

**EXIM  
BANK**

MALAYSIA

# EXIM Bank: Your Palm Oil Trade Partner



by

Baharuddin Muslim

Palm Oil Trade Fair and Seminar, Tehran, Iran  
6<sup>th</sup> February 2017

# Introduction

Shareholder	Minister of Finance Inc., Malaysia (100%)
Authorized Capital	USD789.5 million
Paid-up Capital	USD710.5 million
International Rating	Fitch: A-      Moody's: A3
Current Staff Strength	296
Offices	HQ in Kuala Lumpur & 3 Rep. Offices
Business Coverage	Banking, Trade Credit Insurance & Advisory
Global Coverage	Financed & insured in 104 countries across 5 continents

# Our Mandated Role

- We provide banking & export credit insurance services to support Malaysian exports & imports of goods, services and overseas investments.
- We work with exporters and banks to meet the needs of companies of varying sizes, history, background & **nationalities.**
- Emphasis on emerging & Non-Traditional Markets.

# Focus of the Day

- **Supplier Credit**
- **Overseas Project Financing**
- **Buyer Credit**

# Supplier Credit

- **For Malaysian incorporated manufacturing & trading companies.**
- **A short term trade financing for exports of Malaysian manufactured goods.**



# Type of Financing

<b>Pre-Shipment Financing</b>	<b>To finance purchase of raw materials &amp; finished goods.</b>
<b>Post-shipment Financing</b>	<b>To finance receivable i.e. to enable Malaysian exporters to sell on credit.</b>

# Margin & Period Of Financing

<p>Pre Shipment</p>	<ul style="list-style-type: none"> <li>• Manufacturer &lt; 85% of export order .</li> <li>• Trader &lt; 90% of export order.</li> <li>• &lt;120 days</li> </ul>
<p>Post Shipment</p>	<ul style="list-style-type: none"> <li>• &lt; 100% of export value</li> <li>• &lt;180 days</li> </ul>

# Malaysian Palm Oil in Cebu, Philippines







# ***OVERSEAS PROJECT FINANCING***

# Terms and Conditions

<b>Purpose</b>	<b>Financing of Cross border business ventures i.e. investment in plant, building, plantations etc.</b>
<b>Margin of Financing</b>	<b>&lt;80% of Project Cost</b>
<b>Eligibility</b>	<b>Malaysian Co/JV partner</b>
<b>Tenor of Financing</b>	<b>&lt;10 years inclusive of grace period (&lt;2 years)</b>
<b>Interest rate</b>	<b>Cost of funds + spread</b>
<b>Currency</b>	<b>USD or other applicable currencies</b>
<b>Disbursement</b>	<b>Direct to Suppliers/Contractors</b>
<b>Repayment</b>	<b>From Project proceeds :- Monthly or Quarterly</b>

