

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 September 30, 2024

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)
1 North B Street., Suite 2000 San Mateo, California (Address of Principal Executive Offices)	94401 (Zip Code)
(650) 289-3060 (Registrant's Telephone Number, Including Area Code)	

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
6.25% Notes due 2033	HXY	New York Stock Exchange

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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

On October 24, 2024, there were 162,449,710 shares outstanding of the Registrant's common stock, \$0.001 par value.

HERCULES CAPITAL, INC.
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PART I: FINANCIAL INFORMATION

In this Quarterly Report, the “Company,” “Hercules,” “we,” “us” and “our” refer to Hercules Capital, Inc., its wholly owned subsidiaries, and its affiliated securitization trust unless the context otherwise requires.

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

HERCULES CAPITAL, INC. CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES

(in thousands, except per share data)	September 30, 2024 (unaudited)	December 31, 2023
Assets		
Investments, at fair value:		
Non-control/Non-affiliate investments (cost of \$3,505,649 and \$3,143,851, respectively)	\$ 3,447,416	\$ 3,133,042
Control investments (cost of \$104,337 and \$103,182, respectively)	113,097	115,004
Total investments, at fair value (cost of \$3,609,986 and \$3,247,033, respectively; fair value amounts related to a VIE \$272,611 and \$254,868, respectively)	3,560,513	3,248,046
Cash and cash equivalents	38,904	98,899
Restricted cash (amounts related to a VIE \$5,113 and \$17,114, respectively)	5,113	17,114
Interest receivable	31,450	32,741
Right of use asset	17,249	4,787
Other assets	3,130	15,339
Total assets	\$ 3,656,359	\$ 3,416,926
Liabilities		
Debt (net of debt issuance costs of \$11,791 and \$15,131, respectively; amounts related to a VIE \$148,985 and \$148,544, respectively)	\$ 1,739,209	\$ 1,554,869
Accounts payable and accrued liabilities	46,860	54,156
Operating lease liability	18,480	5,195
Total liabilities	\$ 1,804,549	\$ 1,614,220
Net assets consist of:		
Common stock, par value	\$ 163	\$ 158
Capital in excess of par value	1,741,975	1,662,535
Total distributable earnings	109,672	140,013
Total net assets	\$ 1,851,810	\$ 1,802,706
Total liabilities and net assets	\$ 3,656,359	\$ 3,416,926
Shares of common stock outstanding (\$0.001 par value and 200,000 authorized)	162,505	157,758
Net asset value per share	\$ 11.40	\$ 11.43

See notes to consolidated financial statements

HERCULES CAPITAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

(in thousands, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Investment income:				
Interest and dividend income:				
Non-control/Non-affiliate investments	\$ 115,563	\$ 109,240	\$ 342,457	\$ 315,952
Control investments	3,487	1,099	9,901	3,270
Total interest and dividend income	119,050	110,339	352,358	319,222
Fee income:				
Non-control/Non-affiliate investments	6,162	6,383	19,341	18,783
Control investments	36	22	108	60
Total fee income	6,198	6,405	19,449	18,843
Total investment income	125,248	116,744	371,807	338,065
Operating expenses:				
Interest	20,370	16,428	57,156	50,237
Loan fees	1,993	2,524	6,736	7,317
General and administrative	4,596	4,591	14,135	13,868
Tax expenses	1,986	1,882	4,451	5,249
Employee compensation:				
Compensation and benefits	12,159	13,604	42,917	41,062
Stock-based compensation	3,194	3,337	9,671	9,848
Total employee compensation	15,353	16,941	52,588	50,910
Total gross operating expenses	44,298	42,366	135,066	127,581
Expenses allocated to the Adviser Subsidiary	(2,214)	(2,416)	(7,943)	(7,509)
Total net operating expenses	42,084	39,950	127,123	120,072
Net investment income	83,164	76,794	244,684	217,993
Net realized gain (loss) and net change in unrealized appreciation (depreciation):				
Net realized gain (loss):				
Non-control/Non-affiliate investments	(559)	(2,587)	1,825	5,590
Total net realized gain (loss)	(559)	(2,587)	1,825	5,590
Net change in unrealized appreciation (depreciation):				
Non-control/Non-affiliate investments	(15,167)	(45,141)	(41,920)	(18,597)
Control investments	1,273	(1,099)	(3,062)	12,320
Total net change in unrealized appreciation (depreciation)	(13,894)	(46,240)	(44,982)	(6,277)
Total net realized gain (loss) and net change in unrealized appreciation (depreciation)	(14,453)	(48,827)	(43,157)	(687)
Net increase (decrease) in net assets resulting from operations	\$ 68,711	\$ 27,967	\$ 201,527	\$ 217,306
Net investment income before gains and losses per common share:				
Basic	\$ 0.51	\$ 0.52	\$ 1.52	\$ 1.53
Change in net assets resulting from operations per common share:				
Basic	\$ 0.42	\$ 0.19	\$ 1.25	\$ 1.52
Diluted	\$ 0.42	\$ 0.19	\$ 1.24	\$ 1.51
Weighted average shares outstanding:				
Basic	161,019	146,899	159,742	141,223
Diluted	161,515	147,110	160,253	142,126
Distributions paid per common share:				
Basic	\$ 0.48	\$ 0.48	\$ 1.44	\$ 1.42

See notes to consolidated financial statements

HERCULES CAPITAL, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
(unaudited)

(in thousands)	Common Stock		Capital in excess of par value	Distributable Earnings (loss)	Net Assets
	Shares	Par Value			
For the Three Months Ended September 30, 2024					
Balance as of June 30, 2024	162,428	\$ 163	\$ 1,737,478	\$ 118,904	\$ 1,856,545
Net increase (decrease) in net assets resulting from operations	—	—	—	68,711	68,711
Public offering, net of offering expenses	—	—	(88)	—	(88)
Issuance of common stock under equity-based award plans	10	—	75	—	75
Shares retired on vesting of equity-based awards	(69)	—	(1,165)	—	(1,165)
Distributions reinvested in common stock	136	—	2,445	—	2,445
Distributions	—	—	—	(77,943)	(77,943)
Stock-based compensation ⁽¹⁾	—	—	3,230	—	3,230
Balance as of September 30, 2024	162,505	\$ 163	\$ 1,741,975	\$ 109,672	\$ 1,851,810
For the Nine Months Ended September 30, 2024					
Balance as of December 31, 2023	157,758	\$ 158	\$ 1,662,535	\$ 140,013	\$ 1,802,706
Net increase (decrease) in net assets resulting from operations	—	—	—	201,527	201,527
Public offering, net of offering expenses	3,725	4	66,280	—	66,284
Issuance of common stock under equity-based award plans	1,032	1	2,975	—	2,976
Shares retired on vesting of equity-based awards	(351)	—	(5,371)	—	(5,371)
Distributions reinvested in common stock	341	—	6,277	—	6,277
Distributions	—	—	—	(231,868)	(231,868)
Stock-based compensation ⁽¹⁾	—	—	9,279	—	9,279
Balance as of September 30, 2024	162,505	\$ 163	\$ 1,741,975	\$ 109,672	\$ 1,851,810

(1) Stock-based compensation includes \$36 thousand and \$107 thousand of restricted stock and option expense related to director compensation for the three and nine months ended September 30, 2024, respectively.

(in thousands)	Common Stock		Capital in excess of par value	Distributable Earnings (loss)	Net Assets
	Shares	Par Value			
For the Three Months Ended September 30, 2023					
Balance as of June 30, 2023	144,641	\$ 145	\$ 1,468,270	\$ 117,095	\$ 1,585,510
Net increase (decrease) in net assets resulting from operations	—	—	—	27,967	27,967
Public offering, net of offering expenses	6,500	7	107,555	—	107,562
Issuance of common stock under equity-based award plans	21	—	163	—	163
Shares retired on vesting of equity-based awards	(48)	—	(675)	—	(675)
Distributions reinvested in common stock	65	—	1,057	—	1,057
Distributions	—	—	—	(72,534)	(72,534)
Stock-based compensation ⁽¹⁾	—	—	3,007	—	3,007
Balance as of September 30, 2023	151,179	\$ 152	\$ 1,579,377	\$ 72,528	\$ 1,652,057
For the Nine Months Ended September 30, 2023					
Balance as of December 31, 2022	133,045	\$ 134	\$ 1,341,416	\$ 59,909	\$ 1,401,459
Net increase (decrease) in net assets resulting from operations	—	—	—	217,306	217,306
Public offering, net of offering expenses	16,221	16	238,294	—	238,310
Issuance of common stock under equity-based award plans	1,923	2	376	—	378
Shares retired on vesting of equity-based awards	(208)	—	(12,503)	—	(12,503)
Distributions reinvested in common stock	198	—	2,936	—	2,936
Distributions	—	—	—	(204,687)	(204,687)
Stock-based compensation ⁽¹⁾	—	—	8,858	—	8,858
Balance as of September 30, 2023	151,179	\$ 152	\$ 1,579,377	\$ 72,528	\$ 1,652,057

(1) Stock-based compensation includes \$31 thousand and \$81 thousand of restricted stock and option expense related to director compensation for the three and nine months ended September 30, 2023, respectively.

See notes to consolidated financial statements

HERCULES CAPITAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

(in thousands)	For the Nine Months Ended September 30,	
	2024	2023
Cash flows provided by (used in) operating activities:		
Net increase (decrease) in net assets resulting from operations	\$ 201,527	\$ 217,306
<i>Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:</i>		
Purchases of investments ⁽¹⁾	(1,180,071)	(1,291,627)
Fundings assigned to Adviser Funds ⁽¹⁾	118,379	294,468
Principal and fee repayments received and proceeds from the sale of debt investments	721,944	685,103
Proceeds from the sale of equity and warrant investments	23,423	34,877
Net change in unrealized (appreciation) depreciation	44,982	6,277
Net realized (gain) loss	(1,825)	(5,590)
Payments of derivative instruments	(849)	—
Accretion of paid-in-kind interest	(37,870)	(17,999)
Accretion of loan discounts	(3,160)	(5,344)
Accretion of loan exit fees	(19,761)	(14,140)
Change in loan income, net of collections	14,899	15,349
Unearned fees related to unfunded commitments	(159)	(279)
Amortization of debt fees and issuance costs	5,229	5,227
Depreciation and amortization	373	167
Stock-based compensation and amortization of restricted stock grants ⁽²⁾	9,278	8,858
<i>Change in operating assets and liabilities:</i>		
Interest receivable	1,191	(366)
Other assets	7,607	6,533
Accrued liabilities	6,019	(1,419)
Net cash (used in) operating activities	(88,844)	(62,599)
Cash flows provided by (used in) investing activities:		
Purchases of capital equipment	(700)	(390)
Net cash (used in) investing activities	(700)	(390)
Cash flows provided by (used in) financing activities:		
Issuance of common stock	67,275	243,609
Offering expenses	(991)	(5,299)
Retirement of employee shares, net	(2,395)	(12,125)
Distributions paid	(225,591)	(201,751)
Issuance of debt	939,000	533,000
Repayment of debt	(758,000)	(478,000)
Fees paid for credit facilities and debentures	(1,750)	(5,090)
Net cash provided by financing activities	17,548	74,344
Net increase (decrease) in cash, cash equivalents, and restricted cash	(71,996)	11,355
Cash, cash equivalents, and restricted cash at beginning of period	116,013	25,876
Cash, cash equivalents, and restricted cash at end of period	\$ 44,017	\$ 37,231
Supplemental disclosures of cash flow information and non-cash investing and financing activities:		
Interest paid	\$ 64,221	\$ 57,410
Income tax, including excise tax, paid	\$ 5,185	\$ 5,205
Distributions reinvested	\$ 6,277	\$ 2,936

- (1) Excluded from the amounts presented are certain investment funding allocations of \$158.7 million, which were directly funded by the Adviser Funds during the nine month period ended September 30, 2024. Refer to Note 12 – Related Party Transaction for additional information.
- (2) Stock-based compensation includes \$107 thousand and \$81 thousand of restricted stock and option expense related to director compensation for the nine months ended September 30, 2024 and 2023, respectively.

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

(in thousands)	For the Nine Months Ended September 30,	
	2024	2023
Cash and cash equivalents	\$ 38,904	\$ 31,979
Restricted cash	5,113	5,252
Total cash, cash equivalents, and restricted cash presented in the Consolidated Statements of Cash Flows	\$ 44,017	\$ 37,231

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

See notes to consolidated financial statements

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
September 30, 2024 (unaudited)
(dollars in thousands)

Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Debt Investments							
Biotechnology Tools							
PathAI, Inc.	Senior Secured	January 2027	Prime + 2.15%, Floor rate 9.15%, 7.85% Exit Fee	\$ 32,000	\$ 32,572	\$ 33,600	(12)(13)
Subtotal: Biotechnology Tools (1.81%)*					32,572	33,600	
Communications & Networking							
Aryaka Networks, Inc.	Senior Secured	July 2026	Prime + 3.25%, Floor rate 6.75%, PIK Interest 1.05%, 3.55% Exit Fee	\$ 25,351	25,427	26,373	(12)(14)(19)
Subtotal: Communications & Networking (1.42%)*					25,427	26,373	
Consumer & Business Services							
Altumint, Inc.	Senior Secured	December 2027	Prime + 3.65%, Floor rate 12.15%, 2.50% Exit Fee	\$ 10,000	9,958	10,107	(15)
Carwow LTD	Senior Secured	December 2027	Prime + 4.70%, Floor rate 11.45%, PIK Interest 1.45%, 4.95% Exit Fee	£ 20,287	27,650	27,128	(5)(10)(14)
Houzz, Inc.	Convertible Debt	May 2028	PIK Interest 10.00%	\$ 25,011	25,011	25,745	(9)(14)
Jobandtalent USA, Inc.	Senior Secured	August 2025	1-month SOFR + 8.86%, Floor rate 9.75%, 2.87% Exit Fee	\$ 13,123	13,345	13,345	(5)(10)
Plentific Ltd	Senior Secured	October 2026	Prime + 2.55%, Floor rate 11.05%, 2.95% Exit Fee	\$ 3,325	3,264	3,324	(5)(10)(13)
Provi	Senior Secured	December 2026	Prime + 4.40%, Floor rate 10.65%, 2.95% Exit Fee	\$ 15,000	15,043	15,229	(15)
Riviera Partners LLC	Senior Secured	April 2027	1-month SOFR + 8.27%, Floor rate 9.27%	\$ 36,587	36,161	34,807	(17)(18)
RVShare, LLC	Senior Secured	December 2026	3-month SOFR + 5.50%, Floor rate 6.50%, PIK Interest 4.00%	\$ 29,771	29,442	29,753	(13)(14)(15)
SeatGeek, Inc.	Senior Secured	May 2026	Prime + 7.00%, Floor rate 10.50%, PIK Interest 0.50%, 4.00% Exit Fee	\$ 25,295	25,313	25,736	(11)(14)(16)
	Senior Secured	July 2026	Prime + 2.50%, Floor rate 10.75%, PIK Interest 0.50%, 3.00% Exit Fee	\$ 77,939	77,594	78,952	(12)(14)(16)
Total SeatGeek, Inc.				\$ 103,234	102,907	104,688	
Skyword, Inc.	Senior Secured	November 2026	Prime + 2.75%, Floor rate 9.25%, PIK Interest 1.75%, 3.00% Exit Fee	\$ 7,271	7,375	7,482	(13)(14)
Tectura Corporation	Senior Secured	January 2027	FIXED 8.25%	\$ 8,250	8,250	8,250	(7)
Thumbtack, Inc.	Senior Secured	March 2028	Prime + 2.45%, Floor rate 10.95%, PIK Interest 1.50%	\$ 20,839	20,460	21,069	(11)(14)(17)
Veem, Inc.	Senior Secured	March 2025	Prime + 4.00%, Floor rate 7.25%, PIK Interest 1.25%, 4.50% Exit Fee	\$ 5,156	5,322	5,322	(13)(14)
	Senior Secured	March 2025	Prime + 4.70%, Floor rate 7.95%, PIK Interest 1.50%, 4.50% Exit Fee	\$ 5,169	5,338	5,338	(12)(14)
Total Veem, Inc.				\$ 10,325	10,660	10,660	
Worldremit Group Limited	Senior Secured	February 2026	3-month SOFR + 9.40%, Floor rate 10.25%	\$ 24,617	24,485	24,863	(5)(10)(11)(12)(19)
	Senior Secured	February 2026	1-month SOFR + 9.35%, Floor rate 10.25%	\$ 6,466	6,424	6,530	(5)(10)(19)
Total Worldremit Group Limited				\$ 31,083	30,909	31,393	
Subtotal: Consumer & Business Services (18.52%)*					340,435	342,980	
Diversified Financial Services							
Gibraltar Acquisition, LLC (p.k.a. Gibraltar Business Capital, LLC)	Unsecured	September 2026	FIXED 3.45%, PIK Interest 8.05%	\$ 26,033	25,774	25,774	(7)(14)(20)
	Unsecured	September 2026	FIXED 11.95%	\$ 10,000	9,859	9,859	(7)(20)
Total Gibraltar Acquisition, LLC (p.k.a. Gibraltar Business Capital, LLC)				\$ 36,033	35,633	35,633	
Hercules Adviser LLC	Unsecured	June 2025	FIXED 5.00%	\$ 12,000	12,000	12,000	(7)(23)
Next Insurance, Inc.	Senior Secured	February 2028	Prime - (1.50%), Floor rate 4.75%, PIK Interest 5.50%	\$ 10,918	10,757	11,149	(13)(14)(19)
Subtotal: Diversified Financial Services (3.17%)*					58,390	58,782	
Drug Discovery & Development							
Adaptimmune Therapeutics plc	Senior Secured	June 2029	Prime + 1.15%, Floor rate 9.65%, PIK Interest 2.00%, 5.85% Exit Fee	\$ 30,108	29,878	29,878	(5)(10)(14)

See notes to consolidated financial statements

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
September 30, 2024 (unaudited)
(dollars in thousands)

Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Akero Therapeutics, Inc.	Senior Secured	March 2027	Prime + 3.65%, Floor rate 7.65%, 5.85% Exit Fee	\$ 17,500	\$ 17,603	\$ 17,897	(10)(13)(17)
Aldeyra Therapeutics, Inc.	Senior Secured	April 2026	Prime + 3.10%, Floor rate 11.10%, 8.90% Exit Fee	\$ 15,000	15,292	15,293	(11)
AmplifyBio, LLC	Senior Secured	January 2027	Prime + 2.50%, Floor rate 9.50%, Cap rate 10.75%, 5.85% Exit Fee	\$ 24,000	24,502	24,891	(15)
Arcus Biosciences, Inc.	Senior Secured	September 2029	Prime + 1.95%, Floor rate 10.45%, 7.75% Exit Fee	\$ 37,500	37,248	37,248	(6)(10)(15)(17)
ATAI Life Sciences N.V.	Senior Secured	August 2026	Prime + 4.30%, Floor rate 9.05%, 6.95% Exit Fee	\$ 14,000	14,347	14,253	(5)(10)(17)
Axsome Therapeutics, Inc.	Senior Secured	January 2028	Prime + 2.20%, Floor rate 9.95%, Cap rate 10.70%, 5.78% Exit Fee	\$ 143,350	144,974	152,241	(10)(11)(12)(16)
bluebird bio, Inc.	Senior Secured	April 2029	Prime + 1.45%, Floor rate 9.95%, PIK Interest 2.45%, 6.45% Exit Fee	\$ 65,250	63,337	63,682	(14)
Braeburn, Inc.	Senior Secured	October 2028	Prime + 2.45%, Floor rate 10.95%, PIK Interest 1.10%, 5.45% Exit Fee	\$ 53,045	53,079	54,450	(14)(17)
COMPASS Pathways plc	Senior Secured	July 2027	Prime + 1.50%, Floor rate 9.75%, PIK Interest 1.40%, 4.75% Exit Fee	\$ 24,404	24,401	25,280	(5)(10)(14)
Corium, Inc.	Senior Secured	September 2026	Prime + 5.70%, Floor rate 8.95%, 7.75% Exit Fee	\$ 105,225	109,041	110,394	(13)(16)
Curevo, Inc.	Senior Secured	June 2027	Prime + 1.70%, Floor rate 9.70%, 6.95% Exit Fee	\$ 10,000	10,039	9,639	(15)
Eloxx Pharmaceuticals, Inc.	Senior Secured	April 2025	Prime + 6.25%, Floor rate 9.50%, 4.00% Exit Fee	\$ 489	988	988	(15)
enGene, Inc.	Senior Secured	January 2028	Prime + 0.75%, Floor rate 9.25%, Cap rate 9.75%, PIK Interest 1.15%, 5.50% Exit Fee	\$ 15,878	15,897	16,337	(5)(10)(14)(17)
Geron Corporation	Senior Secured	October 2025	Prime + 4.50%, Floor rate 9.00%, 6.55% Exit Fee	\$ 30,200	31,690	32,353	(10)(12)(13)(17)
Gritstone Bio, Inc.	Senior Secured	July 2027	Prime + 3.15%, Floor rate 7.15%, Cap rate 8.65%, PIK Interest 2.00%, 5.75% Exit Fee	\$ 30,995	31,523	30,472	(13)(14)
Heron Therapeutics, Inc.	Senior Secured	February 2026	Prime + 1.70%, Floor rate 9.95%, PIK Interest 1.50%, 3.00% Exit Fee	\$ 20,327	20,303	20,761	(14)(15)(17)
Hibercell, Inc.	Senior Secured	May 2025	Prime + 5.40%, Floor rate 8.65%, 4.95% Exit Fee	\$ 6,233	6,980	6,980	(13)(15)
Kura Oncology, Inc.	Senior Secured	November 2027	Prime + 2.40%, Floor rate 8.65%, 15.13% Exit Fee	\$ 5,500	5,599	5,694	(10)(15)
Locus Biosciences, Inc.	Senior Secured	July 2025	Prime + 6.10%, Floor rate 9.35%, 4.95% Exit Fee	\$ 3,009	3,343	3,343	(15)
Madrigal Pharmaceutical, Inc.	Senior Secured	May 2027	Prime + 2.45%, Floor rate 8.25%, 5.35% Exit Fee	\$ 78,200	79,622	82,775	(10)(13)
NorthSea Therapeutics	Convertible Debt	December 2025	FIXED 6.00%	\$ 273	273	273	(5)(9)(10)
Phathom Pharmaceuticals, Inc.	Senior Secured	December 2027	Prime + 1.35%, Floor rate 9.85%, Cap rate 10.35%, PIK Interest 2.15%, 6.59% Exit Fee	\$ 153,201	155,420	158,117	(10)(12)(14)(15)(16)(17)(22)
Replimune Group, Inc.	Senior Secured	October 2027	Prime + 1.75%, Floor rate 7.25%, Cap rate 9.00%, PIK Interest 1.50%, 4.95% Exit Fee	\$ 31,769	32,076	33,784	(10)(12)(13)(14)
SynOx Therapeutics Limited	Senior Secured	May 2027	Prime + 1.40%, Floor rate 9.90%, 7.25% Exit Fee	\$ 4,500	4,431	4,431	(5)(10)
uniQure B.V.	Senior Secured	January 2027	Prime + 4.70%, Floor rate 7.95%, 6.10% Exit Fee	\$ 35,000	35,962	37,135	(5)(10)(11)(12)
Viridian Therapeutics, Inc.	Senior Secured	October 2026	Prime + 4.20%, Floor rate 7.45%, Cap rate 8.95%, 6.00% Exit Fee	\$ 8,000	8,191	8,350	(10)(13)(17)
X4 Pharmaceuticals, Inc.	Senior Secured	July 2027	Prime + 3.15%, Floor rate 10.15%, 3.72% Exit Fee	\$ 75,000	75,292	75,304	(11)(12)(13)
Subtotal: Drug Discovery & Development (57.90%)*					1,051,331	1,072,243	
Electronics & Computer Hardware							
Locus Robotics Corp.	Senior Secured	June 2026	Prime + 4.50%, Floor rate 8.00%, 4.00% Exit Fee	\$ 18,281	18,498	18,846	(19)
Shield AI, Inc.	Senior Secured	February 2029	Prime + 0.85%, Floor rate 6.85%, Cap rate 9.60%, PIK Interest 2.50%, 2.50% Exit Fee	\$ 75,790	75,200	76,132	(12)(14)(17)
Subtotal: Electronics & Computer Hardware (5.13%)*					93,698	94,978	
Healthcare Services, Other							
Blue Sprig Pediatrics, Inc.	Senior Secured	November 2026	1-month SOFR + 5.11%, Floor rate 6.00%, PIK Interest 4.45%	\$ 71,414	70,813	70,397	(11)(12)(13)(14)

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Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Carbon Health Technologies, Inc.	Senior Secured	June 2026	Prime - (1.50%), Floor rate 7.00%, PIK Interest 7.00%, 5.64% Exit Fee	\$ 49,524	\$ 51,125	\$ 49,393	(11)(13)(14)
	Convertible Debt	December 2025	FIXED 12.00%	\$ 202	202	202	(9)
Total Carbon Health Technologies, Inc.				\$ 49,726	51,327	49,595	
Curana Health Holdings, LLC	Senior Secured	January 2028	Prime + 1.45%, Floor rate 9.20%, 4.95% Exit Fee	\$ 27,500	27,630	28,053	(13)(17)(19)
Equality Health, LLC	Senior Secured	February 2026	Prime + 6.25%, Floor rate 9.50%, PIK Interest 1.55%	\$ 70,402	70,084	70,078	(11)(12)(14)
Main Street Rural, Inc.	Senior Secured	July 2027	Prime + 1.95%, Floor rate 9.95%, 6.85% Exit Fee	\$ 38,500	38,859	39,132	(13)(15)(17)
Marathon Health, LLC	Senior Secured	February 2029	Prime - (0.90%), Floor rate 7.10%, PIK Interest 4.00%, 3.00% Exit Fee	\$ 157,577	156,581	157,857	(14)(16)(17)
Modern Life, Inc.	Senior Secured	February 2027	Prime + 2.75%, Floor rate 8.75%, 5.00% Exit Fee	\$ 18,200	18,208	18,393	(13)
NeueHealth, Inc.	Senior Secured	June 2028	Prime + 1.15%, Floor rate 9.65%, PIK Interest 2.50%, 2.50% Exit Fee	\$ 24,874	23,990	24,141	(12)(14)
Recover Together, Inc.	Senior Secured	July 2027	Prime + 1.90%, Floor rate 10.15%, 7.50% Exit Fee	\$ 40,000	40,257	40,110	(13)(17)
Strive Health Holdings, LLC	Senior Secured	September 2027	Prime + 0.70%, Floor rate 9.20%, 5.95% Exit Fee	\$ 12,000	12,015	12,359	(15)
Vida Health, Inc.	Senior Secured	July 2026	FIXED 8.50%, PIK Interest 2.05%, 4.95% Exit Fee	\$ 36,571	37,000	36,636	(11)(14)
WellBe Senior Medical, LLC	Senior Secured	May 2029	Prime + 0.75%, Floor rate 7.75%, PIK Interest 2.65%, 6.75% Exit Fee	\$ 20,148	20,023	19,633	(14)(15)(17)
Subtotal: Healthcare Services, Other (30.59%)*					566,787	566,384	
Information Services							
Checkr Group, Inc.	Senior Secured	August 2028	Prime + 1.45%, Floor rate 8.00%, PIK Interest 2.00%, 2.75% Exit Fee	\$ 48,354	48,371	50,620	(12)(14)(17)
Saama Technologies, LLC	Senior Secured	July 2027	Prime + 0.70%, Floor rate 8.95%, PIK Interest 2.00%, 2.95% Exit Fee	\$ 19,679	19,591	20,300	(12)(14)(17)
Signal Media Limited	Senior Secured	June 2025	Prime + 5.50%, Floor rate 9.00%, Cap rate 12.00%, 3.45% Exit Fee	\$ 6,150	6,220	6,424	(5)(10)
Subtotal: Information Services (4.18%)*					74,182	77,344	
Medical Devices & Equipment							
Senseonics Holdings, Inc.	Senior Secured	September 2027	Prime + 1.40%, Floor rate 9.90%, 6.95% Exit Fee	\$ 30,625	30,650	31,136	(11)
Sight Sciences, Inc.	Senior Secured	July 2028	Prime + 2.35%, Floor rate 10.35%, 5.95% Exit Fee	\$ 24,500	24,273	24,277	(17)
Subtotal: Medical Devices & Equipment (2.99%)*					54,923	55,413	
Software							
3GTMS, LLC	Senior Secured	February 2025	3-month SOFR + 10.40%, Floor rate 11.30%	\$ 13,042	13,013	13,013	(11)(17)(18)
	Senior Secured	February 2025	3-month SOFR + 7.25%, Floor rate 8.15%	\$ 6,209	6,184	6,184	(17)(18)
Total 3GTMS, LLC				\$ 19,251	19,197	19,197	
Alchemer LLC	Senior Secured	May 2028	1-month SOFR + 8.14%, Floor rate 9.14%	\$ 21,302	20,955	21,302	(13)(18)
Allvue Systems, LLC	Senior Secured	September 2029	3-month SOFR + 7.25%, Floor rate 8.25%	\$ 36,410	35,612	36,651	(17)
AlphaSense, Inc.	Senior Secured	June 2029	1-month SOFR + 6.25%, Floor rate 8.25%	\$ 20,000	19,808	19,808	(17)
Annex Cloud	Senior Secured	February 2027	1-month BSBY + 10.00%, Floor rate 11.00%	\$ 11,408	11,260	11,016	(13)
Armis, Inc.	Senior Secured	March 2028	Prime + 0.00%, Floor rate 7.50%, PIK Interest 2.00%, 2.25% Exit Fee	\$ 50,477	50,154	50,974	(12)(14)(17)
	Senior Secured	March 2028	Prime + 1.25%, Floor rate 7.50%, PIK Interest 2.00%, 2.25% Exit Fee	\$ 25,031	24,802	24,880	(14)(17)
Total Armis, Inc.				\$ 75,508	74,956	75,854	
Automation Anywhere, Inc.	Senior Secured	September 2027	Prime + 4.25%, Floor rate 9.00%, 4.50% Exit Fee	\$ 19,600	19,587	20,354	(11)(19)
Babel Street	Senior Secured	December 2027	3-month SOFR + 8.01%, Floor rate 9.01%	\$ 65,500	64,138	64,956	(15)(17)(18)
Behavox Limited	Senior Secured	September 2027	Prime - (0.55%), Floor rate 7.45%, PIK Interest 3.00%, 4.95% Exit Fee	\$ 7,000	6,972	6,972	(5)(10)(17)
Brain Corporation	Senior Secured	September 2028	Prime + 1.35%, Floor rate 9.85%, PIK Interest 2.50%, 3.95% Exit Fee	\$ 31,849	31,468	31,614	(13)

