

2024 Pre-IPO Market Year-in-Review



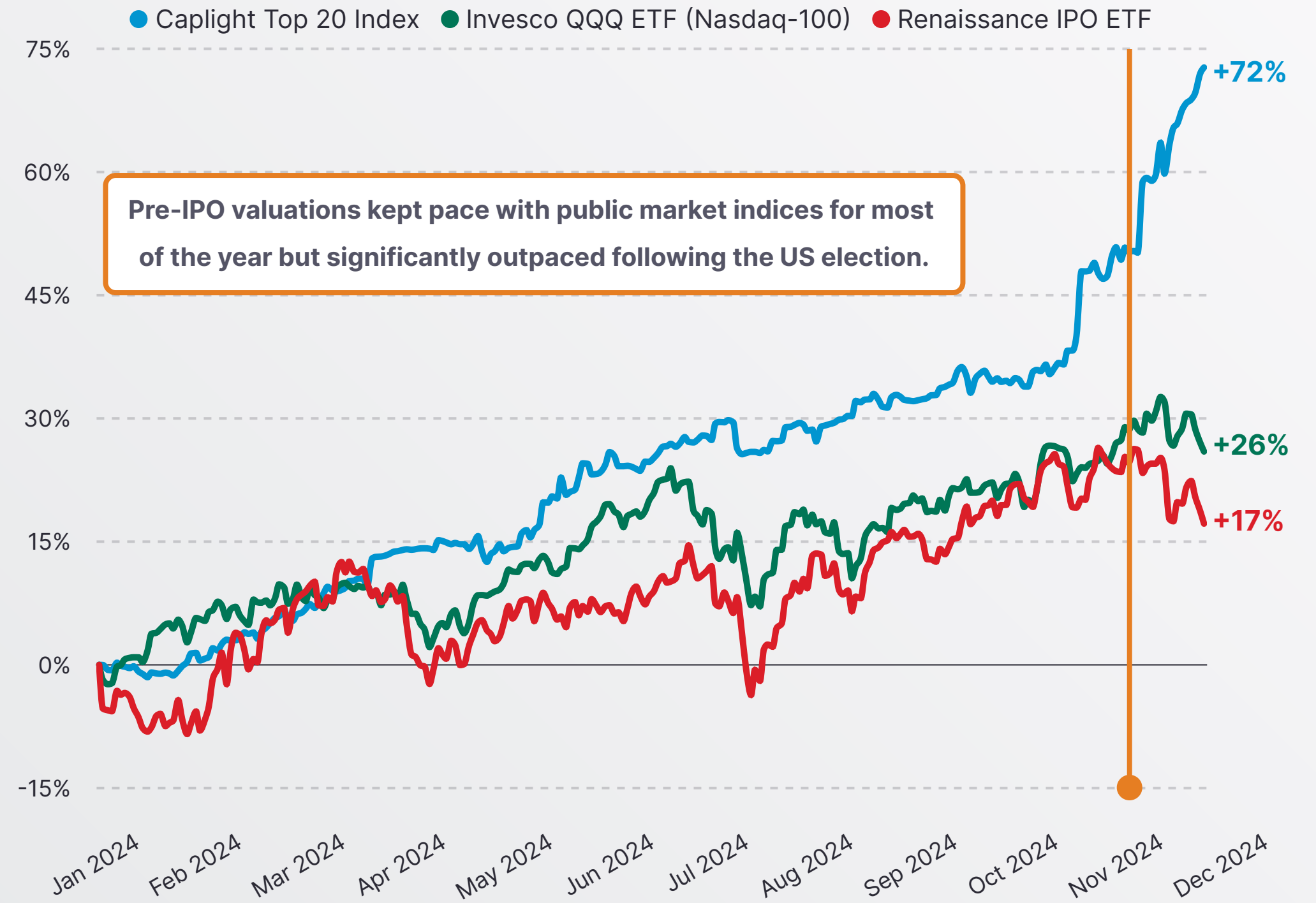
Market momentum entering 2025

January 2025

Private Outperformed Public in 2024

- The **Caplight Top 20 Index** returned **+72% in 2024**, outperforming the Nasdaq-100 (+26%) and Renaissance IPO ETF (+17%).
- Strong performance highlights investor confidence in **late-stage, venture-backed private companies** despite market volatility.
- Top performers include **Revolut (+281%)**, **SpaceX (+111%)**, and **Stripe (+70%)**, driven by fintech and AI sectors.
- Private equities demonstrate **resilience and growth**, offering opportunities as the IPO market shows early signs of recovery.

