INSIGNIA

ANNUAL REVIEW

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Humans have developed the need for money, which was born from our natural desire to survive, thrive, grow, protect and make ourselves secure. From the simple exchange of cattle for an axe to the perceived value placed on rare seashells, precious metals, notes, plastic, and virtual currency, this phenomenon is born of need, love, power, and ego. From wars fought and lands won, our species created money, a unifying and crucial universal force that drives international business, societies, scientific breakthroughs and human dominance on earth.

APPENDE

Insignia Legend 'Life of Money – from Barter to Bitcoin'



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e have established a unique body of market knowledge through our diligence and clientcentred strategy. The data we have accrued has proven to be invaluable in terms of predicting numerous shifts in economic climates, consumer behaviour, and market geographies. Our evolution over the past two decades has resulted in our building a portfolio of the world's most coveted payment cards.

Our network has transformed from a limited but selected client base into a one-of-a-kind group of thousands of ultra-high and high-net-worth (U/HNW) individuals — all while carefully preserving the highest calibre of services as we expand.

We created Insignia to simplify the intricacies of modern life. We supply a unique array of services to our clients. In essence, these services range from a new level of financial freedom to unforgettable experiences, waiting-list-only items and impossible-to-buy tickets. Through our unrivalled levels of benefits, we handle the complexities so you can enjoy the thrill.



SBS WORLD SERVICE (INSIGNIA), THE LUXURY LIFESTYLE MANAGEMENT AND TRAVEL COMPANY, IS FOUNDED

U/HNW clients in emerging markets – predominantly CIS (the Commonwealth of Independent States) countries and Eastern Europe – are eager to travel the world. They require bespoke travel itineraries, providing them with information on where to stay, what to see, and how to navigate their surroundings. There is consequently the demand for a service managed by experts who can book holidays and plan experiences down to the most intricate details.

A PIONEERING PARTNERSHIP WITH AMERICAN EXPRESS IS FORGED

After gaining access to a host of exclusive events and designing world-class experiences for our clients, it becomes apparent that there is a gap in the market for payment card issuance. The unique financial environment of Eastern Europe and CIS countries results in clients not always having access to a traditional banking infrastructure to settle bills quickly and easily; there is thus strong demand from our clients for a solution to these issues.

2000

SBS WORLD SERVICE (INSIGNIA) EXTENDS ITS PARTNER NETWORK

We expand our co-branded card programme to include Royal Bank of Scotland, Merrill Lynch, MBNA, and Danske Bank, as well as securing the Visa and Mastercard platforms. This allows us to design a range of cards that offer a suite of features, thereby increasing the flexibility and range of client spending.

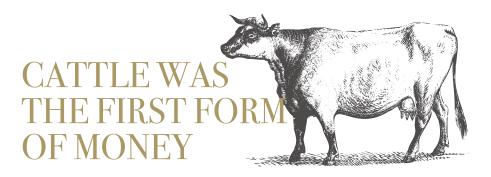
2001

SBS WORLD SERVICE (INSIGNIA) LAUNCHES ITS FIRST BRANDED CARD

Following the successful rollout of many partner-branded cards, we launch the Elite Card as our first branded premium payment solution. The card's popularity paves the way for our portfolio of fully branded cards.

Cattle and crops are used as money. The barter system emerges as the first functioning economy. 3000 BC Around this time, writing is used to aid in maintaining records. 3000 – 2000 BC Due to the risk of theft and loss, cattle, grain, and other valuables (likely including metals) are stored in temples in Babylonia, Mesopotamia.

7 2600 BC The Egyptians use slave labour to build the pyramids. Slavery is essential, as there is no functioning currency. 2250 – 2150 BC In Cappadocia, the purity and weight of silver allow for its use as money.



LIFESTYLE BOUTIQUE IS FOUNDED

Lifestyle Boutique is launched and builds upon the company's existing travel operations to provide a fullservice lifestyle management offering. The service is led by our robust client-servicing operations, composed of highly skilled specialists in travel, as well as lifestyle managers and experts in specific fields such as yachts, jets, wine, fine art, and jewellery.

SBS WORLD SERVICE (INSIGNIA) LAUNCHES THE ROYAL CARD

After analysing our core financial offering and the benefits tailored to our ultra-wealthy client base, we develop the Royal Card. This is the first of our cards to offer the benefit of a dedicated 24/7/365 Personal Assistant, available to serve the cardmember's every requirement anywhere and everywhere.



THE ELITE CARD IS UPDATED WITH THE FRIENDS AND FAMILY PROGRAMME

After recognising that the majority of our core clients have numerous dependants for whom they are financially responsible, we identify another gap in the market for electronic payment solutions and develop an innovative new programme to meet this need.

2005

THE GLAMOUR CARD IS LAUNCHED

As clients continue to enjoy the Royal Card, it becomes apparent that there is a demand for products and services tailored towards those leading the most glamorous lifestyles. While the Glamour Card is developed to reflect the benefits offered by the Royal Card, it also gives members effortless access to an exclusive world of fashion, delivered by the luxury experts working within Lifestyle Boutique.

2010

SBS WORLD SERVICE (INSIGNIA) LAUNCHES THE LABEL CARD

Having identified purchasing patterns among members and their dependants, we recognise yet another market gap: a payment solution that covers frequent and extensive travel with high spending.

2011

INSIGNIA CARDS LIMITED IS FOUNDED

More than a decade after our first partnership with a payment card provider, we identify and seize the opportunity to take full control of our payment solution products.

1792 – 1750 BC In Babylon, the Code of Hammurabi is created to govern the money-lenders and banks.

> 1200 BC In China, the cowrie shell is adopted as currency.

1000 – 500 BC In China, small metallic tools are used as currency.

> ↑ 650 - 550 BC Athens, Corinth, and Aegina begin to mint silver coins.

640 BC Lydia (now Turkey) produces coins made of electrum — a mix of gold and silver. 600 – 650 BC Rough coins produced of common netals begin circulating in China.

> 550 BC In Lydia, the separation of silver and gold in electrum is achieved

Heritage

INSIGNIA CARDS LIMITED IS GRANTED A PAYMENT INSTITUTION LICENCE

We begin to supply our payment-card products to existing Insignia cardmembers, licenced under the regulations of the Malta Financial Services Authority (MFSA), which enables us to issue payment cards to clients directly.

2013

INSIGNIA OBTAINS PRINCIPAL MEMBER STATUS FROM VISA

Our application for Visa Principal Member status is granted. Working with the largest payment service provider in the world enables us to increase the breadth and depth of the services we deliver. Principal Membership allows us to issue cards under Visa Infinite — the most exclusive package offered by the payment network.

2014

THE PLATINUM PERSONAL AND BUSINESS CARDS ARE LAUNCHED

We create a pair of payment-card products – one for the individual and one for business – offering financial and lifestyle benefits that include a 24/7/365 lifestyle management service.

2015

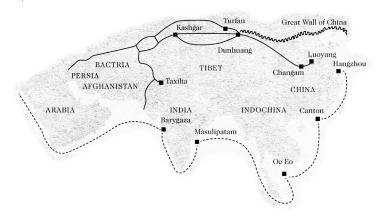
THE SPORTING EVENTS APP, V-LOUNGE, AND THE ONLINE SHOPPING PORTAL, THE VOICE OF LUXURY, GO LIVE

Our clients' demand for sporting-event tickets, mainly European football matches, motivates the development of our mobile app V-Lounge. This app allows clients to browse the world's most prestigious sporting events and secure hard-to-obtain tickets and VIP access. Driven by a host of thriving digital retail and social platforms, a surge of interest in high-end fashion brands inspires us to create The Voice of Luxury, an online shopping platform.

2016

INSIGNIA EMBARKS UPON ITS FIRST WHITE-LABEL PROJECT AND LAUNCHES THE UNIVERSE CARD

After building a relationship with us while settling clients' Insignia payment card accounts, the directors of Bordier & Cie become aware of both the quality of our account management and the exceptional capabilities of our Lifestyle Boutique service. We also launch the Universe Card to answer a specific need for privacy and discretion. The card withholds the bearer's name offering confidentiality for individuals conscious of disclosing their identity.



546 BC Persia begins minting gold coins.

407 BC Sparta frees the slaves from the mines, and the silver supply in Athens dries up

406 BC Citizens of Athens begin to save their silver coins and remove them from circulation as bronze coins replace them. 390 BC When the Gauls attack the Romans, they build a monument to Moneta, Goddess of Warning. The word 'Moneta' grandfathers money and miniting.

> 336 – 323 BC Alexander the Great pays his enormous army half a ton of silver per day and sets the rate of exchange of silver to gold at ten to one.

OUR REMARKABLE FLAGSHIP PRODUCT. THE JEWELLERY CARD, IS LAUNCHED

Following a concentrated period of increased market reach and findings from our expanded cardmember base, we developed a remarkable collection of art jewellery cards. Each Jewellery Card is unique, featuring a bespoke design brought to life by highly skilled lapidaries who embellish a solid 14-carat-gold structure with precious gems and natural materials to create magnificent statement pieces. The Jewellery Card comes with a plastic Black Card companion card which is also available as a standalone superpremium card.

2018

75 BC tome uses bronze

THE C BY INSIGNIA SUPER-PREMIUM CORPORATE CARD IS LAUNCHED

C by Insignia is a market-first corporate payment solution developed for top-tier executives. Created for businesses that demand an exceptional level of support for high-flying senior management, C by Insignia's flexible suite of payment cards is underpinned by our high-end travel and lifestyle management service.

2019

INSIGNIA OPENS AN OFFICE IN NEW YORK CITY IN A JOINT VENTURE PARTNERSHIP WITH CERTARES, A NEW HQ IN THE MIDDLE EAST, AND LAUNCHES ITS REWARDS POINTS PROGRAMME

Insignia officially launches a new office in New York City to serve the US market in a joint venture with Certares. This partnership aims to expand over the coming years into a global business servicing U/ HNWIs. This comes after the exponential expansion of our loyalty points programme, Insignia Rewards. Towards the end of the year, Insignia opens its Dubai office.

INSIGNIA DEVELOPS THE WELLNESS CLEAN CARD AND LAUNCHES INSIGNIA CONNECT

In conjunction with our long-standing partner, Vodafone, we launch the Insignia Connect programme. Featuring heavily discounted mobile roaming rates, Insignia Connect also takes advantage of the Voice of Luxury platform and Lifestyle Boutique to create an all-encompassing mobile tech offering. In a bid to fight the global health crisis, we develop the firstever bacteria-free card. The Wellness Clean Card features a specially formulated coating that repels pathogens, as well as a 24/7/365 Wellness Personal Assistant and host of healthcare-related programmes and benefits.

THE SILK ROAD WAS A SERIES OF **TRADE ROUTES** THAT ORIGINATED **IN CHINA**

269 BC Rome begins minting silver coins.

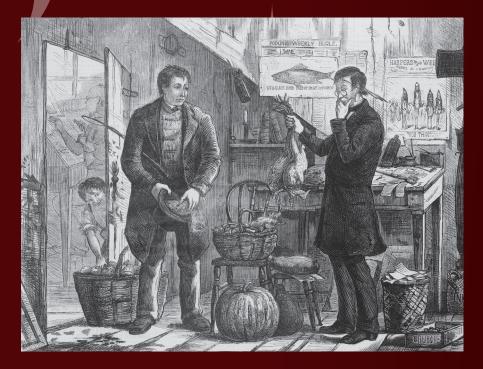
201 BC is begin changing the weight of their silver

credit is issued on Delos,

118 BC China uses leather as currency with a rate pegged to base metal

ar regulates the

THE BARTER SYSTEM WAS THE FIRST FUNCTIONING ECONOMY



30 AD Jesus Christ has had enough of the money-lenders conducting business around the temples. He tips their tables over. 54 – 64 AD Nero makes gold and silver coins less pure.

250 AD A Roman coin is now only 4% silver. 260 – 268 AD The Roman financial system breaks down. 270 – 275 AD The Roman Emperor Aurelian mints new coins of very pure gold; their increased value results in inflation. t the time of writing, it is still too early to comprehend the full effect that COVID-19 will have on the global economy. As we pursue our growth plans, we will continue to be mindful of the scars the pandemic will leave behind. However, I also do not doubt that we will be able to overcome and work our way through this crisis. I am also confident that we will do our part as a global financial and lifestyle management institution to help our clients recover from this devastating calamity that has hurt so many.

Amid the present crisis, which has exerted such extraordinary pressure on all of humanity, we remain relentless in implementing measures to support our people, their families, and our clients. I am proud of the resilience, resolve, and absolute commitment displayed daily by every Insignia family member as they work to deliver the highest level of service for our clientele. The efforts expended by each Insignia employee are essential to bolstering and sustaining our leading position on the market and critical for the recovery ahead. Helping clients navigate these trying times is at the core of what we do — and, as always, we proudly continue to stand by and assist our clients in every way possible.

Insignia has defined the path forward over the past year and has begun to execute a long-term growth strategy. We are committed to enhancing our market-leading position, and are therefore vigorously investing in new expansions — both geographic and technological. Following the opening of our new Middle East office in Dubai and the increasing success of our New York operation, we have since embarked on further expansions into Switzerland and Monaco to bolster our global position within the UHNW market.

In 2019, our businesses weathered storms of market volatility and delivered a resilient performance into the year-end. Our enduring focus on our clients, as well as our culture of excellence, drove our reliable commercial results as our gross annual revenues reached US\$54.5 million. We remained the industry's leading lifestyle and financial services provider and our businesses achieved substantial gains overall. Our relentlessness in pursuing new initiatives and expansions will deliver even more robust results over the next few years. Drawing upon over 23 years of experience in working with the world's leading businesses, entrepreneurs, and institutions, we mobilise our people and resources every day in order to advance the success of our clients. We are determined to deliver on this promise effectively and have every confidence that we will continue to succeed in creating significant value for our shareholders.

