

2020

EARLY STAGE: SERIES SEED & SERIES A

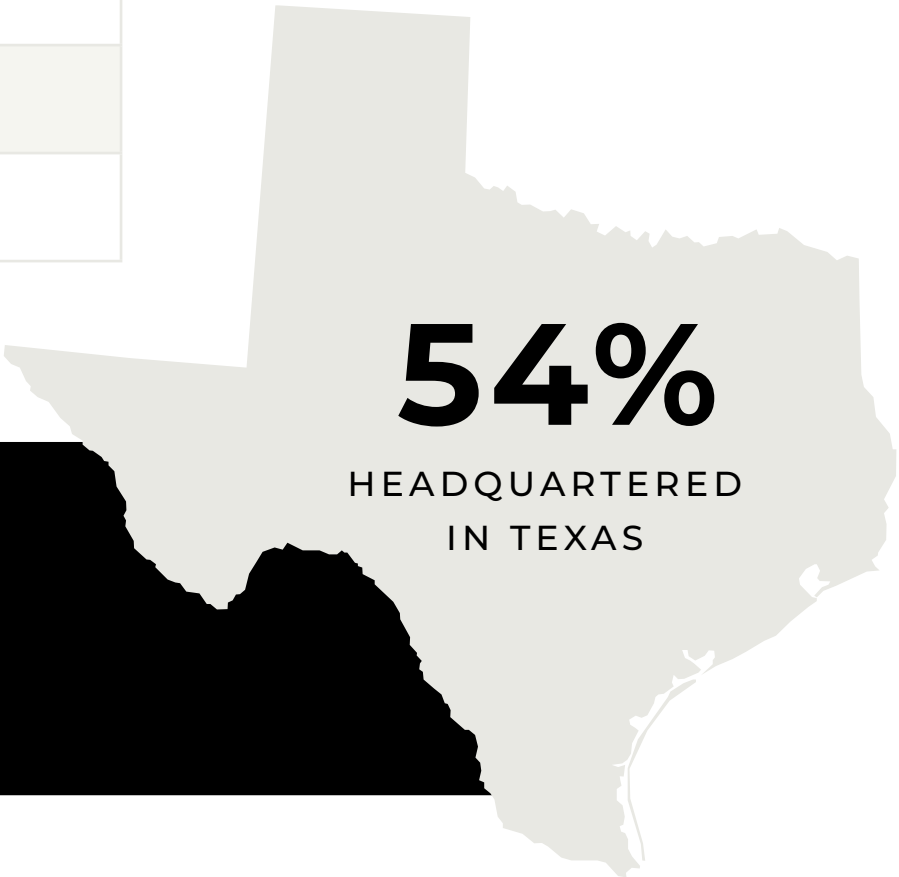
VENTURE DEALS

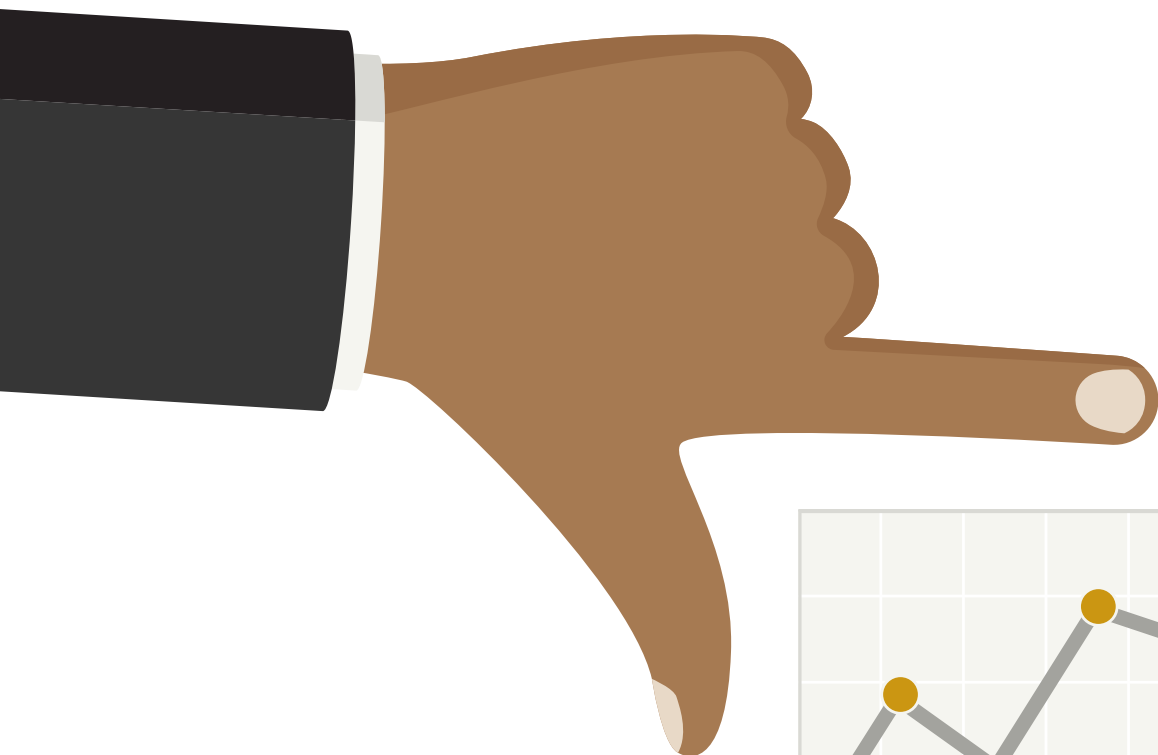
QUALIFYING THE SAMPLE

This study includes 37 Series Seed and Series A deals, where VW participated as either company or investor counsel. For the purpose of this study, ***we only included Series Seed and Series A deals with the following parameters.***

| | |
|--------------|----------------------------------|
| TYPES | Equity, Convertible Notes, SAFEs |
| SIZE | \$250K - \$5M |
| JURISDICTION | United States |
| YEAR | 2020 |

NEARLY HALF OF THE DEALS
ANALYZED CAME FROM
OUTSIDE OF TEXAS.



