



## Commodity Trade Finance Presentation

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# About Us

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As a finance and business advisory partner, **INTEGRA** provides solutions that enable businesses to remain stable and sustainable.

We become an integral part of our client's business and deliver tangible results that directly contribute to its growth by employing our expertise in three main areas:

Commodity Trade  
Finance

Corporate  
Structuring

Advisory

# Our Vision & Mission

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## OUR VISION:

To be the partner of choice in MENA, Europe and Africa for clients who seek finance and business advisory.

## OUR MISSION:

Working with our clients, peers and networks, we provide insight, advice and solutions that drive impactful results to ensure stability and sustainability.

## OUR ENABLERS:

- Knowledge & insight
- Business acumen
- Professional networks
- Real solutions for real time results

## OUR VALUES:

- Integrity
- Curiosity
- Passion for perfection
- Partnership & commitment



# Our Approach



Our clients are ambitious companies who seek new and innovative ways to sustain and grow their businesses.



We provide a holistic review of our client's business and funding ecosystem to achieve sustainable and stable financing structure while expanding their businesses.

## WE DO THIS THROUGH:

- Extensive know-how & industry experience in Emerging Markets & the Middle East
- Substantial network with stakeholders in the Corporate, Investment & Private Banking community
- Sound strategy development & implementation
- Significant number of international clients serviced to establish a bankable platform availing various funding sources
- Strong client pipeline & proven advisory track record
- Involved in various advisory and structuring mandates in the region

# Our Value Addition

## Interdisciplinary & Multi-Jurisdictional

INTEGRA employs an interdisciplinary & multi-jurisdictional approach to the overall process.

## Business Oriented

We prioritize the business and develop comprehensive solutions with well established networks.

INTEGRA coordinates, monitors and executes all phases alongside industry experts.

## Finance-ability

We ensure that the business arrives at a sustainable solution which is adaptable to the changing financial needs of the business.

## Solution Partner

We are an integrated solution partner to our clients who seek support in new geographies, jurisdictions & regulatory, business and banking environments.

## Holistic Approach

INTEGRA's holistic and committed approach ensures our clients are serviced throughout our engagement journey and beyond.

## Relationship Focused

INTEGRA values relationships with all our stakeholders and ensures smooth cooperation among parties.

We remain focused on partnership even after delivery.



# Our Background & Organization

INTEGRA was founded by Emre YILDIRIM as of March 2016 in Dubai / UAE with a purpose to introduce a holistic approach to business consultancy anchoring in finance.

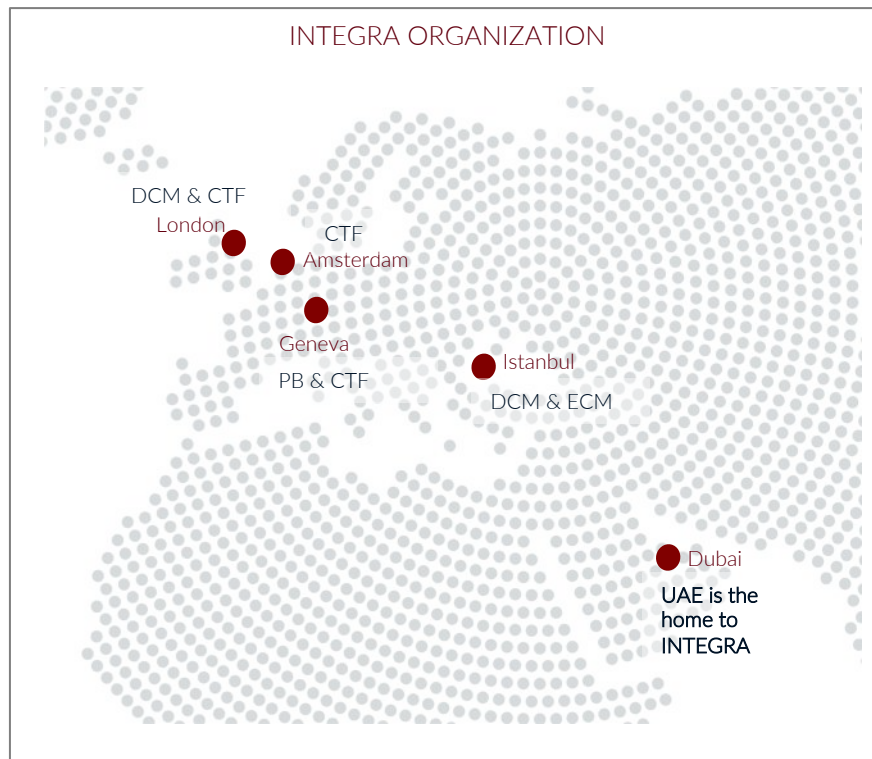
Target clients are ambitious companies who seek the best practices in the industry. INTEGRA offers inter-disciplinary and multi-jurisdictional experience gathered within its organization.

