

Transforming Working Capital

ETR Digital™ supports 21st Century treasury management by enabling the creation, transfer and safekeeping of highly secure digital trade instruments that can be easily deployed into any ERP or banking platform.

Negotiable instruments have broad commercial application across trade and supply chain finance. In digital form they allow businesses to manage their working capital cycles more efficiently.

Digital Negotiable Instruments (DNIs) help forward thinking businesses to optimise their supply chains without disrupting existing terms of trade.

Bills of Exchange and Promissory Notes are globally recognised negotiable instruments, which allow businesses to manage their payables and receivables more efficiently. In digital/tokenised form they are highly secure, efficient and fully auditable instruments which democratise supply chain finance and reduce transaction costs and times.

For example, digital promissory notes (DPNs) enable businesses to abide by late payment regulations without cashflow pressure by issuing DPNs in favour of their suppliers, which are then financed by banks. Buyers (debtors) can ensure that all their suppliers are paid within the mandated timeframes, whilst availing of payment terms that meet their own business cycle requirements.

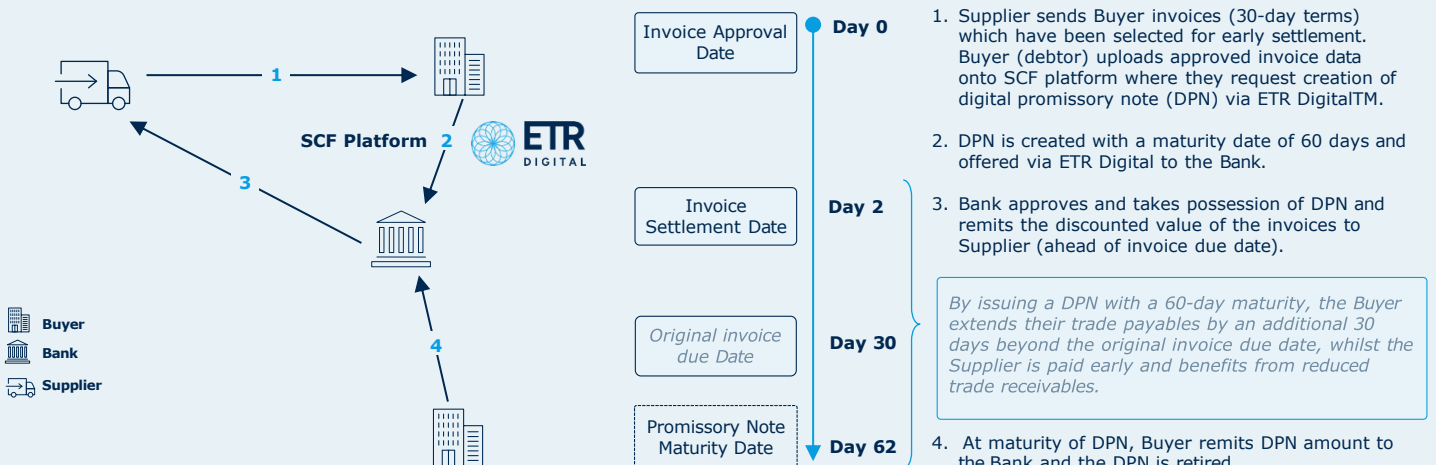
The move towards the digitalisation of trade is long overdue and comes with huge opportunity.

Digital Treasury Benefits For All

ETR Digital™ improves business performance for all stakeholders in the Financial Supply Chain by:

Supplier	Buyer	Banks/NBFIs
Win	Win	Win
<ul style="list-style-type: none"> Assured settlement of full invoice value Access working capital case by case Reduced funding costs Open-up new funding sources 	<ul style="list-style-type: none"> Lean & simple implementation No minimum volume requirements No negative impact on financial KPIs Strengthen relationships with all suppliers 	<ul style="list-style-type: none"> Fully fungible & easily transferrable Simple quick enforcement Expand customer base & increase revenues End to end transaction audit trail

Use Case: Payables Finance



Stakeholder benefits:

- Supplier is paid early in return for accepting discounted invoice value (say 2%) which is cheaper than their own funding costs and eliminates risk of non-payment by the Buyer.
- Buyer extends their trade payables, improving their cashflow at no additional cost.
- Bank finances a highly secure and referenceable instrument that is easily enforceable and transferrable.
- All stakeholders together benefit from automated processes that are integrated into existing workflows with little to no effort.



Game changing supply chain finance

DNIs reduce transaction processing times significantly and end-to-end transaction costs by up to 80%

Enhance treasury efficiency by adopting digital trade instruments

Drive cashflow efficiency

Using DNIs to digitise trade documentation ensures corporates can access liquidity in close to real time. By accessing deep pools of liquidity in minutes rather than days/ weeks, transaction times are shortened thereby reducing financing and operating costs.