Price Performance: Caplight Top 20 vs. Public Market Indices in 2024



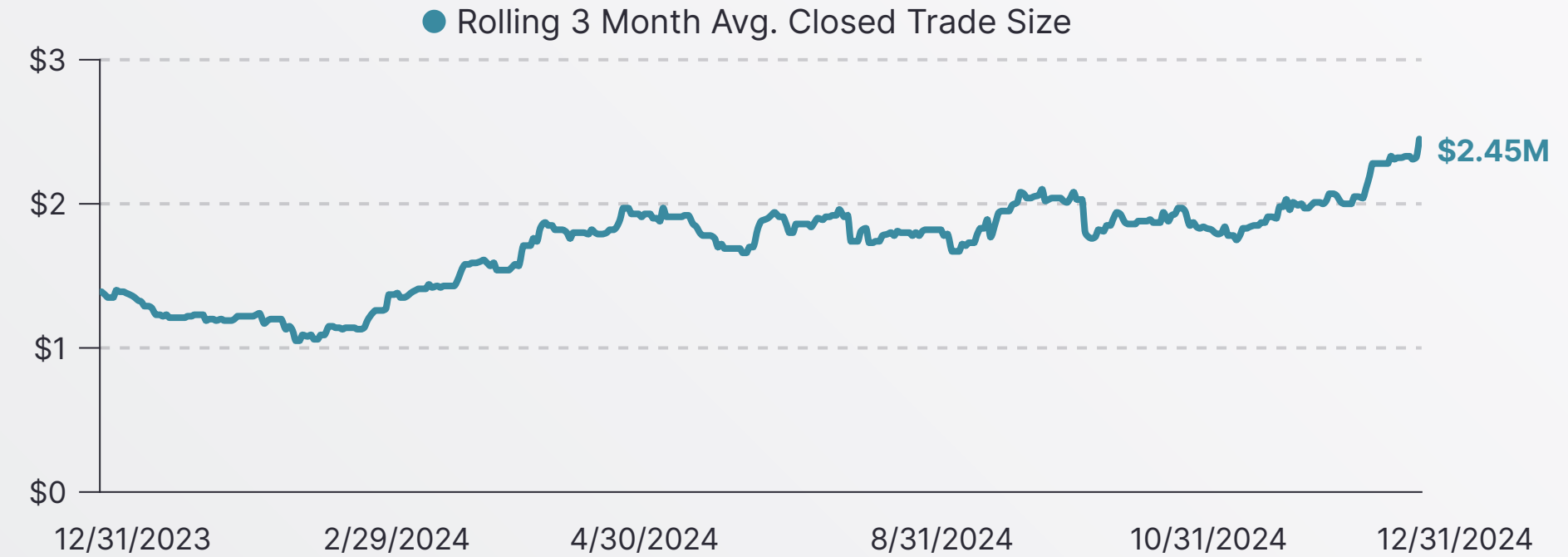
Note: Sourced from Caplight Data. The Caplight Top 20 Index is a financial index tracking the performance of the largest late-stage, venture capital-backed, private companies with active secondary markets. Please contact us to learn more about the index. Past performance is not indicative of future returns.

26% Increase in Trading Volume Year-over-Year

Q2 2024 had the most closed transaction volume in a quarter since Q1 2022



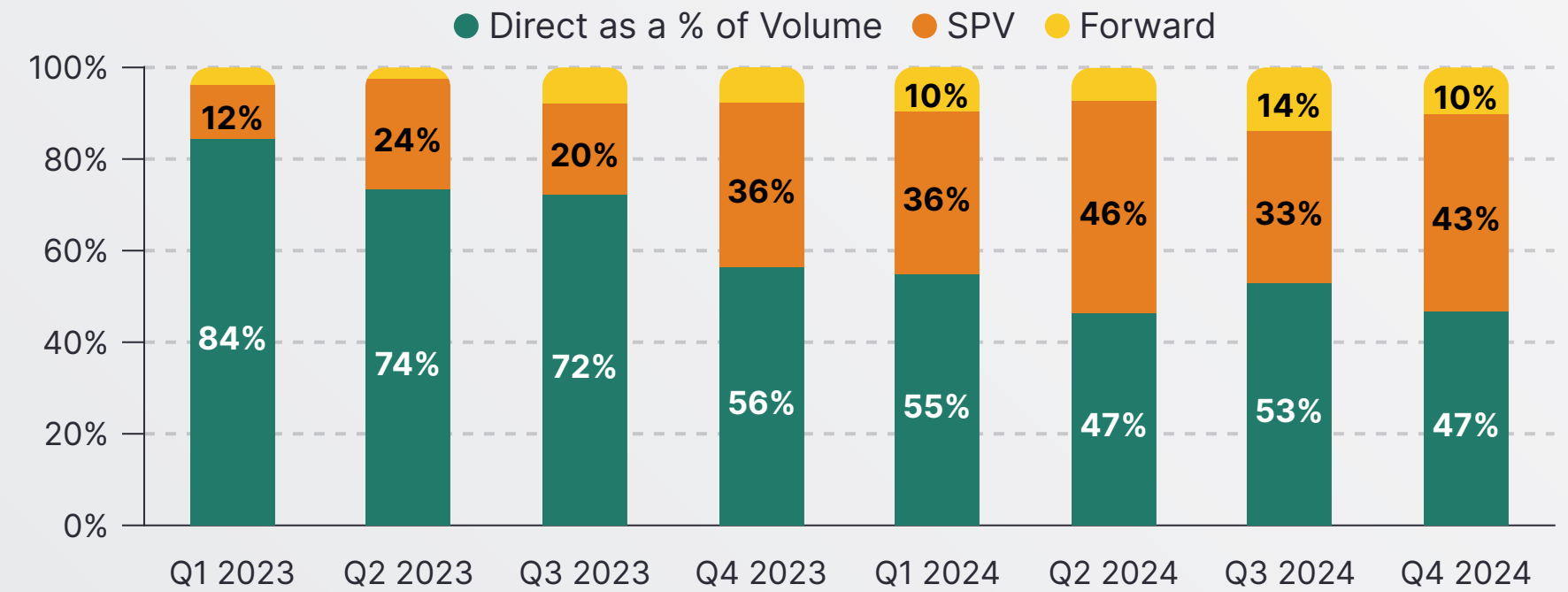
Average closed transaction size rose to the highest in a quarter since 2022