We are taking our foundational strengths and applying them as we invest in our future. We are affirming our values while fostering change and innovation. Evidently, putting our clients at the centre of our work requires exceptional client service, which has always been and will remain the cornerstone of our identity. This goes far beyond transactional excellence: our connectedness to our people – our ability to offer advice, knowledge, and feedback - is often the most significant driver of our value. We will continue to assess the ways in which we can learn and improve from this experience, and we are committed to ensuring that our culture of integrity remains a core value. We are built to deliver to the very best of our ability. Excellence permeates our organisation from top to bottom; it informs the kind of people we attract, the advice we give, and how we pride ourselves on exceeding clients' expectations.

Every day, I see examples of the people at Insignia going the extra mile, working hard to achieve at the highest level possible. We firmly believe our most significant competitive advantage is the combination of exceptional talent, dedication, and attention to detail that is demonstrated continuously by individuals within our company at every level. It is no accident that our clients frequently tell me that our people are what sets us apart from the competition, that they are what makes us so precious or special – I see it first-hand.

As we look to the future, we are committed to executing our long-term strategy, strengthening our market-leading positions, and investing in new business opportunities to facilitate growth. As the current COVID-19 pandemic reminds us, the operating environment can shift overnight. Regardless of the market conditions, however, our focus must always remain on what has sustained us over the last 23 years. It's about our people, our culture, and, above all, the evolving needs of our clients. This focus has made us well-positioned to compete in the years ahead and to deliver higher, more sustainable returns for our shareholders. I wholeheartedly thank the Board and all Insignia employees for their hard work in delivering the 2019 targets and look forward to executing future growth plans in 2020. Expectations are high - it's going to be a transformational year for all of us. I have no doubt that we will overcome the difficulties that this pandemic has forced upon the entire world. My confidence is unwavering in our ability to come out on top and surmount any challenge that awaits us.

Nada Tucakov

President, Insignia

301 Jocletian issues orders to control prices and wages, which fail. 435 Britain stops using coins. Britain stops using coins. 306 Constantine mints a new coin, the Solidus, which is pure gold and will last for 700 years. 410 T T T

Board of Directors Report

Principal Activity and Review of Business

Our primary objective in 2019 was to enhance our current portfolio and deliver diverse payment instruments for the U/HNW market. The year saw us expend our maximum effort in fully dedicating our time and resources to perfecting Insignia's operational excellence, both in the area of lifestyle management and the more specialised sections of our business. By ramping up technological enhancements for our clients, we were able to introduce them to an array of superior product propositions, such as Insignia Rewards.

Lifestyle Boutique expanded its partners' portfolio and has remained passionately committed to continuous improvements in the services provided to our super-premium clients. Combining new and existing business, maintaining our diverse operations, and continuing to uphold the exceptionally high standards of our lifestyle management and payment services have remained at the centre of our strategy.

2019 in Review

When considered in light of the numerous external turbulences, which have included Brexit, worldwide political uncertainty, and the rapidly shifting regulatory environment, our last year's performance results indicate the stability of our success. We are proud to attribute this to our leadership, as well as our remarkable workforce, both of which have effectively executed the capital strength and risk-management principles that drive and protect our business.

External storms have failed to hinder our steady course of delivering unmatched customer care every single day. As a result, we have continued to provide our customers with differentiated product updates, benefits and services, including refreshed premium and co-branded cards. We increased the engagement with our digital channels and refreshed existing or launched new exclusive products. In addition, we achieved improved customer engagement, an increase in new card acquisitions, the expansion of our leadership in the U/HNW space, and wide-ranging, consistent growth across all of our businesses.

Our concentration on premium products and services has been the driving force behind our attainment of these milestones. By upgrading our corporate portfolio globally with the launch of our C by Insignia card, we were able to secure remarkable increases in member engagement, spending, and acquisition. In the realm of commercial payments, our goals are as follows: to become the leading payments and working capital provider for small and mid-sized enterprises globally, and to build on travel and expense management in order to become the leader in non-card B2B payment solutions for large and global companies. Like our consumer initiatives, our refreshed products have been enhanced with new features, benefits, and capabilities that are explicitly designed to meet the needs of our business customers.

We have redefined our focus markets and taken the first steps towards setting up new bases in Asia, the Americas, and the Middle East. Throughout 2019, we made significant gains in improving our network of partners and introducers across four continents. In addition, we reinforced our European presence in new and vital locations such as Switzerland, Austria, and Monaco.

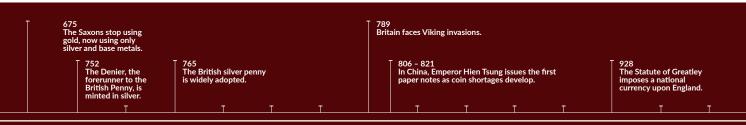
One of the central points of our strategic emphasis was our regulatory portfolio expansion in 2019, as we submitted our PI licence with CSSF in Luxembourg. We also set plans in motion to establish new regulatory offices and operations in Ireland and Austria. Regulatory portfolio expansion will continue in other jurisdictions in the years to come. Dictated by the evident and steady market growth in our sector, our global JV expansion pace accelerated in 2019. We have initiated partnership discussions that will enable us to become an issuer in the United States, a milestone that will mark a critical shift in our US services and operations and lay the foundation for exponential growth in the coming years. A year of reinforcement of our core services and offerings, 2019 paved the way for the delivery of exceptional long-term results.

This expansion of our operations — both westward and eastward — has granted us a more extensive business and client base that will largely withstand the impact of shifting global geopolitical factors. It will also enable us to gain a greater understanding and better serve the needs of existing clients in all-new locations.

The economic and commercial market risks and uncertainties are identified and summarised in the Corporate Governance section of this report, along with an outline of our preparations for these eventualities.

Long-Term Strength

We take pride in providing the world's best customer experience for our clients. As testament to this, our worldclass service has been recognised by numerous awards over the years. Our customer care professionals and partners treat servicing interactions as an opportunity to bring the brand to life for our customers, add meaningful value and deepen relationships.



Our Business Strategies

Four strategic imperatives guide our striving for excellence:

First, we aim to expand our leadership in the premium consumer segment. We aim to achieve this by continuing to deliver membership benefits tailored to our customers' spending, travel, and lifestyle needs, expanding our roster of business partners around the globe, and developing a curated selection of precious experiences for high-spending customers.

Second, we build on our solid foundation in commercial payments. We aim to achieve this by continuously evolving our card value propositions, further differentiating our corporate card and accounts payable expense management solutions, and designing innovative products and features, including financing and supplier payment solutions for our business customers.

Third, we are focused on solidifying our global network in order to create value. We aim to achieve this by continuing to navigate the convergence of online and offline commerce. The use of fraud protection services, marketing insights, and digital connections to higher-spending cardmembers will help us to reinforce our network.

Fourth, we want to continue to make Insignia an essential part of our customers' digital lives. We aim to achieve this by developing more digital features, solutions, and services, as well as by expanding our digital partnerships and targeted acquisitions.

Despite our relentless improvements and constant evolution in the sector, the core of our DNA will never change. We will continue to work using the same methods and philosophies that have thus far rewarded us with exceptional levels of long-term client retention. Our payment solutions and lifestyle management services will continue to thrive as we remain closely aligned with our clients' requirements, lifestyles, and locations. We will persist in utilising our independence and agility in order to bring bespoke products rapidly to the market while taking our clients' wealth to new levels.

This report covers the full suite of innovative projects and activations with which Insignia Group of Companies is involved: these include joint ventures, new product launches, people management, client acquisition, and the implementation of new technologies.

Future Outlook

The global economic environment is in a state of flux due to Brexit, sanctions, and new distributions of wealth. However, we are confident that our portfolio, vision, and strategy, along with our experienced and diverse team, will ensure long-term growth for the business. Furthermore, we have a new Payment Institution in Luxembourg planned for 2020.

New Activity and Fresh Innovations

The next chapter in what has already been an extraordinary story is characterised by a robust drive for establishing and maintaining numerous joint ventures across the world; this will be a global expansion focused on new areas of wealth and U/HNW growth. The ultimate ambition is to turn Insignia into a worldwide brand and the first port of call for those who seek to master and genuinely enjoy their wealth.

Auditor and Legal Support

Hogan Lovells provides our legal services, and PricewaterhouseCoopers (PwC) acts as an external auditor.

Gratitude

Above all, the Insignia Board of Directors thanks our devoted staff across London, Malta, Bratislava, Dubai, New York, Moscow, Kiev, and Hong Kong. Their commitment and passion ensure that our service is world-leading, that our products are second to none, ever-evolving, and always innovative, and most importantly, that our clients are endlessly satisfied.

The joint venture with Certares has been pivotal in Insignia's expansion to the US market. We are proud of this partnership, and thanks to our combined efforts, our lifestyle management service has been established in New York City as Insignia USA Holdings LLC.

Finally, we wish to express our enormous appreciation for our current clients and business partners across the world. We cherish these partnerships and look forward to continuing and developing our precious collaborations. Together, we will bring unique value to our clients and maximise the potential of our combined networks.

The economic and commercial market risks and uncertainties are identified and summarised in the Corporate Governance section of this report, along with an outline of our preparations for these eventualities.

78 - 1016 Ethelred II, known as the Unready, has 75 mints producing 40 mill ennies, which are used to pay off the Vikings so that they will ceas beir attacks on England

> 1020 China prints massive amounts of money and inflation soars.

1095 – 1270 The Crusades require large financial transfers; the banking system resurfaces. 1100 – 1135 Britain's silver coins are debased. The owners of the Mints have their right hands cut off. The quality of the silver coins again increases.

1158 King Henry II reforms the monetary system; it performs well for 400 years.

Group of Companies

nsignia (formerly SBS World Service) was founded on 10 October 1996 in Dublin, Ireland, as a travel and lifestyle management company for U/HNW individuals.

Between 1998 and 2001, Insignia represented American Express under a card marketing licence in Eastern Europe. Today, the legal structure of the Insignia Group comprises of 31 companies. Six of these are holding companies, three are financial sector regulated companies, while 17 are lifestyle management, travel, and VIP travel-related services; there are also two media companies and one each of production and IT companies, as well as a charitable foundation.

Twenty-seven companies are in business and three of them are at the start-up stage. Insignia Group of Companies has offices in Hong Kong, Dubai, Moscow, Kiev, Bratislava, Valetta, Nicosia, London, New York, and Luxembourg.

We use our companies to optimise our unrivalled global, financial, and lifestyle management services. Setting up a group company structure has many advantages, including a reduction in risk.

The strategic alliance across Insignia Group of Companies accelerates corporate growth, taps into new sources of innovation, and opens new markets, as it facilitates the development and expansion of the business.

Insignia is recognised as a global leader, as it offers the advantages of payment solutions together with dynamic and personalised lifestyle management and luxury travel services. Insignia's team of highly experienced professionals develop tailor-made products to meet the needs of U/HNW clients. Excellent client servicing and exceptional quality are the key elements of the Insignia philosophy.

We are targeting European markets (Luxembourg, Germany, France, Austria, Italy, Switzerland, Greece, Monaco, and Malta), the UK, and some large U/HNW markets further afield in the Middle East, India, Brazil, China, Thailand, Indonesia, Malaysia, the USA, etc.

The critical success factors of our business strategy include the following:

- Innovative client-focused and managementbacked financial services
- Strong strategic alliances with major financial and wealth management institutions
- Unique lifestyle management services
- Intimate market knowledge of luxury spending trends and consumer needs
- Exceptional standards of confidentiality, security, and discretion
- Our unmatched reputation

We partner with various institutions around the world to increase our pool of U/HNW clients while focusing on providing the highest levels of service.

TH SI BU

THE EGYPTIANS USED SLAVE LABOUR TO BUILD THE PYRAMIDS

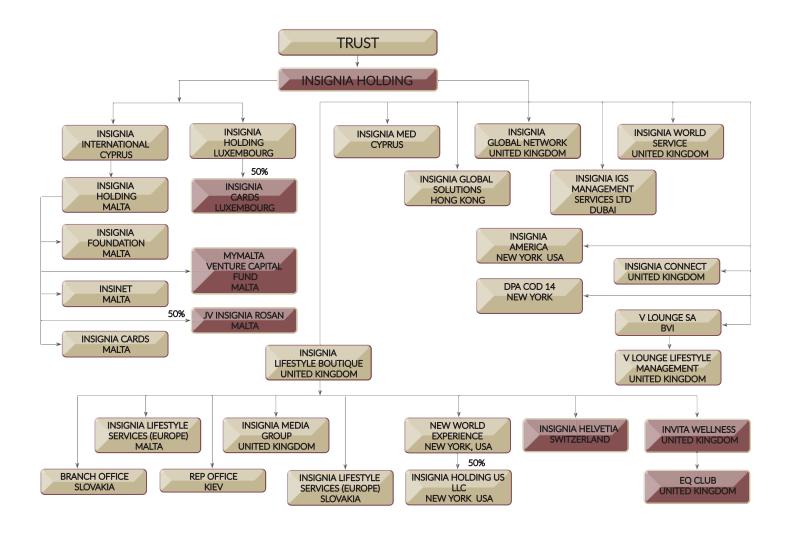
1160 – 1200 England introduces the Tally Stick — a notched stick used to record payments. It is split in two and later put back together to ensure the payment is correct.

Emperor Kao Tsung reforms the Chinese monetary system as the paper money has become worthless. 1166 T 12 China goes into hyperinflation.

215 England, the Magna Carta is gned. The King can now raise xes as he wishes. ⁻ 1232 – 1253 Italy mints new gold coins in Florence, called the Florin. This design will become widely copied.

The Mongols begin circulating paper money.

Legal Structure





AT TIMES, HUMAN SKULLS WERE ALSO USED IN EXCHANGE FOR GOODS

are restricted.		1260 Kublai Khan begins circulating paper money. 1275 - 1292 Marco Polo travels through China and discovers paper money. Image: Construct of the structure of the						nny is		1294 Persia begins issuin months later, no on	e will accept if 1299 The Statute forbids the coins. Silve	e of Stepney importation r bullion and	on Bad Money of debased coin exports	1344 The penny size and we	is reduced in ight.	
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Corporate Governance

Insignia Cards Limited (ICL) is an EMI-licensed Financial Institution regulated by the Malta Financial Services Authority (MFSA).