Headquartered in the UAE, INTEGRA has already extended into international business centers with its associates present in Istanbul, Geneva, Amsterdam and London.

Integra is comprised of senior executives amalgamating diverse backgrounds with international experience.

Inter-disciplinary team members contribute to a versatile yet integrated skill set based on proven track record.

Sharing common set of values, Integra Team is committed to deliver results with utmost international professionalism and ethical standards.



# Commodity Trade Finance

DIVERSIFIED SOURCES OF FUNDS  
ARE KEY FOR COMMODITY  
TRADERS

Ecosystem of Commodity Trade Finance is rapidly changing requiring traders to have an efficient, effective, versatile & agile business model alongside financial capabilities to survive.

Diversified sources of funding among global banks provide sustainable and cost efficient financing for commodity traders.

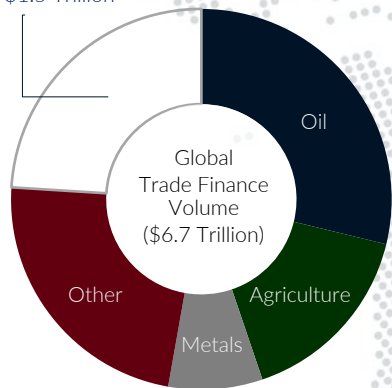




# Rapidly Evolving Commodity Trading World



Trade Finance  
Gap: \$1.5 Trillion



Dubai Is The Only Trade Hub Without A Major Commodity Trade Finance Offering

# Identifying Commodity Traders' Needs



## Market Evolution & Challenges

Commodity traders' value add is diminishing. Traders' margins are being squeezed.

Rate of consolidation is faster than ever.

Majors continue to dominate the market, marked by their horizontal and vertical integration.

Swift execution becomes critical.

Access to sources of funding decreases as Commodity Trade Finance Banks focus on larger customers.

Financing is vital while access to alternative fund sources becomes essential.

## Commodity Trade Finance Benefits

- Diversified funding sources among global banks provide sustainable and cost efficient financing for commodity traders.
- Structured commodity finance facilities are easier & more cost effective to avail and contribute to the risk profile of the various traders by enhanced controls.
- Transactional nature of financing frees up cash constrained by working capital cycles which reduce cost of funding while increasing the trading company's liquidity.
- Financing arranged for physical bulk commodity shipments moving globally, providing political and economic stability

# Commodity Trade Finance Sources

## Sources of Commodity Trade Financing (SCTF)



### Banks

- Banks exiting (e.g. BNP, SocGen, CS Singapore).
- New entrants discouraged by de-globalization, higher capital & Basel IV requirements, KYC issues & operational requirements.
- Minimum equity requirements per client reduce eligible clients.
- Existing players focus on major clients leaving gap for smaller companies.

Trend : Diminishing



### Funds

- Hedge funds losing ground & incurring losses due to paper trading & lack of genuine flows.
- Trade Finance Funds are relatively expensive.
- Funds require investors to absorb portfolio risk; not the industry, geography or trade structure.
- SCTF is labor intensive & cumbersome for smaller tickets.
- High return expectations drive riskier investments.

Trend : Expensive



### Alternative Financing

- New player entries.
- Lack of track record.
- "Majors" active in market (i.e., LD, Cargill, Bunge, ADM). Smaller customer hesitant to deal with them due to conflict of interest.
- High growth potential to fill in the industry vacuum.

