



Private Equity on the Horizon: Opportunities in an Evolving Landscape

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T. ROWE PRICE PRIVATE INVESTMENTS OVERVIEW

As of 30 June 2025



Figures are calculated in U.S. Dollars

¹ Realized investments include all private company investments that resulted in an exit event (sale, merger, fair value estimate of zero, or IPO with lock-up period having been elapsed). For IPO's, the exit date and value is when any share lock-up agreement has expired. For private company investments that had an IPO and shares that are still under lockup, the estimated value as of the end date remains in the Unrealized category.

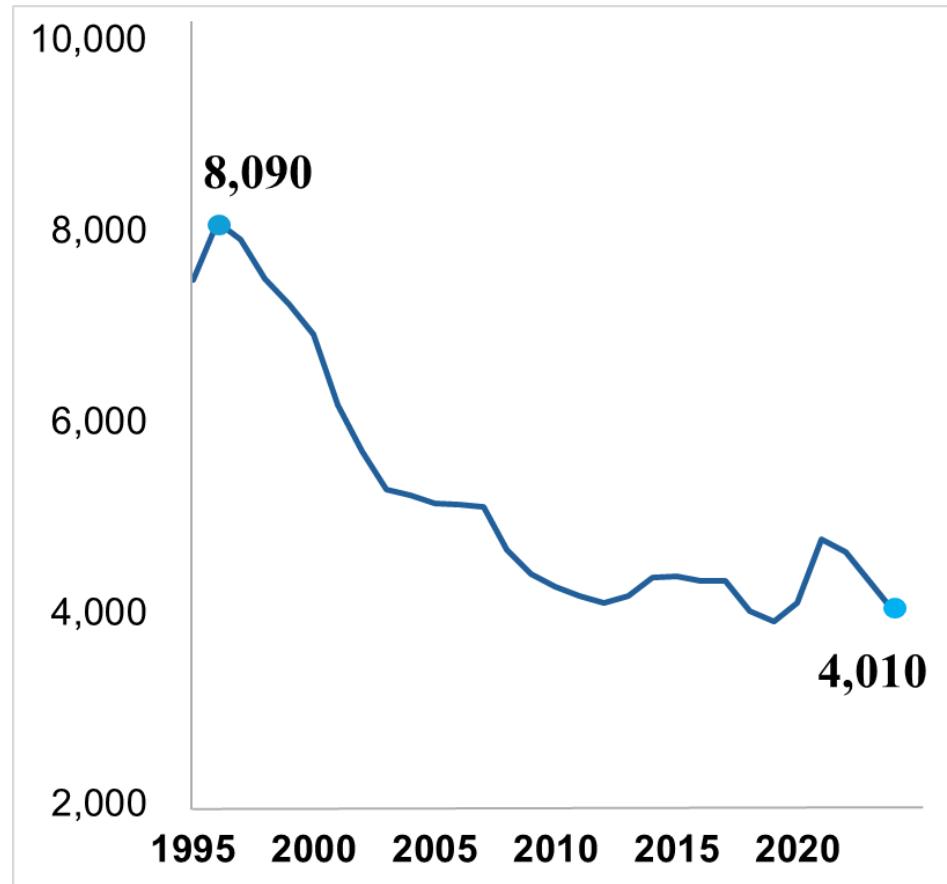
Data shown represents an aggregate of T. Rowe Price private equity investments experience from 22 May 2007 to 30 June 2025. The investments were managed and held within various non-private equity T. Rowe Price investment vehicles. Information shown is intended to reflect on the firm's long-standing experience in the private equity space and do not reflect the management in a discrete private equity portfolio.

Data includes all commingled funds and separate accounts that contain privates—comprising all privates managed by T. Rowe Price Associates, Inc. (TRPA) and T. Rowe Price Investment Management, Inc. (TRPIM).

