PANACEA VC

COMPANY THESIS NOTE

Revolut: From Disruptor to Global Bank

Why the latest $115 billion valuation may be a waypoint, not the destination

PREPARED SEPTEMBER 2026

IN BRIEF

The investment case has shifted from customer acquisition to customer depth. Balances are growing more than twice as fast as customers.

01

THE VIEW

Executive Summary

Revolut has moved well beyond its origins as a low-cost FX and payments app. With more than 80 million customers, approximately $6 billion of FY2025 revenue, $1.89 billion of net income and a rapidly expanding banking licence footprint, it is now operating at a scale that puts it alongside established financial institutions rather than traditional fintech peers.

The July 2026 employee share sale valued the company at $115 billion, 53% above the $75 billion valuation recorded in November 2025. The key question is whether the higher valuation has been matched by comparable growth in the underlying business. The evidence so far is encouraging: revenue grew 50%, customer balances rose 66%, and net income reached a 31.5% margin.

The scale of the opportunity is attracting strong backing from prominent investors and industry leaders. Andreessen Horowitz, which participated in the July round, has described Revolut as “one of the most interesting companies globally” and argued that it could ultimately become a trillion-dollar company. JPMorgan CEO Jamie Dimon has similarly said he is “jealous” of what Revolut has built. Neither comment proves anything about future value, but both signal how Revolut is increasingly viewed as a global financial platform rather than simply another European fintech.

The next phase is more demanding. Revolut needs to turn a large customer base into deeper primary banking relationships, expand deposits and lending without compromising credit quality, maintain regulatory discipline as it enters more markets, and execute on its US opportunity. In September 2026, Revolut received conditional approval from the U.S. Office of the Comptroller of the Currency (OCC) to form a national bank, materially advancing its path toward a full-service banking presence in the world’s largest financial market.

Our view is that the investment case rests less on further customer acquisition than on increasing the economic value of the customers Revolut already has.

02

THE PIVOT

The Story Has Changed

The first Revolut story was simple: traditional banks charged too much for foreign exchange and international payments, and Revolut offered a better mobile experience, lower fees, and a product customers wanted to recommend to friends. That proposition worked well enough to turn a travel and payments product into a broader financial platform spanning current accounts, cards, FX, payments, savings, subscriptions, crypto, investing, wealth management, business banking and credit.

What matters about that expansion isn't the number of products, it's that they're increasingly sold to the same customer. Someone who originally joined for cheap FX can now hold deposits, use a card, subscribe to a premium plan, invest through the platform, take out credit, use Revolut Pay and eventually access wealth-management products without ever leaving the ecosystem, which is a very different economic model from the one Revolut started with. The company is, in effect, trying to become the customer's financial operating system.

03

THE PRICE

The $115 Billion Mark

Revolut's valuation history is worth examining closely, because the latest increase has been accompanied by substantial financial growth rather than simply a richer multiple.

FIGURE 1 · VALUATION HISTORY

DATE	TRANSACTION / EVENT	VALUATION
JUL 2021	Series E	$33B
AUG 2024	Secondary sale	$45B
NOV 2025	Employee share sale	$75B
JUL 2026	Employee share sale	$115B
2028E	Potential IPO	$300 to $400B

The July 2026 transaction was a 53% increase from the $75 billion mark set in November 2025, but Revolut's FY2025 revenue had also grown to approximately $6 billion, up 50% year over year, over the same period. EV/LTM revenue worked out to roughly 19.2x at the $115 billion valuation, broadly in line with the 18.8x multiple paid at $75 billion. The implication is important: investors were not simply assigning a much higher multiple to the same business. The underlying business had materially expanded in the interim.

04

THE BASE

A Digital Bank That Is Already Profitable

The most striking aspect of Revolut's financial profile is not its customer count. It's the combination of growth and profitability: $6 billion of revenue and $1.89 billion of net income in FY2025, a 31.5% net margin, with revenue up 50% year over year. That combination is unusual for a fintech of this scale, where rapid growth has historically often come at the expense of near-term profitability.