Our corporate governance is established on the 10 Basel Corporate Governance principles, which are accepted internationally. We recognise the importance of good corporate governance and understand that transparency helps our clients and business partners to assess the quality of our company management.

The internal governance structure was established to ensure sound and prudent business management; this includes management of the risks inherent in the business of Insignia, as well as the adequate segregation of duties and delegation of decision-making.

Internal Governance Structure

I. The Board of Directors

As the institution's most senior body, ICL's Board of Directors has the overall responsibility for corporate governance. Its principal duty is to create and deliver sustainable shareholder value by setting strategy, then oversee its implementation by management. In doing so, the Board ensures that management achieves the right balance between promoting longterm growth and delivering short-term objectives.

The Board of Directors is also responsible for maintaining an effective system of internal control that assures efficient operations, as well as for ensuring effective risk management and oversight across the institution.

The Four Committees Established by the Board of Directors

Risk Committee

The Risk Committee advises the Board of Directors on the company's risk profile, risk culture, risk appetite, risk strategy, and risk management framework.

Audit Committee

The Audit Committee operates as a preparatory committee for the Board of Directors concerning accounting and auditing matters, including relevant risk matters.

Credit Committee

The Credit Committee reviews and decides on individual credit applications on behalf of the Executive Team.

Privacy Committee

The Privacy Committee operates as a preparatory committee for the Board of Directors concerning data protection matters.

II. The Management Committee

Chaired by the Managing Director, the Management Committee comprises the organisation's Chief Officers. It is mainly responsible for the overall dayto-day management of the organisation, following such policies and directions as may be determined by the Board from time to time.

In addition, the Management Committee convenes on a weekly basis to take stock of the following:

- Day-to-day management of the institution's business
- Implementation of approved strategies, policies, operational plans, and budgets
- Monitoring of operational and financial performance
- Assessment and control of risk
- Prioritisation and allocation of resources
- Monitoring competitive forces in all areas of operation
- Making recommendations to the Board on matters that are beyond its remit

The committee structure is designed to support adequate information, provide an escalation path to ICL's senior management, and implement a consistent approach to risk management and decision-making.

Risk Management

To ensure appropriate risk management, ICL has established a control governance model with three lines of defence:

- Business units/department constitute the first line of defence and have primary responsibility for identifying, managing, and mitigating the ICL's compliance and operational risks by having sufficient controls in place. Risks must be handled in line with the delegated responsibilities and policies set by the second line of defence and approved by the Board of Directors. The mandate of the business units is governed by risk policies, instructions, risk committees, risk appetite targets, and limits.
- The second line of defence provides the risk management framework and performs risk oversight. It consists of ICL Risk Management and Compliance. These units are responsible for setting the standards, policies, and methods concerning risk management and compliance under which the first line of defence operates. The second line of defence supports, challenges and is responsible for the risk oversight of the first line of defence, from which it operates independently.

Compliance is responsible for overseeing conduct and financial crime risks, as well as for providing advice and guidance to the first line of defence; this includes providing support and creating awareness. Compliance monitors the adherence to processes and controls within the business units and staff areas and assesses whether controls are appropriately designed and operating as intended. Compliance has independent oversight of conduct and financial crime risk management and maintains the organisation's conduct and financial crime risk management framework. These activities should be seen as part of an ongoing compliance process that is adjusted to regulatory changes and requirements and business activities.

The third line of defence is made up by Internal Audit (IA). IA is an independent and objective unit designed to evaluate and improve the effectiveness of the risk management, control, and governance processes implemented in the control environments of the first and second lines of defence. IA reports directly to the Board of Directors. ICL does not tolerate breaches of applicable laws, including the spirit of the law, regulations, generally accepted practices and standards and financial industry codes of conduct applicable to its activities, significant fines or other meaningful enforcement actions.

Compliance Risk Management

As a regulated Financial Institution, Insignia Cards Limited (ICL) is overseen by the Malta Financial Services Authority (MFSA). We have multiple points of reference with regards to governance, compliance, and ensuring the transparent operation of our business. Compliance is an element of ICL's overarching governance programme, which is overseen by the Compliance Officer and Money Laundering Reporting Officer. ICL Compliance operates a risk-based approach (RBA), ensuring that informed decisions are made in line with the risk appetite of the company. Simultaneously, it enables control efforts to be employed to maximum effect. ICL has adopted a Compliance Policy that sets out the principles and standards for the compliance and management of compliance risks in ICL. The objective of this Compliance Policy is to ensure that compliance risks are identified and adequately mitigated. The ICL management seeks to reduce compliance risks while taking the nature, scale, and complexity of its business into account. This approach is in alignment with the company's overall mission statement and business strategy, which aims at having ICL be recognised as the most trusted financial partner in its field that treats its customers fairly and conducts business with a high degree of integrity. The Compliance Policy is also designed to meet the requirements of the applicable Maltese and EU legislation.

Corporate Governance

Our Compliance Policy helps to:

- establish efficient internal procedures and organisational structures capable of adequately managing the possible risks that might hinder ICL's compliance with current regulations;
- ensure the excellent reputation and credibility of ICL in the eyes of its shareholders, clients, and investors, along with other relevant regulatory and supervisory authorities and institutions; and
- develop a culture of compliance among all ICL employees as a model of corporate conduct and basis for strengthening the corporate identity.

Corporate Governance

The importance of our Corporate Governance transparency is reflected in the way our clients and business partners assess the quality of our management.

AML and CFT

ICL is strongly committed to ensuring compliance with the applicable EU and Maltese anti-money laundering and counter-terrorism funding (AML/ CFT) legislative framework. We adopt the most rigorous standards, and further endeavour to cooperate fully with enforcement agencies and competent authorities in the investigation of money laundering and/or financial crime.

ICL strives to conduct its business in conformity with high ethical standards and legal obligations. The AML/CFT policies and procedures implemented by ICL are in line with the EU and local AML/CFT legislative and regulatory frameworks.

ICL ensures that employees are provided with sufficient training to understand and support our AML/CFT initiatives.

ICL Compliance employs client due diligence measures for both card clients and any third parties with whom they partner or engage with as suppliers. These processes are designed to provide reasonable assurance that a full Know Your Client (KYC) profile is held for all clients. They further ensure that business partners and providers have implemented antimoney laundering programmes that are in alignment with ICL and local regulatory requirements and also conform to ICL's sanctions obligations.

Ongoing safeguards include the regular review of all files (as per the RBA), employee training, transaction monitoring, internal and external audits, and management reporting. All applicable policies, procedures, and operating manuals are in place and entirely in accordance with the requirements for a regulated entity. From 2019, ICL's Risk and Compliance began to be shadowed by PricewaterhouseCoopers (PwC).

Continuing Improvement in Risk Management

Fraud Risk

A massive milestone in Fraud Risk Management was achieved in 2019 when all ICL cards became 3D Secure enabled (Three Domain Security or Verified by Visa, which caters for secure e-commerce transaction processing). This technology, implemented together with VISA, protects payment cards against unauthorised use when shopping online and offers the highest levels of security to protect customers' sensitive data.

During 2016 and 2017, the average number of total fraud transactions was just above 15,000, with losses among the two years totalling only over 9,000. In 2016, 14% of fraud was recorded as ICL liability, while in 2017, this figure was as high as 18%. In 2018, ICL began the year with increased monthly fraud volumes that spiked in April and August and climaxed in December, in which over 30,000 incidents of fraud activity were recorded. Product-wise, the Platinum Business portfolio bore the highest numbers in both volume and value. For obvious reasons, the most prevalent type of recorded fraud remained e-commerce.

With 3D Secure active across our entire fleet of payment cards in 2019, and with detection rates of 100%, losses for the year were reduced remarkably (almost by half) compared to the previous two fiscal years, with only 8% of fraud transactions recorded as ICL loss.

Entering the second quarter, the benefits of 3D Secure adoption begin to manifest. Only two fraud cases were recorded in the first quarter, with the impact on our institution being effectively zero (we record an \in 8 write off simply because the amount was too low to claim in a cost-effective manner).

ICL, in close collaboration with IT Management, is focused on a complete system implementation of Verified by Visa, which would make the detection system more efficient.

AML Risk

During 2019, ICL's Compliance Department undertook a vast number of activities and also improved its overall AML risk management by updating its internal AML/CFT policies and procedures. This included:

- amending all internal policies and procedures in line with the 4th EU AML Directive and local legal requirements;
- improving relevant internal and organisational activities related to the adequate and effective management of AML & CFT risk;
- improving onboarding processes and the transaction monitoring system;
- providing relevant AML & CFT training to all employees; and
- regular monthly reporting to the Board of Directors related to all AML/CFT issues.

Thus, overall AML and CFT-related awareness was further increased among employees, managers, stakeholders and shareholders, demonstrating that ICL conducts its business in conformity with high ethical standards and legal obligations.

Credit Risk

In 2019, a concerted joint effort was made to increase the quality of the portfolio, reduce unprofitable credit lines and tackle bad debt, in line with the deep sense of risk culture that is present at all levels across ICL.

A holistic approach was employed encompassing all departments involved: starting from the initial stage (Sales), then progressing to the onboarding level (Compliance, Risk) and through to monitoring (Operations, Risk, Fraud) and collections (AM/Legal).

In particular, at the beginning of 2019, we launched our Credit Control and Debt Recovery Policy, which helped to reduce bad debt and increase liquidity within the company.

Furthermore, a Credit Limit exercise was completed during Q3 2019. This made it possible to halve unsecured credit limit exposure from €3.4m to below €1.7m (representing 4.3% of the overall portfolio).

Last but not least, we initiated a project designed to enhance and strengthen our global Risk Management Framework, which will be completed in 2020.



THE SIMPLE COIN: BORN OF THE UNIVERSAL EVOLUTION OF MANKIND

Regulatory Analysis

New regulatory instalments for U/HNW individuals in the luxury and financial sectors

Plan for 2020 and Future Projects

Insignia is in the process of applying for a new Payment Institution (PI) licence in Luxembourg, in partnership with its joint venture partner. The application is under the review of the regulator in Luxembourg (CSSF). Insignia is currently submitting a new consolidated authorisation file that adequately takes the requirements listed in the 'EBA Guidelines on Authorisation and Registration Under PSD2' into account. We envision that the PI will become fully operational in 2020.

Insignia aims to make full use of its Maltese e-money licence by deploying IBAN and SEPA payment functionalities. Insignia also plans on opening branch offices of its Maltese e-money institution in Austria and Ireland.

The company is also monitoring the outcome of Brexit and assessing the potential impact of the situation on its ability to perform core business in the UK. If necessary, the company will apply for a PI licence in the UK under the review of the Financial Conduct Authority (FCA) to ensure that there is no impact or disruption to the business.

Insignia envisions building and operating a digital bank with an initial focus on the general consumer sector, which will subsequently expand to the upper mass market and prime segments. The major value propositions of the digital bank will be the use of platforms enabling immediate IBAN creation, the creation of multi-accounts, servicing payment cards and e-Wallet, as well as a combination of in-house services and external plug-ins for primary financial services, transaction categorisation, cash management, personal finance analysis, etc. The jurisdiction of the digital bank is currently being assessed.

Other plans for 2020 include expanding Insignia's financial business to the US and Middle Eastern markets, where Insignia will establish card issuing companies or provide card services through local regulated entities.

Regulatory Requirements to PI Shareholders

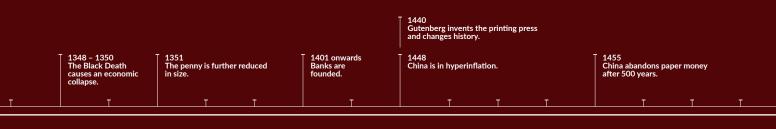
The authorisation of regulation as a PI is subject to the condition that the entity's structure of direct or indirect shareholding is transparent. It must be organised in such a way that the authorities responsible for the prudential supervision of the body — and, where applicable, of the group to which it belongs — are identifiable. This transparency requirement will allow the prudential monitoring to be exercised without hindrance and in the most efficient way possible. Natural and legal persons are acceptable as shareholders of a PI.

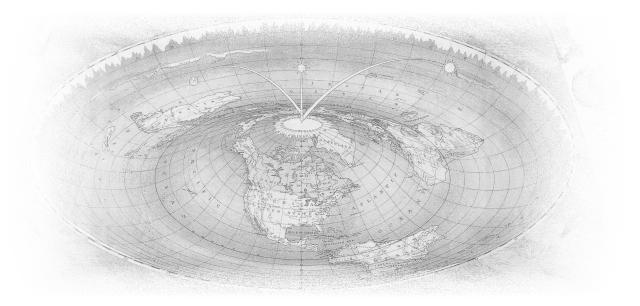
The authorisation shall be subject to communication to the CSSF of the identity of the shareholders or members, whether direct or indirect, and whether natural or legal persons who have qualifying holdings in the PI are to be authorised, along with the amounts of those holdings.

'Qualifying holding' means any direct or indirect holding in the PI that represents 10% or more of the capital, or of the voting rights, or which makes it possible to exercise significant influence over the management of the PI in which that holding subsists. Authorisation shall be subject to the condition that the shareholders or members with a qualifying holding are bound by the required terms to ensure sound and prudent management.

The concept of careful management shall be assessed in line with the following criteria:

- The professional standing of the shareholders or members
- The professional status and experience of any person who will direct the business of the PI upon obtaining the authorisation
- The financial soundness of the shareholders or members
- The risks of money laundering and terrorist financing





'HEAVEN IS ROUND, AND THE EARTH IS SQUARE'

Any PI that is supervised by the competent authorities of a member state can carry out its activities in the entire EU, either via the establishment of a branch or through the freedom to provide services, provided that its authorisation covers these events. The exercise of these activities is not subject to approval by the competent authorities in the host member state.

