



FEATURE PRESENTATION



“We will be ready to go public by June 30, 2019.”

Airbnb CEO - Brian Chesky, May 2018



NaviCom International Investment

ALTERNATIVE INVESTMENT & WEALTH MANAGEMENT SERVICES

OUR COMPANY

NaviCom International Investment is an independent provider of alternative investment solutions and comprehensive wealth management services. We are committed to providing a best-in-class investment experience for each client under our care. We achieve this commitment by delivering on our promises and support proposals with actionable results.

OUR HERITAGE

The company was established in 2008 to help private investors, families and institutional clients address the increasing challenges faced under the evolving investment landscape. As an independent provider of alternative asset investments and wealth management solutions, the success of our firm is highly correlated with the success of our clients.

OUR CAPABILITIES

Our global network and deal sourcing capabilities enables us to identify investment opportunities that are not typically available through traditional channels. The advantages gained through our strategic network provides our investment committee with access to range of deals for deeper consideration

GOVERNANCE

Founded in 2008, NaviCom International Investment is registered and regulated by the The Commerce and Economic Development Bureau of the Hong Kong Special Administrative Region under registration number CR 1205470.

Airbnb IPO



Airbnb's \$50 billion IPO

The Company

Founded in August of 2008 and based in San Francisco, California, Airbnb is a trusted community marketplace for people to list, discover, and book unique accommodations around the world - online or from a mobile phone or tablet.

Compelling Growth Story

Airbnb started as an online marketplace where users could rent out surplus or unused space inside their residences to host travelers.

Over the past seven years, Airbnb has raised over \$4.5B in capital, aggregated almost 3 million listings, hosted 150 million guests, and likely generated \$40B in cumulative bookings through 2016.

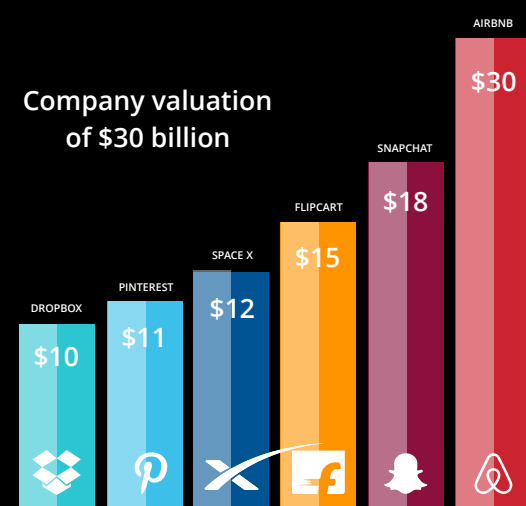
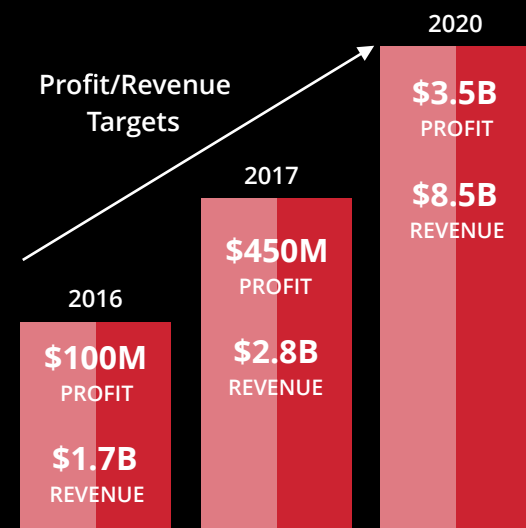
Today, with a \$30B implied valuation, Airbnb is more valuable than large hotel chains (e.g., Hilton and Hyatt), airlines (e.g., United Airlines and American Airlines), and leading travel companies (e.g., Expedia and Ctrip).

Disruptive Business Model

Airbnb has established itself as the largest disruptor in the \$2 trillion-plus travel and tourism industry in the 21st century. Airbnb is already positioned as the market leader in most geographies, and its business model has inherent network effects.

Airbnb and other alternative accommodations offerings tap into homeowners' desires to make their spaces available for short-term rental, but also the desire of willing travelers to book them.

The company is pursuing a large and fragmented market opportunity, but it is benefiting from significant secular and demographic tailwinds.



Airbnb is well on its way to becoming the single largest disruptor in the \$2 trillion-plus travel and tourism industry in the 21st century.

Industry Disruptor

Very few companies in the private tech growth asset class have the growth and disruptive potential of Airbnb. Airbnb started as an online marketplace where users could rent out surplus or unused space inside their homes to host travelers.

With a \$30 billion implied valuation, Airbnb is more valuable than some global hotel chains leading airlines, and online travel companies.

Funding

Airbnb has officially raised just over \$1 billion in its latest funding round, per a SEC filing.

The latest round of funding comes around six months after the company secured \$555 million toward the financing in a portion led by Google Capital and technology giants Crossover Ventures.

The mega-round is now closed and values Airbnb at \$31 billion.

Revenue Potential

By 2019, Airbnb is on track to generate more than 600 million room-night bookings, equating to \$73 billion in gross volume.

At a flat 10% income rate, the project gross volume will allow Airbnb's net revenue to reach \$7.3 billion by 2019.

