

INCOMLEND

How Incomlend Bridge the Trade Finance Gap for SMEs During Challenging Times

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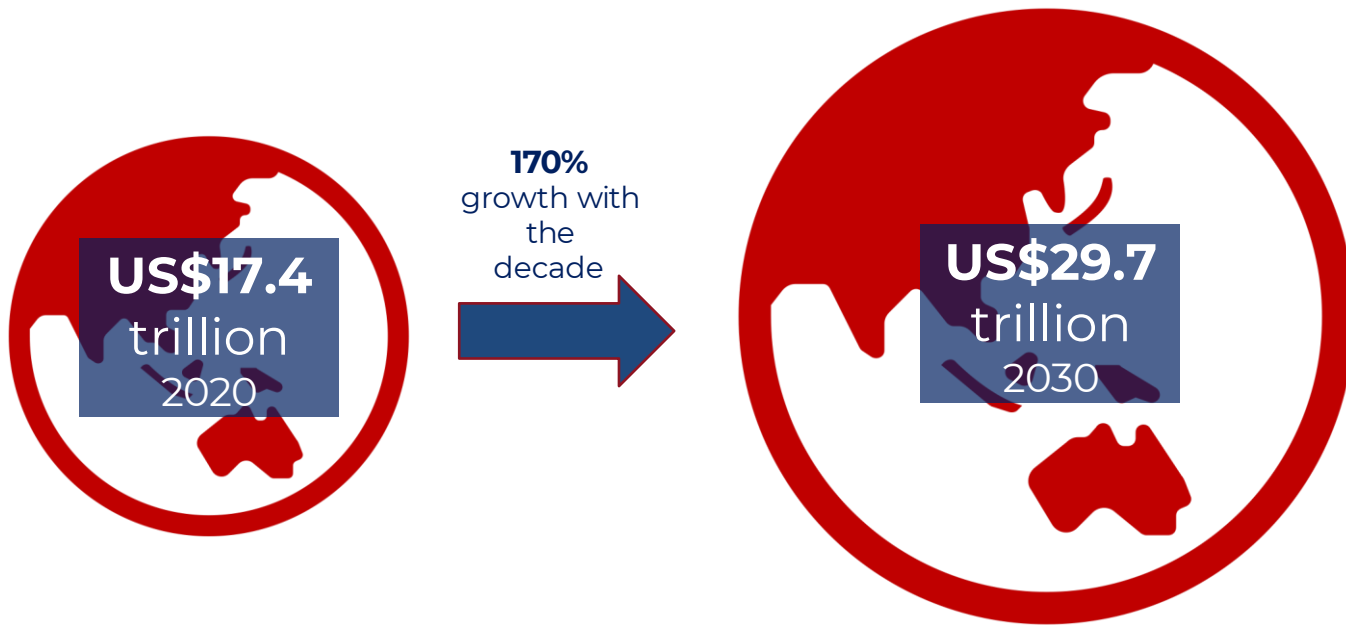




