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29 November 2024

**Australian Bond Exchange Holdings Limited
2024 Annual General Meeting
CEO's Address and Presentation**

Australian Bond Exchange Holdings Limited (ASX: ABE) ("Australian Bond Exchange" or "ABE" or "the Company") is pleased to present a copy of the CEO's address and presentation which was delivered to shareholders at today's annual general meeting.

Authorised by the Board

Vicki Grey
Company Secretary

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About Australian Bond Exchange Holdings

Australian Bond Exchange Holdings (ASX: ABE) is an Australian financial services company that uses its proprietary technology to provide Australian Investors with direct access to the best of the fixed income asset class in Australia and internationally.

ABE's access and proprietary technology allows "access for all" in a transparent and efficient way. Transparent trading allows investors, brokers and advisers to deliver highly demanded fixed income asset class product to end clients.

This is coupled with an advanced AI driven Product Governance model, which allows greater investor protections, providing a new over the counter venue for private investors, financial advisers, and investment professionals to access the global financial markets.

ABE is eliminating barriers to entry to the bond market, providing access, efficiency, lower cost and transparency.



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29 November 2024

CEO ADDRESS: BRADLEY MCCOSKER

Thank you, Anthony,

Good morning, ladies and gentlemen, fellow shareholders, and guests,

It is my pleasure to welcome you to the Annual General Meeting of the Australian Bond Exchange.

I would like to start by thanking each of you for your trust and investment in our company. It is your confidence in our vision that enables us to strive toward our goals and serve the growing needs of the financial markets in Australia and beyond.

Remembering who we are

It has now been our second full year as a listed entity and it's timely to remind ourselves of what is our mission and purpose for creating the Australian Bond Exchange.

The original intent, and still the focus of the company and its staff today, is to provide equal access to financial products and markets for all investors.

We continue to develop our technology and strengthen our relationships to remove barriers to entry that have limited investor access to global financial markets and therefore have prevented them from achieving better investment outcomes.

As of today, we offer a range of attractive financial products to investors and we provide user friendly, efficient and transparent means in which to make those financial transactions.

Looking back over the life of the company

We started operations in 2017 with a small amount of capital. And now we are a major participant in providing direct access to the OTC bond market for its broad network of clients located across the globe, not just in Australia.

Since inception we have placed over \$6.2 billion in Primary bond issuance and we have executed over \$14 million in average daily volume. For the 2024 financial year, it was somewhere around the \$31 million per day mark.

We have covered over 700 securities on our watch. We have created 17 Market Linked Securities specifically designed for the benefit of Australian investors.

We have connected with about 50 wholesale institutions globally. All of significant size and we have about 2,800 private clients who deal with us directly.

Our technology programme was very early in adopting artificial intelligence technologies in our programming stack.

This has led to significant advances in corporate credit analytics and also in compliance automation.

The AI development, of course, is in addition to our transaction technology, which has seen us be involved with the Reserve Bank of Australia with its central bank digital currency trials and also our leading position in the SWIFT ISO20022 Settlement protocols.

Since inception our transaction volumes have achieved a compound average growth rate of 81%, while our revenue has achieved a compound average growth rate of 55% per annum.

In order to achieve what we've done over the life of the company, we have had to solve 4 main problems, each of which required many small pieces of a puzzle to put together in order to achieve the success.

It certainly was not one quick fix and everything would work out fine.

Identify Popular Products

Like any startup venture, we had to ensure that people would buy our products.

In order to identify popular products, we ensured that we always listened to our investor client base and to the broking and financial advisor affiliates that we have, to obtain feedback on what people were seeking.

The result of which is that we now are able to structure product specific to the needs of investors.

For instance, we have the ability to choose virtually any bond in the world and convert the cash flows of that bond back into Australian dollars for Australian investors.

This has proved popular because it means that investors can achieve a credit exposure to large multinational companies that they would otherwise not have access to and not have to take on the accompanying foreign exchange exposure, which often is more volatile than the annual return of the bond itself.

Ensure Investor Protection – Artificial Intelligence protecting investors

With regards to investor protections, we took the view that it is one thing to provide investors with access to a market, but there is also the need to ensure that investors have some protection that goes alongside that access.

To that end, we created a set of quotation rules based on credit risk and investor appropriateness for every single security that we provide access for our clients.

In order to efficiently achieve this across the global financial markets, we identified the need and developed an artificial intelligence credit analysis tool that is now extremely accurate and returns the results in seconds.

This is a massive efficiency gain over the traditional methods of credit analysis.

Source Liquidity – originally building relationships for private clients, now is own business

Further to identifying what products investors are looking for and ensuring that there are investor protections, there is also the need to be able to source those products at an attractive price.

As we already had existing relationships with many counterparties across the globe in financial markets, we were able to leverage off those relationships to ensure that we had a good access to securities and also, we could achieve attractive pricing on par with the large multinational financial companies.

By leveraging those relationships, we are now a major participant in the institutional over-the-counter market in Australia.

Reduce Transaction Costs

In addition to achieving a good price for investors it is also important to ensure that you can create a transaction and settlement process that remains profitable at smaller trade sizes.

To that end, we developed a fast and efficient transaction and custodial management system that leverages off the latest banking messaging, database and ledger technologies to ensure investor access and peace of mind.

This of course is consistent with our objective of ensuring that even the smallest investor should have access to the over-the-counter market.

Market Environment

Well, it has certainly been an interesting journey since we commenced operations at the Australian Bond Exchange.

Since commencement, we have experienced:

- a one in a 100-year pandemic that saw
- a reduction in interest rates - the very thing we're selling - to 0 per cent,
- thousands of pages of regulatory changes and
- technology advances never experienced by humanity before.

The effects of COVID were significant to the short-term growth of our business.

It prevented many affiliate partners from making a decision until there was certainly around COVID outcomes.

Also, the product of fixed income became a very difficult proposition to sell when interest rates went to zero.

As a company and as a team, we adapted and overcame the virtually impossible and ultimately produced additional products to the market that are one of the most attractive propositions we have right now.

