



Corporate Recovery Services



Business Review

We provide tailored, independent business review services to the business shareholders, company Board of Directors or other stakeholders (eg. lenders or consortium of lenders, commercial suppliers), needing to address concerns about a potentially distressed business they have an interest in, seeking information required for the decision making process and/or a catalyst for change.

Our main aims in performing a business review include:

- providing clarity as to the current financial/operational standing of the company under review;
- rebuilding of trust between the business and its stakeholders where possible by addressing communication issues;
- analysing the options available in the short to medium – long term;
- making recommendations for the optimal way forward.

Reports will point key risks and financial prospects of the underperforming business.

We will tailor the scope of work to the industry or specific request of each assignment, but typically an engagement comprises the review of:

- past performance, cash flows, assets and liabilities, reasons for underperformance;

- current financing and collateral structure, most important agreements with a significant impact on the business;
- short term cash needs and available funds (short term liquidity)
- future performance, including business model drivers, cash flow dynamics, working capital requirements and Key Performance Indicators, as well as an analysis of the relevant market, with the aim to determine the business viability;
- available options, which may include: balance sheet reconstruction, turnaround, accelerated sale, controlled wind-down, insolvency etc.



Monitoring

Monitoring services can be performed on behalf of business stakeholders that need an independent party to observe the company's compliance with the agreed recovery strategy and/or with a predetermined set of Key Performance Indicators.

Monitoring may follow a Business Review assignment, in which case it involves supervision of the way measures agreed as a result of the Business Review are implemented.

During the monitoring period, we can also effectively act as a sounding board for the directors' ideas, bringing a fresh, objective and informed outlook to the recovery effort.

We will report on the company's current performance and directors' actions to the stakeholders, which can then decide on their further actions (eg. whether to continue to provide their support to the company).

Corporate Turnaround and Interim Management

Stakeholders of companies experiencing business underperformance, difficult trading conditions, problems with the lending institutions, ineffective management or lack of financial controls may engage our services in order to develop and implement a complex set of actions meant to restore business performance, including turnover enhancement and effective cost management, in order to ease cash-flow pressure.

This complex set of actions involves, quite often, business process reengineering strategies and tactics for most business processes, a comprehensive business transformation executed under the pressing schedule of immediate corporate recovery.

We may provide assistance throughout the process, under a four phased approach comprising: assessment of the turnaround challenge and timeline; turnaround

planning; communication to stakeholders and execution.

Special emphasis is applied to the assessment of all turnaround options; developing a business plan and an action plan in partnership with management, creditors and other stakeholders; and mobilization of the resources required for effective implementation.

The complex undertaking that is corporate turnaround requires talent and skills that might not be readily available on company's payroll. This is where securing the services of a turnaround consultant proves to be a beneficial idea, for many reasons: knowledge and expertise in the challenging field of business restructuring, unbiased view of the organization's strengths and weaknesses, experience in driving change in environments geared towards operational excellence.



Debt Advisory

Our advisory business provides financial restructuring services, strategic advice and related advisory services to debtors and creditors, both in-court and out-of-court. Our approach is to provide senior level attention and experience to all of our assignments. We participate in all facets of client interaction, from the initial evaluation phase to the final stage of executing our recommendations.

We can advise you on:

- Renewing your bank facilities (including restructuring of existing debt)
- Raising new debt
- Negotiating competitive terms
- Agreeing or re-setting financial covenants
- Benchmarking pricing; margins and fees
- Improving cash management



What we do:

- Develop long-term financial projections
- Draft board-ready presentation
- Determine optimum capital structure
- Source term sheets from appropriate lenders
- Consider funding alternatives and strategies for negotiating with debt providers
- Undertake complex negotiations
- Determine best available terms
- Complete loan documentation

We provide both analytical advice and deal execution capability to put those financing structures in place. In addition, our independence as an advisory company enables us to deliver the best financial advice and sources of financings for clients without internal or external conflicts.

Distressed M&A

Our professionals with extensive corporate finance and turnaround expertise could advise you throughout the complex processes of buying, selling or restructuring financially troubled companies, in order to achieve maximum value.

Strategic advice, received early, can often diffuse hostile relationships between distressed companies, their creditors and equity holders, help acquirers gain an early advantage over other bidders, as well as secure and protect critical suppliers and customers to ensure continued viability.

EDGE applies a tailored approach in order to achieve a timely and successful outcome for sellers or buyers. Our team can you help with:

- identifying and valuating distressed company targets, including an analysis of the target's capital structure and the identification of opportunities and risks (buy-side)

- assessment of the company's financial situation and performance, as well as current market conditions (sell-side),
- exploring options available to resolve financial challenges,
- presenting stakeholders with alternative solutions and their potential risks and returns,
- identifying potential value enhancing strategies and developing creative plans meant to maximize value, and
- advising on the actions required to achieve goals, including assistance in managing the acquisition/selling process

By combining insolvency and restructuring knowledge with our experience in healthy M&A processes, we will run a seamless distressed M&A transaction from start to finish



Judicial Restructuring and Insolvency

Companies in distress or insolvent companies face a unique set of operational and legal challenges. If insolvency / bankruptcy is avoidable and early efficient actions are taken, we advise the directors of such companies to ensure short-term survival while preparing for long-term success.

We assist the stakeholders in drafting or we draft a feasible judicial composition plan (*rom. "proiect de concordat preventiv"*) or a reorganization plan that addresses the needs of the debtor company and of all its stakeholders (banks, leasing companies, etc.) in line with the provisions of the Romanian law.

