

We help our clients secure low-cost funds which may be offered to suppliers in the form of early payment, at an increased rate

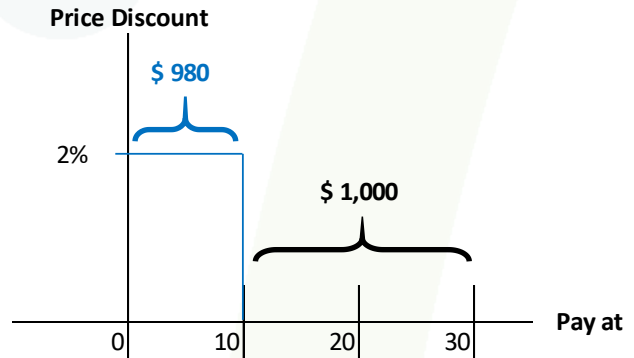
Returns on Early Payment

Utilizing one's excess cash to pay suppliers early can be a highly lucrative strategy in cash management. Let's consider a \$1000 invoice paid in 2% 10 NET 30 payment term:

Price Discount Perspective

By paying within 10 days after invoice is issued, one can enjoy a 2% price discount.

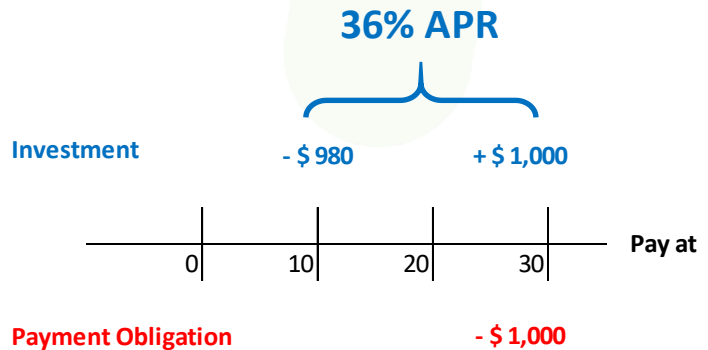
However, when expressed in terms of annualized return:



Return on Capital Perspective

Consider the \$980 paid at T₁₀ as an investment to meet the payment obligation at T₃₀, the return on capital is:

$$2\% \times (360/20) = \mathbf{36\% \text{ per annum}}$$



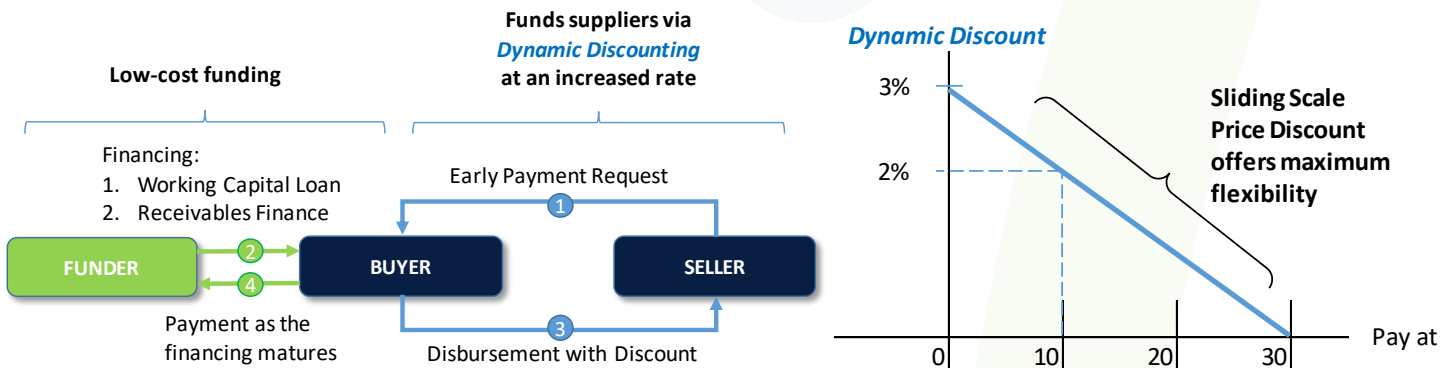
The Dilemma

Although early payment to suppliers can yield a decent return, there are a number of factors that limit the potential of early payment:

- Insufficient cash balance
- Discount may be unattainable due to late payment approvals

Our Solution

With our Payables Arbitrage SM solution, Convergence solves these potential issues. We provide our clients with a way to pay suppliers early while enjoying arbitrage returns, with no use of their own cash reserves:



Utilizing our unique advantages, Convergence can help our clients implement Payables Arbitrage SM within 60 days:

Global Funding Network

With our access to global and regional funding institutions, we help our clients acquire the necessary funds to drive a Dynamic Discounting program

Technology Capabilities

Our proprietary trade finance platform facilitates a seamless execution in the financing program

Financial Expertise

We help our clients analyze the financial standing of their supplier base and then devise a strategy that will optimize returns for them

ABOUT US

Convergence Capital is a global expert in Trade Finance based in Hong Kong. We support our clients by engineering tailor-made Trade Finance solutions to drive capital efficiency throughout the supply chain

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