



Grant Agreement No.: 825147  
Call: H2020-ICT-2018-2020

Topic: ICT-24-2018-2019  
Type of action: CSA



## D4.1 FIRST REPORT ON INVESTMENT READINESS

Work package	WP4
Task	Task 4.1
Due date	31/04/2021
Submission date	06/05/2021
Deliverable lead	Civitta Estonia (CE)
Version	VI
Authors	Ramona Dremljuga
Reviewers	TETRA consortium members
Abstract	<p>TETRA is an EU-funded project under the Horizon 2020 Research and Innovation programme which aims to offer well-tailored business support services to the third-party beneficiaries of the R&amp;I Actions and the C&amp;S Actions funded under the Next Generation Internet (NGI) - An Open Internet Initiative (H2020-ICT-24-2018-2019) topic.</p> <p>The current document is delivered as a part of T4.1 Investment readiness activities and with the goal of giving an overview of the trainings and materials provided within the first 24 months of the project, the main challenges and interests identified in the process regarding investment readiness of NGI beneficiaries and suggestions on further action to be taken in the last 12 months of the project to encourage an increase in NGI teams' capacity to raise private funding.</p>
Keywords	Next Generation Internet, TETRA, Investment Readiness, Private Funding, Equity, Crowdfunding



## DISCLAIMER

The free-of-charge, first-line support provided by the TETRA project aims to help beneficiaries of the “R&I Actions” (co-)funded under the topic H2020-ICT-24-2018-2019 and their third parties to turn their research results into marketable products and services. This support -including support on intellectual property- should not be considered neither as of a legal or professional nature nor substitute to private advisory services.

The tools (website, publications, training or promotional materials, etc.) and the activities of the project shall not be considered as the official position of the European Commission. Neither the TETRA Consortium partners, nor the European Commission, nor any person acting on behalf of the European Commission or the TETRA Consortium is responsible for the use, which might be made of these project tools and services.

## COPYRIGHT NOTICE

© 2019 - 2022 TETRA Consortium

Project co-funded by the European Commission in the H2020 Programme		
Type of the deliverable*:		R
Dissemination Level		
<b>PU</b>	Public, fully open, e.g. web	<b>X</b>
<b>CL</b>	Classified, information as referred to in Commission Decision 2005/444/EC	
<b>CO</b>	Confidential to TETRA project and Commission Services	

### \* Type of deliverable

- *R: Document, report*
- *DEM: Demonstrator, pilot, prototype, plan designs*
- *DEC: Websites, patents filing, press & media actions, videos, etc.*
- *OTHER: Software, technical diagram, etc.*
- *ETHICS: Ethics requirement*
- *ORDP: Open Research Data Pilot*



# TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b> .....	<b>3</b>
<b>LIST OF TABLES</b> .....	<b>4</b>
<b>LIST OF FIGURES</b> .....	<b>5</b>
<b>1 OPEN WEBINARS</b> .....	<b>7</b>
Webinar #3: Where to get money – investors, grants or crowdfunding? .....	7
Webinar #5: European Innovation Council Accelerator: Grant and Equity Funding for the Most Promising European SMEs .....	9
Webinar #7: Pitch like there is no tomorrow! .....	11
Webinar #16: Equity financing for your venture .....	12
Reflections on webinars.....	13
<b>2 CLOSED TRAININGS</b> .....	<b>15</b>
TETRA #1 Build-up Bootcamp (29 September 2020 – 1 October 2020).....	15
TETRA #1 Scale-up Bootcamp (16-18 March 2021) .....	17
Reflections on trainings .....	19
<b>3 ONLINE MATERIALS</b> .....	<b>21</b>
Fact sheet: International funding opportunities (2020).....	22
Legal process of raising investment for your company .....	22
TETRA Investment glossary for beginning entrepreneurs .....	23
Reflections on materials .....	25
<b>4 CHALLENGES AND LESSONS LEARNED</b> .....	<b>26</b>
COVID-19 .....	26
NGI community structure and services.....	26
Perception of business development, fundraising and investor engagement .....	27

---

## LIST OF TABLES

---

<b>TABLE 1: LIST OF INVESTMENT READINESS WEBINARS (AS OF APRIL 2021) .....</b>	<b>7</b>
<b>TABLE 2: INVESTMENT READINESS TRAININGS (AS OF APRIL 2021) .....</b>	<b>19</b>
<b>TABLE 3: BOOTCAMP PARTICIPANTS BY RIAs (AS OF APRIL 2021) .....</b>	<b>20</b>
<b>TABLE 4: LIST OF INVESTMENT READINESS MATERIALS (AS OF APRIL 2021) .....</b>	<b>21</b>



---

## LIST OF FIGURES

---

**FIGURE 1 INTERNATIONAL FUNDING OPPORTUNITIES FACT SHEET.....22**  
**FIGURE 2 PRESENTATION OF THE LEGAL PROCESS OF RAISING INVESTMENTS .....23**  
**FIGURE 3 TETRA INVESTMENT GLOSSARY FOR BEGINNING ENTREPRENEURS..... 24**



---

## INTRODUCTION

---

Knowledge and skills in raising funds is a key component in being able to assess, communicate and increase the value and impact of the solution or product being developed. Investment readiness is therefore an essential aspect of any initiative or enterprise with a business potential, which influences, if not determines its success, even if the company/team is not seeking for profit. For the solution to be successful and fulfil its purpose, users/clients are needed; For the service/product to have users/clients, it needs to be made available; For the solution to be made available, the team needs resources (be it time, talent, or money).

