

# Funding Strategies



## Capital Raising Webinar

25 October 2023





# About Us



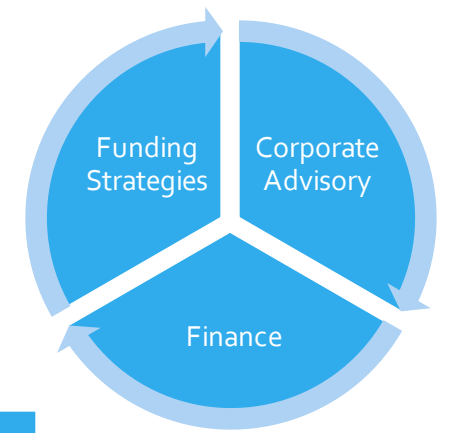
## BlueMount Capital

- Investment Banking and Corporate Advisory
- Equity / Debt / IPO (ASX / RTO / Mergers & Acquisitions / Investor Distribution / Funds
- AFSL
- Offices in Perth, Sydney, Brisbane, Melbourne
- Member of Orion Partners



## Funding Strategies

- Venture Capital, Finance / Equity and Corporate Advisory
- Specialising in Venture Capital / Venture Debt / Working Capital / Investor Ready Services / Investor Distribution
- AFSL
- Office in Brisbane
- Partnership with BlueMount Capital



# About Us

We are a national firm, founded in 2012, serving predominantly sophisticated investors, emerging and growing private companies that delivers a broad range of services including:

- Corporate Advisory Services
- Strategy, Execution, Leadership
- Funding Strategies and Investor Ready Services
- Equity and Debt Capital Raisings (\$0.5-\$3m)
- Investor Distribution
- Venture Capital
- Business Exits
- Advisory Board Services
- Providing Opportunities for Investors

Leveraging our deep experience, industry knowledge and capable team



# Funding Strategies

## WE ACT FOR THE COMPANY

Over 100 clients in the past 11 years and help companies on the journey.



## VERY EXPERIENCED TEAM, PROVEN PROCESSES, INDUSTRY KNOWLEDGE

Assist Companies with their Funding Strategy and position the Company appropriately. Explore business models and connect the right people.



## RAISED MILLIONS OF DOLLARS

Successful outcomes for private companies and investors.



## CONNECTING TO ALL CAPITAL AND FUNDING OPTIONS

Provide strategy and funding options; co-ordinate and run the agreed funding process. Dealmaking.



# Funding Strategies

## Corporate Advice

Strategy, Business Options, Structure, Financial Model,  
Roadmap, Investment Teaser, Transaction Options, Funding Pathways, Advisory Board

## Commercial & Corporate Debt

Financial Model, Investment Teaser, Investor outreach and close

## Raising Equity Capital

Financial Model / Forecast, Share Capital Structure, Valuation, Investment Teaser, Investor outreach and close

## Merger and Acquisition Buy Side / Sell Side

Financial Model / Forecast, Share Capital Structure, Valuation, Investment Teaser, Investor outreach and close

## Technology Industry Sectors

Software, Healthcare, Energy, Resources, Mining Services, Manufacturing, FMCG, Food, Agriculture, Financial Services ..

## Investor Opportunities

Curated deals for investors, deal matching and support

## Partners

BlueMount Capital  
Specialist Lenders  
Laboratories  
... Large Investor Network

