Dear Shareholders,

I want to start by thanking you for your support of Powerlaw Corp. and for joining us as shareholders at this early stage of our journey. We are grateful for your support and excited about the opportunity to build this company alongside you.

Last week, we published Powerlaw Corp.'s first monthly net asset value ("NAV") update as of May 31, 2026. You can find the official press release on PWRL.com.

Consistent with our brand promise of transparency, I want to use this letter to focus on three key objectives.

- First, provide color behind our May 2026 NAV .
- Second, make sure every shareholder knows exactly what that number means and how we build it, because we think an educated shareholder is our best shareholder.
- And third, tell you exactly when and where you'll get it from us, every single month, from here on out.

Private markets have historically been hard to access. Our entire premise is that they don't have to be. Transparency and education aren't a department here — they're the product. Updates like this one are part of that promise, and you can expect them regularly.

The Numbers: May 2026 NAV

As of the close of business on May 31, 2026 Powerlaw's net asset value per share was $15.31, on an unaudited basis- an 9.6% increase from our prior mark as of May 13, 2026, and total net asset value was $662 million.

Metric (as of May 31, 2026 — unaudited)	Value
NAV per share	$15.31
Prior NAV per share (as of 5/13/26)	$13.97
Change from prior NAV (as of 5/13/26)	+9.6%
Total NAV	$662 million

You'll find updated numbers in two places, every month, the press release we publish over the wire and on the news page of our website, PWRL.com, and the NAV figures on the website itself — where NAV and NAV per share have been published since the day we listed, and where they'll continue to live between monthly releases.

NAV 101: Our Valuation Discipline

The arithmetic around NAV is straightforward: **NAV per share = Fair Value of Assets (Portfolio Companies + Cash - Liabilities) / Shares Outstanding**

Now let me spend a few minutes on what this number actually is, because if you understand NAV, you understand how to own this fund. Net asset value is the fair value of everything the fund holds. It's the same basic methodology that is used to measure private assets like venture capital investments. The interesting part for PWRL is the first input - how do you value companies that don't trade every day?

The answer is fair value, determined under valuation policies approved by our board of directors. When there's a new, verifiable pricing event in one of our companies — a completed primary round, meaningful secondary activity, or an announced IPO price — that's considered in the next monthly mark. It's a disciplined process, it involves judgment, and we'll always be straight with you about both halves of that sentence.

A question we have gotten, and a good one: what about the big valuations you read about in the press — SpaceX, OpenAI, the headline numbers? Our approach is simple and consistent: we mark to verified, completed financing events, supported by significant secondary market trading, or preferably company tenders, not to speculation in the media. When a reported round is completed and a new certificate is filed in Delaware, which can take months from when the transaction is reported in the press, it flows into the next monthly NAV. That discipline is the reason you can trust the number.

In addition, understanding how NAV relates to market price is also important because closed-end funds — ours and everyone else's — trade at premiums and discounts to NAV, and those gaps widen, narrow, and persist; our own offering materials say plainly that closed-end fund shares frequently trade at a discount to net asset value. That's the structure, and informed investors use it as they track both numbers and form their own view of the relationship. Starting this month, you can do exactly that with PWRL — current NAV per share is $15.31 as of May 31, the tape gives you the market price every day, and the math is yours from there. I won't predict the share price, and you should be skeptical of anyone who does. What we will commit to is the input we control which is a disciplined, published NAV, every month, without fail.

The Powerlaw Transparency Stack

To give you complete visibility into your investment, here is exactly what you can expect from our reporting cadence moving forward:

- **Daily:** A live market price and daily liquidity via Nasdaq.
- **Monthly:** Net asset value and NAV per share, announced via press release and updated at PWRL.com.

- **Quarterly:** Full portfolio holdings, asset allocation, and comprehensive financial disclosures.
- **Ongoing:** Material updates delivered through official channels via disclosures like this one, 8-K filings and press releases.

We encourage you to bookmark PWRL.com as your primary source of truth. While our social channels will always point you to our latest updates, our official regulatory filings and website remain the permanent record.

Moving Forward

Powerlaw was built on the conviction that private markets are where extraordinary value is created, and that individual investors deserve a transparent, liquid, and educated vehicle to participate in that growth. Our NAV for May of 2026 was $15.31 per share - a 9.6% increase from our prior mark - is that conviction in practice.

Thank you for your continued partnership and trust.

Sincerely,

Ben Black

Chief Investment Officer, Powerlaw Corp. (PWRL)