Looking forward, we've seen the Australian official cash rate come off its historic lows and actually go higher than where it was when we commenced operations.

Inflation dropped significantly during COVID, then jumped to 30-year highs before starting to settle down now.

Importantly, the 10-year government bond yield has gone from living memory lows to now be higher than when we started as a company. This, of course, is a positive forward-looking indicator for fixed income investors.

Demand and Supply Metrics

Bond Demand

In addition to the economic and industry trends, obviously it is important to consider the demand and supply metrics in the industry that we are working in.

Looking simply at the Australian private investor market, it is notable that total investable assets of Australian self-managed superannuation funds surpassed \$950 billion during the year.

Only about 1.2% of SMSF assets and about 13.3% of all retirement assets are held in fixed income instruments.

Australians aged 60 years old or older account for approximately 55% of superannuation assets.

This capital is likely to shift to more secure and less volatile assets with a good risk return profile, underpinning the rebalancing from equities towards bonds.

Each 1% step change in SMSF bond holdings, i.e. from 1.2% to 2.2% translates into \$9.57 billion of additional retail bond purchases.

If we look at the OECD average of 37% allocation to fixed income though, a total increase from the 1.2% to 37.3% allocation of bonds or \$357 billion by SMSFs to be in line with the OECD average would translate into \$345 billion in additional bond purchases by SMSFs.

Outside of SMSF's, Australians have substantial additional investable funds in the form of over \$3 billion in deposits earning close to no interest income. The average at call rate across the retail banks is only 2.8% to Australian households.

With interest rates normalising in Australia combined with an ageing population I believe ABE is in the right place at the right time to take advantage of the macroeconomic shift.

COVID may have slowed us down but it certainly did not change the fundamental demand dynamics that underpins the original idea of the company.

Bond Supply

ABE predominately operates in the over-the-counter bond market where corporations and banks are the main issuers, and where yields are superior to government bonds and term deposits, and therefore are attractive to private investors

Minimum wholesale market trade sizes are generally \$500,000 while face values are often as low as \$1,000.

A lack of transparent pricing with multiple layers of intermediaries taking trading margins, combine in practice to create a barrier to entry to the bond market.

As ABE has deep relationships in the wholesale market and the ability to provide the smaller trade sizes needed for small investors, it is well positioned to act as a bridge between both worlds.

ABE has also developed a strong market linked product program whereby we structure products based on investor preferences utilising our global markets relationships and trading strength.

ABE's team have well established expertise in bespoke product creation. As investor appetite becomes more sophisticated, ABE can easily expand the product offering across multiple asset classes.

With a strong institutional network globally, ABE is now a centralised hub for regional investors with circa AUD\$7.93 billion in primary and secondary transactions in FY 2024 making ABE a dominant player in the wholesale market.

Given we have identified the size of the Australian investment market right now, we can now look at the total addressable market for our products and services.

The rotation of SMSF's from other financial products into fixed income would lead to a revenue stream of \$327 million annually.

Further, if personal assets rotated from term deposits and at call accounts with the banks, there would be another billion dollars in revenue annually available to fixed income service participants.

Additionally, there is of course the market share already available in the institutional space, which is already highly competitive, but which we seem to be gaining market share offshore simply because of our experience, knowledge, service and relationships.

The revenue opportunities are many.

From advisory right through to the traditional bit off a spread of liquidity provider in the OTC market, but also because of the hybrid model that the Australian Bond Exchange has, we can also generate multiple income streams across exchange style fee structures.

This includes transaction data, admission fees, clearing and settlement style fees. Also, custody and registry fees that leverage off our settlement technology.

There are also use cases to monetise directly and indirectly the application of artificial intelligence technology. This includes across the credit space, the compliance area and also the settlement technology that we already have built.

These potential revenue streams are more than just theoretical.

ABE has already proven itself to be an innovator in the product space with the issuance of multiple products in many millions of dollars.

Our settlement technology has already been recognised in the industry.

None more obvious was the invitation by the Reserve Bank to be a participant in their central bank digital currency trials in Australia.

This was an important step both of the company but also for Australia to experiment with the possibility of moving to a cashless society.

It was also an important programme of work in which we could determine and experiment with the messaging code structure for business and investment purposes.

Long before artificial intelligence became the buzzword, the Australian Bond Exchange had developed multiple applications using Artificial Intelligence code structures.

In conjunction with leading academics from UC Berkeley in California and Bond University in Australia we have been able to ensure extreme efficiency and cost-effective methods to provide scalable, repeatable, profitable support for a growing business in a global landscape.

Reflecting on the Year Gone By

The past year has been one of dynamic shifts and significant progress. The global financial landscape has continued to evolve rapidly, presenting both challenges and opportunities.

Amid this volatility, ABE has remained steadfast in its mission to democratise fixed-income investment opportunities and provide unparalleled access to the bond market.

As we previously signalled to the market, during the year, we went through a period of streamlining within the business. This required us to make some difficult decisions and corresponding difficult actions.

This activity could be broadly broken down into 4 work streams.

Firstly, we delayed the organisation.

We thinned out the top layer of management and the higher paid staff who were underperforming.

The result of which going forward was a cost reduction of the non-income producing activities. It also has resulted in the decision-making process, both at an on the ground level but also in management, being quicker and more effective.

Secondly, we performed a work redesign.

This meant we reengineered the tasks and activities to improve productivity. The result of which is staff requirements have shrunk because of some of that automation. However, it also required a need for a different skill set, and therefore a different type of employee.

Thirdly, we commenced the verticalization process.

This was a restructure of the organisation to offer products and services to cater to the specific requirements of the industry we service.

This was to achieve optimal efficiency for growth which was being hindered by the model we previously had.

The result of this activity means that ABE is now able to meet the demand of different client types in different geographical areas, supported by the same underlying infrastructure.

We also undertook a systematic change.

This is more of a creation of a long-term approach that shifts the mindset, behaviours and expectations of ABE staff with the aim of the individual's contribution to the team.

