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**About W Partners**

W Partners is a boutique investment banking advisory firm that provides financial advisory services to middle-market companies in the Western United States.

Our services include mergers, acquisitions, financings, capital raising, and strategic transaction advice to business owners and family offices.

## San Diego Middle Market M&A Update Second Quarter of 2018

In the second quarter of 2018, global M&A deal value reached \$1.3 trillion, an 81% increase year-over-year, marking the sixth quarter to exceed \$1 trillion since 2015. However, the volume of deal activity dropped to 9,712, an 11% decrease year-over-year, which can be attributed to a shift toward megadeals in the M&A market. The second quarter featured six deals valued over \$20 billion, led by Japanese pharmaceutical company Takeda Pharma's \$62 billion bid to acquire UK biopharmaceutical company Shire. Despite rising tensions involving global trade, higher interest rates, and unstable stock markets, M&A activity in the quarter remained strong.

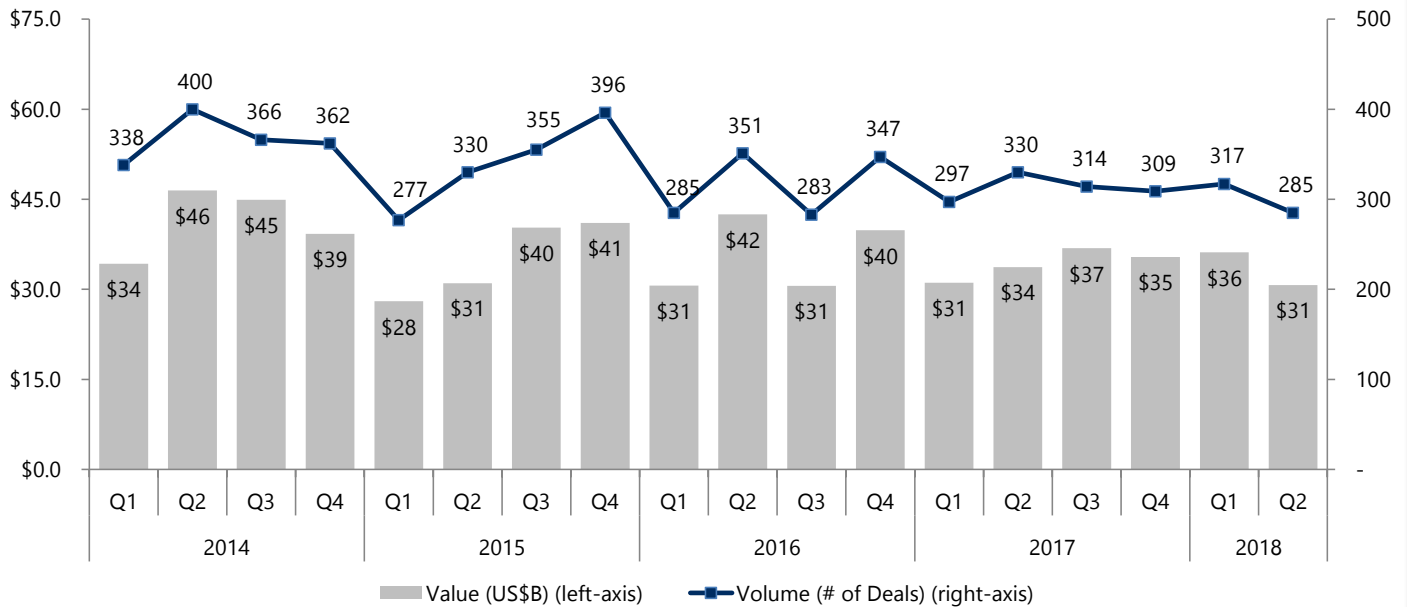
The global private equity sector raised \$85 billion across 230 funds in 2Q18, a 7% decrease in volume and a 4% decrease in value from 1Q18. Dry powder levels reached a record \$1.07 trillion, highlighted by a challenging deal environment and strong fundraising, placing mounting pressure on the sector to deploy capital. Capital continues to be concentrated among the top funds, though the top 10 funds accounted for only 40% of capital raised in 2Q18 versus 63% in 2Q17. Buyout deal volume reached 1,146, a 14% increase year-over-year, for an aggregate deal value of \$118 billion, a 12% year-over-year increase, showing some stability in asset prices. KKR led the sector this quarter closing the top two deals globally with their \$9.9 billion public-to-private acquisition of Envision Corporation and \$8.3 billion acquisition of BMC Software. By region, Asia and North America were the only markets in 2Q18 that experienced a rise in year-over-year aggregate deal value, driving the market uptick with increases of 50% and 3% respectively.

Global IPOs raised \$45 billion in value on 325 offerings in 2Q18, a 26% year-over-year decrease in deal value and 19% decrease in deal volume, however total proceeds are up 5% YTD at \$94.3 billion. By region, offerings in the Americas commanded the highest values accounting for 38% of YTD proceeds and only 18% of YTD volume. Asia Pacific, by contrast, has accounted for 31% of YTD IPO value and 46% of offerings by volume. US markets experienced strong valuations in 2Q18 with a 6% increase in deal proceeds, but an 8% decline in deal volume year-over-year. By sector, technology led global proceeds with \$16.9 billion, followed by industrials with \$3.4 billion and consumer products with \$2.2 billion.

Venture capital financings in 2Q18 saw 3,648 deals announced globally, up 6% from 1Q18 and up 26% year-over-year. The quarter also showed a sizable 50% increase year-over-year in aggregate deal value, reaching \$73 billion, the highest quarterly figure since 2007. The quarter was led by the \$14 billion Series C/Round 3 financing for China's Ant Financial Services Group, the largest fundraiser since 2007, which was backed by Singapore's sovereign wealth fund GIC Pte. as well as Warburg Pincus, Canada Pension Plan Investment Board, Silver Lake and Temasek Holdings Pte. Angel/seed financings were the most prevalent investment stage by volume, representing 36% of deals followed by Series A/Round 1 financings which accounted for 30% of volume.

