

A space shuttle is shown launching, ascending vertically against a dark blue sky with scattered white clouds. The shuttle is white with orange and black accents. Large, bright white and yellow flames and smoke trails emanate from the base of the shuttle, creating a powerful visual metaphor for a 'boost' or 'launch'.

# **SBR CAPITAL BOOSTER: STRATEGIC FUNDING FOR SMALL BUSINESS RESTRUCTURING**

Hermes has a number of innovative capital solutions to help your client stay afloat and in control in times of turbulence. Does your client have an urgent funding requirement, and the right assets to support the funding? Sometimes the “right assets” means a debtors ledger, unencumbered plant and equipment and/ or third party real property. Our SBR Capital Booster is designed to provide funding to businesses undergoing or preparing for Small Business Restructuring (SBR), offering the liquidity needed to stabilise operations and implement turnaround strategies.



# SBR CAPITAL BOOSTER: STRATEGIC FUNDING FOR SMALL BUSINESS RESTRUCTURING

SBR Capital Booster is a tailored financing solution that helps businesses navigating financial distress by providing immediate working capital and structured funding support. This funding assists in restructuring debts, managing operational costs, and positioning businesses for long-term recovery. It can include any combination of Hermes working capital and term debt solutions.

## Who is it for?

- SMEs undergoing Small Business Restructuring (SBR) or preparing for restructuring.
- SMEs that have a bright future via an SBR, but with a credit history and historical financials that don't tell the full story.
- SMEs with capital raising objectives that can't be met just funding debtors, unencumbered equipment, or against business or third party real property alone.
- Businesses with a viable turnaround plan but requiring immediate capital support.
- Companies needing to meet their commitments under a SBR plan.

## How it Works

- Businesses secure funding backed by eligible assets or receivables.
- Funds are used to meet SBR commitments, pay critical creditors, and stabilise cash flow.
- Invoice Finance or revolving credit (Tradeline) solutions can be combined with bridging of term debt solutions to meet both the immediate capital raising objectives of the business and to provide on-going cash flow support.
- Repayments are structured to align with the business's recovery plan and cash flow projections.

## Why Choose This Solution?

- Tailored to SBR requirements – structured financing designed to complement formal restructuring processes.
- Immediate liquidity – funding available for urgent restructuring needs.
- Supports business recovery – enables SMEs to implement turnaround strategies effectively.
- Flexible repayment structures – aligned with restructuring and business viability.

## Security & Collateral

- Secured against eligible business assets (receivables, equipment, property, or other unencumbered assets).
- Structured repayment plans aligned with business cash flow.

## Typical Use Cases

- Funding to assist SMEs in qualifying for Small Business Restructuring.
- Providing working capital to sustain business operations during restructuring.
- Settling creditor obligations to enable a viable turnaround strategy.
- Ensuring business viability while negotiating with key stakeholders.

## WHY HERMES?

### Transparent and fair

**pricing:** clear terms with no hidden costs.

### Broker-focused

**approach:** tailored solutions that support brokers and their clients.

### Tailored funding

**structures:** customised lending solutions that match business needs.

### Expertise in Small

### Business Restructuring

**funding:** we understand the unique challenges SMEs face when they are undergoing an SBR and cash flow is under pressure.

### Speed and flexibility:

with a lean management structure made up of experts with years of experience, funding solutions can be tailored to your needs, and a term sheet provided within 24 hours.

### Commercial approach to

**credit:** As a managed fund with a unique capital structure of its own, Hermes is not constrained in the way banks and other credit providers are, allowing a pragmatic approach to structuring and approving credit facilities.

## HOW TO APPLY?

1. Submit an enquiry online or speak to a Hermes Capital specialist.
2. Provide restructuring details and asset-backed collateral.
3. Get approved and receive funding in as little as 48 hours.

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To illustrate our approach, we've included a brief case study below.

▶ Scan to watch!



[youtu.be/JCaDY-n0wvg](https://youtu.be/JCaDY-n0wvg)

## Case Study: BR Funding That Helped a Café Survive and Thrive

A Melbourne-based suburban café located in a busy shopping centre was struggling under the weight of a legacy ATO debt that dated back to COVID. The business had launched just months before the pandemic hit, opening in November 2019 after a \$700,000 investment in fit-out costs. Because it was so new, the café didn't qualify for COVID support. But with a premium lease they didn't want to lose, the owners hung on and kept trading – even as tax debts mounted.

By early 2024, the debt had rendered the business technically insolvent. That's when their accountant recommended a Small Business Restructure (SBR). The business qualified for SBR with less than \$1M in debt and a realistic plan for trading forward, but they needed funding to settle outstanding superannuation and for the working capital needed to make the plan work.

The restructuring expert brought in a trusted commercial broker, who quickly contacted Hermes, knowing our experience in funding businesses through formal restructure processes.

Hermes provided a simple term loan for \$500,000, amortised over 36 months and secured by second mortgages on two investment properties. To give the café breathing room, the structure included interest-only repayments for the first 6 months.


With Hermes's experience in coordinating with first mortgagees, the deal was approved within 24 hours and settled in under two weeks.


The result? The business successfully implemented its restructuring plan, gained creditor support, and is now trading strongly, with a future to build on.

## CONTACT HERMES

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