

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Hercules Capital, Inc.  
Form 10-Q  
May 02, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For The Quarterly Period Ended March 31, 2019

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 814-00702

HERCULES CAPITAL, INC.

(Exact Name of Registrant as Specified in its Charter)

Maryland  
(State or Jurisdiction of  
Incorporation or Organization)

74-3113410  
(IRS Employer  
Identification Number)

400 Hamilton Ave., Suite 310

Palo Alto, California

94301

(Address of Principal Executive Offices) (Zip Code)

(650) 289-3060

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with a new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, par value \$0.001 per share	HTGC	New York Stock Exchange
5.25% Notes due 2025	HCXZ	New York Stock Exchange
6.25% Notes due 2033	HCTX	New York Stock Exchange

On April 29, 2019, there were 97,208,899 shares outstanding of the Registrant's common stock, \$0.001 par value.

HERCULES CAPITAL, INC.

FORM 10-Q TABLE OF CONTENTS

<u>PART I. FINANCIAL INFORMATION</u>	3
Item 1. <u>Consolidated Financial Statements</u>	3
<u>Consolidated Statement of Assets and Liabilities as of March 31, 2019 and December 31, 2018 (unaudited)</u>	3
<u>Consolidated Statement of Operations for the three months ended March 31, 2019 and 2018 (unaudited)</u>	5
<u>Consolidated Statement of Changes in Net Assets for the three months ended March 31, 2019 and 2018 (unaudited)</u>	6
<u>Consolidated Statement of Cash Flows for the three months ended March 31, 2019 and 2018 (unaudited)</u>	7
<u>Consolidated Schedule of Investments as of March 31, 2019 (unaudited)</u>	9
<u>Consolidated Schedule of Investments as of December 31, 2018 (unaudited)</u>	24
<u>Notes to Consolidated Financial Statements (unaudited)</u>	40
Item 2. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	74
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	92
Item 4. <u>Controls and Procedures</u>	93
<u>PART II. OTHER INFORMATION</u>	94
<u>Legal Proceedings</u>	94

Item 1.

Item 1A. Risk Factors 94

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds 96

Item 3. Defaults Upon Senior Securities 96

Item 4. Mine Safety Disclosures 96

Item 5. Other Information 96

Item 6. Exhibits and Financial Statement Schedules 97

SIGNATURES 100

## PART I: FINANCIAL INFORMATION

In this Quarterly Report, the “Company,” “Hercules,” “we,” “us” and “our” refer to Hercules Capital, Inc. and its wholly owned subsidiaries and its affiliated securitization trusts on or after February 25, 2016 and “Hercules Technology Growth Capital, Inc.” and its wholly owned subsidiaries and its affiliated securitization trusts prior to February 25, 2016, unless the context otherwise requires.

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS  
HERCULES CAPITAL, INC.

## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(unaudited)

(in thousands, except per share data)

	March 31, 2019	December 31, 2018
<b>Assets</b>		
Investments:		
Non-control/Non-affiliate investments (cost of \$2,000,508 and \$1,830,725, respectively)	\$2,003,062	\$1,801,258
Control investments (cost of \$64,968 and \$64,799, respectively)	54,913	57,619
Affiliate investments (cost of \$87,787 and \$85,000, respectively)	23,067	21,496
Total investments in securities, at value (cost of \$2,153,263 and \$1,980,524, respectively)	2,081,042	1,880,373
Cash and cash equivalents	16,465	34,212
Restricted cash	10,149	11,645
Interest receivable	18,366	16,959
Right of use asset <sup>(1)</sup>	8,856	—
Other assets	3,753	2,002
<b>Total assets</b>	<b>\$2,138,631</b>	<b>\$1,945,191</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$18,256	\$25,961
Operating lease liability <sup>(1)</sup>	8,856	—
SBA Debentures, net (principal of \$149,000 and \$149,000, respectively)	147,783	147,655
2022 Notes, net (principal of \$150,000 and \$150,000, respectively) <sup>(2)</sup>	148,121	147,990
2024 Notes, net (principal of \$0 and \$83,510, respectively) <sup>(2)</sup>	—	81,852
2025 Notes, net (principal of \$75,000 and \$75,000, respectively) <sup>(2)</sup>	72,685	72,590
2033 Notes, net (principal of \$40,000 and \$40,000, respectively) <sup>(2)</sup>	38,420	38,427
2027 Asset-Backed Notes, net (principal of \$200,000 and \$200,000, respectively) <sup>(2)</sup>	197,102	197,265
2028 Asset-Backed Notes, net (principal of \$250,000 and \$0, respectively) <sup>(2)</sup>	247,352	—
2022 Convertible Notes, net (principal of \$230,000 and \$230,000, respectively) <sup>(2)</sup>	225,441	225,051
Credit Facilities	44,266	52,956
<b>Total liabilities</b>	<b>\$1,148,282</b>	<b>\$989,747</b>

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Net assets consist of:

Common stock, par value	96	96
Capital in excess of par value	1,051,427	1,052,269
Total distributable earnings (loss) <sup>(3)</sup>	(61,174 )	(92,859 )
Treasury Stock, at cost, no shares as of March 31, 2019 and 376,466 shares as of December 31, 2018	—	(4,062 )
Total net assets	\$990,349	\$955,444
Total liabilities and net assets	\$2,138,631	\$1,945,191
Shares of common stock outstanding (\$0.001 par value and 200,000,000 authorized)	96,543	96,501
Net asset value per share	\$10.26	\$9.90

- (1) See “Note 2 – Summary of Significant Accounting Policies” for a description of Right of use asset and Operating lease liability.
- (2) The Company’s SBA debentures, 2022 Notes, 2024 Notes, 2025 Notes, 2033 Notes, 2027 Asset-Backed Notes, 2028 Asset-Backed Notes, and 2022 Convertible Notes, as each term is defined herein, are presented net of the associated debt issuance costs for each instrument. See “Note 4 – Borrowings”.
- (3) Certain prior year numbers have been adjusted to conform with the SEC final rules on disclosure updates and simplification effective November 5, 2018. See Note 2.

See notes to consolidated financial statements.

The following table presents the assets and liabilities of our consolidated securitization trusts for the 2027 Asset-Backed Notes and the 2028 Asset-Backed Notes (see Note 4), which are variable interest entities, or VIEs. The assets of our securitization VIEs can only be used to settle obligations of our consolidated securitization VIEs, these liabilities are only the obligations of our consolidated securitization VIEs, and the creditors (or beneficial interest holders) do not have recourse to our general credit. These assets and liabilities are included in the Consolidated Statement of Assets and Liabilities above.

(Dollars in thousands)	March 31, 2019	December 31, 2018
<b>Assets</b>		
Restricted Cash	\$ 10,149	\$ 11,645
2027 Asset-Backed Notes, investments in securities, at value (cost of \$290,242 and \$279,373, respectively)	289,556	277,781
2028 Asset-Backed Notes, investments in securities, at value (cost of \$356,677 and \$0, respectively)	357,416	—
<b>Total assets</b>	<b>\$ 657,121</b>	<b>\$ 289,426</b>
<b>Liabilities</b>		
2027 Asset-Backed Notes, net (principal of \$200,000 and \$200,000, respectively) <sup>(1)</sup>	\$ 197,102	\$ 197,265
2028 Asset-Backed Notes, net (principal of \$250,000 and \$0, respectively) <sup>(1)</sup>	247,352	—
<b>Total liabilities</b>	<b>\$ 444,454</b>	<b>\$ 197,265</b>

(1)The Company's 2027 Asset-Backed Notes and the 2028 Asset-Backed Notes are presented net of the associated debt issuance costs. See "Note 4 – Borrowings".  
See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED STATEMENT OF OPERATIONS

(unaudited)

(in thousands, except per share data)

	Three Months Ended March 31,	
	2019	2018
Investment income:		
Interest income		
Non-control/Non-affiliate investments	\$53,941	\$41,834
Control investments	1,024	586
Affiliate investments	508	561
Total interest income	55,473	42,981
Fee income		
Commitment, facility and loan fee income:		
Non-control/Non-affiliate investments	2,450	2,440
Control investments	4	—
Affiliate investments	88	108
Total commitment, facility and loan fee income	2,542	2,548
One-time fee income:		
Non-control/Non-affiliate investments	780	3,171
Total one-time fee income	780	3,171
Total fee income	3,322	5,719
Total investment income	58,795	48,700
Operating expenses:		
Interest	12,555	9,386
Loan fees	3,009	1,175
General and administrative	4,153	4,009
Employee compensation:		
Compensation and benefits	6,623	5,758
Stock-based compensation	3,422	2,309
Total employee compensation	10,045	8,067
Total operating expenses	29,762	22,637
Net investment income	29,033	26,063
Net realized gain (loss) on investments		
Non-control/Non-affiliate investments	4,555	(3,512 )
Control investments	—	(1,408 )
Total net realized gain (loss) on investments	4,555	(4,920 )
Net change in unrealized appreciation (depreciation) on investments		
Non-control/Non-affiliate investments	32,091	(14,340)
Control investments	(2,875 )	(620 )
Affiliate investments	(1,219 )	(237 )
Total net unrealized appreciation (depreciation) on investments	27,997	(15,197)



Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Total net realized and unrealized gain (loss)	32,552	(20,117)
Net increase (decrease) in net assets resulting from operations	\$61,585	\$5,946
Net investment income before investment gains and losses per common share:		
Basic	\$0.30	\$0.31
Change in net assets resulting from operations per common share:		
Basic	\$0.64	\$0.07
Diluted	\$0.64	\$0.07
Weighted average shares outstanding		
Basic	96,218	84,596
Diluted	96,508	84,666
Distributions paid per common share:		
Basic	\$0.31	\$0.31

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(unaudited)

(dollars and shares in thousands)

	Common Stock Shares	Par Value	Capital in excess of par value	Distributable Earnings (loss) <sup>(2)</sup>	Treasury Stock	Net Assets
Balance at December 31, 2017	84,424	\$ 85	\$908,501	\$ (67,619 )	\$—	\$840,967
Net increase (decrease) in net assets resulting from operations	—	—	—	5,946	—	5,946
Public offering, net of offering expenses	478	—	5,952	—	—	5,952
Issuance of common stock due to stock option exercises	38	—	432	—	—	432
Retired shares from net issuance	(36 )	—	(446 )	—	—	(446 )
Issuance of common stock under restricted stock plan	336	—	—	—	—	—
Retired shares for restricted stock vesting	(36 )	—	(446 )	—	—	(446 )
Distributions reinvested in common stock	35	—	426	—	—	426
Distributions	—	—	—	(26,419 )	—	(26,419 )
Stock-based compensation <sup>(1)</sup>	—	—	2,319	—	—	2,319
Balance at March 31, 2018	85,239	\$ 85	\$916,738	\$ (88,092 )	\$—	\$828,731
Balance at December 31, 2018	96,501	\$ 96	\$1,052,269	\$ (92,859 )	\$ (4,062 )	\$955,444
Net increase (decrease) in net assets resulting from operations	—	—	—	61,585	—	61,585
Public offering, net of offering expenses	—	—	(21 )	—	—	(21 )
Issuance of common stock due to stock option exercises	13	—	154	—	—	154
Retired shares from net issuance	(11 )	—	(159 )	—	—	(159 )
Issuance of common stock under restricted stock plan	48	—	—	—	—	—
Retirement of common stock under repurchase plan	—	—	(4,062 )	—	4,062	—
Retired shares for restricted stock vesting	(55 )	—	(691 )	—	—	(691 )
Distributions reinvested in common stock	47	—	632	—	—	632
Distributions	—	—	—	(29,900 )	—	(29,900 )
Stock-based compensation <sup>(1)</sup>	—	—	3,305	—	—	3,305
Balance at March 31, 2019	96,543	\$ 96	\$1,051,427	\$ (61,174 )	\$—	\$990,349

(1)

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Stock-based compensation includes \$7 and \$10 of restricted stock and option expense related to director compensation for the three months ended March 31, 2019 and 2018, respectively.

(2) Certain prior year numbers have been adjusted to conform with the SEC final rules on disclosure updates and simplification effective November 5, 2018. See Note 2.

See notes to consolidated financial statements.

