Deloitte.

Deloitte Restructuring Survey 2024

Early identification of distress: a case for administration

April 2024

MAKING AN IMPACT THAT MATTERS since 1845

Foreword

We are delighted to publish our *Deloitte Restructuring Survey 2024*. This year, our survey expanded to four African countries: South Africa, Kenya, Nigeria, and Ghana – the last of which made its *Restructuring Survey* debut. Thanks to an exceptional response rate across these regions, with 213 responses marking a 42% increase from 2023, we produced a dedicated report for each jurisdiction. This report focuses on the Nigerian restructuring market, where we achieved a response rate of 32 in 2024. Our heartfelt thanks go to all participants who contributed their valuable time to our survey.

The year since our last survey has seen the government taking action that is painful in the short term but creates the conditions for long-term growth. Most notable of these was the floating of the naira and the announcement of the petrol subsidy removal. Our survey respondents appear to endorse these structural reforms, with only 31% registering pessimism about economic growth, compared to 81% in 2023. There is realism amongst this optimism, however. When asked how long they expected economic recovery to take in Nigeria, the majority said it would take over three years.

Survey respondents expect restructuring activity to take an informal route, with administration continuing to take a back seat. Operational restructuring and management-led informal restructuring were the processes identified to take centre stage during 2024. However, one of the main hurdles to achieving success in an informal process continues to be the late identification of distress. The C-Suite typically turns to internal teams to respond to early warning signs, and it is only when late-stage distress signals materialise that engagement with external stakeholders ratchets up.

So if directors of companies are unlikely to put their hand up and flag distress before it's too late, despite their fiduciary duty, where does the responsibility to do so lie?

The answer, we believe, is lenders.

Against the backdrop of unprecedented short-term macroeconomic challenges, the risk of loans becoming non-performing has ticked up. Lenders who do not diligently monitor their portfolios and proactively intervene before warning indicators flash red will face the unenviable choice of extending distressed financing to ailing clients or drawing a line in the sand and crystallising losses.

For lenders who wish to prevent this 'between a rock and a hard place' scenario, the time to act is now. Introducing discussion covenants that trigger sooner than traditional 'hard' covenants is one method of identifying distress earlier. Lenders can also more regularly monitor information undertakings and take tougher action when borrowers do not provide these. Finally, using AI and data analytics tools to monitor transactional banking data for signs of distress can be a powerful early warning system.

If distress is identified early, our survey respondents indicate that outcomes would greatly improve under administration. Our respondents believe that creditor recoveries in administration can be further improved by increasing awareness of the tool. It is incumbent on us all as restructuring and insolvency professionals to fly the flag of administration and provide boards, the C-Suite, and non-restructuring lenders with education on how it works and why it is a legitimate rescue tool. Only then will we see successful rescue cases under administration, to the benefit of lenders, borrowers, and the Nigerian economy as a whole.

We wish to extend a massive thank you to our incredible team in Nigeria and across Africa. A significant number of hours were invested to conduct the survey and to produce this report, all during an exceptionally busy period. Without the team's drive and dedication, this survey would not be possible.

Survey highlights

42% increase in overall response rate

3 top changes respondents want to see a new unified Insolvency Act, regulation to encourage earlier identification of distress, and an emphasis on rescue rather than recovery

60% of the C-Suite use internal teams to deliver operational restructurings

Awareness of administration as a rescue tool was one of the biggest reasons we have seen few administrations in the market

Jo Mitchell-Marais
Africa Turnaround & Restructuring leader

Akinola Akinboboye
West Africa Turnaround & Restructuring leader

Nigeria’s economy: growing pains

Nigeria's economy: growing pains

Last year's survey was concluded immediately before Nigerians went to the polls and President Bola Tinubu assumed power. The new government took office amidst inflationary pressures and high public debt in May 2023, but quickly moved to deregulate petrol prices and float the currency.

While these structural reforms are necessary and arguably long overdue, the timing of the policies and limited mitigation of their effects have resulted in a challenging domestic demand contraction, and increase in civil unrest. This has weighed heavily on industrial outputs, disrupted supply chains and hindered retail operations, thereby putting additional pressure on household spending. These effects are reflected in the top sectors respondents believe will be at risk in 2024, which include consumer products, manufacturing, and automotive (see Figure 1).

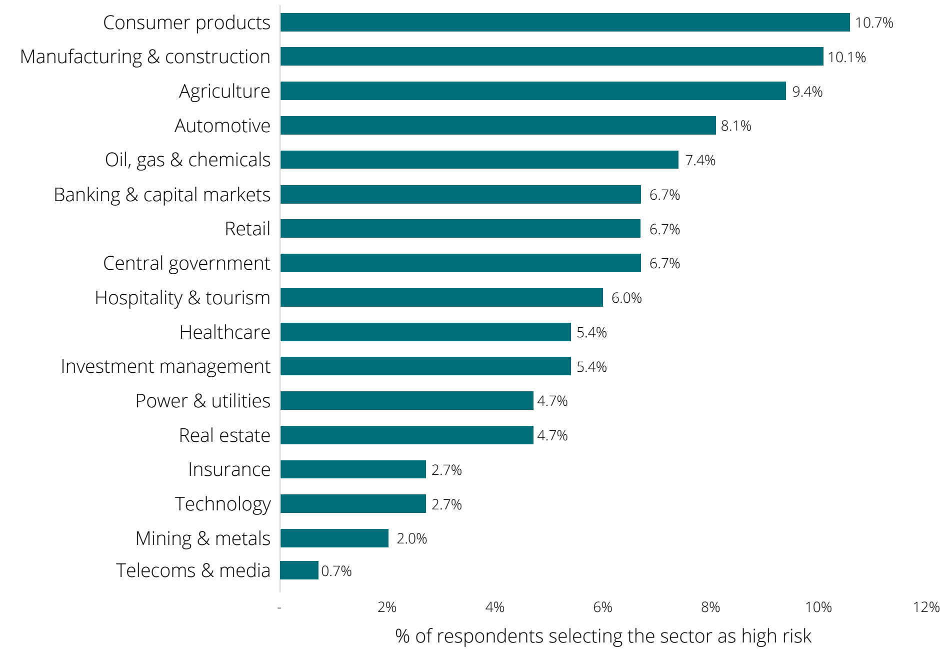
There are three key trends we expect to loom large in 2024:

1. Floating naira

The floating of the naira as well as the government's decision to unify the official and parallel rates has resulted in short-term currency crises, with the naira reaching an all-time low of NGN1 663 and NGN1 915 against the U.S dollar on both the official and parallel foreign exchange markets in February 2024 (see Figure 2). In February 2024, the Central Bank of Nigeria (CBN) also raised the monetary policy rate by 400bps to 22.75% and further raised it by 200bps to 24.75% in March 2024 to address rising inflation and stabilise the naira, adding to the short-term woes of consumers.