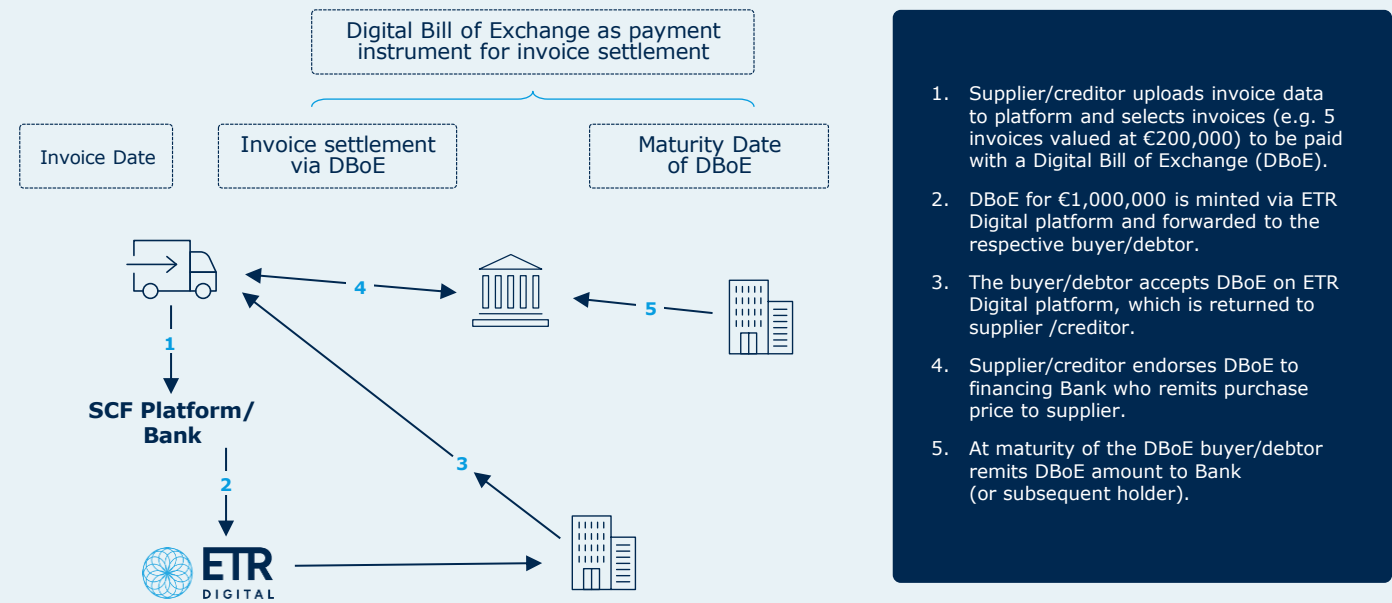
Control your payment terms

By issuing digital promissory notes (DPNs) in favour of their suppliers which are then financed by banks, buyers (debtors) can ensure that their suppliers are paid within agreed timeframes, whilst benefiting from payment terms that meet their respective business cycles.

Highly secure

DNIs generated by the ETR Digital™ solution are digitally sealed and an immutable record of the DNI is kept on a digital ledger, providing any holder of the DNI with total assurance that it is genuine and unique. The technology ensures complete security and authenticity from source which reduces risk and therefore borrowing and credit insurance costs.

Use Case: Streamlined Receivables Finance










Using a DBoE, suppliers can **efficiently offer extended payment terms** to their buyers with no negative impact on their net working capital.

Supportive Legislative Frameworks

The Electronic Trade Documents Act 2023 (ETDA) and similar legislation being enacted across the OECD and Commonwealth nations, establish the legal framework for making trade faster, cheaper, fairer and more secure. The shift to trade digitalisation has been given a further boost by the recent announcement that the UK and 90 other countries have finalised the E-Commerce Joint Initiative at the World Trade Organization (WTO). This will help remove barriers and help businesses seize the opportunities of global digital trade, which is estimated by the OECD to be worth around £4 trillion and growing.

Once implemented, the agreement will commit all participants to the digitalisation of customs documents and processes, building on the ETDA's statutory recognition of Electronic Trade Documents, such as Bills of Lading and Bills of Exchange.

ETR Digital Benefits

 Efficient Instantaneous creation and acceptance of digital instruments reduces transaction time and facilitates efficient access to liquidity	 Secure Unlike paper documents, DNIs are cryptographically sealed providing the holder with absolute assurance that they are genuine and unique	 Transferable DNIs generated by ETR Digital can be easily transferred between stakeholders thereby facilitating access to much needed working capital	 Auditable Complete visibility of transaction data throughout the instrument's life cycle ensures traceability in legal, accountancy and transaction audits	 Traceable All instruments have a cryptographically immutable "digital twin" that records changes in state and ownership in a secure digital ledger	 Simple Adoption We are platform agnostic: ETR Digital's DNIs deployable in your financial supply chain via simple API integration	 Reliable System ETR Digital is built to the highest technical specification and meets the legal tests laid out in the UK's Electronic Trade Documents Act 2023
--	---	---	---	--	--	---