$6.0B	$1.89B	80M+
FY2025 REVENUE · UP 50% YEAR OVER YEAR	FY2025 NET INCOME · A 31.5% NET MARGIN	CUSTOMERS · ACROSS MORE THAN 40 MARKETS

Internal analysis behind the July 2026 round expects growth to compound at roughly 40% over the following four years, with margins potentially expanding toward 40%. Those are management expectations, not delivered outcomes, and should be stress-tested rather than taken on faith. Still, the starting point matters: Revolut is attempting to compound from an already profitable base rather than a loss-making one, which changes the valuation conversation. The company no longer needs to be valued primarily on customer growth or revenue multiples; as the business matures, earnings, return on equity, deposit growth and capital efficiency become the more relevant yardsticks.

05

THE DEPTH

The Most Important Number May Be Balances

Customer numbers attract the headlines, but balances tell us more about the depth of the relationship. Revolut ended FY2025 with approximately $67.5 billion of customer balances, up 66% year over year, against retail customer growth of roughly 30%. That gap is an encouraging indicator of increasing relationship depth: customer balances are growing substantially faster than customer numbers, suggesting that existing customers are holding more money with Revolut. This is consistent with, although does not by itself prove, a shift from secondary financial product toward primary banking relationship.

The economics of that shift are powerful, because a customer who keeps a small balance for travel is valuable, but a customer who receives a salary into Revolut, holds savings there, uses a card for everyday spending, takes a loan, buys investments and pays for a premium subscription is considerably more valuable, without Revolut having to acquire that customer a second time. That is the compounding mechanism underneath the business.

THE NUMBER THAT MATTERS

Customers +30%

Balances +66%

Money on the platform is growing more than twice as fast as the customer count. That is the shift from secondary product to primary bank.

FY2025 · $67.5 BILLION OF CUSTOMER BALANCES

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THE SURFACE

The Super-App Model

Revolut's ambition increasingly resembles the financial super-app model built out in parts of Asia rather than the traditional European banking model. A traditional bank tends to organise itself around products, with current accounts, mortgages, cards, wealth management, payments and loans often sitting in different divisions, systems and technology stacks. Revolut starts with the customer relationship and adds products around it, which produces an unusually broad product surface:

- Payments and cards
- Foreign exchange
- Savings
- Premium subscriptions
- Wealth and trading
- Cryptocurrency
- Consumer credit
- Business banking
- Merchant payments and Revolut Pay

The economics improve as customers adopt more products, because Revolut can increase revenue per relationship without having to reacquire the customer, and internal estimates suggest five Revolut product lines could individually exceed $1 billion of revenue in 2026, reflecting the breadth of the platform rather than dependence on any single line. That means Revolut isn't betting on one product becoming the next growth engine; it has multiple, largely independent levers through which revenue per customer can keep rising.

07

THE MOAT

The Licence Estate

Perhaps one of the least appreciated aspects of the Revolut story is its regulatory footprint. Technology companies can copy features relatively quickly; they cannot easily copy eleven years of regulatory work. Revolut now holds more than 80 licences and permissions worldwide and operates as a bank in more than 30 of its 40 markets. Full UK banking authorisation was granted in March 2026, the company also operates under an ECB licence through Lithuania, and in September 2026 it received conditional approval from the U.S. Office of the Comptroller of the Currency (OCC) to form a national bank.

A banking licence is worth more than the ability to offer another product; it changes the economics of the whole platform. Deposits can fund lending, customers can be offered more sophisticated savings and credit products, deposit protection can improve customer confidence, and the same technology infrastructure can support a larger financial relationship per customer. The conditional OCC approval therefore represents more than a regulatory milestone: it removes an important regulatory hurdle to Revolut building a full-service U.S. banking franchise.

