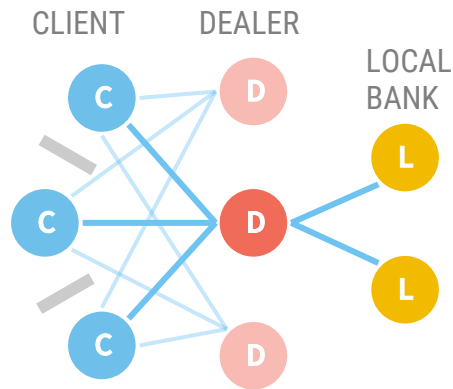


Emerging Markets Bond Exchange

Empowering Emerging Markets Investors
and Emerging Markets Banks

Our Solution

Traditional OTC Bond Market



Clients **can't** trade directly with each other

Local Banks **can't** trade with Clients directly

Dealer's Risk Appetite

Inadequate to support the Dealer-to-Client Model

Fragmented Liquidity

More OTC relationships needed to source liquidity

Landlocked Local Banks

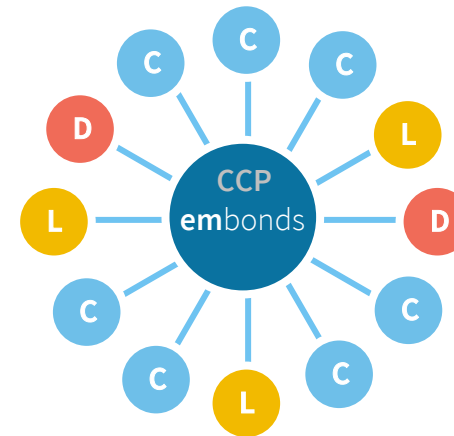
Local banks have few OTC relationships with buy-side

Lack of Transparency

Dealers' markup on intermediation is not transparent

Client = Hedge Fund, Mutual Fund, Private Bank **Dealer** = JP Morgan, Goldman Sachs, etc. **Local Bank** = Polish Bank, Hungarian Bank etc.

embonds Trading Solution



Clients **can** trade directly with each other

Local Banks **can** trade with Client directly

Central Counterparty (CCP)

