

# Coronavirus (COVID-19) disclosure

Trends worth talking about

## The Securities and Exchange Commission (SEC) has asked; see how companies have answered

On March 25, the SEC's Division of Corporation Finance (CorpFin) released [CF Disclosure Guidance: Topic No. 9](#). The guidance provided a series of questions intended to help companies assess COVID-19-related effects and consider their disclosure obligations.

We're here to support you through the COVID-19 crisis. We have provided excerpts from companies answering CorpFin. Additionally, Intelligize is providing free access to our entire research platform in April. [Request free access](#), and use the search links below to help you benchmark against the latest precedent.

## How has COVID-19 impacted your capital and financial resources, including your overall liquidity position and outlook?

[L BRANDS, INC. · 10-K · 3/30/2020](#)

As of March 27, 2020, we currently have more than \$2 billion in cash, which includes the \$950 million borrowed under the Secured Revolving Facility on March 16, 2020. Our Secured Revolving Facility has certain financial covenants, including a debt to consolidated EBITDA covenant, which may be breached as early as the end of the fiscal quarter ending May 2, 2020.

[MACY'S, INC. · 10-K · 3/30/2020](#)

As a result of the COVID-19 pandemic, the Company's ability to draw on commercial paper is limited.

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## How has COVID-19 impacted your financial condition and results of operations?

[MONGODB, INC. · 10-K · 3/27/2020](#)

Further, we currently expect our revenue to be negatively impacted by the slowdown in activity associated with the COVID-19 pandemic in fiscal 2021.

[ADOBE INC. · 10-Q · 3/25/2020](#)

During the three months ended February 28, 2020, we recorded charges related to the cancellation of corporate events including Adobe Summit due to concerns over COVID-19.

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## How do you expect COVID-19 to impact your future operating results and near-and-long-term financial condition?

[SKYE LIFE VENTURES LTD. · 8-K · 3/30/2020](#)

In light of changing trends and the overall economic outlook, we expect COVID-19 to negatively impact our future operating results and near-and-long-term financial condition.

[UTSTARCOM HOLDINGS CORP. · 6-K · 3/27/2020](#)

However, as the Coronavirus pandemic is escalating around the globe, the impact to the Company's future operations, revenue and earnings is likely to be significant and prolonged.

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## Do you anticipate any material impairments (e.g., with respect to goodwill, intangible assets, long-lived assets, right of use assets, investment securities)?

[CREDIT SUISSE AG · 20-F · 3/30/2020](#)

The spread of COVID-19 is expected to have a significant impact on the global economy and is likely to affect the Group's business performance, including goodwill assessments, in at least the first half of 2020 and going forward.

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## Have COVID-19-related circumstances such as remote work arrangements adversely affected your ability to maintain operations, including financial reporting systems, internal control over financial reporting and disclosure controls and procedures?

[INSPIRED ENTERTAINMENT, INC. · 10-K · 3/30/2020](#)

Prospectively and in particular while the current remote working conditions associated with the COVID-19 outbreak remain in effect, Management intends to ensure that all reviews are fully completed prior to issuing the draft financial statements to our external auditors (or where possible make it clear this is the case).

[BIMINI CAPITAL MANAGEMENT, INC. · 10-K · 3/27/2020](#)

In response to the COVID-19 pandemic, Company employees have begun working from home beginning on March 23, 2020. Management has taken measures to ensure that the Company's internal control over financial reporting are unchanged during this period.

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**Do you expect COVID-19 to materially affect the demand for your products or services?**

[RECRUITER.COM GROUP, INC. · 8-K · 3/30/2020](#)

The COVID-19 pandemic has resulted in a significant downturn in the global and United States economies and accordingly a decreased demand for recruitment and staffing services, which would have a material adverse effect on our business, financial condition and results of operations.

[XPRESSPA GROUP, INC. · 424B5 · 3/26/2020](#)

As the coronavirus has spread, we have seen a material decline in demand across all our locations and this has resulted in a materially adverse impact on our cash flows from operations and has caused an immediate liquidity crisis.

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**Do you anticipate a material adverse impact of COVID-19 on your supply chain or the methods used to distribute your products or services?**

[THERMO FISHER SCIENTIFIC INC. · 424B5 · 3/30/2020](#)

COVID-19 is having, and will continue to have, an adverse impact on our operations, supply chains and distribution systems, including as a result of impacts associated with preventive and precautionary measures that we, other businesses and governments are taking.

