

# Kantox Dynamic Hedging®

The flexible micro-hedging solution that  
fully automates your FX risk management



# Index

1. Corporate FX challenges
2. Dynamic Hedging
3. Why Kantox
4. Team

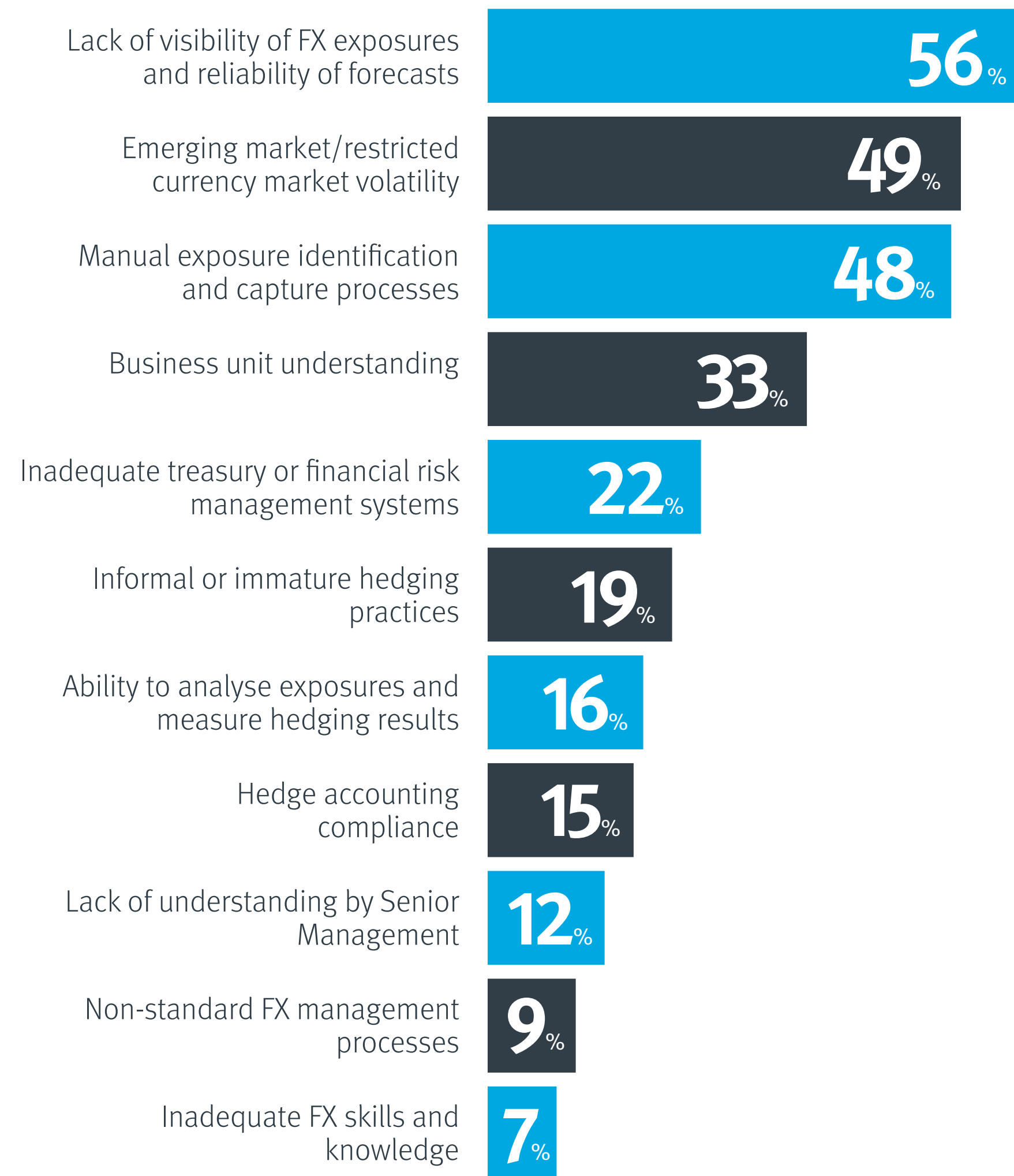


# Corporate FX challenges

## Treasurers and CFOs face multiple strategic challenges

Most of the biggest FX challenges can be solved by automation, yet many corporates still rely on manual processes to manage their exposure