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Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Catchpoint Systems, Inc.	Senior Secured	November 2025	1-month SOFR + 9.41%, Floor rate 11.81%	\$ 9,996	\$ 9,905	\$ 9,985	(18)
Ceros, Inc.	Senior Secured	September 2026	3-month SOFR + 8.99%, Floor rate 9.89%	\$ 22,762	22,483	22,261	(17)(18)
Constructor.io Corporation	Senior Secured	July 2027	1-month SOFR + 8.44%, Floor rate 9.44%	\$ 4,688	4,608	4,687	(13)(17)(18)
Convoy, Inc.	Senior Secured	March 2026	Prime + 3.20%, Floor rate 6.45%, PIK Interest 1.95%, 4.55% Exit Fee	\$ 31,049	30,916	—	(8)(14)(19)
Copper CRM, Inc	Senior Secured	March 2025	Prime + 4.50%, Floor rate 8.25%, Cap rate 10.25%, PIK Interest 1.95%, 4.50% Exit Fee	\$ 8,669	8,954	8,954	(11)(14)
Coronet Cyber Security Ltd.	Senior Secured	October 2028	Prime - (2.95%), Floor rate 3.55%, PIK Interest 5.85%	\$ 8,500	8,348	8,348	(17)
Cutover, Inc.	Senior Secured	October 2025	Prime + 5.20%, Floor rate 9.95%, 4.95% Exit Fee	\$ 5,500	5,634	5,757	(5)(10)(12)
	Senior Secured	October 2025	Prime + 5.20%, Floor rate 9.95%, 4.95% Exit Fee	£ 1,250	1,597	1,774	(5)(10)
Total Cutover, Inc.					7,231	7,531	
Cybermaxx Intermediate Holdings, Inc.	Senior Secured	August 2026	6-month SOFR + 8.63%, Floor rate 9.38%, 0.58% Exit Fee	\$ 8,207	8,120	8,071	(13)(17)(18)
	Senior Secured	August 2026	6-month SOFR + 12.36%, Floor rate 13.11%, 0.58% Exit Fee	\$ 2,527	2,489	2,581	(13)(17)(18)
Total Cybermaxx Intermediate Holdings, Inc.				\$ 10,734	10,609	10,652	
Dashlane, Inc.	Senior Secured	December 2027	Prime + 3.05%, Floor rate 11.55%, PIK Interest 1.10%, 6.28% Exit Fee	\$ 45,350	46,088	47,370	(11)(13)(14)(19)
Dispatch Technologies, Inc.	Senior Secured	April 2028	3-month SOFR + 8.01%, Floor rate 8.76%	\$ 8,792	8,643	8,533	(17)(18)
Dragos, Inc.	Senior Secured	July 2027	Prime + 2.00%, Floor rate 8.75%, PIK Interest 2.00%, 1.00% Exit Fee	\$ 6,500	6,162	6,163	(17)
DroneDeploy, Inc.	Senior Secured	July 2026	Prime + 4.50%, Floor rate 8.75%, 4.00% Exit Fee	\$ 9,375	9,271	9,457	(13)(17)
Earnix, Inc.	Senior Secured	June 2029	Prime - (1.15%), Floor rate 5.35%, PIK Interest 4.45%	\$ 18,952	18,631	18,631	(14)(17)
Elation Health, Inc.	Senior Secured	March 2026	Prime + 4.25%, Floor rate 9.00%, PIK Interest 1.95%, 3.95% Exit Fee	\$ 12,815	12,699	13,074	(14)(17)(19)
Flight Schedule Pro, LLC	Senior Secured	October 2027	1-month SOFR + 7.80%, Floor rate 8.70%	\$ 6,907	6,758	6,955	(17)(18)
Fortified Health Security	Senior Secured	December 2027	1-month SOFR + 7.64%, Floor rate 8.54%	\$ 7,000	6,873	7,037	(11)(17)(18)
Harness, Inc.	Senior Secured	March 2029	Prime - (2.25%), Floor rate 5.25%, Cap rate 6.50%, PIK Interest 6.25%, 1.00% Exit Fee	\$ 17,849	17,650	17,887	(14)(17)(19)
iGrafx, LLC	Senior Secured	May 2027	1-month SOFR + 8.61%, Floor rate 9.51%, 0.47% Exit Fee	\$ 4,962	4,884	4,915	(18)
Ikon Science Limited	Senior Secured	October 2024	3-month SOFR + 9.26%, Floor rate 10.00%	\$ 5,950	5,947	5,947	(5)(10)(17)(18)
Khoros (p.k.a Lithium Technologies)	Senior Secured	January 2025	PIK 3-month SOFR + 4.50%, Floor rate 5.50%	\$ 61,341	61,317	20,723	(8)(14)
Leapwork ApS	Senior Secured	February 2026	Prime + 0.25%, Floor rate 7.00%, PIK Interest 1.95%, 2.70% Exit Fee	\$ 3,871	3,901	3,999	(5)(10)(12)(14)(17)
LinenMaster, LLC	Senior Secured	August 2028	1-month SOFR + 6.25%, Floor rate 7.25%, PIK Interest 2.15%	\$ 15,342	15,090	15,495	(12)(14)(17)
Loftware, Inc.	Senior Secured	March 2028	3-month SOFR + 7.88%, Floor rate 8.88%	\$ 27,206	26,696	27,646	(17)(18)
LogicSource	Senior Secured	July 2027	1-month SOFR + 8.93%, Floor rate 9.93%	\$ 13,178	12,993	13,178	(17)(18)
LogRhythm, Inc.	Senior Secured	July 2029	3-month SOFR + 7.50%, Floor rate 8.50%	\$ 25,000	24,277	24,277	(17)
Marigold Group, Inc. (p.k.a. Campaign Monitor Limited)	Senior Secured	November 2026	PIK Interest 6-month SOFR + 10.55%, Floor rate 11.55%	\$ 37,413	36,875	31,863	(13)(14)(19)
Mobile Solutions Services	Senior Secured	December 2025	6-month SOFR + 9.31%, Floor rate 10.06%	\$ 18,366	18,205	17,609	(18)
New Relic, Inc.	Senior Secured	November 2030	3-month SOFR + 6.75%, Floor rate 7.75%	\$ 20,890	20,412	20,291	(17)
Omeda Holdings, LLC	Senior Secured	July 2027	3-month SOFR + 8.05%, Floor rate 9.05%	\$ 7,688	7,524	7,687	(11)(17)(18)
Pindrop Security, Inc.	Senior Secured	June 2029	Prime + 3.50%, Floor rate 10.00%, 2.00% Exit Fee	\$ 31,000	30,521	30,521	(15)(17)
Reveeler	Senior Secured	February 2027	Prime + 0.65%, Floor rate 9.15%, PIK Interest 2.00%, 5.05% Exit Fee	\$ 36,191	36,071	36,095	(14)(15)

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Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Semperis Technologies Inc.	Senior Secured	April 2028	Prime - (1.75%), Floor rate 6.75%, PIK Interest 3.25%	\$ 15,124	\$ 15,016	\$ 15,016	(14)(17)(19)
ShadowDragon, LLC	Senior Secured	December 2026	3-month SOFR + 8.92%, Floor rate 9.82%	\$ 6,000	5,909	5,977	(17)(18)
Simon Data, Inc.	Senior Secured	March 2027	Prime + 1.00%, Floor rate 8.75%, PIK Interest 1.95%, 2.95% Exit Fee	\$ 13,022	13,051	13,125	(12)(14)
Sisense Ltd.	Senior Secured	July 2027	Prime + 1.50%, Floor rate 9.50%, PIK Interest 1.95%, 5.95% Exit Fee	\$ 33,894	34,126	34,298	(5)(10)(14)
Streamline Healthcare Solutions	Senior Secured	March 2028	3-month SOFR + 7.25%, Floor rate 8.25%	\$ 17,600	17,306	17,763	(11)(13)(17)(18)
Sumo Logic, Inc.	Senior Secured	May 2030	3-month SOFR + 6.50%, Floor rate 7.50%	\$ 23,000	22,504	23,212	(17)
Suzy, Inc.	Senior Secured	August 2027	Prime + 1.75%, Floor rate 10.00%, PIK Interest 1.95%, 3.45% Exit Fee	\$ 16,264	16,071	16,605	(14)(15)(17)
ThreatConnect, Inc.	Senior Secured	May 2026	3-month SOFR + 9.15%, Floor rate 10.00%	\$ 10,794	10,658	10,794	(17)(18)
Tipalti Solutions Ltd.	Senior Secured	April 2027	Prime + 0.45%, Floor rate 7.95%, PIK Interest 2.00%, 3.75% Exit Fee	\$ 42,455	41,989	43,092	(5)(10)(14)
Zappi, Inc.	Senior Secured	December 2027	3-month SOFR + 8.03%, Floor rate 9.03%	\$ 12,761	12,540	12,786	(5)(10)(13)(17)(18)
Zimperium, Inc.	Senior Secured	May 2027	3-month SOFR + 8.31%, Floor rate 9.31%	\$ 14,790	14,602	14,459	(17)(18)
Subtotal: Software (53.06%)*					1,048,267	982,622	
Space Technologies							
Voyager Space Holdings, Inc.	Senior Secured	July 2028	Prime + 1.25%, Floor rate 9.75%, PIK Interest 2.50%, 5.50% Exit Fee	\$ 45,153	44,839	44,839	(14)(15)
Subtotal: Space Technologies (2.42%)*					44,839	44,839	
Sustainable and Renewable Technology							
Ampion, PBC	Senior Secured	May 2025	Prime + 4.70%, Floor rate 7.95%, PIK Interest 1.45%, 3.95% Exit Fee	\$ 3,970	4,063	4,063	(13)(14)
Electric Hydrogen Co.	Senior Secured	May 2028	Prime + 2.25%, Floor rate 10.75%, PIK Interest 1.25%, 4.89% Exit Fee	\$ 20,069	19,514	19,610	(14)(15)(19)
Pineapple Energy LLC	Senior Secured	June 2027	FIXED 10.00%	\$ 1,371	1,371	1,347	(19)
Subtotal: Sustainable and Renewable Technology (1.35%)*					24,948	25,020	
Total: Debt Investments (182.56%)*					\$ 3,415,799	\$ 3,380,578	
Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Equity Investments							
Biotechnology Tools							
Alamar Biosciences, Inc.	Equity	2/21/2024	Preferred Series C	503,778	\$ 1,500	\$ 1,492	
Subtotal: Biotechnology Tools (0.08%)*					1,500	1,492	
Consumer & Business Products							
Fabletics, Inc.	Equity	4/30/2010	Common Stock	42,989	128	43	
	Equity	7/16/2013	Preferred Series B	130,191	1,101	279	
Total Fabletics, Inc.				173,180	1,229	322	
Grove Collaborative, Inc.	Equity	4/30/2021	Common Stock	12,260	433	17	(4)
Savage X Holding, LLC	Equity	4/30/2010	Class A Units	172,328	13	482	
Subtotal: Consumer & Business Products (0.04%)*					1,675	821	
Consumer & Business Services							
Carwow LTD	Equity	12/15/2021	Preferred Series D-4	214,869	1,151	647	(5)(10)

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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Lyft, Inc.	Equity	12/26/2018	Common Stock	100,738	\$ 5,263	\$ 1,284	(4)
Nerdy Inc.	Equity	9/17/2021	Common Stock	100,000	1,000	98	(4)
OfferUp, Inc.	Equity	10/25/2016	Preferred Series A	286,080	1,663	439	
	Equity	10/25/2016	Preferred Series A-1	108,710	632	167	
Total OfferUp, Inc.				394,790	2,295	606	
Oportun	Equity	6/28/2013	Common Stock	48,365	577	136	(4)
Reischling Press, Inc.	Equity	7/31/2020	Common Stock	3,095	40	—	
Rhino Labs, Inc.	Equity	1/24/2022	Common Stock	7,063	1,000	—	
Tectura Corporation	Equity	5/23/2018	Common Stock	414,994,863	900	6	(7)
	Equity	6/6/2016	Preferred Series BB	1,000,000	—	15	(7)
	Equity	12/29/2023	Preferred Series C	3,235,298	13,263	3,772	(7)
Total Tectura Corporation				419,230,161	14,163	3,793	
Worldremit Group Limited	Equity	6/24/2024	Preferred Series X	6,641	639	660	(5)(10)
Subtotal: Consumer & Business Services (0.39%)*					26,128	7,224	
Diversified Financial Services							
Gibraltar Acquisition, LLC (p.k.a. Gibraltar Business Capital, LLC)	Equity	3/1/2018	Member Units	1	34,006	21,669	(7)(20)
Hercules Adviser LLC	Equity	3/26/2021	Member Units	1	35	31,433	(7)(23)
Newfront Insurance Holdings, Inc.	Equity	9/30/2021	Preferred Series D-2	210,282	403	327	
Subtotal: Diversified Financial Services (2.89%)*					34,444	53,429	
Drug Delivery							
Aytu BioScience, Inc.	Equity	3/28/2014	Common Stock	680	1,500	2	(4)
BioQ Pharma Incorporated	Equity	12/8/2015	Preferred Series D	165,000	500	—	
PDS Biotechnology Corporation	Equity	4/6/2015	Common Stock	2,498	309	9	(4)
Talpheria, Inc.	Equity	12/10/2018	Common Stock	8,836	1,329	8	(4)
Subtotal: Drug Delivery (0.00%)*					3,638	19	
Drug Discovery & Development							
Akero Therapeutics, Inc.	Equity	3/8/2024	Common Stock	34,483	1,000	989	(4)(10)
Avalo Therapeutics, Inc.	Equity	8/19/2014	Common Stock	42	1,000	—	(4)
Axsome Therapeutics, Inc.	Equity	5/9/2022	Common Stock	127,021	4,165	11,415	(4)(10)(16)
Bicycle Therapeutics PLC	Equity	10/5/2020	Common Stock	98,100	1,871	2,220	(4)(5)(10)
BridgeBio Pharma, Inc.	Equity	6/21/2018	Common Stock	231,329	2,255	5,890	(4)
Cyclo Therapeutics, Inc.	Equity	4/6/2021	Common Stock	134	42	—	(4)(10)
Dare Biosciences, Inc.	Equity	1/8/2015	Common Stock	1,129	1,000	4	(4)
Dynavax Technologies	Equity	7/22/2015	Common Stock	20,000	550	223	(4)(10)
Gritstone Bio, Inc.	Equity	10/26/2022	Common Stock	442,477	1,000	257	(4)
Heron Therapeutics, Inc.	Equity	7/25/2023	Common Stock	364,963	500	726	(4)
Hibercell, Inc.	Equity	5/7/2021	Preferred Series B	3,466,840	4,250	253	(15)

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HilleVax, Inc.	Equity	5/3/2022	Common Stock	235,295	\$ 4,000	\$ 414	(4)
Kura Oncology, Inc.	Equity	6/16/2023	Common Stock	47,826	550	935	(4)(10)
Madrigal Pharmaceutical, Inc.	Equity	9/29/2023	Common Stock	5,100	773	1,082	(4)(10)
NorthSea Therapeutics	Equity	12/15/2021	Preferred Series C	983	2,000	1,334	(5)(10)
Phathom Pharmaceuticals, Inc.	Equity	6/9/2023	Common Stock	147,233	1,730	2,662	(4)(10)(16)
Rocket Pharmaceuticals, Ltd.	Equity	8/22/2007	Common Stock	944	1,500	18	(4)
Savara, Inc.	Equity	8/11/2015	Common Stock	11,119	203	47	(4)
Tarsus Pharmaceuticals, Inc.	Equity	5/5/2022	Common Stock	77,778	1,050	2,558	(4)(10)
uniQure B.V.	Equity	1/31/2019	Common Stock	17,175	332	85	(4)(5)(10)
Valo Health, LLC	Equity	12/11/2020	Preferred Series B	510,308	3,000	2,126	
	Equity	10/31/2022	Preferred Series C	170,102	1,000	1,029	
Total Valo Health, LLC				680,410	4,000	3,155	
Verge Analytics, Inc.	Equity	9/6/2023	Preferred Series C	208,588	1,500	1,488	
Viridian Therapeutics, Inc.	Equity	11/6/2023	Common Stock	32,310	400	735	(4)(10)
X4 Pharmaceuticals, Inc.	Equity	11/26/2019	Common Stock	1,566,064	2,945	1,048	(4)
Subtotal: Drug Discovery & Development (2.03%)*					38,616	37,538	
Electronics & Computer Hardware							
Locus Robotics Corp.	Equity	11/17/2022	Preferred Series F	15,116	650	277	
Skydio, Inc.	Equity	3/8/2022	Preferred Series E	248,900	1,500	566	
Subtotal: Electronics & Computer Hardware (0.05%)*					2,150	843	
Healthcare Services, Other							
23andMe, Inc.	Equity	3/11/2019	Common Stock	825,732	5,094	287	(4)
Carbon Health Technologies, Inc.	Equity	3/30/2021	Preferred Series C	217,880	1,687	6	
Click Therapeutics, Inc.	Equity	5/20/2024	Common Stock	560,000	1,662	1,800	(15)
Curana Health Holdings, LLC	Equity	5/13/2024	Common Units	1,114,380	2,500	2,837	
WellBe Senior Medical, LLC	Equity	6/10/2024	Common Units	181,163	1,600	1,720	
Subtotal: Healthcare Services, Other (0.36%)*					12,543	6,650	
Information Services							
Yipit, LLC	Equity	12/30/2021	Preferred Series E	41,021	3,825	3,907	
Subtotal: Information Services (0.21%)*					3,825	3,907	
Manufacturing Technology							
Xometry, Inc.	Equity	5/9/2018	Common Stock	52,126	47	958	(4)
Subtotal: Manufacturing Technology (0.05%)*					47	958	
Medical Devices & Equipment							
Coronado Aesthetics, LLC	Equity	10/15/2021	Common Units	180,000	—	1	(7)
	Equity	10/15/2021	Preferred Series A-2	5,000,000	250	318	(7)
Total Coronado Aesthetics, LLC				5,180,000	250	319	
Subtotal: Medical Devices & Equipment (0.02%)*					250	319	

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HERCULES CAPITAL, INC.
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September 30, 2024 (unaudited)
(dollars in thousands)

Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Semiconductors							
Achronix Semiconductor Corporation	Equity	7/1/2011	Preferred Series C	277,995	\$ 160	\$ 194	
Subtotal: Semiconductors (0.01%)*					160	194	
Software							
3GTMS, LLC	Equity	8/9/2021	Common Stock	1,000,000	1,000	745	
Black Crow AI, Inc. affiliates	Equity	3/24/2021	Preferred Note	3	2,406	2,406	(21)
CapLinked, Inc.	Equity	10/26/2012	Preferred Series A-3	53,614	51	—	
Contentful Global, Inc.	Equity	12/22/2020	Preferred Series C	41,000	138	323	(5),(10)
	Equity	11/20/2018	Preferred Series D	108,500	500	895	(5),(10)
Total Contentful Global, Inc.				149,500	638	1,218	
DNAexus, Inc.	Equity	3/21/2014	Preferred Series C	51,948	97	5	
Docker, Inc.	Equity	11/29/2018	Common Stock	20,000	4,284	210	
Druva Holdings, Inc.	Equity	10/22/2015	Preferred Series 2	458,841	1,000	2,617	
	Equity	8/24/2017	Preferred Series 3	93,620	300	560	
Total Druva Holdings, Inc.				552,461	1,300	3,177	
HighRoads, Inc.	Equity	1/18/2013	Common Stock	190	307	—	
Leapwork ApS	Equity	8/25/2023	Preferred Series B2	183,073	250	155	(5),(10)
Lightbend, Inc.	Equity	12/4/2020	Common Stock	38,461	265	25	
Nextdoor.com, Inc.	Equity	8/1/2018	Common Stock	1,019,255	4,854	2,528	(4)
Palantir Technologies	Equity	9/23/2020	Common Stock	300,000	1,834	11,160	(4)
SingleStore, Inc.	Equity	11/25/2020	Preferred Series E	580,983	2,000	1,842	
	Equity	8/12/2021	Preferred Series F	52,956	280	207	
Total SingleStore, Inc.				633,939	2,280	2,049	
Sirion Labs, Inc.	Equity	6/30/2024	Preferred Series F1	152,250	1,791	1,999	(5),(10)
Verana Health, Inc.	Equity	7/8/2021	Preferred Series E	952,562	2,000	318	
Subtotal: Software (1.40%)*					23,357	25,995	
Space Technologies							
Planet Labs, Inc.	Equity	6/21/2019	Common Stock	547,880	615	1,222	(4)
Subtotal: Space Technologies (0.07%)*					615	1,222	
Sustainable and Renewable Technology							
Impossible Foods, Inc.	Equity	5/10/2019	Preferred Series E-1	188,611	2,000	112	
Modumetal, Inc.	Equity	6/1/2015	Common Stock	1,035	500	—	
NantEnergy, LLC	Equity	8/31/2013	Common Units	59,665	102	—	
Pineapple Energy LLC	Equity	12/10/2020	Common Stock	20,299	3,153	3	(4)
Pivot Bio, Inc.	Equity	6/28/2021	Preferred Series D	593,080	4,500	2,309	
Subtotal: Sustainable and Renewable Technology (0.13%)*					10,255	2,424	
Total: Equity Investments (7.72%)*					\$ 159,203	\$ 143,035	

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HERCULES CAPITAL, INC.
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September 30, 2024 (unaudited)
(dollars in thousands)

Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Warrant Investments							
Biotechnology Tools							
Alamar Biosciences, Inc.	Warrant	6/21/2022	Preferred Series C	75,567	\$ 36	\$ 124	
PathAI, Inc.	Warrant	12/23/2022	Common Stock	53,418	460	95	(12)
Subtotal: Biotechnology Tools (0.01%)*					496	219	
Communications & Networking							
Aryaka Networks, Inc.	Warrant	6/28/2022	Common Stock	229,611	123	92	(12)
Subtotal: Communications & Networking (0.00%)*					123	92	
Consumer & Business Products							
Gadget Guard, LLC	Warrant	6/3/2014	Common Stock	1,662,441	228	—	
Whoop, Inc.	Warrant	6/27/2018	Preferred Series C	686,270	17	464	
Subtotal: Consumer & Business Products (0.03%)*					245	464	
Consumer & Business Services							
Carwow LTD	Warrant	12/14/2021	Common Stock	174,163	164	54	(5)(10)
	Warrant	2/13/2024	Preferred Series D-4	109,257	20	11	(5)(10)
Total Carwow LTD				283,420	184	65	
Houzz, Inc.	Warrant	10/29/2019	Common Stock	529,661	20	—	
Landing Holdings Inc.	Warrant	3/12/2021	Common Stock	11,806	116	140	(15)
Lendio, Inc.	Warrant	3/29/2019	Preferred Series D	127,032	39	22	
Plentific Ltd	Warrant	10/3/2023	Ordinary Shares	27,298	60	38	(5)(10)
Provi	Warrant	12/22/2022	Common Stock	117,042	166	65	(15)
Rhino Labs, Inc.	Warrant	3/12/2021	Common Stock	13,106	470	—	(15)
SeatGeek, Inc.	Warrant	6/12/2019	Common Stock	1,379,761	842	4,464	(16)
Skyword, Inc.	Warrant	11/14/2022	Common Stock	1,607,143	57	13	
	Warrant	8/23/2019	Preferred Series B	444,444	83	1	
Total Skyword, Inc.				2,051,587	140	14	
Snagajob.com, Inc.	Warrant	4/20/2020	Common Stock	600,000	16	—	
	Warrant	6/30/2016	Preferred Series A	1,800,000	782	—	
	Warrant	8/1/2018	Preferred Series B	1,211,537	62	—	
Total Snagajob.com, Inc.				3,611,537	860	—	
Thumbtack, Inc.	Warrant	5/1/2018	Common Stock	343,497	985	741	
Veem, Inc.	Warrant	3/31/2022	Common Stock	98,428	126	9	(12)
Worldremit Group Limited	Warrant	2/11/2021	Preferred Series D	77,215	129	69	(5)(10)(12)
	Warrant	8/27/2021	Preferred Series E	1,868	26	—	(5)(10)
Total Worldremit Group Limited				79,083	155	69	
Subtotal: Consumer & Business Services (0.30%)*					4,163	5,627	

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HERCULES CAPITAL, INC.
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September 30, 2024 (unaudited)
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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Diversified Financial Services							
Next Insurance, Inc.	Warrant	2/3/2023	Common Stock	522,930	\$ 214	\$ 498	
Subtotal: Diversified Financial Services (0.03%)*					214	498	
Drug Delivery							
BioQ Pharma Incorporated	Warrant	10/27/2014	Common Stock	459,183	1	—	
Subtotal: Drug Delivery (0.00%)*					1	—	
Drug Discovery & Development							
Akero Therapeutics, Inc.	Warrant	6/15/2022	Common Stock	32,128	330	547	(4)(10)
AmplifyBio, LLC	Warrant	12/27/2022	Class A Units	69,239	238	172	(15)
Axsome Therapeutics, Inc.	Warrant	9/25/2020	Common Stock	61,004	1,290	1,813	(4)(10)(12)(16)
bluebird bio, Inc.	Warrant	3/15/2024	Common Stock	2,224,137	1,744	514	(4)
Cellarity, Inc.	Warrant	12/8/2021	Preferred Series B	100,000	287	64	(15)
Century Therapeutics, Inc.	Warrant	9/14/2020	Common Stock	16,112	37	—	(4)
COMPASS Pathways plc	Warrant	6/30/2023	Ordinary Shares	75,376	278	136	(4)(5)(10)
Curevo, Inc.	Warrant	6/9/2023	Common Stock	95,221	233	149	(15)
Dermavant Sciences Ltd.	Warrant	5/31/2019	Common Stock	223,642	101	—	(5)(10)
enGene, Inc.	Warrant	12/22/2023	Common Stock	43,689	118	105	(4)(5)(10)
Fresh Tracks Therapeutics, Inc.	Warrant	2/18/2016	Common Stock	201	119	—	(4)
Heron Therapeutics, Inc.	Warrant	8/9/2023	Common Stock	238,095	228	233	(4)(15)
Kineta, Inc.	Warrant	12/20/2019	Common Stock	2,202	110	—	(4)
Kura Oncology, Inc.	Warrant	11/2/2022	Common Stock	14,342	88	92	(4)(10)(15)
Madrigal Pharmaceutical, Inc.	Warrant	5/9/2022	Common Stock	13,229	570	1,539	(4)(10)
Phathom Pharmaceuticals, Inc.	Warrant	9/17/2021	Common Stock	64,687	848	128	(4)(10)(12)(15)(16)
Redshift Bioanalytics, Inc.	Warrant	3/23/2022	Preferred Series E	475,510	20	23	(15)
Scynexis, Inc.	Warrant	5/14/2021	Common Stock	106,035	296	4	(4)
SynOx Therapeutics Limited	Warrant	4/18/2024	Preferred Series B	251,195	83	83	(5)(10)
TG Therapeutics, Inc.	Warrant	2/28/2019	Common Stock	264,226	1,284	3,514	(4)(10)
Valo Health, LLC	Warrant	6/15/2020	Common Units	102,216	256	102	
X4 Pharmaceuticals, Inc.	Warrant	3/18/2019	Common Stock	1,392,787	510	137	(4)
Subtotal: Drug Discovery & Development (0.51%)*					9,068	9,355	
Electronics & Computer Hardware							
908 Devices, Inc.	Warrant	3/15/2017	Common Stock	49,078	101	9	(4)
Locus Robotics Corp.	Warrant	6/21/2022	Common Stock	8,503	34	51	
Skydio, Inc.	Warrant	11/8/2021	Common Stock	622,255	557	244	
Subtotal: Electronics & Computer Hardware (0.02%)*					692	304	
Healthcare Services, Other							
Curana Health Holdings, LLC	Warrant	1/4/2024	Common Units	447,410	156	562	

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HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
September 30, 2024 (unaudited)
(dollars in thousands)

Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Modern Life, Inc.	Warrant	3/30/2023	Common Stock	52,665	\$ 210	\$ 113	
NeueHealth, Inc.	Warrant	6/21/2024	Common Stock	185,625	716	726	(4)(12)
Recover Together, Inc.	Warrant	7/3/2023	Common Stock	194,830	382	193	
Strive Health Holdings, LLC	Warrant	9/28/2023	Common Units	51,760	83	121	(15)
Vida Health, Inc.	Warrant	3/28/2022	Preferred Series E	192,431	121	1	
Subtotal: Healthcare Services, Other (0.09%)*					1,668	1,716	
Information Services							
INMOBI Inc.	Warrant	11/19/2014	Common Stock	149,165	82	—	(5)(10)
NetBase Quid, Inc. (p.k.a NetBase Solutions)	Warrant	8/22/2017	Preferred Series 1	60,000	356	—	
Signal Media Limited	Warrant	6/29/2022	Common Stock	129,638	57	15	(5)(10)
Subtotal: Information Services (0.00%)*					495	15	
Manufacturing Technology							
Bright Machines, Inc.	Warrant	3/31/2022	Common Stock	392,308	537	1,006	
MacroFab, Inc.	Warrant	3/23/2022	Common Stock	1,111,111	528	132	
Subtotal: Manufacturing Technology (0.06%)*					1,065	1,138	
Media/Content/Info							
Fever Labs, Inc.	Warrant	12/30/2022	Preferred Series E-1	369,370	67	55	
Subtotal: Media/Content/Info (0.00%)*					67	55	
Medical Devices & Equipment							
Outset Medical, Inc.	Warrant	9/27/2013	Common Stock	62,794	401	2	(4)
Senseonics Holdings, Inc.	Warrant	9/8/2023	Common Stock	1,032,718	277	88	(4)
Sight Sciences, Inc.	Warrant	1/22/2024	Common Stock	94,980	327	331	(4)
Tela Bio, Inc.	Warrant	3/31/2017	Common Stock	15,712	61	—	(4)
Subtotal: Medical Devices & Equipment (0.02%)*					1,066	421	
Semiconductors							
Achronix Semiconductor Corporation	Warrant	6/26/2015	Preferred Series D-2	750,000	99	461	
Subtotal: Semiconductors (0.02%)*					99	461	
Software							
Aria Systems, Inc.	Warrant	5/22/2015	Preferred Series G	231,535	74	—	
Automation Anywhere, Inc.	Warrant	9/23/2022	Common Stock	254,778	449	338	
Bitsight Technologies, Inc.	Warrant	11/18/2020	Common Stock	29,691	284	417	
Brain Corporation	Warrant	10/4/2021	Common Stock	435,396	215	90	
CloudBolt Software, Inc.	Warrant	9/30/2020	Common Stock	211,342	117	—	
Cloudian, Inc.	Warrant	11/6/2018	Common Stock	477,454	71	—	
Cloudpay, Inc.	Warrant	4/10/2018	Preferred Series B	6,763	54	665	(5)(10)
Coronet Cyber Security Ltd.	Warrant	9/26/2024	Ordinary Shares	39,183	254	254	
Couchbase, Inc.	Warrant	4/25/2019	Common Stock	105,350	462	728	(4)

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HERCULES CAPITAL, INC.
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September 30, 2024 (unaudited)
(dollars in thousands)

Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Cutover, Inc.	Warrant	9/21/2022	Common Stock	102,898	\$ 26	\$ 44	(5)(10)(12)
Dashlane, Inc.	Warrant	3/11/2019	Common Stock	770,838	461	1,077	
Demandbase, Inc.	Warrant	8/2/2021	Common Stock	727,047	545	135	
Dragos, Inc.	Warrant	6/28/2023	Common Stock	57,528	1,576	867	
DroneDeploy, Inc.	Warrant	6/30/2022	Common Stock	95,911	278	295	
Earnix, Inc.	Warrant	6/6/2024	Common Stock	20,762	220	295	
Elation Health, Inc.	Warrant	9/12/2022	Common Stock	362,837	583	226	
First Insight, Inc.	Warrant	5/10/2018	Preferred Series B	75,917	96	24	
Fulfil Solutions, Inc.	Warrant	7/29/2022	Common Stock	84,995	325	255	
Harness, Inc.	Warrant	3/12/2024	Common Stock	193,618	534	554	
Kore.ai, Inc.	Warrant	3/31/2023	Preferred Series C	64,293	208	196	
Leapwork ApS	Warrant	1/23/2023	Common Stock	39,948	16	22	(5)(10)(12)
Lightbend, Inc.	Warrant	2/14/2018	Preferred Series LB-2	86,984	131	24	
Mixpanel, Inc.	Warrant	9/30/2020	Common Stock	82,362	252	231	
Pindrop Security, Inc.	Warrant	6/26/2024	Common Stock	134,542	494	427	(15)
Reltio, Inc.	Warrant	6/30/2020	Common Stock	69,120	215	595	
Semperis Technologies Inc.	Warrant	4/23/2024	Common Stock	72,122	115	161	
Simon Data, Inc.	Warrant	3/22/2023	Common Stock	77,934	96	63	(12)
SingleStore, Inc.	Warrant	4/28/2020	Preferred Series D	312,596	103	430	
Sisense Ltd.	Warrant	6/8/2023	Ordinary Shares	321,956	174	54	(5)(10)
Suzu, Inc.	Warrant	8/24/2023	Common Stock	292,936	367	230	(15)
Tipalti Solutions Ltd.	Warrant	3/22/2023	Ordinary Shares	509,753	359	323	(5)(10)
VideoAmp, Inc.	Warrant	1/21/2022	Common Stock	152,048	1,275	203	(15)
Subtotal: Software (0.50%)*					10,429	9,223	
Space Technologies							
Capella Space Corp.	Warrant	10/21/2021	Common Stock	176,200	207	21	(15)
Subtotal: Space Technologies (0.00%)*					207	21	
Sustainable and Renewable Technology							
Ampion, PBC	Warrant	4/15/2022	Common Stock	18,472	52	51	
Electric Hydrogen Co.	Warrant	3/27/2024	Common Stock	246,618	507	363	(15)
Halio, Inc.	Warrant	4/7/2015	Common Stock	144,914	63	—	
Subtotal: Sustainable and Renewable Technology (0.02%)*					622	414	
Total: Warrant Investments (1.62%)*					\$ 30,720	\$ 30,023	
Total Investments in Securities (191.90%)*					\$ 3,605,722	\$ 3,553,636	
Investment Funds & Vehicles Investments							
Drug Discovery & Development							
Forbion Growth Opportunities Fund I C.V.	Investment Funds & Vehicles	11/16/2020			2,847	5,123	(5)(10)(17)

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HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
September 30, 2024 (unaudited)
(dollars in thousands)

Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Forbion Growth Opportunities Fund II C.V.	Investment Funds & Vehicles	6/23/2022			\$ 1,036	\$ 1,358	(5)(10)(17)
Subtotal: Drug Discovery & Development (0.35%)*					3,883	6,481	
Software							
Liberty Zim Co-Invest L.P.	Investment Funds & Vehicles	7/21/2022			381	396	(5)(10)
Subtotal: Software (0.02%)*					381	396	
Total: Investment Funds & Vehicles Investments (0.37%)*					\$ 4,264	\$ 6,877	
Total Investments (192.27%)*					\$ 3,609,986	\$ 3,560,513	
Foreign Currency Forward Contracts							
Foreign Currency	Settlement Date	Counterparty	Amount	Transaction	US \$ Value at Settlement Date		Value
Great British Pound (GBP)	6/3/2025	Goldman Sachs Bank USA	£ 20,511	Sold	\$ 26,178	\$	(1,168)
Total Foreign Currency Forward ((0.06%))*					\$ 26,178	\$	(1,168)

- * Value as a percent of net assets. All amounts are stated in U.S. Dollars unless otherwise noted. The Company uses the Standard Industrial Code for classifying the industry grouping of its portfolio companies.
- (1) Prime represents 8.00% as of September 30, 2024. 1-month SOFR, 3-month SOFR and 6-month SOFR represent 4.85%, 4.59%, and 4.25%, respectively, as of September 30, 2024.
- (2) Gross unrealized appreciation, gross unrealized depreciation, and net unrealized depreciation for federal income tax purposes totaled \$121.3 million, \$169.9 million and \$48.6 million, respectively. The tax cost of investments is \$3.6 billion.
- (3) Preferred and common stock, warrants, and equity interest are generally non-income producing.
- (4) Except for warrants in 22 publicly traded companies and common stock in 33 publicly traded companies, all investments are restricted as of September 30, 2024 and were valued at fair value using Level 3 significant unobservable inputs as determined in good faith by the Company's valuation committee (the "Valuation Committee") and approved by the board of directors (the "Board").
- (5) Non-U.S. company or the company's principal place of business is outside the United States.
- (6) Denotes that all or a portion of the investment in this portfolio company is held by Hercules SBIC V, L.P., the Company's wholly owned small business investment company.
- (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 as of September 30, 2024, and is therefore considered non-income producing.
- (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 is pledged as collateral under the SMBC Facility (as defined in "Note 5 — Debt").
- (12) Denotes that all or a portion of the investment is pledged as collateral under the MUFG Bank Facility (as defined in "Note 5 — Debt").
- (13) Denotes that all or a portion of the debt investment secures the 2031 Asset-Backed Notes (as defined in "Note 5 — Debt").
- (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 Capital IV, L.P., the Company's wholly owned small business investment company.
- (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 net assets as of September 30, 2024.
- (17) Denotes that there is an unfunded contractual commitment available at the request of this portfolio company as of September 30, 2024 (Refer to "Note 11 - Commitments and Contingencies").
- (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.
- (20) Gibraltar Acquisition LLC is a wholly-owned subsidiary, which is the holding company for their wholly-owned affiliated portfolio companies, Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC.

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HERCULES CAPITAL, INC.
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- (21) Denotes investment in a non-voting security in the form of a promissory note. The terms of the notes provide the Company with a lien on the issuers' shares of Common Stock for Black Crow AI, Inc., subject to release upon repayment of the outstanding balance of the notes. As of September 30, 2024, the Black Crow AI, Inc. affiliates promissory notes had an outstanding balance of \$2.4 million.
- (22) Denotes the security holds rights to royalty fee income associated with certain products of the portfolio company. The approximate cost and fair value of the royalty contract are \$12.0 million and \$10.9 million, respectively.
- (23) Hercules Adviser LLC is owned by Hercules Capital Management LLC and presented with Hercules Partner Holdings, LLC which are both wholly owned by the Company. Please refer to "Note 1" for additional disclosure.

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2023
(dollars in thousands)

Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Debt Investments							
Biotechnology Tools							
Alamar Biosciences, Inc.	Senior Secured	June 2026	Prime + 3.00%, Floor rate 6.50%, PIK Interest 1.00%, 5.95% Exit Fee	\$ 15,049	\$ 15,069	\$ 15,508	(13)(14)
PathAI, Inc.	Senior Secured	January 2027	Prime + 2.15%, Floor rate 9.15%, 9.81% Exit Fee	\$ 32,000	31,941	32,519	(12)
Subtotal: Biotechnology Tools (2.66%)*					47,010	48,027	
Communications & Networking							
Aryaka Networks, Inc.	Senior Secured	July 2026	Prime + 3.25%, Floor rate 6.75%, PIK Interest 1.05%, 3.55% Exit Fee	\$ 25,153	24,943	26,000	(12)(14)(19)
Cytracom Holdings LLC	Senior Secured	February 2025	3-month SOFR + 9.72%, Floor rate 10.62%	\$ 3,267	3,239	3,272	(11)(17)(18)
Subtotal: Communications & Networking (1.62%)*					28,182	29,272	
Consumer & Business Services							
Altumint, Inc.	Senior Secured	December 2027	Prime + 3.65%, Floor rate 12.15%, 2.50% Exit Fee	\$ 10,000	9,905	9,905	(15)(17)
AppDirect, Inc.	Senior Secured	April 2026	Prime + 5.50%, Floor rate 8.75%, 7.12% Exit Fee	\$ 55,790	57,653	59,507	(12)
Carwow LTD	Senior Secured	December 2024	Prime + 4.70%, Floor rate 7.95%, PIK Interest 1.45%, 4.95% Exit Fee	£ 19,146	26,834	25,157	(5)(10)(14)
Houzz, Inc.	Convertible Debt	May 2028	PIK Interest 8.50%	\$ 23,340	23,340	23,244	(9)(14)
Jobandtalent USA, Inc.	Senior Secured	February 2025	1-month SOFR + 8.86%, Floor rate 9.75%, 3.00% Exit Fee	\$ 14,000	14,095	14,259	(5)(10)
Plentific Ltd	Senior Secured	October 2026	Prime + 2.55%, Floor rate 11.05%, 2.95% Exit Fee	\$ 875	853	853	(5)(10)(17)
Provi	Senior Secured	December 2026	Prime + 4.40%, Floor rate 10.65%, 2.95% Exit Fee	\$ 15,000	14,904	15,046	(15)
Rhino Labs, Inc.	Senior Secured	June 2024	Prime + 5.50%, Floor rate 8.75%, PIK Interest 2.25%	\$ 4,710	4,704	4,704	(14)(15)
Riviera Partners LLC	Senior Secured	April 2027	3-month SOFR + 8.26%, Floor rate 9.26%	\$ 36,868	36,339	34,659	(17)(18)
RVShare, LLC	Senior Secured	December 2026	3-month SOFR + 5.50%, Floor rate 6.50%, PIK Interest 4.00%	\$ 28,876	28,404	28,888	(13)(14)(15)
SeatGeek, Inc.	Senior Secured	May 2026	Prime + 7.00%, Floor rate 10.50%, PIK Interest 0.50%, 4.00% Exit Fee	\$ 25,199	25,126	25,869	(11)(14)(16)
	Senior Secured	July 2026	Prime + 2.50%, Floor rate 10.75%, PIK Interest 0.50%, 3.00% Exit Fee	\$ 77,642	77,170	79,119	(12)(14)(16)
Total SeatGeek, Inc.				\$ 102,841	102,296	104,988	
Skyword, Inc.	Senior Secured	November 2026	Prime + 2.75%, Floor rate 9.25%, PIK Interest 1.75%, 3.00% Exit Fee	\$ 9,169	9,189	9,311	(13)(14)
Tectura Corporation	Senior Secured	July 2024	FIXED 8.25%	\$ 8,250	8,250	8,250	(7)
Thumbtack, Inc.	Senior Secured	April 2026	Prime + 4.95%, Floor rate 8.20%, PIK Interest 1.50%, 3.95% Exit Fee	\$ 10,258	10,317	10,639	(12)(14)(17)
Udacity, Inc.	Senior Secured	September 2024	Prime + 4.50%, Floor rate 7.75%, PIK Interest 2.00%, 3.00% Exit Fee	\$ 53,000	53,989	53,130	(12)(14)
Veem, Inc.	Senior Secured	March 2025	Prime + 4.00%, Floor rate 7.25%, PIK Interest 1.25%, 4.50% Exit Fee	\$ 5,107	5,176	5,230	(13)(14)
	Senior Secured	March 2025	Prime + 4.70%, Floor rate 7.95%, PIK Interest 1.50%, 4.50% Exit Fee	\$ 5,110	5,189	5,286	(12)(14)
Total Veem, Inc.				\$ 10,217	10,365	10,516	
Worldremit Group Limited	Senior Secured	February 2025	3-month SOFR + 9.40%, Floor rate 10.25%, 3.20% Exit Fee	\$ 88,250	89,318	89,653	(5)(10)(11)(12)(16)(19)
	Senior Secured	February 2025	1-month SOFR + 9.35%, Floor rate 10.25%, 3.20% Exit Fee	\$ 6,250	6,308	6,344	(5)(10)(16)(19)
Total Worldremit Group Limited				\$ 94,500	95,626	95,997	
Subtotal: Consumer & Business Services (28.24%)*					507,063	509,053	
Diversified Financial Services							
Gibraltar Acquisition, LLC (p.k.a. Gibraltar Business Capital, LLC)	Unsecured	September 2026	FIXED 11.50%	\$ 25,000	24,663	24,663	(7)(20)
	Unsecured	September 2026	FIXED 11.95%	\$ 10,000	9,815	9,815	(7)(20)
Total Gibraltar Acquisition, LLC				\$ 35,000	34,478	34,478	

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Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Hercules Adviser LLC	Unsecured	June 2025	FIXED 5.00%	\$ 12,000	\$ 12,000	\$ 12,000	(7)(23)
Next Insurance, Inc.	Senior Secured	February 2028	Prime - (1.50%), Floor rate 4.75%, PIK Interest 5.50%	\$ 10,469	10,286	10,618	(14)(17)(19)
Subtotal: Diversified Financial Services (3.17%)*					56,764	57,096	
Drug Discovery & Development							
Akero Therapeutics, Inc.	Senior Secured	January 2027	Prime + 3.65%, Floor rate 7.65%, 5.85% Exit Fee	\$ 12,500	12,525	13,065	(10)(13)(17)
Aldeyra Therapeutics, Inc.	Senior Secured	October 2024	Prime + 3.10%, Floor rate 8.60%, 8.90% Exit Fee	\$ 15,000	15,152	15,152	(11)
Alladapt Immunotherapeutics Inc.	Senior Secured	September 2026	Prime + 3.65%, Floor rate 8.40%, Cap rate 10.90%, 5.30% Exit Fee	\$ 35,000	35,173	36,855	(13)
AmplifyBio, LLC	Senior Secured	January 2027	Prime + 2.50%, Floor rate 9.50%, Cap rate 10.75%, 5.85% Exit Fee	\$ 24,000	24,120	24,514	(15)
ATAI Life Sciences N.V.	Senior Secured	August 2026	Prime + 4.55%, Floor rate 8.55%, 6.95% Exit Fee	\$ 10,500	10,695	10,904	(5)(10)
Axsome Therapeutics, Inc.	Senior Secured	January 2028	Prime + 2.20%, Floor rate 9.95%, Cap rate 10.70%, 5.78% Exit Fee	\$ 143,350	143,646	150,255	(10)(11)(12)(16)
Bicycle Therapeutics PLC	Senior Secured	July 2025	Prime + 4.55%, Floor rate 8.05%, Cap rate 9.05%, 5.00% Exit Fee	\$ 11,500	11,880	11,783	(5)(10)(11)(12)
BiomX, INC	Senior Secured	September 2025	Prime + 5.70%, Floor rate 8.95%, 6.55% Exit Fee	\$ 6,448	6,807	6,790	(5)(10)(11)
Braeburn, Inc.	Senior Secured	October 2028	Prime + 2.45%, Floor rate 10.95%, PIK Interest 1.10%, 5.45% Exit Fee	\$ 52,601	52,185	52,185	(14)
BridgeBio Pharma, Inc.	Senior Secured	November 2026	FIXED 9.00%, 2.00% Exit Fee	\$ 38,167	38,124	35,498	(12)(13)(14)
Cellarity, Inc.	Senior Secured	June 2026	Prime + 5.70%, Floor rate 8.95%, 3.75% Exit Fee	\$ 29,193	29,482	30,051	(13)(15)
COMPASS Pathways plc	Senior Secured	July 2027	Prime + 1.50%, Floor rate 9.75%, PIK Interest 1.40%, 4.75% Exit Fee	\$ 24,144	23,798	24,601	(5)(10)(14)
Corium, Inc.	Senior Secured	September 2026	Prime + 5.70%, Floor rate 8.95%, 7.75% Exit Fee	\$ 105,225	107,667	108,545	(13)(16)
Curevo, Inc.	Senior Secured	June 2027	Prime + 1.70%, Floor rate 9.70%, 6.95% Exit Fee	\$ 10,000	9,821	10,076	(15)
Eloxx Pharmaceuticals, Inc.	Senior Secured	April 2025	Prime + 6.25%, Floor rate 9.50%, 6.55% Exit Fee	\$ 3,099	3,789	3,731	(15)
enGene, Inc.	Senior Secured	January 2028	Prime + 0.75%, Floor rate 9.25%, Cap rate 9.75%, PIK Interest 1.15%, 5.50% Exit Fee	\$ 15,750	15,550	15,550	(5)(10)
G1 Therapeutics, Inc.	Senior Secured	November 2026	Prime + 5.65%, Floor rate 9.15%, 11.41% Exit Fee	\$ 38,750	39,679	40,421	(11)(12)(15)
Geron Corporation	Senior Secured	April 2025	Prime + 4.50%, Floor rate 9.00%, 6.55% Exit Fee	\$ 30,200	31,005	31,210	(10)(12)(13)
Gritstone Bio, Inc.	Senior Secured	July 2027	Prime + 3.15%, Floor rate 7.15%, Cap rate 8.65%, PIK Interest 2.00%, 5.75% Exit Fee	\$ 30,532	30,717	30,909	(13)(14)
Heron Therapeutics, Inc.	Senior Secured	February 2026	Prime + 1.70%, Floor rate 9.95%, PIK Interest 1.50%, 3.00% Exit Fee	\$ 20,095	19,788	19,788	(14)(15)(17)
Hibercell, Inc.	Senior Secured	May 2025	Prime + 5.40%, Floor rate 8.65%, 4.95% Exit Fee	\$ 12,535	13,117	13,181	(13)(15)
HilleVax, Inc.	Senior Secured	May 2027	Prime + 1.05%, Floor rate 4.55%, Cap rate 6.05%, PIK Interest 2.85%, 7.15% Exit Fee	\$ 20,524	20,685	20,335	(14)(15)
Kura Oncology, Inc.	Senior Secured	November 2027	Prime + 2.40%, Floor rate 8.65%, 15.13% Exit Fee	\$ 5,500	5,532	5,752	(10)(15)(17)
Locus Biosciences, Inc.	Senior Secured	July 2025	Prime + 6.10%, Floor rate 9.35%, 4.95% Exit Fee	\$ 5,399	5,651	5,686	(15)
Madrigal Pharmaceutical, Inc.	Senior Secured	May 2026	Prime + 2.45%, Floor rate 8.25%, 5.35% Exit Fee	\$ 78,200	78,728	81,945	(10)
Phathom Pharmaceuticals, Inc.	Senior Secured	December 2027	Prime + 1.35%, Floor rate 9.85%, PIK Interest 2.15%, 7.29% Exit Fee	\$ 129,699	130,934	128,326	(10)(12)(14)(15)(16)(17)(22)
Redshift Bioanalytics, Inc.	Senior Secured	January 2026	Prime + 4.25%, Floor rate 7.50%, 3.80% Exit Fee	\$ 5,000	5,047	5,119	(15)
Replimune Group, Inc.	Senior Secured	October 2027	Prime + 1.75%, Floor rate 7.25%, Cap rate 9.00%, PIK Interest 1.50%, 4.95% Exit Fee	\$ 31,416	31,450	32,702	(10)(12)(14)
Tarsus Pharmaceuticals, Inc.	Senior Secured	February 2027	Prime + 4.45%, Floor rate 8.45%, Cap rate 11.45%, 4.75% Exit Fee	\$ 12,375	12,488	12,916	(10)(13)(17)
TG Therapeutics, Inc.	Senior Secured	January 2026	Prime + 1.20%, Floor rate 8.95%, PIK Interest 2.25%, 5.69% Exit Fee	\$ 65,770	66,439	67,610	(10)(11)(12)(14)

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Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
uniQure B.V.	Senior Secured	January 2027	Prime + 4.70%, Floor rate 7.95%, 6.10% Exit Fee	\$ 70,000	\$ 71,157	\$ 73,318	(5)(10)(11)(12)
Valo Health, LLC	Senior Secured	May 2024	Prime + 6.45%, Floor rate 9.70%, 3.85% Exit Fee	\$ 2,396	2,808	2,808	(11)(13)
Verona Pharma, Inc.	Senior Secured	December 2028	1-month SOFR + 5.85%, Floor rate 11.19%, Cap rate 13.19%, 3.50% Exit Fee	\$ 15,750	15,646	15,646	(5)(10)
Viridian Therapeutics, Inc.	Senior Secured	October 2026	Prime + 4.20%, Floor rate 7.45%, Cap rate 8.95%, 6.00% Exit Fee	\$ 8,000	8,057	8,023	(10)(13)
X4 Pharmaceuticals, Inc.	Senior Secured	October 2026	Prime + 3.15%, Floor rate 10.15%, 3.80% Exit Fee	\$ 55,000	54,680	55,417	(11)(12)(13)
Subtotal: Drug Discovery & Development (66.60%)*					1,184,022	1,200,667	
Electronics & Computer Hardware							
Locus Robotics Corp.	Senior Secured	June 2026	Prime + 4.50%, Floor rate 8.00%, 4.00% Exit Fee	\$ 18,281	18,348	18,982	(19)
Subtotal: Electronics & Computer Hardware (1.05%)*					18,348	18,982	
Healthcare Services, Other							
Better Therapeutics, Inc.	Senior Secured	August 2025	Prime + 5.70%, Floor rate 8.95%, 5.95% Exit Fee	\$ 10,865	11,285	8,455	(15)
Blue Sprig Pediatrics, Inc.	Senior Secured	November 2026	1-month SOFR + 5.11%, Floor rate 6.00%, PIK Interest 4.45%	\$ 69,032	68,277	68,393	(11)(13)(14)
Carbon Health Technologies, Inc.	Senior Secured	March 2025	Prime + 5.60%, Floor rate 8.85%, 4.61% Exit Fee	\$ 46,125	47,193	46,242	(11)(13)
Equality Health, LLC	Senior Secured	February 2026	Prime + 6.25%, Floor rate 9.50%, PIK Interest 1.55%	\$ 54,425	54,142	54,697	(11)(12)(14)
Main Street Rural, Inc.	Senior Secured	July 2027	Prime + 1.95%, Floor rate 9.95%, 6.85% Exit Fee	\$ 24,500	24,476	24,929	(15)(17)
Modern Life, Inc.	Senior Secured	February 2027	Prime + 2.75%, Floor rate 8.75%, 5.00% Exit Fee	\$ 13,000	12,888	13,111	(13)(17)
Recover Together, Inc.	Senior Secured	July 2027	Prime + 1.90%, Floor rate 10.15%, 7.50% Exit Fee	\$ 35,000	34,683	34,683	
Strive Health Holdings, LLC	Senior Secured	September 2027	Prime + 0.70%, Floor rate 9.20%, 5.95% Exit Fee	\$ 12,000	11,868	11,868	(15)
Vida Health, Inc.	Senior Secured	March 2026	9.20% + Lower of (Prime - 3.25%) or 1.00%, Floor rate 9.20%, Cap rate 10.20%, 4.95% Exit Fee	\$ 36,500	36,352	36,145	(11)
Subtotal: Healthcare Services, Other (16.56%)*					301,164	298,523	
Information Services							
Capella Space Corp.	Senior Secured	November 2025	Prime + 5.00%, Floor rate 8.25%, PIK Interest 1.10%, 7.00% Exit Fee	\$ 20,477	21,166	21,351	(14)(15)
Checkr Group, Inc.	Senior Secured	August 2028	Prime + 1.45%, Floor rate 8.00%, PIK Interest 2.00%, 2.75% Exit Fee	\$ 47,621	47,460	49,382	(14)(17)
Saama Technologies, LLC	Senior Secured	July 2027	Prime + 0.70%, Floor rate 8.95%, PIK Interest 2.00%, 2.95% Exit Fee	\$ 11,725	11,627	11,876	(14)(17)
Signal Media Limited	Senior Secured	June 2025	Prime + 5.50%, Floor rate 9.00%, Cap rate 12.00%, 3.45% Exit Fee	\$ 5,400	5,364	5,392	(5)(10)
Yipit, LLC	Senior Secured	September 2026	1-month SOFR + 8.45%, Floor rate 9.35%	\$ 31,875	31,482	31,875	(17)(18)
Subtotal: Information Services (6.65%)*					117,099	119,876	
Manufacturing Technology							
Bright Machines, Inc.	Senior Secured	May 2025	Prime + 4.00%, Floor rate 9.50%, 5.00% Exit Fee	\$ 7,827	8,064	8,006	(13)
Subtotal: Manufacturing Technology (0.44%)*					8,064	8,006	
Media/Content/Info							
Fever Labs, Inc.	Senior Secured	September 2026	Prime + 3.50%, Floor rate 9.00%, 4.00% Exit Fee	\$ 6,667	6,672	6,768	(19)
	Senior Secured	September 2025	Prime + 3.50%, Floor rate 9.00%, 3.00% Exit Fee	\$ 1,167	1,178	1,188	(19)
	Senior Secured	December 2025	Prime + 3.50%, Floor rate 9.00%, 3.00% Exit Fee	\$ 1,333	1,342	1,351	(19)
	Senior Secured	March 2026	Prime + 3.50%, Floor rate 9.00%, 3.00% Exit Fee	\$ 1,500	1,501	1,509	(19)

