



BCG Transform & Special Situations Index 2024 -TSS Index-

Switzerland

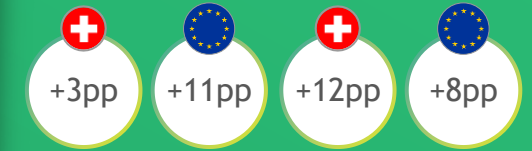
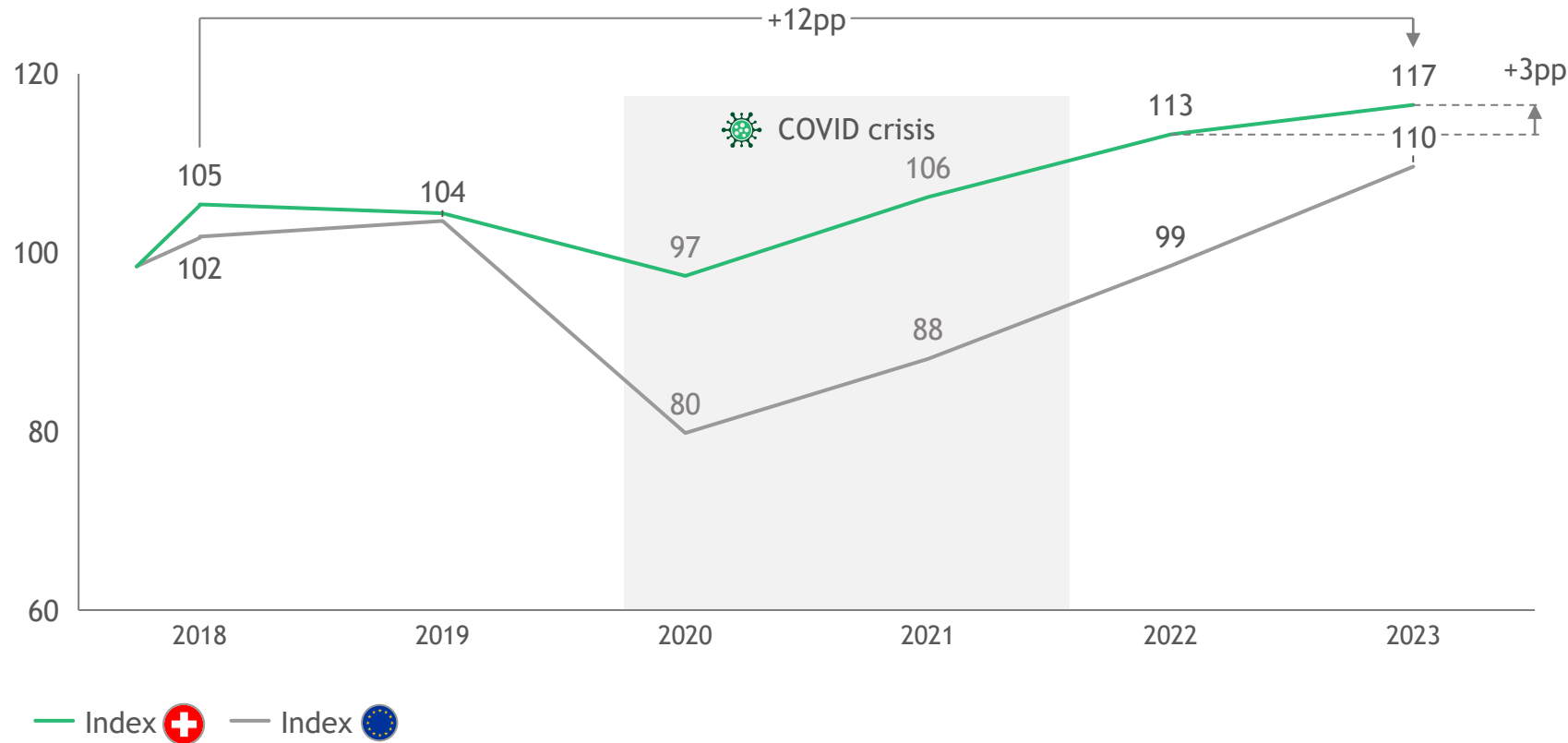
JUNE 2024



+3pp in insolvencies over last year, above pre-COVID level and on a par with European average

Insolvency filings: Q1 2018 through Q4 2023

Indexed development of the number of insolvencies (2018 at 100)¹
Index, base 100



insolvencies
2023 vs. 2022

insolvencies vs.
pre-COVID
period

- Limited impact of COVID crisis (-7% in 2020 vs. 2019) on Switzerland insolvency level vs. EU due to lower exceptional liquidity support (6.2% of GDP vs. 6.7% for EU)
- Swiss restructuring law emphasizing new EU directives on restructuring
- UBS's acquisition of Credit Suisse to impact financing solutions for distressed and stressed companies

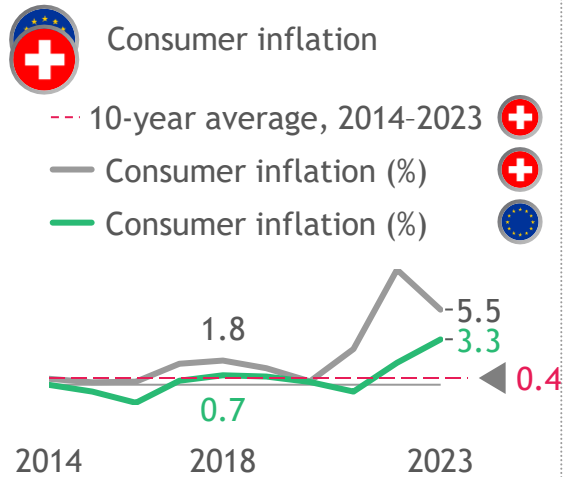
~15K insolvencies in 2023

1. According to Federal Law on Debt Collection and Bankruptcy (LP)
Sources: Eurostat; International Monetary Fund; Swiss Federal Statistical Office; BCG analysis.

