Confidential Construction Mandate

Restructuring Process

Metis was appointed to perform an independent review of the internally-managed voluntary restructuring process implemented by a JSE listed mining services and construction entity. It was also tasked to provide strategic advice and input in relation to restructuring their lender exposures and balance sheet.

Project Summary	
Client	Confidential
Structure & Presence	South Africa, Guinea, Burkina Faso, Australia, New Zealand & Pacific Islands and South East Asia
Industry	Engineering, construction and mining
Start Date	July 2020
End Date	c.Q1 2021
Transaction Highlights	Provided strategic guidance for the voluntary restructuring process. Prepared a red flag report for the business to use in its engagements with the group's lenders.

Overview of the entity / business:

- The client is a South African-listed group, focused on engineering, construction, maintenance and open-pit contract mining.
- The group further includes numerous non-core businesses currently in the process of being disposed of.

High-level scope of services:

- Development of the group's voluntary restructuring programme with the Management Team.
- Debt restructuring and equity raising.
- Lead adviser in relation to engagements with the lender group.
- Red-flag review of core business, including valuation.

Result:

- Ongoing engagement with the company's lenders and other stakeholders.
- Likely to result in (i) an equity injection from a cornerstone investor along with the restructuring of its debt facilities, with (ii) the potential inclusion of a debt-to-equity conversion and (iii) the restructure of the company's remaining debt facilities into a term loan under revised covenants and terms, with a repayment profile based on the company's forecast cash flow profile.

Metis