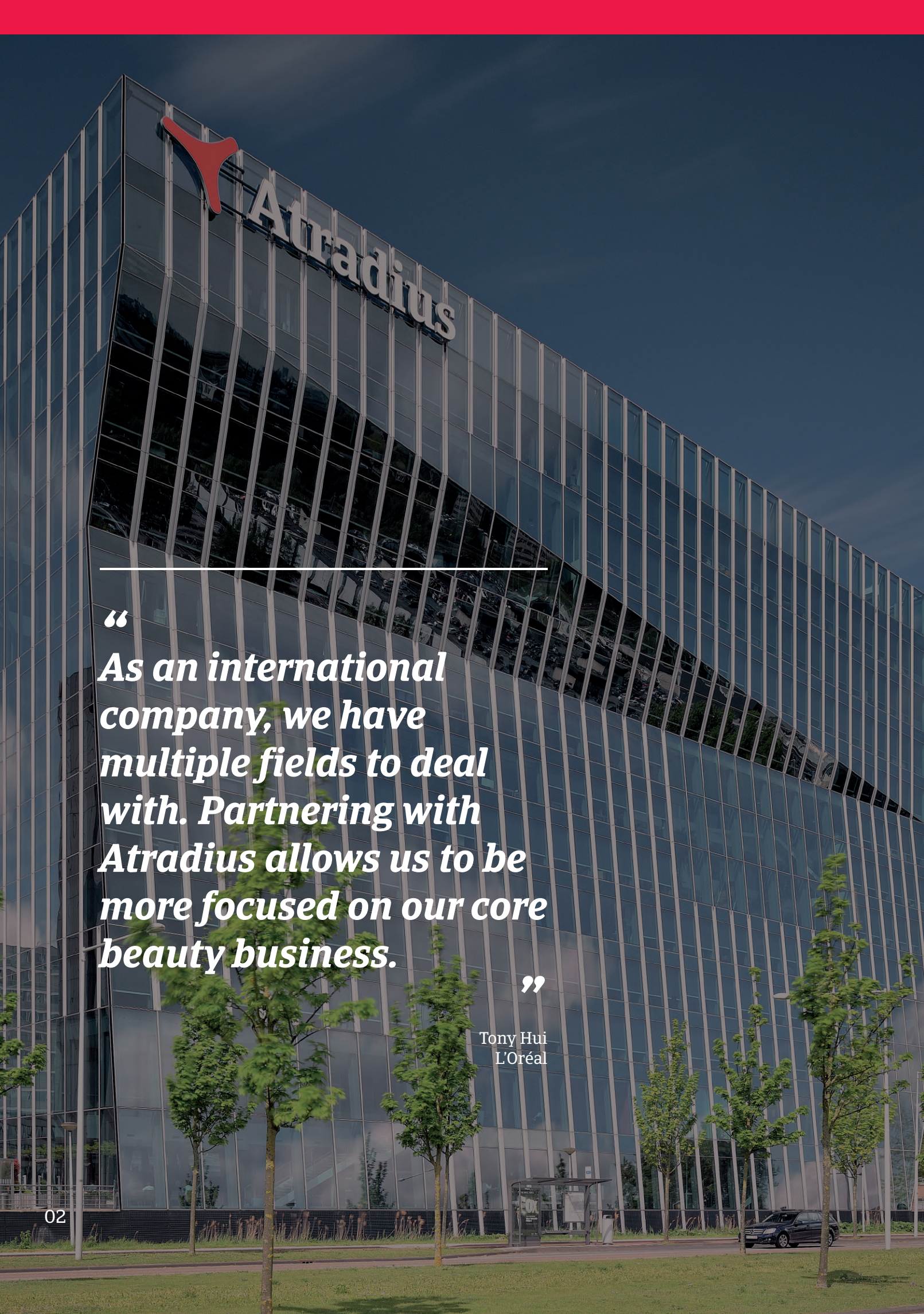




Trade Credit Insurance Explained



“
As an international company, we have multiple fields to deal with. Partnering with Atradius allows us to be more focused on our core beauty business.
”

Tony Hui
L'Oréal

About Atradius

Atradius in Hong Kong

Based in Hong Kong since 2005, we have established a strong local presence to become the leading supplier of global, multinational credit management support in the city. Our focus is on helping you to trade with confidence and expand into new markets.