Trend : Transitioning



### Equity

- Traders continue to be thin on equity.
- Equity is scarce & costly.

Trend : Scarce



# Customer & Needs Profiling



## Profile 1

The Client knows what is required to fulfill its growth ambitions; bigger credit facilities, geographic expansion and alternative funding structures at better prices.

INTEGRA can identify new financiers and geographies to grow the business and introduce flexible facilities ahead of competition providing optimum price & collateral structures.

## Profile 2

The Client is well banked but wants to explore options in the market. The interests include the banking strategy's health, global developments and keeping an eye on his competitors and their products.

INTEGRA can review current and future funding plans and compare them with global & regional benchmarks to ensure competitiveness, stability & sustainability.

## Profile 3

The Client has stable and smooth financing sources and believes that it does not need anything. It claims to "know the business", have all the available sources and excels versus competitors. It believes that there is no room for improvement.

INTEGRA can double-check his statements by benchmarking the industry and pressure test his theories and test potential outcomes in major global scenarios.

# The INTEGRA Offering

## 1. Business Understanding

We understand today's business and tomorrow's ambition.

We work with you to realize your current position, conceptualize and capture opportunities to overcome today's shortfalls and mitigate future challenges.

## 2. Identify Needs & Develop Solutions

We identify your business needs and develop solutions to ensure flexibility yet robustness to propel your business from today to the future.

## 3. Implementation

We coordinate and implement solutions with tried and trusted partners to ensure results and seamless integration whilst providing complete and transparent insight into the full process.

We become one with our client's business & other delivery partners to ensure smooth execution.

## 4. Support Utilization

We ensure financial utilization is smoothly executed by integrating both the client and the financiers.

We remain in contact to expand the relationship whilst ensuring a mutually beneficial cooperation.



# Our Commodity Trade Finance Approach

## The Commodity Trade Finance Ecosystem



We understand the dynamics of the ecosystem.

We identify your needs and offer solutions and execute against them.

Our inter-disciplinary & multi-jurisdictional experience allows us to deliver the optimal solution



