



## **Independent business review**

The Deloitte methodology

Deloitte Malta  
Risk Advisory - Banking

Risk Advisory





- 2 The Deloitte restructuring approach
- 3 Our creditor advisory and IBR offering
- 4 Phase I - The business plan review
- 5 Phase I - Value of the business plan review process
- 6 Phase II - Stakeholder analysis, valuation and options review
- 7 Creditor advisory - Key workstreams
- 8 Contingency planning is often critical

This document has been prepared by Deloitte for the sole purpose of providing advisory services in relation to financing strategic investment objectives.

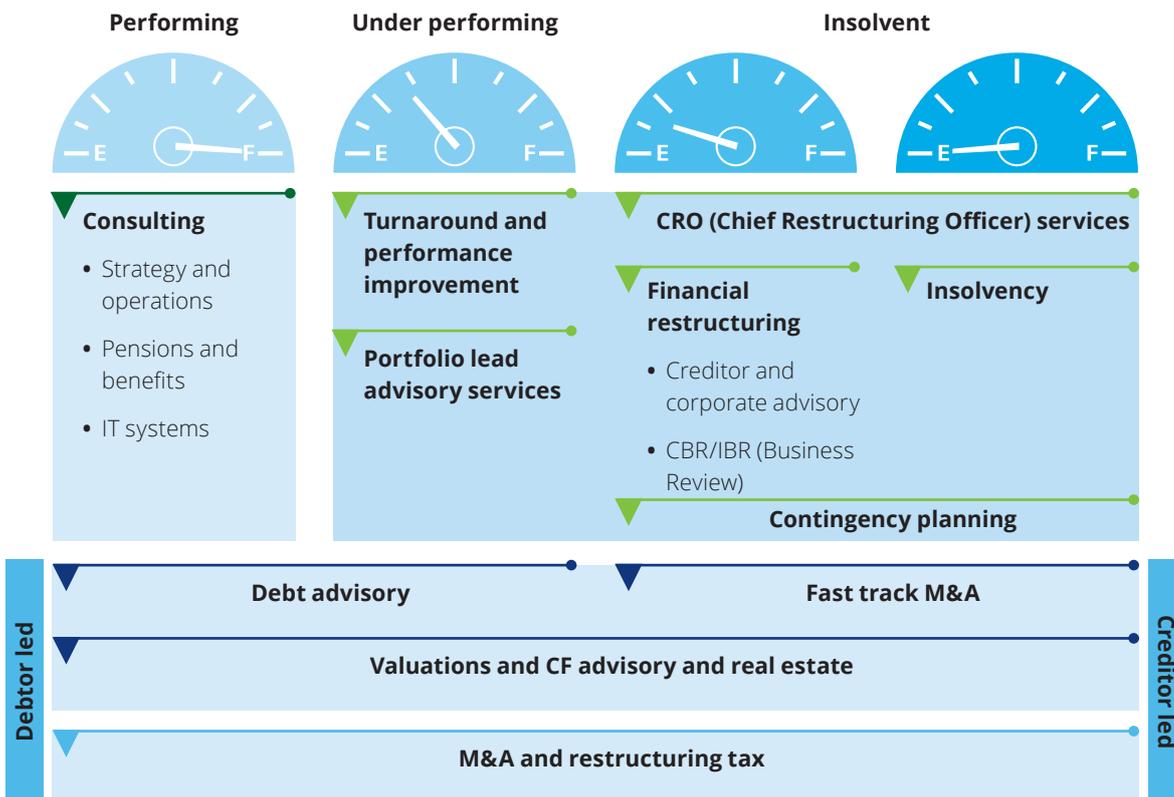
Except in the general context of evaluating the capabilities of Deloitte, no reliance may be placed for any purposes whatsoever on the contents of this document or on its completeness. No representation or warranty, express or implied, is given and no responsibility or liability is or will be accepted by or on behalf of Deloitte or by any of its partners, employees, agents, or any other person as to the accuracy, completeness or correctness of the information contained in this document or any other oral information made available and any such liability is expressly disclaimed

This document and its contents are confidential and may not be reproduced, redistributed or passed on, directly or indirectly, to any person in whole or in part without the prior consent of Deloitte.

# The Deloitte restructuring approach

## Restructuring Services (RS) works with 'Stressed' to 'Insolvent' businesses

RS are delivered by partners with specialist "situational" skills and experience, working closely with our Consulting, Corporate Finance and Tax teams, to advise and support corporates directly, or their creditors, or investors.



# Our creditor advisory and IBR offering

## The Deloitte business review - Overview

When the business is showing signs of stress/distress, it needs to be reviewed to assess its current state and be able to formulate robust restructuring advice. Such a review takes the form of:

- Company Business Reviews (CBRs) for PE's; and
- Management Independent Business Reviews (IBRs) for creditors.

