2019 Trends

- Early-stage companies drive transaction volume
- Increased demand for recurring liquidity programs in the pre-IPO phase of a company lifecycle
- Demand from institutional investors continues to drive growth in company-sponsored liquidity

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<th>2018</th>
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<th>2019</th>
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<tr>
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<td>TOTAL PROGRAM VALUE</td>
<td>$12.0B</td>
<td>$4.8B</td>
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<td>79</td>
<td>TOTAL PROGRAMS</td>
<td>46</td>
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<td></td>
<td>33</td>
<td>THIRD PARTY TENDER OFFER</td>
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<td>48</td>
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<td>$17.4M</td>
<td>COMPANY REPURCHASE</td>
<td>$17.4M</td>
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<td>MEDIAN TRANSACTION SIZE</td>
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<td>$17.8M</td>
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NPM clients have reached a $1B valuation while private (unicorn) programs for unicorn clients.


**Median Transaction Size**

- 2016: $10.9M
- 2017: $20.0M
- 2018: $17.4M
- 2019: $17.8M

**Transaction Value**

- 2016: $1.1B
- 2017: $3.2B
- 2018: $12.0B
- 2019: $4.8B

**Significant Increase in Third-Party Tender Offers**

- Repurchase: 19, 28, 23, 46
- Third Party: 8, 23, 39, 48
Top 5 Industries (2016 – 2019)

- Software: 67%
- Commercial Services: 13%
- Financial Services: 8%
- Healthcare: 7%
- Other: 5%

Client Lifecycle

Year Founded
- Pre-2000: 16
- 2000-05: 7
- 2005-10: 20
- 2010-15: 38
- 2015-18: 6

Latest Funding Round
- Series B & Earlier: 18
- Series C: 12
- Series D: 16
- Series E: 15
- Series F & Later: 15

When Companies Conduct Liquidity Programs

- 63% Completed a program within four months of a recent financing
- 51% Completed a program after a primary raise of at least $100M
Company Programs – by the Numbers

Programs by Transaction Value

Programs by Eligible Shareholders

Programs by Valuation

Most Common Program Eligibility

88% of companies allowed employees to sell

60% of companies allowed founders to sell

48% of companies allowed institutions and early investors to sell

39% of companies allowed ex-employees to sell

Law Firms Leading Private Company Transactions

Cooley: 19
Goodwin: 17
Fenwick: 15
Gunderson: 15
Orrick: 7
Latham: 6
WSGR: 5
Morrison & Foerster: 4
Silicon Legal: 2
Skadden: 3
Other: 24
U.S. Liquidity Programs by Region

- **West Coast Region**: 55%
- **Central Region**: 16%
- **East Coast Region**: 22%

**Total Offering Value that was Transacted**

- **Third Party Tender Offer**: 67%
- **Company Repurchase**: 62%
1 Includes other private company services
2 Activity since 2013 with valuation data aggregated from NPM and SecondMarket platforms, CB Insights, PitchBook. Data collected from the SecondMarket platform may include transactions conducted through current and former affiliates of SecondMarket
3 Transportation; Consumer Durables
4 11 programs occurred after undisclosed financial activity
5 Excludes foreign liquidity programs
6 Percent of the actual dollar-amount transacted from the total amount offered in the transaction

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