Only **one** OTC relationship needed to the CCP

Transparent Fee Model

Transaction fees known **pre-trade** for all parties

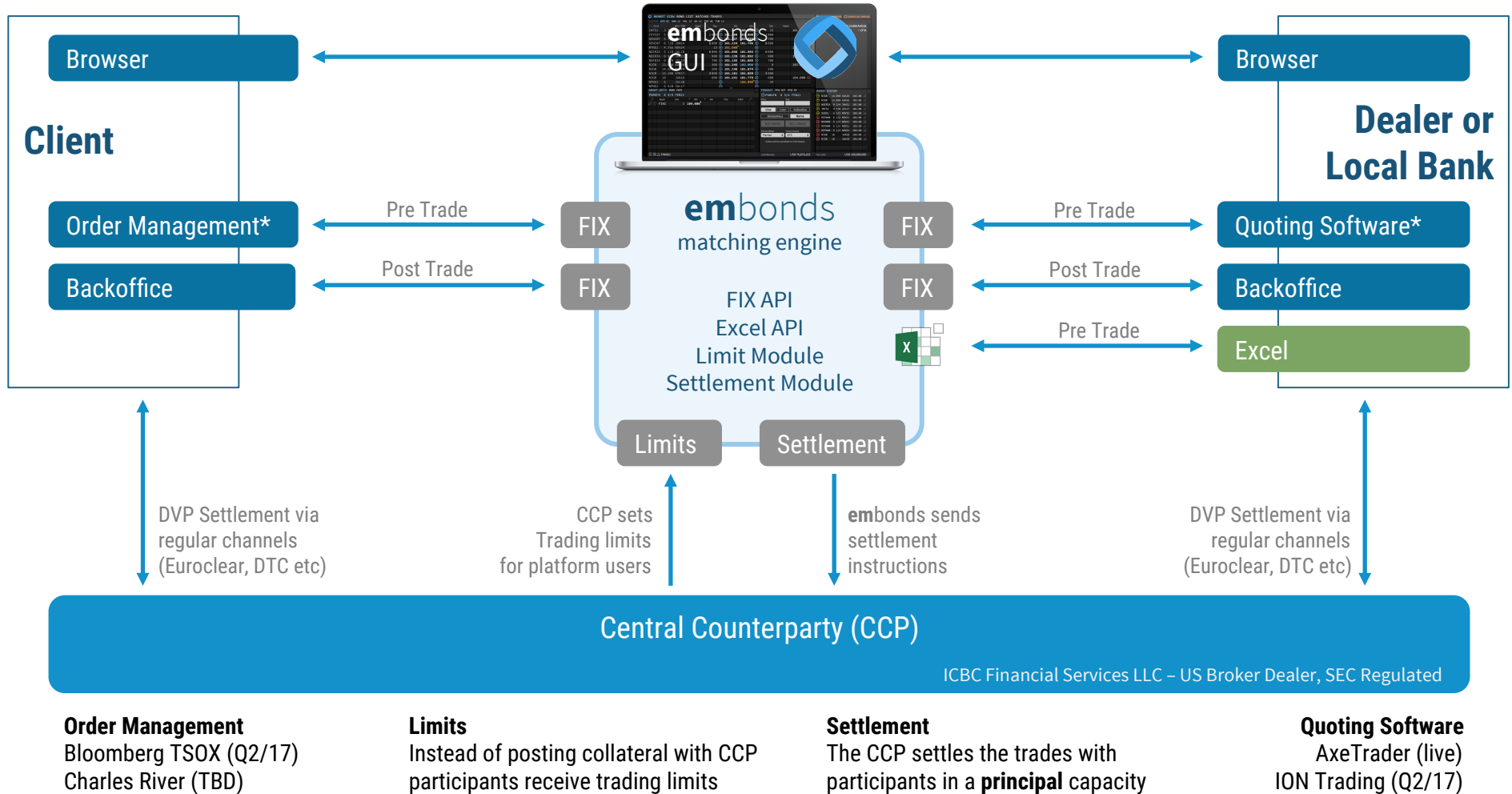
All-to-All trading

Everyone can both access **and** provide liquidity

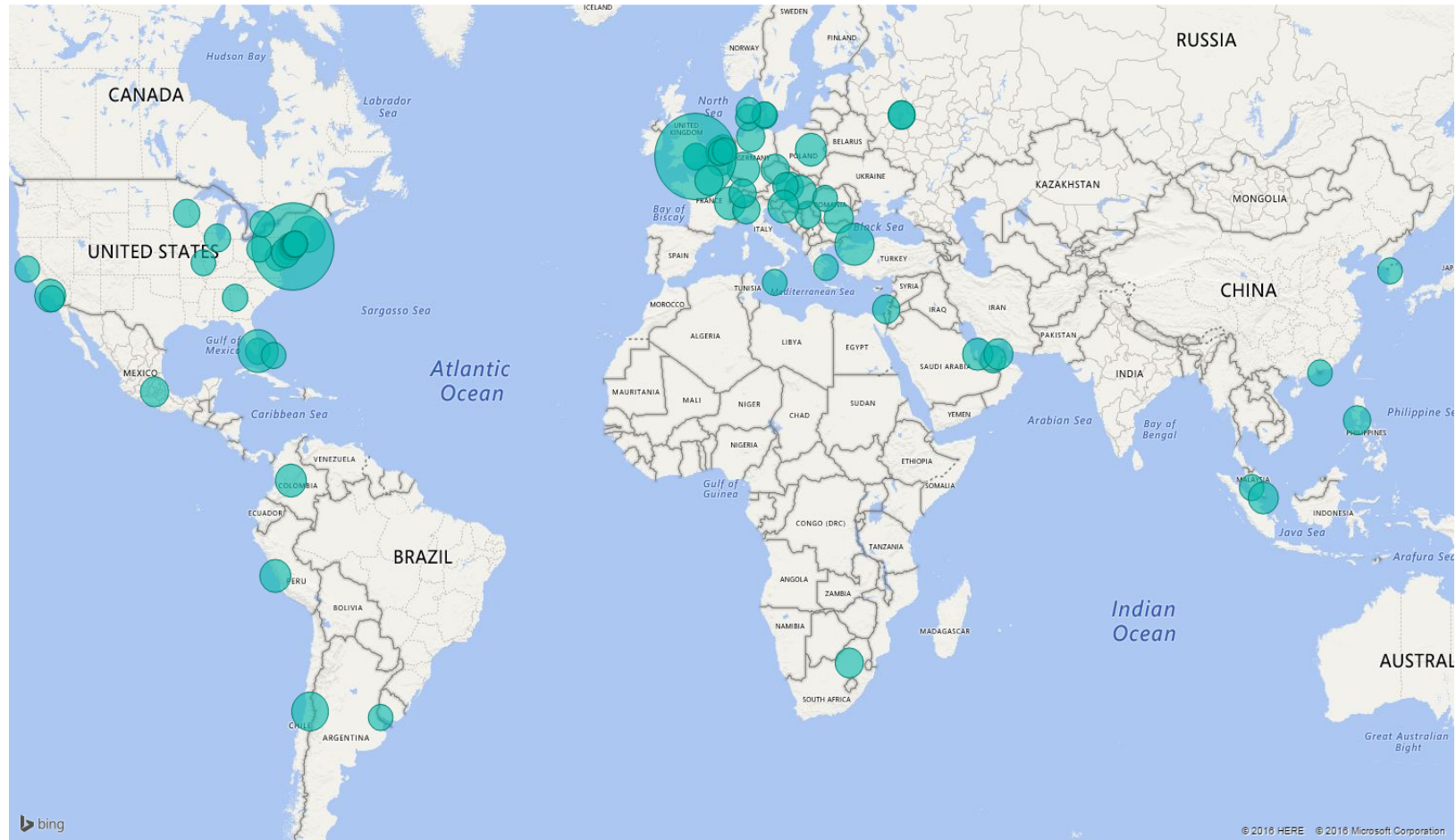
Access to Local Liquidity

Trading with local banks **without** OTC onboarding

Our Model



Where are we...



Connectivity is more and more important....



Bloomberg

AIM

Straight through processing to asset manager's backoffice system

Bloomberg

TOMS

Market makers to be able to submit orders to the platform

Bloomberg

TSOX

Bberg users to be able to submit prices to the platform

ION TRADING

Market makers using Ion Trading to submit prices to the platform

AXE TRADING

Market makers using Axe Trading to submit prices to the platform

MUREX

Straight through processing to market maker's settlement and risk system

Bloomberg TSOX Linkage Agreement was **signed** on 13 April 2016.

Integration work for the CLOB FIX API started in August 2016 and is expected to be live Q2 2017

ION has agreed to build the FIX gateway to **embonds**. It is widely used by global as well as local market makers

FirstRand are **live**, using AxeTrading to submit prices

Akbank is **live**, receiving post trade information from **embonds**

We recognize the importance of fitting into the electronic trading ecosystem.

Our investment in the FIX connectivity makes it easier for clients to interact with **embonds**.

At the same time it creates a barrier to entry for competitors as the technology providers such as ION and Bloomberg have limited resources to certify FIX connectivity to new platforms.

Embonds screens look like....

