



Hommocks LLC

Corporate Presentation

February 28, 2025
New York

Hommocks LLC

- Established in 2019 and based in New York, Hommocks LLC ("Hommocks") is an alternative investment management firm specializing in short term commodity trade finance.
- Founded and operated by Jun Ogasawara.
- Hommocks provides short term trade finance solutions globally for commodity trader companies and commodity producers.
- Hommocks acts as an intermediary agent on large deals or as a principal lender on small deals.
- Hommocks does NOT engage in physical trades of commodity goods. Instead, Hommocks provides financing for the physical traders.

Commodities

Financing of commodities



Energy

Crude oil
Fuel oil
Gasoil
Diesel
Gasoline
Jet fuel
LNG
LPG
Naphtha
Propane
Ethanol
Pet coke
Bitumen



Metal

Steel
Copper
Lead
Zinc
Tin
Aluminum
Nickel
Gold
Platinum
Palladium
Silver
Barite
Bauxite
Scrap metal
Recycled steel



Agri-Goods

Wheat
Corn
Soybeans
Soybean Oil & Meal
Oats
Rough Rice
Cocoa
Coffee
Cotton
Sugar
Rubber
Animal Feed
Livestock Seafood

Funding

Deal size is **less**
than \$1 million

Unitrache Loan Funding

HMX Finance LLC
is the principal
lender and provides
the 15% junior loan
tranche

Senior lender
provides the 85%
senior loan tranche

Deal size is **greater**
than \$1 million

Intermediary Funding

Deal is funded by
partner financiers
of Hommocks

- Banks
- Hedge funds
- Trade Finance funds
- Family Office
- High Net Worth
Investors

HMX Finance LLC

- Established in 2024 and based in New York, HMX Finance LLC ("HMX") is a commodity trade finance lender.
- Founded and operated by Jun Ogasawara.
- All loans extended by HMX Finance LLC is exclusively originated, arranged and advised by Hommocks LLC.



Trade Finance Structures

Hommocks provides working capital in various ways to a commodity trader:

- Inventory Finance
- Receivable Finance
- Warehouse Finance
- Borrowing Base Revolver Facility
- Repurchase Agreement
- Supply Chain Finance
- Pre-export
- Prepayment loan
- Purchase Order Finance
- Supply Finance

Loan Parameters

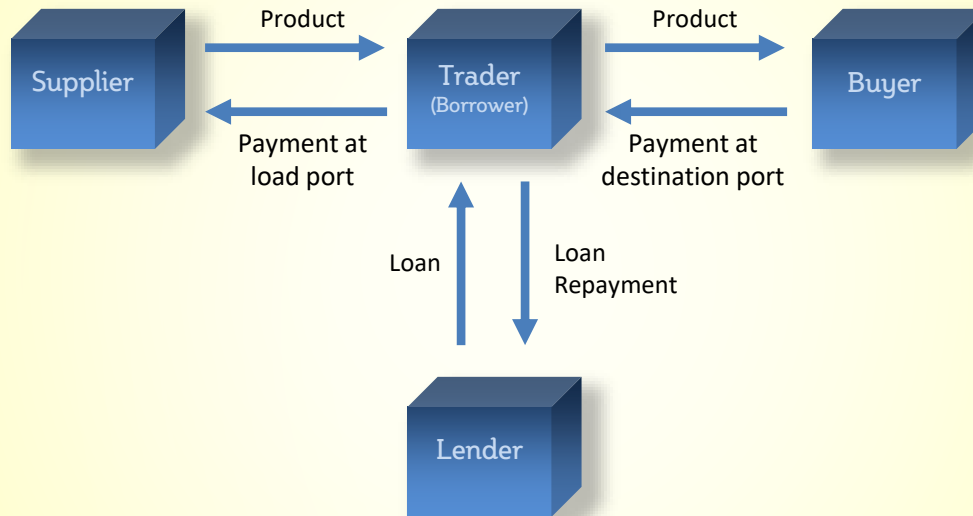
Type:	Transactional, secured working capital finance with pledge of inventory/receivable.
Facility:	\$2 - \$50 million
Deal size:	\$100,000 - \$2,000,000 as subset of Facility limit
Tenor:	30 – 90 days for each Deal on recurring basis
Track record:	Borrower has more than 3 years of trading history with strong reputable counterparties
Financials:	Borrower has equity in excess of \$1 million
Interest rate:	Ranges between 10%pa - 20%pa



Trade Finance Features

- Direct loans.
- Uncorrelated with, and unaffected by, market volatility.
- Short term duration, typically 30 to 90 days per loan.
- Uncommitted.
- Backed by receivables and inventory.
- Low default rate : investment grade characteristics.
- Preservation of capital.
- Recurring transactional deals.