Trade Finance Market Overview

Demand for Trade Finance Growing Globally

Global Trade Finance Market

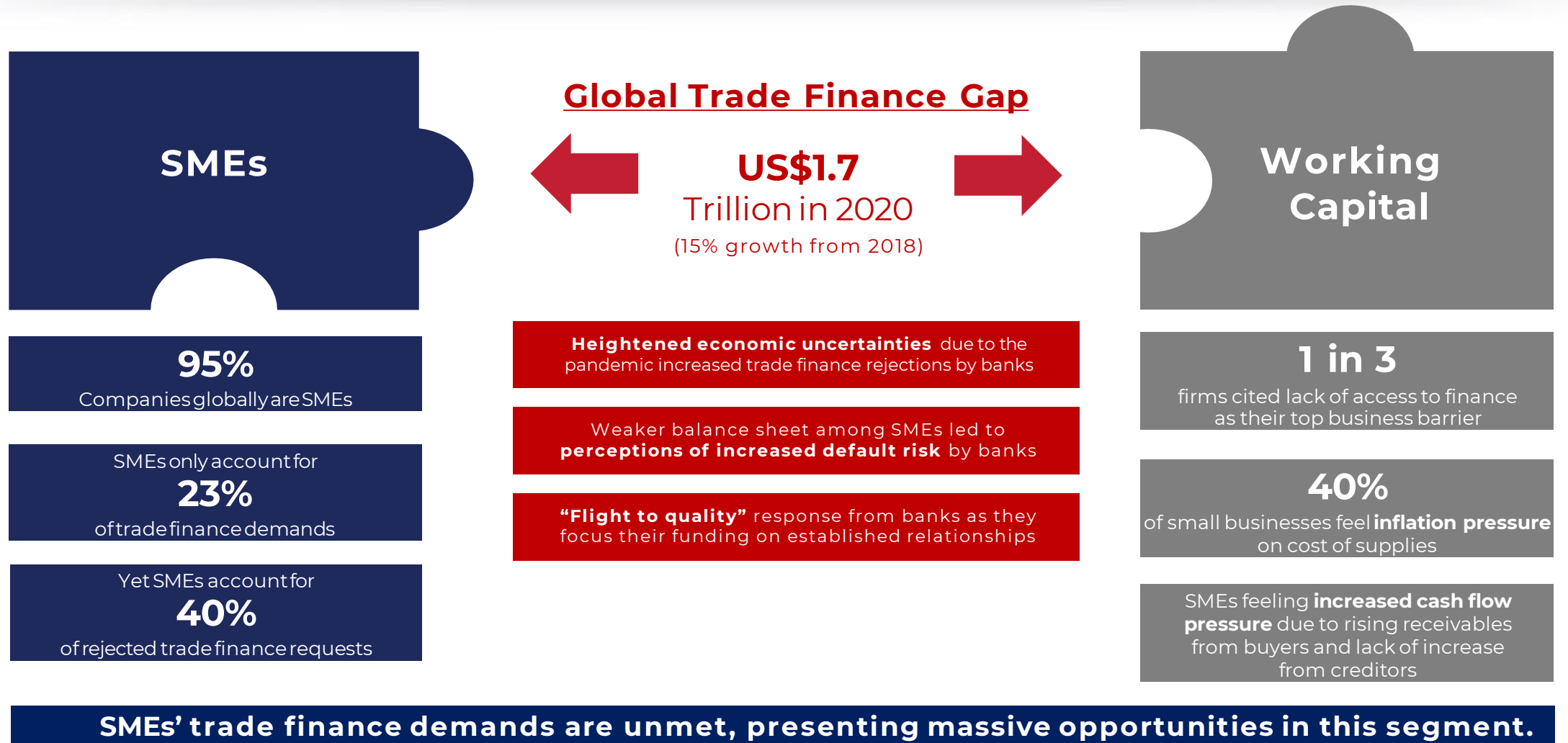


Key Growth Drivers

1. Rise in need for safety and security of trading activities
2. New trade agreements
3. Cross-border trade digitalisation

Global demand for trade finance will grow strongly over the coming years.

SMEs Disproportionately Hit by **Trade Finance Gap**



1. Asian Development Bank, *2021 Trade Finance Gaps, Growth, and Jobs Survey*, Oct 2021 Veem,
2. *Grappling with Inflation Pressures*, March 2022
3. Financial Express, *SMEs facing elevated working capital pressures largely due to rising receivables*; India Ratings, 8 Apr 2022

