

Q1 2025

Forge Investment Outlook



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Increased Private Market Optimism and AI's Continued Surge

The private market landscape in Q1 2025 reveals a nuanced investment environment shaped by emerging technologies, surging interest in artificial intelligence (AI), and ongoing valuation adjustments in the wake of the Great Reset. While the private market has long been an attractive avenue for growth-oriented investors, recent developments in the global economy and macroeconomic forces have introduced significant opportunities. Here, we take a look back at 2024 and explore the outlook for Q1 2025, including the key factors that may define private market investing in the months ahead.

The IPO Market

Reflecting on the first half of 2024, the IPO market demonstrated modest improvement from the prior year. Astera Labs (up 214%) and Reddit (up 332%), two companies that emphasized AI as part of their IPO narrative, plunged into IPO waters that had been essentially frozen over for the better part of the prior two years. The Forge Accuity Private Market Index (FAPMI) ended the year up 17% after a big Q4 rally and found itself in the middle of the pack when compared to public ETFs, falling short of SPY (S&P 500) but beating IPO (Renaissance IPO) and IWM (Russell 2000). The Forge Private Market Index (FPMI) showed a positive uptick by mid-year, ending June up 5.4%, while the S&P 500 rose 14.5% during the same period. The Forge December 2024 Private Market Update (PMU) further revealed an expanding IPO pipeline in the second half of 2024, bolstered by a potentially more relaxed regulatory environment. This IPO pipeline growth is anticipated to give investors more opportunities to access high-growth companies transitioning to public markets, while Forge data suggests an increasingly optimistic outlook for the IPO landscape heading into 2025.

It follows that the 2025 IPO pipeline shows signs of revitalization with several large and established unicorns making meaningful moves toward public exits in 2025. A more attractive macroeconomic backdrop coupled with greater political certainty has led some pundits to forecast a better year for IPOs compared to recent years. With clearer valuation benchmarks and a recovering appetite for risk, private companies may view an IPO as a more attractive path to access capital, enhance liquidity, and expand their reach.

As market dynamics balance, the trajectory of several companies is signaling a potentially robust year for public market debuts. Notably, Klarna, the Swedish fintech giant specializing in buy-now-pay-later services, is speaking with major investment banks to lead its anticipated 2025 IPO. Similarly, Chime, a prominent digital bank, and Nvidia rival, Cerebras Systems, have filed Form S-1s with the Securities and Exchange Commission (SEC), indicating potential IPOs, while Nvidia-backed CoreWeave, an AI cloud platform, is targeting a potential public debut in the second quarter of 2025. Collectively, these recent developments further support a resurgence in IPO activity, with companies across various sectors positioning themselves to capitalize on favorable market conditions in the coming months.

The Fundraising Climate

Looking back, Q4 2024 saw increased capital raising activity with over \$25 billion secured across 133 primary rounds, compared to 115 primary rounds quarter-over-quarter. 2024 fundraising was led by mega-rounds¹ and Q4 continued this trend, with major players like OpenAI and Databricks capturing the majority of new funding. The quarter also marked the highest funding levels since Q1 2022, doubling the totals seen in most quarters of 2023 and 2024.

EXECUTIVE SUMMARY

In early-2025, the fundraising climate in the private market is showing signs of re-acceleration, coupled with divergence. Early-stage funding remains resilient, with investors focusing on sectors like AI, climate tech, and biotech. However, late-stage funding rounds face valuation corrections as public market comparables exert downward pressure. Forge data suggests potential for increased capital flow into the private market, signaling a hopeful tone for fundraising activities in the coming months.

Valuation Adjustments

42% of companies in the FPMI recorded price increases, with an average markup of +17.5% in Q4 2024. About a third of the companies that raised up rounds in Q4 2024 had already raised earlier in the year and more than half of Q4 up rounds had already raised within the last two years. Companies that decreased their post-money valuations through primary fundraising were most likely to have last raised in 2022. In previous quarters, most down rounds were concentrated among companies that last raised during the 2021 valuation bubble.

In early 2025, down rounds are anticipated to persist for companies last funded in 2021, but at a declining rate. Mixed signals suggest a cautious approach to valuation adjustments in the coming quarter, as sector-specific dynamics continue to influence market performance.

Spotlight: Ongoing AI Dominance

The private market continues to experience a remarkable surge in AI investment demand, reflecting the technology's transformative potential across industries.

In 2024, trading in AI and AI-related companies accounted for 34% of all private market trading volume and 32% of all primary funding. 40% of the FPMI was composed of AI and AI-related companies in Q4 2024. In addition, similar to the Public Magnificent 7, the Private Market Magnificent 7 includes three AI companies and many of the top performers on the Forge Markets platform—Perplexity, CoreWeave, Lightmatter, Astera Labs (now a public company), Figure AI, Glean and Cerebras—are all AI and AI-related companies, too. As AI continues to revolutionize how we work, communicate, and solve problems, investors are clearly seizing the opportunity to back private companies at the forefront of innovation.

It has also become clearer that AI technologies are no longer confined to niche applications; they have permeated nearly every sector, from healthcare and finance to manufacturing and beyond. Private companies are increasingly developing tools for generative AI, predictive analytics, autonomous systems and natural language processing. Such advancements have created very fertile ground for private market investments.

Finally, while funding for AI startups in the private market reached record highs in 2023, with generative AI and machine learning platforms attracting the most attention, the end of 2024 proved to be another incredible AI funding surge. Case in point: in late-December, Data and AI company Databricks announced a Series J funding round, raising \$10 billion and helping spawn its new \$62 billion valuation. The company simultaneously arranged \$5.25 billion in debt financing through a consortium of investment banks. As the AI investment landscape remains promising, it is not without challenges, though. Valuation bubbles and emerging regulatory scrutiny pose potential challenges for investors. Nonetheless, the private market's appetite for AI shows no signs of waning at this time and will likely remain a cornerstone of the market's growth story through 2025.

EXECUTIVE SUMMARY

Summary: A Resilient Yet Selective Private Market

In Q1 2025, the private market is poised for a dynamic start, driven by macroeconomic shifts, sector-specific (i.e. AI) dynamics, increased secondary market activity, and a renewed sense of optimism amongst investors. As conditions stabilize, the focus will likely shift to quality over quantity, with capital flowing toward the most innovative companies that demonstrate strong fundamentals and scalable business models.

For investors, staying informed and agile will be key to navigating the complexities of the private market. By identifying data trends early and leveraging Forge to access pre-IPO opportunities, participants can position themselves to potentially capitalize on an evolving landscape this year.

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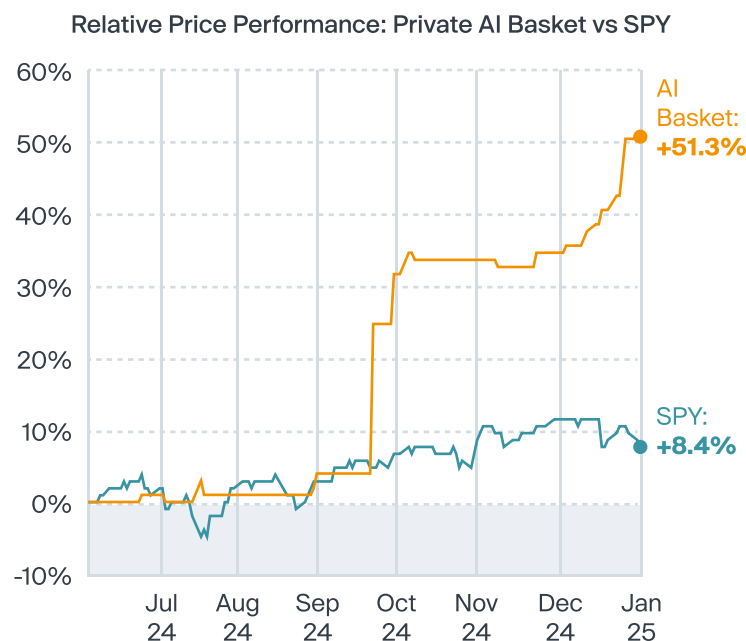
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2024: Year in Review

Three Key Takeaways from 2024

AI Surged with a December Spike



Forge Data as of 12/31/24

The Exit Roadmap Became More Attractive

While 2023 was a big year for AI investments, AI investments surged significantly in 2024. Trading in AI and AI-related companies accounted for 34% of all private market trading volume, while it was 32% of all primary funding. 40% of the Forge Private Market Index (FPMI) was composed of AI and AI-related companies. In addition, similar to the Public Magnificent 7, the Private Market Magnificent 7 is almost entirely composed of AI and AI-related companies and the top performers on the Forge Markets platform are all AI and AI-related companies, too.

Also notable, **as the chart demonstrates**, performance of Forge's Private AI Basket of seven companies spiked to 51.3% in the second half of 2024, with a significant December uptick, and outperformed the S&P 500 during the same period.

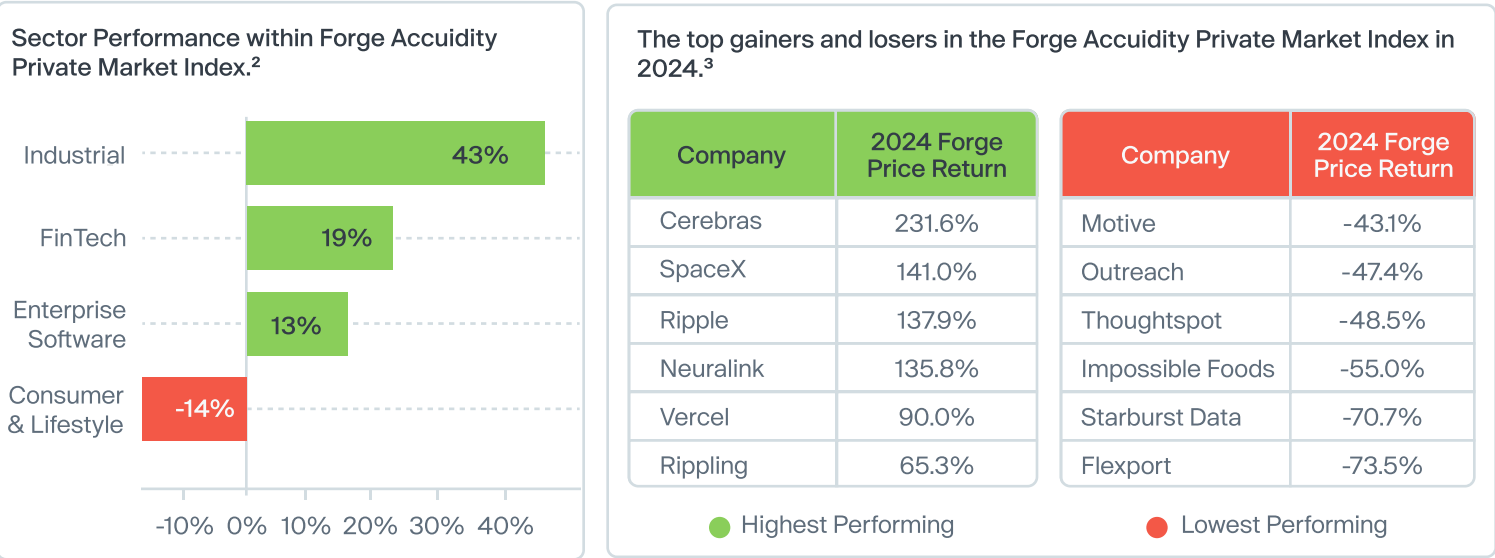
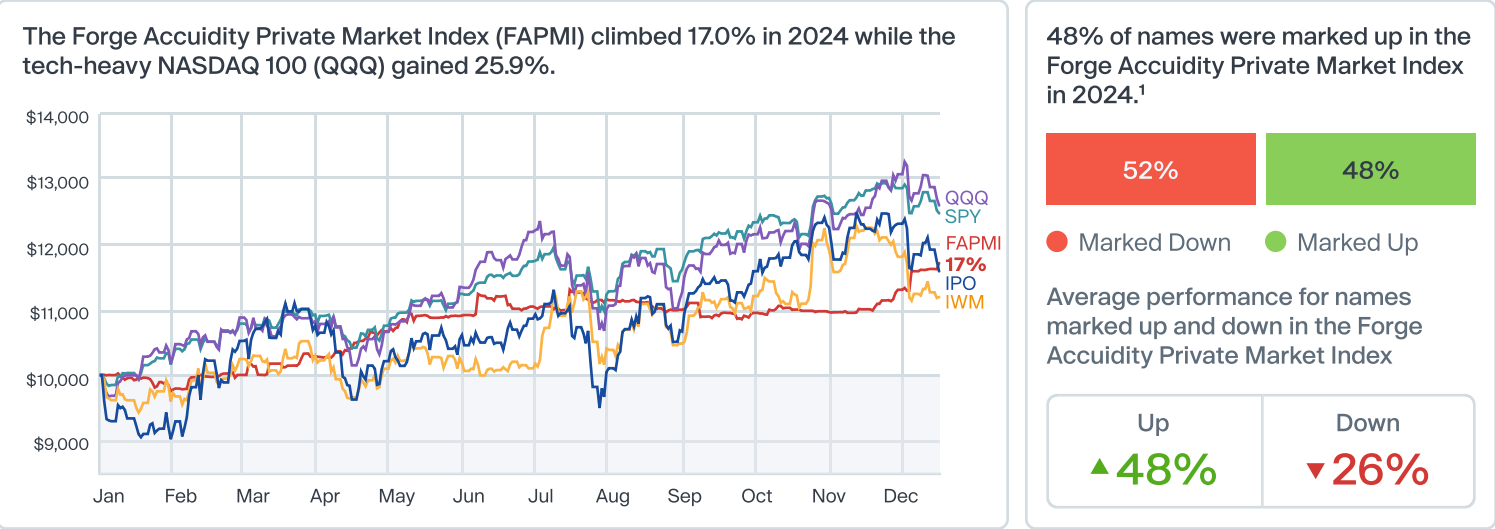
In 2024, private company exits increased vs. the prior year, marked by a modest rise in IPOs. The FPMI rose nearly 5% from January to November 2024, reflecting this positive trend. Notably, the first quarter saw high-profile IPOs, such as Astera Labs and Reddit, which contributed to the index's 4.5% increase during that period. In addition, strategic acquisitions, such as Databricks' purchase of Einblick, underscored a rosier exit environment for emerging companies. Post-presidential election, ServiceTitan popped 42% in the cloud software vendor's Nasdaq debut, which further bolstered public optimism for IPOs.

