Rapid respond & recover approach
Actions for crisis mitigation can be divided into four specific taskforces that are mandated and coordinated by a central Crisis Command Centre

**Talent & Strategy**
- Review employment contracts – terms, requirements, restrictions, responsibilities
- Implement and monitor safe, connected and flexible working arrangements
- Reassess talent strategy and interim fit-for-purpose operating model
- Adopt regulatory and governance protocols that, for the avoidance of doubt, supersede expectation
- Manage setup for rapid employee return and ramp-up
- Re-plan strategic growth, partner and M&A ambitions

**Business Continuity & Finance**
- Implement cash conservation
- Evaluate working capital and liquidity requirements
- Control discretionary opex and capex
- Secure access to short-term financing facilities and government financial support
- Right size operating model of support functions
- Implement equity raising and low-cost debt refinancing
- Engage with key lenders, suppliers and customers
- Exit non-core and under-performing assets

**Customer Engagement**
- Engage with key customers to support business continuity
- Secure commercial and financial support from customers
- Develop communication strategy with front line employees
- Review orders vs commitments and inventory
- Use advanced technology in customer communications

**Supply Chain**
- Identify supply chain risks and potential disruptions – categorise ultimate impact into revenue loss, cost impact, asset health, reputational damage
- Develop contingency plans for operational disruption aligned to categorisation
- Collaborate with customers and suppliers, specifically synchronize operational capacities to prioritise and mutually share infrastructure
- Manage inventory and cash flow through mutual consent – adapt supply and fulfilment patterns, with interim payment terms as required
**Business Continuity & Finance**

The evolving Covid-19 crisis is polarising businesses between magnitude of impact and balance sheet resilience.

**Immediate focus areas are turnaround and cash** — evolving as the situation progresses

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**Re-position**
- Closely monitor and reduce cost
- Reassess product/service portfolio for short-term gains to strengthen the top-line
- Re-forecast cash flows and model downside scenarios
- Develop new growth strategies

**Turnaround**
- Turnaround planning
- Optimize working capital
- Right-size cost structure
- Implement CRO to take control of the crisis
- Reforecast liquidity, secure financing and government aid

**Strengthen position**
- Assess and manage third party credit and supplier risk
- Assess ability of your own operations to meet demand and impact of lock down

**Cash focus**
- Assess and manage third party credit and supplier risk
- Reforecast liquidity
- Assess ability of your own operations to meet demand and impact of lock down

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**Our offerings to address your situation**

1. Turnaround planning
2. Working Capital
3. Right-size Cost Structure
4. Interim Management / CRO
5. Liquidity management
6. Third party credit risk

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Business Continuity & Finance | Crisis favours those reacting rapidly
Key question is: “how fast can companies resolve the impacts of COVID-19”?

Different solutions to handle all intensities of crisis impact

- **Turnaround & Financial Restructuring**
  - Company is underperforming or in stress as a result of external challenges. Focus on Rapid diagnostic and implementation of recovery actions
  - Company in stress must immediately assess options, together with its stakeholders to address liquidity pressures

- **Insolvency**
  - If there is no prospects of an out of court recovery process a company is placed in a formal insolvency or bankruptcy process
  - This process may allow for a company to continue trading while seeking recovery options or may result in immediate wind-down/liquidation

- **Potential solutions**
  - Distressed M&A
  - Re-financing
  - Right-sizing

- **Potential solutions**
  - Wind-down
  - Liquidations
  - Distressed M&A

**COVID-19 impacts business continuity**

- Overall reduced business operations (sales, production, etc.)
- Liquidity issues
- Risk of covenant breach
- Refinancing need
Business Continuity & Finance | Crisis response approach
A turnaround program typically runs in four phases and should first deliver tactical actions, and in parallel formulate a strategy outlining a longer-term perspective

What we do
In crisis situations, we provide senior, hands-on support to Executive Management and Shareholders to deliver successful business turnarounds and enhance profitability and liquidity

In case of insolvency, we drive the complex negotiation of consensual restructuring solutions, in conjunction with “Plan B” Contingency Planning for corporates & management, private equity, creditors & investors and other stakeholders

How we do it
Stop the bleeding
Cash management & Rapid diagnostic
• Control cash and identify a short-term action plan
• Reforecast liquidity, secure financing and government aid
• Manage important stakeholders (i.e. Customers, Suppliers, Banks, Regulator)

Stop the bleeding
Analyze the business
Perform a clear data analysis
• Identify, understand and address the underlying drivers of the situation
• Data driven assessment of opportunities and ranking based on value & complexity
• Initiate regular communication plan with key stakeholders

Stabilise the business
Plan and prioritise opportunities
• Develop a detailed and quantified restructuring plan that key stakeholders can support
• Implement new capital arrangements
• Execute actions for potential accelerated M&A or Closure of businesses

Implement
Benefit cash achievements
• Support the implementation of Restructuring Plan
• Track progress by monitoring KPIs and achievement of milestones
• Refine operational and financial implementation plan as required
Appendix
Our service offerings and key contacts of the Swiss Restructuring team

Relevant Service Offerings

- **Turnaround plan**
- **CRO support**
- **Right-size cost structure**
- **Working Capital support**
- **Liquidity Management**
- **Supplier Risk Management**

**Swiss contacts**

- **Jan-Dominik Remmen**
  Lead Partner | Restructuring
  +41 58 279 64 32
  jaremmen@deloitte.ch

- **Michael van der Boom**
  Partner | Value Creation Services
  +41 79 578 41 86
  mvanderboom@deloitte.ch

- **Martijn Keppel**
  Director | Restructuring
  Value Creation & Turnaround
  +41 (0)79 476 32 39
  mkeppel@deloitte.ch

- **Ev Pardey**
  Director | Restructuring
  CRO and Insolvency support
  +41 (0)79 664 28 34
  epardey@deloitte.ch

- **Alain Fares**
  Director | Restructuring
  Cash & Working Capital support
  +41 58 279 7116
  afares@deloitte.ch

- **Lucy Julian**
  Director | Restructuring
  Turnaround support
  +41 79 176 82 92
  ljulian@deloitte.ch

- **Austin Slater**
  Director | Restructuring
  Financial Services
  +41 79 380 6281
  auslater@deloitte.ch