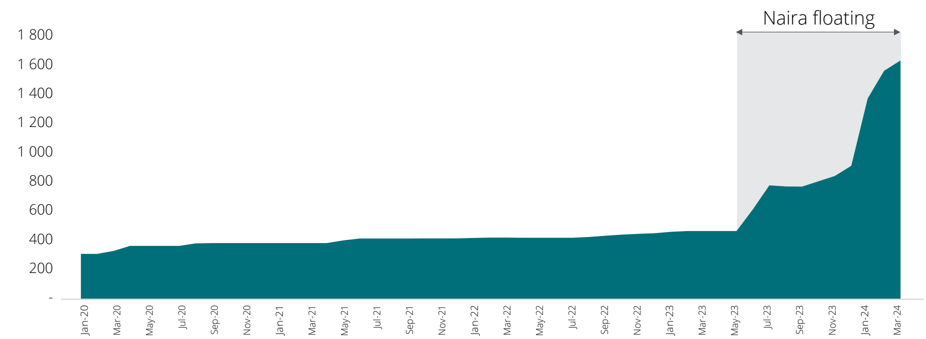
> "I'm optimistic because of the new refineries. We hear Dangote will be selling its products in Naira. That will reduce the pressure on the dollar."
>
> **– Insolvency practitioner**

Figure 1:
Sectors Nigerian respondents believe will be at risk in 2024



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, all stakeholders

Figure 2:
USD / NGN rate



Source: Economist Intelligence Unit, Central Bank of Nigeria

2. Fuel subsidy discontinued

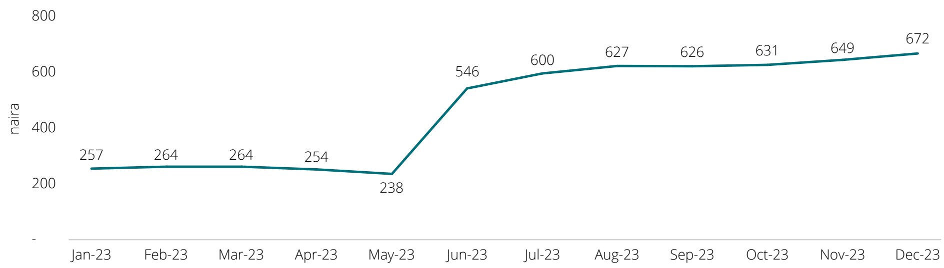
Prior to the swearing-in of the new government, Nigeria's debt-to-revenue ratio was 97% and the subsidisation of citizens' fuel was no longer affordable. The 2023 Budget made no provisions for fuel subsidy payments. Hence, the President, in a bid to redirect the money previously used for subsidies back into the economy, announced the removal of subsidy rights from the podium of his inauguration in May 2023. The short-term consequence was that the average petrol prices more than doubled from NGN238 to NGN546 at fuel stations immediately after the inauguration (see Figure 3).

3. Spiralling inflation

Inflation in Nigeria in 2023 was significantly higher than analysts' expectations (see Figure 4). According to the Nigerian Bureau of Statistics, the inflation rate of 29% in January 2023 was hinged on growing food prices and transportation costs. The rise in food prices, driven by heavy reliance on importation and increased local production costs, has weakened the naira, and resulted in cost-push inflation. A reduction in inflation will be heavily dependent on the performance of the agricultural sector as food accounts for about half of all consumer spending in Nigeria.

Figure 3:

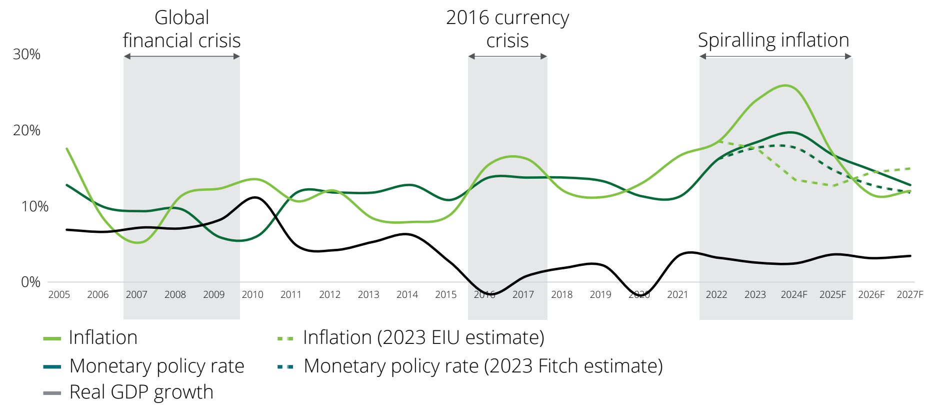
Average petrol price



Source: Statista

Figure 4:

Nigerian macreconomic indicators



Source: Economist Intelligence Unit, Fitch

An era of renewed hope

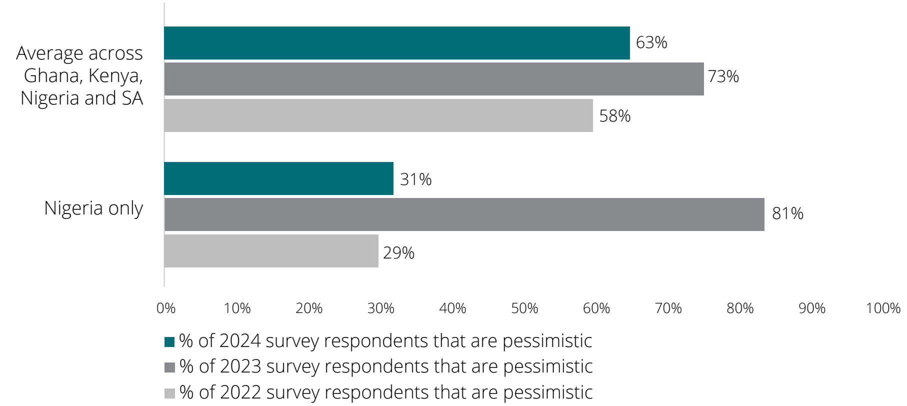
Despite the short-term pain, survey respondents registered a surprising degree of optimism. As shown in Figure 5, only 31% are pessimistic about growth prospects in Nigeria in 2024, significantly down from 81% in 2024. This reflects the fact that Nigerians view the current situation as "growing pains" required to move forward as the government makes strides in the development of the oil and gas sector. This is the sector that is responsible for approximately 90% of the country's exports and 50% of government revenue.

Dangote refinery, the largest single-train refinery in the world, with a 650,000-barrel daily processing capacity, commenced operations this year. This development could reduce Nigeria's reliance on the importation of refined petroleum products, increase export potential, and yield more substantial foreign exchange savings (see Figure 6).

The transparency brought about by the Nigeria Petroleum Industry Act, 2021 is set to increase investor's confidence in the sector as the long-term benefits ramp up within the oil and gas industry. This expected boost in reserves would enhance the country's capacity to manage exchange rate fluctuations, act as a cushion against external shocks, and instil confidence in the stability of the naira.

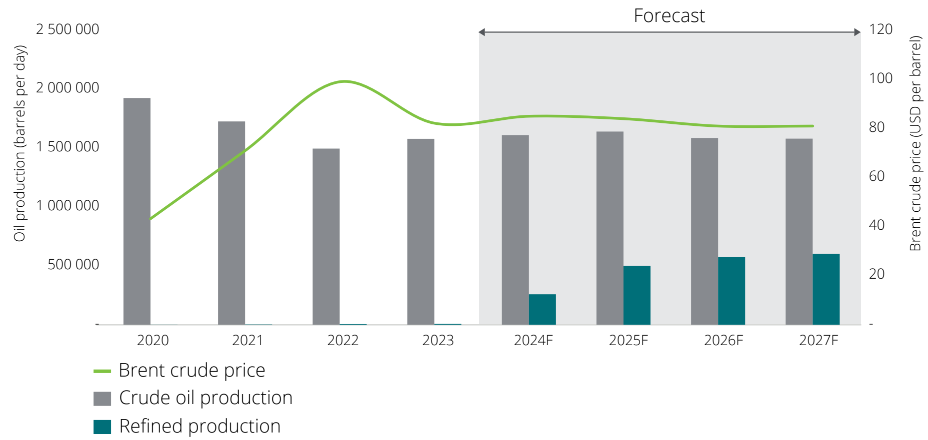
These positive steps will take time, however, which survey respondents acknowledge. On average, as shown in Figure 7, they believe it will take three years or more for the Nigerian economy to bounce back.

