

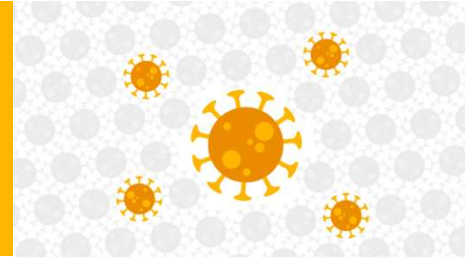
Coronavirus impacts and updates



Webcast 2



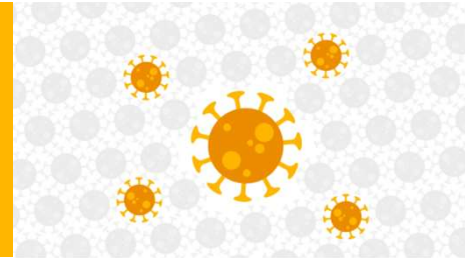
Webinar



Introduction

- Webinar works best via Google Chrome
- The button '**[Ask a question]**' allows you to ask a live question via chat
- Any other questions via your PwC advisor or fill in the form on [pwc.nl](https://www.pwc.nl)
- Polls during live viewing
- Viewing on demand works via the same link as viewing live
- Slides will become available afterwards
- Evaluation form afterwards

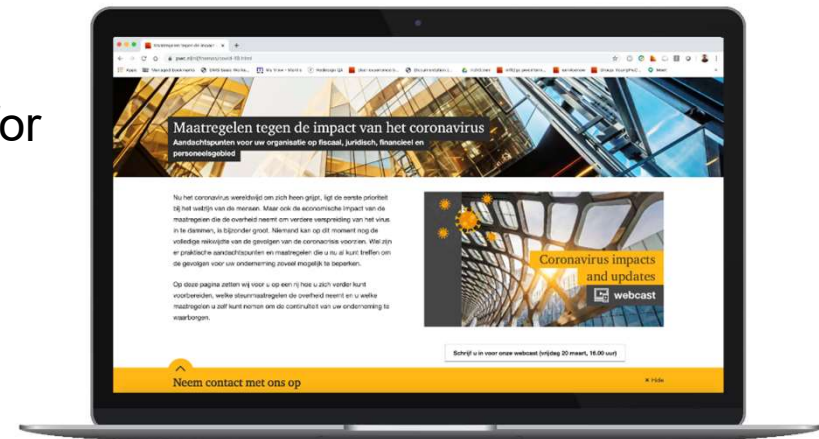
PwC's COVID-19 website



pwc.nl/en/topics/covid-19

- Measures to mitigate the impact of coronavirus
Tax, legal, financial and people points to consider for your organisation via our [COVID-19 navigator tool](#)
- Questions & Answers about people and work
- Articles and tools providing more detail
- Responding to the potential business impacts of COVID-19 with country information

pwc.com › [issues](#) › [crisis-solutions](#) › [covid-19](#)



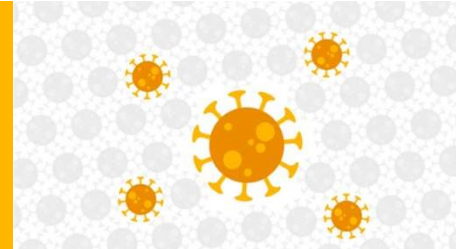
Stay up to date: register for our PwC Update newsletter on pwc.nl

Agenda

1. Introduction
2. Grip on liquidity
3. People & organisation measures (incl. NOW)
4. Government support
5. Cybersecurity & resilience
6. Conclusion



Introduction - Covid-19 Helpdesk

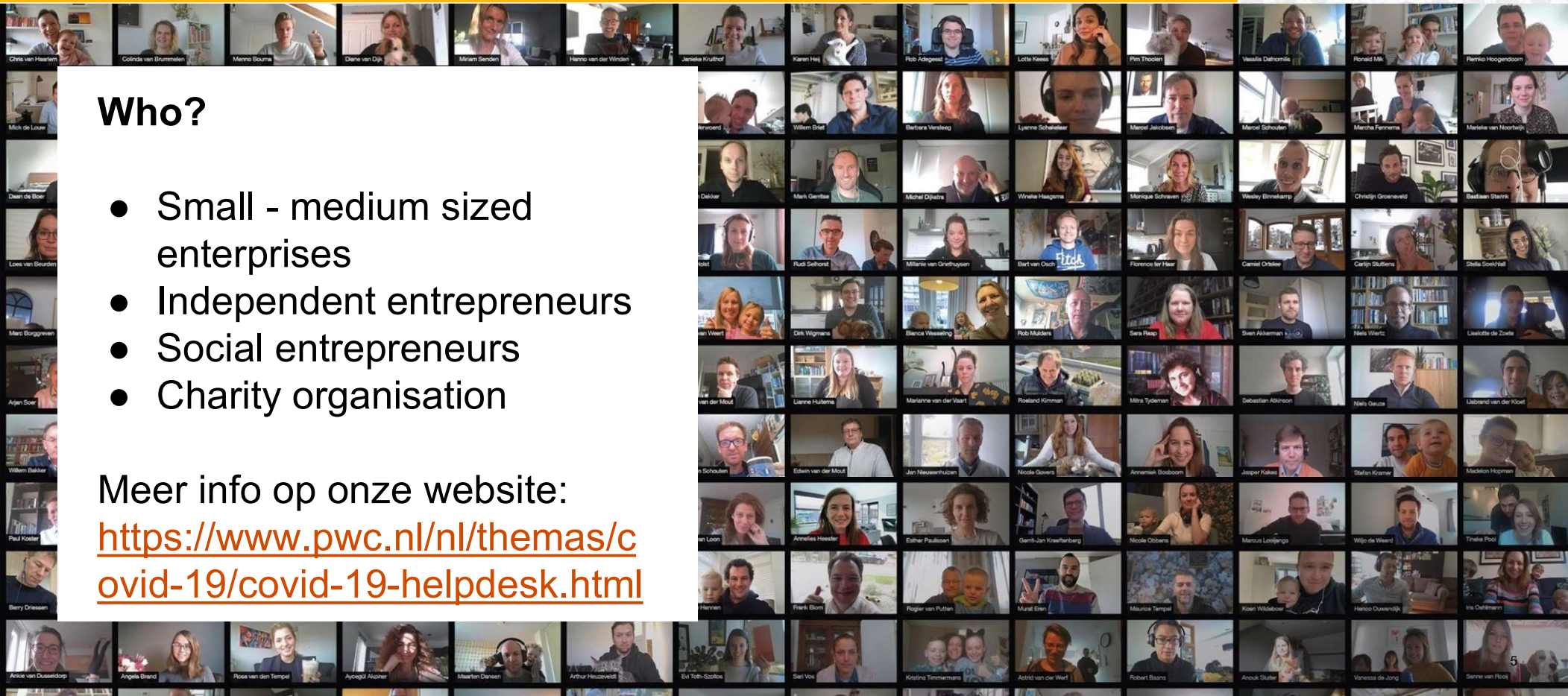


Who?