From credit insurance to debt collections, our range of services provide all the tools you need to meet the challenges of trading on credit. And through our market insights and industry intelligence, we keep you up-to-date on the latest developments in Asia and beyond.

Serving the needs of the customer is at the core of what we do. Our skilled underwriters and account managers understand the needs of your company and market and work closely with you to find the best credit insurance solutions, allowing you to focus on growing your business and achieving your goals.

Our presence in Asia

Atradius is a global provider of credit insurance, bond and surety, collections and information services, with a strategic presence in over 50 countries.

Since establishing our first presence in Asia in 2000, we have grown to more than 12 offices across the region, actively working with local and international brokers to help businesses manage trade credit risks.

Led by an experienced team of credit management specialists, for more than 20 years we have helped companies in Asia against the default risks associated with selling goods and services on credit.



Atradius Group at glance

95+
Years experience

3600+
Employee

50+
Countries

260M+
companies' credit
information worldwide

93%
Customer
retention rate



**Reduce risk,
protect your cash flow and
help grow your business
with credit insurance.**



What is credit insurance?

Protection against the risk of selling on credit terms

The only certainty in business is uncertainty. When selling on credit terms, there's always a risk that payment may not be made on time – or at all. Credit insurance is the first line of defence for your business and is the way to protect your business against customer insolvency and payment default.

Knowing your buyers and the risks involved

Atradius will assess your buyers and their credit worthiness and then provide you with a credit limit which indicates the maximum amount you can trade with a particular buyer that is covered by your Trade Credit Insurance policy. This is based on many factors such as the buyer's stability, payment history, financial analysis and

market conditions, and provides a good indication of how safe that buyer is to trade with.

Peace of mind knowing that you will always get paid for the goods or services you supply

If a debtor goes insolvent or fails to make a payment, you have the protection of your credit insurance policy in place which will cover up to 90% (less your excess) of the transaction to make sure your business remains unaffected.

Cover tailored for your specific business so you only pay for what you need

Standard cover is typically for insolvency and non-payment or payment default for domestic and/or export trade. You can also add protection for political risks and protection for orders commenced but

not yet delivered (pre-delivery risk insurance). Credit insurance can be tailored to cover the particular demands of your business, the territories in which you operate and their financial, economic, political and legal environments, ensuring that your business has all the credit insurance it needs, without paying for cover that it doesn't.

**Protecting your account receivables
with credit insurance enables you
to access more favorable financing
terms from your lenders.**

Risks covered include:


Insolvency
Risk

Political
Risk

Default
Risk

“
***Atradius prides itself on
a close working
relationship and high
customer satisfaction.***
”

Lei D. Chen
Director & Chief Credit Officer, Lenovo



Why do I need credit insurance?

Risk is an inherent part of credit-based trade

It does not matter how well you know your market and buyers – insolvency and payment default are commercial realities. Even though you may have dealt with your buyer or buyers for many years, or if they are one of the biggest brands in the market, you cannot predict the future. Almost every business has had a direct experience with a bad debt, which can affect cash flow, profitability, and equally important – confidence.

Gain valuable insights & knowledge into your buyers to make smarter business decisions

A good trade credit insurer becomes the eyes and ears on the ground for their client. On a company's behalf, they will check any prospective client's stability, creditworthiness and reputation. At Atradius we have a strategic presence in more than 50 countries around the world. This allows you to ensure that the risks you take are the right ones.

It reduces your business exposure to unnecessary trading risks

Insuring your factory or office is a common practice, so why wouldn't you insure trade receivables - one of the largest assets on your balance sheet? The average business receivables asset is around the range of 30% to 40% of the company ledger which means without credit insurance, you are exposing your company to enormous risks.

It helps your business get ahead and stay on top

Credit insurance allows you to maintain sales and reduce any negative impact on your business from non-payment, allowing you to focus on growing your business. It gives you a head start over your competitors, guides you to profitable markets, protects your profits, and provides you with peace of mind. When things go wrong and a debtor owes you money, you will be glad your business invested in credit insurance.

Key benefits for your business

Gain competitive advantage to increase sales and profits

Credit insurance allows you to capitalise on sales beyond your normal risk appetite. Using credit insurance, you can offer competitive extended payment terms and often operate higher credit exposures on your customers, allowing you to broaden your sales scope giving access to profits which were previously unattainable. Credit insurance provides a platform to help generate more sales without taking undue risk on your company's balance sheet.