Figure 5:
Survey respondents that are pessimistic about growth prospects in their region in 2024



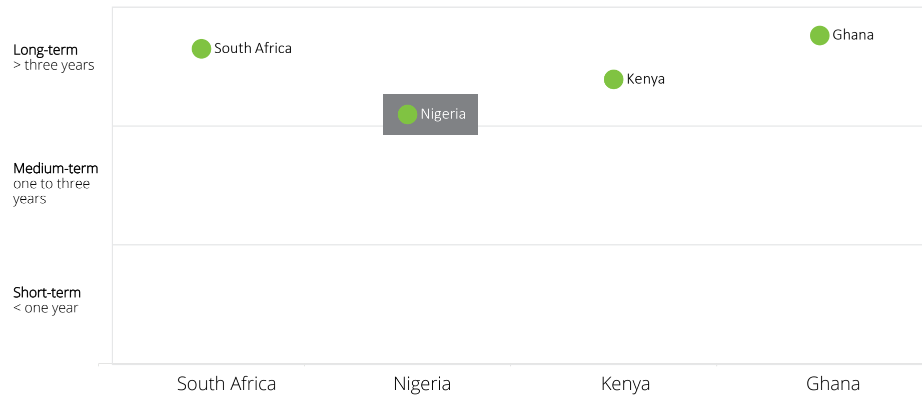
Source: Source: Deloitte Restructuring Survey 2022, 2023 and 2024 results | Respondents: All regions and stakeholders

Figure 6:
Nigerian oil dynamics

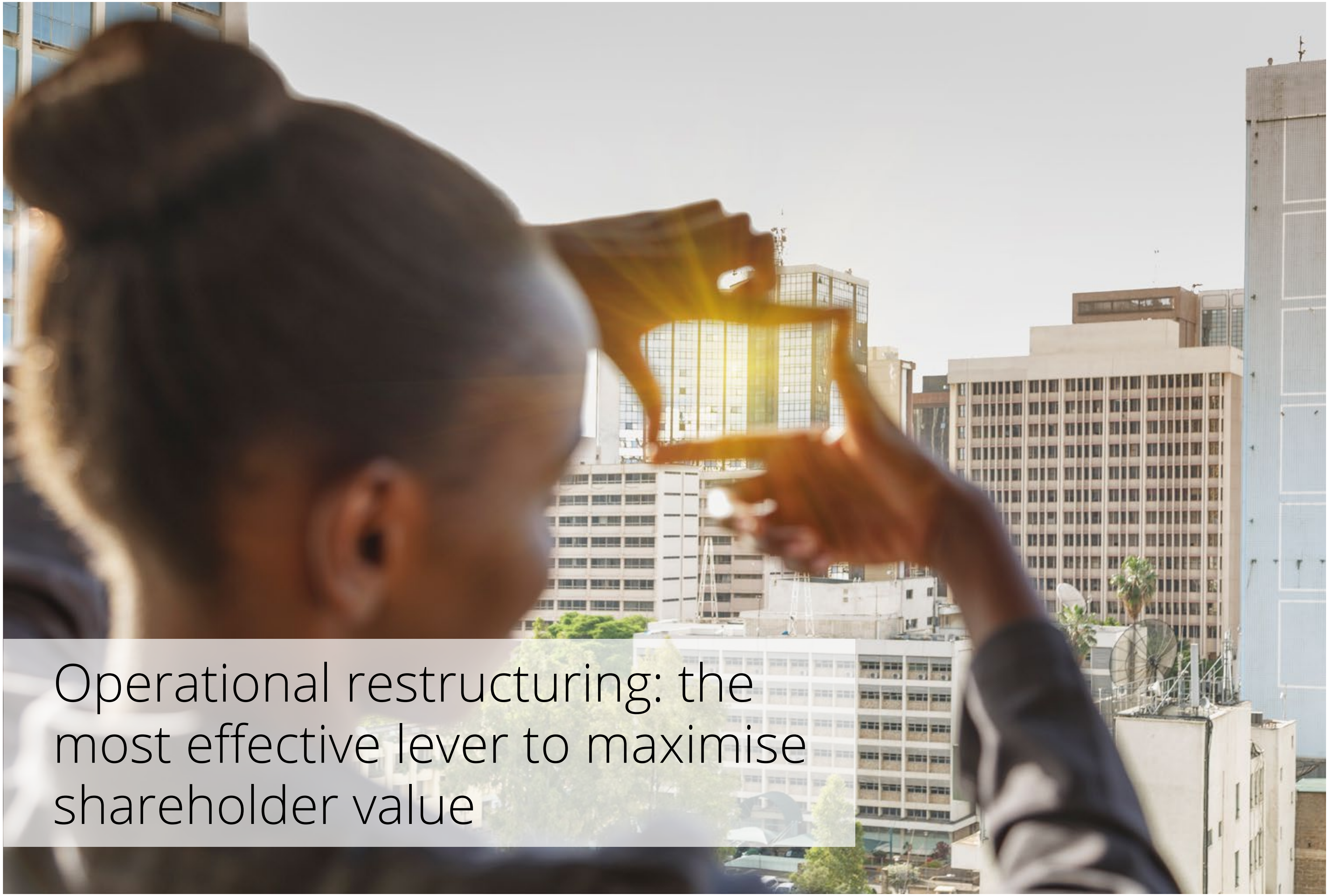


Source: Fitch

Figure 7:
When do you expect your country's economy to recover?



Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions and stakeholders



Operational restructuring: the most effective lever to maximise shareholder value

Operational restructuring: the most effective lever to maximise shareholder value

Against the backdrop of the short-term pain being felt in the Nigerian economy, cash preservation is front-of-mind for both lenders and the C-Suite (see Figure 8).

This is not simply a defensive play. The Covid-19 pandemic and the treadmill of global supply shocks that followed (e.g. geopolitical tension in the Red Sea and the Israel-Gaza conflict) have taught effective business leaders much. Cash / cost management activity such as targeted cost reduction and initiatives to unlock cash trapped in the working capital cycle (which, for this report, we will refer to as 'operational restructuring') is, according to C-Suite respondents, the most effective route to maximising shareholder value today (see Figure 9).

In other words, we are in a world where 'cash is king'.

Data from our latest Deloitte Stability Index[1], a model that tracks the level of financial distress for listed companies in ten jurisdictions across Africa including Nigeria, shows that the average profitability gap between the strongest and weakest companies has widened since 2013 (see Figure 10). This demonstrates how challenging it can be to implement an operational restructuring successfully.