Late-Year Certainty Bred Opportunity

In the latter part of 2024, increased macroeconomic and political certainty fostered a more promising outlook among investors and businesses. Despite earlier concerns about a potential U.S. recession, the labor market demonstrated resilience, with a relative low number of layoffs contributing to sustained consumer spending. The soft landing the economy experienced suggested a more favorable economic environment than originally expected and gave way to new opportunities.

Late-Stage VC Market Saw Strong Recovery in 2024

The Forge Accuidity Private Market Index (FAPMI) ended the year up 17% after a big Q4 rally. FAPMI ended the year in the middle of the pack when compared to public ETFs, falling short of SPY (S&P 500), but beating IPO (Renaissance IPO) and IWM (Russell 2000). Industrial was the top performing sector, largely carried by SpaceX. Fintech returned an impressive 19% after falling 30% in 2023, with Ripple taking the cake as the sector's best performer. Other contributors to the FAPMI's strong 2024 performance were SpaceX and other high-profile AI names like Cerebras and Neuralink.

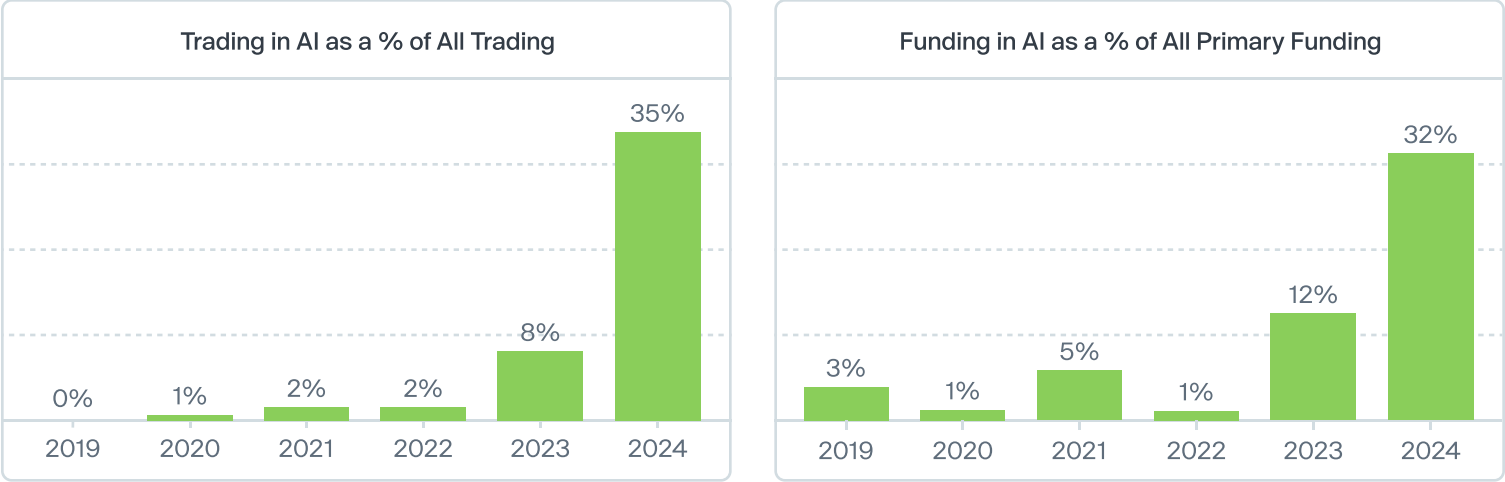


Visualization Details

1. Percentage of companies in the Forge Accuidity Private Market Index (FAPMI) that were marked up, down, or flat in 2024. | 2. Sector performance follows the same methodology as the Forge Accuidity Private Market Index, represented by the returns of individual companies (derived from Forge Price) in the FAPMI aggregated to the sector level. Only the four sectors with the most index constituents as of the end of Q4 are displayed. | 3. Represents the highest and lowest individual company returns (derived from Forge Price) for companies in the FAPMI in 2024. Forge Price is a derived price-per-share for private companies that incorporates a range of pricing signals like closed trades, bids, asks, and primary funding rounds.

AI Led Primary Funding, Secondary Trading, and Performance in 2024

Although OpenAI’s ChatGPT-3 came out in 2023, it took until 2024 for AI exuberance to become ubiquitous in the private market. In 2024, trading in AI and AI-related companies represented 34% of all secondary volume, up 4.4x compared to 2023. The same trend was seen with primary funding, where AI names raised 32% of all primary funding, up 2.7x compared to 2023. The best performing companies on the Forge platform were all AI companies and at least doubled in value through 2024.



Company	Sector	Subsector	Forge Price Return - YTD
Perplexity	Enterprise Software	Data Intelligence	3592%
CoreWeave	Enterprise Software	Data Intelligence	931%
Astera Labs	Technology Hardware	Computing Hardware	739%
Lambda	Enterprise Software	Data Intelligence	691%
Figure AI	Industrial	Robotics	340%
Glean	Enterprise Software	Data Intelligence	278%
Cerebras	Technology Hardware	Computing Hardware	228%
Lightmatter	Technology Hardware	Computing Hardware	165%

Forge Data as of 12/31/24

Visualization Details

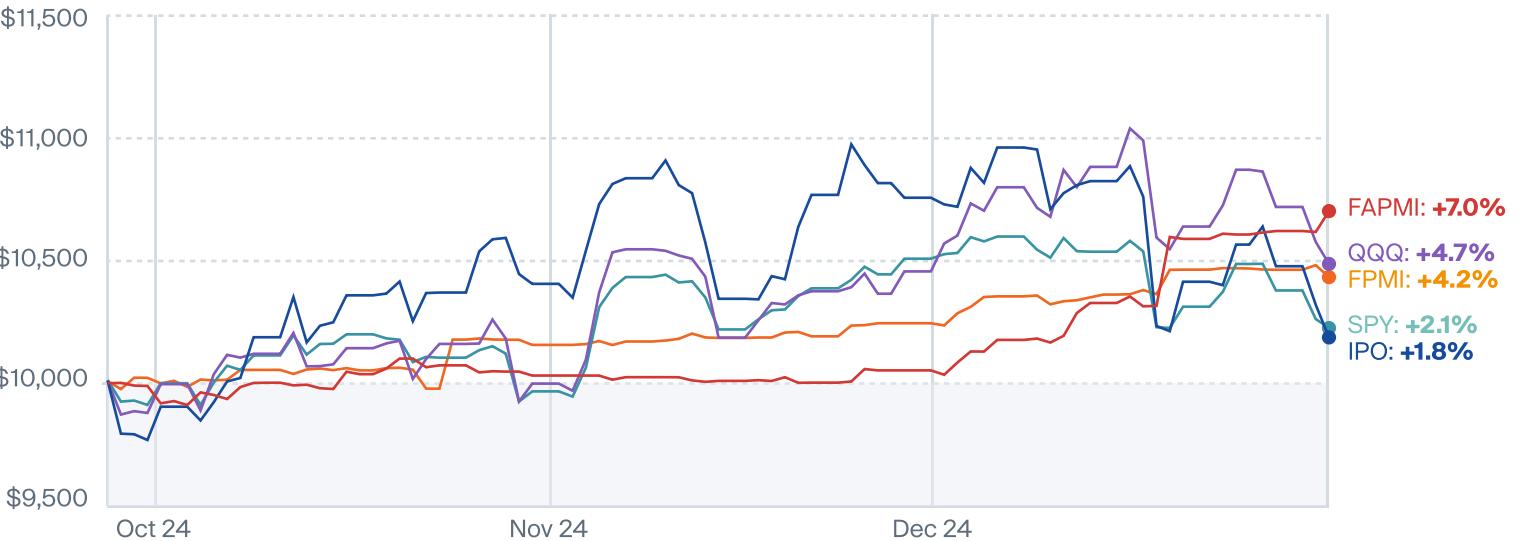
The top left chart shows the percentage of 2024 trades in AI and AI-related companies compared to all companies on the Forge platform. The top right chart shows the percentage of primary funding in AI and AI-related companies compared to all primary funding captured by Forge Data. The bottom visualization represents the top performing companies in 2024 calculated using Forge Price.

Market Performance

Mega-Caps Drove Q4 Private Market Performance

The modified, cap-weighted Forge Accuidity Private Market Index (FAPMI) returned 7.0% in Q4 2024, compared to its equal-weighted counterpart,¹ The Forge Private Market Index (FPMI), which returned 4.2% in Q4 2024. The performance difference between the two indices arose from differences in allocation to the higher performing mega-caps. For example, FAPMI's allocation to SpaceX—one of the top Q4 performers (+86%)—is 9.2% compared to 2.4% in the FPMI, as of 12/31/24.

Both FAPMI and FPMI outperformed the SPY ETF, which returned 2.1%, and the IPO ETF, which returned 1.8%, for the period. The NASDAQ 100, or the QQQ, returned 4.7%, modestly outperforming FPMI but not FAPMI.



