

Product Data Sheet

# B2B FINEX DYNAMIC DISCOUNTING



**Turning your Accounts Payable into  
a Profit Center, targeting the right  
Supplier with the right offer**

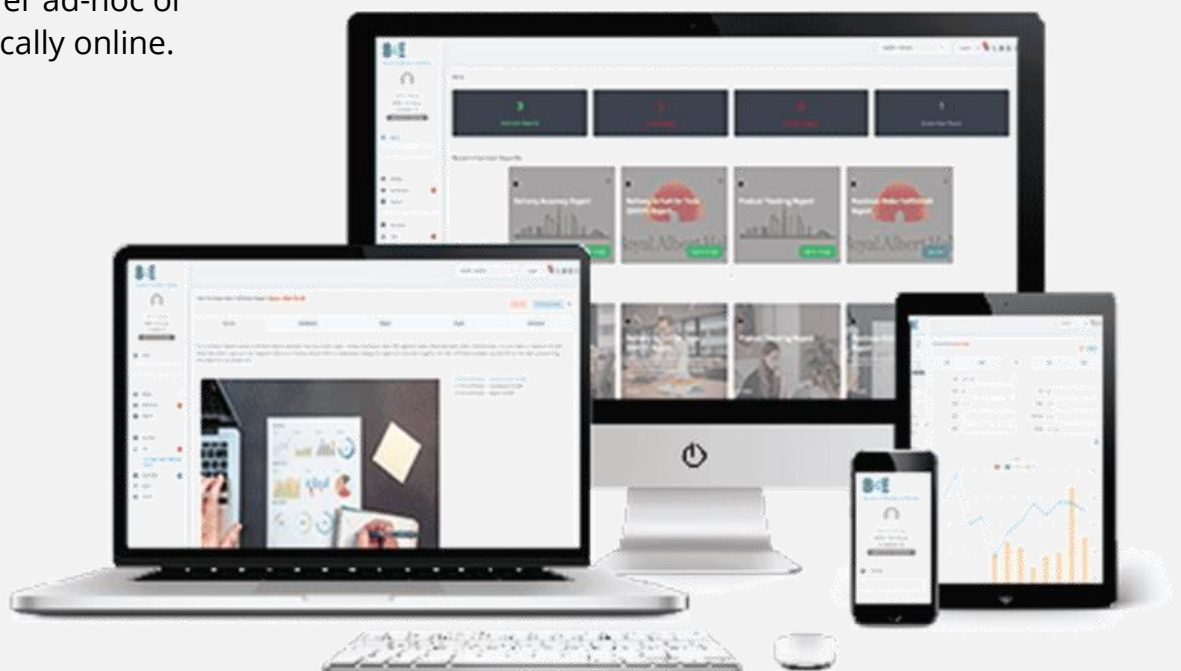


## MANAGING YOUR CASHFLOW IN REAL TIME PROACTIVELY WITH DYNAMIC DISCOUNTING BETWEEN YOU AND YOUR TRADING PARTNERS WILL BENEFIT YOUR BUSINESS INTO SINGLE OR DOUBLE DIGITS % RETURNS

Empowering you to capture  
missed discounts and increase  
new discounts dynamically.