The result of this is already seen an increase in the performance capabilities of each individual and also collectively as a group as a whole.

The outcomes of what has been quite a difficult year are certainly a higher commitment in the company by the staff.

A higher productivity level by everyone in the organisation.

A corporate ideology based on progressive decision making by all staff. We are already we're seeing that.

Revenue generation is now better equipped to have a bottom-line impact where previously we were not seeing the revenue hitting the bottom line with the positive impact we were expecting.

I will now introduce you to Phillip Kaufman our Financial Controller to discuss the financial highlights for the year.

During the year ABE undertook a significant initiative to streamline its operations. However, with any transformation, this process came with associated one-off costs and a temporary shift in focus. This is reflective of the increased loss reported this year.

Revenue

Revenues were down 12.5% YoY, still above \$4 million, and was impacted by unfavourable market conditions during the latter part of the financial year, and by the inevitable disruption caused by the streamlining of the business

Whilst fluctuations in revenue are expected in the financial markets that we operate, and especially during a period of transformation, our goal is to build a more predictable and stable growth trajectory.

During the period ABE introduced an additional revenue stream of Corporate Advisory, reflecting the growth of the business and the expertise that ABE has in the credit markets. This will hopefully reduce the volatility of earnings over the longer term.

Costs

Total costs increased marginally by less than 1% YoY (to \$10.4m.)

The total cost base for FY24 included one-off costs associated with the streamlining of our business as well as the write-down and impairment of our software, both which are not expected to be repeated.

We also significantly reduced our headcount during the year, where we exited employees who were not contributing to the growth and profitability of the Company.

The leaner business that has resulted from these actions is a better result for shareholders.

We remain confident in the fundamentals of our business model and the steps we are taking to align expenses with revenue.

Balance Sheet Review

Our net asset position, predominantly in the form of cash, has trended downwards over the past 3 years which is to be expected.

The cash has been used to invest in the growth of the company, as can be seen by the upward trend in the number of active clients (there was an 11% increase YoY), as well as to fund the development of our in-house technology.

We are often presented with offers of capital in various forms, and while we recognise the potential benefits of such offers, we have carefully assessed that, given the current share price, this would be a very costly option for the company and shareholders.

To this end during the year ABE secured funding through the issuance of unsecured convertible notes in tranches.

The funds raised through the convertible notes are directed towards strengthening our liquidity position which includes supporting the funding of our trading activities, the development of our bond and credit fund offerings, and enhancing the overall working capital of the Group.

The Convertible Notes demonstrates the strong support of ABE and represents a flexible funding instrument for the company.

As was the case last year, we will again be asking our shareholders to approve the issuance of convertible notes of up to \$10 million.

We are committed to managing our balance sheet in a way that maintains a stable financial position at all times.

This requires a careful balancing act: we must ensure that we have adequate liquidity to fund our operations and strategic initiatives, without diluting shareholders unnecessarily.

We recognise the importance of raising capital efficiently and will carefully assess each opportunity as it arises.

I will hand the meeting back to Bradley to discuss the strategic priorities.

Thank you, Phillip.

Now that we have gone through the programme of streamlining the business, we are now focused on returning the business back to its mission.

The primary Strategic Priorities can be placed into four broad categories.

We are still focussed on providing equal access for all investors to the financial markets. This can be actioned in multiple ways, through a number of means, and these are a focus of the team right now.

We also will continue to innovate and create value through product and support innovation to drive the business proposition further. This will build on the foundations we have created over the last seven years. In addition, we will keep an eye on revenue opportunities as they arise as a byproduct of the innovation that we create.

Given we have extremely efficient transactions that provide us with a sustainable competitive advantage, we're also focused on capitalising on using that as we gain distribution.

Another priority for us is control.

Of course, growth is still necessary for a small company like ours but that growth needs to be tempered with the necessary mindfulness that additional revenue needs to flow through to the bottom line.

I do get asked from time to time about the correlation between. Transaction technologies such as the CBDC trial and selling bonds to retail clients.

I thought I would take the opportunity today to at least highlight the opportunity that is available in the financial markets right now in this space.

We were of course a part of the CBDC trial with the RBA and that gave us a lot to work with.

Publicly, the RBA has stated from its own estimates resulting from what was learnt in the CBDC trial that hypothetical cost savings in the Australian financial markets alone are in the range of \$1 to \$4 billion per year.

A second set of hypothetical estimates by the RBA suggest that savings of up to \$13billion per year could be available to issuers in the Australian capital markets.

As a participant in those markets who already are advanced in transaction technologies, it makes sense for us to continue to be involved.

I'll also touch on the other strategic activity that I've spoken about previously. This, of course, is the Credit Artificial Intelligent Tool, or CAIT as we call it internally.

This was born out of our joint ABE, UC Berkeley, and Bond University collaboration, which created advanced analytics optimised for accurate credit assessment using artificial intelligence.

For this we used a long time series data set with millions of data points and many millions of permutations and combinations.

The interesting thing about artificial intelligence is that while it's such a buzzword these days, the productivity gains that could be brought about in financial services are quite astounding. It is become obvious to me through first-hand experience with this programme of work how efficient this method of programming development can be.

Our other artificial intelligence-based programming module is the Virtual Intelligent Compliance Knowledge Investigator or VICKI for short.

This is an advanced AI powered monitoring tool that listens to advisor conversations to ensure compliance and quality of advice during client conversations. This bot has the ability to learn whether the client is receiving general or specific advice, or certain words or phrases are being used appropriately or inappropriately by the advisor.

I note that the conversation is not being recorded, it is actually just being listened to from the one side, as if a human was listening to the conversation by sitting next to the advisor.

This obviously is a more efficient means of having a compliance manager sitting in a dealing room as is the traditional method.

Of course, the applications for this are endless. Not only can it be used for compliance, but it can also be used for many other customer related activities.

Future Outlook

It certainly has been a difficult year. Tough decisions were made. Tough actions were taken. These actions were necessary for the benefit of our shareholders. The result of these actions has shaped the company into a leaner, more efficient business.

