

Treasury Solutions for Corporates



At **TreasuryONE**, we pride ourselves on providing a personal service to our clients, investing time and effort to become true business partners instead of buyers and sellers of a service. We cultivate a service excellence experience for our customers through professionalism, integrity and complete commitment to their success. By using our extensive experience and expertise, we unlock financial value for our clients and make a positive contribution to their bottom line. - **Hennie de Klerk, CEO TreasuryONE**



TREASURYONE
Unlocking Value

TreasuryONE at a Glance

TreasuryONE's professional service offering is truly unique - it provides our clients with a complete set of treasury services. Our scalable offering complements each client's specific corporate treasury requirements and is supported by world-class treasury technology. Our 50+ team is composed of experts in corporate front, middle and back office operations, treasury accounting and treasury technology.

Established in
2000

2019 Forex
turnover of
R226 billion

TEAM of **55+**
INDUSTRY
PROFESSIONALS

70+ Treasury System
IMPLEMENTATIONS

R6 billion
Money Market
INVESTMENTS

WORLD CLASS TMS
IT2



“ TreasuryONE's experience, track record in the implementation and support of world-class treasury systems, together with their market execution resulted in their selection as our partner of choice for our treasury operations. ”

Willem Reitsma (Group Treasurer), Imperial Group Limited

More of the **LEADING ORGANISATIONS** which are partnering with TreasuryONE to achieve treasury best practice include:



These diverse Blue-Chip organisations have chosen **TreasuryONE** to help them unlock value in their treasury and finance operations.

Treasury Outsourcing – The Advantages



Outsourcing your treasury function to TreasuryONE gives you immediate access to a pre-existing infrastructure of 50+ employees and world class treasury technology in the form of IT2, allowing you time for exposure risk management and strategy development without the administrative efforts involved in running day-to-day operations.

- **Reduced Costs:** Our outsourcing model generates significant cost savings through the shared use of expert human and technical resources and our clients share in the benefits of economies of scale.
- **Strategic focus:** The group treasurer now has more time to focus on strategy with the daily operations taken care of by us.
- **No more HR headaches:** TreasuryONE recruits, employs, trains, and manages treasury resources, freeing companies from the HR burden of appointing, managing and finding scarce skilled staff.
- **Scalability:** Outsourcing allows for ease of scalability either in services provided or growth in the business.
- **Access to Treasury Management System:** Organisations get access to IT2 a world class treasury management system that might not have been possible if they needed to purchase the system. The reduced capital outlay is a major win in treasury outsourcing.
- **Segregation:** In smaller treasuries, segregation is always an issue but outsourcing takes care of any segregation issues.
- **Market and technology knowledge:** The higher level of expertise and experience in our outsourcing team will bring leading-edge solutions and more value to your treasury department. Since treasury outsourcing services are our main activity, we are close to the market and at the forefront of technology changes in treasury management and banking systems. TreasuryONE annually attends EuroFinance – where the global treasury community meets – to benchmark our services against the world class standards and exposing ourselves to new technology developments in the treasury market.
- **Disaster Recovery and system updates:** We take care of these major headache and risk points for all our outsourced clients allowing the finance teams of our clients to continue with their day to day activities.

Client Value Delivered through IT2 Functionality, Power and Flexibility – a Unique **TreasuryONE** Differentiator

Overview	Cash	Funds	Risk	Tasks	Control				
Our Executive Dashboard	Do we have enough cash?	Are our assets protected?	Are we fully hedged?	Is our back office complete?	Is our system setup approved?				
Treasury Policy	Global Cash Visibility	Funding Position	Investment Position	FX Hedging	Comm Hedging	Confirmations	Payments	Segregation of Duties	
Key Performance Indicators (KPI's)	Cash Flow Forecast and Analysis	Capital Markets	Long Term Finance	IR Hedging	Market to Market	Bank Fee Analysis	Recon's	Group Structure	Audit Trail
Reporting & Performance	Pooling & Sweeping	In-house Banking	Facilities	Headroom	VaR	What-if	Acct.	Hedge Acct.	Integration

The diagram above is the full IT2 system process library, illustrating all the cash, treasury and risk management functions which may be included in a client solution. In each case, the TreasuryONE team scales the implemented solution to reflect the client's chosen set of cash and risk management functions.

Clients can communicate with IT2 24/7 via the web, providing relevant information such as cash movement and deal requests, and receiving up-to-date operational and management reporting.

