



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

### Tapad Acquired by Telenor

Tapad, one of the Fund's advertising technology investments, has been acquired by Norwegian telecom giant Telenor (OSE: TEL). Telenor, a public company with a \$24 billion market cap, purchased a 95% interest in 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.

"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.

With a cost basis of approximately \$10.2 million, the Fund's investment in Tapad resulted in a realized gain of \$7.3 million for the Fund. The Fund may receive additional consideration at a later date, if certain conditions are met.



### Fund Adopts Share Repurchase Plan

In late April, the Fund announced that its Board of Directors had approved a discretionary share repurchase plan, authorizing the purchase of up to \$2 million worth of its common stock.

We do not believe that our current stock price accurately reflects the value of the companies in our portfolio," noted Kevin Landis, CEO of the Fund. "When such a dramatic disconnect exists, we believe one of the best investments we can make is in our own stock." Utilizing a portion of the cash the Fund has received from the recent sales of its holdings in Tapad and Mattson Technologies, the Board of Directors has authorized the repurchase of up to \$2 million worth of SVVC shares in the open market.

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. Based on closing price of \$7.40 per share for the Fund's common stock as of April 26, 2016 on the Nasdaq Global Market, the Fund has been authorized to repurchase approximately 3.5% of its outstanding stock.

The Fund expects the Plan will be in effect until September 30, 2016, or until the approved dollar amount has been used to repurchase shares. 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.

# PORTFOLIO UPDATES

## Mattson Acquisition Complete

On December 1, 2015, Beijing E-Town Dragon Semiconductor Industry Investment Center announced it would acquire all of the outstanding shares of Mattson, a semiconductor manufacturing equipment company, for \$3.80 per share in cash. The transaction was approved by Mattson's stockholders, and closed in May. The Fund began purchasing shares of Mattson in 2013.

As of March 31, 2016, the Fund held approximately 2,380,000 shares of Mattson common stock. The acquisition price of \$3.80 per share represents a gain of 57.4% for the shares held by the Fund.



## 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 early in 2016. Although the stock market's shaky start this year seems to have put Nutanix's IPO plans on hold, the company filed an amended S-1 in April, announcing its first \$100 million quarter and fueling speculation that an IPO may be just around the corner.

The number and pricing of shares has not yet been determined. The Fund holds 227,272 shares of Nutanix Series A preferred stock as of March 31, 2016, 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".



## 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 March 2016, Roku announced the availability of Roku-enabled 4k TVs from Insignia and TCL, the world's third largest TV manufacturer. This year, Roku plans to introduce nearly 60 new Roku TV models through its partners, which also include Sharp, Haier, and Hisense.



## Phunware Joins 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 Phunware at #93. The winners of the 2015 Fast 500 award were selected based on percentage fiscal year revenue growth from 2011 to 2014.





## Wrightspeed Signs \$30 Million Deal

Wrightspeed, founded by Tesla Motors co-founder Ian Wright in 2003, designs electric drivetrains to convert medium-duty vehicles like buses and delivery vans, into plug-in hybrids. In April, Wrightspeed signed a \$30 million deal with NZ Bus, New Zealand’s largest urban bus operator, to convert their fleet of public transit buses.

NZ Bus CEO Zane Fulljames commented: “Wrightspeed’s powertrains outperformed the competition on nearly every metric and will provide us with the fuel source flexibility and economically compelling technology to future-proof our transit assets. For example, the technology enables us to reimagine our trolley buses, rather than decommissioning them.”

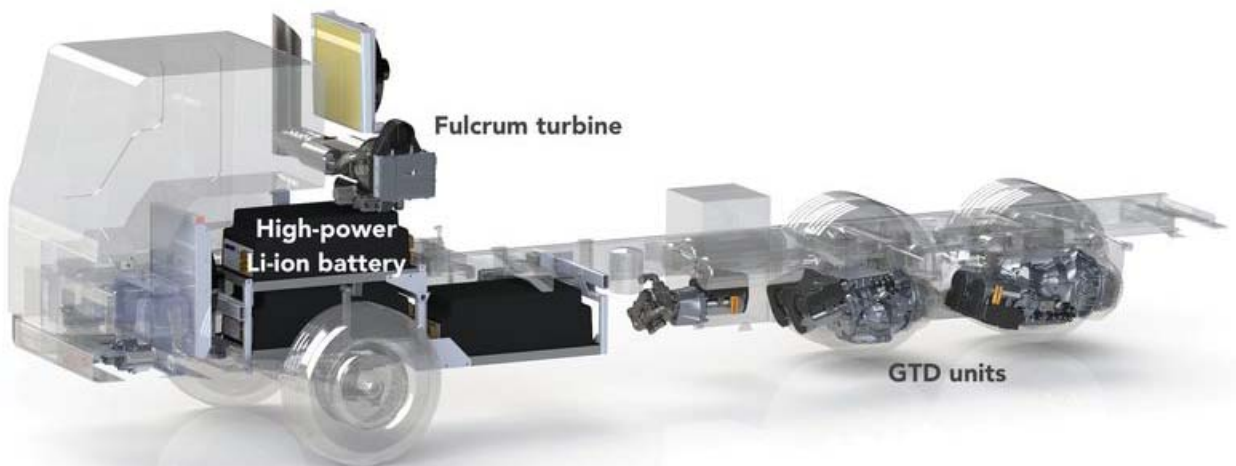
Wrightspeed, a 2013 investment, is one of the Fund’s largest investments, representing approximately 7.7% of the Fund’s net assets as of March 31, 2016.

The Fund’s portfolio manager Kevin Landis had this to say about the deal: “This partnership highlights Wrightspeed’s traction in the electric vehicle space and represents a significant milestone for the company as it moves to bring clean electric drivetrains to the markets with the highest cost-saving potential.”

## Top Holdings As of 4/30/16\*

Company	% Est. Net Assets
IntraOp Medical Corp. ....	15.8%
Pivotal Systems, Inc. ....	14.7%
QMAT, Inc. ....	9.9%
Wrightspeed, Inc. ....	7.7%
Turn, Inc. ....	5.9%

\* Estimated net assets as of April 30, 2016, represent net assets of approximately \$168 million as of March 31, 2016, plus the net change in unrealized appreciation/depreciation and realized gains/losses on publicly traded and private securities since March 31, 2016. 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 March 31, 2016, 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.



The Wrightspeed Route™ electric powertrain.



## 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 3/31/16 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.



 **Follow Us on Twitter**

The Fund is on Twitter [@FirsthandSVVC](https://twitter.com/FirsthandSVVC). Follow us to keep up with the latest Fund news, including holdings updates, and the latest on our portfolio companies.