OMe-Trading
Corporate Presentation

V24 February 2025

NDA

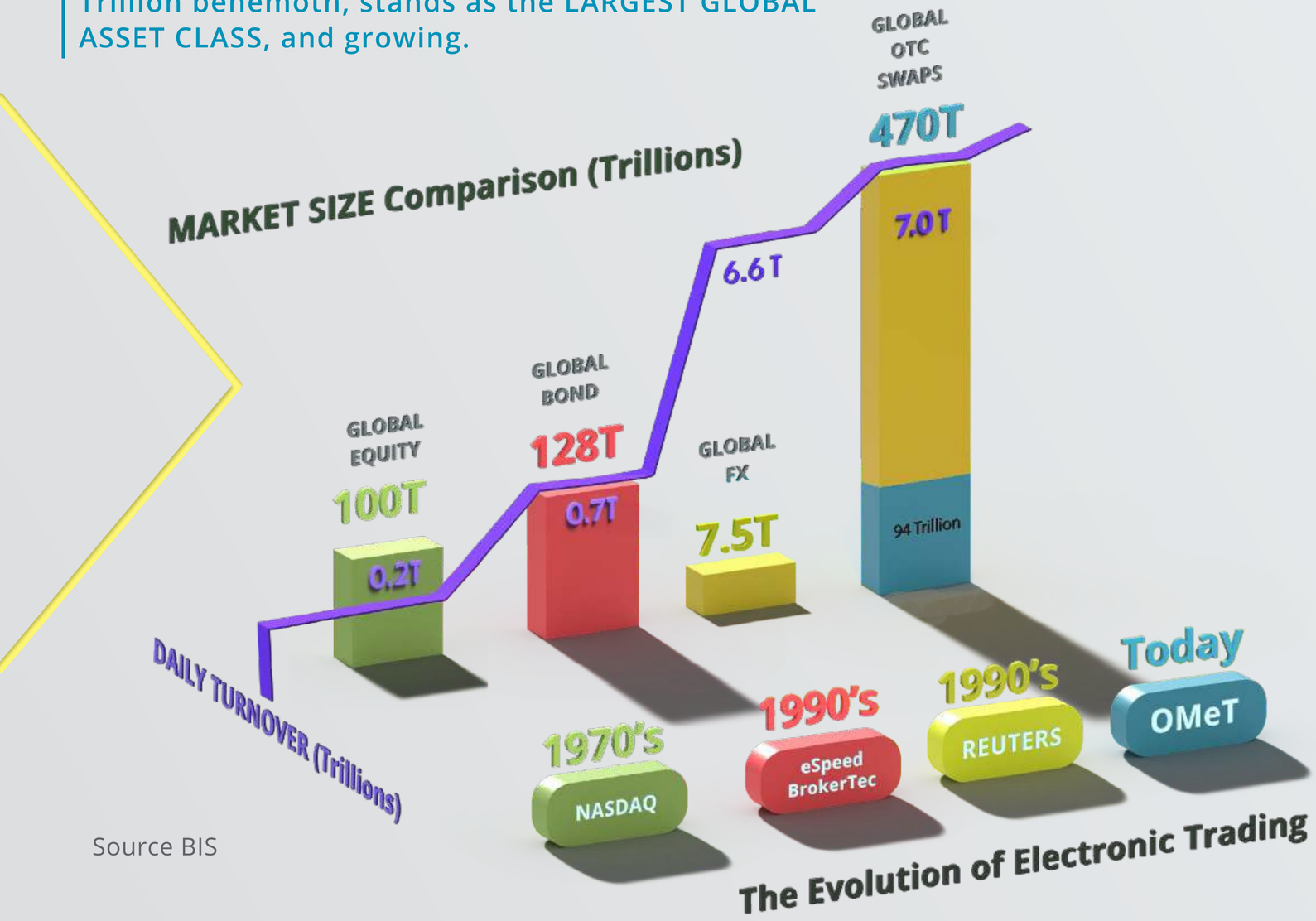
The OTC Derivatives Market isn't just ready for change – **It's demanding it**.

Open Market Electronic Trading Group (OMeT) is poised to lead this market transformation.

2024 OMET Technologies

The Current State of the OTC Market: A Tremendous Opportunity

The OTC Derivative Swap Market, a staggering $380 Trillion behemoth, stands as the LARGEST GLOBAL ASSET CLASS, and growing.



Source BIS

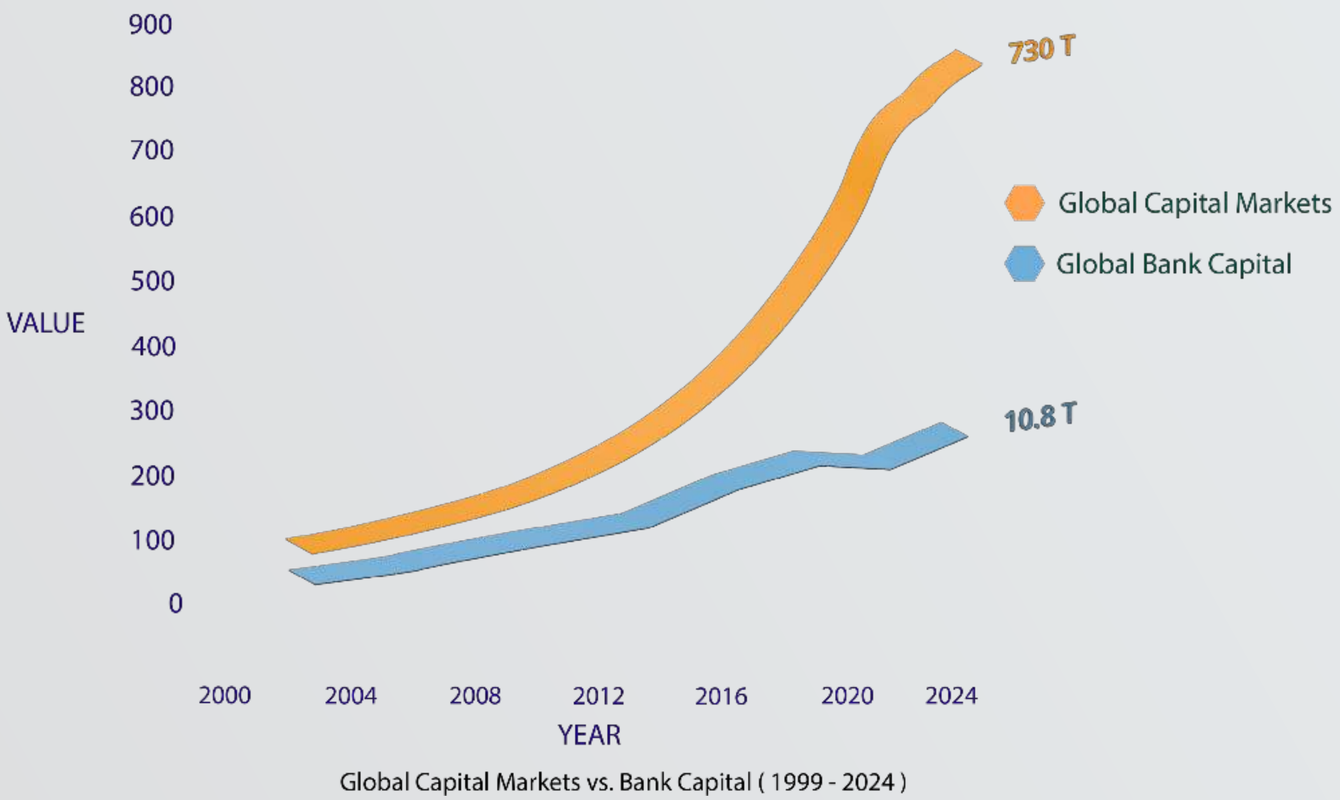
While other markets have embraced electronic trading, the **OTC Swaps Market lag behind** in leveraging technology.

