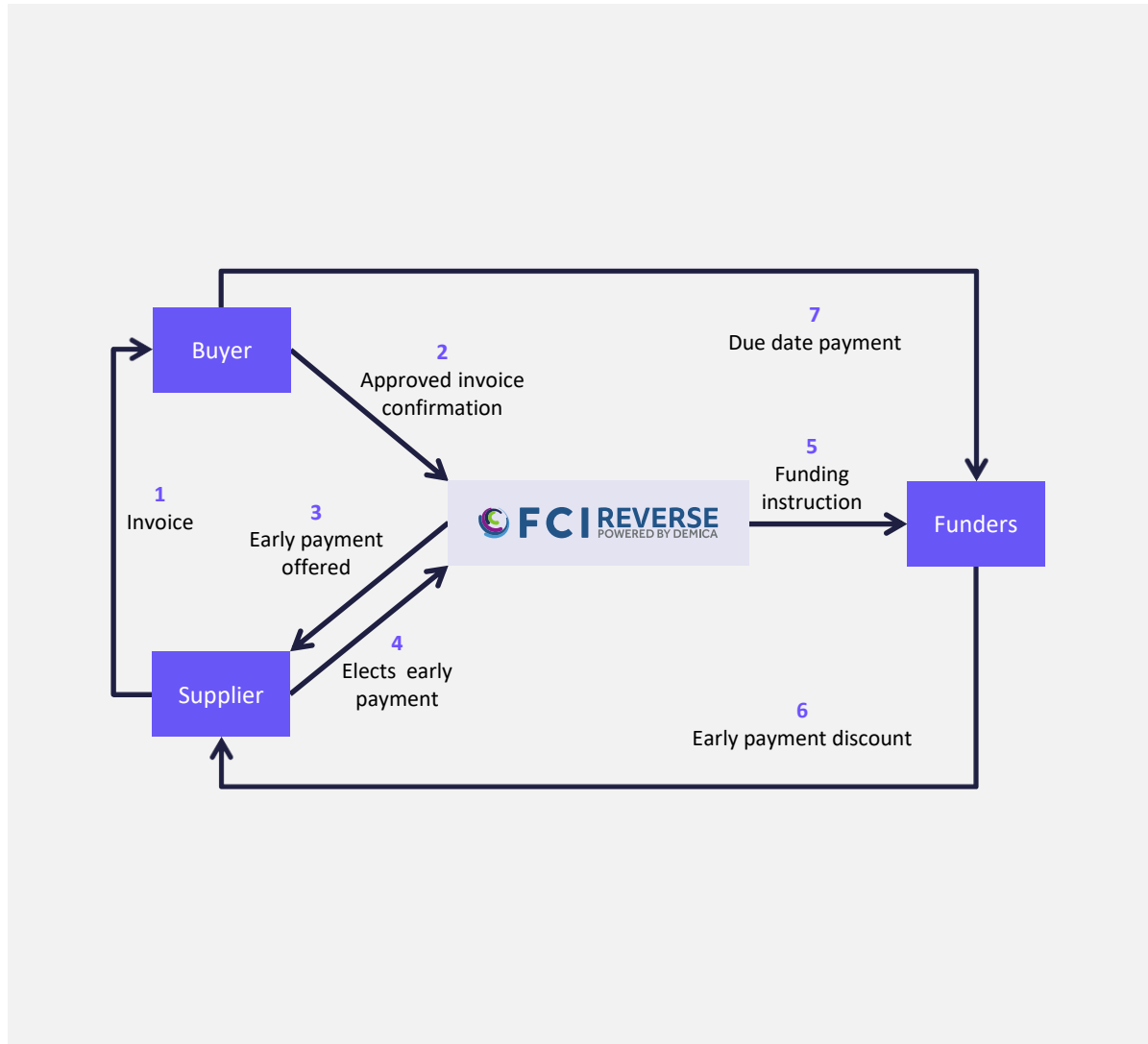


FCIreverse

The benefits of supply chain finance



For funders

- Grow long term stable revenues
- Grow product range and share of wallet
- Acquire new customer relationships
- Increase outstanding balances with existing clients

For buyers

- Increase days payables outstanding (DPO)
- Generate cash from trade vs bank credit
- Strengthen supplier relationships
- Potential to self fund; higher return on cash