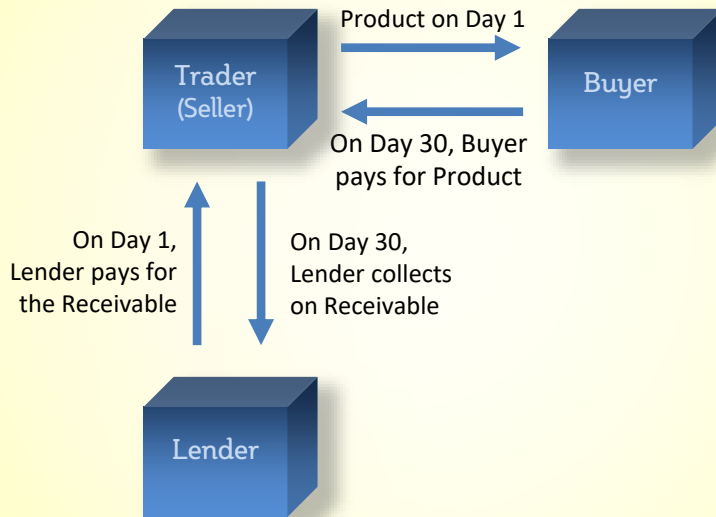
Inventory Finance



- Trader pays the Supplier at the load port.
- Trader only gets paid by Buyer at destination port.
- Trader needs working capital finance during the 30 - 90 day voyage period.
- Trader pledges the inventory Product to the Lender as loan collateral during the voyage period.
- One shipment, one loan, one transaction.
- These shipments recur and at times, overlap.
- Thus the loans recur and at times, overlap.

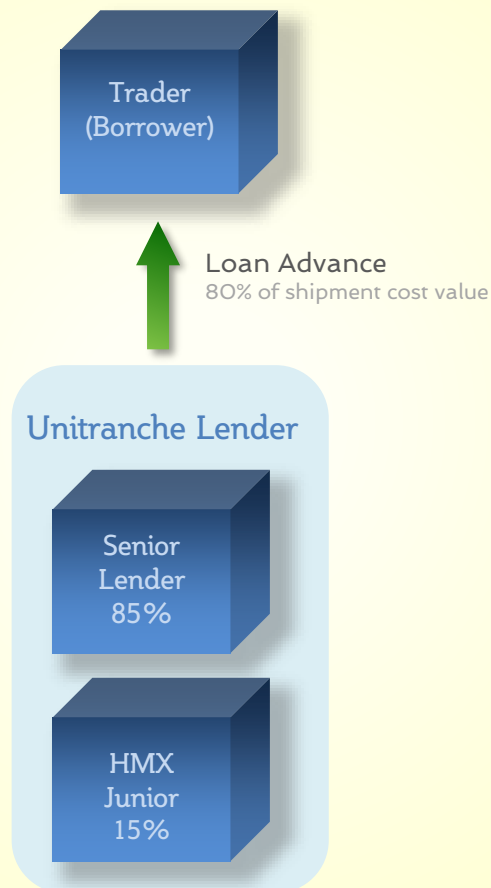
Receivable Finance

Trader sells Product to Buyer on 30 day payment term



- Trader sells Product to Buyer and a 30 day receivable is created.
- Trader assigns, sells and transfers the receivable to Lender on Day 1.
- Trader raises working capital for 30 days.
- Buyer is unaware of the financing taking place.
- Many Lenders will prefer 'full recourse' to Trader in which Trader is liable upon Buyer non-payment (vs 'non-recourse').
- Many Lenders will prefer to be paid directly from the Buyer on the Seller invoice due date.

