

IPO AND FOLLOW-ON MARKET

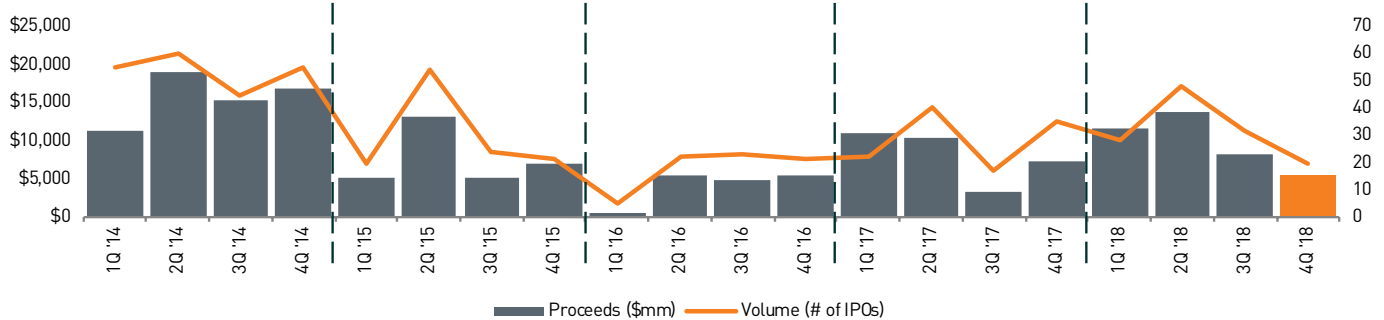
EXECUTIVE SUMMARY¹

- Solebury advised on three IPOs, two marketed follow-ons and a block trade for over \$1 billion in proceeds in what was a quiet quarter for ECM issuance in most sectors of the market.
- On the IPO front, Solebury advised on the prominent IPO of YETI, a former advisory client of Harris Williams, as well as Bain Capital's BDC, Bain Capital Specialty Finance, and Phase Bio, a clinical-stage biopharmaceutical company.
- Solebury also continued its role in the monetization cycle for some of its most prominent clients.
 - Engagements included marketed follow-ons for recent IPOs Ceridian and Amalgamated Bank.
 - Solebury also advised on the clean-up block trade of Skyline Champion after recently advising on two follow-ons for the company.

IPO MARKET UPDATE

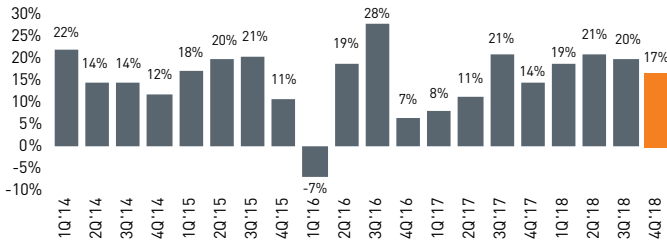
- IPO issuance slowed dramatically in 4Q following what had been the strongest first three quarters since 2014.
 - 20 IPOs priced in the quarter for \$5.4 billion in proceeds.
 - IPO pricings were down both QoQ (-38%, -35%) and YoY (-43%, -25%) in units and proceeds respectively.
- Pricing outcomes worsened in the quarter with above-the-range pricings decreasing and below-the-range pricings increasing on both an absolute and a relative basis.
- In what was a light quarter, healthcare issuance continued to dominate the market, making up 40% of IPO proceeds and 65% of units.
- Technology deals also made up a large proportion of issuance with 47% of proceeds and 25% of units.

QUARTERLY IPO VOLUME²

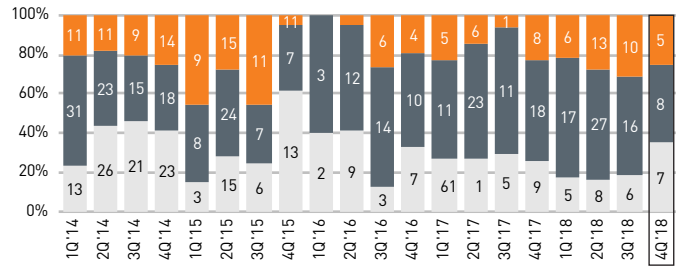


¹ Market share calculated by U.S. proceeds. Excludes ADSs, REITs and MLPs. Only Secondary Follow-Ons and Blocks included in market share statistics.
² Includes U.S. IPOs greater than \$50 million. Excludes BDCs, SPACs, ADRs, IDSs, CEFs and Chinese issuers.
 Source: Dealogic