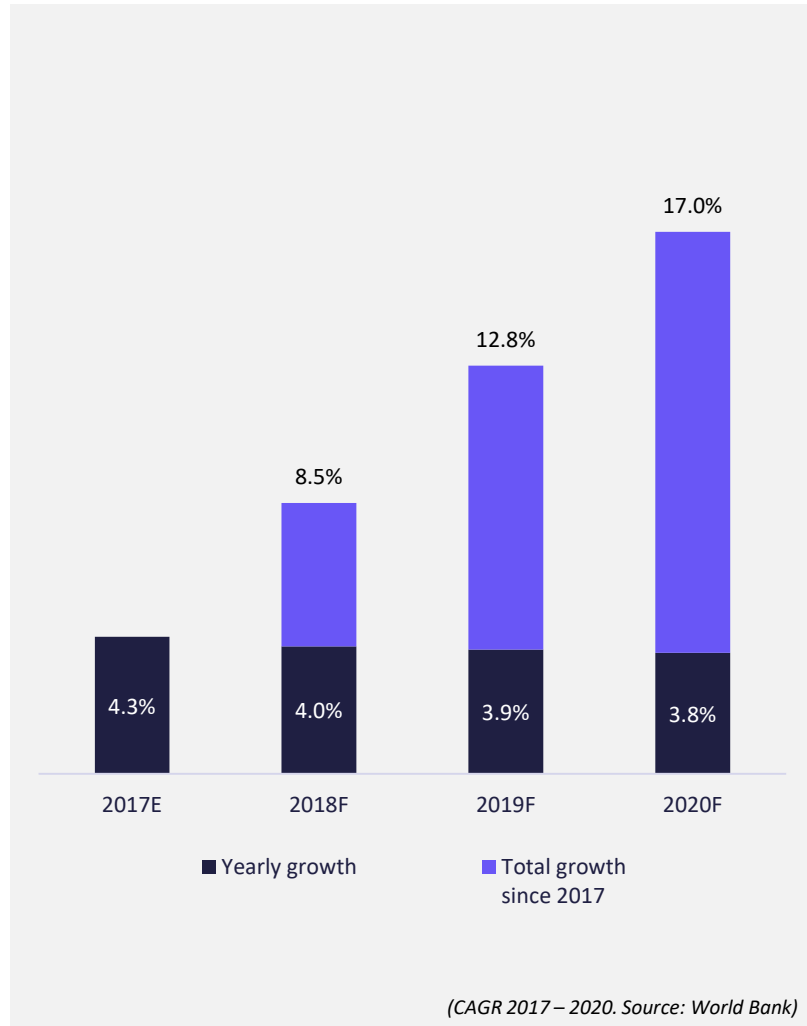
For suppliers

- Reduce days sales outstanding (DSO)
- Reduce costs and improve cashflow
- Diversify funding sources
- Mitigate large credit exposures