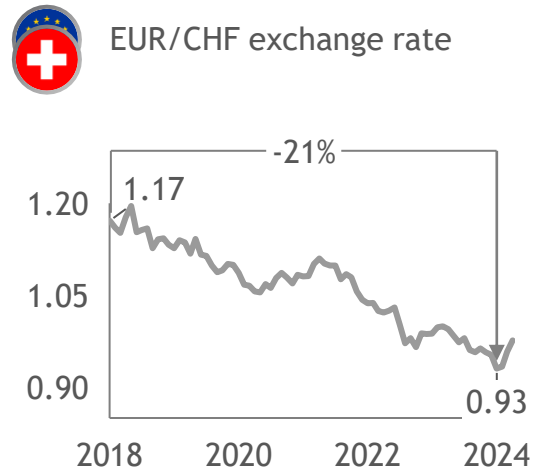
Continuing macroeconomic headwinds suggest that transformation and restructuring pressures will stay strong in the next 24 months



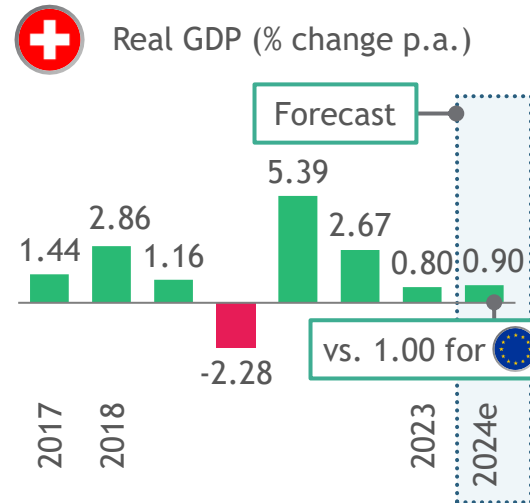
Inflation more than doubled vs. pre-COVID



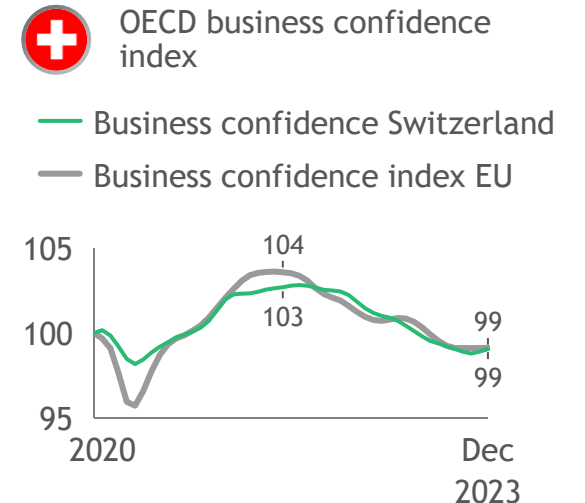
EUR depreciation vs. CHF impacting Swiss exportation



GDP growth halved vs. pre-COVID



Business confidence below pre-COVID



Geopolitical instability: conflicts and tensions in Eastern Europe, Middle East, and Asia; >50% of worldwide population electing new government in 2024

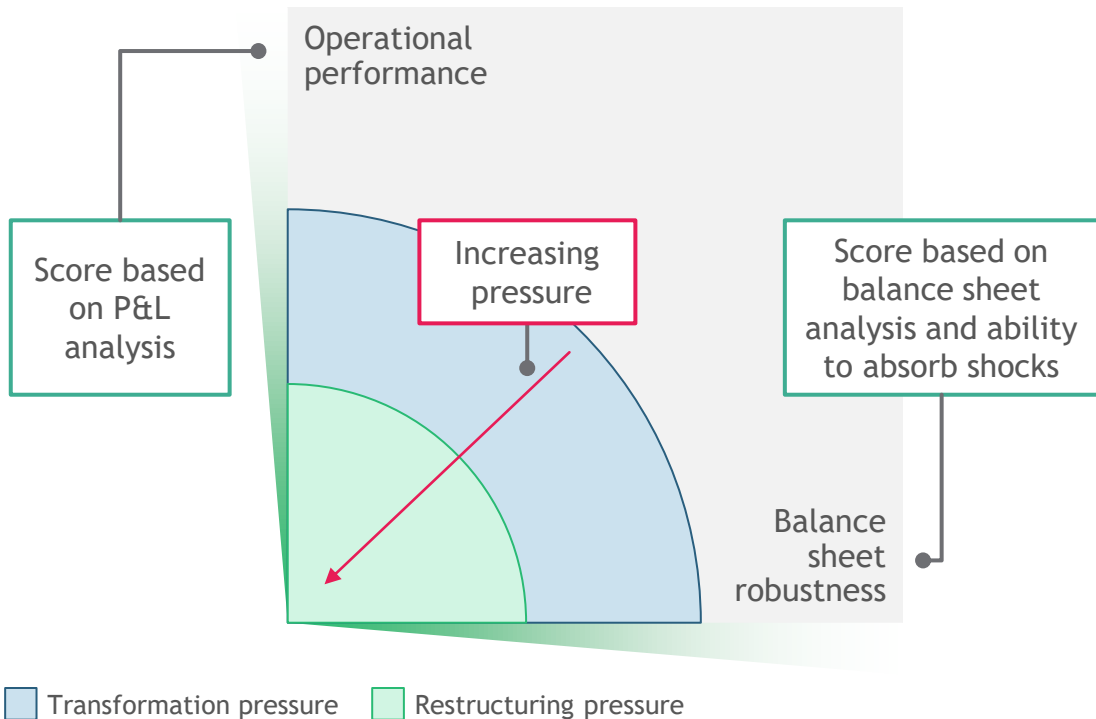
Strong local currency, acquisition of Credit Suisse by UBS