IT2 controls and monitors system communications between IT2, the client, their subsidiaries, and with third parties such as banks and ERP systems. It is the essential link between

TreasuryONE and the client, enabling transaction executions to be requested and executed, cash to be managed and reports and processes to be run.

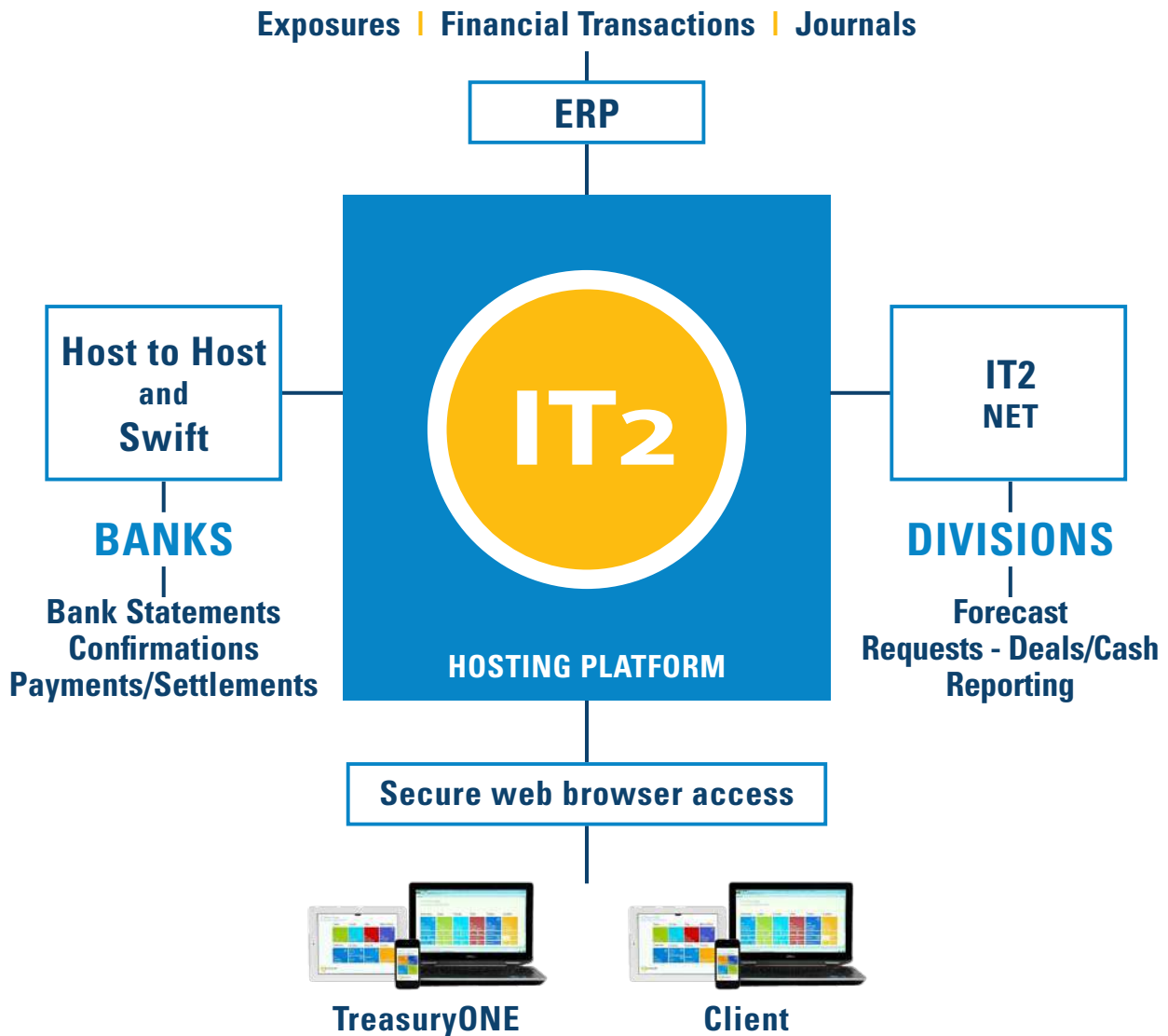
IT2's libraries hold a comprehensive set of Best Practice treasury processes and proven operational, management and compliance reports. These are available on demand to the **TreasuryONE**-client team, adding immense value through providing world class results in daily operations, and world class solutions for new requirements.