6

---

## HERCULES CAPITAL, INC.

## CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited)

(dollars in thousands)

	For the Three Months Ended March 31,	
	2019	2018
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	\$61,585	\$5,946
Adjustments to reconcile net increase in net assets resulting from		
operations to net cash provided by (used in) operating activities:		
Purchase of investments	(239,702)	(236,285)
Principal and fee payments received on investments	65,845	280,181
Proceeds from the sale of investments	9,830	1,582
Net unrealized depreciation (appreciation) on investments	(27,997 )	15,197
Net realized loss (gain) on investments	(4,555 )	4,920
Accretion of paid-in-kind principal	(2,099 )	(2,507 )
Accretion of loan discounts	(737 )	(763 )
Accretion of loan discount on convertible notes	168	168
Accretion of loan exit fees	(5,199 )	(4,407 )
Change in deferred loan origination revenue	3,754	631
Unearned fees related to unfunded commitments	992	321
Amortization of debt fees and issuance costs	2,653	840
Depreciation	51	46
Stock-based compensation and amortization of restricted stock grants <sup>(1)</sup>	3,305	2,319
Change in operating assets and liabilities:		
Interest and fees receivable	(1,407 )	1,175
Prepaid expenses and other assets	(9,272 )	1,870
Accounts payable	(198 )	(194 )
Accrued liabilities	1,417	(8,025 )
Net cash provided by (used in) operating activities	(141,566)	63,015
Cash flows from investing activities:		
Purchases of capital equipment	(83 )	(72 )
Net cash provided by (used in) investing activities	(83 )	(72 )
Cash flows from financing activities:		
Issuance of common stock, net	(43 )	5,952
Retirement of employee shares	(676 )	(460 )
Distributions paid	(29,268 )	(25,993 )
Issuance of 2028 Asset-Backed Notes	250,000	—
Repayments of 2024 Notes	(83,510 )	—

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Repayments of 2021 Asset-Backed Notes	—	(15,577 )
Borrowings of credit facilities	110,834	—
Repayments of credit facilities	(119,523)	—
Cash paid for debt issuance costs	(2,965 )	—
Fees paid for credit facilities and debentures	(2,443 )	—
Net cash provided by (used in) financing activities	122,406	(36,078 )
Net increase (decrease) in cash, cash equivalents and restricted cash	(19,243 )	26,865
Cash, cash equivalents and restricted cash at beginning of period	45,857	94,995
Cash, cash equivalents and restricted cash at end of period	\$26,614	\$121,860
Supplemental non-cash investing and financing activities:		
Distributions reinvested	632	426

(1) Stock-based compensation includes \$7 and \$10 of restricted stock and option expense related to director compensation for the three months ended March 31, 2019 and 2018, respectively.

See notes to consolidated financial statements.

7

---

The following table presents a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Statement of Assets and Liabilities that sum to the total of the same such amounts in the Consolidated Statement of Cash Flows:

(Dollars in thousands)	For the Three Months Ended March 31,	
	2019	2018
Cash and cash equivalents	\$16,465	\$118,228
Restricted cash	10,149	3,632
Total cash, cash equivalents and restricted cash presented in the Consolidated Statements of Cash Flows	\$26,614	\$121,860

See “Note 2 – Summary of Significant Accounting Policies” for a description of restricted cash and cash equivalents.

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Maturity Date	Interest Rate and Floor (2)	Principal Amount	Cost (3)	Value (4)
<b>Debt Investments</b>							
<b>Biotechnology Tools</b>							
<b>Under 1 Year Maturity</b>							
Excicure, Inc. (11)	Biotechnology Tools	Senior Secured	March 2020	Interest rate PRIME + 6.45% or Floor rate of 9.95%, 5.52% Exit Fee	\$4,999	\$5,146	\$5,146
Subtotal: Under 1 Year Maturity						5,146	5,146
Subtotal: Biotechnology Tools (0.52%)*						5,146	5,146
<b>Consumer &amp; Business Products</b>							
<b>1-5 Years Maturity</b>							
WHOOP, INC. (12)	Consumer & Business Products	Senior Secured	July 2021	Interest rate PRIME + 3.75% or Floor rate of 8.50%, 6.95% Exit Fee	\$6,000	6,083	6,097
Subtotal: 1-5 Years Maturity						6,083	6,097
Subtotal: Consumer & Business Products (0.62%)*						6,083	6,097
<b>Diversified Financial Services</b>							
<b>1-5 Years Maturity</b>							
Gibraltar Business Capital, LLC (7)	Diversified Financial Services	Unsecured	March 2023	Interest rate FIXED 14.50%	\$15,000	14,741	14,903
Subtotal: 1-5 Years Maturity						14,741	14,903
Subtotal: Diversified Financial Services (1.50%)*						14,741	14,903
<b>Drug Delivery</b>							
<b>Under 1 Year Maturity</b>							
AcelRx Pharmaceuticals, Inc.	Drug Delivery	Senior Secured	March 2020	Interest rate PRIME + 6.05% or Floor rate	\$8,872	9,982	9,982

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

(11)				of 9.55%, 11.69%			
				Exit Fee			
Subtotal: Under 1 Year Maturity						9,982	9,982
1-5 Years Maturity							
Antares Pharma Inc. (10)(11)(15)	Drug Delivery	Senior Secured	July 2022	Interest rate PRIME + 4.50% or Floor rate of 9.50%, 4.25% Exit Fee	\$ 25,000	25,393	25,390
Subtotal: 1-5 Years Maturity						25,393	25,390
Subtotal: Drug Delivery (3.57%)*						35,375	35,372

See notes to consolidated financial statements.



HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Maturity Date	Interest Rate and Floor (2)	Principal Amount	Cost (3)	Value (4)
Drug Discovery & Development							
Under 1 Year Maturity							
Brickell Biotech, Inc.	Drug Discovery & Development	Senior Secured	September 2019	Interest rate PRIME + 5.70% or Floor rate of 9.20%, 7.82% Exit Fee	\$4,013	\$4,536	\$3,195
Subtotal: Under 1 Year Maturity						4,536	3,195
1-5 Years Maturity							
Acacia Pharma Inc. (5)(10)(11)	Drug Discovery & Development	Senior Secured	January 2022	Interest rate PRIME + 4.50% or Floor rate of 9.25%, 3.95% Exit Fee	\$10,000	9,929	9,938
Aveo Pharmaceuticals, Inc. (11)	Drug Discovery & Development	Senior Secured	July 2021	Interest rate PRIME + 4.70% or Floor rate of 9.45%, 5.40% Exit Fee	\$10,000	10,164	10,135
	Drug Discovery & Development	Senior Secured	July 2021	Interest rate PRIME + 4.70% or Floor rate of 9.45%, 3.00% Exit Fee	\$10,000	10,289	10,279
Total Aveo Pharmaceuticals, Inc.					\$20,000	20,453	20,414
Axovant Gene Therapies Ltd. (p.k.a. Axovant Sciences Ltd.) (5)(10)(11)	Drug Discovery & Development	Senior Secured	March 2021	Interest rate PRIME + 6.80% or Floor rate of 10.55%	\$45,293	44,700	44,627
BridgeBio Pharma LLC (13)(16)	Drug Discovery & Development	Senior Secured	July 2022	Interest rate PRIME + 4.35% or Floor rate of 9.35%, 6.35%	\$35,000	35,220	35,704

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				Exit Fee			
	Drug Discovery & Development	Senior Secured	July 2022	Interest rate PRIME + 3.35% or Floor rate of 9.10%, 5.75%			
				Exit Fee	\$ 20,000	19,999	19,999
<b>Total BridgeBio Pharma LLC</b>					<b>\$ 55,000</b>	<b>55,219</b>	<b>55,703</b>
Chemocentryx, Inc. (10)(15)	Drug Discovery & Development	Senior Secured	December 2022	Interest rate PRIME + 3.30% or Floor rate of 8.05%, 6.25%			
				Exit Fee	\$ 20,000	20,054	20,379
Constellation Pharmaceuticals, Inc. (17)	Drug Discovery & Development	Senior Secured	April 2023	Interest rate PRIME + 2.55% or Floor rate of 8.55%, 6.35%			
				Exit Fee	\$ 20,000	19,847	19,847
Genocea Biosciences, Inc. (11)	Drug Discovery & Development	Senior Secured	May 2021	Interest rate PRIME + 2.75% or Floor rate of 7.75%, 10.12%			
				Exit Fee	\$ 14,000	14,235	14,189
Merrimack Pharmaceuticals, Inc. (11)	Drug Discovery & Development	Senior Secured	August 2021	Interest rate PRIME + 4.00% or Floor rate of 9.25%, 5.55%			
				Exit Fee	\$ 15,000	15,122	15,073
Mesoblast (5)(10)(11)(16)	Drug Discovery & Development	Senior Secured	March 2022	Interest rate PRIME + 4.95% or Floor rate of 9.45%, 6.95%			
				Exit Fee	\$ 50,000	50,385	50,204
Metuchen Pharmaceuticals LLC (14)	Drug Discovery & Development	Senior Secured	October 2020	Interest rate PRIME + 7.25% or Floor rate of 10.75%, PIK Interest 1.35%, 2.25%			
				Exit Fee	\$ 17,187	17,948	17,885
Motif BioSciences Inc. (5)(10)(11)(15)	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 5.50% or Floor rate of 10.00%, 2.15%			
				Exit Fee	\$ 7,599	7,713	7,562
Myovant Sciences, Ltd. (5)(10)(11)	Drug Discovery & Development	Senior Secured	November 2021	Interest rate PRIME + 4.00% or Floor rate of 8.25%, 6.55%			
				Exit Fee	\$ 40,000	40,592	40,453
Nabriva Therapeutics (5)(10)(11)	Drug Discovery & Development	Senior Secured	June 2023	Interest rate PRIME + 4.30%	\$ 25,000	24,886	24,886

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				or Floor rate of 9.80%, 6.95%				
				Exit Fee				
Paratek Pharmaceuticals, Inc. (10)(11)(15)(16)	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 2.75% or Floor rate of 8.50%, 4.50%	Exit Fee	\$ 40,000	41,011	40,905
	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 2.75% or Floor rate of 8.50%, 4.50%	Exit Fee	\$ 10,000	10,280	10,243
	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 2.75% or Floor rate of 8.50%, 2.25%	Exit Fee	\$ 10,000	10,104	10,042
	Drug Discovery & Development	Senior Secured	August 2022	Interest rate PRIME + 2.10% or Floor rate of 7.85%, 6.95%	Exit Fee	\$ 10,000	10,070	9,975
Total Paratek Pharmaceuticals, Inc.						\$ 70,000	71,465	71,165
Stealth Bio Therapeutics Corp. (5)(10)(11)	Drug Discovery & Development	Senior Secured	January 2021	Interest rate PRIME + 5.50% or Floor rate of 9.50%, 6.68%	Exit Fee	\$ 17,220	17,746	17,783
TG Therapeutics, Inc. (10)(13)	Drug Discovery & Development	Senior Secured	March 2022	Interest rate PRIME + 5.50% or Floor rate of 10.25%, 3.25%	Exit Fee	\$ 30,000	29,148	29,148
Tricida, Inc. (11)(15)(17)	Drug Discovery & Development	Senior Secured	April 2023	Interest rate PRIME + 2.35% or Floor rate of 8.35%, 14.10%	Exit Fee	\$ 40,000	39,564	39,558
uniQure B.V. (5)(10)(11)	Drug Discovery & Development	Senior Secured	June 2023	Interest rate PRIME + 3.35% or Floor rate of 8.85%, 7.72%	Exit Fee	\$ 35,000	35,677	35,486
Urovant Sciences, Ltd. (10)(13)(17)	Drug Discovery & Development	Senior Secured	March 2022	Interest rate PRIME + 4.65% or Floor rate of 10.15%, 4.25%	Exit Fee	\$ 15,000	14,743	14,743
Verastem, Inc. (11)	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00%		\$ 5,000	5,092	5,121

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				or Floor rate of 10.50%, 4.50% Exit Fee			
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00% or Floor rate of 10.50%, 4.50% Exit Fee	\$ 5,000	5,105	5,125
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00% or Floor rate of 10.50%, 4.50% Exit Fee	\$ 5,000	5,084	5,103
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00% or Floor rate of 10.50%, 4.50% Exit Fee	\$ 10,000	10,100	10,088
Total Verastem, Inc.					\$ 25,000	25,381	25,437
X4 Pharmaceuticals, Inc. <sup>(11)</sup>	Drug Discovery & Development	Senior Secured	November 2021	Interest rate PRIME + 4.25% or Floor rate of 9.50%, 7.95% Exit Fee	\$ 10,000	9,828	9,828
Subtotal: 1-5 Years Maturity						584,635	584,308
Subtotal: Drug Discovery & Development (59.32%)*						589,171	587,503