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	Senior Secured	June 2026	Prime + 3.50%, Floor rate 9.00%, 3.00% Exit Fee	\$ 1,667	\$ 1,647	\$ 1,653	(19)
Total Fever Labs, Inc.				\$ 12,334	12,340	12,469	
Subtotal: Media/Content/Info (0.69%)*					12,340	12,469	
Medical Devices & Equipment							
Senseonics Holdings, Inc.	Senior Secured	September 2027	Prime + 1.40%, Floor rate 9.90%, 6.95% Exit Fee	\$ 21,875	21,572	21,572	(17)
Subtotal: Medical Devices & Equipment (1.20%)*					21,572	21,572	
Software							
3GTMS, LLC	Senior Secured	February 2025	3-month SOFR + 9.70%, Floor rate 10.60%	\$ 13,110	13,029	13,103	(11)(17)(18)
	Senior Secured	February 2025	3-month SOFR + 6.88%, Floor rate 7.78%	\$ 1,990	1,988	1,986	(17)(18)
Total 3GTMS, LLC				\$ 15,100	15,017	15,089	
Agilence, Inc.	Senior Secured	October 2026	1-month BSBY + 9.00%, Floor rate 10.00%	\$ 9,212	9,040	9,212	(12)(17)(18)
Alchemer LLC	Senior Secured	May 2028	1-month SOFR + 8.14%, Floor rate 9.14%	\$ 20,908	20,508	21,297	(13)(17)(18)
Allvue Systems, LLC	Senior Secured	September 2029	6-month SOFR + 7.25%, Floor rate 8.25%	\$ 36,410	35,530	35,530	(17)
Annex Cloud	Senior Secured	February 2027	1-month BSBY + 9.41%, Floor rate 10.41%	\$ 9,823	9,649	9,761	(13)(17)
Automation Anywhere, Inc.	Senior Secured	September 2027	Prime + 4.25%, Floor rate 9.00%, 4.50% Exit Fee	\$ 19,600	19,345	20,269	(11)(17)(19)
Babel Street	Senior Secured	December 2027	3-month SOFR + 7.89%, Floor rate 8.89%	\$ 45,000	43,983	44,928	(15)(17)(18)
Brain Corporation	Senior Secured	April 2026	Prime + 3.70%, Floor rate 9.20%, PIK Interest 1.00%, 3.95% Exit Fee	\$ 30,415	30,678	30,989	(13)(14)(15)(17)
Campaign Monitor Limited	Senior Secured	November 2025	3-month SOFR + 9.05%, Floor rate 9.90%	\$ 33,000	32,706	33,000	(13)(19)
Catchpoint Systems, Inc.	Senior Secured	November 2025	3-month SOFR + 9.41%, Floor rate 11.81%	\$ 10,073	9,931	9,940	(18)
Ceros, Inc.	Senior Secured	September 2026	6-month SOFR + 8.99%, Floor rate 9.89%	\$ 22,867	22,498	23,075	(17)(18)
Constructor.io Corporation	Senior Secured	July 2027	1-month SOFR + 8.44%, Floor rate 9.44%	\$ 4,688	4,592	4,790	(13)(17)(18)
Convoy, Inc.	Senior Secured	March 2026	Prime + 3.20%, Floor rate 6.45%, PIK Interest 1.95%, 4.55% Exit Fee	\$ 31,049	30,916	—	(8)(14)(19)
Copper CRM, Inc	Senior Secured	March 2025	Prime + 4.50%, Floor rate 8.25%, Cap rate 10.25%, PIK Interest 1.95%, 3.96% Exit Fee	\$ 9,141	9,307	9,153	(11)(14)
Cutover, Inc.	Senior Secured	October 2025	Prime + 5.20%, Floor rate 9.95%, 4.95% Exit Fee	\$ 5,500	5,544	5,715	(5)(10)(12)(17)
Cybermaxx Intermediate Holdings, Inc.	Senior Secured	August 2026	6-month SOFR + 8.63%, Floor rate 9.38%	\$ 7,955	7,830	7,778	(13)(17)
	Senior Secured	August 2026	6-month SOFR + 12.36%, Floor rate 13.11%	\$ 2,546	2,494	2,556	(17)
Total Cybermaxx Intermediate Holdings, Inc.				\$ 10,501	10,324	10,334	
Dashlane, Inc.	Senior Secured	December 2027	Prime + 3.05%, Floor rate 11.55%, PIK Interest 1.10%, 7.26% Exit Fee	\$ 42,863	43,087	43,087	(11)(13)(17)(19)
Dispatch Technologies, Inc.	Senior Secured	April 2028	3-month SOFR + 8.01%, Floor rate 8.76%	\$ 8,125	7,949	8,127	(17)(18)
DroneDeploy, Inc.	Senior Secured	July 2026	Prime + 4.50%, Floor rate 8.75%, 4.00% Exit Fee	\$ 6,250	6,083	6,153	(17)
Eigen Technologies Ltd.	Senior Secured	April 2025	Prime + 5.10%, Floor rate 8.35%, 2.95% Exit Fee	\$ 3,750	3,801	3,730	(5)(10)
Elation Health, Inc.	Senior Secured	March 2026	Prime + 4.25%, Floor rate 9.00%, PIK Interest 1.95%, 3.95% Exit Fee	\$ 12,629	12,253	12,692	(14)(17)(19)
Enmark Systems, Inc.	Senior Secured	September 2026	3-month SOFR + 6.73%, Floor rate 7.73%, PIK Interest 2.13%	\$ 8,363	8,230	8,363	(11)(14)(17)(18)
Flight Schedule Pro, LLC	Senior Secured	October 2027	1-month SOFR + 7.80%, Floor rate 8.70%	\$ 6,587	6,420	6,553	(17)(18)
Fortified Health Security	Senior Secured	December 2027	1-month SOFR + 7.64%, Floor rate 8.54%	\$ 7,000	6,851	6,910	(11)(17)(18)
iGrafX, LLC	Senior Secured	May 2027	1-month SOFR + 8.66%, Floor rate 9.56%	\$ 5,000	4,901	4,901	(18)

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Portfolio Company	Type of Investment	Maturity Date	Interest Rate and Floor ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value	Footnotes
Ikon Science Limited	Senior Secured	October 2024	3-month SOFR + 9.26%, Floor rate 10.00%	\$ 6,213	\$ 6,148	\$ 6,148	(5)(10)(17)(18)
Khoros (p.k.a Lithium Technologies)	Senior Secured	January 2025	3-month SOFR + 4.50%, Floor rate 5.50%, PIK Interest 4.50%	\$ 57,770	57,730	56,293	(14)
Leapwork ApS	Senior Secured	February 2026	Prime + 0.25%, Floor rate 7.25%, PIK Interest 1.95%, 2.70% Exit Fee	\$ 3,813	3,810	3,907	(5)(10)(12)(14)(17)
LinenMaster, LLC	Senior Secured	August 2028	1-month SOFR + 6.25%, Floor rate 7.25%, PIK Interest 2.15%	\$ 15,083	14,799	14,799	(14)(17)
Loftware, Inc.	Senior Secured	March 2028	3-month SOFR + 7.88%, Floor rate 8.88%	\$ 26,469	25,897	26,566	(17)(18)
LogicSource	Senior Secured	July 2027	3-month SOFR + 8.93%, Floor rate 9.93%	\$ 13,300	13,074	13,493	(17)(18)
Mobile Solutions Services	Senior Secured	December 2025	6-month SOFR + 9.31%, Floor rate 10.06%	\$ 18,366	18,116	18,176	(18)
New Relic, Inc.	Senior Secured	November 2030	3-month SOFR + 6.75%, Floor rate 7.75%	\$ 20,890	20,375	20,375	(17)
Omeda Holdings, LLC	Senior Secured	July 2027	3-month SOFR + 8.05%, Floor rate 9.05%	\$ 7,706	7,508	7,702	(11)(17)(18)
Onna Technologies, Inc.	Senior Secured	March 2026	Prime + 1.35%, Floor rate 8.85%, PIK Interest 1.75%, 4.45% Exit Fee	\$ 3,853	3,814	3,810	(14)
Salary.com, LLC	Senior Secured	September 2027	3-month SOFR + 8.00%, Floor rate 9.00%	\$ 22,185	21,814	22,048	(18)
ShadowDragon, LLC	Senior Secured	December 2026	1-month SOFR + 9.01%, Floor rate 9.91%	\$ 6,000	5,883	5,921	(17)(18)
Simon Data, Inc.	Senior Secured	March 2027	Prime + 1.00%, Floor rate 8.75%, PIK Interest 1.95%, 2.92% Exit Fee	\$ 15,065	14,982	15,037	(12)(14)
Sisense Ltd.	Senior Secured	July 2027	Prime + 1.50%, Floor rate 9.50%, PIK Interest 1.95%, 5.95% Exit Fee	\$ 34,830	34,584	34,881	(5)(10)(14)
Streamline Healthcare Solutions	Senior Secured	March 2028	3-month SOFR + 7.25%, Floor rate 8.25%	\$ 13,200	12,953	13,327	(17)(18)
Sumo Logic, Inc.	Senior Secured	May 2030	3-month SOFR + 6.50%, Floor rate 7.50%	\$ 23,000	22,460	23,105	(17)
Suzu, Inc.	Senior Secured	August 2027	Prime + 1.75%, Floor rate 10.00%, PIK Interest 1.95%, 3.45% Exit Fee	\$ 12,064	11,837	11,837	(14)(15)(17)
ThreatConnect, Inc.	Senior Secured	May 2026	6-month SOFR + 9.25%, Floor rate 10.00%	\$ 10,920	10,730	10,920	(17)(18)
Tipalti Solutions Ltd.	Senior Secured	April 2027	Prime + 0.45%, Floor rate 7.95%, PIK Interest 2.00%, 3.75% Exit Fee	\$ 10,649	10,578	10,835	(5)(10)(14)(17)
Zappi, Inc.	Senior Secured	December 2027	3-month SOFR + 8.03%, Floor rate 9.03%	\$ 9,000	8,816	8,967	(5)(10)(13)(17)(18)
Zimperium, Inc.	Senior Secured	May 2027	3-month SOFR + 8.31%, Floor rate 9.31%	\$ 16,313	16,057	16,394	(17)(18)
Subtotal: Software (40.39%)*					751,108	728,139	
Sustainable and Renewable Technology							
Ampion, PBC	Senior Secured	May 2025	Prime + 4.70%, Floor rate 7.95%, PIK Interest 1.45%, 3.78% Exit Fee	\$ 3,926	3,952	3,939	(13)(14)
Pineapple Energy LLC	Senior Secured	June 2027	FIXED 10.00%	\$ 1,682	1,682	1,678	(19)
Subtotal: Sustainable and Renewable Technology (0.31%)*					5,634	5,617	
Total: Debt Investments (169.59%)*					\$ 3,058,370	\$ 3,057,299	

Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Equity Investments							
Consumer & Business Products							
Fabletics, Inc.	Equity	4/30/2010	Common Stock	42,989	\$ 128	\$ 96	
	Equity	7/16/2013	Preferred Series B	130,191	1,101	700	
Total Fabletics, Inc.				173,180	1,229	796	
Grove Collaborative, Inc.	Equity	4/30/2021	Common Stock	12,260	433	21	(4)
Savage X Holding, LLC	Equity	4/30/2010	Class A Units	172,328	13	863	

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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
TFG Holding, Inc.	Equity	4/30/2010	Common Stock	173,180	\$ 89	\$ 584	
Subtotal: Consumer & Business Products (0.13%)*					1,764	2,264	
Consumer & Business Services							
Carwow LTD	Equity	12/15/2021	Preferred Series D-4	199,742	1,151	679	(5)(10)
DoorDash, Inc.	Equity	12/20/2018	Common Stock	56,996	657	5,636	(4)
Lyft, Inc.	Equity	12/26/2018	Common Stock	100,738	5,263	1,510	(4)
Nerdy Inc.	Equity	9/17/2021	Common Stock	100,000	1,000	343	(4)
OfferUp, Inc.	Equity	10/25/2016	Preferred Series A	286,080	1,663	377	
	Equity	10/25/2016	Preferred Series A-1	108,710	632	143	
Total OfferUp, Inc.				394,790	2,295	520	
Oportun	Equity	6/28/2013	Common Stock	48,365	577	189	(4)
Reischling Press, Inc.	Equity	7/31/2020	Common Stock	3,095	39	—	
Rhino Labs, Inc.	Equity	1/24/2022	Common Stock	7,063	1,000	559	
Tectura Corporation	Equity	5/23/2018	Common Stock	414,994,863	900	4	(7)
	Equity	6/6/2016	Preferred Series BB	1,000,000	—	12	(7)
	Equity	12/29/2023	Preferred Series C	3,235,298	13,263	3,251	(7)
Total Tectura Corporation				419,230,161	14,163	3,267	
Subtotal: Consumer & Business Services (0.70%)*					26,145	12,703	
Diversified Financial Services							
Gibraltar Acquisition, LLC (p.k.a. Gibraltar Business Capital, LLC)	Equity	3/1/2018	Member Units	1	34,006	28,034	(7)(20)
Hercules Adviser LLC	Equity	3/26/2021	Member Units	1	35	28,713	(7)(23)
Newfront Insurance Holdings, Inc.	Equity	9/30/2021	Preferred Series D-2	210,282	403	325	
Subtotal: Diversified Financial Services (3.17%)*					34,444	57,072	
Drug Delivery							
Aytu BioScience, Inc.	Equity	3/28/2014	Common Stock	680	1,500	2	(4)
BioQ Pharma Incorporated	Equity	12/8/2015	Preferred Series D	165,000	500	—	
PDS Biotechnology Corporation	Equity	4/6/2015	Common Stock	2,498	309	12	(4)
Talpheria, Inc. (p.k.a. AcclRx Pharmaceuticals, Inc.)	Equity	12/10/2018	Common Stock	8,836	1,329	7	(4)
Subtotal: Drug Delivery (0.00%)*					3,638	21	
Drug Discovery & Development							
Avalo Therapeutics, Inc.	Equity	8/19/2014	Common Stock	42	1,000	—	(4)
Axsome Therapeutics, Inc.	Equity	5/9/2022	Common Stock	127,021	4,165	10,110	(4)(10)(16)
Bicycle Therapeutics PLC	Equity	10/5/2020	Common Stock	98,100	1,871	1,774	(4)(5)(10)
BridgeBio Pharma, Inc.	Equity	6/21/2018	Common Stock	231,329	2,255	9,339	(4)
Cyclo Therapeutics, Inc. (p.k.a. Applied Molecular Transport)	Equity	4/6/2021	Common Stock	134	42	—	(4)(10)
Dare Biosciences, Inc.	Equity	1/8/2015	Common Stock	13,550	1,000	4	(4)

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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Dynavax Technologies	Equity	7/22/2015	Common Stock	20,000	\$ 550	\$ 280	(4)(10)
Gritstone Bio, Inc.	Equity	10/26/2022	Common Stock	442,477	1,000	903	(4)
Heron Therapeutics, Inc.	Equity	7/25/2023	Common Stock	364,963	500	620	(4)
Hibercell, Inc.	Equity	5/7/2021	Preferred Series B	3,466,840	4,250	1,834	(15)
HilleVax, Inc.	Equity	5/3/2022	Common Stock	235,295	4,000	3,777	(4)
Humanigen, Inc.	Equity	3/31/2021	Common Stock	43,243	800	—	(4)(10)
Kura Oncology, Inc.	Equity	6/16/2023	Common Stock	47,826	550	688	(4)(10)
Madrigal Pharmaceutical, Inc.	Equity	9/29/2023	Common Stock	5,100	773	1,180	(4)(10)
NorthSea Therapeutics	Equity	12/15/2021	Preferred Series C	983	2,000	1,427	(5)(10)
Phathom Pharmaceuticals, Inc.	Equity	6/9/2023	Common Stock	147,233	1,730	1,344	(4)(10)(16)
Rocket Pharmaceuticals, Ltd.	Equity	8/22/2007	Common Stock	944	1,500	28	(4)
Savara, Inc.	Equity	8/11/2015	Common Stock	11,119	203	52	(4)
Sio Gene Therapies, Inc.	Equity	2/2/2017	Common Stock	16,228	1,269	6	(4)
Tarsus Pharmaceuticals, Inc.	Equity	5/5/2022	Common Stock	155,555	2,100	3,150	(4)(10)
uniQure B.V.	Equity	1/31/2019	Common Stock	17,175	332	116	(4)(5)(10)
Valo Health, LLC	Equity	12/11/2020	Preferred Series B	510,308	3,000	2,911	
	Equity	10/31/2022	Preferred Series C	170,102	1,000	1,187	
Total Valo Health, LLC				680,410	4,000	4,098	
Verge Analytics, Inc.	Equity	9/6/2023	Preferred Series C	208,588	1,500	1,753	
Viridian Therapeutics, Inc.	Equity	11/6/2023	Common Stock	32,310	400	704	(4)(10)
X4 Pharmaceuticals, Inc.	Equity	11/26/2019	Common Stock	1,566,064	2,945	1,313	(4)
Subtotal: Drug Discovery & Development (2.47%)*					40,735	44,500	
Electronics & Computer Hardware							
Locus Robotics Corp.	Equity	11/17/2022	Preferred Series F	15,116	650	407	
Skydio, Inc.	Equity	3/8/2022	Preferred Series E	248,900	1,500	544	
Subtotal: Electronics & Computer Hardware (0.05%)*					2,150	951	
Healthcare Services, Other							
23andMe, Inc.	Equity	3/11/2019	Common Stock	825,732	5,094	754	(4)
Carbon Health Technologies, Inc.	Equity	3/30/2021	Preferred Series C	217,880	1,688	206	
Subtotal: Healthcare Services, Other (0.05%)*					6,782	960	
Information Services							
Planet Labs, Inc.	Equity	6/21/2019	Common Stock	547,880	615	1,353	(4)
Yipit, LLC	Equity	12/30/2021	Preferred Series E	41,021	3,825	4,890	
Subtotal: Information Services (0.35%)*					4,440	6,243	
Medical Devices & Equipment							
Coronado Aesthetics, LLC	Equity	10/15/2021	Common Units	180,000	—	2	(7)

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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
	Equity	10/15/2021	Preferred Series A-2	5,000,000	\$ 250	\$ 260	(7)
Total Coronado Aesthetics, LLC				5,180,000	250	262	
Subtotal: Medical Devices & Equipment (0.01%)*					250	262	
Semiconductors							
Achronix Semiconductor Corporation	Equity	7/1/2011	Preferred Series C	277,995	160	394	
Subtotal: Semiconductors (0.02%)*					160	394	
Software							
3GTMS, LLC	Equity	8/9/2021	Common Stock	1,000,000	1,000	863	
Black Crow AI, Inc. affiliates	Equity	3/24/2021	Preferred Note	3	2,406	2,406	(21)
CapLinked, Inc.	Equity	10/26/2012	Preferred Series A-3	53,614	51	—	
Contentful Global, Inc.	Equity	12/22/2020	Preferred Series C	41,000	138	303	(5)(10)
	Equity	11/20/2018	Preferred Series D	108,500	500	842	(5)(10)
Total Contentful Global, Inc.				149,500	638	1,145	
Docker, Inc.	Equity	11/29/2018	Common Stock	20,000	4,284	636	
Druva Holdings, Inc.	Equity	10/22/2015	Preferred Series 2	458,841	1,000	2,752	
	Equity	8/24/2017	Preferred Series 3	93,620	300	587	
Total Druva Holdings, Inc.				552,461	1,300	3,339	
HighRoads, Inc.	Equity	1/18/2013	Common Stock	190	307	—	
Leapwork ApS	Equity	8/25/2023	Preferred Series B2	183,073	250	231	(5)(10)
Lightbend, Inc.	Equity	12/4/2020	Common Stock	38,461	265	23	
Nextdoor.com, Inc.	Equity	8/1/2018	Common Stock	1,019,255	4,854	1,927	(4)
Palantir Technologies	Equity	9/23/2020	Common Stock	568,337	3,474	9,758	(4)
SingleStore, Inc.	Equity	11/25/2020	Preferred Series E	580,983	2,000	1,721	
	Equity	8/12/2021	Preferred Series F	52,956	280	196	
Total SingleStore, Inc.				633,939	2,280	1,917	
Verana Health, Inc.	Equity	7/8/2021	Preferred Series E	952,562	2,000	422	
ZeroFox, Inc.	Equity	5/7/2020	Common Stock	289,992	101	252	(4)
Subtotal: Software (1.27%)*					23,210	22,919	
Sustainable and Renewable Technology							
Fulcrum Bioenergy, Inc.	Equity	9/13/2012	Preferred Series C-1	187,265	711	529	
Impossible Foods, Inc.	Equity	5/10/2019	Preferred Series E-1	188,611	2,000	479	
Modumetal, Inc.	Equity	6/1/2015	Common Stock	1,035	500	—	
NantEnergy, LLC	Equity	8/31/2013	Common Units	59,665	102	—	
Pineapple Energy LLC	Equity	12/10/2020	Common Stock	304,487	3,153	180	(4)
Pivot Bio, Inc.	Equity	6/28/2021	Preferred Series D	593,080	4,500	2,684	
Proterra, Inc.	Equity	5/28/2015	Common Stock	457,841	542	9	(4)
Subtotal: Sustainable and Renewable Technology (0.22%)*					11,508	3,881	
Total: Equity Investments (8.44%)*					\$ 155,226	\$ 152,170	

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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Warrant Investments							
Biotechnology Tools							
Alamar Biosciences, Inc.	Warrant	6/21/2022	Preferred Series B	46,197	\$ 36	\$ 20	
PathAI, Inc.	Warrant	12/23/2022	Common Stock	53,418	460	334	(12)
Subtotal: Biotechnology Tools (0.02%)*					496	354	
Communications & Networking							
Aryaka Networks, Inc.	Warrant	6/28/2022	Common Stock	229,611	123	128	(12)
Subtotal: Communications & Networking (0.01%)*					123	128	
Consumer & Business Products							
Gadget Guard, LLC	Warrant	6/3/2014	Common Stock	1,662,441	228	—	
The Neat Company	Warrant	8/13/2014	Common Stock	54,054	365	—	
Whoop, Inc.	Warrant	6/27/2018	Preferred Series C	686,270	18	325	
Subtotal: Consumer & Business Products (0.02%)*					611	325	
Consumer & Business Services							
Carwow LTD	Warrant	12/14/2021	Common Stock	174,163	164	75	(5)(10)
Houzz, Inc.	Warrant	10/29/2019	Common Stock	529,661	20	—	
Landing Holdings Inc.	Warrant	3/12/2021	Common Stock	11,806	116	298	(15)
Lendio, Inc.	Warrant	3/29/2019	Preferred Series D	127,032	39	33	
Plentific Ltd	Warrant	10/3/2023	Ordinary Shares	19,499	48	51	(5)(10)
Provi	Warrant	12/22/2022	Common Stock	117,042	166	74	(15)
Rhino Labs, Inc.	Warrant	3/12/2021	Common Stock	13,106	470	4	(15)
SeatGeek, Inc.	Warrant	6/12/2019	Common Stock	1,379,761	842	3,065	(16)
Skyword, Inc.	Warrant	11/14/2022	Common Stock	1,607,143	57	58	
	Warrant	8/23/2019	Preferred Series B	444,444	83	5	
Total Skyword, Inc.				2,051,587	140	63	
Snagajob.com, Inc.	Warrant	4/20/2020	Common Stock	600,000	16	—	
	Warrant	6/30/2016	Preferred Series A	1,800,000	782	—	
	Warrant	8/1/2018	Preferred Series B	1,211,537	62	—	
Total Snagajob.com, Inc.				3,611,537	860	—	
Thumbtack, Inc.	Warrant	5/1/2018	Common Stock	267,225	844	515	(12)
Udacity, Inc.	Warrant	9/25/2020	Common Stock	486,359	218	—	(12)
Veem, Inc.	Warrant	3/31/2022	Common Stock	98,428	126	16	(12)
Worldremit Group Limited	Warrant	2/11/2021	Preferred Series D	77,215	129	23	(5)(10)(12)(16)
	Warrant	8/27/2021	Preferred Series E	1,868	26	—	(5)(10)(16)
Total Worldremit Group Limited				79,083	155	23	
Subtotal: Consumer & Business Services (0.23%)*					4,208	4,217	

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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Diversified Financial Services							
Next Insurance, Inc.	Warrant	2/3/2023	Common Stock	522,930	\$ 214	\$ 554	
Subtotal: Diversified Financial Services (0.03%)*					214	554	
Drug Delivery							
Aerami Therapeutics Holdings, Inc.	Warrant	6/1/2016	Common Stock	67,069	—	—	
BioQ Pharma Incorporated	Warrant	10/27/2014	Common Stock	459,183	2	—	
PDS Biotechnology Corporation	Warrant	8/28/2014	Common Stock	3,929	390	—	(4)
Subtotal: Drug Delivery (0.00%)*					392	—	
Drug Discovery & Development							
ADMA Biologics, Inc.	Warrant	2/24/2014	Common Stock	58,000	166	11	(4)
Akero Therapeutics, Inc.	Warrant	6/15/2022	Common Stock	22,949	175	335	(4)(10)
AmplifyBio, LLC	Warrant	12/27/2022	Class A Units	69,239	237	184	(15)
Axsome Therapeutics, Inc.	Warrant	9/25/2020	Common Stock	61,004	1,290	1,657	(4)(10)(12)(16)
Cellarity, Inc.	Warrant	12/8/2021	Preferred Series B	100,000	287	201	(15)
Century Therapeutics, Inc.	Warrant	9/14/2020	Common Stock	16,112	37	1	(4)
COMPASS Pathways plc	Warrant	6/30/2023	Ordinary Shares	75,376	278	285	(4)(5)(10)
Curevo, Inc.	Warrant	6/9/2023	Common Stock	95,221	233	251	(15)
Dermavant Sciences Ltd.	Warrant	5/31/2019	Common Stock	223,642	101	7	(5)(10)
enGene, Inc.	Warrant	12/22/2023	Common Stock	43,689	118	179	(4)(5)(10)
Evoform Biosciences, Inc.	Warrant	6/11/2014	Common Stock	3	266	—	(4)
Fresh Tracks Therapeutics, Inc. (p.k.a. Brickell Biotech, Inc.)	Warrant	2/18/2016	Common Stock	201	119	—	(4)
Heron Therapeutics, Inc.	Warrant	8/9/2023	Common Stock	238,095	228	223	(4)(15)
Kineta, Inc.	Warrant	12/20/2019	Common Stock	2,202	110	—	(4)
Kura Oncology, Inc.	Warrant	11/2/2022	Common Stock	14,342	88	63	(4)(10)(15)
Madrigal Pharmaceutical, Inc.	Warrant	5/9/2022	Common Stock	13,229	570	1,842	(4)(10)
Phathom Pharmaceuticals, Inc.	Warrant	9/17/2021	Common Stock	64,687	848	68	(4)(10)(12)(15)(16)
Redshift Bioanalytics, Inc.	Warrant	3/23/2022	Preferred Series E	475,510	20	6	(15)
Scynexis, Inc.	Warrant	5/14/2021	Common Stock	106,035	296	28	(4)
TG Therapeutics, Inc.	Warrant	2/28/2019	Common Stock	264,226	1,284	2,583	(4)(10)(12)
Valo Health, LLC	Warrant	6/15/2020	Common Units	102,216	256	153	
X4 Pharmaceuticals, Inc.	Warrant	3/18/2019	Common Stock	1,392,787	510	225	(4)
Subtotal: Drug Discovery & Development (0.46%)*					7,517	8,302	
Electronics & Computer Hardware							
908 Devices, Inc.	Warrant	3/15/2017	Common Stock	49,078	101	175	(4)
Locus Robotics Corp.	Warrant	6/21/2022	Common Stock	8,503	34	102	
Skydio, Inc.	Warrant	11/8/2021	Common Stock	622,255	557	114	
Subtotal: Electronics & Computer Hardware (0.02%)*					692	391	

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Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Healthcare Services, Other							
Modern Life, Inc.	Warrant	3/30/2023	Common Stock	37,618	\$ 164	\$ 165	
Recover Together, Inc.	Warrant	7/3/2023	Common Stock	194,830	382	327	
Strive Health Holdings, LLC	Warrant	9/28/2023	Common Units	51,760	83	95	(15)
Vida Health, Inc.	Warrant	3/28/2022	Common Stock	192,431	121	9	
Subtotal: Healthcare Services, Other (0.03%)*					750	596	
Information Services							
Capella Space Corp.	Warrant	10/21/2021	Common Stock	176,200	207	33	(15)
INMOBI Inc.	Warrant	11/19/2014	Common Stock	65,587	82	—	(5)(10)
NetBase Solutions, Inc.	Warrant	8/22/2017	Preferred Series 1	60,000	356	362	
Signal Media Limited	Warrant	6/29/2022	Common Stock	113,828	49	91	(5)(10)
Subtotal: Information Services (0.03%)*					694	486	
Manufacturing Technology							
Bright Machines, Inc.	Warrant	3/31/2022	Common Stock	392,308	537	279	
MacroFab, Inc.	Warrant	3/23/2022	Common Stock	1,111,111	528	677	
Xometry, Inc.	Warrant	5/9/2018	Common Stock	87,784	47	2,044	(4)
Subtotal: Manufacturing Technology (0.17%)*					1,112	3,000	
Media/Content/Info							
Fever Labs, Inc.	Warrant	12/30/2022	Preferred Series E-1	369,370	67	235	
Subtotal: Media/Content/Info (0.01%)*					67	235	
Medical Devices & Equipment							
Intuity Medical, Inc.	Warrant	12/29/2017	Preferred Series B-1	3,076,323	294	—	
Outset Medical, Inc.	Warrant	9/27/2013	Common Stock	62,794	401	78	(4)
Senseonics Holdings, Inc.	Warrant	9/8/2023	Common Stock	728,317	200	184	(4)
Tela Bio, Inc.	Warrant	3/31/2017	Common Stock	15,712	61	—	(4)
Subtotal: Medical Devices & Equipment (0.01%)*					956	262	
Semiconductors							
Achronix Semiconductor Corporation	Warrant	6/26/2015	Preferred Series D-2	750,000	99	811	
Subtotal: Semiconductors (0.04%)*					99	811	
Software							
Aria Systems, Inc.	Warrant	5/22/2015	Preferred Series G	231,535	74	—	
Automation Anywhere, Inc.	Warrant	9/23/2022	Common Stock	254,778	448	430	
Bitsight Technologies, Inc.	Warrant	11/18/2020	Common Stock	29,691	284	666	
Brain Corporation	Warrant	10/4/2021	Common Stock	194,629	165	47	(15)
CloudBolt Software, Inc.	Warrant	9/30/2020	Common Stock	211,342	117	12	
Cloudean, Inc.	Warrant	11/6/2018	Common Stock	477,454	71	29	
Cloudpay, Inc.	Warrant	4/10/2018	Preferred Series B	6,763	54	844	(5)(10)
Couchbase, Inc.	Warrant	4/25/2019	Common Stock	105,350	462	1,225	(4)