Extent of our scope may vary depending on who is the client and influence of banks



CBR often restricts our scope to Business Plan review, which is insufficient for creditors, although CBR providers are able to support Management through the restructuring process thereafter

# Phase I

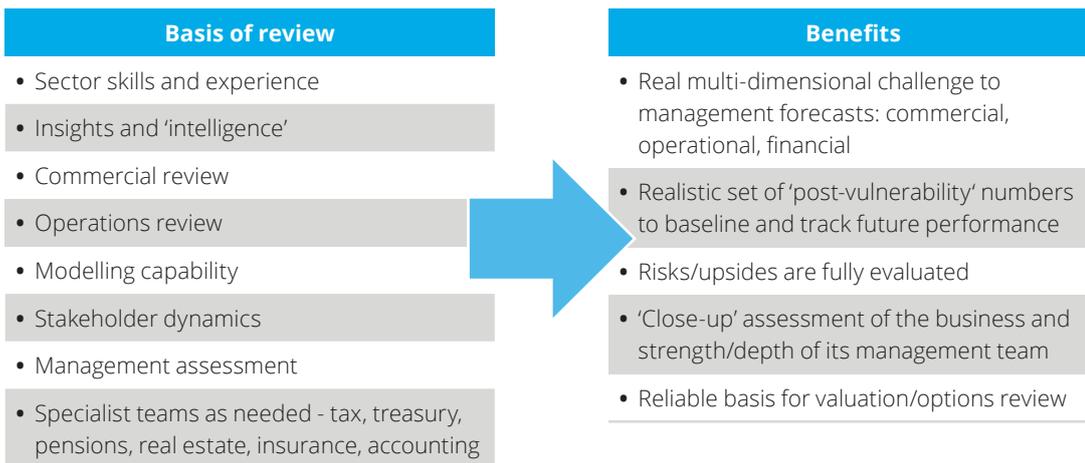
## The business plan review



# Phase I

## Value of the business plan review process

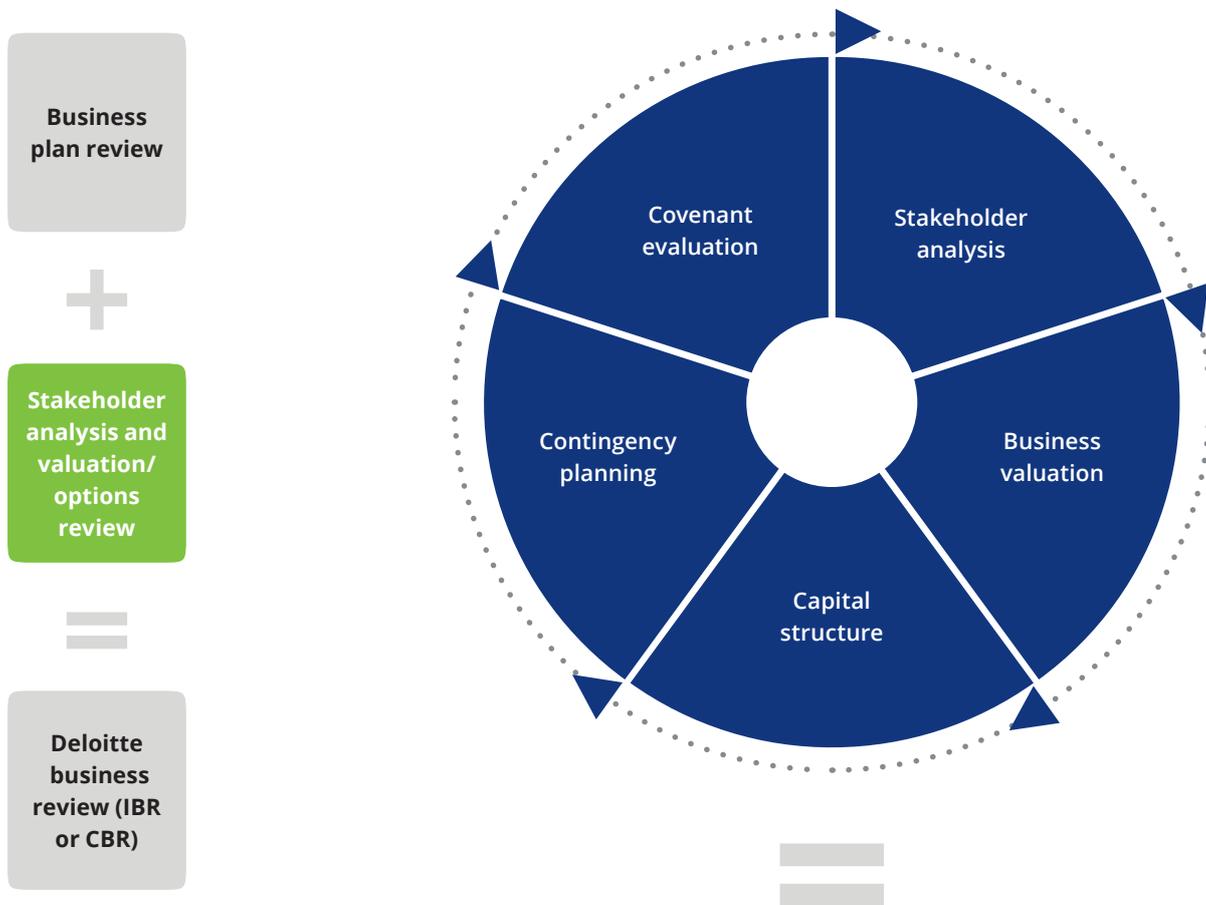
Mitigates the risk that stakeholders will end up back at the table and increases the prospect of a robust restructuring and successful exit.