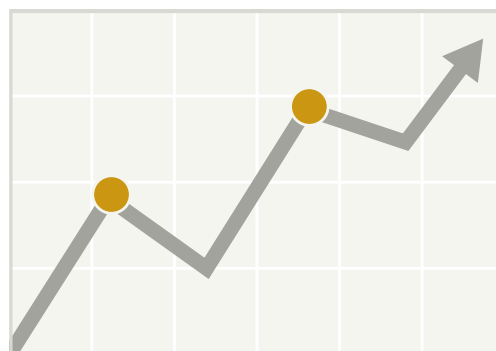


\$64.47M

TOTAL RAISED

\$1.74M

AVERAGE RAISE



37

AGGREGATE DEALS
IN STUDY



Convertible
Securities Deals

Equity Deals

14

TOTAL
CONVERTIBLE
NOTE DEALS

3

TOTAL
SAFE DEALS



14

TOTAL
SERIES
SEED
EQUITY
DEALS

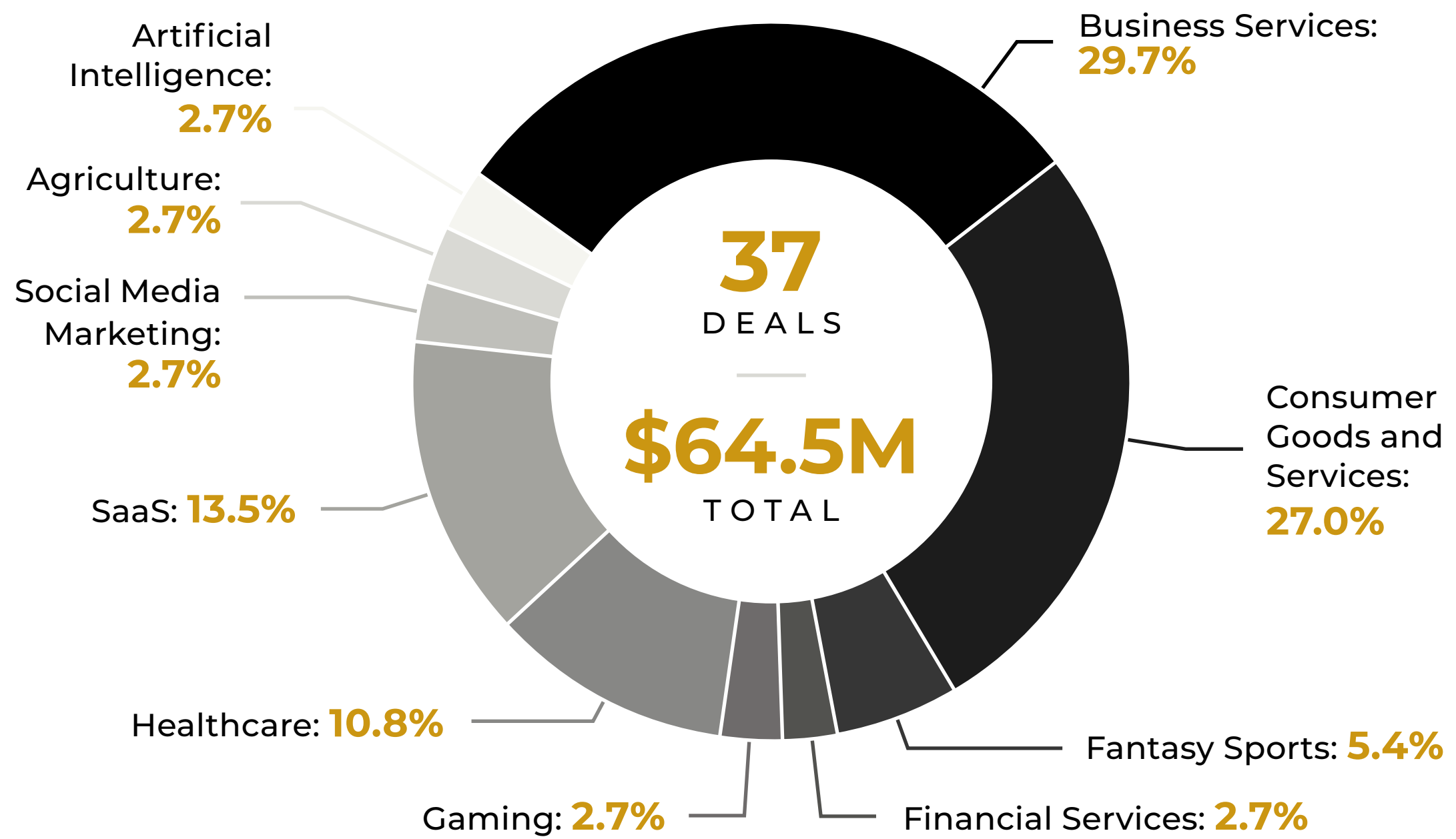


6

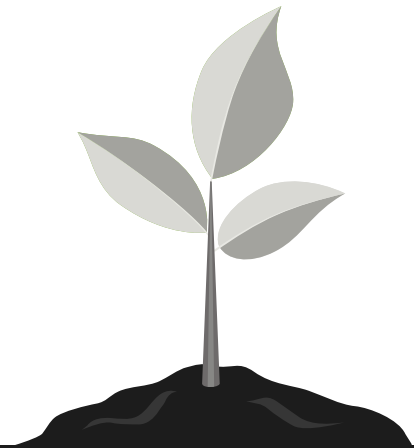
TOTAL
SERIES A
EQUITY
DEALS



COMPANIES BY INDUSTRY



Equity Financing is the direct investment by investors in exchange for ownership (equity).