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Maturity Date	Interest Rate and Floor (2)	Principal Amount	Cost (3)	Value (4)	
Electronics & Computer Hardware								
1-5 Years Maturity								
908 DEVICES INC. (15)	Electronics & Computer Hardware	Senior Secured	September 2020	Interest rate PRIME + 4.00% or Floor rate of 8.25%, 4.25% Exit Fee	\$ 10,000	\$ 10,211	\$ 10,270	
Glo AB (5)(10)(14)	Electronics & Computer Hardware	Senior Secured	February 2021	Interest rate PRIME + 6.20% or Floor rate of 10.45%, PIK Interest 1.75%, 2.95% Exit Fee	\$ 11,389	11,518	6,547	
Subtotal: 1-5 Years Maturity						21,729	16,817	
Subtotal: Electronics & Computer Hardware (1.70%)*						21,729	16,817	
Healthcare Services, Other								
1-5 Years Maturity								
Oak Street Health (11)	Healthcare Services, Other	Senior Secured	September 2021	Interest rate PRIME + 5.00% or Floor rate of 9.75%, 5.95% Exit Fee	\$ 30,000	30,656	30,689	
PH Group Holdings (13)	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45% or Floor rate of 10.95%	\$ 20,000	19,916	19,904	
	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45% or Floor rate of 10.95%	\$ 10,000	9,952	9,946	
Total PH Group Holdings						\$ 30,000	29,868	29,850
Subtotal: 1-5 Years Maturity						60,524	60,539	
Subtotal: Healthcare Services, Other (6.11%)*						60,524	60,539	

Information Services									
1-5 Years Maturity									
MDX Medical, Inc. (14)(15)(19)	Information Services	Senior Secured	December 2020	Interest rate PRIME + 4.00% or Floor rate of 8.25%, PIK Interest 1.70%		\$ 15,353	15,152	15,187	
Subtotal: 1-5 Years Maturity								15,152	15,187
Subtotal: Information Services (1.53%)*								15,152	15,187

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Maturity Date	Interest Rate and Floor (2)	Principal Amount	Cost (3)	Value (4)
<b>Internet Consumer &amp; Business Services</b>							
<b>Under 1 Year Maturity</b>							
LogicSource (12)	Internet Consumer & Business Services	Senior Secured	October 2019	Interest rate PRIME + 6.25% or Floor rate of 9.75%, 5.00% Exit Fee	\$ 2,201	\$ 2,607	\$ 2,607
<b>Subtotal: Under 1 Year Maturity</b>						<b>2,607</b>	<b>2,607</b>
<b>1-5 Years Maturity</b>							
AppDirect, Inc. (11)(19)	Internet Consumer & Business Services	Senior Secured	January 2022	Interest rate PRIME + 5.70% or Floor rate of 9.95%, 3.45% Exit Fee	\$ 20,000	20,081	20,188
Arctic Wolf Networks, Inc. (17)(19)	Internet Consumer & Business Services	Senior Secured	April 2023	Interest rate 3-month LIBOR + 7.75% or Floor rate of 10.10%, 7.55% Exit Fee	\$ 20,000	19,791	19,791
Cloudpay, Inc. (5)(10)(11)	Internet Consumer & Business Services	Senior Secured	April 2022	Interest rate PRIME + 4.05% or Floor rate of 8.55%, 6.95% Exit Fee	\$ 11,000	11,085	11,182
Contentful, Inc. (5)(10)(11)(14)	Internet Consumer & Business Services	Senior Secured	July 2022	Interest rate PRIME + 2.95% or Floor rate of 7.95%, PIK Interest 1.25%, 3.55% Exit Fee	\$ 3,758	3,713	3,713
Convercent, Inc. (14)(15)(17)	Internet Consumer & Business Services	Senior Secured	July 2022	Interest rate PRIME + 2.55% or Floor rate of 7.80%, PIK Interest 2.95%,	\$ 7,547	7,479	7,479

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

EverFi, Inc. (11)(14)(16)	Internet Consumer & Business Services	Senior Secured	May 2022	1.00% Exit Fee Interest rate PRIME + 3.90% or Floor rate of 8.65%, PIK Interest 2.30%	\$ 61,079	61,040	61,662
Fastly, Inc. (11)(17)(19)	Internet Consumer & Business Services	Senior Secured	December 2021	Interest rate PRIME + 4.25%, 1.50% Exit Fee	\$ 6,667	6,578	6,578
First Insight, Inc. (15)	Internet Consumer & Business Services	Senior Secured	November 2021	Interest rate PRIME + 6.25% or Floor rate of 11.25%	\$ 10,000	9,828	9,882
Greenphire, Inc. (17)	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate 3-month LIBOR + 8.00% or Floor rate of 9.00%	\$ 2,427	2,427	2,440
	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate PRIME + 3.75% or Floor rate of 7.00%	\$ 1,500	1,500	1,500
Total Greenphire, Inc.					\$ 3,927	3,927	3,940
Intent (p.k.a. Intent Media, Inc.) (12)(17)	Internet Consumer & Business Services	Senior Secured	September 2021	Interest rate PRIME + 5.13% or Floor rate of 10.13%, 2.00% Exit Fee	\$ 12,200	12,229	12,255
Interactions Corporation (11)(19)	Internet Consumer & Business Services	Senior Secured	March 2021	Interest rate 3-month LIBOR + 8.60% or Floor rate of 9.85%, 1.75% Exit Fee	\$ 25,000	25,114	25,281
Lendio, Inc. (17)(19)	Internet Consumer & Business Services	Senior Secured	April 2023	Interest rate PRIME + 4.45% or Floor rate of 9.95%, 5.25% Exit Fee	\$ 5,000	4,902	4,902
Postmates, Inc. (19)	Internet Consumer & Business Services	Senior Secured	September 2022	Interest rate PRIME + 3.85% or Floor rate of 8.85%, 8.05% Exit Fee	\$ 20,000	19,817	19,942
RumbleON, Inc. (11)	Internet Consumer & Business Services	Senior Secured	May 2021	Interest rate PRIME + 5.75% or Floor rate of 10.25%, 4.55% Exit Fee	\$ 5,000	5,050	5,045
	Internet Consumer & Business Services	Senior Secured	October 2021	Interest rate PRIME + 5.75% or Floor rate of 10.25%, 2.95% Exit Fee	\$ 5,000	4,968	4,968
Total RumbleON, Inc.					\$ 10,000	10,018	10,013
Snagajob.com, Inc. (13)(14)	Internet Consumer &	Senior Secured	August 2020	Interest rate PRIME + 5.15% or Floor	\$ 42,045	42,290	42,419



Edgar Filing: Hercules Capital, Inc. - Form 10-Q

	Business Services			rate of 9.15%, PIK Interest 1.95%, 2.55% Exit Fee			
	Internet Consumer & Business Services	Senior Secured	August 2020	Interest rate PRIME + 5.65% or Floor rate of 10.65%, PIK Interest 1.95%, 2.55% Exit Fee	\$ 5,058	4,921	4,937
Total Snagajob.com, Inc.					\$ 47,103	47,211	47,356
Tectura Corporation (7)(8)(9)(14)	Internet Consumer & Business Services	Senior Secured	June 2021	Interest rate FIXED 6.00%, PIK Interest 3.00%	\$ 21,081	21,081	10,260
	Internet Consumer & Business Services	Senior Secured	June 2021	PIK Interest 8.00%	\$ 10,680	240	—
Total Tectura Corporation					\$ 31,761	21,321	10,260
Thumbtack, Inc. (13)(14)	Internet Consumer & Business Services	Senior Secured	May 2022	Interest rate PRIME + 3.45% or Floor rate of 7.95%, PIK Interest 1.50%, 2.95% Exit Fee	\$ 25,000	24,631	24,631
Wheels Up Partners LLC (11)	Internet Consumer & Business Services	Senior Secured	July 2022	Interest rate 3-month LIBOR + 8.55% or Floor rate of 9.55%	\$ 19,486	19,337	19,349
Xometry, Inc. (13)(17)(19)	Internet Consumer & Business Services	Senior Secured	November 2021	Interest rate PRIME + 3.95% or Floor rate of 8.45%, 7.09% Exit Fee	\$ 11,000	11,078	11,194
Subtotal: 1-5 Years Maturity						339,180	329,598
Subtotal: Internet Consumer & Business Services (33.54%)*						341,787	332,205

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Maturity Date	Interest Rate and Floor (2)	Principal Amount	Cost (3)	Value (4)
<b>Media/Content/Info</b>							
<b>1-5 Years Maturity</b>							
Bustle (14)(15)	Media/Content/Info	Senior Secured	June 2021	Interest rate PRIME + 4.10% or Floor rate of 8.35%, PIK Interest 1.95%, 3.12% Exit Fee	\$15,390	\$ 15,457	\$ 15,675
Subtotal: 1-5 Years Maturity						15,457	15,675
Subtotal: Media/Content/Info (1.58%)*						15,457	15,675
<b>Medical Devices &amp; Equipment</b>							
<b>Under 1 Year Maturity</b>							
Micell Technologies, Inc. (8)	Medical Devices & Equipment	Senior Secured	August 2019	Interest rate PRIME + 7.25% or Floor rate of 10.50%, 5.00% Exit Fee	\$1,762	2,174	496
Quanterix Corporation (11)	Medical Devices & Equipment	Senior Secured	March 2020	Interest rate PRIME + 2.75% or Floor rate of 8.00%, 0.58% Exit Fee	\$7,688	7,678	7,678
Subtotal: Under 1 Year Maturity						9,852	8,174
<b>1-5 Years Maturity</b>							
Flowonix Medical Incorporated (11)(14)	Medical Devices & Equipment	Senior Secured	October 2021	Interest rate PRIME + 4.00% or Floor rate of 9.00%, PIK Interest	\$15,024	14,875	14,929

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				0.5%, 7.95% Exit Fee			
Intuity Medical, Inc. (11)(15)	Medical Devices & Equipment	Senior Secured	June 2021	Interest rate PRIME + 5.00% or Floor rate of 9.25%, 5.95% Exit Fee	\$17,500	17,680	17,675
Quanta Fluid Solutions (5)(10)	Medical Devices & Equipment	Senior Secured	April 2020	Interest rate PRIME + 8.05% or Floor rate of 11.55%, 5.00% Exit Fee	\$4,722	5,274	5,393
Rapid Micro Biosystems, Inc. (11)(15)	Medical Devices & Equipment	Senior Secured	April 2022	Interest rate PRIME + 5.15% or Floor rate of 9.65%, 7.25% Exit Fee	\$18,000	18,253	18,290
Sebacia, Inc. (11)(15)	Medical Devices & Equipment	Senior Secured	January 2021	Interest rate PRIME + 4.35% or Floor rate of 8.85%, 6.05% Exit Fee	\$11,000	11,242	11,197
Transenterix, Inc. (10)(11)	Medical Devices & Equipment	Senior Secured	June 2022	Interest rate PRIME + 4.55% or Floor rate of 9.55%, 6.95% Exit Fee	\$30,000	30,138	29,972
Subtotal: 1-5 Years							
Maturity						97,462	97,456
Subtotal: Medical Devices & Equipment (10.67%)*						107,314	105,630
Semiconductors							
1-5 Years Maturity							
Elenion Technologies LLC (13)(14)	Semiconductors	Senior Secured	February 2022	Interest rate PRIME + 4.25% or Floor rate of 9.75%, PIK Interest 2.25%, 5.00% Exit Fee	\$10,013	9,927	9,927
Subtotal: 1-5 Years							
Maturity						9,927	9,927
Subtotal: Semiconductors (1.00%)*						9,927	9,927
Software							
Under 1 Year							
Maturity							
Signpost, Inc. (11)(14)	Software	Senior Secured	February 2020	Interest rate PRIME + 4.15% or Floor rate of 8.15%, PIK Interest 1.75%, 5.75%	\$15,856	16,477	16,477

	Exit Fee		
Subtotal: Under 1 Year Maturity		16,477	16,477

See notes to consolidated financial statements.