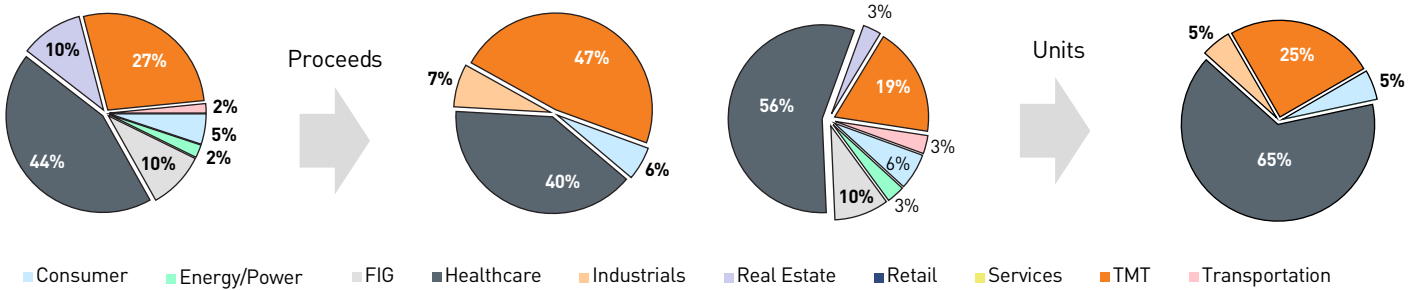
QUARTERLY OFFER TO 7-DAY PRICE PERFORMANCE¹



PRICING RELATIVE TO RANGE



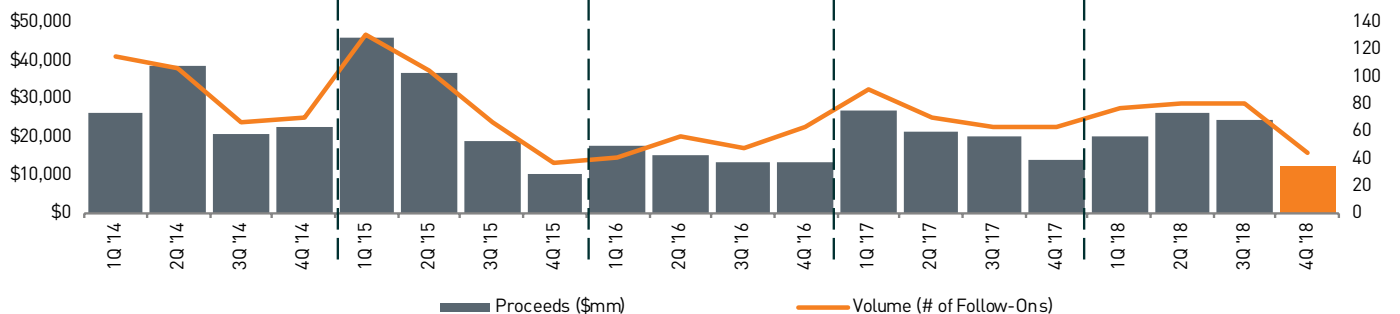
IPO PRICINGS BY INDUSTRY (3Q 2018 → 4Q 2018)



FOLLOW-ON MARKET UPDATE

- Marketed follow-on issuance ticked down in 4Q with 44 deals raising \$12.4 billion in proceeds, the lightest quarter since 4Q 2015.
- Average file to offer discounts widened in the quarter to an average discount of 9.8%, the widest such figure since 1Q 2016.
- Follow-on issuance was down both QoQ (-46%, -48%) and YoY (-31%, -11%) in units and proceeds respectively.
- Healthcare transactions continued to make up a large proportion of deals, though ticking down slightly from 3Q 2018 in overall values, while Real Estate deals continued their recent uptick in issuance after a large jump from 2Q 2018.