A 'European passport' refers to the possibility of providing specified services or establishing branches in any other member state of the EU, based on the authorisation issued and the supervision exercised by the competent authorities in their home country, by way of notifying the power in their home member state of their intention. The 'European passport' can be used either as the freedom to provide services or as the right of free Establishment:

I. Freedom to Provide Services:

Service providers may temporarily pursue their activity in the country in which the service is provided.

II. Right of Establishment:

If a company holds a permanent presence in the member state in which it provides service, which is an indication that it carries out its activity on an ongoing, frequent, regular or continuous basis, the company shall establish a branch in the host member state.

Active marketing and provision of services outside the EU are subject to local (i.e. national) rules and regulations and must be assessed on a case-by-case basis.

1455 – 1485 The counterfeiting of British coins becomes a proble

1489 King Henry VII creates the gold sovereign and supports the use of gold and silver as money. The Spaniards bring tons of gold back from South America The Aztec civilisation is dying. 1532 Incan society ends as it is conquered by Pizzaro. The Incas did not use money, although they had large amounts of precious metals. 1597 China imports 345,000 kilograms of silver from Spain putting an end to paper money.

> 1619 Tobacco is used as currency in Virginia.



ASTHE SHELLS BECAME MORE ACCESSIBLE, THE PRICE OF A WOMAN ROSE TO 10,000



CONSOLIDATED FINANCIALS

Key Financial Indicators

The Board of Directors track the company's progress in implementing its strategy through a range of financial measures, or Key Financial Indicators (KFIs). Progress is assessed through comparison with the company's budgets and historical performance. The financial KFIs tracked by the Board are presented in the following table.

US\$ '000, %	2019	2018	YOY
INCOME STATEMENT			
TOTAL GROSS INCOME	54,480	46,103	18%
DIRECT COSTS	5,014	4,282	17%
OPERATING EXPENSES	19,545	16,630	18%
PROFIT BEFORE TAXATION	30,236	25,920	17%
ROE	24%	23%	+1 P.P
BALANCE SHEET			
TOTAL EQUITY	123,812	115,032	8%
TOTAL ASSETS	133,691	123,537	8%
OPERATIONAL			
TOTAL TRANSACTION VOLUME	696,397	631,265	10%

Gross Income by Business

US\$ '000	2019	2018	YOY
CARDS	43,270	32,880	32%
LIFESTYLE SERVICES	11,210	13,223	-15%

Executive Summary: Annual Results

1. Income Statement

1a. Revenue

In the 2019 fiscal year, Insignia Group of Companies posted a total gross income of USD 54.5m (comprising 79% cards contribution and 21% contribution from lifestyle services), resulting in an 18% YOY increase in revenues. Income from card fees remains the key revenue driver: this comprises annual card membership fees, interchange fees (earned on clients' transactions), ATM fees (earned on clients' cash operations), foreign exchange fees (earned on clients' card transactions in foreign currency), interest and late payment charges, and administration fees. As penetration into the card segment improves along with the utilisation of our cards, we continue to see strong increases in interchange fees and foreign exchange fees, as well as increases in card membership fees as our portfolio grows. In 2019, we saw an increase in transaction volumes by 10% YOY, driving revenue growth. In 2019, the company returned to its expansionary track following the short period of consolidation seen in 2018 in which revenues declined by 10% YOY.

1b. Costs

We saw an increase in direct costs in line with the increase in total gross income, resulting in the margin remaining stable at a gross level. This cost increase was driven by investments in people and infrastructure, as well as the continuation of our strategic investments; these measures ensure that the company is positioned for continued future expansion and can continue to attract top talent.

1c. Profitability

The net income margin, which currently stands at 53%, represents a one p.p. decline over 2018. Meanwhile, profit before taxes was USD 30.2m for the year, an increase of 17% YOY. Return on equity (ROE) for the year marginally improved by one p.p. to 24%.

2. Balance Sheet

The structure of the balance sheet remained largely similar to 2018. The balance sheet total assets at the end of the year were 8% larger, at USD 134m, reflecting improved business volumes and their impact on loans and advances to client's position YOY.

Consolidated Income Statement & Balance Sheet ______

Consolidated Income Statement

US\$ '000	2019	2018
CARDS FEES INCOME	43,270	32,880
LIFESTYLE COMMISSION INCOME	11,210	13,223
TOTAL GROSS INCOME	54,480	46,103
DIRECT COSTS	-5,014	-4,282
PERSONNEL COSTS	-7,770	-6,897
CARD ACQUISITION COSTS	-3,048	-2,943
MARKETING, PROMOTIONS AND REWARDS	-1,169	-1,126
FACILITIES & INFRASTRUCTURE	-5,867	-4,167
ADMINISTRATIVE EXPENSES	-1,399	-1,122
BAD DEBT PROVISIONS	-292	-375
INTEREST	-68	-68
AMORTISATION & DEPRECIATION	-542	-511
EXCHANGE DIFFERENCES	924	1,308
PROFIT BEFORE TAXATION	30,236	25,920

Consolidated Balance Sheet

US\$ '000	2019	2018
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	1,114	1,122
INTANGIBLE ASSETS	1,938	1,674
TRADE AND OTHER RECEIVABLES	1,485	1,521
FINANCIAL ASSETS CLASSIFIED AS AVAILABLE-FOR-SALE	140	140
DEFERRED TAX ASSET	189	128
TOTAL NON-CURRENT ASSETS	4,866	4,586
CURRENT ASSETS		
LOANS AND ADVANCES TO CUSTOMERS	93,518	81,979
TRADE AND OTHER RECEIVABLES	1,802	2,156
CASH AND CASH EQUIVALENTS	33,505	34,816
TOTAL CURRENT ASSETS	128,825	118,951
TOTAL ASSETS	133,691	123,537
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
SHARE CAPITAL	16,000	16,000
RETAINED EARNINGS	107,812	99,032
TOTAL EQUITY	123,812	115,032
CURRENT LIABILITIES		
BORROWINGS	3,000	3,000
TRADE AND OTHER PAYABLES	6,880	5,505
TOTAL LIABILITIES	9,880	8,505
TOTAL EQUITY AND LIABILITIES	133,691	123,537

US\$ '000	2019	2018
NET INCOME	28,780	24,752
DEPRECIATION ADJUSTMENT	542	511
CURRENCY REVALUATION ADJUSTMENT	0	19
(INCREASE)/DECREASE IN TRADE AND OTHER RECEIVABLES	331	-414
INCREASE/(DECREASE) IN TRADE AND OTHER PAYABLES	1,375	426
(INCREASE)/DECREASE IN LOANS AND ADVANCES TO CUSTOMERS	-11,540	-2,881
NET CASH FROM OPERATIONS	19,489	22,414
PURCHASES OF PP&E	-255	-328
DISPOSALS OF PP&E	0	0
PURCHASES OF INTANGIBLE ASSETS	-543	-264
DISPOSALS OF INTANGIBLE ASSETS	0	0
NET CASH FROM INVESTMENT	-798	-592
SHARE CAPITAL CONTRIBUTIONS/(REDEMPTIONS)	0	1,000
INCREASE/(DECREASE) IN BORROWINGS	0	0
DIVIDENDS PAID	-20,000	-19,000
NET CASH FROM FINANCING	-20,000	-18,000
NET CHANGE IN CASH AND CASH EQUIVALENTS	-1,309	3,822

Consolidated Statement of Changes in Equity

US\$ '000	SHARE CAPITAL	CAPITAL RESERVE	RETAINED EARNINGS	TOTAL
BALANCE AT 1 JANUARY 2017	15,000	0	69,910	84,910
PROFIT FOR THE YEAR			29,237	29,237
DIVIDENDS TO SHAREHOLDERS			-5,709	-5,709
BALANCE AT 31 DECEMBER 2017	15,000	0	93,438	108,438
BALANCE AT 1 JANUARY 2018	15,000	0	93,438	108,438
CHANGES ON INITIAL APPLICATION OF IFRS 9			-158	-158
BALANCE AT 1 JANUARY 2018	15,000	0	93,280	108,280
PROFIT FOR THE YEAR			24,752	24,752
SHAREHOLDER'S CONTRIBUTION		1,000		1,000
ISSUE OF ORDINARY SHARE CAPITAL	1,000	-1,000		0
DIVIDENDS TO SHAREHOLDERS			-19,000	-19,000
BALANCE AT 31 DECEMBER 2018	16,000	0	99,032	115,032
BALANCE AT 1 JANUARY 2019	16,000	0	99,032	115,032
PROFIT FOR THE YEAR			28,780	28,780
DIVIDENDS TO SHAREHOLDERS			-20,000	-20,000
BALANCE AT 31 DECEMBER 2019	16,000	0	107,812	123,812

Notes to the Consolidated Financial Statements

Consolidation

The consolidation period for all Group entities is the calendar year ending 31 December. The accounting and valuation principles of the entities have been adjusted, where materially different, to the Group's consolidation principles. All items stated in the balance sheet and income statement (including off-balance sheet transactions) resulting from business relationships between Group companies are eliminated from the consolidated accounts.

Recording of Transactions

All transactions concluded are recorded according to the settlement date accounting principle.

Foreign Currency Translation

Items included in these financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in US dollars, which is the Company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at yearend exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Property, Plants, and Equipment

All property, plants, and equipment are initially recorded at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Furniture and fittings: 10%
- Computer hardware and office equipment: 20–33%

The assets' residual values and useful lives are reviewed and adjusted, if deemed appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Intangible Assets

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of five years. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Trade and Other Receivables

Trade and other receivables comprise amounts due from the client for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets; if not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of loans and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties experienced by the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss.

Financial Assets Classified as Available-for-Sale

Trade and receivables are recognised at fair value and measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of loans and receivables is when there is objective evidence that the company will not be able to collect all amounts due according to the original terms. Financial difficulties experienced by the debtor, probability that they will enter bankruptcy or financial reorganisation, and default or delinquency in payments are indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The loss is recognised in profit or loss. When a receivable is uncollectible, it is written off against the allowance account for trade and receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss.

Notes to the Consolidated Financial Statements

Loans and Advances to the Client

Statistical methods are used to determine impairment losses on a collective basis for homogeneous groups of loans that are not considered to be individually significant because individual loan assessment is impracticable. Losses in these groups of loans are recorded on an individual basis when individual loans are written off, at which point they are removed from the group. The methods used to calculate allowances on a collective basis are as follows: When appropriate empirical information is available, the Company utilises roll-rate methodology.

This methodology employs statistical analysis of historical data and experience of delinquency and default to estimate the amount of loans that will eventually be written off as a result of the events occurring before the reporting date, which the Company is not able to identify on an individual loan basis, and that can be reliably estimated. Under this methodology, loans are grouped into ranges according to the number of days past due, while statistical analysis is used to estimate the likelihood that loans in each range will progress through the various stages of delinquency and ultimately prove irrecoverable. In applying this methodology, adjustments are made to estimate the periods between a loss event occurring and its discovery, for example through a missed payment (known as the emergence period) and the period between discovery and write-off (known as the outcome period). Current economic conditions are also evaluated when calculating the appropriate level of allowance required to cover inherent loss. The estimated loss is the difference between the present value of expected future cash flows, discounted at the original effective interest rate of the portfolio, and the carrying amount of the portfolio. Expected future cash flows take expected portfolio sales prices into account.

The inherent loss within the portfolio is assessed based on statistical models using historical data observations, which are updated periodically to reflect recent payment and economic trends. Under normal circumstances, historical experience provides the most objective and relevant information from which to assess inherent loss within the portfolio. Under certain circumstances, moreover, historical loss experience provides less relevant information about the inherent loss in the portfolio at the reporting date. In cases where the most recent trends arising from changes in economic, regulatory or behavioural conditions are not fully reflected in the statistical models, these are taken into account by adjusting the impairment allowances derived from the statistical models to reflect these changes as at the balance sheet date.

These additional portfolio risk factors may include recent loan portfolio growth and product mix, unemployment rates, bankruptcy trends, geographic concentrations, loan product features, economic conditions such as national and local trends in interest rates, seasoning, account management policies and practices, current levels of write-offs, changes in laws and regulations, and other factors that can affect client payment patterns on outstanding loans (such as natural disasters). These risk factors, where relevant, are taken into account when calculating the appropriate level of impairment allowances by adjusting the impairment allowances derived solely from historical loss experience.

COINS WERE A WAY TO STAMP SOVEREIGNTY AND POWER INTO TRADE



1633 – 1672 Goldsmith's in Britain allows people to deposit their gold in Goldsmith's safes. Goldsmith's issues them with a paper IOU

> 634 – 1637 Ilips are used as currency in olland. Three years later, they e worthless.

Goldsmith's IOUs

1672 Copper coins are minted in Britain. Promissory notes payable to the bearer are issued by Goldsmith's.

1727 In Virginia, tobacco becomes legal tender.

Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at face value. In the statement of cash flows, cash and cash equivalents include cash in hand and deposits held at call with banks.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Retained Earnings

Retained earnings represent historically accumulated (ploughed back) profits/losses adjusted for the current year's profit/loss net of the current year's dividends.

Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates, and discounts. The Company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities. Revenue from services is generally recognised in the period in which the services are provided.

Card Fees Income

Card fees income comprises annual card membership fees, interchange fees earned on clients' transactions, ATM fees earned on clients' cash operations, foreign exchange fees earned on clients' card transactions in foreign currency, interest payments and late payment charges, and administrative fees.

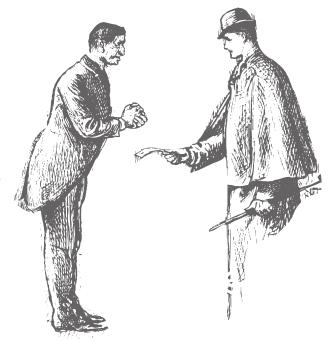
Lifestyle Commission Income

Commissions charged as a mark-up on clients' purchases through the lifestyle management service of Insignia Group of Companies.

