SURANYI INVESTMENT

Pre-Approval Pathway & Due Diligence Guide to Funding Success

Introduction

Suranyi Investment (SI) Consulting connects established businesses with global investment capital.

We assist asset-rich, operationally valuable, and strategically positioned companies seeking capital of USD $30 million or above to overcome growth limitations, liquidity constraints, and access to institutional finance.

As part of our high operational standards, we ensure that our investors are presented with verified opportunities from businesses that are robust, transparent, and ready.

SI is a bridge between investors and investees and a gatekeeper to the quality, rigorous analysis that funding syndicates demand.

We understand that securing significant investment requires precision, preparation, and expert guidance. That's why we've established this SI Pre-Approval Pathway, a robust, two-phase process comprising an Audit and / or Due Diligence process designed to streamline your access to capital.

SI's role is to ensure your project is not only viable but also impeccably positioned to meet the rigorous standards of our Funding Syndicates, accelerating your transition from vision to funded reality.

This document outlines our analysis guidelines when we work with you as a potential investee for our funders.

It includes:

Part 1: Why Our Hybrid Model is Your Strategic Advantage

Traditional financing approaches often present significant limitations. **Venture Capital (VC)** typically focuses on early-stage, high-risk startups with aggressive growth profiles, often requiring significant equity dilution. **Traditional Banks**, while offering lower-cost debt, are generally risk-averse, with stringent collateral requirements and limited appetite for projects that don't fit conventional balance sheet lending criteria.

The **Mezzanine Fundraising Leveraged Program (MFLP)**, developed by our funding syndicates, represents a cutting-edge hybrid execution platform specifically designed to bridge these persistent financing gaps, allowing you to gain access to an innovative model and its advantages:

- **Beyond Early-Stage Limitations:** We focus on established, in-market companies seeking expansion with a stable investment profile;
- **Flexible Capital Structures:** This mezzanine financing offers a strategic blend of debt and equity features, providing subordinated loans, convertible options, and structured upside participation. This allows for greater flexibility than pure bank debt and less upfront equity dilution than traditional venture capital;
- **Comprehensive Support Ecosystem:** The MFLP is not just about capital; it's a holistic transaction-execution ecosystem. This includes:
    - **Advisory Qualification & Investment Readiness:** SI proactively helps you prepare for investor scrutiny.
    - **Refinement of Key Documentation:** Expert assistance in perfecting your business plans, feasibility studies, ESG, and EIS documentation.
    - **Structured Debt-Equity Stacks:** Crafting optimal capital structures that align with your growth objectives and risk profile.
    - **Reduced Information Asymmetry:** Our rigorous pre-assessment and due diligence process (managed by SI) increases transparency and improves your project's "bankability" for the Funding Syndicates.
- **Optimized for Expansion & Growth:** Our approach is tailored for companies that are ready for significant scale, addressing the specific challenges faced by SMEs and corporate fundraising segments.

By working with SI, you're not just seeking funding; you're adopting a strategic partnership designed for long-term value creation, offering a far more dynamic and supportive path than conventional alternatives.

Part 2: Investment Readiness Audit Assessment

The SI Investment Readiness Audit assesses the early-stage viability and potential for funding success of your business or project by evaluating your foundational strengths, alignment with the funders' strategic criteria, and overall readiness using this process:

1. Project Information Request (PIR) Submission

You provide us with a Structured, Matured Business Plan to give us an essential overview including: core objectives, target market, leadership team and high-level financial aspirations.

2. Audit Fee Payment for Investment Readiness Audit

If your business or project is suitable for initial funding consideration, SI charges you a non-refundable Pre-Assessment Fee of USD $10,000 upon submission of your business or project feasibility information.

This fee covers SI's extensive review, analysis, and initial audit efforts to determine your suitability for your detailed consideration.

SI's dedicated team of analysts and industry specialists meticulously evaluate the submission.

This assessment is benchmarked against the established criteria of the funding syndicates, encompassing:

- strategic fit,
- market potential,
- team capability,
- preliminary financial viability, and
- overall risk profile.

SI delivers an assessment of your strengths, weaknesses and key areas that may require further development.

If your project or business does require further scrutiny and documentation to demonstrate its investment-worthiness, we will detail the next steps of our Due Diligence Capital Consulting requirements and costs for you, as they will be tailored to your needs.

However, this audit may also reveal that your project is investment-ready and suitable to be presented to the funders after our assessment.

3. Audit Decision

Based on our comprehensive audit, your business or project will receive one of the following decisions and subsequent next steps:

Outcome 1: or

Approved: The project demonstrates strong alignment and readiness, warranting progression to further strategic discussions.

No further Due Diligence required.

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Presentation to funder and funding discussion underway.

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Decision reached and funding agreement in place.