# BANKING FACILITIES

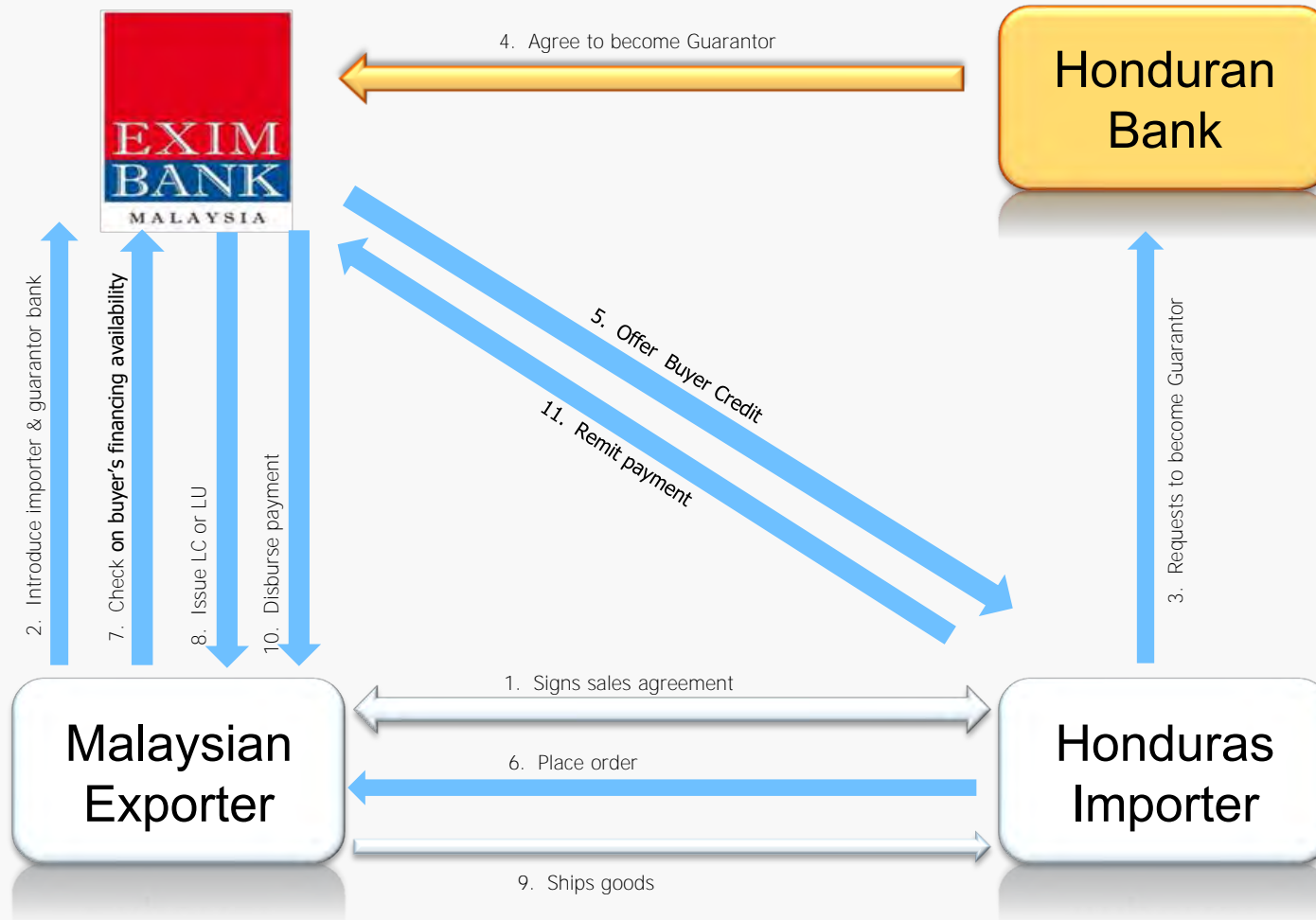


**BUYER  
CREDIT  
FACILITY**

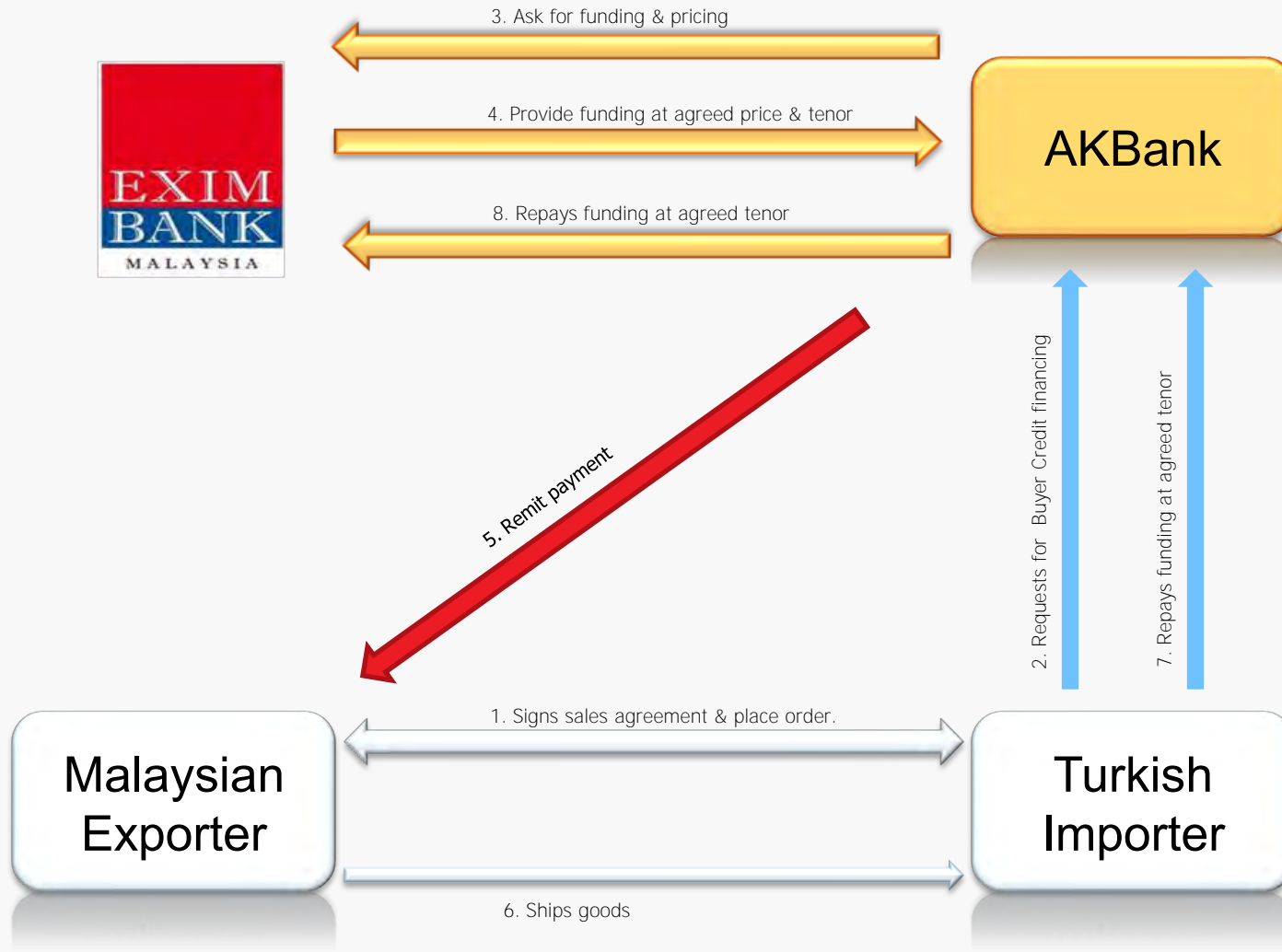
# Buyer Credit

Import financing for foreign buyers to purchase goods & services from Malaysia.

# Buyer Credit –direct to importer



# Buyer Credit via bank



# Terms & Conditions

- **Available for project, contract & trade.**
- **<100% of purchase price.**
