

An aerial, high-angle view of a city skyline at night, featuring a prominent skyscraper in the foreground. The scene is overlaid with glowing green light trails that swirl around the building. The city lights and a river are visible in the background.

DEALMAKER

# Capital Raising through Market Volatility

June 22, 2022

# Today's Speakers

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**Rebecca Kacaba**  
CEO, Co-Founder, DealMaker

Rebecca is the Chief Executive Officer and Co-Founder of DealMaker, winner of Lexpert's Top 40 Under 40 and named one of North America's most innovative lawyers by the Financial Times. She practiced law on Bay Street for over 10 years, before founding DealMaker.



**Jonathan Stidd**  
VP, DealMaker Reach

Jonathan founded the leading digital marketing agency for equity crowdfunding - helping their clients raise a collective \$400mm+. He serves as President, DealMaker Reach after Ridge Growth was acquired by leading capital raise platform DealMaker.



**Mike Werry**  
VP of Sales, DealMaker

Mike has over a decade of experience successfully building and leading sales functions in both the SaaS and financial services industries, ranging from startups to SME's with over \$750M in annual revenue.

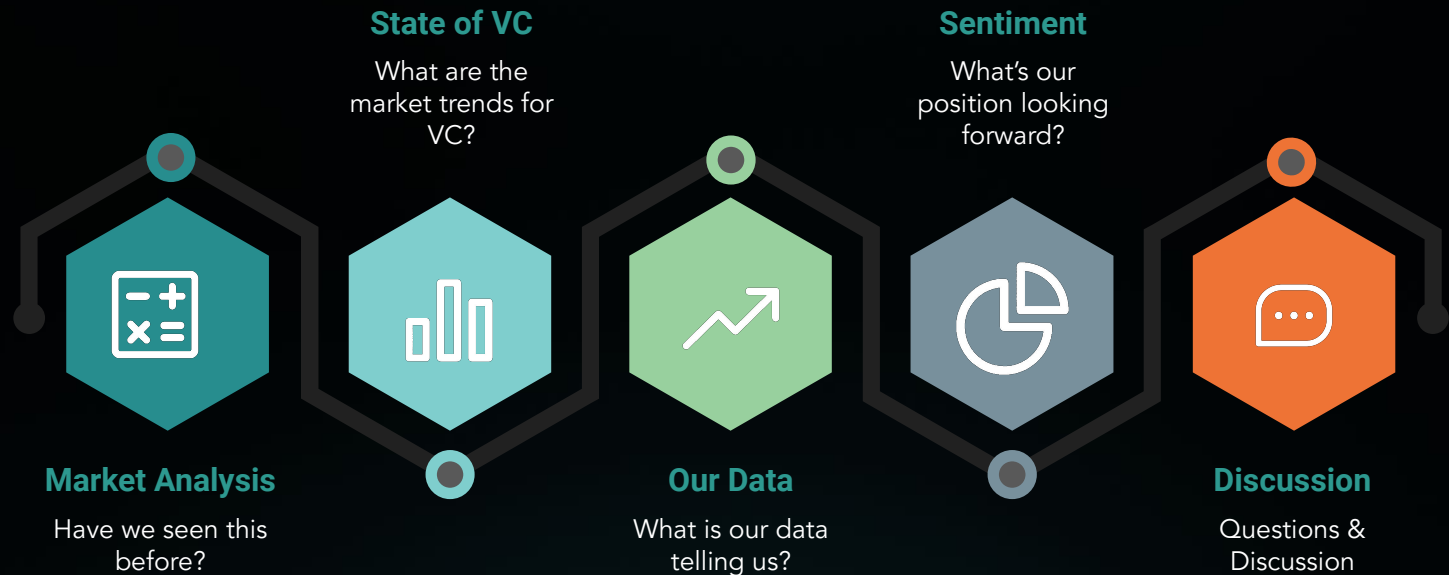
# Disclaimer

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# What We'll cover

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# Private Markets: We've Seen This Before...