FEWER PUBLIC COMPANIES IN WHICH TO INVEST

As of 30 June 2025

PUBLIC U.S. COMPANIES



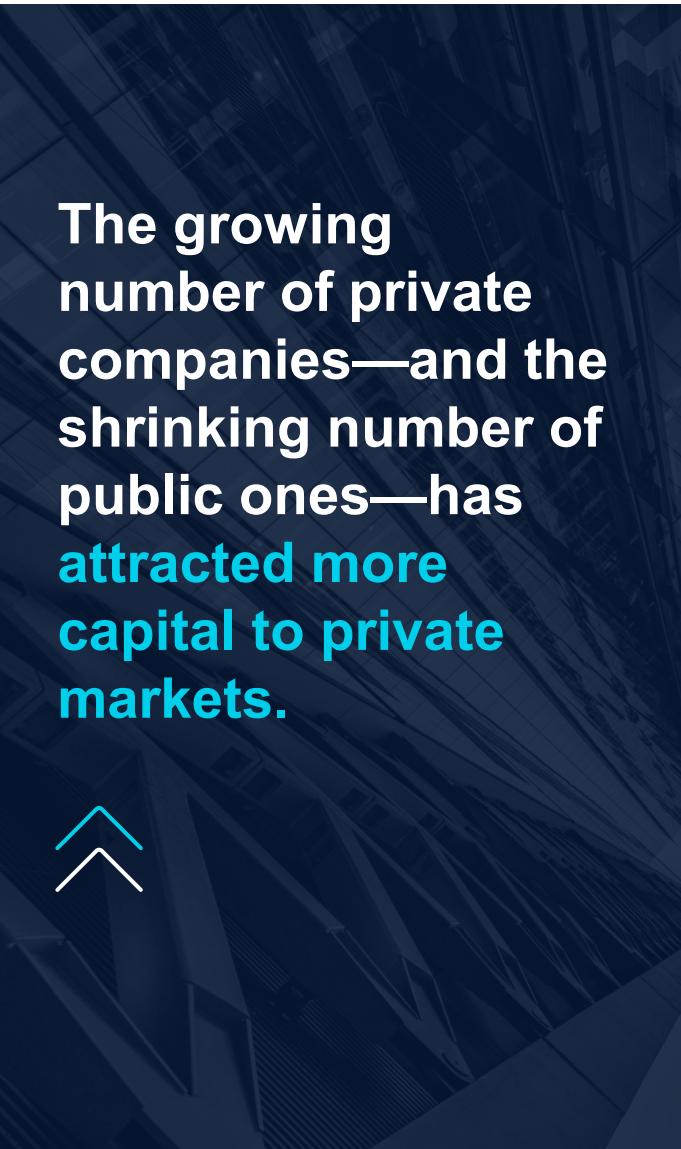
Source: World Bank Group. Most recent data available.

The number of public companies has **declined steadily** since 1997, from more than 8,000 to approximately 4,000 in 2024.



LONG-TERM TREND: COMPANIES ARE STAYING PRIVATE LONGER

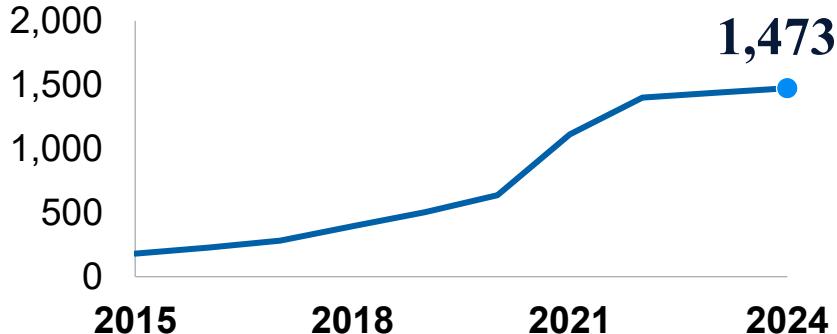
As of 30 June 2025



The growing number of private companies—and the shrinking number of public ones—has attracted more capital to private markets.