Figure 8:
Short-term priorities for companies (next 12 months):

Lender views on areas that should be prioritised:

1	Cash preservation for the business
2	Protect market share
3	Repay debt
4	Protect jobs
5	Grow market share
6	Pursue acquisitions
7	Return cash to shareholders

C-Suite views on areas that will be prioritised:

1	Cash preservation for the business
2	Protect market share
3	Grow market share
4	Protect jobs
5	Repay debt
6	Pursue acquisitions
7	Return cash to shareholders

Key: ■ = priorities in same order ■ = difference in priorities

Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions, C-Suite and lenders only

Figure 9:
The most effective levers to maximise shareholder value:

Lender ranking from most to least effective:

1	Cost reduction
2	Working capital optimisation
3	Investment in technology
4	Geographic expansion
5	Pursue strategic acquisitions
6	Sell non-core assets
7	Sustainability and ESG

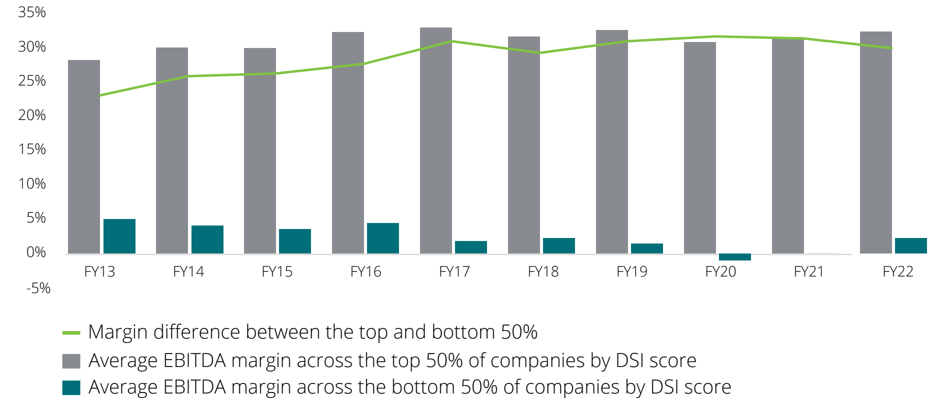
C-Suite ranking from most to least effective:

1	Working capital optimisation
2	Cost reduction
3	Investment in technology
4	Sell non-core assets
5	Geographic expansion
6	Pursue strategic acquisitions
7	Sustainability and ESG

Key: ■ = defensive levers ■ = expansionary levers

Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions, C-Suite and lenders only

Figure 10:
Average EBITDA margin for the top and bottom 50% of companies in the Deloitte Stability Index



Source: Deloitte Stability Index (DSI)

1 For more information on the Deloitte Stability Index, please visit https://www.deloitte.com/za/en/services/financial-advisory/perspectives/deloitte-stability-index-2023.html

What are some of the hurdles to creating a leaner, more competitive organisation?

The survey identifies three primary obstacles to achieving a leaner, more competitive organisation through an operational restructuring:

1. Divergent C-Suite and board agendas

As previously noted, executives who responded to our survey ranked operational restructuring initiatives as the most effective levers to maximising shareholder value. This aligns with lender views, but not necessarily with board agendas.

When asked what is most important to their boards, C-Suite respondents were quick to highlight strategy, while cash / cost management ranked second-to-last (see Figure 11). A board that is less focused on operational restructuring makes motivating for funding and resources to drive these efforts more difficult, which directly leads to the next hurdle.

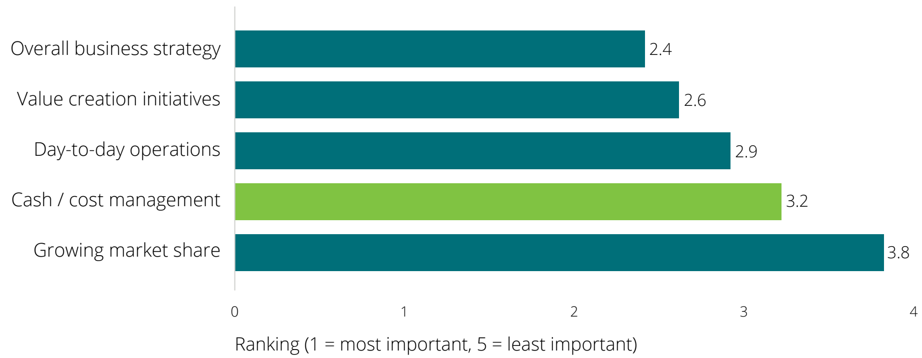
2. Low priority

C-Suite respondents ranked day-to-day operations first when asked what they consider the main impediments to a successful value creation strategy (Figure 12). This is expected but may reveal the need to draw on additional resources while operational restructuring initiatives are being implemented.

However, the second biggest hurdle – lack of funding – makes finding these additional resources challenging and goes a long way to explaining why executives lean on their employees to deliver value creation initiatives such as operational restructuring (see Figure 13).

Figure 11:

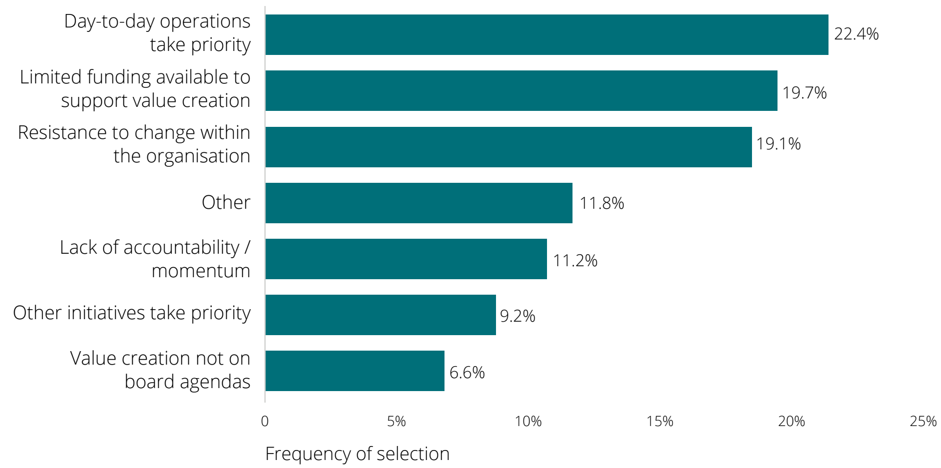
What is the relative importance of the following areas on your board's agenda?



Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions, C-Suite only

Figure 12:

What do you consider to be the main impediments to the successful implementation of value creation levers in the current economic environment?

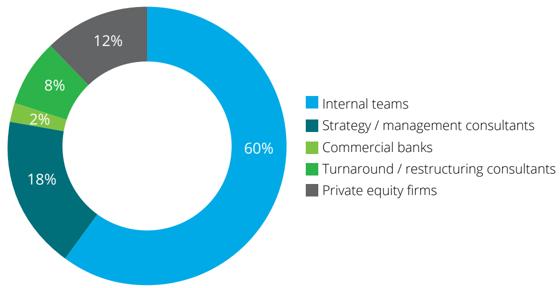


Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions C-Suite only

Figure 13:

Who do you partner with to identify and deliver value creation opportunities?

Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions, C-Suite only



"Poor governance and inexperienced management are the biggest contributors to distress."

– Restructuring banker

3. Internal resistance

A successful operational restructuring requires organisational culture change and the implementation of difficult decisions. These initiatives can be a bitter pill to swallow in the short-term but yield long-lasting benefits as the company becomes leaner, more agile, and better able to compete in increasingly challenging markets. If executives mainly use existing employees to deliver this change, to what extent will these individuals who see the short-term pain first-hand be motivated to drive implementation, particularly if these projects are in addition to their existing workload?

Considering the C-Suite ranked 'resistance to change' as the third biggest impediment to successful implementation, they may have seen this conflict of interest first-hand.