QUARTERLY MARKETED FOLLOW-ON VOLUME¹

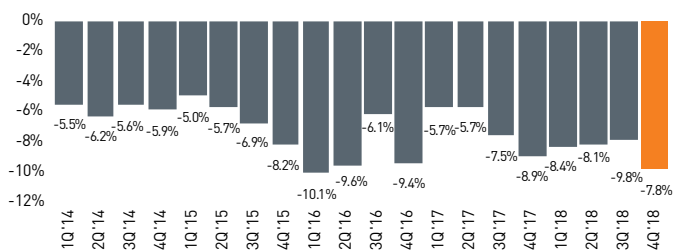


¹ Includes U.S. IPOs greater than \$50 million. Excludes BDCs, SPACs, ADRs, IDss, CEFs and Chinese issuers.

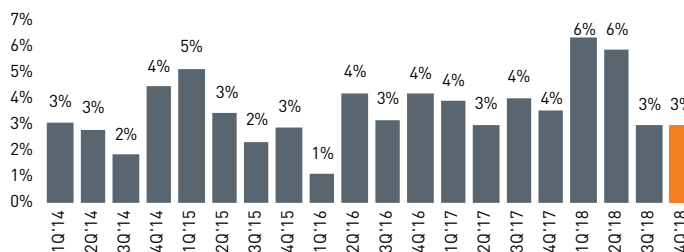
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Source: Dealogic

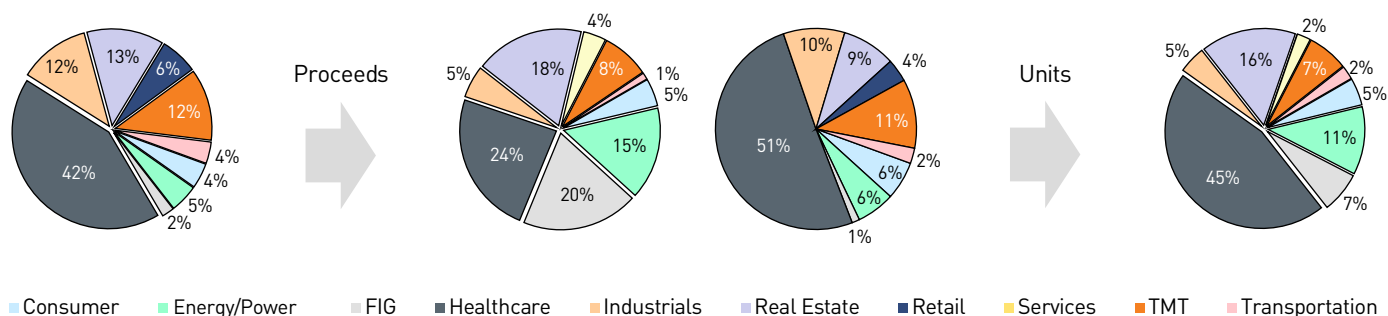
QUARTERLY MARKETED FOLLOW-ON FILE TO OFFER DISCOUNTS



QUARTERLY OFFER TO 7-DAY PRICE PERFORMANCE



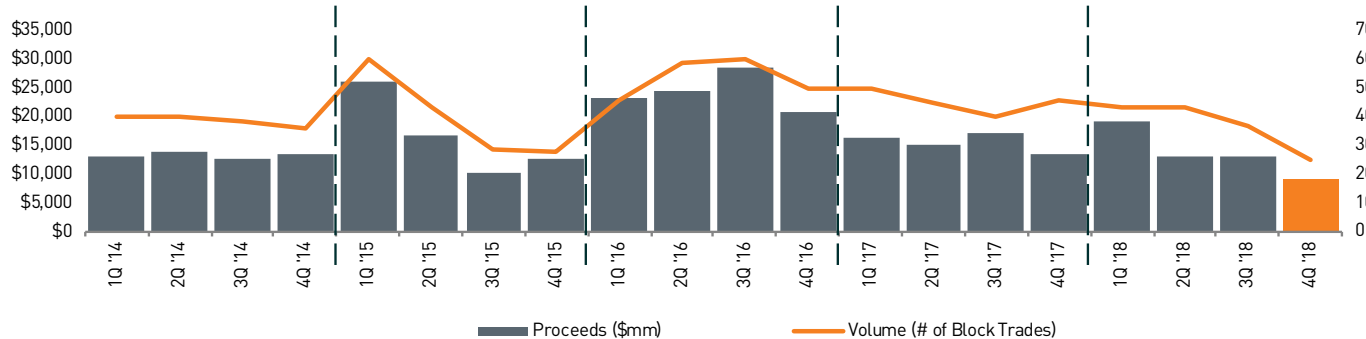
MARKETED FOLLOW-ON PRICINGS BY INDUSTRY (3Q 2018 → 4Q 2018)