13

---

HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Maturity Date	Interest Rate and Floor (2)	Principal Amount	Cost (3)	Value (4)
<b>1-5 Years Maturity</b>							
Abrigo (18)	Software	Senior Secured	March 2023	Interest rate 3-month LIBOR + 7.88% or Floor rate of 7.88%	\$ 39,601	\$ 38,813	\$ 38,744
Businessolver.com, Inc. (11)(16)(17)	Software	Senior Secured	May 2023	Interest rate 3-month LIBOR + 7.50% or Floor rate of 7.50%	\$ 53,933	53,011	53,407
	Software	Senior Secured	May 2023	Interest rate 3-month LIBOR + 7.50% or Floor rate of 7.50%	\$ 1,275	1,275	1,275
<b>Total</b>					<b>\$ 55,208</b>	<b>54,286</b>	<b>54,682</b>
Clarabridge, Inc. (12)(14)(17)	Software	Senior Secured	April 2022	Interest rate PRIME + 4.80% or Floor rate of 8.55%, PIK Interest 2.25%	\$ 42,511	42,088	42,715

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Cloudian, Inc. <sup>(11)</sup>	Software	Senior Secured	November 2022	Interest rate PRIME + 3.25% or Floor rate of 8.25%, 9.75% Exit Fee	\$ 15,000	14,933	14,933
Couchbase, Inc. <sup>(15)(19)</sup>	Software	Senior Secured	September 2021	Interest rate PRIME + 5.25% or Floor rate of 10.75%	\$ 35,000	34,812	34,699
Credible Behavioral Health, Inc. <sup>(11)(14)(17)</sup>	Software	Senior Secured	September 2021	Interest rate PRIME + 3.20% or Floor rate of 7.95%, PIK Interest 3.30%	\$ 7,636	7,565	7,662
Dashlane, Inc. <sup>(14)(19)</sup>	Software	Senior Secured	April 2022	Interest rate PRIME + 4.05% or Floor rate of 8.55%, PIK Interest 1.10%, 9.25% Exit Fee	\$ 10,095	10,195	10,346
	Software	Senior Secured	March 2023	Interest rate PRIME + 4.05% or Floor rate of 8.55%, PIK Interest 1.10%, 4.95% Exit Fee	\$ 10,000	9,692	9,692
Total Dashlane, Inc.					\$ 20,095	19,887	20,038
DocuTAP, Inc. <sup>(11)(17)</sup>	Software	Senior Secured	October 2023	Interest rate 3-month LIBOR +	\$ 14,000	13,625	13,625

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				8.00% or Floor rate of 8.00%			
Emma, Inc. <sup>(13)(17)(18)</sup>	Software	Senior Secured	September 2022	Interest rate 3-month LIBOR + 8.39% or Floor rate of 8.39%	\$ 36,944	35,824	35,841
	Software	Senior Secured	September 2022	Interest rate 3-month LIBOR + 8.18% or Floor rate of 8.18%	\$ 6,000	5,837	5,837
Total Emma, Inc.					\$ 42,944	41,661	41,678
Evernote Corporation <sup>(11)(14)(15)(19)</sup>	Software	Senior Secured	October 2020	Interest rate PRIME + 5.45% or Floor rate of 8.95%	\$ 5,549	5,400	5,395
	Software	Senior Secured	July 2021	Interest rate PRIME + 6.00% or Floor rate of 9.50%, PIK Interest 1.25%	\$ 4,087	3,956	3,956
	Software	Senior Secured	July 2022	Interest rate PRIME + 6.00% or Floor rate of 9.50%, PIK Interest 1.25%	\$ 5,029	4,936	5,065
Total Evernote Corporation					\$ 14,665	14,292	14,416
Fuze, Inc. <sup>(13)(14)(15)(16)(19)</sup>	Software	Senior Secured	July 2021	Interest rate PRIME + 3.70% or Floor rate of 7.95%, PIK	\$ 51,328	51,660	52,722

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				Interest 1.55%, 3.55%			
Imperva, Inc. <sup>(19)</sup>	Software	Senior Secured	January 2027	Exit Fee			
				Interest rate 3-month LIBOR + 7.75% or Floor rate of 7.75%	\$ 20,000	19,791	19,791
Insurance Technologies Corporation <sup>(11)(17)(18)</sup>	Software	Senior Secured	March 2023	Interest rate 3-month LIBOR + 7.82% or Floor rate of 8.75%	\$ 12,500	12,270	12,395
Lightbend, Inc. <sup>(14)(15)</sup>	Software	Senior Secured	February 2022	Interest rate PRIME + 4.25% or Floor rate of 8.50%, PIK			
				Interest rate 2.00%	\$ 16,259	15,968	16,009
Lithium Technologies, Inc. <sup>(11)(16)(17)</sup>	Software	Senior Secured	October 2022	Interest rate 1-month LIBOR + 8.00% or Floor rate of 9.00%	\$ 12,000	11,797	11,797
	Software	Senior Secured	October 2022	Interest rate 1-month LIBOR + 8.00% or Floor rate of 9.00%	\$ 43,000	42,062	42,062
Total Lithium Technologies, Inc.					\$ 55,000	53,859	53,859
Microsystems Holding Company, LLC <sup>(11)(19)</sup>	Software	Senior Secured	July 2022	Interest rate 3-month LIBOR + 8.25% or Floor rate of 9.25%	\$ 12,000	11,863	11,983
Nuvolo Technologies Corporation <sup>(19)</sup>	Software	Senior Secured	April 2022	Interest rate	\$ 10,000	9,812	9,812



Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				PRIME + 6.25% or Floor rate of 11.75%			
Pollen, Inc. <sup>(15)</sup>	Software	Senior Secured	October 2020	Interest rate PRIME + 4.25% or Floor rate of 8.50%, 5.95%			
				Exit Fee	\$ 7,000	7,268	7,203
Quid, Inc. <sup>(14)(15)</sup>	Software	Senior Secured	February 2021	Interest rate PRIME + 4.75% or Floor rate of 8.25%, PIK Interest 2.25%, 4.60%			
				Exit Fee	\$ 8,542	8,715	8,702

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Maturity Date	Interest Rate and Floor (2)	Principal Amount	Cost (3)	Value (4)
Regent Education (14)	Software	Senior Secured	January 2022	Interest rate FIXED 10.00%, PIK Interest 2.00%, 7.94% Exit Fee	\$ 3,107	\$ 3,139	\$ 1,585
Salsa Labs, Inc. (11)(17)	Software	Senior Secured	April 2023	Interest rate 3-month LIBOR + 8.15% or Floor rate of 9.15%	\$ 6,000	5,899	6,004
ThreatConnect, Inc. (14)(15)(19)	Software	Senior Secured	October 2022	Interest rate PRIME + 4.95% or Floor rate of 9.95%, PIK Interest 1.05%, 2.20% Exit Fee	\$ 7,539	7,483	7,541
Vela Trading Technologies (11)(18)	Software	Senior Secured	July 2022	Interest rate 3-month LIBOR + 9.50% or Floor rate of 10.50%	\$ 19,625	19,246	19,443
YouEarnedIt, Inc. (11)(18)	Software	Senior Secured	July 2023	Interest rate 1-month LIBOR + 8.66%	\$ 8,955	8,723	8,723
ZocDoc (11)(19)	Software	Senior Secured	August 2021	Interest rate PRIME + 6.20% or Floor rate of 10.95%, 2.00% Exit Fee	\$ 30,000	30,053	30,213
Subtotal: 1-5 Years Maturity						547,711	549,177
Subtotal: Software (57.12%)*						564,188	565,654
Sustainable and Renewable Technology							

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Under 1 Year  
Maturity

Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.) <sup>(6)(14)(19)</sup>	Sustainable and Renewable Technology	Senior Secured	August 2019	Interest rate PRIME + 8.70% or Floor rate of 12.95%, 5.00% Exit Fee	\$ 10,000	10,286	10,287
	Sustainable and Renewable Technology	Senior Secured	June 2019	PIK Interest 10.00%	\$ 666	666	666
	Sustainable and Renewable Technology	Senior Secured	June 2019	Interest rate PRIME + 10.70% or Floor rate of 15.70%, PIK Interest 2.00%	\$ 1,609	1,609	1,609

Total Solar Spectrum Holdings LLC  
(p.k.a. Sungevity, Inc.)

\$ 12,275      12,561      12,562

Subtotal: Under 1 Year Maturity      12,561      12,562

1-5 Years Maturity

FuelCell Energy, Inc. <sup>(12)</sup>	Sustainable and Renewable Technology	Senior Secured	April 2020	Interest rate PRIME + 5.40% or Floor rate of 9.90%, 6.68% Exit Fee	\$ 13,091	13,310	13,304
	Sustainable and Renewable Technology	Senior Secured	April 2020	Interest rate PRIME + 5.40% or Floor rate of 9.90%, 14.27% Exit Fee	\$ 11,909	11,692	11,688
Total FuelCell Energy, Inc.					\$ 25,000	25,002	24,992

Impossible Foods, Inc. <sup>(12)(16)</sup>	Sustainable and Renewable Technology	Senior Secured	January 2022	Interest rate PRIME + 3.95% or Floor rate of 8.95%, 9.00% Exit Fee	\$ 50,000	50,102	49,875
--	--------------------------------------	----------------	--------------	---	-----------	--------	--------

Metalysis Limited <sup>(5)(10)(11)</sup>	Sustainable and Renewable Technology	Senior Secured	March 2021	Interest rate PRIME + 5.00% or Floor rate of 9.25%, 6.95% Exit Fee	\$ 6,498	6,718	6,324
--	--------------------------------------	----------------	------------	---	----------	-------	-------

Proterra, Inc. <sup>(11)(14)</sup>	Sustainable and Renewable Technology	Senior Secured	November 2020	Interest rate PRIME + 3.70% or Floor rate of 7.95%, PIK Interest 1.75%,	\$ 25,596	26,968	27,198
------------------------------------	--------------------------------------	----------------	---------------	---	-----------	--------	--------

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

			5.95% Exit Fee				
	Sustainable and Renewable Technology	Senior Secured	November 2020	Interest rate PRIME + 3.70% or Floor rate of 7.95%, PIK Interest 1.75%, 5.95% Exit Fee	\$ 5,119	5,433	5,458
	Total Proterra, Inc.				\$ 30,715	32,401	32,656
	Subtotal: 1-5 Years Maturity					114,223	113,847
	Subtotal: Sustainable and Renewable Technology (12.76%)*					126,784	126,409
	Total: Debt Investments (191.56%)*					1,913,378	1,897,064

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
<b>Equity Investments</b>						
<b>Communications &amp; Networking</b>						
GlowPoint, Inc. (4)	Communications & Networking	Equity	Common Stock	114,192	\$102	\$16
Peerless Network Holdings, Inc.	Communications & Networking	Equity	Preferred Series A	1,135,000	1,229	4,609
Subtotal: Communications & Networking (0.47%)*					1,331	4,625
<b>Diagnostic</b>						
Singulex, Inc.	Diagnostic	Equity	Common Stock	937,998	750	533
Subtotal: Diagnostic (0.05%)*					750	533
<b>Diversified Financial Services</b>						
Gibraltar Business Capital, LLC (7)	Diversified Financial Services	Equity	Common Stock	830,000	1,884	2,002
	Diversified Financial Services	Equity	Preferred Series A	10,602,752	26,122	27,748
Total Gibraltar Business Capital, LLC				11,432,752	28,006	29,750
Subtotal: Diversified Financial Services (3.00%)*					28,006	29,750
<b>Drug Delivery</b>						
AcelRx Pharmaceuticals, Inc. (4)	Drug Delivery	Equity	Common Stock	176,730	1,329	557
BioQ Pharma Incorporated (15)	Drug Delivery	Equity	Preferred Series D	165,000	500	740
Neos Therapeutics, Inc. (4)(15)	Drug Delivery	Equity	Common Stock	125,000	1,500	326
PDS Biotechnology Corporation (p.k.a. Edge Therapeutics, Inc.) (4)	Drug Delivery	Equity	Common Stock	2,498	309	18
Subtotal: Drug Delivery (0.17%)*					3,638	1,641
<b>Drug Discovery &amp; Development</b>						
Aveo Pharmaceuticals, Inc. (4)(15)	Drug Discovery & Development	Equity	Common Stock	1,901,791	1,715	1,559
		Equity		129,827	1,269	173