- Small - medium sized enterprises
- Independent entrepreneurs
- Social entrepreneurs
- Charity organisation

Meer info op onze website:

<https://www.pwc.nl/nl/themas/covid-19/covid-19-helpdesk.html>



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Focus on cash throughout the 'liquidity gap'

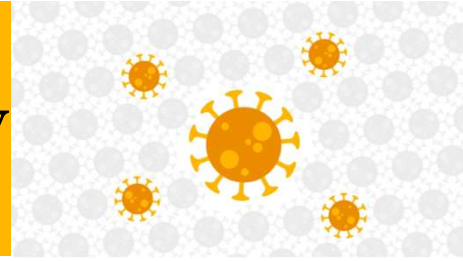


Objective: ensure sufficient time to work on structural solution, without survival no revival

Key actions:

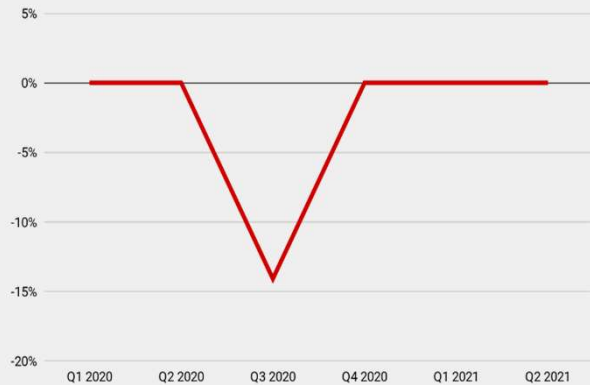
- High- (and later detailed) level assessment of liquidity runway (scenario's)
- Identify and take short-term actions (financial, operational and business critical)
- Establish trust and control through transparent communication (financiers, employees, clients)