The Dodd-Frank Act, including its provisions establishing Swap Execution Facilities (SEFs), **aims to transform** the over-the-counter (OTC) derivatives market.

By promoting central clearing and trade execution on regulated platforms, it seeks to increase **transparency**, **competition**, and **regulatory oversight**, **mitigating systemic risk** previously associated with this opaque and fragmented market.

2024 OMET Technologies

The Current State of the OTC Market: A Fragmented Trading Model..



Global Capital Markets vs. Bank Capital (1999 - 2024)

The OTC derivatives Market's current **Fragmented Trading Model** has critical **Inefficiencies** that are creating severe **Bottlenecks** within the system.

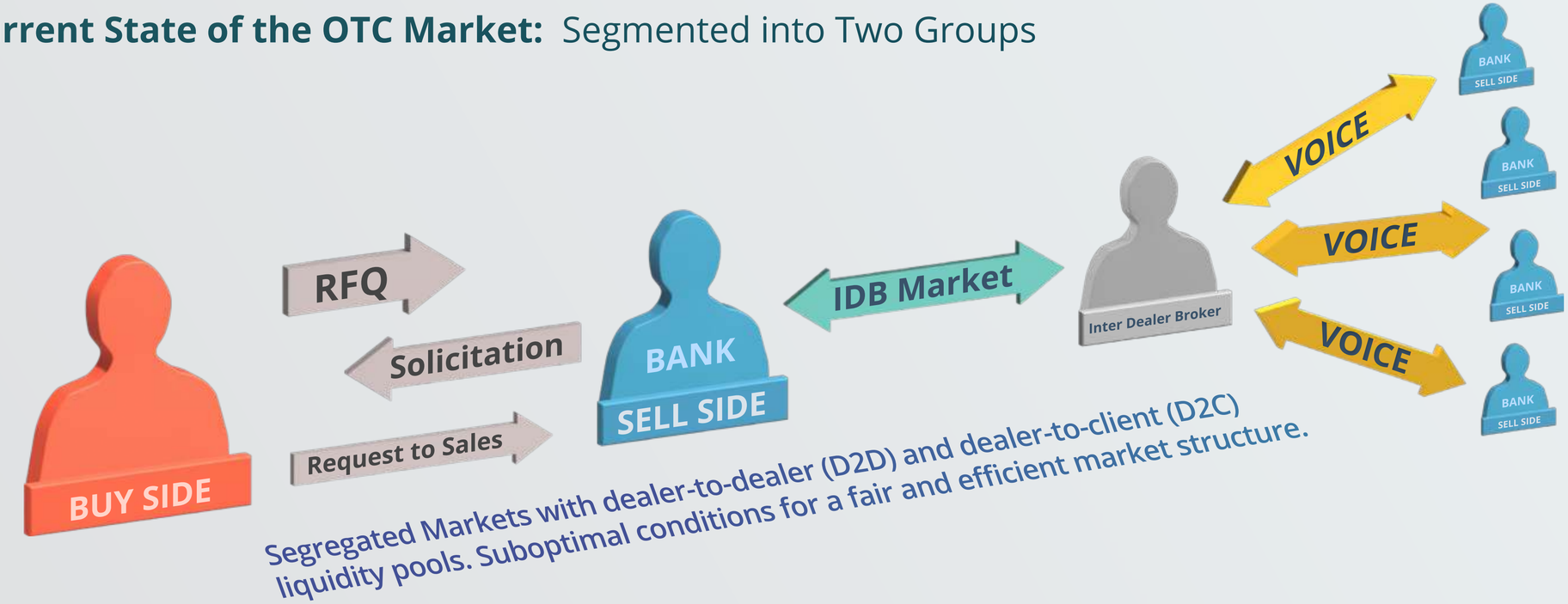
This fragmentation, coupled with **Global Banks** struggle to keep pace with the explosive growth of the capital markets.

These factors are artificially suppressing the market's true potential.

With both vision and cutting edge technologies, the OMeT Team and the eMOD Protocol stands poised to seize this unprecedented market opportunity.

2024 OMET Technologies

The Current State of the OTC Market: Segmented into Two Groups



Dealer to Customer (D2C)

- Customers interact with Banks via salespeople.
- Electronic offerings are limited to RFQ (Request for Quote) protocols from Tradeweb, MarketAxess, and Bloomberg, with limited success in Emerging Markets.
- Fractured liquidity due to decentralized high-touch sales desks and limited RFQ offerings.

Dealer to Dealer (D2D)

- Facilitated by interdealer brokers (IDBs) via direct voice/messaging methodologies.
- Limited electronic offerings exclusive to dealers.
- "Session or Dark Pool" based technologies for theoretical "Mid market" trading.
- CLOB (Central Limit Order Book) for standardized instruments mainly in USD sovereign debt, not MEX securities.

"What our system proposes is an Entirely new way of Trading..."

2024 OMET Technologies

The Benefits of Electronification:

Our market research reveals a strong consensus among major market participants for increased electronification, which is mandated by regulation.

- **Fair and Orderly Market Place**
- **Lower Execution Costs**
- **Operational Efficiency**
- **Improve Market Transparency**

Our research has identified four primary benefits of electronification for optimizing market structure..

2024 OMET Technologies

THE **EMOD PROTOCOL** BRIDGES THE GAP BETWEEN REGULATORY DEMANDS AND MARKET NEEDS

2024 OMET Technologies

A Protocol Designed for:

- **Anonymous Trading:** allowing participants to trade without revealing identities, maintaining market integrity.
- **Enhanced Liquidity:** allowing the democratization of market access, which increases participation while reducing costs.
- **Leveling** the playing field and fostering true price discovery with the support of Liquidity Providers.
- **eMOD's** real time integration with Osttra (Owned-CME and S&P Global), provides a streamlined pre trade limit check, post trade processing and risk management for seamless trade executions.
- **Regulatory Compliance:** with our pending SEF approval, fully aligned with the CFTC mandate for promoting a marketplace that is accessible, transparent and reduces systemic risk.

eMOD (Electronic Market on Demand) is a revolutionary new patent pending protocol designed to bring fairness and efficiency to the cleared OTC derivative markets.

2024 OMET Technologies

OMeT's End to End Solution:

1. **A & B** submits order to trade
2. **OMeT** sends limit request to LimitHUB.
3. **LimitHUB** checks limit with **FCM** (Clearing Merchant)
4. **FCM** confirms limit **LimitHUB.**
5. **LimitHUB** provides **OMeT** with limit token.
6. **OMeT** confirms trade with Clients.
7. **OMeT** sends confirmation to **MarkitSERV**
8. **MarkitSERV** submits trade to CCP
9. **CCP** notifies **FCM**
10. **MarkitSERV** provides trade notification to client (MO & Risk System).