Cross-Border Potential & **Geo-Political Challenges**

Challenges

Ukraine War

**Supply Chain
Disruption**

Rising Inflation



Opportunities

Borders Reopening

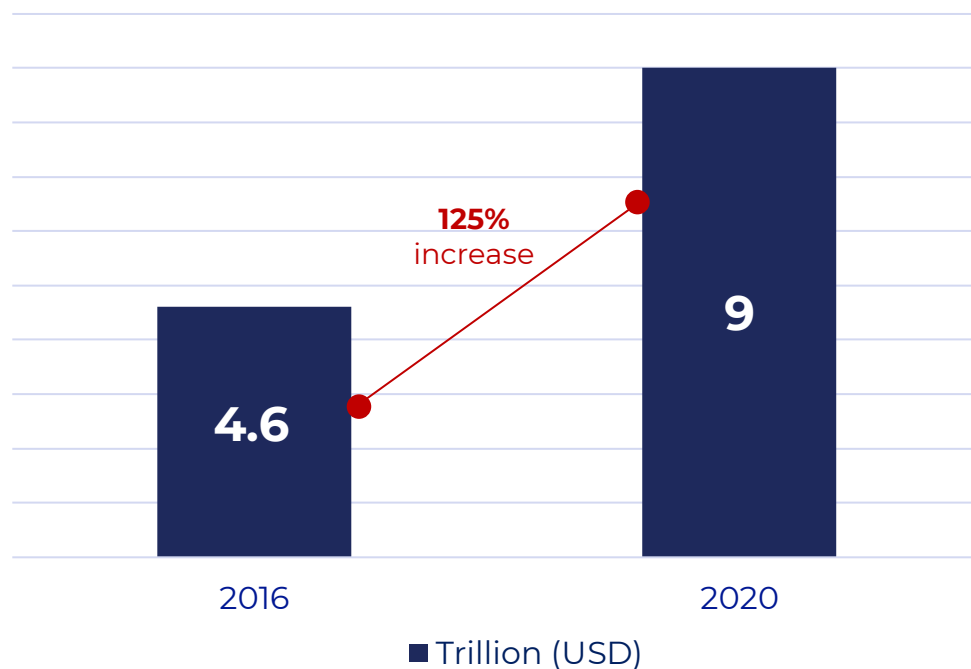
**Geographical
Diversification**

**Revitalisation of
Global Trade**

Liquidity increasingly critical for SMEs to build resilience and capture new growth opportunities

Growth of the **Alternative Financing Market**

Global Trade Finance Market Volume



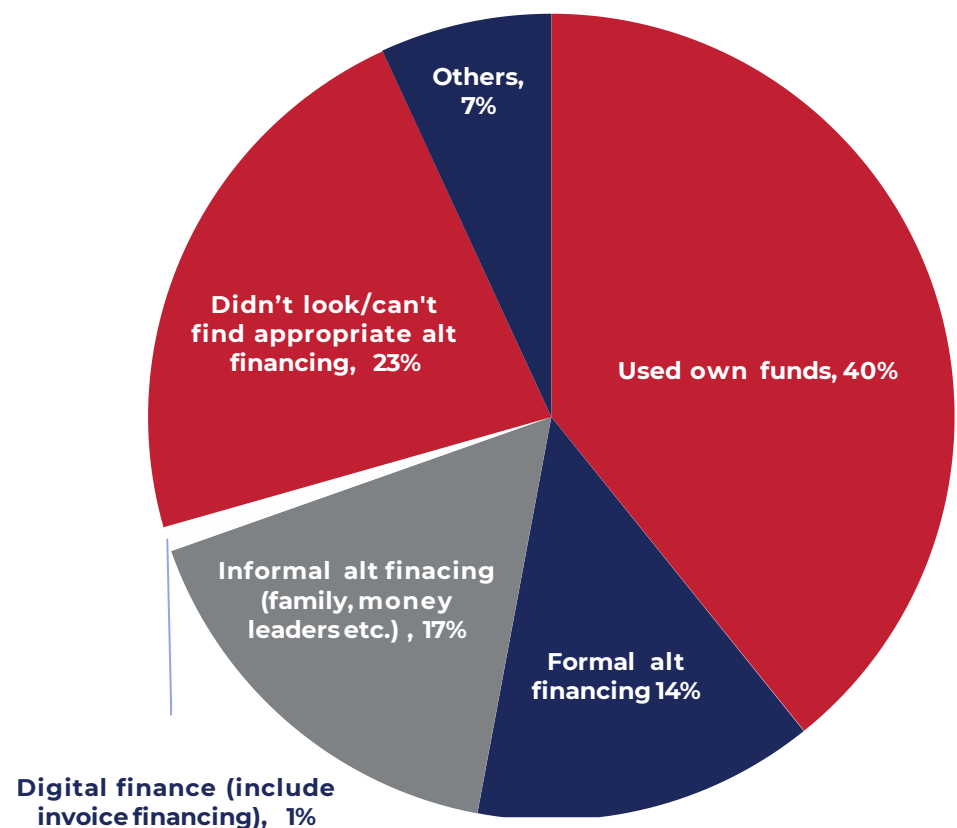
Key Growth Drivers of Alternative Financing

1. Continuing Trend towards Open Account
2. Growing Digital Connectivity
3. Entry of Alternative Investors

Tremendous opportunity for SMEs to tap on alternative financing for greater access to working capital

1. ICC, [2016 Rethinking Trade & Finance](#), 2016
2. ICC, [Global Survey 2020: Securing future growth in trade finance](#), 2020