\$22.2M

TOTAL RAISED

\$1.6M

RAISE AVERAGE

14

SERIES SEED DEALS

\$300K - \$4.1M

RANGE



\$20.0M

TOTAL RAISED

\$3.3M

RAISE AVERAGE

6

SERIES A DEALS

\$1.3M - \$5M

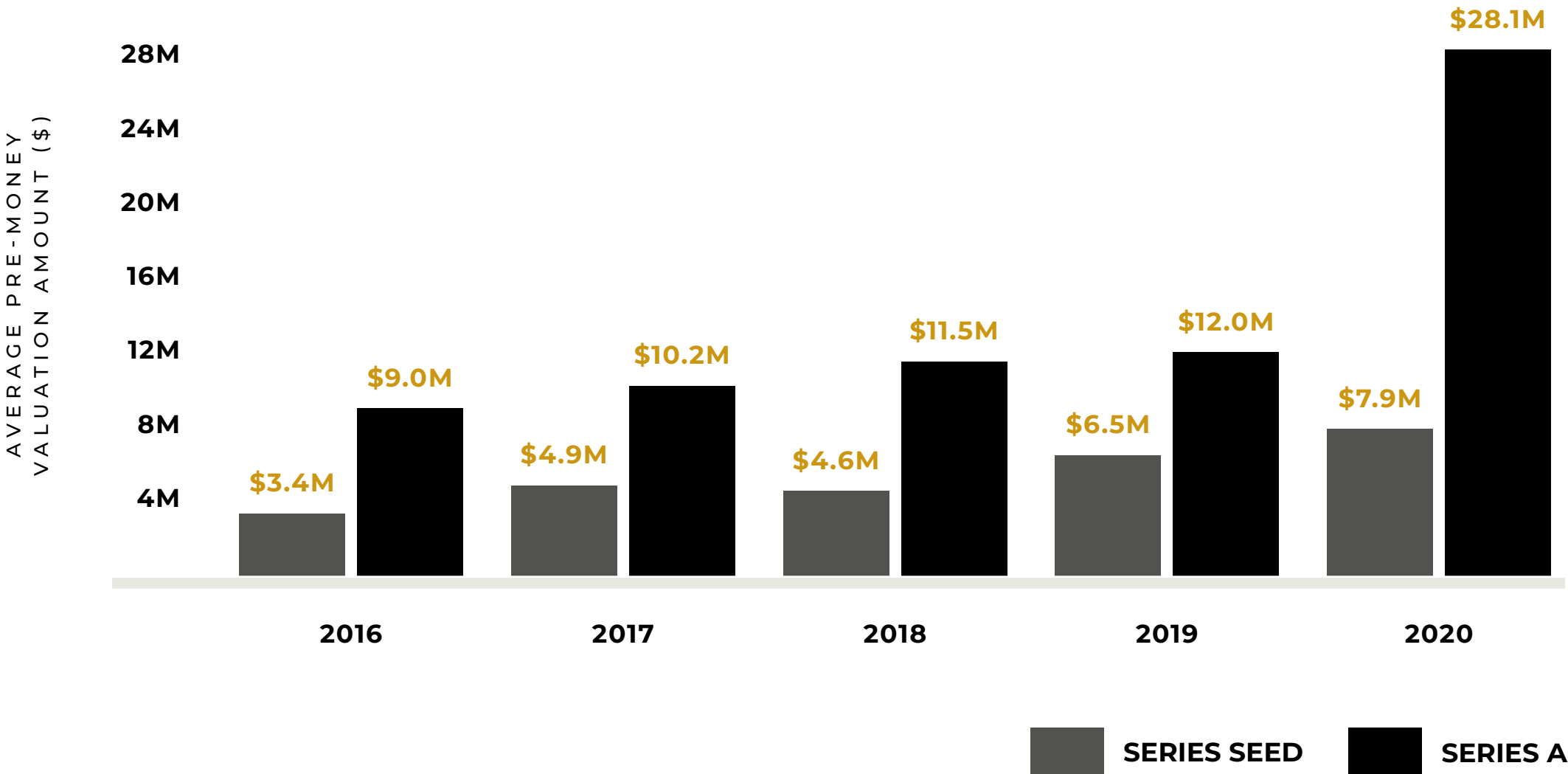
RANGE

EQUITY ROUNDS *DETAILS*

| TERMS | EQUITY | |
|-----------------------------|-------------|----------|
| Deal Type | Series Seed | Series A |
| Total Deals | 14 | 6 |
| Dividends | 7% | 17% |
| Participating | 7% | 0% |
| Board Seat | 80% | 67% |
| Anti-Dilution | 80% | 100% |
| Redemption | 7% | 0% |
| Average Amount Raised | \$1.58M | \$3.34M |
| Average Pre-Money Valuation | \$7.85M | \$28.12M |

EQUITY ROUNDS *PRE-MONEY VALUATIONS*

Consistent with national trends, average valuations are increasing at a healthy pace.



