

FUTURE RECURRING REVENUE FINANCE



LEVERAGING FUTURE
SALES TO GROW TODAY

WHAT IS FUTURE RECURRING REVENUE FINANCE?

Many businesses have recurring, predictable revenues every month but very little in the way of 'tangible' assets to use to secure funding which can be necessary to help the business continue to scale and grow. Due to the nature of their business model, some don't have a debtor book to leverage in order to drive volume and get to the next level.

They may be Point of Sale (POS), online, or SaaS (Software as a Service) based organisations with daily, weekly or monthly repayments. Perhaps they have a growing contract business with clients who pay a set amount every month?

If this sounds familiar, then Future Recurring Revenue (often referred to as RBF - Revenue Based Finance) is probably something you should consider if your business needs funds to grow right now.

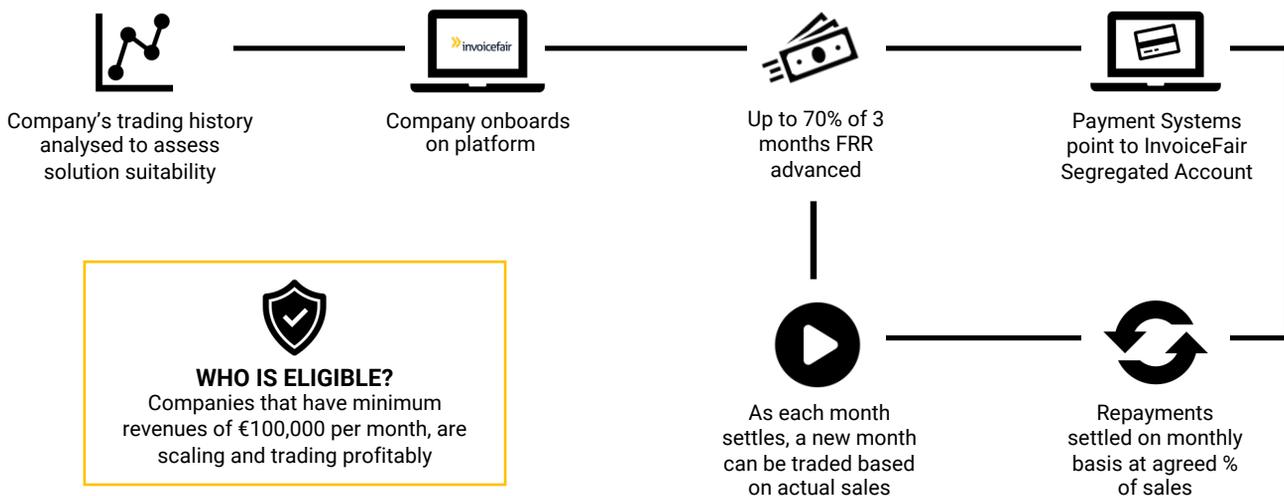
InvoiceFair's recurring revenue solution provides funds to growing and profitable businesses, based on the predictability of their revenue. It allows them to trade up to 70% of future months' recurring revenue upfront.

Each monthly settlement triggers the automatic release of an additional month's revenue which can be immediately traded, providing participating companies with a revolving funding facility.

As your monthly recurring revenue grows, so too does the amount of funds released, so your facility grows as you do.

Unlike traditional funding providers, our deep pool of institutional investors see the value of future revenues, treat them as an Asset and are keen to fund these types of businesses.

HOW DOES IT WORK?



WHAT ARE THE BENEFITS?



GROWS WITH YOUR SALES

As your MRR grows, so does the funding



FLEXIBLE

Repayments not fixed - based on Sales Volume



NO EQUITY DILUTION

Get funding without giving away equity



SEAMLESS INTEGRATION

With Payment, Banking, eCommerce & Accountancy systems



UP TO 70% UPFRONT

Of 3 x MRR upfront to invest in growth



PEACE OF MIND

No Personal Guarantees



FAST ACCESS

Cash from approved trade transferred within 24 hours



MULTI-CURRENCY

Can trade in any currency or geography



RETAIN CONTROL

No Board seats or loss of power



QUICK ONBOARDING

Onboard in as little as 48 hours

CASE STUDY: ZEUS SCOOTERS

THE BACKGROUND

ZEUS is an Irish company deploying the World's first 3-wheeled electric scooter for the urban mobility sharing market on a global scale. Their unique scooters provide state-of-the-art technology and reliability that will ensure their users always enjoy the safest, smoothest and most stable ride.

ZEUS provide services to over 100,000 customers per day through their mobile application. ZEUS operates across almost 40 cities in 6 countries and 2 continents, including Germany, Sweden, Norway, Croatia, Italy and Malaysia.

THE CHALLENGE

The growth of ZEUS has been truly remarkable over the past few years as they expand their product offering across Europe and the rest of the world. Like many innovators in the environmentally friendly transport space, the speed of growth is dependent on the speed at which funding for significant upfront infrastructural costs can be secured. Also, as adoption numbers rise in a new market, so too does the requirement for more vehicles.

In other words, upfront capital is required to purchase stock in the forms of scooters in advance of repayment from customers who utilise the scooters on an ongoing basis.

The options for ZEUS were either to raise restrictive or expensive equity and potentially giving up a portion of their business, or inflexible long-term debt to fund their growth plans and all the complications that it brings.