IT2 Technology increases the value TreasuryONE delivers to clients, through superior functionality, integration and transparency

Scan our QR code
for a video of our
outsourcing services:



The **TreasuryONE** Treasury Outsourcing Model, Showing the Information Flows Managed by IT2.



"**TreasuryONE's** outsourcing service manages our FX exposures, cash, and debt portfolio effectively, efficiently and transparently. **TreasuryONE** utilises superior technology through their use of the IT2 treasury management system which is fully hosted, linked to SWIFT for real-time cash balances and giving us access to our treasury positions and reports 24/7."

- **Francois Naude (Group Executive)**

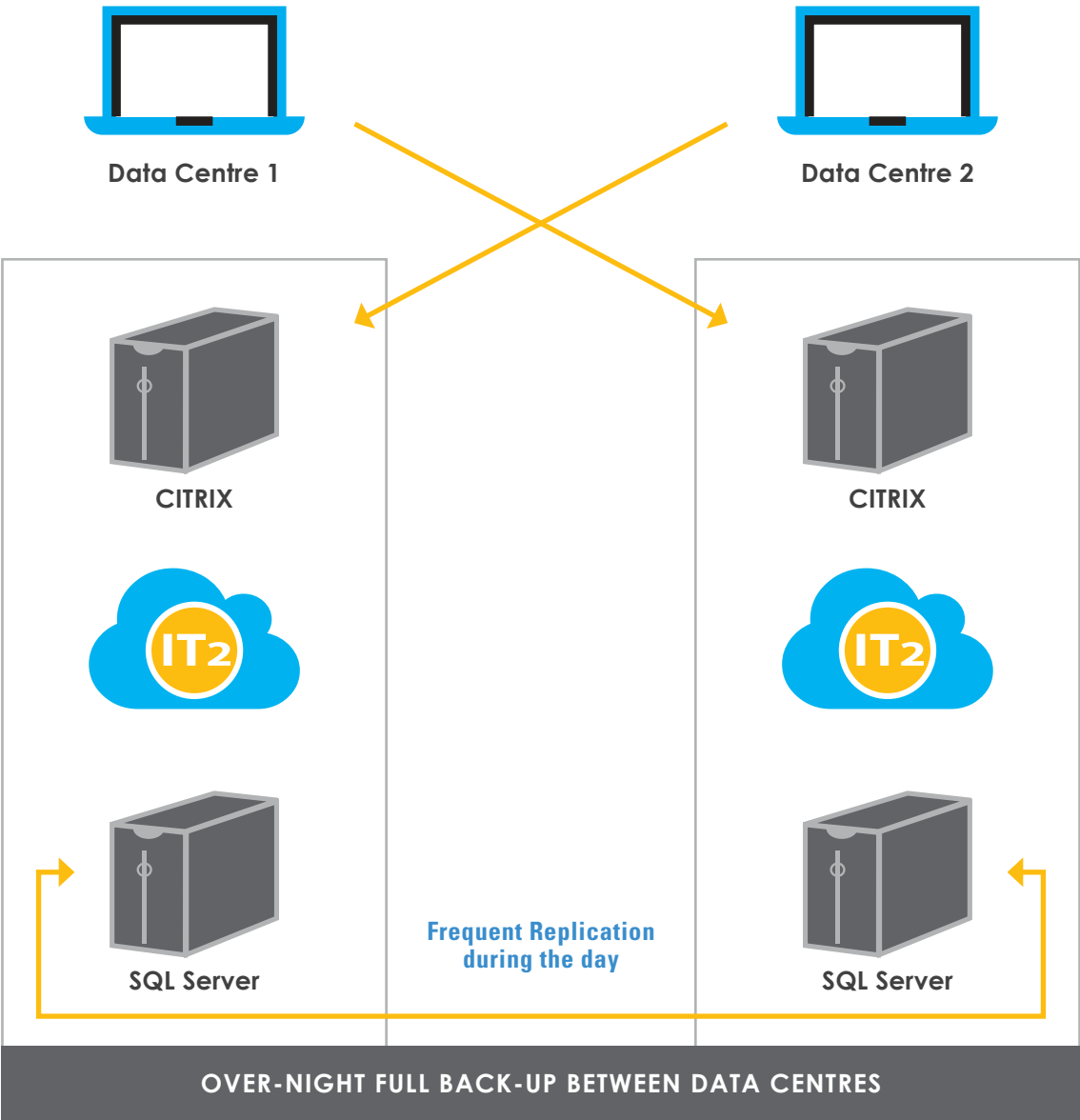
Business Continuity and Disaster Recovery

In an ever-connected world with continuous change, it is for TreasuryONE of utmost importance that redundancy form an integral part of all our business process designs.

