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100m SPRINT

VALAR

Fall 2018 Update

Fund 1 Performance

Inception:	October 2010
Capital Commitments:	\$100.0M
Current FMV (including distributions made):	\$400.6M
Multiple (Gross & Net):	4.2x / 3.3x
IRR (Gross & Net):	35.4% / 29.1%
% of Fund Invested / Reserved:	100%
DPI:	1.6x
Performance Drivers:	Xero (95% exited), Transferwise

This document is confidential, trade secret, and not for further circulation. This document is informational and is not an offer or solicitation to buy, sell or hold any securities. Except where otherwise indicated, "Fund 1" refers to all funds and investment vehicles managed by Valar Ventures Management LLC, on an aggregate basis, prior to the formation of Valar Global Fund II LP, "Fund 2" refers to Valar Global Fund II LP and Valar Global Principals Fund II LP, on an aggregate basis, "Fund 3" refers to Valar Global Fund III LP and Valar Global Principals Fund III LP, on an aggregate basis, and "Fund 4" refers to Valar Global Fund IV LP and Valar Global Principals Fund IV LP, on an aggregate basis. Except where otherwise stated, figures presented herein are unaudited internal estimates in USD as of 10/31/2018, after giving effect to term sheets for investments not yet closed. Gross figures are based on invested capital only and do not include the impact of fees, expenses and carry, and net figures are calculated by reducing gross investment profits by a flat 25% for hypothetical management fees, expenses, and carry.

TransferWise

Replacing the Infrastructure for Cross-Border Money

Transferwise Updates

- ✓ Exceeded projections in Q3, adding 446k new users (+39% year-over-year) and processing £6.5B in transaction volume (+66% year-over-year).
- ✓ Monthly revenue passed £16M in October (more than \$250M annualized), with EBITDA in Q3 reaching 7% of gross revenues.
- ✓ Grown team to 1315 employees at the end of Q3 2018, and added three new leased spaces allowing the team to scale to 1750 over the coming year.
- ✓ Rolling out debit card to EU businesses with 5,600 cards issued so far.
- ✓ As Transferwise is profitable, no financing transactions are planned for 2018; Potential secondary round contemplated in mid-2019.
- ✓ Valar is the largest outside investor in Transferwise, retaining over 12% of the company following last year's partial sale.

The screenshot displays the Transferwise website. At the top, it says "Bye bye bank fees, hello world." Below this, there's a section for sending money: "You send 1,000 USD" and "Recipient gets 857.59 EUR". It shows a fee breakdown of -8.45 USD and a guaranteed rate of 0.86490 for 24 hours. A comparison shows that using Transferwise could save up to 78.13 USD compared to a bank rate. Below this is a line chart titled "Not all exchange rates are created equal." showing the USD to EUR exchange rate over the past 30 days. The chart shows a fluctuating line that generally trends upwards from around 0.85 to 0.86. Text next to the chart explains that banks set their own, often less favorable, exchange rates, while Transferwise uses the mid-market rate, which is the "fairest exchange rate". There are buttons for "Compare price" and "Get started".

Valar Cost Basis:	\$22.2M
Current FMV:	\$253.6M
Gross Multiple:	11.4x
Current Company Valuation:	\$1.7B
Other Key Investors:	IA Ventures, Andreessen Horowitz, IVP

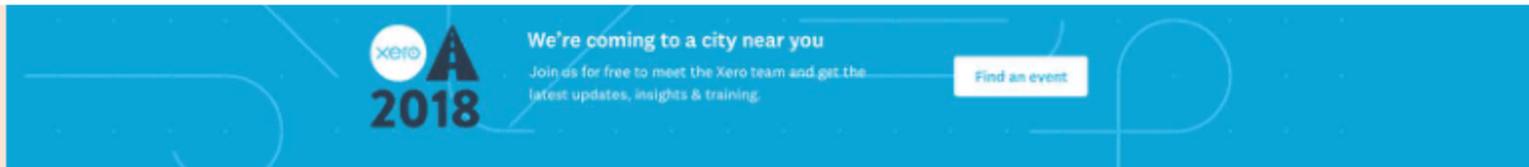


Beautiful Accounting Software



Xero Updates

- ✓ In 2010, Xero became Valar’s first investment, with a \$3M check at a \$100M valuation.
- ✓ Today, Xero is a \$4B company, publicly traded on the Australian Stock Exchange.
- ✓ In 2017, Valar sold 95% of its holdings, distributed close to \$100M in cash and stock to our investors. Valar Global Fund I still retains a small stake.
- ✓ Xero now has over 1.5M customers in 180+ countries.
- ✓ The company is profitable, with A\$26.0 million in EBITDA in FY2018.
- ✓ Revenue has grown from \$6M annualized when Valar first invested in 2010 to over \$600M annualized today.
- ✓ Xero’s continued success since our partial exit last year will impact our thinking about the timing for exiting our other winners in the future.



A real-time view of your cash flow

Log in online anytime, anywhere on your Mac, PC, tablet or phone to get a real-time view of your cash flow. It's small business accounting software that's simple, smart and occasionally magical.

Play video



Run your business on the go

Use our mobile app to reconcile, send invoices or create expense claims - from anywhere.

Get paid faster with online invoicing

Send online invoices to your customers - and get updated when they're opened.

Reconcile in seconds

Import and categorize your latest bank transactions into Xero. Then click to reconcile.

