



SUMMARY OF INITIAL PUBLIC OFFERING

July 2021

Specialized investment bankers at the intersection of finance and technology

Robinhood IPO – Executive Summary

Initial Public Offering Overview – July 2021



Description

Robinhood

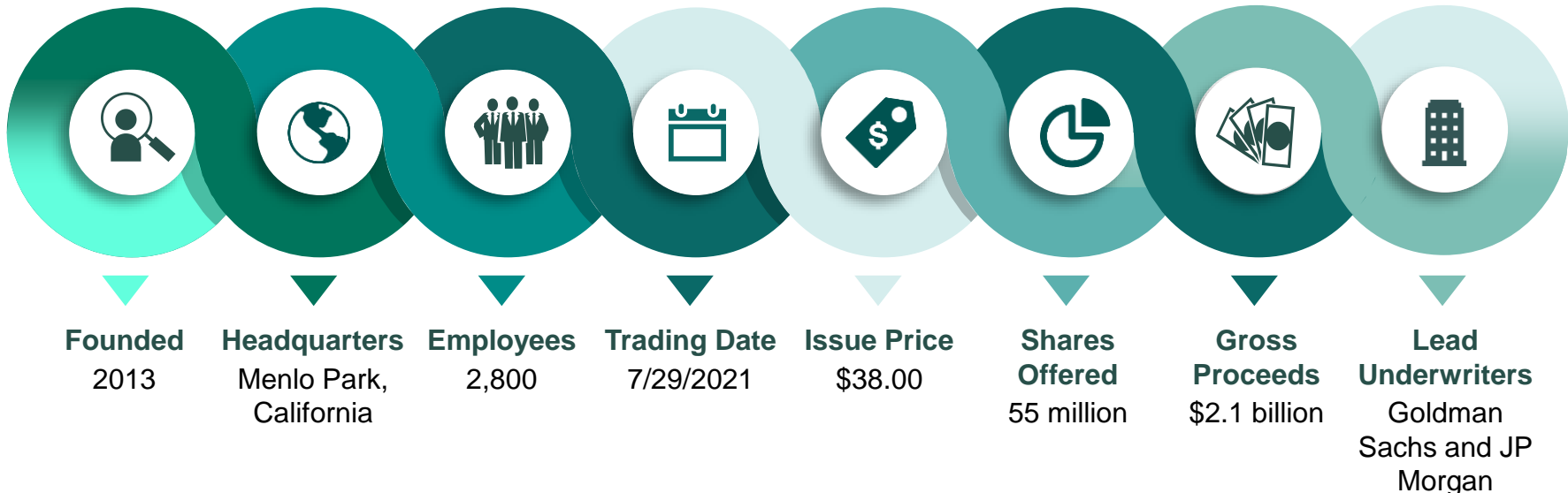
- Robinhood Markets (“Robinhood”) operates a financial services platform offering commission-free trading with no account minimums, providing retail, non-accredited investors access to the financial markets in the U.S.
- With zero trading commissions, the majority of the Company’s revenue comes from payment to order flow
- The Platform allows users to invest in stocks, exchange-traded funds (ETFs), options, and cryptocurrencies
- Additionally, it offers a large investor education library which includes Snacks, a digest of business news stories and Learn, a collection of 650 articles
- In the near future, the Company intends to pursue an approach to international expansion, including into Europe and Asia



Use of Proceeds

Ticker: NYSE: HOOD

- A portion of the proceeds will be used to repay \$342 million debt that Robinhood expects to borrow, shortly prior to the completion of this offering, under its revolving credit facilities
 - This borrowing will be used to fund anticipated tax withholding and remittance obligations of \$342 million related to RSU settlements in connection with the pricing of IPO
- The remaining amount will be used for working capital and capital expenditures
- Particularly proceeds will be used for general corporate purposes, including accelerating hiring efforts and expanding customer support operations