Our infrastructure is designed so that we operate two data centres with our clients. The key to our redundancy plan is that our client's data is replicated automatically across both data centres, therefore in the event of an incident, our team will be able to restore your environment at the

unaffected datacentre minimising possible business disruption and data loss. Our Recovery Time Objective is 3 hours and our Recovery Point Objective is 2 hours.

TreasuryONE also holds a recovery certificate from DRSA confirming our successful testing of an off-site work environment in the event of loss of our offices. Complete DR testing is done twice a year replicating telephony, access to TMS systems, internet, and email environments.



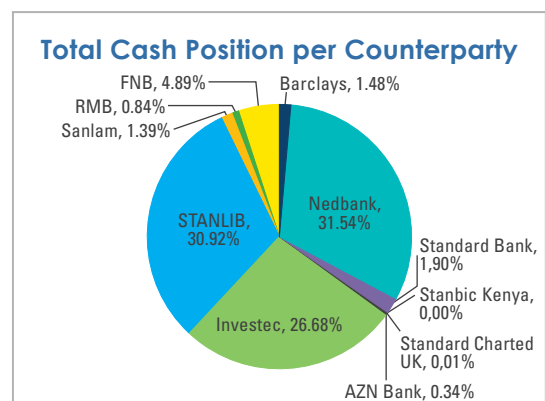
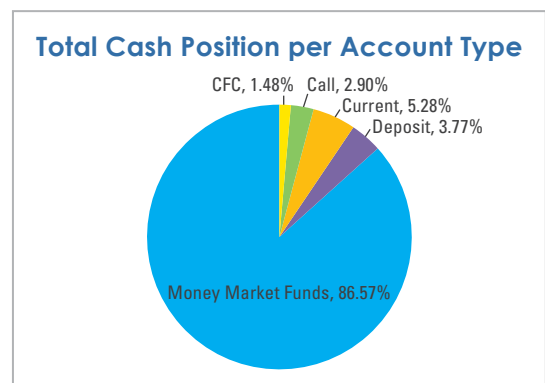
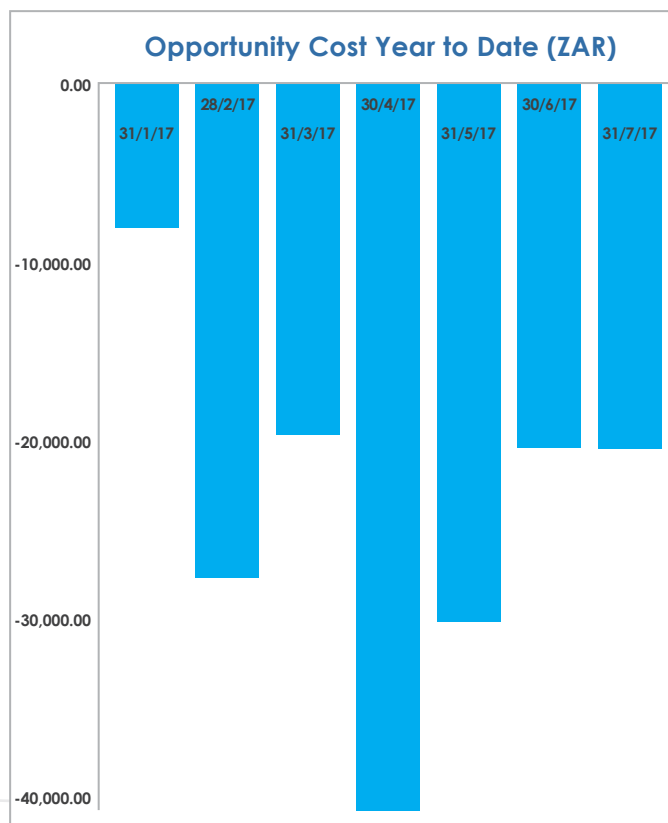
What makes TreasuryONE's IT2 use unique?

