Venture Capital Deal Types

Angel	An initial stage of funding provided by angel investors, typically friends, relatives or individual entrepreneurs.
Seed	The first stage of venture capital financing by a professional VC firm, typically a small investment in a very early-stage company that has usually not yet established commercial operations.
Series A	Series A Preferred Stock leads on from the Angel/Seed Stages, and is the first significant round of venture funding where Series A preferred stock is offered by a portfolio company to the venture capitalist. Series A preferred stock is convertible into common stock in certain cases such as an IPO or the sale of the company.
Series B, Series C, and onwards	A mid-stage second round of financing provided by venture capitalists, typically once a company has accomplished certain milestones in developing its business. Successive rounds are then termed Series C, Series D and so forth, each offering preferred stock and typically once a company has accomplished milestones set out.
Growth Capital/Expansion	A later-stage venture capital round in companies that are looking for capital to expand or restructure operations, enter new markets or finance a significant acquisition without a change of control of the business.

Venture Capital Deal Types (cont)

Pre-IPO	An investment into a company that is set to complete its IPO in the near future, often at a discounted price relative to expected IPO pricing amount.
Venture Debt	A type of debt financing provided to venture-backed companies by a specialized financier to fund working capital or capital expenses. Venture debt providers combine their loans with warrants or rights to purchase equity, to compensate for the higher risk of lending.
Unspecified Round	A venture financing round where the stage/series has not been disclosed.
Add-on	When a venture-backed company acquires another smaller company, or the assets of another company. This is typically to consolidate their market position, or acquire proprietary technologies from competitors, and often involves acquiring smaller rivals.
PIPE	(Private Investment in Public Equity) An investment made by a VC firm into a public company, which remains public post-investment.
Secondary Stock Purchase	Where part or all of an investor's stake in a VC-backed company is acquired directly from a shareholder/investor, rather than purchasing stock from the company.

Sponsored by **Readable.com**
Measure your website readability!
https://readable.com

Venture Capital Deal Types (cont)

Grant	An award of financial assistance, typically by a government, to an eligible grantee with no expectation that the funds will be paid back. This can be determined by the type of investor – private equity firms should not be tagged in grant financings.
Merger	Where a VC-backed company merges with another company to form a new entity.

Is this trackable as a VC deal?

Unspecified round + PE firm	Track
Unspecified round + LP	Track
Unspecified round + Normal Company investor	Not Track
PE firm + Series A	Track
Series A + LP	Track
Series A+ Normal Company investor	Track
Series A + unspecified investor	Track
Individual angel investors	Track, Low priority
Accelerator/incubator programme	Not Track

Venture Capital Exits

IPO	(Initial Public Offering) A company is listed on the stock exchange. Otherwise known as a flotation.
Sale to GP	A VC-backed company is sold to another private equity/venture capital firm.
Sale to Management	The management of the portfolio company buy it from the venture capital firm.
Trade Sale	The company is sold to another company.
Write Off	The portfolio company discontinues operations and goes into liquidation, with the result that the PE firm no longer has a stake in an operating entity. Equivalent to Chapter 7 in US bankruptcy law.

Venture Capital Exits (cont)

Restructuring	A company restructures its debt, often leading to the investors ceding control of the company to the debt providers. Equivalent to Chapter 11 in US bankruptcy law.
Private Placement	VC firm sells shares in a public portfolio company.
Recapitalisation	VC firm sells a stake in the portfolio company to another company as part of a merger of operations.

VC Funding Rounds Terminology

エンジェルラウンド・エンジェルシリーズ	Angel Stage
シードラウンド	Seed Round
シリーズA/B/C...H ラウンド	Series A/B/C...H
プレシリーズA	Pre-series A
成長支援・資金・グロース	Growth /Expansion
プレIPO	Pre-IPO
補助金・助成金	Grant
融資・ローン・借入・新株予約権・J-KISS型新株予約権発行	Venture Debt
合併・経営統借入	Merger

Useful Links for VC Deals

VC Deal Descriptions	link
Venture Capital Deals Japan Powerpoint	link
Japanese and English Glossary	link
Deals Acceptance Criteria - 21 Apr 2023	link
Venture Capital Inclusion Criteria	link
New Rulings Documentation	link

Is this Trackable as a VC deal?

Unspecified round + PE firm	Track
Unspecified round + LP	Track
Unspecified round + normal company	Track
Series A+ PE firm	Track
Series A + LP	Track
Series A+ corporate	Track

Sponsored by **Readable.com**
Measure your website readability!
https://readable.com