- **Tenor: <6 months (trade), as required (project).**
- **Currency: USD or other applicable currencies.**
- **Security: SBLC, Govt. guarantee & others (negotiable)**

## Benefits to Importers

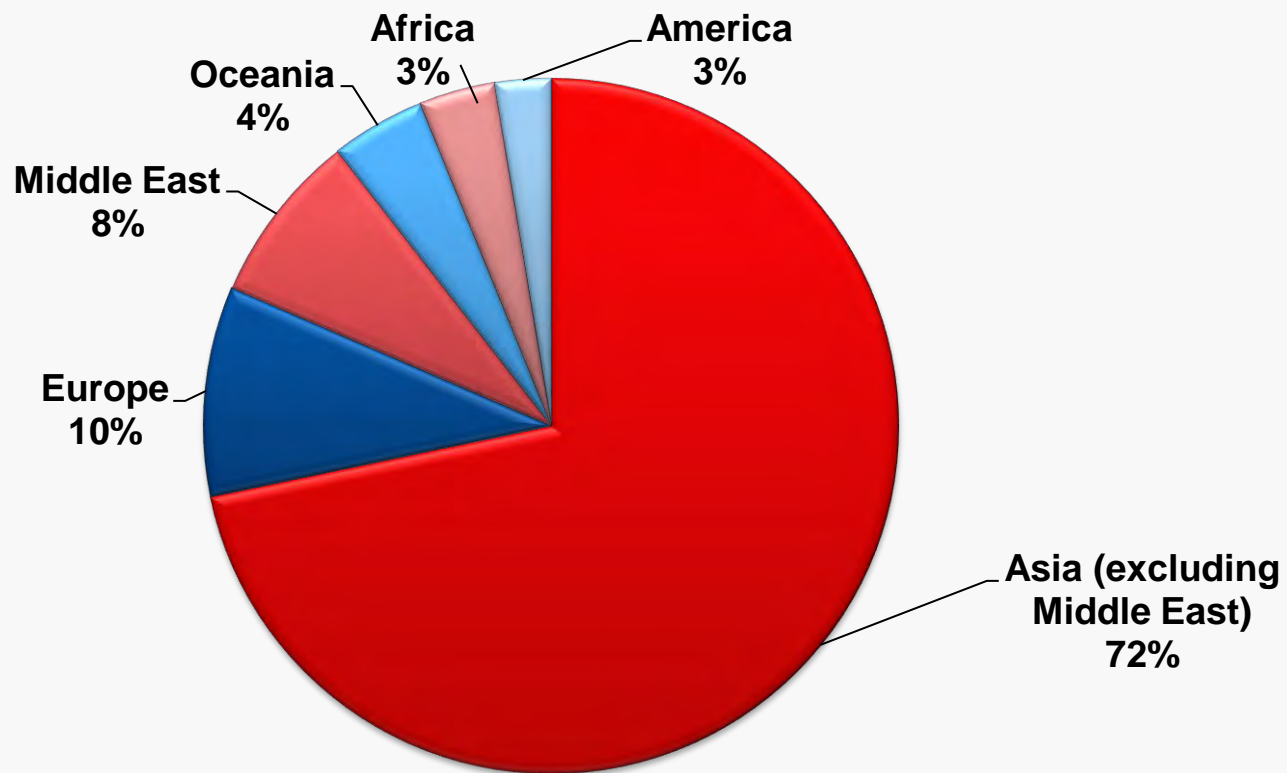
- **May access to low borrowing cost in Malaysia.**
- **LC need not be issued on repeat basis like before.**
- **Alternative to home borrowing (for importers).**



