

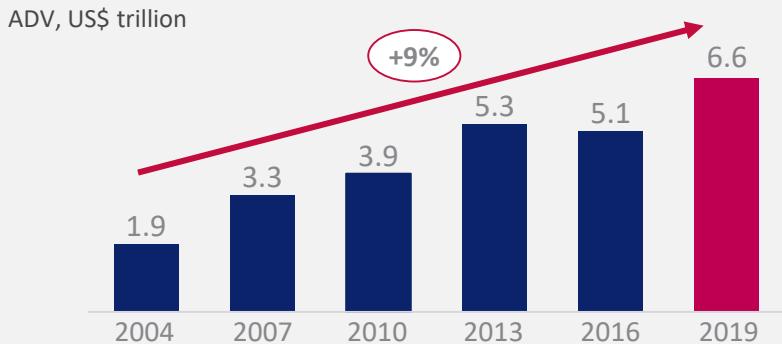
Acquisition of MaxxTrader

23 July 2021

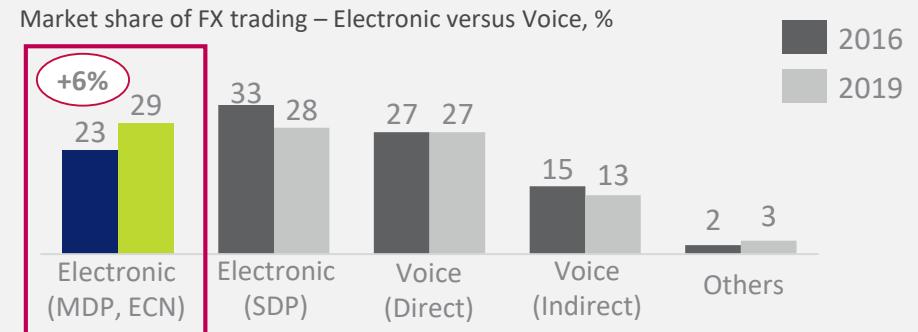
Singapore Exchange

SGX is well-positioned to capture opportunities in FX

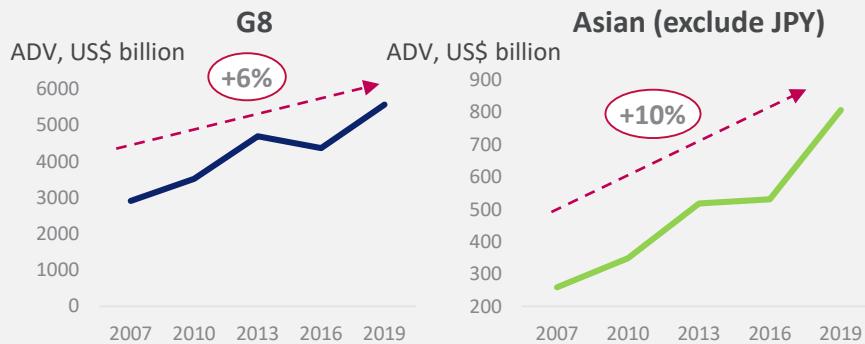
Global OTC FX is fast growing and sizeable market



29% of Global FX market at \$1.8 trillion addressable for FX market infrastructures



Asian FX growing much faster Vs G8 currencies



Singapore is a leading Asian FX Hub

Major FX players to set up FX infrastructure in Singapore – 14 leading Financial Institutions participated till date

Singapore's ranking as a FX Hub

1st
in APAC

3rd
Globally

SGX's vision is to bring together three distinct FX opportunities

FX Futures

SGX is largest and most liquid FX derivatives exchange in Asia



Marketplace

Connecting ALL investors to trade FX Futures & Options based on best available bid-ask quotes from multiple participants

Anonymous ALL TO ALL

Addressable Market
ADV: US\$160 billion

OTC FX

Pivot to OTC FX with **Multi-Dealer Platforms and FX Pricing and Risk Engine** – BidFX and MaxxTrader



Workflow Solution

Connecting buy-side to many sell-side for trading OTC FX on a 'disclosed' basis

Disclosed Dealer to Dealer to Client

Addressable Market
ADV: US\$850 billion

Set up a primary OTC FX **Electronic Communication Network** anchored in Singapore

Launching Soon

Marketplace

Connecting ALL Institutional firms to trade OTC FX based on best available bid-ask quotes from multiple market participants