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Axovant Gene Therapies Ltd. (p.k.a. Axovant Sciences Ltd.) (4)(5)(10)	Drug Discovery & Development		Common Stock			
BridgeBio Pharma LLC (16)	Drug Discovery & Development	Equity	Preferred Series D	1,008,929	2,000	2,121
Cerecor, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	119,087	1,000	695
Concert Pharmaceuticals, Inc. (4)(10)	Drug Discovery & Development	Equity	Common Stock	70,796	1,367	695
Dare Biosciences, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	13,550	1,000	19
Dicerna Pharmaceuticals, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	142,858	1,000	2,094
Dynavax Technologies (4)(10)	Drug Discovery & Development	Equity	Common Stock	20,000	550	146
Eidos Therapeutics, Inc. (4)(10)	Drug Discovery & Development	Equity	Common Stock	15,000	255	352
Genocea Biosciences, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	223,463	2,000	132
Insmed, Incorporated (4)	Drug Discovery & Development	Equity	Common Stock	70,771	1,000	1,930
Melinta Therapeutics (4)	Drug Discovery & Development	Equity	Common Stock	10,364	2,000	36
Paratek Pharmaceuticals, Inc. (4)(10)(16)	Drug Discovery & Development	Equity	Common Stock	76,362	2,744	410
Rocket Pharmaceuticals, Ltd. (4)	Drug Discovery & Development	Equity	Common Stock	944	1,500	17
Tricida, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	105,260	2,000	4,065
uniQure B.V. (4)(5)(10)	Drug Discovery & Development	Equity	Common Stock	37,175	718	1,845
Subtotal: Drug Discovery & Development (1.64%)*					22,118	16,289
Electronics & Computer Hardware						
Identiv, Inc. (4)	Electronics & Computer Hardware	Equity	Common Stock	6,700	34	34
Subtotal: Electronics & Computer Hardware (0.00%)*					34	34
Healthcare Services, Other						
23andMe, Inc.	Healthcare Services, Other	Equity	Common Stock	360,000	5,094	5,094
Subtotal: Healthcare Services, Other (0.51%)*					5,094	5,094
Information Services						
DocuSign, Inc. (4)	Information Services	Equity	Common Stock	385,000	6,081	17,942
Subtotal: Information Services (1.81%)*					6,081	17,942

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
<b>Internet Consumer &amp; Business Services</b>						
Blurb, Inc.	Internet Consumer & Business Services	Equity	Preferred Series B	220,653	\$ 175	\$ 46
Brigade Group, Inc.	Internet Consumer & Business Services	Equity	Common Stock	9,023	93	—
Contentful, Inc. (5)(10)	Internet Consumer & Business Services	Equity	Preferred Series D	217	500	524
DoorDash, Inc.	Internet Consumer & Business Services	Equity	Common Stock	105,000	6,051	8,925
Lightspeed POS, Inc. (4)(5)(10)	Internet Consumer & Business Services	Equity	Common Stock	107,177	500	1,655
Lyft, Inc. (4)	Internet Consumer & Business Services	Equity	Common Stock	200,738	10,487	15,715
Nextdoor.com, Inc.	Internet Consumer & Business Services	Equity	Common Stock	328,190	4,854	4,945
OfferUp, Inc.	Internet Consumer & Business Services	Equity	Preferred Series A	286,080	1,663	1,992
	Internet Consumer & Business Services	Equity	Preferred Series A-1	108,710	632	757
<b>Total OfferUp, Inc.</b>				<b>394,790</b>	<b>2,295</b>	<b>2,749</b>
Oportun	Internet Consumer & Business Services	Equity	Preferred Series G	218,351	250	757
	Internet Consumer & Business Services	Equity	Preferred Series H	87,802	250	332
<b>Total Oportun</b>				<b>306,153</b>	<b>500</b>	<b>1,089</b>
Tectura Corporation (7)	Internet Consumer & Business Services	Equity	Common Stock	414,994,863	900	—
	Internet Consumer & Business Services	Equity	Preferred Series BB	1,000,000	—	—
<b>Total Tectura Corporation</b>				<b>415,994,863</b>	<b>900</b>	<b>—</b>
<b>Subtotal: Internet Consumer &amp; Business Services (3.60%)*</b>					<b>26,355</b>	<b>35,648</b>
<b>Media/Content/Info</b>						
Pinterest, Inc.	Media/Content/Info	Equity		206,666	4,085	3,307

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

			Preferred			
			Series Seed			
Subtotal: Media/Content/Info (0.33%)*				4,085	3,307	
Medical Devices & Equipment						
AtriCure, Inc. <sup>(4)(15)</sup>	Medical Devices & Equipment	Equity	Common Stock	10,119	266	270
Flowonix Medical Incorporated	Medical Devices & Equipment	Equity	Preferred Series AA	221,893	1,500	32
Gelesis, Inc.	Medical Devices & Equipment	Equity	Common Stock	198,202	—	871
	Medical Devices & Equipment	Equity	Preferred Series A-1	191,210	425	936
	Medical Devices & Equipment	Equity	Preferred Series A-2	191,626	500	886
Total Gelesis, Inc.				581,038	925	2,693
Medrobotics Corporation <sup>(15)</sup>	Medical Devices & Equipment	Equity	Preferred Series E	136,798	250	—
	Medical Devices & Equipment	Equity	Preferred Series F	73,971	155	—
	Medical Devices & Equipment	Equity	Preferred Series G	163,934	500	—
Total Medrobotics Corporation				374,703	905	—
Optiscan Biomedical, Corp. <sup>(6)</sup>	Medical Devices & Equipment	Equity	Preferred Series B	61,855	3,000	427
	Medical Devices & Equipment	Equity	Preferred Series C	19,273	655	123
	Medical Devices & Equipment	Equity	Preferred Series D	551,038	5,257	3,628
	Medical Devices & Equipment	Equity	Preferred Series E	507,103	4,240	4,265
Total Optiscan Biomedical, Corp.				1,139,269	13,152	8,443
Outset Medical, Inc.	Medical Devices & Equipment	Equity	Preferred Series B	232,061	527	518
Quanterix Corporation <sup>(4)</sup>	Medical Devices & Equipment	Equity	Common Stock	84,778	1,000	2,191
Subtotal: Medical Devices & Equipment (1.43%)*				18,275	14,147	
Software						
CapLinked, Inc.	Software	Equity	Preferred Series A-3	53,614	51	99
Docker, Inc.	Software	Equity	Common Stock	200,000	4,284	4,284
Druva Holdings, Inc. (p.k.a. Druva, Inc.)	Software	Equity	Preferred Series 2	458,841	1,000	2,231
	Software	Equity	Preferred Series 3	93,620	300	481
Total Druva Holdings, Inc. (p.k.a. Druva, Inc.)				552,461	1,300	2,712
HighRoads, Inc.	Software	Equity	Common Stock	190	307	—
Palantir Technologies	Software	Equity	Preferred Series D	9,535	47	47



Edgar Filing: Hercules Capital, Inc. - Form 10-Q

	Software	Equity	Preferred Series E	1,749,089	10,489	8,661
	Software	Equity	Preferred Series G	326,797	2,211	1,618
Total Palantir Technologies				2,085,421	12,747	10,326
Sprinklr, Inc.	Software	Equity	Common Stock	700,000	3,749	4,602
WildTangent, Inc.	Software	Equity	Preferred Series 3	100,000	402	184
Subtotal: Software (2.24%)*					22,840	22,207

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
<b>Surgical Devices</b>						
Gynesonics, Inc. (15)	Surgical Devices	Equity	Preferred Series B	219,298	\$ 250	\$ 10
	Surgical Devices	Equity	Preferred Series C	656,538	282	31
	Surgical Devices	Equity	Preferred Series D	1,991,157	712	96
	Surgical Devices	Equity	Preferred Series E	2,786,367	429	150
	Surgical Devices	Equity	Preferred Series F	1,523,693	118	133
	Surgical Devices	Equity	Preferred Series F-1	2,418,125	150	191
<b>Total Gynesonics, Inc.</b>				<b>9,595,178</b>	<b>1,941</b>	<b>611</b>
<b>Transmedics, Inc.</b>						
	Surgical Devices	Equity	Preferred Series B	88,961	1,100	416
	Surgical Devices	Equity	Preferred Series C	119,999	300	561
	Surgical Devices	Equity	Preferred Series D	260,000	650	1,216
	Surgical Devices	Equity	Preferred Series F	100,200	500	469
<b>Total Transmedics, Inc.</b>				<b>569,160</b>	<b>2,550</b>	<b>2,662</b>
<b>Subtotal: Surgical Devices (0.33%)*</b>					<b>4,491</b>	<b>3,273</b>
<b>Sustainable and Renewable Technology</b>						
Modumetal, Inc.	Sustainable and Renewable Technology	Equity	Preferred Series C	3,107,520	500	328
Proterra, Inc.	Sustainable and Renewable Technology	Equity	Preferred Series 5	99,280	500	452
Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.)	Sustainable and Renewable	Equity	Common Stock	380	61,502	1,775

(6)	Technology		
	Subtotal: Sustainable and Renewable Technology (0.26%)*	62,502	2,555
	Total: Equity Investments (15.86%)*	205,600	157,045

See notes to consolidated financial statements.

18

---

HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
<b>Warrant Investments</b>						
<b>Communications &amp; Networking</b>						
Peerless Network Holdings, Inc.	Communications & Networking	Warrant	Common Stock	3,328	\$ —	\$ 10
Spring Mobile Solutions, Inc.	Communications & Networking	Warrant	Common Stock	2,834,375	418	—
Subtotal: Communications & Networking (0.00%)*					418	10
<b>Consumer &amp; Business Products</b>						
Gadget Guard (15)	Consumer & Business Products	Warrant	Common Stock	1,662,441	228	—
Intelligent Beauty, Inc.	Consumer & Business Products	Warrant	Preferred Series B	190,234	230	255
The Neat Company	Consumer & Business Products	Warrant	Common Stock	54,054	365	—
WHOOP, INC.	Consumer & Business Products	Warrant	Preferred Series C	68,627	18	6
Subtotal: Consumer & Business Products (0.03%)*					841	261
<b>Drug Delivery</b>						
Agile Therapeutics, Inc. (4)	Drug Delivery	Warrant	Common Stock	180,274	730	47
BioQ Pharma Incorporated	Drug Delivery	Warrant	Common Stock	459,183	1	846
Dance Biopharm, Inc. (15)	Drug Delivery	Warrant	Common Stock	110,882	74	—
Kaleo, Inc.	Drug Delivery	Warrant	Preferred Series B	82,500	594	3,449
Neos Therapeutics, Inc. (4)(15)	Drug Delivery	Warrant	Common Stock	70,833	285	1
PDS Biotechnology Corporation (p.k.a. Edge Therapeutics, Inc.) (4)	Drug Delivery	Warrant	Common Stock	3,929	390	—
Pulmatrix Inc. (4)	Drug Delivery	Warrant	Common Stock	2,515	116	—
ZP Opco, Inc. (4)	Drug Delivery	Warrant		3,618	266	—

Common  
Stock

Subtotal: Drug Delivery (0.44%)*	2,456	4,343
----------------------------------	-------	-------

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Series	Shares	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
<b>Drug Discovery &amp; Development</b>						
Acacia Pharma Inc. <sup>(4)(5)(10)</sup>	Drug Discovery & Development	Warrant	Common Stock	201,330	\$ 303	\$ 124
ADMA Biologics, Inc. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	89,750	295	31
Brickell Biotech, Inc.	Drug Discovery & Development	Warrant	Preferred Series C	26,086	119	—
Cerecor, Inc. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	22,328	70	25
Concert Pharmaceuticals, Inc. <sup>(4)(10)(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	61,273	178	117
CTI BioPharma Corp. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	29,239	165	—
CytRx Corporation <sup>(4)(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	105,694	160	—
Dare Biosciences, Inc. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	17,190	369	—
Dicerna Pharmaceuticals, Inc. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	200	28	—
Evoform Biosciences, Inc. <sup>(4)(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	7,806	266	11
Fortress Biotech, Inc. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	73,009	142	11
Genocea Biosciences, Inc. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	403,136	431	101
Immune Pharmaceuticals <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	10,742	164	—
Melinta Therapeutics <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	8,109	626	—
Motif BioSciences Inc. <sup>(4)(5)(10)(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	73,452	282	38
Myovant Sciences, Ltd. <sup>(4)(5)(10)</sup>	Drug Discovery & Development	Warrant	Common Stock	73,710	460	871
Neuralstem, Inc. <sup>(4)(15)</sup>		Warrant	Common Stock	5,783	77	—