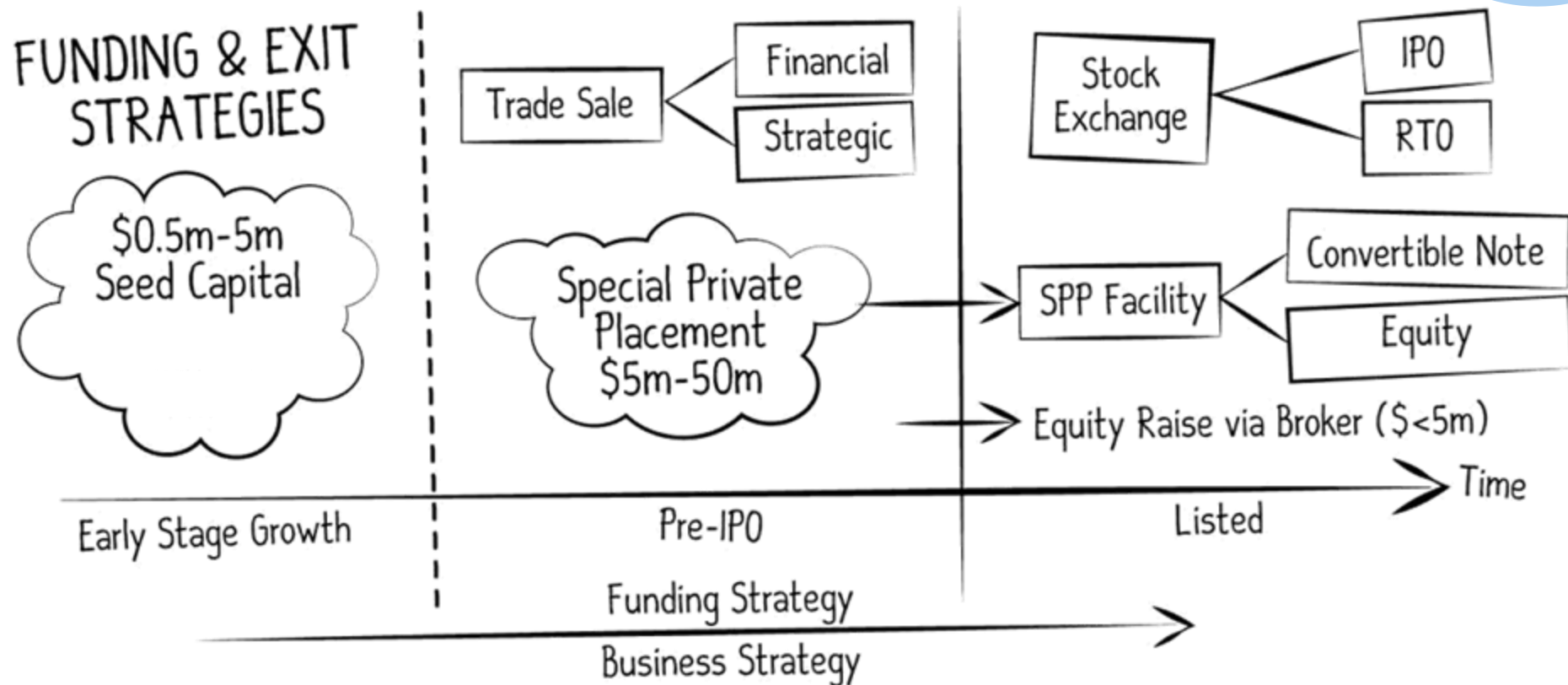
# Why Raise Capital?