Valar Cost Basis:	\$31.4M
Current FMV (includes distributions):	\$127.2M
Gross Multiple:	4.0x
Company Valuation:	\$3.9B today / \$2.0B at time of Valar’s major exit
Other Key Investors:	Accel, Matrix Capital, Fidelity, Blackstone, TCV

Fund 2 Performance

Inception:	January 2015
Capital Commitments:	\$102.3M
Current FMV:	\$243.9M
Multiple (Gross & Net):	2.7x / 2.1x
IRR (Gross & Net):	42.6% / 33.3%
% of Fund Invested / Reserved:	100%
Performance Drivers:	N26, Breather, Kalo, Even

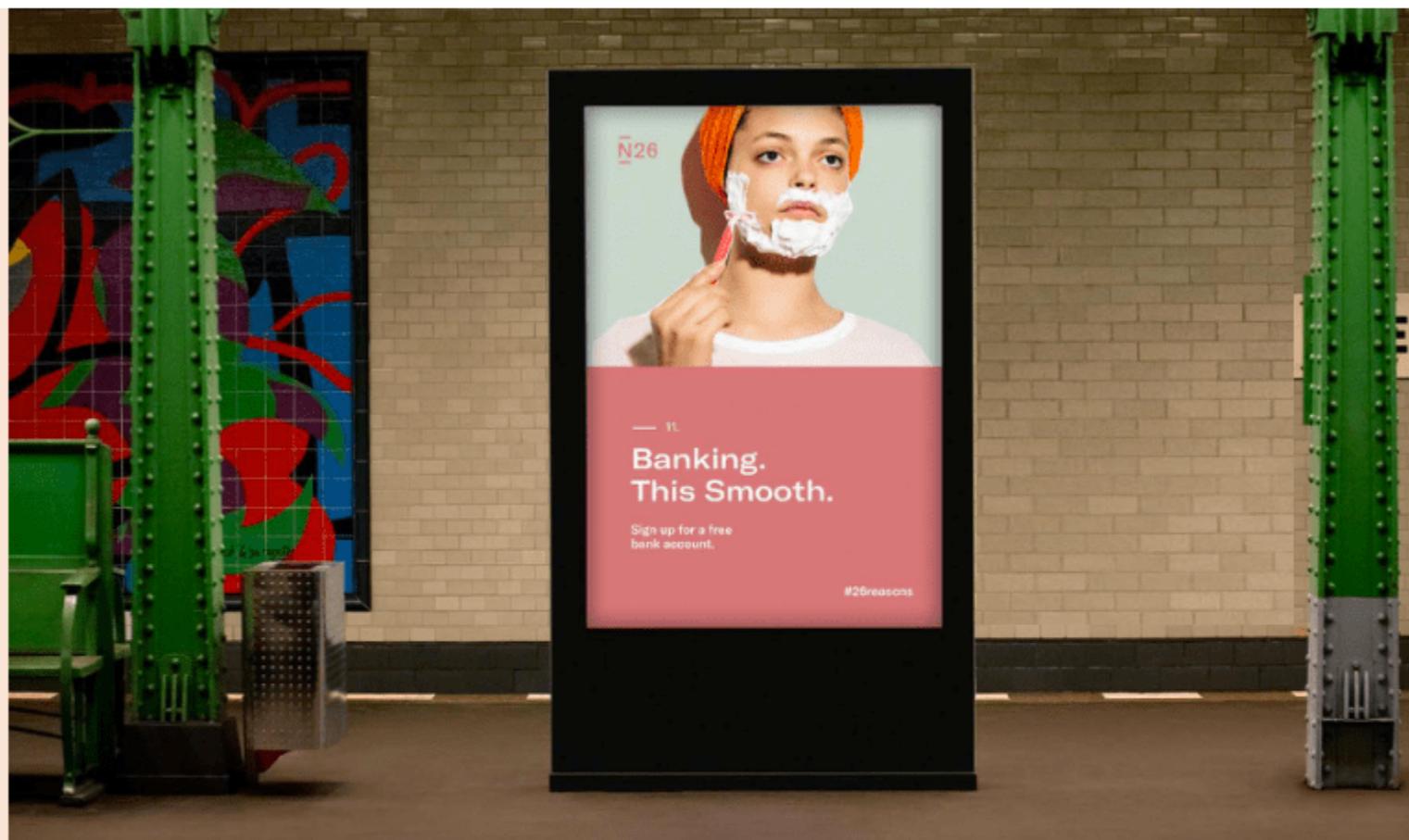
N26

Mobile Banking Made Easy



N26 Updates

- ✓ Exceeded projections in Q3, reaching €3.9M in monthly revenue in August.
- ✓ Adding over 100k new customers per month, passing 2.2M total customers.
- ✓ Revenue per active user is growing faster than forecast, reaching €93 in September.
- ✓ Successfully launched in the UK in October 2018.
- ✓ US launch planned for March 2019, with 15 employees already in place in New York City.
- ✓ Continued rapid pace of new product launches and customer adoption – 150,000 “Spaces” already created since launch in July 2018.
- ✓ Customers becoming more profitable – 55% margin for each active customer.
- ✓ Series D financing planned for Q4 2018; following that round, Valar expects to still own approximately 12% of the company.