Grip on liquidity - Scenarios for economic recovery



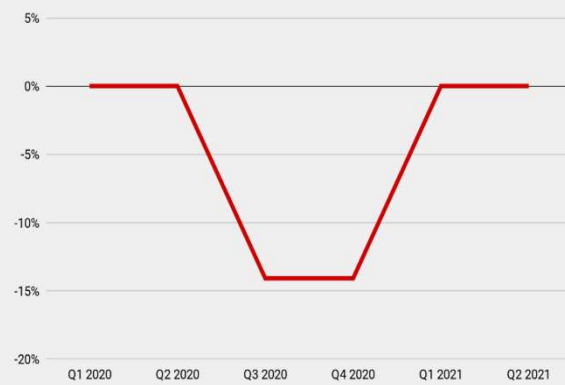
1

“V” scenario



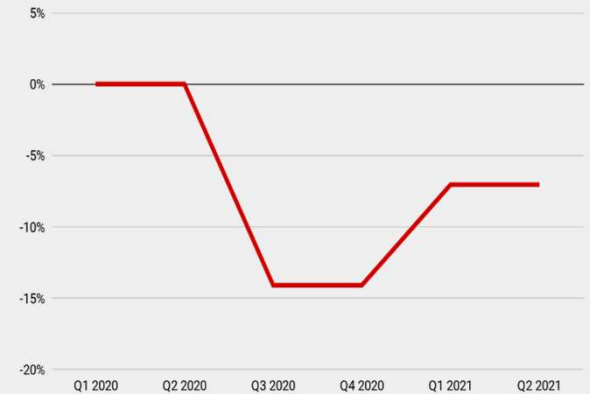
2

“U” scenario

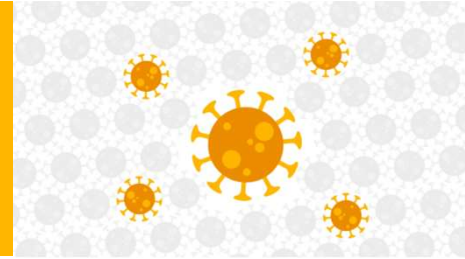


3

“L” scenario

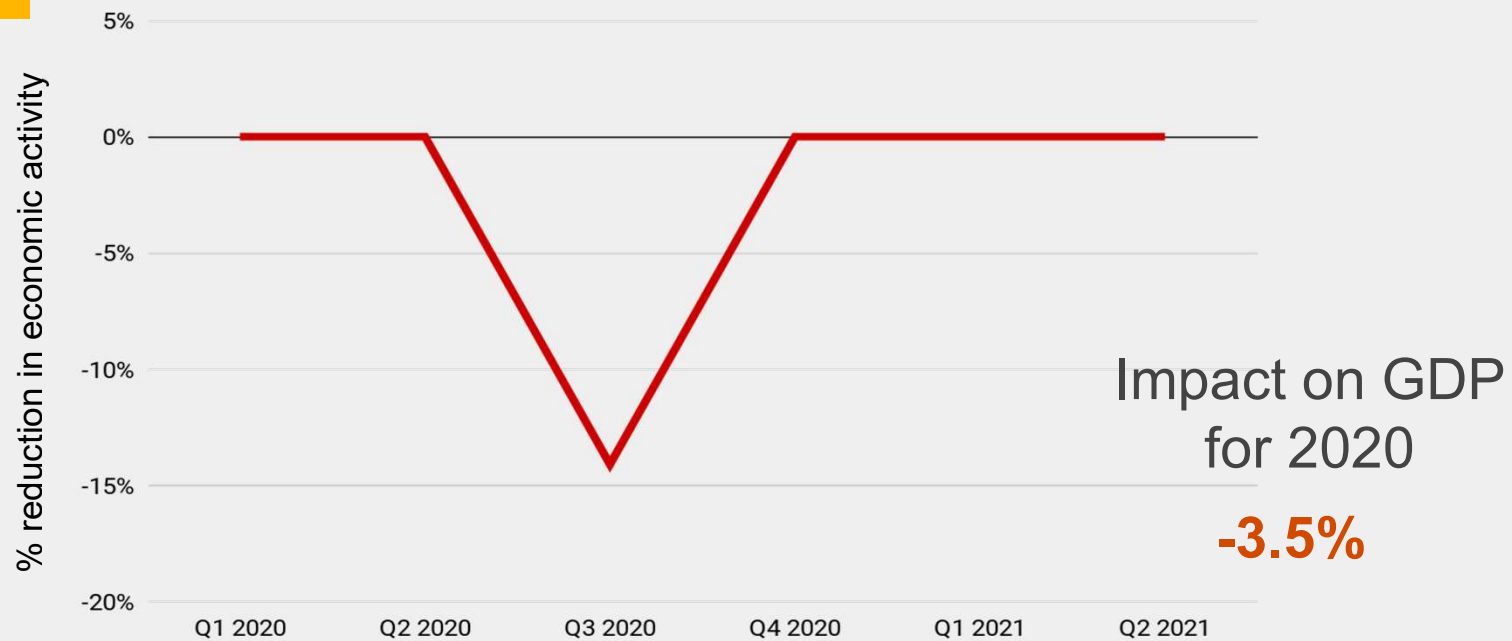


The “V” recovery scenario

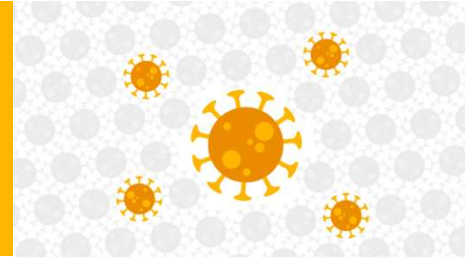


1

Maximum impact on GDP per quarter **-14.1%**

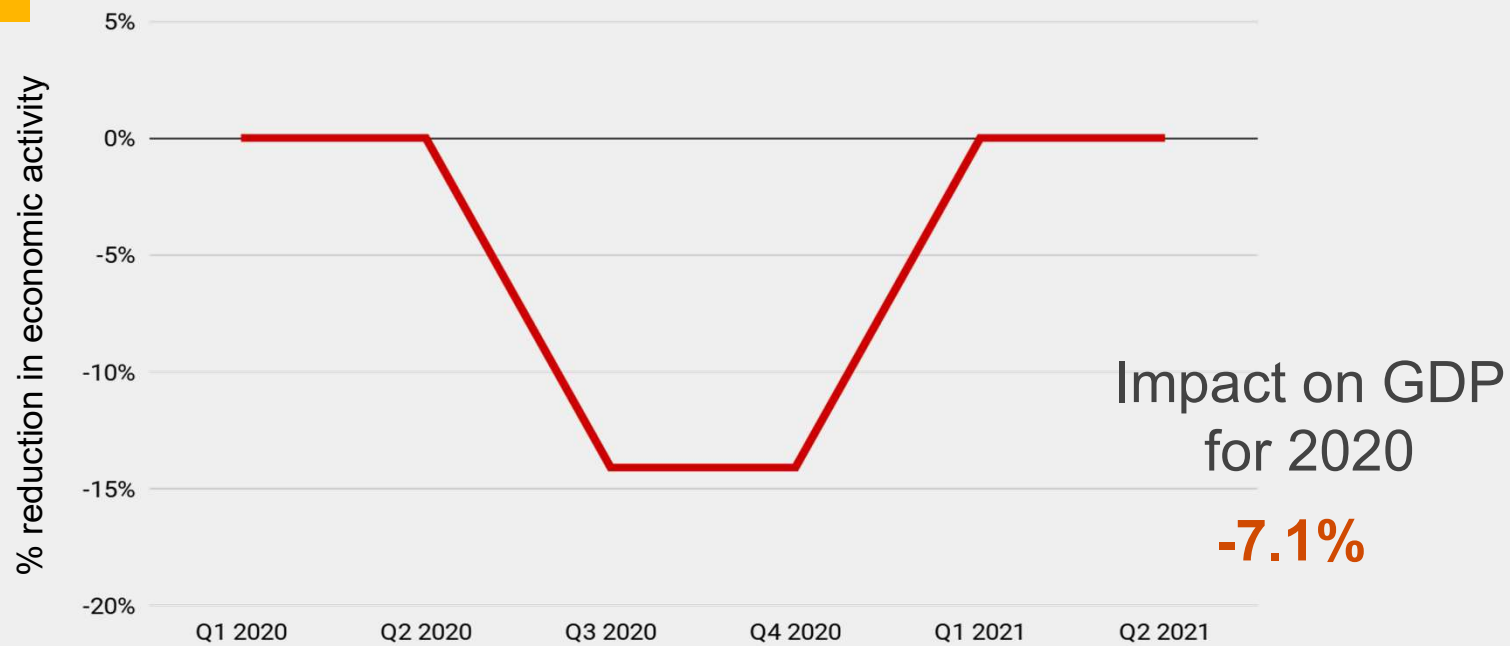


The “U” recovery scenario

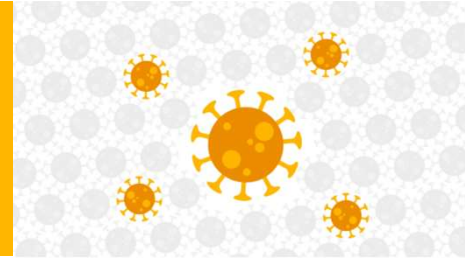


2

Maximum impact on GDP per quarter **-14.1%**

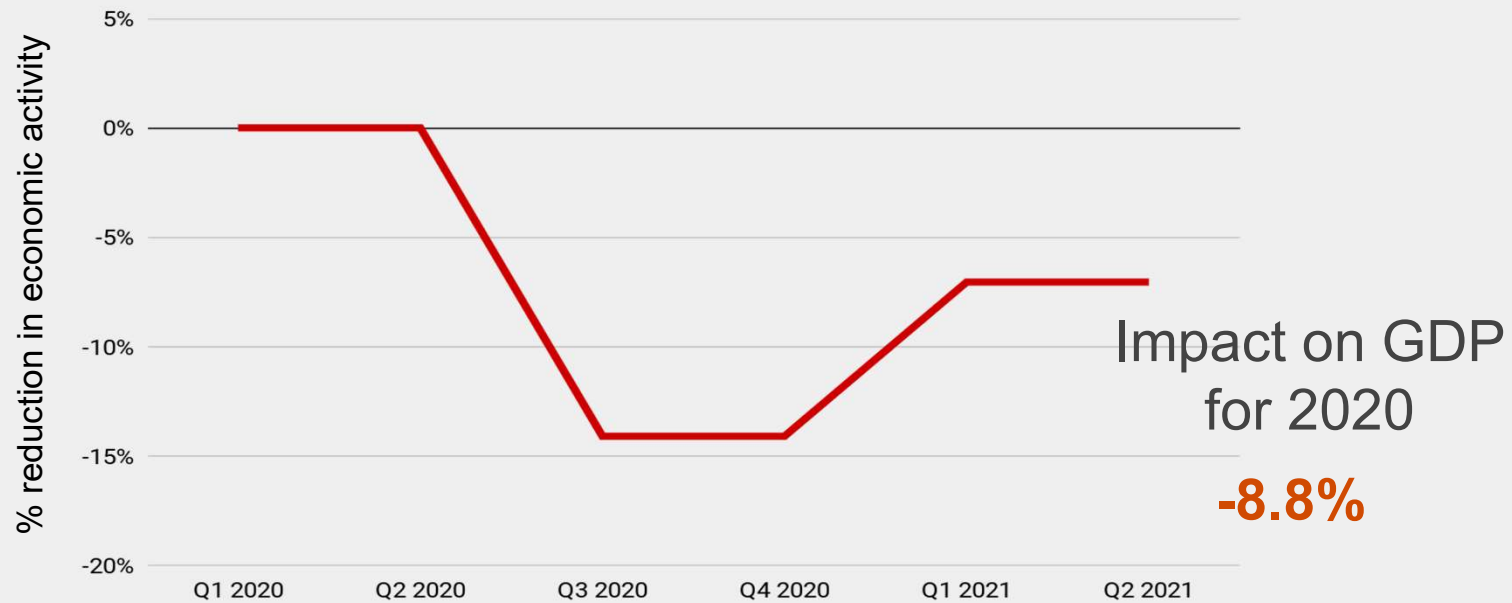


The “L” recovery scenario

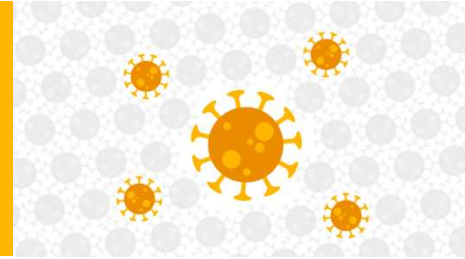










3

Maximum impact on GDP per quarter **-14.1%**

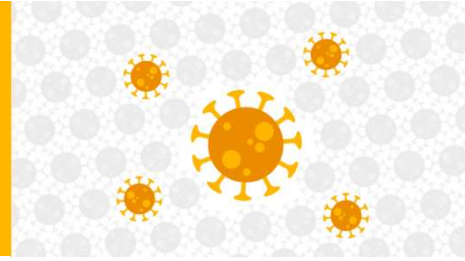


The impact on industries



	“V” scenario	“U” scenario	“L” scenario
 CM	-3.40%	-6.70%	-8.40%
 EUR	-2.70%	-5.40%	-6.80%
 FS	-5.70%	-11.40%	-14.30%
 G&PS	0.30%	0.70%	0.90%
 HI	0.50%	1.00%	1.20%
