

*Reshape your business, reshape your  
future - powered by Mazars*



### 1. Health & Safety

*Complying with public health obligations - safety of staff, customers, suppliers.*

### 2. Short term cash flow implications

*Calculating the cash gap by quantifying the impact on a weekly basis over the next few months & assessing all available cash resources and lines of credit/borrowing vs projected cashflows.*

### 3. Crisis Management Mode

*Empowering senior team on all aspects of the business, to overhaul all operational plans and budgets so that business may survive the full crisis period and compete when the market returns to normal.*

### 4. Crisis Recovery Plan

*All crisis survival plans need to acknowledge and scenario plan on basis of pandemic phases; Acute, Suppression and Recovery.*

### 5. Executing, Monitoring & Management

*Ongoing monitoring of performance compared to plan, including monthly review of working capital, cashflow and funding plans, communication & maintenance of relationships with all key stakeholders and scanning of environment for major changes compared to planning assumptions.*

» **Reshape Program**



# Reshape your business, reshape your future

Innovation and digitalisation 4.0	Performance and financial strength 3.8	Business operations 3.5	Sales and markets 3.2	Leadership and management 3.2
Marketing, sales and customer experience 5	Operational margin and profit levels 4	Ability to source all vital goods and services necessary to operate the business 4	Top line sales targets during next 24 to 36 months 4	Scope and pace of internal change needed 5
Upgrade / development of systems, processes and information and technologies to report, manage and plan the entire business 4	Cash flow and liquidity 4	Ability to deliver existing products and services to customers 4	General economic environment conditions and overall stability of your market place 3	Areas of focus, attention and skill set of the senior management team 3
Range or portfolio of goods and services offered 4	The level and profile of existing cost and asset base 4	Requirement for major support functions (HR, Finance, IT, Administration), facilities (premises) and overheads 3	Market position, reputation and competitive advantage 3	Existing business strategies, plans and financial budgets 3
Delivery of goods and services to customers and management of associated supply chains 3	Reserves and financial strength over next 24/36 months 3	Levels of operational efficiency and margin 3	Marketing and sales strategies and channels 3	Maintenance of consensus and alignment between shareholders and management on key priorities and targets 3
			Behaviours and buying habits of existing and target customer base 3	Level of stakeholder engagement (e.g. staff, customers, suppliers, banks) 2



**Sales and markets:** Market stability and demand, sales levels, competition and customer behavior.



**Business operations:** Customer service, production, supply chain and sales margin management.



**Performance and financial strength:** The management of profitability, cash-flow, funding and business strength.



**Innovation and Digitalization:** Core product, delivery or management activities which may need further innovation or change.