SMEs' Knowledge Gap in **Alternative Financing Sources**



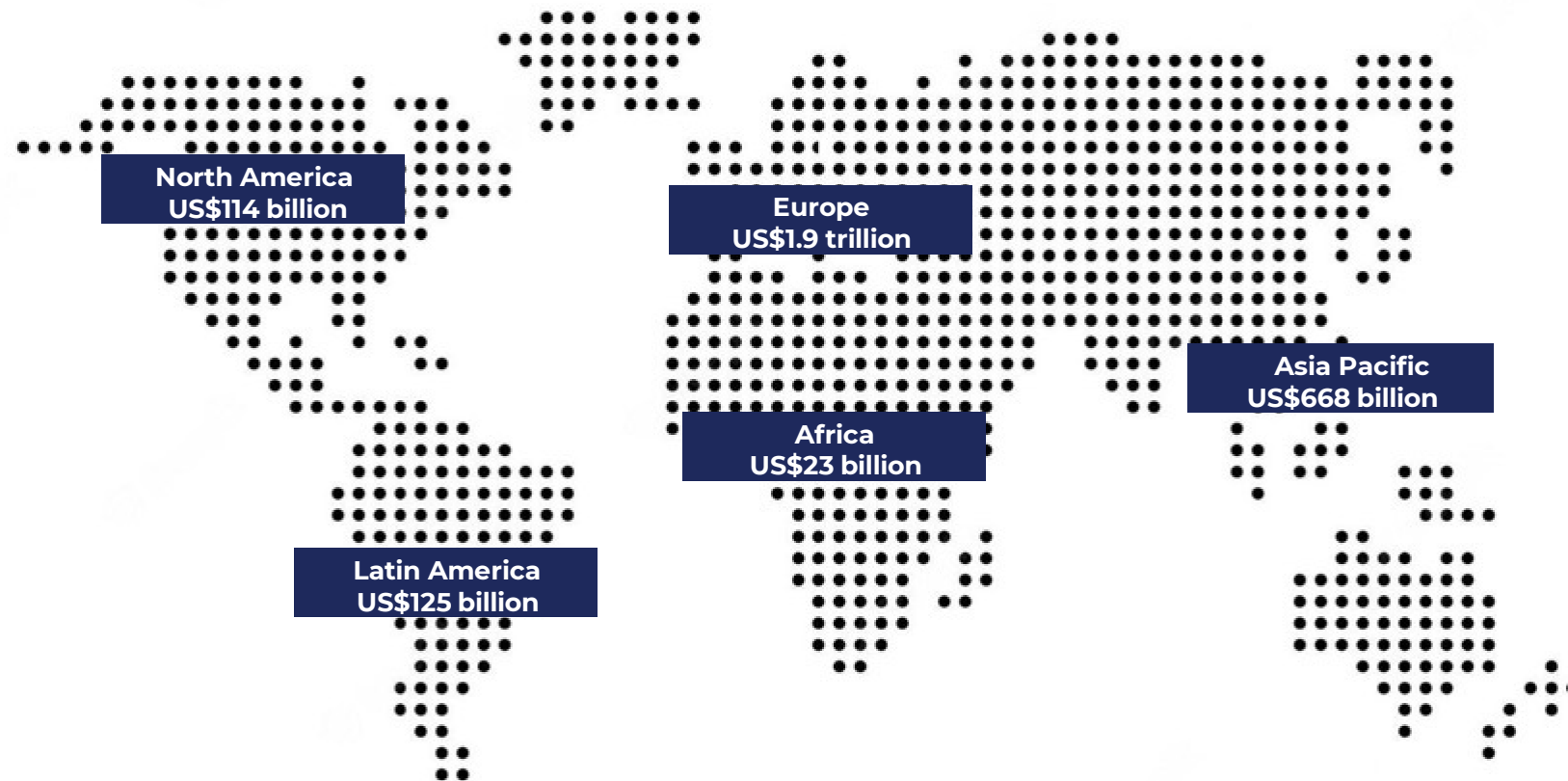
Alternative Financing Sources for SMEs

1. **Self-funding** is the top alternative financing approach for SMEs
2. **Uptake-up of digital finance** remains low at **1%**
3. **23%** did not look or find appropriate alternative financing sources

SMEs' ability to tap on alternative financing sources hindered by lack of knowledge

Potential of the **Invoice Factoring Market**

US\$2.84 trillion opportunity
in the global factoring market



Massive potential residing in the invoice factoring market segment



How Incomlend Bridge the Trade Finance Gap

Incomlend: **Connecting Cash Globally**

Incomlend is a B2B invoice financing marketplace giving SMEs access to tech-enabled working capital solutions worldwide.