	L1M	L3M	L1Y
FPMI	1.8%	4.2%	6.7%
FAPMI	6.4%	7.0%	17.0%
SPY	-2.7%	2.2%	24.9%
QQQ	0.3%	4.8%	25.9%
IPO	-5.3%	1.8%	15.8%

Forge Data as of 12/31/24

Visualization Details

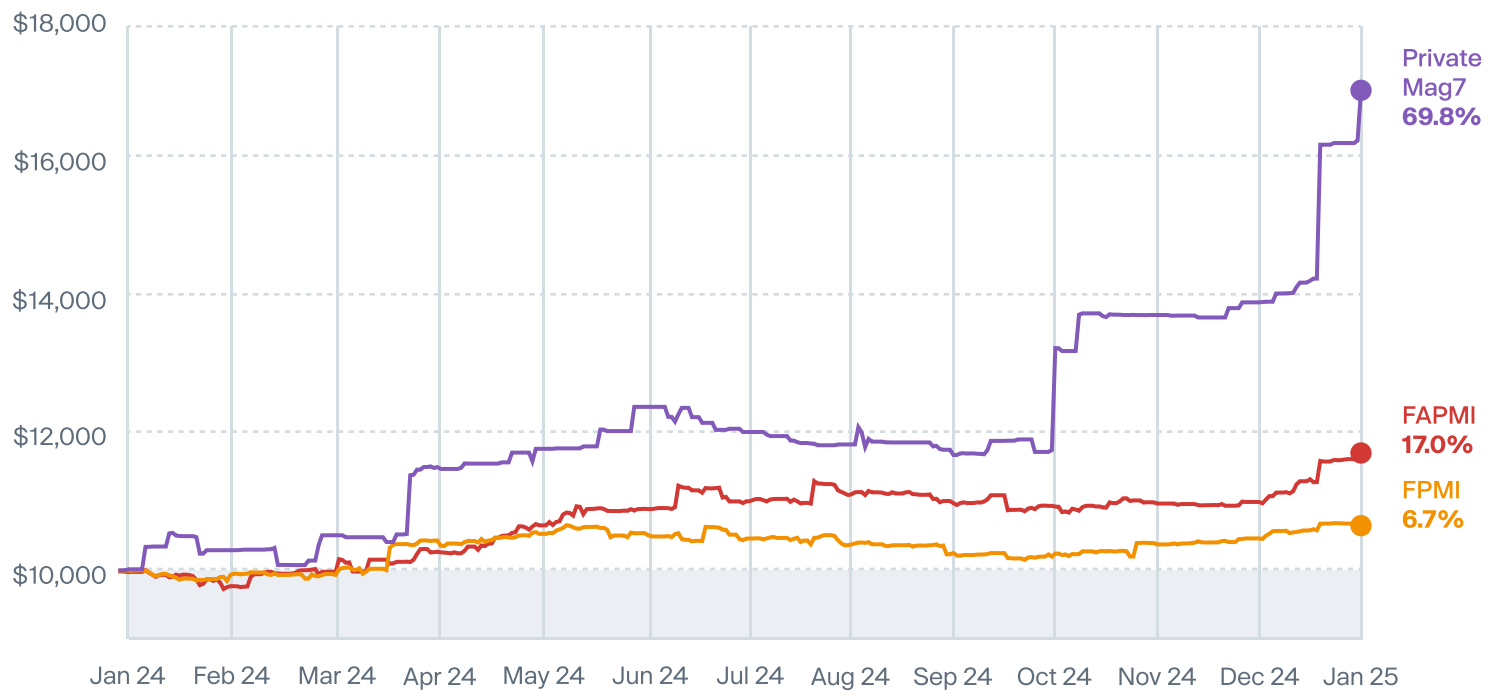
Performance of exited companies is based on the closing price per share on the first day of trading publicly relative to their pre-IPO Forge Price on 12/31/24.

1. In an equal weighted index, each constituent is assigned an equal weight, while in a cap-weighted index constituent weight is dependent on market capitalization of the company. Market capitalization in the private market is represented by Forge Priced Implied Valuation.

The Private Magnificent 7 Accelerates Amid Rising Mega-Rounds

The private market ended the year strong in Q4 2024. The Private Magnificent 7, which includes SpaceX, Fanatics, Rippling, Databricks, Scale AI, Stripe and OpenAI surged 44.8% in Q4, showcasing exceptional growth by major market leaders, including SpaceX's tender offer at a \$350 billion valuation and OpenAI's fundraise at a \$157 billion valuation. The modified, cap-weighted Forge Accuidity Private Market Index (FAPMI) was up 17% for the year and 7% for the quarter. With many of the largest companies also being the best performing, performance across indices and baskets reflected their exposure to top performing mega-caps and AI names. Larger allocations to high-performing companies, such as SpaceX, Anduril, and Rippling, led to outperformance versus the equal-weighted Forge Private Market Index (FPMI), which was up 4.2% in Q4 and 6.7% for the year.

Growth of a hypothetical \$10,000: FAPMI vs. FPMI vs. Private Magnificent 7



	L1M	L3M	L12M	L3Y
FPMI	1.8%	4.2%	6.7%	-22.1%
FAPMI	6.4%	7.0%	17.0%	-20.4%
Private Mag7	22.2%	44.8%	69.8%	-

Visualization Details Forge Data as of 12/31/24

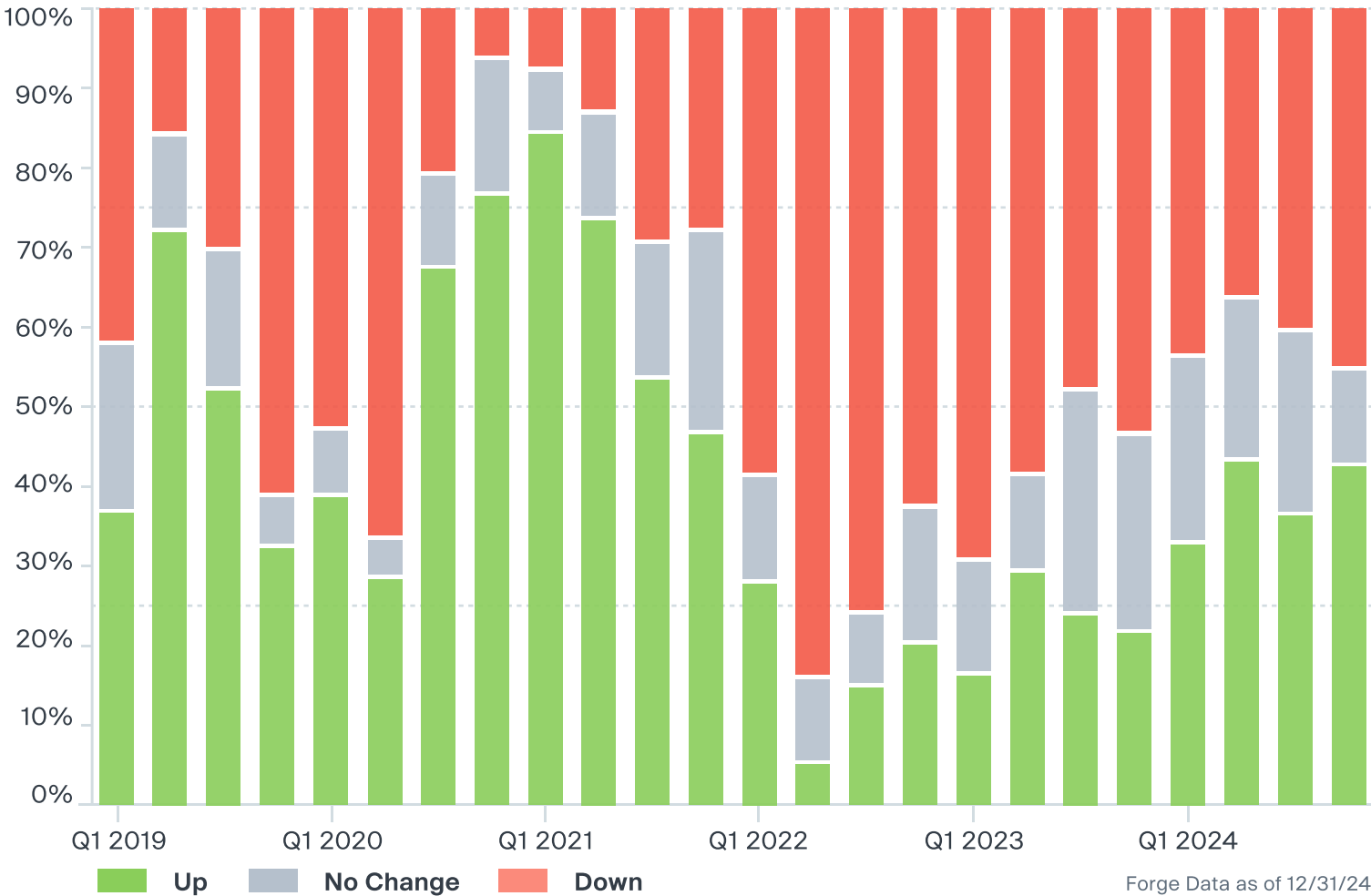
This chart shows the 2024 performance of (i) the equal-weighted Forge Private Market Index (FPMI), (ii) the modified cap-weighted Forge Accuidity Private Market Index (FAPMI), and (iii) the Private Market Magnificent 7.

The Forge Private Market Index Company

Performance Tilted Positive

In Q4 2024, companies with positive performance outpaced those marked-down, averaging +21.9% compared to -11.4%. 43% of companies in the Forge Private Market Index (FPMI) recorded an increase in their Forge Price, while 45% experienced declines. After a modest dip in Q3, the trend shifted toward a more balanced distribution of positive and negative outcomes.

Proportion of Companies Marked Up/Down



Percent of FPMI Companies Marked Up in Q4	42.7%	Percent of FPMI Companies Marked Down in Q4	45.3%
Average Performance of Companies Marked Up	21.9%	Average Performance of Companies Marked Down	-11.4%

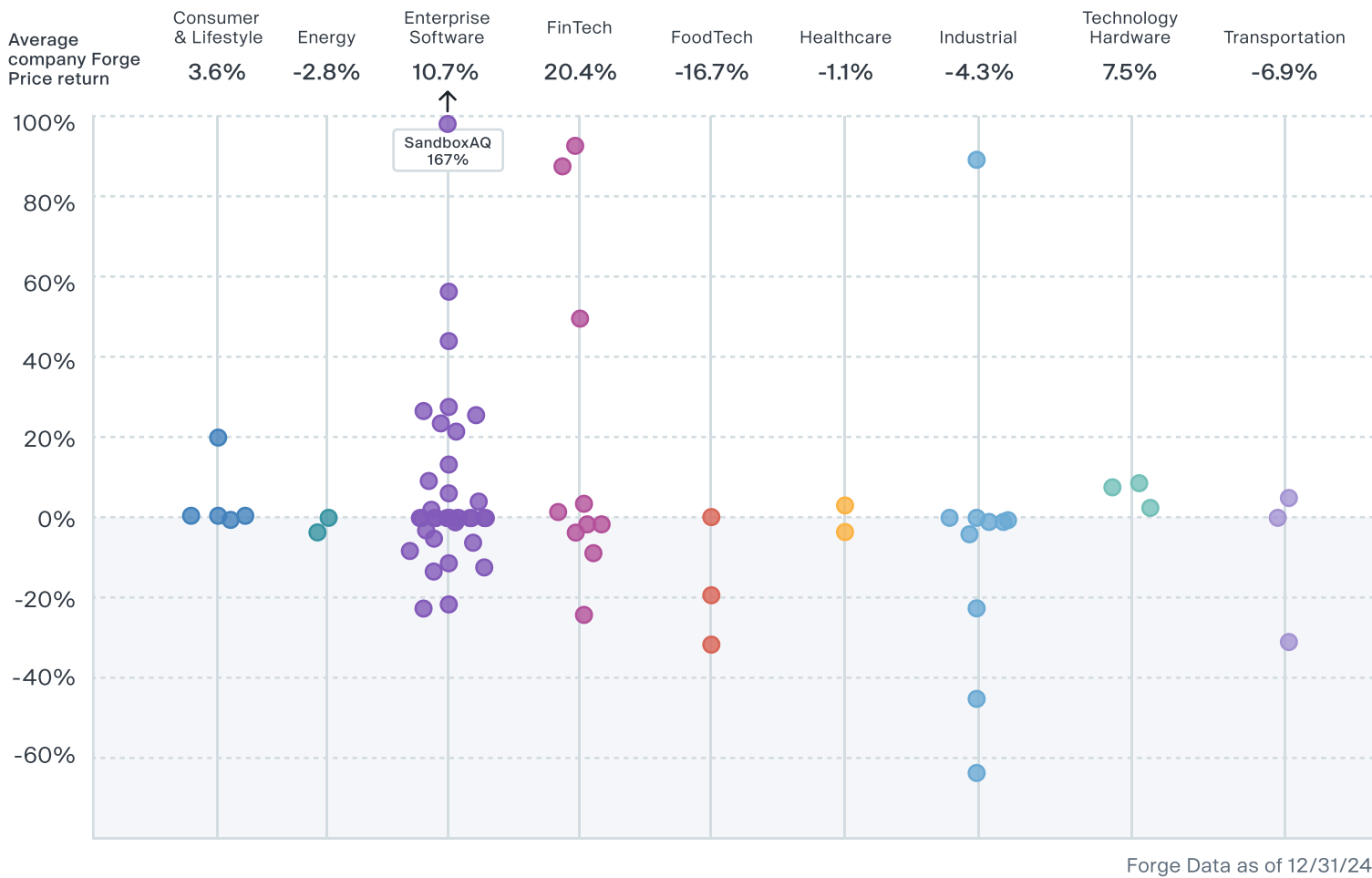
Visualization Details

The chart above shows the percentage of companies in the Forge Private Market Index (FPMI) that were marked up, down, or flat quarterly since Q1 2019. The table below shows the share of FPMI companies marked up vs. down, as well as the average percentage Forge Price increase/decrease for companies marked up or down in Q4 2024.