**IBR is much more than just an analysis of management's numbers**

# Phase II

## Stakeholder analysis, valuation and options review



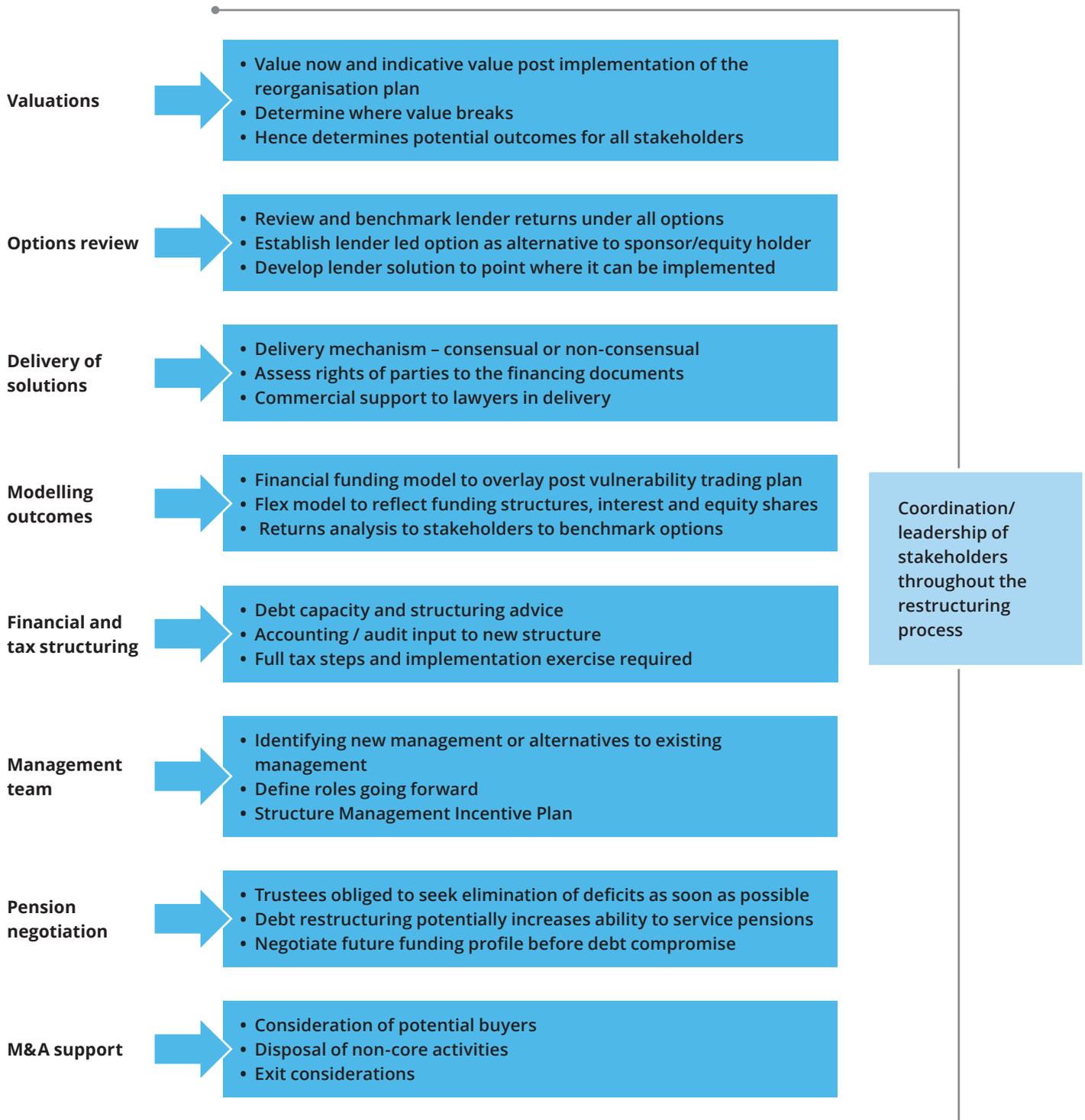
- Benefits:**
- Determine potential outcomes for stakeholders
  - Contingency planning to protect downside
  - Recommendations on the optimal course of action for our clients
  - Financial, tax and operational structuring advice
  - A “road-map” to deliver preferred solution