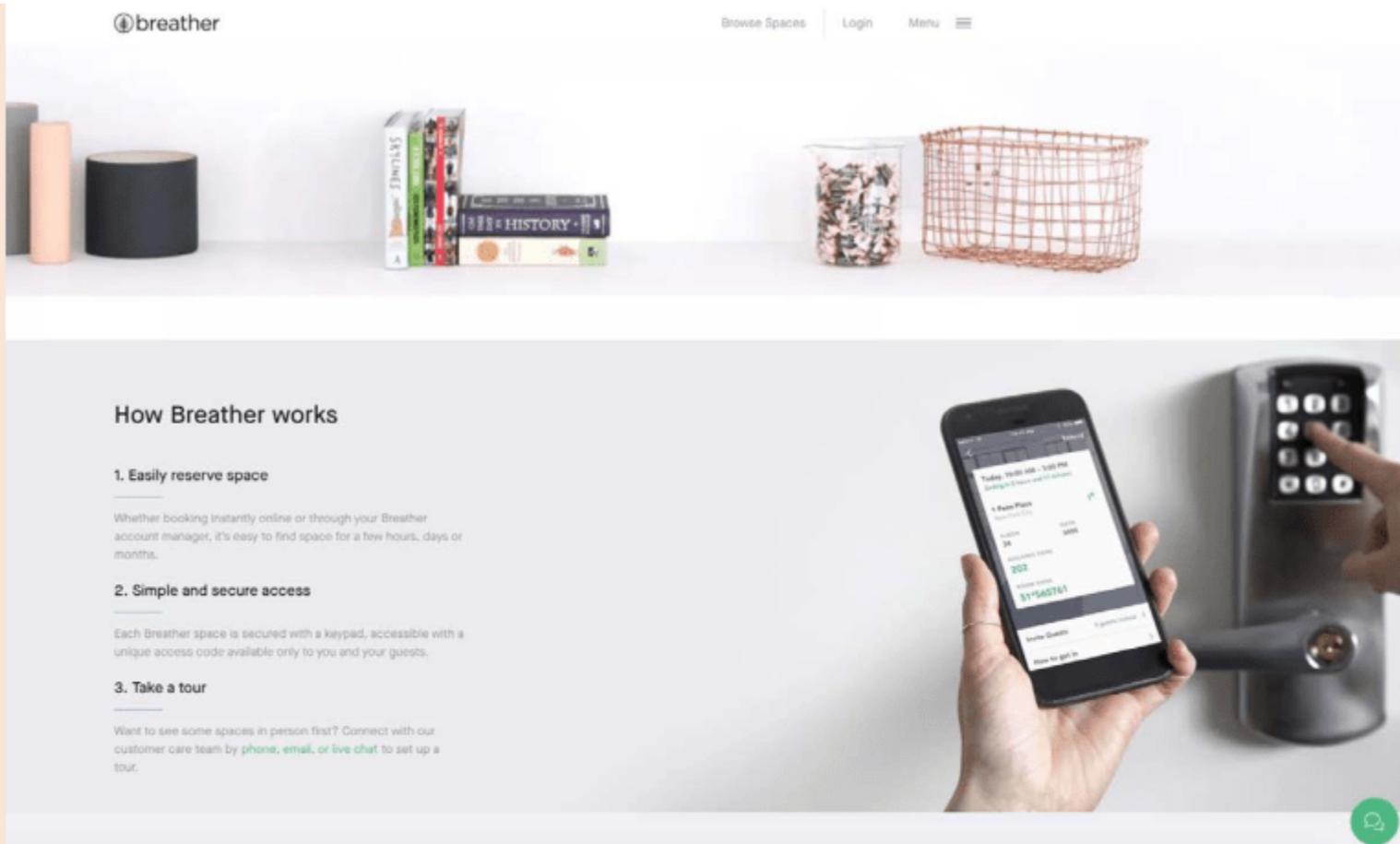
Valar Cost Basis:	\$25.7M
Current FMV:	\$182.7M
Gross Multiple:	7.1x
Current Company Valuation:	\$1.5B
Other Key Investors:	Tencent, Allianz, Hedosophia, Greyhound



Bringing Flexibility to Commercial Real Estate

Breather Updates

- ✓ Revenue growing 70% YoY, with September seeing a new high of \$2.6M.
- ✓ Margin has improved significantly since the beginning of the year, a core focus of the company.
- ✓ Continued move to multi-day and month+ bookings, which are the fastest growing segment of the business. Month+ grew from \$91k in December 2017 to \$590k in September 2018.
- ✓ Adding spaces between 2,000 and 10,000 square feet in target zones to take advantage of Month+ demand.
- ✓ Team continues to grow, now at 119; projected to reach 145 by year end.
- ✓ CEO transition to the Board; new CEO search making good progress.
- ✓ \$43M Series D financing completed in H1 2018; Company funded into 2020.
- ✓ Valar Fund 2 owns 14.3% of Breather.



Valar Cost Basis:	\$25.5M
Current FMV:	\$42.3M
Gross Multiple:	1.7x
Current Company Valuation:	\$295.6M
Other Key Investors:	RRE, Menlo Ventures, Google Ventures, Temasek

kalo

Work with Anyone, Anywhere



Kalo Updates

- ✓ Kalo's core focus is on adding freelancers to its platform. August and September were its strongest months yet, with 80k new freelancers onboarded.
- ✓ Monthly revenue hit \$80k in September 2018, still small, but up 6X from the beginning of the year.
- ✓ Key logos closed in Q3 including Lululemon, Mic, Complex Magazine, ESPN and RGA.
- ✓ Pipeline of new strategic logos includes The New York Times, Walmart, Compass, LinkedIn, Levi's Nike and TechCrunch.
- ✓ COO/CFO search underway, important to building out the team's operational capabilities.
- ✓ Kalo maintains significant cash reserves, with funding into 2020.
- ✓ Valar Fund 2 owns approximately 24% of Kalo.

kalo.

Overview Solutions Resources Customers

Login

Request Demo

Make working with freelancers a breeze.

Kalo's freelancer management platform is trusted by Google, Airbnb, Expedia, IDEO and more to onboard freelancers in minutes, track their profiles and contracts, and get them paid on time.

Request demo

How it works



"Pre-Kalo was a maze of multi-tabbed Google spreadsheets; now everything is in one place. Onboarding takes minutes not days, and our freelancers get paid on time"

Lily Wan, Surface Magazine



Valar Cost Basis:	\$12.4M
Current FMV:	\$16.5M
Gross Multiple:	1.3x
Current Company Valuation:	\$70.0M
Other Key Investors:	Kindred, Goldcrest, SciFi VC (Max Levchin)

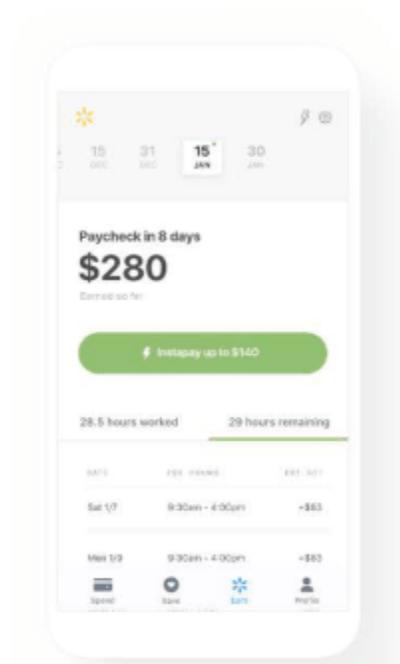
= Even

How Busy People Master Money



Even Updates

- ✓ Exceeded member growth and revenue plans, hitting \$1.69M revenue in September 2018; On track to achieve \$18M in revenues for full year 2018.
- ✓ Served over 25,000 people and delivered over \$200 million in access to wages.
- ✓ Grown team from 19 to 50 so far in 2018.
- ✓ Set aggressive goals for the end of 2018 – to serve over 25% of Walmart’s employees, add an additional 40,000 members outside of Walmart, and onboard 150,000 Even members to the Savings account platform.
- ✓ Demonstrated a significant retention advantage between Walmart employees using Even and those that are not; Actual numbers are very impressive (although not yet publicly announced).
- ✓ Valar is the second largest investor in Even, with a 13.2% ownership stake in the company.



