



## Deloitte Debt & Capital Advisory – Germany

Crises can affect companies severely in economical and financial terms. Deloitte Debt & Capital Advisory can help navigate uncertainty toward an optimal outcome

Situation	Recommended approach	How Deloitte Debt & Capital Advisory can help
<b>No short-term financing needs/ maturities</b>	<ul style="list-style-type: none"> <li>• Closely monitor the liquidity of your portfolio companies and whether drawing down revolver becomes prudent</li> <li>• Stay informed – maintain regular and open dialog with Deloitte and other advisors to best navigate this rapidly evolving crisis</li> </ul>	<ul style="list-style-type: none"> <li>• Updates on the latest economic developments and financial implications</li> <li>• Develop a strategy for taking advantage of the fast-changing market environment and potential recovery</li> </ul>
<b>Near-term maturity</b>	<ul style="list-style-type: none"> <li>• Focus on expiring loans with maturities of less than twelve months and deal with them as quickly as possible</li> <li>• Where feasible, immediately try to (i) extend loan maturities, (ii) seek bridge financing or (iii) complete full refinancing of loans</li> </ul>	<ul style="list-style-type: none"> <li>• Assist with initial interest in new financing opportunities with potential new lenders; simultaneously engage with incumbent lenders to evaluate solution</li> <li>• Assist with preparing marketing materials (teaser, financing memo, Request for Proposal)</li> <li>• Advise on debt capacity and initial thoughts on debt structuring as well as draft process for refinancing</li> </ul>
<b>Risk of covenant violation</b>	<ul style="list-style-type: none"> <li>• Actively seek open communication with your existing lenders in the near term</li> <li>• Negotiate relief for the next two covenant tests and seek a waiver</li> <li>• Engage a debt advisor – get help and leverage your capacities to gain time and flexibility</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare detailed financial model and craft business case to determine whether a covenant holiday or amendment is required and to reflect on the “ask” of incumbent lenders</li> <li>• Monitor conditions to determine the right time to access a normalizing capital market</li> </ul>
<b>Liquidity crunch</b>	<ul style="list-style-type: none"> <li>• Immediately approach incumbent lenders to request covenant waiver, deferral of amortization payments and utilize undrawn revolving credit facilities</li> <li>• Assess debt capacity and related implications</li> <li>• Consult capital providers for bridge loan options and alternative financing solutions</li> <li>• Assess liquidity needs, consider utilizing revolving credit facilities and working capital-based solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate identification of liquidity needs based on multiple modeling scenarios incl. worst-case scenarios</li> <li>• Identify debt capacity based on market leverage and working capital dynamics</li> <li>• Evaluate alternative financing options and identify potential sources of capital</li> <li>• Facilitate process to attain execution phase without delay</li> </ul>

## Deloitte is one of the world's leading debt advisory consultants

### Independence

- We work completely independently of capital providers

### Highly professional team

- Team of former corporate finance/ investment bankers
- Proven track record

### Access to sources of funding

- Access to traditional bank financing and alternative lenders
- Access to leasing and factoring companies

### Local expertise

- Local market/industry know-how and knowledge of local credit & capital markets

### Profound market knowledge

- Our expertise covers all financing instruments and capital market financing
- Global DCA team of 200 professionals

### Track record

- Deloitte DCA has advised on more than 100 transactions in the last twelve months
- Target market with debt transactions ranging from €30m up to €500m

## Contacts



### Thomas Mazur

Partner | Financial Advisory  
Tel: +49 40 32080 4582  
thmazur@deloitte.de



### Christoph Schaller

Partner | Restructuring  
Services  
Tel: +49 69 75695 3950  
cschaller@deloitte.de



### Felix Klein

Senior Manager Financial  
Advisory | Debt Advisory  
Tel: +49 69 75695 6170  
feklein@deloitte.de

This presentation contains general information only, and none of Deloitte GmbH Wirtschaftsprüfungsgesellschaft or Deloitte Touche Tohmatsu Limited ("DTTL"), any of DTTL's member firms, or any of the foregoing's affiliates (collectively, the "Deloitte Network") are, by means of this presentation, rendering professional advice or services. In particular this presentation cannot be used as a substitute for such professional advice. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this presentation. This presentation is to be treated confidential. Any disclosure to third parties – in whole or in part – is subject to our prior written consent.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see [www.deloitte.com/de/UeberUns](http://www.deloitte.com/de/UeberUns) for a more detailed description of DTTL and its member firms.