

Setter

The Setter 30

The Most Sought-After Venture Backed Companies in the Secondary Market

September 2020

First in the Secondary Market.

The Hottest Late Stage Companies

We are pleased to introduce The Setter 30 – our inaugural listing of the most liquid and highly sought-after pre-IPO companies in the global secondary market. The Setter 30 is based on a survey we conducted in late August of over 500 leading global investors in late stage companies, as well as direct feedback we have received from dedicated buyers in the last several months.

While the deals on this list are the most frequently targeted by investors, they may not necessarily be the most easily found. For example, while Stripe, Roblox and Figma have many potential buyers, experience has proven that there is rarely if ever any supply of these shares on the market.

Not surprisingly, the majority of the list falls into three categories: 1) those which are benefitting from COVID-19 driven trends and market dislocations, such as Stripe and Klarna (e-commerce payments); Robinhood (retail trading); Epic Games and Roblox (gaming); Ro (telehealth); DoorDash/Instacart (food/grocery delivery); Airtable/Asana/HashiCorp/Figma (cloud based project management/collaboration); Coursera and Udemy (online education), 2) those which are expected go public soon, like Airbnb, Palantir, and Procore, and 3) those with the highest private valuations, such as Airbnb, SpaceX, Palantir, Robinhood, Instacart, DoorDash, Stripe, Klarna, Coupang, and UiPath, all of which are at \$10bn+ EV.

Many will observe that there are some high-profile companies missing from this list. One explanation for prominent exclusions is the geographic tilt of our respondents – Coupang is the only Asia company on the list, but Bytedance (at one the time desperately sought after by secondary market participants) was excluded because interest cooled dramatically with the US/China spat over its crown jewel TikTok. Also, there are many sub-\$1 billion EV names that have tremendous momentum, and while one of these, Better Mortgage, did make the list, such lower valuation businesses tend not to be widely known in the broader investment community. Finally, two of the hottest names this year, Snowflake and Unity, had to be excluded because they just went public.

We welcome your comments on any names you think are missing from this list, or should be on the next list, along with any interest you might have in getting involved in the secondary market for these shares!

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Issuer	Business Activity	EV last funding (\$bn)*
Airbnb	Vacation Rental Marketplace	18.0
SpaceX	Aerospace Transport Systems	46.0
Stripe	Payments Platform	36.0
Palantir	Big Data Analytics	20.3
Robinhood	Neobank, Retail Stock Brokerage	11.2
Epic Games	Game Development	17.3
UiPath	Robotic Process Automation Software	10.2
Procore	Construction Management Software	4.9
Roblox	Game Development	4.0
Instacart	Grocery Delivery Application	13.8
DoorDash	Food Delivery Application	16.0
Carta	Equity Management Platform	3.3
Ro	Telehealth Platform	1.5
Databricks	Data Analytics Platform	6.2
Figma	Collaborative Visual Design Tool	2.1
Toast	Restaurant Management Software	4.9
Asana	Project Management Software	1.5
Marqeta	Payments Platform	4.3
Airtable	Project Management Software	2.6
Discord	Online Gaming Chat	3.5
Trumid	Electronic Trading Platform	1.0
Chime	Neobank	14.5
Klarna	Payments Platform	10.7
Coursera	Online Education Platform	2.6
Udemy	Online Education Platform	3.0
Coupang	eCommerce	9.0
Better Mortgage	Online Mortgage Lending Platform	0.9
Impossible Foods	Plant-Based Meat	5.2
Darktrace	Cyber Security Platform	1.6
HashiCorp	Open Source Development Software	5.3

* Enterprise values are as reported by PitchBook™ and are not otherwise verified

About Setter

Established in 2006, Setter Capital is a leading independent advisory firm specializing in providing liquidity solutions for fund managers and institutional investors in the secondary market for alternative investments. We serve a diverse institutional client base including some of the world's largest pensions, endowments, investment consultants and fund managers. To date, Setter Capital has completed over 500 transactions, representing more than \$30 billion in liquidity across venture capital, private equity, infrastructure, real estate, real asset, and hedge fund investments.

Setter Capital's mission is to make the secondary market more transparent and efficient for all market participants.

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