How busy people master their money

Get paid on demand, budget instantly, and save automatically with Even.

12.7k ratings
★★★★★

4.9 out of 5



12.6k ratings
★★★★★

4.8 out of 5



Valar Cost Basis:	\$5.4M
Current FMV:	\$10.4M
Gross Multiple:	1.9x
Current Company Valuation:	\$99.3M
Other Key Investors:	Khosla Ventures, BoxGroup, Allen & Company

Fund 3 Performance

Inception:	July 2016
Capital Commitments:	\$103.9M
Current FMV:	\$176.8M
Multiple (Gross & Net):	2.1x / 1.7x
IRR (Gross & Net):	69.8% / 54.2%
% of Fund Invested / Reserved:	100%
Performance Drivers:	Stash, Qonto, Octane, Petal, Jetty

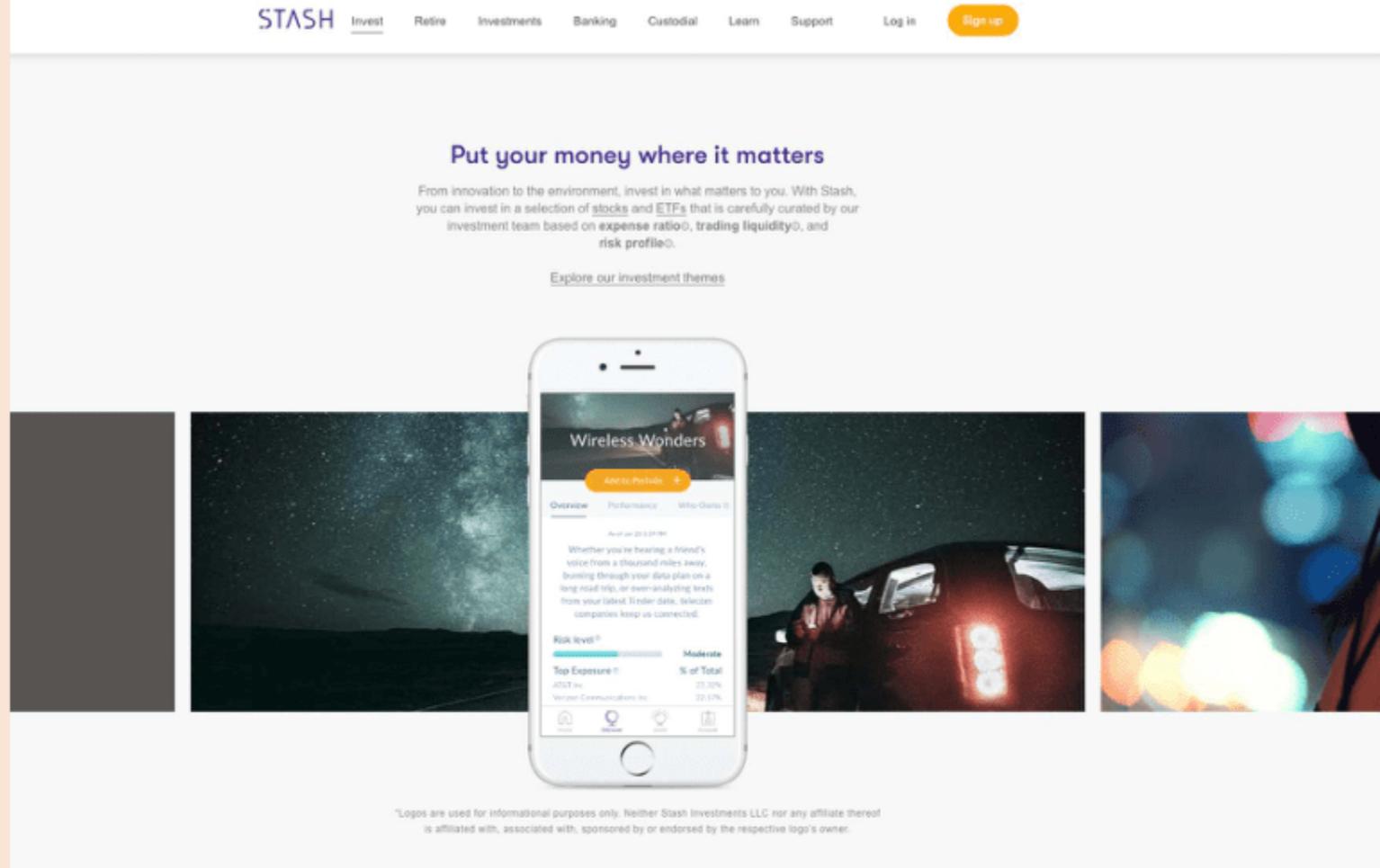
STASH

Investing Made Simple



Stash Updates

- ✓ Continued rapid user growth, reaching 2.5M users and 1.5M funded accounts in September. CAC remains stable at < \$20 per new user.
- ✓ Revenue has grown 5x YoY, exceeding forecasts with \$3.8M in Q3. Revenue expected to hit \$100M annualized by the end of next year.
- ✓ Gross margins (negative last year) are now positive and nearing 50%.
- ✓ Accelerated pace of new product launches. Retirement and custodial accounts, as well as insurance referrals, all growing exponentially. Stash debit card, cash back and gifting launching in Q4.
- ✓ Over \$2.5M has been pre-funded for the Stash Debit product, with 50k sign ups during a 3 week period.
- ✓ Series D financing expected in Q4 2018.
- ✓ Valar is the second largest investor in Stash, with a 19% ownership stake in the company.



*Logos are used for informational purposes only. Neither Stash Investments LLC nor any affiliate thereof is affiliated with, associated with, sponsored by or endorsed by the respective logo's owner.