### FX challenges faced by corporates



Source: Deloitte Global Foreign Exchange Survey, 2016

**8 out of 11** FX challenges can be solved thanks to FX management automation

“56% of corporate treasurers say that lack of visibility over FX exposure is their main business challenge.”

Deloitte Global Foreign Exchange Survey, 2016

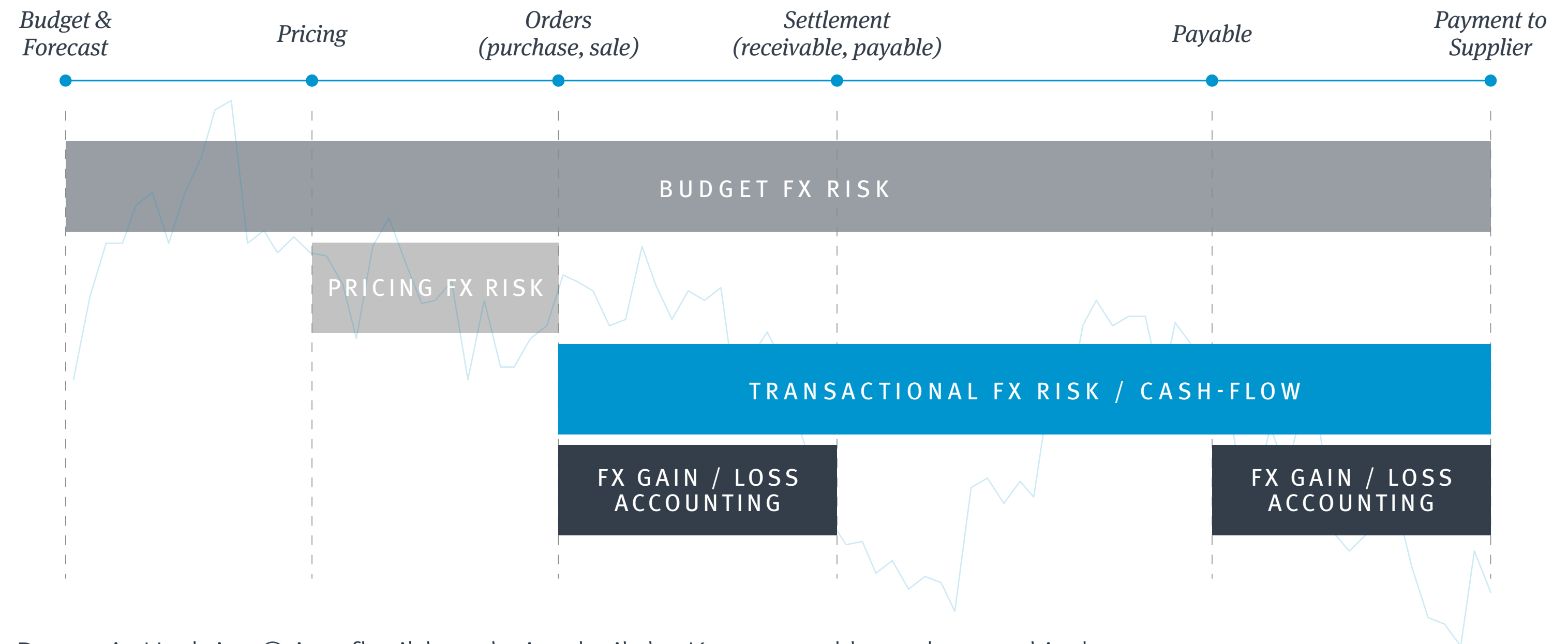
“52% of corporate treasurers cite FX volatility as their main concern.”