This is especially true for teams working on IT-solutions and the Internet technologies (the target audience of the TETRA project) where lots of resources are needed while access to talent can be difficult due to large interest in the skillset across the globe. Despite the non-commercial objectives of the beneficiaries, it is not always very easy for the companies to identify and utilise them as a tool to reach their objectives.

To tackle this issue, TETRA project includes task 4.1 Investment readiness that has proposed trainings, webinars and materials to support the development of NGI beneficiaries' knowledge and skills related to raising investments. In the context of TETRA, investment readiness activities entail providing NGI third parties with information on the basics of fundraising, follow-up investment opportunities and startup or SME grants.

This report provides an overview of activities carried out for this purpose during M10-M24 and steps planned for the upcoming 12 months (M25-M36). These activities are described in three sections divided by the type of services provided: (1) open webinars, (2) closed trainings, (3) online materials. The report ends with a concluding section with (4) challenges and lessons learned (including objectives and steps for the remaining project months).

# 1 OPEN WEBINARS

Within M10-M24, four investment readiness webinars took place. The webinars were arranged considering the interests of NGI beneficiaries and mainly promoted within the NGI community; however, the registration form remained open for all interested parties to join.

Thereby, the direct goal was to engage and to increase visibility of TETRA among the NGI third parties by proposing webinars that help to raise their knowledge on fundraising and funding opportunities. The open webinars also fulfilled a latent goal of gaining visibility among external stakeholders as potential NGI beneficiaries. For this purpose, the webinars were also promoted within the partner networks.

TABLE 1: LIST OF INVESTMENT READINESS WEBINARS (AS OF APRIL 2021)

Date	Title	Trainer(s)	Attendance rate
27 May 2020 (M11)	Webinar 3: "Where to get money – investors, grants or crowdfunding?"	Riivo Anton, Ramona Dremljuga, Kadri Adrat	84%
1 July 2020 (M13)	Webinar 5: "EIC Accelerator: Grant and equity funding for the most promising European SMEs"	Ivan Filus, Eva Simekova	65%
23 Sept 2020 (M15)	*Webinar 7: "Pitch like there is no tomorrow" <sup>1</sup>	Jan Bormans, Adele Yaroulina, Gleb Maltsev	71%
31 March 2021 (M23)	Webinar 16: "Equity financing for your venture"	Ivan Filus, Andrej Petrus	71%

## Webinar #3: Where to get money – investors, grants or crowdfunding?

**Organizer:** Civitta Estonia

**Link to recording:** <https://business.ngi.eu/news-events/webinars/webinar-3-where-to-get-money-investors-grants-or-crowdfunding/>

**Event description:** When you have a great idea, funding is nearly always the sticking point. How can you raise money to get it started? If you have a tech-based idea, you may have an easier time attracting attention from venture capitalists or angel investors, but as more and more startups work that angle, finding the right investor is harder than ever. So how could you get your idea off the ground? In our webinar, we will talk about 3 different ways to fund your idea - be it attracting an angel investor, crowdfunding, or grants.

**Short summary:** Angel investor introduced their ways of work and how they select startups to invest in, what is important to keep in mind as a startup. Expert on public

<sup>1</sup> The session was arranged to prepare teams for pitching competitions and matchmaking that are arranged as a part of T4.2 Brokering industry relations, but is listed here as it contributes to the teams' investment readiness skills.

funding introduced various EU funding opportunities. Coordinator of Altfinator project (which provides access to SME funding) introduced various alternative funding methods and where to find a right one.

### **Speaker info:**

Riivo Anton is an Estonian entrepreneur and early-stage investor. Being a co-founder and management board member of the largest independent management consulting group in the CEE region ([www.civitta.com](http://www.civitta.com)) he has almost 20 years of experience as an entrepreneur. Before founding an early-stage VC fund United Angels VC ([www.unitedangels.vc](http://www.unitedangels.vc)) in late 2017, he was focusing on angel investments. His angel portfolio focused on B2B startups in ICT, some of which include Veriff, Monese and Xolo (previously known as LeapIn). As an angel he was also a co-founder and board member of Estonian Business Angels Network ([www.estban.ee](http://www.estban.ee)) and founding investor of Startup Wise Guys Accelerator ([www.startupwiseguys.com](http://www.startupwiseguys.com)). Throughout his career as a tech investor he has made around 20 investments as an angel and fund manager and more than 60 investments as an investment committee member at Startup Wise Guys.

Ramona Dremljuga works as a Project Manager for international innovation initiatives coordinated by Civitta Estonia, the largest business consultancy originating from CEE. With a background in digital economy, new media and sociology, she carries 5+ years of experience from running international projects with a kick for innovation. She has been involved in a project that trained business angels and managed a project that helped startups gain access to alternative financing sources. Ramona joins the webinar to introduce tools and materials made available by Altfinator, a Horizon2020 project with the ambition of improving SMEs access to finance across Europe.

Kadri Adrat is leading the team of enterprise financing in Civitta, helping companies to receive funding on European and national level. There are many successful proposals in her portfolio and she has worked with both, early-stage companies and already established corporations. Kadri has worked as a consultant for more than 5 years, during which she has collaborated with private as well as public sector on various levels. Prior to entering the consultancy field, she worked in a national intermediate body for European structural funds and had the possibility to gain experience also from the provider's side.