Valar Cost Basis:	\$29.6M
Current FMV:	\$65.6M
Gross Multiple:	2.2x
Current Company Valuation:	\$347.5M
Other Key Investors:	USV, Coatue, Goodwater, Jim Breyer

Octane Lending

Fast and Easy Lending
for Powersports Dealers



Octane Updates

- ✓ Now servicing 857 active dealers across multiple verticals.
- ✓ Reached \$850k in monthly revenue in September (\$10M annualized); Expect revenue to pass \$1M monthly before year end.
- ✓ Hit \$6.5M in originations in August 2018 (2.4x year-over-year growth)
- ✓ Targeting \$150M in originations and \$23M in revenue in 2019.
- ✓ Strong hiring for the company's Direct-to-Consumer initiative, to be launched in 2019.
- ✓ Valar Fund 3 is the largest shareholder in Octane, with a 16% ownership stake in the company.



Valar Cost Basis:	\$16.2M
Current FMV:	\$20.3M
Gross Multiple:	1.2x
Current Company Valuation:	\$130.5M
Other Key Investors:	IA Ventures, Third Prime Capital, Contour

Petal

Credit Underwriting Without FICO



Petal Updates

- ✓ Product went live in July with 5,000 cards issued to date. Forecast to issue 75,000 additional cards over the next 12 months.
- ✓ Average spend per card per month so far is \$650 per month, 10% above forecast.
- ✓ Monthly revenue currently at \$100k, expected to 10x in the next 6 months, reaching \$2M by next summer.
- ✓ Rapid rollout of product features in the near term, including cashback and card linked offers, split payments for large purchases, credit score in the app and companion savings accounts.
- ✓ Team growing quickly, from 16 at the end of 2017, to 45 today. Plan shows 67 further hires by June 2019.
- ✓ In December 2017, Valar Fund 3 led Petal's Series A financing, acquiring a 20% stake in the company. Valar Fund 4 is now leading Petal's Series B round at a \$100M pre-money valuation and will acquire an additional 14% of Petal.

Petal

The Card The Company Log in

A credit card with a conscience.

Apply now

Variable APRs range from 14.74% - 25.74%

Valar Cost Basis:	\$28.6M
Current FMV:	\$38.1M
Gross Multiple:	1.3x
Current Company Valuation:	\$125M
Other Key Investors:	Third Prime Capital, Brooklyn Bridge Ventures

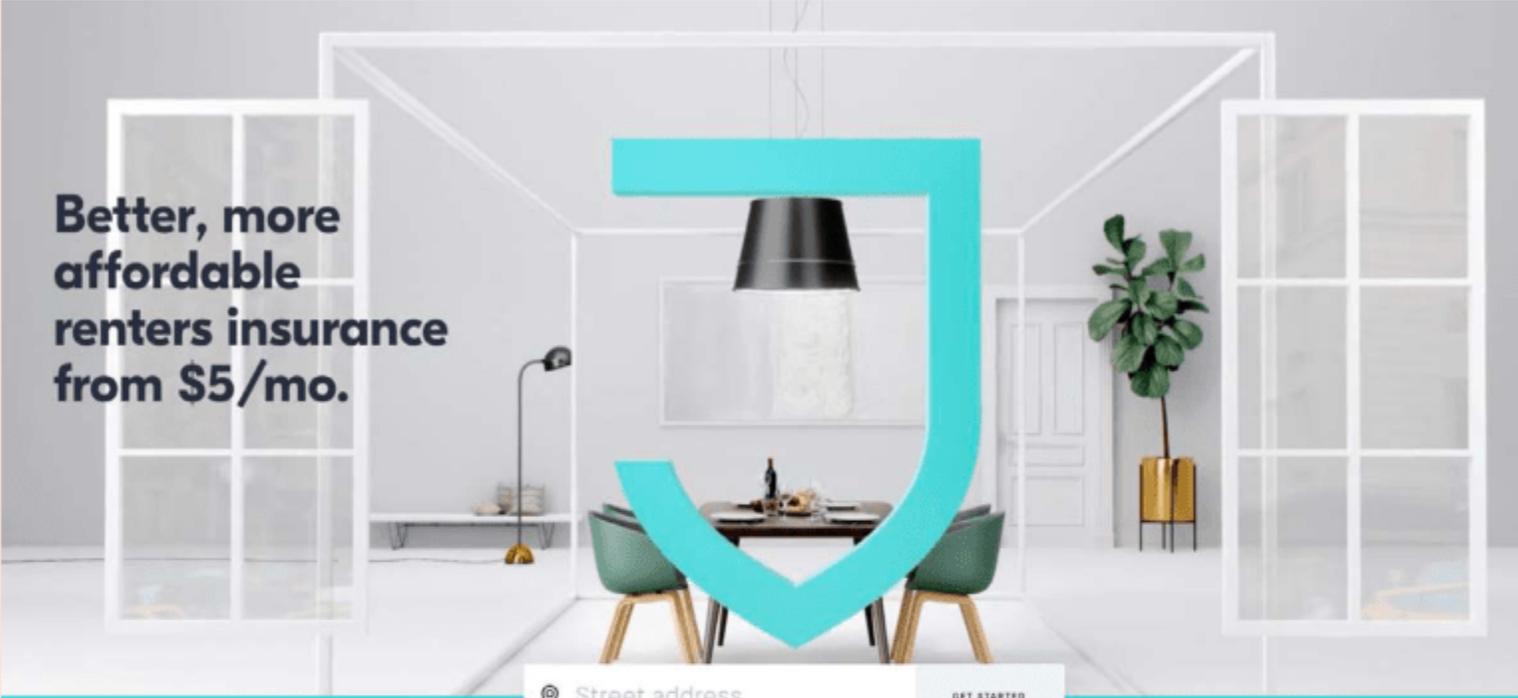
Jetty

Revolutionary Renters Insurance



Jetty Updates

- ✓ Between Q1 and Q2, policy sales increased by 31%, with the real estate partner channel growing 85%.
- ✓ Launched 12 new partners including Related, Greystar and Tishman Speyer, with nearly 200k units signed.
- ✓ Generated \$275k in revenue in Q2 with close to \$800k in gross premium sold in June 2018.
- ✓ The current product offering includes traditional renters insurance, security deposit coverage and a lease guarantee product; The company plans to roll out a pet insurance product next.
- ✓ Series B financing expected in Q4 2018.
- ✓ Valar Fund 3 owns 19% of Jetty and will look to increase its stake in the Series B round.