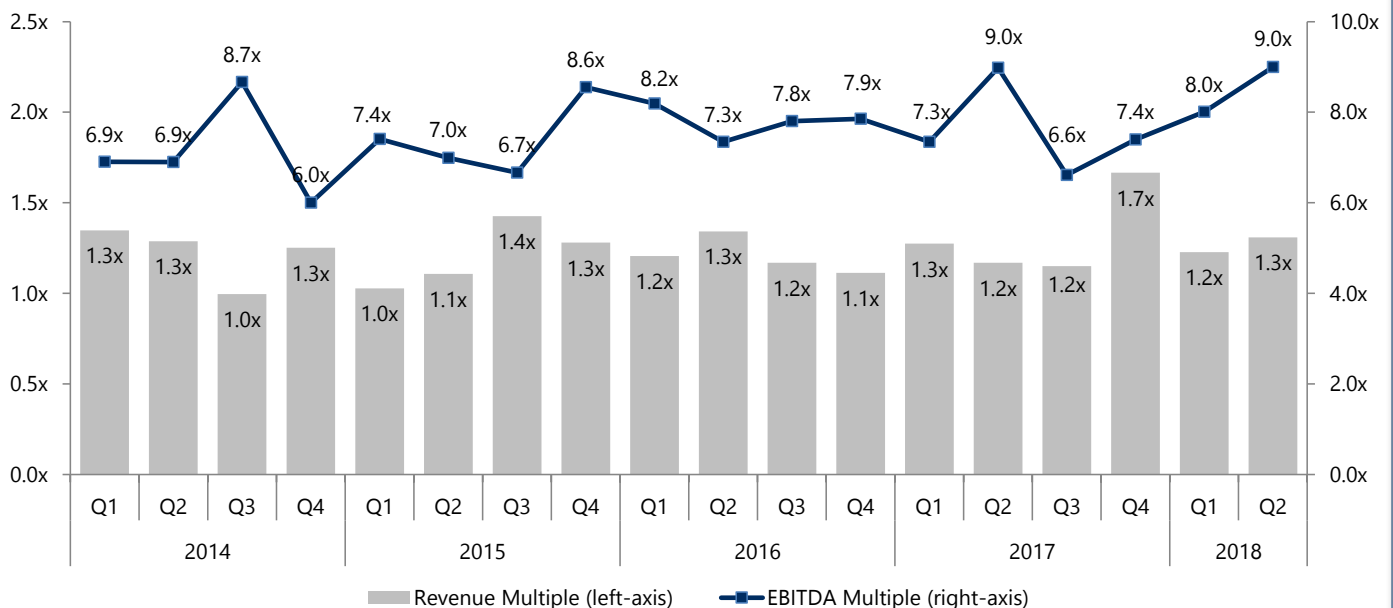
## M&A Activity – Middle Market

U.S. middle market deal value in the second quarter of 2018 was down 14% year-over-year, with a 9% decrease in volume resulting in the lowest transaction levels since 3Q16. With mega deals accounting for 50% of 2018 YTD global M&A value and a backlog of transactions awaiting tax reforms closing in the first quarter, activity in the middle market has dipped in 2Q18. Valuations across markets remain strong, however, as the trend toward larger deals was also seen in the middle market with average deal size rising 5% year-over-year.



## Valuation Multiples – Middle Market M&A Transactions

Disclosed middle market M&A revenue multiples have risen in the second quarter to 1.3x, a 12% year-over-year increase, but remain within a historically tight range despite a jump in 4Q18. EBITDA multiples have continued to climb since 3Q17 reaching their highest point since 3Q14 at just over 9.0x. The overall trend is consistent with strong valuations continuing to hold as significant stores of dry powder pressure financial buyers to compete with acquisitive strategies for well-managed, larger targets.

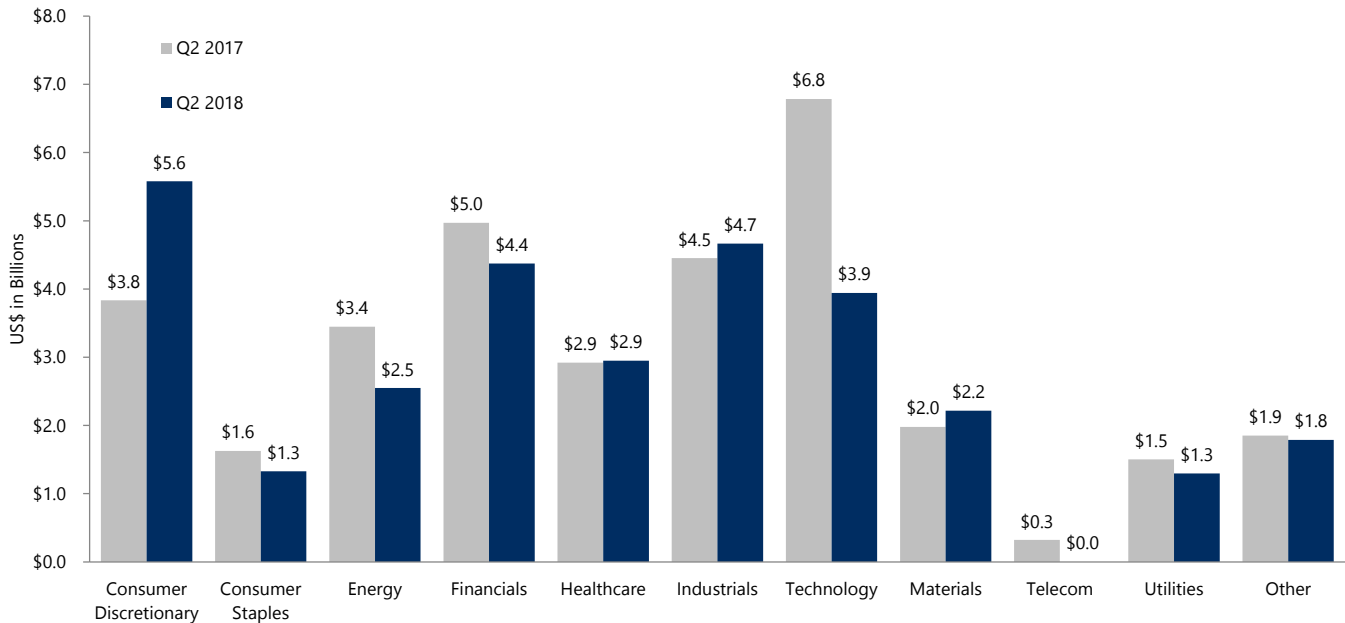


Note: Middle market defined as transactions between \$10 and \$500 million in the U.S., excluding transactions in real estate. EBITDA multiples disclosed in less than 10% of all transactions.

Source: S&P Capital IQ.

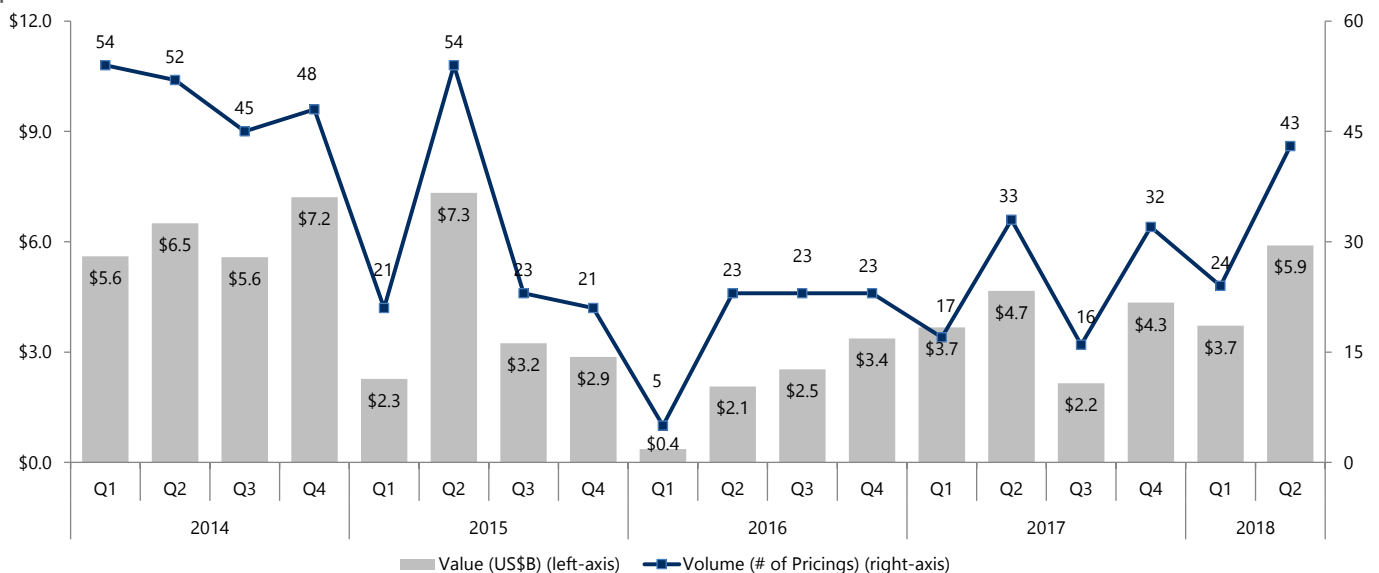
## M&A Activity by Sector – Middle Market

The second quarter of 2018 showed year-over-year and quarter-over-quarter decreases in both M&A deal value and volume for the middle market. Technology, generally a well-performing sector, saw transaction values drop 42% year-over-year with volume down by 37%. The largest increases were seen in the Consumer Discretionary sector with deal values up 46% year-over-year and deal volume up 26%. Materials, Industrials, and Healthcare transaction values all saw modest increases of 12%, 5%, and 1% respectively but all showed significant reductions in deal volume as competition over assets continues to sustain high valuations.



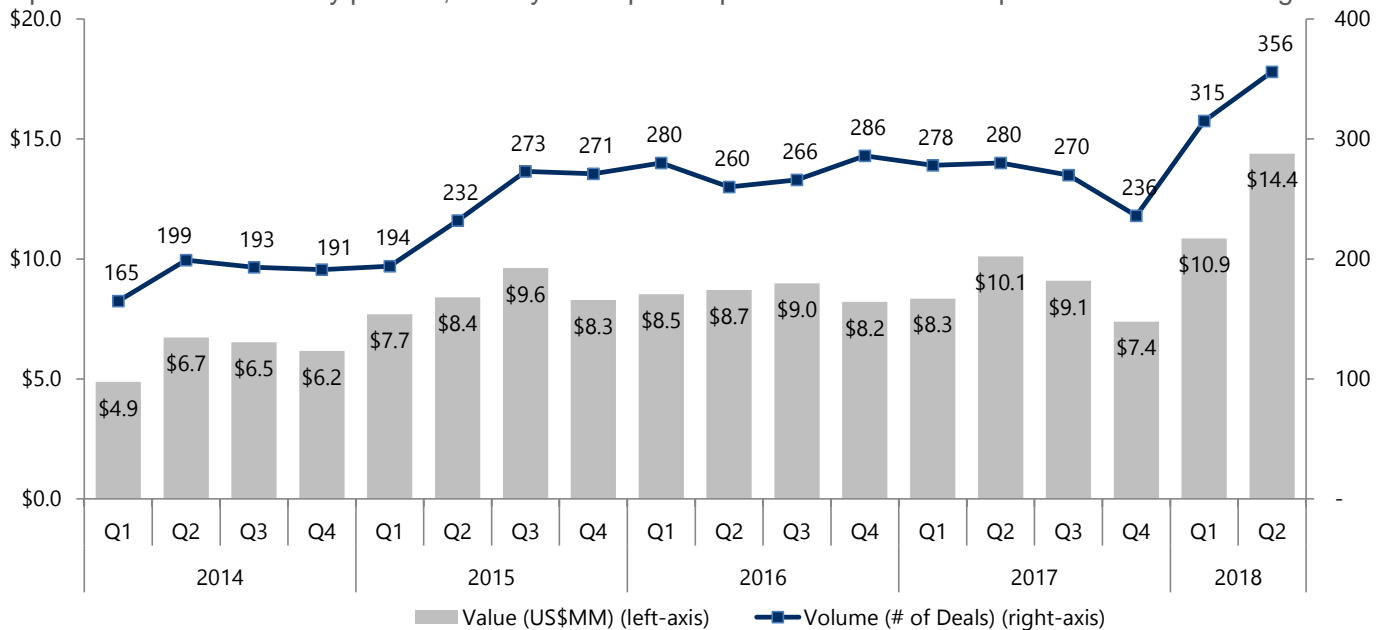
## IPO Activity – Middle Market

Middle market IPO activity in the second quarter of 2018 jumped to its highest levels since 2Q15, with offering value and volume both up year-over-year by 27% and 30%, respectively. Average offering size dropped year-over-year for the third consecutive quarter down 3% for 2Q18. Healthcare and Technology stocks made up the largest share of activity this quarter accounting for 51% and 30% of deal volume, respectively. Both sectors also saw significant increases in year-over-year deal volume with Healthcare up 100% and Technology up 63%. Industrials experienced the largest year-over-year increase in deal volume up 300% accounting for 9% of total volume and included the BrightView Holdings IPO at \$467 million, the largest middle market offering of the quarter.



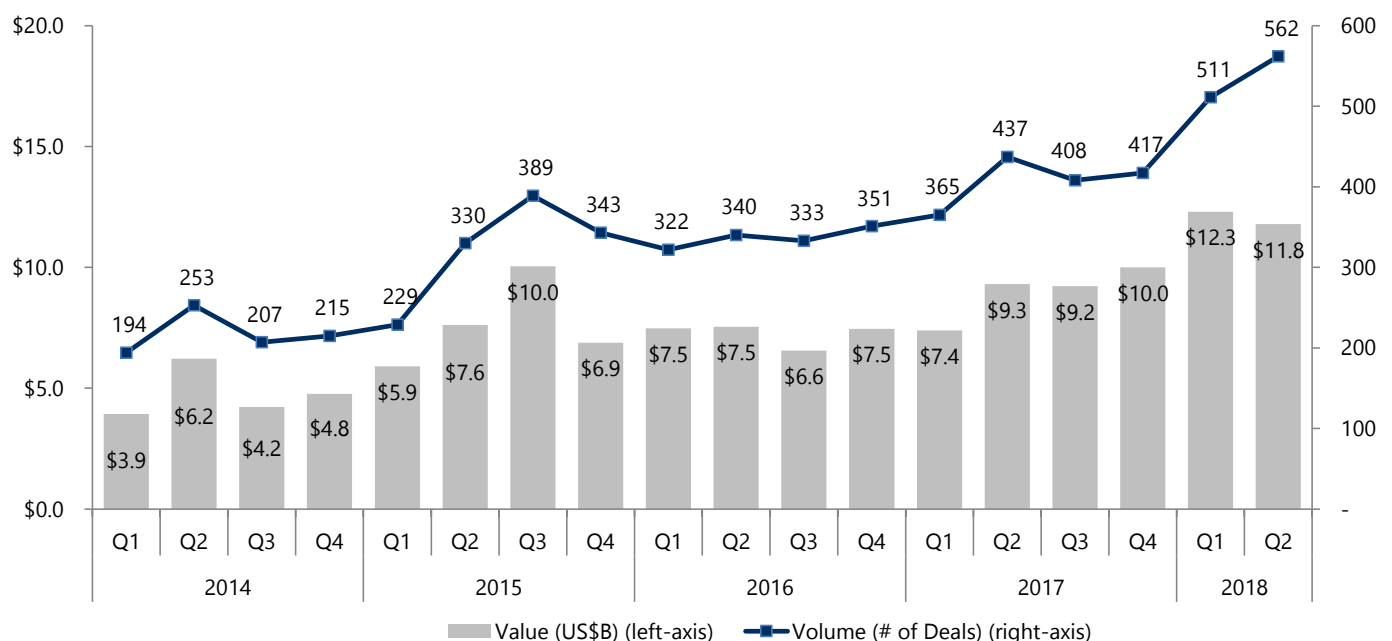
## Private Placement Activity – Middle Market

Middle market private placement deal value and volume reached long-term highs for the second quarter in a row at \$14.4 billion in value, a 42% rise year-over-year, with 356 transactions, a 27% increase in volume. The average deal size also rose year-over-year by 12%. The Technology and Healthcare sectors continued to attract the bulk of private placement funds accounting for 47% and 20% of total volume, respectively. While Technology saw strong year-over-year growth of 37% in deal volume, Healthcare dipped by 3%. With unprecedented levels of dry powder, activity in the private placement sector is expected to remain strong.



## Venture Capital Investment Activity – Middle Market

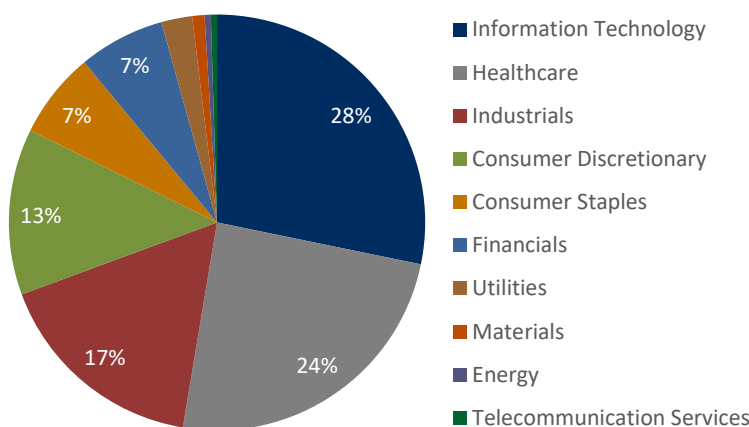
Venture capital activity in 2Q18 reached an all-time high in deal volume at 562 transactions, a year-over-year increase of 29% and a 10% increase over the prior high reached in 1Q18. Deal value was up year-over-year by 27% but down 4% from the high seen in the first quarter. Average deal size, at \$21 million, was down 2% year-over-year and 13% from 1Q18. The Technology and Healthcare sectors continued to draw the most funding accounting for 40% and 18% of transaction volume, respectively. The largest middle market deal of the quarter was a \$200 million round for Helix Opco, which provides DNA sequencing to consumers.



## San Diego M&A Activity by Sector

The San Diego region had an active second quarter with over 60 M&A transactions consisting of both buy and sell-side transactions, a 30% increase over the prior year period. Consistent with prior periods, Technology and Healthcare transactions accounted for approximately 50% of deal volume. Notable transactions include Poway-based Cohu, Inc.'s \$800 million announced acquisition of rival semiconductor testing outfit Xcerra Corp. for cash and stock. Cohu stepped in to make the acquisition after federal regulators derailed the proposed sale of Xcerra to a Chinese investment group based on national security grounds. Additionally, San Diego-based AMN Healthcare, Inc. made two acquisitions during the quarter, including the acquisition of MedPartners, based in Tampa, FL, that provides revenue optimization solutions to healthcare facilities.

### San Diego Transaction Mix (Last Twelve Months)



### San Diego M&A Transaction Details for Q2 2018

Announced Date	Target	Acquiror	Target Industry	Target Business Description	Size (\$mm)	TEV <sup>1</sup> / Revenue	TEV <sup>1</sup> / EBITDA
<b>Consumer Discretionary</b>							
6/15/2018	Business of MyStemKits, LLC	<b>Robo 3D Inc</b>	Education Services	3D printing curriculum	\$2	0.9x	2.4x
6/11/2018	Substantially All Assets of QCE LLC	<b>High Bluff Capital Partners</b>	Restaurants	Quiznos fast food parent company	-	-	-
6/1/2018	<b>Gracebygrit, Inc.</b>	<b>HYLETE, Inc.</b>	Apparel, Accessories and Luxury Goods	Workout gear for women	-	-	-
5/30/2018	Receptiv	<b>Verve Wireless, Inc.</b>	Advertising	Mobile video advertising	-	-	-
5/15/2018	38 Panera Bread Cafes in Colorado	<b>Manna Development Group LLC</b>	Restaurants	Panera Cafes in Colorado	-	-	-
5/10/2018	<b>Smart Kidz Books</b>	Whitaker Corporation	Publishing	Children book publisher	-	-	-
5/9/2018	<b>Ellsworth Hand-crafted Bicycles, Inc.</b>	The ASG Group	Leisure Products	Mountain bike manufacturer	-	-	-
5/2/2018	Lattner Entertainment Group Inc. - <b>Seller: West Partners, LLC</b>	<b>Boyd Gaming Corporation (NYSE:BYD)</b>	Casinos and Gaming	Video game terminals	\$100	-	8.0x
5/1/2018	Chris & Dick's Cabinets And Countertops Llc	<b>Interior Specialists, Inc.</b>	Home Furnishings	Manufacture cabinets and counter tops	-	-	-
4/27/2018	<b>Fili Enterprises, Inc.</b>	Elite Restaurant Group, Inc.	Restaurants	Daphne's Greek Café restaurant chain	-	-	-
4/4/2018	Atlanta West Carpets, Metro Carpets & Images Flooring, LLCs	<b>Artisan Design Group, Inc.</b>	Home Improvement Retail	Carpet and flooring	-	-	-

1. Total enterprise value.

Note: Reflects all disclosed M&A transactions excluding real estate where the acquiror, target or seller headquarters are in the greater San Diego area. The San Diego-based company is denoted in bold. \* indicates that the seller was one of a group of sellers.

Sources: S&P Capital IQ and W Partners research and estimates.

## San Diego M&A Transactions (Cont'd)

Announced Date	Target	Acquiror	Target Industry	Target Business Description	Size (\$mm)	TEV <sup>1</sup> / Revenue	TEV <sup>1</sup> / EBITDA
<b>Consumer Staples</b>							
6/13/2018	<b>Visage Pro USA, LLC</b>	<b>Carlsbad Naturals LLC</b>	Personal Products	Skin care products	-	-	-
5/14/2018	<b>Lakeside Poultry Ranch, Inc.</b>	Dawn Food Products, Inc.	Food Distributors	Bakery product distributor	-	-	-
4/3/2018	<b>California Splendor, Inc.</b>	Main Street Capital Corporation (NYSE:MAIN)	Agricultural Products	Straw berry producer	-	-	-
<b>Financials</b>							
6/4/2018	<b>Donnelly Wealth Advisors Inc.</b>	EP Wealth Advisors, Inc.	Asset Management and Custody Banks	Financial and wealth planning	-	-	-
5/8/2018	Cabot Credit Management PLC	<b>Encore Capital Group, Inc. (NasdaqGS:ECPG)</b>	Specialized Finance	Credit management services	\$461	-	-
5/3/2018	<b>Synergy One Lending, Inc.</b>	Mutual of Omaha Bank	Thriffs and Mortgage Finance	Mortgage lending services	-	-	-
<b>Healthcare</b>							
6/20/2018	<b>Family Health Services Training Center Inc.</b>	Health Services Academy	Healthcare Services	Phlebotomy vocational school	-	-	-
6/6/2018	Medical Consultants Network, LLC	<b>Mitchell International, Inc.</b>	Healthcare Services	Medical management services for insurance companies	-	-	-
5/30/2018	<b>Locums Unlimited, LLC</b>	<b>Aya Healthcare, Inc.</b>	Healthcare Services	Healthcare staffing solutions	-	-	-
5/29/2018	HEALTHCAREfirst Inc.	<b>ResMed Inc. (NYSE:RMD)</b>	Health Care Technology	Software for home healthcare and hospice providers	-	-	-
5/15/2018	<b>Edico Genome Inc.</b>	<b>Illumina, Inc. (NasdaqGS:ILMN)</b>	Life Sciences Tools and Services	Bioinformatics processor chips	-	-	-
5/4/2018	Pear Tree Pharmaceuticals, Inc.	<b>Daré Bioscience, Inc. (NasdaqCM:DARE)</b>	Pharmaceuticals	Pharmaceuticals development for women	\$0	-	-
4/23/2018	<b>Substantially all of the assets of Orexigen Therapeutics, Inc.</b>	Whitebox Advisors, LLC; Pernix Ireland Pain Limited; Whitebox Caja Blanca Fund, LP; 1992 Co-Invest Fund; 1992 Tactical Fund; 1992 Multi-Strategy Fund	Pharmaceuticals	Pharmaceutical product manufacturing	\$75	-	-
4/17/2018	Certain Assets of GAB Innovations Ltd	<b>Emerald Health Therapeutics, Inc. (TSXV:EMH); Emerald Health Bioceuticals, Inc.</b>	Healthcare Services	Natural health care distributor	-	-	-
4/10/2018	Nationwide Imaging Services, Inc.	<b>Merry X-Ray Corporation</b>	Healthcare Services	Diagnostic imaging	-	-	-
4/9/2018	MedPartners HIM, LLC	<b>AMN Healthcare, Inc.</b>	Healthcare Services	Healthcare staffing	\$215	1.7x	-
4/9/2018	Phillips, DiPisa & Associates Inc. and Leaders For Today, LLC	<b>AMN Healthcare Services, Inc. (NYSE:AMN)</b>	Healthcare Services	Hospital staffing	\$37	1.6x	-
4/4/2018	<b>Astute Medical, Inc.</b>	bioMérieux S.A. (ENXTPA:BIM)	Life Sciences Tools and Services	Protein biomarkers life science tools	\$90	-	-

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## San Diego M&A Transactions (Cont'd)

Announced Date	Target	Acquiror	Target Industry	Target Business Description	Size (\$mm)	TEV <sup>1</sup> / Revenue	TEV <sup>1</sup> / EBITDA
<b>Industrials</b>							
6/25/2018	McDowell Scheduling, Inc.	<b>Gafcon, Inc.</b>	Construction and Engineering	Construction consultation	-	-	-
6/11/2018	<b>Shadpour Consulting Engineers, Inc.</b>	MNS Engineers, Inc.	Construction and Engineering	Engineering consulting	-	-	-
5/9/2018	<b>Axis Renewable Group, Inc.</b>	World Wind & Solar, LLC	Construction and Engineering	Services to wind and solar power plants	-	-	-
5/7/2018	<b>Gilpez Office Products, Inc.</b>	Arlington Industries, Inc.	Office Services and Supplies	Office machine and supply distributor	-	-	-
5/1/2018	<b>Interior Specialists, Inc.</b>	Interior Logic Group, Inc.	Diversified Support Services	Interior design and installation for floor coverings	-	-	-
4/24/2018	<b>Southwest Geophysics, Inc.</b>	<b>SCST, Inc.</b>	Environmental and Facilities Services	Geophysical services	-	-	-
4/24/2018	Newport Office Equipment, Inc.	<b>Business Complete Solutions</b>	Office Services and Supplies	Office equipment distributors	-	-	-
4/20/2018	<b>SMB Elite Inc.</b>	Boostability Inc.	Research and Consulting Services	Quality assurance and contracting agency	-	-	-
4/19/2018	<b>Cubic Global Defense, Inc. and Omega Training Group, Inc. - Seller: Cubic Corporation (NYSE:CUB)</b>	Valiant Integrated Services LLC	Aerospace and Defense	Systems and technologies for national security	\$138	0.4x	-
4/17/2018	<b>Torrey Pines Services, LLC</b>	Northstar Life Services, LLC	Research and Consulting Services	Consulting solutions for the life insurance market	-	-	-
4/13/2018	National Trucking Group, Inc.	<b>Pacific Shores Development, Inc.</b>	Trucking	Long haul trucking	-	-	-
4/11/2018	<b>National Cred-A-Chek, Inc.</b>	NRT Technology Corp.	Research and Consulting Services	Credit related data for casino customers	-	-	-
4/10/2018	The Academy for Chief Executives Ltd.	<b>Vistage Worldwide Inc.</b>	Human Resource and Employment Services	Leadership training	-	-	-
4/8/2018	Red Sky Solutions	<b>FMT Consultants, LLC</b>	Research and Consulting Services	Salesforce implementation consulting	-	-	-
<b>Information Technology</b>							
6/11/2018	<b>R121 LLC</b>	Planet Pharma, LLC	IT Consulting and Other Services	IT consulting services	-	-	-
6/8/2018	<b>Objectiva Software Solutions, Inc.</b>	Allgeier SE (XTRA:A EIN)	IT Consulting and Other Services	Software outsourcing services	-	-	-
6/8/2018	<b>Barhero Inc.</b>	Software Development Associates, Inc. (Airtab)	Application Software	App for real-time events	-	-	-
6/5/2018	<b>Global Payout, Inc. (OTCPK:GOHE)</b>	<b>MoneyTrac Technology, Inc.</b>	Data Processing and Outsourced Services	Payment system consulting and solutions	-	-	-
5/30/2018	<b>Bizness Apps, Inc.</b>	Think3	Systems Software	Mobile app publishing platform	-	-	-
5/23/2018	A2iA S.A.	<b>Mitek Systems, Inc. (NasdaqCM:MITK)</b>	Application Software	Text recognition software	\$50	3.3x	-
5/22/2018	<b>Pulse Electronics Corporation</b>	Yageo Corporation (TSEC:2327)	Electronic Manufacturing Services	Precision-engineered electronic components and modules	\$740	1.8x	-

1. Total enterprise value.

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Sources: S&P Capital IQ and W Partners research and estimates.

