



Deutsche Bank AG Hungary Branch

Supplier Finance Innovative working capital financing

#PositiveImpact

MKIK Magyar-Német Tagozat

Budapest, 2023. június 8.

Deutsche Bank in Hungary

► Overview

- Deutsche Bank established a representative office in Budapest in 1990.
- The Hungarian subsidiary started its operation in 1996 and was converted into a branch in 2011
- We provide services to local subsidiaries of the Bank's global MNC clients in Hungary
- Deutsche Bank Hungary offers:
 - full-scale corporate banking service
 - tailor made solutions in Cash Management, Trade Finance and Investor Services
 - High quality service proposition



Investment Bank

- Debt capital markets, primary dealer for HU government bonds
- Foreign Exchange trading and risk management
- Structured finance
- Derivatives Risk management solutions

Corporate Bank

Corporate Cash Management

- Direct membership to all clearing systems
- Global / local connectivity, integration capabilities
- Cross-border liquidity management

Trade Finance & Lending

- Working capital and capex financing
- Global network incl. global FI connectivity
- Experienced team with broad market knowledge

Investor Services

- Large global custodian for inter-national investors
- Market leader for non-resident government bond holders



Supply Chain Finance Payables

#PositiveImpact

June 2023



Supply Chain Finance Payables

► How it works



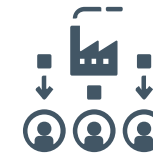
Advantages

► Win-win solution for both buyer and supplier



Buyer

- maintain/extend payment terms
- standardize payment terms
- negotiate better pricing for purchased goods and services
- maintain/improve days of payables outstanding (DPO)
- free up capital to support strategic business initiatives or acquisitions
- lower risk of supplier non-performance or non-delivery at a critical moment
- strengthen supplier relationships
- reduce transaction costs with open account payments
- additional payment option



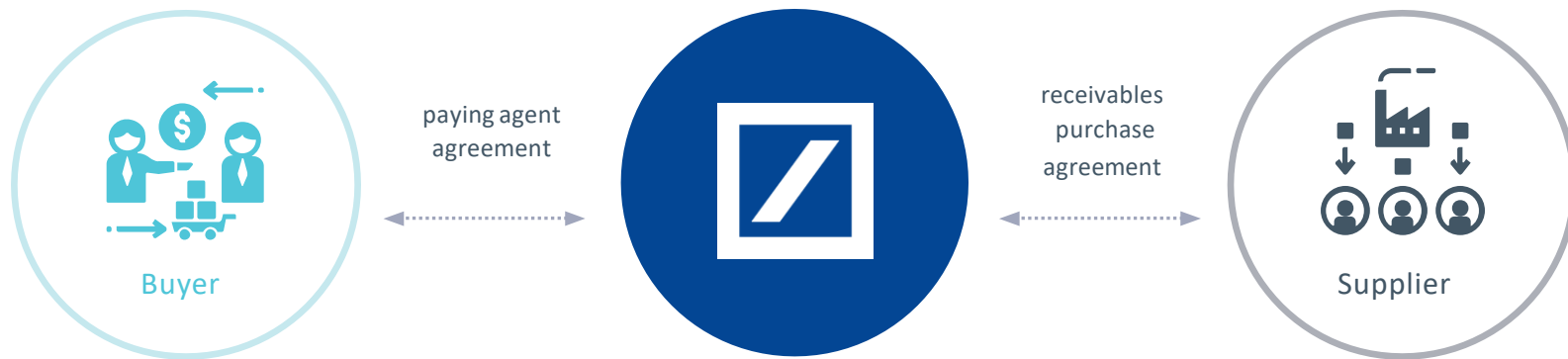
Supplier

- new source of funding (use is optional)
- attractive interest rate
- no service, setup or unused line fees
- 100% advance rate
- reduce days of sales outstanding (DSO)
- more predictable cash-flow
- early visibility of approved invoices
- ACH/wire payments
- reduce credit concentration
- lower costs for trade insurance
- no check on supplier's credit standing
- IT-investments are not required
- no end-of-month/year payment holds

working capital improvement

Structural Description

- ▶ Separate legal agreements exist between all parties



Payment Processing Agreement

- Deutsche Bank acts as payment agent for buyer
- Deutsche Bank executes accounts payable at maturity or before maturity based on unconditional/irrevocable payment instructions from buyer
- buyer's credit rating offers financing advantages to participating suppliers
- Deutsche Bank runs credit checks on buyer's credit standing

Receivables Purchase Agreement

- Deutsche Bank purchases receivables at a discount without recourse; 'true sale'
- receivables are assigned to Deutsche Bank on the basis of a standard framework agreement with the suppliers
- receivables purchases are executed at the discretion of Deutsche Bank
- no credit check required on supplier's credit standing

