



# Overcoming the impacts of the COVID-19 outbreak

Financial & Operational Enablers

April 2020

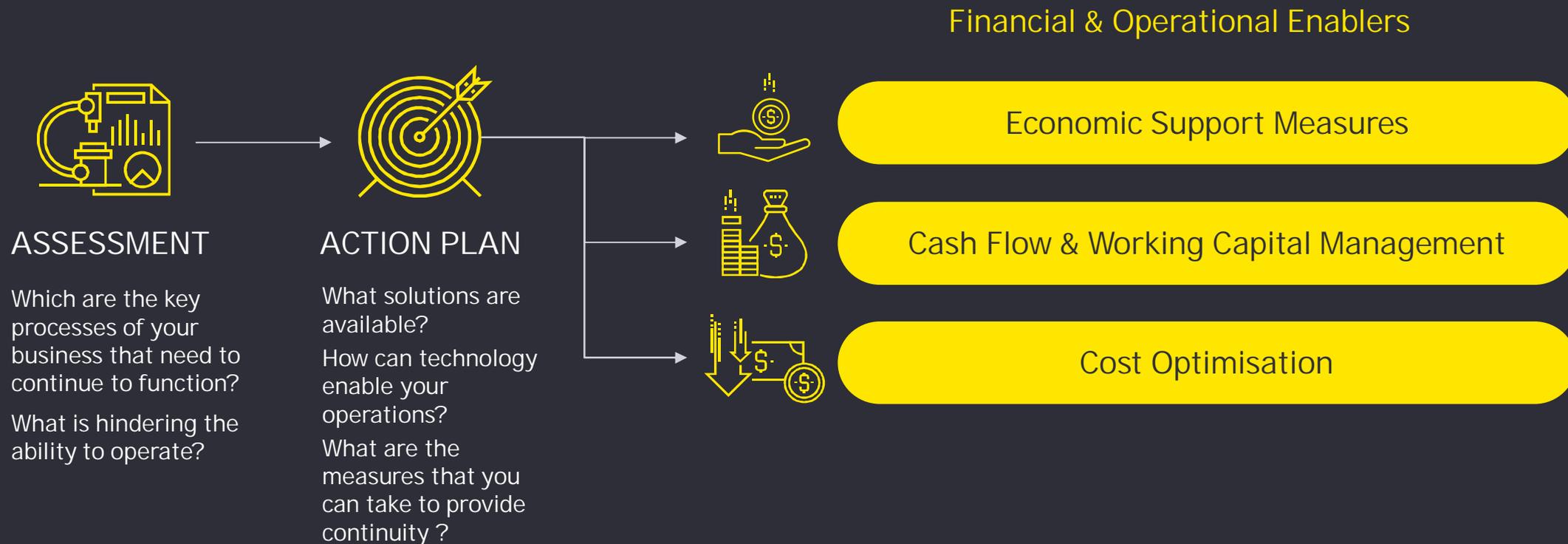
**EY**

Building a better  
working world



# Enable Business Continuity during COVID-19 Pandemic

A rapid assessment of impacts of, risks from, and organisational resilience to COVID-19. The assessment focuses on financial, operational, technology and cybersecurity aspects to provide prioritised recommendations and an immediate stabilisation plan to address risks and impacts.



# Key priority areas of intervention

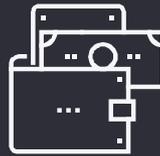
1



Maximise the use of economic support measures

Support in monitoring, identifying and applying for economic support measures

2



Short-term cash flow

Support in short-term cash flow and working capital forecasting

3



Financial covenants and events of default review

Perform sensitivity scenarios to assess the impacts of the outbreaks on financial covenants and other events of default

4



Budget sensitivity

Models and tools for predictive along with sensitivity and simulation analysis of key indicators of enterprises

5



Performance improvement and cost optimisation measures

Evaluation of overall enterprise cost optimisation and efficiency improvement

Identification of cash trapped in balance sheet to prepare for business uncertainties

# EY's Potential Support

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## Client issues

## EY Support

1

### Maximise the use of economic support measures

- Monitor economic support measures available to mitigate the impact of the pandemic

- ✓ Support in identifying support measures for which the organisation is eligible;
- ✓ Assistance in applying for government support policies;
- ✓ Facilitate discussions with local banks to make use of liquidity measures provided.

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### Short-term cash flow

- Effective management of liquidity and working capital management in times of outbreak

- ✓ Assistance in the preparation of the 13 weeks short-term cash flow;
- ✓ Updated cash monitoring on a weekly basis;
- ✓ Support to management for day-by-day main cash management;
- ✓ Identify key working capital KPI's forecast to better prepare and monitor in short term;
- ✓ Support in optimisation of working capital through efficient management of payables / receivables.

2

# EY's Potential Support

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## Client issues

### Covenants and events of default review

- Consider the effects of the outbreak on financial covenants and other events of default terms

## EY Support

3

- ✓ Assessment and sensitivities of the outbreak impacts on the financial covenants and other relevant financial indicators;
- ✓ Assessment and sensitivities of the outbreak impacts on events of default terms impacting the company.

### Budget sensitivity

- Review of 2020 budget to consider the effects of the outbreaks in a multi-scenario situation

4

- ✓ Assistance in the analysis of company's specific factors that may be affected by the outbreak;
- ✓ Assistance in the analysis of the impact of the outbreak on the key drivers of the Company's business;
- ✓ Assistance in the definition of specific sensitivities analysis, stressing key value driver, to consider effects of the outbreak;
- ✓ Assistance in the preparation of tools and models to run multi-scenarios sensitivities;
- ✓ Assistance in the isolation of the out-break effects on the business, to understand the normalised trading performance.

# EY's Potential Support

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## Client issues

### Performance improvement and cost optimisation measures

- Identify potential areas of improvement and quick wins to balance possible downturns driven by the crisis
- Quickly set up an Optimisation PMO to manage initiatives identification and implementation by stream (Direct, Indirect, Organisation) and by priority
- Establish Digital Dashboards to take control of the key business data / drivers (where missing) and avoid wastes of time for reporting
- Drive the organisation in a smooth/friendly way to grant and boost implementation of priority initiatives and achieve quickly measurable results

## EY Support

5

- ✓ Quick data analysis and implementation of a Digital reporting dashboards and tools (with existing IT systems);
- ✓ Support for the assessment of existing / possible optimisation initiatives with best in class methodologies;
- ✓ Support in the identification of additional initiatives and quick wins implementations by priority / in line with existing strategy and plan;
- ✓ Assistance in building impact of potential cost owing to outbreak on financials and sensitivity analysis;
- ✓ Assistance in building key financial performance matrix to effectively monitor cost, potential impacts and activities progress;
- ✓ Assistance in establishing effect of cost reduction on profitability, liquidity and gearing;
- ✓ Assistance in reshaping Company Key People objectives to boost performance improvement.

# Our team of professionals to assist you

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