2024 had the most closed transactions since 2021, though Q4 was down



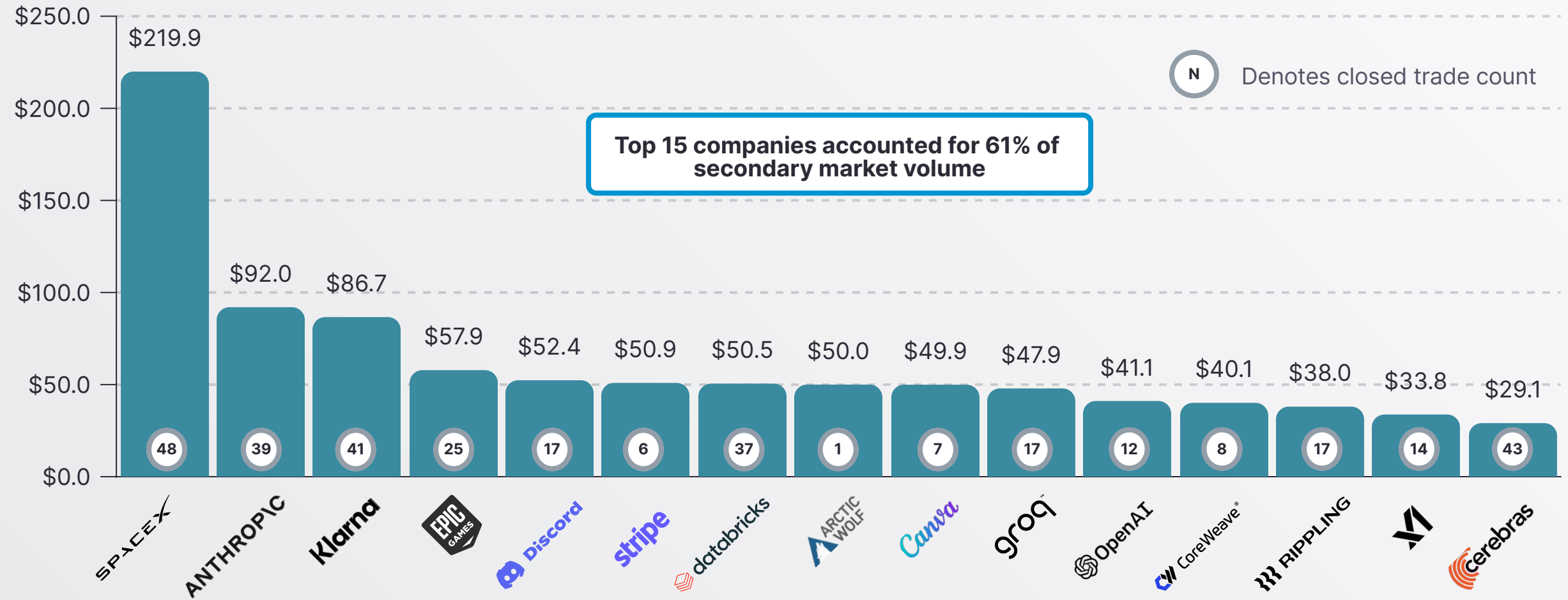
SPVs and forwards continue to gain prevalence



Note: Sourced from Caplight Data. Past performance is not indicative of future returns.

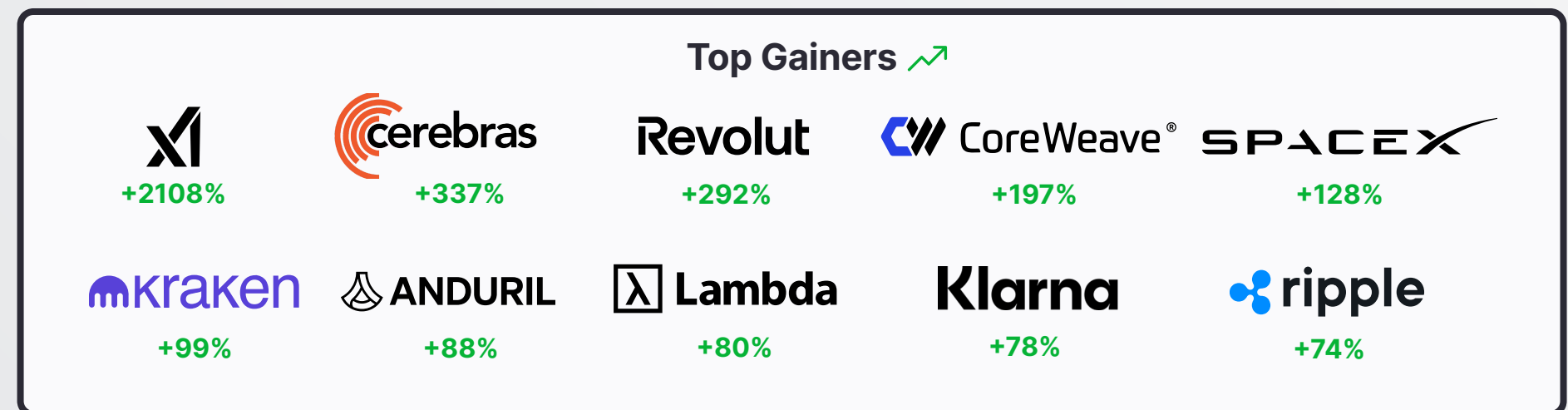
The Market is Concentrated on Few Companies

Top Companies Driving Secondary Market Trading Volume in 2024 (\$M)



- **Secondary market trading** remains concentrated beginning with **SpaceX (\$220M)**, **Anthropic (\$92M)** and **Klarna (\$87M)**.
- The top 15 companies accounted for 61% of total volume in 2024, up slightly vs. 2023 (top 15 accounted for 53% of volume).
- **Investors are focused on 3 themes:**
 - 2025 IPO candidates.
 - Data / AI companies.
 - Companies that have raised a recent primary or secondary offering.
- **Top Gainers** saw 100%+ price improvement for the year.