Direct Costs

Direct costs comprise costs treated as commission expenses and include card manufacturing costs, costs related to the Visa network access, authorisation, clearing and settlement costs, and ATM costs.

THE CHEQUE IS A PROMISE OF MONEY AND VITAL TO THE TALE OF HOW PAPER MONEY CAME TO BE



1770 Rhode Island goes into hyperinflation over notes it has printed; nobody wants them.

1760 Benjamin Franklin fails to persuade Britain to allow the use of paper money in America. 1//5 - 1/83 The American Continental is printed to financ the American Revolution. Hyperinflation begi shortly thereafter, and the phrase 'It's not wo Continental' is born. 1789 The US Constitution allows the use of gold and silver to pay debt. Paper money is not allowed.



PRODUCTS & SERVICES

Products and Services

We have always strived for excellence in both our unique payment solutions and our unrivalled lifestyle management services.

Insignia Super-Premium Payment Cards

The Insignia Black, Royal, Glamour, and Jewellery cards are our flagship payment instruments. All are underpinned by the top-tier Visa Infinite payment platform, which provides unique benefits and state-of-the-art security measures.

The highest tier of cards comes with no pre-set spending limits and no interest fees, flexible billing cycles, a comprehensive online platform, and high-limit cash withdrawals — as well as the services of a dedicated 24/7/365 Personal Assistant.

Royal Card

Our original top-tier payment card with no preset spending limits, the Royal Card is a symbol of status created to serve the financial and lifestyle requirements of our most extraordinary customers. Each card comes with a dedicated 24/7/365 Personal Assistant.

Glamour Card

Tailored to the glamour-conscious, the Glamour Card offers all of the benefits of its Royal counterpart, along with effortless access to a world of exclusive fashion, shopping, and entertainment previews.

Black Card

Reserved for individuals with the most demanding lifestyles – those who seek a highly personalised service and the best the world has to offer.

Jewellery Card

The Jewellery Card is a unique payment instrument. We obtained special permission from Visa to design, manufacture, and issue these products. No two designs are the same, which is why Visa must individually approve each one before work begins on its production. Each card is bespoke, meticulously produced by highly skilled designers and artisans. A concept is selected by a client before being sketched by our team. The base foundation of the Insignia Jewellery Card is a robust 14-carat gold alloy inlaid with the finest precious stones, highest-quality metals, and enamel inserts.

Insignia Business Programmes

Insignia's company cards offer a flexible and safe payment solution for business spending. Centrally manage employees' purchases and pay suppliers. Provide excellent services and exclusive benefits during business travel. Save on business expenses by channelling Insignia Rewards points back into the business, or give employees the flexibility to redeem them individually.

C by Insignia

Designed exclusively for C-level executives who demand an exceptional level of service. C by Insignia is the first super-premium corporate card – offering seamless travel management, substantial spending power, and real-time control, it helps businesses to manage expenses with ease. Each transaction can be easily tracked in real-time by finance departments, thanks to our state-of-the-art business expense management software.

Platinum Business Card

Offering all of the benefits of its off-duty counterpart, the Platinum Card, the Platinum Business Card comes with the additional ability to control a group of cards in real-time. A company's corporate administrator can set individual spending limits, order and block cards, while cardmembers enjoy access to the services of the Platinum Business Concierge.

1794 The US Mint is established and begins minting coins.

1795 Hyperinflation begins

96 ance withdraws paper money d issues gold-based currency.

1798 The Rothschilds move to Britain

1800 – 1860 Uganda experiences hyperinflation in its cowrie shell currency.

1816 The Privy Council creates a gold standard, and a new gold sovereign is minted.

Insignia Premium Payment Cards

Our premium payment cards feature high spending limits and round-the-clock card servicing. Each card comes with a distinct package of benefits designed to suit specific lifestyles and occupations, but all clients receive the same high standard of service. When securing bookings and purchases, our success rate is around 98% — higher than that of any competitor.

Elite Card

Created for the individual who needs to make payment solutions available to family and staff, the Elite Card is the payment instrument of the Friends and Family programme. It allows the principal account holder to request linked supplementary cards, set spending and cash withdrawal limits, monitor transactions, and suspend card accounts.

Label Card

Configured to maintain separate balances in multiple currencies, the Label Card is the perfect payment solution for customers who travel. It also offers a multilingual lifestyle management team, VIP Airport Assistance, and a comprehensive travel insurance policy.

Universe Card

The Universe Card was created in response to client feedback suggesting a demand for a payment solution developed specifically to safeguard confidentiality. The world's first unnamed card for privacy-conscious individuals, it allows cardmembers to make payments with the highest levels of discretion.

Platinum Card

Our payment card for the high-flying individual, the Platinum Card comes with a wealth of benefits, including a comprehensive travel insurance package, LoungeKey membership, and access to our 24/7/365 Platinum Concierge team.

Wellness Clean Card

In a bid to fight the global health crisis, Insignia has developed the first-ever bacteria-free wellness card. One prevalent, and perhaps unavoidable, avenue of germ transmission is the frequent use of money and credit cards. London's Queen Mary University, a globally respected research college, has provided an indication of the extent of this problem. After swabbing the hands, cash, and credit cards of nearly 300 citizens, the researchers found bacteria on the hands of 11% of the total group, on 8% of the credit cards, and on 6% of the bills they tested.

Even before the COVID-19 crisis, one emerging key trend – particularly over the past seven years – is that clients are taking greater responsibility for their health. Against the backdrop of today's global pandemic, and in these unprecedentedly uncertain times, we all have to do our best to make the environment a safer place.

As a result, our Wellness Clean Card is the world's first top-tier payment solution that not only focuses on providing wellness programmes and treatments, but also protects our clients in their daily transactions. Executed with impeccable planning, this pioneering technology has emerged during a time of crisis to assist individuals and families in seeking specialist support to improve their health, vitality, and longevity. These individuals have the means of purchasing the best available care, attended by world-renowned specialists in the most exclusive clinics, and we are here to support them in every possible way.

e US Coinage Act revalues ver to gold, and silver begins disappear from circulation. 1837 The US economy goes into a depression, which will last for six years, caused by the uncontrolled expansion of the banking system Fore California Gold Rush Fhe California Gold Rush enables the mints to produce ine gold coins and moves hem towards a gold standard. 1851 The Australian Gold Rush begins around Ballarat, Victoria.

> A worldwide financial crisis begins due to global investment. Banks in Germany are allowed to fail and after a few months, the economy improves.

Lifestyle Management Services

By always exceeding expectations, we are perpetually Saying Yes to the Impossible.

In 2019, Lifestyle Boutique celebrated another successful year as Insignia America opened its doors on 5th Avenue, Manhattan, New York. The company wasted no time and hit the ground running, with some of New York's finest swiftly signing up. Lifestyle Boutique has further solidified hotel partnerships with hotel brands such as Belmond, Mandarin Oriental, Dorchester, The Mark, Four Seasons, and many more, along with a focus on improving our presence in New York hotspots such as Carbone, The Blond, and Polo Club.

Insignia Lifestyle Boutique

Cardmembers with a super-premium-tier card are assigned a dedicated Personal Assistant who is ready to meet their every requirement 24/7/365, enabling them to create a life of truly elite experiences.

Based in key locations across the world, our multilingual Personal Assistants and our lifestyle management team are backed by a team of travel and luxury experts — all working together to deliver an unsurpassed client experience. Itineraries are created, experiences are organised, and impossibleto-get items are sourced. There are two digital platforms available to clients with specialist interests: Insignia Rewards for loyalty redemption and The Voice of Luxury online shopping portal.

The Voice of Luxury

Providing exclusive access to a constantly updated stream of must-have items, The Voice of Luxury unlocks a new level of shopping experiences for our top-tier clients. From celebrated fashion houses to up-and-coming designers — plus jewellery, watches, interiors, and art — with all items curated by our inhouse luxury retail experts.

Insignia Rewards

At the start of 2019, Insignia Rewards was truly up and running. As expected, our rewards programme was a popular addition for our clients, and we have seen an impressive amount of traffic so far. We expect this programme to be another fantastic addition to our organisation's suite of offerings for many more years to come.

Insignia Connect

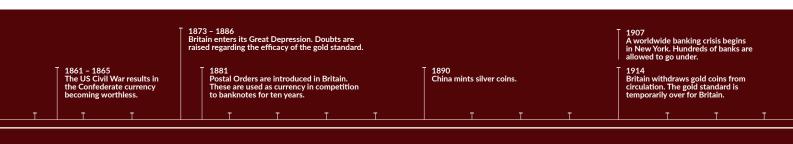
Clients accustomed to the highest quality of service deserve similar levels of excellence from their mobile phone package. We have a long-standing partnership with Vodafone, allowing us to offer toptier cardmembers the Insignia Connect package as a benefit. The package provides competitive tariffs for international calls and data roaming, 'prestige' gold and platinum phone numbers, the opportunity to buy the latest handsets with no waiting time, and personalisation services.

The Insignia Experience

Once they have been welcomed as a member, the Insignia experience now truly begins for our new toptier clients. A new dedicated Personal Assistant will have gathered the initial details of their preferences and schedules, and the feedback, learning, and improvement cycle never ends.

Insignia does more than provide a sense of unparalleled exclusivity to our members' lives — we also understand that problems can occur for any person at any given time. In those moments, our members can rest assured, because we are truly there for them 24/7. Whether it's losing a phone in a foreign country and needing a replacement (complete with all previous data) delivered to their hotel room, or being stuck somewhere and looking for a comfortable getaway, Insignia is always there to support every one of our members.

What this means is evident in our client satisfaction statistics: an impressive 87% of our clients stay with us for at least 10-15 years, thanks to our global expertise in every conceivable field of luxury and our made-to-measure support technology. Put simply — once an Insignia Personal Assistant is by one's side, every experience becomes elevated.





A super-premium Insignia client enjoys the undivided attention of their Personal Assistant, who is available by phone, email, SMS, and instant message 24 hours a day, every day of the year. While no two clients use their PA in the same way, in each case, they become an indispensable part of day-to-day life. Similarly, these clients have exclusive access to a Key Account Manager for the immediate execution of their banking requirements, and, if desired, a Wellness Specialist to ensure their health and fitness is prioritised.

From simply organising the delivery of thoughtful, personal gifts, to making the best tables appear in 'full' restaurants, or even creating extensive, full-service itineraries for unforgettable travel experiences, no detail is ever left to chance.

Our Personal Assistants have organised lavish proposal surprises, transformed clients into pop stars, rescued travellers in dire emergencies, and located critical healthcare for family members.

The Insignia difference is also more than experiential. Our extensive external network of partners, insiders, and experts allow us to secure the best possible value in every booking, reservation, and purchase.

With Insignia Lifestyle Boutique's team of multilingual lifestyle experts at their fingertips, and the discreet support of our powerful, bespoke CRM system, the single-client Personal Assistant is continually learning how to anticipate a member's ever-evolving routine and requirements.

From journeys organised and waiting lists skipped, to every extraordinary experience made possible, we remove each conceivable moment of friction from a member's life. This seemingly 'magic' effect of barriers removed and wishes granted by a single point of contact is produced with the aid of a support network of multilingual teams across the world. While the Personal Assistants and Wellness Specialists receive requests from their client directly, they remain in constant contact with that network, with our CRM system recording essential histories of preferences and possibilities.

Our clients are extraordinary people with exceptional lifestyles, accustomed to receiving the very best in the shortest possible timeframe. We have created a network of talent and technology that ensures delivery of this experience time and time again.

At Insignia Lifestyle Boutique, travel specialists are on hand to secure the best suites, charter experts can locate the most suitable jets and yachts, and Concierge is always at work to source hard-to-find items, front-row seats, and VIP tickets. We have created a comprehensive training programme and set specific standards in all areas of the service we provide, enabling us to maintain a consistently highquality experience for our clients.

Lifestyle Boutique also cultivates and maintains the critical partner relationships that add cost value for clients and ensure that every execution is faultless.

Alongside them sit twin call centres, specialised for both financial and lifestyle management requests. These support operations are in turn supported by multiple administration teams that take care of functions such as legal, human resources, recruitment, client correspondence, and marketing and communications.

Client satisfaction is at the core of what we do at Insignia. Feedback from clients is vital, and our call centres manage a variety of responsibilities. From card disputes, service complaints, payments, and technical booking aspects to maintaining a programme of regular client consultations, our customer service is the throbbing engine at Insignia's heart.

⊤ 1917 The US National Debt goes from \$1 billion to \$25 billion during World War I.						T 1928 France retui	rns to the	gold standard.	ober, the stock market crashes. The Federal Reserve's easy cy that once fuelled the boom has now reduced credit.							
1925 Britain returns to the gold standard, as Milton Keynes states that silver is overvalued.								arket is b eral Rese	ooming in the rve watches, noderate it.		and many b	0 Depression hi Danks and bus Product is dov	inesses go ur			
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MARKETING OPERATIONS

Market Environment

We rely heavily on new and improved partnerships to continuously increase our exposure within the U/HNW realm.

Today's global U/HNW individuals rely increasingly on lifestyle management services to help balance their hectic lives and make the most of their wealth. Our plug-and-play product solutions and marketing capabilities minimise complexity — and, with it, the efforts required by partner organisations to launch and manage subsequent products and offerings.

In 2019, we continued our collaboration with partners in two of our chosen markets for growth – North America and the Middle East. Discussions are currently also underway with potential partners in Asia – our desirable third market for expansion.

Our joint venture projects will allow us to expand into new territories. When it comes to servicing an ultrawealthy client, the segment shares similar interests in terms of requests and tastes; however, each region also comes with unique nuances that cannot be ignored. To be effective and maintain our high service levels, the decision to enter joint ventures was imperative in bringing in local knowledge and experiential data to serve a new market best.

