

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

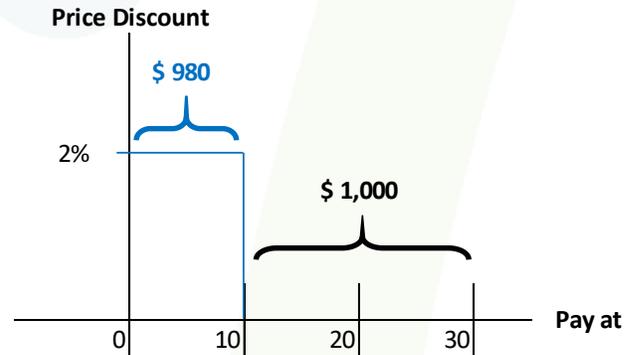
## Returns on Early Payment

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.

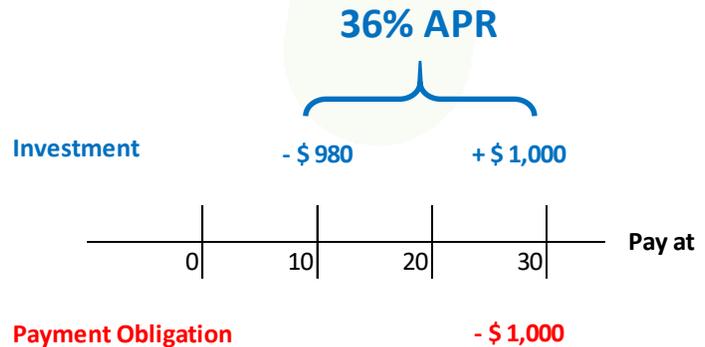
However, when expressed in terms of annualized return:



### Return on Capital Perspective

Consider the \$980 paid at T<sub>10</sub> as an investment to meet the payment obligation at T<sub>30</sub>, the return on capital is:

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



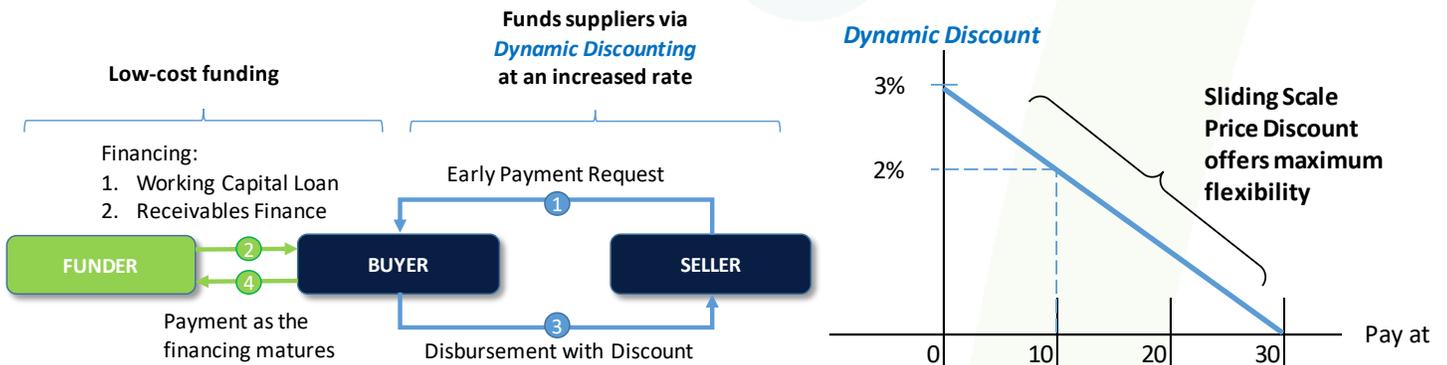
## The Dilemma

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 <sup>SM</sup> 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 <sup>SM</sup> 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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