



The Quarterly Newsletter of Firsthand Technology Value Fund, Inc.

Roku Soars After Initial Public Offering

Roku, a provider of Internet streaming devices and software and a Fund holding since 2015, went public on September 28, 2017, through an initial public offering (“IPO”). The IPO was priced at \$14.00 per share and closed 2017 at \$51.78 per share. The shares trade on the NASDAQ under the ticker symbol “ROKU”.

Roku is a prime beneficiary of the trend toward over-the-top (OTT) delivery of television and movie/video content and is among the leaders in streaming hardware and software. The Fund’s shares are subject to a customary 180-day lockup provision, which will expire March 28, 2018.



Pivotal Systems Exploring IPO on Australian Securities Exchange

In March, Pivotal Systems announced that it has engaged investment banks Moelis Australia and Shaw and Partners to explore a potential 2018 listing on the Australian Securities Exchange (“ASX”).

Pivotal supplies flow control solutions to the semiconductor industry, and is the Fund’s largest holding, representing 19.9% of the Fund’s net assets as of December 31, 2017. The Fund’s initial investment in Pivotal was made in 2012 and we have invested a total of \$19.0 million in the company.

Pivotal is headquartered in Fremont, California and has production capabilities in China and Korea. The company’s future growth plans include expansion of operations in Asia and the United States, and entry into other large industrial markets where its intelligent sensing and control technologies offer advantages over existing solutions.

Top Holdings As of 2/28/18

Company	% Estimated Net Assets
Pivotal Systems Corp.	20.5%
QMAT, Inc.	14.3%
IntraOp Medical Corp.	12.4%
Nutanix, Inc.	9.0%
Revasum, Inc.	8.8%

* As of February 28, 2018, estimated net assets of the Fund were approximately \$169 million, or \$23.13 per share, including cash and cash equivalents of approximately \$0.24 per share. As of that date, the Fund's top five holdings constituted 65.0% of the Fund's estimated net assets.* Complete financial statements and a detailed schedule of investments as of December 31, 2017, will be available in the Fund's annual report filing on Form 10-K in March. *

* *Estimated net assets as of February 28, 2018, represent net assets of approximately \$174 million as of December 31, 2017, plus the net change in unrealized appreciation/depreciation and realized gains/losses on publicly traded and private securities since December 31, 2017. For the purposes of calculating the percentage of net assets represented by each investment, the value of each holding is determined by the most recent of: (1) the purchase price, (2) the market value for public securities, less any discounts taken due to restrictions on the stock, or (3) the December 31, 2017, fair value of each security, as determined under procedures approved by our Board of Directors. Not all investments have been or will be as profitable as those discussed. Investing in SVVC's shares involve considerable risk of loss. Please carefully read SVVC's public filings before investing. The portfolio company news reported in this newsletter does not mean that SVVC's investments will be profitable or avoid a loss.*

2018 Shareholder Meeting

May 22, 2018
2:00 PM Pacific Time
San Jose Hilton Hotel
300 Almaden Blvd.
San Jose, CA 95110



Hightail Acquired by OpenText

Hightail, an online collaboration platform and a Fund holding since 2014, was acquired by OpenText Corp. (NASDAQ: OTEX) in February 2018. OpenText is a publicly traded enterprise information management (EIM) technology company with a market capitalization of more than \$9 billion.

The Fund's cost basis in Hightail stock is \$10 million. We currently anticipate receiving \$5 million - \$6 million in proceeds from the sale to OpenText. More details will be published on our website as they become available.

Fund Adopts Share Repurchase Plan

In November 2017, the Fund's Board of Directors approved a discretionary share repurchase plan (the "Plan").* Pursuant to the Plan, the Fund may purchase in the open market up to \$2 million worth of its common stock.

The Plan allows the Fund to acquire its own shares at certain thresholds below its net asset value (NAV) per share, in accordance with the guidelines specified in Rule 10b-18 of the Securities Act of 1934, as amended. The intent of the Plan is to increase the NAV per share and thereby enhance shareholder value. Executing the Plan may also moderate the discount at which the Fund's shares currently trade.

The Fund expects the Plan will be in effect until March 30, 2018, or until the approved dollar amount has been used to repurchase shares. Through the end of February 2018, we had repurchased and retired 128,551 shares of stock at a total cost of approximately \$1.1 million. As of February 28, 2018, the Fund had 7,302,146 shares outstanding.

* *There is no assurance that the Fund will purchase shares at any specific discount levels or in any specific amounts. The Fund's repurchase activity will be disclosed in its shareholder reports for the relevant fiscal periods. There is no assurance that the market price of the Fund's shares, either absolutely or relative to NAV, will increase as a result of any share repurchases, or that the plan will enhance shareholder value over the long term.*

STAGES OF INVESTMENT

The Fund invests in companies at various stages of maturity. As our portfolio companies mature, they move from the “early / development stage” to the “middle / revenue stage” and then to the “late stage.” We expect that this continuous progression may create a pipeline of potential exit opportunities through initial public offerings (IPOs) or acquisitions. Of course, some companies do not progress. This chart represents holdings as of 12/31/17 and does not include public companies.

Early Stage

Developing product or service for market, high level of research and development, little or no revenue.



VUFINE

Middle Stage

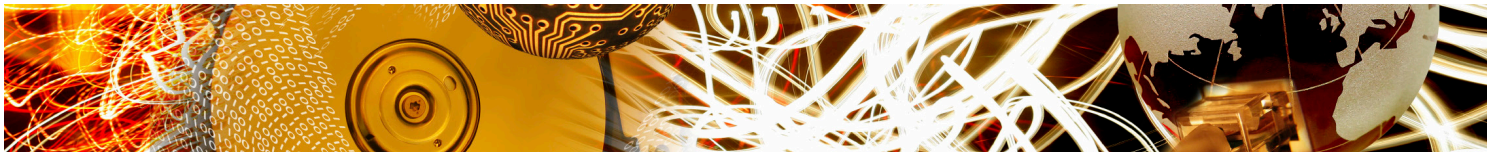
Established product, customers, business model; limited revenues.



Late Stage*

Appreciable revenue; break-even or profitable; IPO or acquisition candidate.





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Phunware to Merge with Stellar Acquisition

Phunware, a Fund holding since 2014, has entered into a definitive agreement to merge with Stellar Acquisition III, Inc. ("Stellar") (NASDAQ: STLR). The transaction values Phunware at \$301 million, and the consideration will be paid with newly issued equity securities of Stellar. Stellar is a Special Purpose Acquisition Company, or SPAC, formed for the purpose of effecting a merger, asset acquisition, or other business combination. Stellar's units, common stock, and warrants are currently listed on the NASDAQ under the symbols "STLRU," "STLR," and "STLRW," respectively.

Upon the closing of the merger, the combined company will inherit the name Phunware, Inc. and its common stock is expected to trade on the NASDAQ under the symbol "PHUN." The merger is subject to shareholder approval and other customary closing conditions and is expected to close in the second quarter of 2018.



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or www.firsthandTVF.com**