[CATERPILLAR INC · 8-K · 3/26/2020](#)

The continued spread of the COVID-19 pandemic is starting to impact Caterpillar's supply chain, a possibility the company disclosed in its risk factors included in the company's Form 10-K filed on February 19, 2020. The company is monitoring the situation closely and supply chain teams have been executing business continuity plans, which include, but are not limited to, being alert to potential short supply situations, and, if necessary, utilizing alternative sources and/or air freight, redirecting orders to other distribution centers, and prioritizing the redistribution of the most impactful parts. Caterpillar is committed to continuing to execute these plans and will remain in close contact with its supply chain to monitor future possible implications, especially on production facilities.

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**Will your operations be materially impacted by any constraints or other impacts on your human capital resources and productivity?**

[CAMTEK LTD · 20-F · 3/30/2020](#)

Lower work efficiency, productivity and service quality; Coronavirus infection could harm the health of one or more of our employees, which could in turn require us to completely shut down all, or almost all, work in our facility in order to prevent further infection and spread of the virus. Key employees may lose their ability to manage and run our operations, share their knowhow and further pursue the development of our products and business

[CRONOS GROUP INC. · 10-K/A · 3/30/2020](#)

As a result of Covid-19, we have implemented work-from-home policies for certain employees and the effects of our work-from-home policies may negatively impact productivity, disrupt access to books and records and disrupt our business.

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**Are travel restrictions and border closures expected to have a material impact on your ability to operate and achieve your business goals?**

[ANGLOGOLD ASHANTI LTD · 20-F · 3/27/2020](#)

Such disruptions, which include restrictions in travel and border access, may impact the company's ability to source and transport goods and services required to operate mines and to transport gold doré to refineries.

[REVOLUTION MEDICINES, INC. · 10-K · 3/30/2020](#)

All of the Company's clinical trial sites for its RMC-4630 clinical studies are located in the U.S., and may be affected by the COVID-19 outbreak due to prioritization of hospital resources toward the COVID-19 outbreak, travel or quarantine restrictions imposed by federal, state or local governments, and the inability to access sites for initiation and patient monitoring and enrollment.

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## Analysts are asking too

Earnings calls are the single most important point of contact between public companies and the market, and we see overlap in the questions asked by CorpFin and analysts.

We've provided example analyst concerns to allow you to come up with a strategy for responding. [Request free access](#) to Earnings Call Transcripts to decrease your team's risk of receiving unexpected questions.

[AVERY DENNISON CORP · Investor Meeting — Bank of America · 3/24/2020](#)

**George Leon Staphos**

**Analyst**

**Bank of America Merrill Lynch**

Interesting. When we think about the geographies and the water patterns that you're currently seeing right now, again recognizing you're quite busy in [Label and Graphic Materials], to the extent that you can comment, are there any variances, say, between China, Europe, and North America? And perhaps this is not a good template, but if we did use China as a template, since it was the first to go into a downturn, because of coronavirus, what was the progression, if you will, that you saw in terms of demand and then perhaps recovery, if you could share some comments, so that'd be great?

[Analyst question search link...](#)

[OXFORD INDUSTRIES INC · Q4 2019 Earnings Call · 3/26/2020](#)

**Susan Anderson**

**Analyst**

**B. Riley & Co. LLC.**

Hi. Thanks for taking my question. I wanted to follow-up on [Lilly Pulitzer] and [Tommy Bahama]'s performance through mid-March. Did you say both of them I guess were coming positive until they started to kind of fall off due to COVID-19? And then, on the supply chain front, are your vendor partners fully up and running now in China so there's no issue there?

[Analyst question search link...](#)

[DARDEN RESTAURANTS INC · Q3 2020 Earnings Call · 3/19/2020](#)

**Matthew DiFrisco**

**Analyst**

**Guggenheim Securities LLC.**

Thank you. Percentage of your base now with the acquisition of Cheddar's that you skew towards tourism or travel, if you could give us an estimate on that? And then I had a follow-up on—the follow-up when we come out of this. Gene, how do you think the process would be if God forbid, you did have a employee come down with COVID say in July or August, would you close down the store, is this going to be something that is going to be treated greater than other viruses that might enter the building and cause closures of stores you believe?

[Analyst question search link...](#)