The concentration of wealth within the U/HNW population is growing, and this trend continues to accelerate. The U/HNW population expanded substantially in 2019, rising by over 10% to 2.7 million individuals. The concentration of HNW individuals is predicted to move from USA and Europe to emerging markets and developing regions such as the Asia Pacific, the Gulf Cooperation Council (GCC), and South America.

When you examine the world's top U/HNW cities, New York now stands at number one. Hong Kong and Moscow follow, while London is currently fourth.

As of the end of 2019, Europe held the largest concentration of wealth. However, their Asian counterparts have now outstripped them in terms of the number of U/HNW individuals in the region.

Billionaires account for 1.1% of the total of ultrawealthy individuals, controlling almost 28% of the world's combined wealth.

In 2019, Europe, North America, and Asia were at the forefront of setting global HNW population and wealth records. The global UHNW population has seen a constant rise in the number of individuals with a net worth of \$30m or more. In 2018, this group grew by 3% to reach a total of 198,342 individuals worldwide.

This ultra-wealthy population has undergone a healthy rise in North America and Asia (both regions show an increase of 3%), along with substantial gains in the United States, Japan, India, and Indonesia. Europe maintains a strong position in the regional distribution of the ultra-wealthy, with 28% of the group population residing on the continent.

North America and Asia are strong markets for our future. These regions are home to more than 38%, the highest proportion globally, and 24% respectively of the world's UHNW population.

While the expansion of wealth populations is expected to remain largely steady in each of the next five years, some regions will outperform. UHNWI numbers in Asia, for example, are expected to rise by 23%, compared with 18% in North America.

Asian countries will see the most significant growth in UHNWIs over the next five years. India leads with 39% growth, followed by the Philippines (38%) and China (35%).

Of the 59 countries and territories in the Knight Frank Wealth Report forecasts, eight of the top ten countries by projected future growth are in Asia.

Private wealth in the Middle East region grew by 4.1% in 2019. Lower oil production and a slight rebound in oil prices have benefitted the growth in wealth in the Middle East and Africa.

1931 Britain ceases to be on the gold standard

1931 Japan ceases to be on the gold standard. For the next nine years. Japan's economy is strong. 1933 Hitler assumes the position of Chancellor and realigns Germany's economy and financial system.

The US Federal Deposit Insurance Corporation (FDIC) is formed to ensure that, in the event of bank closure, customers' funds will be insured. 1934 The US Gold Reserve Act raises the price of gold (in US dollars) from \$20.67 to \$35.00 an ounce.



THE BANK OF ENGLAND WAS THE FIRST BANK TO PERMANENTLY ISSUE BANKNOTES IN 1695

There has been an increase of wealthy and ultra-rich consumers, who are the main potential customers of the luxury segment. Consumption is going up, and retailing in the UAE is a significant sector, which is supportive of economic growth and offers many business opportunities.

Private wealth held by U/HNW households in the UAE grew significantly by 8.8% in 2019. Residents spent almost \$2,300 per month on luxury goods, placing the Emirates second in luxury spending behind Qatar, where that figure is estimated to be \$4,000.

The outlook for the Middle East remains positive, owing to lower oil production and the rebound in oil prices – both of which have resulted in a growth in wealth. Reliable regional results combined with government initiatives are prompting more international players to open branches in this region. The robust expansion in the region is anticipated to continue over the next five years, with the most substantial growth expected in the UHNW segment.

The UAE's economy continues to expand at a rapid pace, with its private wealth projected to log the most substantial growth in the GCC. Wealth in the Middle East/Africa region is set to reach \$12 trillion by 2021, of which the United Arab Emirates (UAE), Oman, Qatar, and Saudi Arabia's contribution will account for 21.1%.

Overall card spending in the region has shown a positive impact as compared to the period between 2009-2012. Most of the growth in spending in 2019 was recorded by cards issued in the UAE, whereas foreign spending declined, suggesting that the strength of the US dollar is impacting visitors' expense.

Global Private Wealth Analysis

The world's UHNW population is forecast to rise 27% over the next five years. However, the rapidly changing geopolitical and regulatory environment, along with shifting societal attitudes to wealth, will require a thoughtful reassessment of what it means to be wealthy.

Performance Across Major Economies

After hitting the 'sweet spot' for global wealth creation in 2017, wealth preservation became the primary focus for many UHNW individuals in 2018. The late-year slump in equity markets caused investors to enter 2019 with some trepidation against a backdrop of slowing global growth and rising tensions in world trade. Developments over the first half of the year largely justified this sense of caution, with volatile asset markets, a deepening US-China trade war, rising Brexit-related threats and weaker global demand giving rise to another challenging environment for wealth generation. Economically speaking, 2019 was outwardly a tumultuous year, with the International Monetary Fund reducing its forecast for global GDP growth from 3.5% in January 2019 to just 2.9% in January 2020 – a ten-year low.

Despite this, the world's UHNW population – those with a net worth of US\$30m or more – rose by 6.4%, according to Knight Frank's Wealth Report.

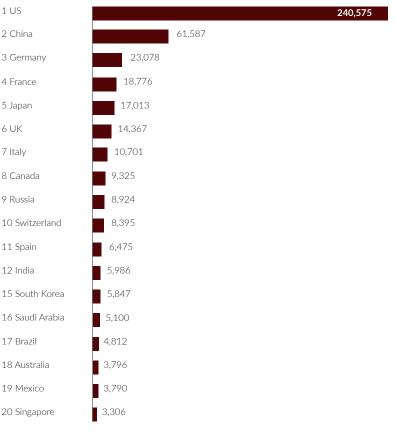
The top 10 countries accounted for 72% of the global ultra-wealthy population and 71% of total UHNW in 2019; these proportions remained unchanged from a year earlier.

According to the latest Knight Frank report, global UHNWI numbers are expected to grow by 27% over the next five years. As we can see from the figures to the right, the US remained the dominant UHNW nation in 2019, while China, the second-ranked country, posted a 1.3% rise in the numbers of its ultra-wealthy.

Global UHNWI Distribution

Selected countries and territories ordered by rank.

Individuals Worth over US\$30m



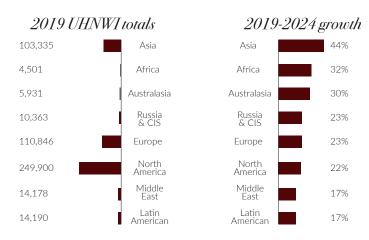
Source: Knight Frank the-wealth-report-2019

1932 – 1941 Japan's economy is running strong

The US GDP rises under low-interest rates. By 1946, the national debt is \$269 billion; thi figure was only \$16 billion in 1930. 1744 – 1940 Hungary experiences the greatest hyperinflation ever. In 1946, heir gold coin (the pengo) had increased in value 130 trillion imes relative to their paper currency.

Global Private Wealth

Globally, more than 31,000 additional U/HNWIs were created in 2019; this brought the total to more than 513,200, with North America dominating and the UHNW population of Europe doubling.



Asia's forecast five-year U/HNW growth is double North America's projected rate, with high growth expected in India (+73%), China (+58%) and Indonesia (+57%).

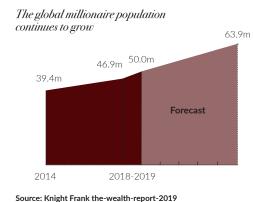
Source: Knight Frank the-wealth-report-2019

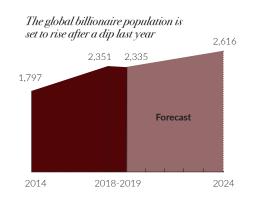
Top Fastest Growing Countries

Over the next five years, global U/HNW numbers are forecast to grow by 27%. Of the top 20 fastest growing countries that we measure, six are located in Asia (led by India, with 73% growth), five are in Europe (led by Sweden, with 47% growth), and three are in Africa (led by Egypt, with 66% growth).

Wealth Continues to Grow

As demonstrated in the graphs below, the global millionaire population is forecast to grow 28% by 2024. The global billionaire population is also predicted to increase by 12% over the next five years, despite its dip in 2019.





Wealth Asset Allocation Trends

According to a 2019 Knight Frank survey, 77% of respondents state that North American wealth is expected to rise in 2020, with properties making up the largest proportion of investment portfolios held by U/HNWIs and equities coming in second at 23%. Other U/HNWI asset allocations include 17% bonds/fixed income, 11% cash/currencies, 8% private equity, 5% collectables, gold/precious metals, and 1% cryptocurrencies.

1949 Britain devalues its pound against the US dollar - one pound goes from US\$0.30 to \$2.80. Other countries follow this precedent and devalue their currency. Image: The second s	-	(IMF) and	on Woods A the World E	Sank. The U	reates the Int S dollar is set ncies are tied	ernational Mor as the world's I I.	etary Fund reserve	T 1950 – 1970 Japan's economy takes off and increases by over 9% per year. In 1960, it was over 10% a year.								
			<u></u>		T	T	Britain devalues i pound goes from	US\$0.30 to \$2.	80. Other co	ar — one untries follow T		Milton Friedm Quantity Theo	ory', which goe	s against Keyn	esian	

Marketing Strategy

With creativity and drive at the forefront, we build each of our strategies to maintain our pioneering stance in lifestyle management and financial services for the UHNW market.

Mission & Strategy

Our goal is to be the ultimate global leader in lifestyle management and financial services for U/ HNWIs and their businesses. With this goal and target audience in mind, our marketing strategy goes above and beyond the straightforward promotion of our products and services. Our potential customers are spread throughout the world and across a range of demographics; this means that our messages must be finely tuned to reach them, whether through our bespoke offerings, engaging brand messaging or cutting-edge digital marketing tactics.

Our people go to exceptional lengths to fulfil even the most challenging requests. At all times of the day and night, we are busy making clients' ideal moments a reality. We embrace the fantastical, bring dreams to the real world, and say 'Yes to the Impossible'.

Customers & Services

The primary audience for the Insignia brand is UHNWIs who have particular requirements. These clients have over US\$30m in disposable assets and benefit from high spending power on their cards. Such clients are in the top 0.1% of society and tend to be self-made with global lifestyles, travelling 80% of the time. In this ever-changing world, we see an increasing number of UHNWIs dedicating time and resources to the quest for 'experiential luxury'.

Our payment platform and lifestyle management service allow our clients to effortlessly and discreetly achieve those experiences while managing their purchases and their wealth. Clients enjoy the freedom of unlimited spending power whenever and wherever it is required. Lifestyle support is provided 24/7/365 by a dedicated Personal Assistant who goes above and beyond, fulfilling an industry-leading 98% of requests.

Sales Growth & Retention Strategy

The goal of our marketing strategy is to drive sales growth. We achieve this goal by reminding existing members of our one-of-a-kind services, as well as by communicating the unique and exceptional experience of the Insignia membership to an audience that may not yet know who we are. Our approach requires a marketing strategy that starts with education and progresses to brand storytelling. From advertising campaigns and digital activity to sponsorships and philanthropy, Insignia is positioning itself in the geographic locations and economic markets where wealth lives.

The brand continues to grow at a rate faster than category growth through new market expansion and dynamic marketing. Last year, our global sales teams and the newly established New York office flourished and grew as we landed celebrity clientele through our participation in the Oscars 'goodie bag' and sponsored events with our golf partners at Sporting Class. Through offering distinctive service, product differentiation, superior insights, and unrivalled client experience, our strategy is to inspire and excite our existing and potential clients in ways that go beyond straightforward promotion.

The key to success in maintaining engagement, sales conversions, and retention is to sustain a brand that enables our clients to create life experiences that are truly exclusive and personalised. Whether it is travel, shopping or the lifestyle requirements of our existing clients, there is one common aspect that sways the vast range of their spending preferences and outlooks: bespoke experiences.

We solidified our client retention strategy in 2019 with the launch of Insignia Rewards, a unique loyalty programme encompassing lifestyle services, travel, shopping, and experiences all in one platform.

1963 The US Silver Purchase Act is repealed.

1959 Nigeria establishes its first Central Bank. Cowrie shells are no longer used as currency. 1965 – 1987 US Banks expand internationally. 1965 Islands in the Central Pacific are still using Fei stones as currency. 1967 Britain devalues the pound again to US\$2.40. This flexible model gives members the power to redeem as and when they wish, while Insignia is generously giving back to members to reward their many years of loyalty.

Our description of the Insignia customer experience is no exaggeration — the attention to detail that we provide, and the lengths to which we go to deliver unrivalled levels of service, are always commented upon by our clientele. The marketing challenge facing Insignia is to convey that experience with authenticity and credibility in an environment where others make similar claims without supplying a service experience that matches ours.

Our approach requires considerable investment. But given that our average customer stays with us for 10-15 years, we believe that the return on that investment — in the form of brand recognition — is more than considerable.

Building a Global Brand

The client experience is at the heart of the Insignia brand. Our marketing strategy defines the brand's positioning as a trusted member of the client's inner circle and as every member's secret weapon for accessing the exclusive. We act as an intimate advisor, serving as an original creative thinker who is also a brilliant problem solver and craftsperson, with a sharp eye for detail and the belief that nothing is impossible. Accordingly, our brand principles are as follows:

- Nothing is impossible
- Everything we do should make the client feel extraordinary
- All of our products and services should reflect exquisite artistry
- All products and services are bespoke and tailored for an individual's needs
- We set trends we don't follow them

Support for these brand principles is evident through our exclusive access to our vendor network, the high spending power of our cards, and our 24/7/365 Personal Assistant support. What to most people is impossible, unthinkable, and inaccessible is available to our clients every day. Communicating the unique and exceptional experience of Insignia requires the brand to work on many levels in order to create awareness and consideration. Digital communications through the web, direct mail, CRM, and social media provide the immediacy of communication that clients expect. Moreover, world-class design is required to ensure that all digital media meets the quality standards required by the brand persona.