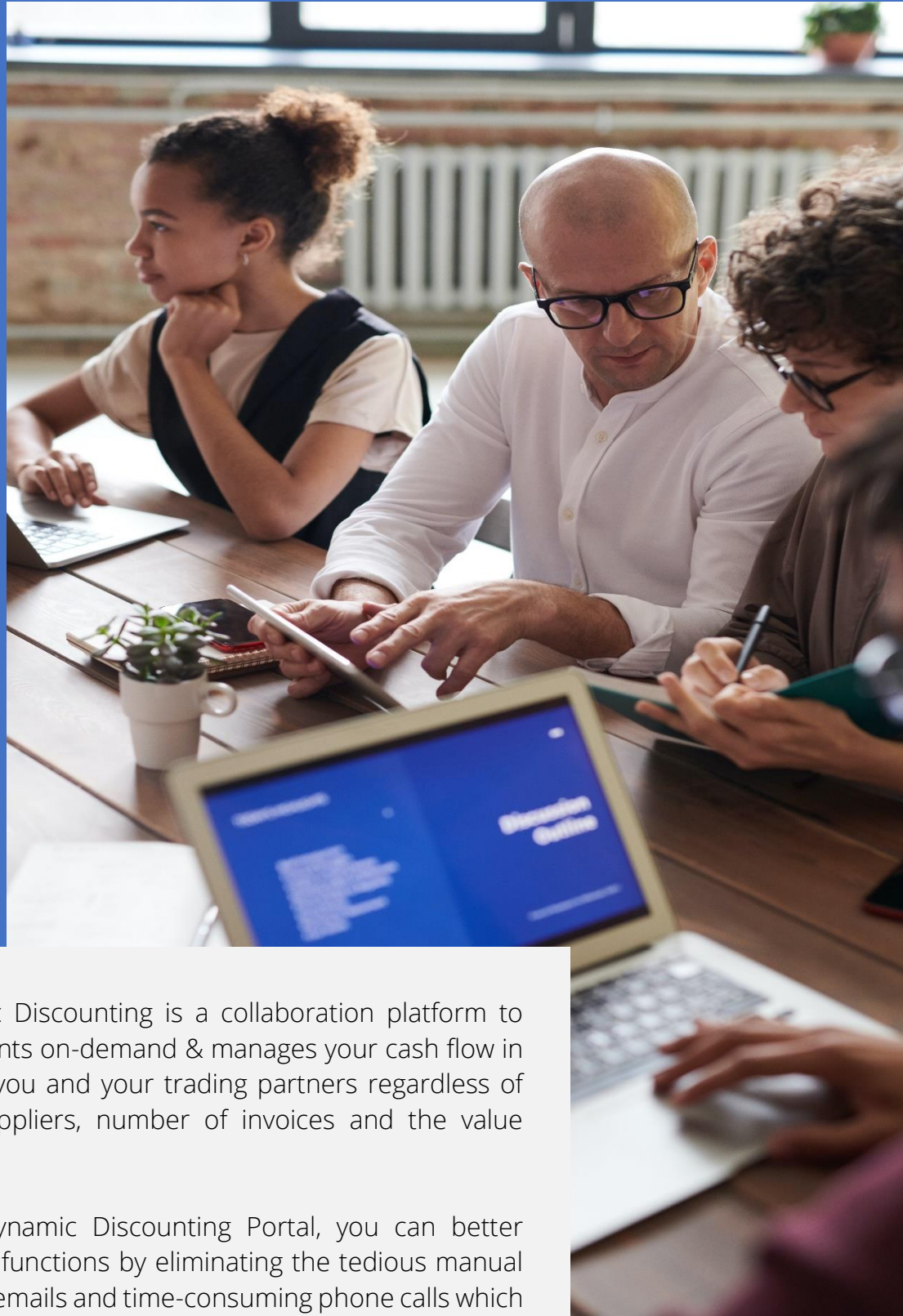
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Enroll Suppliers via  
enablement, engage right  
Supplier audience and  
target offer ad-hoc or  
automatically online.





# OVERVIEW



B2B FinEx Dynamic Discounting is a collaboration platform to enable early payments on-demand & manages your cash flow in real-time between you and your trading partners regardless of the size of the suppliers, number of invoices and the value amount.

With B2B FinEx Dynamic Discounting Portal, you can better streamline your AP functions by eliminating the tedious manual communication via emails and time-consuming phone calls which indirectly improve the overall operational efficiency.

# KEY

# BENEFITS (BUYER)



## IMPROVE PROFIT MARGIN

Many businesses have a strong cash position, including yours. Using our Dynamic Discount platform, you will be able to utilize your excess cash to deliver benefits to your bottom line by gaining the early payment discounts that reduced cost of goods sold (COGS). The same can be applied to funds that you may obtained from the current low interest rate environments.

With effective cash management through our features rich discounting platform, your business can achieve better profitability and working capital position.



## HIGH YIELD RETURN

As Buyer who funds the early payment to your Suppliers using own funds or funds from alternative sources with low interest rate could potentially generating double digit return with our Dynamic Discounting platform. Investing available cash in your supply chain to capture discounts provide a favourable and widely risk-free return on funds with higher yields if compared to placing your cash in short term investments, yielding a lower return.

From some recent reports, we have found that a dynamic discounting solution can leads to a typical average gain of annualized yield between 3%-10% Annual Percentage Rate (APR), significantly outperforming most internal investment hurdle rates or returns on short term cash.



## IMPROVE ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Corporate responsibility has evolved over current and future generations of business leaders in the form of environmental, social and governance. In current business landscape, your company shouldn't be seen in any "Buyer-Supplier" supply chain exploitation; It rather prefers sustainability and harm-free business practices as well as a reasonable return.

By incorporating B2B FinEx Dynamic Discounting into your organization, it strengthens your company ESG framework. This helps to mitigate costly risks by lowering operational costs through reducing paper usage and carbon footprint. This also improve social responsibilities, and regulation's compliance to avoid reputational risks.



