



Independent business review

The Deloitte methodology

Deloitte Malta
Risk Advisory - Banking

Risk Advisory



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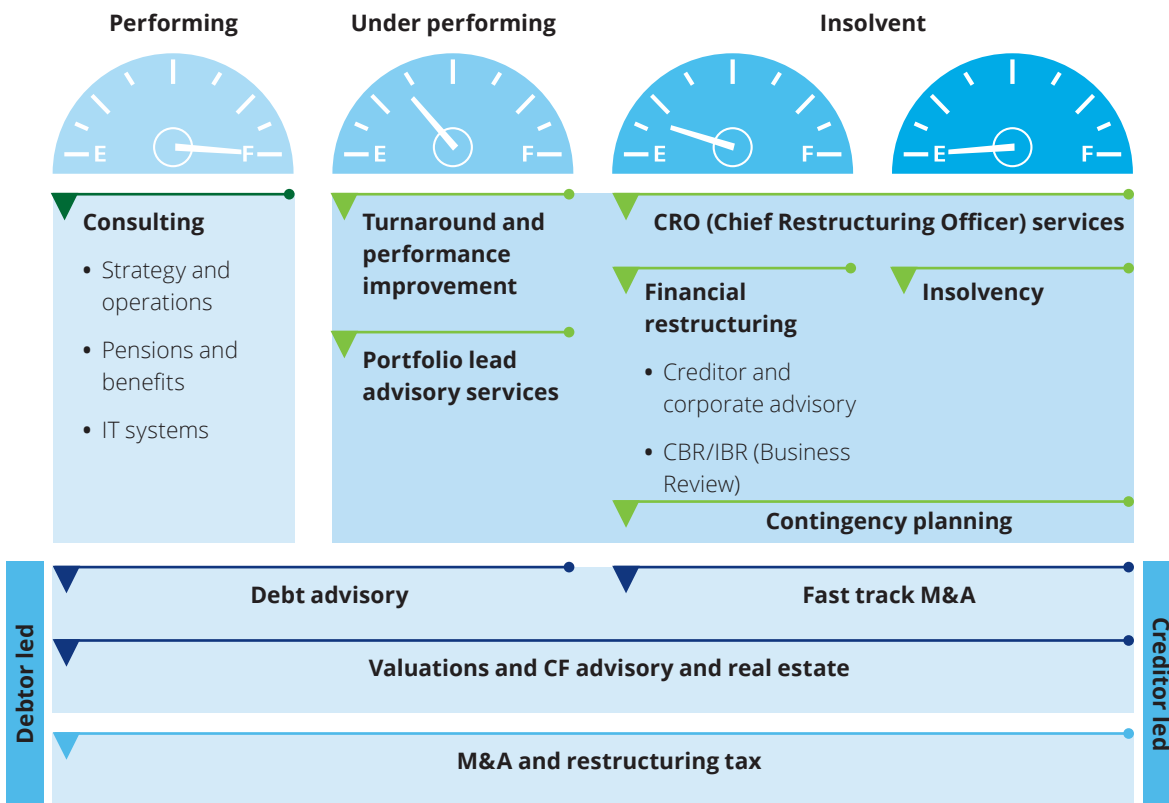
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The Deloitte restructuring approach

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.

