CALM COMPANY
(FUND IV)

Investor Deck

A NEW ASSET CLASS: CALM COMPANIES

Calm Company Fund is a new approach to investing in technology companies with a completely different risk profile to traditional venture capital.

We call it Early Stage Growth Equity.

01

RATIONAL VALUATIONS

Average entry valuation of $2-3m for companies with working product and revenue

02

FASTER LIQUIDITY

Profit-sharing in 1-3 years, exits in 5-7 years

03

LOWER FAILURE RATE

Focus on profitability = 0 write-offs in 3 years across 60+ investments

04

NOT RELIANT ON FOLLOW-ONS

Businesses where “first check, last check” is a viable strategy

05

RETAIN UNCAPPED UPSIDE

Calm Companies can still become rocketships. Eventually we will back an outlier, but our returns are not dependent on it.

WHAT ARE CALM COMPANIES?

Venture Capital is a poor fit for almost all founders/businesses. Calm companies are the other 99.99% of businesses and founders that have had no opportunities for capital, mentorship, and resources that a fund partner can provide.

Aiming for/already profitable with strong margins and unit economics

Optimizing for sustainable growth (get off the "runway" ASAP)

Capital efficient (first check, last check)

Leverage outside capital opportunistically, but not reliant on it

Focused on niche markets, typically markets VCs can't invest in

Building with proven technologies in known markets = much higher success rate

WHY NOW?

Cost of launching a software company has never been lower

The cost to build a software company has come down dramatically in a very short period of time.

This fundamentally changes the risk/reward proposition, opens up opportunities in more niche markets, and enables new types of portfolios to succeed.

Our strategy of rational valuations is ideal for current market conditions

The recent correction in tech multiples is a big opportunity for our more value-based approach to early stage tech investing.

Although short-term market fluctuations do not drive our long-term strategy, this climate enables us to invest even more aggressively into a portfolio far less exposed to the risk that multiples compress and follow-on markets dry up.

Calm Company Fund is at an inflection point in our track record

3 years and 60+ companies in, our track record is promising. As more companies in our portfolio mature, profit-share, and exit – that record will move from promising to undeniable

Given the size of the total market opportunity, our long-term plan is to continue to scale up significantly.

TRACTION : FUND I

The best way to understand our fund traction is to look at the current performance of our first fund (2019-2020).

[Valuation Memo]

22 — **INVESTMENTS**

average 26 months since investment

1 — **EXIT**

Makerpad, Acq by Zapier

6 — **COMPANIES SHARING PROFITS**

100% — **COMPANIES STILL ACTIVE**

2.97x — **TVPI**

DPI 0.37x, IRR 73%

TRACTION:
FUND I-III (2019-22)

62	3.55x	100%
Companies invested in, to date	Mature TVPI*	Startups still alive– no write-offs yet!