We have a few things going for us now.

We have an expanding client base that was getting older and are becoming more attracted to our product and service offering.

We are also seeing the issuance in corporate debt growing even with higher interest rates and the amount outstanding is certainly enough to supply the demand that is coming.

The popularity of Market Linked Securities that we've created have shown that we have the skills and the understanding of the investor in order to provide them with an attractive investment proposition.

We've also seen during the year the affiliate partners becoming more interested in our product and service offering. We have been used to so making many outbound calls to affiliate partners. It is nice for them to start calling us.

As a company, we have made a focused push to improving our margins on product sold.

We've also seen some regulatory changes on the horizon. Such as the APRA commentary with respect to the Tier 1 hybrids. This provides us with a great opportunity to provide an attractive product in place of the Tier 1 Hybrids.

Further to my previous commentary, the workflow digitisation that we have performed with respect to transaction technology has now been adopted more mainstream. This means that we have the capability now to reach more participants in the market using the latest transaction messaging technologies than what we did, say, three years ago.

Of course, we all hear about artificial intelligence applications. But we are not a company that start with zero and iterate from there. Our artificial intelligence applications have actually started with experts in the field and take it from there. We will continue to use it internally as a means of cost reduction and efficiency gains. We will certainly take advantage of any commercial opportunities as and when they arise.

Our primary goal remains to democratise access to the bond market, enabling retail investors and institutions to participate in an asset class that historically has been the domain of a select few. By enhancing our platform and broadening our market reach, we aim to further reduce barriers and expand our client base.

Acknowledgments

Before I conclude, I want to extend my gratitude to our dedicated team. Their unwavering commitment and expertise are the foundation of our success. To our Board of Directors, thank you for your strategic guidance and stewardship. And to you, our shareholders, thank you for your ongoing support and belief in ABE's mission.

Conclusion

In closing, I am optimistic about the future of the Australian Bond Exchange. The steps we have taken over the past year have positioned us strongly to navigate the challenges ahead while capitalising on emerging opportunities. Together, we will continue to build an innovative, inclusive, and resilient platform that delivers long-term value to all our stakeholders.

I look forward to answering your questions and engaging in a constructive dialogue about our future.

Thank you.

Bradley McCosker

CEO, Australian Bond Exchange

I will now hand the meeting back to the Chair.



Australian Bond Exchange Holdings Limited

Investing in a Secure and Growing Future

2024 Annual General Meeting of
Shareholders

29 November 2024

Agenda

- Chair Welcome
- CEO Address
- Formal Business
- Shareholder Questions

Welcome

Anthony Hartman
Meeting Chair

Board of Directors



Anthony
Hartman

Independent
Non-executive
Director

Bradley
McCosker

Managing Director
& Chief Executive
Officer

Michael
Vanderdonk

Director & Chief
Technology
Officer

CEO address

Bradley McCosker
CEO

Who we are



Our Mission:

Provide equal access to financial products and markets for all investors.

Our Strategy:

Use our proprietary technology to remove barriers to entry that have limited investor access to global financial markets.

What we do today:

Offer attractive financial products and provide user friendly, efficient and transparent means to make financial product transactions.

ABE at a Glance – 7 Years of Innovation



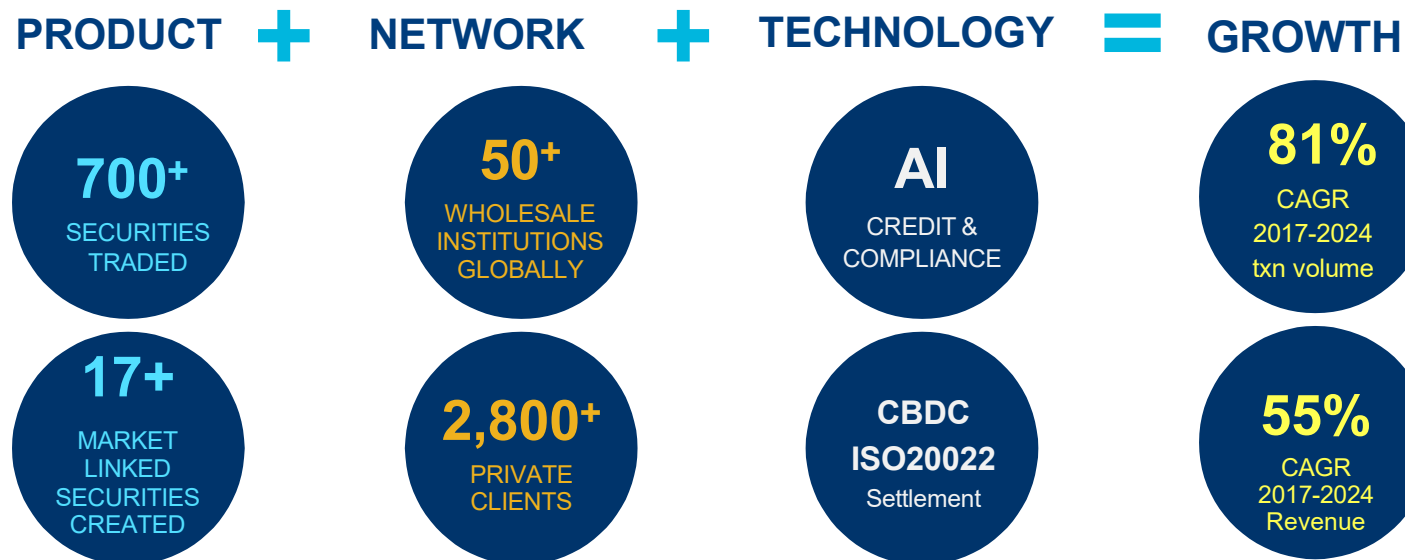
Conceived in 2017, starting with \$200k of capital, ABE is a major participant in providing direct access to the OTC bond market for its broad network of clients located across the globe.