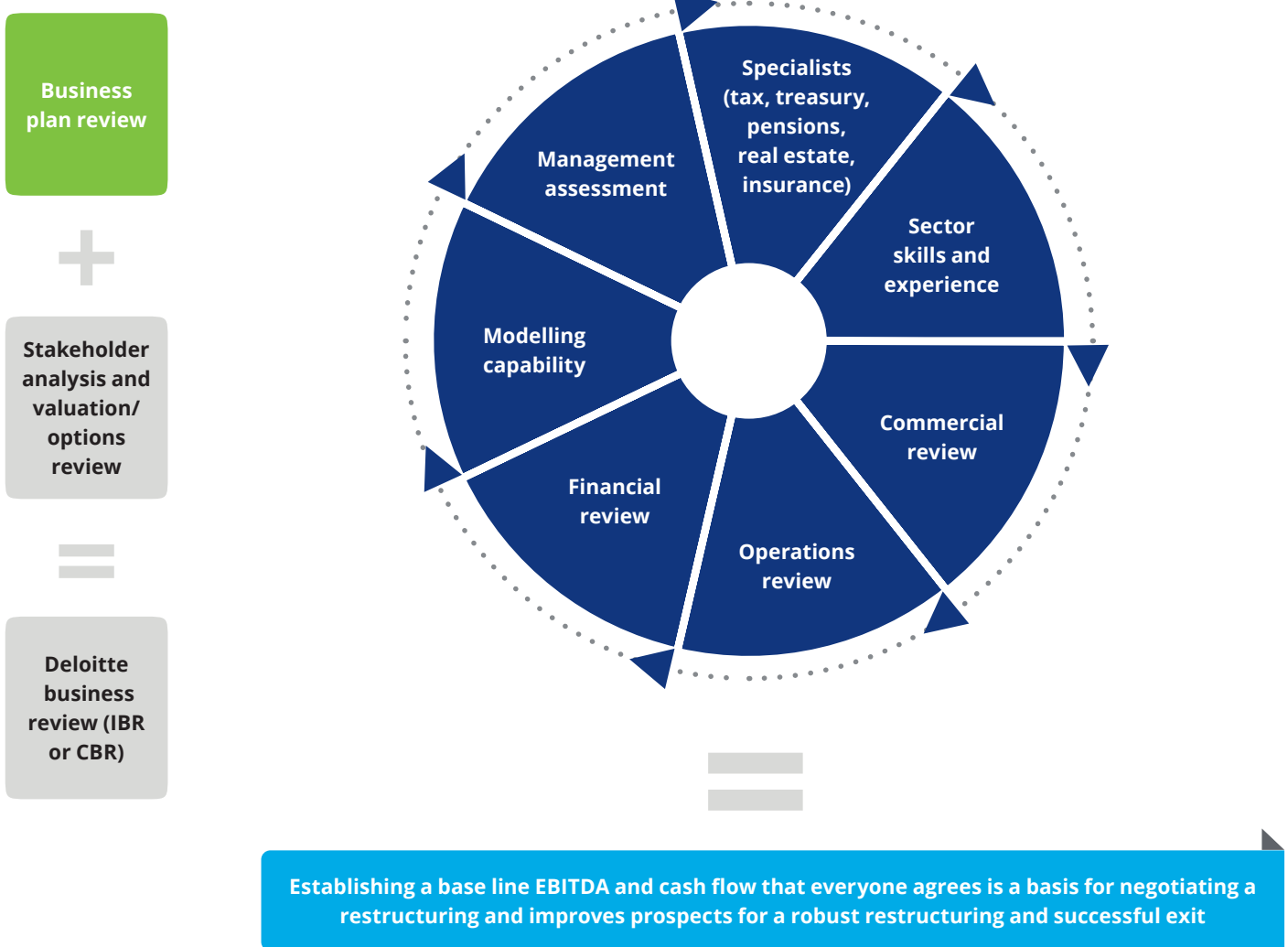
Extent of our scope may vary depending on who is the client and influence of banks