Companies with Largest Price Appreciation 2024

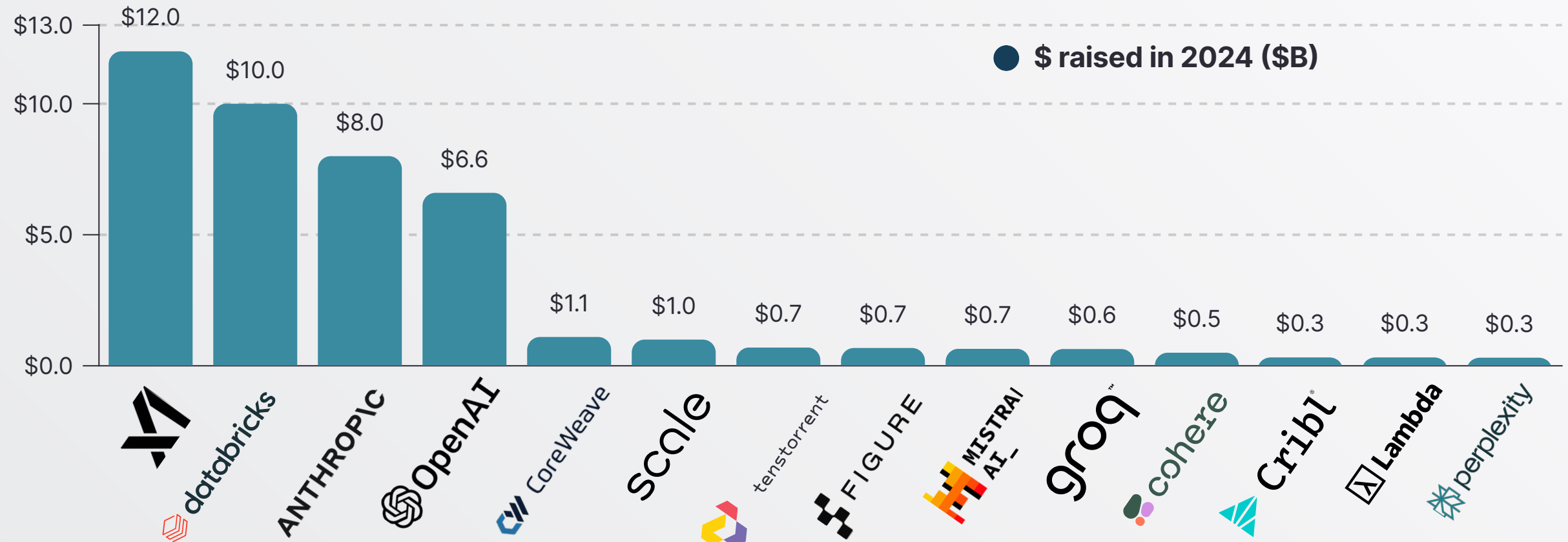


Note: Sourced from Caplight Data. Companies with Largest Price Appreciation in 2024 is based off Caplight MarketPrice. Past performance is not indicative of future returns.

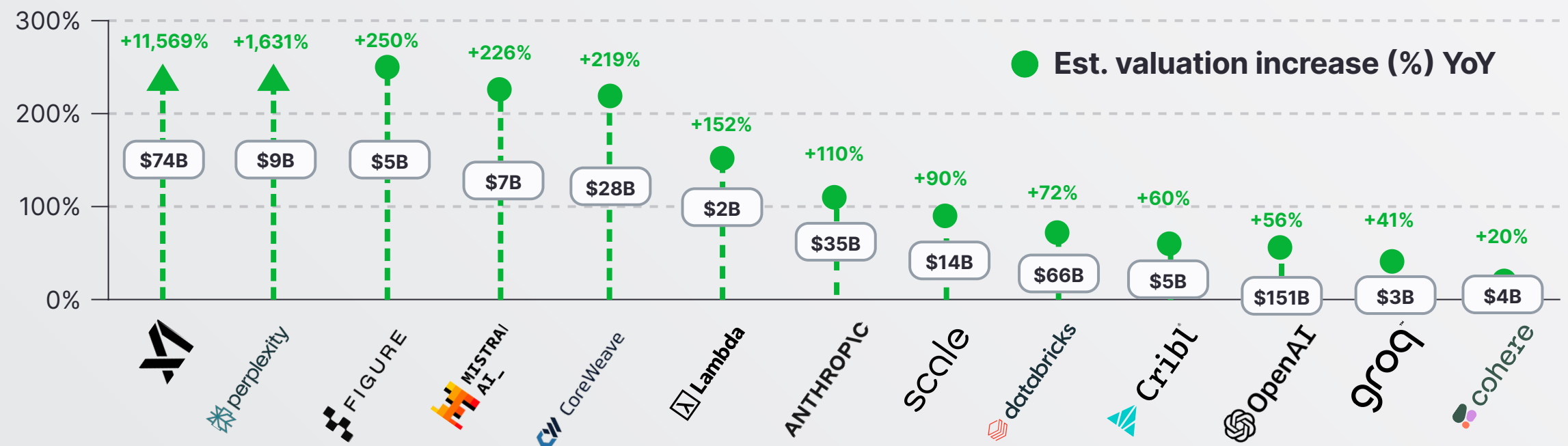
Data & AI Continues to be the Hottest Sector in the Market

- **Data & AI companies raised over \$100B in 2024**, with top fundraisers like **xAI (\$12B)** and **Databricks (\$10B)** leading the charge.
- **Emerging companies like xAI and Perplexity saw outsized valuation growth**, reflecting strong investor interest beyond established leaders.
- **Valuation increases outperformed public market competitors** (median valuation growth increase = +110%).