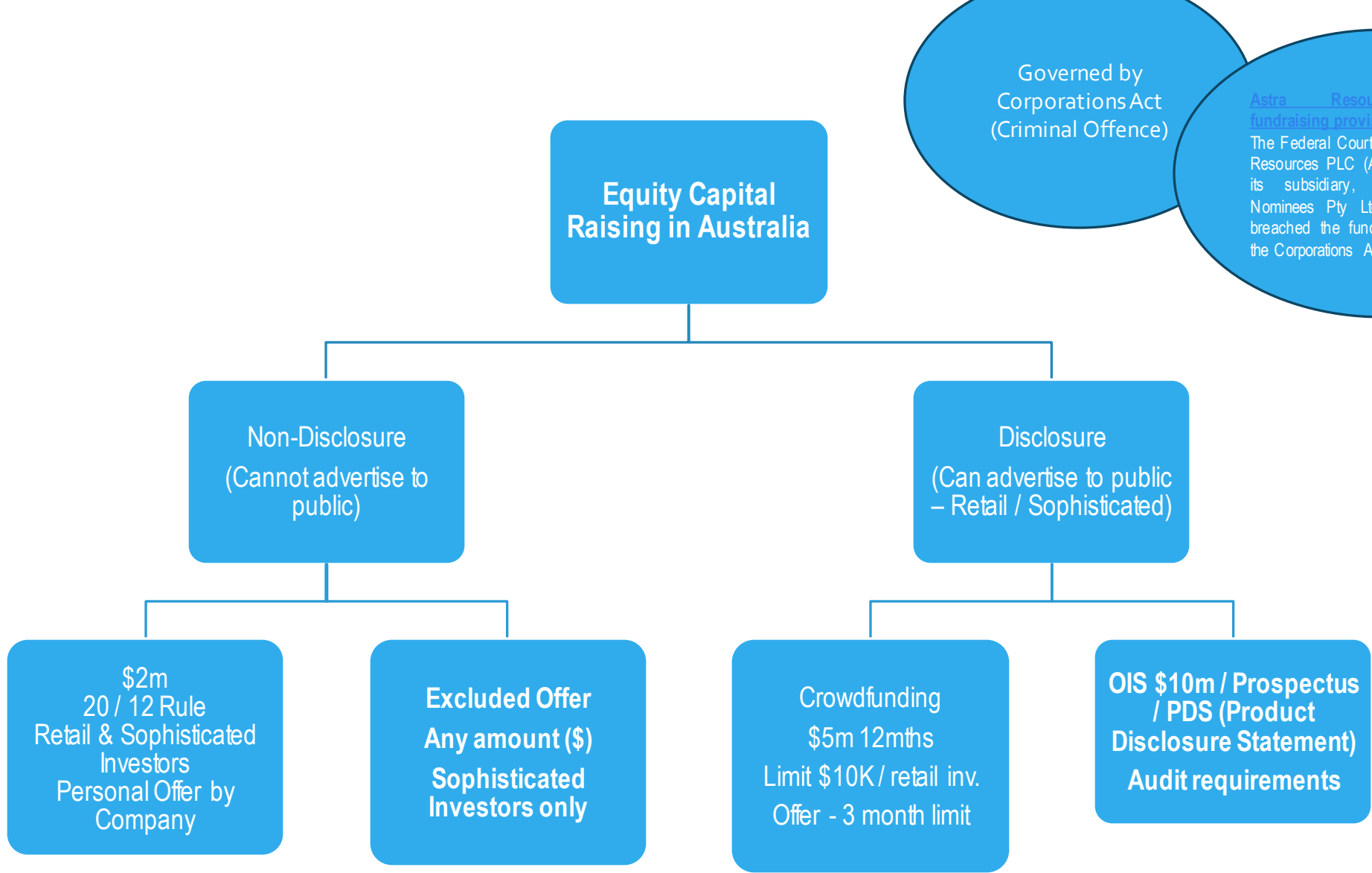
Raising capital can assist in increasing the valuation and make the enterprise more appealing / valuable. Capital can be used to:

- Hire human capital
- Grow the company (sales and marketing)
- To have a competitive advantage (more nimble in the market place)
- Build working capital and cash reserves
- To enhance credit and borrowing status (use equity to get debt)
- Launch new products / initiatives
- Fund acquisitions or acquire market share
- Fund capital investment and expansion (project finance)
- Retire debt / reduce balance sheet gearing
- Increase profit by reducing interest costs
- Exit the business gradually by selling down shares
- Negotiate with stakeholders (ie. bring money to the table)
- Replace shareholders
- Demonstrate an increasing share price / valuation