2024 OMET Technologies

Technology Partners:

OM e-Trading

BENEFITS OF LEVERAGING EXISTING GMEX & OSTRA TECHNOLOGY

- All intellectual property and custom development are owned by **OMeT.**

GMEX GROUP

GMEX GROUP: TECHNOLOGY PARTNERSHIP

- Comprehensive, deployed exchange-grade technology.
- Currently used in Crypto and other Electronic Markets.
- Awarded 2023 Best Solution for Trading Digital Assets.
- Core Technology Stack - Includes surveillance, RFQ and CLOB protocols, and Matching Engine.

OSTTRA

OSTTRA: FINANCIAL INDUSTRY STANDARD FOR PRE & POST TRADE SERVICES

- JV Ownership between CME and S&P Global.
- Industry standard solutions for pre and post trade services.
- Pre-Trade: LimitHub for Pre-Trade limit Check with FCM(s).
- Post-Trade: MarkitServ for processing directly into CCP(s).

Proven Deployed Exchange Grade Technology in various Asset Classes

- Ensures reliability and adaptability across markets

Decrease Time for Regulatory Approval

- Benefit from GMEX's established compliance track record with Regulators

Improve Time to Market

- Leverage existing infrastructure for faster deployment

Reduce On-Boarding Hurdles

- Utilize familiar technology infrastructure for easier Client Adoption

Reduce Risk of System Failure

- Benefit from tried-and-tested technology

2024 OMeT Technologies

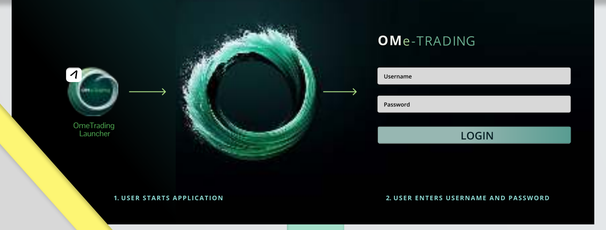
THE RIGHT TEAM AND TECHNOLOGY AT THE RIGHT TIME..

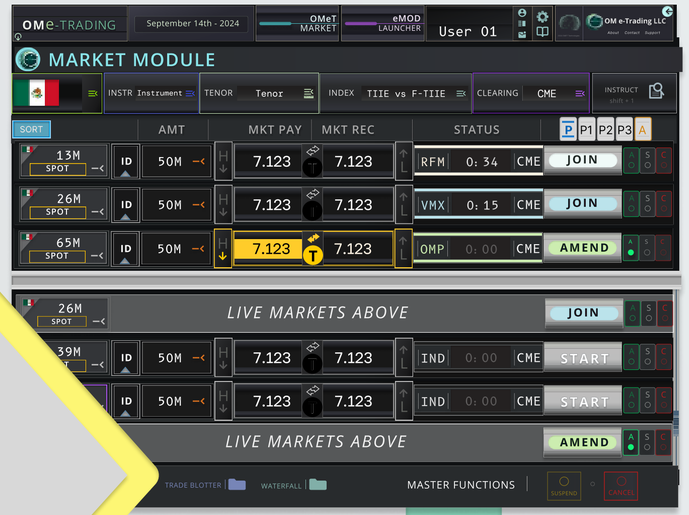
Our team boasts over 250 (+) years of derivatives experience, providing deep market insights and strong industry relationships.

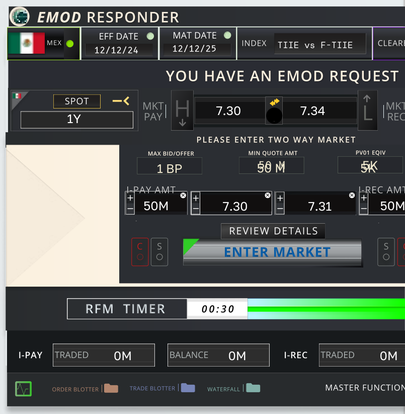
Our market driven approach is unburdened by any legacy business, systems or conflicts of interest.

Offering the most comprehensive solution, our **eMOD** protocol address the current market inefficiencies and embraces the regulatory requirements, offering an integrated front to back trading solution.

A platform for professionals that is built by professionals, **eMOD** offers a significant leap forward for the Cleared OTC Derivative markets,







2024 OMET Technologies

The EMOD Protocol: **OMeT's** Electronic platform employs an innovative 3 Phase approach to maximize market efficiency while safeguarding trader anonymity.

RFM Private Phase (RFM)

Initiates Trade: Liquidity Requestor (LR) anonymously starts trade.

Competitive Pricing: Liquidity Providers (LPs) offer 2-way quotes for **"Social"** size.

Discreet Matching: Parties can privately increase size after initial trade.

Key Features:

Confidentiality: Only trade level and tenor disclosed at time of trade.

Open to Diverse LRs: Asset Managers, Hedge Funds, Corporates, Banks.

Complete Anonymity: (Name, Size, Direction)

Limited Risk Participation: Social size.

Upsize Trade: Discreetly increase trading amount

Give to Get: Principle for information access.

Open Market Phase (OMP)

Transparent Market: Displays live, actionable prices to all participants.

Standard Sizing: All quotes for "social amount" to protect full size.

Private Upsizing: Matched parties can anonymously increase trade amounts.

Continuous Trading: Process repeats until market inactivity triggers next phase.

Key Features:

Inclusive participation.

Enhanced liquidity and price improvement.

Reduced market distortion.

Volume Matching Phase (VMX)

Midpoint Trading: Final opportunity to trade at market-determined Mid.

Interest Aggregation: Participants enter **Full** desired amounts at Mid.

Time-priority Allocation: Trades matched at phase close.

Key Features:

Additional chance for fair, mid-market execution.

Revenue Model:
Transactional Commission: flat fee per million.
Market Data: Enhanced Market Data Products.

A significant cost reduction from existing competitors

> "While conventional trading platforms are limited to a single protocol, **OMeT** uniquely integrates all three protocols into one seamless system. This versatility enables traders to meet a broader range of trading and risk transfer requirements than any competing platform."

2024 OMET Technologies

Market Landscape: Major Dealers Cite Need for Market Electronification

	Voice Broker IDB	*Bank Salesperson*	*Auction Dark Pool Session*	*RFQ Requesting Protocol*	*CLOB Central Limit Order Book*	*eMOD e-Market On Demand*
Fully Electronic	✗	✗	✓	✓	✓	✓
Verifiable Rules Based Trading w/ Audit T	✗	✗	✓	✓	✓	✓
D2C (Dealer-to-Customer)	✗	✓	✗	✓	✗	✓
D2D (Dealer-to-Dealer)	✓	✗	✓	✗	✓	✓
Pre & Post-Trade Anonymity (Name, AMT & Di	✗	✗	✓	✗	✓	✓
Dynamic (Trade Anytime)	✓	✓	✗	✗	✓	✓
Bespoke Instruments	✓	✓	✗	✓	✗	✓
Orderly Trading (Price/Time Priority)	✗	✗	✓	✗	✓	✓
Live Actionable Markets (Live Bid & Offers)	✗	✗	✗	✗	✓	✓
Up-Size (Increase Trading Amount)	✓	✓	✗	✗	✗	✓
Follow-on Trading (Live Order Book)	✓	✗	✗	✗	✓	✓
Trade Level Reporting (Real-time)	✓	✗	✓	✓	✓	✓
Post-Trade Automation to CCP	✓	✓	✓	✓	✓	✓
BEST EXECUTION	✗	✗	✗	✗	✓	✓

2024 OMET Technologies

The Opportunity

- Major Participants and Regulators recognize the need for market electronification.
- Reimagine and implement a new electronic trading approach for OTC wholesale capital markets.
- Focus on LATAM OTC Swap markets, specifically Mexican TIIE swaps and sovereign bonds.

