keys to success



Industry Changes

Covid-19 has “**forced digital learning**” and **accelerated** customer interactivity with banking and investment services



Competitive Edge

Access to global markets at **attractive prices** with BNP Paribas’ trading expertise



Many Advantages

Cheaper cost per trade
Wider range of markets & securities
Access to a deep liquidity pool
Faster technology enables real time settlement



Unique Position

Huddlestock - an attractive technology partner for new online entrants

Huddlestock for Custody Banks, Asset Managers, Trading providers

Solution I

Apex - Digital solution for Custody banks

- HUDL offers digital onboarding, client communication, reporting, order execution, portfolio management
- Our solution makes it possible for asset managers to **manage individual accounts at scale**
- No need to pool individual investors into a mutual fund to achieve economics of scale with HS' Qinfen platform



BNP PARIBAS

Solution II

Bedrock - Trading providers and asset management services via API hooks

- Connectivity for digital trading and asset management services through API hooks
- HUDL is the **technology middleware solution**, connecting future/aspiring online trading platforms to **BNP Paribas**
- BNP Paribas cannot act fast enough in this space; integration too difficult and too slow to do it directly

/ BAADER /

Revenue model by product line

Custody bank solution

1-2

Asset-based

- Huddlestock will receive fees from the custody bank solution depending on the volumes Asset Under Management (AUM) managed on the platform
- Total AUM in BNP's custody division is EUR 9.3trn
- Through BNP Germany, Huddlestock expects to add EUR20bn in AUM in 3-4 years
- Annual Recurring Revenues will grow steady based on AUM on the platform

Connectivity solution

4-6

Transaction-based

- Huddlestock will receive a certain agreed fee per transaction
- **Lower** customers' **acquisition costs** thanks to BNP and Baader Bank references
- Trading connectivity contracts have **major revenue potential at little additional cost**
- Baader Bank is the **leading German Liquidity provider** and will be a great partner for our Connectivity Solution
- Annual Recurring Revenue will be based on trading volume and client funds on accounts

Contracts so far – in line with guiding

Apex

Digital solution for Custody banks

BNP Paribas

- Digitalise the interaction between BNP Paribas' Custody division, Asset Managers and BNP's and the Asset Manager's clients through Qinfen
- The largest contract so far for the company by AUM wise – expected at €20 billion in 3-4 years
- Launch on January 14th, 2021

MHX Group (Malaysia)

- Joint venture which will offer the connectivity solution in the Malaysian market - digital wealth management solutions, technology and trading platforms
- Launch on March 1, 2021 (updated)

Baader Bank (Germany)

- Provide the bank's customers best-in-class, fast executions and low-cost trading
- Baader Bank launch in 1Q 2021

Letter of intent with large European bank

- Develop a software solution which will connect the bank and its clients to the BNP Paribas trading platform
- Develop systems for asset management, including algorithmic driven asset allocation, that are built around ESG
- Contract expected to be signed in January 2021
- Launch expected within 1H 2021

Bedrock

Connectivity Solution

Pipeline and outlook going forward

Several new potential clients are in advanced discussions and are expected to enter into signed partnership

1-2

Apex

For Custody banks

Huddlestock expects to sign *1-2 Custody bank solution contracts per year* going forward, at a slightly lower size than current BNP Paribas contract

Ongoing dialog with leading custody banks in several global regions

BNP Paribas is an important industry validation of the company's technology, at the same time it makes easier to attract new potential customers