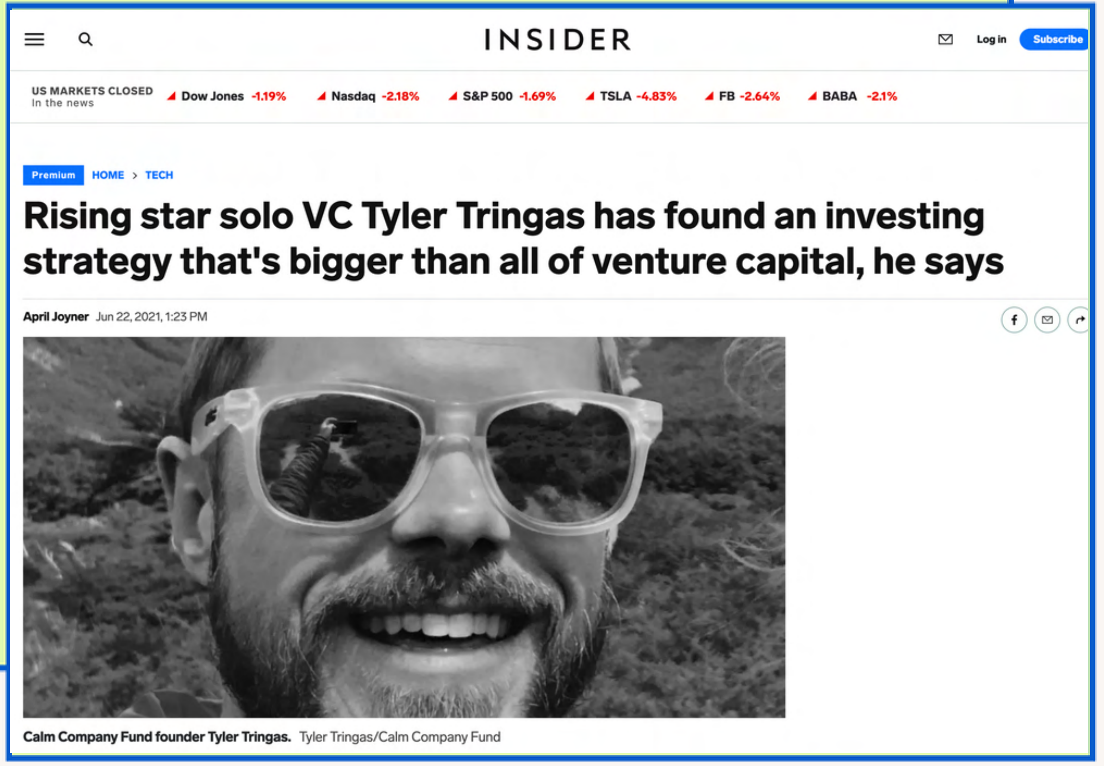
$10.5m	9	$1.7m
Invested Capital	Companies sharing earnings, 2 from exits	Raised via GP equity round

*Mature TVPI includes all companies greater than 18 months since time of investment

OUR STRATEGY

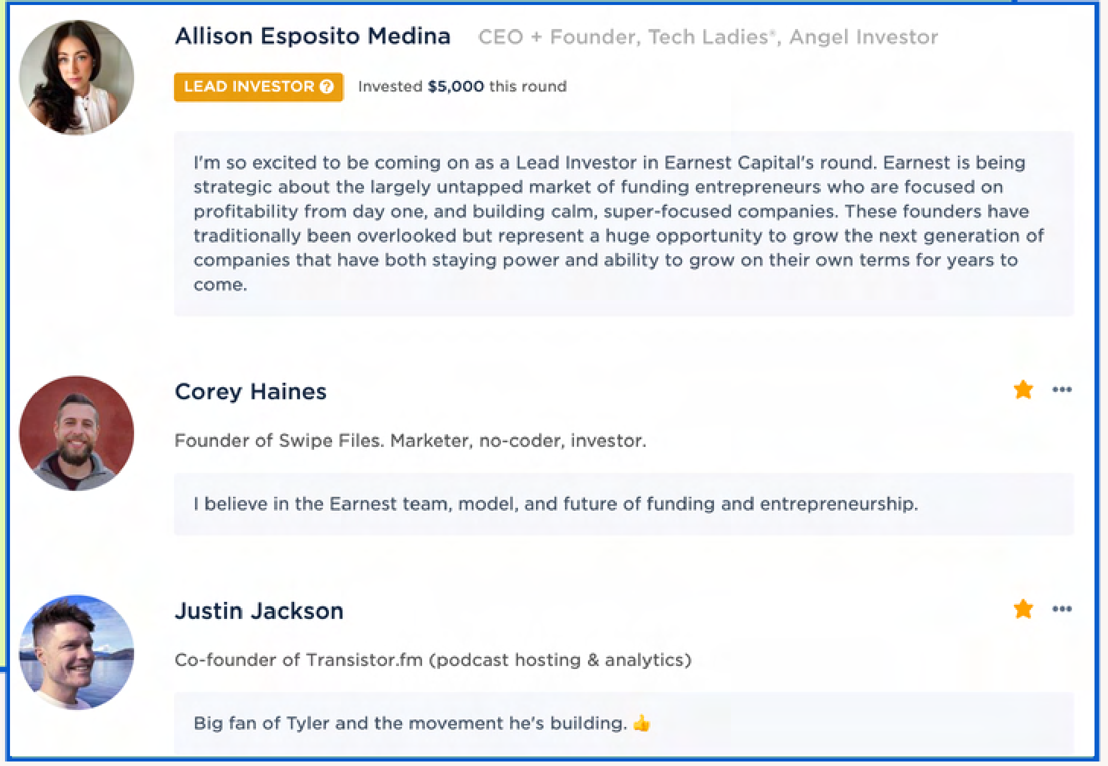
UNIQUE DEALFLOW	Invest in companies no other fund is designed for
PORTFOLIO CONSTRUCTION	Uncapped equity upside + faster liquidity via profit-share. Mix of capital gains via exits, and quarterly Shared Earnings cashflow.
LEAD DEALS	Lead or solo invest in (nearly) every deal–we make our own decisions and are uncorrelated with trends
BE RIGOROUS	Our dealflow process and investment decision-making, leveraging automation, is on par with funds writing 10x larger checks.
FOUNDER ALIGNED	Listen to the majority of founders and build what they want
UNFAIR ADVANTAGE	Be the unfair advantage for our portfolio by connecting them with the mentors, community, and resources they need.