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Cutover, Inc.	Warrant	9/21/2022	Common Stock	102,898	\$ 26	\$ 62	(5)(10)(12)
Dashlane, Inc.	Warrant	3/11/2019	Common Stock	770,838	461	258	
Delphix Corp.	Warrant	10/8/2019	Common Stock	718,898	1,594	3,801	
Demandbase, Inc.	Warrant	8/2/2021	Common Stock	727,047	545	396	
DNAexus, Inc.	Warrant	3/21/2014	Preferred Series C	909,091	97	47	
Dragos, Inc.	Warrant	6/28/2023	Common Stock	49,309	1,452	1,207	
DroneDeploy, Inc.	Warrant	6/30/2022	Common Stock	95,911	278	413	
Eigen Technologies Ltd.	Warrant	4/13/2022	Common Stock	522	8	4	(5)(10)
Elation Health, Inc.	Warrant	9/12/2022	Common Stock	362,837	583	188	
First Insight, Inc.	Warrant	5/10/2018	Preferred Series B	75,917	96	77	
Fulfil Solutions, Inc.	Warrant	7/29/2022	Common Stock	84,995	325	456	
Kore.ai, Inc.	Warrant	3/31/2023	Preferred Series C	64,293	208	243	
Leapwork ApS	Warrant	1/23/2023	Common Stock	39,948	16	35	(5)(10)(12)
Lightbend, Inc.	Warrant	2/14/2018	Preferred Series D	89,685	131	49	
Mixpanel, Inc.	Warrant	9/30/2020	Common Stock	82,362	252	306	
Onna Technologies, Inc.	Warrant	7/5/2023	Common Stock	172,867	60	39	
Poplicus, Inc.	Warrant	5/28/2014	Common Stock	132,168	—	—	
Reltio, Inc.	Warrant	6/30/2020	Common Stock	69,120	215	447	
Simon Data, Inc.	Warrant	3/22/2023	Common Stock	77,934	96	76	(12)
SingleStore, Inc.	Warrant	4/28/2020	Preferred Series D	312,596	103	386	
Sisense Ltd.	Warrant	6/8/2023	Ordinary Shares	321,956	174	128	(5)(10)
Suzy, Inc.	Warrant	8/24/2023	Common Stock	292,936	367	354	(15)
The Faction Group LLC	Warrant	11/3/2014	Preferred Series AA	8,076	234	904	
Tipalti Solutions Ltd.	Warrant	3/22/2023	Ordinary Shares	254,877	174	234	(5)(10)
VideoAmp, Inc.	Warrant	1/21/2022	Common Stock	152,048	1,275	186	(15)
Subtotal: Software (0.75%)*					10,445	13,549	
Surgical Devices							
TransMedics Group, Inc.	Warrant	9/11/2015	Common Stock	14,440	39	676	(4)
Subtotal: Surgical Devices (0.04%)*					39	676	
Sustainable and Renewable Technology							
Ampion, PBC	Warrant	4/15/2022	Common Stock	18,472	52	36	
Halio, Inc.	Warrant	4/22/2014	Preferred Series A	325,000	155	36	
	Warrant	4/7/2015	Preferred Series B	131,883	63	11	
Total Halio, Inc.				456,883	218	47	
Polyera Corporation	Warrant	3/24/2015	Preferred Series C	150,036	269	—	
Subtotal: Sustainable and Renewable Technology (0.00%)*					539	83	
Total: Warrant Investments (1.88%)*					\$ 28,954	\$ 33,969	
Total Investments in Securities (179.92%)*					\$ 3,242,550	\$ 3,243,438	

See notes to consolidated financial statements

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2023
(dollars in thousands)

Portfolio Company	Type of Investment	Acquisition Date ⁽⁴⁾	Series ⁽³⁾	Shares	Cost ⁽²⁾	Value	Footnotes
Investment Funds & Vehicles Investments							
Drug Discovery & Development							
Forbion Growth Opportunities Fund I C.V.	Investment Funds & Vehicles	11/16/2020			\$ 3,783	\$ 3,619	(5)(10)(17)
Forbion Growth Opportunities Fund II C.V.	Investment Funds & Vehicles	6/23/2022			319	611	(5)(10)(17)
Subtotal: Drug Discovery & Development (0.23%)*					4,102	4,230	
Software							
Liberty Zim Co-Invest L.P.	Investment Funds & Vehicles	7/21/2022			381	378	(5)(10)
Subtotal: Software (0.02%)*					381	378	
Total: Investment Funds & Vehicles Investments (0.26%)*					\$ 4,483	\$ 4,608	
Total Investments before Cash and Cash Equivalents (180.18%)*					\$ 3,247,033	\$ 3,248,046	
Cash & Cash Equivalents							
GS Financial Square Government Fund	Cash & Cash Equivalents		FGTXX/38141W273		\$ 56,000	\$ 56,000	
Total: Investments in Cash & Cash Equivalents (3.11%)*					\$ 56,000	\$ 56,000	
Total: Investments after Cash & Cash Equivalents (183.28%)*					\$ 3,303,033	\$ 3,304,046	
Foreign Currency Forward Contracts							
Foreign Currency		Settlement Date	Counterparty	Amount	Transaction	US \$ Value at Settlement Date	Value
Great British Pound (GBP)		6/3/2024	Goldman Sachs Bank USA	£ 19,288	Sold	\$ 23,810	\$ (766)
Total: Total Foreign Currency Forward ((0.04))*						\$ 23,810	\$ (766)

* Value as a percent of net assets. All amounts are stated in U.S. Dollars unless otherwise noted. The Company uses the Standard Industrial Code for classifying the industry grouping of its portfolio companies.

- (1) Prime represents 8.50% as of December 31, 2023. 1-month SOFR, 3-month SOFR, and 6-month SOFR represent 5.34%, 5.36%, and 5.35%, respectively, as of December 31, 2023.
- (2) Gross unrealized appreciation, gross unrealized depreciation, and net unrealized appreciation for federal income tax purposes totaled \$118.3 million, \$115.9 million, and \$2.4 million, respectively. The tax cost of investments is \$3.2 billion.
- (3) Preferred and common stock, warrants, and equity interests are generally non-income producing.
- (4) Except for warrants in 24 publicly traded companies and common stock in 36 publicly traded companies, all investments are restricted as of December 31, 2023 and were valued at fair value using Level 3 significant unobservable inputs as determined in good faith by the Company's Valuation Committee and approved by the Board.
- (5) Non-U.S. company or the company's principal place of business is outside the United States.
- (6) [Reserved]
- (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 as of December 31, 2023, and is therefore considered non-income producing.
- (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 is pledged as collateral under the SMBC Facility (as defined in "Note 5 — Debt").
- (12) Denotes that all or a portion of the investment is pledged as collateral under the MUFG Bank Facility (as defined in "Note 5 — Debt").
- (13) Denotes that all or a portion of the debt investment secures the 2031 Asset-Backed Notes (as defined in "Note 5 — Debt").

See notes to consolidated financial statements

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2023
(dollars in thousands)

- (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 Capital IV, L.P., the Company's wholly owned small business investment company.
- (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 net assets as of December 31, 2023.
- (17) Denotes that there is an unfunded contractual commitment available at the request of this portfolio company as of December 31, 2023 (Refer to "Note 11 — Commitments and Contingencies").
- (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.
- (20) Gibraltar Acquisition LLC is a wholly-owned subsidiary, which is the holding company for their wholly-owned affiliated portfolio companies, Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC.
- (21) Denotes investment in a non-voting security in the form of a promissory note. The terms of the notes provide the Company with a lien on the issuers' shares of Common Stock for Black Crow AI, Inc., subject to release upon repayment of the outstanding balance of the notes. As of December 31, 2023, the Black Crow AI, Inc. affiliates promissory notes had an outstanding balance of \$2.4 million.
- (22) Denotes the security holds rights to royalty fee income associated with certain products of the portfolio company. The approximate cost and fair value of the royalty contract are \$12.0 million and \$9.4 million, respectively.
- (23) Hercules Adviser LLC is owned by Hercules Capital Management LLC and presented with Hercules Partner Holdings, LLC which are both wholly owned by the Company. Please refer to "Note 1" for additional disclosure.

HERCULES CAPITAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Description of Business

Hercules Capital, Inc. (the “Company”) is a specialty finance company focused on providing senior secured loans to high-growth, innovative venture capital-backed and institutional-backed companies in a variety of technology and life sciences industries. The Company sources its investments through its principal office located in San Mateo, CA, as well as through its additional offices in Boston, MA, New York, NY, Bethesda, MD, San Diego, CA, Denver, CO, and London, United Kingdom. The Company was incorporated under the General Corporation Law of the State of Maryland in December 2003.

The Company is an internally managed, non-diversified closed-end investment company that has elected to be regulated as a Business Development Company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). From incorporation through December 31, 2005, the Company was subject to tax as a corporation under Subchapter C of the Internal Revenue Code of 1986, as amended (the “Code”). Effective January 1, 2006, the Company elected to be treated for U.S. federal income tax purposes as a regulated investment company (“RIC”) under Subchapter M of the Code (see “Note 6 - Income Taxes”).

The Company is not registered with the Commodity Futures Trading Commission. The Company has claimed an exclusion from the definition of the term “commodity pool operator” under the Commodity Exchange Act (“CEA”), pursuant to Rule 4.5 under the CEA. The Company is not, therefore, subject to registration or regulation as a “commodity pool operator” under the CEA.

Hercules Capital IV, L.P. (“HC IV”) is our wholly owned Delaware limited partnership that was formed in December 2010. HC IV received a license to operate as a Small Business Investment Company (“SBIC”) under the authority of the Small Business Administration (“SBA”) on October 27, 2020. In September 2023, the Company formed Hercules SBIC V, L.P. (“SBIC V”) which received its SBIC license on July 9, 2024. SBICs are subject to a variety of regulations concerning, among other things, the size and nature of the companies in which they may invest and the structure of those investments. Hercules Technology SBIC Management, LLC, is a wholly owned limited liability company subsidiary of the Company, which was formed in November 2003 and serves as the general partner of HC IV and SBIC V.

The Company has also established certain wholly owned subsidiaries, all of which are structured as Delaware corporations or Limited Liability Companies (“LLCs”), to hold portfolio companies organized as LLCs (or other forms of pass-through entities). These subsidiaries are consolidated for financial reporting purposes in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”). Certain of the subsidiaries are taxable and not consolidated with Hercules for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities as a result of their ownership of certain portfolio investments.

The Company formed Hercules Capital Management LLC and Hercules Adviser LLC in 2020 as wholly owned Delaware limited liability subsidiaries. The Company was granted no-action relief by the staff of the Securities and Exchange Commission (“SEC”) to allow Hercules Adviser LLC (the “Adviser Subsidiary”) to register as a registered investment adviser under the Investment Advisers Act of 1940, as amended (“Advisers Act”). The Adviser Subsidiary provides investment advisory and related services to investment vehicles (“Adviser Funds”) owned by one or more unrelated third-party investors (“External Parties”). The Adviser Subsidiary is owned by Hercules Capital Management LLC and collectively held and presented with Hercules Partner Holdings, LLC, which separately wholly owns the general partnership vehicles to each of the Adviser Funds.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated interim financial statements have been prepared in conformity with U.S. GAAP for interim financial information, and pursuant to the requirements for reporting on Form 10-Q and Articles 6, 10 and 12 of Regulation S-X. Accordingly, certain disclosures accompanying annual consolidated financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, all adjustments consisting solely of normal recurring accruals considered necessary for the fair statement of consolidated financial statements for the interim periods have been included. The current period’s results of operations are not necessarily indicative of results that ultimately may be achieved for the full fiscal year. Therefore, the interim unaudited consolidated financial statements and notes should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2023. The year-end Consolidated Statements of Assets and Liabilities data was derived from audited financial statements

but does not include all disclosures required by U.S. GAAP. The Company's functional currency is U.S. dollars ("USD") and these consolidated financial statements have been prepared in that currency.

As an investment company, the Company follows accounting and reporting guidance as set forth in Topic 946, Financial Services – Investment Companies ("ASC Topic 946") of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification, as amended ("ASC"). As provided under Regulation S-X and ASC Topic 946, the Company will not consolidate its investment in a portfolio company other than an investment company subsidiary or a controlled operating company whose business consists of providing services to the Company. Rather, an investment company's interest in portfolio companies that are not investment companies should be measured at fair value in accordance with ASC Topic 946. The Adviser Subsidiary is not an investment company as defined in ASC Topic 946 and further, the Adviser Subsidiary provides investment advisory services exclusively to the Adviser Funds which are owned by External Parties. As such pursuant to ASC Topic 946, the Adviser Subsidiary is accounted for as a portfolio investment of the Company held at fair value and is not consolidated.

Financial statements prepared on a U.S. GAAP basis require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of income, expenses, gains and losses during the reported periods. Changes in the economic and regulatory environment, financial markets, the credit worthiness of our portfolio companies, other macro-economic developments (for example, global pandemics, natural disasters, terrorism, international conflicts and war), and any other parameters used in determining these estimates and assumptions could cause actual results to differ from these estimates and assumptions.

Principles of Consolidation

The Consolidated Financial Statements include the accounts of the Company, its consolidated subsidiaries, and all Variable Interest Entities ("VIE") of which the Company is the primary beneficiary. All intercompany accounts and transactions have been eliminated in consolidation.

A VIE is an entity that either (i) has insufficient equity to permit the entity to finance its activities without additional subordinated financial support or (ii) has equity investors who lack the characteristics of a controlling financial interest. The primary beneficiary of a VIE is the party with both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and the obligation to absorb the losses or the right to receive benefits that could be significant to the VIE.

To assess whether the Company has the power to direct the activities of a VIE that most significantly impact its economic performance, the Company considers all the facts and circumstances including its role in establishing the VIE and its ongoing rights and responsibilities. This assessment includes identifying the activities that most significantly impact the VIE's economic performance and identifying which party, if any, has power over those activities. In general, the party that makes the most significant decisions affecting the VIE is determined to have the power to direct the activities of a VIE. To assess whether the Company has the obligation to absorb the losses or the right to receive benefits that could potentially be significant to the VIE, the Company considers all of its economic interests, including debt and equity interests, servicing rights and fee arrangements, and any other variable interests in the VIE. If the Company determines that it is the party with the power to make the most significant decisions affecting the VIE, and the Company has a potentially significant interest in the VIE, then it consolidates the VIE.

The Company performs periodic reassessments, usually quarterly, of whether it is the primary beneficiary of a VIE. The reassessment process considers whether the Company has acquired or divested the power to direct the activities of the VIE through changes in governing documents or other circumstances. The Company also reconsiders whether entities previously determined not to be VIEs have become VIEs, based on certain events, and therefore are subject to the VIE consolidation framework.

The Company's Consolidated Financial Statements included the accounts of the securitization trust, a VIE, formed in conjunction with the issuance of the 2031 Asset-Backed Notes (as defined in "Note 5 – Debt"). The assets of the Company's securitization VIE are restricted to be used to settle obligations of its consolidated securitization VIE, which are disclosed parenthetically on the Consolidated Statements of Assets and Liabilities. The liabilities are the only obligations of its consolidated securitization VIE, and the creditors (or beneficial interest holders) do not have recourse to the Company's general credit.

Fair Value Measurements

The Company follows guidance in ASC Topic 820, Fair Value Measurement (“ASC Topic 820”), where fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 establishes a framework for measuring the fair value of assets and liabilities and outlines a three-tier hierarchy which maximizes the use of observable market data input and minimizes the use of unobservable inputs to establish a classification of fair value measurements. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, such as the risk inherent in a particular valuation technique used to measure fair value using a pricing model and/or the risk inherent in the inputs for the valuation technique. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the information available. The inputs or methodology used for valuing assets or liabilities may not be an indication of the risks associated with investing in those assets or liabilities. ASC Topic 820 also requires disclosure for fair value measurements based on the level within the hierarchy of the information used in the valuation. ASC Topic 820 applies whenever other standards require (or permit) assets or liabilities to be measured at fair value.

The Company categorizes all investments recorded at fair value in accordance with ASC Topic 820 based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels, defined by ASC Topic 820 and directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities, are as follows:

Level 1—Inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at Level 1 fair value generally are equities listed in active markets.

Level 2—Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset in connection with market data at the measurement date and for the extent of the instrument’s anticipated life. Fair valued assets that are generally included in this category are publicly held debt investments and warrants held in a public company.

Level 3—Inputs reflect management’s best estimate of what market participants would use in pricing the asset at the measurement date. It includes prices or valuations that require inputs that are both significant to the fair value measurement and unobservable. Generally, assets carried at fair value and included in this category are the debt investments and warrants and equities held in a private company.

Valuation of Investments

The most significant estimate inherent in the preparation of the Company’s consolidated financial statements is the valuation of investments and the related amounts of unrealized appreciation and depreciation of investments recorded.

Pursuant to the amended SEC Rule 2a-5 of the 1940 Act, the Board has designated the Company’s Valuation Committee as the “valuation designee”. As of September 30, 2024, approximately 97.4% of the Company’s total assets represented investments in portfolio companies whose fair value is determined in good faith by the Company’s Valuation Committee and approved by the Board. Fair Value, as defined in Section 2(a)(41) of the 1940 Act, is (i) the market price for those securities for which a market quotation is readily available and (ii) for all other securities and assets, fair value is as determined in good faith by the valuation designee of the Board. The Company’s investments are carried at fair value in accordance with the 1940 Act and ASC Topic 946 and measured in accordance with ASC Topic 820. The Company provides financing solutions to high-growth and innovative venture capital-backed and institutional-backed companies in technology-related industries including drug discovery and development, software, consumer & business services, and other healthcare services at all stages of development. Given the nature of investing in these types of businesses, substantially all of the Company’s investments in these portfolio companies are considered Level 3 assets under ASC Topic 820 because there generally is no known or accessible market or market indexes for these investment securities to be traded or exchanged. As such, the Company values substantially all of its investments at fair value as determined in good faith pursuant to a consistent valuation policy established by the Board in accordance with the provisions of ASC Topic 820 and the 1940 Act. Due to the inherent uncertainty in determining the fair value of investments that do not have a readily available market value, the fair value of the Company’s investments determined in good faith by the Company’s Valuation Committee and approved by the Board may differ significantly from the value that would have been used had a readily available market existed for such investments, and the differences could be material.

In accordance with procedures established by its Board, the Company values investments on a quarterly basis following a multistep valuation process. The quarterly Board approved multi-step valuation process is described below:

- (1) The Company's quarterly valuation process begins with each portfolio company being initially valued by the investment professionals responsible for the portfolio investment;
- (2) Preliminary valuation conclusions and business-based assumptions, along with any applicable fair value marks provided by an independent firm, are reviewed with the Company's investment committee and certain member(s) of credit group as necessary;
- (3) The Valuation Committee reviews the preliminary valuations recommended by the investment committee and certain member(s) of the credit group of each investment in the portfolio and determines the fair value of each investment in the Company's portfolio in good faith and recommends the valuation determinations to the Audit Committee of the Board;
- (4) The Audit Committee of the Board provides oversight of the quarterly valuation process in accordance with Rule 2a-5, which includes a review of the quarterly reports prepared by the Valuation Committee, reviews the fair valuation determinations made by the Valuation Committee, and approves such valuations for inclusion in public reporting and disclosures, as appropriate; and
- (5) The Board, upon the recommendation of the Audit Committee, discusses valuations and approves the fair value of each investment in the Company's portfolio.

Investments purchased within the preceding two calendar quarters before the valuation date and debt investments with remaining maturities within 12 months or less may each be valued at cost with interest accrued or discount accreted/premium amortized to the date of maturity, unless such valuation, in the judgment of the Company, does not represent fair value. In this case such investments shall be valued at fair value as determined in good faith by the Valuation Committee and approved by the Board. Investments that are not publicly traded or whose market quotations are not readily available are valued at fair value as determined in good faith by the Valuation Committee and approved by the Board.

As part of the overall process noted above, the Company engages one or more independent valuation firm(s) to provide management with assistance in determining the fair value of selected portfolio investments each quarter. In selecting which portfolio investments to engage an independent valuation firm, the Company considers a number of factors, including, but not limited to, the potential for material fluctuations in valuation results, size, credit quality, and the time lapse since the last valuation of the portfolio investment by an independent valuation firm. The scope of services rendered by the independent valuation firm is at the discretion of the Valuation Committee and subject to approval of the Board, and the Company may engage an independent valuation firm to value all or some of our portfolio investments. In determining the fair value of a portfolio investment in good faith, the Company recognizes these determinations are made using the best available information that is knowable or reasonably knowable. In addition, changes in the market environment, portfolio company performance and other events that may occur over the duration of the investments may cause the gains or losses ultimately realized on these investments to be materially different than the valuations currently assigned. The change in fair value of each individual investment is recorded as an adjustment to the investment's fair value and the change is reflected in unrealized appreciation or depreciation.

Debt Investments

The Company principally invests in debt securities with a particular emphasis on Structured Debt. The Company uses the term "Structured Debt" to refer to a debt investment that is structured with an equity, warrant, option, or other right to purchase or convert into common or preferred stock. Given the nature of lending to venture capital-backed and institutional-backed companies in technology-related industries, substantially all of the Company's debt investments in these portfolio companies are considered Level 3 assets under ASC Topic 820 because there generally is no known or accessible market or market indexes for debt instruments for these investment securities to be traded or exchanged. The Company may, from time to time, invest in public debt of companies that meet the Company's investment objectives, and to the extent market quotations or other pricing indicators (i.e. broker quotes) are available, these investments are considered Level 1 or 2 assets in line with ASC Topic 820.

In making a good faith determination of the value of the Company's investments, the Company generally starts with the cost basis of the investment, which includes the value attributed to the original issue discount ("OID"), if any, and payment-in-kind ("PIK") interest or other receivables which have been accrued as earned. The Company then applies the valuation methods as set forth below.

The Company assumes the sale of each debt security in a hypothetical market to a hypothetical market participant where buyers and sellers are willing participants. The hypothetical market does not include scenarios where the underlying security was simply repaid or extinguished, but includes an exit concept. The Company determines the yield at inception for each debt investment. The Company then uses senior secured, leveraged loan yields provided by third party providers

to calibrate the change in market yields between inception of the debt investment and the measurement date. Industry specific indices and other relevant market data are used to benchmark and assess market-based movements for reasonableness. As part of determining the fair value, the Company also evaluates the collateral for recoverability of the debt investments. The Company considers each portfolio company's credit rating, security liens and other characteristics of the investment to adjust the baseline yield to derive a credit adjusted hypothetical yield for each investment as of the measurement date. The anticipated future cash flows from each investment are then discounted at the hypothetical yield to estimate each investment's fair value as of the measurement date. The Company's process includes an analysis of, among other things, the underlying investment performance, the current portfolio company's financial condition and market changing events that impact valuation, estimated remaining life, current market yield and interest rate spreads of similar securities as of the measurement date.

The Company values debt securities that are traded on a public exchange at the prevailing market price as of the valuation date. For syndicated debt investments, for which sufficient market data is available and liquidity, the Company values debt securities using broker quotes and bond indices amongst other factors. If there is a significant deterioration of the credit quality of a debt investment, the Company may consider other factors to estimate fair value, including the proceeds that would be received in a liquidation analysis.

The Company records unrealized depreciation on investments when it believes that an investment has decreased in value, including where collection of a debt investment is doubtful or, if under the in-exchange premise, when the value of a debt investment is less than amortized cost of the investment. Conversely, where appropriate, the Company records unrealized appreciation if it believes that the underlying portfolio company has appreciated in value and, therefore, that its investment has also appreciated in value or, if under the in-exchange premise, the value of a debt investment is greater than amortized cost.

When originating a debt instrument, the Company generally receives warrants or other equity securities from the borrower. The Company determines the cost basis of the warrants or other equity securities received based upon their respective fair values on the date of receipt in proportion to the total fair value of the debt and warrants or other equity securities received. Any resulting discount on the debt investments from recording warrant or other equity instruments is accreted into interest income over the life of the debt investment.

Equity Securities and Warrants

Securities that are traded in the over-the-counter markets or on a stock exchange will be valued at the prevailing bid price at period end. The Company has a limited amount of equity securities in public companies. In accordance with the 1940 Act, unrestricted publicly traded securities for which market quotations are readily available are valued at the closing market quote on the measurement date.

At each reporting date, privately held warrant and equity securities are valued based on an analysis of various factors including, but not limited to, the portfolio company's operating performance and financial condition, general market conditions, price to enterprise value or price to equity ratios, discounted cash flow, valuation comparisons to comparable public companies or other industry benchmarks. When an external event occurs, such as a purchase transaction, public offering, or subsequent equity sale, the pricing indicated by that external event is utilized to corroborate the Company's valuation of the warrant and equity securities. The Company periodically reviews the valuation of its portfolio companies that have not been involved in a qualifying external event to determine if the enterprise value of the portfolio company may have increased or decreased since the last valuation measurement date. Absent a qualifying external event, the Company estimates the fair value of warrants using a Black Scholes OPM. For certain privately held equity securities, the income approach is used, in which the Company converts future amounts (for example, cash flows or earnings) to a net present value. The measurement is based on the value indicated by current market expectations about those future amounts. In following these approaches, the types of factors that the Company may take into account include, as relevant: applicable market yields and multiples, the portfolio company's capital structure, the nature and realizable value of any collateral, the portfolio company's ability to make payments, its earnings and discounted cash flows, and enterprise value among other factors.

Investment Funds & Vehicles

The Company applies the practical expedient provided by the ASC Topic 820 relating to investments in certain entities that calculate Net Asset Value ("NAV") per share (or its equivalent). ASC Topic 820 permits an entity holding investments in certain entities that either are investment companies, or have attributes similar to an investment company, and calculate NAV per share or its equivalent for which the fair value is not readily determinable, to measure the fair value of such investments on the basis of that NAV per share, or its equivalent, without adjustment. Investments which are valued using NAV per share as a practical expedient are not categorized within the fair value hierarchy as per ASC Topic 820.

Derivative Instruments

The Company's derivative instruments include foreign currency forward contracts. The Company recognizes all derivative instruments as assets or liabilities at fair value in its consolidated financial statements. Derivative contracts entered into by the Company are not designated as hedging instruments, and as a result, the Company presents changes in fair value through net change in unrealized appreciation (depreciation) on non-control/non-affiliate investments in the Consolidated Statements of Operations. Realized gains and losses of the derivative instruments are included in net realized gains (losses) on non-control/non-affiliate investments in the Consolidated Statements of Operations. The net cash flows realized on settlement of derivatives are included in realized (gain) loss in the Consolidated Statements of Cash Flows.

Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents consist solely of funds deposited with financial institutions and short-term liquid investments in money market deposit accounts. Cash and cash equivalents are carried at cost, which approximates fair value. As of September 30, 2024, the Company held \$102 thousand (Cost basis \$102 thousand) of foreign cash. As of December 31, 2023, the Company held \$804 thousand (Cost basis \$842 thousand) of foreign cash. Restricted cash includes amounts that are held as collateral securing certain of the Company's financing transactions, including amounts held in a securitization trust by trustees related to its 2031 Asset-Backed Notes (refer to "Note 5 – Debt").

Other Assets

Other assets generally consist of prepaid expenses, debt issuance costs on our Credit Facilities net of accumulated amortization, fixed assets net of accumulated depreciation, deferred revenues and deposits and other assets, including escrow and other investment related receivables.

Escrow Receivables

Escrow receivables are collected in accordance with the terms and conditions of the escrow agreement. Escrow balances are typically distributed over a period greater than one year and may accrue interest during the escrow period. Escrow balances are measured for collectability on at least a quarterly basis and fair value is determined based on the amount of the estimated recoverable balances and the contractual maturity date.

Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in right-of-use ("ROU") assets, and operating lease liability obligations in our Consolidated Statements of Assets and Liabilities. The Company recognizes a ROU asset and an operating lease liability for all leases, with the exception of short-term leases which have a term of 12 months or less. ROU assets represent the right to use an underlying asset for the lease term and operating lease liability obligations represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at lease commencement date based on the present value of lease payments over the lease term. The Company has lease agreements with lease and non-lease components and has separated these components when determining the ROU assets and the related lease liabilities. As most of the Company's leases do not provide an implicit rate, the Company estimated its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments. The Company uses the implicit rate when readily determinable. The ROU asset also includes any lease payments made and excludes lease incentives and lease direct costs. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense is recognized on a straight-line basis over the lease term. See "Note 11 – Commitments and Contingencies".