Treasury Workbenches

IT2 offers robust, secure solutions to manage the most critical issues confronting corporate treasury: the real time visibility of enterprise cash and financial risk. By providing accurate, up-to-date information to the treasury team, IT2 enables efficient management of liquidity, financial counterparty and operational risks to protect corporate profitability.

CASH MANAGEMENT

AccountType	AccountBank	Opening Balance (ZAR)	Current Interest Rate
▲ CFC	▶ Barclays	19,654,772	0,00%
		19,654,772	0,00%
▲ Call	▶ Nedbank	2,367,282	6,25%
	▶ Rand Merchant Bank	11,140,109	6,50%
	▶ Standard Bank	24,990,100	6,00%
	▶ Stanbic Kenya	25,003	5,50%
		38,522,494	6,16%
▲ Current	▶ FNB Corporate	64,831,846	3,25%
	▶ Nedbank	260,130	5,25%
	▶ Standard Bank	202,610	0,10%
	▶ Standard Chartered UK	156,894	0,30%
	▶ ANZ Bank	4,569,871	0,02%
		70,021,351	5,23%
▲ Deposit	▶ Nedbank	50,000,000	8,02%
		50,000,000	8,02%
▲ Money Market Funds	▶ Investec	353,940,157	8,58%
	▶ Nedbank	365,801,279	8,51%
	▶ STANLIB	410,245,345	8,29%
	▶ Sanlam	18,409,848	8,08%
		1,148,396,629	8,44%
		1,326,595,246	8,20%



CASHFLOW FORECASTING

Cash flow forecast (ZAR)	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Cashflows from operating activities						
<i>Operational Inflows</i>	72,500,000	60,000,000	71,750,000	73,000,000	73,500,000	73,500,000
- Debtors	72,500,000	60,000,000	71,750,000	73,000,000	73,500,000	73,500,000
- Other	-	-	-	-	-	-
<i>Operational Outflows</i>	(7,160,801)	(7,402,844)	(7,478,425)	(67,544,890)	(7,615,344)	(7,690,024)
- Bank charges	(82,732)	(91,006)	(86,672)	(86,672)	(86,672)	(86,672)
- Capex	-	-	-	-	-	-
- Creditors	(1,045,055)	(1,045,055)	(1,107,759)	(1,174,224)	(1,244,678)	(1,319,358)
- Dividends	-	-	-	(60,000,000)	-	-
- Payroll	(3,896,167)	(4,129,937)	(4,129,937)	(4,129,937)	(4,129,937)	(4,129,937)
- Property related expenses	(286,846)	(286,846)	(304,057)	(304,057)	(304,057)	(304,057)
- VAT	(1,850,000)	(1,850,000)	(1,850,000)	(1,850,000)	(1,850,000)	(1,850,000)
Cash generated from operating activities	65,339,199	52,597,156	64,271,575	5,455,110	65,884,656	65,809,976
Cash flow from financing activities						
- Intercompany Receipts	70,000,000	-	-	-	-	-
- Intercompany Repayments	(70,000,000)	-	(1,487,293)	(1,487,293)	(1,487,293)	(1,487,293)
- Loans received	130,000,000	-	-	-	-	-
- Loan repayments (incl. interest)	-	-	(2,778,134)	(2,778,134)	(2,778,134)	(2,778,134)
Net cashflow from financing activities	130,000,000	-	(4,265,427)	(4,265,427)	(4,265,427)	(4,265,427)
Net increase/(decrease) in cash and cash equivalents	195,339,199	52,597,156	60,006,148	1,189,683	61,619,229	61,544,549
Opening bank balance	368,819	195,708,018	248,305,174	308,311,322	309,501,005	371,120,235
Closing bank balance	195,708,018	248,305,174	308,311,322	309,501,005	371,120,235	432,664,783

DEBT MANAGEMENT

Bank	Facility (ZAR)	Utilised	Headroom	Cost of Debt	Days to Maturity
▶ ABSA	700,000,000	-652,269,124	47,730,876	8,97%	514,21
▶ Investec	800,000,000	-702,500,000	97,500,000	9,58%	2 406,00
▶ Libfin	1,340,000,000	-1,340,000,000		9,02%	1 544,00
▶ Nedbank	6,500,000,000	-6,223,735,330	276,264,670	6,49%	757,63
▶ RMB	1,500,000,000	-1,415,000,000	85,000,000	10,00%	284,50
▶ Standard Bank	5,000,000,000	-4,054,408,041	945,591,959	8,60%	814,73
	15,840,000,000	-14,387,912,495	1,452,087,505	7,93%	666,92