Forge Private Market Index: Q4 2024 Sector and Company Returns

In Q4 2024, 38 of the 75 companies in the Forge Private Market Index (FPMI) saw less than a 5% change in their Forge Price, reflecting the grouped returns shown in the chart. However, each major sector in the FPMI featured both top performers and underperformers. Outperformance was led by SandboxAQ (+167%), Ripple (+91%), and SpaceX (+86%), highlighting bright spots across sectors. Conversely, the lowest performers were Flexport (-60%), Motive (-43%), and Impossible Foods (-31%).

Individual Company Forge Price Return



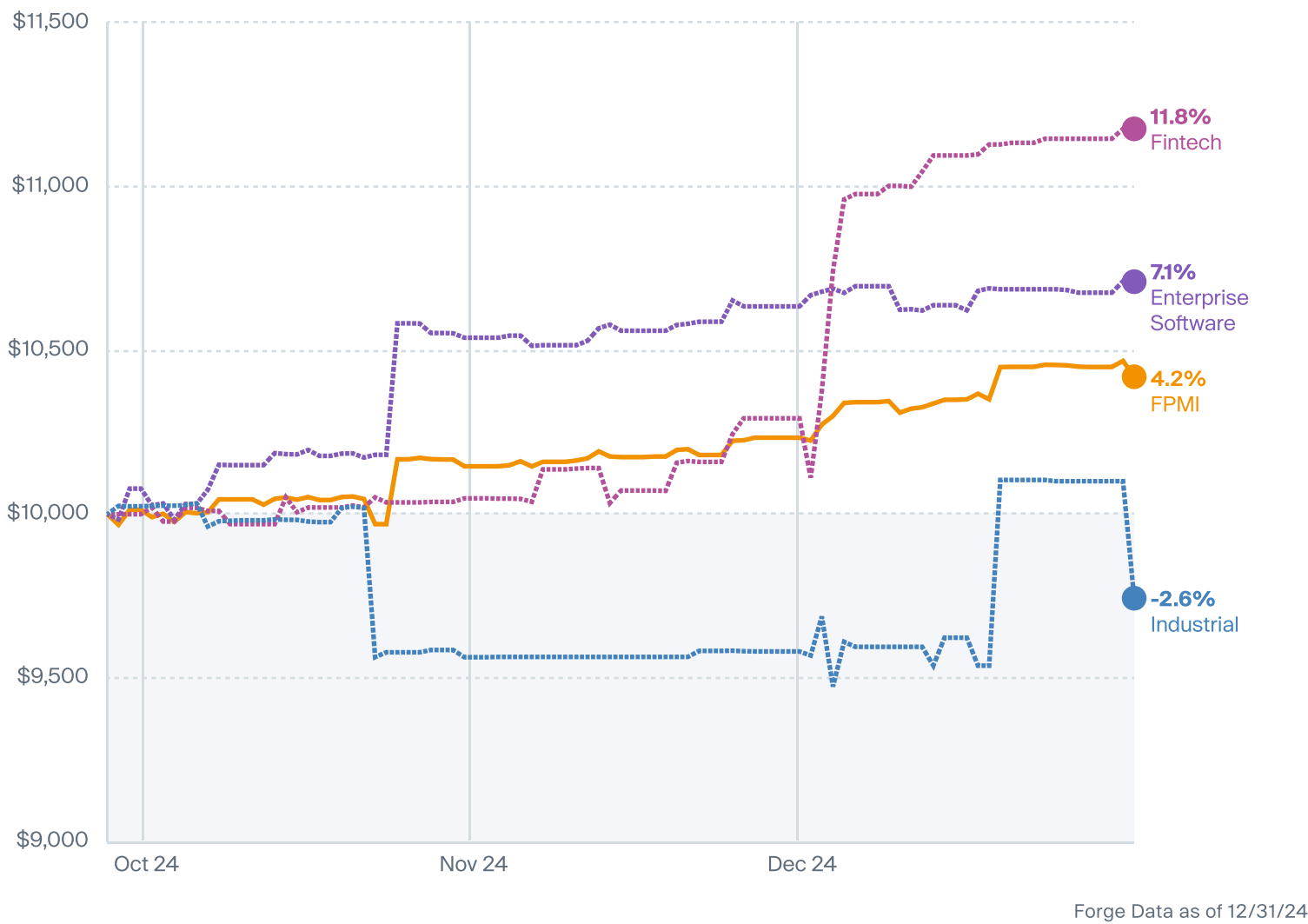
Visualization Details

This chart shows the Q4 2024 performance of each of the 75 companies in the Forge Private Market Index (FPMI), organized by sector in alphabetical order. Forge employs its own sector taxonomy to best reflect and disaggregate the private market space relative to public market sectors. The Forge sector taxonomy has 11 sectors and 75 subsectors. At the end of Q4 2024, nine sectors included index-eligible companies. Data intelligence is the subsector that includes artificial intelligence (AI).

Forge Private Market Index: Q4 2024

Sector Returns

The Fintech sector posted the strongest performance in Q4 2024, gaining +11.8%, with Ripple's +91% performance driving the results, partially offset by a -22% decline from Chainalysis. Enterprise software, the largest sector in the Forge Private Market index (FPMI), rose by 7.1%, supported by robust gains from OpenAI (+55%) and Databricks (+50%).



Visualization Details

Sector performance lines follow the same methodology as the Forge Private Market Index (FPMI), powered by the Forge Price returns of individual companies in the FPMI aggregated to the sector level. Only the three sectors with the most index constituents are displayed.

Issuer Activity: Q4 2024

Of the 25 most-traded issuers on the Forge platform, 19 recorded positive Forge Price returns in Q4 2024, with 15 posting gains above 20%. As previously noted, AI-driven companies like Lambda (+690.8%) and Glean (+278.5%) led the charge, followed by strong performances from fintech players such as Kraken (+140%) and Ripple (+104.9%). SpaceX (+143.2%) maintained its upward trajectory, supported by a Q4 tender valuing the company at \$350 billion.

<-40%

-40%

-20%

0%

+20%

+40%

>+40%

Company	Sector	Subsector	Forge Price Return - Q4	Forge Price Return - L1Y
Addepar	FinTech	FinTech Software	87.2%	148.6%
Anduril	Industrial	Aerospace & Defense	0.6%	48.8%
Automation Anywhere	Enterprise Software	Productivity	-21.4%	-28.7%
Chainalysis	FinTech	Blockchain Software	-22.1%	-16.4%
Chime	FinTech	Digital Banking	-2.4%	51.6%
Databricks	Enterprise Software	Data Intelligence	25.7%	31.5%
Dataminr	Enterprise Software	Data Intelligence	25.0%	52.8%
Epic Games	Consumer & Lifestyle	Gaming	-0.8%	16.0%
EquipmentShare	Industrial	Construction	-21.4%	16.7%
Gecko Robotics	Industrial	Robotics	-3.1%	-3.0%
Glean	Enterprise Software	Data Intelligence	0.3%	278.5%
Groq	Technology Hardware	Computing Hardware	8.8%	51.6%
Impossible Foods	FoodTech	Animal-Free Protein	-30.8%	-55.0%
Kraken	FinTech	Blockchain	50.1%	140.0%
Lambda	Enterprise Software	Data Intelligence	-10.7%	690.8%
Netskope	Enterprise Software	Cybersecurity	-1.2%	8.0%
OpenAI	Enterprise Software	Data Intelligence	55.3%	96.7%
PsiQ	Technology Hardware	Computing Hardware	3.7%	145.6%
Redwood Materials	Energy	Energy Storage	-5.7%	-1.2%
Ripple	FinTech	Payments	90.5%	104.9%
Sambanova Systems	Enterprise Software	Data Intelligence	42.9%	80.1%
Shield AI	Industrial	Aerospace & Defense	1.2%	15.6%
SpaceX	Industrial	Aerospace & Defense	87.6%	143.2%
Tanium	Enterprise Software	Cybersecurity	23.3%	23.3%
xAI	Enterprise Software	Data Intelligence	80.9%	

Forge Data as of 12/31/24

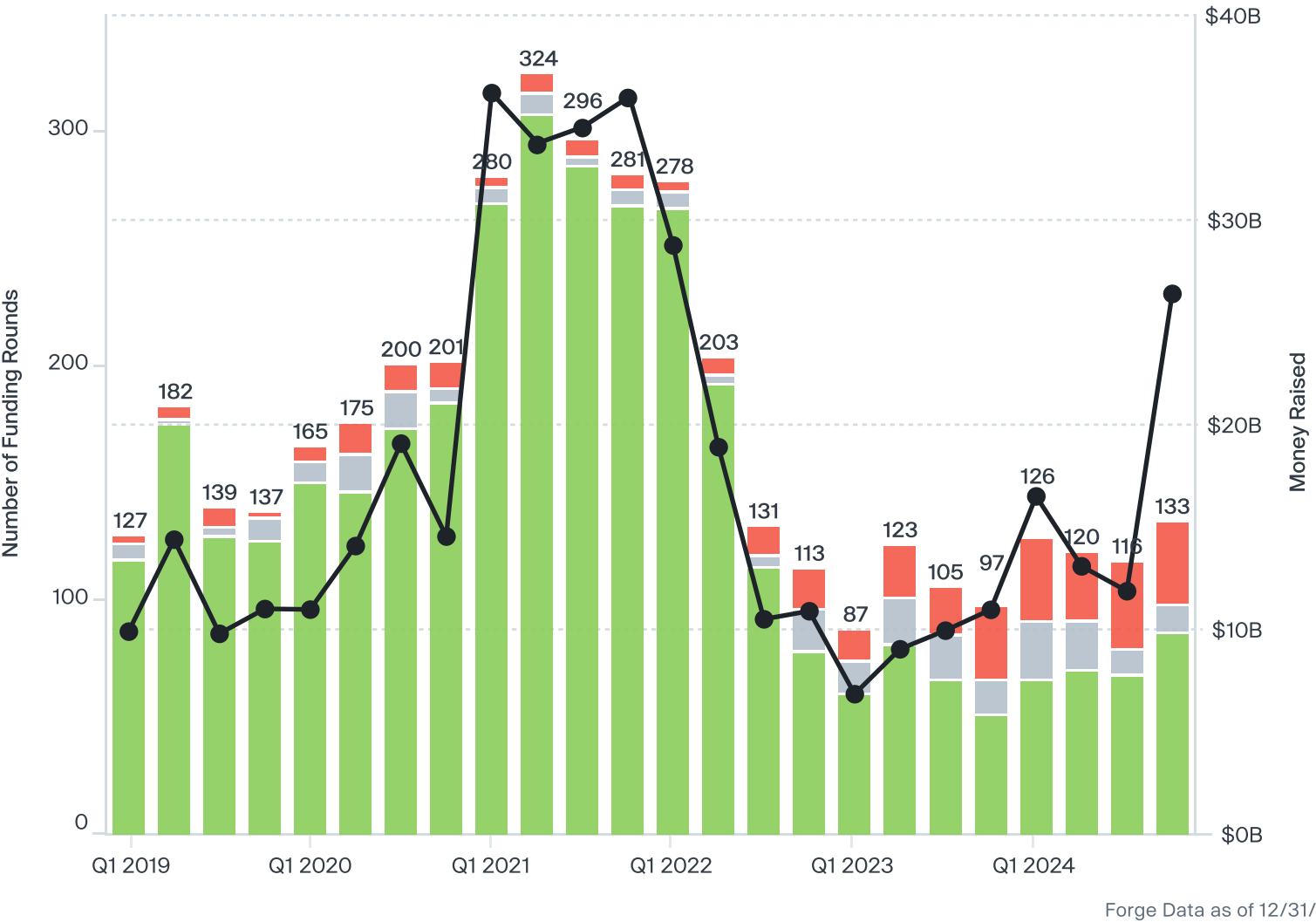
Visualization Details

This table shows companies in the Forge Private Market Index (FPMI) with frequent trading volume in alphabetical order. It includes the company’s Forge sector, subsector, Q4 and last one year (2024) Forge Price returns in the FPMI. If the company’s first Forge Price is after the beginning of 2024, the YTD return uses the first price date as a starting point.

Primary Market Activity

Funding Re-Accelerates for Mega-Raises

Q4 2024 saw increased capital raising activity with \$26 billion secured across 133 primary rounds, compared to 115 primary rounds quarter-over-quarter. 2024 fundraising was led by mega-rounds and Q4 continued this trend, with major players like OpenAI and Databricks capturing the majority of funding. The quarter also marked the highest funding levels since Q1 2022, doubling the totals seen in most quarters of 2023 and 2024.