Data & AI Companies have raised over \$100B in 2024



Data & AI Companies have collectively added over ~\$220bn in estimated valuation in 2024

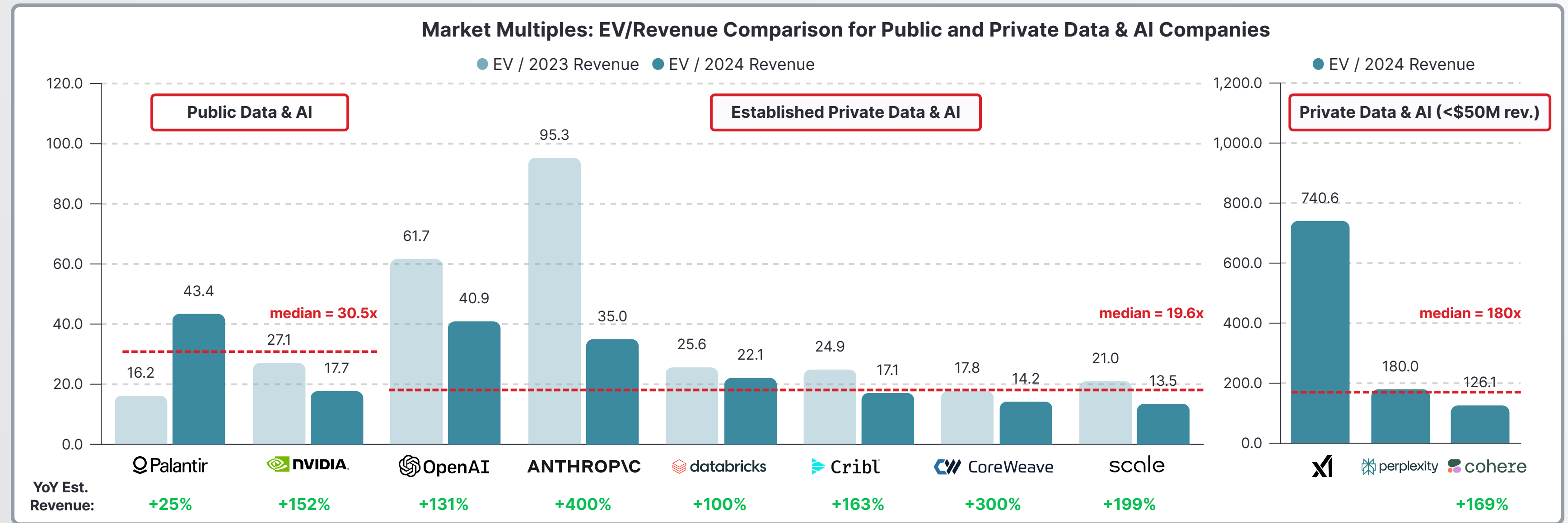


Data & AI was the most heavily traded sector in 2024, accounting for ~26% of secondary volume in (\$363M)

Note: Sourced from Caplight Data and Crunchbase. Valuations estimated based on Caplight MarketPrice. Perplexity, Figure AI, and Mistral valuation change based on last primary round step up. Tenstorrent valuation not available. Past performance is not indicative of future returns.

Private Data & AI Multiples Remain Attractive vs. Public Peers

Triple digit revenue growth outpaced valuation gain



2024 Estimated Revenue:

- OpenAI**: "Predicted revenue of \$3.7bn in 2024" - Reuters
- ANTHROPIC**: "Projected to reach \$1B in annualized revenue in 2024" - The Information
- databricks**: "To cross \$3 billion revenue run-rate." - 2024 Press Release
- Cribl**: "ARR has grown at a 163% CAGR for the last four years" - 2024 Press Release
- CoreWeave**: "Expects revenue of roughly \$2B in 2024" - Yahoo Finance
- scale**: "Hit 'nearly 1B' in annualized revenue" - The Information
- x1**: "Revenue is around \$100m a year" - TechCrunch
- perplexity**: "Estimated annualized revenue is about \$50M" - Reuters
- cohere**: "Generating \$35 million in annualized revenue" - TechCrunch

Note: Sourced from Caplight Data and Pitchbook. Private company revenue is estimated based on public news sources. Valuation is estimated based on Caplight MarketPrice. Past performance is not indicative of future returns.