## San Diego M&A Transactions (Cont'd)

Announced Date	Target	Acquiror	Target Industry	Target Business Description	Size (\$mm)	TEV <sup>1</sup> / Revenue	TEV <sup>1</sup> / EBITDA
<b>Information Technology (cont.)</b>							
5/22/2018	<b>Tranquilnet, Inc.</b>	<b>Protel Communications, Inc.</b>	IT Consulting and Other Services	IT consulting services	-	-	-
5/22/2018	Photolemur LLP	<b>Skylum LLC</b>	Systems Software	Photo enhancement software	-	-	-
5/17/2018	<b>RelationEdge, LLC - Seller: Tide Rock Ventures</b>	Rackspace Hosting, Inc.	IT Consulting and Other Services	Salesforce consulting services	-	-	-
5/9/2018	IntelliVision Corp.	<b>Nortek Security &amp; Control, LLC</b>	Application Software	Video analytics and solutions	-	-	-
5/8/2018	Xcerra Corporation (NasdaqGS:XCRA)	<b>Cohu, Inc. (NasdaqGS:COHU)</b>	Semiconductor Equipment	Semiconductor and electronics manufacturing testing services	\$800	1.3x	9.0x
5/8/2018	Managed Media Business Unit of Drawbridge	<b>Gimbal, Inc.</b>	Internet Software and Services	Media buying and location management	-	-	-
5/8/2018	The SAVO Group Ltd.	<b>Seismic Software, Inc.</b>	Internet Software and Services	Sales content management enablement platform	-	-	-
4/26/2018	<b>Mitchell International, Inc.</b>	Stone Point Capital LLC	Application Software	Information solutions to the property and casualty insurance industry	-	-	-
4/19/2018	<b>VaultRMS, Inc.</b>	ENVISAGE Technologies Corporation	Internet Software and Services	Software for firefighters to document exposure data	-	-	-
4/12/2018	<b>XCellAir, Inc</b>	Fontech	Application Software	Software for telecom networks	-	-	-
4/4/2018	Bankruptcy Trustee and Fiduciary Services Business of Epiq	<b>Bofi Federal Bank</b>	Application Software	Software for fiduciaries and trustees	-	-	-

1. Total enterprise value.

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Sources: S&P Capital IQ and W Partners research and estimates.



## San Diego Private Placement and Venture Capital Activity

San Diego based companies raised over \$1.1 billion in private capital during the second quarter of 2018. The Healthcare and Information Technology sectors both showed strong demand for private capital with deal volume largely split between the two sectors. The largest transaction by far during the quarter was PE-backed Lytx Inc. raising \$700 million to become the self proclaimed most valuable video telematics company in the world with a valuation of over \$1.5 billion. Lytx's DriveCam video safety program allows vehicle fleets to use video to improve safety and productivity. San Diego-based healthcare companies raised an impressive \$372 million of private capital during the quarter, including four separate issuances of over \$50 million, showing the regions' prowess as a global leader in biotechnology company formation and growth.

### San Diego-based Companies that Raised Capital

Announced Date	Issuer	Round/Investors(s)	Issuer Industry	Issuer Business Description	Amount Raised (\$mm)
<b>Consumer Staples</b>					
05/18/18	<b>Colorescience, Inc.</b>	Not disclosed.	Personal Products	Mineral-based cosmetics and sun screen products	\$4
<b>Healthcare</b>					
06/26/18	<b>Cibus Global, Ltd.</b>	Series C: Fidelity Management & Research Company; Alexandria Venture Investments, LLC; Cormorant Asset Management, LLC	Biotechnology	Develops plant and microbial platforms for breeding technologies	\$70
06/05/18	<b>Metacrine, Inc.</b>	Series C: Arch Venture Partners, L.P.; Vivo Capital, LLC; New Enterprise Associates; Polaris Partners; The Invus Group, LLC; VR Adviser, LLC; Franklin Resources, Inc. (NYSE:BEN); Deerfield Management Company, L.P.; Lilly Asia Ventures; venBio LLC; Arrow Mark Colorado Holdings, LLC; Alexandria Venture Investments, LLC	Pharmaceuticals	Developing liver and gastrointestinal pharmaceuticals	\$65
05/14/18	<b>Ansun Biopharma, Inc.</b>	Series A: Lilly Asia Ventures; Matrix Partners China; Sinopharm Capital; YuanMing Capital; Lyfe Capital; 3E Bioventures Capital; VI Ventures; Oceanpine Capital	Pharmaceuticals	Biopharmaceuticals to prevent and treat life-threatening human disease	\$85
05/11/18	<b>Surface Pharmaceuticals, Inc.</b>	Flying L Partners	Pharmaceuticals	Therapeutics for ocular surface diseases	\$20
05/04/18	<b>GB Lifesciences Corporation</b>	Not disclosed.	Biotechnology	Nutritional genetics and genomics	\$5
05/03/18	<b>Neurana Pharmaceuticals, Inc.</b>	Series A: Sofinnova Ventures, Inc.; SigmaBleyzer; New Leaf Venture Partners, L.L.C.; Longitude Capital Management Co., LLC; H.I.G. BioVentures, LLC	Biotechnology	Central nervous system therapeutics	\$60
04/20/18	<b>Cellics Therapeutics, Inc.</b>	Not disclosed.	Biotechnology	Develops nanosponge based drug delivery technology	\$7
04/12/18	<b>Tear Film Innovations Inc.</b>	Series B: Bluestem Capital Company, LLC; Visionary Ventures Fund, LLC	Healthcare Equipment	Products for evaporative dry eye syndrome	\$9
04/12/18	<b>Synthorx Inc.</b>	OrbiMed Advisors, L.L.C.; <b>Avalon Ventures, LLC</b> ; RA Capital Management, LLC; <b>Correlation Ventures</b> ; Medicixi Ventures; Osage University Partners	Biotechnology	Novel protein therapeutics	\$27
04/04/18	<b>Pipeline Therapeutics Inc.</b>	Versant Venture Management, LLC	Biotechnology	Regenerative therapies for neurodegenerative diseases	\$25

Note: Reflects disclosed private placement and venture capital transactions greater than \$3.0 million where the issuer is headquartered in the greater San Diego area. San Diego-based companies and funds are denoted in bold. \* indicates that the seller was one of a group of sellers.  
 Sources: S&P Capital IQ and W Partners research.

## San Diego Private Placement and Venture Capital Activity (Cont'd.)

### San Diego-based Companies that Raised Capital (cont.)

Announced Date	Issuer	Round/Investors(s)	Issuer Industry	Issuer Business Description	Amount Raised (\$mm)
<b>Information Technology</b>					
06/27/18	<b>Cordial Experiences, Inc.</b>	Series B: Upfront Ventures; High Alpha; PeakSpan Capital, LLC	Internet Software and Services	Messaging platform for marketers	\$15
06/27/18	<b>KaiOS Technologies, Inc.</b>	Series A: Alphabet Inc. (NasdaqGS:GOOGL)	Systems Software	Develops mobile operating systems	\$22
06/21/18	<b>TRUEPic Inc.</b>	Series A: Dowling Capital Partners	Internet Software and Services	Image and video authenticity software	\$8
06/07/18	<b>Redemption Games, Inc.</b>	Supercell Oy	Application Software	Mobile phone games	\$5
06/05/18	<b>Raken, Inc.</b>	Series A: U.S. Venture Partners; Rincon Venture Partners; ENIAC Ventures; Tao Capital Partners; Spider Capital Partners	Internet Software and Services	Cloud-based daily reporting platform solution for the construction industry	\$10
06/05/18	<b>Capture2, Inc.</b>	Series A: Mithril Capital Management LLC	Application Software	Government contracting saas based solution	\$4
05/14/18	<b>eSUB Inc.</b>	Not disclosed.	Application Software	Project management software for construction professionals	\$3
04/25/18	<b>Chalice Wealth Partners LLC</b>	Series A: Uinta Investment Partners	Application Software	Cloud based advisor services	\$5
04/18/18	<b>Agentology Inc.</b>	Series A: Silicon Valley Bank, Inc.; Freestyle Capital; OurCrowd Ltd.; Simplexity Ventures; Moderne Ventures; Defy Partners	Internet Software and Services	Cloud-based referral network for real estate agents	\$12
04/17/18	<b>Kneron, Inc.</b>	Series A: Horizons Ventures Limited	Application Software	Emotion and behavior recognition, smart surveillance, and navigation software	\$18
04/06/18	<b>Lytx, Inc.</b>	HarbourVest Partners, LLC; Public Sector Pension Investment Board; Clearlake Capital Group, L.P.; Guggenheim Investments, Inc.	Internet Software and Services	Fleet safety management solutions	\$700

1. Total enterprise value.

Note: Reflects disclosed private placement and venture capital transactions greater than \$3.0 million where the issuer is headquartered in the greater San Diego area. San Diego-based companies and funds are denoted in bold. \* indicates that the seller was one of a group of sellers.

Sources: S&amp;P Capital IQ and W Partners research.

## San Diego Private Placement and Venture Capital Activity (Cont'd.)

### San Diego-based Financial Sponsors that Sold a Portfolio Company

Announced Date	Target	Acquiror	Target Industry	Target Business Description	Size (\$mm)	TEV <sup>1</sup> / Revenue	TEV <sup>1</sup> / EBITDA
<b>M&amp;A Exits for Companies that have a financial investor in San Diego</b>							
5/22/2018	First Security, Inc. (OTCPK:FIIT) - <b>Sellers: Castle Creek Capital LLC*</b>	German American Bancorp, Inc. (NasdaqGS:GABC)	Regional Banks	Frist Security Bank	\$102	-	-
5/10/2018	Business Bancshares, Inc. - <b>Seller: Castle Creek Capital LLC</b>	Stifel Financial Corp. (NYSE:SF)	Regional Banks	Business bank of St. Louis	\$123	-	-
4/25/2018	North west Bancorporation, Inc. (OTCPK:NBCT) - <b>Sellers: Castle Creek Capital LLC*</b>	First Interstate BancSystem, Inc. (NasdaqGS:FIBK)	Regional Banks	Inland North west Bank	\$160	-	-
4/16/2018	Earn Global, Inc.: <b>Sellers: QUALCOMM Ventures*</b>	Coinbase, Inc.	Internet Software and Services	Social network platform for digital currency	-	-	-
4/4/2018	Beijing Mobike Technology Co., Ltd - <b>Sellers: QUALCOMM Ventures*</b>	China Internet Plus Group	Application Software	Station-less bicycle-sharing system	\$3,400	-	-
4/3/2018	Ridlr - <b>Sellers: QUALCOMM Ventures*</b>	ANI Technologies Private Limited	Application Software	Public transport application	-	-	-
4/2/2018	Bunchball inc. - <b>Sellers: Correlation Ventures*</b>	Schoeneckers, Inc.	Internet Software and Services	Gamification solutions	-	-	-

1. Total enterprise value.

Note: Reflects disclosed private placement and venture capital transactions greater than \$3.0 million where the issuer is headquartered in the greater San Diego area. San Diego-based companies and funds are denoted in bold. \* indicates that the seller was one of a group of sellers.

Sources: S&P Capital IQ and W Partners research.

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## Selected Transactions by W Partners



Has sold an equity interest to



Financial Advisory



Private Placement of Equity Securities




Financial Advisory




Private Placement of Equity Securities


Financial Advisory



48 Franchises Acquired by




Financial Advisory




The Washington Companies


Strategic Advisory




Was Acquired by



Financial Advisory



Joint-Venture Agreement with




Financial Advisory




\$100 Million Private Placement



Financial Advisory



Was Acquired by



Financial Advisory

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