Another aspect of our strategy involves extending our market reach by forging partnerships via joint ventures with essential organisations. For example, we are delighted to have acted as a sponsor of The Card & Payments Awards over the past three years — this event is a highlight in the UK financial services calendar, attended by key influencers within the global payments industry. The 2019 awards saw a record number of attendees, which brought the Insignia brand to the forefront of the industry. This sponsorship further built our reputation for innovation and quality.

Future Clients

The emerging millennial U/HNW segment is more demanding than previous generations in terms of their desire for immediacy and networks in their daily experiences. They make different buying decisions, which are based on a seemingly endless stream of instantly available information and comparisons from sources that differ from those of previous generations. As a result, millennial UHNWIs (and Generation Z) are savvier than ever, expecting value for money in every transaction they make. Accordingly, the entire industry must work harder to capture the imagination and trust of a new generation for whom worth and connectivity are the new currency.



GOLD IS THE MOST MALLEABLE AND DUCTILE PURE METAL KNOWN TO MAN

1968 For the first time, the US has a trade deficit.

> 1969 The IMF makes international trade ndependent of the supply of gold by enabling special drawing rights.

1970 US banks in Britain have more in deposits than Brit<u>ish banks do.</u> 1971 The Bretton Woods Agreement is abando allow international trade with no relation price of gold.

1971 Britain's monetary system changes to a fractional currency in which a pound is worth 100 new pence.

1973 The US leaves the gold standard.

1973 Britain, Ireland, and Denmark join the European Economic Community (EEC).

Client Acquisition

Our ethnic and cultural diversity helps us to service our clients to the highest standard.

We have restructured our sales and marketing strategy in a way that supports multiple channels to acquire additional clients in the U/ HNW and corporate segments. Our department is deliberately staffed with experts in their respective fields, all of whom have high-level cultural and linguistic understandings that match our marketing and sales strategies.

The sales team has been structured around target sectors and individuals who have the relevant experience, contacts, and networks.

The key acquisition channels are as follows:

1. Direct Sales and Introducer Network

This channel utilises a team of sales individuals who have specific experience and contacts within U/HNW networks. This enables them to target the desired individuals directly or to leverage introducers, such as advisors, who provide financial, accounting, legal, and real estate services. The salespeople who focus on this sector have been recruited from specific backgrounds in which direct contact and relationships with U/HNWIs and their advisory networks have been developed, e.g. real estate, luxury fast-moving consumer goods (FMCG), and banking.

2. Partnerships and White Label Solutions

The aim of this channel is to build a portfolio of partners who also service U/HNWIs, such as private banks, wealth managers, and family offices.

We provide our unique product to institutions in order to help them improve their relationships with clients and differentiate themselves from their competitors. We use industry databases, networking tools, and referrals to generate new target leads and contacts. The predominant industry focus is on small to medium-sized private banks within the EU that currently have no in-house capability to issue their own cards. These banks require a solution for their clients that goes beyond recommending generically available credit or charge cards from an alternative source and/or potential competitor.

To foster this long-lasting relationship with our partners, we maintain regular contact with these institutions. This is often through a dedicated Relationship Manager who works to enhance the relationship through issue resolution, training, and client support.

3. Corporate Introducer Network (Expanding the Introducer Network into Consumer and Corporate Markets)

This channel targets Corporate Service Providers (CSPs). CSPs are small to mediumsized entities that offer business consultancy and administrative support for corporate entities looking to expand into new territories. Sales individuals in this sector focus on developing relationships with CSPs to ensure they recommend Insignia to their clients' C-Level employees as the preferred corporate card and expenses solution.

The travel and administrative expertise available through Lifestyle Boutique and our Personal Assistants relieve these entities of the need to establish corporate travel departments and related administrative functions. Sales individuals target CSPs, focusing on the added value and financial savings that can be delivered, along with how they can provide an uplift in the value proposition they offer to their clients by recommending Insignia.

1973 – 1974 Britain enters a banking crisis. Sixty banks are either bailed out or receive some form of assistance.

974 IPEC raises the price of oil drastically and world trade is reduced. leveloped countries fare better than undeveloped countries. Japan's conomic growth slows considerably. Sritain switches from Keynesian economics to Milton Friedman's monetarism after reaching 25% inflation.

1978 - 1980 OPEC increases the price of oil to double what it was in 1978. Interest rates rise, and industrial countries go into a severe recession. 1979 - 1980 Margaret Thatcher promotes Milton Friedman's monetarism. As inflation rises and the manufacturing sectors are damaged, the financial centres are strengthened.

Client Journey

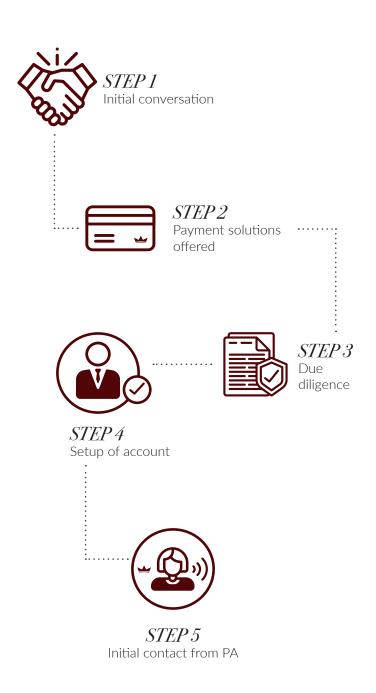
Once a prospective client has learned about Insignia and contacted us to request membership, the onboarding process begins. As membership is by invitation only, the first step takes place when a representative gets in touch with the applicant for an initial conversation. They will discuss our products and services before moving on to gather details about their specific circumstances and requirements.

Should this conversation be successful, the new client is offered a choice of service level and payment solutions. In the meantime, we conduct a series of compliance, risk management, and KYC checks as part of our robust due diligence process.

The process ends with a compliance and risk check that will determine appropriate spending limits, with further risk assessment procedures implemented if certain aspects of the applicant's profile suggest that this is necessary. If required, additional information can be gathered from across multiple financial jurisdictions.

Once a client has been approved and has received their card, top-tier clients are contacted by their new Personal Assistant and informed of the support points of contact. This is the beginning of the most valuable relationship a client will have with us. For this reason, their Personal Assistant logs their routines, tastes, and preferences on the CRM system. From their favourite winter destination to their preferred brand of mineral water, each detail helps us to identify and respond to their needs as quickly as possible.

After all the formalities have been dealt with, the clients are normally in exclusive contact with their assigned PA, with occasional contact with their Key Account Manager. To improve our services, we will sometimes contact members for feedback. This action is normally carried out by our highly trained Client Satisfaction Team.



1984 The modern ATM is exempted from being classed as a branch of the bank.

1984 – 1990 Foreign banks expand in the US.

The City of London becomes one of the primary inancial market centres as Britain does away with all foreign exchange controls.

Poland cannot pay its debts, and as rescheduling of obligation is enacted, bankers remove their money from Eastern Europe due to it being considered high-risk. The third world begins going into considerable debt. As interest rates rise in future years, many countries in the region become deeply indebted and are unable to get ahead on their loans.

Mexico struggles with a debt crisis as a result of loans issued by the MF, the Bank for International Settlements, the Federal Reserve, and the US Government. Bankers withdraw money from South America, as it is considered high-risk.



FUTURE of INSIGNIA

Expansion through Joint Ventures

We are driven to expand Insignia through our unrivalled market expertise. As a global company, we have strategies in place to expand our lifestyle and financial services to new territories.

We Grow... We Expand... We Innovate

The exclusivity of our products, unmatched lifestyle management and card services for the U/ HNW segment are the main prerequisites for our growth all around the world. Underserviced by major card issuers and banks, U/HNW individuals are increasingly discovering the uniqueness of Insignia, and the demand trend is steadily growing on all continents. The demand to launch Insignia in new markets where the ultra-wealthy operate is being driven by our personalised service. We also offer exclusive access to a wide-ranging network, dedicated Personal Assistant services, a highly bespoke range of services, unrivalled client care and high spending power.

Operating in today's challenging financial environment with its geographically shifting markets has shaped our strategy for new territories. At present, we work via joint ventures with corporations that are already established in these areas. Our joint venture partners enjoy thriving existing client and industry networks and have valuable experience paired with expert knowledge of the local culture and business. In return, we can offer products and services that add incredible value and unique selling propositions to their existing and potential clientele.

The foundation for all of our joint venture partnerships is built upon more than two decades of Insignia's market know-how, along with our extraordinary workforce and a training model that enables us to ramp up and replicate rapidly. Using these means as a proven formula of success ensures growth at a swift, yet scalable and sustainable, pace. Our know-how and historical client data, coupled with the network and leveraged relationships of our partners, pave the way to success for both parties.

In line with our three-year strategic acquisition objectives, we have defined and implemented a dual-focused strategy. First, we have set out to increase market penetration into Europe. Second, we have been focusing on developing new partnerships and joint ventures in order to expand our footprint into new markets on four continents, namely the Middle East region, North America, Asia-Pacific, and Latin America.

North America

North America has a UHNW population of 74,000 individuals, including the highest UHNW concentration city in the world (New York). The US now includes six of the world's top 10 cities for UHNW individuals. Accordingly, we have launched our joint venture initiative with support from our US partners Certares, as Insignia America opened its doors in Central Manhattan, New York. The US market represents a strategic opportunity for many reasons. Our myriad of strategic relationships with leading brands such as Certares and Rimowa provide us with an immediate launch platform. Moreover, the US UHNW market is underserviced, primarily by the card issuer business. As private banks often do not offer the appropriate card servicing capabilities. the market opportunity is significant; our goal is to build our US business quickly to over 3,000 cards by 2024.

Switzerland

Switzerland has close to 3,000 individuals in the UHNW bracket, approximately 1,000 of whom have a net worth exceeding US\$100m. We have a strong base in Switzerland as well as longstanding relationships with private banks servicing the UHNW segment. The chance to develop relationships with more private banks that currently lack an adequate card offering represents a huge opportunity for growth. Switzerland remains the most popular destination for Middle Eastern and African offshore wealth, accounting for 31% of savings and investment inflows from that region, with a projected compound annual growth rate (CAGR) of 4.7% over the next five years. The inflow of this wealth provides additional opportunities for growth in this market.

Monaco

In Monaco, one out of every 56 people is U/HNW – the highest density out of the 30 global cities ranked in The Wealth-X City Residential Index 2017. We have plans to exploit this high-density opportunity through personalised lifestyle management and card services. The Insignia blueprint for entering Monaco is timely, as many wealthy Britons are heading to Monaco to protect their capital after Brexit. We undertook a feasibility study to understand the opportunity for a specialised LSB travel agency that provides services targeting the ultra-wealthy. A joint venture agreement is soon to be signed, which will ensure Royal patronage and full government support.

United Kingdom

The number of ultra-wealthy in the UK has swelled by 434 over the last year, taking the U/HNW British population to nearly 12,559; this represents an annual growth of 8.5%, compared to a general U/ HNW population growth of 1%. Moreover, the number of U/HNW individuals in Britain over the next five years (to 2023) is projected to increase by 21%. We will target U/HNWs through networks and direct selling.

Luxembourg

Luxembourg counts some 725 ultra-rich residents with a net worth of at least US\$30m each. Combined, they hold a fortune of US\$125 billion. This leaves Luxembourg in 16th place in the UHNW population ranking. The Wealth-X report also showed that Luxembourg has 17 billionaires among its residents. Due to this high concentration of wealth, we have opened a new Luxembourg office in the first quarter of 2019, with the intention of securing a PI licence from the Commission de Surveillance du Secteur Financier (CSSF). Luxembourg is a market with high potential that will serve as a significant revenue centre for many years to come.

The Middle East

We worked hard in 2019 to secure entry into this market, and by the end of the year had opened our first office in the Emirates Financial Tower in Dubai International Financial Centre (DIFC). This office will be the centre of our Middle Eastern operations. The expansion has been anchored by an unwavering vision of establishing a base from which to serve the ever-growing GCC region, as this is the bridge that connects East and West.

The Middle East and GCC region present enormous potential for growth. There are almost 1,000 ultra-wealthy individuals in Abu Dhabi and Dubai, representing 20% of the total ultra-wealthy population in the Middle East. The UAE has been ranked among the top 10 countries globally in terms of the number of billionaires; the nation is home to 55 of them, controlling a total of US\$165 billion in wealth, according to Wealth-X Billionaire Census 2019.

Both Saudi Arabia and the UAE make up 45% of the UHNW population in the region. Saudi Arabia is home to the largest U/HNW population, with 1,500 individuals worth a total of US\$320 billion. Overall, the Middle East has exhibited a continuously rapid climb in the numbers of its ultra-wealthy. Currently, the region is home to 16,581 UHNWIs, up from 10,043 in 2014, which amounts to an impressive 41% increase. According to reliable projections, this trend is expected to continue, with up to 30% more anticipated over the coming years.

Asia-Pacific

Insignia has a significant foothold in the Asia-Pacific region, with substantial operations and remarkable partnerships in place. We are strategically poised to capitalise on the exceptional growth opportunities emerging in this area. Powered by the emerging Asian markets, the region's HNWI wealth is predicted to surpass \$40 trillion by 2027. In recent years, the Asia-Pacific region has fuelled the growth in global U/HNW population and wealth, generating up to 45% of all new global U/HNW individual wealth. Both the population of the ultra-rich and their wealth swelled by up to 15%, thus confirming Asia-Pacific's status as the global powerhouse of U/HNW growth.

A robust double-digit growth pace has been consistent, with the region's U/HNW individuals continuing to be the fastest-growing wealth segment in the world. India has emerged as the most fertile market for U/HNW population (22.2%) and wealth (23.4%) growth, while Hong Kong and Singapore recorded the highest population of HNW individuals. If the growth rates of the past decade are sustained throughout the next one, the region's U/HNWI wealth could surpass US\$42 trillion by 2027.

Latin America

Over the past decade, Latin America has been emerging on Insignia's radar and becoming increasingly attractive. If the current promising trends continue, the number of ultra-rich in the region is set to grow by 17% until 2025. Brazil, Mexico, and Argentina have been leading the way in terms of growth in HNW individuals and wealth.

