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Scale-Up Toolkits

Know all your funding options

This toolkit includes:

- An assessment of funding options and when they are available
- Pros and cons of each funding option

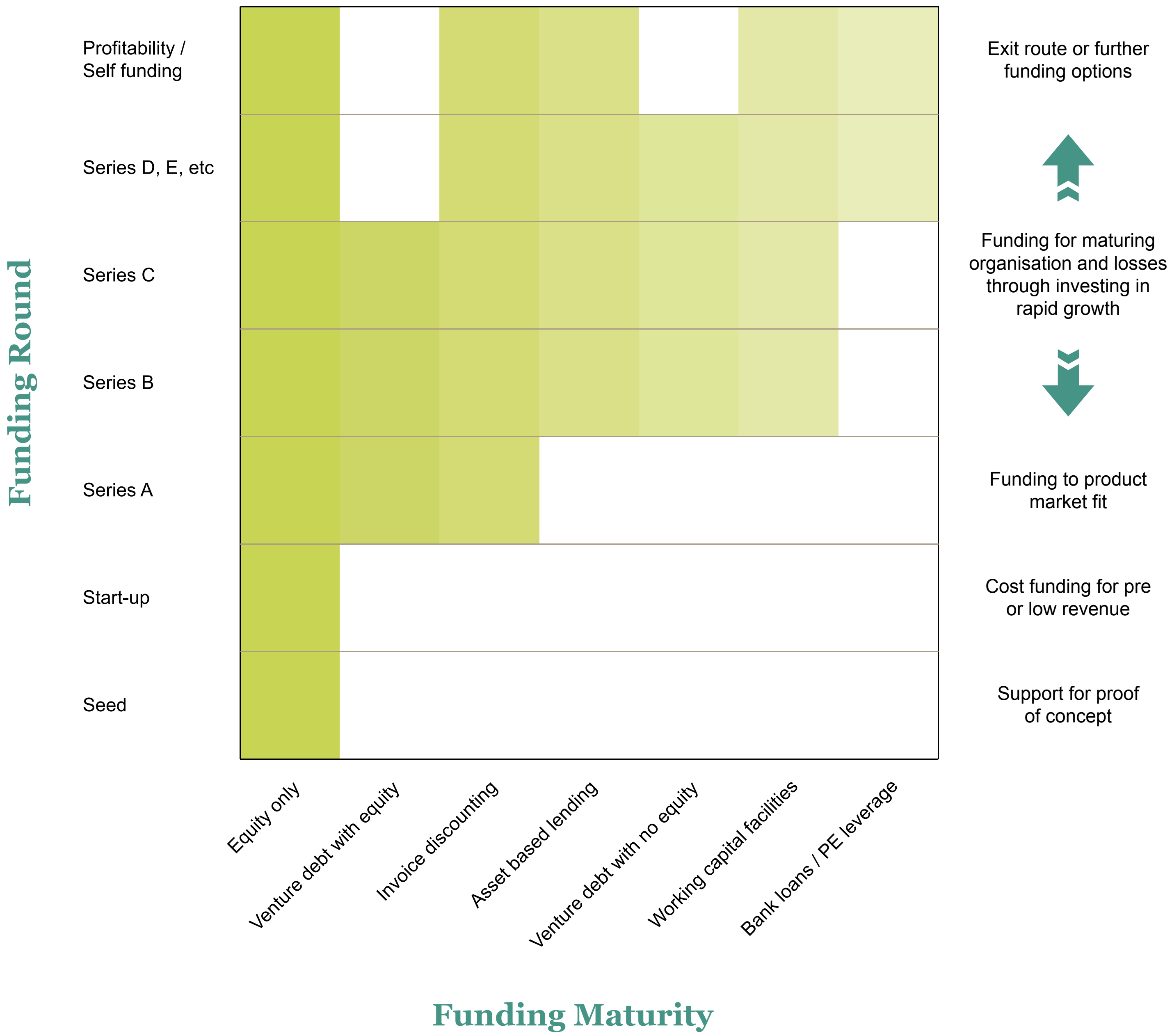
www.frogcapital.com/scale-up-methodology

01

Your funding options

Knowing all your funding options is essential for maximising your chances (and minimising the cost) of your scale-up journey.

Below is a simple assessment of the options and when they are available.



Invoice Discounting and other Asset-Based Lending (ABL)

The Pros

The IRR cost is circa 10-14%, meaning it is cheaper than venture debt.

The Cons

It is a short-term solution.

Sensitive to customer concentration.

Non-flexible.

Early-Stage Venture Debt

The Pros

As the IRR cost is circa 18-20%, it is cheaper than equity.

The Cons

Repayable very quickly.

Secured on your business.

Usually requires equity alongside it.

Working Capital Facilities

The Pros

The IRR cost is circa 5-7%, meaning it is cheaper than venture debt.

The Cons

Your profile of business needs to fit provider model.

Limited flexibility.

Later-Stage Venture Debt

The Pros

The IRR cost circa 10-16%, meaning it is cheaper than equity.

The Cons

Repayable very quickly.

Secured on your business.

See more at www.frogcapital.com/scale-up-methodology

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