### **Participants:**

- 57 registered parties from 22 countries;
- 48 attendants from 18 countries, including 15 NGI representatives;
- 85% of the registered people joined the webinar, including 9 NGI representatives from NGI TRUST (4), NGI LEDGER (3), NGI ZERO (1), and NGI EXPLORERS (1).



**Questions raised (direct quotes):**

- In TETRA bootcamps, participants will receive this kind of insights according to their business idea?
- Question for Riivo - where or how should startups look for angel investors they want to approach?
- What is the most accessible" alternative financing source for a startup (pre-seed/ seed)?"
- for the 1st speaker: what exactly does awesome founder" means? e.g. his/her personality? other characteristics?"
- Can a Ukrainian startup take part in your programs? We make paper from fallen leaves is something that no one has done before. We have a patent. We have already made the first small batch of paper. Now we need financial support. Can we use the services of Altfinator?

**Webinar #5: European Innovation Council Accelerator: Grant and Equity Funding for the Most Promising European SMEs**

**Organizer:** BIC Bratislava

**Link to recording:** <https://business.ngi.eu/news-events/webinars/webinar-5-european-innovation-council-accelerator-grant-and-equity-funding-for-the-most-promising-european-smes/>

**Event description:** The EIC Accelerator (previously known as SME Instrument) is part of the European Innovation Council (EIC) pilot that supports top-class innovators, entrepreneurs, small companies and scientists with funding opportunities and acceleration services. Projects will receive between € 0.5 and € 2.5 million in the form of grants and the maximum of investment in the form of equity is € 15 million. The EIC Accelerator supports high-risk, high-potential small and medium-sized enterprises and innovators to help them develop and bring onto the market new innovative products, services and business models that could drive economic growth. Selected companies receive funding and optional equity and are offered business coaching and mentoring to scale up their innovation idea. They get extra acceleration services to connect with investors, corporates and likeminded entrepreneurs. Under EU programme Horizon 2020, the EIC Accelerator will support hundreds of European SMEs in introduction of their disruptive products and services in global markets. The final deadline for application is 07 October 2020.

**Short summary:** Overview of EICA, eligible applicants and activities, proposal structure, results so far, plans for 2021+, evaluation of proposals, incl. tips and tricks for successful application.

### Speaker info:

Ivan FILUS is senior consultant in BIC Bratislava, EU project manager, innovation advisor, financial and administrative co-ordinator of Enterprise Europe Network in Slovakia, Horizon 2020 National Contact Point for Innovation in SMEs and Access to Risk Finance and the key account manager for all successful EIC Accelerator beneficiaries in Slovakia. He is active in the EU RTD Framework Programmes for research and innovation, project management, financial management, technology transfer, research and innovation policies and strategies, innovation management, SMEs development, business modelling, business planning, financing, regional development, pre-commercial procurement.

Eva SIMEKOVA is CEO in CIVITTA Slovakia. She has 10+ years of experience in the creation and oversight of budgets in a range of international projects in the area of specific EU related issues and support of SMEs. She has been a business startup consultant for several companies, overseeing the clarification of legal, business and organizational structures in line with shareholders intentions. Eva has experience as an investment advisor to a range of companies with oversight of legal and financial matters. She has also been active in the non-profit sector, working on a variety of projects and high-level events. Since 2018, she is an evaluator of the EIC Accelerator scheme for the European Commission.

### Participants:

- 49 registrations from 21 countries, including 14 NGI representatives
- 32 attendants from 18 countries
- 65% of the people registered joined the webinar, including 11 NGI representatives from NGI TRUST (4), NGI LEDGER (3), and other (4).

### Questions raised (direct quotes):

- Hi! Do you know what is the success rate of the applicants, i.e how many SMEs get funded out of all the applicants?
- How competitive it is? Is it very competitive?
- can it be that you request for blend gra but in the end only grant is given?
- commercialisation strategy should be justified by the business plan - how the business plan should be presented as the financial section is very general?
- How to explain the non-bankability in the application?
- As you mentioned, there have to be proved there is no revenues yet. However, this is connected with an applied project or with a whole company?
- Some projects with technologies like AI and 5G are difficult to show early customer traction. How do we get funding with only the prototype?
- In deep tech Tech4GOOD field of endeavor startups are using not for profit Foundations as corporate governance entity. They can make a lot of return but re-invest it. Do we need add a for-profit entity in the governance structure?

- Can you please clarify 30% cofunding
- How big should be the core team? Would a project with less than 5 people be considered too small?

### Webinar #7: Pitch like there is no tomorrow!

**Organizer:** European Startup Network

**Link to recording:** <https://business.ngi.eu/online-resources/webinar-presentations/download-the-presentation-of-webinar-7-pitch-like-there-is-no-tomorrow/>

**Description:** An interactive, hands-on webinar where you will learn how to effectively pitch your idea! Together, we will: - Explore what a pitch is and how to adapt it to your audience; - Dive into three approaches that will help you upgrade your pitching skills; - Get an overview of the pitching do's and don'ts with the pitching guru Gleb Maltsev; - Listen to your pitches and practice! Let's get real! Send us a link to your 3-minutes pitch by September 11, 2020 at noon CET and get selected to pitch your idea for feedback in front of TETRA pitching coaches and Gleb Maltsev!

