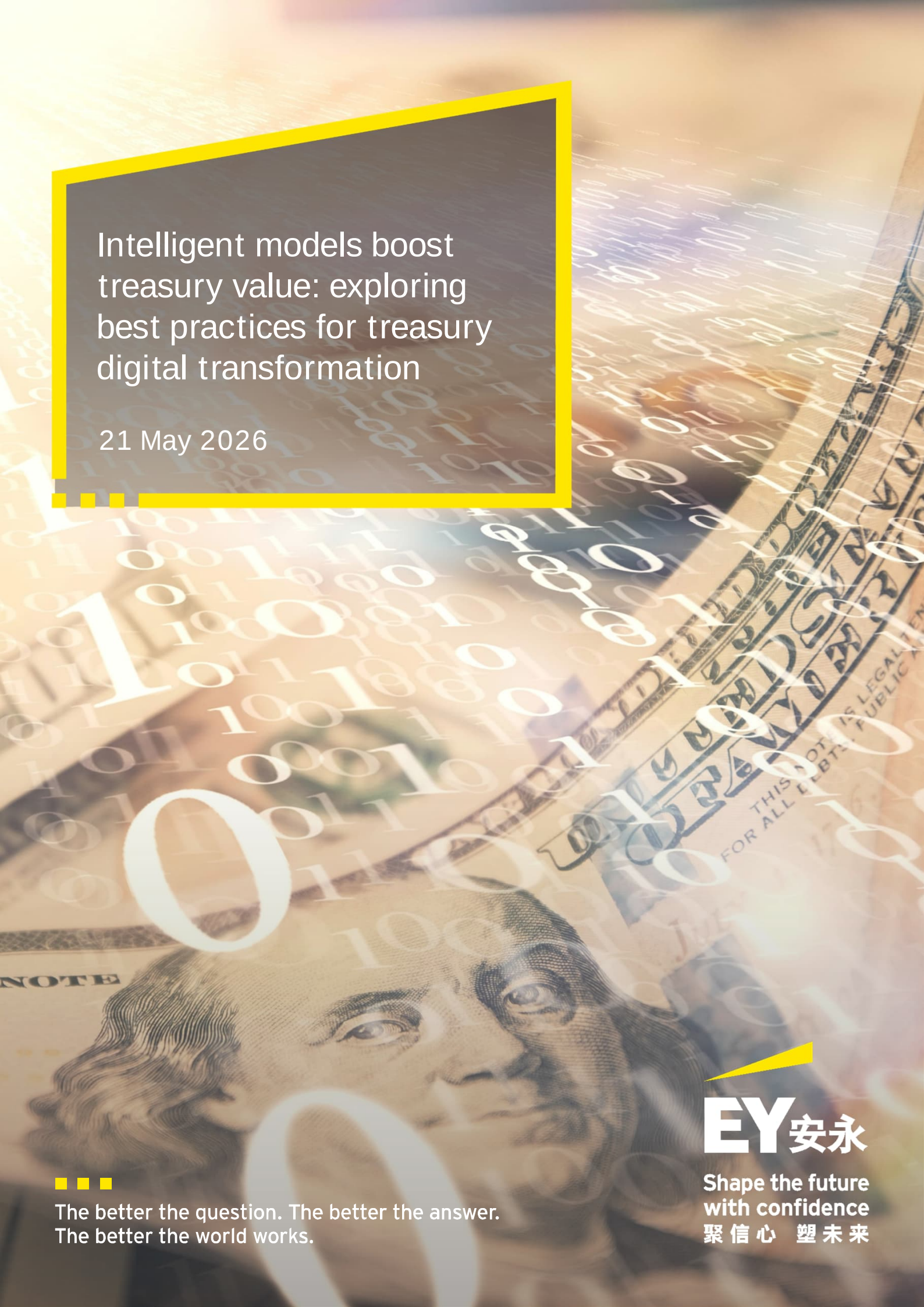




Intelligent models boost treasury value: exploring best practices for treasury digital transformation

21 May 2026



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Intelligent models boost treasury value: exploring best practices for treasury digital transformation

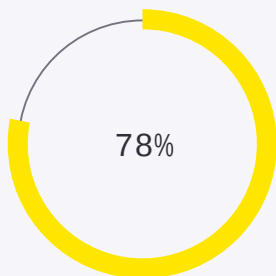
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Introduction