Deloitte Global Corporate Treasury Survey, 2017

# Kantox Dynamic Hedging®

## A unique micro-hedging solution to manage FX risk

Our automated solution completely eliminates FX risk and makes it easier to buy and sell in local currencies, thus increasing your margin and market share



Kantox Dynamic Hedging® is a flexible solution built by Kantox and based on real industry use cases. To do this, we asked:

- 1. What is the purpose of hedging?**
  - Protecting cashflows/profit margins (Transactional FX risk)
  - Reducing FX gain and loss/impact on P&L (Accounting)
  - Protecting Budget or Forecast rate
- 2. What items does the client want to hedge?**
  - Budget & Forecast
  - Purchase or sales orders (to suppliers or from clients)
  - Receivables & payables
- 3. How to hedge?**
  - Micro-hedging, item-by-item: purchases, sales orders, payables, receivables, forecasts, etc. ideal for hedge accounting
  - Bulk hedging, accumulating items from a single day or week
  - Trade netting and de-crossing by currency pair
- 4. What hedging instrument to use?**
  - Spot transactions
  - Forward contracts
  - Market orders

# Kantox Dynamic Hedging®

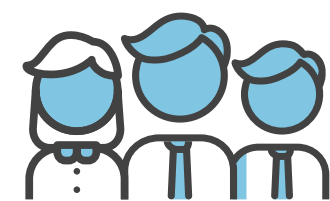
## Automated FX hedging for your business

Using straight-through processing (STP), we leverage automation technology to minimise manual workload

## STRAIGHT-THROUGH PROCESSING (STP)

REST API & s CONNECTIONS TO ERP

**1**  
Hedging policy  
Defined by  
management



**2**  
Hedging rules  
The CFO or Treasurer  
defines the FX strategy  
and the execution rules  
according to the  
hedging policy



**3**  
FX exposure  
identification  
Data from sales,  
purchase orders,  
receivables,  
payables, forecasts,  
etc., is captured



**4**  
FX risk  
monitoring  
24 hours a day,  
6 days a week



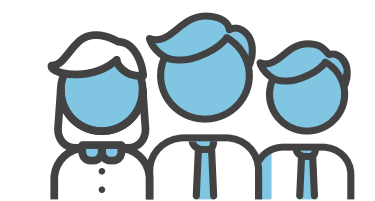
**5**  
Trade execution  
According to the FX  
strategy and  
execution rules



**6**  
Real-time  
reporting  
FX exposure,  
hedging  
performance,  
trading history...



**7**  
Adjustment  
FX strategy and  
execution rules  
are updated



“The finance profession is evolving pretty quickly in parallel to the emergence of new automated solutions like Kantox Dynamic Hedging®. These changes require the finance director to be aware not only of competitors, macroeconomics, legal or regulatory changes and social trends, but also to be up-to-date with all the new advanced technology solutions coming to the market in order to improve efficiency in his department.”