An effective IBR will identify the key issues for stakeholders and evaluate the full range of options, providing a reliable basis for our conclusions and advice to creditors

# Creditor advisory

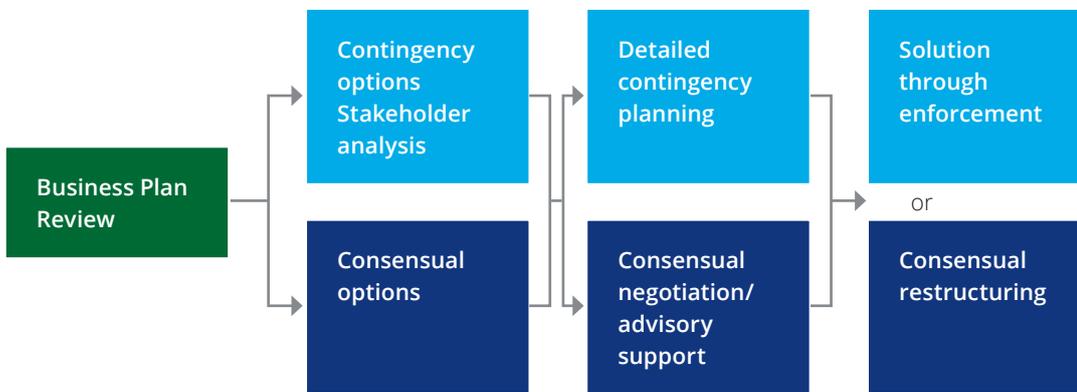
## Key workstreams

Leveraging off our strategic, commercial and financial review, bringing together a wide range of other skills to deliver robust restructuring advice.



# Contingency planning is often critical

Contingency planning may be required either as a discrete exercise, or as part of a wider IBR solution, providing financial stakeholders with an understanding of options and thus respective negotiating positions and leverage.



Functional/sector specialists, operational and commercial due diligence, tax, valuations, etc. →

- Benchmark for robust restructuring advice
- Evaluation of Stakeholder options including:
  - “Fall back” contingency options; and
  - Alternative consensual solutions
- Detailed “Plan B” analysis;
- In depth negotiation of consensual terms;
- Stakeholder and/or Project Management.
- Enforcement could be holdco/ opco prepack
- Complex/ contentious insolvency
- Consensual could be through shareholder enforcement



For further information contact:

**Matthew Xuereb**

Financial Advisory Leader  
mxuereb@deloitte.com.mt  
+356 2343 2000

www.deloitte.com/mt  
info@deloitte.com.mt  
+356 2343 2000



The Deloitte Malta firm consists of (i) Deloitte, a civil partnership regulated in terms of the laws of Malta, constituted between limited liability companies, operating at Deloitte Place, Triq L-Intornjatur, Central Business District, CBD 3050 Malta and (ii) the affiliated operating entities: Deloitte Advisory and Technology Limited (C23487), Deloitte Audit Limited (C51312), Deloitte Corporate Services Limited (C103276) and Deloitte Tax Services Limited (C51320), all limited liability companies registered in Malta with registered offices at Deloitte Place, Triq L-Intornjatur, Central Business District, CBD 3050 Malta. Deloitte Corporate Services Limited is authorised to act as a Company Service Provider by the Malta Financial Services Authority. Deloitte Audit Limited is authorised to provide audit services in Malta in terms of the Accountancy Profession Act. The Deloitte Malta firm is an affiliate of Deloitte Central Mediterranean S.r.l., a company limited by guarantee registered in Italy with registered number 09599600963 and its registered office at Via Tortona no. 25, 20144, Milan, Italy. For further details, please visit [www.deloitte.com/mt/about](http://www.deloitte.com/mt/about).

Deloitte Central Mediterranean S.r.l. is the affiliate for the territories of Italy, Greece and Malta of Deloitte NSE LLP, a UK limited liability partnership and member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL, Deloitte NSE LLP and Deloitte Central Mediterranean S.r.l. do not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.

Deloitte provides industry leading audit and assurance, tax and related services, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our people deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society, and a sustainable world. Building on its 175 plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's more than 415,000 people worldwide make an impact that matters at [www.deloitte.com](http://www.deloitte.com)

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms or their related entities (collectively, the "Deloitte organisation") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties, or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees, or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.