Note: Latest data available as of March 13, 2024.
Sources: Eurostat; European Central Bank; Oxford Economics; Trading Economics; OECD; BCG analysis.

BCG Transform and Special Situations (TSS) Index identifies companies showing signs of weak operational performance and undercapitalization

1 Transformation and restructuring pressures by sector

Assessment of about 2,000 European public companies and analysis of 12 performance and financial stability KPIs



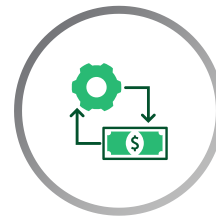
Note: Transformation pressure—initial signs of weakening operational performance and financial stability require optimization. Restructuring pressure—clear signs of weak or negative operational performance and undercapitalization require more structural steps to recover.
Source: BCG analysis.

2 Forward-looking view

Assessment of sector dynamics based on AI-powered sentiment analysis and insights from sector experts



AI-powered sentiment analysis to synthesize insights from market and company documents (including earnings calls transcripts) and all publicly available materials

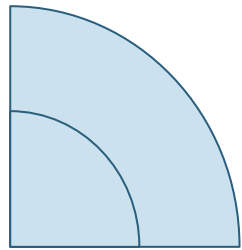


Targeted in-depth interviews with industry experts

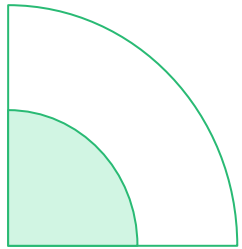
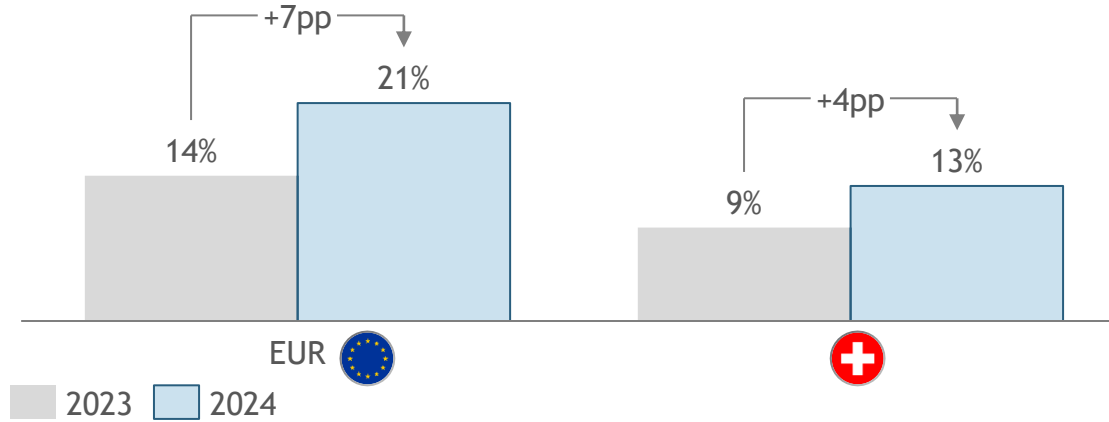


200+ European executives surveyed on their perspectives, priorities, and challenges for 2024

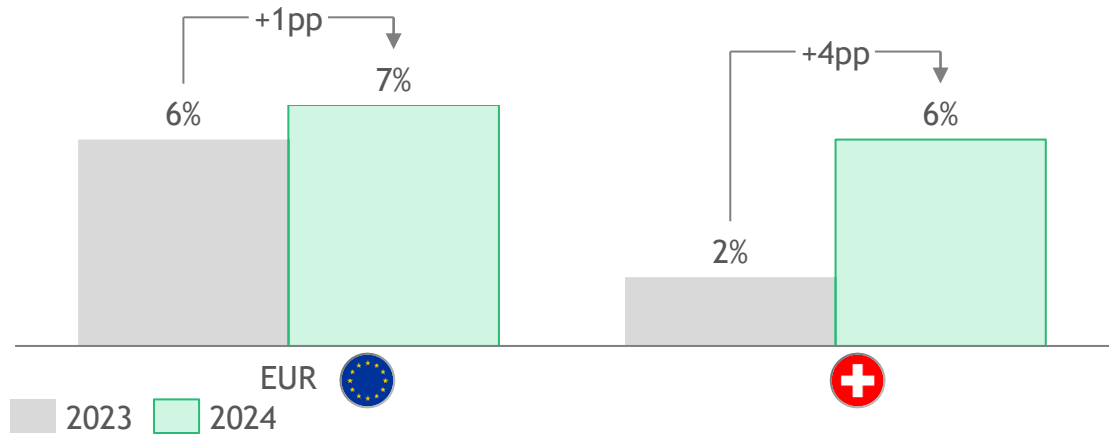
Increase of transformation and restructuring pressures, but still below European average