Our restructuring approach focuses on the most important operational, legal and financial issues in order to ensure a comprehensive recovery. We can improve an existing turnaround plan or develop a new one tailored to a client's specific circumstances. We combine our deep industry experience with the proven or innovative tools of crisis management in order to create fast and lasting effects.



We can also help creditors to maximize the recovered value in an insolvency, including bankruptcy.

The main beneficiaries of our judicial restructuring and insolvency services are:

- Companies in financial distress
- Insolvent companies
- Directors and shareholders of a business in distress
- Creditors, lenders or financial stakeholders
- Insolvency practitioners.

EDGE's judicial restructuring and insolvency services include:

- Drafting and implementation of judicial composition projects (*rom. "proiecte de concordat preventiv"*)
- Drafting and implementation of reorganization plans
- Acting as consultant/agent of the debtor companies or creditors
- Acting as Judicial proxy (*rom. "mandatar ad-hoc"*) under a strict confidentiality
- Acting as conciliator (*rom. "conciliator"*)
- Acting as Judicial Administrator/Liquidator
- Providing flexible methods to asset realisation and payment schedules.

For creditors and companies concerned with insolvency or financial issues, we provide innovative and practical solutions for cases of any size. Whether acting as a Judicial Administrator / Liquidator / Judicial Proxy / Conciliator / Consultant or developing an judicial composition/reorganization plan, our sensitive approach, specialist experience and leading-edge methods enable creditors to minimize costs and maximise recoveries while helping companies avoid a disastrous slide into insolvency or bankruptcy.

Orderly Wind-Downs

When the management of a company or the shareholders become aware that a subsidiary or a division of a company/factory is under-performing and decide upon its closing, EDGE assists them to identify the best exit option.

We arrive on the scene to create and implement an exit strategy that maximizes recovery for all creditors and shareholders - while minimizing costs and future liabilities.

The main services that EDGE provides in an orderly wind-down for optimizing recovery potential are:

- Analysis on how to extract value from cash flow, operations, assets, and potential exit scenarios;
- Developing the exit/liquidation plan and choosing the best methods for implementing it;
- Reducing the likelihood of future liabilities by using the insolvency law as a roadmap;
- Identifying the right potential buyers;
- Selling the company's assets and pay all the company's creditors and the shareholders;
- Performing the duties of a liquidator in a voluntary liquidation procedure.

About EDGE

Edge Business Advisors provides a full range of crisis management, debt advisory, business recovery and restructuring services, in addition to acting in formal insolvency or pre-insolvency procedures. These include business plans, independent business reviews, reorganisation plans, composition plans, financing and re-financing advice, and business turnarounds working alongside management. Where necessary, upon the request of the debt or the creditors, we undertake formal insolvency appointments to ensure maximum asset recovery.

Our top priority is rescue of companies either in full or their profitable activities. When consulted early, we have the maximum opportunity to save a business in financial distress or crisis and protect the assets of lenders, trade creditors and equity providers. Formal insolvency proceedings are usually a last resort, but are sometimes necessary to protect the debtor companies and their creditors.

We serve primarily entrepreneurial and middle-market companies in difficulty or in crisis, as well as their capital providers and other stakeholders. We are proactive in our approach and tenacious in pursuing our goals agreed with clients.

Our Team

Our team is formed of financial advisors, licensed insolvency practitioners, lawyers, liquidators and business valuers, having significant expertise in the business restructuring and management consulting fields and valuable knowledge to our client's needs. We have specialists who have regularly acted on all types of insolvency or restructuring cases, including refinancing engagements, judicial administrations, solvent and insolvent liquidations. Our management team includes:



Paul Stanciu

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Paul has a professional experience of over 16 years, of which over 10 years as a Big Four firm consultant, advising boards, management, investors and corporate lenders with respect to financial and operational restructuring, reorganizations, liquidations, mergers, acquisitions, divestitures, valuations, corporate strategy and structure.

Paul brings strategic focus, knowledge, and direction to companies facing rapid growth and diversification issues as well as those struggling with critical and complex insolvency issues, offering expertise, experience, and industry insight in determining effective turnaround strategies.

He is proficient in profitability and cash flow improvement, business planning, financial analysis and managerial reporting.

Paul is a Certified Insolvency Practitioner (UNPIR) and also a chartered business valuator, as a member of Romanian Valuers National Association (ANEVAR).



Corneliu Botnariuc

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Corneliu is a Chartered Valuator and Licensed Insolvency Practitioner with 14 years of experience in business consulting, of which over 8 years in a Big Four firm, last 5 of them working in corporate recovery and insolvency. He is an economics graduate with a Master in Finance.

Corneliu has considerable experience of all types of restructuring, debt advisory and insolvency assignments, across a wide range of industries including leisure, retail, manufacturing and commerce.

His approach is to achieve the best outcome for the company and its creditors, only using formal insolvency procedures where needed.

He provides advice to directors and other stakeholders in turnaround and insolvency situations and additionally on insolvency acquisitions.

Corneliu is a Certified Insolvency Practitioner (UNPIR) and also a member of Romanian Valuers National Association (ANEVAR).



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Carmen has 13 years of professional experience, including seven years in consulting and audit services in a Big Four company, working on engagements for major companies on the Romanian market, in different industries such as retail & consumer products, pharmaceuticals, oil & gas, agriculture, and other consumer & industrial manufacturing sectors.

Her areas of expertise comprise financial analysis and reporting, business process assessment, business plans and cash flow projections, restructuring planning.

Her business consulting experience includes business reviews, debt advisory services, insolvency projects, distressed M&A, etc.

Carmen is a member of the Association of Chartered Certified Accountants (ACCA), member of the Romanian Chamber of Auditors (CAFR) and a Certified Insolvency Practitioner (UNPIR).

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