 IM&A	-5.20%	-10.40%	-13.00%
 PE	-3.60%	-7.20%	-9.10%
 TMT	-4.10%	-8.20%	-10.30%
Impact GDP	-3.50%	-7.10%	-8.80%

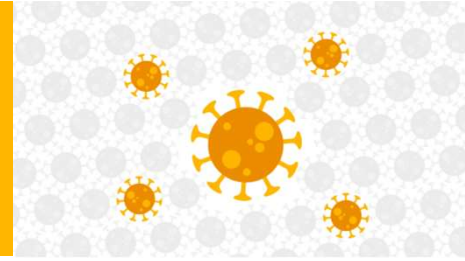
Poll – Recovery scenarios



What scenario do you think is most realistic?

- A) Scenario 'V'
- B) Scenario 'U'
- C) Scenario 'L'

Short-term cash flow forecasting: key principles



1

Understand your liquidity

- Visibility over liquidity headroom and time available
- Insight in key risks and upsides
- What-if scenarios (V,U or L)

2

Take action to protect position

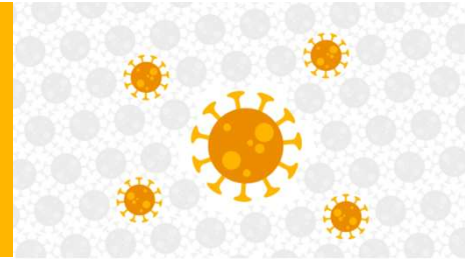
- Implement process improvements, real time views
- Monitor self-help and external measures
- Take action “prepare for the worst, hope for the best”

3

Communicate

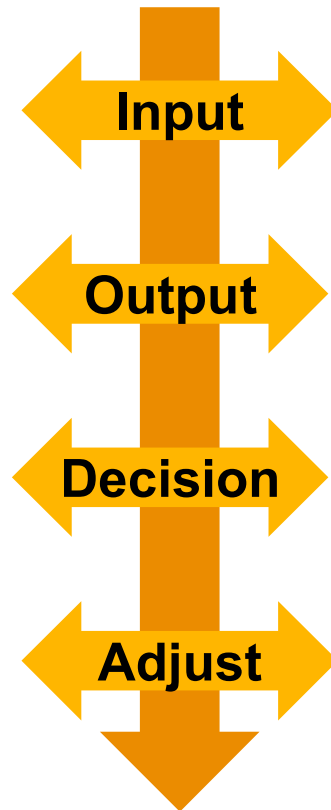
There is no one truth, be transparent
Visualize temporary and structural measures
Numbers do not tell the full story

Effective cash flow forecasting requires a number of key components



Required tools (“what”)