**Alex Wakeford**

Finance Director at Secret Escapes

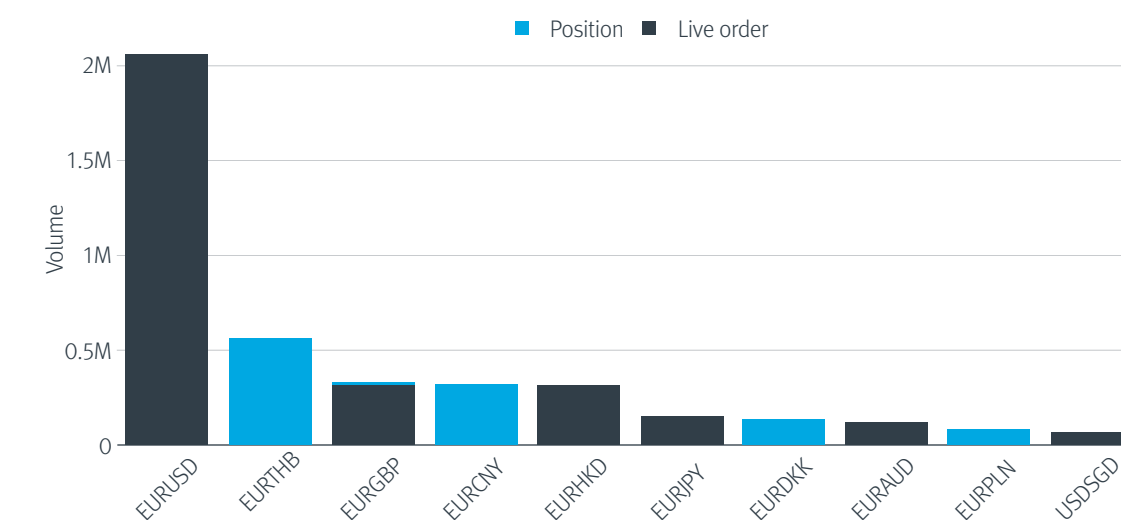
# Kantox Dynamic Hedging®

## Kantox Dynamic Hedging® Analytics provides quick insights

The data-rich dashboard gives greater visibility to management. See positions and exposure from a high-level or detailed perspective