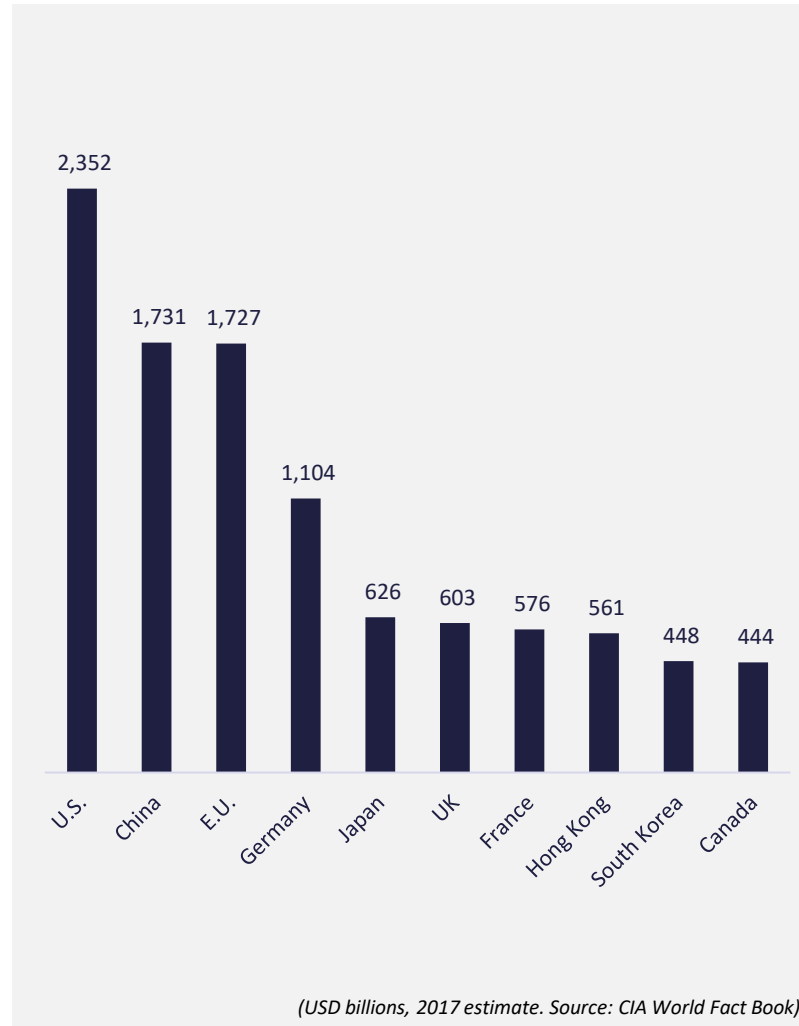


Market opportunity

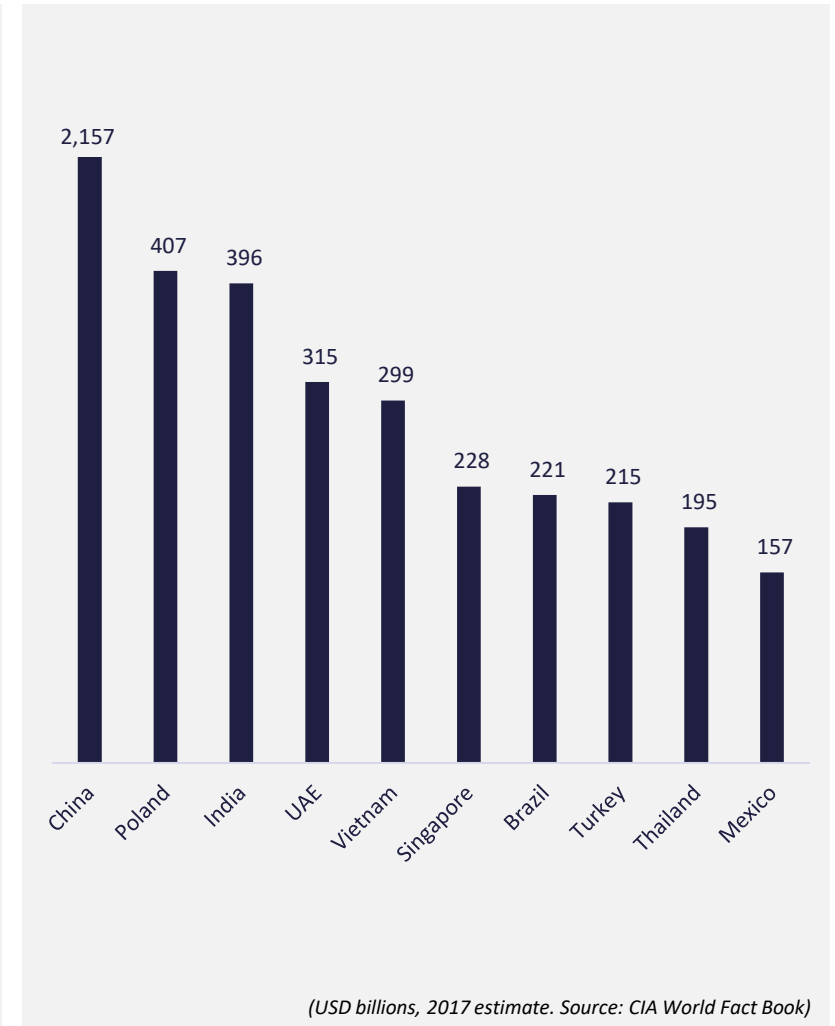
Global trade growth



Top 10 import countries



Selected export countries



Suppliers located in key export markets are significantly underpenetrated by Supply Chain Finance



FCIreverse

FCI Members

The screenshot shows the 'Cashflow' dashboard for a member. It features a bar chart for the month of May 2018, with data points for each day. Below the chart is a table of payments with the following columns: Date, Invoices, Requests, Currency, Certified Amount, Fee, Net Amount, and Paid. The 'Paid' column includes a green checkmark and a 'View' link for each entry.

Date	Invoices	Requests	Currency	Certified Amount	Fee	Net Amount	Paid
03/05/2018	1	1	USD	\$152.00	\$0.03	\$152.00	✓ View
04/05/2018	2	1	USD	\$307.00	\$0.04	\$307.00	✓ View
07/05/2018	2	1	USD	\$311.00	\$0.16	\$311.00	✓ View
18/05/2018	2	0	USD	\$8,400,000.00	\$0.00	\$8,400,000.00	✓ View
19/05/2018	1	1	EUR	€7,000,000.00	€106,750.56	€7,000,000.00	✗ View

Suppliers

The screenshot shows the 'Suppliers' dashboard. It includes a bar chart at the top, an 'Automatic Sale' toggle set to 'YES', and an 'Outstanding Invoice Status' section. The status section shows a consolidated total of £2,126.41, broken down into 'Approved' (£228.67) and 'Sale Pledging' (£3,306.00). Below this is a 'Top Buyers' table and an 'Alerts & Messages' section with a list of messages.