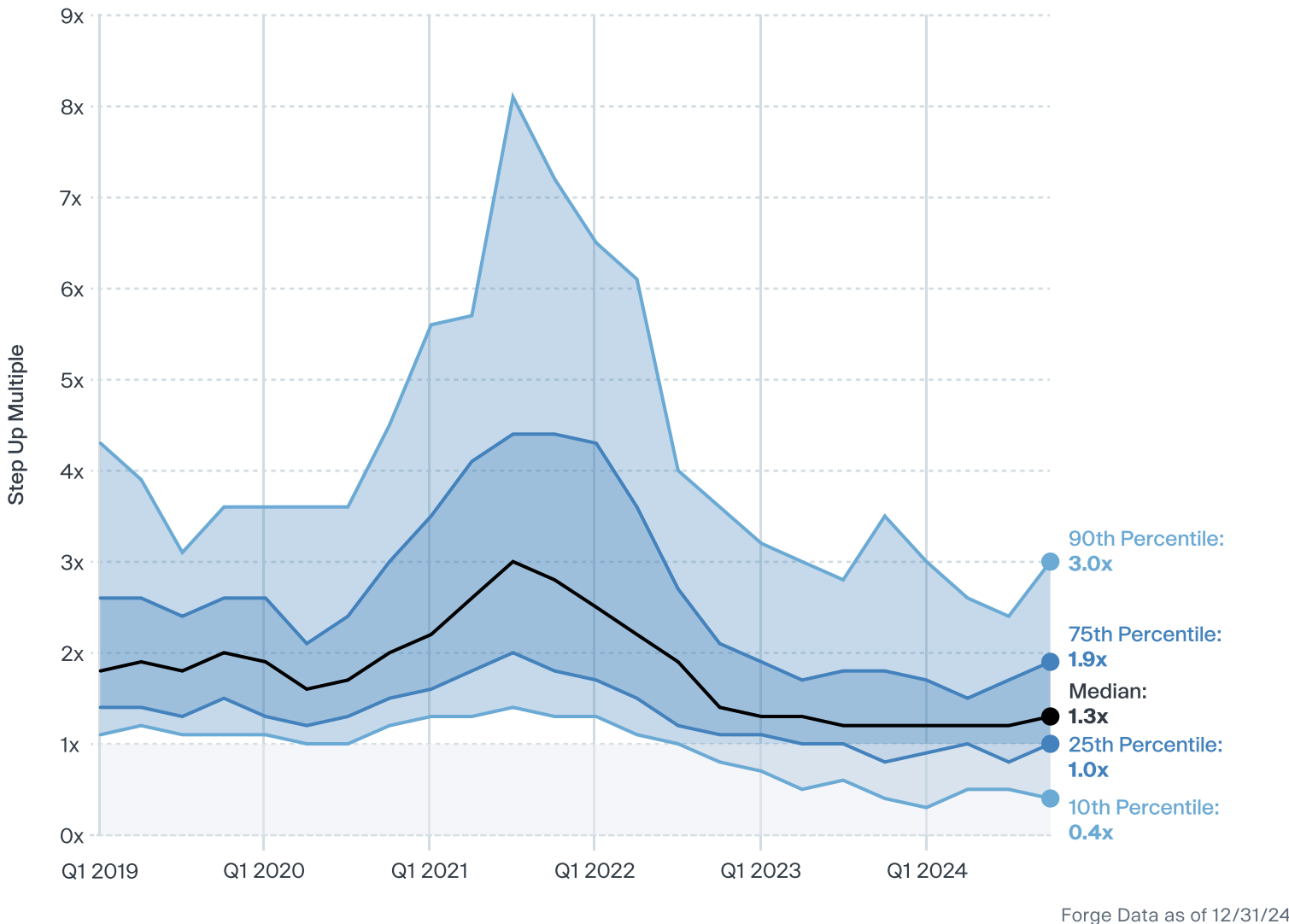


Visualization Details

On the left y-axis, the bar chart counts the number of up, flat, or down rounds for mid- and late-stage companies in each quarter on the Forge platform. On the right y-axis, the line chart plots the total amount of money raised by mid- and late-stage companies in each quarter since 2019. Forge defines mid- and late-stage based on a set of rules incorporating funding rounds, money raised, implied valuation, and company age.

Median Step-Up Holds Steady for Fifth Straight Quarter

For the fifth consecutive quarter, the median primary valuation step-up held steady, with the top decile rising to 3.0x in 2024. Every decile except for the bottom 10% experienced an uptick. This showed that even though most funding was concentrated in the big winners, the broader market recovered slightly in the quarter.

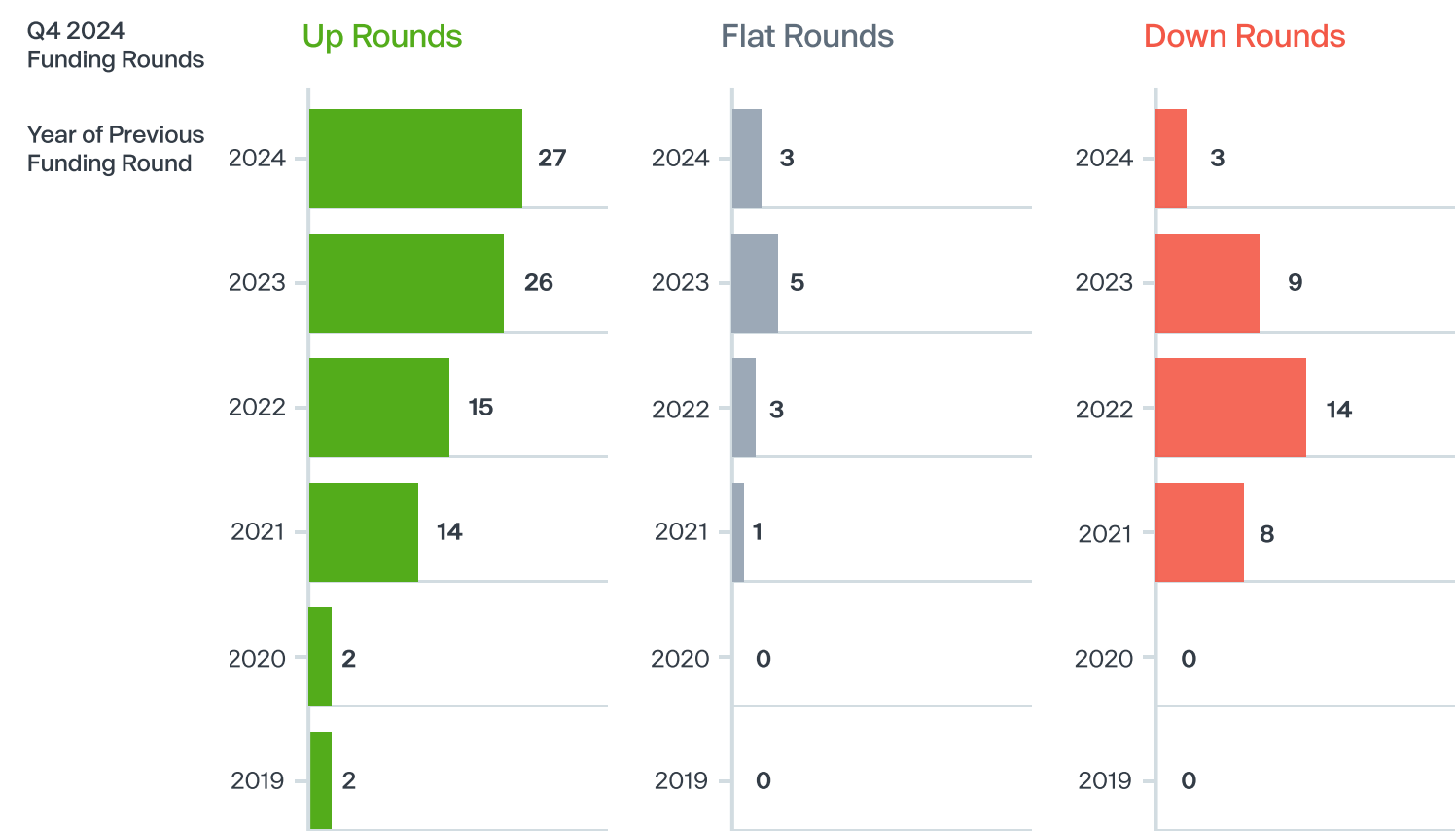


Visualization Details

This chart plots the distribution of step-ups for mid- and late-stage companies raising primary round funding in each quarterly period since 2019.

More Than a Half of Q4 2024 Up Rounds Had Already Raised Within the Last Two Years

About a third of the companies that raised up rounds in Q4 2024 had already raised earlier in the year and more than half of Q4 up rounds had already raised within the last two years. Companies that decreased their post-money valuations through primary fundraising were most likely to have last raised in 2022. In previous quarters, most down rounds were concentrated among companies that last raised during the 2021 valuation bubble.



Forge Data as of 12/31/24

Visualization Details

The header row shows the number of up, flat, or down rounds for mid- and late-stage companies in Q4 2024 on the Forge platform. The subsequent bars show the year of the previous funding round for those companies that raised in Q4 2024.

Unicorns Minted Across a Broad Range of Sectors in Q4 2024

Primary fundraising data shows companies from a diverse array of subsectors becoming unicorns in Q4 2024, with new companies valued > \$1 billion across robotics, cybersecurity, AI / data intelligence, and clean energy.

Company	Subsector	Money Raised	Funding Round Price per Share Step-Up	Valuation Change			
				\$0	\$1.0B	\$2B	\$3B
Abridge	Healthcare Software	\$250M	2.7x				\$2.7B
Anysphere	Data Intelligence	\$106M	5.6x				\$2.6B
Physical Intelligence	Data Intelligence	\$400M	3.9x				\$2.4B
Mercor	Human Resources	\$99M	7.6x				\$2.0B
Writer	Data Intelligence	\$200M	3.1x				\$1.9B
Tessera	BioTech & Pharma	\$350M	1.7x				\$1.8B
Hightouch	Data Management/Storage	\$996M	2.0x				\$1.7B
Capitolis	Capital Markets	\$65M	2.4x				\$1.6B
Fervo Energy	Clean Energy	\$134M	2.1x				\$1.4B
Speak	Education Software	\$78M	1.7x				\$1.2B
Ayar Labs	Computing Hardware	\$155M	1.7x				\$1.1B
Ample	Clean Energy	\$75M	1.2x				\$1.0B
EvenUP	Other Enterprise Software	\$135M	1.6x				\$1.0B
Nimble Robotics	Robotics	\$106M	1.2x				\$1.0B






Forge Data as of 12/31/24

Visualization Details






The table shows companies on the Forge platform that became unicorns (> \$1 billion valuation) from an increase in valuation due to a primary funding round in Q4 2024. Companies are ordered by post-money valuation in descending order.

