



Private Entry Pricing - Where You Start Matters

Ahead of anticipated 2026 IPOs, this piece highlights the potential added value of owning shares in the Private Shares Fund versus waiting to purchase shares of a company in the public markets after it IPOs. To illustrate this, Liberty Street Advisors analyzed over 20 tech-enabled, venture-backed companies that went public in 2024-2025. The study contrasted the relationship between the pricing of the company’s last round of financing prior pre-IPO (“Last Round Private Valuation”), stated IPO Price, First Trade Premium and subsequent public performance over a 6-month time frame.¹

THE IMPACT OF ENTRY TIMING

Private Access Advantage: Based on the analysis, average transition from Last Round Private Valuation to IPO Price was 88.6%. This transition represents a phase of growth that occurred prior to public trading.

First Trade Premium: Per the analysis, a stock’s first price on the public market was on average 48.1% higher than its stated IPO price, known as the First Trade Premium. The first opportunity to publicly purchase the stock is after this initial “pop”. Meaning public stock purchases on average established a higher cost basis than those that entered in the private market.

Navigating Public Volatility: Once public, stock pricing becomes dynamic. Per the study, on average companies saw a -10.2% loss from First Trade Premium through 6 months of public trading.

THE PRIVATE ENTRY ADVANTAGE

Investing in a company before it goes public aims to capture its full growth trajectory. This approach often allows for a lower entry point compared to potentially higher public prices. Historically, this earlier entry has typically resulted in a lower cost basis, creating a potentially more favorable starting point relative to later-stage public market valuations.

Historical Entry Timing Study: Averaged IPO Pricing Dynamics

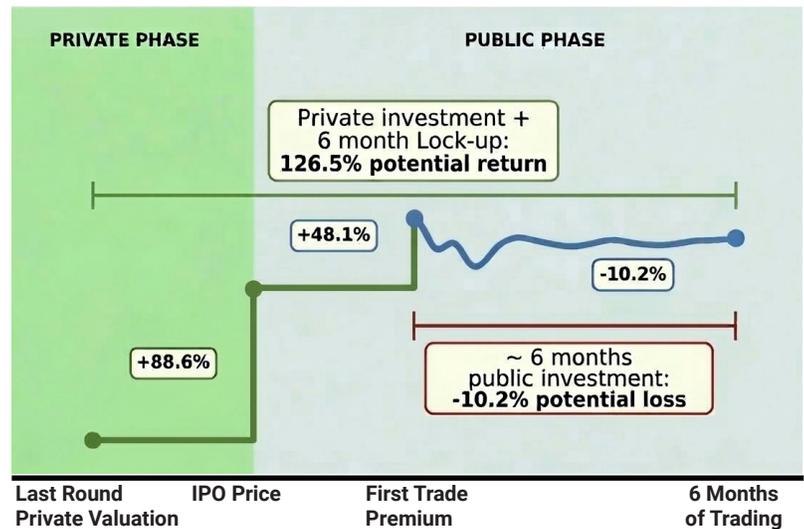


Chart intended for illustrative purposes only and is based on Liberty Street Advisor’s analysis of past performance data. It does not represent the returns of any actual investment. It should not be considered investment advice or a forecast or guarantee of future results. Analysis may not reflect the impact of material economic, behavioral or market factors.

Historical Study Analysis: Average Gains (Losses)

	Private Investor From...	Public Investor From...	
	Last Round Private Valuation	IPO Price	First Trade Price
IPO Price	88.6%	-	-
First Trade Premium	136.7%	-	-
IPO + 6 Months	126.5%	37.9%	- 10.2%

LOOKING AHEAD TO 2026

As various companies across industries evaluate 2026 IPOs, there is a potential shift toward more conservative initial pricing and a focus on sustained long-term growth. In this environment, entering early seeks to establish a lower starting price before a company reaches the public stage. Historically, this approach creates a lower entry cost than later-stage, public entry. This strategy aims to help investors participate in a company’s growth from an earlier stage, by aligning their interest with the firm’s long-term potential as it transitions to public ownership.

¹ Analysis by Liberty Street Advisors, Inc. Data sources: Capital IQ, Pitchbook, SEC Filings.

DISCLOSURES

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus with this and other information about The Private Shares Fund (the "Fund"), please download [here](#), visit the Fund's website at [Private-SharesFund.com](#) or call 1-855-551-5510. Read the prospectus carefully before investing.

The Private Shares Fund is a closed-end interval fund. Investment in the Fund involves substantial risk. The Fund is not suitable for investors who cannot bear the risk of loss of all or part of their investment. The Fund is appropriate only for investors who can tolerate a high degree of risk and do not require a liquid investment. All investing involves risk including the possible loss of principal.

Shares in the Fund are highly illiquid, and can be sold by shareholders only in the quarterly repurchase program of the Fund which allows for up to 5% of the Fund's outstanding shares at NAV to be redeemed each quarter. Due to transfer restrictions and the illiquid nature of the Fund's investments, you may not be able to sell your shares when, or in the amount that, you desire. The Fund intends to primarily invest in securities of private, late-stage, venture-backed growth companies. There are significant potential risks relating to investing in such securities. Because most of the securities in which the Fund invests are not publicly traded, the Fund's investments will be valued by Liberty Street Advisors, Inc. (the "Investment Adviser") pursuant to fair valuation procedures and methodologies adopted by the Board of Trustees, as set forth in the prospectus. As a consequence, the value of the securities, and therefore the Fund's Net Asset Value (NAV), may vary.

There are significant potential risks associated with investing in venture capital and private equity-backed companies with complex capital structures. The Fund focuses its investments in a limited number of securities, which could subject it to greater risk than that of a larger, more varied portfolio. There is a greater focus in technology securities that could adversely affect the Fund's performance. The Fund's quarterly repurchase policy may require the Fund to liquidate portfolio holdings earlier than the Investment Adviser would otherwise do so and may also result in an increase in the Fund's expense ratio. Portfolio holdings of private companies that become publicly traded likely will be subject to more volatile market fluctuations than when private, and the Fund may not be able to sell shares at favorable prices. Such companies frequently impose lock-ups that would prohibit the Fund from selling shares for a period of time after an initial public offering (IPO). Market prices of public securities held by the Fund may decline substantially before the Investment Adviser is able to sell the securities.

The Fund may invest in private securities utilizing special purpose vehicles ("SPV"s), private investments in public equity ("PIPE") transactions where the issuer is a special purpose acquisition company ("SPAC"), and profit sharing agreements. The Fund will bear its pro rata portion of expenses on investments in SPVs or similar investment structures and will have no direct claim against underlying portfolio companies. PIPE transactions involve price risk, market risk, expense risk, and the Fund may not be able to sell the securities due to lock-ups or restrictions. Profit sharing agreements may expose the Fund to certain risks, including that the agreements could reduce the gain the Fund otherwise would have achieved on its investment, may be difficult to value and may result in contractual disputes. Certain conflicts of interest involving the Fund and its affiliates could impact the Fund's investment returns and limit the flexibility of its investment policies. This is not a complete enumeration of the Fund's risks. Please read the Fund prospectus for other risk factors related to the Fund.

The Fund may not be suitable for all investors. We encourage you to consult with appropriate financial professionals before considering an investment in the Fund.

The views expressed in this material reflect those of the Fund's Investment Advisor as of the date this is written and may not reflect its views on the date this material is first published or anytime thereafter. These views are intended to assist in understanding the Fund's investment methodology and do not constitute investment advice. This material may contain discussions about investments that may or may not be held by the Fund. All current and future holdings are subject to risk and to change.

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