



Managing suppliers and preventing a supply chain disruption

Third party credit risk

The unprecedented rise of COVID-19 and subsequent government measures are triggering immediate pressure on businesses' supply chains across the world. This is caused by various factors:



Reduced demand

Increased unemployment and uncertainty leads to reduced disposable income



Workforce disruption

Closure of non-vital factories and limited office accessibility



Uncertainty

Depth, length and regional dispersion of economic fallout still unknown



Supply chain disruptions

Delays and shortages due to complex and international supply chains



Irregular profits and cash flows

Sporadic buying habits lead to irregular and unpredictable demand planning



Instability in the financial market

Fluctuating share and commodity prices

COVID-19 is placing stress on existing business models in the Middle East market



A downturn expected in the economy



Uncertainty as investors and consumers are unsure on impact and duration



Heavy impact on firms with complex supply chains (manufacturing, chemicals and luxury products)



Reduced foreign investment on luxury goods and leisure



Reduced consumption due to closures and travel bans

Flexibility and innovation will help businesses weather the storm



Adjust growth and sales forecast using **artificial intelligence**



Explore different revenue streams through business model **innovation and flexibility**



Illuminate end to end supply chains in order to gain visibility over critical corporate suppliers



Use technology to harness operational and public data to provide **risk intelligence**

Where a key supplier is at risk of failure ...



- Deploy turnaround expertise to deliver **rapid cash and EBITDA benefits** for the supplier to **stabilise the situation**
- Whether customers, suppliers or strategic partners, quickly assess financial viability issues, identify a preferred action plan and **support effective engagement with stakeholders to minimise disruption across your supply chain**
- Solutions may range from working capital expertise, to on-site restructuring support, to fast track M&A, to **secure continuity of supply**

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