OUR UNFAIR ADVANTAGE



WE INNOVATE

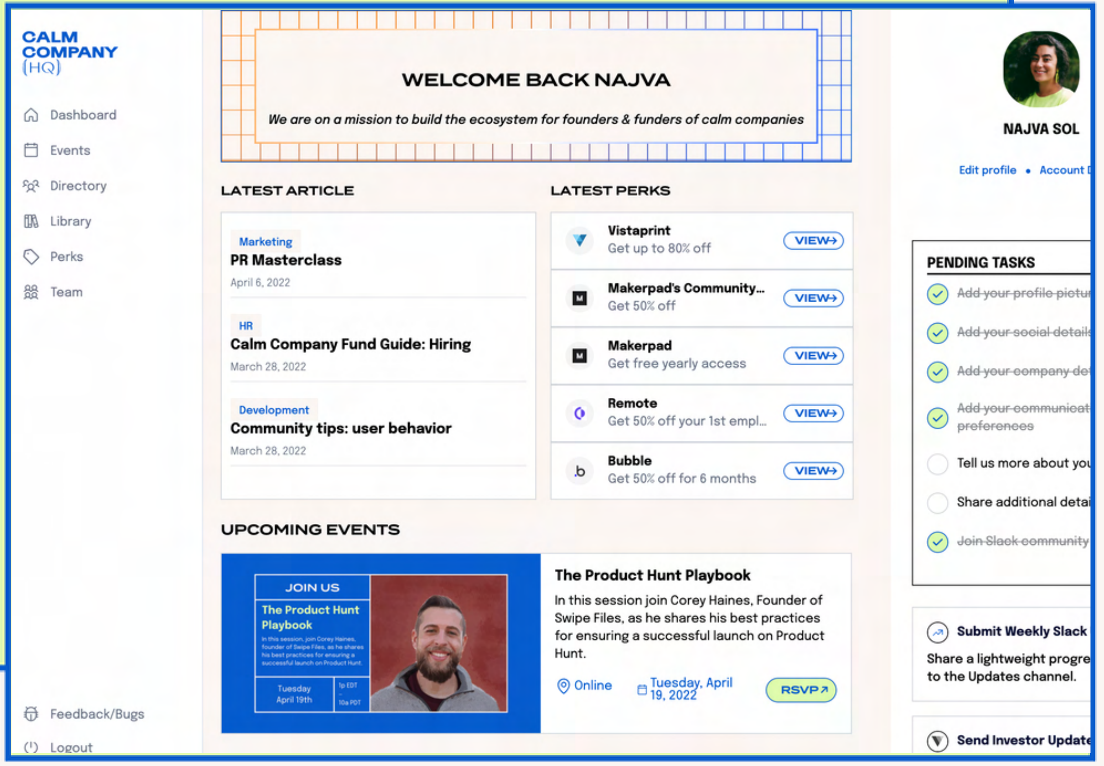
From inventing the Shared Earnings Agreement (SEAL) to launching a rolling fund (before AngelList!) – our first-principles approach means we're ahead of the pack.