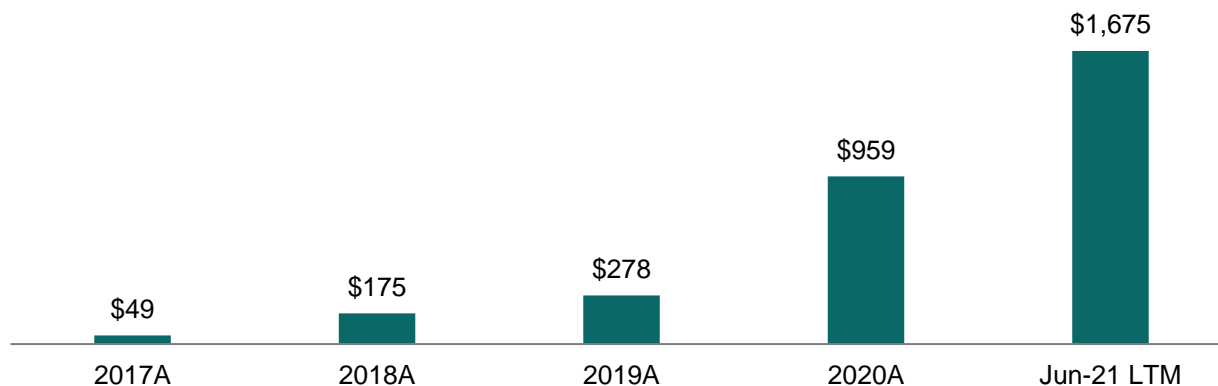
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Key Metrics

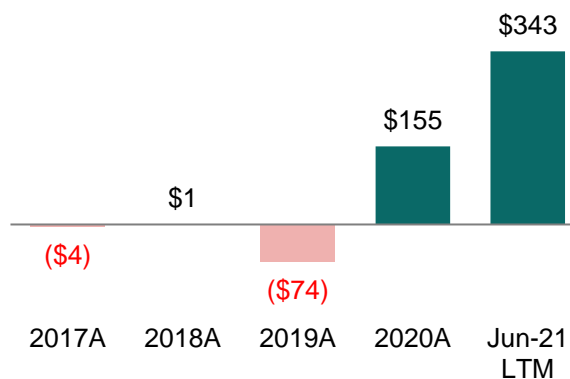
Key Metrics

Shares Offered through the IPO	55 million
Issue Price	\$38.00
Total O/S ⁽¹⁾ after the IPO	850 million
Market Value at Issue Price ⁽²⁾	\$32 billion
Market Value / Revenue ⁽³⁾	19.3x
Trading Date	7/29/2021
Listing Price	\$38.00
Listing Premium	\$0.00

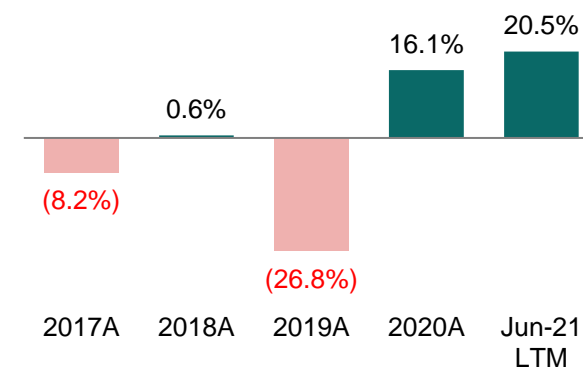
Total Revenue (FYE Dec; \$mm)



Adjusted EBITDA (\$mm)



Adjusted EBITDA Margin (%)



Robinhood IPO – Executive Summary

Company Overview

Business Overview

- Robinhood operates a financial services platform offering commission-free trading in the U.S.
- Its platform which began as a U.S. stock-focused retail brokerage, offering:
 - U.S. listed stocks and ETFs, their related options, and ADRs
 - Cryptocurrency trading (through subsidiary, Robinhood Crypto, LLC)
 - Fractional trading, which enables all customers, regardless of budget, to build a diversified portfolio
 - Recurring investments, which helps customers make investing routine and employ dollar-cost averaging
 - Cash Management, which includes Robinhood-branded debit cards and enables customers to save and spend
 - Robinhood Gold, monthly paid subscription service that provides premium features such as enhanced instant deposits, professional research, Nasdaq Level II market data and, access to margin investing
 - IPO Access, which enables customers to purchase shares in IPOs
- Various education solutions comprise of:
 - Snacks, a digest of business news stories
 - Learn, which is a collection of 650 articles
 - Newsfeeds that offers access to free premium news from various sites, such as Barron's, Reuters, and The Wall Street Journal
- Robinhood is considerably acquisitive:
 - In Aug-21, the Company announced the acquisition of SAY, the U.S. based provider of software solutions to help investors in exercising their ownership rights

Key Statistics



21.3 million and 10.2 million of Monthly Active Users in Q2:2021 and Q2:2020 respectively, registering a **y-o-y growth of 109%**