\$6.2B+

PRIMARY ISSUANCE
PLACEMENT SINCE
INCEPTION

\$14M+

AVERAGE DAILY
VOLUME SINCE
INCEPTION



We solved four main problems

That now has provided opportunities

Identify Popular Products

Commenced B2C broking business to obtain direct feedback.

We now structure products specific to the needs of investors.



Ensure Investor Protection

Created “Quotation Rules” based on Credit Risk & investor appropriateness.

We developed an A.I. credit tool that is accurate and returns results in seconds.



Source Liquidity

Leveraged existing relationships with sell side to ensure liquidity flow.

We now are a major participant in the institutional OTC market in Australia.



Reduce Transaction Costs

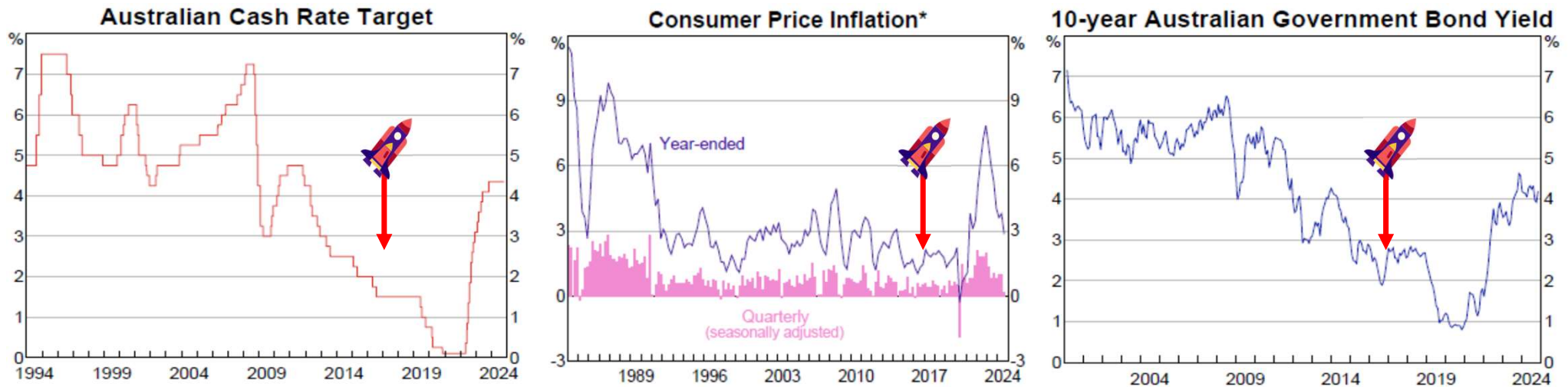
Designed transaction and settlement process that's profitable at retail trade sizes.

We are faster and more efficient than traditional exchanges.



Market Environment

Economic and Industry Trends



Since we commenced, we have experienced a once in a 100-year pandemic, a reduction in interest rates (the very thing we were selling) to zero, thousands of pages of regulatory changes, and technology advances never experienced by humanity before.

The effects of COVID were significant to our growth aspirations, but as a company we adapted and overcame the impossible and ultimately produced additional products to the market that are attractive to investors.

Looking forward, we see current regulatory signals being positive, technology offering significant upside potential and our product offering being attractive relative to other asset classes.



ABE Launch date

Demand and Supply Metrics

Australian Private Investors supplied by Global Relationships

Bond Demand

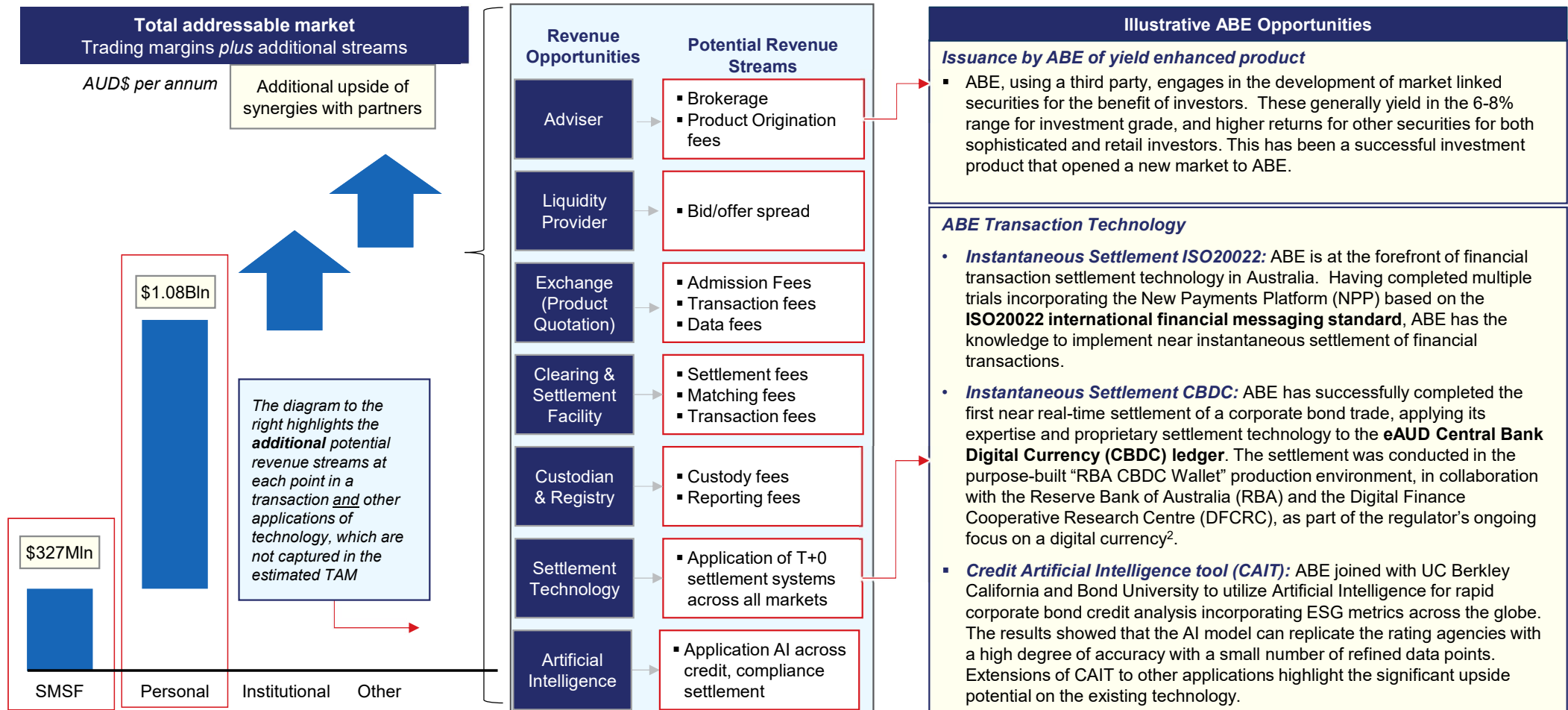
- Total investible assets of Australian Self Managed Superannuation Funds (SMSFs) surpassed **A\$950 billion**
- **Only 1.2% of SMSF assets**, and 13.3% of all retirement assets are **held in bills and bonds**:
 - **Australians aged 60 years old and over account for approximately 55% of superannuation/retirement assets**. This capital is likely to shift to more secure and less volatile assets with a good risk/return profile, underpinning a rebalancing from equities towards bonds
 - **Each 1% step** change in SMSF bond holdings (e.g. from 1.2% to 2.2%) **translates into AUD\$9.57Bln** of additional retail bond purchases
 - A total increase from 1.2% **to 37.3%** allocation to bonds (AUD\$357Bln) by SMSFs - in line with OECD averages - would translate into **A\$345Bln in additional bond purchases by SMSFs**
- Outside of SMSFs, Australians have substantial additional 'dry-powder' in the form of **AUD\$3.04Bln in deposits earning close to nil interest income**:
 - the average 'at call' rate across the retail banks is **2.8%** to Australian households
- With interest rates normalizing in Australia combined with an ageing population, **ABE is in the right place at the right time** to take advantage of the macroeconomic shift