Market Potential

- LATAM cleared IRS exceeds $50.3 billion per day in 2023, a 40% YoY increase.
- Mexico represents a significant opportunity with over $22.5 billion ADN (Average Daily Notional).
- 325+ participants, 40+ liquidity providers, and 20 FCMs.
  - (75+ Local participants)

* ***High return on revenue (ROR) potential from Commissions and Market Data Revenues.***

2024 OMET Technologies

OMeT's Strategic Launch: Targeting the LATAM Mexican TIIE Swap Market

OMeT has strategically chosen the LATAM Mexican TIIE Swap Market for our initial launch, capitalizing on a unique combination of market dynamics and growth potential:

Key Advantages:

First Mover Opportunity: Virtually no existing competing electronic offerings.

Regulatory Alignment: Significant and growing adoption of Central Clearing for OTC Derivatives.

Untapped Potential: Emerging Markets, showing tremendous growth, are grossly underserved.

Regulatory Support: Strong encouragement from market Participants, Regulators, Central Bank and Ministry of Finance.

Source CME

2024 OMET Technologies

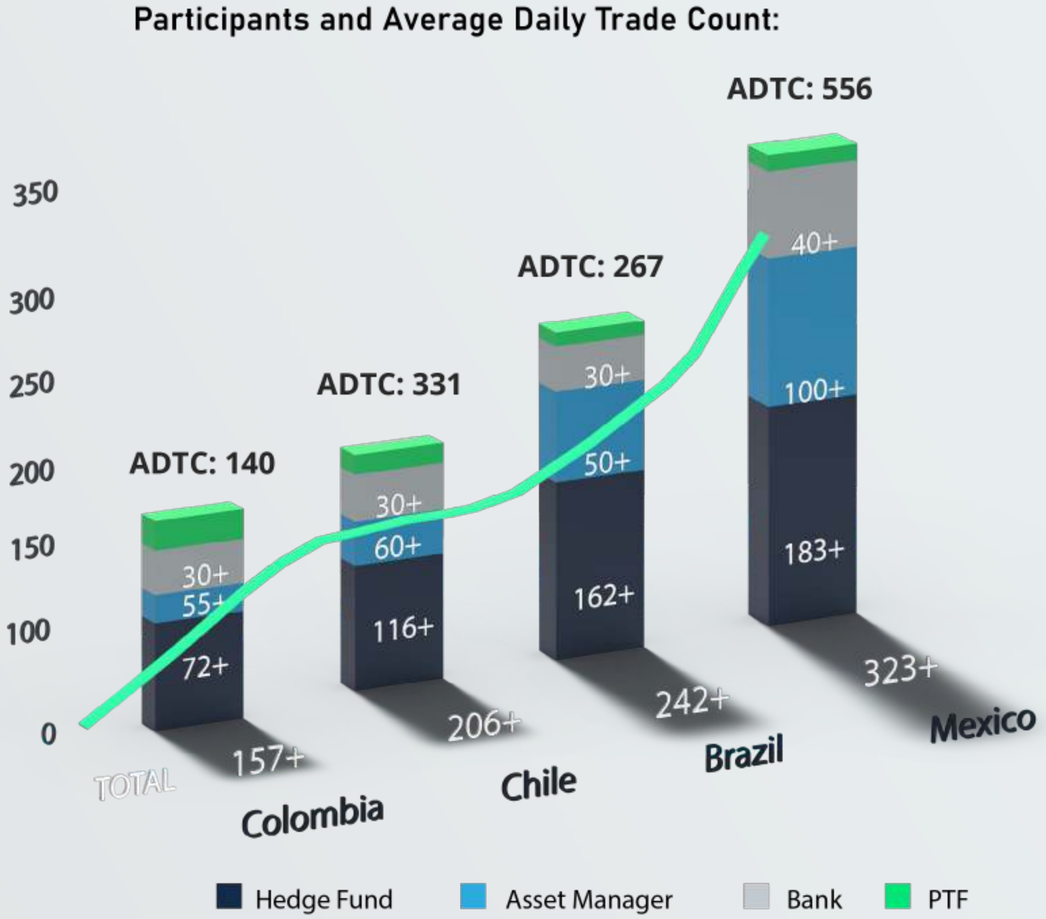
Key Advantages:

Explosive Growth: 40+% year-on-year increase.

Robust Ecosystem: 375+ institutional participants (75+ Local Participants).

Strong International Presence: Major Asset Managers, Hedge Funds, Professional Trading Funds (PTFs), and Global Banks.

Support By: Clearinghouses and Leading FCM's.



Source CME

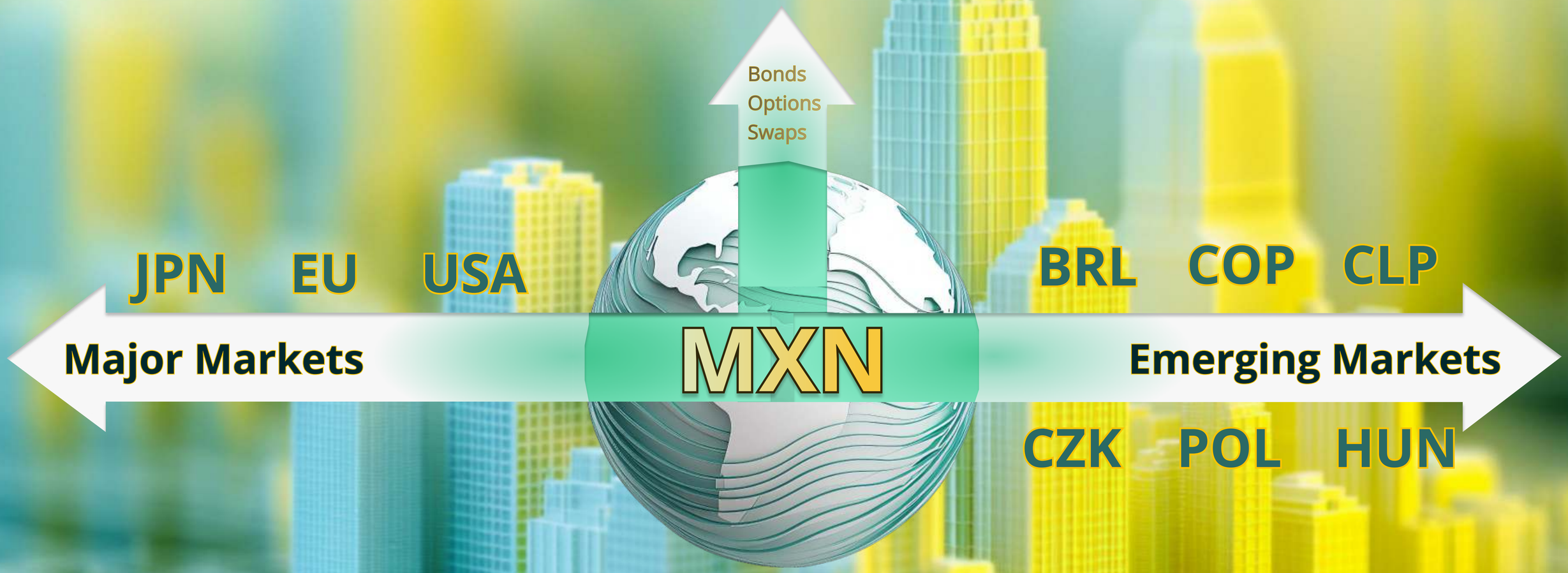
2024 OMET Technologies

Strategic Implications:

Scalability: Leverage the same client base for expansion into additional Emerging Markets

Global Potential: Platform adaptable for other major Derivative Markets (US, EU, and Eastern European)

This launch strategy positions **OMeT** at the forefront of a rapidly evolving market, with significant potential for growth and diversification.



