



LFC Management & Governance

Strong Principles Of Good Corporate Governance combined with KIPCO integration and membership of key Group Committees augments Group ownership & control.

LFC's Board of Directors:

- Chairman: John C. Grech
Chairman of FIMBank
- Director: Mohamed Fekih Ahmed
Deputy Chairman Tunis International Bank
- Director: Majed Essa Al-Ajeel
Chairman Burgan Bank
- Director: Robert Frost
Treasurer Burgan Bank

Reputation

LFC is recognized within the Industry by clients & peer groups, regularly receiving accolades



2018 - Best Alternative Trade Finance Provider



2017 - Best Non-Bank Trade Services Provider

'World's No.1 Forfeiter'

LFC AT A GLANCE

About LFC

Incorporated in London in 1984 and acquired by FIMBank, Malta (FIMBank) in 2003, London Forfaiting Company (LFC) was incorporated in 1984 and has been an acknowledged market leader in Forfaiting for over 30 years, specializing in the arrangement of forfaiting, loans and other trade related financial products. LFC provides international trade finance and bilateral & syndicated loans through its international network. LFC has a proven reputation for delivering fast, efficient, tailor made finance solutions to Importers, Exporters and Emerging Market Financial Institutions. LFC's clients include SME's, Multi-National Corporations, Trading Companies, Investment Funds, Banks and other Financial Institutions.

LFC Ownership

LFC is 100% owned by FIMBank which is "BB" rated by Fitch and is ultimately controlled by Kuwait Projects Company Holding K.S.C.P (KIPCO) Group, a leading regional investment company linked to Kuwait's ruling family, through its banking subsidiaries.



FIMBank Ownership

United Gulf Holding Company	74.89%
Burgan Bank S.A.K.	12.27%
Tunis International Bank	1.76%
Free float	11.08%



International Network

LFC's global network of offices are located in key business markets promoting origination and marketing capabilities:

London	Head Office
Malta	Operations
New York	Subsidiary
Sao Paulo	Subsidiary
Paris	Marketing
Cologne	Marketing
Moscow	Marketing
Singapore	Branch

LFC AT A GLANCE

Regulators and Anti-Money Laundering

Whilst Forfaiting is not a regulated product, LFC is designated as a financial services firm under the following UK legislation: Banking Consolidation Directive and Money Laundering Regulations 2007. Through this legislation the UK Financial Conduct Authority (FCA) has Money Laundering supervisory responsibilities for LFC.

- The FCA visits LFC intermittently to monitor our compliance with the directive.
- LFC has implemented its own “Risk Based” business focused policies and procedures in accordance with the Joint Money Laundering Steering Group (JMLSG) Guidance and FCA requirements.
- LFC also ensures full compliance with FIMBank’s AML policies & regulatory requirements

Key Financial Indicators

	2017	2016	Commentary
Total Assets	\$270.6m	\$388.3m	Active trading of assets ,executed profitably
Total Equity	\$78.1m	\$74.3m	Good capitalisation with ratio Assets/Equity of 3.4x
Profit After Tax	\$8.3m	\$6.5m	29% y/y increase, achieved through higher turnover & trading income
Net Interest Margin	4.78%	3.62%	Good NIM achieved
Cost Income	43.0%	49.2%	Cost Income ratio attractive and 13% lower than 2018
ROAA	2.52%	1.67%	Return of Average Assets 51% higher than 2016 partly due to lower assets
ROAE	10.63%	9.13%	Return on Average Equity improved 16% achieving doubled digit growth

Trading Activities & Products

- LFC maintains a dynamic portfolio of trade finance assets. Returns are generated by originating trade opportunities that provide single digit net returns by targeting liquid assets with potential to generate incremental returns through secondary trading.
- LFC purchase bills of exchange, promissory notes, loans, deferred payment letters of credit and provides financial services to sovereigns, companies and banks.
- Transactions are mainly sourced from Exporters & Importers, Syndicated Loan & Forfaiting Secondary Market, Banks & Financial Institutions, KIPCO Group entities and brokers

LFC in summary

- Acknowledged market leader in Forfaiting for over 30 years, long established.
- Robust track record of profitability, despite changing market conditions. Benefitting from extensive contact network and relatively small fixed cost base, generating a healthy and sustainable core underlying profit.
- Experienced management team and strong corporate governance.
- Regulated through full consolidation with FIMBank, governed by the MFSA. And supervised by the FCA for AML compliance
- Strong Credit Metrics, especially liquidity and capitalization. Stable credit lines, both inter-group and external, coupled with marketable, short term trade finance assets, provides excellent liquidity. CAR ratio estimated to be c.35%.
- Governance and internal controls enhanced by Executive Committees and senior KIPCO Group representation promotes clear operational integration and support.