# How? By providing funding options and working together



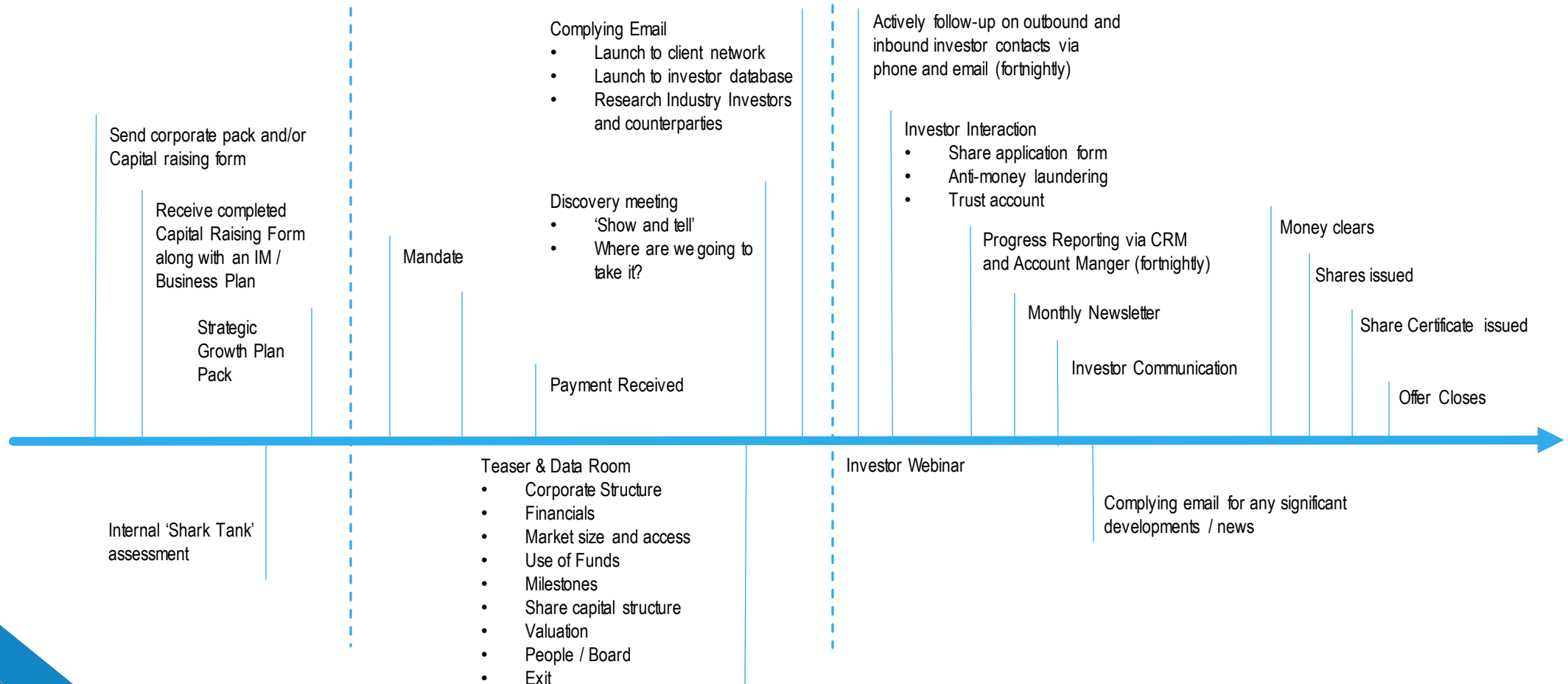




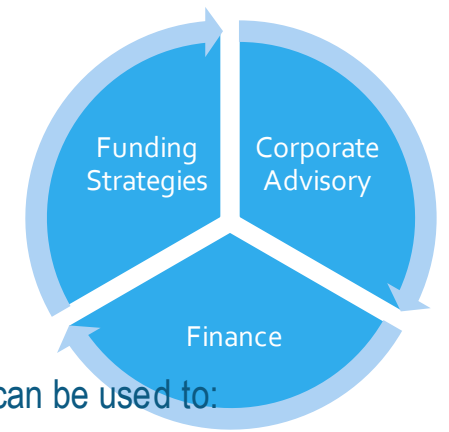
Governed by Corporations Act (Criminal Offence)

[Astra Resources breaches fundraising provisions](#)  
 The Federal Court has found that Astra Resources PLC (Astra Resources) and its subsidiary, Astra Consolidated Nominees Pty Ltd (Astra Nominees), breached the fundraising provisions of the Corporations Act.

