



Balance Sheet re- Structuring

How will it position my company for continuity and growth?



What is Balance Sheet Re-structuring

And why is it needed?

The structure of most companies include combination of Assets and Debt.

This in most instances means assets on the balance sheet – that is encumbered by debt – used for additional asset or business acquisition – or to fund operational cost – to support business activities.

The practice for lenders – is to secure loans with asset security – and this can often result in lenders “hogging” assets for limited loan potential on the asset used as security.

Re-structuring – and refinancing these debts – using the underlying securities thus has two benefits:

- Ability to extend loan capital on a new structured funding solution
- Reducing the monthly re- payment cost – thus ensuring better sustainability and growth potential by spreading new loans over a longer period

Many ways of re- structuring

Focus of this presentation on Financial re-structuring

Approach - Business Restructuring Process

Full turnaround program has *four stages*, implemented through “*parallel tasking*”

Turnaround Management	Financial Restructuring	Performance Improvement	Re-capitalization
<i>Stabilize Company, Set Winning Strategy</i>	<i>Rationalize Debt-Equity Structure</i>	<i>Create Essential Functional Capabilities</i>	<i>Attract New Capital and Owners</i>
<ul style="list-style-type: none">• Cost reduction• Liquidity generation• Product line rationalization• Asset utilization improvement• Reorganization• Competitive positioning	<ul style="list-style-type: none">• Liquidity management• Balance sheet restructuring• Working capital refinancing• Bank debt workout negotiations	<ul style="list-style-type: none">• Strategic action planning• Organizational and personnel development• Marketing and sales• Financial planning and MIS• Business process re-engineering	<ul style="list-style-type: none">• Business plan preparation• Value enhancement• Company valuation• Assistance in investor search• Advocacy in investor / strategic buyer negotiations

Reasons for a re-structure

Why it is often considered

Business requirements due to UN-planned crisis events such as Covid

New business opportunities – requiring larger operating capital

Business acquisition opportunities to consolidate your market position

Additional Capital requirements to expand production capacity and plant.

Difficulty to raise loan capital and unwillingness to issue new equity

Your Balance Sheet

Re-structuring made simple



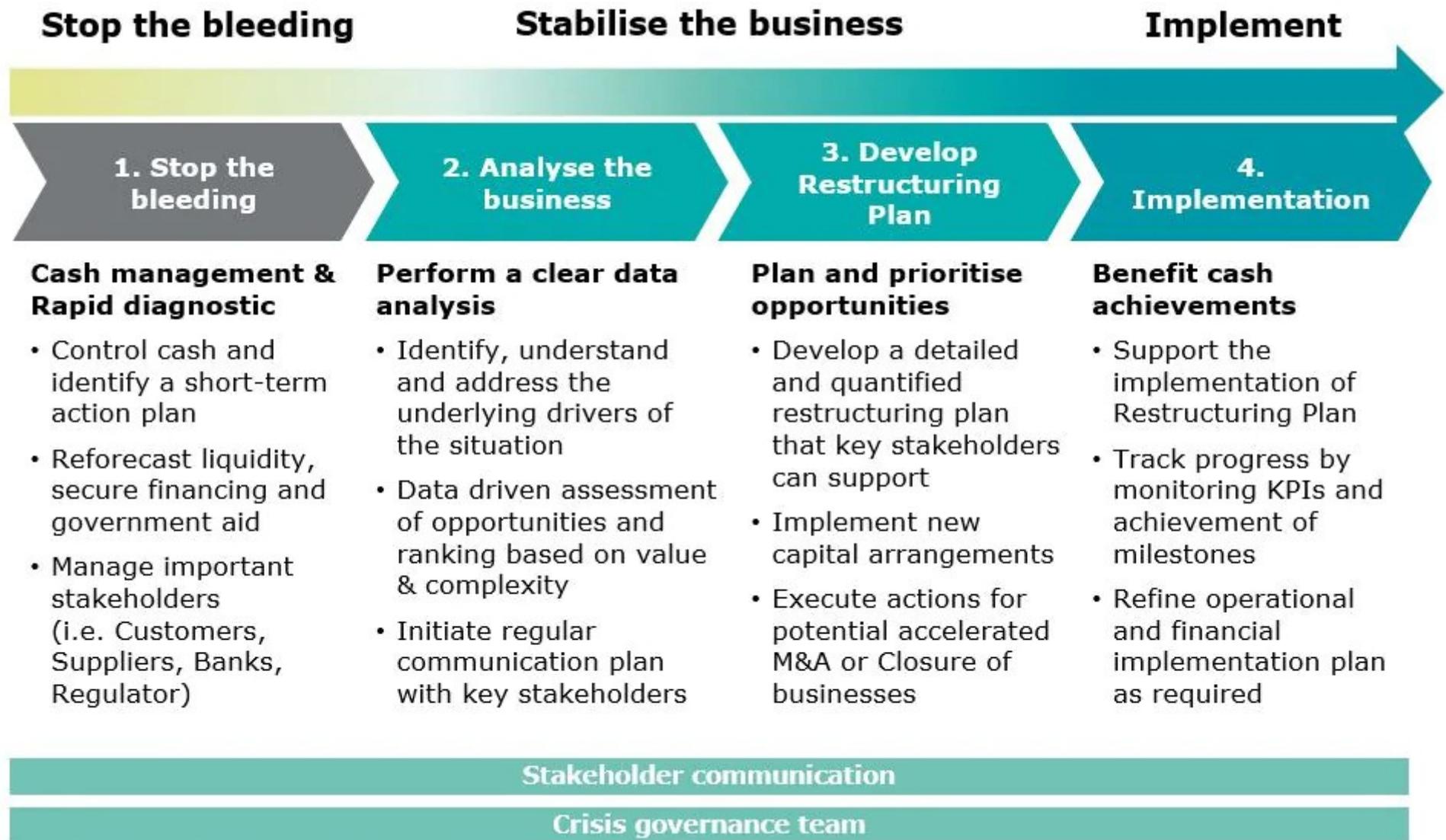
Identify re-structuring experts – as well as pool of likely funders – and consolidation loan funds – focused on specific asset classes