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Where Revolut Sits Against the Competition

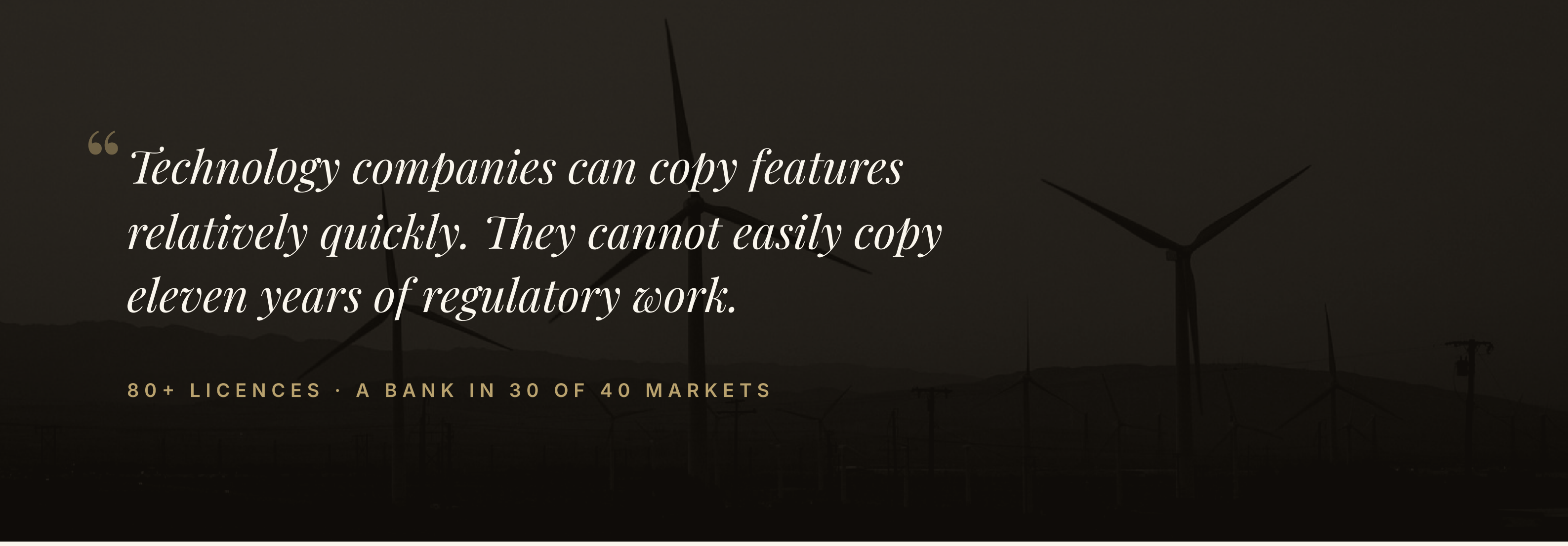
THE FIELD

The licence estate and the profitability are easiest to appreciate next to the handful of companies that could plausibly be called peers.

FIGURE 2 · REVOLUT AGAINST SELECTED PEERS

	REVOLUT	NUBANK	MONZO	N26
CUSTOMERS	80M+	~120M	~13M	~8M
MARKETS	40+ (30+ licensed)	3 (LatAm)	UK-centric	EU (SEPA)
FY25 REVENUE	$6.0B	~$12B	~£1.2B	~€0.6B
PROFITABILITY	$1.89B (31.5%)	Profitable	Recently profitable	Approaching
REVENUE GROWTH	+50%	~+21%	~+40%	~+30%
STATUS	$115B (private)	Public	~$6B private	Private

Nubank has more customers but sits in three Latin American markets, grows at roughly half Revolut's rate, and leans heavily on credit interest income. Monzo and N26 have comparable app quality but not the geographic or product breadth. Traditional banks have the licences and the balance sheets but not the growth rate or the cost structure. Among the selected peers, Revolut stands out for the combination of scale, profitability, product breadth and cross-border banking reach.



> *Technology companies can copy features relatively quickly. They cannot easily copy eleven years of regulatory work.*

80+ LICENCES · A BANK IN 30 OF 40 MARKETS

09

THE OPTION

The United States

Revolut's US opportunity deserves particular attention because it remains largely outside the current financial profile. In September 2026, the company received conditional approval from the U.S. Office of the Comptroller of the Currency (OCC) to form a national bank, marking a significant step forward from its previous application status. Revolut is now working through remaining approvals with the Federal Deposit Insurance Corporation (FDIC) and Federal Reserve, alongside final OCC approval, and says it remains on track for a planned 2027 launch of the proposed bank.