Transformation pressure



Restructuring pressure



About **1 in 8** companies face significant transformation pressure in Switzerland

About **1 in 17** companies face significant restructuring pressure in Switzerland

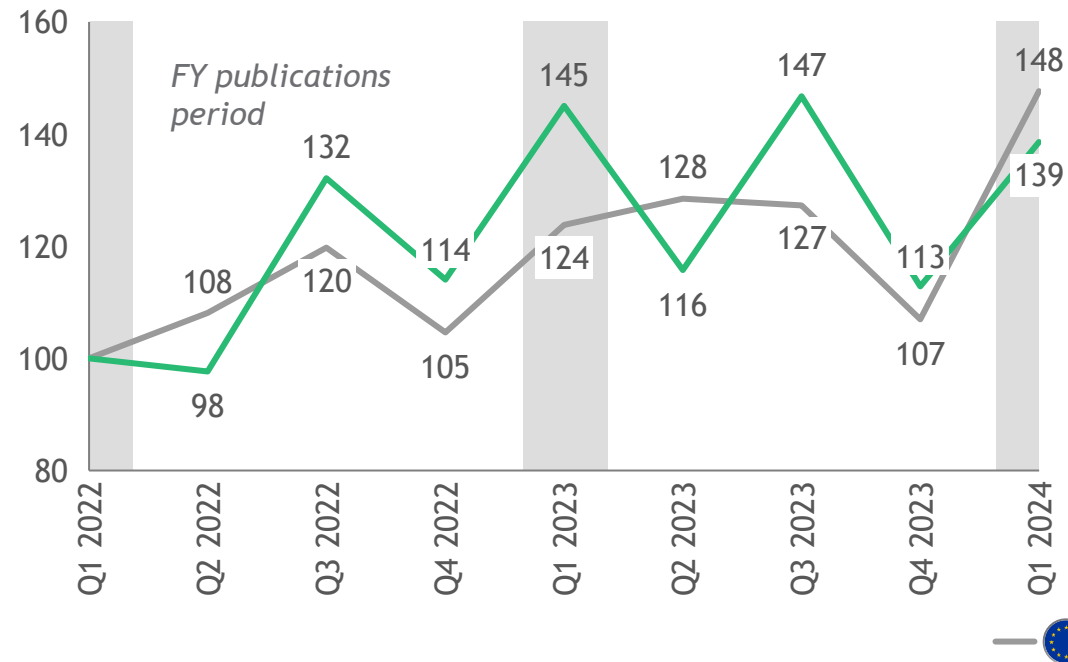
Note: The BCG Transform and Special Situations Index is based on share of revenue.
Sources: S&P Capital IQ; BCG analysis.

AI-powered sentiment analysis shows transformation and restructuring topics are gaining momentum for last two years, on a par with European average

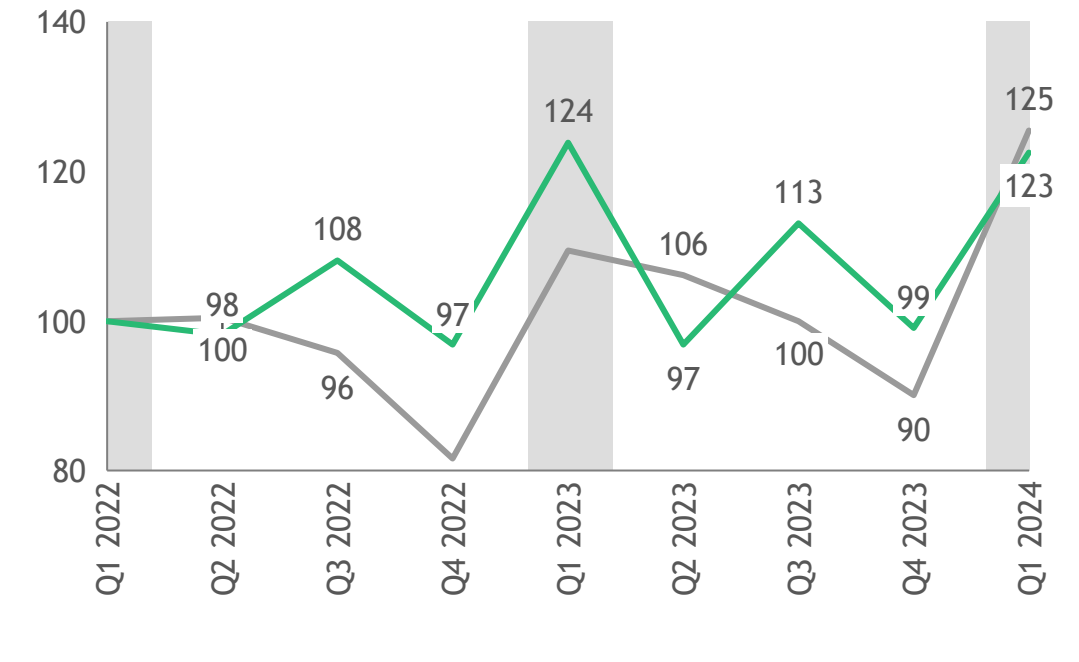
Development of transformation and restructuring citations in public company documents