Largest Step-Ups and Step-Downs Amongst Existing Unicorns

STEP-UPS

Company	Subsector	Money Raised	Post Money Valuation	Funding Round Price per Share Step-Up		
				1x	3x	6x
Sierra AI	Productivity	\$175M	\$4.5B			
Lightmatter	Computing Hardware	\$360M	\$4.4B			
Perplexity	Data Intelligence	\$50M	\$9.0B			
ElevenLabs	Productivity	\$200M	\$3.3B			
Together AI	Data Intelligence	\$350M	\$3.2B			

STEP-DOWNS

Company	Subsector	Money Raised	Post Money Valuation	Funding Round Price per Share Step-Up	
				0x	1x
Public	Capital Markets	\$140M	\$602M		
Autograph	Blockchain	\$70M	\$1.2B		
Cresta	Business Operations	\$125M	\$751M		
Mainspring	Clean Energy	\$160M	\$1.5B		
BostonGene	BioTech & Pharma	\$120M	\$1.5B		

Forge Data as of 12/31/24

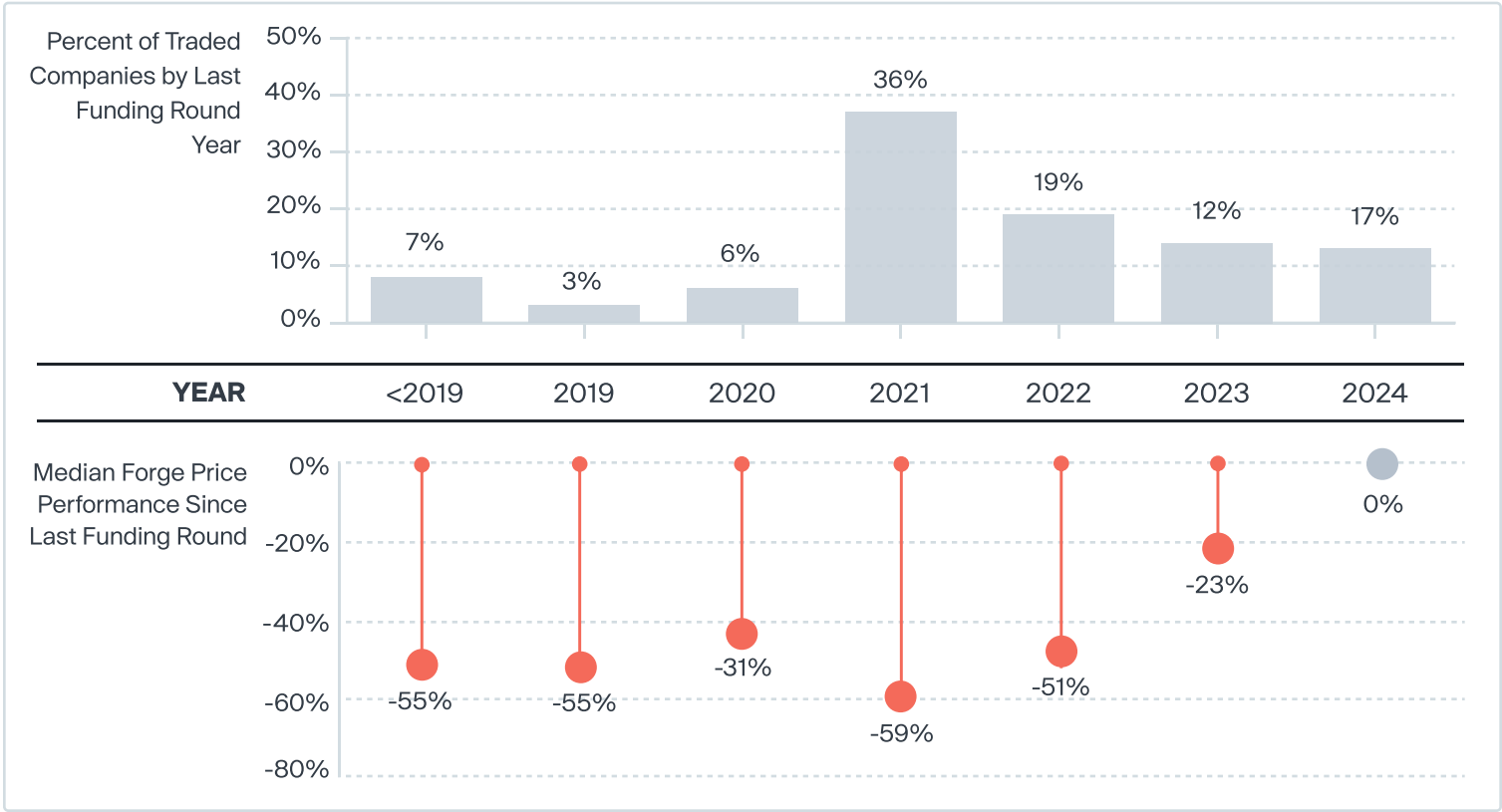
Visualization Details

The first table shows the top five companies on the Forge platform that raised a funding round with the largest funding round price-per-share step-ups. The second table shows the top five companies on the Forge platform that raised a funding round with the largest funding round price-per-share step-downs.

Secondary Market Activity

Many Late-Stage Private Companies Remain Unfunded Since 2021

Of the companies traded on the Forge platform, 36% last raised primary capital in 2021. For this group, the median current Forge Price is -59% below their previous funding round valuation. Meanwhile, companies that raised in 2024 have seen their current median Forge Prices remain flat relative to their most recent primary valuations.



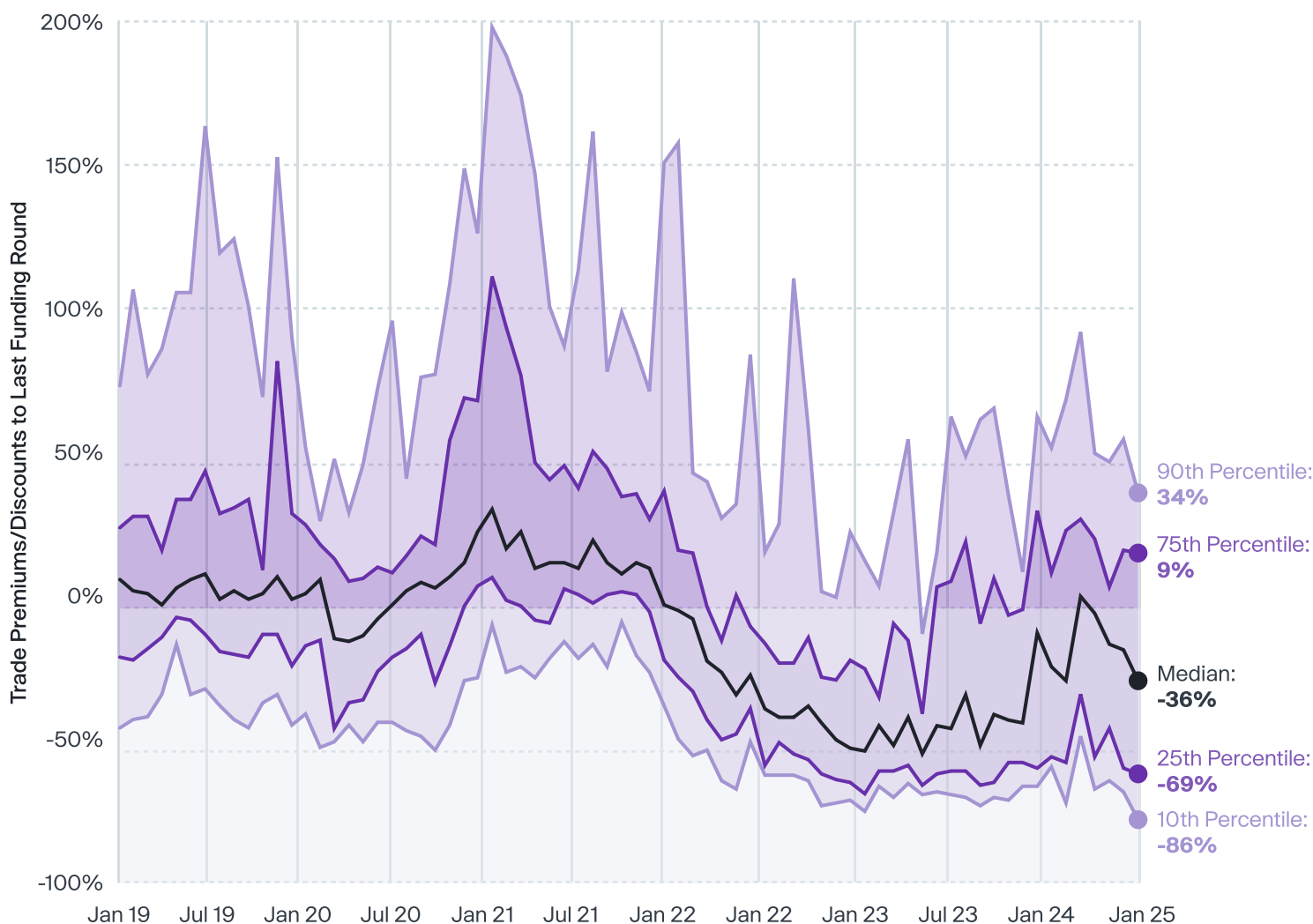
Forge Data as of 12/31/24

Visualization Details

The top chart shows the year of the last funding round for companies that have traded on the Forge platform. The bottom chart shows the median Forge Price discount to the last funding round of companies whose last funding round was in the specified year.

Q4 2024 Extends Decline in Median Secondary Trade Prices

Median secondary trade prices continued their downward trend in Q4 2024, closing at a -36% discount to the last funding round. However, 25% of names are continuing to trade at a premium. This is being driven by an increased breadth of names being traded, including some companies being traded for the first time on the Forge platform.



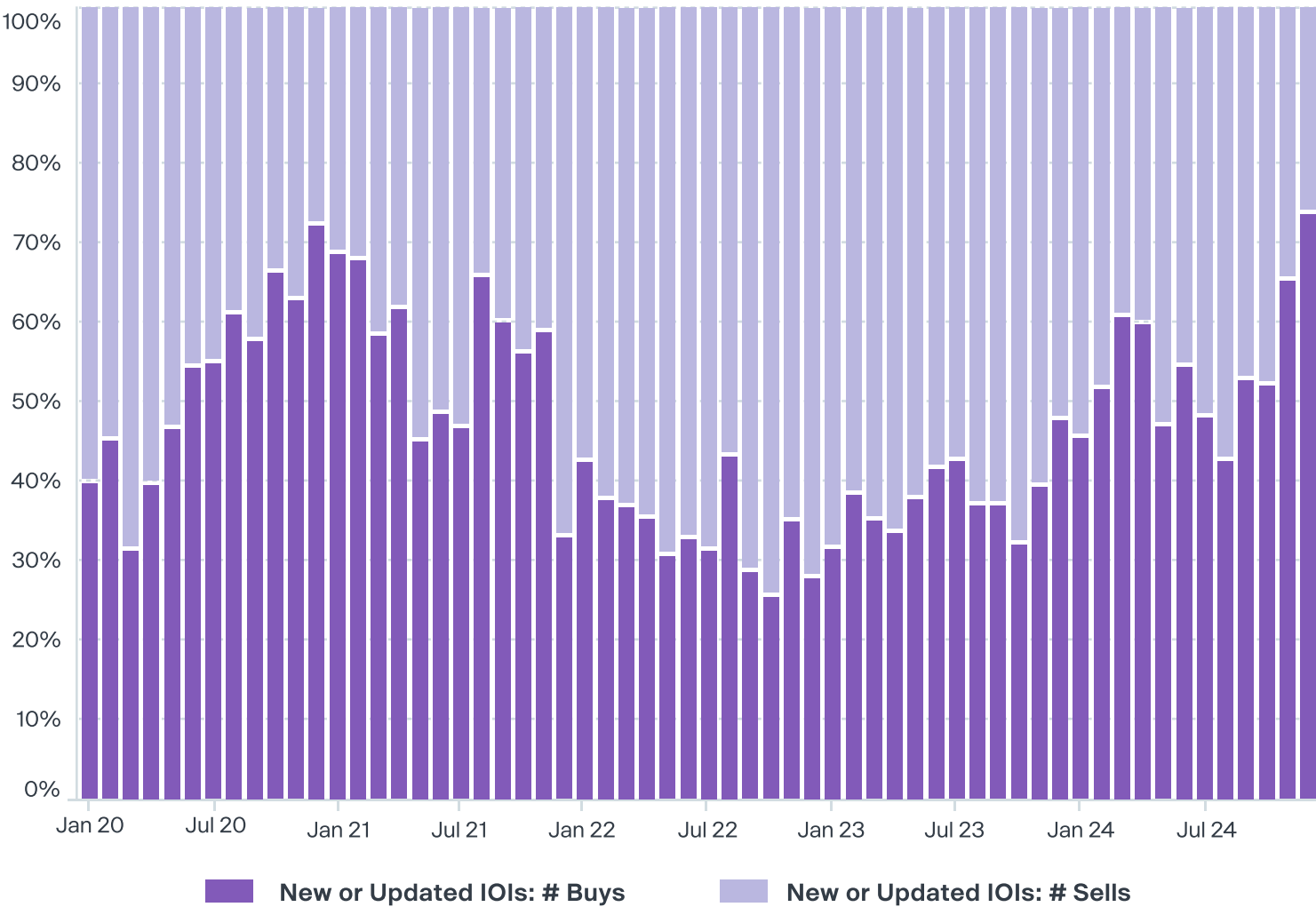
Forge Data as of 12/31/24

Visualization Details

This chart plots the distribution of monthly secondary market premiums/discounts to a company's last primary funding round on Forge Markets trades executed since January 2019.

Forge Markets Saw Peak Buy-Side Interest, Highest Since 2020

As of the end of Q4 2024, the buy-side represented about 75% of all indications of interest (IOIs) on Forge Markets. This is the highest buy-side interest we've seen since 2020, mostly driven by the strong interest in burgeoning AI names and activity in SpaceX's December 2024 tender offer.