Conclusion

In our experience, a successful operational restructuring programme is most likely to be achieved when:

i. the board buys in to the process and, ideally, a subcommittee of the board has oversight over the project;

ii. at least one executive sponsor, who reports directly to the CEO and the board subcommittee, is responsible for the project;

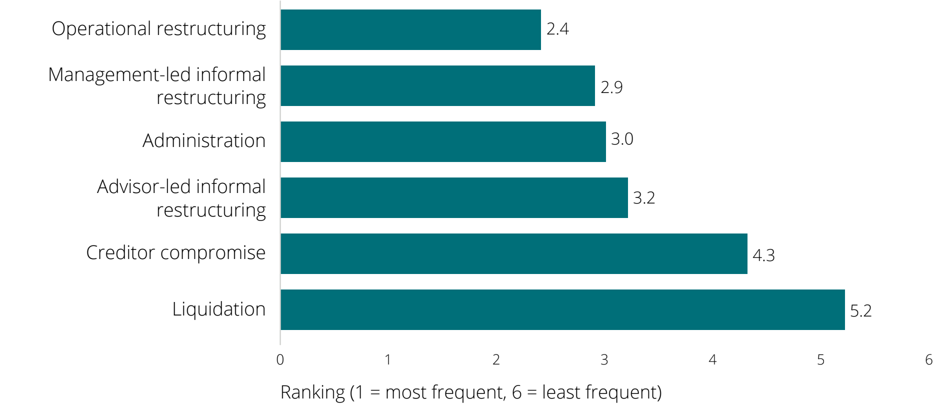
iii. certain experienced employees are temporarily reassigned to focus on the delivery of the project under the executive sponsor's direction; and

iv. if capacity and / or experience are a challenge, temporary professional help is sought from operational restructuring experts.

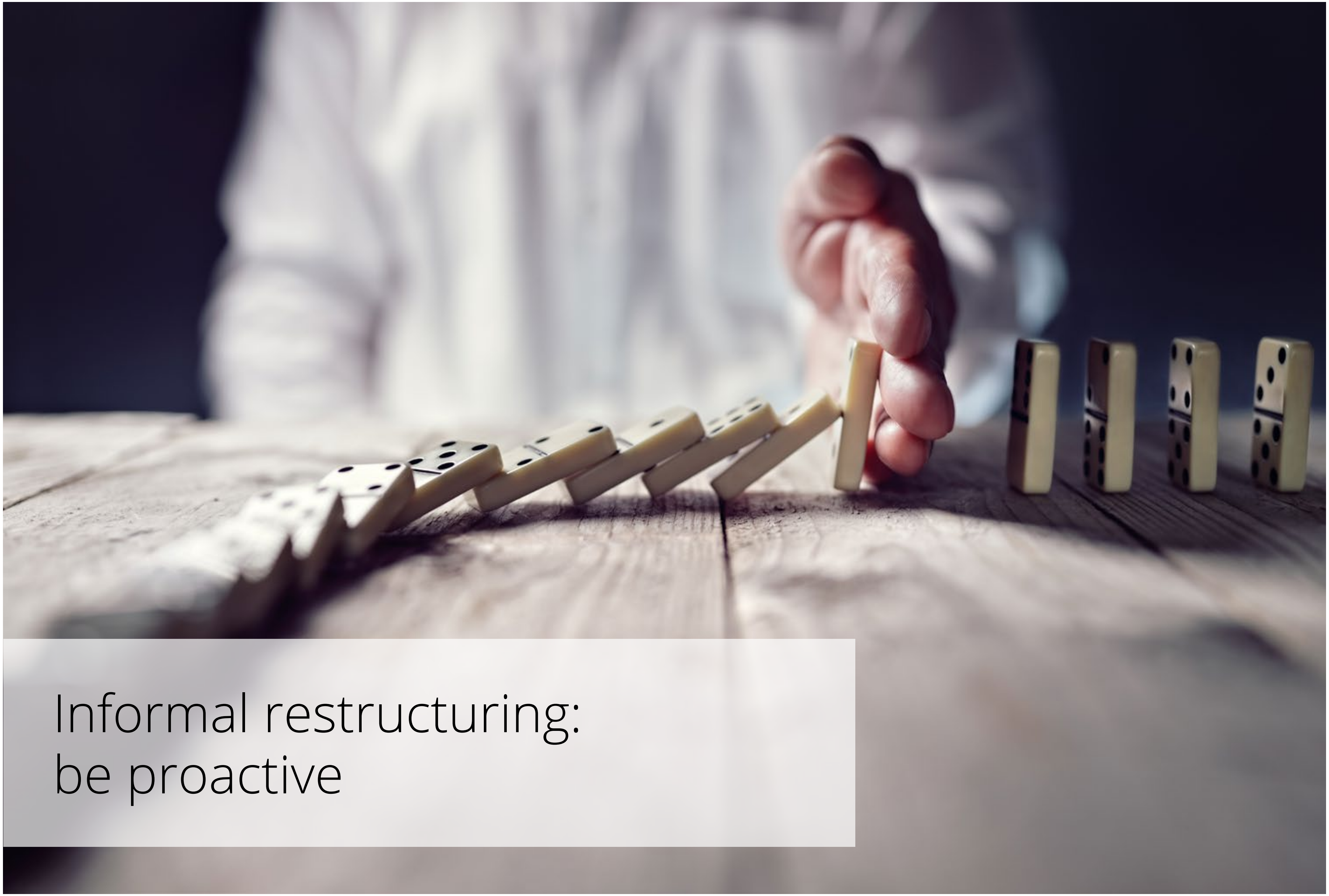
Respondents to our survey rank operational restructuring as the most likely form of restructuring and insolvency activity in Nigeria in 2024 (see Figure 14). There has, therefore, never been a more apt time to get operational restructurings right.

Figure 14:

What form do you expect restructuring and insolvency activity to take over the next 12 months?



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only



Informal restructuring: be proactive

Informal restructuring: be proactive

Out-of-court (or 'informal') forms of turnaround and restructuring – whether operational or management-led – are anticipated by respondents to be the most common in 2024 (see Figure 14). This may partly reflect frustrations creditors have with court-driven processes (more on this in the next section) and partly the perceived cost of an advisor-led restructuring.

Interestingly, and contrary to the findings in Kenya and South Africa, Nigerian survey respondents believe that these informal mechanisms deliver lower unsecured creditor returns than formal ones such as liquidation and administration (see Figure 15). The respondents we interviewed highlighted that this was due to the prominence of liquidations in Nigeria, the general lack of awareness of other forms of restructuring as a rescue tool, and the lack of a rescue culture in the market currently.

The onus is on lenders to identify distress early

In our experience from other jurisdictions, the rescue culture needed for informal restructurings starts with the early identification of distress. Survey respondents agree. They ranked distress being identified too late as one of the biggest hurdles to a successful informal restructuring, second only to a lack of liquidity (see Figure 16).

However, C-Suite attitudes to alerting creditors to distress have not changed. As Figure 17 shows, executives will only engage their lenders when late-stage indicators such as a covenant breach arise.

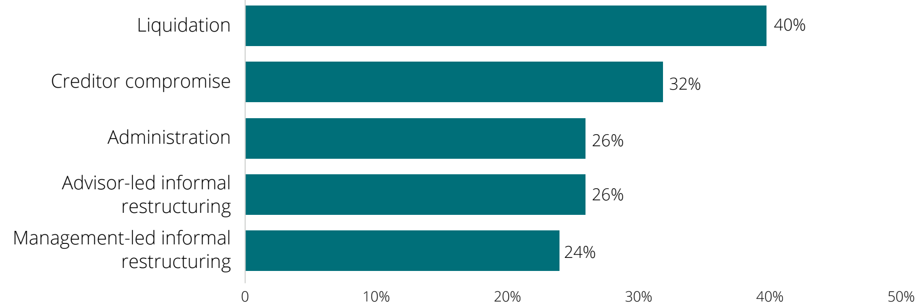
Putting ourselves in executives' shoes, this may not be unreasonable. We know from experience that, if not handled delicately, the perception of a restructuring by shareholders, suppliers, customers, and employees can create a self-fulfilling prophecy that drives deeper distress (see Figure 18). Executives may also, understandably, ask: 'If I run to my lenders and shareholders every time there is a bump in the road, am I really a leader?'

"I'm optimistic about the levels of administration. Once we get the buy-in of the banks who are mainly the sophisticated creditors, it gets to trickle down and the levels of administration activities can increase."

– Restructuring lawyer

Figure 15:

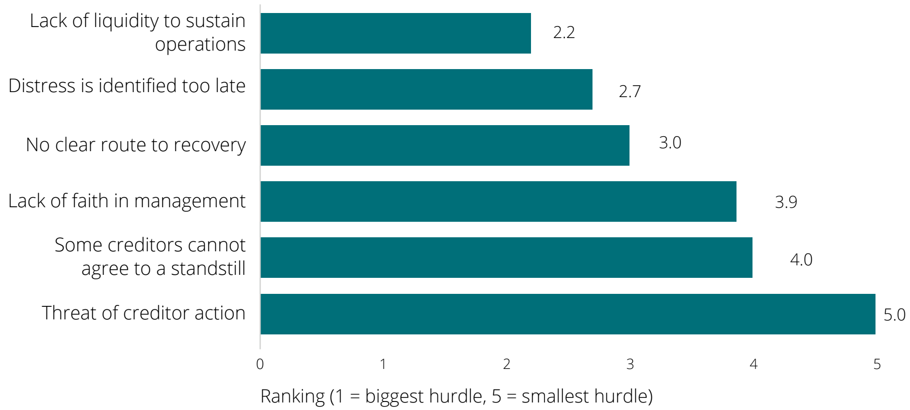
Nigerian respondents' estimate of the % recovery unsecured creditors could expect under the following restructuring mechanisms



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

Figure 16:

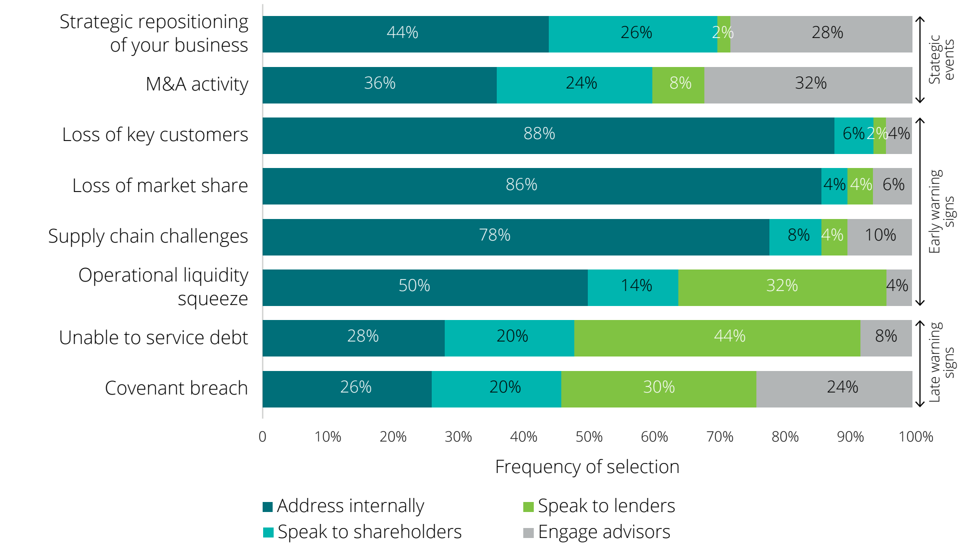
What have been the main hurdles to resolving distress via an informal restructuring process?



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

Figure 17:

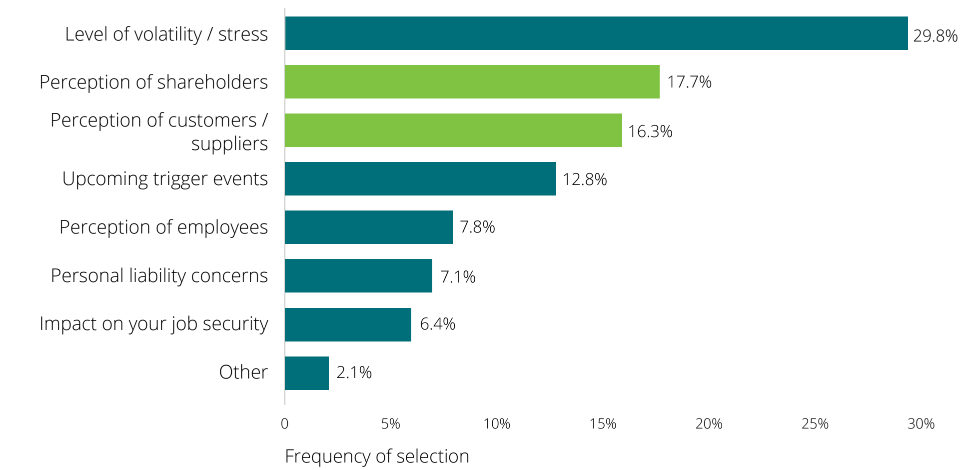
What would your first course of action be in response to the following events?



Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions, C-Suite only

Figure 18:

What factors influence whether you seek support from external parties (lenders, lawyers, advisors) in the face of volatility and stress in your business?



Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions, C-Suite only

Weak board governance facilitates distress

Let us take as read that the C-Suite is unlikely to flag distress to stakeholders. What, then, of those with a fiduciary duty to monitor signs of distress and subject to personal liability if found to be wrongfully trading, i.e. the directors of the business? Worryingly, our survey finds that the second most likely internal driver of distress over the next 12 months is expected to be weak board governance (see Figure 19).

In our experience, this is driven by the reaction (or lack thereof) of boards to the signs of distress. Boards typically lack the expertise to navigate choppy waters, with individuals often retreating to the safe harbour of their area of proficiency and failing to ask crucial questions of executives such as:

- What is our liquidity runway over the next 12-24 months?
- When is our lowest point of liquidity over this period, and what assumptions does this rely on?
- What is our Plan B if the stars do not align?
- Which of our stakeholders do we need to engage with if Plan B occurs?

Proactive monitoring and action is key

It is thus up to lenders to proactively identify the early signs of distress and take appropriate action.

Covenants are one form of monitoring, and we have seen this implemented effectively where two levels are set: (i) a traditional 'hard' covenant that, if not remedied, triggers an event of default, and (ii) a 'soft' discussion covenant that triggers a meeting between lenders and management.

Lenders also have other monitoring levers available. Closely examining information undertakings, for example, particularly those that are forward-looking and treating the partial or full breach of these clauses with the same seriousness as covenant breaches or missed payments. For lenders who are also transactional bankers, using data analytics to scan transactional data for warning signs can be powerful.

These types of proactive intervention can prevent the status quo where survey respondents highlight late-stage indicators such as actual missed debt service and covenant breaches as the factors they expect to trigger restructuring processes in 2024 (see Figure 19).

Figure 19:
Factors that will trigger distress / restructuring in Nigeria in 2024

Internal factors triggering distress:

1	High cost base
2	Weak board governance
3	Weak financial controls

Factors triggering a restructuring process:

1	Over-stretched trade creditors
2	Actual missed debt service
3	Actual covenant breaches

Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

The responsibility of advisors

As previously shown in Figures 14 and 15, restructuring advisors are not yet commonly hired in Nigeria, possibly due to perceived cost. Cost, however, is not only measured in naira, but relative to the value brought to a process.

We believe that restructuring advisors who have a deep knowledge and appreciation of the constraints lenders operate under are more likely to deliver value to both corporates and lenders.