**Better, more
affordable
renters insurance
from \$5/mo.**

📍 Street address

GET STARTED

Jetty Renters Insurance, Jetty Deposit, and Jetty Lease Guaranty save you money on your security deposit, eliminate time spent looking for a lease guarantor, and free you from worry about the things and the home you love.

Valar Cost Basis:	\$8.1M
Current FMV:	\$8.1M
Gross Multiple:	1.0x
Current Company Valuation:	\$42.5M
Other Key Investors:	Ribbit Capital, BoxGroup, SV Angel

Fund 4 Portfolio Update

Inception:	January 2018
Capital Commitments:	\$133.4M
Deployed Capital:	\$67.1M (all investments held at cost)
Gross Multiple:	1.0x
% of Fund Invested / Reserved:	75%
Portfolio Companies:	Petal, Coya, Bestow, Qonto, TaxFix, LoanStreet



Business Banking Made Easy



Qonto Updates

- ✓ Product launched in July 2017 and customer base has grown to 22,500 business clients.
- ✓ Reached \$575k in revenue in August 2018.
- ✓ Received European Passporting license in June 2018, allowing for expansion to 11 other European countries.
- ✓ In the process of building and deploying their own payment infrastructure and core banking systems.
- ✓ Valar led Qonto's Series B financing through Valar Fund 4 in September 2018. We also led the Seed and Series A rounds through Fund 3.
- ✓ In aggregate, Valar funds own 25% of Qonto.

qonto

Product Pricing Professionals Enterprises Incorporation

Log in Open an account

Your finances on auto-pilot

With Qonto, admin hassle are over! Unlimited history, auto-categorised transactions, simplified transfers entries, budgets, history exportable for accounting... and the list goes on!

- Save time**
 - ✓ Intuitive process and simple interface
 - ✓ Online and paperless
 - ✓ Real-time notifications
- Monitor your expenses, for freelancers and teams**
 - ✓ Specific access/rights by users
 - ✓ Physical and virtual Mastercard with adjustable payment limits
 - ✓ Dashboards to follow-up on your expenses
- Make accounting easier**
 - ✓ Unlimited history
 - ✓ Read-only access for your accountant
 - ✓ Plug-and-play exports for accounting tools

Check out our plans details

Valar Cost Basis:	\$27.0M
Current FMV:	\$52.3M
Gross Multiple:	1.9x
Current Company Valuation:	€155.0M
Other Key Investors:	Alven Capital

