

The OGCP Monthly

Old Greenwich Capital Partners

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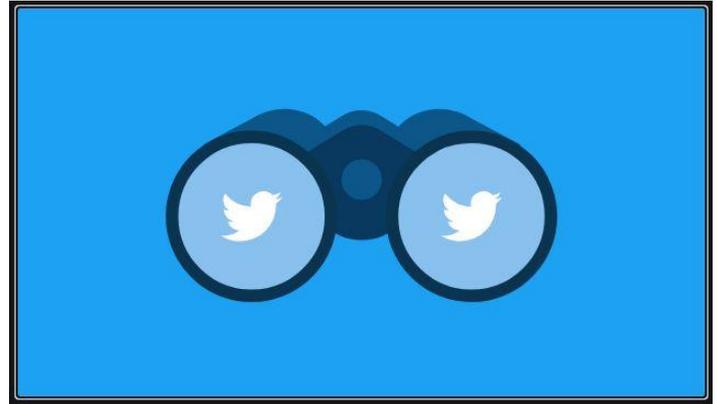
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Twitter Going Private

By: Sergio Santisteban



Last month’s biggest news within our space was Elon Musk’s announcement to buy Twitter. This is an important move in our market, as it means that one of the biggest social media companies in the world is becoming private once again. So, let us summarize the main points of this event.

In April 4th, Elon Musk announced the purchase of Twitter shares, becoming the owner of a little north of 9% of the company, becoming the largest shareholder. Immediately, the price started to soar, as the news of the richest man in the world buying a particular stock tends to have a positive repercussion in the market. After this, Twitter’s board offered him a seat on the table, which it seemed a good idea for Musk, until it was not.

After declining the seat on the company’s board, Elon decided to start a new filing with the SEC, just 10 days after the purchase of shares. In this filing, he laid out his plan to get \$46.5B worth of loans and cash (by selling Tesla shares), which will allow him to buy the whole company.

The reasons behind this buyout offer, according to the man himself, is that Twitter must go private to undergo the changes he thinks the company needs: a place for free speech.

The company’s first reaction was to evaluate the offer, while the second largest shareholder, Vanguard, increased their stake, dislodging Musk as the largest shareholder. Also, employees were worried that the buyout would disrupt Twitter’s work environment and ask the company to not accept the bid.

On April 25th, Twitter accepted the bid and the now the sole owner of the company is Elon Musk. This story has just started, and there will be more events to come. What are the real reasons behind this buyout? How many big companies can Elon run successfully?

Opensea: Building an Open Digital Economy

By: Evelyn Lim



In 2017, the world experienced a decentralized application built on blockchains targeted toward a mainstream audience through CryptoKitties - a video game centered around breedable, collectible, adorable creatures called Cryptokitties. While it seems like a video game to many, it represented a dramatic shift in how people can interact with items in the digital world. Previous digital goods lived on computer servers. Now, applications can operate autonomously, typically through smart contracts running on a decentralized blockchain system.

Fascinated by the movement that was forming, the founders of OpenSea launched the first open marketplace for any NFT on the Ethereum blockchain. Now OpenSea is the largest marketplace to buy and sell NFT, with tools that allow users to trade their items freely, creators to launch new digital works, and developers to build an integrated marketplace for their digital items.

Three notable NFT collections thriving on OpenSea are:

1. CryptoPunks: One of the first NFTs on the Ethereum blockchain
2. Bored Ape Yacht Club: Largest NFT avatar by market capitalization
3. Cool Cats: NFT that gives holders access to exclusive events

OpenSea raised \$300M in Series C funding at a \$13.3B post-money valuation in January 2022. Paradigm and Coatue led the round with participation from new and existing investors. Funding will accelerate product development, improve customer support and safety, grow the wider NFT and Web3 community, and expand the team.

OpenSea aims to lower the barriers to entry for NFTs by introducing features that remove the complexity of blockchain in parallel to expanding beyond the Ethereum blockchain to allow low-value projects like gaming and ticketing to be more accessible. Committed to developing the entire NFT ecosystem, OpenSea also supports developers, builders, and creators shaping the future of this space through investments. Thus, opening NFT to a larger market.

Despite OpenSea current successes, the company faces varied risks - from fraud and market risk to new competition. For example, Coinbase, the largest crypto exchange and an original investor in OpenSea, announced that it would launch its own NFT marketplace. The open-market approach also heightens the risk of counterfeits, scams, and fraud - leaving new users vulnerable.

OpenSea will continue to invest in its core infrastructure to provide an accessible and safe marketplace for buyers, sellers, and creators. Leveraging strong contact points with developers and facilitating the largest marketplace for users, OpenSea will be the center of this growing industry.

OGCP Comment: While the hype has slowed, this is only the beginning for OpenSea and the growing industry. It is a ring endorsement that the start-up is receiving backing from traditional investors and profound individuals in tech, demonstrating that the NFT economy is here to stay.

NotCo: Plant-Based Food, Why Not?

By: Sergio Santisteban



Who here hasn't heard about Impossible Foods? Or maybe their competitor Beyond Meat? A decade ago, it was difficult to find plant-based options for vegetarians or vegans, but now, you can find them in any grocery store and even in some fast-food restaurants!

The truth is that the plant-based market could make up to 7.7% of the global protein market by 2030, with a value of over \$160B, according to Bloomberg. The trigger of this increase in demand is due to more people seeing the health and environmental benefits of a plant-based diet. Also, according to some experts, the world demand for meat and dairy products will soon exceed the supply. That's when plant-based products will be an incredible alternative.