Investment Income Recognition

The Company's investment portfolio generates interest, fee, and dividend income. The Company records interest income on an accrual basis, recognizing income as earned in accordance with the contractual terms of the loan agreement, to the extent that such amounts are expected to be collected. The Company's Structured Debt investments may generate OID. The OID received upfront typically represents the value of detachable equity, warrants, or another asset obtained in conjunction with the acquisition of debt securities. The OID is accreted into interest income over the term of the loan as a yield enhancement following the effective interest method. Additionally, certain debt investments in the Company's portfolio earn PIK interest. The Company records PIK interest in accordance with the contractual terms of the loan agreement, to the extent that such amounts are expected to be collected. Contractual PIK interest represents contractually deferred interest that is added to the loan balance as principal and is generally due at the end of the loan term.

The Company's loan origination activities generate fee income, which is generally collected in advance and includes loan commitment, facility fees for due diligence and structuring, as well as fees for transaction services and management services rendered by the Company to portfolio companies and other third parties. Loan commitment and facility fees are

capitalized and then amortized into income over the contractual life of the loan using the effective interest method. One-off fees for transaction and management services are generally recognized as income in the period when the services are rendered. The Company may also earn loan exit fees, which are contractual fees that are generally received upon the earlier of maturity or prepayment. The Company accretes loan exit fees into interest income following the effective interest method, recognizing income as earned in accordance with the contractual terms of the loan agreement, to the extent that such amounts are expected to be collected.

From time to time, additional fees may be earned by the Company relating to specific loan modifications, prepayments, or other one-off events. These non-recurring fees are either amortized into fee income over the remaining term of the loan commencing in the quarter for loan modifications, or recognized currently as one-time fee income for items such as prepayment penalties, fees related to select covenant default waiver fees, and acceleration of previously deferred loan fees and OID related to early loan pay-off or material modification of the specific debt outstanding.

Debt investments are placed on non-accrual status when it is probable that principal, interest or fees will not be collected according to contractual terms. When a debt investment is placed on non-accrual status, the Company ceases to recognize interest and fee income until the portfolio company has paid all principal and interest due or demonstrated the ability to repay its current and future contractual obligations to the Company. The Company may determine to continue to accrue interest on a loan where the investment has sufficient collateral value to collect all of the contractual amount due and is in the process of collection. Interest collected on non-accrual investments are generally applied to principal.

Realized Gains or Losses

Realized gains or losses are measured by the difference between the net proceeds from the sale or other realization event and the cost basis of the investment using the specific identification method without regard to unrealized appreciation or depreciation previously recognized, and includes investments charged off during the period, net of recoveries.

Secured Borrowings

The Company follows the guidance in ASC Topic 860, Transfers and Servicing (“ASC Topic 860”), when accounting for participation and other partial loan sales. Certain loan sales do not qualify for sale accounting under ASC Topic 860 because these sales do not meet the definition of a “participating interest”, as defined in the guidance, in order for sale accounting treatment to be allowed. Participations or other partial loan sales which do not meet the definition of a participating interest, or which are not eligible for sale accounting treatment remain as an investment on the consolidated balance sheet as required under U.S. GAAP and the proceeds are recorded as a secured borrowing. Secured borrowings are carried at fair value.

Equity Offering Expenses

The Company’s offering expenses are charged against the proceeds from equity offerings when received as a reduction of capital upon completion of an offering of registered securities.

Debt

The debt of the Company is carried at amortized cost which is comprised of the principal amount borrowed net of any unamortized discount and debt issuance costs. Discounts and issuance costs are accreted to interest expense and loan fees, respectively, using the straight-line method, which closely approximates the effective yield method, over the remaining life of the underlying debt obligations (see “Note 5 – Debt”). Accrued but unpaid interest is included within Accounts payable and accrued liabilities on the Consolidated Statements of Assets and Liabilities. In the event that the debt is extinguished, either partially or in full, before maturity, the Company recognizes the gain or loss in the Consolidated Statements of Operations within net realized gains (losses) as a “Loss on extinguishment of debt”.

Debt Issuance Costs

Debt issuance costs are fees and other direct incremental costs incurred by the Company in obtaining debt financing and are recognized as prepaid expenses and amortized over the life of the related debt instrument using the effective yield method or the straight-line method, which closely approximates the effective yield method. In accordance with ASC Subtopic 835-30, *Interest – Imputation of Interest*, debt issuance costs are presented as a reduction to the associated liability balance on the Consolidated Statements of Assets and Liabilities, except for debt issuance costs associated with line-of-credit arrangements.

Stock-Based Compensation

The Company has issued and may, from time to time, issue stock options, restricted stock, and other stock-based compensation awards to employees and directors. Management follows the guidance set forth under ASC Topic 718, to account for stock-based compensation awards granted. Under ASC Topic 718, compensation expense associated with

stock-based compensation is measured at the grant date based on the fair value of the award and is recognized over the vesting period. Determining the appropriate fair value model and calculating the fair value of stock-based awards at the grant date requires judgment. This includes certain assumptions such as stock price volatility, forfeiture rate, expected outcome probability, and expected option life, as applicable to each award. In accordance with ASC Topic 480, certain stock awards are classified as a liability. The compensation expense associated with these awards is recognized in the same manner as all other stock-based compensation. The award liability is recorded as deferred compensation and included in Accounts payable and accrued liabilities.

Income Taxes

The Company accounts for income taxes in accordance with the provisions of ASC Topic 740 Income Taxes, under which income taxes are provided for amounts currently payable and for amounts deferred based upon the estimated future tax effects of differences between the financial statements and tax basis of assets and liabilities given the provisions of the enacted tax law. Valuation allowances may be used to reduce deferred tax assets to the amount likely to be realized.

Because taxable income as determined in accordance with U.S. federal tax regulations differ from U.S. GAAP, taxable income generally differs from net income for financial reporting purposes due to temporary and permanent differences in the recognition of income and expenses, and generally excludes net unrealized appreciation or depreciation, as such gains or losses are not included in taxable income until they are realized. Permanent differences are reclassified among capital accounts in the financial statements to reflect their appropriate tax character. Permanent differences may also result from the change in the classification of certain items, such as the treatment of short-term gains as ordinary income for tax purposes. Temporary differences arise when certain items of income, expense, gains or losses are recognized at some time in the future for tax or U.S. GAAP purposes.

The Company has elected to be treated as a RIC under Subchapter M of the Code. To qualify as a RIC, the Company is required to meet certain income and asset tests in addition to distributing dividends of an amount generally at least equal to 90% of its investment company taxable income, as defined by the Code and determined without regard to any deduction for distributions paid, to its stockholders. See “Certain United States Federal Income Tax Considerations” included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 15, 2024 for additional information.

As a RIC, the Company is subject to a 4% non-deductible U.S. federal excise tax on certain undistributed income unless the Company makes distributions treated as dividends for U.S. federal income tax purposes in a timely manner to its stockholders in respect of each calendar year of an amount at least equal to the sum of (1) 98% of its ordinary income (taking into account certain deferrals and elections) for each calendar year, (2) 98.2% of its capital gain net income (adjusted for certain ordinary losses) for the 1-year period ending October 31 of each such calendar year and (3) any ordinary income and capital gain net income realized, but not distributed, in preceding calendar years. The Company will not be subject to this excise tax on any amount on which the Company incurred U.S. federal income tax (such as the tax imposed on a RIC’s retained net capital gains).

The amount to be paid out as a distribution is determined by the Board each quarter and is based upon the annual earnings estimated by the management of the Company. To the extent that the Company's earnings fall below the amount of the dividend distributions declared, however, a portion of the total amount of the Company's distributions for the fiscal year may be deemed a return of capital.

Depending on the level of taxable income earned in a taxable year, the Company may choose to carry over taxable income in excess of current taxable year distributions from such taxable income into the next taxable year and incur a 4% excise tax on such taxable income, as required. The maximum amount of excess taxable income that may be carried over for distribution in the next taxable year under the Code is the total amount of distributions paid in the following taxable year, subject to certain declaration and payment guidelines. To the extent the Company chooses to carry over taxable income into the next taxable year, distributions declared and paid by the Company in a taxable year may differ from the Company’s taxable income for that taxable year as such distributions may include the distribution of current taxable year taxable income, the distribution of prior taxable year taxable income carried over into and distributed in the current taxable year, or returns of capital. The Company intends to timely distribute to its stockholders substantially all of its annual taxable income for each year, except that it may retain certain net capital gains for reinvestment and, depending upon the level of taxable income earned in a year, it may choose to carry forward taxable income for distribution in the following year and pay any applicable U.S. federal excise tax.

Earnings Per Share (“EPS”)

Basic EPS is calculated by dividing net earnings applicable to common stockholders by the weighted average number of common shares outstanding. Common shares outstanding includes common stock and restricted stock for which no future service is required as a condition to the delivery of the underlying common stock. Diluted EPS includes the

determinants of basic EPS and, in addition, reflects the dilutive effect of the common stock deliverable pursuant to stock options and to restricted stock for which future service is required as a condition to the delivery of the underlying common stock. In accordance with ASC 260-10-45-60A, the Company uses the two-class method in the computation of basic EPS and diluted EPS, if applicable.

Comprehensive Income

The Company reports all changes in comprehensive income in the Consolidated Statements of Operations. The Company did not have other comprehensive income for the three and nine months ended September 30, 2024 or 2023. The Company's comprehensive income is equal to its net increase in net assets resulting from operations.

Distributions

Distributions to common stockholders are approved by the Board on a quarterly basis and the distribution payable is recorded on the ex-dividend date. The Company maintains an "opt out" dividend reinvestment plan that provides for reinvestment of the Company's distribution on behalf of the Company's stockholders, unless a stockholder elects to receive cash. As a result, if the Company declares a distribution, cash distributions will be automatically reinvested in additional shares of its common stock unless the stockholder specifically "opts out" of the dividend reinvestment plan and chooses to receive cash distributions.

Segments

The Company lends to and invests in portfolio companies in various technology-related industries including drug discovery and development, software, consumer & business services, and other healthcare services. The Company separately evaluates the performance of each of its lending and investment relationships. However, because each of these loan and investment relationships has similar business and economic characteristics, they have been aggregated into a single reportable segment.

3. Fair Value of Financial Instruments

Fair value estimates are made at discrete points in time based on relevant information. These estimates may be subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Investments measured at fair value on a recurring basis are categorized in the tables below based upon the lowest level of significant input to the valuations as of September 30, 2024 and December 31, 2023.

(in thousands)				
Description	Balance as of September 30, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Other assets and liabilities				
Escrow and Other Investment Receivables	\$ 158	\$ —	\$ —	\$ 158
Accounts Payable and Accrued Liabilities	(1,770)	—	—	(1,770)
Investments				
Senior Secured Debt	\$ 3,306,724	\$ —	\$ —	\$ 3,306,724
Unsecured Debt	73,854	—	—	73,854
Preferred Stock	47,342	—	—	47,342
Common Stock ⁽²⁾	95,693	49,018	—	46,675
Warrants	30,023	—	10,647	19,376
	<u>\$ 3,553,636</u>	<u>\$ 49,018</u>	<u>\$ 10,647</u>	<u>\$ 3,493,971</u>
Investment Funds & Vehicles measured at Net Asset Value ⁽³⁾	6,877			
Total Investments, at fair value	<u>\$ 3,560,513</u>			
Derivative Instruments ⁽⁴⁾	(1,168)			
Total Investments, at fair value including derivative instruments	<u>\$ 3,559,345</u>			

(in thousands)				
Description	Balance as of December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents				
Money Market Fund ⁽¹⁾	\$ 56,000	\$ 56,000	\$ —	\$ —
Other assets				
Escrow and Other Investment Receivables	\$ 10,888	\$ —	\$ —	\$ 10,888
Investments				
Senior Secured Debt	\$ 2,987,577	\$ —	\$ —	\$ 2,987,577
Unsecured Debt	69,722	—	—	69,722
Preferred Stock	53,038	—	—	53,038
Common Stock ⁽²⁾	99,132	57,342	—	41,790
Warrants	33,969	—	11,881	22,088
	<u>\$ 3,243,438</u>	<u>\$ 57,342</u>	<u>\$ 11,881</u>	<u>\$ 3,174,215</u>
Investment Funds & Vehicles measured at Net Asset Value ⁽³⁾	4,608			
Total Investments, at fair value	<u>\$ 3,248,046</u>			
Derivative Instruments ⁽⁴⁾	(766)			
Total Investments including cash and cash equivalents and derivative instruments	<u>\$ 3,303,280</u>			

(1) This investment is included in Cash and cash equivalents in the accompanying Consolidated Statements of Assets and Liabilities.

(2) Common Stock includes non-voting security in the form of a promissory note with a lien on shares of issuer's Common Stock.

(3) In accordance with U.S. GAAP, certain investments are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient and are not categorized within the fair value hierarchy as per ASC 820. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying Consolidated Statements of Assets and Liabilities.

(4) Derivative Instruments are carried at fair value and a level 2 security within the Company's fair value hierarchy.

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The table below presents a reconciliation of changes for all financial assets and liabilities measured at fair value on a recurring basis, excluding accrued interest components, using significant unobservable inputs (Level 3) for the nine months ended September 30, 2024 and 2023.

(in thousands)	Balance as of January 1, 2024	Net Realized Gains (Losses) ⁽¹⁾	Net Change in Unrealized Appreciation (Depreciation) ⁽²⁾	Purchases ⁽⁵⁾	Sales	Repayments ⁽⁶⁾	Gross Transfers into Level 3 ^{(3)*}	Gross Transfers out of Level 3 ^{(3)*}	Balance as of September 30, 2024
Investments									
Senior Secured Debt	\$ 2,987,577	\$ (9,120)	\$ (34,978)	\$ 1,099,563	\$ —	\$ (732,225)	\$ —	\$ (4,093)	\$ 3,306,724
Unsecured Debt	69,722	—	828	3,304	—	—	—	—	73,854
Preferred Stock	53,038	(711)	(9,013)	1,597	—	—	2,431	—	47,342
Common Stock	41,790	(1,351)	474	4,100	—	—	1,662	—	46,675
Warrants	22,088	(464)	(2,367)	2,948	(2,829)	—	—	—	19,376
Other Assets and Liabilities									
Escrow and Other Investment Receivables	10,888	85	5,869	43	(18,497)	—	—	1,770	158
Accounts Payable and Accrued Liabilities	—	—	—	—	—	—	(1,770)	—	(1,770)
Total	\$ 3,185,103	\$ (11,561)	\$ (39,187)	\$ 1,111,555	\$ (21,326)	\$ (732,225)	\$ 2,323	\$ (2,323)	\$ 3,492,359

(in thousands)	Balance as of January 1, 2023	Net Realized Gains (Losses) ⁽¹⁾	Net Change in Unrealized Appreciation (Depreciation) ⁽²⁾	Purchases ⁽⁵⁾	Sales	Repayments ⁽⁶⁾	Gross Transfers into Level 3 ^{(4)*}	Gross Transfers out of Level 3 ^{(4)*}	Balance as of September 30, 2023
Investments									
Senior Secured Debt	\$ 2,741,388	\$ (5,400)	\$ (22,135)	\$ 1,003,953	\$ —	\$ (695,856)	\$ —	\$ —	\$ 3,021,950
Unsecured Debt	54,056	—	4,958	10,916	—	—	—	—	69,930
Preferred Stock	41,488	(3,441)	1,392	2,851	—	—	—	—	42,290
Common Stock	25,059	—	10,684	4,500	(594)	—	—	—	39,649
Warrants	19,419	(3,443)	1,539	3,711	(1,108)	—	—	—	20,118
Other Assets									
Escrow Receivable	875	80	—	—	(207)	—	—	—	748
Total	\$ 2,882,285	\$ (12,204)	\$ (3,562)	\$ 1,025,931	\$ (1,909)	\$ (695,856)	\$ —	\$ —	\$ 3,194,685

* The Company recognizes transfers as of the transaction date.

- (1) Included in net realized gains (losses) in the accompanying Consolidated Statements of Operations.
- (2) Included in net change in unrealized appreciation (depreciation) in the accompanying Consolidated Statements of Operations.
- (3) Transfers out of Level 3 during the nine months ended September 30, 2024 related to the conversion of the Company's Level 3 debt investments in Better Therapeutics, Inc. and Eigen Technologies Ltd. into common stock and preferred stock Level 3 investments in acquiring companies.
- (4) There were no transfers into or out of Level 3 during the nine months ended September 30, 2023.
- (5) Amounts listed above are inclusive of loan origination fees received at the inception of the loan which are deferred and amortized into fee income as well as the accretion of existing loan discounts and fees during the period. Escrow receivable purchases may include additions due to proceeds held in escrow from the liquidation of level 3 investments. Amounts are net of purchases assigned to the Adviser Funds.
- (6) Amounts listed above include the acceleration and payment of loan discounts and loan fees due to early payoffs or restructures along with regularly scheduled amortization.

The following table presents the net unrealized appreciation (depreciation) recorded for debt, preferred stock, common stock, and warrant Level 3 investments relating to assets still held at the reporting date.

(in millions)	Nine Months Ended September 30,	
	2024	2023
Debt Investments	\$ (32.3)	\$ (16.9)
Preferred Stock	(9.2)	(2.0)
Common Stock	(0.3)	10.7
Warrant Investments	(0.8)	(0.9)

The following tables provide quantitative information about the Company's Level 3 fair value measurements as of September 30, 2024 and December 31, 2023. In addition to the techniques and inputs noted in the tables below, according to the Company's valuation policy, the Company may also use other valuation techniques and methodologies when determining the Company's fair value measurements. The tables below are not intended to be all-inclusive, but rather provide information on the significant Level 3 inputs as they relate to the Company's fair value measurements. See the accompanying Consolidated Schedule of Investments for the fair value of the Company's investments. The methodology for the determination of the fair value of the Company's investments is discussed in "Note 2 – Summary of Significant Accounting Policies". The significant unobservable input used in the fair value measurement of the Company's escrow receivables is the amount recoverable at the contractual maturity date of the escrow receivable.

Investment Type - Level 3 Debt Investments	Fair Value as of September 30, 2024 (in thousands)	Valuation Techniques/ Methodologies	Unobservable Input ⁽¹⁾	Range	Weighted Average ⁽²⁾
Pharmaceuticals	\$ 990,349	Market Comparable Companies	Hypothetical Market Yield	9.90% - 16.55%	12.74%
			Premium/(Discount)	(2.00)% - 4.00%	0.08%
Technology	1,202,375	Market Comparable Companies	Hypothetical Market Yield	10.08% - 19.19%	13.26%
			Premium/(Discount)	(0.75)% - 3.00%	0.33%
		25,745	Convertible Note Analysis	Probability weighting of alternative outcomes	1.00% - 70.00%
	52,586	Liquidation ⁽³⁾	Probability weighting of alternative outcomes	5.00% - 100.00%	57.86%
Sustainable and Renewable Technology	20,957	Market Comparable Companies	Hypothetical Market Yield	12.13% - 15.66%	15.43%
			Premium/(Discount)	0.25% - 3.00%	0.43%
Medical Devices	55,413	Market Comparable Companies	Hypothetical Market Yield	12.23% - 13.19%	12.65%
			Premium/(Discount)	0.00% - 0.50%	0.28%
Lower Middle Market	601,995	Market Comparable Companies	Hypothetical Market Yield	8.66% - 19.68%	14.61%
			Premium/(Discount)	(0.25)% - 3.25%	0.84%
Debt Investments for which Cost Approximates Fair Value					
	240,443	Debt Investments originated within 6 months			
	70,171	Imminent Payoffs ⁽⁴⁾			
	72,911	Debt Investments Maturing in Less than One Year			
	47,633	Debt Investments in Wholly-Owned Subsidiaries			
	<u>\$ 3,380,578</u>	Total Level 3 Debt Investments			
Accounts Payable and Accrued Liabilities	(1,770)	Liquidation ⁽³⁾	Probability weighting of alternative outcomes	10.00% - 50.00%	38.97%
	<u>\$ 3,378,808</u>	Total Level Three Debt Investments and Other Investment Receivables (Payables)			

- (1) The significant unobservable inputs used in the fair value measurement of the Company's debt securities are hypothetical market yields and premiums/(discounts). The hypothetical market yield is defined as the exit price of an investment in a hypothetical market to hypothetical market participants where buyers and sellers are willing participants. The premiums/(discounts) relate to company specific characteristics such as underlying investment performance, security liens, and other characteristics of the investment. Significant increases (decreases) in the inputs in isolation may result in a significantly lower (higher) fair value measurement, depending on the materiality of the investment.

Debt investments in the industries noted in the Company's Consolidated Schedule of Investments are included in the industries noted above as follows:

- Pharmaceuticals, above, is comprised of debt investments in the "Drug Discovery & Development" and "Healthcare Services, Other" industries.
- Technology, above, is comprised of debt investments in the "Communications & Networking", "Information Services", "Consumer & Business Services", "Media/Content/Info", "Space Technologies", and "Software" industries.
- Sustainable and Renewable Technology, above, is comprised of debt investments in the "Sustainable and Renewable Technology" industry.
- Lower Middle Market, above, is comprised of debt investments in the "Healthcare Services – Other", "Consumer & Business Services", "Diversified Financial Services", "Sustainable and Renewable Technology", and "Software" industries.

- (2) The weighted averages are calculated based on the fair market value of each investment.
- (3) The significant unobservable input used in the fair value measurement of impaired debt securities and other investment receivables is the probability weighting of alternative outcomes.
- (4) Imminent Payoffs represent debt investments that the Company expects to be fully repaid within the next three months, prior to their scheduled maturity date.

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Investment Type - Level 3 Debt Investments	Fair Value as of December 31, 2023 (in thousands)	Valuation Techniques/ Methodologies	Unobservable Input ⁽¹⁾	Range	Weighted Average ⁽²⁾
Pharmaceuticals	\$ 971,775	Market Comparable Companies	Hypothetical Market Yield Premium/(Discount)	10.91% - 21.43% (1.00)% - 3.50%	13.46% 0.04%
	8,455	Liquidation ⁽³⁾	Probability weighting of alternative outcomes	10.00% - 50.00%	41.83%
Technology	1,181,823	Market Comparable Companies	Hypothetical Market Yield Premium/(Discount)	11.30% - 20.74% (1.00)% - 5.00%	15.03% 0.47%
	23,244	Convertible Note Analysis	Probability weighting of alternative outcomes	1.00% - 50.00%	39.32%
	—	Liquidation ⁽³⁾	Probability weighting of alternative outcomes	100.00% - 100.00%	100.00%
Sustainable and Renewable Technology	1,678	Market Comparable Companies	Hypothetical Market Yield	10.75% - 10.75%	10.75%
			Premium/(Discount)	0.75% - 0.75%	0.75%
Lower Middle Market	322,162	Market Comparable Companies	Hypothetical Market Yield	12.54% - 20.15%	14.13%
			Premium/(Discount)	(0.75)% - 2.25%	0.56%
Debt Investments for which Cost Approximates Fair Value					
	431,512	Debt Investments originated within 6 months			
	54,430	Imminent Payoffs ⁽⁴⁾			
	62,220	Debt Investments Maturing in Less than One Year			
	<u>\$ 3,057,299</u>	Total Level 3 Debt Investments			
Other Investment Receivables	9,648	Liquidation ⁽³⁾	Probability weighting of alternative outcomes	10.00% - 50.00%	41.83%
	<u>\$ 3,066,947</u>	Total Level Three Debt Investments and Other Investment Receivables			

(1) The significant unobservable inputs used in the fair value measurement of the Company's debt securities are hypothetical market yields and premiums/(discounts). The hypothetical market yield is defined as the exit price of an investment in a hypothetical market to hypothetical market participants where buyers and sellers are willing participants. The premiums/(discounts) relate to company specific characteristics such as underlying investment performance, security liens, and other characteristics of the investment. Significant increases (decreases) in the inputs in isolation may result in a significantly lower (higher) fair value measurement, depending on the materiality of the investment.

Debt investments in the industries noted in the Company's Consolidated Schedule of Investments are included in the industries noted above as follows:

- Pharmaceuticals, above, is comprised of debt investments in the "Drug Discovery & Development" and "Healthcare Services, Other" industries.
- Technology, above, is comprised of debt investments in the "Communications & Networking", "Information Services", "Consumer & Business Services", "Media/Content/Info", and "Software" industries.
- Sustainable and Renewable Technology, above, is comprised of debt investments in the "Sustainable and Renewable Technology" industry.
- Lower Middle Market, above, is comprised of debt investments in the "Healthcare Services – Other", "Consumer & Business Services", "Diversified Financial Services", "Sustainable and Renewable Technology", and "Software" industries.

(2) The weighted averages are calculated based on the fair market value of each investment.

(3) The significant unobservable input used in the fair value measurement of impaired debt securities and other investment receivables is the probability weighting of alternative outcomes.

(4) Imminent payoffs represent debt investments that the Company expects to be fully repaid within the next three months, prior to their scheduled maturity date.

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Investment Type - Level 3 Equity and Warrant Investments	Fair Value as of September 30, 2024 (in thousands)	Valuation Techniques/ Methodologies	Unobservable Input ⁽¹⁾	Range	Weighted Average ⁽⁵⁾
Equity Investments	\$ 43,990	Market Comparable Companies	Revenue Multiple ⁽²⁾	0.4x - 14.8x	13.4x
			Tangible Book Value Multiple ⁽²⁾	1.6x - 1.6x	1.6x
			Discount for Lack of Marketability ⁽³⁾	13.48% - 92.82%	36.18%
			Market Equity Adjustment ⁽⁴⁾	(83.75)% - 30.35%	(8.48)%
	13,781	Market Adjusted OPM Backsolve			
	33,234	Discounted Cash Flow	Discount Rate ⁽⁷⁾	11.52% - 33.40%	31.14%
	3,012	Other ⁽⁶⁾			
Warrant Investments	15,466	Market Comparable Companies	Revenue Multiple ⁽²⁾	0.9x - 11.9x	4.1x
			Discount for Lack of Marketability ⁽³⁾	12.93% - 33.96%	24.63%
			Market Equity Adjustment ⁽⁴⁾	(62.04)% - 30.35%	(1.40)%
	3,910	Market Adjusted OPM Backsolve			
Total Level 3 Equity and Warrant Investments	\$ 113,393				

- (1) The significant unobservable inputs used in the fair value measurement of the Company's warrant and equity securities are revenue and/or earnings multiples (e.g. EBITDA, EBT, ARR), market equity adjustment factors, and discounts for lack of marketability. Significant increases/(decreases) in the inputs in isolation would result in a significantly higher/(lower) fair value measurement, depending on the materiality of the investment. For some investments, additional consideration may be given to data from the last round of financing or merger/acquisition events near the measurement date. The significant unobservable input used in the fair value measurement of impaired equity securities is the probability weighting of alternative outcomes.
- (2) Represents amounts used when the Company has determined that market participants would use such multiples when pricing the investments.
- (3) Represents amounts used when the Company has determined market participants would take into account these discounts when pricing the investments.
- (4) Represents the range of changes in industry valuations since the portfolio company's last external valuation event.
- (5) Weighted averages are calculated based on the fair market value of each investment.
- (6) The fair market value of these investments is derived based on recent private market and merger and acquisition transaction prices.
- (7) The discount rate used is based on current portfolio yield adjusted for uncertainty of actual performance and timing in capital deployments.

Investment Type - Level 3 Equity and Warrant Investments	Fair Value as of December 31, 2023 (in thousands)	Valuation Techniques/ Methodologies	Unobservable Input ⁽¹⁾	Range	Weighted Average ⁽⁵⁾
Equity Investments	\$ 52,094	Market Comparable Companies	EBITDA Multiple ⁽²⁾	12.3x - 12.3x	12.3x
			Revenue Multiple ⁽²⁾	0.3x - 20.1x	7.2x
			Tangible Book Value Multiple ⁽²⁾	1.8x - 1.8x	1.8x
			Discount for Lack of Marketability ⁽³⁾	7.11% - 92.72%	31.57%
	11,096	Market Adjusted OPM Backsolve	Market Equity Adjustment ⁽⁴⁾	(86.14)% - 32.69%	7.47%
	28,713	Discounted Cash Flow	Discount Rate ⁽⁷⁾	19.88% - 31.97%	30.51%
	2,925	Other ⁽⁶⁾			
Warrant Investments	19,014	Market Comparable Companies	EBITDA Multiple ⁽²⁾	12.3x - 12.3x	12.3x
			Revenue Multiple ⁽²⁾	0.9x - 10.2x	4.2x
			Discount for Lack of Marketability ⁽³⁾	6.21% - 33.12%	21.70%
			Market Equity Adjustment ⁽⁴⁾	(70.67)% - 34.86%	13.17%
	3,074	Market Adjusted OPM Backsolve			
	—	Other ⁽⁶⁾			
Total Level 3 Equity and Warrant Investments	\$ 116,916				

- (1) The significant unobservable inputs used in the fair value measurement of the Company's warrant and equity securities are revenue and/or earnings multiples (e.g. EBITDA, EBT, ARR), market equity adjustment factors, and discounts for lack of marketability. Significant increases/(decreases) in the inputs in isolation would result in a significantly higher/(lower) fair value measurement, depending on the materiality of the investment. For some investments, additional consideration may be given to data from the last round of financing or merger/acquisition events near the measurement date. The significant unobservable input used in the fair value measurement of impaired equity securities is the probability weighting of alternative outcomes.