MARKET VIEW BOND LIST MATCHED TRADES												CONNECTED		CANCEL MY ORDERS		CANCEL ALL ORDERS	
CUSTOM MY ORDERS CP ORDERS AFR HC LATAM SOVS MENA POLGB SAGB												HGBB		NOTIFICATIONS			
Bond		(all in '000)		Depth	Size	Bid	Ask	Size	Depth	Last		ALL TRADES		CLEAR			
ESKOM	6 3/4	AUG23			700	91.125	91.342	1 000			91.125	<div>S</div> <div>B</div> <div>HGB 7 1/2 20/A</div> <div>Yld 1.960 Sz 200MM to ANON</div> <div>ESKOM 6 3/4 AUG23</div> <div>Px 91.125 Sz 300M fr ANON</div>					
EUCHEM	5 1/8	DEC17			1 000	101.820	102.078	1 000									
GFISJ	4 7/8	OCT20			1 000	90.833	91.130	1 000									
GHANA	7 7/8	AUG23			1 000	80.613	80.932	1 000		80.932							
HALKBK	4 3/4	FEB21			1 000	96.351	96.716	1 000		96.351							
HGB	7 1/2	20/A		500 000	2.030	1.960		300 000		1.960							
KAZAKS	6 1/2	JUL45			1 000	103.313	103.382	1 000									
OMGRID	3.958	MAY25			1 000	88.960	89.329	1 000									
POLGB	5.75	DS1021			5 000	118.215	118.345	5 000		99.000							
QATAR	9 3/4	JUN30			1 000	162.425	162.563	1 000		162.563							
RFLB	7	JAN23			50 000	89.790	90.014	50 000		90.014							
ROMANI	2 7/8	MAY28			1 000	100.000	100.317	1 000									
RUSSIA	5 5/8	APR42	3 000	3 000	101.692	101.850	1 000	3 000	101.400								
SAGB	7 3/4	2023			10 000	9.300	9.250	10 000									
SRILAN	6.850	NOV25			1 000	96.917	97.031	1 000		96.917							
TURKGCPI	2.4	MAY24			5 000	99.050	99.181	5 000									

MARKET DEPTH BOND INFO

RUSSIA 5 5/8 APR42

Buyer	Size	Bid	Ask	Size	Seller
BNK2	3 000	101.692	101.850	1 000	BANK
BANK	1 000	101.400	101.900	3 000	FUND
FUND	2 000	101.350			
			101.900	1 000	BANK
			102.000	2 000	BANK

TRANSACTION RFQ OUT RFQ IN

Bid Price

P

Offer Price

P

Bid Size

M

Offer Size

M

SUBMIT ORDER

Order Type

Live

Disclosure

Name

Fill Condition

Partial

Time In Force

DAY

Limit Remain: USD 604,001,783

NOTIFICATIONS

ALL TRADES CLEAR

S

B

HGB 7 1/2 20/A

Yld 1.960 Sz 200MM to ANON

ESKOM 6 3/4 AUG23

Px 91.125 Sz 300M fr ANON

MARKET HISTORY

HGB 7 1/2 20/A 1.96

ESKOM 6 3/4 AUG23 91.13

RUSSIA 5 5/8 APR42 101.40

HALKBK 4 3/4 FEB21 96.35

QATAR 9 3/4 JUN30 162.56

BRAZIL 5 5/8 FEB47 96.69

ESKOM 6 3/4 AUG23 91.13

CHILE 3 1/8 JAN26 101.50

CHILE 3 1/8 JAN26 101.34

RFLB 7 JAN23 90.01

SRILAN 6.850 NOV25 96.92

QATAR 9 3/4 JUN30 162.56

BANK2U02

Screen Limit: 1.76MM | 20MM

RESET

Full Limit: USD 1,000,000,000

The **embonds** trading screen is designed to claim minimal screen real estate from users.

The layout contains the selected market segment, the market depth for the selected security, an order entry section along with a market history for the selected market segment and a notifications area.

In the bottom of the page the user can see the remaining and overall limit. The optional screen limit is designed to protect market makers from being filled excessively due to sudden market movements