CONVERTIBLE NOTE ROUNDS

A Convertible Note is short-term debt that converts into equity at a discount to the next round.



14

TOTAL DEALS

\$18.4M

TOTAL RAISED

\$1.3M

RAISE AVERAGE

CONVERTIBLE NOTE ROUNDS *MEDIAN TERMS*

20%

DISCOUNT

24

MONTHS
MATURITY

6%

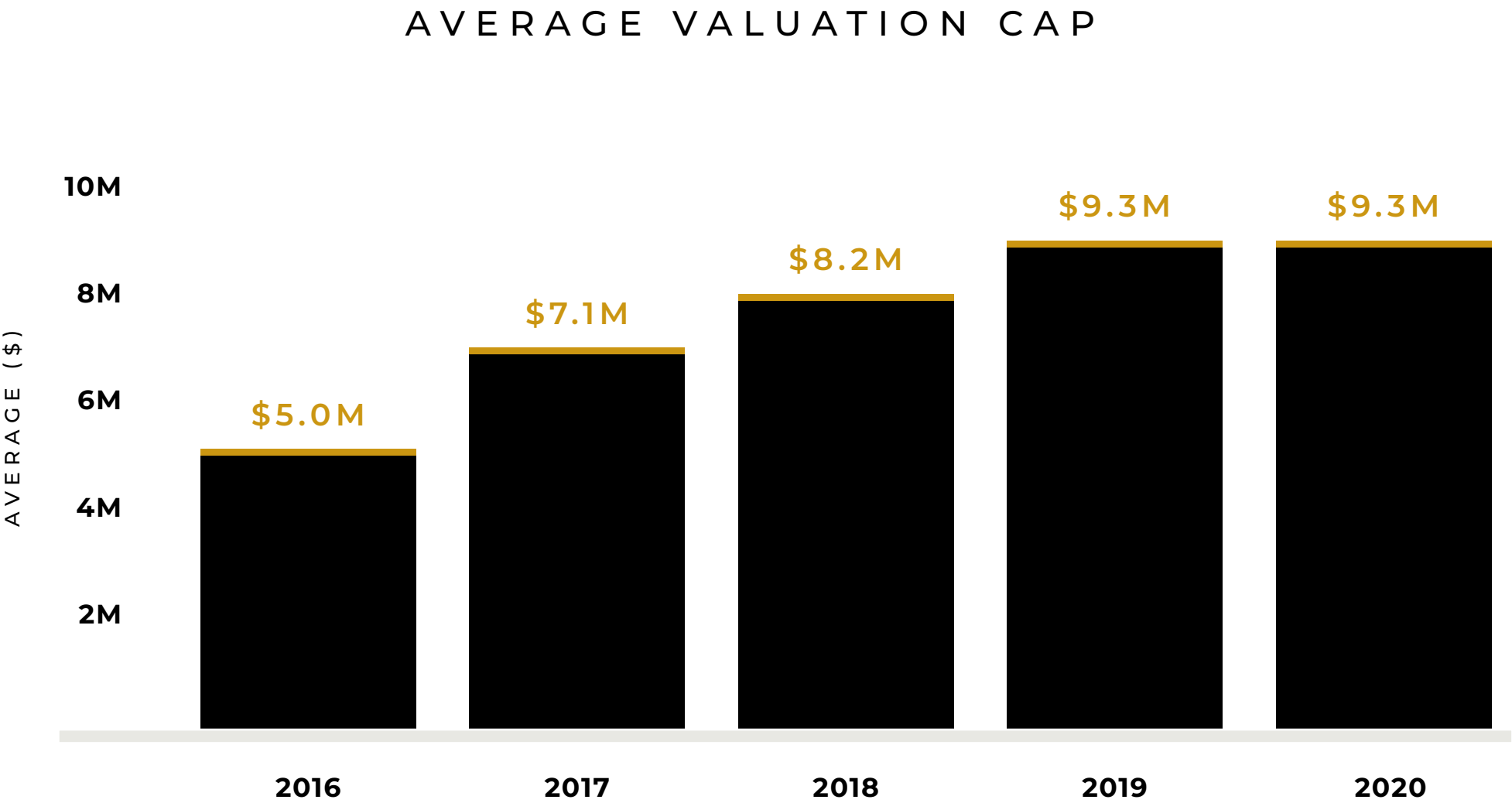
INTEREST RATE

\$10M

CONV. CAP

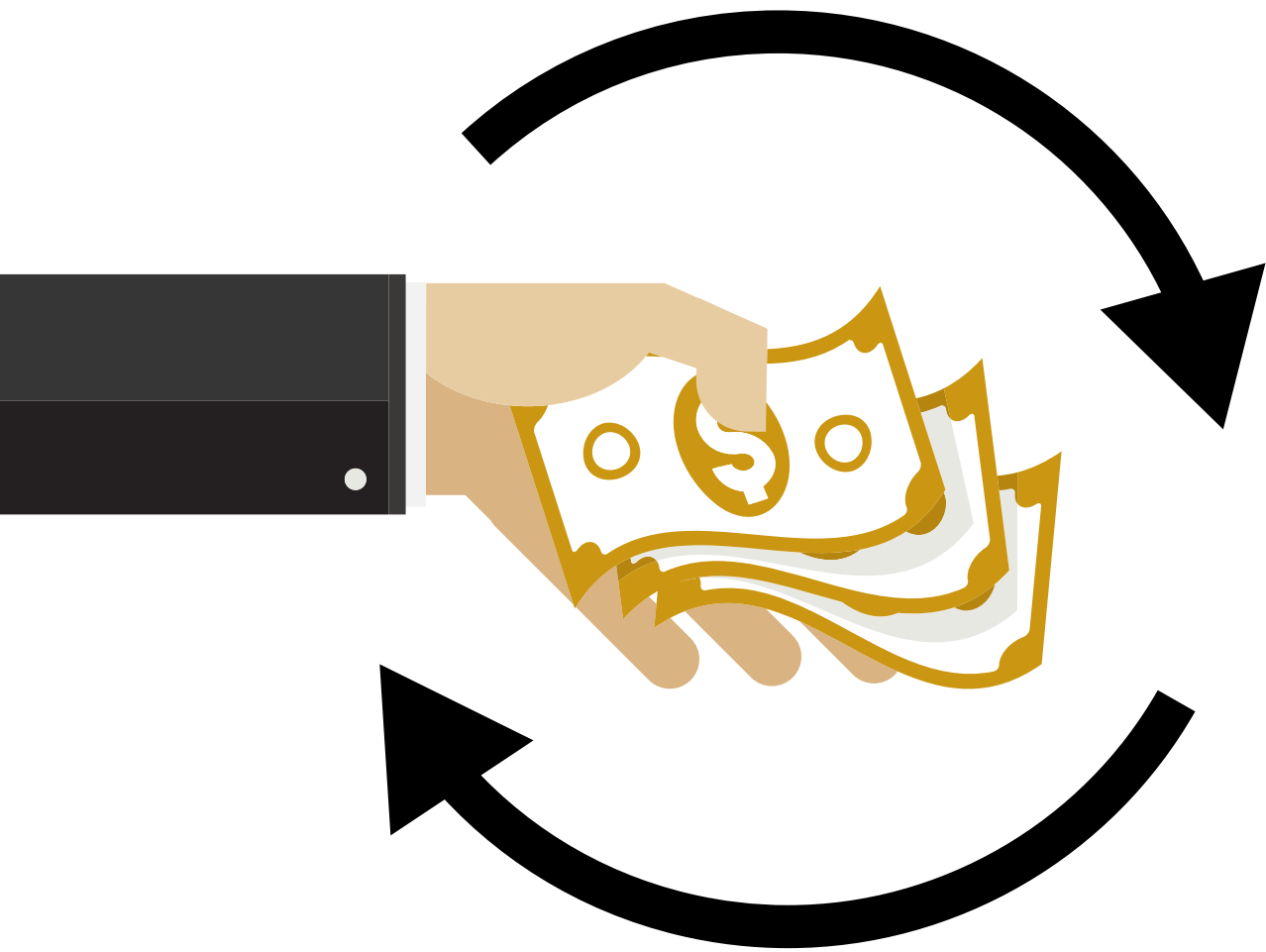
\$2M

QF CAP



SAFE ROUNDS

SAFE is an acronym for “simple agreement for future equity,” which is an alternative to convertible debt.