The US is the largest financial market in the world, and if Revolut completes the remaining regulatory requirements and successfully transfers the proposition that worked in Europe, the opportunity is substantial. That should be treated as an option rather than an assumption: American consumers already have strong relationships with banks, card networks and financial technology platforms, and winning them will require more than a good application. What Revolut brings to that fight that it didn't have when it started in Europe is a proven global product, millions of existing customers, a broad product suite, and years of experience operating across different regulatory regimes.

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THE TEST

From Payments to Credit

Credit could become one of Revolut's largest opportunities, and one of its biggest risks, at the same time. The company has historically grown without carrying the credit exposure of a conventional bank, which has kept the business relatively clean and capital-light, but that is changing: the lending book reached approximately $2.9 billion, up 120% year over year, though management says it is building the portfolio cautiously.

The opportunity is clear. Revolut already knows its customers, their transaction history and financial behaviour, which could support better underwriting than a bank starting with limited digital information. The risk is equally clear: poor underwriting could turn rapid loan growth into rapid losses. The next stage of Revolut's development will require the company to prove it can build a large lending business without giving up the risk discipline regulators and investors expect from a bank.

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THE MIX

A More Diversified Revenue Mix

Revolut's revenue base doesn't resemble a conventional European bank. The FT reports that roughly three-quarters of its £4.5 billion revenue last year came from fees across cryptocurrency, foreign exchange, card payments and subscriptions, with less than £1 billion from net interest income. No single business line contributed more than about one-fifth of the total.

FIGURE 3 · REVENUE BY LINE, FY2025

REVENUE LINE	FY25 ($M)	YOY	% OF REVENUE
PAYMENTS	$1,300	+45%	22%
INTEREST INCOME	$1,300	+23%	22%
SUBSCRIPTIONS	$936	+67%	16%
WEALTH	$876	+31%	15%
FOREIGN EXCHANGE	$800	+43%	13%
OTHER REVENUE	$788	n.m.	12%

Traditional banks depend heavily on the spread between lending and deposit rates. Revolut has historically generated the larger share of its revenue from fees and services instead, which diversifies the business away from interest-rate cycles but puts more of the burden on Revolut continually proving that customers will pay for an expanding range of services. Revenue per customer, in other words, is one of the more important indicators to keep watching.

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THE ENGINE

Why the Model Can Compound

We see a few reinforcing mechanisms behind the business.

01

Existing customers adopt more products and hold more money

New users land on the platform, and once there, they gradually move more of their financial lives onto it, deepening balances, transactions and product adoption. The 66% growth in customer balances against 30% growth in retail customers is early evidence this is already happening.

02

New products are sold to an existing customer base

Credit, wealth, savings, subscriptions and payments can all be distributed through the same application, so Revolut does not need to acquire a new customer every time it launches something new, which is where the operating leverage comes from.

03

One technology platform deploys across many markets

Revolut has built its technology and compliance infrastructure with international expansion in mind, so once a product is built, its potential customer base is effectively global, and the licence estate turns that same platform into a regulated banking proposition jurisdiction by jurisdiction.

The result is a potentially powerful cycle: more customers lead to deeper relationships, which support more products, higher revenue per customer and greater operating leverage. That compounding mechanism is central to the investment case at the $115 billion valuation.

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THE RANGE

Why $115 Billion May Not Be the Ceiling

A potential IPO valuation of $300 to $400 billion shouldn't be read simply as a mark-up from $115 billion. It reflects a different perception of what Revolut could become: at $115 billion the market is valuing a highly profitable global fintech, while at $400 billion investors would be pricing the possibility that Revolut becomes a global digital banking platform with a much larger earnings base.