Bond Supply

- ABE predominately operates in the over-the-counter bond market where corporates and banks are the predominate issuers, and where yields are superior to government bonds and hence attractive to private investors
- Minimum trade sizes (**A\$500,000, minimum bond face values often being as low as A\$1,000**) and the lack of transparent pricing (with multiple layers of intermediaries taking trading margin(s)), combined **in practice to limit access to the bond market to high net-worth investors (>A\$500k)** not 'mum and dad' investors or retirees – ABE is beginning to change this
- ABE has also developed a strong **market linked product program** whereby we structure products based on investor preferences utilising our global markets relationships and trading strength
 - ABE's team have well established expertise in **structured product creation**. As investor appetite becomes more sophisticated, ABE can easily expand the product offering across multiple asset classes
- With a **strong institutional network globally ABE is now a centralized hub for regional investors with circa AUD\$7.93Bln in primary and secondary transactions in FY 2024 making ABE a dominant player in the wholesale market**

Total Addressable Market (TAM) over AUD\$1Billion p.a. AUSTRALIAN BOND EXCHANGE

Opportunities for vertical and horizontal integration provide additional revenue streams



2024 Corporate Streamline Program

Streamlining the business required difficult decisions and actions

Streamline Strategy	Action Taken	Comments
Delayering	<ul style="list-style-type: none">Thin out the top layer of management and higher paid staff who were underperforming	<ul style="list-style-type: none">Cost reduction of non-directly income producing activities.Decision making process becomes shorter and more effective
Work Redesign	<ul style="list-style-type: none">Reengineering tasks and activities to improve productivity	<ul style="list-style-type: none">Staff requirements have shrunk, but also created a need for a different skillset in ABE
Verticalization	<ul style="list-style-type: none">Restructure the organization to offer products and services to cater to the specific requirements of the industries we service	<ul style="list-style-type: none">This opens ABE to meet the demand of different client types and geographical areas supported by the same underlying infrastructure
Systematic Change	<ul style="list-style-type: none">Created a long-term approach that shifts the mindset, behaviours and expectations of ABE's staff, with the aim of contribution to the team.	<ul style="list-style-type: none">This has increased the performance capabilities of each individual and the group as a whole

Outcomes

- | | |
|--|--|
| <ul style="list-style-type: none">An expressed higher commitment to the companyAn ideology based on progressive decision making | <ul style="list-style-type: none">Higher organizational productivityRevenue generation better equipped to have bottom line impact |
|--|--|