INVESTMENT MANAGEMENT

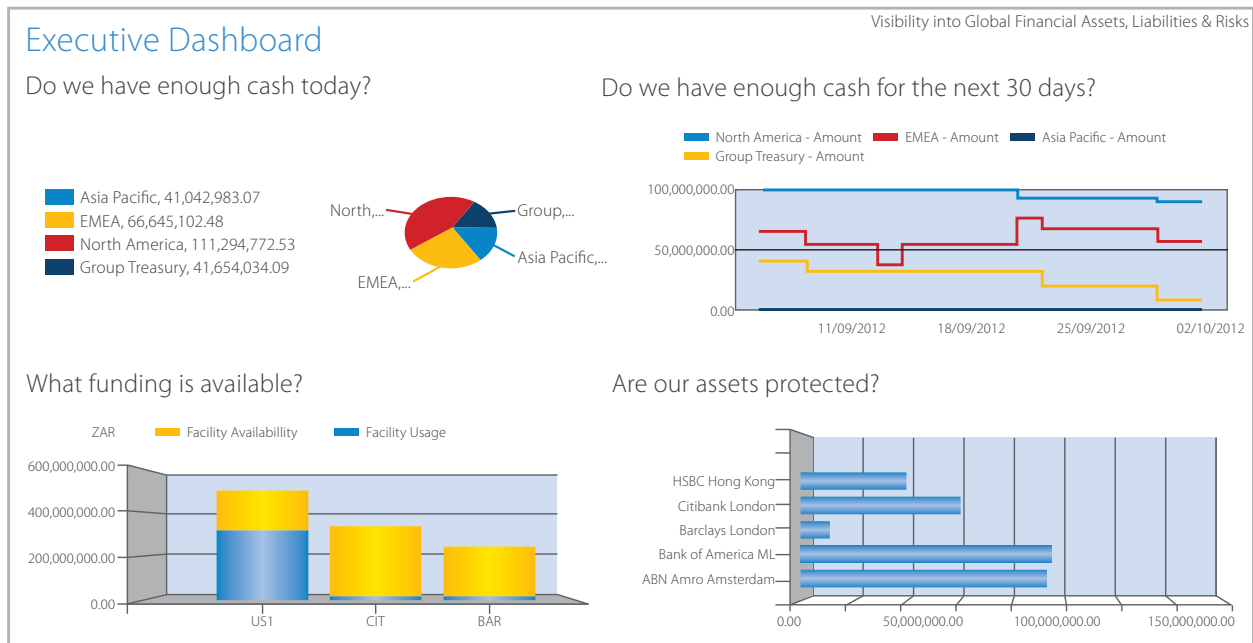
Counterparty	Limit (ZAR)	Amount	Available	Interest Rate	S&P Longterm	S&P Rating Outlook
▶ ABSA	110,000,000	93,954,323	16,045,676	6,50%	BB	Negative
▶ FNB	5,000,000	5,000,000	-	5,50%	BB	Negative
▶ Investec	160,000,000	95,330,352	64,669,647	7,23%	BB	Negative
▶ Nedgroup	10,000,000	10,000,000	-	7,00%	BB	Negative
▶ Citibank	100,000,000	60,601,853	39,398,146	6,75%	BBB+	Stable
▶ STD Bank	1,000,000	940,458	59,541	6,25%	BB	Negative
▶ HSBC	10,000,000	-	10,000,000	6,00%	A	Stable
▶ Deutsche	10,000,000	-	10,000,000	6,00%	A-	Negative
	406,000,000	265,826,987	140,173,012			

FX EXPOSURE MANAGEMENT

Currency	Exposure Amount	Hedge Amount	Unhedged Amount	Hedged%	Unhedged%	Hedged Rate	Market Value (ZAR)	Policy
AUD	15,264,000	-7,975,000	7,289,000	52,25%	47,75%	9,0747	72,370,676	✓
CAD	9,683,330	-9,200,000	483,330	95,01%	4,99%	9,3060	85,615,372	✓
EUR	-36,070,392	223,269	-35,847,123	0,62%	99,38%	13,8141	-3,084,274	✗
GBP	-19,379,402	1,000,000	-18,379,402	5,16%	94,84%	17,6719	-17,671,859	✗
							137,229,914	