Q1 2022 through Q1 2024, index, base 100 = Q1 2022

Relative frequency¹ of transformation-related company talks

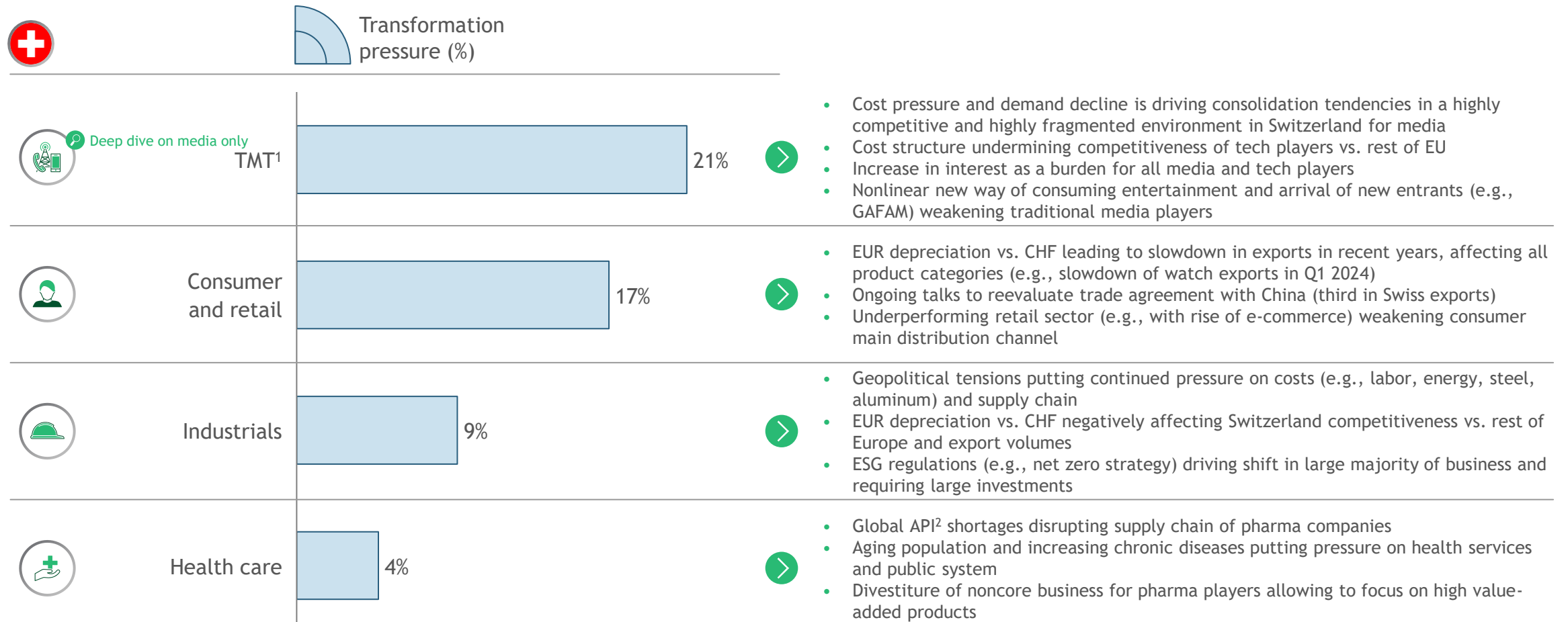


Relative frequency¹ of restructuring-related company talks



1. AlphaSense trend score (based to 100 for Q1 2022), calculated based on all publicly available documents (company documents, research documents, transcripts), smoothed quarterly data. Sources: AlphaSense; BCG analysis.

Media, consumer and retail, and industrials face strong transformation pressure



1. TMT - technology, media, and telecommunications. 2. API = active pharmaceutical ingredient.
 Note: Sectors with more than ten companies in scope.
 Sources: S&P Capital IQ; BCG analysis.

