

Morgan Stanley Private Markets (“MSPM”): Access Opportunity Overview

MSPM – Access Overview

Morgan Stanley Wealth Management (“MSWM”) has designed a platform that allows clients to invest in private companies, either alongside an asset manager, or directly in the private company. Morgan Stanley leverages its deep history and strength in the marketplace to source deal flow from asset managers, issuers, our investment bank, and from our Financial Advisors / Private Wealth Advisors’ (“Advisors”) extensive networks. These deals span investment styles, sectors, and geographies.

Through the MSPM – Access program, MSWM will act as the referral agent and will abstain from providing investment advice. MSPM – Access deal flow is available to clients / prospects who have enrolled in the program.

To enroll in MSPM – Access, clients / prospects must:

- Have a Total Net Worth of \$50M+
- Be able to conduct independent due diligence and risk analysis on individual opportunities
- To invest, clients must open a MSWM account

Please speak to your Advisor if you’re interested in enrolling

Past Deals



Perplexity AI

November 2024

Company Overview: Perplexity AI is a free AI-powered search engine that uses natural language processing and machine learning to provide answers to user queries.

Key Highlights:

- **Generative AI:** Perplexity is disrupting Google in the search space by offering direct answers instead of links and footnoting the answers to give users confidence in the reliability of the sources offering a great user experience.
- **Search Market:** The search market is enormous with over \$200bn of revenue and \$2 trillion of market cap to disrupt. Even capturing a small share, as Perplexity is demonstrating an ability to do, could yield substantial potential returns.

MSWM Capacity: ~\$75M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Franklin Venture Partners
- **Round:** Series D
- **Use of Proceeds:** Further develop its AI-powered search engine



SpaceX

October 2024

Company Overview: SpaceX is an aerospace company that designs, manufactures, and launches advanced rockets and spacecrafts, including a satellite internet constellation called Starlink.

Key Highlights:

- **Human Spaceflight:** Falcon 9 is a reusable, two-stage rocket designed and manufactured by SpaceX for the reliable and safe transport of people and payloads into Earth orbit and beyond. Falcon 9 is the world's first orbital class reusable rocket. Reusability allows SpaceX to refly the most expensive parts of the rocket, which in turn drives down the cost of space access.
- **Starlink:** Starlink provides high-speed internet around the world. Streaming, video calls, online gaming, remote working and more are now possible in even the most remote locations thanks to the world's most advanced internet system.
- **Starshield:** This is a secured satellite network for government entities supporting national security. Starshield leverages SpaceX's Starlink technology and launch capability to support national security efforts. While Starlink is designed for consumer and commercial use, Starshield is designed for government use, with an initial focus on three areas: Earth observation, communications, hosted payloads.

MSWM Capacity: ~\$85M

Opportunity Details:

- **Investment Vehicle:** Co-investment vehicle managed by Vy Capital
- **Round:** GP-Led Secondary Continuation Vehicle "CV"

Past Deals



Axiom July 2024

Company Overview: Axiom is an aerospace company building a replacement for the aging International Space Station (“ISS”). Axiom has been developing and manufacturing its own Axiom Station since 2016, the company has also been providing human spaceflight and related services to multiple nations and commercial users around the world.

Key Highlights:

- Axiom has an experienced management team with a proven track record in key markets, including human spaceflight, space tourism, on-orbit research, on-orbit manufacturing, space exploration and mission services.
- As the ISS ages, there is proven demand for an economical commercial alternative, and Axiom has secured a crucial NASA contract to address this need, while also meeting extensive in-space research and manufacturing demands.
- Axiom offers high growth potential, with NASA’s multi-billion-dollar ISS operations and minimal competitive pressure until the 2030s, positioning the company to capture significant market share in the premium ‘crew’ access market.

MSWM Capacity: \$30M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Starbridge Venture Capital
- **Round:** Pre-Series D
- **Use of Proceeds:** Construction of the Axiom Space Station



Zepto June 2024

Company Overview: Kiranakart Private Ltd (“Zepto”) is India’s fastest grocery delivery service with a next-door quick commerce app, delivering online groceries, fruits, vegetables, personal care, electronics and much more to customers in just minutes.

Key Highlights:

- **Growing Market:**
 - Large and growing India online grocery SAM expected to reach \$185Bn by FY2028 against a \$870Bn Indian grocery TAM.
 - Quick commerce is rapidly taking share in India and expected to grow at a nearly 50% CAGR to \$17bn by FY2028.
 - India is uniquely suitable for quick commerce given the dense urban environment, low labor costs and fragmented offline retail landscape.
- **Competitive Moat:** Zepto has a deep competitive moat that continues to evolve with scale and derives from operational excellence and continuous optimizations in a highly complex business model. Strong, operationally focused execution has allowed Zepto to scale and iterate rapidly, which in turn unlocks high margin ad revenue and enhanced buying power.
- **Strong Management Team:** Zepto benefits from a uniquely strong founding team, focused and efficient execution and true product market fit.