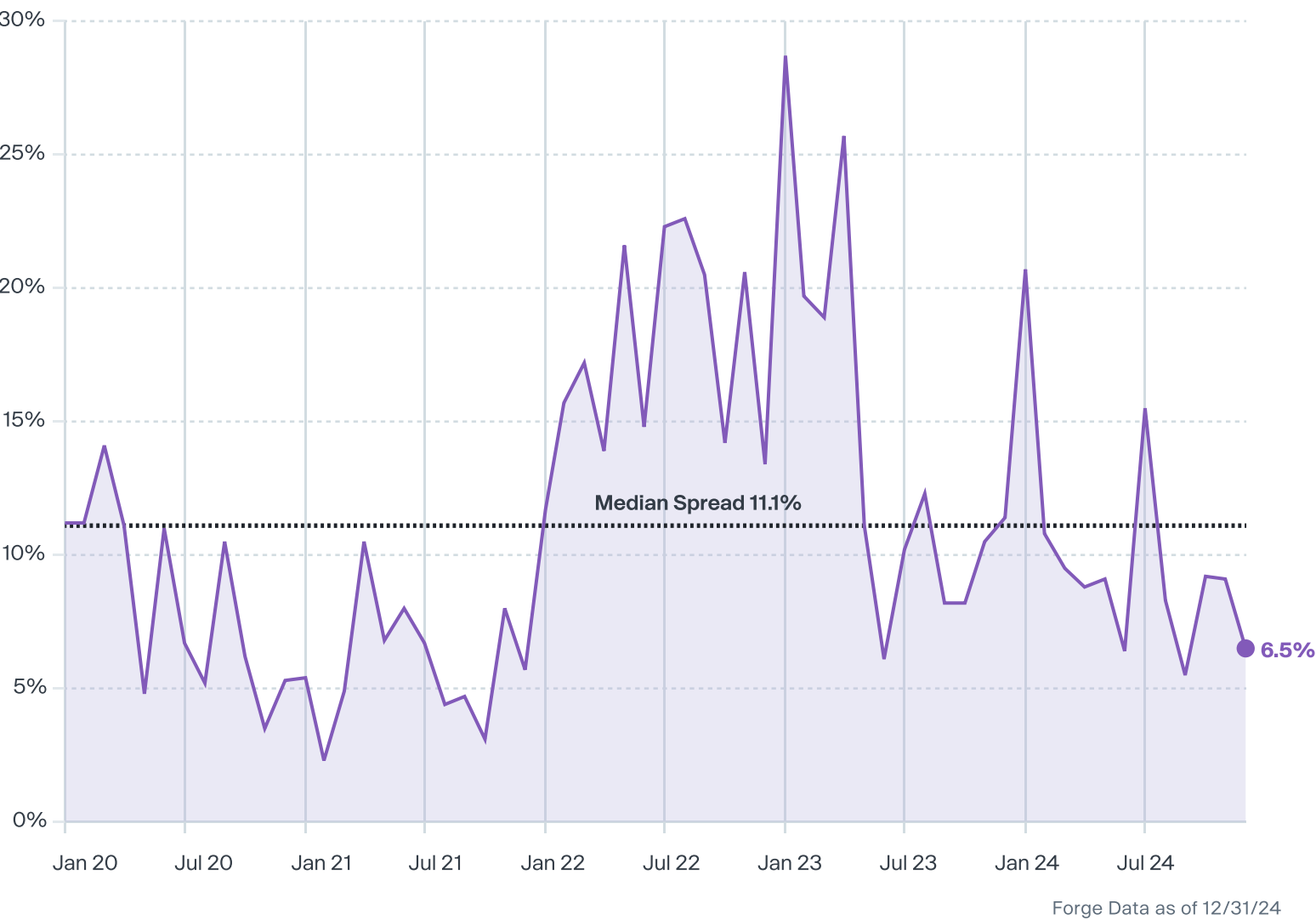
Forge Data as of 12/31/24

Visualization Details

This chart plots the monthly proportion of new or updated buy and sell indications of interest (IOIs) on the Forge platform

Despite Volatility, Bid/Ask Spread Declined to 6.5% in Q4 2024

The median bid/ask spread was 6.5% in Q4 2024. Following a spike in July, where it surged to 16%, the metric trended down throughout 2024.



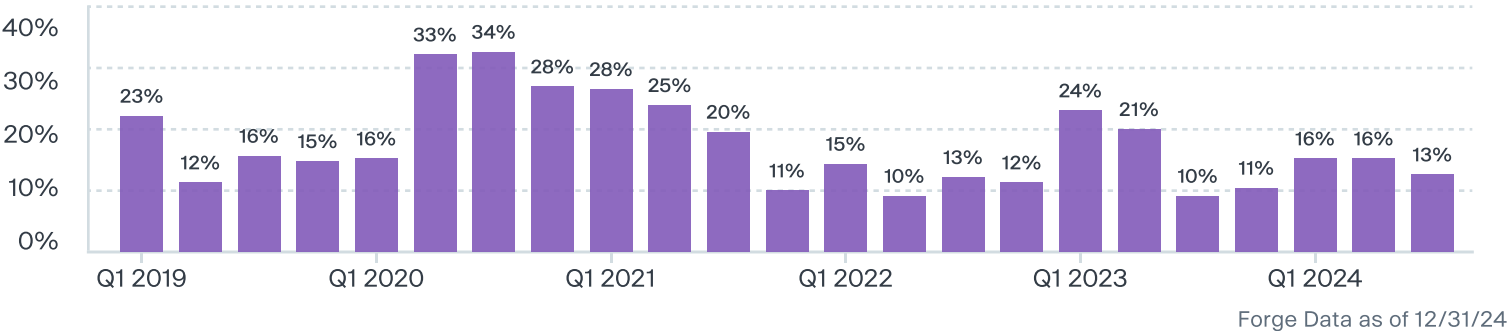
Visualization Details

This chart shows the median indication of interest (IOI) spread on the Forge platform since January 2020.

Companies Maintained an Average Rate in Exercising their Right of First Refusal in Q3 2024

In Q3 2024, 13% of companies exercised their right of first refusal (ROFR) on trades, a slight dip from Q2. Most names were purchased at a discount, such as Automation Anywhere and Starburst Data. As noted in the visualization details, extended ROFR periods mean that this data is delayed by one quarter.

% of Traded Issuers That Have ROFR'd



Visualization Details

This chart shows the percent of issuers that traded in a given quarter that exercised their ROFR. When a private company shareholder seeks to sell stock to a third-party buyer, the company typically retains a ROFR option for a set period (often 30 days) to step in and buy the stock back itself (or assign this right to a large investor) at the price negotiated by the seller and buyer. Since ROFR periods can be up to 90 days or longer, the data in the chart above is delayed by one quarter.

Company	Subsector	Implied Valuation from Max Q3 ROFR Price per Share	Implied Valuation from Max ROFR vs. Last Funding Round
Harness	Software Development	\$2.1B	+74%
Anduril	Aerospace & Defense	\$22.5B	+61%
The Farmer's Dog	Other Consumer & Lifestyle	\$3.5B	+30%
Addepar	FinTech Software	\$1.6B	-28%
Kraken	Blockchain	\$3.4B	-38%
Ripple	Payments	\$4.9B	-51%
Guideline	Business Operations	\$557M	-52%
Automation Anywhere	Productivity	\$1.4B	-79%
Starburst Data	Data Intelligence	\$309M	-91%

Forge Data as of 12/31/24

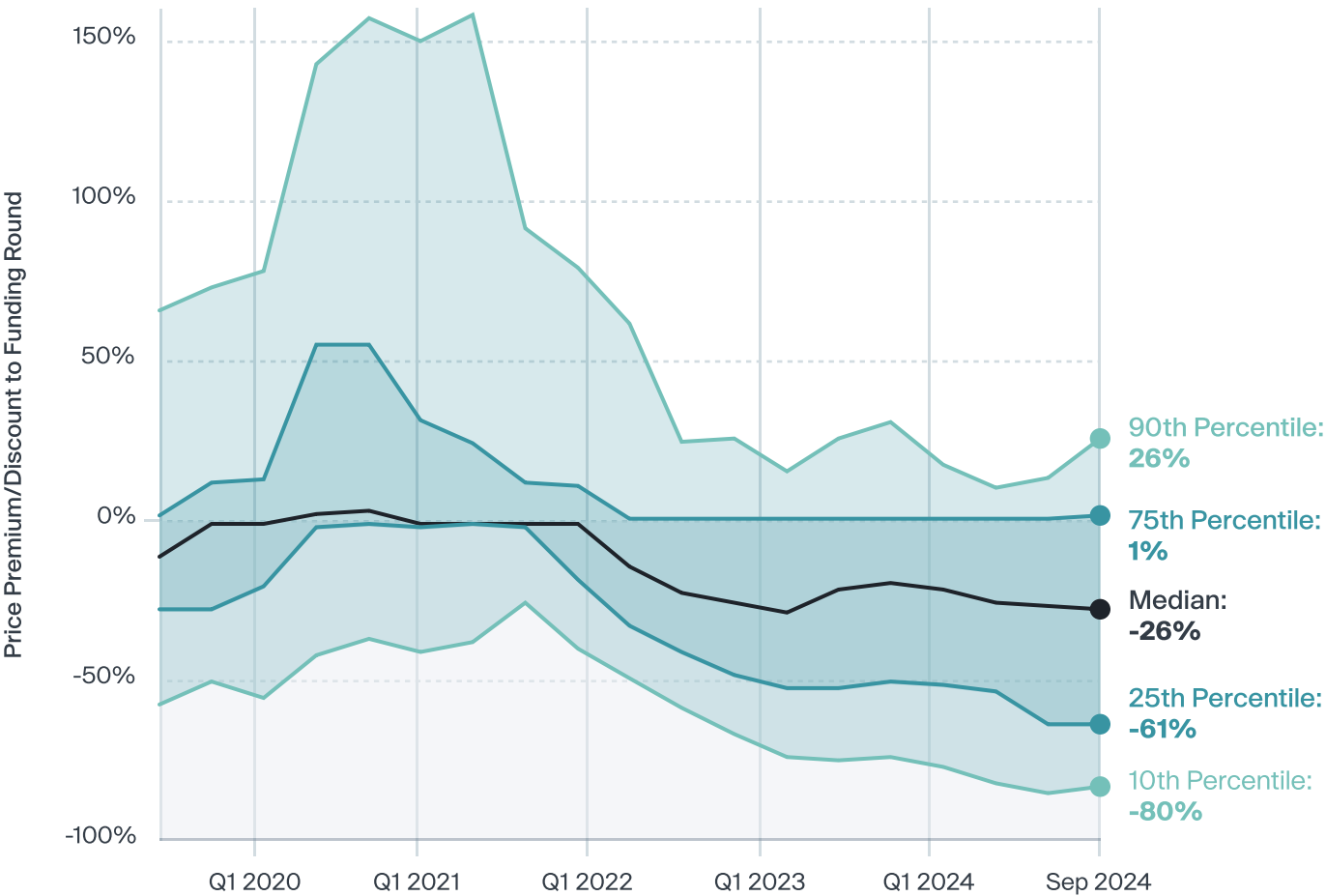
Visualization Details

“Implied Valuation from the Max ROFR Price” is based on the percent difference from the most recent funding round price per share and the maximum Forge Price of a ROFR trade.

Mutual Fund Marks

Mutual Funds Valued Top Companies at Elevated Premiums

In Q3 2024, the median mutual fund discount held steady at -26%, but the range across companies widened. The top decile rose further, reaching a 26% premium, while the bottom decile saw a modest recovery to an 80% discount relative to the last primary fundraising valuation. It is worth noting that mutual fund marks typically lag the market by one quarter.