## SUPPORTING YOUR SUPPLIERS

In today's competitive supply chain partnership between Buyer and Supplier; it's imperative to have a mutual business respect, financial alignment, and a sincere wish for each party to prosper. Support your network of suppliers by providing them liquidity needs and keep them financially sound via Dynamic Discounting will significantly improve these relationships.

Addressing Suppliers strategic financing concerns and ensuring they receive a stable flow of capital and greater degree of cash flow, will further help to mitigate unnecessary supply chain risks and maintain a better Buyer-Supplier relationship.

# KEY

## BENEFITS (SUPPLIER)



### IMPROVE CASH FLOW

If your Buyer can provide early payment assurance via Dynamic Discounting and continuously to pay earlier, you will be able to better plan your cash flow with improved liquidity position.

It also mitigates uncertainty surrounding timing and amount of Buyer's payments, allowing for better cash flow forecasting capabilities.

Days Sales Outstanding (DSO) can be reduced through faster conversion of receivables to cash that could then be deployed for other needs. For example, you could pay your own suppliers earlier, invest more in your business alternatively just do more business with the Buyer by freeing up internal credits' limits on the respective Buyer.



### FLEXIBLE RATE FINANCING

Dynamic Discounting offers flexible rate financing where you can achieve your desired rates financing in a controlled environment with your trading partners.

You will be able to receive "financing" at your favourable rates based on individual invoice or invoices' batch offered by the buyer. This can be easily achieved via our comprehensive Dynamic Discounting platform where you can either accept or counter-offer Buyer's offered discounting rate with your preferred rate. In most cases, you can achieve lower rates of financing than alternative methods such as asset-based lending or factoring.



## ALTERNATIVE FINANCING SOURCE

If there aren't other financing options that may be available for you, Dynamic Discounting could be one of the alternative sources of financing for you.

As per recent research & reports in the emerging-market environments, Dynamic Discounting has been used as one of the favourable methods to most of the business when it comes to options for more working capital. One of the key factors is Dynamic Discounting will not create additional debt to your balance sheet.

On the other hand, Dynamic Discounting will also be able to provide you with better financial liquidity without worrying on your credit history and collaterals, that are required for most financing options in the market. And, in most cases, short-term loan will cost higher interest rate; however, Dynamic Discounting will give you a better control of the financing rate depending on your needs.



## IMPROVE RELATIONSHIP

Dynamic Discounting will help you build stronger relationships with your Buyers. With full visibility into when payment is made, it helps you forecast and plan better. This will subsequently lead to genuine synergy and better planning alignment with your Buyers.

Loyalty could be also achieved as you can be a preferred Supplier due to participation in Buyer's dynamic discounting solution.

# KEY FEATURES



## QUICK & SIMPLE

When it comes to efficient, our solutions have fine-tune to get tasks done super-fast, with its new real-time offerings.

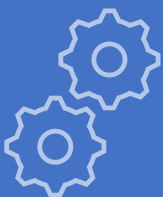
Creation and sending out an offer can be completed within seconds. Choose from either using Fixed or Dynamic interest rates, Discounts Days or Payment Date and the system will do the rest of the calculation for you. You will ultimately cut down on the time you spend and freeing up more time for other job on hand.



## SIMULATION

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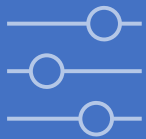


## CAMPAIGN

Your offer will be delivered to the right user at the right time proactively via our offer campaign features.

Instead of manual monitor the offer responses from your suppliers, our scheduler can resend the offer based on the date time you had preconfigured in the portal. Additionally, offer drips is available to configure any automatic re-offering requirements on a scheduled basis.





## POLICY CONFIGURATION

Corporates will have a mix of different business arrangement between Buyer and Suppliers, large or small.

Different trading partners will have different rules and thus different treatment plans. Our flexible system allows you to configure rules, policy and other parameters depending on your preferred outcome based on your specific needs



## MULTI-LEVEL APPROVALS

Approval workflows or business rules can be configured to enable a 100% touchless process. What you need to do is monitor the acceptance rates, track profitability, and adjust your strategy as and when required through the portal.

Validation can be configured via workflow to highlight any exception automatically. This will greatly improve offer efficiency, e.g., exceptions will be highlighted based on Annual Percentage Rate (APR), discounts level or amount preconfigured.



## DEDUCTION MATCHING

Our Dynamic Discounting solution can cater for Invoices amount either Gross or Nett, dependant on your implementation preferences. Whichever the approach, the final amount will then be offered to Supplier for discounting offers.

## **DYNAMIC DISCOUNTING**

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