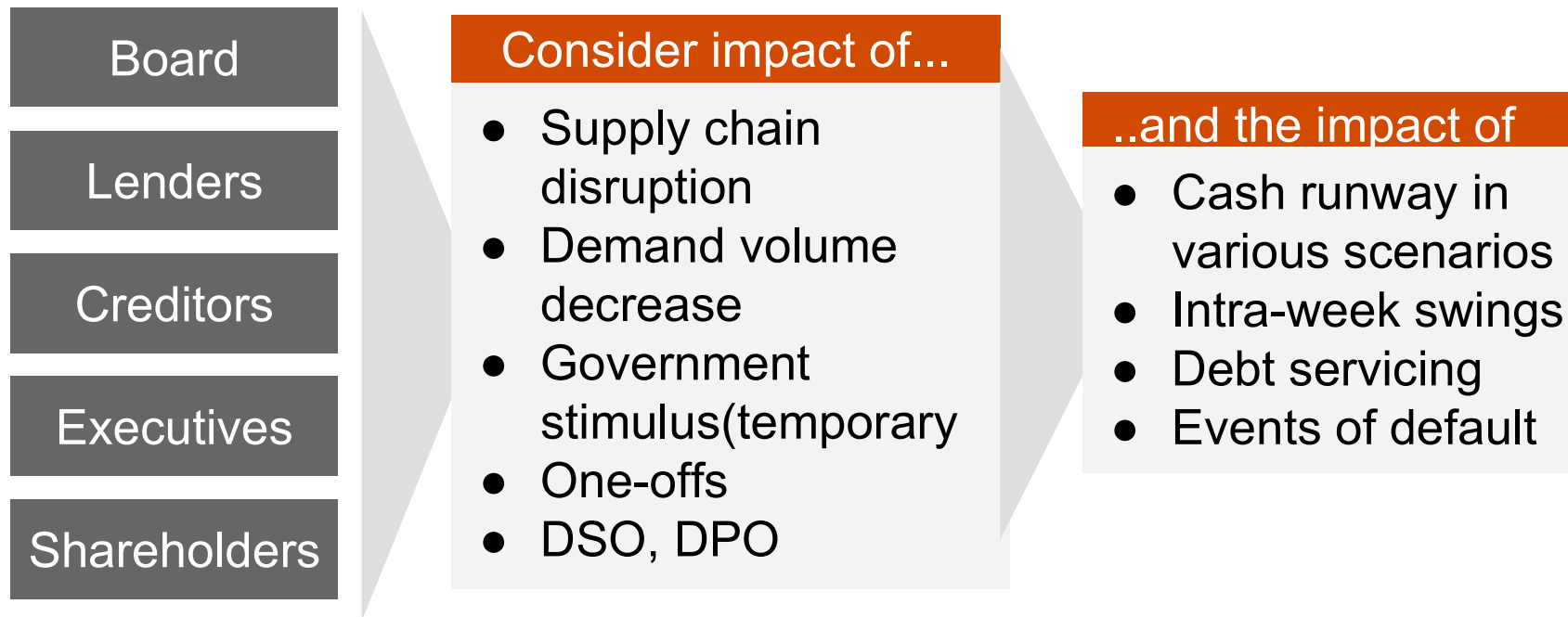
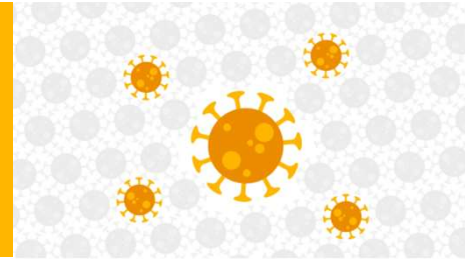
- Business wide-accessible forecast
- Standard template for all BU’s
- 13-week period as a minimum
- Direct method
- Reconciliation long-term forecast
- Minimum operating cash (includes swings)



Process (“How”)

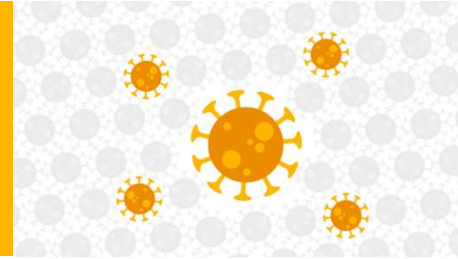
- Building a forecast takes time and testing
- Start with base-model and improve (fit for purpose)
- Daily, weekly drumbeat and cash calls
- Business wide involvement, not only treasury
- Variance analysis to improve learning curve

Cash flow forecasting: pressure to answer complex questions from various stakeholders



- Does my forecasting suite allow me to answer the questions asked?
- Do my base assumptions reflect new reality (V, U and L)?