3

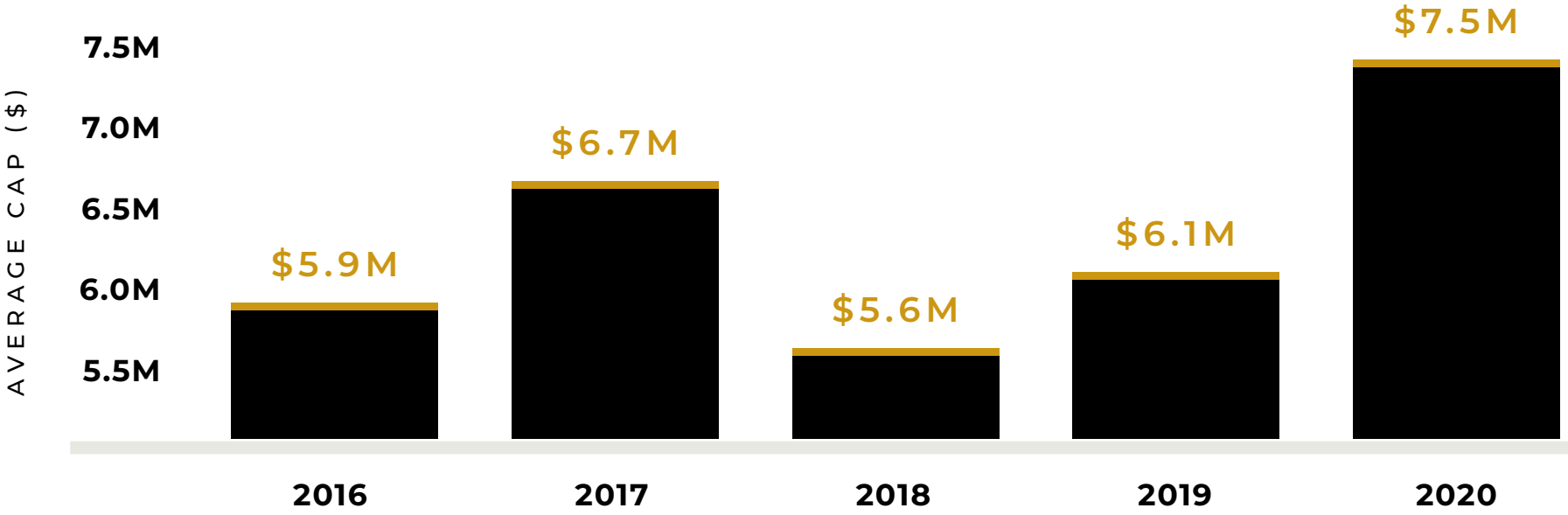
TOTAL DEALS

\$1.2M

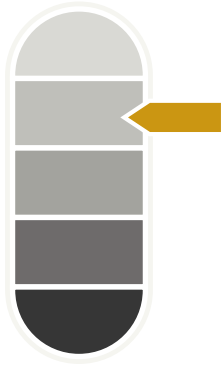
TOTAL RAISED

\$400K

RAISE AVERAGE



15%
MEDIAN
DISCOUNT



\$16.8M
MEDIAN CAP



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