We see a 'bounce back' pattern in investment growth slowing down.

First in 2008, the growth rebounds after the recession.

19% growth from 2008-2009

Second in 2020, the growth coming out of the pandemic pause.

62% growth from 2019-2020

## Corporate Debt and Equity (\$M)

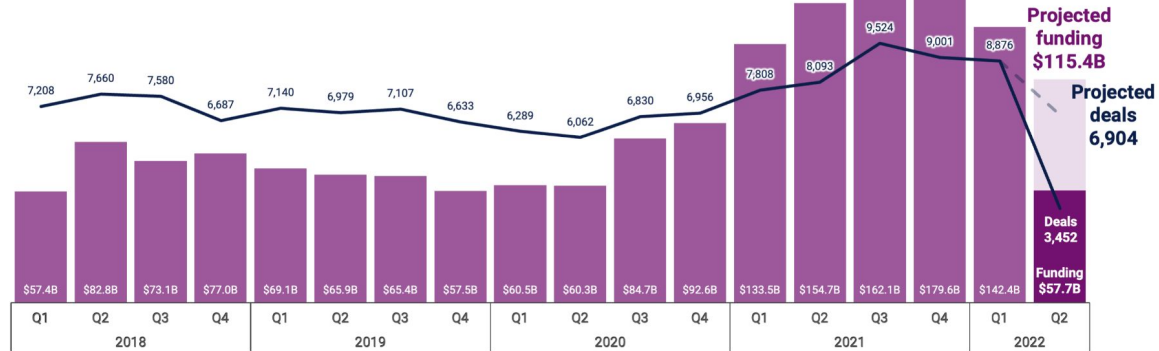


# VC Impacts & Valuations



State of Venture | Global Trends | Investment Trends

## Q2'22 venture funding is on pace for a 19% drop QoQ



CBINSIGHTS

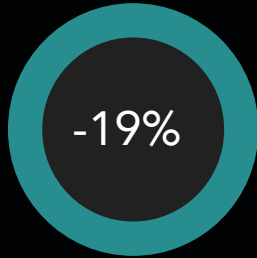
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Source: [CB Insights Venture Report Q2 2022](#)



# State of Venture

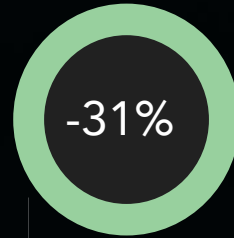
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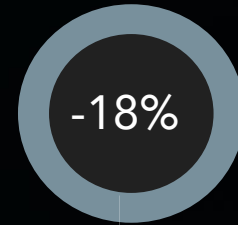
Projected funding decline globally



Projected funding decline US



Projected funding decline Asia



Projected drop in mega-round QoQ

VC-backed IPOs witnessed a 57.7% decline this year, per Pitchbook's index. Market uncertainty and VC funding slow-down means less access to institutional capital. More companies are likely to seek out alternative means like Reg A/CF.

Source: [CB Insights Venture Report Q2 2022](#)