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- (2) Represents amounts used when the Company has determined that market participants would use such multiples when pricing the investments.
- (3) Represents amounts used when the Company has determined market participants would take into account these discounts when pricing the investments.
- (4) Represents the range of changes in industry valuations since the portfolio company's last external valuation event.
- (5) Weighted averages are calculated based on the fair market value of each investment.
- (6) The fair market value of these investments is derived based on recent market transactions.
- (7) The discount rate used is based on current portfolio yield adjusted for uncertainty of actual performance and timing in capital deployments.

The Company believes that the carrying amounts of its financial instruments, other than investments and debt, which consist of cash and cash equivalents, receivables including escrow receivables, accounts payable and accrued liabilities, approximate the fair values of such items due to the short maturity of such instruments. The debt obligations of the Company are recorded at amortized cost and not at fair value on the Consolidated Statements of Assets and Liabilities. The fair value of the Company's outstanding debt obligations are based on observable market trading prices or quotations and unobservable market rates as applicable for each instrument.

As of September 30, 2024 and December 31, 2023, the 2033 Notes were trading on the New York Stock Exchange ("NYSE") at \$25.63 and \$25.25 per unit at par value. The par value at underwriting for the 2033 Notes was \$25.00 per unit. Based on market quotations on or around September 30, 2024 and December 31, 2023, the 2031 Asset-Backed Notes were quoted for 0.970 and 0.950. The fair values of the SBA debentures, February 2025 Notes, June 2025 Notes, June 2025 3-Year Notes, March 2026 A Notes, March 2026 B Notes, September 2026, and January 2027 Notes are calculated based on the net present value of payments over the term of the notes using estimated market rates for similar notes and remaining terms. The fair values of the outstanding debt under the MUFG Bank Facility and the SMBC Facility are equal to their outstanding principal balances as of September 30, 2024 and December 31, 2023.

The following tables provide additional information about the approximate fair value and level in the fair value hierarchy of the Company's outstanding borrowings as of September 30, 2024 and December 31, 2023:

Description	September 30, 2024				
	Carrying Value	Approximate Fair Value	Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
SBA Debentures	\$ 170,763	\$ 155,728	\$ —	\$ —	\$ 155,728
February 2025 Notes	49,952	49,902	—	—	49,902
June 2025 Notes	69,879	69,890	—	—	69,890
June 2025 3-Year Notes	49,887	50,560	—	—	50,560
March 2026 A Notes	49,866	48,691	—	—	48,691
March 2026 B Notes	49,854	48,726	—	—	48,726
September 2026 Notes	323,075	301,311	—	—	301,311
January 2027 Notes	346,932	327,712	—	—	327,712
2031 Asset-Backed Notes	148,985	145,500	—	145,500	—
2033 Notes	39,016	41,008	—	41,008	—
MUFG Bank Facility	240,000	240,000	—	—	240,000
SMBC Facility	201,000	201,000	—	—	201,000
Total	\$ 1,739,209	\$ 1,680,028	\$ —	\$ 186,508	\$ 1,493,520

Description	December 31, 2023				
	Carrying Value	Approximate Fair Value	Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
SBA Debentures	\$ 170,323	\$ 142,011	\$ —	\$ —	\$ 142,011
July 2024 Notes	104,828	105,755	—	—	105,755
February 2025 Notes	49,866	49,144	—	—	49,144
June 2025 Notes	69,757	67,198	—	—	67,198
June 2025 3-Year Notes	49,771	48,983	—	—	48,983
March 2026 A Notes	49,795	47,702	—	—	47,702
March 2026 B Notes	49,776	47,759	—	—	47,759
September 2026 Notes	322,339	288,711	—	—	288,711
January 2027 Notes	345,935	315,832	—	—	315,832
2031 Asset-Backed Notes	148,544	142,500	—	142,500	—
2033 Notes	38,935	40,400	—	40,400	—
MUFG Bank Facility	61,000	61,000	—	—	61,000
SMBC Facility	94,000	94,000	—	—	94,000
Total	\$ 1,554,869	\$ 1,450,995	\$ —	\$ 182,900	\$ 1,268,095

4. Investments

Control and Affiliate Investments

As required by the 1940 Act, the Company classifies its investments by level of control. “Control investments” are defined in the 1940 Act as investments in those companies that the Company is deemed to “control”. Under the 1940 Act, the Company is generally deemed to “control” a company in which it has invested if it owns 25% or more of the voting securities of such company or has greater than 50% representation on its board. “Affiliate investments” are investments in those companies that are “affiliated companies” of the Company, as defined in the 1940 Act, which are not control investments. The Company is deemed to be an “affiliate” of a company in which it has invested if it owns 5% or more, but generally less than 25%, of the voting securities of such company. “Non-control/non-affiliate investments” are investments that are neither control investments nor affiliate investments. For purposes of determining the classification of its investments, the Company has included consideration of any voting securities or board appointment rights held by the Adviser Funds.

The following table summarizes the Company’s realized gains and losses and changes in unrealized appreciation and depreciation on control and affiliate investments for the three and nine months ended September 30, 2024 and 2023.

Portfolio Company ⁽¹⁾	Type	Fair Value as of September 30, 2024	Three Months Ended September 30, 2024				Nine Months Ended September 30, 2024			
			Interest & Dividend Income	Fee Income	Net Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)	Interest & Dividend Income	Fee Income	Net Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)
Control Investments										
Coronado Aesthetics, LLC	Control	\$ 319	\$ —	\$ —	\$ 133	\$ —	\$ —	\$ —	\$ 57	\$ —
Gibraltar Acquisition LLC ⁽²⁾	Control	57,302	1,359	36	(74)	—	3,926	108	(6,365)	—
Hercules Adviser LLC ⁽³⁾	Control	43,433	1,954	—	705	—	5,457	—	2,720	—
Tectura Corporation	Control	12,043	174	—	509	—	518	—	526	—
Total Control Investments		\$ 113,097	\$ 3,487	\$ 36	\$ 1,273	\$ —	\$ 9,901	\$ 108	\$ (3,062)	\$ —

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(in thousands)		Three Months Ended September 30, 2023					Nine Months Ended September 30, 2023				
		Fair Value as of September 30, 2023	Interest Income	Fee Income	Net Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)	Interest Income	Fee Income	Net Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)	
Portfolio Company ⁽¹⁾	Type										
Control Investments											
Coronado Aesthetics, LLC	Control	\$ 247	\$ —	\$ —	\$ (50)	\$ —	\$ —	\$ —	\$ (72)	\$ —	
Gibraltar Acquisition, LLC ⁽²⁾	Control	55,992	772	22	(1,726)	—	2,299	60	4,676	—	
Hercules Adviser LLC ⁽³⁾	Control	40,668	153	—	1,507	—	455	—	9,515	—	
Tectura Corporation	Control	6,243	174	—	(830)	—	516	—	(1,799)	—	
Total Control Investments		<u>\$ 103,150</u>	<u>\$ 1,099</u>	<u>\$ 22</u>	<u>\$ (1,099)</u>	<u>\$ —</u>	<u>\$ 3,270</u>	<u>\$ 60</u>	<u>\$ 12,320</u>	<u>\$ —</u>	

- (1) In accordance with Rules 3-09, 4-08(g), and Rule 10-01(b)(1) of Regulation S-X, (“Rule 3-09”, “Rule 4-08(g)”, and “Rule 10-01(b)(1)”, respectively), the Company must determine if its unconsolidated subsidiaries are considered “significant subsidiaries”. As of September 30, 2024 and September 30, 2023, there were no unconsolidated subsidiaries that are considered “significant subsidiaries”.
- (2) Gibraltar Acquisition LLC is a wholly-owned subsidiary, which is the holding company for their wholly-owned affiliated portfolio companies, Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC. The subsidiary has no significant assets or liabilities, other than their equity and debt investments and equity interest in Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC, respectively.
- (3) Hercules Adviser LLC is owned by Hercules Capital Management LLC and presented with Hercules Partner Holdings, LLC which are both wholly owned by the Company. Please refer to “Note 1” for additional disclosure.

Portfolio Composition

The following table shows the fair value of the Company’s portfolio of investments by asset class as of September 30, 2024 and December 31, 2023:

(in thousands)	September 30, 2024		December 31, 2023	
	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
Senior Secured Debt	\$ 3,306,724	92.9%	\$ 2,987,577	92.0%
Unsecured Debt	73,854	2.1%	69,722	2.2%
Preferred Stock	47,342	1.3%	53,038	1.6%
Common Stock	95,693	2.7%	99,132	3.1%
Warrants	30,023	0.8%	33,969	1.0%
Investment Funds & Vehicles	6,877	0.2%	4,608	0.1%
Total	<u>\$ 3,560,513</u>	<u>100.0%</u>	<u>\$ 3,248,046</u>	<u>100.0%</u>

A summary of the Company’s investment portfolio, at value, by geographic location as of September 30, 2024 and December 31, 2023 is shown as follows:

(in thousands)	September 30, 2024		December 31, 2023	
	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
United States	\$ 3,219,874	90.4%	\$ 2,861,615	88.1%
United Kingdom	174,566	4.9%	222,136	6.9%
Israel	77,767	2.2%	52,868	1.6%
Netherlands	59,562	1.7%	89,995	2.8%
Canada	16,441	0.5%	15,730	0.5%
Ireland	4,513	0.1%	—	0.0%
Denmark	4,176	0.1%	4,173	0.1%
Singapore	1,999	0.1%	—	0.0%
Germany	1,219	0.0%	1,144	0.0%
Other	396	0.0%	385	0.0%
Total	<u>\$ 3,560,513</u>	<u>100.0%</u>	<u>\$ 3,248,046</u>	<u>100.0%</u>

The following table shows the fair value of the Company's portfolio by industry sector as of September 30, 2024 and December 31, 2023:

(in thousands)	September 30, 2024		December 31, 2023	
	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
Drug Discovery & Development	\$ 1,125,617	31.6%	\$ 1,257,699	38.7%
Software	1,018,236	28.6%	764,985	23.6%
Healthcare Services, Other	574,750	16.1%	300,079	9.3%
Consumer & Business Services	355,831	10.0%	525,973	16.2%
Diversified Financial Services	112,709	3.2%	114,722	3.5%
Electronics & Computer Hardware	96,125	2.7%	20,324	0.6%
Information Services	81,266	2.3%	126,605	3.9%
Medical Devices & Equipment	56,153	1.6%	22,096	0.7%
Space Technologies	46,082	1.3%	—	0.0%
Biotechnology Tools	35,311	1.0%	48,381	1.5%
Sustainable and Renewable Technology	27,858	0.8%	9,581	0.3%
Communications & Networking	26,465	0.7%	29,400	0.9%
Manufacturing Technology	2,096	0.1%	11,006	0.3%
Consumer & Business Products	1,285	0.0%	2,589	0.1%
Semiconductors	655	0.0%	1,205	0.0%
Media/Content/Info	55	0.0%	12,704	0.4%
Drug Delivery	19	0.0%	21	0.0%
Surgical Devices	—	0.0%	676	0.0%
Total	\$ 3,560,513	100.0%	\$ 3,248,046	100.0%

No single portfolio investment represents more than 10% of the fair value of the Company's total investments as of September 30, 2024 or December 31, 2023.

Concentrations of Credit Risk

As of September 30, 2024, the Company's customers are primarily privately held companies and public companies which are active in the "Drug Discovery & Development", "Software", "Healthcare Services, Other", "Consumer & Business Services", and "Diversified Financial Services" sectors. These sectors are characterized by high margins, high growth rates, consolidation and product and market extension opportunities. Value for companies in these sectors is often vested in intangible assets and intellectual property.

Industry and sector concentrations vary as new loans are recorded and loans are paid off. Investment income, consisting of interest, fees, and recognition of gains on equity and warrant or other equity interests, can fluctuate materially when a loan is paid off or a related warrant or equity interest is sold. Investment income recognized in any given year can be highly concentrated among several portfolio companies.

As of September 30, 2024 and December 31, 2023, the Company's ten largest portfolio companies represented approximately 30.6% and 29.7% of the total fair value of the Company's investments in portfolio companies, respectively. As of September 30, 2024 and December 31, 2023, the Company had five and five portfolio companies, respectively, that represented 5% or more of the Company's net assets. As of September 30, 2024 and December 31, 2023, the Company had four and five equity investments, respectively, that represented 5% or more of the total fair value of the Company's equity investments. These equity investments represented approximately 52.9% and 56.5% of the total fair value of the Company's equity investments as of September 30, 2024 and December 31, 2023, respectively.

Investment Collateral

In the majority of cases, the Company collateralizes its investments by obtaining a first priority security interest in a portfolio company's assets, which may include its intellectual property. In other cases, the Company may obtain a negative

pledge covering a company's intellectual property. The Company's investments were collateralized as follows as of September 30, 2024 and December 31, 2023:

	Percentage of debt investments (at fair value), as of	
	September 30, 2024	December 31, 2023
Senior Secured First Lien		
All assets including intellectual property	63.1 %	52.3 %
All assets with negative pledge on intellectual property	16.1 %	24.0 %
"Last-out" with security interest in all of the assets	10.3 %	12.5 %
Total senior secured first lien position	89.5 %	88.8 %
Second lien	8.3 %	8.9 %
Unsecured	2.2 %	2.3 %
Total debt investments at fair value	100.0 %	100.0 %

Derivative Instruments

The Company enters into forward currency contracts from time to time to help mitigate the impact that an adverse change in foreign exchange rates would have on the value of the Company's investments denominated in foreign currencies. The following is a summary of the fair value and location of the Company's derivative instruments in the Consolidated Statements of Assets and Liabilities held as of September 30, 2024 and December 31, 2023:

Derivative Instrument	Statement Location	Fair Value	
		September 30, 2024	December 31, 2023
Foreign currency forward contract	Other assets	\$ —	\$ —
Foreign currency forward contract	Accounts payable and accrued liabilities	1,168	766
	Total	\$ 1,168	\$ 766

Net realized and unrealized gains and losses on derivative instruments recorded by the Company during the three and nine months ended September 30, 2024 and 2023 are in the following locations in the Consolidated Statements of Operations:

Derivative Instrument	Statement Location	Three Months Ended September 30,		Nine Months Ended September 30,	
		2024	2023	2024	2023
Foreign currency forward contract	Net realized gain (loss) - Non-control / Non-affiliate investments	\$ —	\$ —	\$ (849)	\$ —
Foreign currency forward contract	Net change in unrealized appreciation (depreciation) - Non-control / Non-affiliate investments	(1,356)	784	(402)	230
	Total	\$ (1,356)	\$ 784	\$ (1,251)	\$ 230

Investment Income

The Company's investment portfolio generates interest, fee, and dividend income. The composition of the Company's interest income and fee income is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Contractual interest income	\$ 90,288	\$ 89,747	\$ 268,441	\$ 258,685
Exit fee interest income	12,047	10,904	34,519	34,340
PIK interest income	12,706	6,652	37,870	17,999
Dividend income	2,100	—	5,800	—
Other investment income ⁽¹⁾	1,909	3,036	5,728	8,198
Total interest and dividend income	\$ 119,050	\$ 110,339	\$ 352,358	\$ 319,222

(1) Other investment income includes OID interest income and interest recorded on other assets.

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(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Recurring fee income	\$ 2,423	\$ 2,243	\$ 7,081	\$ 6,418
Fee income - expired commitments	413	300	1,790	651
Accelerated fee income - early repayments	3,362	3,862	10,578	11,774
Total fee income	\$ 6,198	\$ 6,405	\$ 19,449	\$ 18,843

As of September 30, 2024 and December 31, 2023, unamortized capitalized fee income was recorded as follows:

(in millions)	September 30, 2024	December 31, 2023
Offset against debt investment cost	\$ 36.7	\$ 32.9
Deferred obligation contingent on funding or other milestone	9.7	9.4
Total Unamortized Fee Income	\$ 46.4	\$ 42.3

As of September 30, 2024 and December 31, 2023, loan exit fees receivable were recorded as follows:

(in millions)	September 30, 2024	December 31, 2023
Included within debt investment cost	\$ 37.0	\$ 35.9
Deferred receivable related to expired commitments	3.4	4.3
Total Exit Fees Receivable	\$ 40.4	\$ 40.2

5. Debt

As of September 30, 2024 and December 31, 2023, the Company had the following available and outstanding debt:

(in thousands)	September 30, 2024			December 31, 2023		
	Total Available	Principal	Carrying Value ⁽¹⁾	Total Available	Principal	Carrying Value ⁽¹⁾
SBA Debentures ⁽²⁾⁽⁴⁾	\$ 350,000	\$ 175,000	\$ 170,763	\$ 175,000	\$ 175,000	\$ 170,323
July 2024 Notes	—	—	—	105,000	105,000	104,828
February 2025 Notes	50,000	50,000	49,952	50,000	50,000	49,866
June 2025 Notes	70,000	70,000	69,879	70,000	70,000	69,757
June 2025 3-Year Notes	50,000	50,000	49,887	50,000	50,000	49,771
March 2026 A Notes	50,000	50,000	49,866	50,000	50,000	49,795
March 2026 B Notes	50,000	50,000	49,854	50,000	50,000	49,776
September 2026 Notes	325,000	325,000	323,075	325,000	325,000	322,339
January 2027 Notes	350,000	350,000	346,932	350,000	350,000	345,935
2031 Asset-Backed Notes	150,000	150,000	148,985	150,000	150,000	148,544
2033 Notes	40,000	40,000	39,016	40,000	40,000	38,935
MUFG Bank Facility ⁽²⁾	400,000	240,000	240,000	400,000	61,000	61,000
SMBC Facility ⁽²⁾⁽³⁾	400,000	201,000	201,000	400,000	94,000	94,000
Total	\$ 2,285,000	\$ 1,751,000	\$ 1,739,209	\$ 2,215,000	\$ 1,570,000	\$ 1,554,869

- (1) Except for the SMBC Facility and MUFG Bank Facility, all carrying values represent the principal amount outstanding less the remaining unamortized debt issuance costs and unaccreted premium or discount, if any, associated with the debt as of the balance sheet date.
- (2) Availability subject to the Company meeting the borrowing base requirements.
- (3) "Total Available" includes \$175.0 million of available commitment through the letter of credit facility as of September 30, 2024 and December 31, 2023.
- (4) As of September 30, 2024, the total available debt under the SBA Debentures was \$350.0 million, of which \$175.0 million was available to HC IV and \$175.0 million was available to SBIC V. As of December 31, 2023, the total available debt under the SBA debentures was \$175.0 million, all of which was available to HC IV.

Debt issuance costs, net of accumulated amortization, were as follows as of September 30, 2024 and December 31, 2023:

(in thousands)	September 30, 2024	December 31, 2023
SBA Debentures	\$ 4,237	\$ 4,677
July 2024 Notes	—	172
February 2025 Notes	48	134
June 2025 Notes	121	243
June 2025 3-Year Notes	113	229
March 2026 A Notes	134	205
March 2026 B Notes	146	224
September 2026 Notes	1,925	2,661
January 2027 Notes	3,068	4,065
2031 Asset-Backed Notes	1,015	1,456
2033 Notes	984	1,065
MUFG Bank Facility ⁽¹⁾	2,220	3,540
SMBC Facility ⁽¹⁾	1,235	1,775
Total	\$ 15,246	\$ 20,446

(1) The MUFG Bank Facility and SMBC Facility, are line-of-credit arrangements, the debt issuance costs associated with these instruments are included within Other assets on the Consolidated Statements of Assets and Liabilities in accordance with ASC Subtopic 835-30.

For the three and nine months ended September 30, 2024, the components of interest expense, related fees, and cash paid for interest expense for debt were as follows:

(in thousands)	Three Months Ended September 30, 2024					Nine Months Ended September 30, 2024				
	Interest expense ⁽¹⁾	Amortization of debt issuance cost (loan fees)	Unused facility and other fees (loan fees)	Total interest expense and fees	Cash paid for interest expense	Interest expense ⁽¹⁾	Amortization of debt issuance cost (loan fees)	Unused facility and other fees (loan fees)	Total interest expense and fees	Cash paid for interest expense
SBA Debentures	\$ 1,149	\$ 147	\$ —	\$ 1,296	\$ 2,300	\$ 3,424	\$ 439	\$ —	\$ 3,863	\$ 4,575
July 2024 Notes	202	24	—	226	2,504	2,706	172	—	2,878	5,008
February 2025 Notes	535	29	—	564	1,070	1,605	86	—	1,691	2,140
June 2025 Notes	755	40	—	795	—	2,263	121	—	2,384	1,508
June 2025 3-Year Notes	750	38	—	788	—	2,250	116	—	2,366	1,500
March 2026 A Notes	563	24	—	587	1,125	1,688	71	—	1,759	2,250
March 2026 B Notes	568	25	—	593	1,138	1,706	77	—	1,783	2,276
September 2026 Notes	2,174	205	—	2,379	4,266	6,523	612	—	7,135	8,531
January 2027 Notes	3,080	208	—	3,288	5,906	9,236	622	—	9,858	11,812
2031 Asset-Backed Notes	1,903	100	—	2,003	1,856	5,710	300	—	6,010	5,568
2033 Notes	625	27	—	652	625	1,875	81	—	1,956	1,875
MUFG Bank Facility	4,105	443	329	4,877	3,875	8,181	1,328	1,572	11,081	7,596
SMBC Facility	3,961	180	174	4,315	4,020	9,989	540	599	11,128	9,582
Total	\$ 20,370	\$ 1,490	\$ 503	\$ 22,363	\$ 28,685	\$ 57,156	\$ 4,565	\$ 2,171	\$ 63,892	\$ 64,221

(1) Interest expense includes amortization of original issue discounts for the three months ended September 30, 2024 of \$42 thousand, \$126 thousand, and \$47 thousand related to the September 2026 Notes, January 2027 Notes, and 2031 Asset-Backed Notes, respectively. Interest expense includes amortization of original issue discounts for the nine months ended September 30, 2024 of \$125 thousand, \$377 thousand, and \$141 thousand, related to the September 2026 Notes, January 2027 Notes, and 2031 Asset-Backed Notes, respectively.

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For the three and nine months ended September 30, 2023, the components of interest expense, related fees, and cash paid for interest expense for debt were as follows:

(in thousands)	Three Months Ended September 30, 2023					Nine Months Ended September 30, 2023				
	Interest expense ⁽¹⁾	Amortization of debt issuance cost (loan fees)	Unused facility and other fees (loan fees)	Total interest expense and fees	Cash paid for interest expense	Interest expense ⁽¹⁾	Amortization of debt issuance cost (loan fees)	Unused facility and other fees (loan fees)	Total interest expense and fees	Cash paid for interest expense
SBA Debentures	\$ 1,150	\$ 146	\$ —	\$ 1,296	\$ 2,300	\$ 3,412	\$ 436	\$ —	\$ 3,848	\$ 4,562
July 2024 Notes	1,252	74	—	1,326	2,505	3,756	222	—	3,978	5,009
February 2025 Notes	535	29	—	564	1,070	1,605	86	—	1,691	2,140
June 2025 Notes	754	40	—	794	—	2,263	121	—	2,384	1,509
June 2025 3-Year Notes	750	39	—	789	—	2,250	117	—	2,367	1,500
March 2026 A Notes	563	24	—	587	1,125	1,688	71	—	1,759	2,250
March 2026 B Notes	569	26	—	595	1,138	1,706	78	—	1,784	2,275
September 2026 Notes	2,174	203	—	2,377	4,266	6,523	611	—	7,134	8,532
January 2027 Notes	3,079	207	—	3,286	5,906	9,236	621	—	9,857	11,812
2031 Asset-Backed Notes	1,902	101	—	2,003	1,857	5,709	301	—	6,010	5,570
2033 Notes	625	27	—	652	625	1,875	81	—	1,956	1,875
MUFG Bank Facility	1,247	443	709	2,399	1,240	4,323	1,327	2,017	7,667	4,673
SMBC Facility	1,828	180	276	2,284	1,715	5,891	513	715	7,119	5,703
Total	\$ 16,428	\$ 1,539	\$ 985	\$ 18,952	\$ 23,747	\$ 50,237	\$ 4,585	\$ 2,732	\$ 57,554	\$ 57,410

- (1) Interest expense includes amortization of original issue discounts for the three months ended September 30, 2023 of \$42 thousand, \$126 thousand, and \$47 thousand related to the September 2026 Notes, January 2027 Notes, and 2031 Asset-Backed Notes, respectively. Interest expense includes amortization of original issue discounts for the nine months ended September 30, 2023, of \$125 thousand, \$377 thousand, and \$141 thousand, related to the September 2026 Notes, January 2027 Notes, and 2031 Asset-Backed Notes, respectively.

The overall weighted average cost of debt for the Company was approximately 5.1% and 4.8% for the three months ended September 30, 2024 and 2023, respectively and 5.0% and 4.8% for the nine months ended September 30, 2024 and 2023, respectively. The weighted average cost of debt includes interest and fees on the Company's debt but excludes the impact of fee accelerations due to the extinguishment of debt, as applicable. As of September 30, 2024 and December 31, 2023, the Company was in compliance with the terms of all borrowing arrangements. There are no sinking fund requirements for any of the Company's debt.

SBA Debentures

The Company held the following SBA debentures outstanding principal balances as of September 30, 2024 and December 31, 2023:

(in thousands)	Issuance/Pooling Date	Maturity Date	Interest Rate ⁽¹⁾	September 30,	December 31,
				2024	2023
	March 26, 2021	September 1, 2031	1.58%	\$ 37,500	\$ 37,500
	June 25, 2021	September 1, 2031	1.58%	16,200	16,200
	July 28, 2021	September 1, 2031	1.58%	5,400	5,400
	August 20, 2021	September 1, 2031	1.58%	5,400	5,400
	October 21, 2021	March 1, 2032	3.21%	14,000	14,000
	November 1, 2021	March 1, 2032	3.21%	21,000	21,000
	November 15, 2021	March 1, 2032	3.21%	5,200	5,200
	November 30, 2021	March 1, 2032	3.21%	20,800	20,800
	December 20, 2021	March 1, 2032	3.21%	10,000	10,000
	December 23, 2021	March 1, 2032	3.21%	10,000	10,000
	December 28, 2021	March 1, 2032	3.21%	5,000	5,000
	January 14, 2022	March 1, 2032	3.21%	4,500	4,500
	January 21, 2022	March 1, 2032	3.21%	20,000	20,000
Total SBA Debentures				\$ 175,000	\$ 175,000

- (1) Interest rates are determined initially at issuance and reset to a fixed rate at the debentures pooling date. The rates are inclusive of annual SBA charges.

SBICs are subject to a variety of regulations and oversight by the SBA concerning the size and nature of the companies in which they may invest as well as the structures of those investments. The SBA as part of its oversight

periodically examines and audits to determine SBICs compliance with SBA regulations. Our SBIC was in compliance with all SBIC terms, including those pertaining to the SBA Debentures as of September 30, 2024 and December 31, 2023.

HC IV received its license to operate as an SBIC on October 27, 2020. The license has a 10-year term. Through the license, HC IV has access to \$175.0 million of capital through the SBA debenture program, subject to maintaining certain conditions. As of September 30, 2024 and December 31, 2023, HC IV has issued a total of \$175.0 million in SBA guaranteed debentures.

On July 9, 2024, SBIC V received its license to operate as an SBIC. This is Hercules' fourth SBIC license, through which the Company has access to \$175.0 million of SBA debentures, subject to meeting certain conditions. The license has a 10-year term and SBA debentures bear fixed interest based on the treasury rate plus a spread applicable for the period the debentures are drawn. As of the latest debenture pooling date in September 2024, SBA debentures were issued with an interest rate of approximately 4.509%. The actual rates may vary depending on the timing of drawdown and pooling period.

The following table summarizes information related to our SBICs as of September 30, 2024 and December 31, 2023.

Description	September 30, 2024		December 31, 2023	
	HC IV	SBIC V	HC IV	SBIC V
Number of investments held	28	1	25	—
Fair value of investments (in millions)	\$ 352.4	\$ 11.2	\$ 331.5	\$ —
Percentage of fair value of investments based on the Company's total investment portfolio	9.9 %	0.3 %	10.2 %	0.0 %
Tangible assets (in millions)	\$ 369.7	\$ 13.3	\$ 341.8	\$ —
Percentage of tangible assets based on the Company's total assets	10.1 %	0.4 %	10.0 %	0.0 %

2024 Notes

On July 16, 2019, the Company issued \$105.0 million in aggregate principal amount of 4.77% interest-bearing unsecured notes due on July 16, 2024 (the “July 2024 Notes”), unless repurchased in accordance with their terms, to qualified institutional investors in a private placement notes offering. Interest on the July 2024 Notes is due semiannually. The July 2024 Notes are general unsecured obligations of the Company that rank *pari passu* with all outstanding and future unsecured unsubordinated indebtedness issued by the Company. On July 16, 2024, the Company fully repaid the aggregate outstanding \$105.0 million principal and \$2.5 million of accrued interest pursuant to the terms of the July 2024 Notes.