From the *Opinions on Accelerating the Development of Central SOEs' Treasury Systems and Further Improving Fund Management* (SASAC Finance & Capital Regulation No.1, 2022), which outlines a comprehensive framework for treasury system development, to the *Guiding Opinions on Accelerating the Digital Transformation and Upgrade of Central SOEs' Financial Management* (SASAC Finance & Capital Regulation No.1, 2026), which defines the roadmap for financial intelligence enhancement, alongside the *Guiding Opinions on Strengthening In-depth Oversight of Central SOEs* (SASAC Supervision Regulation No.2, 2026), which establishes full-process, end-to-end compliance requirements, and the launch of the new Overseas Investment Administration Bureau under SASAC to strengthen cross-border fund supervision, treasury management within central state-owned enterprises (SOEs) has shifted from a foundational stage of “system development, full visibility and controllable fund management” to a new era characterized by digitalization, end-to-end oversight and value-driven operations.

AI is evolving from a “nice-to-have” tool to a “must-have” capability in treasury management



- 78% of surveyed treasury executives state that AI will become a core part of their daily work over the next five years.

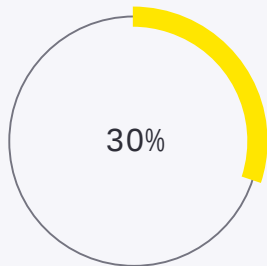
Treasury executives who regularly adopt AI or ML achieve higher accuracy in cash flow forecasting than non-users

Accuracy of future cash flow forecasting

1 week	53%	66%	13%
13 weeks	35%	45%	11%
6 months	35%	38%	3%
12 months	35%	42%	7%

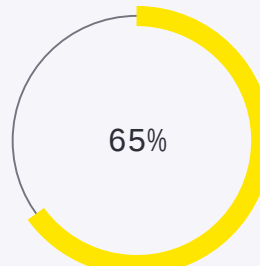
Technology non-users Treasury executives who regularly adopt AI or ML

Data and technology have become the core engine driving treasury value creation



- 30% of respondents rank data and technology among the top three value drivers for treasury management, the highest share across all surveyed items.

AI significantly improves the accuracy of cash flow forecasting



- 65% of executives admit their companies lack accurate 12-month capital flow forecasts. Enterprises using AI can lift forecasting accuracy by around 7%.

Figure 1: EY 2025 Global CFO Survey

According to the EY Global CFO Survey, artificial intelligence (AI) in treasury management has evolved from a “nice-to-have” tool to a “must-have” capability. Most treasury executives expect AI to become an integral part of their core responsibilities over the next five years, with data and technology serving as primary drivers of value creation. AI is already enhancing core treasury functions, including cash flow forecasting, and is becoming a key pillar of treasury’s digital and intelligent transformation.