2024 OMET Technologies

FINANCIAL MODEL/ PROJECTIONS, INITIAL PRODUCT OFFERINGS & TIMELINE

2024 OMET Technologies

Commission Structure:

OBJECTIVES

- **Incentivize market-makers** for consistent and timely participation.
- **Scalable to other LATAM EM Swap markets.**
- **Benefit from increased participation**, traded volume, and market data.
- **Disruptive** to incumbent voice brokers commission structure.

5 Year DV01 per million per annum	
10th Per Million	$46.60
16th Per Million	$29.13
32nd Per Million	$14.36
64th Per Million	$7.28

OMeT Commision Level *		
75%	Market Maker	$ 10.00 Per Million
50%	Market Maker	$ 12.50 Per Million
Buy Side & Non-MM		$ 15.00 Per Million

Flat Fee versus a fraction of DV01 based on Swap maturity consistent with futures market

PROPOSED COMMISSION MODEL

- **Aggressive monthly flat fee per million** ($10.00) for LPs with >75% timely eMOD responses.
- **Less aggressive fee** ($12.50) for LPs with >50% timely responses.
- **Reduced commission** ($15.00) for other participants.
- **Charge both sides** on D2D transactions.
  - Adjust transactional rate for non-traditional payers.
- **Standard line item fee** for compaction portfolios or unwinds.
- **Monthly access fees** for data or embedded commissions.

2024 OMET Technologies

Financial Projections for OM e-Trading LLC: e - Trading TIIE, Bonds and Market Data - w/ GMEX Dev and Support

REVENUES		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 6*	Year 6**
FEES (MARKET SHARE OF ADV)		Market Share→	**3%**	**7%**	**15%**	**20%**	**25%**	**50%**	**75%**
	Cleared Swaps		$4,050,000	$9,922,500	$22,325,625	$31,255,875	$41,023,336	$82,046,672	$123,070,008
	Cetes & Mbonos			$485,100	$1,067,220	$1,760,913	$2,582,672	$7,425,183	$11,622,026
	Market Data			$1,162,800	$2,325,600	$3,876,000	$5,038,800	$9,738,000	$18,738,000
TOTAL REVENUE		**$0**	**$4,050,000**	**$11,570,400**	**$25,718,445**	**$36,892,788**	**$48,644,808**	**$99,209,855**	**$153,430,034**
EXPENSES									
	Staff (Mgt, Sales and Ops)								
	OMeT Team		$675,000	$1,350,000	$1,450,000	$1,500,000	$1,500,000	$1,750,000	$1,750,000
	Sales & Op Payroll/Related Exp		$207,500	$684,500	$1,107,500	$1,250,000	$1,575,000	$2,125,000	$2,375,000
	License Fee	0%		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Bonus Pool**	35%			$2,874,515	$7,688,956	$11,346,226	$15,179,433	$32,649,699
	Tech Exp (Lic., Support and Hosting)								$51,486,762
	Tech Support Team		$450,000	$675,000	$800,000	$1,000,000	$1,400,000	$1,400,000	$1,800,000
	Software & Cloud Exp		$490,600	$643,000	$682,000	$735,000	$730,000	$850,000	$950,000
G&A EXPENSES									$1,050,000
	Rent		$48,750	$97,500	$97,500	$97,500	$97,500	$97,500	$162,500
	Compliance & Legal		$600,000	$200,000	$500,000	$500,000	$750,000	$750,000	$1,200,000
	Tax and Accounting		$50,000	$200,000	$300,000	$375,000	$525,000	$525,000	$525,000
	Misc plus T&E, BBG		$162,500	$438,429	$530,714	$550,000	$600,000	$700,000	$800,000
TOTAL EXPENSES			**$2,684,350**	**$4,288,429**	**$8,342,229**	**$13,696,456**	**$18,523,726**	**$23,376,933**	**$42,212,199**	**$61,649,262**
EBITDA			**($2,684,350)**	**($238,429)**	**$3,228,171**	**$12,021,989**	**$18,369,062**	**$25,267,875**	**$56,997,656**	**$91,780,772**
	ROR				**27.9%**	**46.7%**	**49.8%**	**51.9%**	**57.5%**	**59.8%**
	# of Team Members		11.5	17	22	23	29	31	34	36
	# of Sell-Side On Board		6	12	21	27	31	39	39	39
	# of Buy-Side On Board		42	85	141	183	212	175	175	175
	Market Share		0	3%	7%	15%	20%	25%	75%	0%
	* Bonus Pool is 35% of Revenues minis all staff cost including Mgt, Sales, Tech and Ops (Net of License Fee									
	ADV Annual Growth Factor Starting from $22.5 BLN				5%	5%	5%	5%	5%	0%

2024 OMET Technologies

Revenue Model for OM e-Trading LLC:

EXECUTION FEE	GROWTH FACTOR:	5%	5%	5%	5%	5%	0%
CLEARED SWAP EXECUTION FEES	$12.50	$12.50	$12.50	$12.50	$12.50	$12.50	$12.50
Contract Size	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
ADV	$22,500,000,000	$23,625,000,000	$24,806,250,000	$26,046,562,500	$27,348,890,625	$27,348,890,625	$27,348,890,625
Market Share @ Discounted level	**3.0%**	**7.0%**	**15.0%**	**20.0%**	**25%**	**50%**	**75%**
Notional Amount	$675,000,000	$1,653,750,000	$3,720,937,500	$5,209,312,500	$6,837,222,656	$13,674,445,313	$20,511,667,969
OI in per Million	675	1,654	3,721	5,209	6,837	13,674	20,512
EXECUTION FEE-ADV TOTAL:	$16,875	$41,344	$93,023	$130,233	$170,931	$341,861	$512,792
Monthly	**$337,500**	**$826,875**	**$1,860,469**	**$2,604,656**	**$3,418,611**	**$6,837,223**	**$10,255,834**
MARKET DATA / ACCESS FEE							
ASSET MANAGERS/HEDGE FUNDS	282	282	282	282	282	500	1000
Market Data / Access Fee	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
Market Share Percentage	15%	30%	50%	65%	75%	75%	75%
# of Clients	42.3	84.6	141	183.3	211.5	375	750
MONTHLY MARKET DATA (HF):	**$84,600**	**$169,200**	**$282,000**	**$366,600**	**$423,000**	**$750,000**	$1,500,**000**
LIQUIDITY PROVIDERS	41	41	41	41	41	41	41
Market Data / Access Fee	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
Market Share Percentage	15%	30%	50%	65%	75%	75%	75%
# of Clients	6.15	12.3	20.5	26.65	30.75	30.75	30.75
MONTHLY MARKET DATA (AM):	**$12,300**	**$24,600**	**$41,000**	**$53,300**	**$61,500**	**$61,500**	**$61,500**
EXECUTION FEE	**Growth Factor:**	**10%**	**10%**	10%	**10%**	**15%**	**20%**
CETES & MBONOS	MXN 50	MXN 50	MXN 50	MXN 50	MXN 50	MXN 50	MXN 50
Contract Size	MXN 10,000,000	MXN 10,000,000	MXN 10,000,000	MXN 10,000,000	MXN 10,000,000	MXN 10,000,000	MXN 10,000,000
ADV	MXN 161,700,000,000	MXN 177,870,000,000	MXN 195,657,000,000	MXN 215,222,700,000	MXN 236,744,970,000	MXN 247,506,105,000	MXN 258,267,240,000
Market Share @ Discounted level	5%	10%	15%	20%	25%	50%	75%
Notional Amount	MXN 8,085,000,000	MXN 17,787,000,000	MXN 29,348,550,000	MXN 43,044,540,000	MXN 59,186,242,500	MXN 123,753,052,500	MXN 193,700,430,000
OI in per Million	809	1,779	2,935	4,304	5,919	12,375	19,370
EXECUTION FEE - ADV TOTAL:	MXN 40,425	MXN 88,935	MXN 146,743	MXN 215,223	MXN 295,931	MXN 618,765	MXN 968,502
MONTHLY (MXN W/ 20 DAY MONTH)	MXN 808,500	MXN 1,778,700	MXN 2,934,855	MXN 4,304,454	MXN 5,918,624	MXN 12,375,305	MXN 19,370,043
MONTHLY ($ @ EXCHANGE RATE 20)	**$40,425**	**$88,935**	**$146,743**	**$215,223**	**$295,931**	**$618,765.26**	**$968,502.15**