Internal analysis puts Revolut's current effective entry valuation at roughly 30x CY27E earnings, with base-case CY27E net income of approximately $4.56 billion. The scenario range below illustrates how wide the eventual outcome could be:

FIGURE 4 · SCENARIO RANGE TO CY2029

SCENARIO	CY29E NET INCOME	EXIT P/E	IMPLIED VALUATION
LOW	$7.9B	20x	$157B
BASE	$9.8B	30x	$295B
UPSIDE	$12.3B	40x	$491B

These are internal scenario estimates rather than company guidance and should not be treated as forecasts. They do, however, show why $115 billion does not necessarily represent the ceiling if earnings continue to compound at a high rate.

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THE LISTING

The IPO Is a Catalyst, Not the Thesis

Management has indicated Revolut could be ready for an IPO within roughly two years, pointing toward 2028 rather than an imminent listing, which tracks with how much the company still has to prove first:

- Demonstrate that rapid customer growth can continue at a larger scale
- Convert more customers into primary banking relationships
- Expand deposits and lending responsibly

- Complete the remaining regulatory approvals for the US national bank and execute the U.S. launch
- Maintain strong profitability while increasing regulatory investment
- Demonstrate that the super-app model produces sustainable revenue per customer

If those pieces fall into place, the IPO becomes less about raising capital to fund the business and more about establishing a public-market price for a company that has already achieved substantial scale. Revolut does not need an IPO to prove it can grow; the IPO simply lets public markets decide how much that growth is worth.

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THE RISKS

What Could Go Wrong

The investment case is compelling, but Revolut is not without risks. The key considerations are:

- **Regulatory and control risk.** Revolut's expanding banking footprint brings greater regulatory obligations and scrutiny. Maintaining strong risk, compliance and governance systems as the business scales will be critical.
- **Credit risk.** Rapid growth in lending creates a new earnings opportunity but also introduces exposure to credit losses and economic cycles. The company's ability to scale its lending book while maintaining underwriting discipline will be an important test.
- **Competition and execution.** Traditional banks and fintech competitors are continuing to invest heavily in digital banking. Revolut must maintain its product and cost advantages while successfully executing across multiple markets and product categories.

These risks do not necessarily undermine the thesis, but they are important factors in assessing whether Revolut can convert its scale and customer relationships into a sustainable global banking franchise.

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THE TRADE

The Opportunity We Are Sourcing

THE POSITION

We currently have access to a secondary position in Revolut common shares at the $115bn July 2026 employee share-sale price, through a top-tier US investor already on the cap table. After the sponsor access fee, set-up fee and administration costs disclosed in the full deal memo, the effective entry basis works out to $137.6 billion.

Our base case, which assumes revenue continues compounding at roughly 40% and net margin reaches 40% by CY29, points to a probability-weighted exit valuation of $320 billion at an early-2028 IPO, a blended gross MOIC of 2.1x and a blended gross IRR of roughly 38% on the effective entry basis, before carried interest.

Minimum ticket is $100,000. Allocation is not yet secured, so demand will determine final sizing.

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IN SUM

The Bottom Line

Revolut has moved well beyond its origins as a low-cost payments and FX disruptor. With more than 80 million customers, approximately $6 billion of annual revenue, $67.5 billion of customer balances and substantial profitability, it has established meaningful scale and a business model that increasingly resembles a global digital bank.

The opportunity now lies in increasing the economic value of that customer base through higher balances, greater product adoption, responsible expansion of credit and wealth, and entry into markets such as the US. The September 2026 conditional OCC approval materially advances that opportunity, although the remaining regulatory approvals and subsequent execution will determine whether Revolut can translate it into a meaningful U.S. banking franchise.

Our view is that the investment case has shifted from customer acquisition to customer depth. If Revolut can turn its large user base into a profitable primary banking franchise while maintaining strong growth and disciplined execution, the $115 billion valuation could prove to be an important milestone rather than the ceiling of the opportunity.

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Set in Playfair Display and Inter. The engine-turned rules and the rosette are hypotrochoids, drawn from the equation a geometric lathe cuts. Printed for private circulation.