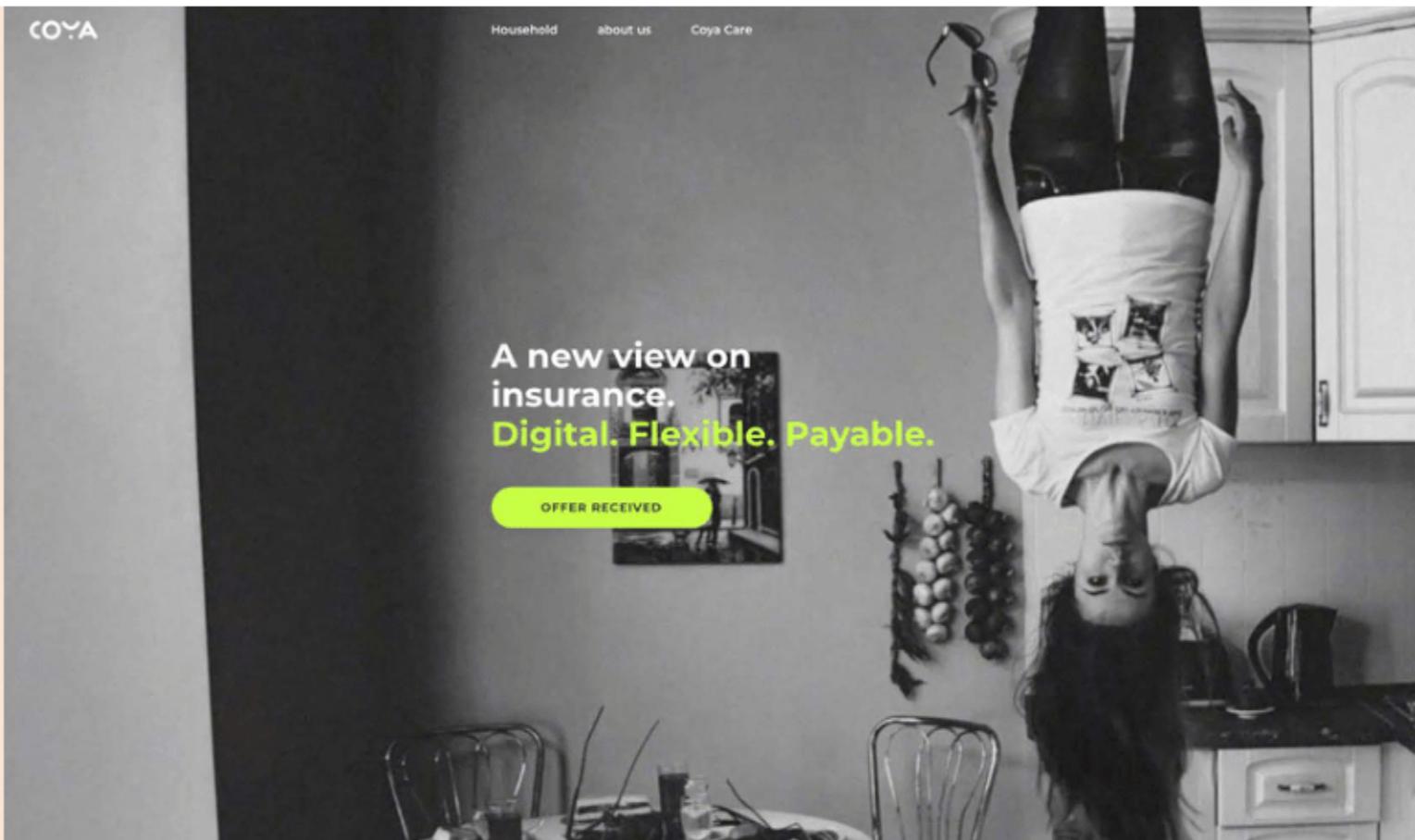
COYA

Digital, Flexible, Affordable Insurance



Coya Updates

- ✓ Insurance license issued in June 2018.
- ✓ First products went live in Germany in September.
- ✓ Initial renters policy can be obtained in less than 60 second. Users receive a digital offer by simply entering their name, postal code and apartment size.
- ✓ Plans to offer customizable products that adapt to clients' individual needs, including so-called "micro policies" that allow clients to insure individual objects for only a few days or even hours.
- ✓ First corporate partnership also now live. B2B2C channel is attractive as Coya can innovate on the actual insurance product offered (as opposed to other "insuretechs" who are limited by the products their underlying license holder is willing to underwrite).
- ✓ Valar led Coya's Seed financing round through Valar Fund 3 in 2017, and Valar Fund 4 led Coya's Series A financing in May 2018. In aggregate, Valar funds own 31% of Coya.



Valar Cost Basis:	\$21.8M
Current FMV:	\$26.0M
Gross Multiple:	1.2x
Current Company Valuation:	€75M
Other Key Investors:	E.ventures, SCOR, Yabeo

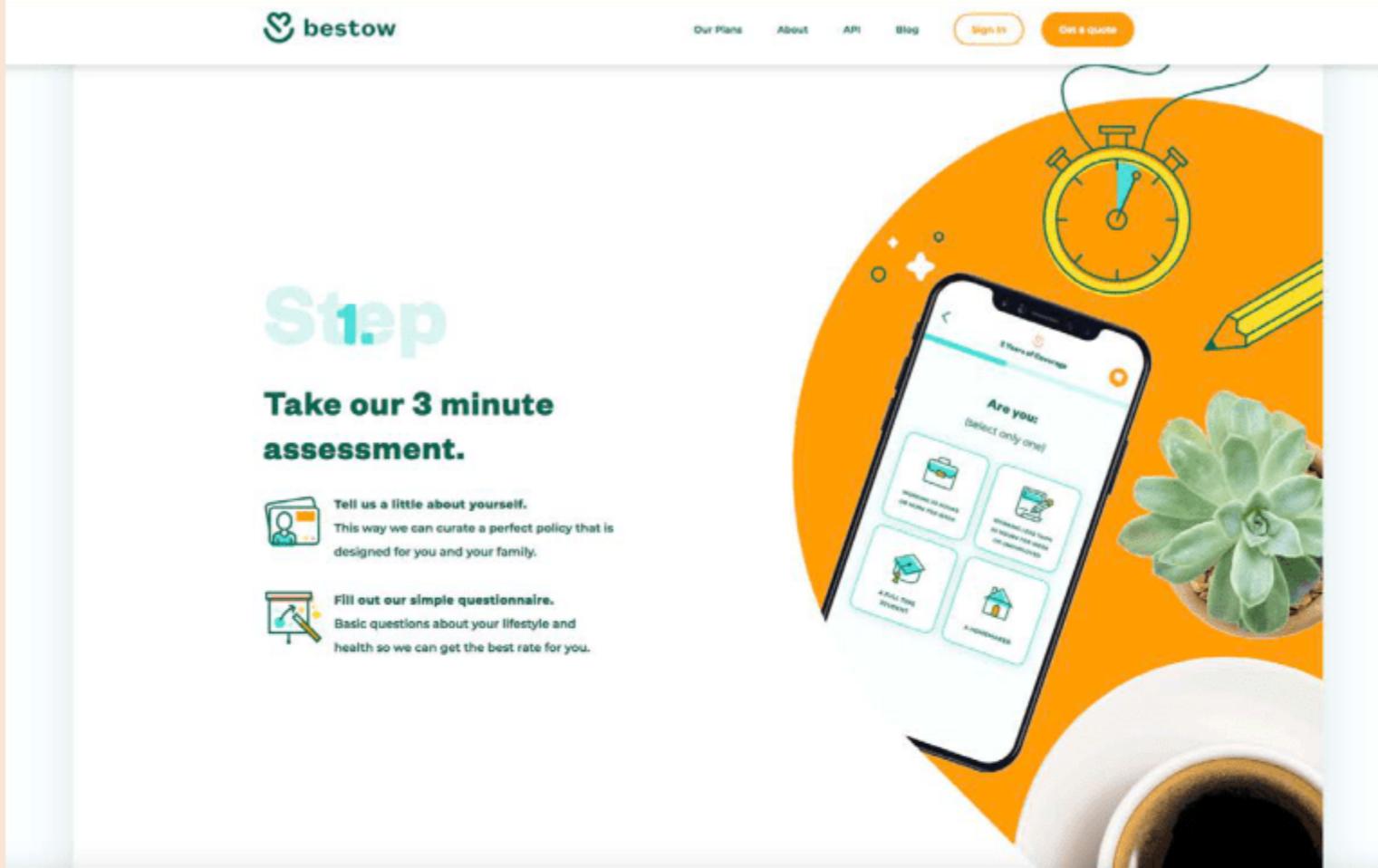


Life Insurance that is Fast, Easy and Affordable



Bestow Background

- ✓ Bestow is a life insurance company that is expanding the market for term life insurance through technology.
- ✓ The company currently operates as an MGA and has secured agency licenses in 49 states. Bestow is in the process of becoming a fully licensed insurance carrier in Texas.
- ✓ By selling directly to consumers and removing blood draws from the underwriting process, Bestow is able to offer term life in much smaller and more affordable increments – to a wider population.
- ✓ The company has partnered with Sammons and Munich Re to underwrite its policies and to reinsure the risk.
- ✓ In April, Valar led Bestow's Series A financing with an \$11M investment at a \$44M pre-money valuation.
- ✓ Valar Fund 4 owns 20% of Bestow.