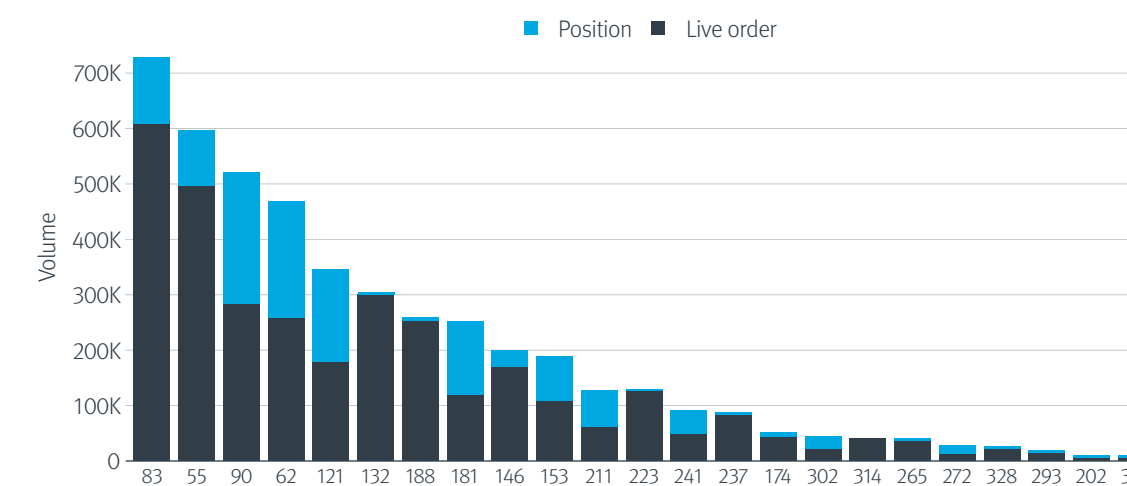
### Positions and conditional orders

Total exposure in Order and Position by Currency pair, €

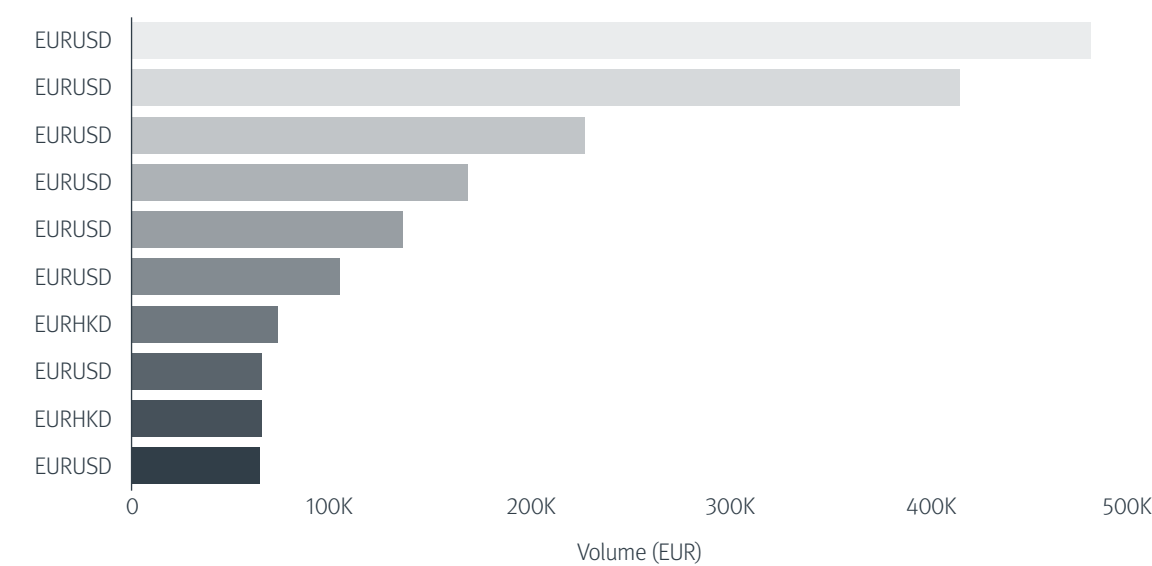


### Positions and conditional orders

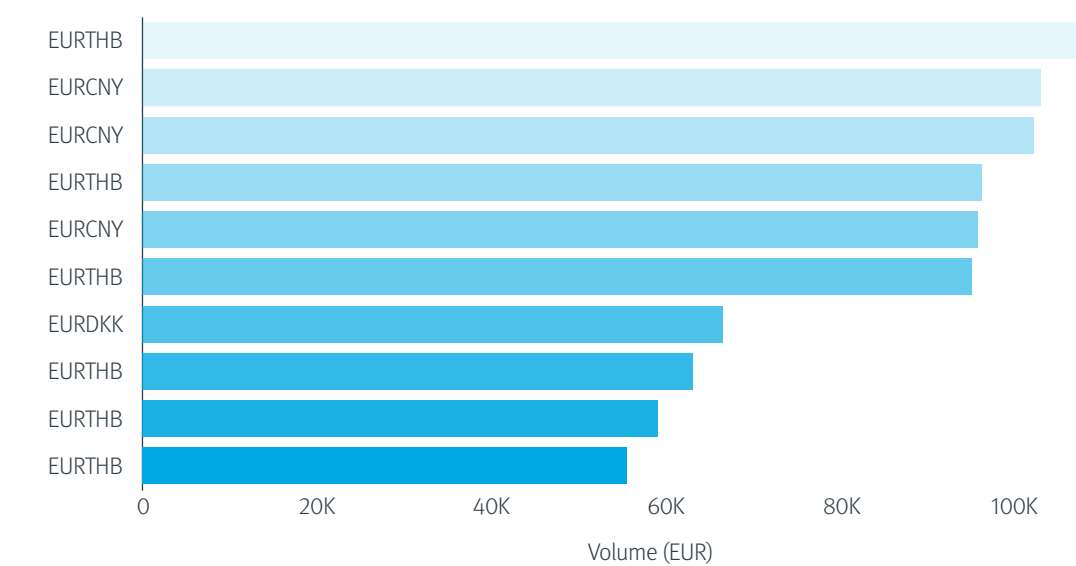
Total exposure in Order and Position by Maturity, €



### Top 10 live orders, €



### Top 10 positions, €



## Save time and simplify your reporting

- No need to download and filter content in excel
- See your top 10 live orders and positions at a glance
- Easily download graphics and insert them directly into reports
- Gain a better visual representation of when settlements will occur
- View aggregated data and sort easily by what's hedged and what is accumulating
- Filter by currency pairs or maturity and compare hedging exposure in a few clicks



# Kantox Dynamic Hedging®

## Kantox Dynamic Hedging® Travel Industry use case

Companies from 25 industries are currently using our advanced software solutions to streamline their FX risk management



# sunhotels.

## FASTER GROWTH THROUGH PRICING IN MULTIPLE CURRENCIES

As one of the largest travel companies in Northern Europe, Sunhotels generates over EUR 150 million in annual revenue while operating in different currencies.