Net Cumulative Funded Accounts of 22.5 million and 9.8 million in Q2:2021 and Q2:2020 respectively, registering a **y-o-y growth of 130%**



\$102 billion and \$33 billion in Assets Under Custody for Q2:2021 and Q2:2020 respectively, registering a **y-o-y growth of 205%**



Average revenues per user of \$112 and \$115 for Q2:2021 and Q2:2020 respectively, registering a **y-o-y decrease of 3%**



Total revenues of \$565 million and \$244 million in Q2:2021 and Q2:2020 respectively, registering a **y-o-y growth of 131%**



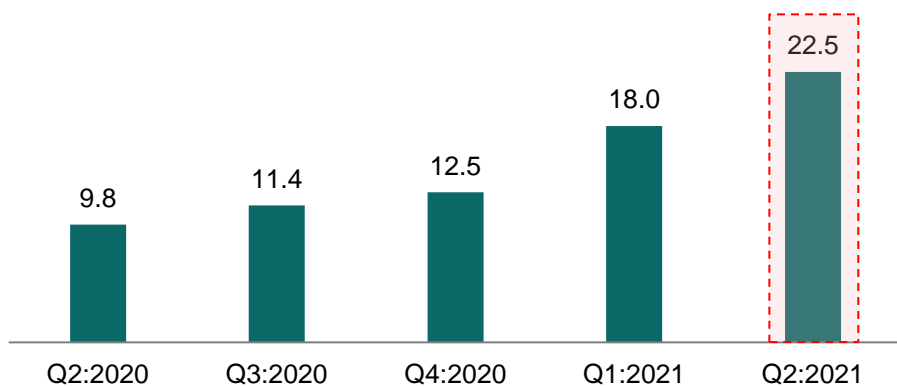
Robinhood operates through **9 offices** across the U.S. and the UK, with headquarters in Menlo Park

Robinhood IPO – Case Study

Key Performance Metrics

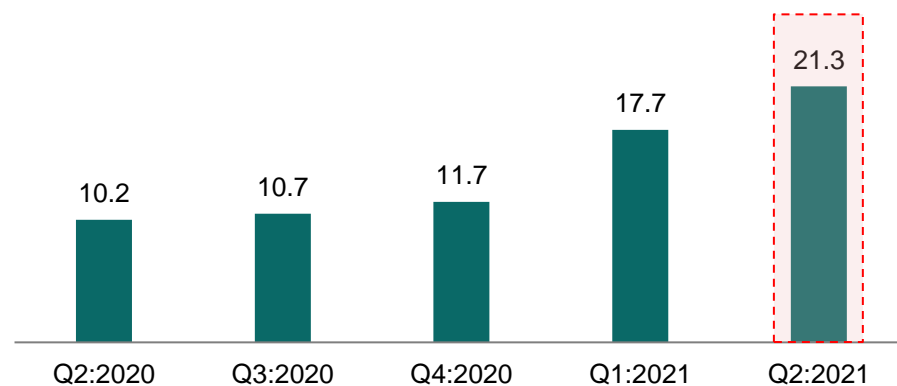
Net Cumulative Funded Accounts

(In millions)



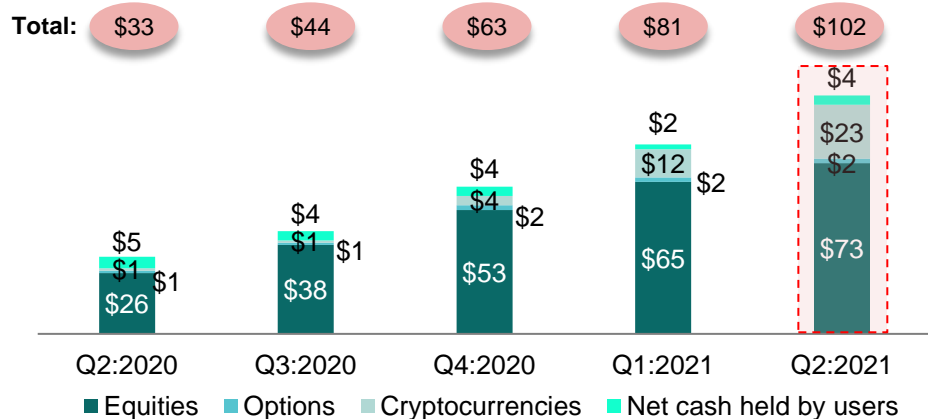
Monthly Active Users (MAU)