Valar Cost Basis:	\$11.0M
Current FMV:	\$11.0M
Gross Multiple:	1.0x
Current Company Valuation:	\$55M
Other Key Investors:	NEA, 8VC, Morpheus Ventures

taxfix

Hassle-Free Tax Filing
from Your Phone



Taxfix Background

- ✓ Taxfix was founded in Berlin by Mathis Buechi and Lino Teuteberg, repeat entrepreneurs who previously founded Smallpdf, a SaaS business with over 15 million customers.
- ✓ Taxfix asks users simple questions and optimizes their taxes intelligently - completing the whole process in 60 minutes or less.
- ✓ While it is not currently tax season, the company is experiencing 38% month-over-month revenue growth, with approximately 10,000 new installs per week.
- ✓ Taxfix is focused on preparing for the next tax year in Germany and taking steps towards expansion to Italy, France and the UK.
- ✓ In August, Valar led the Series A round for Taxfix, investing €6.6M at a €25M pre-money valuation.
- ✓ Valar Fund 4 owns 20% of Taxfix.



taxfix
The Tax App

File your taxes on your mobile phone! Answer simple questions and receive 935 € tax return in average.



Doing your taxes in 5 simple steps



Valar Cost Basis:	\$7.8M
Current FMV:	\$7.5M (change due to FX)
Gross Multiple:	1.0x
Current Company Valuation:	€33M
Other Key Investors:	Creandum, Redalpine Venture Partners

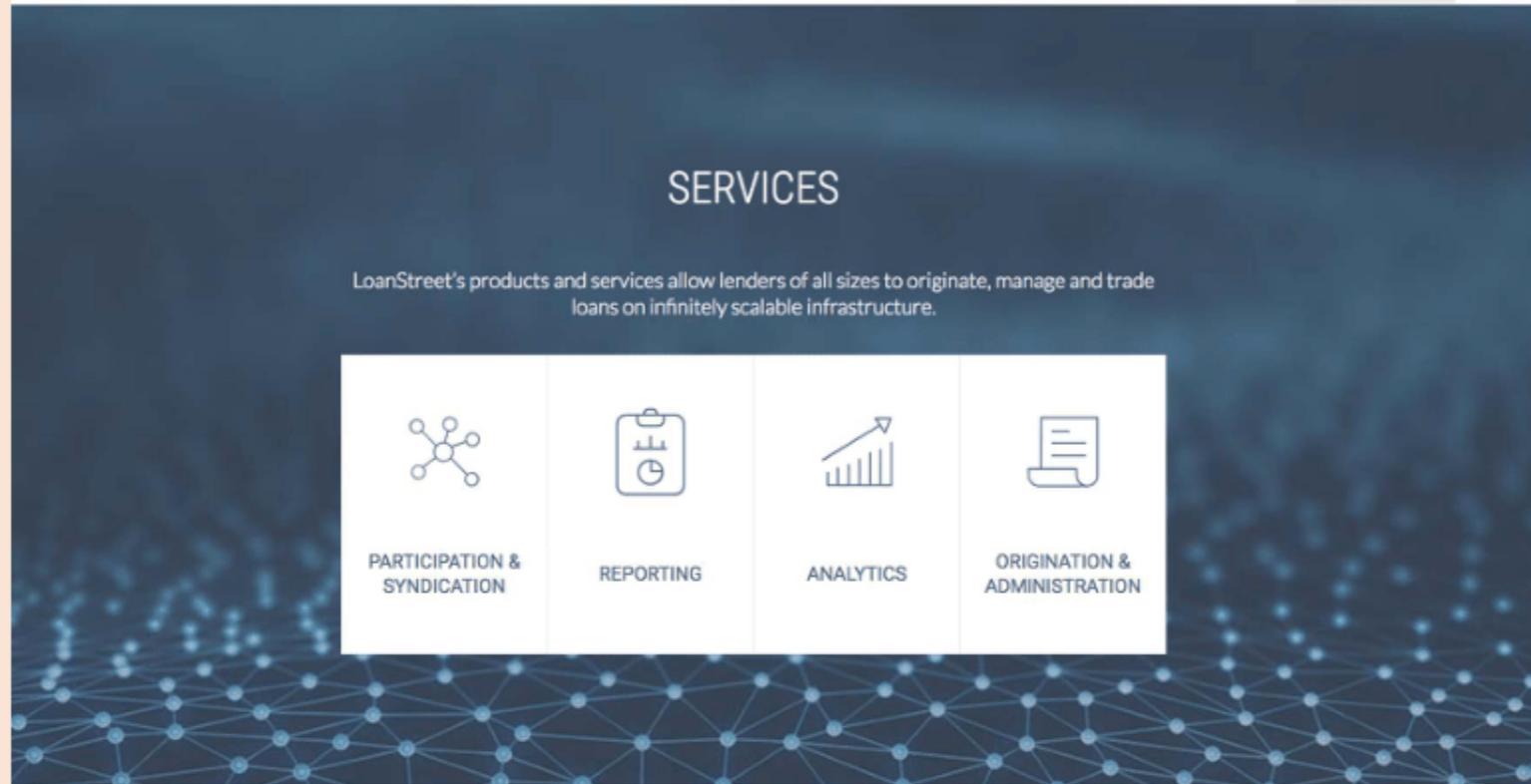


A Marketplace for Commercial Loans



LoanStreet Background

- ✓ LoanStreet connects financial institutions to a network of lenders by standardizing and automating the complex process of loan syndication.
- ✓ LoanStreet’s mission is to bring simplicity and innovation to all aspects of a lender’s syndication program.
- ✓ LoanStreet’s registered users and AUM are growing steadily month-over-month. Growth acceleration is expected starting in Q4 of this year.
- ✓ LoanStreet’s long-term goal is to expand its platform beyond credit unions to regional and national banks, and ultimately to alternative lenders.
- ✓ In June, Valar led the Series A round for LoanStreet, investing \$5.2M at a pre-money valuation of \$19.5M.
- ✓ Valar Fund 4 owns 20% of LoanStreet.



Valar Cost Basis:	\$5.2M
Current FMV:	\$5.2M
Gross Multiple:	1.0x
Current Company Valuation:	\$26M
Other Key Investors:	Third Prime Capital