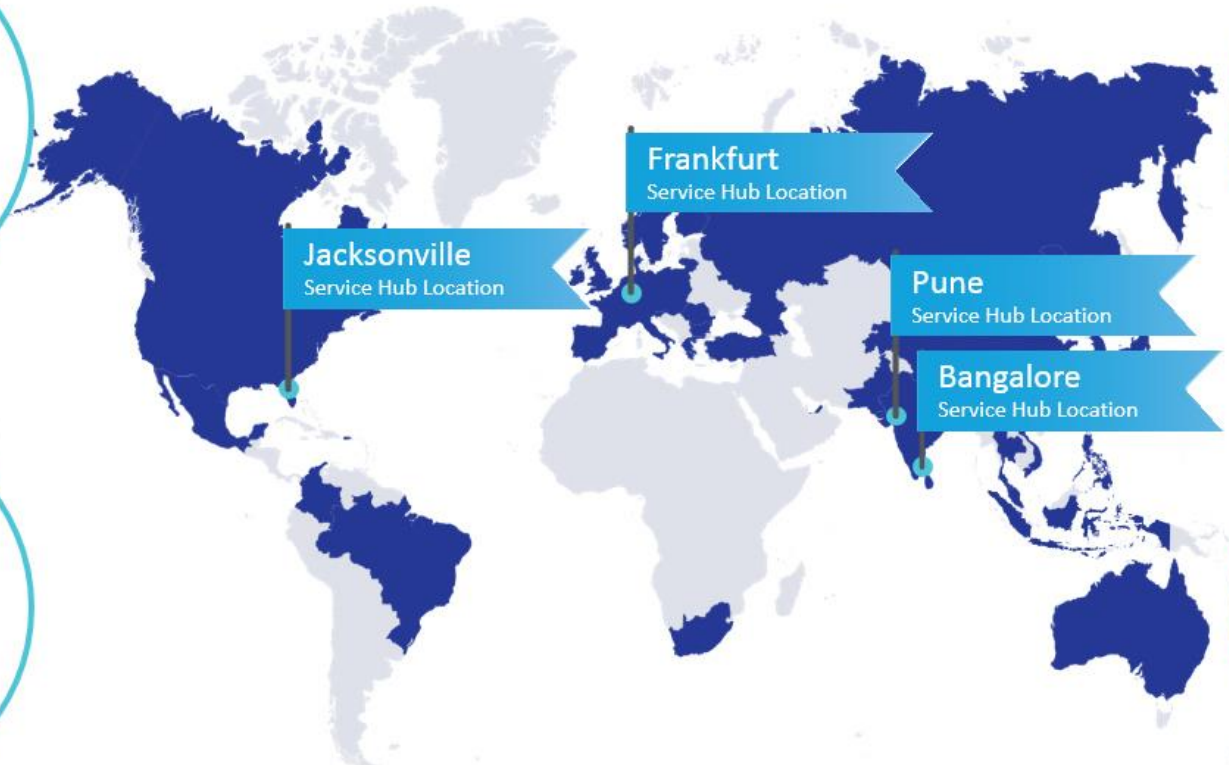
Long-Standing Commitment Client Needs

► Expansion of global footprint



27
Currencies

50+
Countries

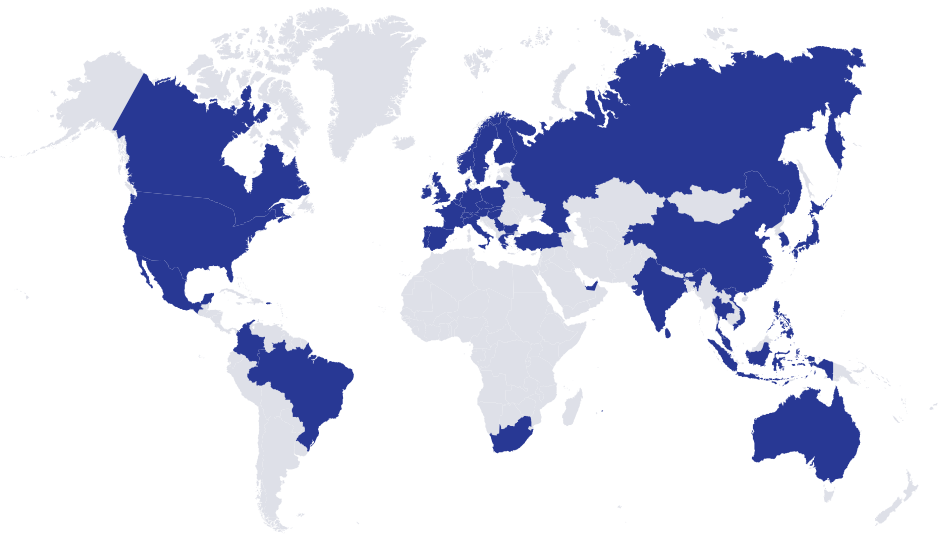


11
Different languages

31k
Suppliers

Supply Chain Finance

► Deutsche Bank's current coverage



Deutsche Bank's platform will support payments in:

- Americas: USD, CAD, BRL, MXN*
- EMEA: EUR, USD, CHF, GBP, DKK, SEK, NOK, **HUF**, PLN, CZK
- APAC: AUD, CNH, CNY, EUR, HKD, IDR*, INR*, JPY, KRW*, LKR*, MYR*, PHP, SGD, THB, USD, VND*

Americas

Brazil
British Virgin Islands
Canada
Colombia
Mexico
United States

Asia Pacific

Australia
Bangladesh
China
Hong Kong
India
Indonesia
Japan
Macau
Malaysia
Pakistan
Philippines
Singapore
South Korea
Sri Lanka
Taiwan
Thailand
Vietnam

EMEA

Austria
Belgium
Bulgaria
Czech Republic
Denmark
Finland
France
Germany
Greece
Hungary
Ireland
Italy
Lithuania
Luxembourg
Mauritius
Netherlands
Norway
Poland
Portugal
Romania
Russia
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Turkey
United Arab Emirates
United Kingdom

Deutsche Bank

► Consistently ranked as a leader in Trade and Supply Chain Finance



Best Trade Finance Provider
No.1 United States of America (four consecutive years)
No.1 Germany (eleven consecutive years)
No.1 Western Europe (six consecutive years)
[Euromoney Trade Finance Survey 2023, Feb 2023](#)



Best Trade Finance Provider
All Services
No.1 North America
No.1 United States of America
[Euromoney Trade Finance Survey 2022, Mar 2022](#)



SCF Gold Award for the best overall SCF solution
(Henkel-Deutsche Bank)
[Supply Chain Finance Community Awards 2022, Nov 2022](#)



Corporate Trust Provider of the Year
North America
[IJ Global Awards 2021, Mar 2022](#)



Best Treasury Services
Three consecutive years
[Emeafinance Treasury Services Awards 2022, Sep 2022](#)



Best Trade Finance Provider
No.1 United States of America (two consecutive years)
[Euromoney Trade Finance Survey 2022, Mar 2022](#)



Best Bank for ESG (Export Finance)
[Leaders in Trade 2022 Global Trade Review, May 2022](#)



Global Bank of the Year for Innovation
[TMI Awards for Innovation and Excellence 2021, Jan 2022](#)

Sample calculation

- Material benefits to supplier and buyer



Adatok / Feltételezések		Kamatláb (EUR, éves kamatláb, %)	
Éves beszerzés (EUR)	2 000 000	Szállító finanszírozási költsége (hitel)	7,50
Jelenlegi fizetési határidő (nap)	50	Szállító finanszírozási költsége Szállítói Finanszírozási Programban	4,50
		Vevő finanszírozási költsége	3,50

SZÁLLÍTÓ

Fizetési határidő kitolása	Jelenleg	Verzió 'A'	Verzió 'B'	Verzió 'C'
Fizetési határidő kitolása (nap)	0	20	40	60
Új fizetési határidő	50	70	90	110
Fizetési határidő kitolása Szállítói Finanszírozási Program nélkül				
Vevőkövetelés	277 778	388 889	500 000	611 111
Kamatláb	7,50	7,50	7,50	7,50
Finanszírozási költség (évente)	20 833	29 167	37 500	45 833
Addicionális finanszírozási költség	0	8 333	16 667	25 000
Fizetési határidő kitolása Szállítói Finanszírozási Programmal				
Vevőkövetelés	277 778	388 889	500 000	611 111
Kamatláb	4,50	4,50	4,50	4,50
Finanszírozási költség (évente)	12 500	17 500	22 500	27 500
Finanszírozási költség CSÖKKENÉSE	-8 333	-11 667	-15 000	-18 333
Jelenlegi finanszírozási költséghez képest	-8 333	-3 333	1 667	6 667

VEVŐ

Működőtőke előnyök VEVŐ számára				
Kötelezettségek áruszállításból - JELENLEG	277 778	277 778	277 778	277 778
Kötelezettségek áruszállításból - ÚJ	277 778	388 889	500 000	611 111
Működőtőke növekedése	0	111 111	222 222	333 333
Működőtőke-költség csökkenése	0	3 889	7 778	11 667

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