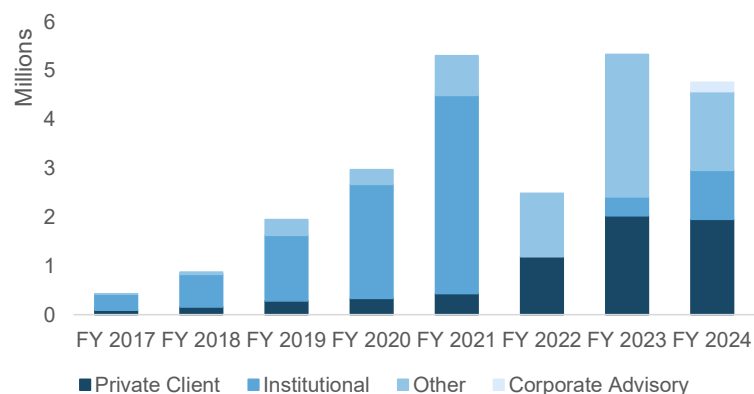
Financial Highlights

Phillip Kaufman
Financial Controller

Annual Financial Results

Balancing investment in revenue growth and margins

Revenue



Institutional Revenue Increased

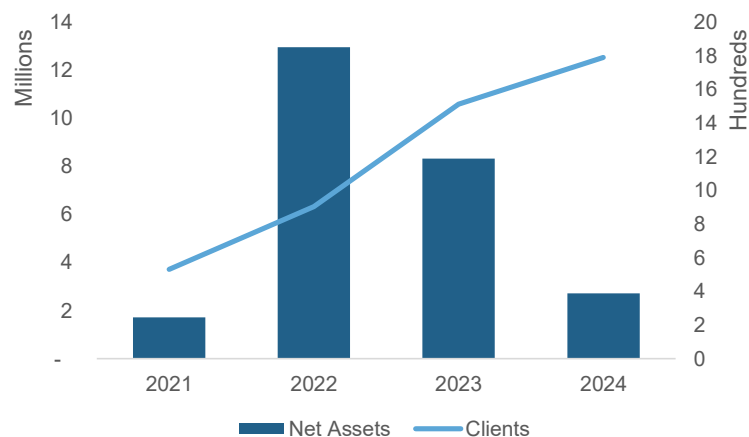
Corporate Advisory Revenue Introduced

Private Client Revenue Decreased

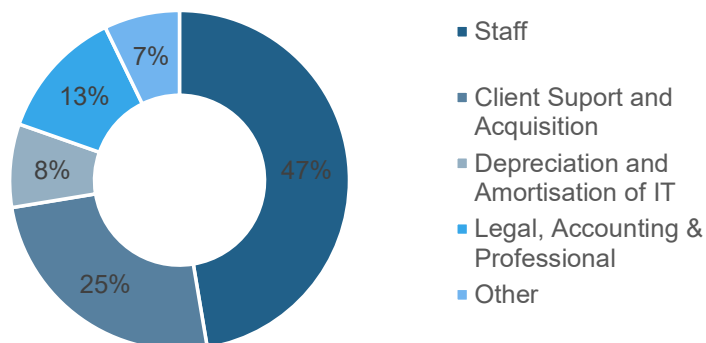
Other Revenue Decreased

ABE proved resilient during a period of change within the organisation

Net Assets and Client Growth



Expense Breakdown



FY24

- Staff reduced by 41%
- One off write down of software
- One off costs related to streamlining and refocusing the business

Financial Position

Balancing safety with shareholder value

Access to capital is available, but currently expensive

At the previous AGM shareholders approved additional funding in the form of a convertible note. Management judiciously selected capital partners and a funding structure designed to maximise shareholder value. Management regularly receive offers of capital in various forms, however at the current share price equity capital is expensive.



Write downs, impairments and staff reduction costs won't be repeated

The difficult but necessary decisions and management actions during the year resulted in one off expenses that are not recurring in nature. The leaner business that has resulted from these actions is a better result for shareholders.



Additional revenue streams, growth in execution and distribution of product diversifies revenue

.With a reduced recurring cost base ABE is poised to take advantage of additional revenue streams without the need for extensive additional capital. Relationship based business activity has already begun to complement existing revenue lines.

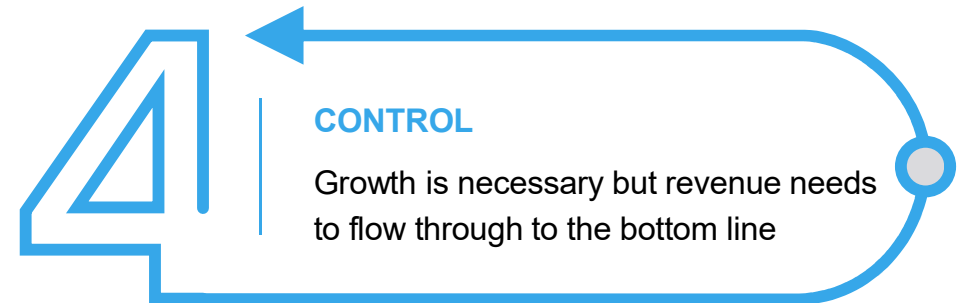
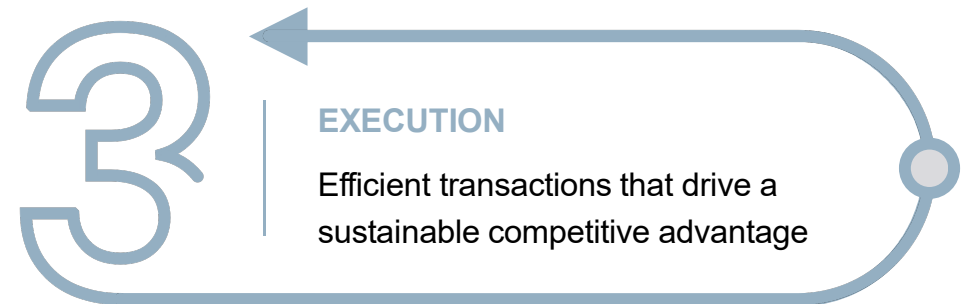
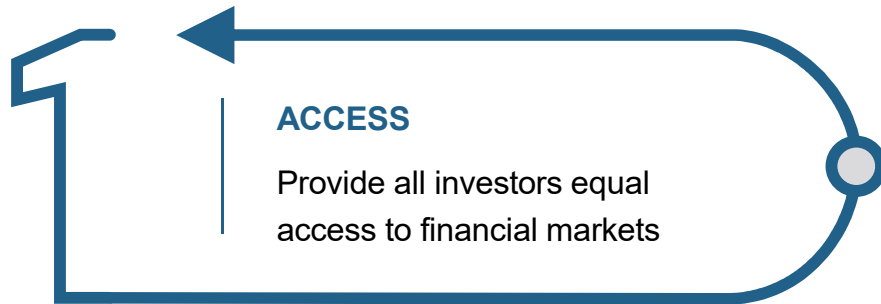


While management cannot directly influence the share price, it is our belief that investors will become increasingly aware of the value proposition of ABE. This will result in an improvement in the performance of the stock. Until this time, management will efficiently manage the capital needs of the business while remaining competitive in the industry.