I. The four stages of intelligent model adoption

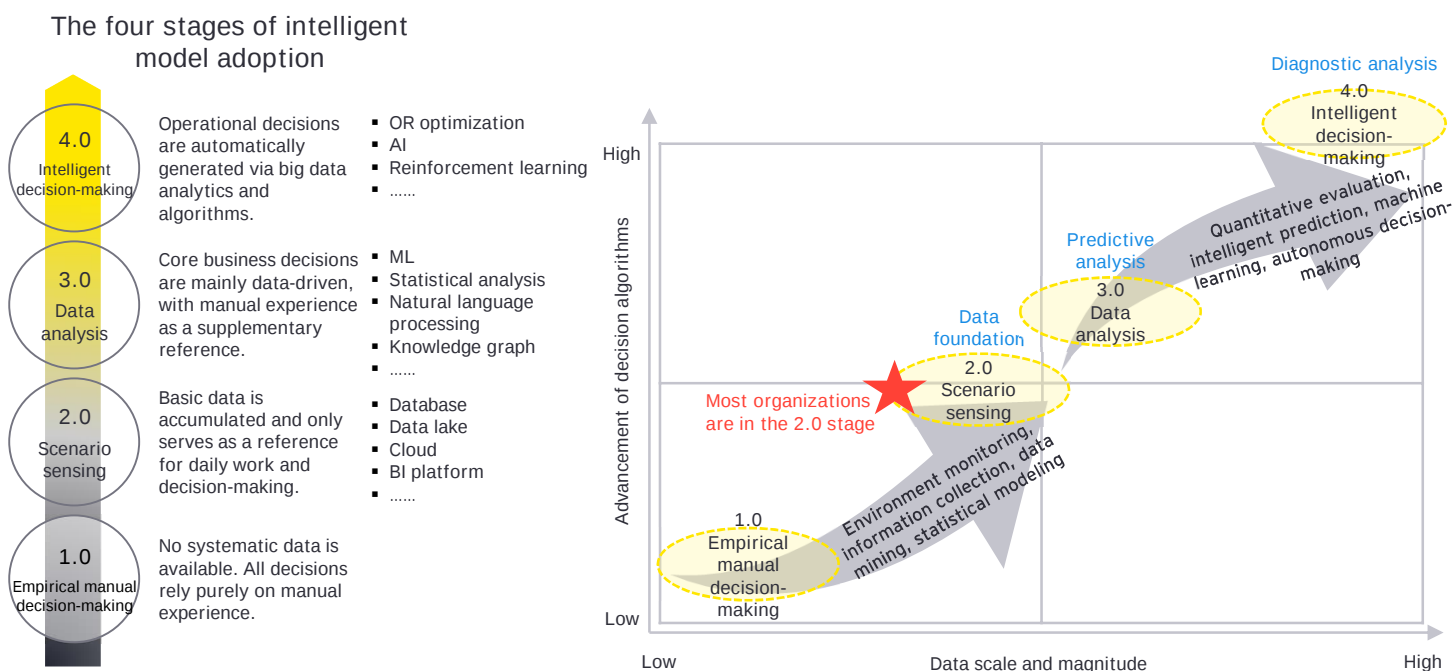


Figure 2: The development of intelligent model adoption

Using data scale and algorithm maturity as two core criteria, intelligent treasury adoption can be divided into four stages.

- **1.0 Empirical manual decision-making:** Enterprises lack systematic data accumulation, and treasury decisions rely heavily on experience and intuition. Both data volume and algorithm sophistication remain limited at this stage.
- **2.0 Scenario sensing:** Enterprises have built foundational data sets and deployed basic digital tools, such as databases and business intelligence (BI) systems, to enable data collection and analysis. Outputs are primarily used to inform daily management and decision-making. Most organizations in the industry are currently at this stage.
- **3.0 Data analysis:** Core business decisions are primarily driven by data analysis and insights, while manual experience only serves as supplementary verification for complex edge cases. Technologies such as machine learning (ML) and data statistics support predictive analysis, significantly improving decision accuracy and foresight.
- **4.0 Intelligent decision-making:** Treasury decisions are automated through big data analytics and algorithms. Leveraging operations research (OR) and AI, the systems enable diagnostic insights and autonomous decision-making, representing the advanced stage of treasury intelligence.