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

	Drug Discovery & Development					
Ology Bioservices, Inc. <sup>(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	171,389	838	—
Paratek Pharmaceuticals, Inc. <sup>(4)(10)(15)(16)</sup>	Drug Discovery & Development	Warrant	Common Stock	94,841	204	20
Savara Inc. <sup>(4)(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	32,467	203	50
Sorrento Therapeutics, Inc. <sup>(4)(10)</sup>	Drug Discovery & Development	Warrant	Common Stock	306,748	889	624
Stealth Bio Therapeutics Corp. <sup>(4)(5)(10)</sup>	Drug Discovery & Development	Warrant	American Depositary Shares	41,667	158	113
TG Therapeutics, Inc. <sup>(4)(10)</sup>	Drug Discovery & Development	Warrant	Common Stock	147,058	564	637
Tricida, Inc. <sup>(4)(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	123,637	978	2,677
Urovant Sciences, Ltd. <sup>(4)(10)</sup>	Drug Discovery & Development	Warrant	Common Stock	33,259	143	133
X4 Pharmaceuticals, Inc. <sup>(4)</sup>	Drug Discovery & Development	Warrant	Common Stock	25,000	314	149
XOMA Corporation <sup>(4)(10)(15)</sup>	Drug Discovery & Development	Warrant	Common Stock	9,063	279	1
Subtotal: Drug Discovery & Development (0.58%)*					8,705	5,733
Electronics & Computer Hardware						
908 DEVICES INC. <sup>(15)</sup>	Electronics & Computer Hardware	Warrant	Preferred Series D	79,856	101	51
Subtotal: Electronics & Computer Hardware (0.01%)*					101	51
Healthcare Services, Other						
Chromadex Corporation <sup>(4)</sup>	Healthcare Services, Other	Warrant	Common Stock	139,673	157	157
Subtotal: Healthcare Services, Other (0.02%)*					157	157
Information Services						
INMOBI Inc. <sup>(5)(10)</sup>	Information Services	Warrant	Common Stock	65,587	82	—
MDX Medical, Inc. <sup>(15)</sup>	Information Services	Warrant	Common Stock	2,812,500	283	200
Netbase Solutions, Inc.	Information Services	Warrant	Preferred Series 1	60,000	356	418
RichRelevance, Inc.	Information Services	Warrant	Preferred Series E	112,612	98	—
Subtotal: Information Services (0.06%)*					819	618

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
<b>Internet Consumer &amp; Business Services</b>						
Aria Systems, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series G	231,535	\$ 73	\$ —
Blurb, Inc. (15)	Internet Consumer & Business Services	Warrant	Preferred Series C	234,280	636	14
Cloudpay, Inc. (5)(10)	Internet Consumer & Business Services	Warrant	Preferred Series B	4,960	45	12
Contentful, Inc. (5)(10)	Internet Consumer & Business Services	Warrant	Preferred Series C	82	1	50
Fastly, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series F	152,195	71	80
First Insight, Inc. (15)	Internet Consumer & Business Services	Warrant	Preferred Series B	75,917	96	105
Intent (p.k.a. Intent Media, Inc.)	Internet Consumer & Business Services	Warrant	Common Stock	140,077	168	112
Interactions Corporation	Internet Consumer & Business Services	Warrant	Preferred Series G-3	68,187	204	441
Just Fabulous, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series B	206,184	1,102	2,703
Lendio, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series D	127,032	39	39
Lightspeed POS, Inc. (4)(5)(10)	Internet Consumer & Business Services	Warrant	Common Stock	61,402	20	528
LogicSource	Internet Consumer & Business Services	Warrant	Preferred Series C	79,625	30	60
Oportun	Internet Consumer & Business Services	Warrant	Preferred Series G	174,562	78	419
Postmates, Inc.	Internet Consumer & Business Services	Warrant	Common Stock	189,865	317	338
RumbleON, Inc. (4)	Internet Consumer & Business Services	Warrant	Common Stock	102,768	87	55
ShareThis, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series C	493,502	547	—



Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Snagajob.com, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series A	1,800,000	782	104
	Internet Consumer & Business Services	Warrant	Preferred Series B	173,076	8	6
Total Snagajob.com, Inc.				1,973,076	790	110
Tapjoy, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series D	748,670	316	7
The Faction Group LLC	Internet Consumer & Business Services	Warrant	Preferred Series A	8,703	234	324
Thumbtack, Inc.	Internet Consumer & Business Services	Warrant	Common Stock	102,821	124	97
Xometry, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series B	87,784	47	90
Subtotal: Internet Consumer & Business Services (0.56%)*					5,025	5,584
Media/Content/Info						
Machine Zone, Inc.	Media/Content/Info	Warrant	Common Stock	1,552,710	1,960	2,003
Napster	Media/Content/Info	Warrant	Common Stock	715,755	383	110
WP Technology, Inc. (Wattpad, Inc.) <sup>(5)(10)</sup>	Media/Content/Info	Warrant	Common Stock	255,818	4	4
Zoom Media Group, Inc.	Media/Content/Info	Warrant	Preferred Series A	1,204	348	26
Subtotal: Media/Content/Info (0.22%)*					2,695	2,143
Medical Devices & Equipment						
Aspire Bariatrics, Inc. <sup>(15)</sup>	Medical Devices & Equipment	Warrant	Preferred Series B-1	112,858	455	—
Avedro, Inc. <sup>(4)(15)</sup>	Medical Devices & Equipment	Warrant	Common Stock	67,415	401	407
Flowonix Medical Incorporated	Medical Devices & Equipment	Warrant	Preferred Series AA	155,325	362	3
	Medical Devices & Equipment	Warrant	Preferred Series BB	725,806	351	409
Total Flowonix Medical Incorporated				881,131	713	412
Gelesis, Inc.	Medical Devices & Equipment	Warrant	Preferred Series A-1	74,784	78	203
InspireMD, Inc. <sup>(4)(5)(10)</sup>	Medical Devices & Equipment	Warrant	Common Stock	1,105	—	—
Intuity Medical, Inc. <sup>(15)</sup>	Medical Devices & Equipment	Warrant	Preferred Series 4	1,819,078	294	390
Medrobotics Corporation <sup>(15)</sup>	Medical Devices & Equipment	Warrant	Preferred Series E	455,539	370	—
Micell Technologies, Inc.	Medical Devices & Equipment	Warrant	Preferred Series D-2	84,955	262	—
NinePoint Medical, Inc.	Medical Devices & Equipment	Warrant	Preferred Series A-1	587,840	170	144
Optiscan Biomedical, Corp. <sup>(6)</sup>	Medical Devices & Equipment	Warrant	Preferred Series E	74,424	573	287
Outset Medical, Inc.	Medical Devices & Equipment	Warrant	Preferred Series A	500,000	402	250
Quanterix Corporation <sup>(4)</sup>		Warrant		66,039	204	754

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

	Medical Devices & Equipment		Common Stock			
Sebacia, Inc.	Medical Devices & Equipment	Warrant	Preferred Series D	778,301	133	157
Sintx Technologies, Inc. (4)(15)	Medical Devices & Equipment	Warrant	Common Stock	8,603	459	—
SonaCare Medical, LLC	Medical Devices & Equipment	Warrant	Preferred Series A	6,464	188	—
Tela Bio, Inc.	Medical Devices & Equipment	Warrant	Preferred Series B	387,930	61	46
ViewRay, Inc. (4)(15)	Medical Devices & Equipment	Warrant	Common Stock	128,231	333	243
Subtotal: Medical Devices & Equipment (0.33%)*					5,096	3,293
Semiconductors						
Achronix Semiconductor Corporation	Semiconductors	Warrant	Preferred Series C	360,000	160	242
	Semiconductors	Warrant	Preferred Series D-2	750,000	99	433
Total Achronix Semiconductor Corporation				1,110,000	259	675
Aquantia Corp. (4)	Semiconductors	Warrant	Common Stock	19,683	4	3
Elenion Technologies Corporation	Semiconductors	Warrant	Preferred Series C	225	8	12
Subtotal: Semiconductors (0.07%)*					271	690

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
<b>Software</b>						
Actifio, Inc.	Software	Warrant	Common Stock	73,584	\$ 249	\$ 79
	Software	Warrant	Preferred Series F	31,673	343	89
Total Actifio, Inc.				105,257	592	168
CareCloud Corporation (15)	Software	Warrant	Preferred Series B	413,433	258	15
Clickfox, Inc. (15)	Software	Warrant	Preferred Series B	539,818	167	3
	Software	Warrant	Preferred Series C	592,019	729	6
	Software	Warrant	Preferred Series C-A	2,218,214	231	88
Total Clickfox, Inc.				3,350,051	1,127	97
Cloudian, Inc.	Software	Warrant	Common Stock	477,454	72	67
Dashlane, Inc.	Software	Warrant	Common Stock	239,852	219	224
DNAexus, Inc.	Software	Warrant	Preferred Series C	909,091	97	116
Evernote Corporation	Software	Warrant	Common Stock	62,500	106	75
Fuze, Inc. (15)(16)	Software	Warrant	Series F Preferred	256,158	89	—
Lightbend, Inc. (15)	Software	Warrant	Preferred Series C-1	712,323	109	95
Message Systems, Inc. (15)	Software	Warrant	Preferred Series C	503,718	333	796
Neos, Inc.	Software	Warrant	Common Stock	221,150	22	—
Nuvolo Technologies Corporation	Software	Warrant	Common Stock	30,000	43	44
OneLogin, Inc. (15)	Software	Warrant	Common Stock	381,620	304	600
Poplicus, Inc.	Software	Warrant	Common Stock	132,168	—	—
Quid, Inc. (15)	Software	Warrant	Preferred Series D	71,576	1	2
RapidMiner, Inc.	Software	Warrant	Preferred Series C-1	4,982	24	18
RedSeal Inc. (15)	Software	Warrant	Preferred Series C-Prime	640,603	66	21
Signpost, Inc.	Software	Warrant	Preferred Series C	324,005	314	44
ThreatConnect, Inc. (15)	Software	Warrant	Preferred Series B	134,086	26	27
Subtotal: Software (0.24%)*					3,802	2,409
<b>Specialty Pharmaceuticals</b>						
Alimera Sciences, Inc. (4)		Warrant	Common Stock	1,717,709	861	156

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

	Specialty Pharmaceuticals					
Subtotal: Specialty Pharmaceuticals (0.02%)*					861	156
Surgical Devices						
Gynesonics, Inc. <sup>(15)</sup>	Surgical Devices	Warrant	Preferred Series C	180,480	74	7
	Surgical Devices	Warrant	Preferred Series D	1,575,965	321	31
Total Gynesonics, Inc.				1,756,445	395	38
Transmedics, Inc.	Surgical Devices	Warrant	Preferred Series D	175,000	100	382
	Surgical Devices	Warrant	Preferred Series F	50,544	38	—
Total Transmedics, Inc.				225,544	138	382
Subtotal: Surgical Devices (0.04%)*					533	420

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Series	Shares	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
Sustainable and Renewable Technology						
Agrivida, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series D	471,327	\$ 120	\$ —
American Superconductor Corporation <sup>(4)</sup>	Sustainable and Renewable Technology	Warrant	Common Stock	58,823	39	272
Calera, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series C	44,529	513	—
Fluidic, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series D	61,804	102	—
Fulcrum Bioenergy, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series C-1	280,897	274	435
GreatPoint Energy, Inc. <sup>(15)</sup>	Sustainable and Renewable Technology	Warrant	Preferred Series D-1	393,212	548	—
Kinestral Technologies, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series A	325,000	155	157
	Sustainable and Renewable Technology	Warrant	Preferred Series B	131,883	63	50
Total Kinestral Technologies, Inc.				456,883	218	207
Polyera Corporation <sup>(15)</sup>	Sustainable and Renewable Technology	Warrant	Preferred Series C	311,609	338	—
Proterra, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series 4	477,517	41	150
Rive Technology, Inc. <sup>(15)</sup>	Sustainable and Renewable	Warrant	Preferred Series E	234,477	13	1

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

	Technology					
Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.) <sup>(6)</sup>	Sustainable and Renewable Technology	Warrant	Class A Units	0.69	—	—
TAS Energy, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series AA	428,571	299	—
Subtotal: Sustainable and Renewable Technology (0.11%)*					2,505	1,065
Total: Warrant Investments (2.72%)*					34,285	26,933
Total Investments in Securities (210.13%)*					\$ 2,153,263	\$ 2,081,042

