



22nd March 2022

2021 Financial Results

LOM Financial is pleased to report full year 2021 profits of \$9,510,119 or \$1.84 per share. This increase over the \$4,795,662 profits declared in 2020 is a result of an extraordinary \$7.1 million realized gain on securities that the company owned. Pleasingly, our underlying profits before the extraordinary gains in 2020 and 2021 rose 19% year-on-year from just shy of \$2 million to \$2.36 million. This is the important metric, as it is extremely unlikely that the extraordinary profits recorded in 2021 will reoccur this year.

Below are the highlights of LOM's financial performance during 2021.

Revenues had the following year-on-year changes:

- Management and advisory fee revenues rose 29% to \$7.164 million (29% of revenues).
- Broking fees rose 17 % to \$7.506 million (31% of revenues).
- Net interest earnings fell 33% to \$553,135 (2.2% of revenues).
- Foreign Exchange revenues rose 30% to \$752,874 (3% of revenues).
- Gains on securities held in inventory showed a profit \$7.141 million.
- Total revenues rose 39% to \$24,493,484.

Costs for the group had the following year-on-year changes:

- Employee compensation costs rose 8% to \$4.65 million.
- Commission and referral fees rose 27% to \$5.7 million.
- Total operating costs rose 17% to \$14.98 million.

On other financial measures:

- LOM's assets under administration were \$1.62 billion as of 31st December 2021 as compared to \$1.27 billion at the end of 2020.
- LOM's fully diluted net income per common share was \$1.84
- LOM is in a strong financial position with net equity of \$33.6 million.
- LOM had a net return on equity of 39% in 2021.
- LOM held cash and equivalents at year-end of \$18.3 million, representing 55% of shareholder equity.
- LOM's book value as at 31st December 2021 was \$6.50 per share.

As always, I would like to express appreciation and thanks to our customers for their business and the employees at LOM for their dedication and professionalism.

Scott GS Lines
Chairman & CEO