II. Core application scenarios of intelligent models

Global treasury management functional map

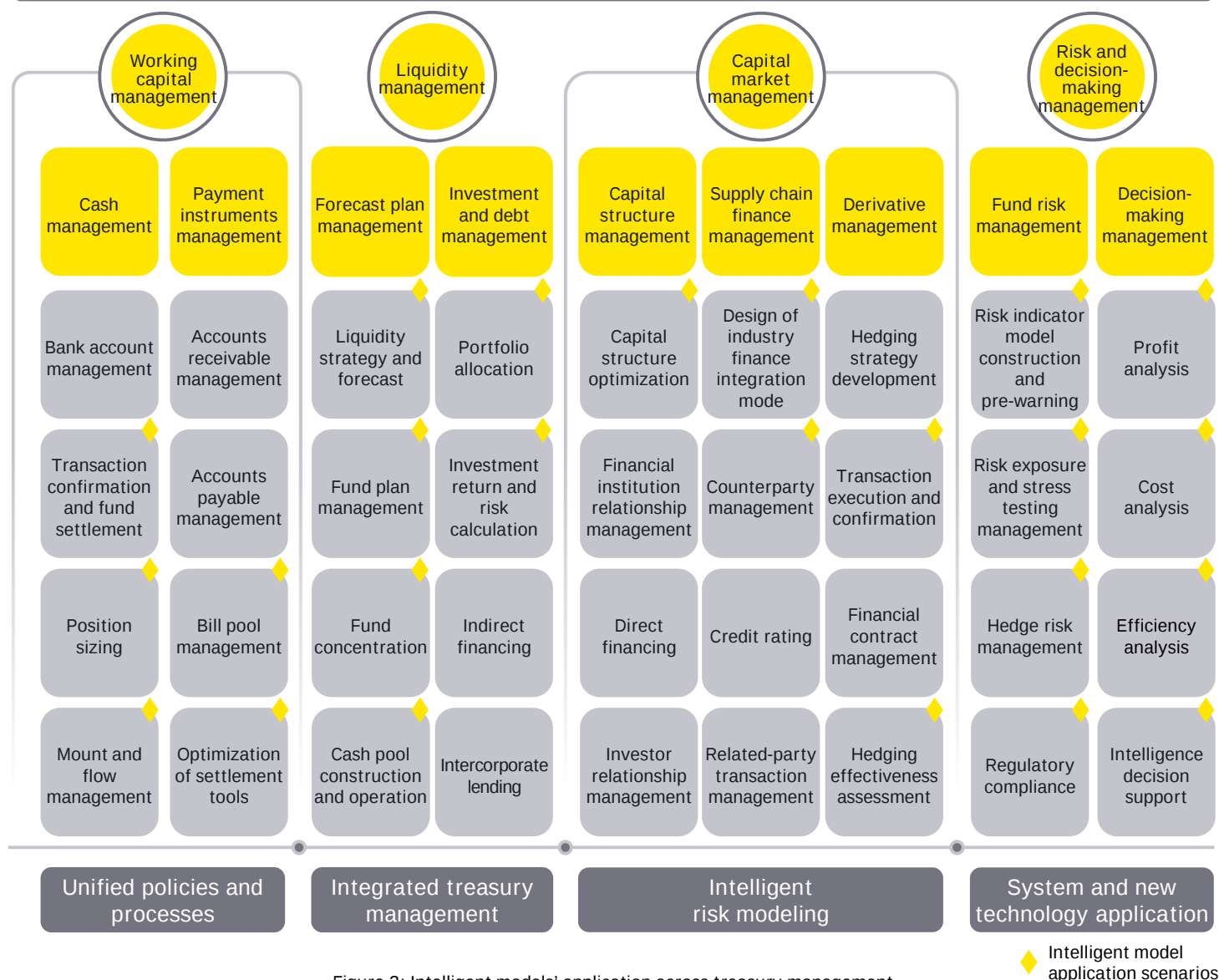


Figure 3: Intelligent models' application across treasury management

Intelligent models are embedded across the treasury management workflow, covering all major business scenarios. They address longstanding pain points in cash management and unlock the value of digital governance.

- Working capital management: Intelligent models consolidate treasury data across entities and accounts, enabling automated cash pooling and surplus-deficit adjustment. This activates idle funds and improves capital efficiency.
- Liquidity management: Driven by intelligent algorithms, the systems generate rolling cash flow forecasts, dynamically optimize fund scheduling and determine appropriate reserve level, balancing liquidity with returns.
- Capital market management: Based on capital positions and market conditions, models match financing and investment instruments, optimize capital structure and reduce overall funding costs while enhancing returns.
- Fund risk management: Models enable end-to-end visibility of capital flows. Embedded compliance rules trigger automatic alerts for unusual transactions, creating a closed-loop risk control framework.

III. Core decision-making applications

The fund allocation model represents the cornerstone of the 4.0 intelligent decision-making stage, with the objective of optimizing capital deployment across the group. This model incorporates multiple constraints, including account limits, mandatory redemptions, investment and financing rules, foreign exchange management and regulatory compliance. Using optimization algorithms, it evaluates inflows, outflows, allocation and investment, automatically generating optimal capital allocation plans.

Compared with traditional manual approaches, the model balances individual payment priorities with overall capital efficiency. It addresses challenges such as disordered settlements, misaligned resource allocation and suboptimal group-level capital use. More importantly, it shifts treasury management from reactive execution to proactive planning, and from fragmented oversight to centralized, enterprise-wide coordination.