In the mist of this ecosystem, NotCo was created to attend an unattended market: LATAM. NotCo is a unicorn Chilean food company founded in 2015, utilizing machine learning to replicate dairy products in plant-based forms. This innovation made them the LATAM's fastest growing food company

Yes, I know, you are probably wondering where does machine learning fit in a food company. Its algorithm, patented in 2021, utilizes lists of plant ingredients to find the ideal combinations to recreate specific food. This aims to replicate food taste, textures, and even cooking behavior.

After establishing themselves in Chile, their first expansion was to Brazil, a huge market, and then, rest of LATAM. It didn't take much longer until some US retailers noticed the rapid popularity of their products, and now it's sold in many supermarkets around the country. Not only that, even Burger King and Papa John's have started including their products in their LATAM chains.

And don't think that NotCo only produces plant-based meat. Their product line has a wide variety of alternatives, like mayo, milk, ice cream, etc.

NotCo was recently ranked as one of the World's Most Innovative Companies in 2021. The growth of this company is reflected by their investors and the amount of funds it has raised so far. The company has so far secured \$360M in five rounds from investors including Jeff Bezos' Bezos Expeditions, Catterton Partners, Kaszek Ventures, among others.

The company, already a unicorn, is expected to go public sometime in 2023.

OGCP Comment: Plant-based food is an industry we believe will have an important role in the world. Successful companies in the industry like NotCo makes us realize there is a growing market, and, if projections are accurate, plant-based foods are the future of food.

Focus List

Bolt Financial

Description	Latest Funding	Our Reasoning
A checkout experience platform designed to generate newfound revenue for e-commerce businesses. The platform offers shoppers an easy checkout with a one-click experience that gets higher conversions without the use of usernames, passwords, or having to use personal or payment data. Overall, the platform enables e-commerce businesses to convert, retain and delight more shoppers.	Late-Stage VC – Series E Round Date: October 29, 2021 Price/Share: \$57.96 Funds Raised: \$75.00M Total Raised: \$1.38B Pre-Money Valuation: \$11.00B Post-Money Valuation: \$11.77B	E-commerce is on a significant rise. As a platform, Bolt combines all elements of safety that is required by retailers, eliminating their concerns about shift away from the brick-and-mortar business. All while ensuring an easy experience for customers. This ease of business integration is a why Bolt has gained significant traction and will be able to continue their trajectory as the adoption of E-commerce continues.

Epic Games

Description	Latest Funding	Our Reasoning
A video game and software developer whose platform is designed for gamers and game developers. The company provides game developers the ability to build high-fidelity, interactive experiences for PC, console, mobile and virtual reality devices.	Late-Stage VC Date: April 13, 2021 Price/Share: \$ - Funds Raised: \$1.00B Total Raised: \$4.36B Pre-Money Valuation: \$27.70B Post-Money Valuation: \$28.70B	In the last few years, Epic Games has been gaining significant popularity since the release of Fortnite in July 2017. Since then, Epic Games has only further developed their platform, development engines, games store and customer base. While video games were always popular, they have gained significant importance in the last year due to the lifestyle changes experienced. Much of the changes experienced will continue to stay and Epic Games is perfectly positioned to grow as a result.

Impossible Foods

Description	Latest Funding	Our Reasoning
A producer of plant-based meat substitute that provides an authentic food experience to vegetarians and vegans. Through a combination of ingredients like fats, amino acids and vitamins from plants that deliver the texture and taste of conventional beef, consumers now have a health alternative.	Late-Stage VC – Series H Round Date: November 23, 2021 Price/Share: \$24.16 Funds Raised: \$500.00M Total Raised: \$2.01B Pre-Money Valuation: \$6.5B Post-Money Valuation: \$7.0B	Impossible Foods is part of a new growing space. When it comes to plant-based burgers, Beyond Meat and Impossible Foods are the two major brands controlling the market. What makes Impossible Foods unique is their focus on providing the entire experience. With significant growth opportunity in the market, Impossible Foods is a great investment.

SpaceX

Description	Latest Funding	Our Reasoning
SpaceX is a manufacturer of aerospace and space transport systems. Founded in 2002, SpaceX was created to revolutionize access to space and enable a multi-planetary society. Their purpose is to reduce space transportation costs and enable the colonization of Mars. SpaceX actively controls the design, manufacturing and launch of their spacecrafts.	Late-Stage VC – Series N Round Date: February 16, 2021 Funds Raised: \$337.36M Total Raised: \$7.02B Pre-Money Valuation: \$ - Post-Money Valuation: \$ -	SpaceX is an innovative, growing and revenue generating, disruptive company focusing on space technology. The company operates in a small space with very few competitors and high barriers to entry. SpaceX has various aspects to its business, just starting the beta test for their Starlink internet service and is poised to further grow. Under the leadership of Elon Musk, SpaceX will be a great investment for investors, just like PayPal and Tesla.

Tarform

Description	Latest Funding	Our Reasoning
Tarform is an e-mobility start-up based in Brooklyn, NY with a mission to revolutionize the EV space. After its inception in 2017, Tarform has designed, tested and launched a commercially viable, market leading premium EV motorcycle. Tarform has created a new breed of zero-emission, premium electric motorcycles using sustainable materials and smart connectivity for increased rider safety.	Tarform is currently interested in raising funds.	Tarform is on the forefront of making non-car EVs mainstream, starting with their motorcycles, and with a future for more. Tarform has potential due to their unique design, focus on quality materials and targeting a non-traditional motorcycle riding market. These fit a market their competitors have yet to capture.

Disclaimer: This Focus List is a proprietary list of the top-5 private companies for which OGCP is currently interested in completing a transaction. This list is based off the various opportunities and demand OGCP has seen for the private companies in the private markets as well as companies OGCP feels are a good investment. Companies on this list are included at the discretion of the author and are subject to change. There is no assurance that any company on the Focus List will be a profitable investment for investors. The Focus List is for informative purposes only and should not be considered as investment advice.

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