(In millions)

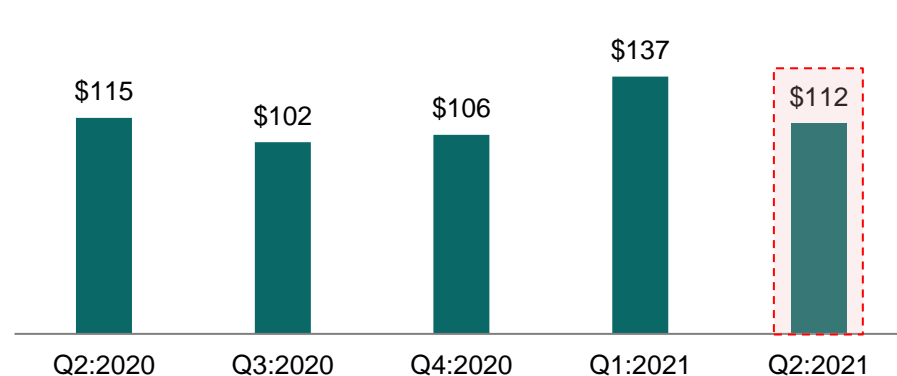


Assets Under Custody (AUC)

(In billions)



Average Revenue Per User (ARPU)⁽¹⁾



Robinhood IPO – Executive Summary

Management Team



Vladimir Tenev
Chairman, Co-Founder and Chief Executive Officer

- Vladimir co-founded Robinhood and has been serving as the Chief Executive Officer and President since November 2020
- Previously served as Co-CEO and Co-President from 2013 to November 2020
- He also served as a member of the board of directors at Robinhood and was appointed as the Chairman in March 2021
- Prior to Robinhood, Vladimir had started two Finance companies in New York City
- Vladimir holds a B.S. Degree in Mathematics from Stanford University and an M.S. Degree in Mathematics from University of California



Baiju Bhatt
Co-Founder, Chief Creative Officer and Director

- Baiju co-founded Robinhood and has been serving as the Chief Creative Officer since March 2021
- Previously served as Co-CEO and Co-President from 2013 to November 2020
- Prior to Robinhood, Baiju had started two Finance companies in New York City
- Baiju holds a B.S. Degree in Physics and an M.S. Degree in Mathematics from Stanford University



Gretchen Howard
Chief Operating Officer

- Gretchen has been serving as the Chief Operating Officer since July 2019 and previously served as Vice President of Operations from January 2019 to July 2019
- Prior to Robinhood, she was a Partner with CapitalG, Alphabet's Growth Equity fund
- Previously, she held various positions at Google, served as Vice President of Market Development and Field Sales for Fidelity Investments, and held other managerial positions at Mainspring and Andersen Consulting
- Gretchen holds an M.B.A. Degree from Harvard Business School and a B.A. Degree in History from Williams College

Robinhood IPO – Executive Summary

Transaction History

Date	Transaction Type	Amount (\$mm)	Key Investors
NA	Secondary Transaction - Private	\$10	 London Impact Ventures
1/29/2021	Series G	\$3,400	      
10/29/2020	Debt - General	\$600	  
10/1/2020	Series G	\$668	   
7/13/2020	Series F	\$600	
10/31/2019	Series E	\$373	    

Robinhood IPO – Executive Summary

Transaction History (cont'd)

Date	Transaction Type	Amount (\$mm)	Key Investors
5/10/2018	Series D	\$363	DST GLOBAL, CapitalG, AMPLO
4/26/2017	Series C	\$110	DST GLOBAL, Ribbit Capital, NEA, THRIVE CAPITAL, Index Ventures, MICROVENTURES, PROIXIS VENTURES, GREENOAKS CAPITAL PARTNERS
5/7/2015	Series B	\$50	NEA, Cornerstone, DRAPER ASSOCIATES, VAIZRA INVESTMENTS, Ribbit Capital, Index Ventures, NEOTRIBE
9/23/2014	Series A	\$13	Index Ventures, Ribbit Capital, SLOW VENTURES, SNOOP DOGG
12/18/2013	Seed Round	\$3	ANDREESSEN HOROWITZ, Index Ventures, ROTHENBERG VENTURES, SUSA VENTURES, ACME QUEENSBIDGE VENTURE PARTNERS
4/19/2013	Seed Round	NA	G/, ELEFUND, socialleverage

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