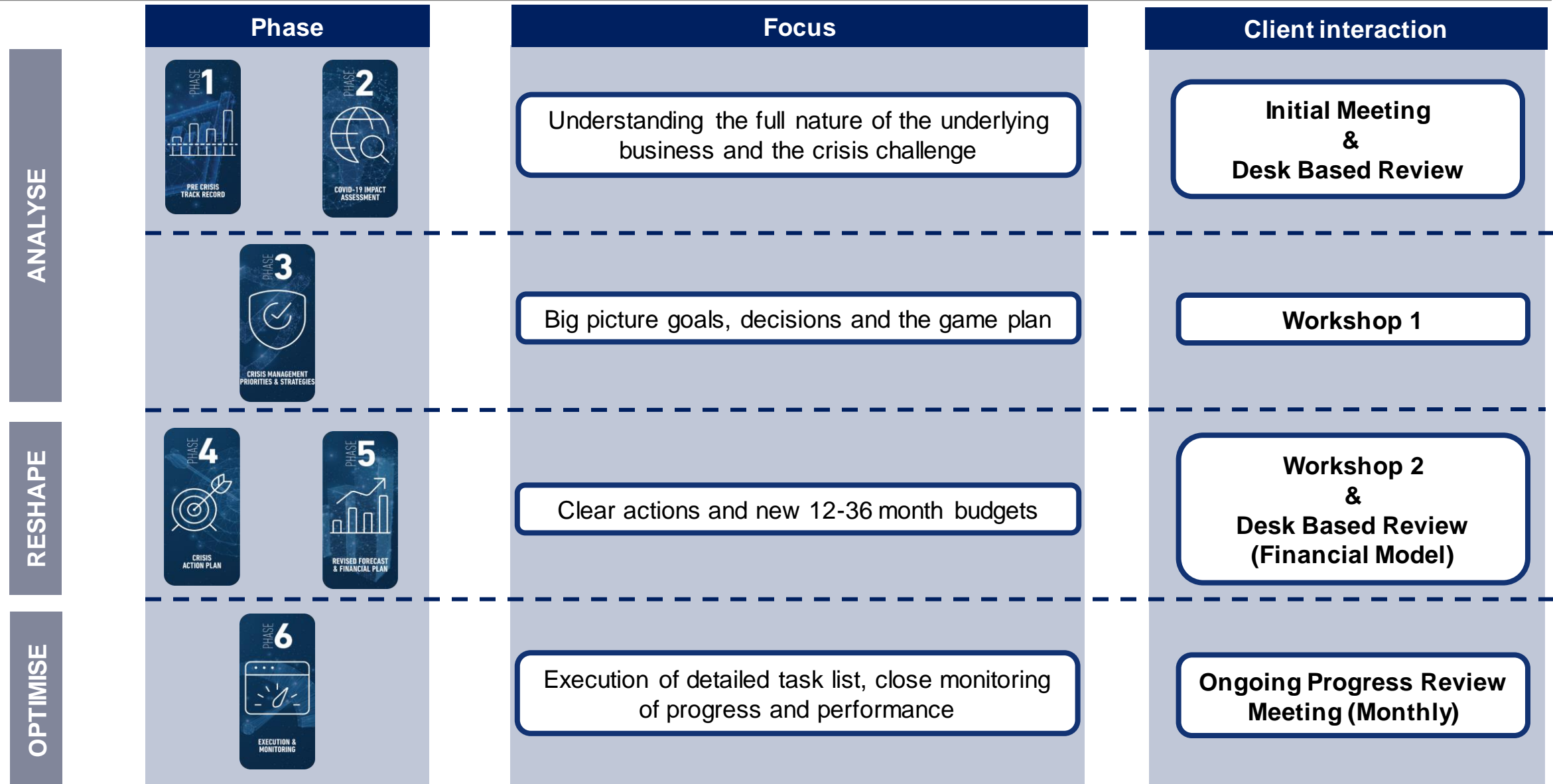
**Leadership and management:** Leadership response to new business realities.

**From an internal technical perspective, the Reshape program is divided into 6 distinct but interlinked parts.**



**Develop a suite of smart plans and actions which when properly executed and tracked will mitigate or avoid the worst effects of the crisis on the performance, longer term resilience and value of the business.**

# Reshape your business, reshape your future





- How valuable is the business and what stage of development is it currently operating?
- Does the recent track record demonstrate that business has viable trading performance?
- Has the business sufficient cash resources to survive in the short term?
- Is the balance sheet strong enough to absorb a poor year in terms of incurring losses?
- How would you summarize the current state of affairs?
- Does it make sense to proceed to the next phase of the program or should other avenues be pursued?

## Output:

- Complete: current business structure and operational model / sector benchmarking of most recent performance and 3 year historic trends
- Summarise: recent (3 years) performance in terms of P&L, Balance Sheet and Cash-Flow
- Quantify: Initial mitigation efforts



- Has the crisis duration and intensity been estimated?
- What is the scale of the most likely impact of the crisis on the business in terms of profit, cash and reserves?
- How large is the profit gap before original budgets and current forecasts?
- What will the position look like in the best- and worst-case scenarios?
- Is it feasible to develop realistic plans to significantly reduce the cost base yet preserve the core capabilities and facilities of the business for the future?
- Given the level of uncertainty, how agile and flexible will the business model need to be?
- In summary, does it make sense to proceed to next step or should alternative avenues be explored?