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

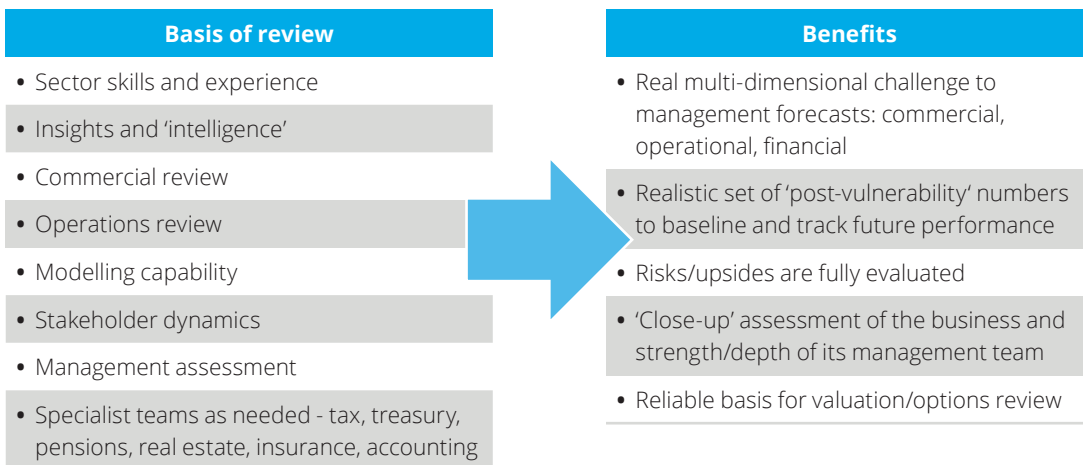
The business plan review



Phase I

Value of the business plan review process

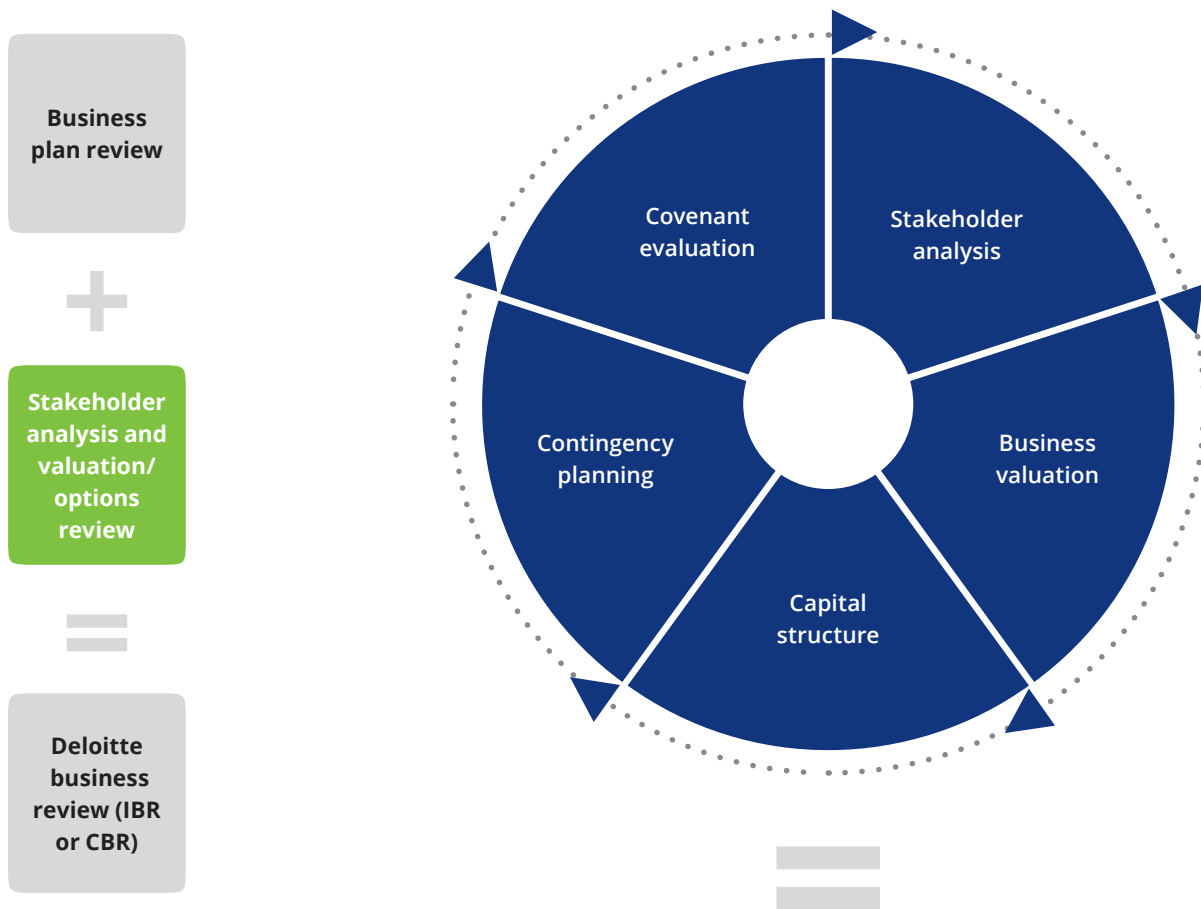
Mitigates the risk that stakeholders will end up back at the table and increases the prospect of a robust restructuring and successful exit.