MSWM Capacity: \$30M

Opportunity Details:

- **Investment Vehicle:** Glade Brook Private Investors XXXIV LP – Series E interests
- **Round:** Series F & Secondary
- **Use of Proceeds:** Building out new stores

Past Deals



xAI April 2024

Company Overview: xAI is a large language model company founded by Elon Musk in late 2023. Their AI model acts as a “truth seeking” agent that uses real-time data and the scientific method to solve problems.

Key Highlights:

- xAI is following a differentiated approach to accomplish its vision. The company believes in three core principles:
 - Utilize the highest quality training methods.
 - Utilize the largest quantity, real-time, real-world data.
 - Secure access to the largest, most efficient compute resources possible.
- **X / Tesla Competitive Edge:** In addition to using the open-source factual historical data xAI's competitors use to build their models, xAI believes it can use proprietary real-time data through its relationship with X (Twitter) and real-world data through Tesla's video feeds.
- **Data Center:** xAI is set to open its first data center to support this compute in August 2024. This data center will have a 100k H100 cluster, 4x the size of its closest competitor.

MSWM Capacity: \$80M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Franklin Venture Partners
- **Round:** First round of institutional capital
- **Use of Proceeds:** Working capital



Planet Fitmex October 2023

Company Overview: Argonne Capital has acquired exclusive rights to Planet Fitness for a territory covering most of the Mexican population. Argonne has partnered with an established Mexican management team to form Planet Fitmex in 2021.

Key Highlights:

- Argonne is an established player in the fitness space. In 2016, Argonne acquired a majority stake in Nation Fitness Partners which is a top 5 Planet Fitness franchise that operates 120 clubs across 8 Mid-Atlantic states.
- The franchisor, Planet Fitness, has an established track record in international markets including Australia, Panama and Puerto Rico.
- In 2021, Planet Fitmex invested \$35M of equity to develop Fitmex's first nine clubs.
 - In the first 18 months of operation, the company's member count has exceeded management's expectation with 50,000+ members across nine clubs – 10% more than comparable clubs in the U.S.

MSWM Capacity: \$25M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Planet Fitmex, LLC
- **Round:** Common Equity
- **Use of Proceeds:** The investment will facilitate the development of 100+ clubs over the next 6 years

Past Deals



Netchex

September 2023

Company Overview: Netchex is a leading provider of Human Capital Management (“HCM”). The company provides an integrated software suite of cloud-based HR products with a focus on small and mid-sized enterprises (“SME”).

Key Highlights:

- HCM software focused on SME is a large and growing market:
 - \$17B current address market growing ~12-15% annually.
- Nexus’ offering is differential in the marketplace given the integrated nature of the platform, intuitive design, robust payroll engine, and strong customer service (best in class customer satisfaction rating of 4.8/5 and Net Promoter Score (“NPS”) scores of 51 – highest in its class).
- Potential margin expansion opportunity from driving operational improvement within the business, including through service center optimization, customer service automation, offshoring and other initiatives.

MSWM Capacity: \$15M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle by Growth Curve Capital
- **Round:** Buyout
- **Use of Proceeds:** Acquisition of shares from seller (Primus and management team), transaction expenses, and cash to balance sheet



Lake Charles Methanol

August 2023

Company Overview: Lake Charles Methanol (“LCM”) is a clean hydrogen project located in Lake Charles, LA that will be capable of producing 560 mm kg of hydrogen per year, ultimately converting that to 3.6 mm metric tons of Blue Methanol.

Key Highlights:

- Long term site lease from Port of Lake Charles, LA is an ideal area for cost-effective, large scale CO₂ sequestration and is highly accessible to ship channels allowing modular build and easy product distribution.
- Shovel ready upon completion of Engineering, Procurement and Construction (“EPC”) Contract:
 - Project has received all major permits to begin construction.
 - Natural Gas Supply and transportation contract is execution ready.
 - 20-year contract with Denbury to sequester 100% of the Project’s CO₂ is complete.
 - DOE is in process to recommit 100% of debt needs for natural gas project.

MSWM Capacity: \$12M

Opportunity Details:

- **Investment Vehicle:** Direct investment in Lake Charles Methanol
- **Round:** Development Equity
- **Use of Proceeds:** To fund final engineering / construction plans and negotiate a bankable EPC contract with the construction and engineering firms, a necessary step to secure construction debt and project equity

Past Deals



Firefly Health

March 2023

Company Overview: Firefly Health is seeking to reduce costs and improve employee health by pursuing a hybrid approach to deliver high-quality care through tightly integrated existing providers catering to the commercial space of the population.