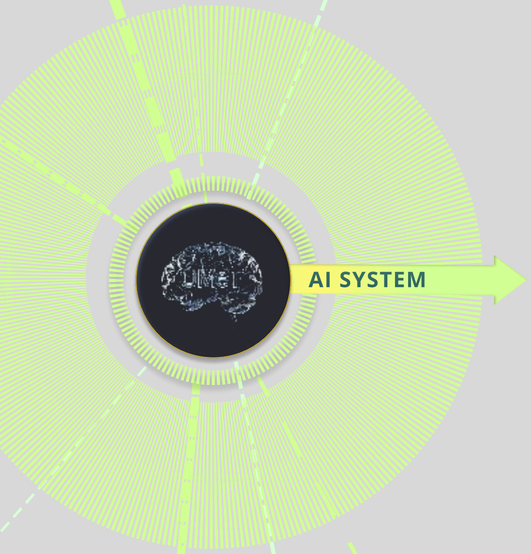
2024 OMET Technologies

Market Data: The OMeT Advantage

OMeT's proprietary trading platform generates and maintains comprehensive market data, delivering substantial value through multiple channels:

Core Benefits:

Real-Time Intelligence: Traders gain immediate access to pre and post-trade information, enabling data-driven decisions and efficient trade reconciliation.
Industry Integration: Our standardized data feeds seamlessly integrate with major market data providers including Bloomberg, FactSet and Refinitiv, expanding market reach.
Flexible Data Solutions: Clients can access customized real-time and historical data products directly from **OMeT**, tailored to their specific needs.



Future Enhancement: AI-Powered Analytics

We are developing sophisticated AI-driven tools as part of our Enhanced Data Product Offering. This initiative will provide:

Deep Data Analysis: Advanced research tools to examine and interpret **all anonymous** platform-captured data.

Automated Visualization: Rapid generation of insightful graphs and charts.

Intelligent Insights: AI-powered analysis to identify patterns and opportunities.

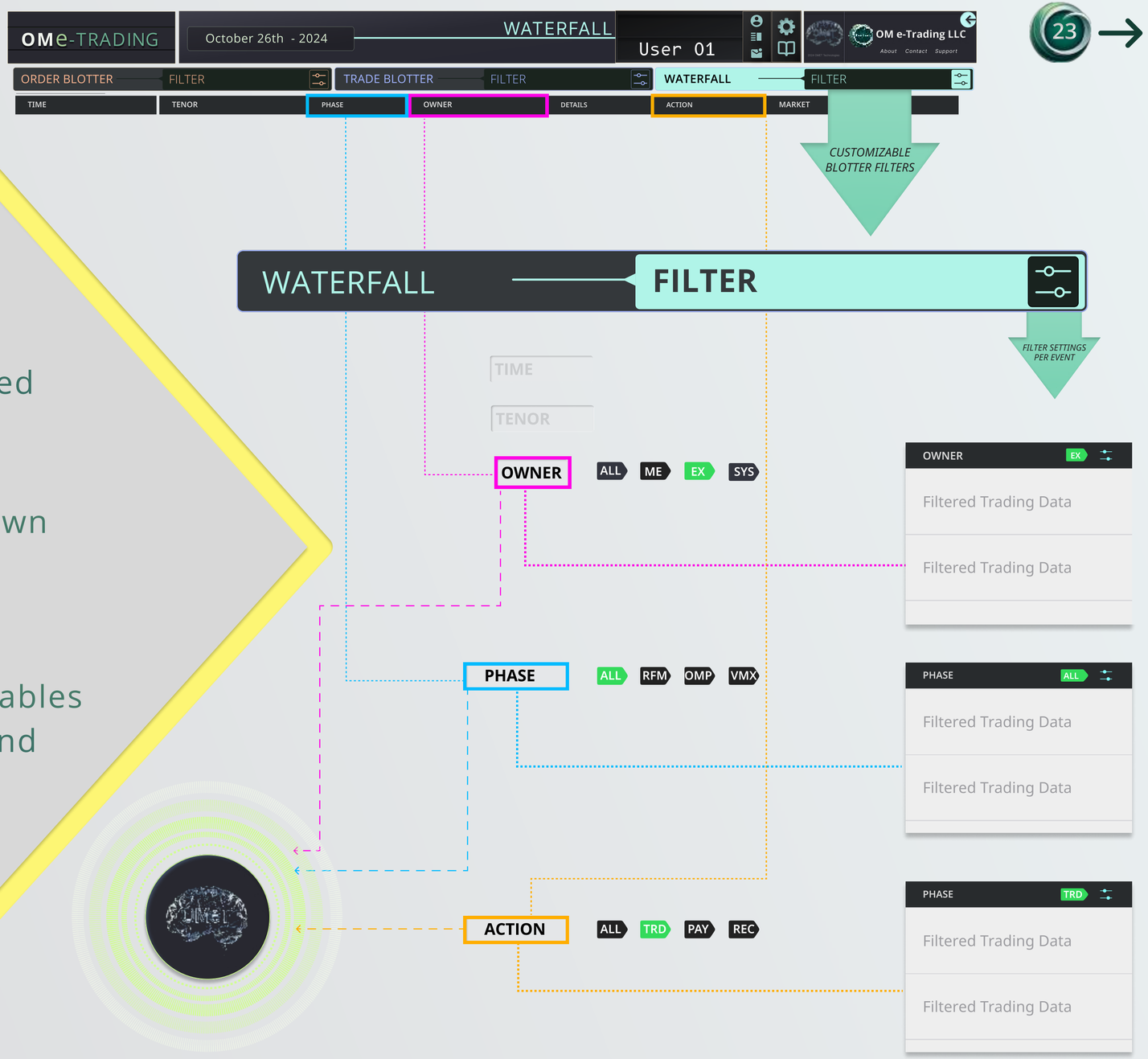
WATERFALL Module:

Our Waterfall tool introduces **OMeT's** data capabilities by providing:

Comprehensive Activity Tracking: Every platform interaction is captured and stored in our secure database.