IV. Realizing value through intelligent models

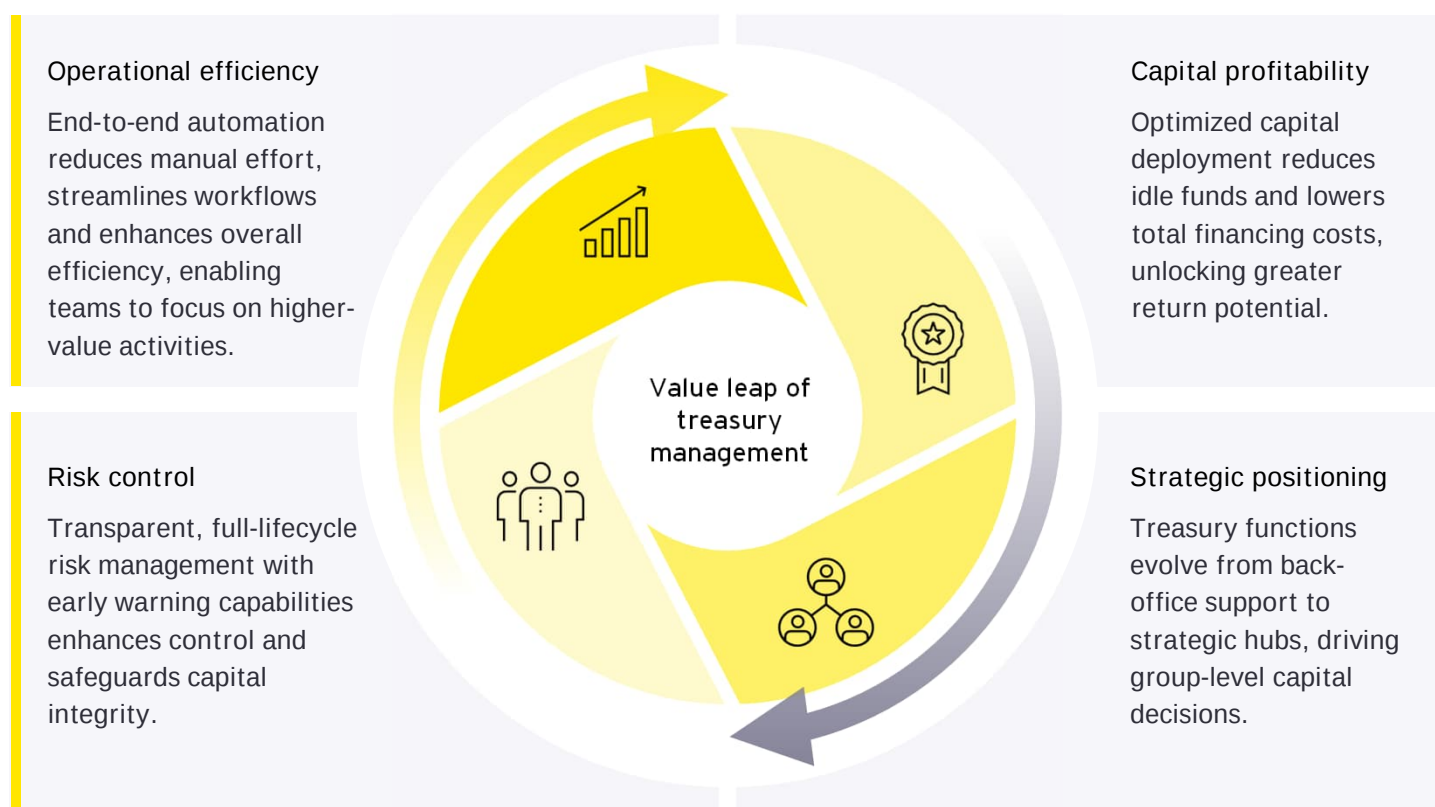


Figure 4: Intelligent models drive treasury value

The adoption of intelligent treasury models delivers multi-dimensional value, enhances corporate capital governance and supports the development of world-class standardized treasury systems. Key benefits are reflected in four key aspects:

- Operational efficiency: End-to-end automation reduces manual effort, streamlines workflows and enhances overall efficiency, enabling teams to focus on higher-value activities.
- Capital profitability: Optimized capital deployment reduces idle funds and lowers total financing costs, unlocking greater return potential.
- Risk control: Transparent, full-lifecycle risk management with early warning capabilities enhances control and safeguards capital integrity.
- Strategic positioning: Treasury functions evolve from back-office support to strategic hubs, driving group-level capital decisions.

Summary

Digital technologies are reshaping the role and value of treasury management. Supported by evolving policy frameworks, treasury systems are moving beyond infrastructure development toward strategic value creation. Intelligent models are becoming the “brain” of modern treasury systems.

For large enterprise groups, treasury management is no longer limited to fund centralization and compliance oversight. Instead, by adopting data-driven capital allocation approaches, organizations can maximize the return on every unit of capital and build sustainable competitive advantage to support long-term, high-quality growth.

For more information, please contact us.



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