WE LEAD

90% of our Crowdfund investors are unaccredited–the next gen of founders/operators of Calm Companies.

The appeal (and number) of calm companies is growing, and we're right at the heart of it.



WE BUILD

In the past year, we've shipped:

- <u>Trailhead</u>: our incremental, annotated application system
- <u>HQ</u>: our purpose-built platform
- <u>Scouts</u>: a rare VC scout program with a real path to GP
- <u>Founder Summit:</u> a conference for founders many called "the best" they've ever attended

OUR FOUNDERS LOVE US

Tyler and Calm Fund have been invaluable to our business.

Calm Fund lit the opportunity fuse for our company at a critical time, allowing me to quit my other job and enabling us to execute far faster on our opportunity to become the #1 company in the world in food safety for small and mid sized businesses.

GERRY,
FOODREADY.AI

Being part of Calm Company Fund has made an enormous difference in our company already.

We've only been with them a few months but in that time, we've grown more than ever and hired a perfect Head of Marketing who found us purely because we're part of this community. Amazing.

WARD,
MEMBERSPACE

Tyler and the team have developed a world-class community that is supportive, genuinely helpful, and full of people who want to see others succeed.

The community has been of tremendous value to our business as we grow and try to get to the next level.

TESSA,
PIPELINE SOLUTIONS

INVESTORS WHO GET IT

Our investor know Calm Companies, inside + out. Of our 200+ LPs across all funds, the vast majority are successful software entrepreneurs.

Bonus: Nearly 75% of our LPs allocate time to mentor our portfolio.

Andrew Connor, Levels Health

Natalie Nagele, Postmark

Richard Felix, Stunning

Andrew Gazdecki, MicroAcquire

Sahil Lavingia, Gumroad

Jason Hodges, Shipstation

Adii Pienaar, WooCommerce

Michele Hansen, Geocodio

Neal O'Mara, Hellosign

Arvid Kahl, FeedbackPanda

Brian Kidwell, Scott's Cheap Flights

Kevin McArdle, SureSwift Capital

Adam Wiggins, Heroku + MuseApp

Patrick McKenzie, Kalzumeus Software

FOUNDING GP: TYLER TRINGAS

- Founder of Storemapper, a SaaS product, taking it from side project to exit in 5 yrs
- Coined the term "Micro-SaaS" + literally wrote the book on it
- Creator of the Shared Earnings Agreement [SEAL] investment structure

OUR TEAM

A world-class squad of builders

11 teammates in 6 countries

45% founders

2 led companies to exits

With experience scaling incredible companies ↓

BACKSTAGE CAPITAL techstars_

NATIONAL GEOGRAPHIC GLADSTONE COMPANIES

KICKSTARTER \sifted/ QUARTZ

ABOUT US

Our mission is to discover, build, and scale-up solutions to the challenges of building a Calm Company.

We started our early-stage fund in 2019, and quickly realized that while there's a massive number of companies we can invest in at the early stage, the opportunity to support the whole lifecycle of Calm Companies is even bigger.

Most entrepreneurial ventures are Calm Companies, and almost nobody is listening to their challenges and building solutions for them.

Over the next 10 years, we we plan to grow our reach to support 1,000+ new Calm Companies annually. We'll provide access to capital, community, mentorship, and resources that meaningfully move the needle for entrepreneurs.

We're just getting started.

INVESTMENT OPPORTUNITIES

CALM COMPANY FUND IV

- Our core early stage fund
- $100-350k checks at roughly the seed stage.
- LP Minimums (4 quarters)
  - Institutional: $150k/quarter
  - Individual: $15k/quarter
- Limited availability for new LPs

Learn More

CALM COMPANY LIQUIDITY FUND

- Our version of an "opportunity fund"
- Invests up to $1m in profitable SaaS companies doing $1m-$10m ARR
- Enables founders to de-risk via secondary
- LP Minimum–$100k commitment, called over 12 months

Learn More

LET'S DO THIS

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