## Benefits to Malaysian exporters

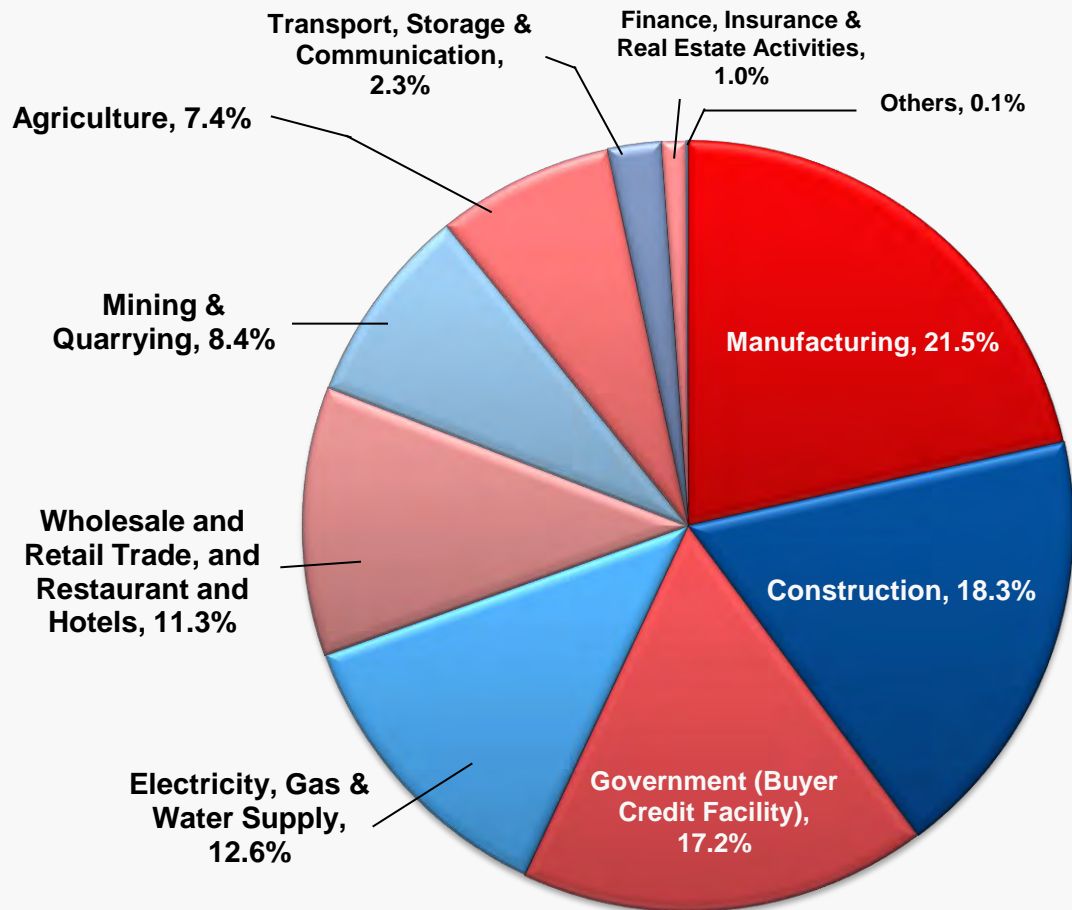
- **Eliminate non-payment risk.**
- **Faster turnaround time in receiving sales proceeds.**
- **May become effective marketing tool.**
- **Strategy to improve sales.**

## Country Exposure



Note \* : as at 31 January 2017

# Industry Exposure



*Note \* : as at 31 January 2017*

# Contact Details

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**Thank You**

