

# HSBC Supply Chain Finance solution

January 2022



# HSBC locations where Supply Chain Finance is offered- *extensive global network and strong local capabilities differentiate HSBC's SCF from the competition*



◆ Top Global Trade Finance Bank



◆ Best Trade Finance Bank  
 ◆ Most Innovative Bank  
 ◆ GTR Best Deal 2019

### ☐ Currencies we support currently in the UAE

- i. AED
- ii. USD
- iii. EUR
- iv. GBP

### ☐ Supplier countries we can support currently in the UAE

- |                   |                  |             |                 |               |
|-------------------|------------------|-------------|-----------------|---------------|
| 1. UAE            | 6. Germany       | 11. Tunisia | 16. South Korea | 21. Malaysia  |
| 2. Austria        | 7. India         | 12. Turkey  | 17. Switzerland | 22. Singapore |
| 3. China          | 8. Ireland       | 13. UK      | 18. Denmark     |               |
| 4. Czech Republic | 9. Netherlands   | 14. USA     | 19. Australia   |               |
| 5. Egypt          | 10. Saudi Arabia | 15. Sweden  | 20. Hong Kong   |               |



Note: All offers of financing are subject to credit adjudication, qualification and prior approval. Country conditions or restrictions may apply.

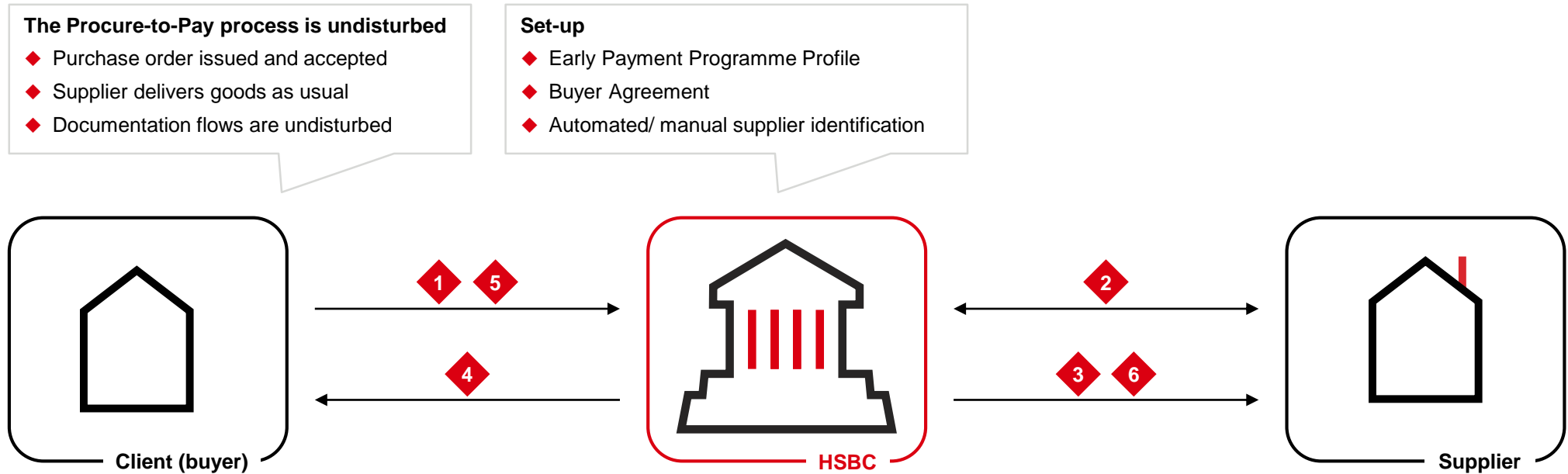
# Supply Chain Finance- Potential benefits for Suppliers

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- ◆ **Unlock cash from receivables on a non-recourse basis** shortly after invoices are approved by the Buyer resulting in **potential DSO reduction** subject to accounting treatment<sup>1</sup>
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- ◆ **Not required to be an HSBC customer**
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- ◆ **Additional working capital at competitive financing costs based on the Buyer's** relationship with HSBC
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- ◆ **Eliminate manual processes- gain key information through SCF platform (where applicable) and reduces any collection related work and cash management costs**
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- ◆ **Enhance relationship** with the Buyer
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- ◆ **Easy enrolment- one Notice and Terms Agreement** to be signed
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- ◆ **Flexibility to choose and select financing options for invoices approved by** the Buyer
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Notes: All offers of financing, products and services are subject to credit adjudication, qualification and prior approval. Other conditions or restrictions may apply

1. Accounting treatment applicable to a supply chain finance structure varies depending upon many factors, including the attributes and behaviour of the participant buyer or supplier. You are responsible for obtaining your own professional accounting, tax, legal and other professional advice prior to the implementation of any trade, supply chain finance or receivables finance structure. Non-recourse subject to terms

# Supply Chain Finance- How does it work?



- ◆ 1 The Buyer uploads approved invoice file onto HSBC Supply Chain Finance platform
- ◆ 2 Supplier manually requests early payment (unless automated early payment is agreed)
- ◆ 3 Supplier receives early payment<sup>1</sup> less Discount charges agreed with HSBC
- ◆ 4 HSBC provides a report to the Buyer (before the settlement day)
- ◆ 5 The Buyer settles the approved invoice on the due date with HSBC
- ◆ 6 HSBC pays the supplier at maturity (where no early payment), provided HSBC is in funds from the Buyer

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 1. All payments are made at HSBC's sole and absolute discretion

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