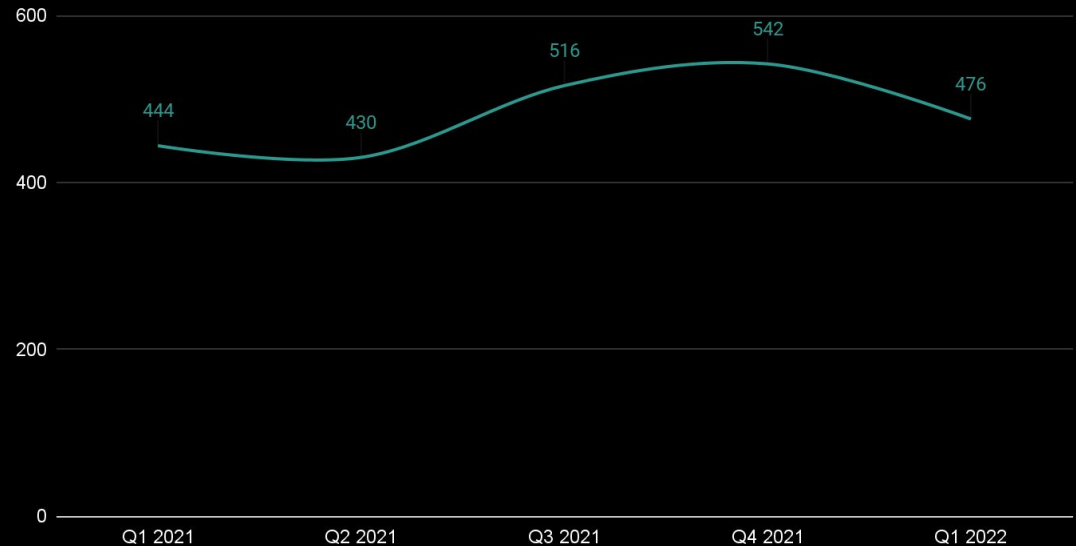


# Filings are Up - the Companies are There

Form 1-A and C filings for the beginning of 2022 are exceeding the pace with the beginning of 2021. We are seeing a 2% YOY increase for Q1.

Filings are not slowing down and companies are showing lots of interest in retail capital offerings

Filings vs. Quarter (1-A, C)

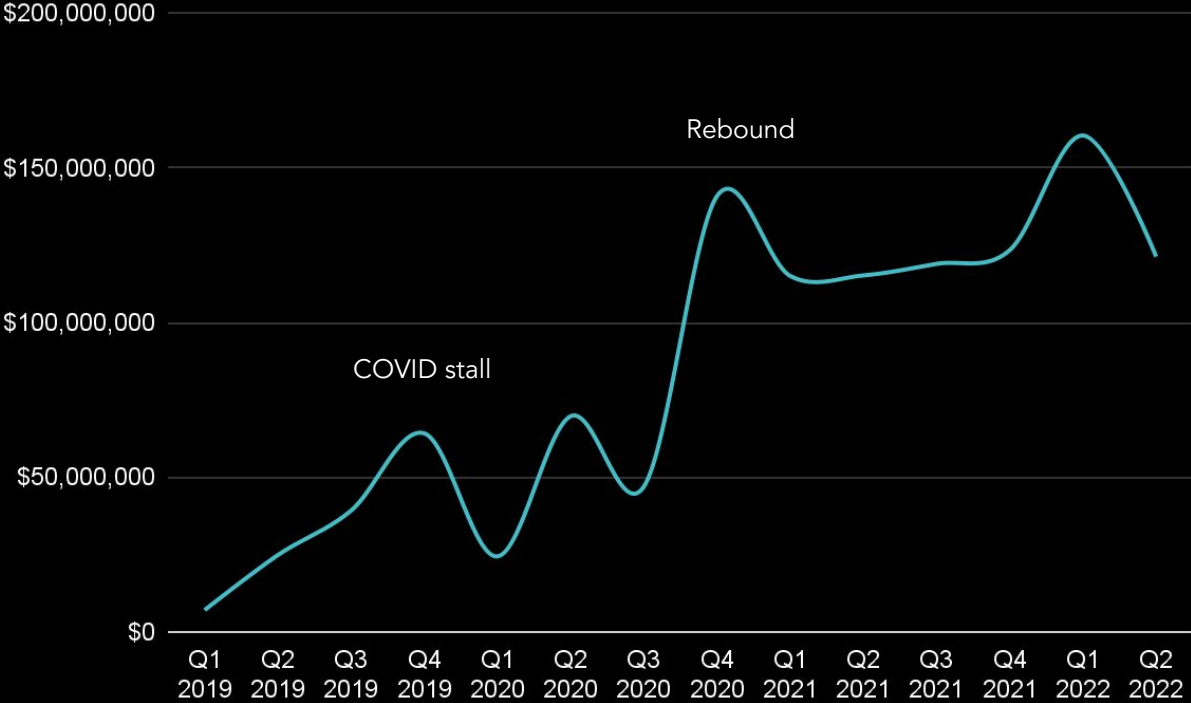






# DealMaker's Investor Data

Investor interest in the retail markets is still robust, but the brand needs a compelling story to do well.