Outcome 2: or

Conditional: The project shows significant promise but requires specific enhancements or clarify-cations, which will require Due Diligence (DD). To undertake DD, SI works with a client under our Capital Consulting Process, which incurs additional retainer costs (quoted separately) for specialists to prepare the required business information.

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DD plan initiated based on project or business-specific requirements. Cost of DD is USD $60,000 / month payable to SI, as we bring in experts to conduct this. Time-frames will be est-ablished before DD begins and the process managed to ensure total client readi-ness for the funding syndicate.

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Presentation to funder and funding discussion underway.

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Decision reached & fund-ing agreement in place.

Outcome 3:

Declined: Your business or project does not meet the funders' core criteria at this time. SI will provide a report on the reasons for this decision and close out the process.

Part 3A: Regional On-Ground Due Diligence & Documentation Support

If your project is assessed as Conditional after the audit, SI works with you in a critical support and enablement role. This phase meticulously prepares your project for the Funding Syndicate's final investment decision, focusing on comprehensive documentation and rigorous on-ground validation.

Even if a business or project is Approved, there may be a need for some DD assessment to ensure all aspects of a business or project meet an investor's funding goals, specific requirements and tailored needs, using this process:

1. On-Ground Documentation Assessment & Gap Analysis

- **Process:** Leveraging our extensive regional network, we will conduct an in-depth, on-ground assessment of all documentation pertinent to the full Due Diligence phase. This includes verifying existing information, identifying any documentation gaps, and ensuring full compliance with local regulations and international best practices.

- **Scope:** This involves detailed reviews across legal, financial, technical, environmental, social, and governance (ESG) aspects, among others.

2. Tailored Due Diligence Documentation Consulting

- **Service:** Recognizing the unique nature of each project and business, SI provides bespoke consulting services to guide you through the preparation, refinement, and structuring of all necessary Due Diligence documentation to meet the funding syndicates' exacting standards.

- **Associated Fees:** Should your project be Conditional and further explored by the Funding Syndicates, there will be additional service fees for comprehensive due diligence and documentation support. These fees, payable by you directly, will be dynamically structured according to your project's complexity and precise funders' requirements, ensuring you only incur costs for expert support directly tailored to you.

- **Objective:** Our goal is to collaborate closely with you to present a complete, robust, and investor-ready package to funders, minimizing delays and significantly enhancing your chances of successful funding.

3. Introduction

- Upon successful completion of the regional on-ground assessment and finalization of all documentation, SI will formally present your meticulously prepared project to Funders for their final investment consideration.

Part 3B: DD Document Requirements for Your Evaluation

The following detailed documentation is essential for our thorough Due Diligence process. This list serves as a comprehensive guide for projects and businesses preparing for Funding Syndicate evaluation, ensuring clarity and reflecting the depth of insight expected by our investors and partners.

General Requirements for All Submissions:

- **Quality & Completeness:** All documents must be comprehensive, well-structured, and provide verifiable evidence.
- **Official Nature:** Wherever possible, documents should be official, signed, or certified copies.
- **Consistency:** All information across various documents must be consistent and coherent.
- **Timeliness:** Financial and operational data should be current, reflecting the most recent fiscal periods and projections.

I. Strategic, Corporate & Governance Documentation

1. Business Plan (Comprehensive):

- Full business plan, go-to-market strategy, operating plan, competitive strategy, financial projections, and execution plan.
- Summary of business model, market analysis, and overall strategic vision.

2. Corporate Formation & Structure:

- **Deed of Incorporation:** Articles of incorporation, corporate purpose, share capital details, registered office, term, and basic structure. Certified copy filed with the Companies Register.
- **Shareholders' Register:** Updated register (by date) detailing shareholder identity, transfers, number and class of shares/quotas, and encumbrances.
- **Beneficial Ownership Declaration (UBOs):** Identification of ultimate beneficial owners and control structure (direct and indirect).

- **CAP Table:** Capitalization table showing corporate structure, percentage holdings, fully diluted positions, economic and governance rights, and stock options.

- **Share Capital Deeds:**
    - **Share Capital Increase Deed:** Documents any increases, new share/quota issues, and shareholder pre-emption waivers (details amount, share premium, payment method).
    - **Share Capital Reduction Deed:** Registers any reductions, purpose (loss coverage, redemption, creation of reserves), and effects on equity structure.

- **Board & Shareholders' Minutes:** Records of corporate resolutions and approvals from both board and shareholder meetings.

3. Organizational Structure & Human Resources:

- **Organizational Chart:** Detailing reporting lines, key roles, authorized headcount/FTEs by function and location, highlighting vacancies and critical hires.

II. Regulatory & Compliance Documentation

1. Operating Licenses:

- Municipal, regional, sectoral, and environmental operating licenses.