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

Phase II

Stakeholder analysis, valuation and options review



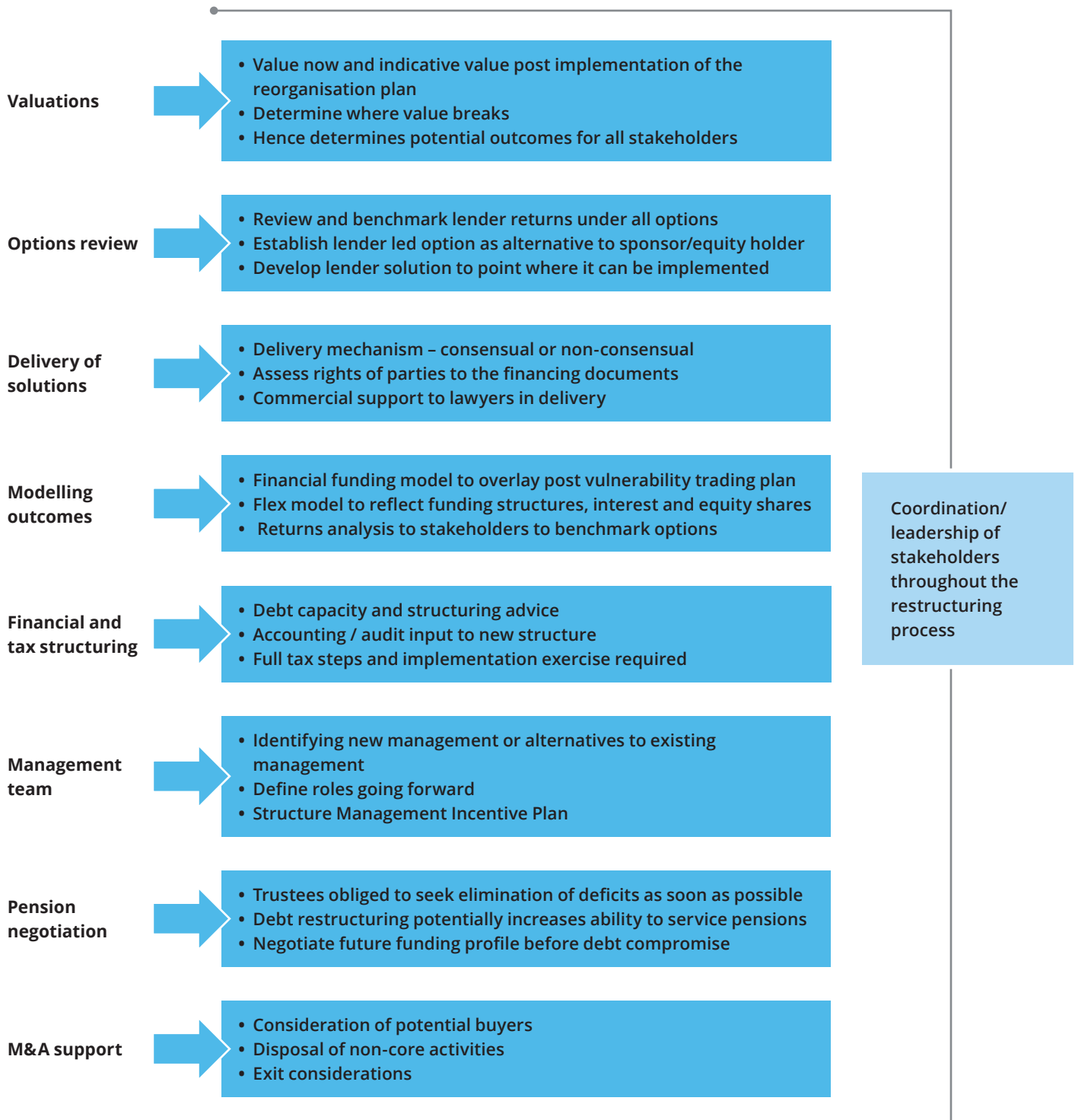
- Benefits:**
- Determine potential outcomes for stakeholders
 - Contingency planning to protect downside
 - Recommendations on the optimal course of action for our clients
 - Financial, tax and operational structuring advice
 - A “road-map” to deliver preferred solution

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

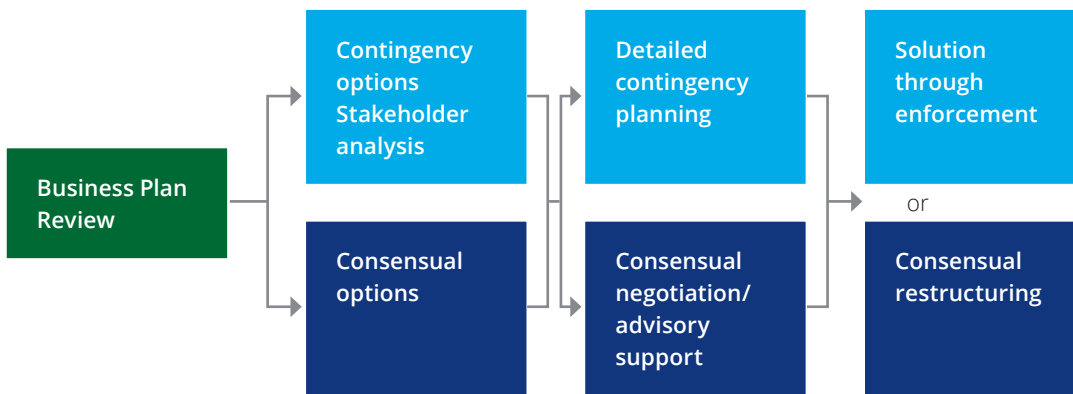
Key workstreams

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

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