**Output:**

Clear assessment of: the crisis timeline; All government supports available; Profile of existing cost base; Most probable impact of crisis across P&L, Balance Sheet and Cash Flow; Quantified gap between original budgets and post crisis forecasts (before initial mitigation)



- Is it clear what the overarching priorities of the shareholders are?
  - Sales decline mitigation
  - Strategic Cost Reduction / Overhead Costs / Longer Term Contractual Costs (e.g., rent)
  - Working Capital Management
  - Government Supports & Funding
  - Business Model Innovation
  - Crisis Management and Leadership
- Have we identified the Survival Option with the most favorable outcome? **Permanently Cease Trading & Liquidate;** **Temporary Closure;** **Open Under Restrictions and / or Downsizing;** **Fundamental Change to Business Model;** **Scale up existing model for significant increase in sales volumes.**
- Do the strategic themes (developed and properly executed), have the potential to deliver key priorities and strategies?

### Output:

- Identification of the shareholders priorities to guide the crisis recovery plan
- Identify the appropriate Survival Option with the best potential outcome (where applicable)
- Identify the key Strategic Themes which will guide the crisis action plan going forward





- Do the BTOs, initiatives and action plans have the potential to deliver on the strategic themes and major priorities identified during phase 3?
- Are the BTOs, initiatives and action plans feasible?
- Have responsibilities over each initiative / action been allocated to the appropriate person?
- Does the business have the resources required to implement the BTOs and action plans?

### Output:

- Development of BTOs which align to Phase 3 Strategic Themes
- Develop a new suite of management and operational initiatives that drive the BTOs (max 3 initiatives per BTO)
- Develop financial impact of the individual initiatives (i.e. sales, costs, investment required etc.)
- Develop a viable and realistic suite of actions to deliver on initiatives developed and drive the crisis action plan forward
- Assign owners and timeline to the initiatives and actions developed

## PHASE 4 - CRISIS ACTION PLAN (EXAMPLE OUTPUT)



Break Through Objective	Initiative	Actions	Owner	Timeline	Financial Impact
<b>BTO 1: BUILD A SUCCESSFUL DELIVERY AND CUSTOMER SELF-SERVE MODEL</b>	Develop new menu that delivers high quality and value at the appropriate price point.	<ul style="list-style-type: none"> <li>Agree to menu and price point.</li> <li>Cocktail delivery</li> <li>Review competitor offerings.</li> </ul>	John Oliver & Steven Campbell	15th June	+\$1m sales + \$800k costs
	Expand on delivery service capabilities.	<ul style="list-style-type: none"> <li>Agree model- hire internally or subcontract</li> <li>Agree delivery partner and terms</li> </ul>	Sarah Owns & Steven Campbell	30 June	+\$800k sales + \$700k costs
	Integrate a self serve model	<ul style="list-style-type: none"> <li>Construction for service window</li> <li>FOH staffing needs</li> </ul>	Sarah Owns & Steven Campbell	15 July	+\$350k sales + \$80k costs
<b>BTO 2: SUPPLEMENT SALES THROUGH EXISTING BUSINESS MODEL</b>	Alternative dining space used for private dinner parties available 7 days a week.	<ul style="list-style-type: none"> <li>Week night promotions</li> <li>Temporary move of liquor license</li> <li>Pre-booked events</li> </ul>	John Oliver & Steven Campbell	1 <sup>st</sup> June	+\$1.2m sales + \$800k costs
	Development of self-serve sidewalk café.	<ul style="list-style-type: none"> <li>Expand operating areas to open weekdays at 10am.</li> <li>Invest in outside furniture</li> </ul>	John Oliver	1 <sup>st</sup> June	+\$250k sales + \$30k costs



- Have we identified all required cost reduction, working capital and funding measures necessary?
- Does the revised financial forecast make business sense?
- What are the key areas of risk which should be carefully monitored going forward?
- What are the KPIs of the financial plan which should be assessed going forward?