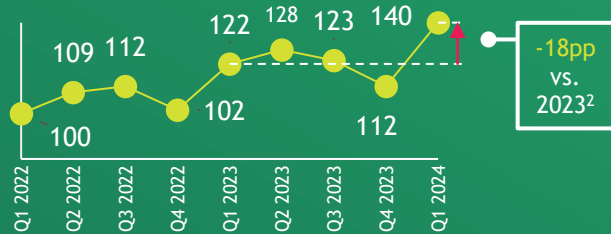
Media

Key figures

21% (≈) vs. 32% in 2023



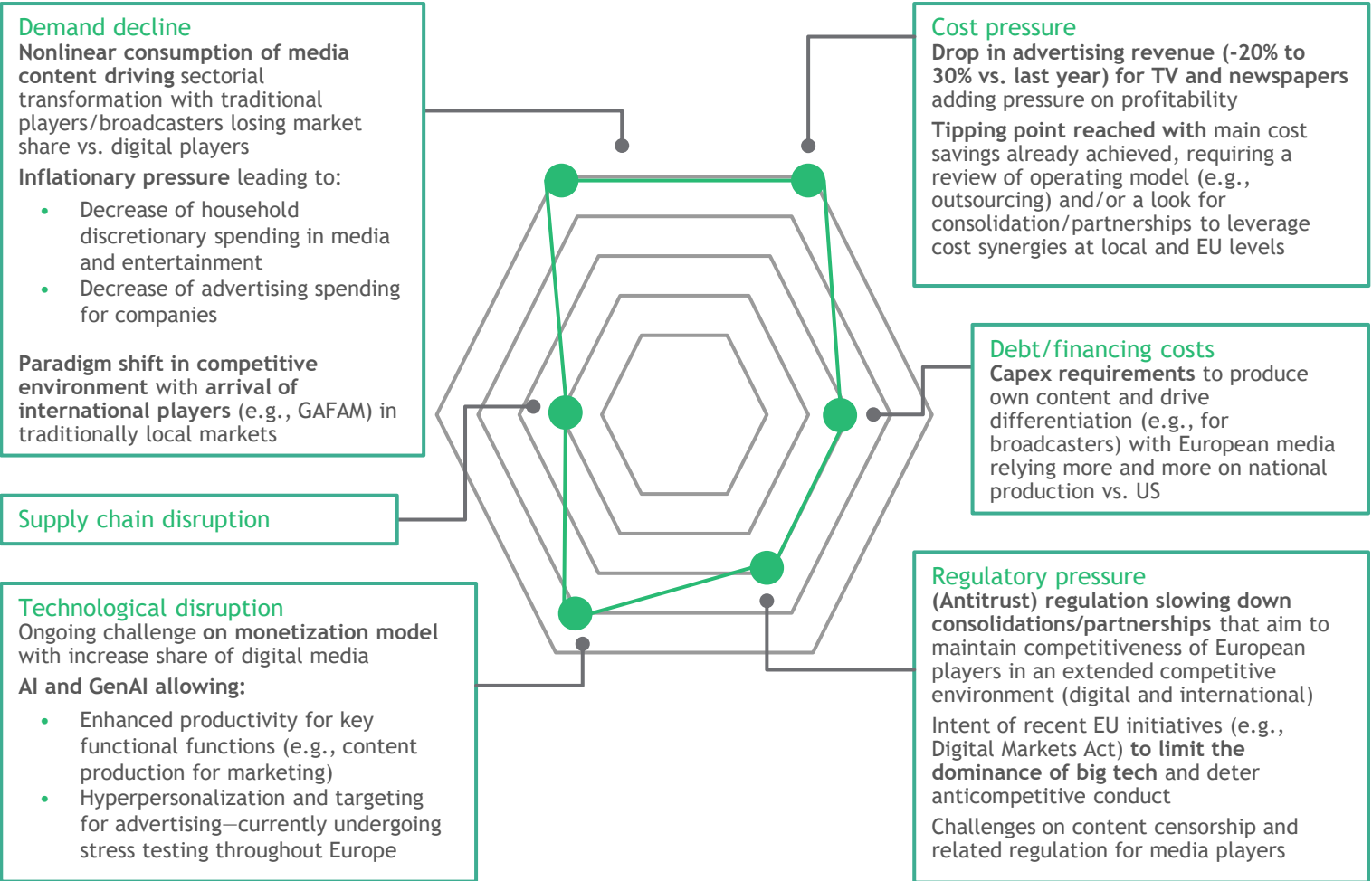
Restructuring and transformation topics¹



Top executive views³



Key trends and challenges in Switzerland



1. Relative frequency of restructuring and transformation topics via public citations. 2. Comparing Q1 2023 with Q1 2024. 3. View from TMT top executives.

Note: Key figures, restructuring and transformation topics, and top executive views section for TMT.

Sources: S&P Capital IQ; AlphaSense; Swiss Federal Statistical Office; BCG analysis and BCG expert views; BCG C-Suite survey 2024.