\* Value as a percent of net assets

- (1) Preferred and common stock, warrants, and equity interests are generally non-income producing.
- (2) Interest rate PRIME represents 5.50% at March 31, 2019. Daily LIBOR, 1-month LIBOR, 3-month LIBOR and 12-month LIBOR represent 2.39%, 2.50%, 2.59% and 2.69%, respectively, at March 31, 2019.
- (3) Gross unrealized appreciation, gross unrealized depreciation, and net unrealized depreciation for federal income tax purposes totaled \$63.5 million, \$153.0 million and \$89.4 million respectively. The tax cost of investments is \$2.2 billion.
- (4) Except for warrants in 41 publicly traded companies and common stock in 25 publicly traded companies, all investments are restricted at March 31, 2019 and were valued at fair value using Level 3 significant unobservable inputs as determined in good faith by the Company's board of directors (the "Board of Directors"). No unrestricted securities of the same issuer are outstanding. The Company uses the Standard Industrial Code for classifying the industry grouping of its portfolio companies.
- (5) Non-U.S. company or the company's principal place of business is outside the United States.
- (6) Affiliate investment as defined under the Investment Company Act of 1940, as amended, (the "1940 Act") in which Hercules owns at least 5% but generally less than 25% of the company's voting securities.
- (7) Control investment as defined under the 1940 Act in which Hercules owns at least 25% of the company's voting securities or has greater than 50% representation on its board.
- (8) Debt is on non-accrual status at March 31, 2019, and is therefore considered non-income producing. Note that at March 31, 2019, only the \$10.7 million PIK, or payment-in-kind, loan is on non-accrual for the Company's debt investment in Tectura Corporation.
- (9) Denotes that all or a portion of the debt investment is convertible debt.
- (10) Indicates assets that the Company deems not "qualifying assets" under section 55(a) of 1940 Act. Qualifying assets must represent at least 70% of the Company's total assets at the time of acquisition of any additional non-qualifying assets.
- (11) Denotes that all or a portion of the debt investment secures the notes offered in the Debt Securitization (as defined in Note 4).
- (12) Denotes that all or a portion of the debt investment is pledged as collateral under the Wells Facility (as defined in Note 4).
- (13) Denotes that all or a portion of the debt investment is pledged as collateral under the Union Bank Facility (as defined in Note 4).
- (14) Denotes that all or a portion of the debt investment principal includes accumulated PIK interest and is net of repayments.
- (15) Denotes that all or a portion of the investment in this portfolio company is held by Hercules Technology III, L.P., or HT III, the Company's wholly owned small business investment company, or SBIC, subsidiary.
- (16) Denotes that the fair value of the Company's total investments in this portfolio company represent greater than 5% of the Company's total assets at March 31, 2019.
- (17)

Denotes that there is an unfunded contractual commitment available at the request of this portfolio company at March 31, 2019. Refer to Note 10.

- (18) Denotes unitranche debt with first lien “last-out” senior secured position and security interest in all assets of the portfolio company whereby the “last-out” portion will be subordinated to the “first-out” portion in a liquidation, sale or other disposition.
- (19) Denotes second lien senior secured debt.

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Maturity Date	Interest Rate and Floor <sup>(2)</sup>	Principal Amount	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
<b>Debt Investments</b>							
<b>Biotechnology Tools</b>							
<b>Under 1 Year Maturity</b>							
Excicure, Inc. <sup>(11)</sup>	Biotechnology Tools	Senior Secured	September 2019	Interest rate PRIME + 6.45% or Floor rate of 9.95%, 3.85% Exit Fee	\$ 4,999	\$1,165	\$ 5,165
Subtotal: Under 1 Year Maturity						5,165	5,165
Subtotal: Biotechnology Tools (0.54%)*						5,165	5,165
<b>Consumer &amp; Business Products</b>							
<b>1-5 Years Maturity</b>							
WHOOP, INC. <sup>(12)</sup>	Consumer & Business Products	Senior Secured	July 2021	Interest rate PRIME + 3.75% or Floor rate of 8.50%, 6.95% Exit Fee	\$ 6,000	6,026	5,983
Subtotal: 1-5 Years Maturity						6,026	5,983
Subtotal: Consumer & Business Products (0.63%)*						6,026	5,983
<b>Diversified Financial Services</b>							
<b>1-5 Years Maturity</b>							
Gibraltar Business Capital, LLC. <sup>(7)</sup>	Diversified Financial Services	Unsecured	March 2023	Interest rate FIXED 14.50%	\$ 15,000	14,729	14,401
Subtotal: 1-5 Years Maturity						14,729	14,401



Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Subtotal: Diversified Financial Services (1.51%)*					14,729	14,401
Drug Delivery						
1-5 Years Maturity						
AcelRx Pharmaceuticals, Inc. <sup>(11)</sup>	Drug Delivery	Senior Secured	March 2020	Interest rate PRIME + 6.05% or Floor rate of 9.55%, 11.69% Exit Fee	\$ 10,936	11,842
					1,926	
Antares Pharma Inc. <sup>(10)(11)(15)</sup>	Drug Delivery	Senior Secured	July 2022	Interest rate PRIME + 4.50% or Floor rate of 9.25%, 4.25% Exit Fee	\$ 25,000	25,081
					5,313	
Subtotal: 1-5 Years Maturity					37,239	36,923
Subtotal: Drug Delivery (3.86%)*					37,239	36,923

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Maturity Date	Interest Rate and Floor <sup>(2)</sup>	Principal Amount	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
<b>Drug Discovery &amp; Development</b>							
<b>Under 1 Year Maturity</b>							
Auris Medical Holding, AG <sup>(5)(10)</sup>	Drug Discovery & Development	Senior Secured	February 2019	Interest rate PRIME + 6.05% or Floor rate of 9.55%, 5.75% Exit Fee	\$757	\$1,471	\$1,471
Brickell Biotech, Inc. <sup>(12)</sup>	Drug Discovery & Development	Senior Secured	September 2019	Interest rate PRIME + 5.70% or Floor rate of 9.20%, 7.82% Exit Fee	\$4,808	5,281	5,281
Epirus Biopharmaceuticals, Inc. <sup>(8)</sup>	Drug Discovery & Development	Senior Secured	June 2019	Interest rate PRIME + 4.70% or Floor rate of 7.95%, 3.00% Exit Fee	\$2,203	2,487	—
<b>Subtotal: Under 1 Year Maturity</b>						<b>9,239</b>	<b>6,752</b>
<b>1-5 Years Maturity</b>							
Acacia Pharma Inc. <sup>(10)(11)</sup>	Drug Discovery & Development	Senior Secured	January 2022	Interest rate PRIME + 4.50% or Floor rate of 9.25%, 3.95% Exit Fee	\$10,000	9,871	9,819
Aveo Pharmaceuticals, Inc. <sup>(11)</sup>	Drug Discovery & Development	Senior Secured	July 2021	Interest rate PRIME + 4.70% or Floor rate of 9.45%, 5.40% Exit Fee	\$10,000	10,111	10,042
	Drug Discovery & Development	Senior Secured	July 2021	Interest rate PRIME + 4.70% or Floor rate of 9.45%, 3.00% Exit Fee	\$10,000	10,220	10,157

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Total Aveo Pharmaceuticals, Inc.					\$20,000	20,331	20,199
Axovant Sciences Ltd. (5)(10)(11)(16)	Drug Discovery & Development	Senior Secured	March 2021	Interest rate PRIME + 6.80% or Floor rate of 10.55%	\$50,219	49,485	49,286
BridgeBio Pharma LLC (13)(16)	Drug Discovery & Development	Senior Secured	July 2022	Interest rate PRIME + 4.35% or Floor rate of 9.35%, 6.35%	\$35,000	35,054	35,263
	Drug Discovery & Development	Senior Secured	July 2022	Interest rate PRIME + 3.35% or Floor rate of 9.10%, 5.75%	\$20,000	19,904	19,904
Total BridgeBio Pharma LLC					\$55,000	54,958	55,167
Chemocentryx, Inc. (10)(15)	Drug Discovery & Development	Senior Secured	December 2022	Interest rate PRIME + 3.30% or Floor rate of 8.05%, 6.25%	\$20,000	19,957	20,104
Genocea Biosciences, Inc. (11)	Drug Discovery & Development	Senior Secured	May 2021	Interest rate PRIME + 2.75% or Floor rate of 7.75%, 10.12%	\$14,000	14,937	14,788
Merrimack Pharmaceuticals, Inc. (12)	Drug Discovery & Development	Senior Secured	August 2021	Interest rate PRIME + 4.00% or Floor rate of 9.25%, 5.55%	\$15,000	15,024	15,024
Mesoblast (5)(10)(11)	Drug Discovery & Development	Senior Secured	March 2022	Interest rate PRIME + 4.95% or Floor rate of 9.45%, 6.95%	\$35,000	35,346	35,190
Metuchen Pharmaceuticals LLC (14)	Drug Discovery & Development	Senior Secured	October 2020	Interest rate PRIME + 7.25% or Floor rate of 10.75%, PIK Interest 1.35%, 2.25% Exit Fee	\$18,569	19,256	19,122
Motif BioSciences Inc. (5)(10)(11)(15)	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 5.50% or Floor rate of 10.00%, 2.15%	\$15,000	14,907	14,786
Myovant Sciences, Ltd. (5)(10)(11)	Drug Discovery & Development	Senior Secured	November 2021	Interest rate PRIME + 4.00% or Floor rate of 8.25%, 6.55%	\$40,000	40,320	40,151

See notes to consolidated financial statements.

25

---

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Maturity Date	Interest Rate and Floor <sup>(2)</sup>	Principal Amount	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
Nabriva Therapeutics (5)(10)	Drug Discovery & Development	Senior Secured	June 2023	Interest rate PRIME + 4.30% or Floor rate of 9.80%, 6.95% Exit Fee	\$ 25,000	\$ 24,750	\$ 24,750
Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.) (10)(11)(15)(16)	Drug Discovery & Development	Senior Secured	September 2020	Interest rate PRIME + 2.75% or Floor rate of 8.50%, 4.50% Exit Fee	\$ 40,000	40,882	40,472
	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 2.75% or Floor rate of 8.50%, 4.50% Exit Fee	\$ 10,000	10,240	10,137
	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 2.75% or Floor rate of 8.50%, 2.25% Exit Fee	\$ 10,000	10,084	9,925
	Drug Discovery & Development	Senior Secured	August 2022	Interest rate PRIME + 2.10% or Floor rate of 7.85%, 6.95% Exit Fee	\$ 10,000	10,014	10,014
Total Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.)					\$ 70,000	71,220	70,548
Stealth Bio Therapeutics Corp. (5)(10)(11)	Drug Discovery & Development	Senior Secured	January 2021	Interest rate PRIME + 5.50% or	\$ 19,313	19,740	19,597

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				Floor rate of 9.50%, 6.25%			
				Exit Fee			
Tricida, Inc. <sup>(11)(15)</sup>	Drug Discovery & Development	Senior Secured	March 2022	Interest rate PRIME + 3.35% or Floor rate of 8.85%, 8.19%			
				Exit Fee	\$ 40,000	39,622	39,794
uniQure B.V. <sup>(5)(10)(11)</sup>	Drug Discovery & Development	Senior Secured	June 2023	Interest rate PRIME + 3.35% or Floor rate of 8.85%, 7.72%			
				Exit Fee	\$ 35,000	35,538	35,386
Verastem, Inc. <sup>(11)</sup>	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00%			
				or Floor rate of 10.50%, 4.50% Exit Fee	\$ 5,000	5,058	5,059
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00%			
				or Floor rate of 10.50%, 4.50% Exit Fee	\$ 5,000	5,082	5,083
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00% or Floor rate of 10.50%, 4.50% Exit Fee	\$ 5,000	5,057	5,057
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00% or Floor rate of 10.50%, 4.50% Exit Fee	\$ 10,000	10,033	9,976
Total Verastem, Inc.					\$ 25,000	25,230	25,175
X4 Pharmaceuticals Inc.	Drug Discovery & Development	Senior Secured	November 2021	Interest rate PRIME + 4.25% or Floor rate of 9.50%, 7.95%	\$ 10,000	9,746	9,746

Exit Fee

Subtotal: 1-5 Years		
Maturity	520,238	518,632
Subtotal: Drug Discovery & Development (54.99%)*	529,477	525,384

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Maturity Date	Interest Rate and Floor <sup>(2)</sup>	Principal			
					Amount	Cost <sup>(3)</sup>	Value <sup>(4)</sup>	
Electronics & Computer Hardware								
1-5 Years Maturity								
908 DEVICES INC. <sup>(15)</sup>	Electronics & Computer Hardware	Senior Secured	September 2020	Interest rate PRIME + 4.00% or Floor rate of 8.25%, 4.25% Exit Fee	\$ 10,000	\$10,145	\$ 10,155	
Glo AB <sup>(5)(10)(13)(14)</sup>	Electronics & Computer Hardware	Senior Secured	February 2021	Interest rate PRIME + 6.20% or Floor rate of 10.45%, PIK Interest 1.75%, 2.95% Exit Fee	\$ 12,192	12,265	5,556	
Subtotal: 1-5 Years Maturity						22,410	15,711	
Subtotal: Electronics & Computer Hardware (1.64%)*						22,410	15,711	
Healthcare Services, Other								
1-5 Years Maturity								
Oak Street Health <sup>(12)</sup>	Healthcare Services, Other	Senior Secured	September 2021	Interest rate PRIME + 5.00% or Floor rate of 9.75%, 5.95% Exit Fee	\$ 30,000	30,486	30,338	
PH Group Holdings <sup>(13)(17)</sup>	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45% or Floor rate of 10.95%	\$ 20,000	19,889	19,806	
	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45% or Floor rate of 10.95%	\$ 10,000	9,938	9,896	
Total PH Group Holdings						\$ 30,000	29,827	29,702
Subtotal: 1-5 Years Maturity						60,313	60,040	
Subtotal: Healthcare Services, Other (6.28%)*						60,313	60,040	
Information Services								



1-5 Years

Maturity

MDX Medical, Inc. <sup>(14)(15)(19)</sup>	Information Services	Senior Secured	December 2020	Interest rate PRIME + 4.00% or Floor rate of 8.25%, PIK Interest 1.70%	\$ 15,288	15,037	14,987
Subtotal: 1-5 Years Maturity						15,037	14,987
Subtotal: Information Services (1.57%)*						15,037	14,987

See notes to consolidated financial statements.

