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Financial Restructuring Services

Restructure to Transform

As the economic situation remains uncertain, restructuring can help your business to steer through disruption and emerge stronger.

30
years
in Vietnam

Vietnam's Market Position

We are seeing Vietnam market current issues across businesses broadly include:

- A liquidity crunch following the bond crisis, which triggered government measures in bond issuance control. Refinancing of bonds since then has become increasingly difficult.
- Certain market dynamics added difficulty to the local liquidity crisis, with economic crises in developed countries resulting in sharp drops of manufacturing orders for export processors in Vietnam in 2023.
- Low domestic demand after the pandemic and economic difficulties in recent years further impacted businesses.

Facing the above challenges, businesses might experience positions of stress and distress, with symptoms such as:



Liquidity challenges

Liquidity or cash flow shortfall, covenant non-compliance, inability to raise capital or new debts, failing to repay debts as scheduled, working capital limits (Stressed/Limited time available)



Profitability challenges

Declining earning trends, loss making (Progressing towards stressed)



Growth challenges

Disruption and decline in business and company value decreasing (for example, EBITDA dropping) (First signs of stress visible)

Recommended actions

1

Diagnose financial and liquidity positions, including understanding immediate cash commitments; short-term cash needs and the future funding gap; the cost of the business moving ahead; and debt-capital structure, to determine the quantum of capital infusion needed, as well as additional debt that may be required.

2

Finalise the restructuring plan with Financing Options after a diagnostics/business review.

3

Procure financing through a best-fit financing structure (debt, quasi-debt, equity, equity linked etc.) tied to a restructuring plan (Prioritize short-term liquidity through short-term financing solutions first)

4

Implement restructuring and turn the business around.

How we can help businesses

Restructure to Transform

Proactively responding to these challenges is key. From cash flow forecasting to broadening refinancing options, a restructuring mindset can help your business to identify vulnerabilities and plan for the challenges ahead.

1

Rapid Diagnostics to determine days of cash cover and quantum of funding needed

- Independent business review and Short-term cash flows forecast control
- Assessment of debt-equity structure, debt capability and funding gap analysis
- Restructuring options analysis and development of a restructuring plan

2

Financing Options finalisation with a Restructuring Plan



Restructuring Plan

During the financier search, install a Chief Restructuring Officer to ensure business sustenance

- Determine a sustainable funding level
- Rapid cost takeout initiatives
- Internal cash release initiatives
- Initiate the restructuring plan



Financial Restructuring Options

- Potential Financing solutions applicable to the client (onshore and offshore debt, equity, quasi-equity, mezzanine financing, etc)
- Investor/Financier connect and financing options are finalised based on investor/financier interest

3

Restructuring plan implementation

- Secure financing by leading the fundraising process
- Implement restructuring and turnaround supported by a chief restructuring officer or restructuring committee, as needed.

Contact us



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