**Short summary:** The session introduced three approaches to upgrade one's pitching skills and how to adapt it to the audience. Participants were given a chance to pitch their idea in front of the speaker and get instant feedback to improve their performance.

#### Speaker info:

Jan Bormans, Ph.D., MBA, has been active in the fields of innovation and entrepreneurship for more than 20 years. Jan was strategy advisor at the IMEC nanotechnology research centre (that developed one of the first open innovation business models worldwide) and valorisation manager of the Flanders DC/Vlerick Business School knowledge centre. He has been actively involved in various startup initiatives such as start it @KBC and startups.be since 2010. Jan has also co-founded Kunigi, an interdisciplinary innovation agency. From 2019 on, Jan is the CEO of the European Startup Network.

Adèle studied International Trade and Investment at the Brussels Diplomatic Academy, a joint program by Vrije Universiteit Brussels and Solvay Business School. She has a 10-years experience in business development, sales, strategic partnerships and project management within private & public sectors. Adèle has acquired significant knowledge of digital innovation and is fascinated by the impact of new technologies on business activities. She is convinced that a cohesive European startup ecosystem is the key to empowerment and scaling up.



Gleb Maltsev listens to around 1,000 speeches a year ranging from a 60-second pitch to a 45-minute keynote. He's trained presenters for industry-wide pitching showcases such as Slush, Latitude59, TechChill and LOGIN. He's the co-founder of Fundwise, a founder-to-investor pitching platform with a 68% success rate and raising over 2.8 mln EUR for over a dozen projects. Every year he works with executives from almost every industry that would make the world a bit better, or at least have a shot at doing so. Around a 100 of those execs have gone on to pitch at trade fairs such as the Mobile World Congress, Smart City Expo, conhIT, boot Düsseldorf, Bygg Reis Deg, or BAU. Get an overview of the pitching do's and don'ts with the pitching guru.

### Participants:

- 30 attendants joined the session from the 42 registered people;
- Registrations from 11 countries, including 14 NGI representatives.

## Webinar #16: Equity financing for your venture

**Organizer:** BIC Bratislava

**Link to recording:** <https://business.ngi.eu/online-resources/webinar-presentations/download-the-presentation-of-webinar-16-equity-financing-for-your-venture/>

**Event description:** Are you planning the growth of your company and you need external financing? Be prepared in advance for what the entry of an investor into your company brings. In this webinar session, we will deep dive into different types of funding sources for your project with a more detailed overview about equity financing. How to prepare for fundraising, how to choose the best financing structure and what is its impact to your business model. We will also focus on the shareholder agreement (SHA) or investment agreement and their essential clauses and parts, such as valuation, special rights, founders vesting or liquidation preference.

**Short summary:** Are you planning the growth of your company and you need external financing? Be prepared in advance for what the entry of an investor into your company brings. In this webinar session, we will deep dive into different types of funding sources for your project with a more detailed overview about equity financing. How to prepare for fundraising, how to choose the best financing structure and what is its impact to your business model. We will also focus on the shareholder agreement (SHA) or investment agreement and their essential clauses and parts, such as valuation, special rights, founders vesting or liquidation preference.

**Speaker info:**

Ivan FILUS is senior consultant in BIC Bratislava, EU project manager, innovation advisor, financial and administrative coordinator of Enterprise Europe Network in Slovakia, Horizon 2020 National Contact Point for Innovation in SMEs and Access to Risk Finance and the key account manager for all successful EIC Accelerator beneficiaries in Slovakia. He is active in the EU RTD Framework Programmes for research and innovation, project management, financial management, technology transfer, research and innovation policies and strategies, innovation management, SMEs development, business modelling, business planning, financing, regional development, pre-commercial procurement.

Andrej PETRUS is investment Manager at ZAKA - venture capital family office investing primarily in the pre-seed and seed stage (50-500k EUR) in CEE region. Agile generalist with experiences in venture building for CEAI and M&A and Strategy consultancy for PwC in Prague. Assisting the Board of Directors of SLOVCA (Slovak Venture Capital and Private Equity Association) as Project Manager. Lived in Berlin, Bratislava and Rome, currently based in Prague.

**Participants:**

- 42 registrations from 10 countries, including 8 NGI representatives;
- 71% of registered people attended the event.

**Questions raised (direct quotes):**

- What if a non-profit firm needed funding? what would be its options?
- Laws in different EU countries are not the same and convertible notes don't exist everywhere I believe

**Reflections on webinars**

In total, the number of NGI beneficiaries attending to TETRA webinars is always less than 25% of the total participants. Although the contents of the webinars are, to a general extent, specific to NGI project participants, the webinars are open to the public and promoted in social media and partners' channels which also attract non-NGI participants. In addition, NGI beneficiaries are provided an opportunity to take part in TETRA's events, but it is not compulsory for them (as it is not a part of their contractual agreements with RIAs) – therefore, their attendance is highly dependent on their self-perceived need for to knowledge.

Most of the NGI beneficiaries participating in investment readiness related webinars have been from NGI TRUST and NGI LEDGER which can be the result of successful information sharing made by the Coordinators of the two RIAs, but it can also show

that beneficiaries of other RIAs do not see a necessity to increase their investment readiness.