27

---

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Maturity Date	Interest Rate and Floor <sup>(2)</sup>	Principal Amount	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
Internet Consumer & Business Services							
Under 1 Year Maturity							
LogicSource	Internet Consumer & Business Services	Senior Secured	October 2019	Interest rate PRIME + 6.25% or Floor rate of 9.75%, 5.00% Exit Fee	\$3,099	\$3,486	\$3,486
The Faction Group LLC <sup>(11)</sup>	Internet Consumer & Business Services	Senior Secured	January 2019	Interest rate PRIME + 4.75% or Floor rate of 8.25%	\$2,000	2,000	2,000
Subtotal: Under 1 Year Maturity						5,486	5,486
1-5 Years Maturity							
AppDirect, Inc. <sup>(11)(19)</sup>	Internet Consumer & Business Services	Senior Secured	January 2022	Interest rate PRIME + 5.70% or Floor rate of 9.95%, 3.45% Exit Fee	\$20,000	20,006	19,941
Art.com, Inc. <sup>(12)(14)(15)</sup>	Internet Consumer & Business Services	Senior Secured	April 2021	Interest rate PRIME + 5.40% or Floor rate of 10.15%, PIK Interest 1.70%, 1.50% Exit Fee	\$10,117	10,020	10,028
Cloudpay, Inc. <sup>(5)(10)</sup>	Internet Consumer & Business Services	Senior Secured	April 2022	Interest rate PRIME + 4.05% or Floor rate of 8.55%, 6.95% Exit Fee	\$11,000	11,017	11,020
Contentful, Inc. <sup>(5)(10)(14)</sup>	Internet Consumer & Business Services	Senior Secured	July 2022	Interest rate PRIME + 2.95% or Floor rate of 7.95%, PIK Interest 1.25%	\$3,750	3,692	3,692

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Convercent, Inc. (14)(15)(17)	Internet Consumer & Business Services	Senior Secured	July 2022	Interest rate PRIME + 2.55% or Floor rate of 7.80%, PIK Interest 2.95%, 1.00% Exit Fee	\$ 7,500	7,419	7,419
EverFi, Inc. (11)(14)(16)	Internet Consumer & Business Services	Senior Secured	May 2022	Interest rate PRIME + 3.90% or Floor rate of 8.65%, PIK Interest 2.30%	\$ 60,729	60,687	60,408
Fastly, Inc. (17)(19)	Internet Consumer & Business Services	Senior Secured	December 2021	Interest rate PRIME + 4.25%, 1.50% Exit Fee	\$ 6,667	6,563	6,563
First Insight, Inc. (15)	Internet Consumer & Business Services	Senior Secured	November 2021	Interest rate PRIME + 6.25% or Floor rate of 11.25%	\$ 7,500	7,368	7,375
Greenphire, Inc. (17)	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate 3-month LIBOR + 8.00% or Floor rate of 9.00%	\$ 2,776	2,776	2,785
	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate PRIME + 3.75% or Floor rate of 7.00%	\$ 1,500	1,500	1,498
Total Greenphire, Inc.					\$ 4,276	4,276	4,283
Intent Media, Inc. (12)(17)	Internet Consumer & Business Services	Senior Secured	September 2021	Interest rate PRIME + 5.13% or Floor rate of 10.125%, 2.00% Exit Fee	\$ 12,200	12,210	12,147
Interactions Corporation (11)(19)	Internet Consumer & Business Services	Senior Secured	March 2021	Interest rate 3-month LIBOR + 8.60% or Floor rate of 9.85%, 1.75% Exit Fee	\$ 25,000	25,092	24,987
Postmates, Inc. (17)(19)	Internet Consumer & Business Services	Senior Secured	September 2022	Interest rate PRIME + 3.85% or Floor rate of 8.85%, 8.05% Exit Fee	\$ 20,000	19,666	19,666
RumbleON, Inc.	Internet Consumer & Business Services	Senior Secured	May 2021	Interest rate PRIME + 5.75% or Floor rate of 10.25%, 4.55% Exit Fee	\$ 5,000	5,018	4,984
	Internet Consumer & Business Services	Senior Secured	October 2021	Interest rate PRIME + 5.75% or Floor rate of 10.25%, 2.95% Exit Fee	\$ 5,000	4,941	4,941
Total RumbleON, Inc.					\$ 10,000	9,959	9,925
			July 2020		\$ 41,841	42,139	42,075

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

Snagajob.com, Inc. <sup>(13)(14)</sup>	Internet Consumer & Business Services	Senior Secured		Interest rate PRIME + 5.15% or Floor rate of 9.15%, PIK Interest 1.95%, 2.55% Exit Fee			
	Internet Consumer & Business Services	Senior Secured	July 2020	Interest rate PRIME + 5.65% or Floor rate of 10.65%, PIK Interest 1.95%, 2.55% Exit Fee	\$ 5,033	4,867	4,867
Total Snagajob.com, Inc.					\$ 46,874	47,006	46,942
Tectura Corporation <sup>(7)(8)(9)(14)</sup>	Internet Consumer & Business Services	Senior Secured	June 2021	Interest rate FIXED 6.00%, PIK Interest 3.00%	\$ 20,924	20,924	18,128
	Internet Consumer & Business Services	Senior Secured	June 2021	PIK Interest 8.00%	\$ 10,680	240	—
Total Tectura Corporation					\$ 31,604	21,164	18,128
The Faction Group LLC <sup>(11)</sup>	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate 3-month LIBOR + 9.25% or Floor rate of 10.25%	\$ 6,667	6,667	6,653
Wheels Up Partners LLC <sup>(11)</sup>	Internet Consumer & Business Services	Senior Secured	July 2022	Interest rate 3-month LIBOR + 8.55% or Floor rate of 9.55%	\$ 20,241	20,076	19,921
Xometry, Inc. <sup>(13)(17)(19)</sup>	Internet Consumer & Business Services	Senior Secured	November 2021	Interest rate PRIME + 3.95% or Floor rate of 8.45%, 7.09% Exit Fee	\$ 11,000	10,997	10,995
Subtotal: 1-5 Years Maturity						303,885	300,093
Subtotal: Internet Consumer & Business Services (31.98%)*						309,371	305,579

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Maturity Date	Interest Rate and Floor <sup>(2)</sup>	Principal Amount	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
Media/Content/Info							
1-5 Years Maturity							
Bustle <sup>(14)(15)</sup>	Media/Content/Info	Senior Secured	June 2021	Interest rate PRIME + 4.10% or Floor rate of 8.35%, PIK Interest 1.95%, 3.12% Exit Fee	\$ 15,315	\$ 15,336	\$ 15,453
Subtotal: 1-5 Years Maturity						15,336	15,453
Subtotal: Media/Content/Info (1.62%)*						15,336	15,453
Medical Devices & Equipment							
Under 1 Year Maturity							
Micell Technologies, Inc. <sup>(11)</sup>	Medical Devices & Equipment	Senior Secured	August 2019	Interest rate PRIME + 7.25% or Floor rate of 10.50%, 5.00% Exit Fee	\$ 2,323	2,724	2,405
Subtotal: Under 1 Year Maturity						2,724	2,405
1-5 Years Maturity							
Flowonix Medical, Inc. <sup>(11)(14)</sup>	Medical Devices & Equipment	Senior Secured	October 2021	Interest rate PRIME + 4.00% or Floor rate of 9.00%, PIK Interest 0.5%, 7.95% Exit Fee	\$ 15,007	14,673	14,673
Intuity Medical, Inc. <sup>(11)(15)</sup>	Medical Devices & Equipment	Senior Secured	June 2021	Interest rate PRIME + 5.00% or Floor	\$ 17,500	17,504	17,417

Edgar Filing: Hercules Capital, Inc. - Form 10-Q

				rate of 9.25%, 5.95% Exit Fee			
Quanta Fluid Solutions <sup>(5)(10)</sup>	Medical Devices & Equipment	Senior Secured	April 2020	Interest rate PRIME + 8.05% or Floor rate of 11.55%, 5.00% Exit Fee	\$5,806	6,324	6,344
Quanterix Corporation <sup>(11)</sup>	Medical Devices & Equipment	Senior Secured	March 2020	Interest rate PRIME + 2.75% or Floor rate of 8.00%, 0.58% Exit Fee	\$7,688	7,656	7,577
Rapid Micro Biosystems, Inc. <sup>(11)(15)</sup>	Medical Devices & Equipment	Senior Secured	April 2022	Interest rate PRIME + 5.15% or Floor rate of 9.65%, 7.25% Exit Fee	\$18,000	18,143	18,013
Sebacia, Inc. <sup>(11)(15)</sup>	Medical Devices & Equipment	Senior Secured	January 2021	Interest rate PRIME + 4.35% or Floor rate of 8.85%, 6.05% Exit Fee	\$11,000	11,151	11,071
Transenterix, Inc. <sup>(10)(11)</sup>	Medical Devices & Equipment	Senior Secured	June 2022	Interest rate PRIME + 4.55% or Floor rate of 9.55%, 6.95% Exit Fee	\$30,000	29,972	29,852
Subtotal: 1-5 Years Maturity						105,423	104,947
Subtotal: Medical Devices & Equipment (11.24%)*						108,147	107,352
Software							
Under 1 Year Maturity							
Pollen, Inc. <sup>(15)</sup>	Software	Senior Secured	April 2019	Interest rate PRIME + 4.25% or Floor rate of 8.50%, 4.00% Exit Fee	\$7,000	7,214	7,214
Subtotal: Under 1 Year Maturity						7,214	7,214

See notes to consolidated financial statements.

## HERCULES CAPITAL, INC.

## CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment <sup>(1)</sup>	Maturity Date	Interest Rate and Floor <sup>(2)</sup>	Principal Amount	Cost <sup>(3)</sup>	Value <sup>(4)</sup>
<b>1-5 Years Maturity</b>							
Abrigo (p.k.a. Banker's Toolbox, Inc.) <sup>(13)(18)</sup>	Software	Senior Secured	March 2023	Interest rate 3-month LIBOR + 7.88% or Floor rate of 7.88%	\$ 39,701	\$ 38,871	\$ 38,617
Businessolver.com, Inc. <sup>(16)(17)</sup>	Software	Senior Secured	May 2023	Interest rate 3-month LIBOR + 7.50% or Floor rate of 7.50%	\$ 52,913	51,958	51,417
	Software	Senior Secured	May 2023	Interest rate 3-month LIBOR + 7.50% or Floor rate of 7.50%	\$ 2,550	2,551	2,550
<b>Total Businessolver.com, Inc.</b>					<b>\$ 55,463</b>	<b>54,509</b>	<b>53,967</b>
Clarabridge, Inc. <sup>(12)(14)(17)</sup>	Software	Senior Secured	April 2022	Interest rate PRIME + 4.80% or Floor rate of 8.55%, PIK Interest 2.25%	\$ 42,300	41,843	41,921
Cloudian, Inc.	Software	Senior Secured	November 2022	Interest rate PRIME + 3.25% or Floor rate of 8.25%, 9.75% Exit Fee	\$ 15,000	14,814	14,814
Couchbase, Inc. <sup>(15)(17)(19)</sup>	Software	Senior Secured	September 2021	Interest rate PRIME + 5.25% or Floor rate of 10.75%	\$ 15,000	14,921	14,921
Credible Behavioral Health, Inc. <sup>(14)(17)</sup>	Software	Senior Secured	September 2021				