Treasury Dashboards

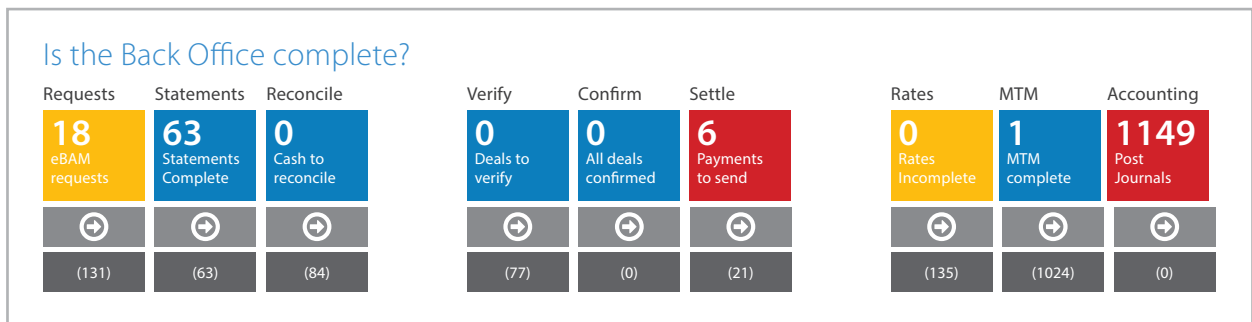
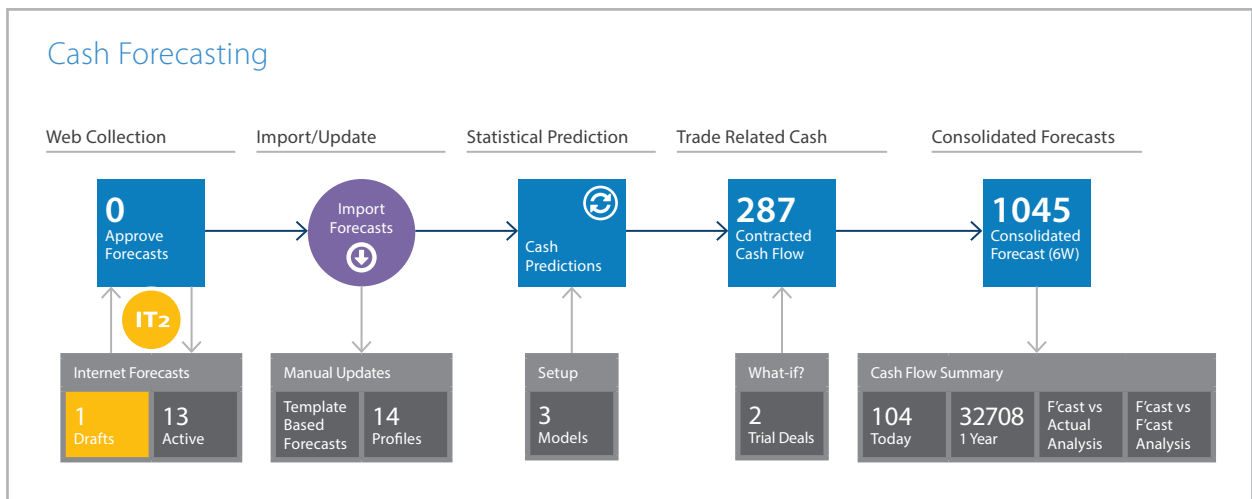
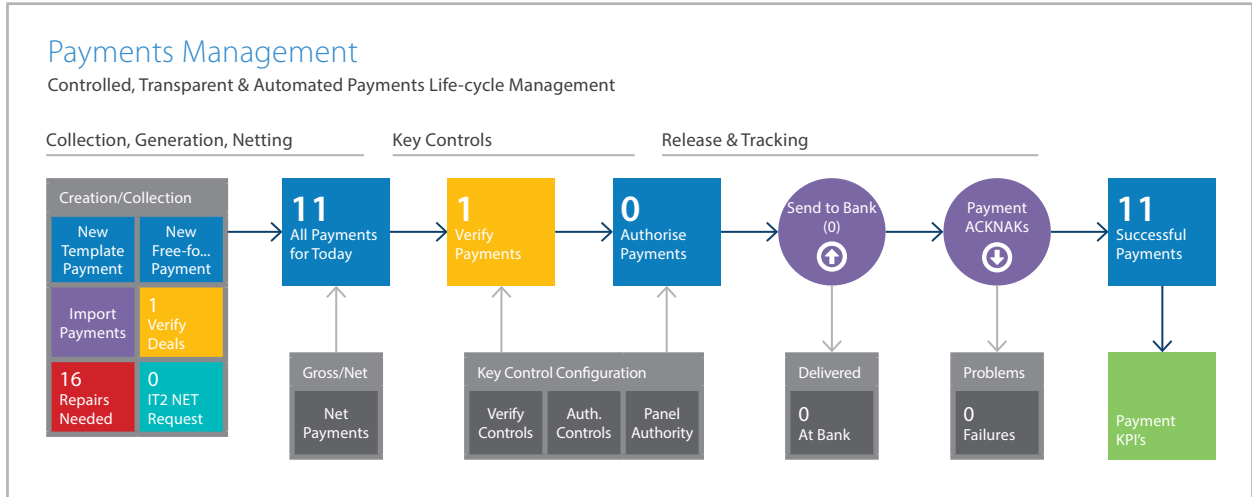
IT2's unique user defined information canvas provides a 360 degree view of treasury for more informed and timely decision making and trusted management reporting.