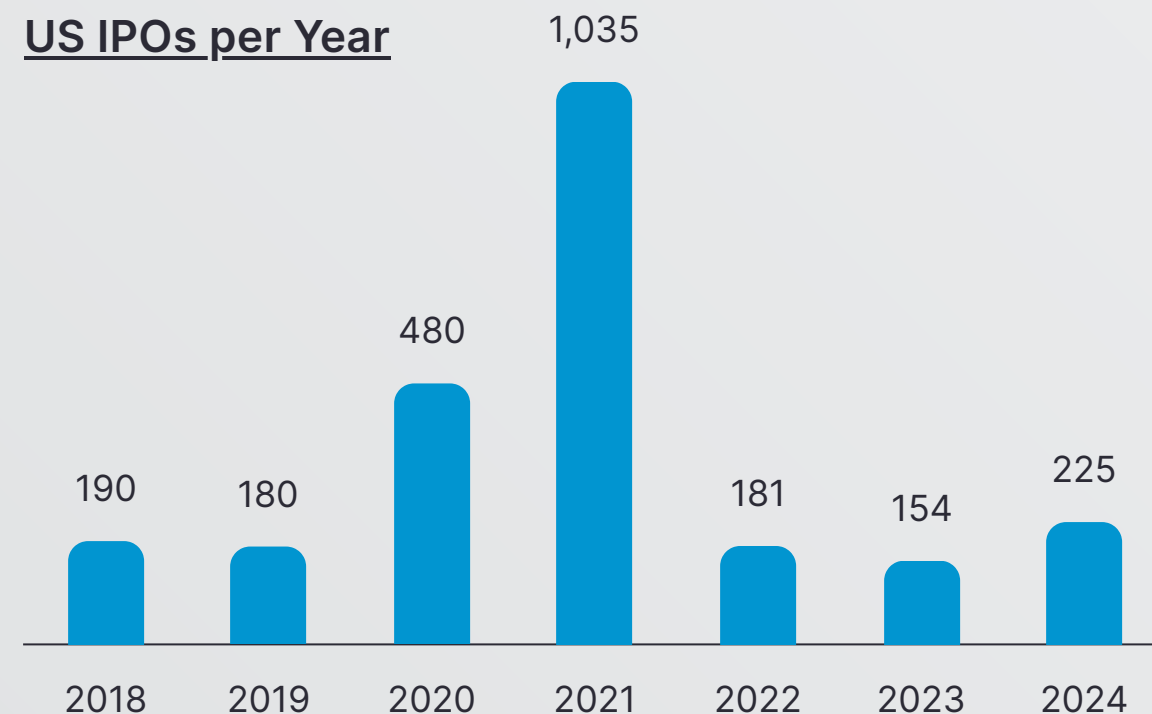
Themes We're Tracking in 2025

After Two Years of IPO Drought, VC-backed Companies Prepare for a 2025 Window

Sourced from Caplight's IPO Readiness Tracker. Access available upon request.

- The public market's warm welcome of 2024's IPO cohort is encouraging well-positioned private companies to follow suit.
- In Q4, we saw a significant increase in IPO preparation activity, including CFO hires, investment bank engagements, cap table cleanups, and prospectus filings.

US IPOs per Year



Note: Sourced from PitchBook Data. Past performance is not indicative of future returns.

	2021-2023			YTD 2024			
	2021	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24
Hired a CFO	reddit, instacart	Klarna, Brex, TURO	Grafana, scale, Revolut, ServiceTitan	cerebras, PLAID	OpenAI	StubHub	Canva, flock safety
Hired I-Banks	reddit		rubrik	ShipBob	StubHub	Klarna, cerebras	CoreWeave, eToro
Cap Table Cleanup	Robinhood	Brex	stripe	stripe, Canva, scale	Figma, Grafana	stripe, Revolut	databricks, ramp
Rumored Filing	TURO	instacart		snyk		Klarna	Figma, Airtable
Confidentially Filed	reddit, Robinhood	TURO, instacart, rubrik				cerebras	Klarna, CoreWeave
Publicly Filed	Robinhood		instacart	reddit	rubrik	TURO (amended)	ServiceTitan

2024 IPO Performance to Year End



IPO: \$5.5B
Mar 20
+152%



IPO: \$6.4B
Mar 21
+234%



IPO: \$5.6B
Apr 25
+69%



IPO price: \$6.4B
Dec 12
IPO pop: +42%

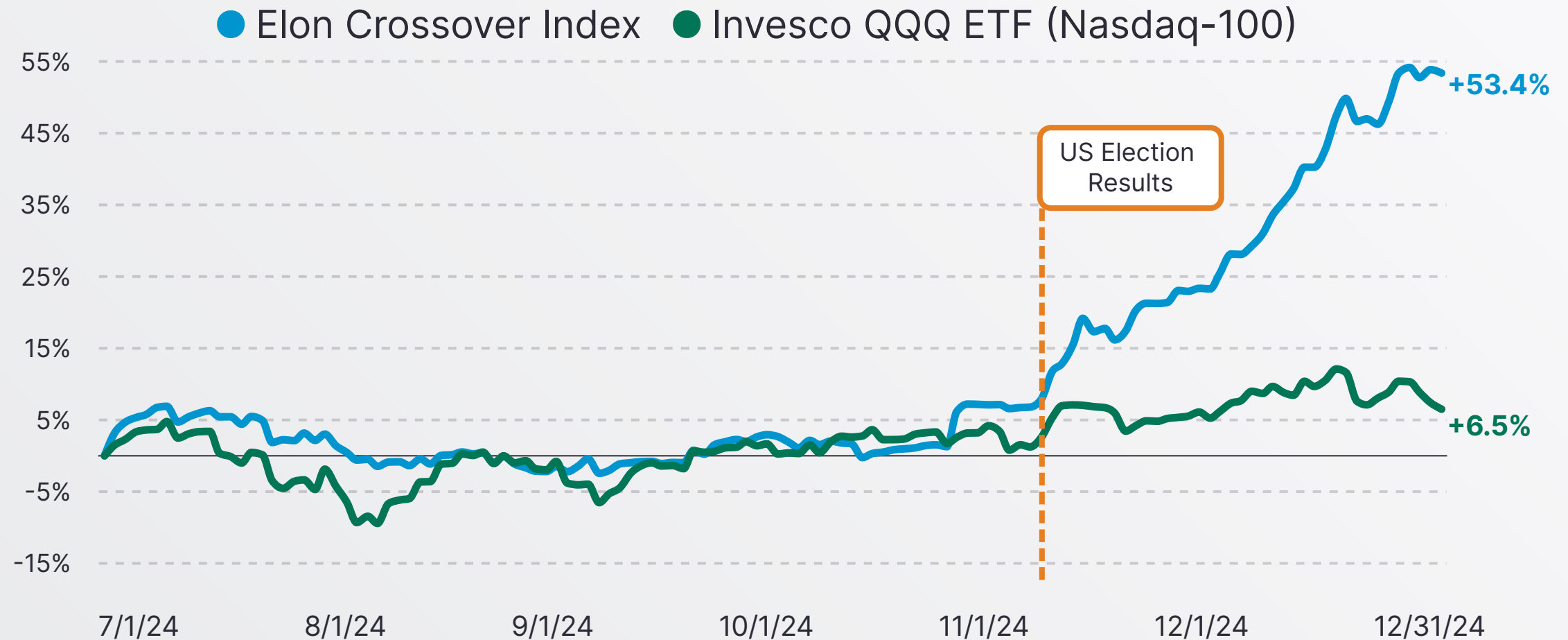
Note: Sourced from Caplight Data, and Yahoo Finance as of 12/31/2024.