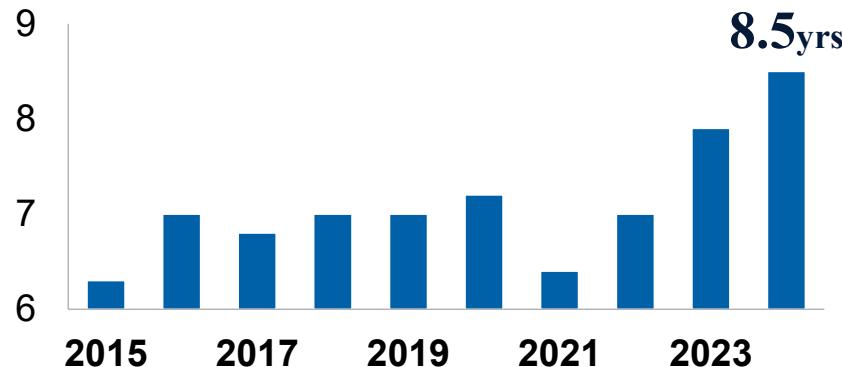
LARGE PRIVATE COMPANIES: A GROWING OPPORTUNITY SET

Global active unicorn count
1 January 2015 Through 31 December 2024



UNICORNS ARE STAYING PRIVATE FOR LONGER

Median time (years) since first VC round for active unicorns
1 January 2015 Through 31 December 2024



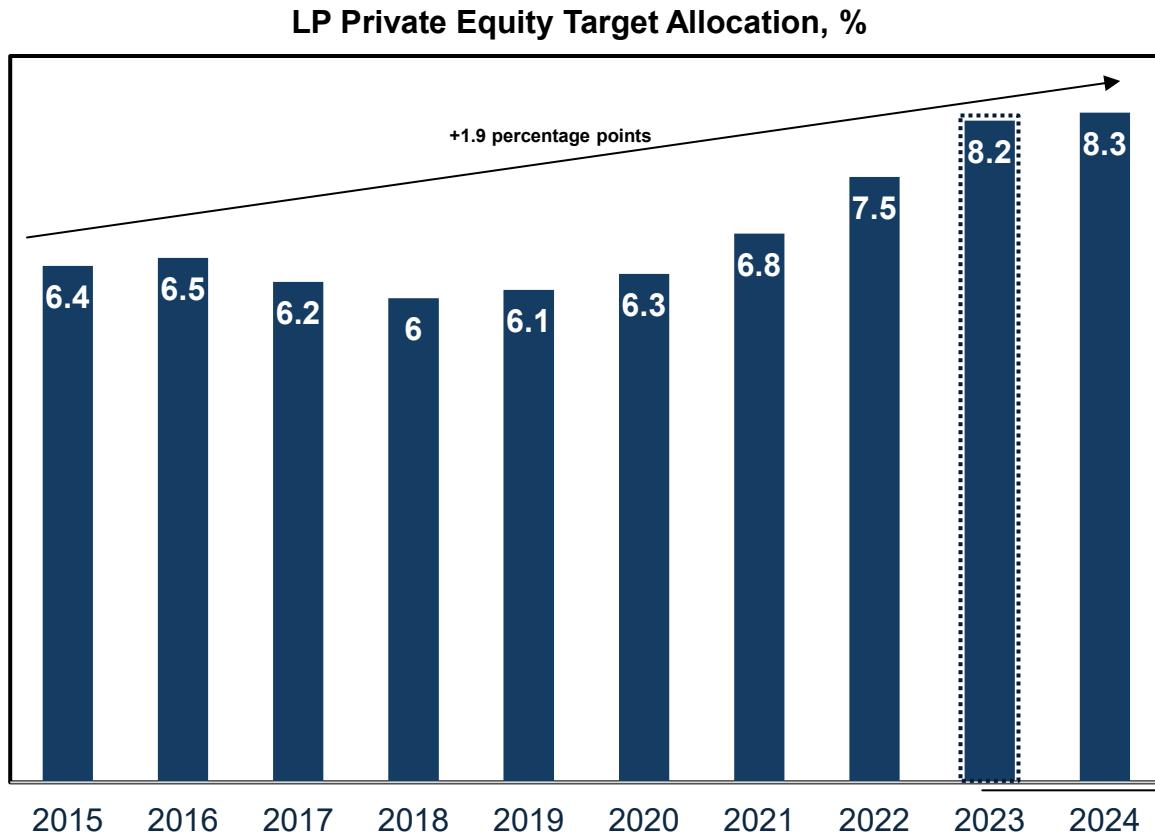
Source: Pitchbook Data, Inc.