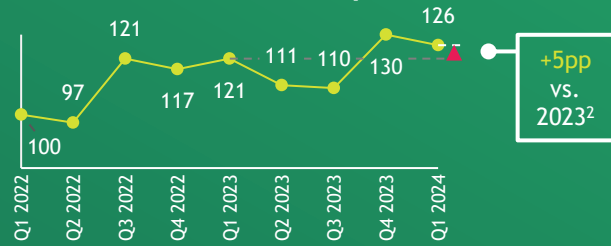
Consumer and retail

Key figures

17% vs. 8% in 2023

Transformation pressure

Restructuring and transformation topics¹

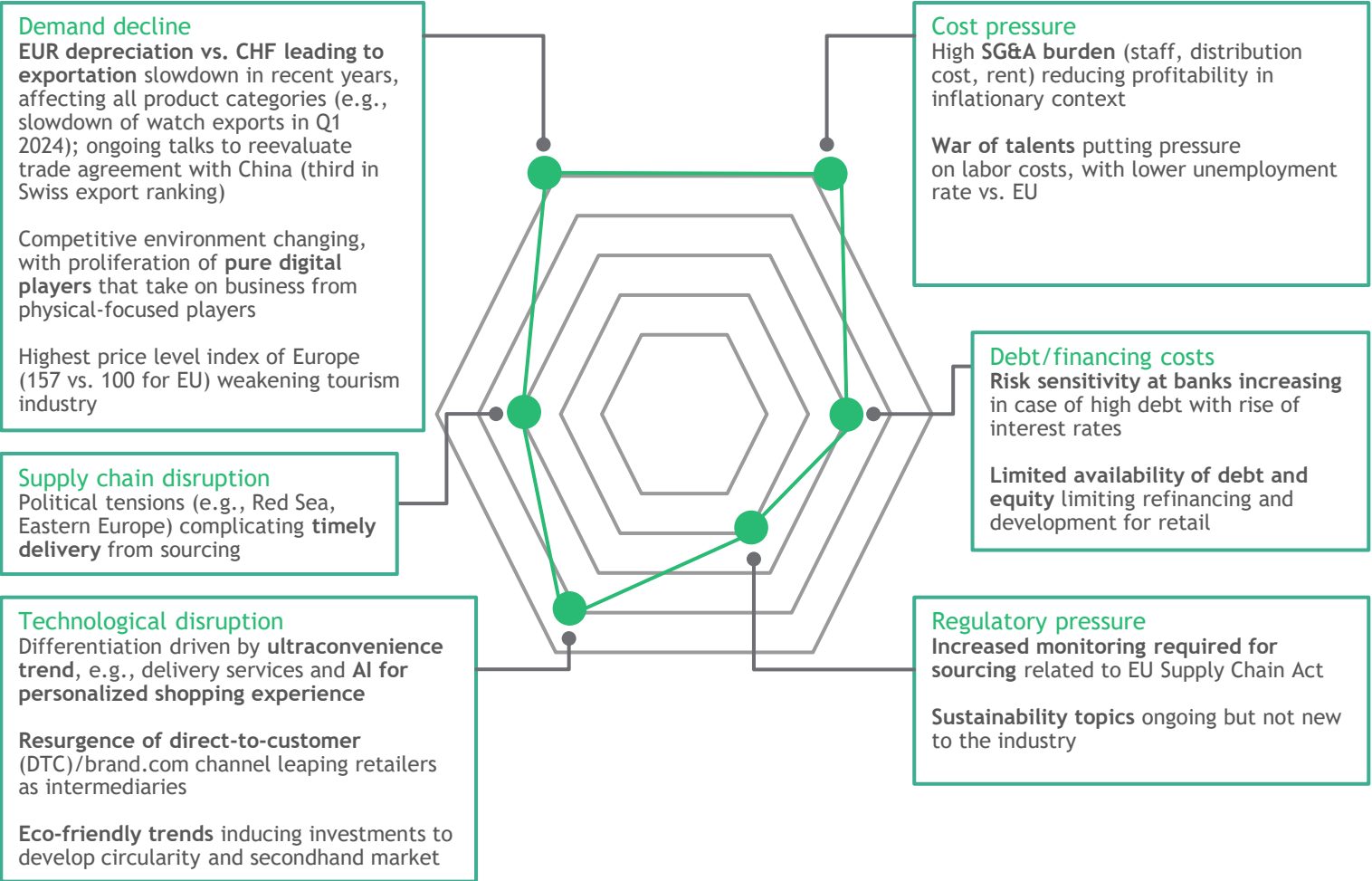


Top executive views³

- 35%** vs. 29% in Worried about inflation and rising interest rates
- 64%** vs. 54% in Considering labor cost actions as very important to remain competitive
- 26%** vs. 14% in Have volume improvement as their top priority for 2024



Key trends and challenges in Switzerland



1. Relative frequency of restructuring and transformation topics via public citations. 2. Comparing Q1 2023 with Q1 2024. 3. Consumer goods, including retail. Sources: S&P Capital IQ; AlphaSense; Swiss Federal Statistical Office; BCG analysis and BCG expert views; BCG C-Suite survey 2024.