The Elon Trade

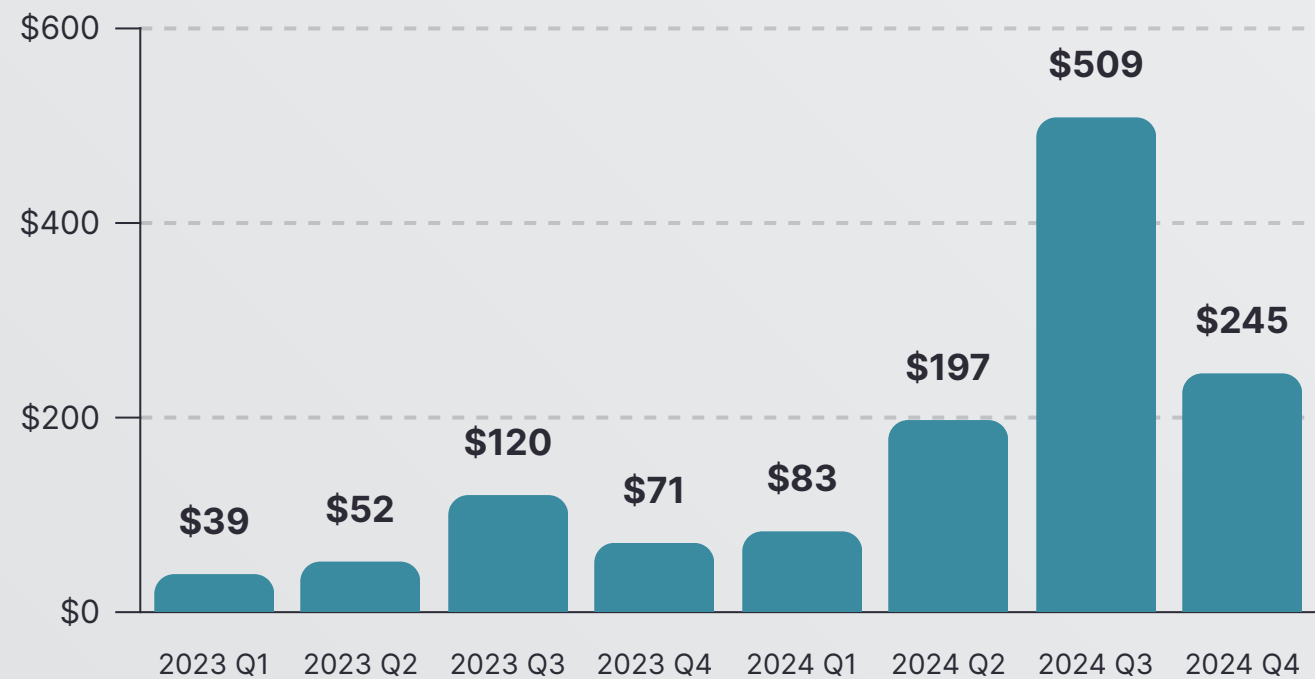
DOGE: Don't Overlook Gains of Elon?

"Elon Trade" to continue in 2025?

- Caplight's Elon Crossover Index soared **~53% in H2** and **~38% post-US election**. This trumps the tech-heavy **QQQ**, which rose **~7% in H2** and **~4% post-election**.
- Caplight expects **strong interest for Elon-led private companies in 2025**, despite **rich recent valuations** from primary rounds & tenders.