Banks



Funds



Alternative Financing



Equity

Understand The Business

Identify Needs & Develop Solutions

Implement

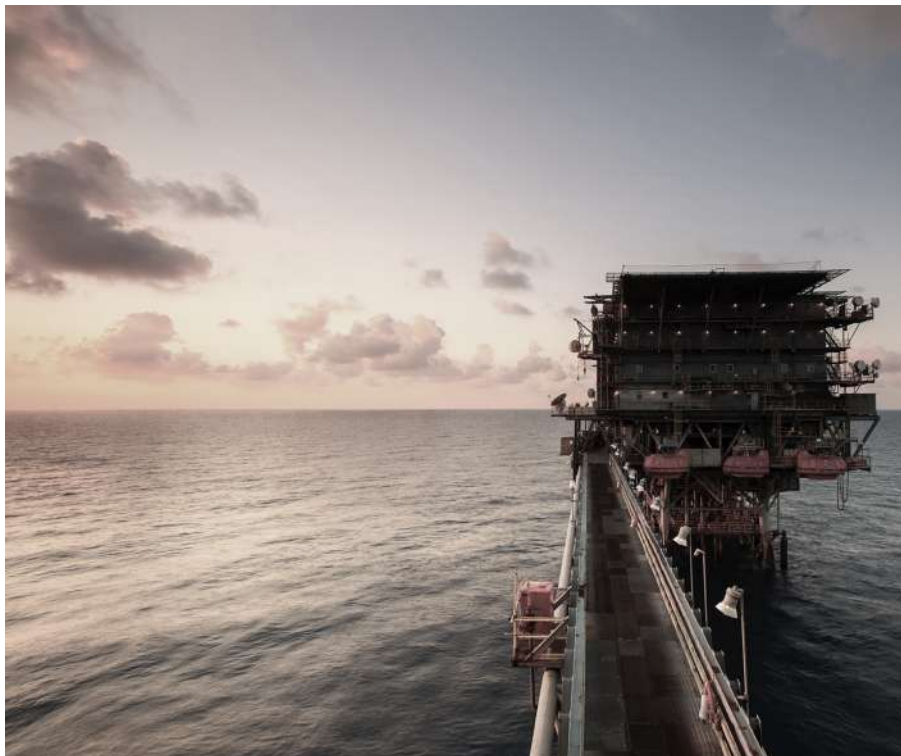
Support Utilization

- Structured Trade Finance
- Transactional Trade Finance
- Supply Chain Finance
- Receivable Financing & Factoring
- LC Issuance & Discounting
- Pre-Financing & Pre-Export Finance
- Stock Financing & Repo
- Transit & Cross-Border Trade Financing
- Islamic Financing
- Trade Credit & Political Risk Insurance
- Revolving Credit Facility & Hedging
- Other CTF Structures & Solutions

We develop and implement a holistic banking relationship strategy and ensure the developed solutions meet the identified needs for sustainability and stability and in compliance with the dynamics and requirements of the ecosystem. We optimize our service offering using our inter-disciplinary & multi-jurisdictional experience supported by our local insights and on-the-ground implementation capabilities.



# Commodity Trade Finance – Case Study 1



## The Client Profile & Challenges

A mid- to large-sized oil products trader in the GCC region with financial activity limited to regional banks.

## Our Solution & Delivery

We introduced Commodity Finance Banks to the client to expand his funding capabilities and hand-held the client throughout the relationship with the financiers. We arranged \$53 million worth of commodity trade finance facilities for their existing business and introduced \$50 million worth of repo and stock financing alternatives for their new business activities in the Far East.

## How Can We Help Your Business

INTEGRA can help grow your business in existing and new geographies

# Commodity Trade Finance – Case Study 2



## The Client Profile & Challenges

A major soft commodity trader with wide spread international activities with well covered global banking facilities.

## Our Solution & Delivery

Having assessed that they already had financing for their export operations, we introduced a niche player in their source country to establish a tailored pre-export facility.

Since our engagement, they have been utilizing \$35 million facility efficiently to secure and source products for their growing business.

## How Can We Help Your Business

Regardless of how well banked a business is, INTEGRA can seek and introduce solutions for niche markets.



# Commodity Trade Finance – Case Study 3



## The Client Profile & Challenges

An active fertilizer and soft commodity trader who had identified opportunities to originate oil products from existing regions.

## Our Solution & Delivery

We were hired to develop the banking relationship strategy to increase financing facilities for the new line of business. We arranged \$4 million transaction financing for one-off trading.

## How Can We Help Your Business

INTEGRA understands that new lines of business often require dedicated and delicate banking relationships.

# Commodity Trade Finance – Case Study 4



## The Client Profile & Challenges

A prominent agriculture products trader who preferred local banks who provided the company with flexible and convenience financing facilities. Market developments forced the banks to pull back on their existing facilities.

## Our Solution & Delivery

We assessed his situation quickly and agreed that new financiers had to be introduced so that supply contracts would not be lost. We developed a banking relationship strategy and approached regional and global banks to avail corporate and commodity trade finance solutions.

## How Can We Help Your Business

INTEGRA explores multiple solutions in light of a changing market that is defined by fluctuating bank support

# Commodity Trade Finance – Case Study 5



## The Client Profile & Challenges

An active oil products trader with over 30 years of legacy in the regions. They had solid relationships with a major Swiss commodity trade finance bank, which had become their main financier for international trade.

## Our Solution & Delivery

We advised the client to onboard an alternative bank who could provide similar services and products with which they were accustomed. We designed and implemented their banking relationship strategy. Our client continues to implement the defined strategy and expand his business.

## How Can We Help Your Business

INTEGRA helps diversify banking relationships, mitigate business risk while driving competitive advantage.

# Commodity Trade Finance – Case Study 6



## The Client Profile & Challenges

A leading steel trader who had grown by focusing on certain markets which deteriorated due to global relations and conditions.

## Our Solution & Delivery

We supported this client by developing new markets and introducing him to new financiers which were vital for his business. We reviewed and crafted his operating model to expand into coal and soft commodity trading. A roadmap for markets alongside financing options and financiers were developed. Transactional financing exceeding \$10 million was sourced for opportunistic trade.

## How Can We Help Your Business

INTEGRA can identify new products, markets, operating and financing models to ensure business continuity.



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