Name	Buyer Code	Invoices	Amount

Buyers

The screenshot shows the 'Buyers' dashboard. It features a 'Payment Summary' section with 'Today £0.00', 'Remaining Week £0.00', and 'Total Outstanding £1,672,921,768.99'. Below this is a '12 Week Payment Forecast' bar chart and a table for 'Total 12 Week payments'. The table shows consolidated totals for GBP (£468,002,000.00) and BHD (£468,000,000.00). There is also an 'Active Suppliers' section showing '0% of 332' and an 'Outstanding Invoice Status' section with a consolidated total of £1,672,921,768.99.

	Consolidated	Approved	Total
GBP	£468,002,000.00		£468,002,000.00
BHD	BHD468,000,000.00		BHD468,000,000.00
USD	\$468,000,000.00		\$468,000,000.00



FCIreverse

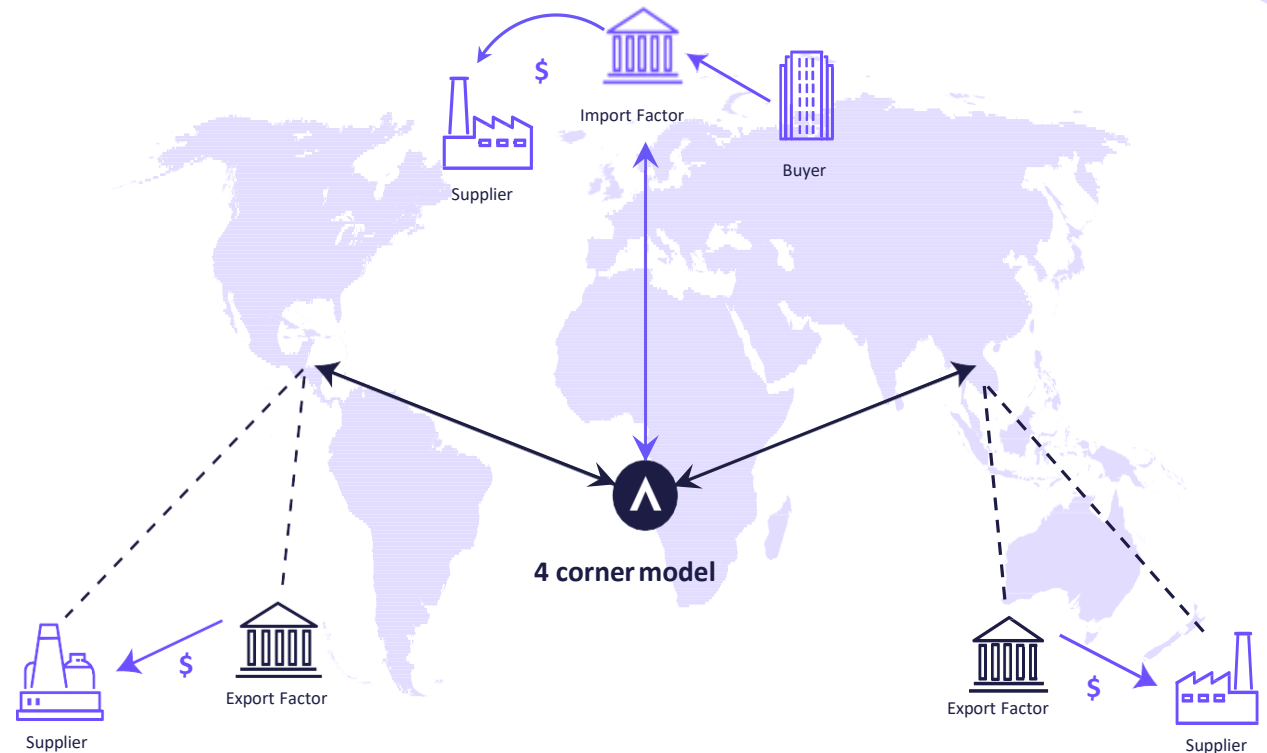
FCIreverse has been developed by FCI to serve buyer - supplier relationships across multiple jurisdictions.

What is it?