Anonymous ALL TO ALL

Addressable Market
ADV: US\$1 trillion

Build an Integrated FX Offering combining FX Futures and OTC FX offering

SGX expands reach into FX OTC with MaxxTrader

US\$125 million acquisition of MaxxTrader further strengthens FX as a core pillar of growth under SGX's multi-asset strategy



Leading provider of FX pricing and risk solutions for sell-side institutions, and a multi-dealer platform for buy-side clients



Global client and dealer franchisee – over 100 global and regional banks, broker-dealers and hedge funds currently connected to its platform



Incorporated in Singapore in 2008, with >75 employees in Singapore, India, US, UK, Hong Kong and Japan



Positive momentum with average daily volume (ADV) of over US\$17 billion (Jan-Jun 2021)

SGX will be Asia's leading FX market infrastructure for FX Futures and OTC FX

Combining our footprint, client base and expertise to achieve scale and size

1 ADV of combined FX franchise will be **> US\$75 billion¹**

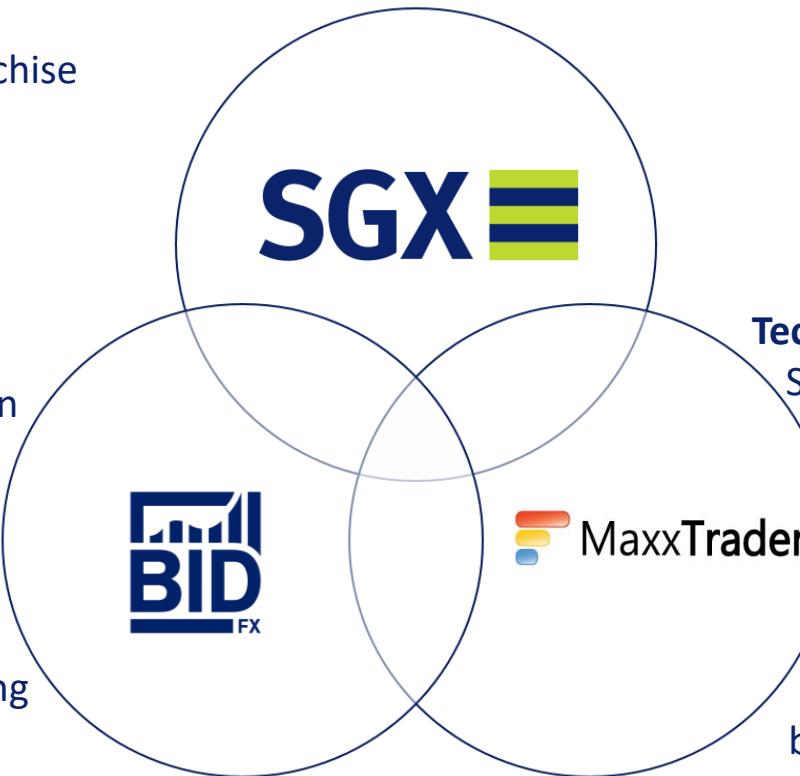
2 Combined FX team of **~180 employees** across US, UK, Singapore, India, HK, Tokyo, Australia, Milan and Geneva

3 Broadens client base to **>200 Institutional clients** (including dealers) covering the **full spectrum of buy-side and sell-side**

4 Leveraging **MaxxTrader's technology** to set up ECN/FX marketplace

5 **Tech / R&D capability** in Singapore and India to drive **product development**

6 **Synergies** across **product portfolios** benefitting client base



FX is a core, fast-growing pillar in SGX's multi-asset strategy



Acquisition advances SGX's global ambition to offer end-to-end FX platform and solutions



Accelerates SGX's plan to build an integrated FX ecosystem and scalable platform that facilitates global access to OTC and FX futures



Paves the way for SGX to become Asia's largest one-stop venue for international FX OTC and futures participants

Summary of Acquisition

Transaction Structure

- SGX to acquire 100% of MaxxTrader for an upfront cash consideration of US\$125M, including working capital
- Additional performance-based earn-out of up to US\$35M¹
- Further equity or loan injection of US\$5M for general corporate purpose and net working capital
- Transaction is expected to complete by December 2021

Financing

- Funding will be from external borrowings

Financial Performance

- Transaction is in line with SGX's acquisition considerations and principles
- Acquisition was at ~8.3x CY2020 revenue
- Revenue CAGR (CY2015-2020) of ~14-15%, with higher growth expected
- ADV expected to grow at CAGR of >25% in the medium-term
- Adjusted EPS accretive from Year one²



Thank You!

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