# Capital Raising Process / Timeline:



# Investor Ready?

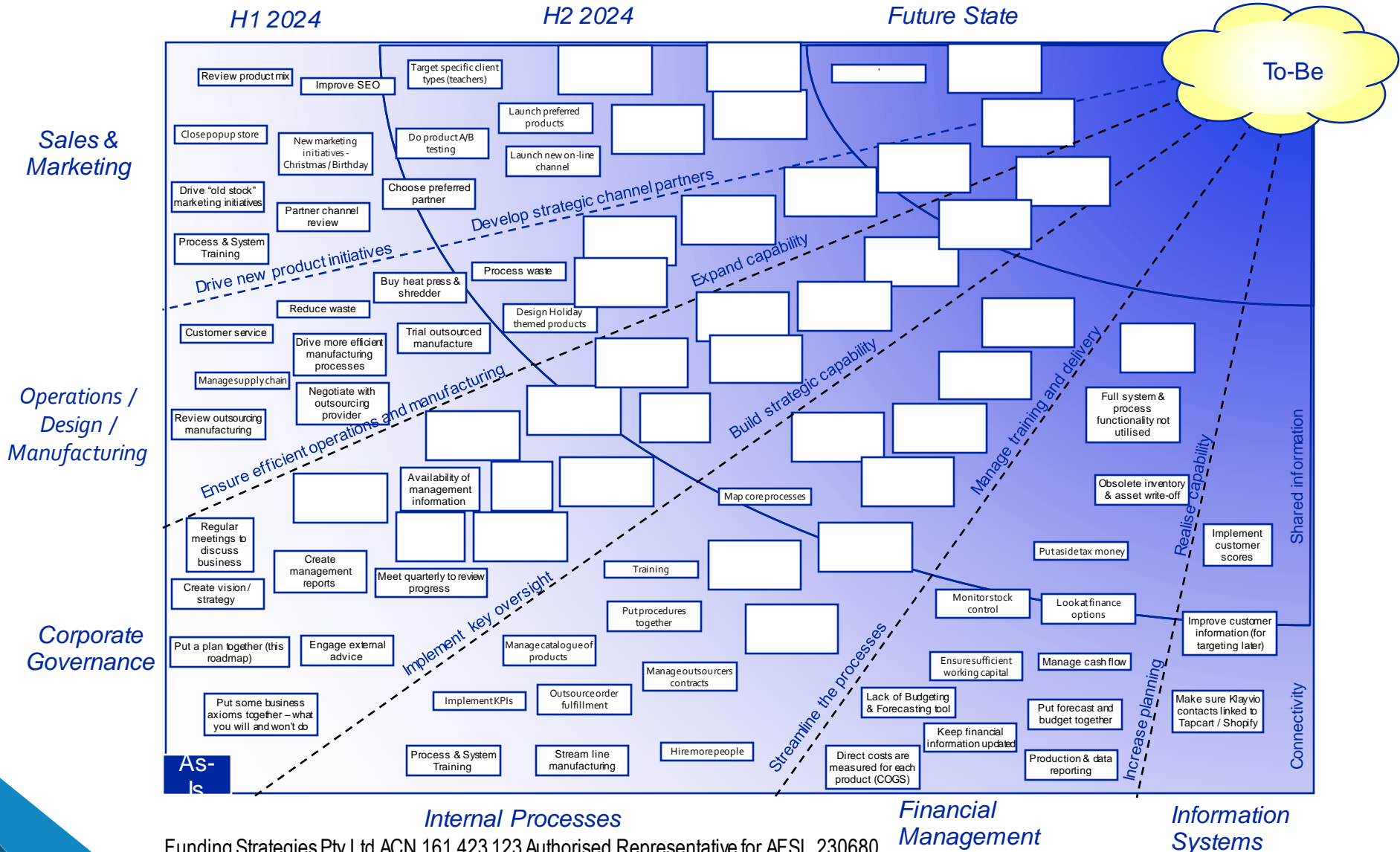


Raising capital can assist in increasing the valuation and make the enterprise more appealing / valuable. Capital can be used to:

- Review of business situation / current business issues
- Founder / Company / Investor exit options
- Review of financials (P&L, Balance Sheet, Forecast) and tax
- Financial modelling (construct model – 3 way forecast)
- Maximise IP / Assets / EBITDA
- Conduct (sell side) due diligence including legal review
- Refined and create business roadmap / milestones / forecast
- Use of funds linked to roadmap and milestones
- Review Grant and R&D funding options (free money)
- Share Capital Structure calculations and Company Valuation
- Review Exit Options and Strategy
- Board of Directors and Management Team review
- Corporate Structure (working with accounting, tax and legal advisors)
- Offer Document (Teaser, offer document, information memorandum, prospectus, investor presentations)
- Marketing and distribution is important once the company is packaged
- Public, Investor and Media Relations