PRICE-TO-SALES MULTIPLE: VC-BACKED IPOS

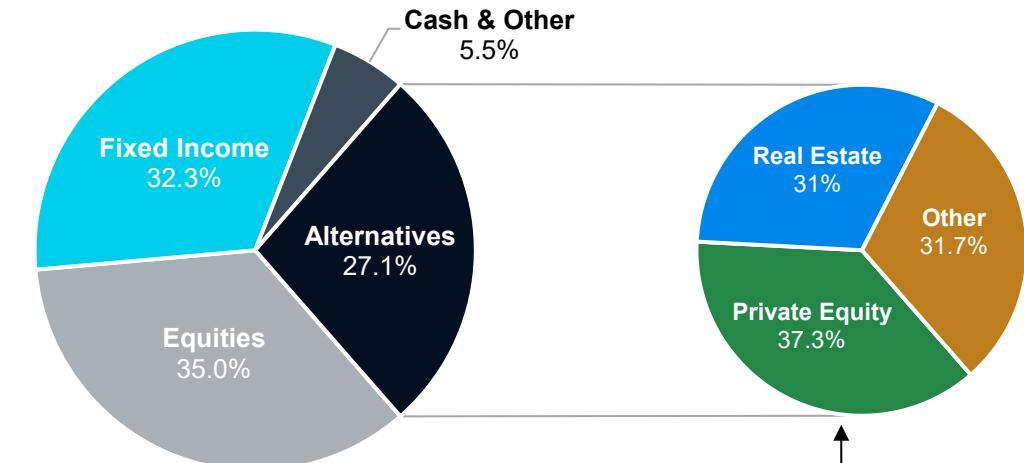


A COTTAGE INDUSTRY NO MORE...

- Institutional investors have consistently increased their target allocation to PE since 2019



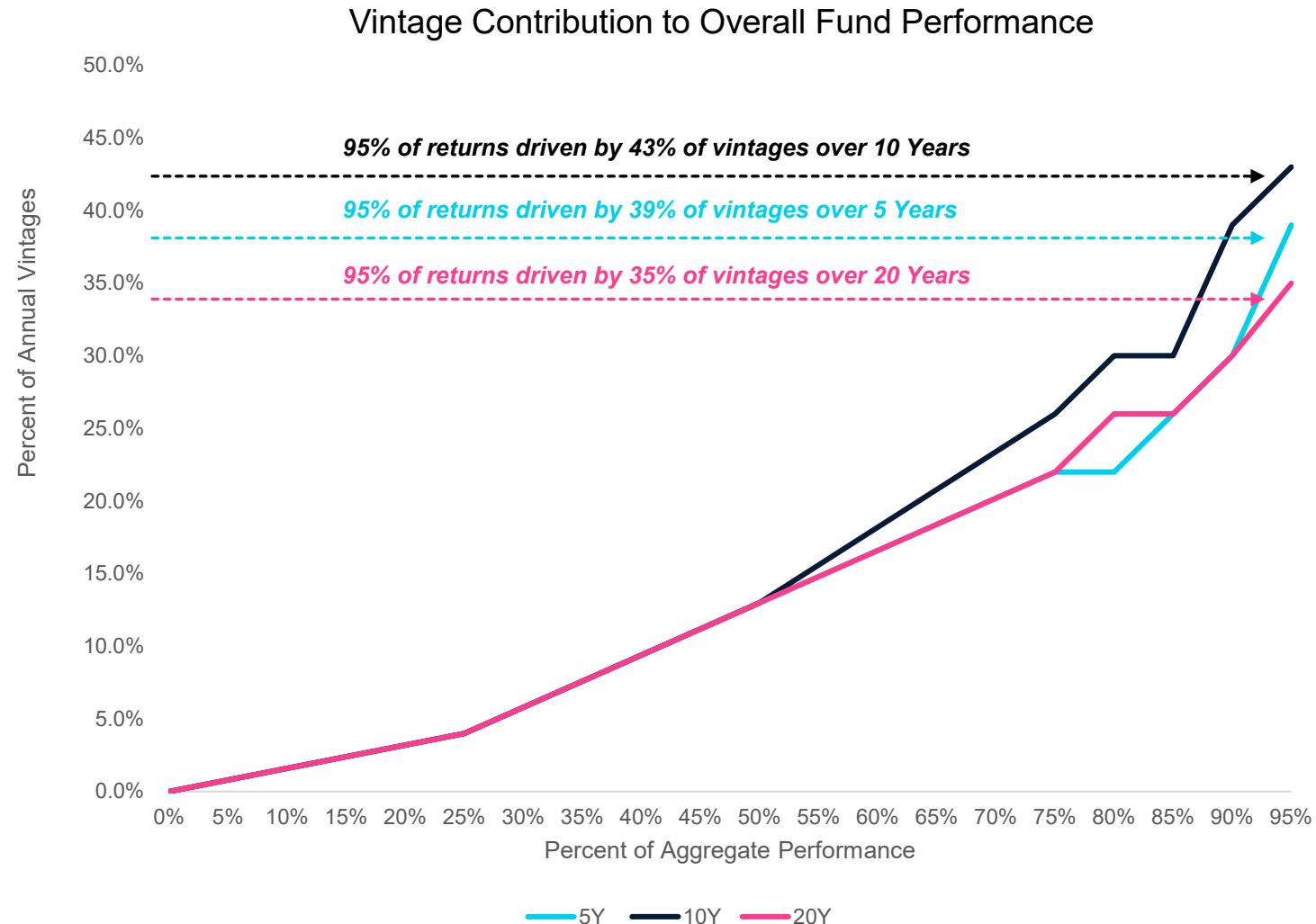
Private Equity Allocation in Public Pensions
2023



