



Turnaround & Restructuring Newsletter

May/June 2023

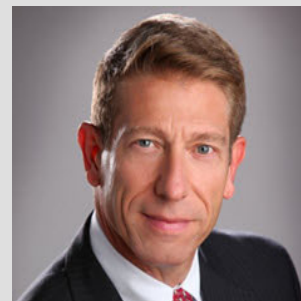


Views from our leaders

Bob Frezza, Managing Director

Spring is in the air, and with it comes an uptick in restructuring activity. In just the past four to six weeks, we have seen an increase in inbound calls and requests for our services. Interestingly, more and more of these calls are from private lenders, to represent their interests in distressed situations as well as to assist their borrowers with everything from operational turnaround to balance sheet correction. The trend toward more leveraged loans from private debt funds and away from regulated banks has been growing for several years. Between 2010 and 2015, a surfeit of banking regulations was introduced following the financial crisis. Since then, private credit assets under management has skyrocketed, and the number of managers has also dramatically increased.

Over the same time, the number of banks in the United States has decreased, and the percentage of bank holdings represented by commercial loans has also fallen. Direct lending strategy has represented most of



the growth in private credit, driven largely by private equity activity/leveraged buyouts.

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Our latest eminence



Pursuit of a fit-for-purpose cash flow forecasting tool

Curious to know when is the right time to reevaluate existing forecasting tools, processes, and governance structures? Explore the possibilities in our report.

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Recent engagements

Aesthetic medical equipment manufacturer finds the right tool

A private equity-owned developer and manufacturer of aesthetic medical equipment and systems engaged Deloitte Turnaround & Restructuring (Deloitte T&R) to assist with its working capital improvement and cash flow management processes. As part of Deloitte T&R's value creation services, Deloitte T&R assisted the executive finance leadership team in the enhancement of its cash conversion by identifying and implementing process improvement initiatives to accelerate its customer collections. Additionally, Deloitte T&R developed a disbursement forecasting tool to help the client manage liquidity by projecting its vendor payments based on current and projected order volumes.



Consumer home goods company gets services needed

The Deloitte T&R group was contacted regarding a client in the consumer durable home goods sector to propose audit and tax services. After much consultation and



formal discussions, our audit team was selected by such client to be its go-forward auditor, demonstrating Deloitte's ability to provide the necessary professional services called for by our clients.

Upcoming Dbriefs

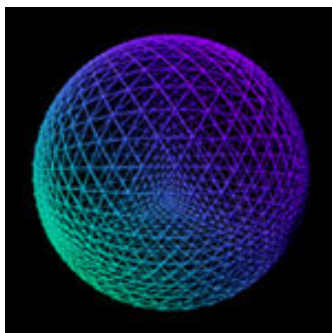


Working capital roundup: A look back at 2022

May 10, Wednesday | 2:00 PM ET

Participants will be able to identify how companies can proactively manage liquidity and capital efficiency, as well as operations, to navigate uncertainty.

[Register](#) to learn more.



The dash for cash—reimagining working capital programs to boost performance

May 25, Thursday | 2:00 PM ET

Participants will discover how companies can generate cash to mitigate challenges and reimagine their working capital processes to achieve results.

[Register](#) to learn more.

Additional insights

Curious how a plan that integrates cost control, cash flow forecasting, and working capital improvements can help leaders with inflation and other economic challenges? [Read our latest insights](#) and actions for managing cash.

About Deloitte T&R

Deloitte T&R is a leading provider of financial and operational restructuring services, turnaround and performance management, fiduciary services, and bankruptcy administrative services to underperforming companies and their advisers, lenders, investors, courts, and other stakeholders. We specialize in helping both large multinational organizations and midmarket companies overcome challenges, from enhancing the performance of healthy companies to complex bankruptcy reorganizations. Our talent, global reach, and commitment to driving results set us apart and enable us to help create value in the most challenging and complex restructuring matters.

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30 Rockefeller Plaza
New York, NY 10112-0015
United States

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