Target both Long term capital as well as short term UN-secured bridge debt – for inclusion in new securitised debt

Negotiate consolidation against existing assets and operational assets – thus freeing up capacity for additional unsecured debt where necessary

Business Re- Structuring

Key rules to keep in mind



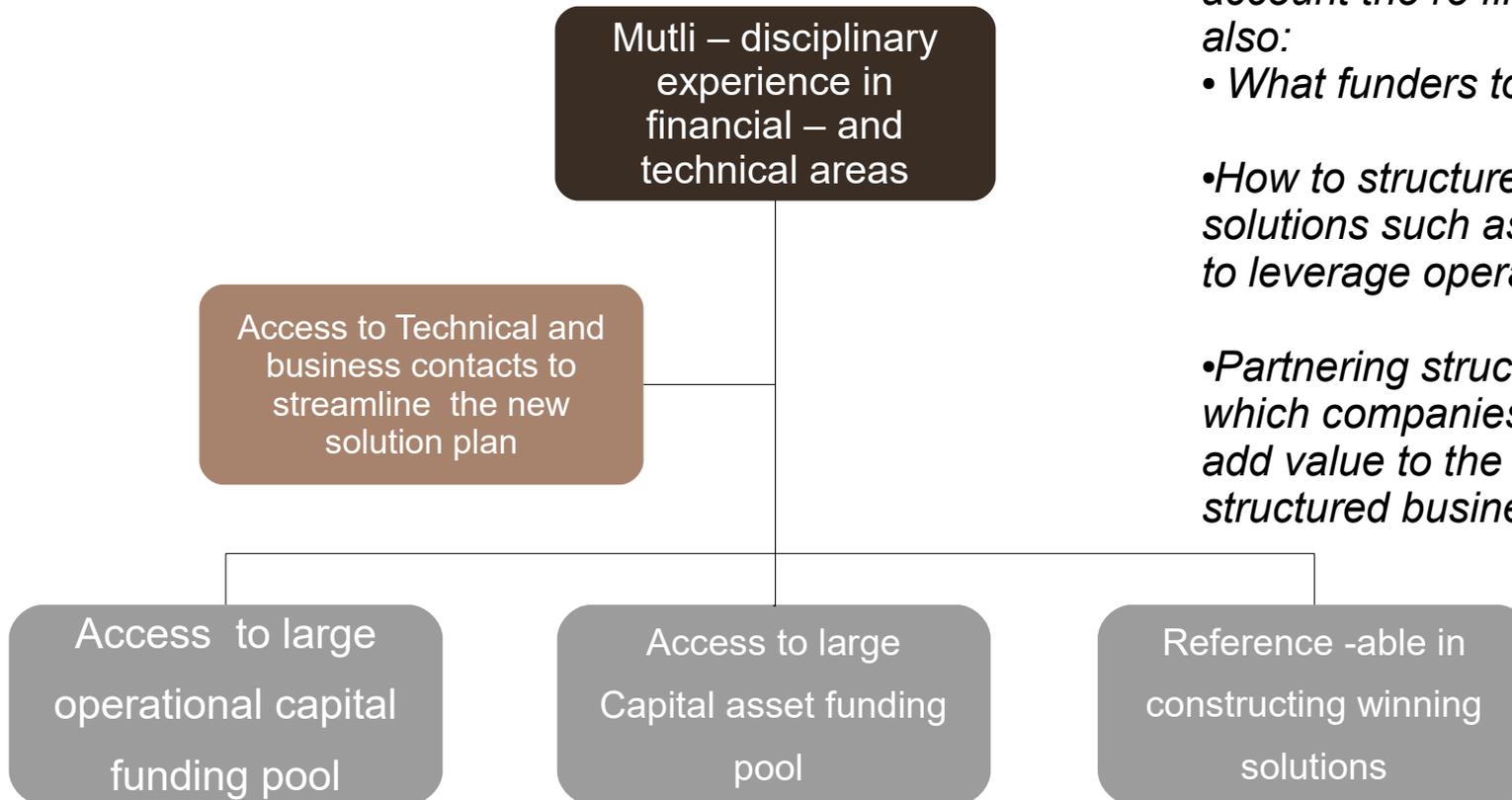
Restructuring

Steps to re-structuring the Balance sheet



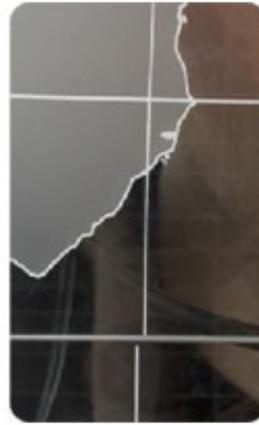
Access to Resources

Why Weaver Capital



Constructing a winning balance sheet re-structure does not just take into account the re financing structure but also:

- What funders to use per asset class.*
- How to structure factoring and other solutions such as Order discounting to leverage operational aspects.*
- Partnering structure – to understand which companies and suppliers may add value to the complete re-structured business plan.*



Find a solution that suits your requirements today

**Speak to Chris on +27793605903 or mail
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