February 2025 Notes

On February 5, 2020, the Company issued \$50.0 million in aggregate principal amount of 4.28% interest-bearing unsecured notes due February 5, 2025 (the “February 2025 Notes”), unless repurchased in accordance with their terms, to qualified institutional investors in a private placement notes offering. Interest on the February 2025 Notes is due semiannually. The February 2025 Notes are general unsecured obligations of the Company that rank *pari passu* with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

June 2025 Notes

On June 3, 2020, the Company issued \$70.0 million in aggregate principal amount of 4.31% interest-bearing unsecured notes due June 3, 2025 (the “June 2025 Notes”), unless repurchased in accordance with their terms, to qualified institutional investors in a private placement notes offering. Interest on the June 2025 Notes is due semiannually. The June 2025 Notes are general unsecured obligations of the Company that rank *pari passu* with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

June 2025 3-Year Notes

On June 23, 2022, the Company issued \$50.0 million in aggregate principal amount of 6.00% interest-bearing unsecured notes due June 23, 2025 (the “June 2025 3-Year Notes”), unless repurchased in accordance with their terms, to qualified institutional investors in a private placement notes offering. Interest on the June 2025 3-Year Notes is due semiannually. The June 2025 3-Year Notes are general unsecured obligations of the Company that rank *pari passu* with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

March 2026 A Notes

On November 4, 2020, the Company issued \$50.0 million in aggregate principal amount of 4.50% interest-bearing unsecured notes due March 4, 2026 (the “March 2026 A Notes”), unless repurchased in accordance with their terms, to qualified institutional investors in a private placement notes offering. Interest on the March 2026 A Notes is due

semiannually. The March 2026 A Notes are general unsecured obligations of the Company that rank *pari passu* with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

March 2026 B Notes

On March 4, 2021, the Company issued \$50.0 million in aggregate principal amount of 4.55% interest-bearing unsecured notes due March 4, 2026 (the “March 2026 B Notes”), unless repurchased in accordance with their terms, to qualified institutional investors in a private placement pursuant note offering. Interest on the March 2026 B Notes is due semiannually. The March 2026 B Notes are general unsecured obligations of the Company that rank *pari passu* with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

September 2026 Notes

On September 16, 2021, the Company issued \$325.0 million in aggregate principal amount of 2.625% interest-bearing unsecured notes due September 16, 2026 (the “September 2026 Notes”), unless repurchased in accordance with the terms of the Seventh Supplemental Indenture, dated September 16, 2021. Interest on the September 2026 Notes is payable semi-annually in arrears on March 16 and September 16 of each year. The September 2026 Notes are general unsecured obligations and rank *pari passu*, or equally in right of payment, with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

January 2027 Notes

On January 20, 2022, the Company issued \$350.0 million in aggregate principal amount of 3.375% interest-bearing unsecured notes due January 20, 2027 (the “January 2027 Notes”), unless repurchased in accordance with the terms of the Eight Supplemental Indenture, dated January 20, 2022. Interest on the January 2027 Notes is payable semi-annually in arrears on January 20 and July 20 of each year. The January 2027 Notes are general unsecured obligations and rank *pari passu*, or equally in right of payment, with all outstanding and future unsecured unsubordinated indebtedness issued by the Company. The Company may redeem some or all of the January 2027 Notes at any time, or from time to time, at the redemption price set forth under the terms of the January 2027 Notes Indenture.

2031 Asset-Backed Notes

On June 22, 2022, the Company completed a term debt securitization in connection with which an affiliate of the Company issued \$150.0 million in aggregate principal amount of 4.95% interest-bearing asset-backed notes due on July 20, 2031 (the “2031 Asset-Backed Notes”). The 2031 Asset-Backed Notes were issued by Hercules Capital Funding Trust 2022-1 LLC (the “2022 Securitization Issuer”) pursuant to a note purchase agreement, dated as of June 22, 2022, by and among the Company, Hercules Capital Funding 2022-1 LLC, as trust depositor, the 2022 Securitization Issuer, and U.S. Bank Trust Company, N. A., as trustee, and are backed by a pool of senior loans made to certain portfolio companies of the Company and secured by certain assets of those portfolio companies and are to be serviced by the Company. Interest on the 2031 Asset-Backed Notes will be paid, to the extent of funds available.

Under the terms of the 2031 Asset-Backed Notes, the Company is required to maintain a reserve cash balance, funded through proceeds from the sale of the 2031 Asset-Backed Notes and through interest and principal collections from the underlying securitized debt portfolio, which may be used to pay monthly interest and principal payments on the 2031 Asset-Backed Notes. The Company has segregated these funds and classified them as restricted cash. As of September 30, 2024 and December 31, 2023, there was approximately \$5.1 million and \$17.1 million, respectively, of funds segregated as restricted cash related to the 2031 Asset-Backed Notes. The reinvestment period for 2031 Asset-Backed Notes ended on July 20, 2024, and as a result all principal payments received from portfolio companies will no longer be eligible for reinvestment and will be utilized to pay down the outstanding principal amount.

2033 Notes

On September 24, 2018, the Company issued \$40.0 million in aggregate principal amount of 6.25% interest-bearing unsecured notes due October 30, 2033 (the “2033 Notes”), unless repurchased in accordance with the terms of the Sixth Supplemental Indenture to the Base Indenture, dated September 24, 2018. Interest on the 2033 Notes is payable quarterly in arrears on January 30, April 30, July 30, and October 30 of each year. The 2033 Notes trade on the NYSE under the symbol “HCXY.” The 2033 Notes are general unsecured obligations and rank *pari passu*, or equally in right of payment, with all outstanding and future unsecured unsubordinated indebtedness issued by the Company. The Company may redeem some or all of the 2033 Notes at any time, or from time to time, at the redemption price set forth under the terms of the 2033 Notes indenture after October 30, 2023.

Credit Facilities

As of September 30, 2024 and December 31, 2023, the Company has two available credit facilities, the MUFG Bank Facility and the SMBC Facility (together, the “Credit Facilities”). For the nine months ended September 30, 2024 and year

ended December 31, 2023, the weighted average interest rate was 7.79% and 7.41%, respectively, and the average debt outstanding under the Credit Facilities was \$311.0 million and \$192.3 million, respectively.

MUFG Bank Facility

On January 13, 2023, the Company entered into a third amended credit facility agreement, which amends the agreement dated as of June 10, 2022. The Company, through a special purpose wholly owned subsidiary, Hercules Funding IV LLC (“Hercules Funding IV”), as borrower, entered into the credit facility (the “MUFG Bank Facility”) with MUFG Bank Ltd. as the arranger and administrative agent, and the lenders party to the MUFG Bank Facility from time to time.

Under the MUFG Bank Facility, the lenders have made commitments of \$400.0 million, which may be further increased via an accordion feature up to an aggregate \$600.0 million, funded by existing or additional lenders and with the agreement of MUFG Bank and subject to other customary conditions. There can be no assurances that additional lenders will join the MUFG Bank Facility to increase available borrowings. Debt under the MUFG Bank Facility generally bears interest at a rate per annum equal to SOFR plus 2.75% for SOFR loans. The MUFG Bank Facility matures on January 13, 2026, plus a twelve-month amortization period, unless sooner terminated in accordance with its terms. The MUFG Bank Facility is secured by all of the assets of Hercules Funding IV. The MUFG Bank Facility requires payment of a non-use fee during the revolving credit availability period.

The MUFG Bank Facility also includes financial and other covenants applicable to the Company and the Company’s subsidiaries, in addition to those applicable to Hercules Funding IV, including covenants relating to certain changes of control of Hercules Funding IV. Among other things, these covenants require the Company to maintain certain financial ratios, including a minimum interest coverage ratio and a minimum tangible net worth with respect to Hercules Funding IV. The MUFG Bank Facility provides for customary events of default, including with respect to payment defaults, breach of representations and covenants, servicer defaults, certain key person provisions, cross default provisions to certain other debt, lien and judgment limitations, and bankruptcy.

SMBC Facility

On June 14, 2022, the Company entered into a second amendment to a revolving credit agreement, which amends the revolving credit agreement, dated as of November 9, 2021, with Sumitomo Mitsui Banking Corporation (the “SMBC Facility”), as administrative agent, and the lenders and issuing banks to the SMBC Facility. As of September 30, 2024, the SMBC Facility provides for borrowings in U.S. dollars and certain agreed upon foreign currencies of up to \$225.0 million, from which the Company may access subject to certain conditions. The SMBC Facility contains an accordion feature, in which the Company can increase the credit line up to an aggregate of \$500.0 million, funded by existing or additional lenders and with the agreement of SMBC Bank and subject to other customary conditions. Availability under the SMBC Facility will terminate on November 7, 2025, and the outstanding loans under the SMBC Facility will mature on November 9, 2026. Borrowings under the SMBC Facility are subject to compliance with a borrowing base and an aggregate portfolio balance. The Company’s obligations under the SMBC Facility may in the future be guaranteed by certain of the Company’s subsidiaries and primarily secured by a first priority security interest (subject to certain exceptions) in only certain specified property and assets of the Company and the subsidiary guarantors thereunder.

Additionally in January 2023, the Company entered into a Letter of Credit Facility Agreement (the “SMBC LC Facility”) with Sumitomo Mitsui Banking Corporation that provides for a letter of credit facility with a final maturity date ending on January 13, 2026 and a commitment amount of \$175.0 million as amended. Further, the SMBC LC Facility includes an accordion provision to increase the commitment up to \$400.0 million, subject to certain conditions. The Company’s obligations under the SMBC LC Facility may in the future be guaranteed by certain of the Company’s subsidiaries and is primarily secured by a first priority security interest (subject to certain exceptions) in only certain specified property and assets of the Company and any subsidiary guarantors thereunder.

Interest under the SMBC Facility is determined by the nature and denomination of the borrowing. Interest rates are determined by the appropriate benchmark rate (SOFR, EURIBOR, Prime, CORRA, or TIBOR) as applicable for the type of borrowing plus an applicable margin adjustment which can range from 0.875% to 2.0% per annum subject to certain conditions. In addition to interest, the SMBC Facility is subject to a non-usage fee of 0.375% per annum (based on the immediately preceding period’s average usage) on the unused portion of the commitment under the SMBC Facility during the revolving period. The Company is required to pay letter of credit participation fees and a fronting fee on the average daily amount of any lender’s exposure with respect to any letters of credit issued under the SMBC Facility.

The SMBC Facility contains customary events of default with customary cure and notice provisions, including, without limitation, nonpayment, misrepresentation of representations and warranties in a material respect, breach of covenant, cross-default and cross-acceleration to other indebtedness and bankruptcy. The SMBC Facility also includes financial and other covenants applicable to the Company and the Company’s subsidiaries, including covenants relating to minimum stockholders' equity, asset coverage ratios, and our status as a RIC.

6. Income Taxes

The determination of taxable income pursuant to U.S. federal income tax regulations differs from U.S. GAAP. As a result, permanent differences are reclassified among capital accounts in the financial statements to reflect their appropriate tax character. During the year ended December 31, 2023, the Company reclassified \$0.8 million from accumulated net realized gains (losses) to additional paid-in capital for book purposes primarily related to net realized gains from portfolio companies which are held in taxable subsidiaries and are not consolidated with the Company for income tax purposes.

Taxable income and taxable net realized gains (losses) for the three and nine months ended September 30, 2024 and 2023 appears as follows:

(in millions, except per share data) Description	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Taxable income	\$ 75.8	\$ 72.7	\$ 230.0	\$ 197.7
Taxable income per share	\$ 0.47	\$ 0.50	\$ 1.44	\$ 1.40
Taxable net realized gains (losses)	\$ 8.7	\$ 6.8	\$ 18.1	\$ 34.2
Taxable net realized gains (losses) per share	\$ 0.05	\$ 0.04	\$ 0.11	\$ 0.24
Weighted average shares outstanding	161.0	146.9	159.7	141.2

The aggregate gross unrealized appreciation of the Company's investments over cost for U.S. federal income tax purposes appears as follows:

(in millions)	September 30, 2024	December 31, 2023
Aggregate Gross Unrealized Appreciation	\$ 121.3	\$ 118.3
Aggregate Gross Unrealized Depreciation	169.9	115.9
Net Unrealized Appreciation (Depreciation) over cost for U.S. federal income tax purposes	(48.6)	2.4
Aggregate cost of securities for U.S. federal income tax purposes (in billions)	3.6	3.2

For the three and nine months ended September 30, 2024, the Company paid zero and \$5.2 million of income tax, including excise tax, and had \$5.3 million of accrued, but unpaid tax expense as of September 30, 2024. For the three and nine months ended September 30, 2023, the Company paid approximately \$0.1 million and \$5.2 million of income tax, including excise tax, and had \$5.3 million of accrued, but unpaid tax expense as of September 30, 2023.

Additionally, the Company has taxable subsidiaries which hold certain portfolio investments in an effort to limit potential legal liability and/or comply with source-income type requirements contained in the RIC tax provisions of the Code. These taxable subsidiaries are consolidated for U.S. GAAP and the portfolio investments held by the taxable subsidiaries are included in the Company's consolidated financial statements and are recorded at fair value. These taxable subsidiaries are not consolidated with the Company for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities as a result of their ownership of certain portfolio investments. Any income generated by these taxable subsidiaries generally would be subject to tax at normal U.S. federal tax rates based on its taxable income.

In accordance with ASC 740, the Company evaluates tax positions taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" to be sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the more-likely-than-not threshold, or uncertain tax positions, would be recorded as a tax expense in the current year. It is the Company's policy to recognize accrued interest and penalties, if any, related to unrecognized tax benefits as a component of provision for income taxes. Based on an analysis of the Company's tax position, there are no uncertain tax positions that met the recognition or measurement criteria. The Company is currently not undergoing any tax examinations. The Company does not anticipate any significant increase or decrease in unrecognized tax benefits for the next twelve months. The 2020 - 2023 federal tax years for the Company remain subject to examination by the Internal Revenue Service. The 2019 - 2023 state tax years for the Company remain subject to examination by the state taxing authorities.

7. Stockholders' Equity and Distributions

The Company has issued and outstanding 162,505,144 and 157,758,072 shares of common stock as of September 30, 2024 and December 31, 2023, respectively. The Company currently sell shares through its equity distribution agreement with JMP Securities LLC ("JMP") and Jefferies LLC ("Jefferies") (the "2023 Equity Distribution Agreement") entered into on May 5, 2023. The 2023 Equity Distribution Agreement provides that the Company may offer and sell up to 25.0 million shares of its common stock from time to time through JMP or Jefferies, as the Company's sales agents. Sales of the Company's common stock, if any, may be made in negotiated transactions or transactions that are deemed to be "at the market," as defined in Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), including sales made

directly on the NYSE or similar securities exchange or sales made to or through a market maker other than on an exchange, at prices related to the prevailing market prices or at negotiated prices. Additionally, on August 7, 2023, the Company sold 6.5 million shares of common stock through an upsized public offering pursuant to an underwriting agreement with Morgan Stanley & Co. LLC, UBS Securities, and Wells Fargo Securities, LLC as joint book-running managers to sell.

The Company issued and sold the following shares of common stock during the nine months ended September 30, 2024 and 2023:

(in millions, except per share data)

Nine Months Ended September 30,	Number of Shares Issued	Gross Proceeds	Underwriting Fees/ Offering Expenses	Net Proceeds	Average Price/Share
2024	3.7	\$ 67.3	\$ 1.0	\$ 66.3	\$ 17.83
2023	16.2	\$ 243.6	\$ 5.3	\$ 238.3	\$ 14.69

The Company generally uses net proceeds from these offerings to make investments, to repurchase or pay down liabilities and for general corporate purposes. As of September 30, 2024, approximately 13.6 million shares remain available for issuance and sale under the current equity distribution agreement.

The Company currently pays quarterly distributions to its stockholders. The following table summarizes the Company's distributions declared during the nine months ended September 30, 2024 and year ended December 31, 2023:

(in thousands, except per share data)

Distribution Type	Declared Date	Record Date	Payment Date	Per Share Amount	Total Amount
Base	February 9, 2023	March 2, 2023	March 9, 2023	\$ 0.39	\$ 53,749
Supplemental	February 9, 2023	March 2, 2023	March 9, 2023	\$ 0.08	\$ 11,025
Base	April 27, 2023	May 16, 2023	May 23, 2023	\$ 0.39	\$ 55,910
Supplemental	April 27, 2023	May 16, 2023	May 23, 2023	\$ 0.08	\$ 11,469
Base	July 28, 2023	August 18, 2023	August 25, 2023	\$ 0.40	\$ 60,445
Supplemental	July 28, 2023	August 18, 2023	August 25, 2023	\$ 0.08	\$ 12,089
Base	October 26, 2023	November 15, 2023	November 22, 2023	\$ 0.40	\$ 61,345
Supplemental	October 26, 2023	November 15, 2023	November 22, 2023	\$ 0.08	\$ 12,269
Total distributions declared during the year ended December 31, 2023				\$ 1.90	\$ 278,301
Base	February 8, 2024	February 28, 2024	March 6, 2024	\$ 0.40	\$ 63,359
Supplemental	February 8, 2024	February 28, 2024	March 6, 2024	\$ 0.08	\$ 12,672
Base	April 25, 2024	May 14, 2024	May 21, 2024	\$ 0.40	\$ 64,912
Supplemental	April 25, 2024	May 14, 2024	May 21, 2024	\$ 0.08	\$ 12,982
Base	July 25, 2024	August 13, 2024	August 20, 2024	\$ 0.40	\$ 64,953
Supplemental	July 25, 2024	August 13, 2024	August 20, 2024	\$ 0.08	\$ 12,990
Total distributions declared during the nine months ended September 30, 2024				\$ 1.44	\$ 231,868

During the nine months ended September 30, 2024, for income tax purposes, the distributions paid of \$1.44 per share were comprised of ordinary income. As of September 30, 2024, the Company estimates that it has generated undistributed taxable earnings "spillover" of \$0.94 per share. The undistributed taxable earnings spillover will be carried forward toward distributions to be paid in accordance with RIC requirements.

The Company has a distribution reinvestment plan, whereby the Company may buy shares of its common stock in the open market or issue new shares in order to satisfy dividend reinvestment requests. When the Company issues new shares in connection with the dividend reinvestment plan, the issue price is equal to the closing price of its common stock on the dividend record date. During the nine months ended September 30, 2024 and 2023, the Company issued 342,129 and 197,592 shares, respectively, of common stock to stockholders in connection with the dividend reinvestment plan.

8. Equity Incentive Plans

The Company grants equity-based awards to employees and non-employee directors for the purpose of attracting and retaining the services of its executive officers, key employees, and members of the Board. The Company's equity-based awards are granted under the 2018 Equity Incentive Plan (the "2018 Plan") for employees and 2018 Non-Employee Director Plan (the "Director Plan") for non-employee directors. The 2018 Plan and the Director Plan were approved by stockholders on June 28, 2018 and, unless earlier terminated by the Board, terminate on May 12, 2028. Subject to certain adjustments and permitted reversions of shares, the maximum aggregate number of shares that may be authorized for issuance under awards granted under the 2018 Plan and Director Plan is 9,261,229 shares and 300,000 shares, respectively. In connection with the issuance of shares under the 2018 Plan and Director Plan, the Company has registered, in aggregate, 18.7 million and 300,000 shares of common stock, respectively. Outstanding awards issued under plans that precede the

2018 Plan and Director Plan remain outstanding, unchanged and subject to the terms of such plans and their respective award agreements, until the vesting, expiration or lapse of such awards in accordance with their terms.

The Company has received exemptive relief from the SEC that permits it to issue restricted stock to non-employee directors under the Director Plan and restricted stock and restricted stock units to certain of its employees, officers, and directors (excluding non-employee directors) under the 2018 Plan. The exemptive order also allows participants in the Director Plan and the 2018 Plan to (i) elect to have the Company withhold shares of its common stock to pay for the exercise price and applicable taxes with respect to an option exercise (“net issuance exercise”) and/or (ii) permit the holders of restricted stock to elect to have the Company withhold shares of its stock to pay the applicable taxes due on restricted stock at the time of vesting. Each individual employee would be able to make a cash payment to satisfy applicable tax withholding at the time of option exercise or vesting on restricted stock.

The Company has granted equity-based awards that have service and performance conditions. Certain of the Company’s equity-based awards are classified as liability awards in accordance with ASC Topic 718, Compensation – Stock Compensation. All of the Company’s equity-based awards require future service, and are expensed over the relevant service period. The Company does not estimate forfeitures, and reverses all unvested costs associated with equity-awards in the period they are forfeited. For the three months ended September 30, 2024, and 2023, the Company recognized \$3.2 million and \$3.3 million of stock-based compensation expense in the Consolidated Statements of Operations, respectively. For the nine months ended September 30, 2024, and 2023, the company recognized \$9.7 million and \$9.8 million of stock-based compensation expense in the Consolidated Statements of Operations, respectively. As of September 30, 2024, and 2023, approximately \$20.0 million and \$21.3 million of total unrecognized compensation costs expected to be recognized over the next 2.3 and 2.8 years, respectively.

Service-Vesting Awards

The Company grants equity-based awards which have service conditions, which generally begin to vest one-third after one year after the date of grant and ratably over the succeeding 2 years in accordance with the individual award terms. Certain awards have service conditions of longer duration and may begin to vest up to seven years after the date of grant. These equity-based awards which vest upon achievement of service conditions are collectively referred to as the “Service Vesting Awards”. The grant date fair value of Service Vesting Awards granted during the nine months ended September 30, 2024, and 2023, were approximately \$14.7 million, and \$18.3 million, respectively.

The Company has granted restricted stock equity awards in the form of restricted stock awards and restricted stock units. The Company determines the grant date fair values of restricted stock equity awards using the grant date stock close price. The activities for the Company's unvested restricted stock equity awards for each of the nine months ended September 30, 2024, and 2023, are summarized below:

	Nine Months Ended September 30,			
	2024		2023	
	Shares	Weighted Average Grant Date Fair Value per Share	Shares	Weighted Average Grant Date Fair Value per Share
Unvested Shares Beginning of Period	1,880,409	\$ 14.52	958,985	\$ 16.35
Granted	835,481	\$ 17.48	1,314,268	\$ 13.83
Vested	(687,360)	\$ 14.46	(526,292)	\$ 16.18
Forfeited	(38,128)	\$ 15.45	(11,572)	\$ 15.42
Unvested Shares End of Period	1,990,402	\$ 12.70	1,735,389	\$ 14.50

In addition to the restricted stock equity-based awards, the Company has also issued stock options to certain employees. The fair value of options granted during the nine months ended September 30, 2024 and 2023, was approximately \$134,000 and \$134,000, respectively. During the nine months ended September 30, 2024 and 2023, approximately \$98,000, and \$73,000, of share-based cost due to stock option grants was expensed, respectively.

Performance-Vesting Awards

The Company has granted equity-based awards, which have market and performance conditions in addition to a service condition (“Performance Awards”). The value of these awards may increase dependent on increases to the Company’s total stockholder return (“TSR”). The total compensation will be determined by the Company’s TSR relative to specified BDCs during a specified performance period. Depending on the results achieved during the specified performance period, the actual number of shares that a grant recipient receives at the end of the period may range from 0% to 200% of the target shares granted. The Performance Awards typically vest after four years, and generally may not be disposed until one year post vesting. The Company determines the fair values of the Performance Awards at the grant date

using a Monte-Carlo simulation multiplied by the target payout level and is recognized over the service period. For certain Performance Awards, distribution equivalent units (“Performance DEUs”) will accrue in the form of additional shares, but will not be paid unless the Performance Awards to which such Performance DEUs relate actually vest.

During the nine months ended September 30, 2024 and 2023, no Performance Awards were granted or vested. During the nine months ended September 30, 2024, no shares of Performance DEUs were issued or vested. During the nine months ended September 30, 2023, 54,858 Performance DEUs were issued with a grant date fair value of \$0.7 million. As of September 30, 2024 and 2023, there were no unvested Performance Awards.

Liability Classified Awards

The Company has granted equity-based awards which are subject to both service and performance conditions. These awards are settled either in cash or a fixed dollar value of shares, subject to the terms of each individual award, and therefore classified as liability awards (the “Liability Awards”). As of September 30, 2024, all Liability Awards have vested and have been settled. Generally, if the performance conditions of these types of awards are not met, the total compensation expense related to the Liability Awards may be less than the maximum granted value of the awards. The Company records Liability Awards as deferred compensation within Accounts Payable and Accrued Liabilities included on the Consolidated Statements of Assets and Liabilities.

Certain Liability Awards are structured similar to the Performance Awards, and increase in value with corresponding increases to the Company’s TSR and vest after four years. The Company remeasures the value of these awards each period based on the Company’s TSR achieved to date. Certain other Liability Awards are linked to attainment of investment funding goals. The Company determines the fair value of these Liability Awards based on the expected probability of the performance conditions being met and recognized over the service period. The Company accrues for Liability Awards based on the expected probability that the performance conditions would be met, this assumption is re-evaluated each period, and may be adjusted to reflect changes in this assumption. Generally, the other Liability Awards vest over a three-year service term.

For the nine months ended September 30, 2024, there was approximately \$0.5 million of compensation expense related to the Liability Awards recognized in the Consolidated Statements of Operations and no amounts remain outstanding. During the nine months ended September 30, 2024 and 2023, \$3.1 million and no Liability Awards vested, respectively.

As of September 30, 2023, all Liability Awards were unvested and there was approximately \$0.9 million of total unrecognized compensation costs expected to be recognized over a weighted average period of 0.6 years. For the nine months ended September 30, 2023, there was approximately \$1.1 million of compensation expense related to the Liability Awards recognized in the Consolidated Statements of Operations and \$2.2 million accrued within Accounts Payable and Accrued Liabilities in the Consolidated Statements of Assets and Liabilities.

9. Earnings Per Share

Shares used in the computation of the Company's basic and diluted earnings per share are as follows:

(in thousands, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Numerator				
Net increase (decrease) in net assets resulting from operations	\$ 68,711	\$ 27,967	\$ 201,527	\$ 217,306
Less: Total distributions declared	(77,943)	(72,534)	(231,868)	(204,687)
Total Earnings (loss), net of total distributions	(9,232)	(44,567)	(30,341)	12,619
Earnings (loss), net of distributions attributable to common shares	(9,232)	(44,567)	(30,341)	12,486
Add: Distributions declared attributable to common shares	77,263	71,860	229,650	202,556
Numerator for basic and diluted change in net assets per common share	\$ 68,031	\$ 27,293	\$ 199,309	\$ 215,042
Denominator				
Basic weighted average common shares outstanding	161,019	146,899	159,742	141,223
Common shares issuable	496	211	511	903
Weighted average common shares outstanding assuming dilution	161,515	147,110	160,253	142,126
Change in net assets per common share:				
Basic	\$ 0.42	\$ 0.19	\$ 1.25	\$ 1.52
Diluted	\$ 0.42	\$ 0.19	\$ 1.24	\$ 1.51

In the table above, unvested share-based payment awards that have non-forfeitable rights to distributions or distribution equivalents are treated as participating securities for calculating earnings per share. Unvested common stock options and restricted stock units are also considered for the purpose of calculating diluted earnings per share.

The calculation of change in net assets resulting from operations per common share assuming dilution, excludes all anti-dilutive shares. For the three and nine months ended September 30, 2024, and 2023, the number of anti-dilutive shares, as calculated based on the weighted average closing price of the Company's common stock for the periods, are as follows:

Anti-dilutive Securities	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Unvested common stock options	832	347	1,212	1,782
Restricted stock units	—	—	—	5,810
Unvested restricted stock awards	152	395	398	40,034

As of September 30, 2024 and December 31, 2023, the Company was authorized to issue 200.0 million shares of common stock with a par value of \$0.001. Each share of common stock entitles the holder to one vote.

On October 28, 2024, the Company filed Articles of Amendment (the "Charter Amendment") with the Secretary of State of the State of Maryland. The Charter Amendment amended the Company's Articles of Incorporation to increase the number of authorized shares of Company stock from 200.0 million shares to 300.0 million shares, as approved by the Company's Board. The Charter Amendment is effective as of October 28, 2024.

10. Financial Highlights

Following is a schedule of financial highlights for the nine months ended September 30, 2024 and 2023:

(in thousands, except per share data and ratios)	Nine Months Ended September 30,	
	2024	2023
Per share data: ⁽¹⁾		
Net asset value at beginning of period	\$ 11.43	\$ 10.53
Net investment income	1.53	1.54
Net realized gain (loss)	0.01	0.04
Net unrealized appreciation (depreciation)	(0.28)	(0.04)
Total from investment operations	1.26	1.54
Net increase (decrease) in net assets from capital share transactions ⁽¹⁾	0.10	0.25
Distributions of net investment income ⁽⁶⁾	(1.45)	(1.45)
Stock-based compensation expense included in net investment income and other movements ⁽²⁾	0.06	0.06
Net asset value at end of period	\$ 11.40	\$ 10.93
Ratios and supplemental data:		
Per share market value at end of period	\$ 19.64	\$ 16.42
Total return ⁽³⁾	26.84%	36.09 %
Shares outstanding at end of period	162,505	151,179
Weighted average number of common shares outstanding	159,742	141,223
Net assets at end of period	\$ 1,851,810	\$ 1,652,057
Ratio of total expense to average net assets ⁽⁴⁾	9.18%	10.38%
Ratio of net investment income before investment gains and losses to average net assets ⁽⁴⁾	17.67%	18.85%
Portfolio turnover rate ⁽⁵⁾	20.06%	22.20%
Weighted average debt outstanding	\$ 1,696,442	\$ 1,601,552
Weighted average debt per common share	\$ 10.62	\$ 11.34

- (1) All per share activity is calculated based on the weighted average shares outstanding for the relevant period, except net increase (decrease) in net assets from capital share transactions, which is based on the common shares outstanding as of the relevant balance sheet date.
- (2) Adjusts for the impact of stock-based compensation expense, which is a non-cash expense and has no net impact to net asset value. