



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



### Sunrun Completes Initial Public Offering

Sunrun, a Fund holding since 2013, completed its initial public offering on August 4, 2015, and began trading on August 5 under the ticker symbol "RUN".

The Fund holds 674,820 shares of Sunrun common stock as of June 30, 2015, at an approximate average cost of \$9.51 per share. The Fund's shares are subject to a customary 180-day lockup provision.

Sunrun offers "solar-as-a-service" to residential customers. The company enables homeowners to benefit from the lower cost of solar electricity without the upfront expense of purchasing and installing the solar hardware.



# TAPAD

### Tapad Announces 300% Growth in Video Revenue




In July, Tapad, a Fund holding since 2013 and the leader in cross-device marketing technology, announced its year-over-year revenues had increased 300% within its cross-device video business. This business segment makes up more than 20% of Tapad's total revenue. In the last year, Tapad has launched campaigns with many high-profile clients such as Microsoft, Disney, Pandora, CVS, Mars, CitiBank, and Ford. Earlier in the quarter, Tapad announced revenue growth of 94% for the first quarter of 2015, as compared to the same period a year ago.

Tapad's technology lets advertisers serve combinations of video, display, and rich-media campaigns across a variety of connected devices.



# IPO OUTLOOK

Sunrun’s recent IPO was the fifth for the Fund since its inception and we believe there may be more to follow among our portfolio companies in the next 12 - 18 months. Within our group of late-stage companies, Cloudera, Nutanix, and Roku stand out as legitimate IPO candidates and have been among those tabbed by various news outlets, including *The Wall Street Journal*, *Forbes*, *Fortune*, and Reuters, as companies to watch for upcoming IPOs. The table below provides a snapshot of each of these three companies, including the scale that each has achieved.

Company	Business Description	Major Investors*	Last Funding Round*	Business Metrics
	Hadoop Software	Google Intel T. Rowe Price Accel Partners Greylock Partners	\$740 million in March 2014 (\$4.1 billion valuation)	\$100 million in revenues for fiscal 2015 (ended January 31, 2015)
	Hyperconverged Data Center Equipment	Lightspeed Khosla Ventures Goldman Sachs Battery Ventures	\$140 million in August 2014 (\$2 billion valuation)	Bookings run rate >\$300 million (as of January 31, 2015)
	Internet Streaming Devices	Netflix Menlo Ventures Globespan Capital Partners BSkyB News Corp	\$25 million in October 2014	Over 10 million devices sold in the U.S.

\*Source: Crunchbase



## Roku #1 in Streaming

Portfolio company Roku holds a dominant 37% market share in the U.S. streaming device market, according to an August 2015 study by Parks Associates. Visit our website to learn more.



## 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.

## RECENT PORTFOLIO ADDITIONS



### Vufine

Vufine, Inc. is an early-stage start-up developing a wearable high-definition display that clips on to existing eyewear. The device enables users to have a heads-up display that connects to iOS, Android, and GoPro devices.

The company completed a successful Kickstarter campaign in July 2015. Vufine set out to raise \$50,000 but collected over \$240,000 from more than 1,400 backers.



### Hera Systems

Hera Systems is a San Jose, California startup company developing a constellation of micro satellites in Low Earth Orbit with imaging and communications capabilities. Its communications satellites are designed to enable robust, secure private communications networks.

### Top Holdings As of 7/31/15\*

Company	% Est. Net Assets
IntraOp Medical Corp. ....	12.6%
Pivotal Systems, Inc. ....	12.1%
Turn, Inc. ....	8.0%
QMAT, Inc. ....	6.4%
Wrightspeed, Inc. ....	6.1%

\* Estimated net assets as of July 31, 2015 represent preliminary net assets of approximately \$189 million as of June 30, 2015 plus the net change in realized and unrealized gains/losses on publicly traded securities since June 30, 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 June 30, 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 6/30/15.

## 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.

