

GRAZIA EQUITY

Capital for Entrepreneurs

THE RIGHT INVESTMENT STRUCTURE AND EQUITABLE CONDITIONS

Grazia often invests at an early stage and over several rounds. We also provide expansion and pre-IPO financing. An overall investment of several hundred thousand Euro to several million Euro should guarantee Grazia specific co-decision making and monitoring rights. We always aim for multi-year partnerships geared to securing sustained business success and creating substantial value that can be realized through an IPO or sale. To show us that your business meets these criteria, your business plan should present compelling answers to the following questions:

ENTREPRENEUR PROFILE

- What is the management team's track record to date?
- What support network can the team access in the future?
- Who can the team name as references?
- What are the team's personal objectives?

PRODUCT/SERVICE IDEA

- Where did the idea come from? How was it conceived?
- Are there any comparable or identical concepts at home or abroad? Any success stories?
- Please specify the benefits of the product in detail (test results/documentation, customer focus groups, etc.)?
- What could be alternative approaches from a customer perspective?

MARKET POTENTIAL, SCALABILITY

- How large is the relevant market? How did you determine the size of the market?
- What market share do you want to achieve with your business?
- Who are the current and future competitors?
- What does the industry-specific value chain look like? Where in this value chain do you come in, in the short, medium and long term?
- What is your sales strategy (direct vs. indirect sales)?
- How will your contribution margin per unit sold develop over time?
- What economies of scale (volume purchasing discounts or production cost savings, experience curves, etc.) does your business model offer?

SUSTAINABILITY

- How far ahead of the competition are you in terms of time?
- How will you maintain this lead?
- What patents have you applied for or already been granted?
- What stage of invention do these patents cover?
- Might your freedom to operate be restricted by patents belonging to competitors?

TIMING

- What indications of marketability do you already have?
- What revenues, if any, have you already generated?
- Are there any similar success stories?
- Have competitors come up with any comparable concepts yet?
- What is your exit plan (timescale for IPO or sale, potential buyers)?

INVESTMENT STRUCTURE AND PARAMETERS

- How much capital will the enterprise need overall in the next few years?
- What further financing rounds are you planning?
- What do you expect from us as an investor?