

Managing cash and liquidity during COVID-19

Respond and restore. Together.

Immediate actions to take

Evaluate and understand immediate cash needs

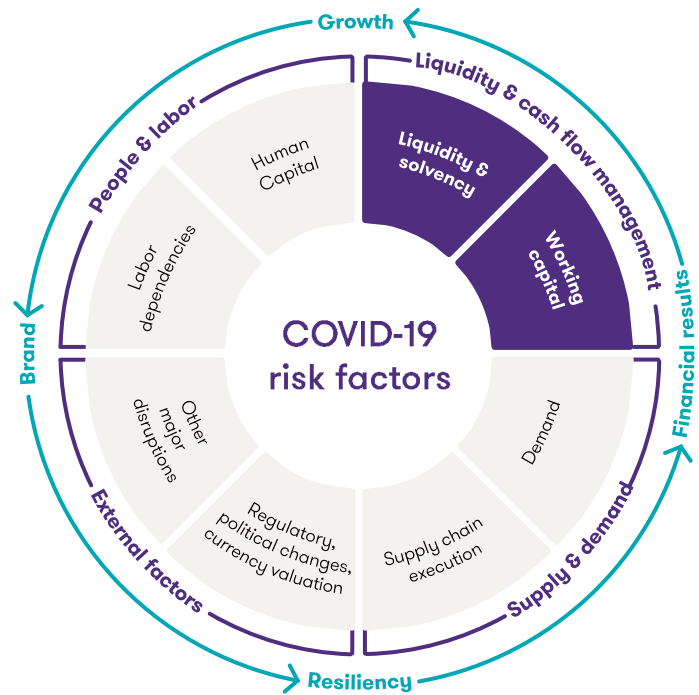
In this volatile and slowing economy, it is imperative for any business to take a critical view of operations, review existing cash flow forecasting processes and understand how potential disruptions to operations may affect current and future liquidity. If a rigorous cash flow forecasting process does not exist today, focus on the near-term – starting with the development of a 13-week cash flow forecast.

Manage working capital strategically

Assess working capital key performance indicators such as days payable outstanding and days sales outstanding to understand impact of stretching these days in either direction. Consider selling excess inventory or minimizing new inventory purchases to generate cash. Evaluate capital expenditure requirements and defer non-essential spending if possible.

Identify and implement cost reductions

Develop an overall strategy that considers both short-term and long-term impact of cost-cutting initiatives. It is important to balance these cost-cutting initiatives with the potential risks of compromising revenue generating capabilities and diminishing value. Review fixed and variable costs carefully and determine what costs are actually needed to run the business.



Resiliency starts with a commitment to identify and mitigate risk factors that can further disrupt your business

At the ready to help you

Grant Thornton's experienced turnaround and restructuring professionals are ready to help with a range of complex business situations. Our multi-faceted solutions provide enhanced value to companies and stakeholders facing business challenges during this time of uncertainty.

Our approach is to provide pragmatic guidance to help companies in the ways that matter most.

You can count on us to:

- Bring a calm and deliberate approach to discussing key considerations
- Help you filter out the noise, fully understand your options and create actionable plans forward
- Respond at the speed of your need



TURNAROUND ADVISORY

- Cash flow forecasting
- Working capital management
- Debt service assessment
- Creditor/lender relations
- Profit improvement analysis
- Cost reduction strategies
- Customer and supplier profitability assessment
- Debt service assessment
- Covenant compliance review



RESTRUCTURING ADVISORY

- Company viability assessment
- Business plan analysis
- Cash flow management and monitoring
- Cost reductions
- Financial modeling
- Interim management
- Balance sheet restructuring
- Refinancing alternatives and negotiation of new capital
- Accelerated/distressed M&A



BANKRUPTCY ADVISORY

- Contingency planning
- Plans of reorganization
- Negotiation of DIP agreements
- Bankruptcy administration
- Enterprise valuation
- 363 asset sales
- Liquidation analyses
- Emergence strategies
- Trustee services

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