4-6

Bedrock

Connectivity Solution

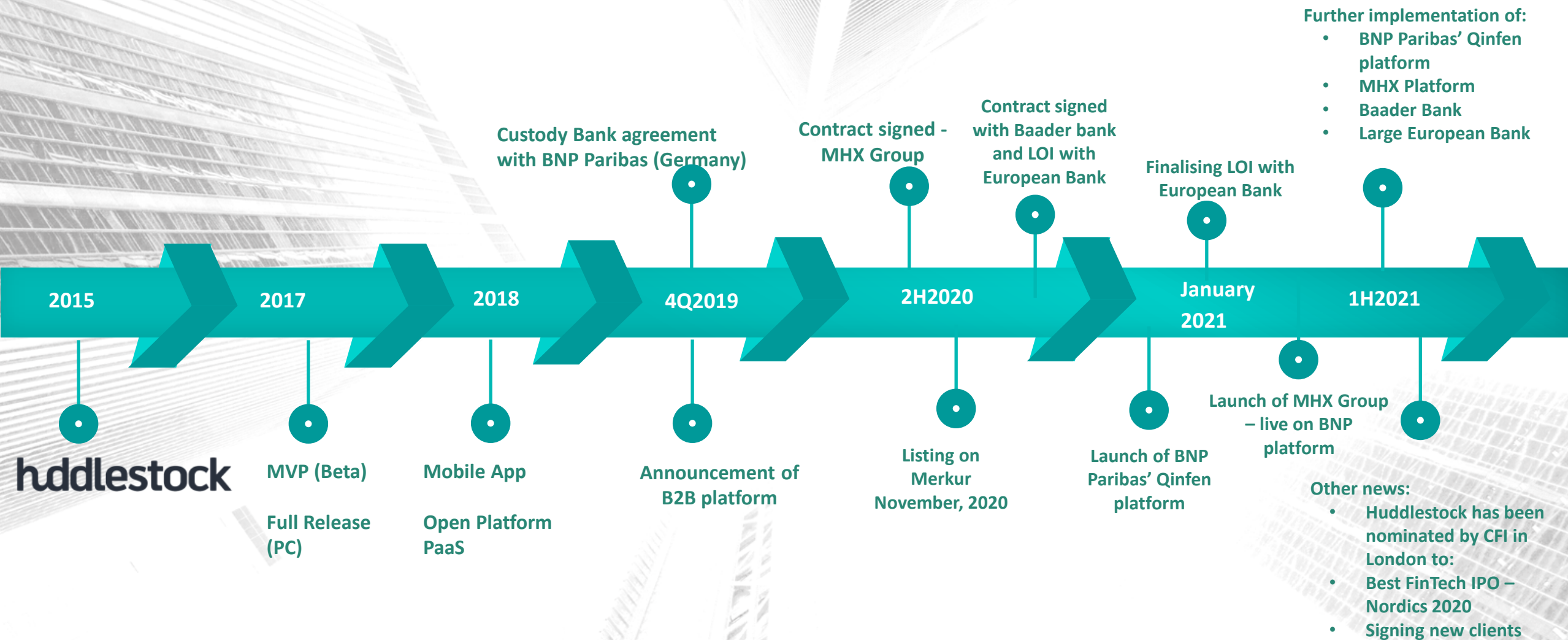
Expect to sign *4-6 connectivity contracts* per year going forward

Near-term goal is to sign more agreements with partners around the world

Strong reference clients with unique counterparties

Trading connectivity contracts have major revenue potential at little additional cost

Welcome to the new year - Huddlestock Roadmap



Summary: Three key Pillars

Proving to be investing and trading - what PayPal is for payments



World Class Technology

World-class Fintech with multiple awards and recognition in the industry

BNP Paribas – a key **industrial validation of our know-how** and technology for custody

BNP Paribas' **infrastructure is global** and allows Huddlestock to offer its solution to a broad base of clients



Contracts & Pipeline

Recurring order-book in the attractive Wealth Tech segment secures future cash flow

Strong pipeline potential in USD250trn global custody bank market

Short path to profitability - major revenue potential at marginal additional cost



Strong Shareholder Value Creation

FinTech is going to be a major force next decade and **WealthTech** is at the leading edge of **FinTech**

Scalable digital business model and soon entering self-financing profitable growth

Potential M&A activity – strong technology position makes the company an attractive target for banks and cash-rich Fin Tech companies



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huddlestock



WINNER
Best Fintech Startup
NORDIC STARTUP AWARDS
2019



FINALIST
2019
**Global
Startup
Awards**

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