Real-Time Visibility: Users can monitor their own actions and platform-wide trading activity with precise timestamps

Advanced Filtering: Our intuitive Filter tool enables users to sort and analyze both their activities and peer trading patterns



2024 OMET Technologies

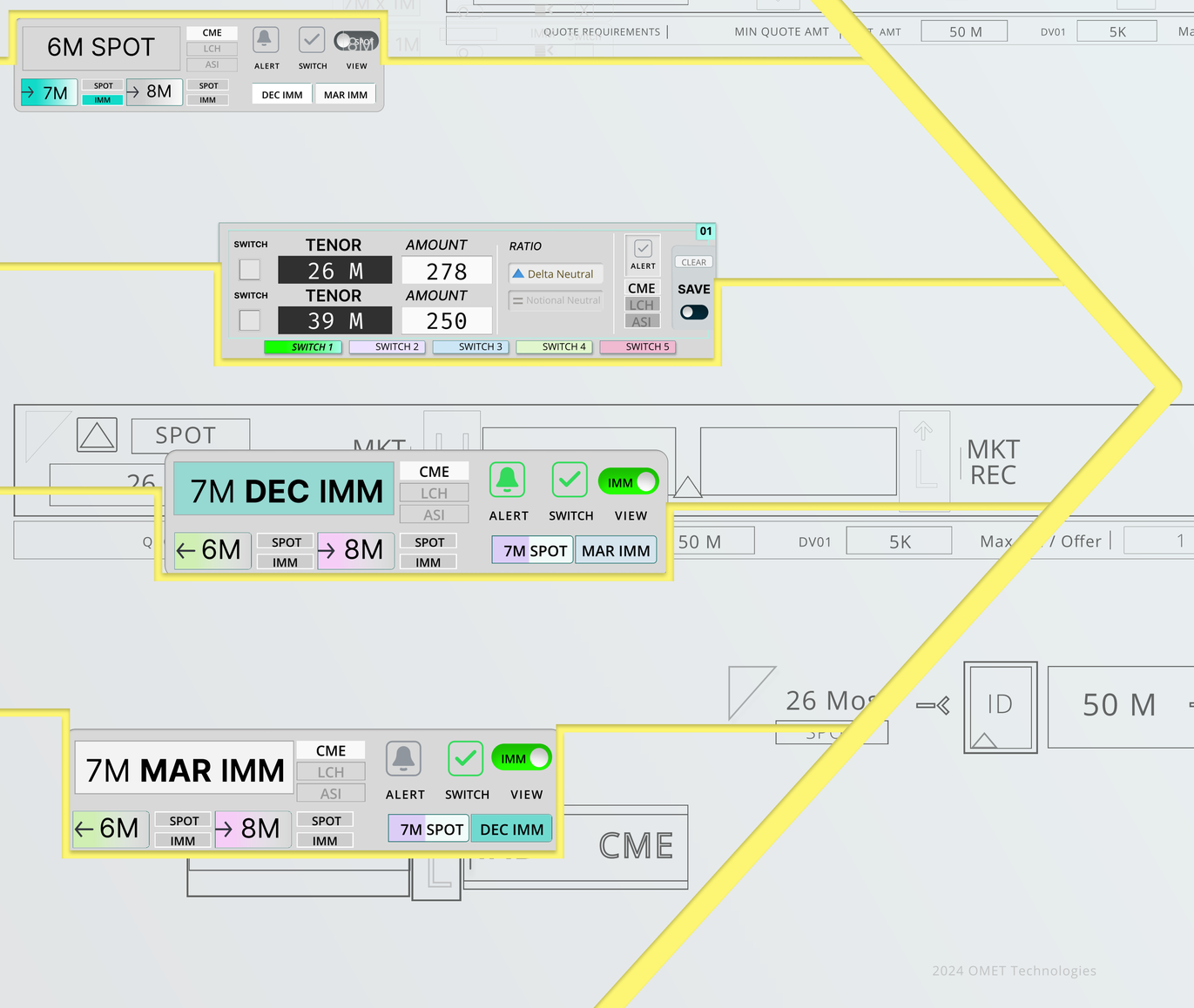
Initial Product Offerings:

SPOT Maturities from 1 Month to 30 years.

SPOT SWITCHES Flexibility to switch any spot tenor vs. any additional spot tenor.

IMM IMM start dates for any tenor.

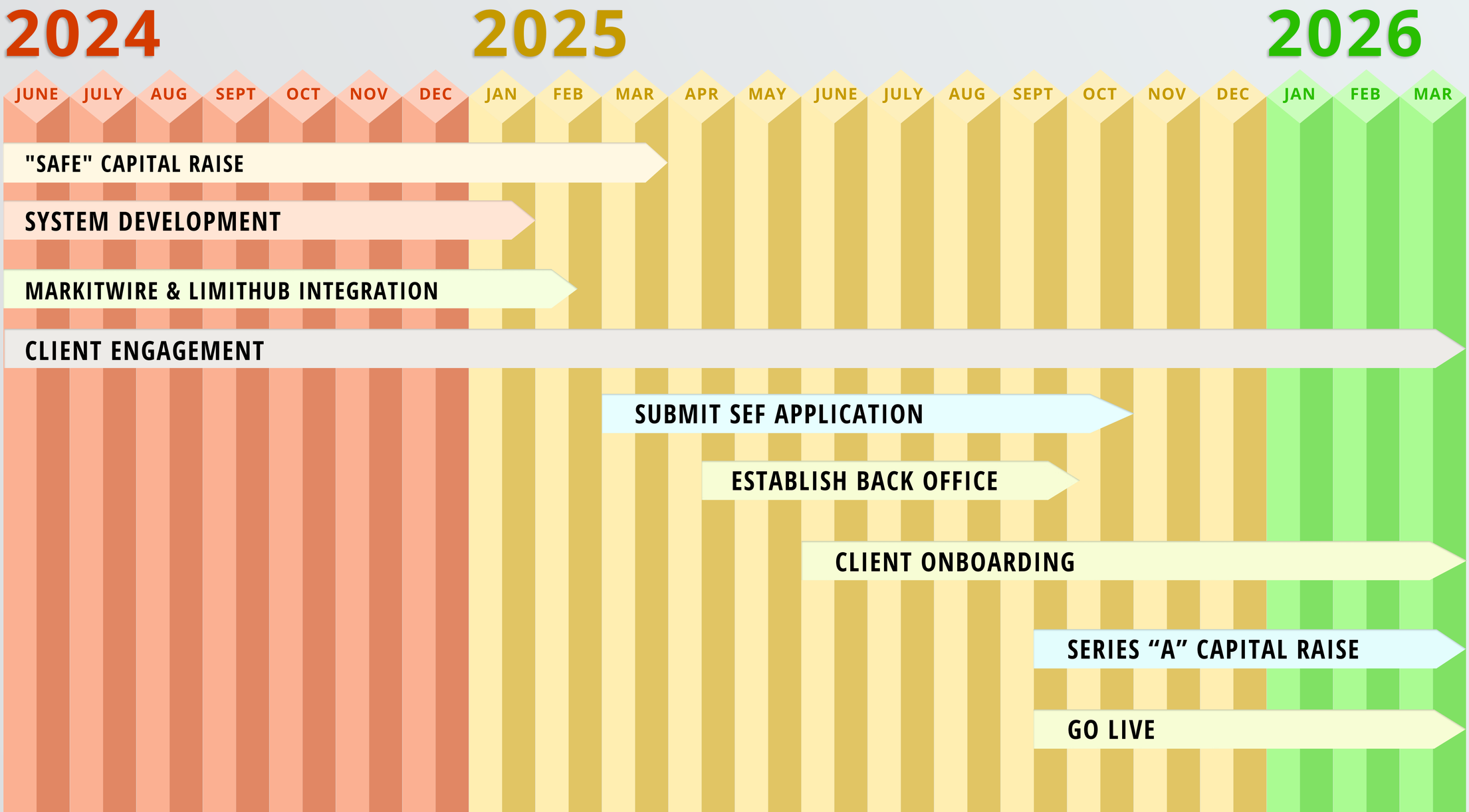
IMM SWITCHES Flexibility to switch /roll any IMM tenor to a longer IMM tenor.