Short-term cash flow planning and weekly drumbeat: example



Monday

Wednesday

Thursday

Friday morning

Friday afternoon

Collect
information

Submit
to group

Consolidate &
review

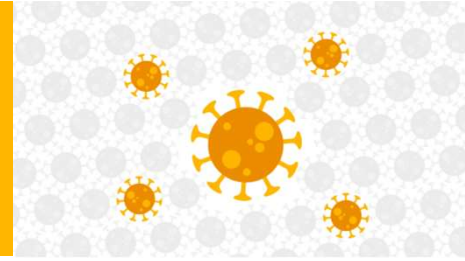
Variance
analysis

Board
discussion

Consolidated 13 week short term cash forecast & actuals
€ 000s

Actual / Forecast indicator	Month: April	April	April	April	May	May	May	May	May	June	June	June	June	June	July	July	July	July	August	August	August	August	September	September	Forecast period total
Week ended	3-Apr	10-Apr	17-Apr	24-Apr	1-May	8-May	15-May	22-May	29-May	5-Jun	12-Jun	19-Jun	26-Jun	3-Jul	10-Jul	17-Jul	24-Jul	31-Jul	7-Aug	14-Aug	21-Aug	28-Aug	4-Sep	11-Sep	
Balance B/F	44,448	31,689	27,690	11,268	30,404	25,803	15,785	28,227	32,802	32,961	25,736	20,197	16,579	22,702	19,597	(15,827)	(3,306)	1,327	1,024	4,937	1,599	3,151	(1,802)	(601)	69,577
Receipts (inflows)																									
Health Boards	-	-	1,392	27,756	2,158	-	10,402	4,561	-	117	-	1,392	14,617	-	12,707	-	-	-	284	545	-	-	-	-	29,545
LSB - Financial investment CY	166	2,000	3,000	1,345	-	800	-	-	246	-	-	-	-	-	-	-	2,516	1,251	-	5,481	2,551	-	-	6,500	18,299
LSB receipts	31	1,345	6,853	2,009	198	244	33	200	-	-	450	-	-	-	-	-	5,164	2,054	5,021	-	-	-	4,025	-	16,264
Other	2,067	2,225	46	23	3,002	34	34	1,346	433	-	-	-	-	10,658	-	4,502	-	-	-	-	1,369	-	-	-	16,529
Total receipts	2,264	5,570	11,291	31,133	5,358	1,078	10,469	6,107	679	117	450	1,392	14,617	10,658	12,707	4,502	7,680	2,054	6,556	1,914	5,481	2,551	4,025	6,500	80,637
Payments (outflows)																									
AAH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abu Dhabi clinical salaries	9,881	7,733	24,212	10,215	7,251	6,001	12,154	501	2,000	5,675	2,102	3,001	4,052	3,451	8,425	2,662	2,001	3,150	4,502	3,542	2,548	3,514	2,585	5,136	48,699
Consultant fees	5,094	-	2,871	1,396	2,580	1,595	1,256	985	567	1,222	2,051	1,368	4,056	2,157	1,254	3,154	1,000	1,254	1,288	1,254	125	1,258	125	2,064	20,357
NHSLA Clinical negligence	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,452	1,548	-	-	-	-	-	-	-	3,000
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,005	2,000	-	-	-	-	2,687	2,158	-	16,115
Total Payments	14,975	7,733	27,083	11,611	9,811	7,596	13,410	1,486	2,567	6,897	4,153	4,369	8,108	13,613	13,131	7,364	3,001	4,404	7,055	4,796	2,673	7,459	4,868	7,200	88,041
Cash from operations	(12,711)	(2,163)	(15,792)	19,522	(4,453)	(6,518)	(2,941)	4,621	(1,888)	(6,780)	(3,703)	(2,977)	6,509	(2,955)	(424)	(2,862)	4,679	(2,350)	(499)	(2,882)	2,808	(4,908)	(643)	(700)	(7,404)
Capital & Financing Items																									
Capital expenditure	50	1,836	641	386	150	3,500	184	46	453	445	1,836	641	386	150	35,000	184	46	453	588	456	1,256	45	456	26	39,697
Interest on investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,000)	-	-	-	-	-	(5,000)
Interest paid on overdraft	-	-	-	-	-	-	-	-	(2,500)	-	-	-	-	-	-	-	-	(2,500)	-	-	-	-	(2,500)	-	(5,000)
Interest paid on revolving credit facility	-	-	-	-	-	-	(15,567)	-	-	-	-	-	-	-	-	(15,567)	-	-	-	-	-	-	-	-	(15,567)
Revolving working capital facilities	(2)	-	(1)	-	(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Payments	48	1,836	630	386	148	3,500	(15,383)	46	(2,047)	445	1,836	641	386	150	35,000	(15,383)	46	(2,047)	(4,412)	456	1,256	45	(2,044)	26	14,120
Net inflow / outflow	(12,759)	(3,999)	(16,422)	19,136	(4,601)	(10,018)	12,442	4,575	159	(7,225)	(5,539)	(3,618)	6,123	(3,105)	(35,424)	12,521	4,633	(303)	3,913	(3,338)	1,552	(4,953)	1,201	(726)	(21,524)
Forecast Balance C/F	31,689	27,690	11,268	30,404	25,803	15,785	28,227	32,802	32,961	25,736	20,197	16,579	22,702	19,597	(15,827)	(3,306)	1,327	1,024	4,937	1,599	3,151	(1,802)	(601)	(1,327)	48,053

Robust short-term cash flow report: content

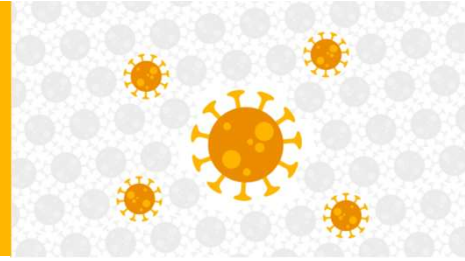


short-term cash flow report:

- 13-week liquidity headroom and peak funding requirement (taken into consideration operational cash need)
- Key operational and financial assumptions
- Scenario-analysis: risks & upsides
- Variance analysis and explanation of differences (actual vs. forecast and forecast vs. previous forecast)
- Summary of cash generation measures: impact & status (are you in control?)
- Suggested process improvements and roadmap
- Appendix: details per cash-item and BU

Answer poll - 'Recovery scenarios'

Poll – ‘Short term forecasting’

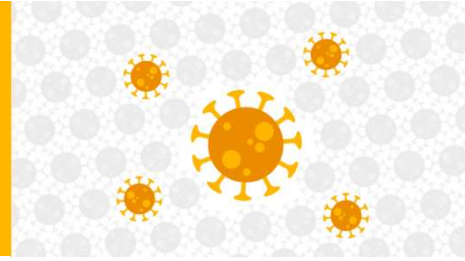


Are you comfortable that your short-term forecasting tool & process allows you to swiftly answer the questions being asked?

A) Yes

B) No

Question & Answers





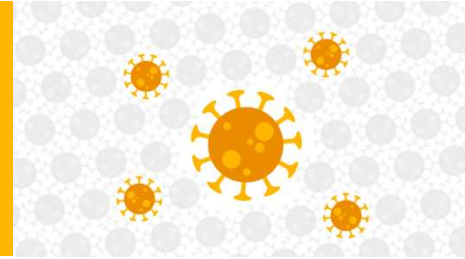
Answer poll - ‘Short term forecasting’

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NOW: application and purpose

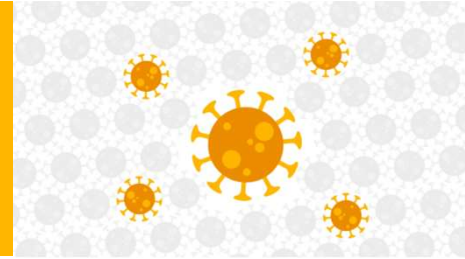


- Counter open: 6 April (aim UWV)
- Application from 14 April up and until 31 May
- Purpose: compensation wages up to 90%
- For sudden turnover drop 20% or more
 - 3 months between 1 March and 31 July
 - if turnover drop not plausible: no NOW
- Emergency measure:
 - Fast and generic ↔ specific and watertight
 - Moral obligation



20% expected turnover drop: eligible for NOW

No need to prove relation to COVID-19



- 1 March - 31 May | 1 April - 30 June | 1 May - 31 July 2020
- Reference turnover: 25% turnover in 2019
- Turnover drop per concern (group of companies)
 - personnel entity
 - foreign legal entities with wages in NL
- Application per wage tax number
- Auditor's opinion TBC 4 weeks after publication