Protect your current assets and help grow your business

Credit insurance transfers your customer payment risk to Atradius, freeing you up to focus on what you do best – growing your business.

Improve your cash flow for peace of mind

Reducing the days of sales outstanding (DSO) helps you manage your business better by ensuring a steady cash flow. Credit insurance removes your worry of late payment or non-payment from your customers.

Increase your credit lines with lenders

Trade financiers recognise the enhanced value of credit insurance on your debtor portfolio. This can improve your cost of borrowing allowing you to increase the scope of your business.

Reduce bad debt provision

With credit insurance, you can reduce your bad debt provisions, thereby adding intrinsic value back into your balance sheet, freeing up your cash flow.

Decrease credit management costs

By helping your business to identify at-risk buyers, credit insurance helps you focus your energies and sales force on the buyers you value the most.

Businesses protected by trade credit insurance are more likely to succeed than uninsured businesses

Trade credit insured businesses are more likely to understand and practice good credit management discipline. They hold more comprehensive knowledge of their customers than uninsured businesses and are able to use this to their advantage. Insured companies trade safer, knowing that they have access to the most up-to-date credit standing of their buyers and can therefore make well-informed trading decisions.



Why Atradius?



Dedicated specialist Account Managers
Every client of Atradius is assigned a dedicated credit management consultant so wherever your business may be, you'll have a member of our team who thoroughly understands your local business needs. If you require a limit reviewed or to add a new buyer, you'll have a dedicated contact on the ground to assist you as often as you need.

Dedicated specialist Underwriters
Atradius has a team of dedicated, specialist underwriters who conduct real time underwriting. Every time a buyer profile is updated, regardless of where they may be in the world, our centralised database is also updated, ensuring the latest information is always available when assessing your credit risk exposure. Our underwriters are divided by sector making them specialists in their field, allowing them to share their expert opinions on their knowledge of their sectors. Atradius' systems are connected to reputable business information agencies, through which we receive the most up-to-date industry and buyer information including changes in their financial stability and creditworthiness. This helps us constantly address the risk of your buyers.

Debt collection
Many businesses are unaware that debt collection is part and parcel of the service offered within Atradius trade credit insurance policies. Collections

is a key part of our policy commitment to our customers. We operate on a no collection, no fee basis and will contribute to your collection costs in direct proportion to our liability for the loss, largely eliminating your debt recovery costs and providing substantial cost savings. If we don't collect, you don't pay so you know we're putting in 100%. The success rate of an insurer such as Atradius collecting the debt is likely to be higher than that of an individual business attempting the same, particularly in a remote foreign country and as the debt ages. Notify us of an insured loss, after which we will handle the collection, and if necessary assess a claim for any outstanding balance. Atradius has a network of over 300 collection specialists and lawyers in 220 countries. We handle over 100,000 cases annually and have more than one billion Euro in collections action at any one time.

A secure global company
Atradius Group provides trade credit insurance to businesses of all sizes with a strategic presence in more than 50 countries. Our strong financial backing gives us the capability to pay claims, large or small. With over 95 years of experience and knowledge, we're dedicated to helping you trade safely so you can be confident your business is trading safe with Atradius.

Business information
in one click



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Seeing more with Atradius Insights

Atradius Insights is the first system of its kind; an online dashboard driven business intelligence tool created in collaboration with Atradius customers to meet their exact needs.

Atradius Atrium
Atradius Atrium is your credit management hub. Through a single online portal you can manage your daily policy activities and analyse your portfolio of customers. You can access Atradius Atrium from any place and at any time that suits you 24/7. You can get an instant overview of your portfolio, manage your trade credit cover, submit and monitor your non-payment cases, easily find and access key information about your customers, access Atradius Insights to analyse and manage your portfolio and view Atradius publications relevant to your markets and trade sector. It's designed to minimise the amount of time you spend on administration and enables you to always be up to date and stay on top of your business.

- With Atradius Atrium you can:**
- Get an instant overview of your portfolio
 - Easily find your customers
 - Access Atradius Insights to analyse and manage your portfolio
 - Manage your trade credit cover and non-payment cases
 - Stay up-to-date with alerts
 - View key Atradius publications relevant to your markets and trade sectors

260M+
companies'
credit information
worldwide



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on Social Media



Atradiusasia



Atradius



Atradiusgroup

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