### Output:

- Agree the financial impact of each of the BTOs / initiatives (Phase 4), where applicable
- Input the financial impact of the BTOs / initiatives into the Phase 5 Model which will build upon the crisis projections (Phase 2) and also where applicable, the crisis survival option (Phase 3)
- Finalise the revised financial forecast which represents the impact of the mitigating crisis action plan on the initial crisis projections
- Assess whether the revised financial forecast is realistic and feasible in the face of the crisis timeline
- Assess whether the revised financial plan meets all of the fundamental objectives and priorities of the shareholders

# Reshape your business, reshape your future

1.

**BASELINE PRE CRISIS PROJECTIONS**



## Phase 1 Output

- Baseline financial strength
- Potential impact of government aid

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2.

**IMPACT OF CRISIS**



## Phase 2 & 3 Output

- Cost base profile
- Pre crisis projections
- Current & future crisis impact
- High level crisis survival option projections (where applicable)
- BTO Themes

**IMPACT OF MITIGATING ACTION PLAN**



## Phase 4 Output

- Detailed action plan inclusive of financial impact of BTOs & associated timeline

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3.

**REVISED FINANCIAL FORECASTS**



## Phase 5 Output

- Revised financial forecast (P&L, Balance Sheet, Cash Flow) based on:
  - Pre crisis financial baseline
  - Projected crisis impact
  - Incorporation of financial impact of BTOs
- Detailed projections over acute, suppression and recovery phases
- Detailed projections over a 2 – 3 year period





- Does the revised financial forecast developed in Phase 5 require amendments based on actual performance trajectories?
- Does the business require further cost cutting measures?
- Is working capital at an appropriate level?
- Does the business require any further funding?
- Are there external economic factors affecting the business that require the plan to be adapted?
- Do the existing BTOs still make business sense or should any new plans be developed in response to changing environment?
- Does our plan still align to the priorities and strategies identified during Phase 3?
- Is the business still in a position to operate and execute plans or should other avenues be considered?

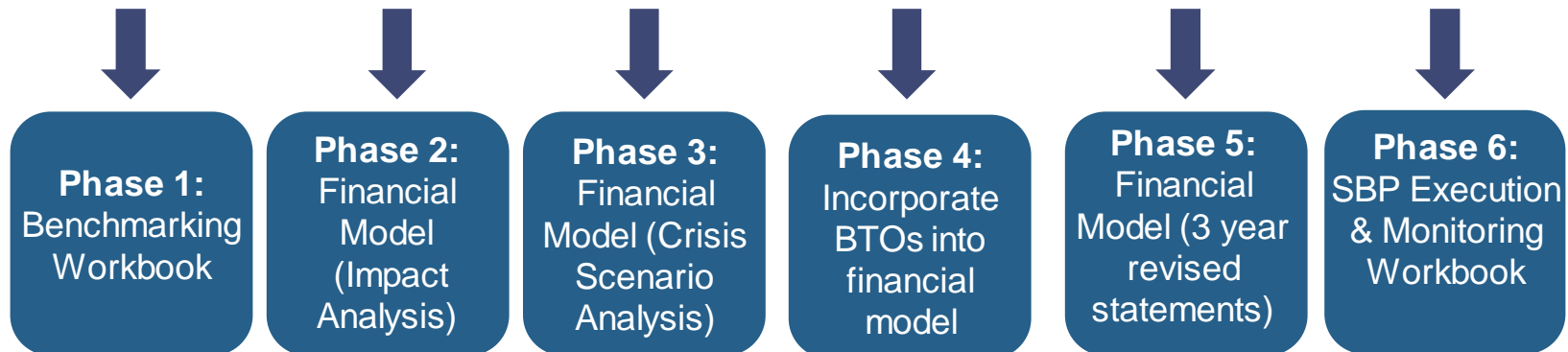
### Output:

- Develop progress review agenda
- Develop discussion points under the following headings: Monthly & YTD financial performance vs budget; Crisis action plan progress project management; Monthly KPIs vs Budget; BTO financial performance; Potential new risks and opportunities for the period
- Meet with appropriate shareholders / members of the management team to discuss agenda and discussion points
- Agree required adaptations to the plan if necessary

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## Financial Models, Workbooks & Supports



# Questions & Answers

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## Contactos

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