This means acting as the bridge between companies and lenders by providing the lenders the information they need to make credit decisions least painfully for the company. Figure 20 shows that, in practice, lenders need the following at a minimum:

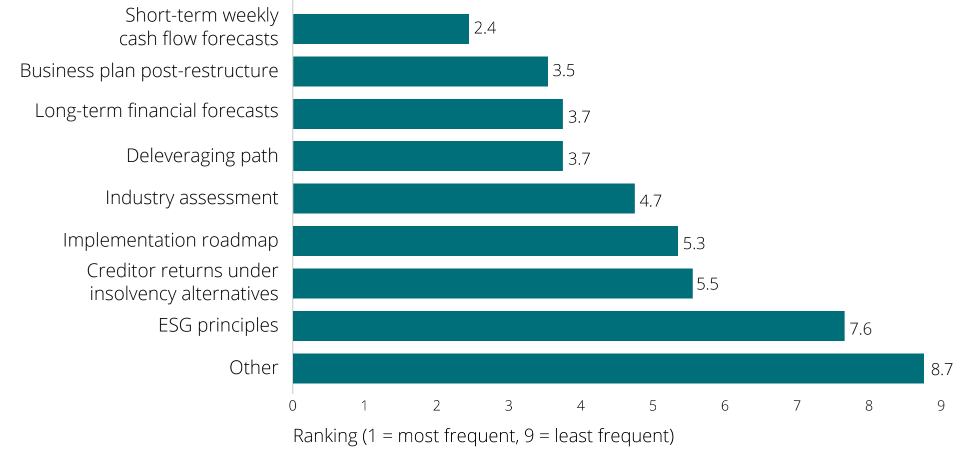
i. **Short-term cash flow forecasts:** lenders need to be made aware of any "showstopper" events that result in the company running out of liquidity while restructuring negotiations are being concluded, and the plan to manage the resulting cash shortfall.

ii. **Business plan:** lenders will place reliance on the business for a period, even in restructurings that contemplate one-off deleveraging events (e.g. asset sales) as the credit risk view will be "what happens if there is a delay?" A clearly articulated, bankable business plan is therefore always required.

iii. **Financial forecasts that delever the business:** most lenders will start from an exit mandate when distress is discovered and will need reliable financial forecasts that are integrated with the business plan to move from this position. In almost all cases, some form of deleveraging will need to be demonstrated.

Figure 20:

What elements in an informal restructuring plan do your credit committees require in order to make an informed decision?



Source: Deloitte Restructuring Survey 2024 results | Respondents: All regions, lenders only

"Unless there's a big paradigm shift in the thinking of banks, liquidation will remain top of mind over the next 12 months. This is because a lot of creditors appear not to be aware of the available rescue mechanisms."

– Insolvency practitioner

Advocating for administration

Advocating for administration

The challenging short-term economic environment outlined earlier in this report is reflected in insolvency activity expectations: 80% of respondents to our survey believe that the level of administration activity will increase in Nigeria in 2024 (see Figure 21).

Interestingly, however, in 2023, 100% of respondents believed that administrations would increase when anecdotal evidence from restructuring lenders and lawyers indicated that there are still very few administrations in the market – a trend we saw replicated in Ghana and Kenya.

To unpack the reasons for this, we asked respondents what they consider the biggest hurdles preventing administration from being used more frequently (see Figure 22).

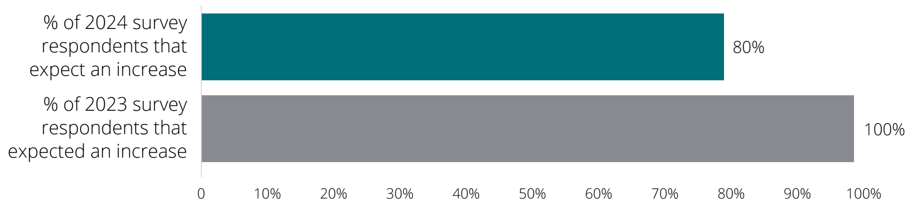
1. Length of time to recovery

As Figure 22 shows, the length of time to creditor recovery was one of the biggest hurdles to administration being used more frequently. On this point, practitioners were particularly vocal, with some citing examples of impatient creditors using the courts to put pressure on the administrator. Due to the long turnaround time of court processes (see below), this often has the unintended consequence of delivering the very outcome these creditors seek to avoid: prolonging the administration process.

Our survey results align with this view. As Figures 23 and 24 show, 50% of respondents believe it takes between three and twelve months to publish a plan, and 60% believe it takes a further six months to two years to implement it.

Figure 21:

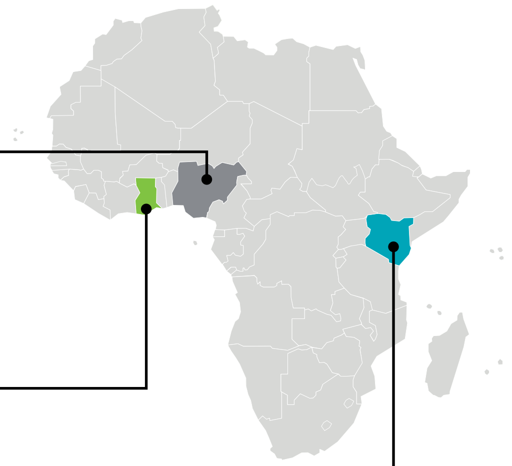
How do you expect the level of business rescue activity to change over the next 12 months?



Source: Deloitte Restructuring Survey 2024 & 2023 results | Respondents: Nigeria only, lenders and practitioners only

Figure 22:

Respondents top three hurdles preventing administration from being used more frequently



Nigeria

1	Challenges with the judiciary / courts
2	Awareness of administration as a tool
3	Length of time to recovery

Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

Ghana

1	Awareness of administration as a tool
2	Availability of funding during the process
3	Length of time to recovery

Source: Deloitte Restructuring Survey 2024 results | Respondents: Ghana only, lenders and practitioners only

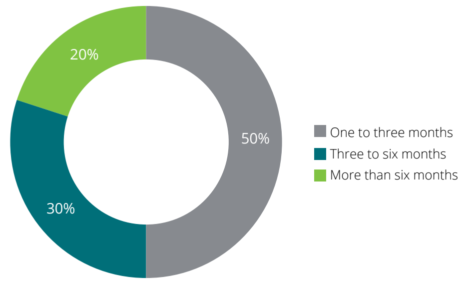
Kenya

1	Cost of the process
2	Availability of funding during the process
3	Challenges with the judiciary / courts

Source: Deloitte Restructuring Survey 2024 results | Respondents: Kenya only, lenders and practitioners only

Figure 23:

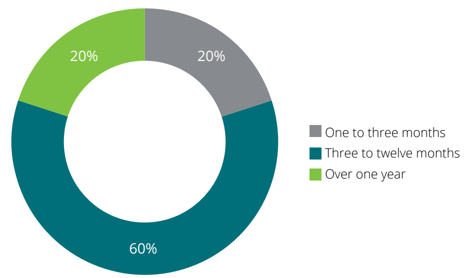
How long does it typically take for a plan to be published?



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

Figure 24:

How long does it typically take for a plan to be substantially implemented after being endorsed by creditors?



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

2. Challenges with the courts

Courts have become the major players in administrations in Nigeria, and respondents voiced their frustration in this regard, ranking challenges with the courts (i.e. delays) as the biggest hurdle preventing more administrations. Similarly, setting up specialised restructuring and insolvency courts – often considered the 'holy grail' for any insolvency regime – ranked as the second-best way of achieving a rescue in administration. As shown in Figure 25, an overwhelming majority of respondents consider a unified insolvency act backed by specialised courts to be the most important change needed to insolvency legislation in Nigeria.