- Includes license numbers, scope, validity/expiry, renewal requirements, and inspection reports.

2. Certifications & Standards:

- **ISO/HSE Safety Certifications:** ISO 9001 (quality), ISO 14001 (environment), ISO 45001 / OHSAS 18001 (occupational health & safety), other relevant sector certifications (separate from operating licenses).

3. Intellectual Property (IP):

- **Intellectual Property Register:** Including trademarks, patents, utility models, copyrights, software registrations, and other intangible assets.

- Certificates and renewal dates.

4. Litigation & Legal Matters:

- **Litigation Docket:** Covering material current, potential, and past disputes, claims, and proceedings. Includes counterparties, stage, amounts at stake, probability of loss, legal opinions, and provisions.

III. Commercial & Market Documentation

1. Market Study:

- Detailed market sizing, segmentation, competitive landscape analysis, entry barriers, success factors, and growth opportunities.

- Includes cited sources and methodologies.

2. Competitive Advantages:

- Documentation of defensible competitive advantages with official evidence, supporting the financial model's credibility.

3. Key Customer Contracts:

- Signed MSAs/SOWs with top customers, including pricing/volume annexes, SLAs, indexation, minimum commitments/take-or-pay, renewal & termination clauses, assignment, change-of-control, payment terms, and guarantees/performance bonds.

- Evidence of execution (POs, invoices, acceptance certificates).

4. Commercial Pre-contracts & LOI:

- Documentation of commercial pre-contracts and Letters of Intent (LOIs), capturing revenue visibility before definitive contracts (committed volumes, pricing, conditions, timelines).

- Clearly distinguish "binding vs non-binding", counterparty, validity/termination, and milestones for conversion to final MSAs/SOWs.

5. Key Supplier Contracts:

- Contracts with key suppliers covering supply terms, pricing, service levels (SLAs), indexation, minimum purchase/volume commitments, exclusivity, lead times, quality standards, warranty/returns, assignment/change-of-control, and termination/renewal clauses.

- Includes raw-material logistics and critical inputs.

IV. Financial & Accounting Documentation

1. Audited Annual Accounts:

- Statutory financial statements of the parent company (balance sheet, profit & loss, statement of changes in equity, cash flow statement, and notes).

- Audit opinion by a recognized firm.
- *Required for the last 4 fiscal years (minimum) + latest interim if available.*

2. Annual Accounts Affiliated Companies:

- Financial statements for each affiliated/related company (by legal name and tax ID), consolidated where applicable.

3. Corporate Tax Returns:

- Jurisdiction-specific corporate income tax returns (e.g., ES: Form 200, US: Form 1120).
- Includes filed returns, full supporting schedules, tax computations, book-to-tax reconciliations, deferred tax notes, loss carryforwards, transfer-pricing files (Local/Master File), e-filing receipts/assessments, and payment proofs.

4. Asset Register & Valuation:

- **Fixed Asset Register:** Listing assets, acquisition cost, dates, locations, useful lives, accumulated depreciation, and disposals.
- **Asset Valuation Report:** Appraisals by accredited independent valuers for relevant asset classes (real estate, machinery, equipment, vehicles, and others) dated within the last 10 months.
- **Detailed Inventory Aging:** Detailed inventory lists including level listings, quantities, locations, and aging analysis.

5. Lease Contracts:

- **IFRS16 Lease Contracts:** Including property, vehicle, and equipment leases. Details right-of-use assets, payment schedules, and lease liability.

6. Insurance Policies:

- Insurance dossier including policies, coverage/sums insured, premiums, deductibles/excesses, exclusions, endorsements, broker slips/schedules, and certificates.
- Claims history and outstanding claims.

7. Banking & Debt Documentation:

- **Banking Pool Overview:** Relationship banks, account structure, credit lines (type, limits, pricing), utilization, undrawn headroom, collateral, guarantees, and tenor. Evidenced by bank confirmations.

- **Financing Agreements:** Facility/loan agreements, intercreditor/subordination, security/pledge agreements, assignments of receivables, mortgages, and guarantees.

- **Debt Breakdown:** By instrument type (loan/bond/lease), currency, base rate & margin, amortization profile, maturity, outstanding principal, drawdowns, and repayment schedule, prepayment clauses.

- **Bank Guarantee Policies:** Performance bonds, advance-payment guarantees, standby letters of credit (SBLC), surety bonds (issuer, beneficiary, amount, expiry, underlying obligation, counter-guarantees/collateral).

- **Hedging/Derivative Contracts:** FX, interest rate, commodities (ISDA/GMRA/EFET master agreements, confirmations, notionals, maturities, counterparties, collateral/margining (CSA), valuation/mark-to-market).