This is most certainly the case for NGI Forward (the strategy and policy arm of the NGI community), Think Nexus (think tank to reinforce EU-US collaboration) and Fed4Fire+ (testbeds for innovative experiments) whose operations are not directly connected to business development. Similarly, NGI Assure, ONTOCHAIN and TRUBLO have just only closed their first calls and so their beneficiaries have not been in the same information flow as the rest of the RIAs. However, the webinars have had very limited attendance from NGI Pointer's and NGI DAPSI's representatives, and TETRA has missed participants from NGIO and eSSIF-Lab entirely, which calls for a new approach as the RIAs have been operating for a sufficient amount of time.

Going forward, more emphasis will be placed on training NGI third parties in closed workshops on the topics relevant to them specifically and on providing materials that are available to all. Webinars will be arranged in connection to the platforms that are available for fundraising or in closer co-operation with RIAs as a way to build trust in TETRA's services through Coordinating parties.

## 2 CLOSED TRAININGS

---

In addition to the open webinars, closed training sessions have been held on investment readiness topics that are organized, communicated and delivered for NGI beneficiaries only.

Similarly to the open webinars, topics are selected based on the needs of NGI third parties. Different from the open webinars, the training sessions are designed to enable participants to take a very hands-on approach and improve their investment readiness thanks to the practical activities done as a part of the session (or right before, or right after).

The training sessions were held as a part of TETRA's main events – the bootcamps, which are the cornerstone of TETRA's value proposition, including its investment readiness services<sup>2</sup>.

By April 2021, six training sessions on fundraising, finances and pitching were held as a part of two TETRA bootcamps which contributed to improving the beneficiaries' investment readiness. The trainings were followed by teamwork sessions where additional questions could be addressed. In addition, the teams could contact the speakers via networking applications for further insights and advice.

The first bootcamp took place in Autumn 2020 and was designed for early-stage businesses. 28 teams were invited and 23 of them joined the event with an estimated 51 people attending the bootcamp sessions.

The second bootcamp took place in Spring 2021 and was designed for later stage businesses (and those that are planning to scale). 21 teams were invited and 19 engaged with an estimated 42 team representatives participating in the sessions.

### **TETRA #1 Build-up Bootcamp (29 September 2020 – 1 October 2020)**

TETRA's build-up bootcamps are dedicated to innovators with early-stage businesses and business ideas. The training sessions covering T4.1 Investment readiness topics at this bootcamp were therefore focused on fundraising through the perspective of people new to pitching. The training sessions introduced the elements of pitching and provided an investor's view to the innovators' pitches in real time action.

The training on fundraising and pitching were held in two parts: first, a pre-bootcamp session which introduced what a pitch is and what investors expect from a good pitch; second, a bootcamp session which focused on introducing the main

---

<sup>2</sup> More about the TETRA concept and activities can be read from D2.1 TETRA Value Proposition.



mistakes that teams do when pitching to investors. This knowledge was put to action at the pitching competition held at the end of the event.

This approach allowed the participants to build their way into presenting their vision, business idea and way of operating so that the teams were able to leave the bootcamp with a new or improved pitching skill (which is utilised when accepting TETRA's offer to join matchmaking events).

**Fundraising 101: How to drink champagne when you're out of champagne? (17 September 2020)**

**Organizer:** CE

**Speaker:** Riivo Anton (United Angels VC)

**Event description:**

Being investment ready can make or break a business. External funding is most often needed to finance the development of the product or service and support its early commercialization. It is therefore crucial for entrepreneurs and SMEs to identify and approach the right investors. Lack of adequate training often results in a dangerous knowledge gap about equity as an alternative source of finance and, consequently, would seriously compromise an innovative SME's ability to be successful.

We are expecting all the early-stage startups and teams that are looking to connect with investors now or in the near future to join this pre-bootcamp session. In this session, an experienced investor will give you an introduction to investment readiness. It is crucial not to miss this event, as it will be the foundation for our bootcamp session on 1 October.

At the end of the webinar, you will be given a small homework to complete prior to the bootcamp that we will analyse and give feedback to in person. This is an excellent opportunity for all of the teams who are considering raising their first round of funding and are eager to get tips and tricks from someone in the industry.

**Short summary:**

At the session, the speaker focused on what an angel investor looks for in a company when they pitch their idea, team and ambition. A slide deck of a real company that had pitched to the investor was presented and used as an example to highlight what works and what doesn't. The participants were engaged by asking questions about their background with investing and which parts of the information is new to them. After the session, participants were given homework in preparation of the bootcamp – the goal was to either create or improve their current pitch deck, considering these insights given at the webinar.



**Participants:**

- 22 NGI beneficiaries registered for the event from 14 countries (pre-bootcamp session was not compulsory, but highly recommended)
- 17 NGI beneficiaries attended the event (77% of the registered people)
- The attendants included representatives of NGI Explorers (7), NGI TRUST (3), NGI Zero (2), NGI DAPSI (2), NGI LEDGER (1) and NGI Pointer (1); some of them representing several RIAs. Three participants did not specify their affiliation.
- The audience included participants that reported having raised funding earlier as well as those that were new to the topic. It was not specified whether they were referring to having received funding from the NGI or from private investors.