FY2024 key priorities

Strategic Priorities

Refocus the business while remaining true to our mission



Strategic Priorities

Further work on instantaneous settlement technology

The CBDC trial with the RBA has given us a lot to work with

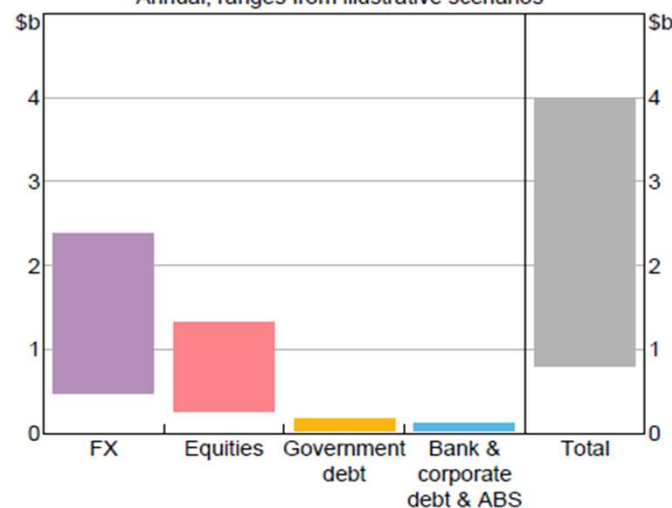
The results from the CBDC trial prompted the following estimates from the RBA

The first set of estimates points to hypothetical transaction cost savings in Australian financial markets in the range of \$1–4 billion per year

A second set of hypothetical estimates suggests that savings of up to \$13 billion per year could be available to issuers in the Australian capital markets

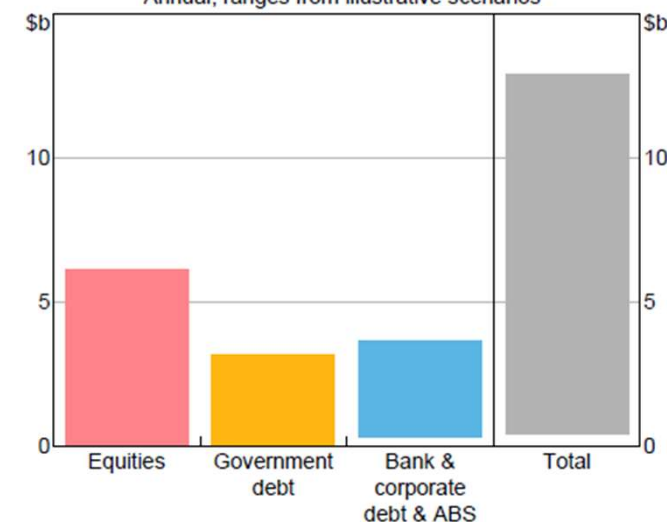
Hypothetical Transaction Cost Savings

Annual, ranges from illustrative scenarios*



Hypothetical Cost of Capital Savings

Annual, ranges from illustrative scenarios*



Strategic Priorities

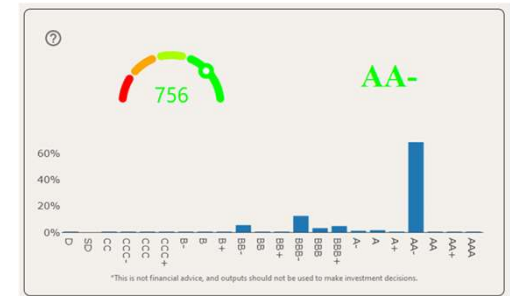
Artificial Intelligence has significant advantages for finance
ABE was an early adopter with its credit tool. We have followed up with compliance tools



A

Credit Artificial Intelligence Tool (CAIT)

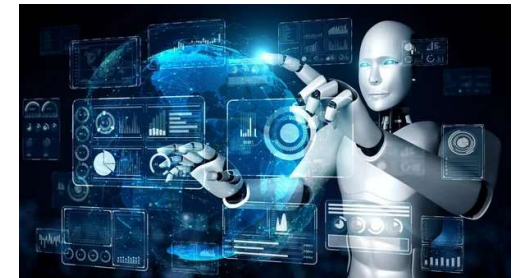
Joint ABE, UC Berkley California and Bond University collaboration
Advanced analytics optimised for accurate credit assessment



B

Virtual Intelligent Compliance Knowledge Investigator (VICKI)

Advanced AI-powered monitor that listens to advisor conversations to ensure compliance and quality of advice during client conversations.



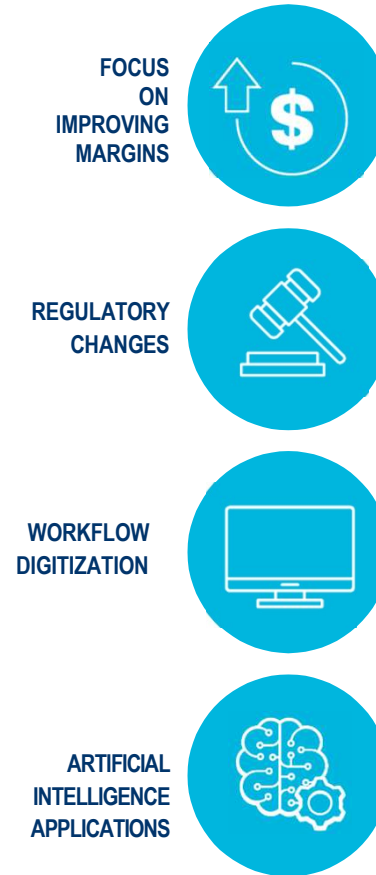
Future Outlook

A difficult year has created a leaner business with great potential

Serviceable Market Growth



Technology & Industry Changes



**RETURN TO
GROWTH BUT
WITH IMPROVED
MARGINS**

Formal business

Resolutions

- Resolution 1: Adoption of the Remuneration Report
- Resolution 2: Re-election of Anthony Hartman as a Director of the Company
- Resolution 3: Re-election of Michael Vanderdonk as a Director of the Company
- Resolution 4: Capital raising by convertible note

Shareholder Questions

Thank you

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