Financing over
US\$500 million in trades
in over **50 countries**

Processed more than
2,300 transactions

Named **Singapore's Top
15 Fastest Growing
Companies** in 2022
by The Straits Times
and Statista

Ranked **67th among
the Asia Pacific's 500
fastest-growth
companies** by
The Financial Times

Bridging the **Global Trade Finance Gap**

Incomlend

A global invoice financing marketplace based in Singapore since 2016.

Current number of employees: 50 globally across Europe, UAE, India, Bangladesh, Hong Kong, Mainland China and Singapore.

On track to reaching of financed receivables. US\$1billion

Through our tech-enabled and secure invoice trading platform, Incomlend marketplace finances cross-border receivables.

Our Distinctive Advantages

Global trade finance footprint with strong expertise in Asian markets.

Technology-enhanced due diligence: Digital documents and automated processes mitigate risk of fraud, collusion, quality and disputes.

Fund protection: 100% of the invoice flow covered by credit insurance from leading regulated insurer.

The assets are secured, ringfenced, and protected in a bankruptcy remote Trust set-up (Trustee is regulated by Monetary Authority of Singapore).

Non-recourse, off-balance sheet financing:
No collateral or deposit.

Issues Facing **SMEs** in the Trade Finance

Issues Faced

- **SMEs facing a pandemic-driven supply chain issues might face** a typical trade cycle in the industry can take up to four months.
- It can take **another 90 days to cash in an invoice** in addition to the **rising risk of non-payment**.
- These **extended cycles and payment terms**, as well as substantial invoice sizes, **can impair a company's financial agility to maintain their business operations**.

Our Solutions

- An invoice financing solution enables a company to **cash in an invoice as early as three days after the goods are shipped to the buyer**.
- It will **equip them with the working capital** required to make payments when they make a purchase from their own suppliers.
- The solution does not create loans or liabilities for the company as the financing is **without recourse and off-balance sheet** for the company. It also **protects them from their customer's financial failure**.

New Challenges

Challenges to Our Mission

- **Rising interest rates** leading to higher financing cost for SMEs
- **Logjams in physical supply chains** resulting in failure to trade and delays in repayments
- **Limited financing appetite** in general within the private sector

Potential Role of the Public Sector

- **Subsidised financing** to SMEs for working capital needs
- **Enable better tracking** of physical supply chains
- **Bring more capital** into SME financing



Thank You!

Appendix - Sources

Slide 3

1. Standard Chartered, Future of Trade 2030, 22 Nov 2021

Slide 4

1. Asian Development Bank, 2021 Trade Finance Gaps, Growth, and Jobs Survey, Oct 2021 (Page 2)
2. Veem, Grappling with Inflation Pressures, March 2022
3. Financial Express, SMEs facing elevated working capital pressures largely due to rising receivables: India Ratings, 8 Apr 2022

Slide 6

1. ICC, 2016 Rethinking Trade & Finance, 2016 (page 113)
2. ICC, Global Survey 2020: Securing future growth in trade finance, 2020

Slide 7

1. Asian Development Bank, 2021 Trade Finance Gaps, Growth, and Jobs Survey, Oct 2021 (page 5)

Slide 8

1. Asian Financial Services Association (AFSA), Factoring Market Research, May 2018 (Slide 4)

About Sonal Priyanka

Sonal Priyanka is the Head of Origination at Incomlend.

Sonal leads the origination team and strategy across markets. She is also responsible for building market awareness of the company's solutions globally and developing strong stakeholder relationships with senior executives across exporters, banks, government and international agencies.

Before Incomlend, Sonal was a financial services professional for several leading financial institutions, including Société Générale, CITI, HSBC and Bank of America Merrill Lynch. She brings over two decades of experience in corporate banking, transaction banking, and corporate finance in the Asian and Middle Eastern regions. Sonal's diverse career has seen her working with clients across several sectors including oil & gas, technology, telecom and manufacturing.

Sonal holds a Post Graduate Diploma in Management from the Indian Institute of Management and a Bachelor of Commerce with Honours from Lady Shri Ram College.



Sonal Priyanka

Head of Origination