**Fundraising 101: Morning coffee with an investor (1 October 2020)****Organizer:** CE**Speaker:** Riivo Anton (United Angels VC)**Short summary:**

By the time of the session, the speaker had looked through the pitch decks that participants of the pre-bootcamp session had sent for feedback. The investor focused on highlighting the good and not so great examples from the pitch decks received and took additional questions. The goal was to prepare the teams for improving their pitches that were to be presented at the pitching competition held at the end of the day. Before breaking out to teamwork sessions, clear instructions were given for building a good pitch deck when raising a pre-seed round. The mentors that are available to share further feedback before the pitch were also highlighted.

**Participants:**

28 teams were invited to the bootcamp and 23 NGI beneficiaries joined the event, however, there is no statistics about how many of them joined specific sessions.<sup>3</sup>

**TETRA #1 Scale-up Bootcamp (16-18 March 2021)**

Scale-up bootcamp was dedicated to innovators with later-stage businesses and business ideas that were either thinking of or ready to scale. The training sessions covering T4.1 Investment readiness topics were therefore focused on improving one's pitching skills and specifying beneficiaries' knowledge of different sources of finance.

---

<sup>3</sup> More about the attendants of the bootcamp can be read from TETRA's First Periodic Report.

At this bootcamp, four sessions were held to inform and train participants in finances and pitching, addressing their investment readiness capacity. Beneficiaries received an introduction to scale-up financing and three workshops on pitching – first, how to pitch to an investor; second on the subtle art of pitching one’s unique selling point; and third, focusing on how to be memorable in presenting a pitch online. All of these sessions were a build-up to the final day of the event which involved a pitching competition.

21 teams were invited to the bootcamp and 19 NGI beneficiaries joined the event, however, there is no statistics about how many of them joined specific sessions.

### Introduction to scaleup financing (16 March 2021)

**Organizer:** BIC

**Speaker:** Andrej Petrus (Zaka VC)

#### **Short summary:**

The speaker held a presentation of the process and documentation to which beneficiaries raising funds for their scaleup (or soon-to-be-scaled company) need to be aware of. The presentation included a specification on how to structure one’s finances according to their needs, an overview of shareholder agreements and different options for investor engagement.

### How to pitch to an investor? Inside the investor’s mind (17 March 2021)

**Organizer:** ESN

**Speakers:** Adele Yaroulina and Jan Bormans (ESN), Koen De Waele (Volta Ventures), Giuseppe Donvito (P101)

#### **Short summary:**

This session was arranged as a conversation between the moderators and investors invited to the bootcamp where the bootcamp participants could see a live showcase of one of their peer’s pitches and the investors’ reactions to their performance.

### The Art of Pitching and Defining One’s Unique Selling Point (17 March 2021)

**Organizer:** CE & FVA

**Speakers:** Philippe Felix (NGI Outreach)

#### **Short summary:**

Common to classic introductions into pitch training, the speaker introduced the basics of pitches and the do’s and don’ts of pitching, focusing on expectations to any presentation that one needs to perform. Participants were prompted with good and

not so good examples which could be commented on. After this presentation, teams focused on highlighting their unique selling point as a part of their pitch.

### How to be memorable in an online pitch? (18 March 2021)

**Organizer:** FVA

**Speakers:** Susanna Albertini (FVA)

#### Short summary:

This session was focused on another aspect very specific to today's challenge of pitching – the technical and visual setup of a presentation which needs to be communicated online via screen.

### Reflections on trainings

According to feedback collected from the participants, all fundraising and pitching sessions were highlighted under the question “What session(s) did you find most helpful/relevant to your business?”. Ironically, they were all also highlighted under the question “What session(s) did you find least helpful/relevant to your business?”. In the case of the latter, it was explained that “we are not at a stage where we are seeking (private) investors” and that “we are not looking for finance”.

Regardless, the sessions were generally assessed as “satisfactory” (4/5 points) or “very satisfactory” (5/5) with an average assessment of 4.3 points were given to the sessions in total which tilts the general experience towards the response “satisfactory”.

TABLE 2: INVESTMENT READINESS TRAININGS (AS OF APRIL 2021)

Date	Title	Trainer(s)	Average assessment
17 September 2020	Fundraising 101: How to drink champagne when you're out of champagne?	Riivo Anton	N/A
1 October 2020	Fundraising 101: Morning coffee with an investor	Riivo Anton	N/A
16 March 2021	Introduction to scale-up financing	Andrej Petrus	4.0 (80%)
17 March 2021	How to pitch to an investor?	Jan Bormans, Adele Yaroulina, Koen De Waele	4.3 (86%)
17 March 2021	The Art of Pitching	Philippe Felix	4.6 (91%)
18 March 2021	How to be memorable in an online pitch?	Susanna Albertini	4.3 (86%)

While some teams do not consider investment readiness training necessary for their projects, the knowledge remains relevant in the context of business acceleration services and bringing NGI solutions to market. Therefore, two more bootcamps are planned with 2-4 trainings to be held for startups and scaleups. The topics for sessions organized at these bootcamps will be decided upon selecting suitable participants from the applicants and considering the background of those that accept the opportunity to join the bootcamp.

TABLE 3: BOOTCAMP PARTICIPANTS BY RIAs (AS OF APRIL 2021)<sup>4</sup>

#	NGI RIA	#1 Build-up bootcamp	#1 Scale-up bootcamp	Total
1	NGI TRUST	5	9	14
2	NGI Explorers	9	4	13
3	LEDGER	3	3	6
4	NGIAtlantic.eu	0	4	4
5	NGIO	2	0	2
6	NGI DAPSI	1	0	1
7	NGI Pointer	0	1	1
8	Fed4Fire+	0	0	0
9	NGI eSSIF-Lab	0	0	0

At the first two TETRA bootcamps, participants from seven RIAs were hosted. TETRA is designed to provide business services to third parties of all RIAs and therefore, additional engagement action will be taken to further encourage beneficiaries from all RIAs to use TETRA's services.

To address this, dedicated workshops will be arranged in addition to the bootcamps going forward. This will be done in cooperation with RIAs whose beneficiaries have not yet participated in TETRA's bootcamps. The topics and beneficiaries that will join the session are clarified with RIA representatives before-hand to ensure their participation.

The methodology used at the training sessions will also be hands-on as in the trainings provided at TETRA bootcamps, however, the recruitment process (finding participants for the workshops) will be different as no application phase will be held and all RIA third parties will be welcomed.

<sup>4</sup> Counting beneficiaries that were invited to the bootcamp. The list does not include RIAs initiated in 2021 as they had not yet welcomed third parties by the time recruitment was done for TETRA bootcamps.

### 3 ONLINE MATERIALS

As a part of T4.1 Investment readiness, TETRA creates, gathers, develops and shares online materials on related topics. The materials are available on TETRA's website and free to use for any interested party. The materials can therefore be accessed on-demand and be used as instructive support when preparing for fundraising. Once the materials are produced, they are promoted at TETRA events and website, NGI newsletters and other events where TETRA gets access to NGI third parties.

The materials complement TETRA's webinars and trainings, and become a support mechanism that will remain available for NGI beneficiaries at any time of the day. The goal is to provide additional material, an alternative (not a substitute) to the closed trainings where NGI parties' skills are developed and to the open webinars that attract the attention of parties interested in investment readiness.

During M10-M24, three PDF materials were created, uploaded to the TETRA website and disseminated within the NGI community. In addition to the PDFs, the four webinars related to investment readiness skills have been recorded and uploaded as materials to be accessed via TETRA's website.

By March 2021, the pages set up for resources on TETRA's website had attracted 2788 page views, including 620 views and 37 downloads of the PDF materials and 1118 views and 202 downloads of webinar presentations and recordings.

The top three webinars of TETRA according to page views are Webinar #5 "EIC Accelerator" (112 views), Webinar #3 "Where to get money?" (101 views) and Webinar #6 "IP commercialisation for NGI community" (75 views). Similarly, the most downloaded recordings are of Webinar #5 "EIC Accelerator" (14 downloads), Webinar #4 "Introduction to IP for NGI community" (10 downloads) and Webinar #3 "Where to get money?" (7 downloads). According to this data, investment readiness and IP events should be prioritised going forward as well.

TABLE 4: LIST OF INVESTMENT READINESS MATERIALS (AS OF APRIL 2021)

Type	Title	Views / Downloads
PDF fact sheet	International funding opportunities (2020)	114 views / 32 downloads
PDF guide	Legal process of raising investment for your company	111 views / 4 downloads
PDF glossary	Investment glossary for beginning entrepreneurs	41 views / 4 downloads
Webinar recording & presentation	Webinar #3: "Where to get money – investors, grants or crowdfunding?"	101 views / 7 downloads
Webinar recording & presentation	Webinar #5: "EIC Accelerator: Grant and equity funding for the most promising European SMEs"	112 views / 14 downloads

Webinar recording & presentation	Webinar #7: "Pitch like there is no tomorrow"	64 views
Webinar recording & presentation	Webinar #16: "Equity financing for your venture"	11 views / 2 downloads

**Fact sheet: International funding opportunities (2020)**

**Link to material:** <https://business.ngi.eu/online-resources-/useful-materials/international-financing-opportunities/>

**Author:** Civitta Estonia

**Short summary:** An overview of different EU funding opportunities (incl. Horizon 2020, EIC Accelerator, Fast track to innovation, EIT Innovation, LIFE+ program and cascade funding), sharing the programme specifics, the eligibility and success criteria, open calls and deadlines.

FIGURE 1 INTERNATIONAL FUNDING OPPORTUNITIES FACT SHEET



**Legal process of raising investment for your company**

**Link to material:** <https://business.ngi.eu/online-resources-/useful-materials/legal-process-of-raising-investment/>

**Author:** Civitta Estonia



**Short summary:** Step-by-step guide which shortly explains the preliminary documentation and knowledge needed before stepping into the investment world (agreements, pitch deck, network, etc.), the essence of due diligence and term sheets. It ends with a reference to the most relevant documents usually needed in the process.

FIGURE 2 PRESENTATION OF THE LEGAL PROCESS OF RAISING INVESTMENTS



**TETRA Investment glossary for beginning entrepreneurs**

**Link to material:** <https://business.ngi.eu/online-resources-/useful-materials/tetra-investment-glossary/>

**Author:** Civitta Estonia

**Short summary:** Presentation of the language and terms that each company owner needs to be acquainted to in order to even make a decision about which funding they need. The material provides an A-to-Z overview of the most general terms of the investment world from Angel Investor to Venture Capitalist. The material ends with an overview of different types of investments and 8 questions to ask to set up a funding strategy for a starting company.