# Strategy Roadmap

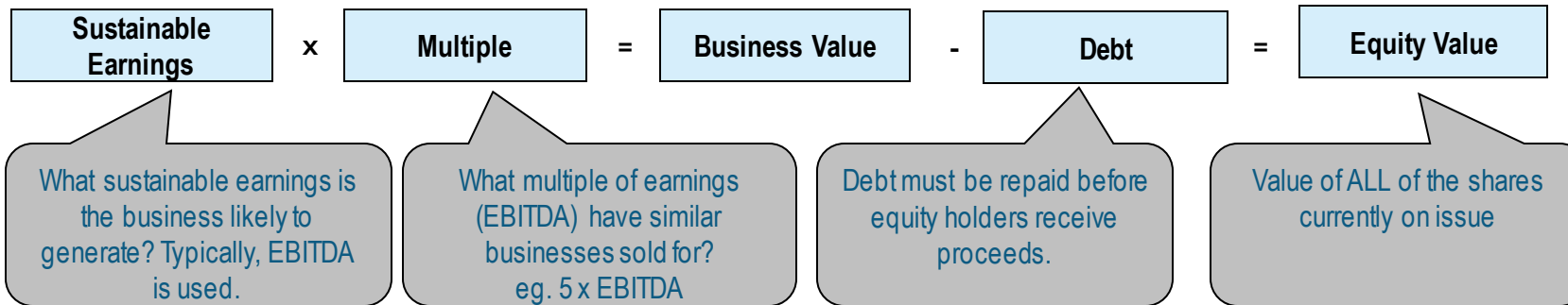
# Funding Strategies





# Valuations

The valuation of a business is typically determined by applying a multiple to its 'sustainable earnings' and subtracting the debt that it has borrowed:



Equity value is then divided by the total number of shares on issue to obtain an indicative value per share. Valuations are discounted for the "stage" of the business and the ability of the management team to execute the business plan.

It is useful to use comparisons – similar transactions and industry sector multiples to obtain the appropriate multiple for the company.

# Common Mistakes



no forecast  
not profitable  
can't execute

minimising tax not maximising EBITDA

not enough run way

not scalable

share capital structure inappropriate

shareholder disputes

no exit pathway

no execution roadmap

raising too much money

expenses are too high

teams are too high

investment opportunity

shareholders agreement

high valuation

"messy" balance sheet

can't defend valuation

not packaged

ATO issues

poor financial reporting

restricting distribution

can't forecast business

talk about the product not the investment opportunity

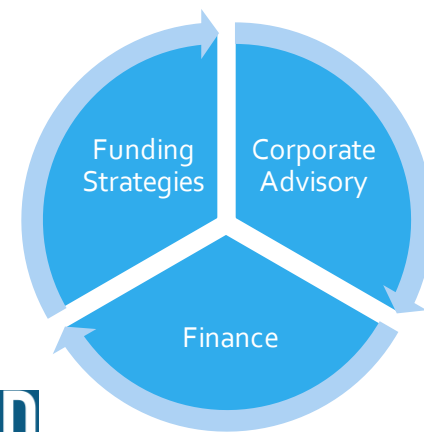
founder loans

business model not proven

management not engaged

corporate structure

use of funds (too broad)



# Our Clients



Henry Morgan



REISSI EMPIRE



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FUNDED

# Testimonials

## ADK Rural

"Mark and the team have been great to work with, feeding in on strategy and helping us with funding for our growing business.

They've been a valuable partner for us now and we hope into the future."

Adam Fowler  
ADK Solutions Pty Ltd

Equity Capital Raising Project Orate

## Instant Consult

"Our experience with Funding Strategies has been invaluable. Mark, Birgit, Stephen and their colleagues made an exceptional team. You can expect a professional, prompt, organised and personal approach when working with Funding Strategies. They also went out of their way to spend valuable time with us to talk us through each process so we understood very clearly the steps of our capital raise and both the short-term and long-term strategies for our company. We highly recommend Funding Strategies and look forward to working with the team again." To find out more about Instant Consult, please click [here](#).

Bianca Brown  
Managing Director, Instant Consult

Equity Capital Raising Project Medico

## Nuestra Development

"If you're a small to medium business and looking for funding to grow or acquire then Funding Strategies are precisely who you need to engage. We engaged them recently to fund a business acquisition. They structured all the documentation and strategy to ensure we got a variety of interested parties. They got the job done and we won't hesitate to work with them again."

Seth Rodgers  
Nuestra Development Pty Ltd

Debt Financing Project Cargo

## ScreenCoach

Harmony. Balance. Fun.

"The team at Funding Strategies (FS) really deliver. As a small start up we are budget conscious and demanding on outcomes, FS managed both of these. Mark and Stephen presented a considered approach to our capital raise leveraging their years of experience. We have encountered most of the team in our time with FS and they all convey the same willingness and commitment to our project as do the leaders. We continue to partner with FS and recommend them to other businesses looking for an elite team."

Gary Borham  
COO & Co-Founder, LifeTech Balance Pty Ltd

Investor Distribution Family Harmony project



# Funding Strategies



Helping founders and investors navigate the complexities and challenges of operating, growing and exiting profitable businesses



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