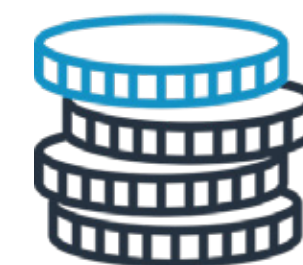
Before turning to Kantox, the company had an overburdened treasury team, struggled to price locally and was constantly exposed to FX risk.

How could they price locally and grow competitively if they had to constantly deal with currency risk?

After Sunhotels chose and implemented Kantox Dynamic Hedging®, their treasury team was immediately able to focus on more value-added tasks. From day one, the company could price in almost any currency, and they have become more competitive in both new and existing markets.



Implementation workload on client side  
**3 days**



Currently hedging  
**27 currency pairs**



FX volatility impact on P&L reduced to  
**below 0.30%**

# Why Kantox

## A fast-growing technology company

Kantox's flexible technology has attracted more than 6,500 corporate clients, leading venture capital firms and Tier 1 banks

- Over 6,500 clients in 74 countries have already exchanged more than USD 15 billion
- Kantox only works with Tier 1 banking partners in Europe: Barclays, BNP Paribas, Citi and Silicon Valley Bank
- More than 100 employees across our London and Barcelona offices
- Kantox was awarded the Best Risk Management Solution 2020 and Best Solution Innovation – FX Risk 2019 at the TMI Awards. Kantox was also awarded the Best eFX Platform for Corporates at the 2019 FX Week e-FX Awards
- Kantox were named winners of the Deloitte Technology Fast 50 UK in 2016, 2017 and 2018 and Fast 500 EMEA Award winners in 2016, 2017 and 2018



Best FX Risk Management Solution



Best e-FX platform for corporates



Best Solution Innovation – FX Risk

500

Technology Fast 500  
2016-2018 EMEA WINNER  
Deloitte.



Dynamic Hedging - Best Risk Management Solution

50

Technology Fast 50  
2016-2018 UK WINNER  
Deloitte.

- Kantox is backed by leading venture capital firms in Europe, Partech Ventures and Idinvest Partners, both of which have more than EUR 5 billion under their management



- Kantox is headquartered in London and authorised by the Financial Conduct Authority (reference number 580343)



# Team



**Philippe Gelis**  
Co-founder & Chief Executive Officer



**Toni Rami**  
Co-founder & Chief Growth Officer



**Michael Schimmel**  
Chief Commercial Officer



**Ernesto Giralt**  
Director FX Solutions



**Nicolas Marquet**  
Director FX Solutions



**Richard Sinton-Hewitt**  
Director FX Solutions (Channel)



**Paula Haunit**  
Head of Customer Success

**We draw on years of collective  
experience to serve our clients**

Solving problems is in our DNA. All Kantox products are built to remedy business challenges faced by clients. To do this, we make it our business to understand yours



# kantox

Currency Management Automation

**Headquarters**

8 Devonshire Square  
5th floor  
EC2M 4PL London  
United Kingdom  
(+44) 20 3608 6984

**Barcelona Office**

Torre Mapfre,  
22nd Floor  
Marina, 16-18  
08005 Barcelona  
Spain  
(+34) 935 679 834

Kantox Limited is registered in England and Wales as a Limited Company: No 07657495 and is authorised by the Financial Conduct Authority, FRN: 580343, as a Payments Institution under the Payment Services Regulations 2017.

The information contained in this document is proprietary and confidential. If you are not the intended recipient, please note that any use or circulation of this document is not permitted and may be cause for legal action.