

## CASE STUDY



# INVENTORY FINANCING AGREEMENT

## Smart Tread Trading

Enhanced Trading Solutions SA offers a full suite of trading solutions that remove the friction points in the supply chain to unlock the value tied up in working capital. The leadership team's combined skills bridge the gap between trade, logistics and finance, enabling them to create a novel off balance sheet inventory solution in support of their clients.

Smart Tread Trading, a subsidiary of Enhanced Trading Solutions SA, has entered into an inventory finance agreement with Tower Investments for the purchase of tyres for distribution to one of the country's leading tyre distributors, SA Tyres.

Inventory finance is a form of trade finance in which goods are purchased and held in a warehouse, in this instance, for SA Tyres and only sold to SA Tyres when needed on a Just-In-Time basis. This enhances what is a typical trade finance instrument by qualifying and holding commodities off the balance sheet of SA Tyres.

We value our engagement with Smart Tread Trading and the services offered by the management team of Enhanced Trading Solutions SA.

Should you have any further queries regarding this matter, please do not hesitate in contacting me on email [charles@enhancedtrade.com](mailto:charles@enhancedtrade.com)

### Key Facts: As at 01 February 2022

<b>Facility Limit:</b>	<b>R115 000 000.00</b>
<b>Funding Days:</b>	<b>90 Days</b>
<b>Term Conditions:</b>	<b>Revolving and Renewable Annually</b>