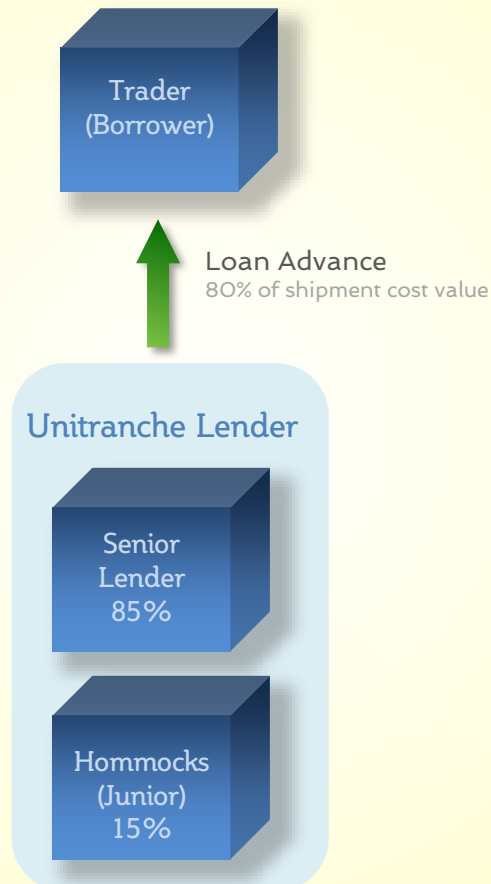
Unitranche Loan



Unitranche Loans for Deal size less than \$1 million.

- A unitranche loan is a type of financing arrangement that combines elements of both senior debt and junior debt into a single loan facility.
- A unitranche loan is signed by Borrower, Senior Lender and Junior Lender in a tri-party agreement.
- Unitranche Lender advances 80% of shipment cost value.
- Borrower puts down 20% of shipment cost value as his 'skin-in-the-game'.
- Unitranche Lender's loan amount is comprised of 2 tranches:
 - 85% by Senior Lender Tranche
 - 15% by Junior Lender (ie HMX) Tranche
- Hommocks may source a portion of the Junior Lender Tranche from third party passive investors.

Unitranche Loan



Senior Lender Advantages:

- The junior lender (“Junior Lender”), Hommocks, is subordinated to the Senior Lender.
- Upon an event of default and when proceeds of collection or collateral liquidation is received, the senior lender is repaid in full first before any proceeds are paid to the junior lender.
- Senior lender can safely rely on the junior lender's (ie Hommocks') experience and deal structuring expertise.

Borrower Advantages:

- Two tranches into one loan streamline the loan administration process.
- Greater flexibility compared to traditional senior and junior debt structures since they eliminate intercreditor agreements and negotiations among multiple lenders.
- Provide access to higher loan amounts and more favorable terms than what may be available through a traditional senior debt arrangement.

Hommocks Track Record

Delivery of commodity trade finance solutions

\$5MM Goods-In-Transit Pre-payment Loan Facility

Financing of recurring propane gas deliveries for a US energy trader. Rail car shipments of propane gas by the US energy trader to Mexican buyers. Funded by a US trade finance fund. Closed in Apr/2022.

\$7.5MM Goods-In-Transit Inventory Finance Facility

Financing of US grains for a Panama soft commodity trading company. Advances are made to large US agri-commodity suppliers and repaid through proceeds from Colombian and Ecuadorian off-takers. Funded by a UK based trade finance fund. Closed in Apr/2022.

\$15MM Supply Chain Finance Facility

Financing of recurring Brazilian coffee shipments for an international coffee trader. Funded by a US institutional investor. Closed in Jul/2022.

\$40MM Borrowing Base Revolver Credit Facility

Retained as Interim CFO on arranging and funding a short term borrowing base facility for a bunker fuel operator in Houston, USA. Receivable and inventory pledged as collateral to finance working capital needs of the bunkering company. Retained in August 2023. Financial close with a commercial bank expected in March 2024.

\$25MM Asset Based Working Capital Loan Facility

Consulting assignment on arranging and funding a short term working capital facility for a bunker fuel operator in the UAE. Recurring bunker fuel deliveries are financed by way of prepayments to supplier and repayments from end buyers. Retained in Feb-2022.

\$5MM Goods-In-Transit Inventory Finance Facility

Consulting assignment on arranging and funding steel scrap metal exports from the UK to Indian sub-continent. Retained in Jun-2022. Currently seeking a financier.

Jun Ogasawara



(5 years, present)



(10 years)



(7 years)



(4 years)

- Founder of Hommocks LLC, established in 2019 in New York. Consultant and brokerage of commodity trade finance deals.
- Seasoned trade finance professional with over 30 years of financing experience in New York (28 years), Tokyo (4 years), and London (3 months) at premier international banks.
- Head of Commodity Trade Finance team at Societe Generale New York for 10 years from 2009 to 2019.
- Executed over 4,000 transactions worth over \$50 billion both in developed and developing countries. Average \$700 million portfolio size. Zero default experience.
- Bachelor's degree in commerce from Chuo University in Tokyo, Japan. MBA degree from Rotterdam School of Management Erasmus University in the Netherlands.
- Bi-lingual and bi-cultural in English and Japanese.

Thank you



HOMMOCKS LLC

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