8. Covenant Tests & Waivers:

- DSCR, ICR, Net Debt/EBITDA, Equity Ratio, and other tests.

- Definitions per agreement, testing frequency, latest compliance certificates/letters, historical headroom, and any waivers.

9. Financial Projections:

- Projected income statement, balance sheet, and cash flow under different scenarios.

- Includes key assumptions, sensitivities, and modeling files for sensitivity analysis.

10. Budgeting:

- **CAPEX Budgets:** Detailed CAPEX plan by project/category (timing, approvals, verifiable quotes/contracts: WBS, BOM/BOQ, vendor quotations, EPC/turn-key bids, machinery/equipment specs, delivery, installation & commissioning, civil works budgets, spare parts, warranties, permitting/connection fees, land/leasehold improvements, import duties, FX, taxes, and VAT treatment).

- **OPEX Budgets:** By cost center/category, with drivers and documented assumptions (headcount plan, marketing/media plan, customer support, logistics, utilities/energy tariffs, SaaS/licenses, maintenance/consumables, efficiency initiatives).

- Provide monthly phasing/seasonality.

V. Technical & Operational Documentation

1. Technical Feasibility Report:

- Covers technology, development roadmap, and required resources.

- Includes assessment of alternatives, risks, constraints, and dependencies.

2. Inspection Reports:

- Minutes/reports from tax inspections, detailing audits, findings, assessments, resolutions, status, and possible impacts on tax management.

3. SI DD and Visit Report:

- A detailed report based on the DD Manual, assessing the company, congruency of strategic components, risk management, stakeholders, financials, feasibility, ESG, providers, auditors, and banks. (Note: This is an internal report generated by SI during DD, but it reflects the underlying information gathered.)

- This comprehensive DD outline can also be tailored further to meet industry-specific objectives that are required by funders.

Part 4: SI Fee Structure and Equity Distribution

SI Fee Structure and Equity Distribution

SI operates on the following fee structure, **funded by the you as the investee / client. Fees are paid to SI directly while commission and equity retention percentages are** incorporated into the deal:

Fee Component	Amount	Received By	Timing
Audit Fee	USD $10,000	SI LLC	Upfront on mandate receipt.
DD Monthly Retainer. **Only required if detailed DD needs to be entered into. This is assessed at Audit Stage.**	USD $60,000 / month	SI LLC	Monthly in advance. If needed, we will supply a full requirement outline and list of services tailored to your needs and to suit the funder goals.
SI Success Commission	5% of funding face value	SI LLC	Payable on first disbursement.
SI Equity Retention	5% of client company's fully diluted equity	**Split: 3% SI LLC** **1% Partner** **1% Funder**	On successful equity closure of the deal.

Equity Distribution* on Successful Equity Closure

Any equity allocation shall only be earned and issued upon the successful closing of the applicable transaction.

*The equity percentage shall be calculated as 5% of your Company's fully diluted equity on a post-closing basis, as per these conditions:

Condition	Detail
Deal Closes	The funding transaction is fully executed and funds are disbursed.
Equity Component	The client company issues fully diluted equity as part of the funding structure.
Successful Settlement	All condition precedents have been satisfied and the deal is legally binding.

Each deal is negotiated individually and may or may not include equity.

Part 5: Conclusion

In an evolving financial landscape, securing the right capital for your company's expansion and growth is paramount. **Suranyi Investment Pre-Approval Pathway,** offers a sophisticated and strategically advantageous alternative to traditional bank and venture capital funding.

Unlike conventional options that often come with restrictive terms, limited flexibility, or an unsuitable focus on early-stage risk, our approach leverages an innovative **Mezzanine Fundraising Leveraged Program (MFLP).** This hybrid model is specifically designed for established businesses like yours, providing:

- **Tailored Capital Solutions:** Flexible financing structures that minimize upfront equity dilution and align with your mature growth trajectory.
- **De-Risked Investment Process:** CM's rigorous pre-assessment and comprehensive due diligence support ensure your project is presented to the Funding Syndicate in its strongest possible light, increasing transparency and investor confidence.
- **Strategic Partnership:** Beyond capital, we offer a robust transaction-execution ecosystem, guiding you through every stage from initial assessment to documentation perfection.

We understand that accessing professional services of this calibre requires commitment. Therefore, we clearly outline our **$10,000.00 USD non-refundable Audit Fee** to initiate SI's thorough review, followed by **associated professional service fees for comprehensive due diligence** upon pre-approval. These fees are a direct investment in preparing your project for success and are your professional responsibility.

By choosing to work with Suranyi Investment, you are not just applying for funding; you are engaging in a strategic partnership designed to navigate complexity, enhance project readiness, and unlock the precise capital your company needs to thrive.

Take the next step toward realizing your growth ambitions. Contact Suranyi Investment today to begin your funding journey.

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