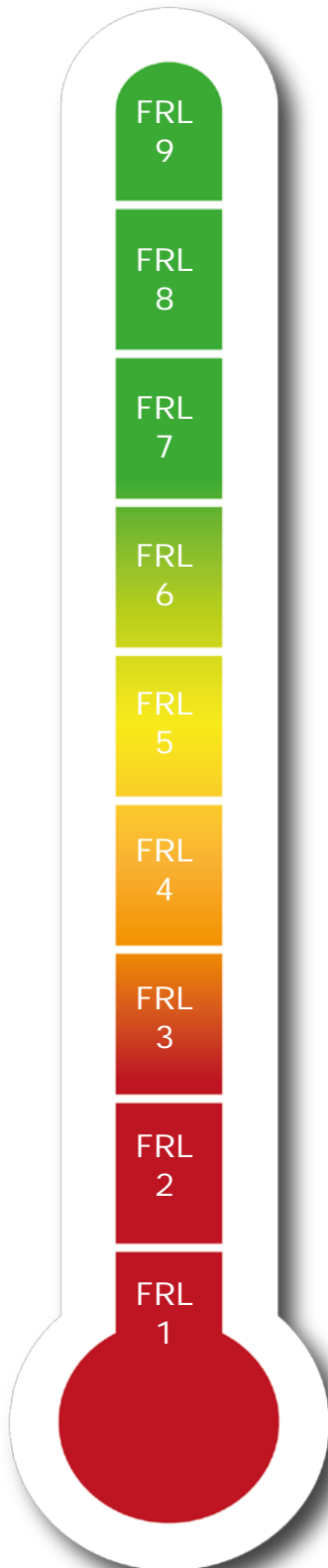


# Funding Readiness Level – FRL



Investment obtained. Additional investment needs and options continuously considered.

There is corporate order and structure enabling investment. Term sheet discussions with interested investor(s).

Team presents a solid investment case incl. status and plans. Discussions with potential investors on-going around an offer.

Improved investor presentation in place incl. business/ financials. Decided on seeking private investors and initial contacts taken

Investor oriented presentation and supporting material tested. Applied for and secured additional larger funding (soft or other).

Good pitch and short presentation of the business in place. Plan in place with different funding options over time.

Well described business concept and initial verification plan. First small soft funding secured.

Description of business concept (e.g. NABC). Defined funding needs and funding options for initial milestones.

Initial business idea with vague description. No clear view on funding needs and funding options.

Level	Description
9	<ul style="list-style-type: none"> <li>- Investment formally concluded with all relevant documentation and money obtained.</li> <li>- Additional future investment needs and options are continuously being considered for future</li> </ul>
8	<ul style="list-style-type: none"> <li>- The company is reasonably structured e.g. in terms of agreements, ownership (not fragmented or significant parts held by inactive/non-contributing persons) etc.</li> <li>- There is formal order in the company e.g. bookkeeping, documentation etc.</li> <li>- Clear interest and discussions (on term sheet level or similar) with interested investor(s)</li> <li>- All necessary material often required by investors in place (financials, business plan)</li> <li>- Concrete discussions with one or several possible investors that clearly are interested.</li> </ul>
7	<ul style="list-style-type: none"> <li>- There is a team that can present well the investment case where key areas are in place such as prototype, traction/customer interest, market potential with scalability etc.</li> <li>- There is a complete business plan with financials and milestone plan etc in place</li> <li>- Discussions with potential investors are on-going around a defined offer (how much money, for what, conditions, valuation etc)</li> <li>- There is alignment amongst existing team and owners with a shared view on investment</li> </ul>
6	<ul style="list-style-type: none"> <li>- There is an investor pitch deck that has been tested and fine-tuned and which includes a focus on the business potential and financials to attract investor interest.</li> <li>- Insight into equity financing especially how investors think/evaluate, investment criteria etc. Decided to pursue equity funding and take in new owners.</li> <li>- Decided on a first offer to private investors i.e. amount/valuation and use of funds</li> </ul>
5	<ul style="list-style-type: none"> <li>- There is an investor presentation (pitch deck) that has been tested and is being fine-tuned.</li> <li>- Supporting material e.g. financial projections and budgets etc. are being developed</li> <li>- Applications for other types of funding e.g. grants or loans are prepared and filed.</li> <li>- Larger soft funding (e.g. 0.5-1 MSEK is achieved)</li> <li>- Insight into the basics of equity financing and willingness to consider it, i.e. no major fear of losing control/ownership.</li> </ul>
4	<ul style="list-style-type: none"> <li>- A succinct pitch (oral) and good written presentation of business concept is in place</li> <li>- There is a more complete plan for funding needs/options over time (12-18 months) i.e. overall budget and potential sources of funding.</li> </ul>
3	<ul style="list-style-type: none"> <li>- Well described business concept and initial verification plan (incl. hypothesis to verify, goals )</li> <li>- Basic insight and knowledge of different financing options</li> <li>- Obtained first small soft funding (50-200 KSEK) for commercial verification according plan</li> </ul>
2	<ul style="list-style-type: none"> <li>- The business idea/business concept is reasonably well described incl. first version of value proposition (e.g. NABC). The business concept is not verified and updated</li> <li>- The initial funding needs are mapped for initial key steps and milestones i.e. costs/budget</li> <li>- There is a basic plan with funding options for initial milestones (3-6 months)</li> </ul>
1	<ul style="list-style-type: none"> <li>- Initial business idea with unclear/poor description- no value proposition (e.g. NABC)</li> <li>- No insight into how much funding needed and for what.</li> <li>- Little insight into different funding options and funding types.</li> </ul>