Source: McKinsey & Company Global Private Markets Report 2025 and Preqin. Data includes all private equity, including growth and venture capital. Data as of beginning of each year. Participants in the survey were institutional investors.

VC VINTAGE POWER LAW: YOU CAN'T TIME THIS ASSET CLASS

- Analysis by StepStone Group shows that **80% of returns in venture have consistently been driven by 22-30% of vintages** over each of the measured time periods
- Innovation is hard to time.** Market leading companies have been built in all market and economic conditions
- The strongest vintages have an outsized impact on performance – making trying to "time" the asset class nearly impossible

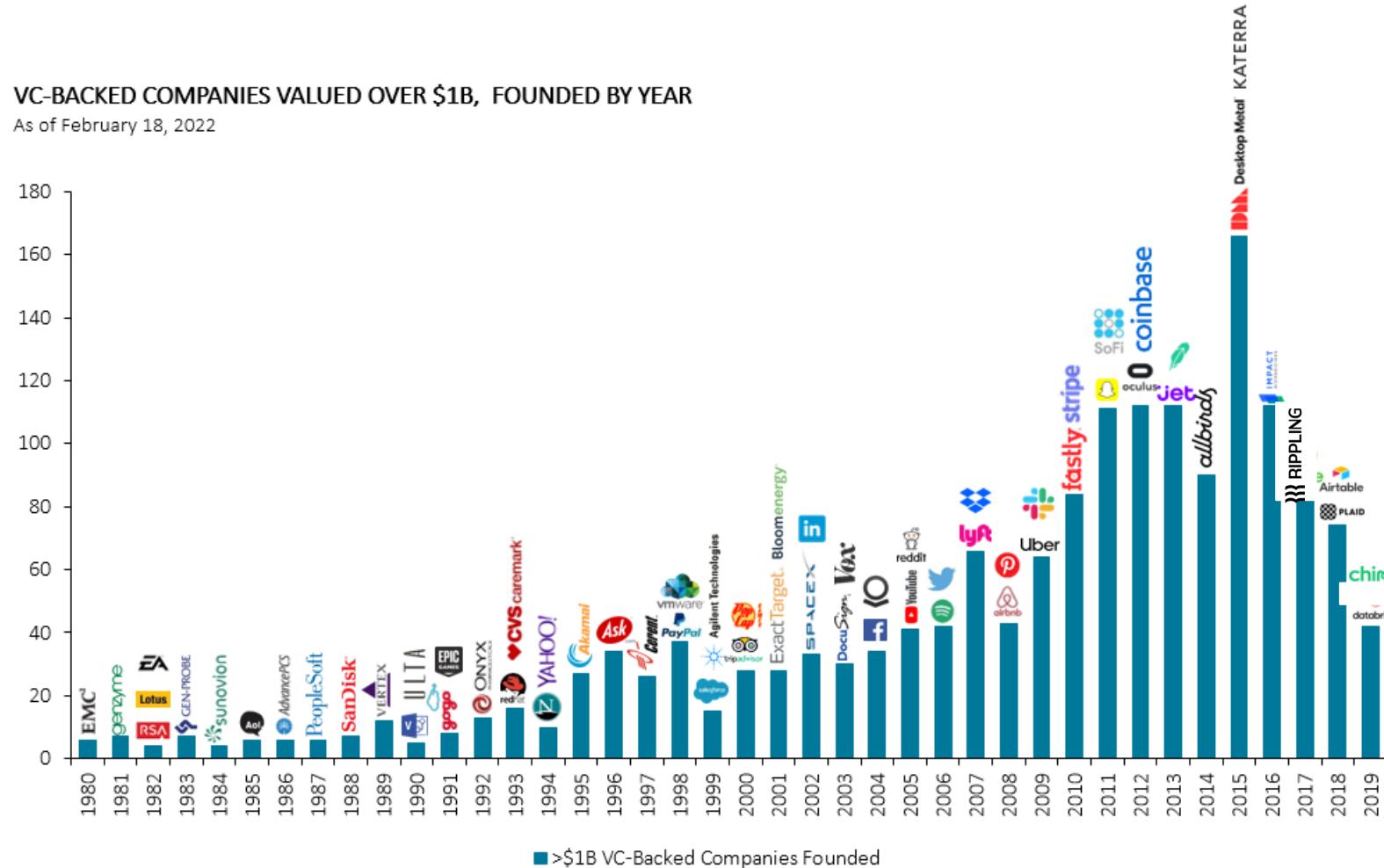


Source: StepStone Group

GREAT COMPANIES ARE BUILT IN ALL MARKET CYCLES

VC-BACKED COMPANIES VALUED OVER \$1B, FOUNDED BY YEAR

As of February 18, 2022



Source: StepStone Group & Pitchbook. Logos represent \$1B private and public venture-backed companies based on founding year.

MANAGER SELECTION IS CRITICAL

- With such wide performance disparity between top and lower quartile managers, **who you partner with matters**



Source: StepStone Group. Burgiss data as of March 31, 2023 for US Funds with vintages from 1981 – 2018. More recent fund vintages are not included above, as they are not in the mature stage of their investment cycle, and their returns would not be meaningful for this analysis. US Large Cap Equity, US Small Cap Equity and US Fixed Income returns are sourced from BNY Mellon as of March 31, 2023. Information is subject to change and is not a guarantee of future results.

BEING A PARTNER OF CHOICE MATTERS



ramp 

2019 Founded by repeat founders Eric Glyman, Karim Atiyeh, and Gene Lee

2020 Officially launched platform and quickly gained traction by offering an impressive suite of features to customers. Members of our team first met with the company