3. Awareness of administration

We asked respondents what they consider the primary purpose of administration and, as Figure 26 shows, 75% believe it to be the company's rescue. When we then asked how rescue in administration could be achieved more frequently, the top answer by some distance was the earlier identification of distress (see Figure 27).

This aligns with the goal of legislation, which aims to differentiate administration from liquidations.

However, in practice, there are still limited examples of administrations. The Moorhouse Company case is the only successful administration known in the market at the time of writing. If boards and lenders have a limited awareness of administration, how can we expect this to be a successful rescue tool?

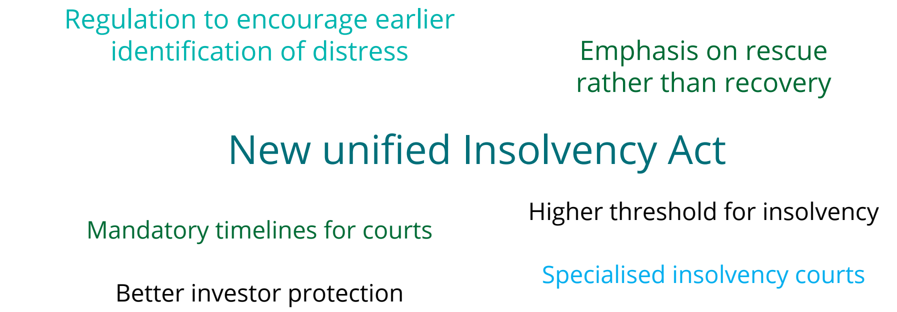
Conclusion

Addressing the challenges with the courts through a unified insolvency act and specialised restructuring and insolvency courts would significantly improve outcomes in administration in Nigeria. However, this is arguably outside of the immediate control of restructuring and insolvency professionals.

We therefore advocate for a renewed focus by restructuring lenders, lawyers, and insolvency practitioners on the 'low hanging fruit' of increasing the awareness of administration as a tool for rescue. This involves training and education for boards and lenders, shining a spotlight on successful cases and, most importantly, identifying distress early enough that administration processes are initiated before it is too late.

Figure 25:

What one change would you make to insolvency legislation in Nigeria?

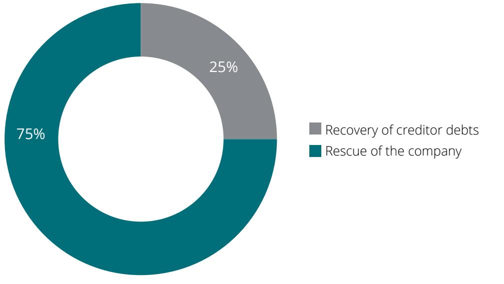


Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

Please note that this question required a 'free form' entry of respondents, which we have summarised and categorised for presentation purposes.

Figure 26:

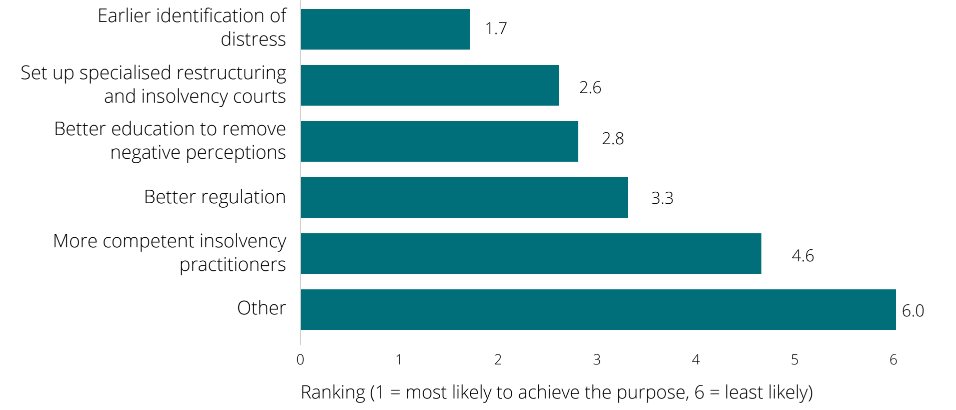
Nigerian respondents' view on the primary purpose of administration



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

Figure 27:

Nigerian respondents' view on how the primary purpose of administration can be achieved more frequently



Source: Deloitte Restructuring Survey 2024 results | Respondents: Nigeria only, lenders and practitioners only

Survey methodology

The *Deloitte Restructuring Survey* is an annual survey of restructuring professionals and C-Suite executives, which was conducted across South Africa, Ghana, Kenya, and Nigeria. Survey responses were collected between 11 January 2024 and 9 February 2024. We are delighted to report a 42% increase in the overall survey sample size to 213 (compared to 150 in 2023).

The survey questions were tailored to stakeholder groups and regions. For example, all respondents answered questions in relation to macroeconomic risks, while only the C-Suite were asked about how they maximise shareholder value. As a result, the sample size varies by question, but we ensured that the response rate per question was sufficient before including it in our analysis.

We are delighted to report a

42%

increase in the overall survey sample size

Our Africa Turnaround & Restructuring team

Jo Mitchell-Marais
Africa Leader
+27 (0) 71 677 4038
jmitchellmarais@deloitte.co.za

Gladys Makumi
East Africa Leader
+254 (0) 71 903 9331
gmakumi@deloitte.co.ke

Akinola Akinboboye
West Africa Leader
+234 (0) 815 839 2582
akakinboboye@deloitte.com.ng

Wessel de Jager
Senior Associate Director, SA
+27 (0) 83 384 9003
wedejager@deloitte.co.za

Ken Afrah
Associate Director, SA
+27 (0) 78 941 1692
kenafrah@deloitte.co.za

Gregor Böttcher
Associate Director, SA
+27 (0) 72 894 9535
gbottcher@deloitte.co.za

Inayet Kader
Senior Manager, SA
+27 (0) 79 883 8139
ikader@deloitte.co.za

Nandipha Madikizela
Senior Manager, SA
+27 (0) 84 993 1203
nmadikizela@deloitte.co.za

Dennis Brown
Senior Manager, Ghana
+233 (0) 24 320 5800
dennbrown@deloitte.com.gh

Robert Habwe
Manager, Kenya
+254 (0) 722 364 825
rhabwe@deloitte.co.ke

Oluwatosin Ilori
Manager, Nigeria
+234 (0) 816 5522 496
olilori@deloitte.com.ng

Roland Issari
Manager, SA
+27 (0) 71 896 9459
rissari@deloitte.co.za

Sinalo Mhlauli
Manager, SA
+27 (0) 67 351 4451
smhlauli@deloitte.co.za

Kulani Rivombo
Manager, SA
+27 (0) 78 700 8190
krivombo@deloitte.co.za

Tomiwa Ojo
Senior Associate, Nigeria
+234 (0) 816 734 0604 tomiojo@
deloitte.com.ng

Francis Asalu
Senior Associate, Ghana
+233 543 472 715
fasalu@deloitte.com.gh

Kow Bedu-Addo
Semi-Senior Associate, Ghana
+233 245 641 867
kbedu-addo@deloitte.com.gh

Didi Dada
Junior Consultant, SA
+27 (0) 64 905 9173
didada@deloitte.co.za

Jessica Du Toit
Junior Consultant, SA
+27 (0) 84 363 9992
jdutoit@deloitte.co.za

Olebogeng Mokgawa
Junior Consultant, SA
+27 (0) 78 353 6213
olmokgawa@deloitte.co.za