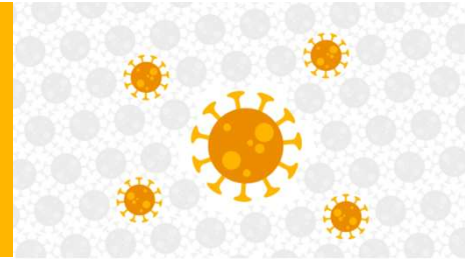
Compensation of wages

Reference point: (wage Jan 2020x3) vs wage sum March/April/May

- Income for social security contributions
 - own employees: permanent and flex
 - excl payroll and temp agency workers
 - max per employee: €9.538 per month
- Plus 30% for e.g.
 - pension premiums
 - holiday allowance
 - employer contributions premiums
- Wage sum: all wages per wage tax number
- Advance payment (80%) is based on wage Jan 2020

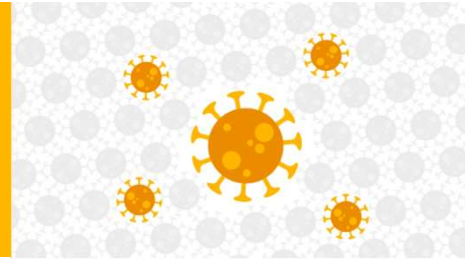


Obligations of the employer



- No redundancies for business reasons during 3 months NOW (*freeze period*)
 - Terminations still possible:
 - Trial period
 - Non-performance
 - Sickness > 104 weeks
 - Expiry definite term contracts
- Requests submitted to UWV from 18 March need to be withdrawn
- Sanction: cut in compensation and correction
- Compensation may only be used for paying wages
- Works council needs to be informed

Poll – NOW

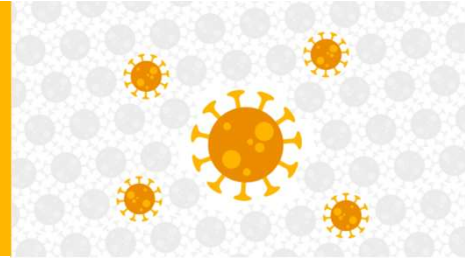


Are you comfortable that you are sufficiently prepared to know what would be best for your company: applying for NOW; restructure your business; a combination of both or potentially other (cost saving) measures?

A) Yes

B) No

Question & Answers



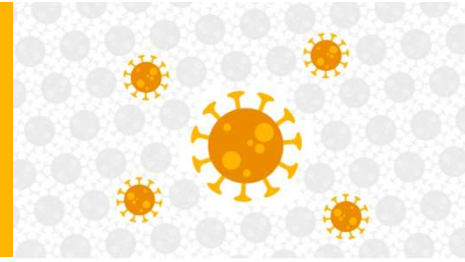
Answer poll - NOW

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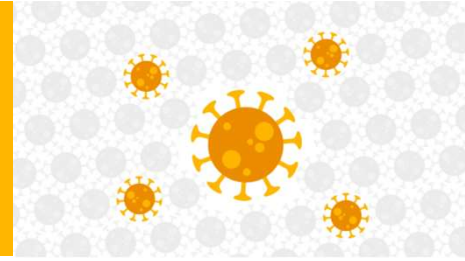


Financial support from government



- Many organisations face (financial) difficulties. More and more turn to governments for help. Many aid measures have already been taken. More to be expected after necessary approval from European Commission.
- Larger companies can for instance use the Business Finance Guarantee Scheme (“GO”), which has been widened to provide necessary support (up to EUR 150 mln per organization). Note: application for (50% cover) made by your bank.
- If need for public support exceeds possibilities of existing schemes, tailor-made aid can be provided, provided this aid complies with State Aid law.

Other Dutch schemes & EU Framework



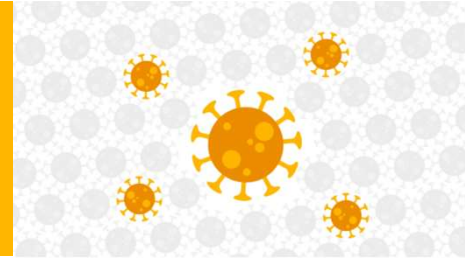
- SME Guarantee scheme (BMKB)
- Self employed persons (Tozo)
- Start-ups/small entrepreneurs (Qredits)
- SME's in affected economic sectors (TOGS)
- More lenient fiscal terms (deferred payments)
- Certain sectors (agriculture, tourism)

More information on www.pwc.nl/en/topics/covid-19/state-aid-and-public-finance.html



- EU Commission has widened the possibilities to provide state aid, further widening will be announced by the EU Commission today.
- EU Commission already made available funds for state aid specifically for Covid19 outbreak
- EU Commission also smoothened the procedure to allow governments to provide aid.

Support schemes in international, EU and local setting



- 1 ● We are helping governments (incl. provincial and municipal) to take new aid measures, complying with State Aid frameworks.
- In individual cases, governments can apply for co-finance support from EU for businesses (“Corona Response Investment Initiative”);
- Importantly, for companies operating in multiple countries: there is no cumulation clause in European state aid law, so it possible to apply for aid from multiple governments at the same time.
- We keep close track of all schemes, in Netherlands, other countries and on EU level, to help your business find the right support.

Slide 34

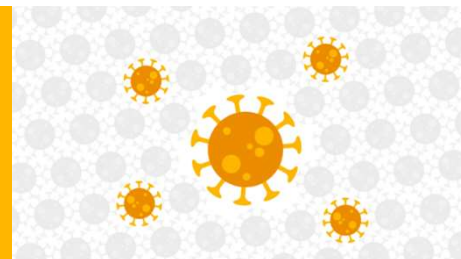
- 1 elke eu lidstaat. overheid vraagt aan; komt in je voice over
Christopher Starmans (NL); 2-4-2020
- 2 _Marked as resolved_
Christopher Starmans (NL); 2-4-2020
- 2 _Re-opened_
Waarom in mijn voice over....ik zie alleen maar een slide straks voor me..
Edwin van Wijngaarden (NL); 2-4-2020
- 1 Available to whom?
Edwin van Wijngaarden (NL); 2-4-2020
- 1 Ik heb eea toegevoegd waardoor je in feite nu zonder notities kan doen .
Allard Knook (NL); 2-4-2020

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Threat actors are quick to use new ways to exploit vulnerabilities: technical and psychological



PwC's cybersecurity research uncovered a mixture of espionage and cyber crime activity from actors capitalising on the COVID-19 situation.