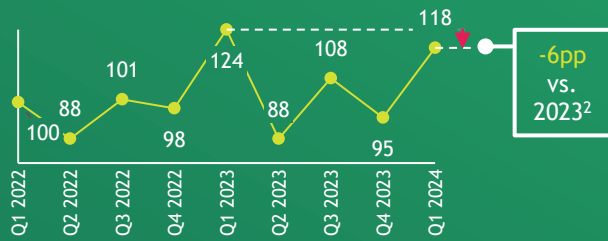
Industrials

Key figures

9%  vs. 11% in 2023



 Transformation pressure

Restructuring and transformation topics¹



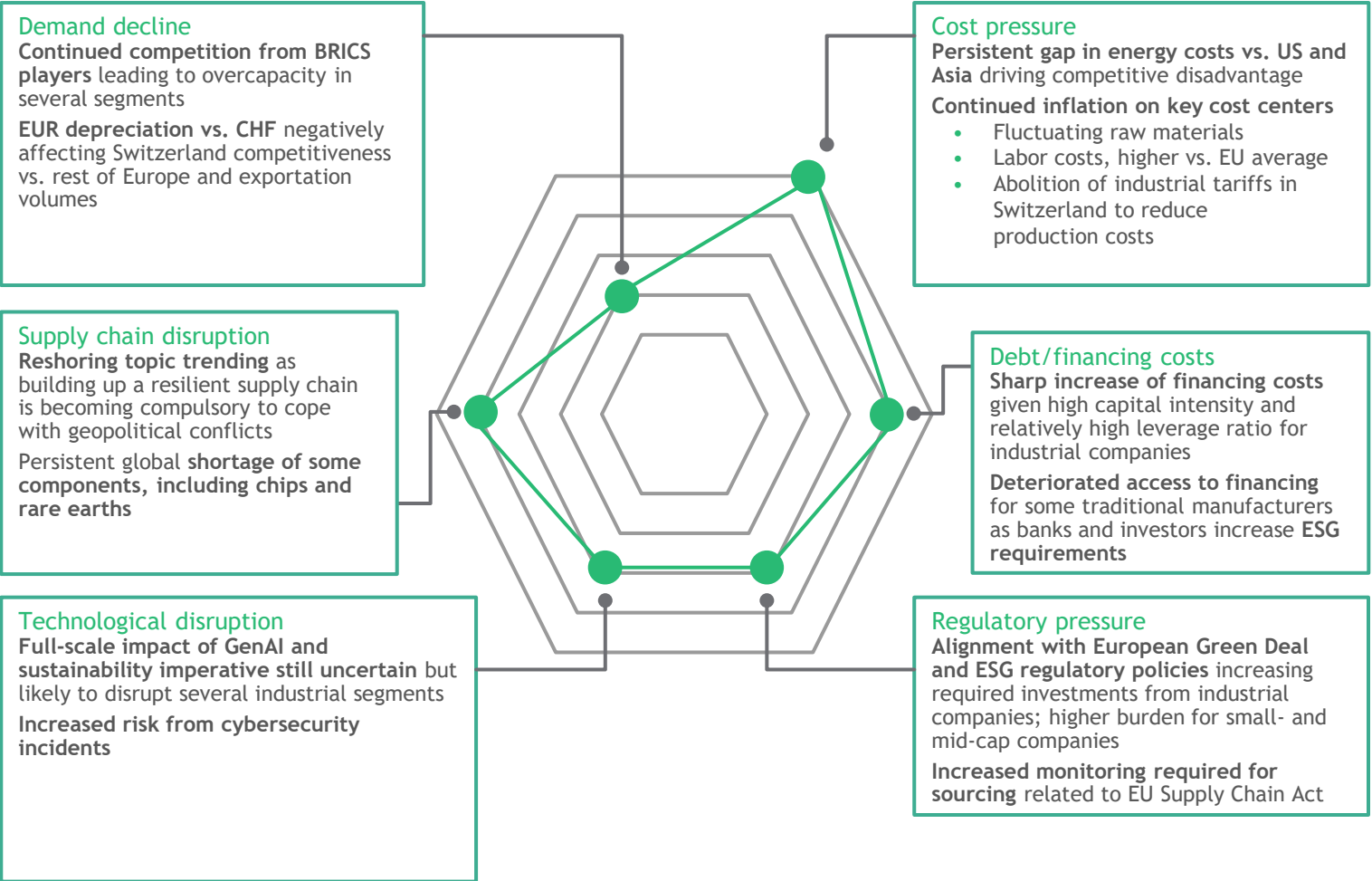
Top executive views

 vs. 34% in  Worried about uncertain economic outlook

 vs. 18% in  Worried about impact of cost of energy



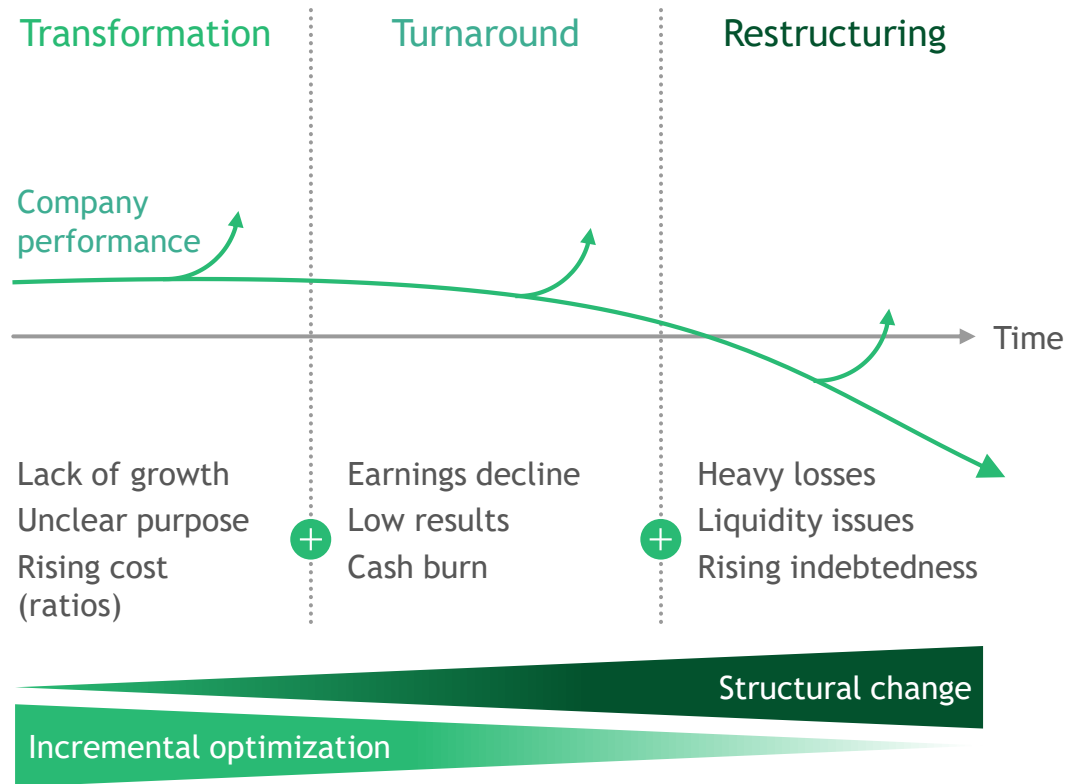
Key trends and challenges in Switzerland



1. Relative frequency of restructuring and transformation topics via public citations.
2. Comparing Q1 2023 with Q1 2024.

Sources: S&P Capital IQ; Alphasense; Swiss Federal Statistical Office; BCG analysis and BCG expert views; BCG C-Suite survey 2024.

BCG Transform assists companies for transformation, turnaround, and restructuring



Typical transformation offering



Full potential plan (FPP)

FPP development includes cost efficiency, NWC optimization, and CTO offering



Execution support/ transformation office (TO)

Aligning, monitoring, and steering large-scale transformation programs

Typical special situations offering



IBR/restructuring opinions

Creating new and/or validating existing restructuring programs



Cash office

Establishing 13-week as well as midterm liquidity planning and actively managing cash

Your BCG special situations local experts to assist you along your journey



Pierre Laugeri
Partner & Director
Geneva



Max Lieber
Partner Zurich



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