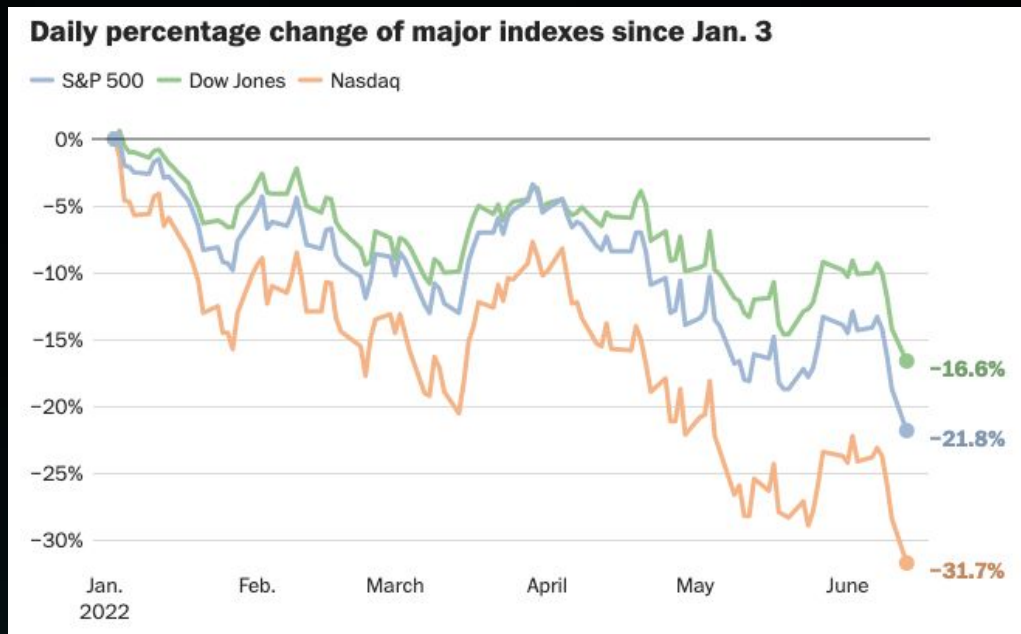


# Community Rounds Remain Insulated



Despite the massive public market selloff, the Return On Ad Spend (ROAS) for investor acquisition campaigns has only deteriorated by ~15%.

- Current ROAS still leading to successful raises (e.g. 500% now 425%)
- Community Rounds an even more effective method of raising capital during market turmoil
  - Valuations (typically more favorable)
  - Ownership (typically more control)
  - Brand building
    - Brand awareness
    - Customer acquisition as a byproduct of the campaign
    - Investors as brand evangelists



Source: Yahoo! Finance

Data as of 4 PM 6/13

# Diverse Pathways to Raising Capital

There is an obvious untapped potential of Reg A and Reg CF to bolster sources of capital available, during market volatility.

July 2020-2021 (\$Bn)





# Discussion

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Anecdotally...

- Last week we saw \$1M processed in the deal's first day
- Second campaign also processing \$1M a day for over a week
- There is funding for good deals
- We have active deals with negligible decreases in both investment amounts and time to goal

An aerial, high-angle view of a city at night, likely New York City, showing a dense cluster of skyscrapers and a river. A bright green light trail starts from the left, moves horizontally across the frame, loops around a central cluster of buildings, and then curves downwards towards the bottom right corner. The overall color palette is dark with teal and green highlights.

# Appendix

# Sources

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[OASB Annual Report](#)

[Kingscrowd Marketing Intelligence Report, 2021](#)

[CB Insights Venture Report Q2 2022](#)

[Investopedia 'Guide to Volatility' 2022](#)