Cyber criminals and espionage actors have begun using COVID-19 based attacks as part of their efforts to infect victims with malware and gain access to their infrastructure.



Subject: [YOUR NAME] : [YOUR PASSWORD]

I know every dirty little secret about your life. To prove my point, tell me, does [REDACTED] ring any bell to you? It was one of your passwords.

What do I know about you?

To start with, I know all of your passwords. I am aware of your whereabouts, what you eat, with whom you talk, every little thing you do in a day.

What am I capable of doing?

If I want, I could even infect your whole family with the CoronaVirus, reveal all of your secrets. There are countless things I can do.

What should you do?

You need to pay me \$4000. You'll make the payment via Bitcoin to the below-mentioned address. If you don't know how to do this, search 'how to buy bitcoin' in Google.

Bitcoin Address:

[REDACTED]

(It is case sensitive, so copy and paste it)

You have 24 hours to make the payment. I have a unique pixel within this email message, and right now, I know that you have read this email.

If I do not get the payment:

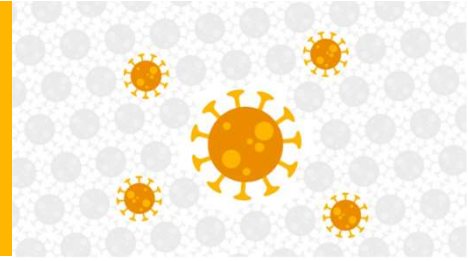
I will infect every member of your family with the CoronaVirus. No matter how smart you are, believe me, if I want to affect, I can. I will also go ahead and reveal your secrets. I will completely ruin your life.

Nonetheless, if I do get paid, I will erase every little information I have about you immediately. You will never hear from me again. It is a non-negotiable offer, so don't waste my time and yours by replying to this email.

Nikita

naked security
by SOPHOS

Early challenges - areas that clients have flagged as immediate difficulties



Remote working
and prioritising
operations



Change in cyber
security risk
landscape

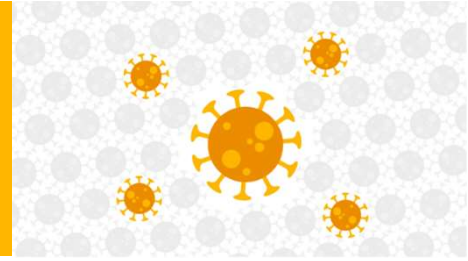


Short staffing of
security
functions

Four changes expected changing the risk landscape (already started Mid March):

1. Scale-up of remote working infrastructure
2. Security control agility and loosening
3. Changed focus for security monitoring
4. Critical third party resilience growing

How to respond to these new challenges – three concrete tips



Secure Remote Working

Secure Remote Access

Monitor for Shadow IT

Review Security Controls

Enhance Security Monitoring

Adapt Cyber Response

Counter Opportunistic Attacks

Create User Awareness

Monitor Phishing Activity

Weakness Find & Fix

Enhance Treat Intel

Insider Threat Monitoring

Continue Key Security Functions

Flag Key Security Services

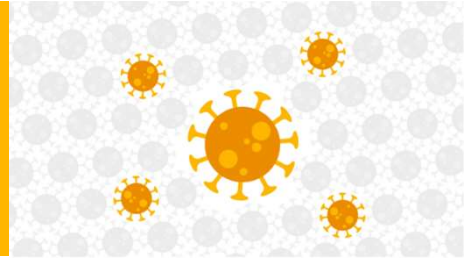
Freeze Critical Changes

Enhance Endpoint Security

Review Privileged Access

Monitor Asset Movement

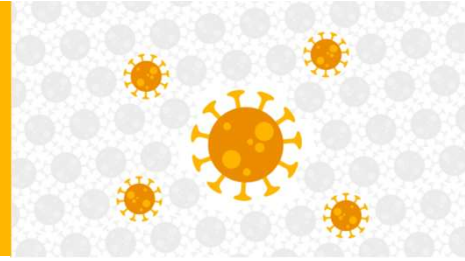
5 key topics to ask about in your organisation



- Identify and fix vulnerabilities in our remote working environment
- Prepare our people to protect their remote workspace and identify phishing
- Monitor all remote devices to timely detect malicious activities
- Fall back in case our key IT and security people become unavailable
- Our response when we have a cyber breach

For more details refer to: <https://www.pwc.nl/het-managen-van-de-impact-van-covid-19-op-cybersecurity.html>

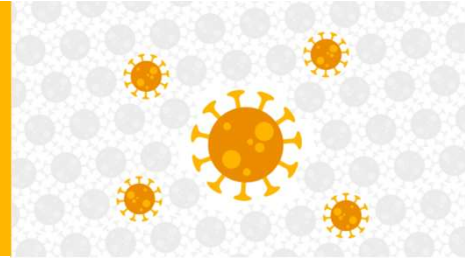
Poll – ‘Digital Trust’




How comfortable do you feel about the IT and security of your organisation?

- A) Comfortable
- B) Not comfortable
- C) Frankly, I do not know

Question & Answers





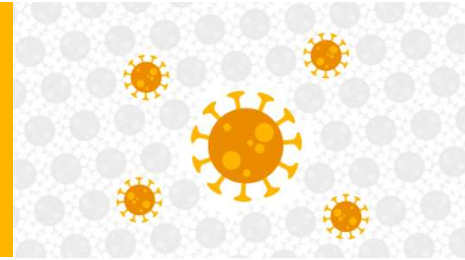
Answer poll - ‘Digital trust’

Agenda

1. Introduction
2. Grip on liquidity
3. People & organisation measures (incl. NOW)
4. Government support
5. Cybersecurity & resilience
6. Conclusion



Conclusion



- **Questions?** Please contact your PwC advisor or fill in the form on our website: [pwc.nl/en/topics/covid-19](https://www.pwc.nl/en/topics/covid-19)
- View this webcast on demand
- Evaluation form
- **Stay up to date:** register for our PwC Update newsletter on [pwc.nl](https://www.pwc.nl) and receive our Coronavirus – impacts and updates newsletter
- Visit our Covid-19 helpdesk. On www.pwc.nl/houvast a PwC team is stand by to answer all concrete questions from small to medium business owners, the self-employed, social entrepreneurs, and charitable organisations.



Thank you
Stay safe, stay connected