Market Valuation

With a view for public listing in 2018, and based on publicly available information allowing for reasonable growth rates, Airbnb's revenue is estimated to grow between \$7.0-7.5 billion in 2019, expanding at 40-45% year-on-year.

This base scenario has led a number of reports to indicate that Airbnb could go public with a \$50B market cap.

Risks to Consider

The case for \$50 billion or greater valuation in a base-case scenario is still dependent on Airbnb's execution over the next 12 months.

Most crucially, a \$50 billion valuation rests on the assumption that Airbnb continues to grow its listings and consumer adoption.

If it is successful on both fronts, it would indirectly help the company with operating costs and overcoming regulatory hurdles.

The factors that could make these risks materialize include competition from Price-line & Expedia leading to higher marketing expenses and/or lower take rates, both lowering profitability outlook for Airbnb.



IPO Regulation Changes

The Securities and Exchange Commission is expanding a program that will allow all private companies to keep some details of their finances and business strategies under wraps early in the process of an IPO.

IPO Filing Confidentiality

A major change in the IPO filing policies came into effect on July 10th 2017 enabling large private companies such as Airbnb to submit their filing requirements at least 15 days before any road show to meet with potential investors.

Until the policy change came into effect, private companies whose annual gross revenues exceeded \$1 billion have been required to file their paperwork up to 12 weeks before the initial public offering.

Filing confidentiality is intended to make it easier for companies that want to go public. It allows companies to organize their financial reporting with the regulators privately. In addition to this, companies do not have to worry about competitors getting an early peek at their figures.

Confirming the policy changes, Walter J. Clayton, Chairman of the Securities and Exchange Commission - who as a longtime lawyer at the Wall Street law firm Sullivan & Cromwell worked on a number of initial public offerings, including Alibaba's and Och-Ziff Capital Management's — emphasized that he would "like to see more companies going public here."

www.sec.gov/fast-answers/answersipohtm.html

'Stealth Mode Filing'

DropBox decided to become the first tech unicorn to take advantage of the 'Stealth Mode Filing'. They announced a listing price of US\$ 16, however investor demand would dictate the actual IPO price.

DropBox Inc. (DBX)

After a quiet spell in tech IPO's, the change in law made by the SEC in 2017 was designed specifically to attract the so called 'Unicorns' (start ups valued at over US\$ 1 Billion) to publicly trade.

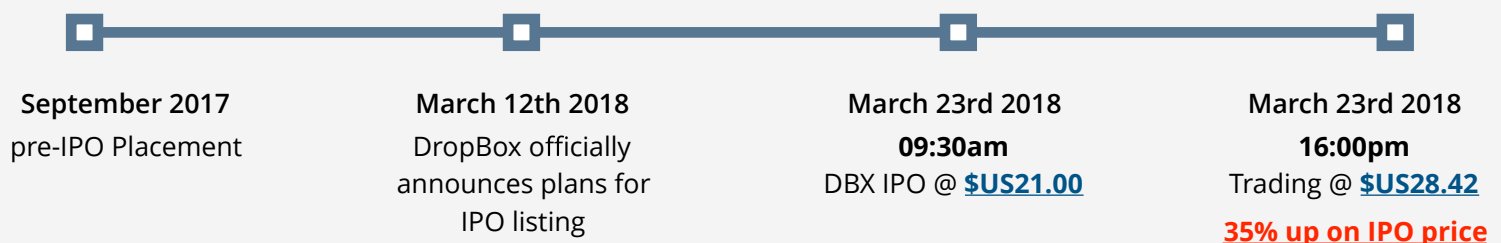
Dropbox decided to become the first tech unicorn to take advantage of the 'Stealth Mode Filing' and an announcement was made public on Monday 12 March 2018 that they had filed for an IPO listing on the Nasdaq to occur on Friday 23 March 2018.



[REUTERS 12/03/2018: Dropbox IPO Price Range Puts Valuation Nearly a Third Below Peak](#)

[CNBC 22/03/2018: Dropbox Prices IPO at \\$21 Per Share](#)

DropBox Inc. (DBX): IPO timeline





In the News

Airbnb calms employees with cash bonuses, releases new details on IPO

Airbnb Inc.'s Brian Chesky is trying to soothe the masses. The co-founder and chief executive officer of the home-sharing website told employees on Thursday that it will pay them cash bonuses and is aiming to hold an IPO before late 2020, when some employee stock grants expire.

Read full article: www.bloomberg.com

Uber, Airbnb debt providers gear up for IPO business and more

Tech eras are defined by one or two companies. Miss out on Microsoft in the 1980s, Amazon.com in the 90's, Google last decade or Facebook four years ago and banks not only lose the IPO fees, but they face an uphill battle getting into secondary offerings, mergers and acquisitions and all sorts of other advisory work.

Read full article: www.cnbc.com

Airbnb gets \$1 billion debt facility from US banks

Apartment-sharing startup Airbnb Inc has secured a \$1 billion debt facility from some big U.S. banks to aid its new services and finance its expansion plans, a source close to the company said. JPMorgan, Citigroup, Morgan Stanley and Bank of America led the debt deal, the source said.

Read full article: www.finance.yahoo.com



NaviCom International Investment
8/F Harcourt House
39 Gloucester Road
Wan Chai
Hong Kong