FIGURE 3 TETRA INVESTMENT GLOSSARY FOR BEGINNING ENTREPRENEURS

# TETRA

## INVESTMENT GLOSSARY

Terms you should know and understand before raising an investment

### TERMS YOU SHOULD KNOW (A-C)

- ⓐ **Angel Investor** – A (usually) wealthy private investor in startup companies.
- ⓑ **Cap / Target Valuation** – The maximum effective valuation for an investor in a convertible note.
- ⓒ **Convertible Note** – This is a debt instrument that will convert into stock, usually preferred stock but sometimes common stock.
- ⓓ **Common Stock** – Capital stock typically issued to founders and employees, having the lowest, or no, rights, privileges and preferences.

### BOOTSTRAPPING

• **operating only with financial funds from the founders/teams.**

Bootstrapping aims to minimize the amount of money you need by using resources in a creative ways.

- ⓐ No dilution of shares and independent decision making for the founders
- ⓑ Focus on execution and not on raising funds
- ⓒ Very stressful for founders
- ⓓ Not sustainable long term

### EIGHT QUESTIONS TO ASK WHEN CREATING A FUNDING STRATEGY

1. Are you able to fund your business until you become profitable?
2. How much capital do you need?
3. Do you think loans or equity is the right way to raise funding?
4. Do you have friends and/or family that may be able to help?
5. How long do you think it will take to raise funds?
6. How far will this get you? What milestones can you achieve?
7. Will you need to raise money again?
8. Do you have advisors you can rely on?





## Reflections on materials

As there is no numerical KPI set for the creation of these materials, ideas for materials are brainstormed ongoingly within the consortium based on the information requested by event participants and knowledge that emerges in the day-to-day work of project partners.

### Ideas brainstormed for next materials are as follows:

- Updated overview grants due in 2021
- Pitching and fundraising 101 checklist (incl. due diligence checklist for startups and scaleups)
- Model documents for raising investments (via Startup Estonia)
- Alternative finance database reference (via Altfinator)
- Crowdfunding tips & tricks (via Kickstarter or similar)

To increase the number of downloads and views of the materials, additional promotion is planned to highlight the on-demand materials.

### Steps to be taken to increase the number of views and downloads for TETRA materials are as follows:

- Highlighting TETRA materials in all upcoming NGI newsflashes
- Highlighting TETRA materials in all master plans created for bootcamp participants as suggestions on materials to use for their business development
- Sending an email reminder of the TETRA materials to TETRA event participants
- “Additional materials” reference in bootcamp participants handbook which is sent to participants prior to the event
- Promotion via partner networks as material available for any party interested in raising their skills in fundraising
- Showcasing existing materials in all upcoming TETRA events and NGI community events where TETRA participates as a speaker

## 4 CHALLENGES AND LESSONS LEARNED

### COVID-19

Similarly to all other TETRA services, the plans for investment readiness activities were restructured and have been organized in online format only since the emergence of COVID-19.

The implications of the COVID-restrictions to the teams' capacity-building cannot be assessed in detail, however, we can assume that the actions that investment readiness activities have suggested and encouraged have not been executed to their full extent (mainly due to the events that have been cancelled and the related limitations in reaching meaningful contact with investors as a newcomer in the business world).

For this reason, the investment readiness activities will be directed more towards the opportunities that remain available online and focus less on the investor relations and matchmaking that a startup or scaleup should have been learning prior to COVID.

### NGI community structure and services

TETRA was initially kicked off as a CSA project that provides certain business acceleration services to third parties joining the NGI community. In reality, relevant business support is also provided to third parties by RIAs that fund them and to some, TETRA's business services are not considered relevant or timely.

The partial service duplication and a number of incompatibilities of the service provision timelines that have become evident within the NGI community have limited TETRA's opportunities to promote itself as "the one and only" business accelerator of NGI via RIAs whose program is prioritised to/by the third parties.

To decrease competition with NGI RIAs going forward, investment readiness activities will be directed towards the third parties that are ready to prioritise fundraising from other sources besides NGI. For this purpose, RIAs will be consulted and requested information about the third parties that are ready for certain investment readiness activities, considering their development level; that have either exited their supervision and/or that would benefit from TETRA's services as a top-up from the programme they received from the RIAs.

To prevent service duplication, discussions are held with RIA representatives to find investment readiness topics that would interest its third parties. TETRA's visibility will then be increased by co-organizing events with the RIAs and complementing their services instead of competing with their program.

## Perception of business development, fundraising and investor engagement

NGI beneficiaries often state that they do not need business acceleration as they are non-for-profit and do not seek for revenue. This statement has brought a discrepancy to our attention that the consortium was not aware of – many beneficiaries developing open-source solutions do not consider their own project to be a “business” and business acceleration services are perceived as something relevant only to for-profit entrepreneurs. For this reason, investment readiness activities as well as other TETRA’s services are automatically disregarded or overlooked.

In reality, business development is also necessary for beneficiaries that are building open-source solutions and products which are provided to its users (or other developers) free of charge. This includes the necessity to have resources for funding the development and operations of the team, to pitch and market the solution to different stakeholders (incl. the users that should use the solution) and to manage the team building the solution (especially in the pandemic situation where the need for quality personal interactions has increased).

To address this challenge and encourage a change in the meaning of building or scaling an initiative from open-source developers’ and beneficiaries’ perspective, investment readiness activities will propose a slight shift in the content of the sessions provided. The goal is to include more basic level information and an introduction into the basic terms related to the business environment.