BLOCK TRADE MARKET UPDATE

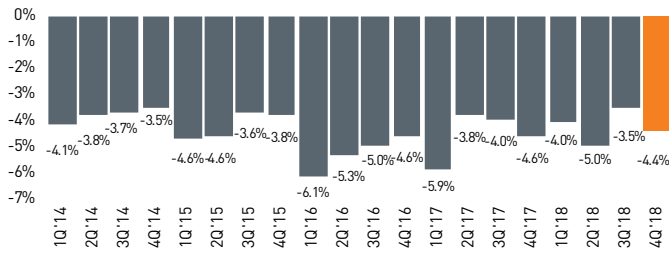
- Block trade issuance saw its lowest rate in the past 5 years at 25 offerings for a total of \$9.1 billion in proceeds.
 - This represented relative decreases on both QoQ (-34%, -30%) and YoY (-46%, -32%) in units and proceeds respectively.
- Average bid discounts widened slightly in relation to the prior quarter at 4.4%, though slightly tighter than 4Q 2017.
- Average 7-day aftermarket performance was at its worst rate in the past 5 years at -3% down from offer price on average.
- Real Estate continued to make up a large proportion of the Block Trade market at more than 50% on a proceeds basis and 28% on a units basis.
- Energy, Technology and Industrials made up the majority of the remaining issuance in the quarter.

QUARTERLY BLOCK TRADE VOLUME¹

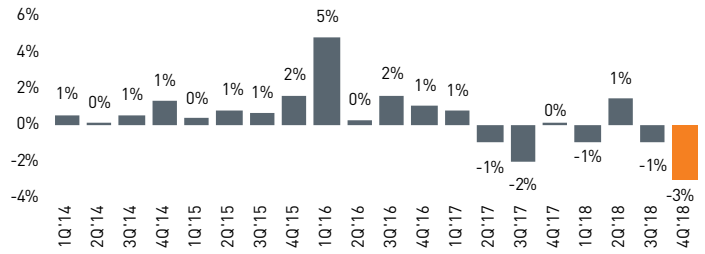


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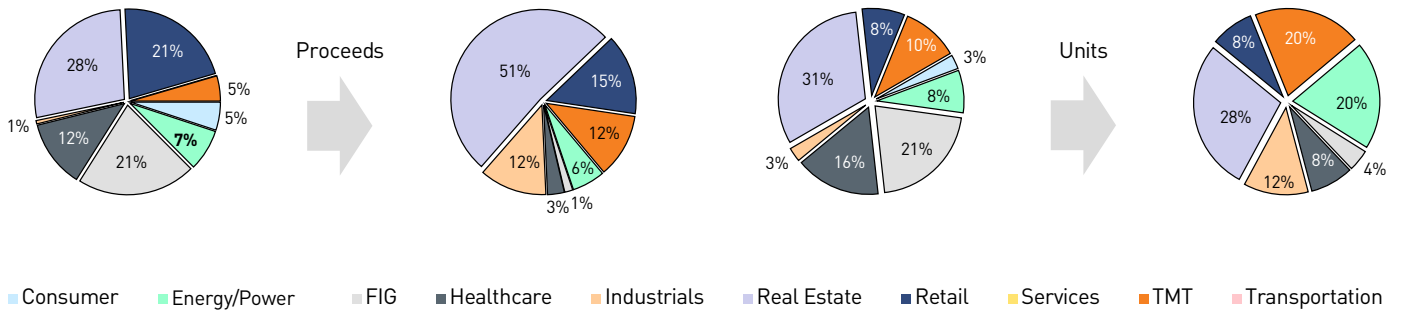
QUARTERLY BLOCK TRADE BID DISCOUNTS



QUARTERLY OFFER TO 7-DAY PRICE PERFORMANCE



BLOCK TRADE PRICINGS BY INDUSTRY (3Q 2018 → 4Q 2018)



Source: Dealogic

FOR MORE INFORMATION

Solebury Capital is a global advisory firm and registered broker-dealer exclusively focused on equity capital markets advisory.

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