- An alternative plug & play, pay-as-you-go Supply Chain Finance platform
- Powerful online onboarding tool
- With multi-currency, multi-lingual, multi-jurisdictional capabilities
- Low cost complement to in-house solutions and development
- Provides global access through a single legal framework
- Supports domestic/ regional SCF programmes (3 corner model)

The 4 corner model

- SCF and Supplier onboarding can be undertaken by all members of the FCI network
- Buyer risk is assumed by the Import Factor
- Suppliers can be onboarded either by the Import or Export Factor
- The Export Factor is indemnified against the buyer risk by FCI's two factor system
- Enables regional banks to compete against big global players



FCIreverse in practice

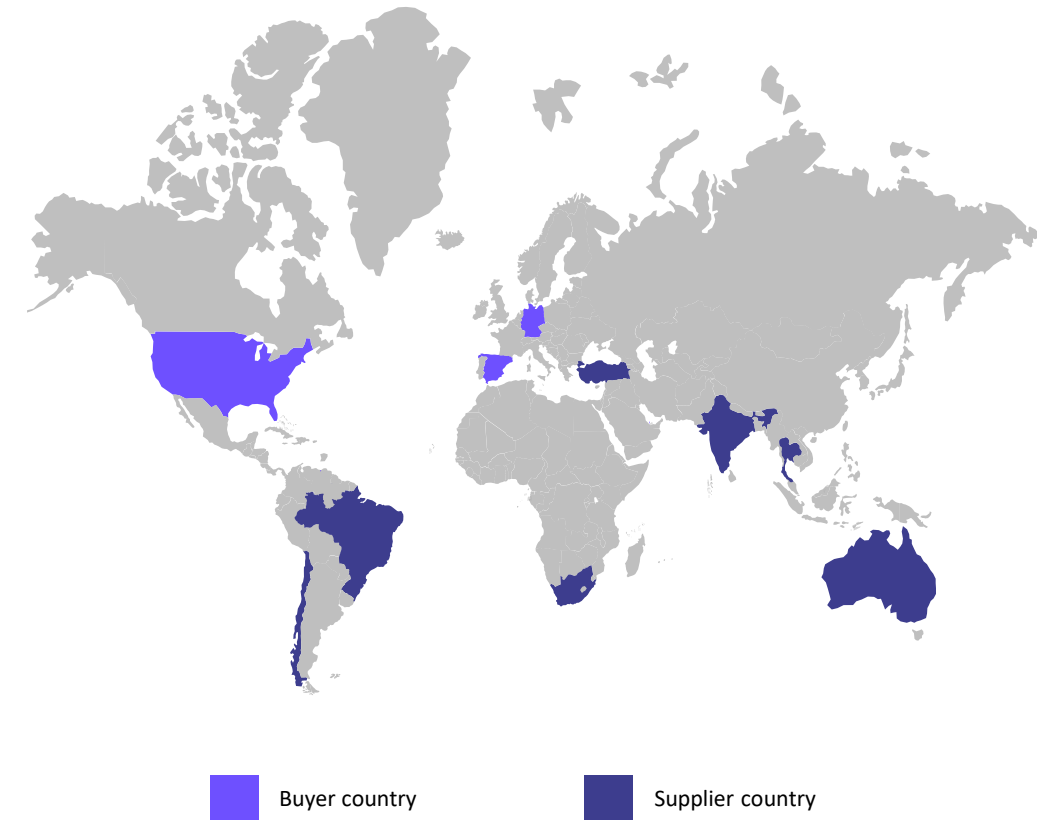
Co-origination model

- Discussions with 50+ corporates for SCF opportunities
- We will share our product knowledge and expertise with our partners
- FCIreverse is a core element of Demica's value proposition
- Work with your sales teams to convert key prospects

Global manufacturing company case study

- The corporate has buying entities in 3 countries, and suppliers in 8 countries, spread across 5 continents
- The Import Member originating the SCF programme will provide funding in countries where they are able to onboard suppliers
- FCIreverse enables suppliers to be onboarded in countries the Import Member can't service through the Export Member on a single platform
- The Export Member will be indemnified on the corporate risk through the FCI Inter-Factor agreement

Case study



FCIreverse – remaining considerations

Legal

Platform and Member Access Agreements

- Between Demica and buyer, supplier and FCI member

Receivables Purchase Agreement (“RPA”) or equivalent

- Between FCI member and supplier

Bilateral agreement for invoice remittance and irrevocability of approved invoices

- Between FCI member and buyer

Agreement outlining the general rules of reverse factoring based on the GRIF

- Between FCI members

Pricing

- EUR 5,000 annual membership fee payable to FCI
- Implementation & training costs charged at a daily rate of EUR 2,400
- Revenue sharing structure: 20% of the spread over the base rate used

Timing

Total: 3-5 weeks

- Implementation and testing estimate: 15-20 days
- Platform and SOT training: 4 days