In summary, ZEUS needed to find a solution that matched their growth plans while not restricting their cashflow runway, business operations or having to give up equity.

THE SOLUTION

This innovative business model needed to find an equally dynamic, commercially aware solution to optimize the opportunity that was opening up at pace for ZEUS.

Rather than seek a traditional debt or equity solution, the answer was to leverage their customers future revenue (ARR) in advance of payment received from their customers via various payment platforms.

InvoiceFair structured an innovative solution, where their repayment profile was tailored to the cyclical nature of their business with payment moratoriums occurring where required and repayments only occurring when the business was able to facilitate it most.

ZEUS could leverage up to 70% of this future ARR in advance of repayment from their customers to purchase stock (scooters) that was required to deploy in new territories, fueling their growth and putting their future in their hands.

THE DETAILS

INDUSTRY	eCommerce (B2C)
FACILITY	Up to 70% of 3 Month's Future Recurring Revenue (MRR)
DURATION	3 Months rotating

"We operate in a relatively new, very fluid and fast changing category. It can be difficult for more traditional funders to see the opportunity and they can be reluctant to support new business models.

That was certainly not the case with InvoiceFair! Their solution really did demonstrate a total understanding of our business and allowed us to utilise our most valuable assets - our customers - via our future cashflows (ARR) to increase stock levels, expand into new territories and really grow our business."

Damian Young
Founder & CEO



HOW DO I GET IN TOUCH?

+353 1 663 2662

info@invoicefair.com

Invoicefair.com

InvoiceFair, NexusUCD, Blocks 9 & 10, Belfield Office Park, Dublin 4, D04 V2N9

CASE STUDY: KOOMO

THE BACKGROUND

Headquartered in Dublin, Ireland with offices in Turin & Barcelona, Kooomo is an Irish one stop, full feature omnichannel digital commerce platform for mid to enterprise level clients, powering over 1 billion transactions through their Platform since 2015.

They have built an impressive customer base of world-renowned brands like Morrissons, Mothercare, Blauer USA, Hewlett Packard, Umbro, Smeg, to name but a few.

The business operates on a SaaS (Software as a Service) based revenue model, earning monthly fees based on taking a percentage of their platform members online sales. A further source of income is the initial set up costs and any additional IT development work specific to the platform member's unique circumstances.

THE CHALLENGE

COVID-19 has had a mostly negative impact on many industries but one area that has benefitted enormously is eCommerce, as it rapidly accelerated the move from bricks & mortar retail to online. The dramatic rise in revenues of existing eCommerce retailers combined with a rapid increase in new market entrants opened a world of opportunity to digital commerce platforms like Kooomo.

While the goal was to move quickly to take advantage of this new world order, Kooomo also realised that speed was of the essence for any prospective clients. They needed to be online and quickly. The market is dominated by well-established Global leaders, Kooomo realised that they had a number of significant advantages that would deliver on these growth aspirations:

Agility: Kooomo can typically go from a standing start to turnkey in as little as 2 weeks, versus 3-6 months for competitors.

Cost Effective: Some of the major platforms can charge up to and over €500,000. Kooomo's fees average c. €20-50,000.

Features Rich: The Kooomo platform cover every aspect of the digital commerce journey, making it simple to manage the day-to-day running of any online store. The platform supports all currencies, VAT rates, and languages out of the box, making it easier for online brands to scale.

Funding was also needed for the roll-out of **Kooomo Payments**, in association with Adyen, enabling payments from multiple sources (e.g. Apple Pay, Google Pay, Klarna, Ideal) from a single place.

European Based Platform: European clients want a European solution and customer service, something that Kooomo could already provide out of their existing footprint.

The rapid scaling strategy required increasing funding to increase staff numbers, investment in new technology improvements, partnership opportunities and new business initiatives.

THE SOLUTION

Kooomo approached InvoiceFair seeking an innovative growth financing solution that would allow the business to expand, while doing so under efficient and cost effect funding terms. The answer was to leverage their own future contracted sales income to fund their exciting future expansion.

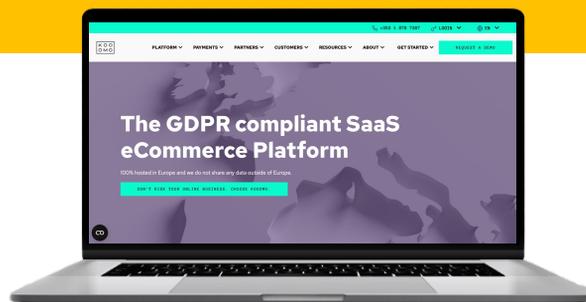
InvoiceFair proposed a unique funding model leveraging Kooomo's future contracted recurring revenue in order to extend their runway and allow them access to immediate growth capital to support their ambitious growth strategy, while not having to give up equity or control in the business to raise funds.

THE DETAILS

INDUSTRY	eCommerce (B2B)
FACILITY	Up to 70% of 3 Month's Future Recurring Revenue (MRR)
DURATION	3 Months rotating

"We were already on a rapid growth trajectory. However, the innovative nature of the solution InvoiceFair created for us, leveraging our own predictable MRR (Monthly Recurring Revenue), enabled us to accelerate that growth without having to resort to costly debt or equity funding. The commercial and tailored approach was a breath of fresh air compared to traditional funding avenues we explored. They gave us control of our strategy and allowed us to optimize the opportunity we had."

Dermot Keating
Chief Financial Officer



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