2021 Raised Series B led by an impressive investor syndicate and continued to raise from top tier firms over the next several years

2024 After several years of tracking the company's growth closely, T. Rowe Price worked to deepen our relationship with management, highlighting why T. Rowe Price is the right partner for Ramp to earn access to future late-stage financing rounds

2025 T. Rowe Price was able to access the heavily oversubscribed Series E2 round and were the only new crossover investor in the round

Offers tools to **automate finance**, enabling customers to streamline payments, cut costs, and free up their teams to focus on strategy, not spreadsheets

40,000+ Customers
  

80% LTM growth
As of 31 March 2025

Investor Syndicate
 **FOUNDERS FUND**  **ICONIQ**
 **THRIVE CAPITAL**  **Redpoint.**

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WHERE THE PUCK IS GOING

▪ **Industry Tailwinds**

- Generative AI is the most significant technology development since the internet and is leading to the creation of entirely new sectors and business models while driving unprecedented revenue growth rates
 - Private companies are raising very large rounds and achieve impressive ARR growth with surprisingly small teams as a result
- Improving exit prospects due to a growing IPO backlog and a more favorable M&A environment in addition to active secondary markets
- Meaningful recent innovations in space tech, robotics, autonomous vehicles, and data infrastructure

▪ **Industry Headwinds**

- Market volatility has impacted IPO volume and success thus far in 2025
- AI "hype" and large historical fund sizes will require investor discipline to achieve attractive returns
- Generative AI within enterprises remains unproven despite significant CapEx and investment by hyperscalers



T.RowePrice

Q&A



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