Bids (\$m) for private Elon companies spike in H2 2024



Price Performance of Constituents in Caplight's Elon Crossover Index H2 2024

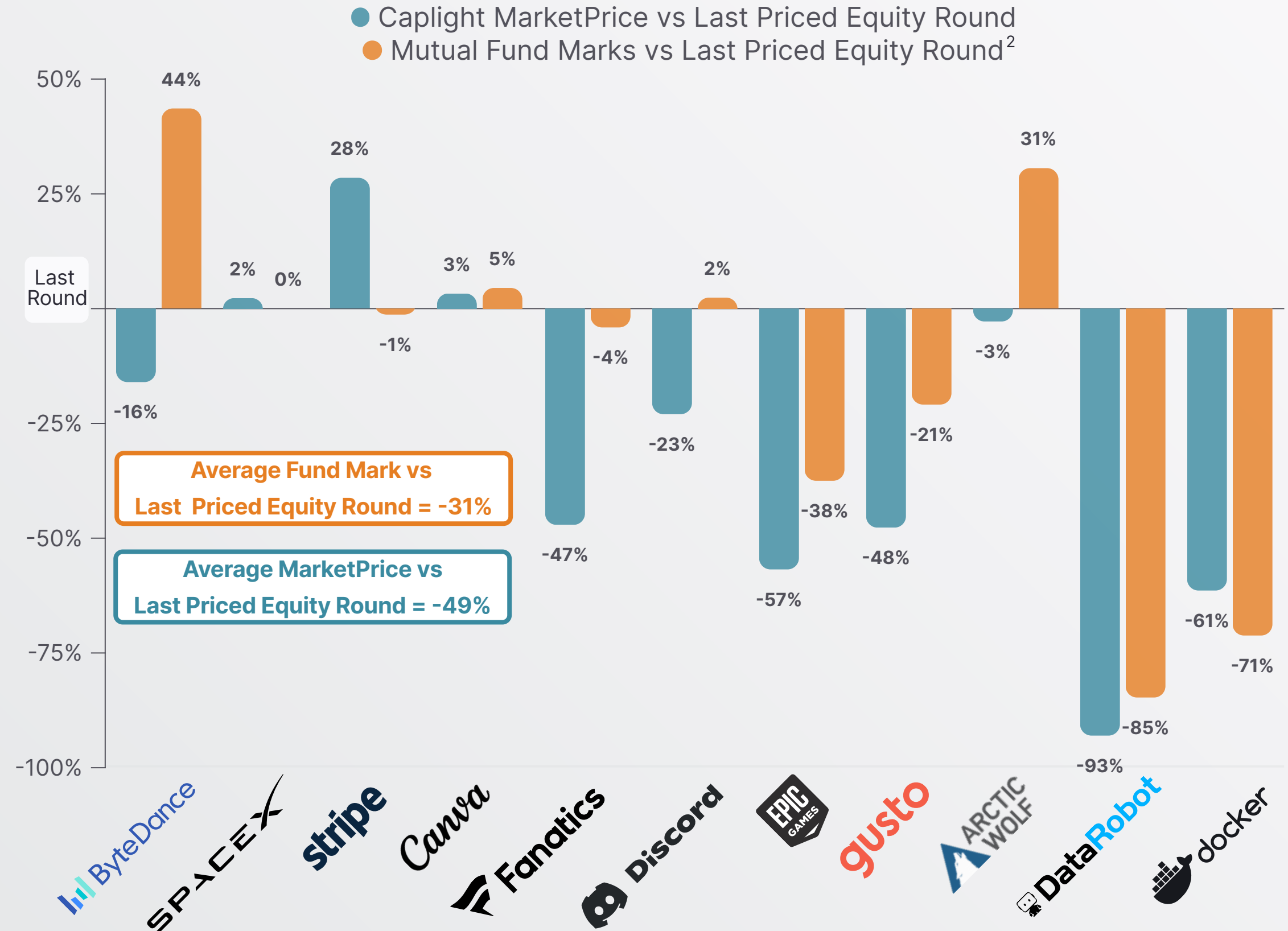


Note: Sourced from Caplight Data and Yahoo Finance as of 12/31/24. Caplight's Elon Crossover Index is an equal-weighted index tracking the price movements of Tesla, SpaceX, xAI, Neuralink, and The Boring Company.
 ** X (fka Twitter) does not have an actively traded secondary market, valuation increase based on Fidelity fund marks, Oct 2024.

Mutual Funds Remain Bullish on their Private Holdings

- **Mutual Funds remained bullish** on their existing growth investments.
- Across all companies with **'40 Act Fund investors** and an estimated **Caplight MarketPrice**, '40 Act Funds tend to mark much higher than **Caplight MarketPrice**. This could reflect their optimism that many of these companies will grow into and surpass the lofty valuations from the past few years.

Mutual Funds w/ Most Optimistic Views¹



Note: Sourced from Caplight Data and publicly available SEC filings.

1. Mutual Funds that on average mark higher than other Mutual Funds for the same holdings.

2. MarketPrice and Mutual Fund Marks are as of 9/30. Mutual Fund Marks vs Last Priced Equity Round are taken as the Volume-Weighted Average Mutual Fund Mark across fund families.

GPs Turn to Continuation Vehicles to Retain Top Assets and Deliver LP Liquidity

Notable continuation vehicles in 2024:



Goldman-Led Group Backs Databricks, Plaid Through NEA Vehicle



Sequoia Capital last week completed its \$861 million purchase of Stamps shares from Sequoia limited partners, Axios has learned.



Firms & Funds

Lexington Partners, on GP-led deal tear, steps up on Lightspeed multi-asset

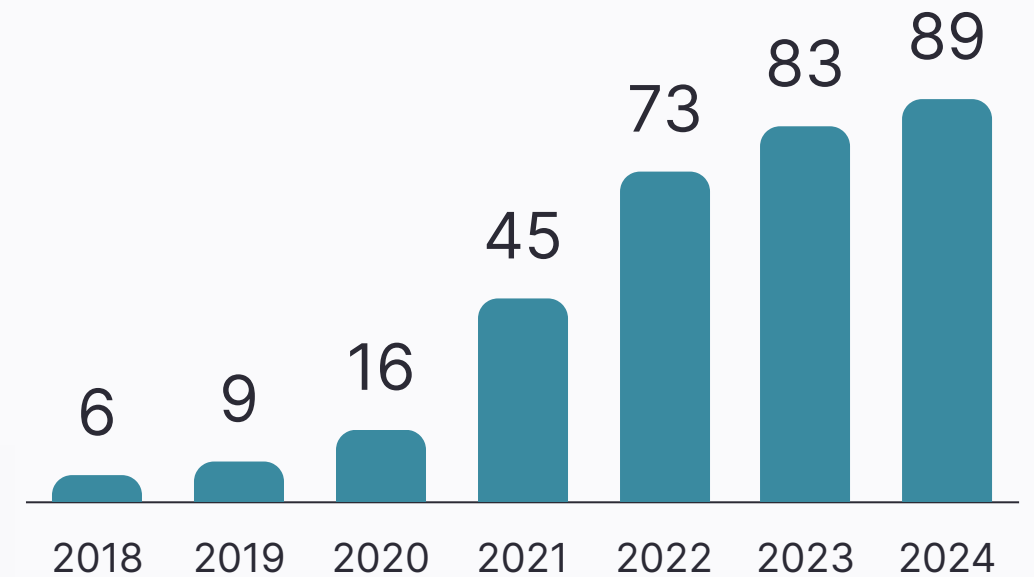
Buyouts



General Catalyst is working on a 'continuation' fund worth up to \$1B, sources say



PE/VC Continuation Vehicles per Year



- Traditionally a buyout domain, big-name VCs are increasingly adopting continuation vehicles as a way to retain their top assets until more favorable exit conditions arise, while also providing liquidity to LPs.
- Reduced IPO demand, high interest rates tempering GP-to-GP deals, and M&A uncertainty among strategics have driven continuation vehicles to account for 7.1% of GP-led volume in PE/VC secondaries.

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