The IT2 system enables TreasuryONE and the client to work with fully dependable and up to date cash, risk and exposure data and analysis, to deliver best practice cash utilisation, exposure hedging, and much more.

Treasury Workflows

IT2's graphical controlled workflow tool makes complex processes simple, delivers treasury task transparency and provides unique audit assurance.



Treasury Reports

IT2's controlled treasury reporting tools allow you to organise, protect, automate and distribute all operational and management reports.



EASY TO USE

Comprehensive treasury reporting designed to be employed by the Treasury (non technical) user



AUTOMATE & DISTRIBUTE

Create batches of reports, schedule them to run and be distributed automatically



SECURE PROTECTION

Ability to lock down key reports to deliver information consistently



FLEXIBLE LAYOUT

From simple listing, through summary to matrix (pivot table) reporting



DATA VISUALIZATION

Create rich and flexible charts to enable rapid understanding of treasury positions



PERSONAL OR SHARED

Reports may be for the use only of the designer or shared among multiple users



ADDITIONAL REPORT DESIGNERS

IT2's user friendly database views may also be used with third party reporting tools such as SAP Crystal Reports, SAP Interactive Analysis, SAP Dashboard Designer, PowerBuilder, Jet Reports, etc.

Partnering with TreasuryONE to Achieve World Class Treasury Results

TreasuryONE's end-to-end service delivers best practice results in all phases of the professional relationship.

- **Sales:** The TreasuryONE consultants work closely with prospective clients to develop a deep understanding of their key issues, objectives and priorities. The client and TreasuryONE work together to build a detailed delivery plan focussed on clearly defined results.
- **Scoping:** The scoping exercise produces a mutually-agreed blueprint for the implementation of the required services, defining deliverables, milestones and timetable. The scope will fully reflect the client's specific needs for cash, treasury and risk management services, and will define how operational responsibilities will be organised and controlled.
- **Implementation:** The TreasuryONE-client team work together to roll-out the agreed solution, with check-point reviews to ensure that the project is meeting expectations and timetable objectives, leading to acceptance testing, commissioning and going live.

- **Live Operations:** The TreasuryONE-client team operate the treasury in accordance with the agreed segregation of duties under a locked-down control environment. IT2 acts as the integrated hub of the operation, facilitating communications and process management, and assuring that operations fully comply with the clients Treasury Policy and Process.
- **Client Support and Service:** TreasuryONE's experts are always available to resolve operational issues, answer questions, and provide whatever feedback the client needs about market conditions, cash and risk management decisions and more strategic issues. The Daily Market Report adds value with expert commentary and opinion in support of clients' risk decisions.
- **Relationship Management:** TreasuryONE's professional relationship managers build a roadmap with the client to continue and sustain value-adding activities. The strategic impact enables the client's treasury to react effectively to change - such as new corporate actions, new business requirements or country of operation or regulatory compliance developments.

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TreasuryONE Treasury Service



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