



## The Quarterly Newsletter of Firsthand Technology Value Fund, Inc.

# TAPAD

## Tapad to Be Acquired

Tapad, one of the Fund's advertising technology investments, is set to be acquired by Norwegian telecom giant Telenor (OSE: TEL). Telenor, a public company with a \$24 billion market cap, announced in February its intention to purchase Tapad for \$360 million in cash.

Tapad will remain a stand-alone company and Are Traasdahl, the CEO and founder, will remain at the helm. Closing of the transaction is subject to regulatory approval and is currently expected in the first quarter of 2016. More details will be published as they become available.

"Tapad is a prime example of the type of company we target for investment—a dynamic, high-growth company with the technology to transform a global market. Telenor obviously sees the same potential and we are thrilled with this acquisition," remarked Kevin Landis, Firsthand's CEO.



## Nutanix Announces IPO Plans

Nutanix, a provider of "hyperconverged" data center equipment that merges computing, storage, and networking capabilities in a single piece of equipment, announced in late December its plans to go public in 2016.

The number and pricing of shares has not yet been determined. The Fund holds 227,272 shares of Nutanix common stock as of the end of 2015, with an average cost of \$17.60 per share. The company has applied for the listing of its stock on the NASDAQ Global Select Market under the ticker symbol "NTNX".



## Hera Partners With NASA

In December, Hera Systems announced a partnership with NASA's Ames Research Center. The licensing agreement allows Hera to leverage NASA technology to aid in its development of ultra-high resolution satellite imaging.

Hera expects to launch a constellation of nine satellites late in 2016, which would enable the company to offer one-meter resolution to commercial enterprises. The Fund made its initial investment in Hera in June 2015.

# PORTFOLIO UPDATES

## Tapad and Phunware Join Deloitte's Fast 500

The Technology Fast 500™ is Deloitte's list honoring the fastest-growing tech, media, telecommunications, life sciences, and energy tech companies in North America. The 2015 list includes portfolio company Tapad at #36, and Phunware at #93. The winners of the 2015 Fast 500 award were selected based on percentage fiscal year revenue growth from 2011 to 2014.



## Congress Extends Solar Tax Credits

In December, Congress voted to extend solar tax credits at the current 30% rate through 2019 and at decreasing percentages through 2022. This bodes well for renewable energy companies, including Sunrun, who stand to benefit from the continued subsidies.

The Fund's 674,820 shares of Sunrun were subject to a 180-day lock-up following the company's August IPO; the lock-up expired on February 3. Our cost basis in the shares is approximately \$9.50 per share.

## Mattson to Be Acquired

On December 1, 2015, Beijing E-Town Dragon Semiconductor Industry Investment Center announced it will acquire all of the outstanding shares of Mattson for \$3.80 per share in cash. The transaction is subject to approval by Mattson's stockholders, and is expected to close in the first calendar quarter of 2016. Mattson (NASDAQ: MTSN) is a micro-cap company in the semiconductor manufacturing equipment industry and has been a holding of the Fund since 2013.

As of December 31, 2015, the Fund held approximately 3,280,000 shares of Mattson common stock. The acquisition price of \$3.80 per share, if realized, would represent a gain of 51.3% for the shares held by the Fund.

## Roku Sells 1M Smart TVs

Since entering the market in 2014, 1 million Roku-enabled smart TVs have been sold in the United States. In 2016, Roku will be offering its first 4k TVs through its hardware partner, TCL, one of the world's largest television producers.



## Top Holdings As of 2/29/16\*

Company	% Est. Net Assets
IntraOp Medical Corp. ....	14.9%
Pivotal Systems, Inc. ....	13.3%
QMAT, Inc. ....	8.2%
Turn, Inc. ....	8.0%
Wrightspeed, Inc. ....	7.2%

\* Estimated net assets as of February 29, 2016 represent preliminary net assets of approximately \$176 million as of December 31, 2015 plus the net change in realized and unrealized gains/losses on publicly traded and private securities since December 31, 2015. 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 restrictions on the stock, or (3) the December 31, 2015 fair value of each security, as determined 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.

# 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 12/31/15 and does not include public companies.

## Early Stage

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



## 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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