* *Initial Offering based on Client feedback*

2024 OMET Technologies

Timeline:



2024 OMET Technologies

SAFE FUNDING OPPORTUNITY

2024 OMET Technologies

Current Status

- Team: Experienced team ready to implement the business plan.
- Clients: Strong support from sell-side and buy-side clients.
- Technology: Interactive working demo version of e-MOD built on proven technology.

Initial Capital Raise & Use of Proceeds

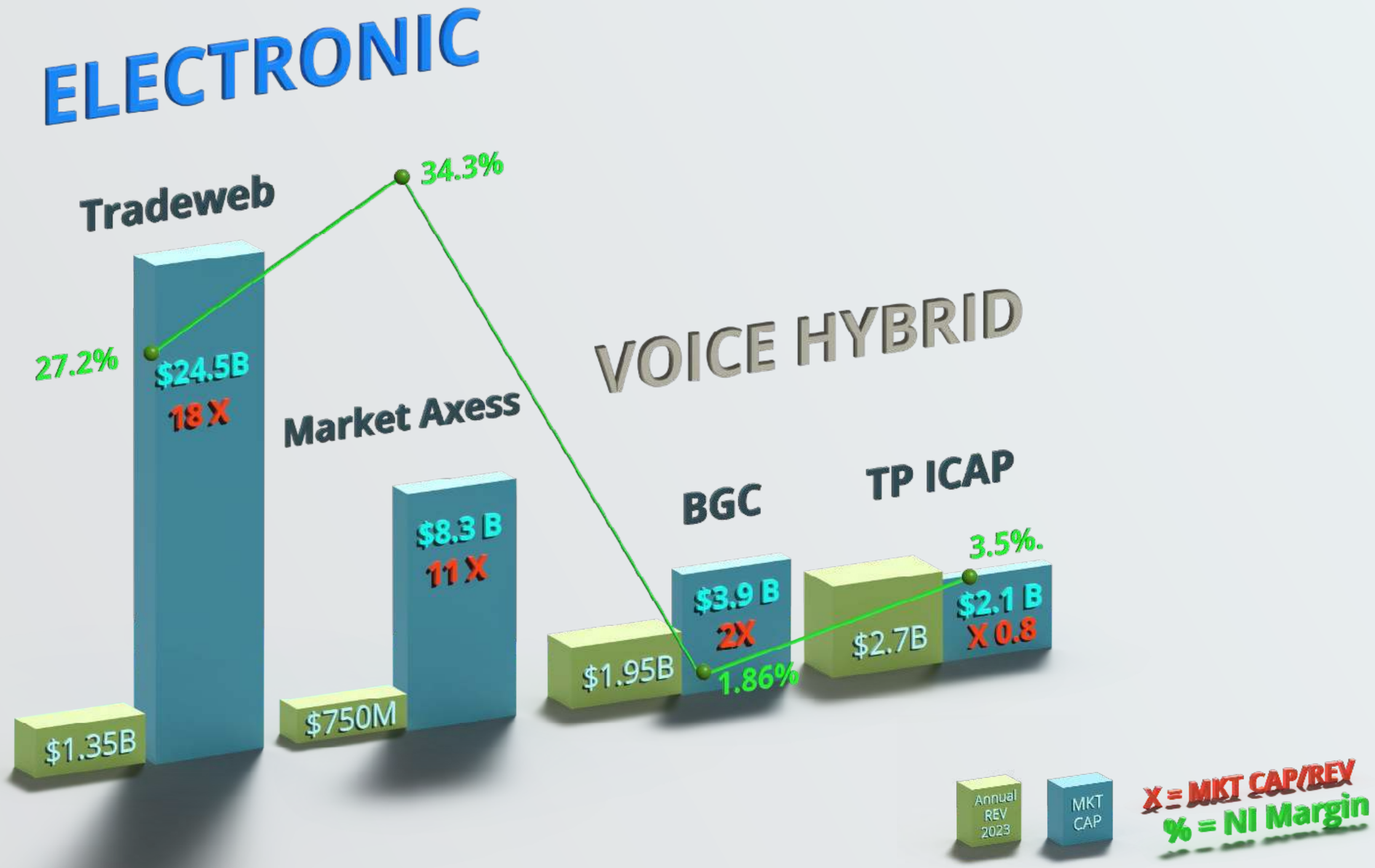
- Capital raise using a Simple Agreement for Future Equity (SAFE).
- Maximum raise of $3.5 million.
- 15% Discount to our Series A round.
- SAFE investors capped at $20 million pre money valuation.

Use of Proceeds

- Complete platform development, secure SEF registration, onboard clients and build operations and sales team.

2024 OMET Technologies

Competitor Comparison:



Public Market Source Year End 2023

2024 OMET Technologies

THE TEAM

2024 OMET Technologies

Vinayek K. Singh, CEO, has extensive experience in the global financial markets with a focus on fixed income and OTC derivative markets. He has a proven track record for building innovative e businesses and risk management solutions.

John Cleary, brings three decades of knowledge and experience in the OTC Interest Swap Markets. He has played a key role in the development of electronic trading in Latin America.

Oliver Frankel, is the Chief Risk Officer (CCO) and board member. Oliver is a retired Managing Director from Goldman Sachs (2016) and has pursued opportunities within the bilateral derivative risk space.

Brian Salonsky has worked at three of the large inter-dealer brokers for three decades covering top tier accounts and establishing relationships with both sell side and buy side institutions.

Eric Vaughn-Flam was formerly Senior Partner of two law firms, Selverne Vaughn-Flam & Mandelbaum LLC and Sanders Ortoli Vaughn-Flam Rosenstadt LLC specializing for three decades in all aspects of business law and litigation.

Warren Schiele brings over three decades of experience in OTC and exchange-listed derivatives to his role as a Managing Director.

2024 OMET Technologies

Alfredo Holguin brings over three decades of experience specializing in Interest Rates and Foreign Exchange derivatives trading and sales.

Simon Perry's career spans multiple global financial hubs, including New York, London, Singapore, Hong Kong, and Los Angeles, giving him a truly international perspective on the markets.

Erick Schiele, with three decades in visual effects, blends fine art training and digital expertise. He leads UI development for OMET, applying his creative vision to financial trading platforms.

2024 OMET Technologies

This is more than a business venture.

It's a Revolution in Motion.

Join us in redefining the future of Cleared OTC Derivatives Trading.

WWW.OM-ETRADING.COM

2024 OMET Technologies