THE FUTURE IS UNFOLDING AT LIGHTNING SPEED

Innovation

New technological developments and advancements are constantly at the forefront of our industry.

Contactless payments, AI, digital transactions, blockchain, cryptocurrencies — these are only a few examples of how significant the technological shifts related to payment cards have been over the past decade.

Gone are the days of expensive, slow, and outdated methods that involve paper, over-thecounter banking, and swiping a credit or debit card. Application programme interfaces (APIs) have enabled fintechs all over the world to gain a foothold in an industry once dominated by large financial institutions. WeChat and Alibaba have become the world's largest and fastest-growing payment solutions relative to legacy systems that provide an inferior user experience. Digital wallets are the inevitable outcome, thanks to the universality of smartphones and EMV (Europay, MasterCard, and Visa) and the growing importance of code over plastic. Digital payments are replacing cash and governments are learning how to manage the popularity of cryptocurrencies. Fintechs continue to both disrupt and enhance innovation; change, as a constant, is set to accelerate.

In addition to technology, the market is also set for generational change. Millennials and Generation Z demand immediacy and digital ease of service, with Apple, Amazon, and Google as client experience role models. Consumer demands and behaviours continue to evolve beyond recognition, resulting in industry-wide challenges to keep up and stay ahead of the competition. Our plans are being developed accordingly so that our client value proposition keeps up with the pace of change, ensuring a faster, more efficient digital-user experience.

THE MONEY WE SPEND ON CARDS IS ONLY A PROMISE

Mobile Payments

Mobile usage and mobile real-time payments are overtaking cash as the preferred payment method. Our new mobile app will enhance the client experience, providing real-time views of balances, statements, and payments. Digital wallets, multiple app services, and wearable technology are also in the pipeline for a future launch.

One of the more interesting evolutions of late has been the expansion of geolocation. We will be able to send notifications containing offers and information from the many merchants around the world with whom we have established relationships. Clients will also be able to use an array of in-app options to block and control transactions; for example, if a card is assigned to a younger family member, a client will be able to restrict purchases of certain types (such as alcohol or pharmaceuticals).

Metal Cards with Embedded Contactless Chips

We also plan to launch an exciting range of upgraded cards. Each card will contain an embedded integrated circuit chip (ICC), along with a unique patented antenna to enable contactless performance. This technology is used to enhance secure communication with the network behind the terminal rather than relying on the old-fashioned magnetic stripe approach.

Wearables

The ability to make quick and secure payments entirely through wearable technologies, ranging from rings to bracelets, will soon be a reality. In our fastpaced world, demand for contactless payment has never been stronger, with touch-and-go technology becoming mandatory by 2020 for many businesses. The retail environment is primed to embrace this fun, futuristic, and clever way to pay.



The range of such wearable devices is growing quickly, from wristbands, fitness trackers, and watches to jewellery and even clothing. Global wearable device shipments are set to hit more than 500 million by 2021, with analysts estimating that 20% of these devices will be equipped with a payment- or access-control feature.

Android Pay, Apple Pay, and Samsung Pay are already in operation, and wearable payments are also possible via the Fitbit. Mastercard is bringing payment tech to trackers, and Visa is experimenting with installing payment tech in items such as sunglasses. Through advances in biometrics, wearables will soon be able to support larger payments and remove the low-spend limit that is a constraint for our client base. Must-have brands are keen to be part of the next wave of innovation. We are engaged in initial discussions with key manufacturers that will enable clients to purchase a simple fashion accessory and revolutionise the way they pay for goods.

Different Ways to Pay

The global e-commerce landscape is extremely complex. Clients use a wide range of methods to pay online, and these payment methods often vary by geography and sector. It is vital for us to understand which payment services are the most appropriate for our business. Cards are not the only way to pay for online transactions, as you will soon be able to use your Apple device to pay with an Insignia card wherever you see the Apple Pay or contactless logo. Hundreds of thousands of stores now accept Apple Pay. Moreover, the usual low contactless limit will not apply; you will be able to make payments via Apple Pay for any amount.

Cryptocurrencies and Blockchain

Electronic payments will continue to evolve and adapt to the payments industry. While cards themselves may not be revolutionary, linking a card to an exchange or wallet in order to withdraw against the value of your cryptocurrencies will become increasingly common.

PayPal co-founder Peter Thiel has claimed that Bitcoin has the potential to change the world. However, Bitcoin is only one of the many cryptocurrencies being created every day — the real revolutionary concept is the so-called blockchain, which underlies 'the global online ledger that underpins these digital currencies'. As further explained in Wired, the blockchain is a database that runs across a worldwide network of independent machines. This technology can 'provide a more secure, more reliable, more transparent, and more automatic way of exchanging money, securities, and other assets, such as stocks, bonds, and even house or car titles'.

As part of our 2020 research and development initiative, we are looking to create a blockchain solution using an open ledger concept. This initiative has the potential to act as an alternative to slower technologies and remove the expensive intermediaries that clog up today's markets.

Biometrics

Biometrics is not only for smartphones and wearables; this technology can now be used to enhance our application experience and strengthen anti-money-laundering and compliance procedures. Facial and voice recognition for passport validation and payment authorisation has already been rolled out by many financial institutions.

We attended Money 20/20 in Las Vegas, where many cutting-edge innovative solutions were offered and demonstrated. The central theme was reducing the friction and time involved in more traditional due diligence and paper-based processes. We see this as an essential part of our future plans.

AI: Artificial Intelligence

There is currently widespread investigation of the uses and potential applications of AI in the payments industry to enhance efficiency and automate processes. We therefore introduce 'Lola' from Insignia: Lola is being used internally to help our PAs scan and search offers from our vast range of contacts and service providers. This has significantly improved our ability to quickly respond to client requests and select the best available offer. We will be looking to launch this to our clients via our app, providing the ability to check balances and carry out simple instructions. PAs will consequently have more time to spend with the client and be more productive.

Fraud: How to Detect and Prevent

Balancing innovation with vulnerability is of primary importance to us. Owing to the rapid pace of technological advancement, clients today are exposed to a new plethora of threats. Thus, we must ensure that our clients benefit from an experience that is both enhanced and secure. Historically, banks could access a client's data and share analytics with third parties in areas such as fraud prevention and risk management. We are working tirelessly to develop new fraud tools that detect and prevent risks in the modern era.

Insinet

Insinet ensures that Insignia Group of Companies employs the latest technologies across its suite of services.

It has been a little over one year since we implemented Insinet. From that time onward, Insinet has serviced the Insignia Group of Companies with constant support, agile project implementation, strategic implementation, and growth support that enables us to achieve and exceed our goals.

Artificial intelligence, blockchain, mobile apps, voice assistance, machine learning, and EMV (Europay, MasterCard, and Visa) require a new level of technological support for payment services. Insinet provides market-based solutions through partners and selected external vendors to deliver worldclass support and, ultimately, the best possible client experience.

As a client-driven IT group, Insinet focuses on its business value proposition with the following services:

- Management and strategy: providing account management and strategic advisory services for IT support and new and existing services
- Risk and transition: assessing project risk and new initiative plans
- IT operations: delivering day-to-day technology services and support to all levels of the organisation
- IT vendor supply services: leading and managing multi-level vendor and supplier groups for efficient service delivery
- Agile project implementation: implementing new key strategic projects for the Insignia Group of Companies

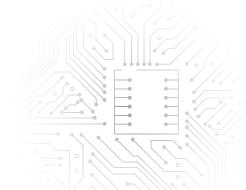
Key Pillars

Insinet was founded on four strategic pillars. Insinet, as an independent group, competes in the global IT arena for contracts in the payments category. A guiding principle of the company is to be universal in scope and scale, aiming to handle projects of any size wherever and whenever.

The second principle is that Insinet will utilise the latest technology and vendor support to herald innovation, research, and development. To remain competitive, the Group must be fast, efficient, and flexible; agility will be one of the critical attributes for its success.

Lastly, as a provider of high-quality technology and support services, Insinet must have a strong brand that speaks to the quality of its work with a very high degree of trust. These pillars of scalability, innovation, flexibility, and confidence will be the groundwork for the Group and its outsourcing partners. The Group is poised to drive new business through external opportunities. Market forces will promote the competitiveness of Insinet and ensure that it provides world-class innovation and service.

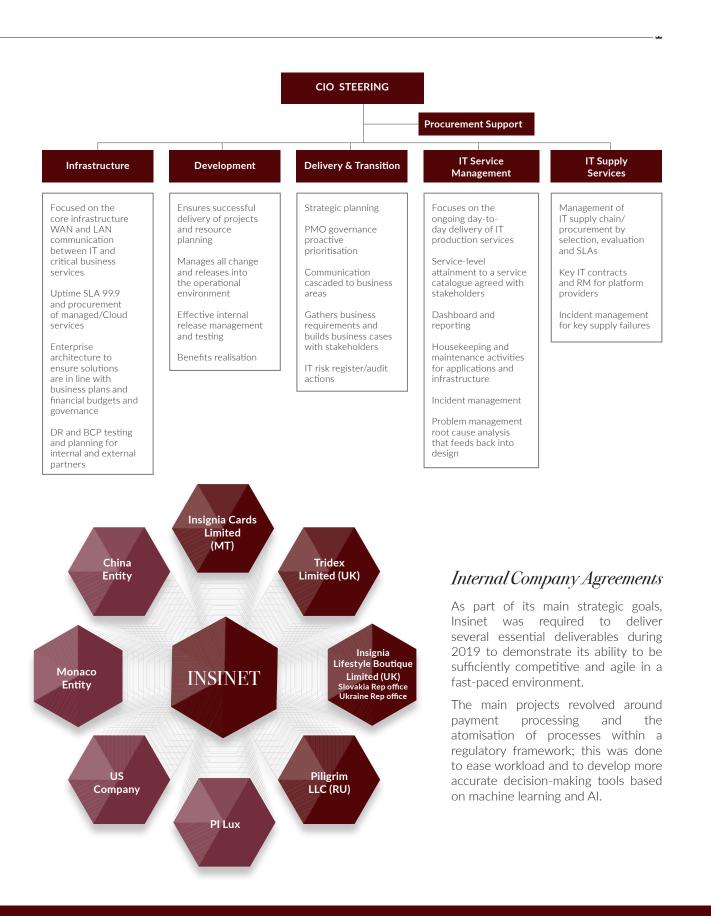
Given its business model, Insinet must have a structure that lends to scalability, research and development, outsourcing, agility and the ability to collaborate with like-minded partners. A steering committee will set strategic goals and review operating results as achieved by the CIO. Reporting to the CIO are five critical functional heads for infrastructure, development, delivery, IT service, and supply chain services.



ONLY 8% OF THE WORLD'S CURRENCY IS PHYSICAL MONEY

1987 On 16 October, the Wall Street Stock Exchange crashes, which is followed by the London Stock Exchange crashing the following Monday.

apan has the largest ade surplus of any ountry in history — 87 billion. T 1988 – 1990 Britain experiences a housing boom as easy credit is granted 1988 Fifteen countries have a debt that exceeds their Gross National Product. 1990 Japanese banks are now the largest in the world. 1990 The Berlin Wall is torn down, and East and West Germany are reunified.



+ European Union (EU) creates a unified banking financial system. There is talk of a unified currency

The number of financial transactions performed electronically in the US reaches 90%.

1995

The Euro, a common currency for the Europ

> The Euro notes and coins are adopted and replace the national currencies of EU member states.

1991 The Soviet Union dissolves, and the new countries form their own currencies.

> 994 he Sumitomo Bank in Japan eclares a loss, making it the first apanese bank to do so in 50 years.

low-interest rates have led to property investment and increased homeownership.

The US

Composition of the Board

BOARD OF DIRECTORS

Michael Surguladze (Chairman)

Charles Rapa Nada Tucakov George Kesidy Tatyana Korshikova Otto Ramisch Oksana Kriuchkova Richard Lewis Peter Blakeston Tancred Lidbury George Mos Masha Artyukova Oleg Borisov Ephrem Pisani Theresa Caruana Saydon Maja Andreevska

ICL BOARD OF DIRECTORS

Joseph Zammit Tabona (Chairman) Charles Rapa George Kesidy

LSB BOARD OF DIRECTORS

Oksana Kriuchkova (Chairman) Richard Lewis Luka Sur Ksenia Soboleva-Volchkova Natali Potter

NEW YORK

EXECUTIVE BOARD

Otto Ramisch (Chairman) Nada Tucakov Tatyana Korshikova George Kesidy Ephrem Pisani Oksana Kriuchkova Masha Artyukova

ETHICS COMMITTEE

Marlene Aquilina Stephen von Peltz Nick Alasania Melissa Lamb Natali Potter

to the US, the subprime mortgage industry faces gnificant delinquencies. The country's largest nortgage lender, Countrywide, experiences a marked icrease in foreclosures. It reports its first loss, of \$1.4 illion in 25 years Quantitative Easing begins in the US, Europe, China, Japan, and many other countries. It remains ongoing to this day.

> The Bitcoin network is established, and the first Bitcoins (BTC) are issued.

reece, Ireland, Portugal, pain, and France are in gnificant debt. Quantitative Easing continues in the US, Europe, Japan, China, and other countries

2011 Wikileaks begins accepting Bitcoins as its payment processor after PayPal refuses it service.



2012 BitPay has over 1,000 merchants using its payment processing system. 2013 Cyprus banks take a bank holiday. Bank deposits are stolen, and Cypriots lose a significant proportion of their deposited money, which varies depending upon their bank and the amount they held in deposit.

7 2014 Apple Inc. launches Apple Pay, a mobile payment and digital wallet. 2017 Bitcoin hits its highest price, reaching \$19,783. It is the culmination of an incredible year for the digital currency, which had begun 2017 at about \$1,000.

2020 The People's Bank of China steps up its development of the e-RMB, which is set to be the first digital currency operated by a major economy.

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