Key Highlights:

- Significant momentum in healthcare fintech to build a vertically integrated 'payvider', combined payor and provider.
- Andreessen Horowitz is pricing the round to facilitate participation from strategic investors like:
 - Zafree Investments (Blue Cross Blue Shield's Investment arm)
 - Memorial Hermann Health System
- \$12M in booked contracts for 2023, \$35M for 2024 and growing, including large carriers and employees such as Blue Cross Blue Shield MA and JP Morgan.

MSWM Capacity: \$10M

Opportunity Details:

- **Investment Vehicle:** Direct investment in Firefly Health
- **Round:** Series B-1 Extension
- **Use of Proceeds:** Support its expansion into new markets from a geographic and product perspective with a view toward achieving continued clinical outcomes that have been substantially better than industry benchmarks



Firefly Aerospace

February 2023

Company Overview: Firefly Aerospace is a launch services provider based in Austin, Texas aiming to reduce costs and increase access to space.

Key Highlights:

- Firefly's "end-to-end" space transportation solution consists of three major systems:
 - Launch vehicles to fly from earth to space.
 - A space utility vehicle to maneuver previously launched spacecraft to alternative orbits.
 - A lander to carry payloads down to planetary surfaces.
- Firefly is the only U.S. provider capable of reaching orbit today in the 1,400 kg payload class.
- Significant contracts in place with NASA, Northrop Grumman, and United States Space Force .

MSWM Capacity: \$25M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle by Republic Capital
- **Round:** Series C
- **Use of Proceeds:** Proceeds from the Series C will help Firefly meet its contractual commitments to deliver its lunar lander and co-develop a medium-lift launch vehicle (MLV) alongside Northrop Grumman

Past Deals



Western LNG

January 2023

Company Overview: Western LNG LLC is a Houston, Texas based company that intends to design, develop, construct and own & operate liquified natural gas and green and blue ammonia facilities in Canada and the United States. At time of deal launch to MSWM clients in January 2023, Western has raised and/or contributed \$36.7million in capital from founders and Class B Unit holders; as part of the Series C raise, Western LNG was seeking an additional \$100 million in series C common stock.

Key Highlights:

- There is significant market demand for LNG as a substitute for coal and other energy commodities.
- LNG has a low CO2 footprint, using renewable generation to power facilities .
- As of January 2023, Western LNG has achieved key milestones bringing new projects closer to the development phase, including:
 - Signed economic agreement with Canadian gas producers.
 - Filed Project description with the British Columbia Environmental Assessments Office (“BC EAO”) and the Impact Assessment Agency of Canada (“IAAC”) – expect Readiness.
 - Key development and funding agreement signed by the Nisga’a Nation; signing with Enbridge imminent.
- Multiple projects on either U.S. Coast drive long-term value.

MSWM Capacity: \$40M

Opportunity Details:

- **Investment Vehicle:** Direct investment in Western LNG LLC
- **Round:** Series C
- **Use of Proceeds:** Project Development, expansion development, costs and expenses related to the Placement and other GCP



Instabase

May 2022

Company Overview: Instabase is an application platform that employs machine learning to understand unstructured data and develop enterprise applications that can solve complex business problems.

Key Highlights:

- Instabase allows customers to automatically understand unstructured data with the latest deep learning technologies, rapidly build end-to-end workflows with pre-packaged solutions blocks, and innovate at scale across their organization.
- Instabase found its initial momentum in financial services sector but has recently gained traction in other sectors, such as government and healthcare, further driving meaningful growth.
- Growth acceleration has been complemented by high product market fit, which is suggested by its sticky customer base.

MSWM Capacity: \$30M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Tribe Capital
- **Round:** Series C
- **Use of Proceeds:** Scale sales team and go-to-market initiatives

Past Deals



SpaceX May 2022

Company Overview: SpaceX is an aerospace company that designs, manufactures, and launches advanced rockets and spacecrafts, including a satellite internet constellation called Starlink.

Key Highlights:

- SpaceX is an important space supplier to NASA and the Department of Defense. The company has won leading positions on manned flights, space station resupply, military strategic launches, and the Moon landing.
- SpaceX is working on a next generation of fully reusable launch vehicles with the goal of carrying both crew and cargo to Earth orbit, the Moon, Mars, and beyond.
- Starlink is the world's first and largest satellite constellation using a low Earth orbit to deliver high-speed, low-latency internet to users all over the world targeting consumer, enterprise, and government customers.