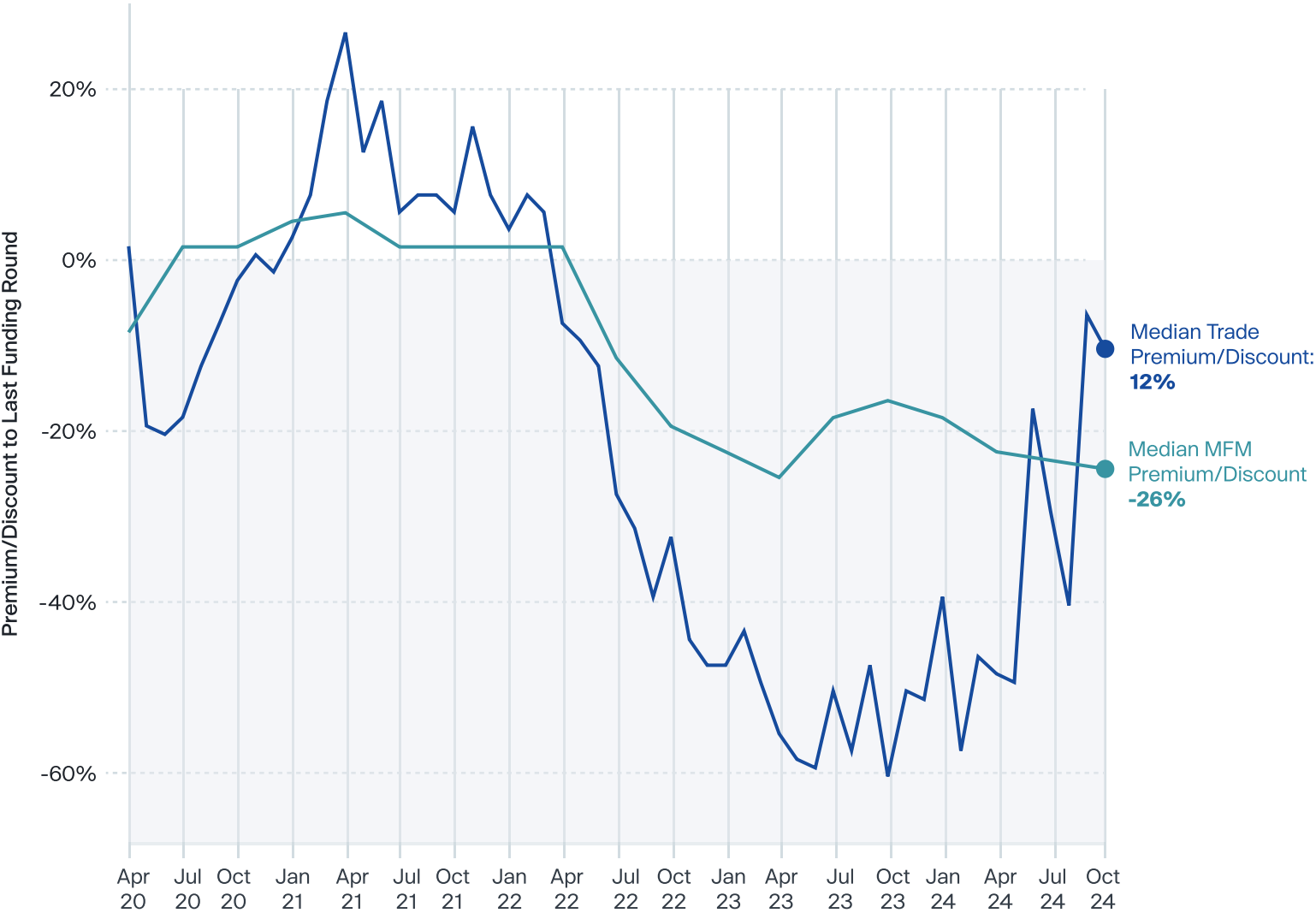
Forge Data as of 9/30/24

Visualization Details

This chart plots the quarterly distribution of premiums/discounts to the last primary funding round at which public mutual funds are valuing their private company holdings since Q1 2020. Mutual funds are required to report holdings quarterly and the data is released later. This explains why the data that is showcased is up to Q3 2024.

Median Premium/Discount Between Trades and Mutual Fund Marks Were Almost at Parity

For the second time in 2024, private companies were more discounted by mutual funds than in the secondary market. Notably, mutual funds are updated on a quarterly basis (and a one-quarter lag). Due to the delayed reporting nature of mutual fund marks, we know the Median Trade Premium/Discount dropped down to -36%, which is more in line with the mutual fund mark discount of -26%. This indicates more price alignment between mutual fund managers and the secondary markets.



Forge Data as of 9/30/24

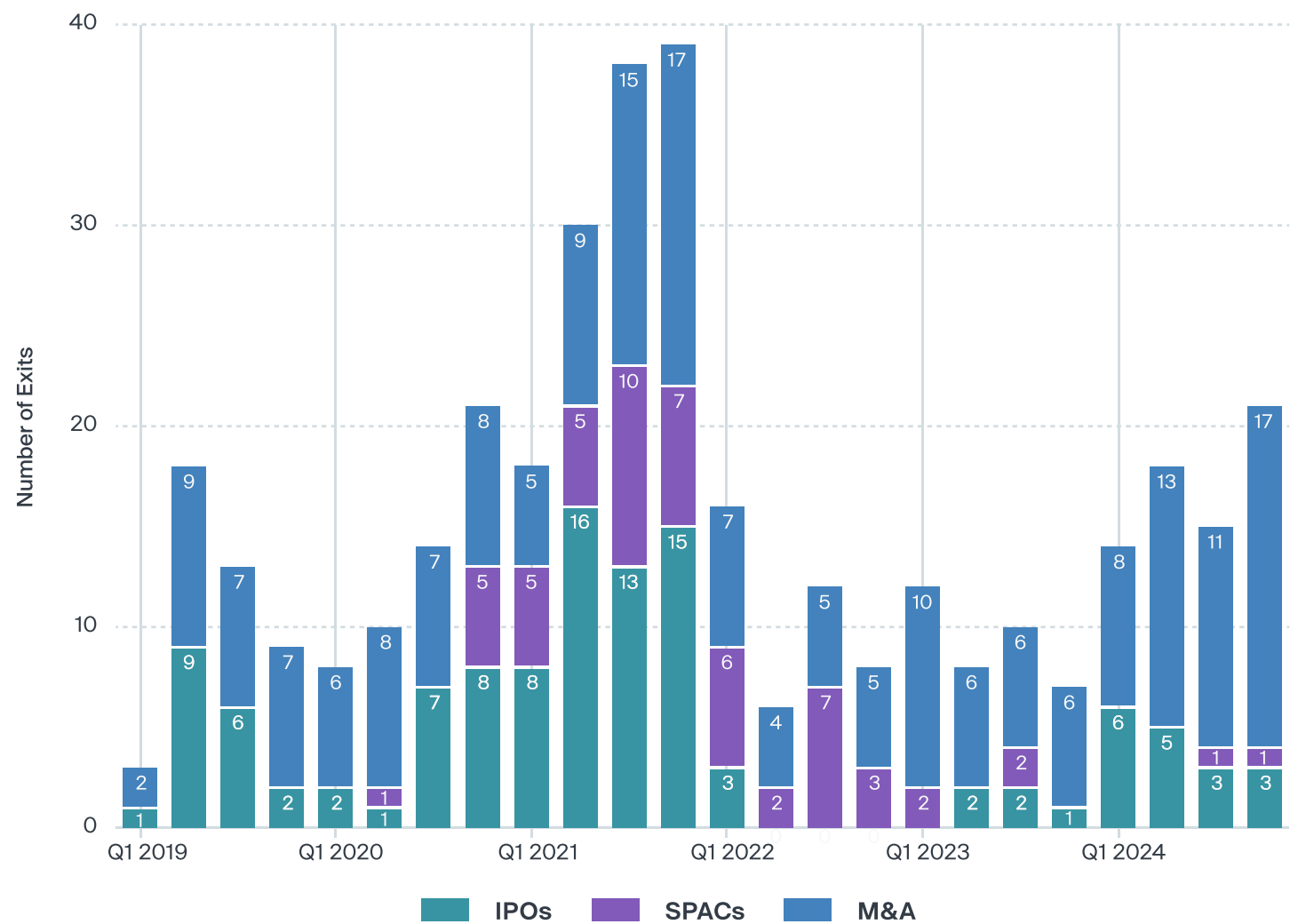
Visualization Details

This chart plots the median premium/discount to the last funding round on public mutual fund marks versus the median premium/discount on secondary trades in each month since 2020. Mutual funds are required to report holdings quarterly and the data is released later, which is why data is up to Q3 2024.

Exit Activity

Increased M&A Activity Drove Exit Count to Highest Level Since 2021

The IPO count stayed flat in Q4 2024 with ServiceTitan being the only non-Healthcare name to go public. However, a surge of 17 M&As in the quarter led to the highest quarterly exit number since 2021.



Forge Data as of 12/31/24

Visualization Details

This chart shows aggregated quarterly exit events since Q1 2019, where at least one of the parties is a mid- and late-stage company covered on the Forge platform.

Q4 2024 Completed and Announced Exits

IPOs

Company	Sector	Subsector	Last Funding Round Valuation	Exit Date
Ceribell	Healthcare	Medical Devices	\$326M	10/11/24
CAMP4	Healthcare	Biotech & Pharma	\$298M	10/11/24
ServiceTitan	Industrial	Industrial Software	\$7.6B	12/12/24

Completed Mergers & Acquisitions

Company	Sector	Subsector	Last Funding Round Valuation	Exit Date
Truepill	Healthcare	Digital Health	\$541M	10/1/24
Venafi	Enterprise Software	Cybersecurity	\$619M	10/1/24
Airbase	Enterprise Software	Business Operations	\$641M	10/1/24
Clumio	Enterprise Software	Data Management/Storage	\$151M	10/2/24
Dedrone	Industrial	Aerospace & Defense	\$367M	10/2/24
Evisort	Enterprise Software	Other Enterprise Software	\$615M	10/8/24
Cogito	Enterprise Software	Sales & Marketing / Adtech	\$267M	10/15/24
LivelIntent	Enterprise Software	Sales & Marketing / Adtech	\$189M	10/21/24
Keap	Enterprise Software	Sales & Marketing / Adtech	\$785M	10/29/24
Semasio	Enterprise Software	Business Operations	\$57M	10/31/24
RapidAPI	Enterprise Software	Software Development	\$1.0B	11/13/24
ActionIQ	Enterprise Software	Sales & Marketing / Adtech	\$451M	12/5/24
CareBridge Health	Healthcare	Digital Health	\$1.2B	12/10/24
Chroma Medicine	Healthcare	BioTech & Pharma	\$450M	12/11/24
Memora Health	Healthcare	Healthcare Software	\$420M	12/20/24
EvolutionIQ	FinTech	Insurance	\$561M	12/20/24
Fluid Truck	Transportation	Ridesharing	\$405M	12/23/24

Anticipated M&A Transactions and IPOs Based on Q4 2024 Activity

Company	Sector	Subsector	Last Funding Round Valuation	Event Date	Status
Omada Health	Healthcare	Digital Health	\$1.0B	10/2/24	Confidentially Filed
Chime	FinTech	Digital Banking	\$25B	12/19/24	Confidentially Filed
Cullgen	Healthcare	BioTech & Pharma	\$264M	11/13/24	M&A Announced

Forge Data as of 12/31/24

Visualization Details

This page shows individual exit events in Q4 2024 where a mid- and late-stage company covered on the Forge platform is acquired or participated in an IPO or SPAC. This page also shows filings and announced M&A activity for companies on the Forge platform that have not yet gone public.

Authors



Howe Ng

CHIEF INVESTMENT SOLUTIONS OFFICER

Howe Ng has spent over 20 years in public and private investing, with extensive experience in financial product innovation and institutional asset management. Prior to Forge, Howe held senior roles at BlackRock and Barclays Global Investors, including in their iShares ETF and Systematic Active Equity Portfolio Management divisions. He also served as Chief Operating Officer at Nipun Capital, an alternative asset management firm focusing on EM and Asian strategies.



Lindsay Riddell

EVP, CORPORATE MARKETING AND COMMUNICATIONS

Lindsay Riddell is EVP of Corporate Marketing & Communications at Forge Global. Prior to joining Forge, Lindsay ran the Corporate & Executive Communications at Hotwire Global, a technology PR firm. She was a technology and financial journalist for 18 years, including at the San Francisco Business Times.



Andrew Alden, CFA

VICE PRESIDENT OF QUANTITATIVE RESEARCH

Andrew Alden, CFA, previously worked as the CIO of Semantiqa and as the Head of Quantitative Research at WeatherStorm Capital. With skills in asset and portfolio management, he brings a wealth of knowledge to his director role at Forge. Andrew has a Master of Financial Engineering from Haas School of Business, CA.



Louis Metzger

SENIOR DATA ANALYST

Louis is a Senior Data Analyst at Forge Global, focusing on valuations and private market trends. Before joining Forge, Louis worked in corporate finance at Initiative Media and was a startup founder.

Contributor

Austin Deyan

MANAGING DIRECTOR, CAPITAL MARKETS

Austin Deyan is Managing Director, Capital Markets, at Forge Global. Austin has over six years of deal experience in the private secondary markets, where he serves major institutional clients globally. Before joining Forge in 2017, Austin spent two years with J.P. Morgan Asset Management.

Contact Us

If you are new to Forge and would like to discuss the private market in greater detail, please reach out to institutions@forgeglobal.com. We will assign you a private securities specialist who can guide you through broader market trends or company specific real-time pricing/trading history.