MSWM Capacity: \$17.5M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Franklin Venture Partners
- **Round:** Late-Stage Growth
 - **Security:** Common Stock



Republic November 2021

Company Overview: Republic is an investment platform seeking to democratize private investing by enabling users to invest in high-growth private asset classes. The platform targets both non-accredited investor who have traditionally been excluded from private investing, as well as high net worth individuals.

Key Highlights:

- Republic has built several platforms to serve the investment needs of as many users as possible with the eventual goal of becoming a one-stop shop for private investing.
- Products already available on the platform include, Venture backed startups, pre-IPO companies, digital assets, real estate, music, and other private assets.
- Republic has brought together technological excellence with regulatory expertise striving to offer both a superior investing experience for users and a streamlined fundraising experience for entrepreneurs.

MSWM Capacity: \$20M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by HOF Capital Management, LLC
- **Round:** Series B
 - 75% allocation in primary (Series B preferred shares)
 - 25% allocation in secondary
- **Use of Proceeds:**
 - Continue to evaluate and expand into new innovative asset classes
 - Development of a secondary marketplace to trade digital securities that represent start-up equity
 - Expand its presence in APAC and Europe

Past Deals



BlueVoyant

November 2021

Company Overview: BlueVoyant is a cloud-native cybersecurity platform, based on proprietary data, analytics, and automation that delivers positive security outcomes to drive business results.

Key Highlights:

- BlueVoyant addresses major cybersecurity gaps by utilizing cloud-based, highly automated technology platforms:
 - The internal solutions product enables customers to protect their own networks by leveraging BlueVoyant detections, automations, and remote remediation solutions.
 - The external solutions product enables customers to identify and eliminate critical vulnerabilities in supply chains and partners, take down lookalike sites created by criminals to steal login credentials and protect against dark web criminal activities.
- Recruited top industry talent including leaders from the FBI, NSA, GCHQ, Unit 8200, and the private sector to the company.

MSWM Capacity: \$30M

Opportunity Details:

- **Investment Vehicle:** Direct Investment in BlueVoyant
- **Round:** Series D
- **Use of Proceeds:** General corporate purposes and for potential acquisitions



Brightspeed

November 2021

Company Overview: Apollo is acquiring “Connect”, a set of telecom assets, customers, and employees across 20 states from Lumen Technologies (formerly known as CenturyLink), a ~\$45billion enterprise value telecommunications company.

Key Highlights:

- This investment seeks to transform under-invested telecom assets into a best-in-class, future-proof broadband infrastructure company, which can be monetized at a materially higher multiple.
- Carve out includes footprint of 6.6m homes and businesses, in which the team plans to pass 3.5mm with fiber during the hold period, creating one of the largest fiber broadband providers in the country.
- Large capital investment to upgrade from DSL to FTTH will transform the business into a growing, “stabilized” fiber infrastructure asset.
- Leading Management Team: Key players from Verizon Fios build out are underwriting the transaction alongside Apollo.

MSWM Capacity: \$20M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Apollo
- **Round:** Carve Out (Lumen)
- **Use of Proceeds:** Upgrade existing the company’s existing network with the faster and most reliable form of broadband infrastructure available, fiber-to-the-home (FTTH)

Past Deals



ICEYE

November 2021

Company Overview: ICEYE is the global leader in synthetic aperture radar (SAR) satellite operations for Earth Observation, persistent monitoring, and natural catastrophe solutions.

Key Highlights:

- ICEYE solutions provides customers with monitoring data upon which their customer applications can be built.
- ICEYE is deeply vertically integrated, keeping over 90% of the spacecraft design in-house allowing for low system costs, rapid speed of innovation and lower barriers to entry into other sensor ecosystems.

MSWM Capacity: \$20M

Opportunity Details:

- **Investment Vehicle:** Direct investment in ICEYE
- **Round:** Series D
 - Convertible Preferred Equity
- **Use of Proceeds:** Grow their subscription-based solutions offering and satellite constellation



Canva

October 2021

Company Overview: Operating a freemium to premium business model, Canva provides a software platform that simplifies the steps and tools required for to build, share, manage, print, publish, and track engagement with digital content.

Key Highlights:

- In addition to the marketplace where users can purchase add-on capabilities and license digital content, Canva generates revenue through both individual and team subscriptions.
- The Company's sustained growth will come from the ability to convert its large freemium base into paying customers through the introduction of high value features, creating viral user dynamics, reducing churn, and continuing to consolidate more fragmented creator workflow onto its platform.
- Canva has the potential to expand into other office productivity categories such as spreadsheets and traditional documents, which could help the platform offer a more comprehensive suite of tools for its users and capture a larger share of the market.

MSWM Capacity: \$20M

Opportunity Details:

- **Investment Vehicle:** Special Purpose Vehicle managed by Franklin Templeton
- **Round:** Later Stage VC
 - \$587.5M of equity raised to date

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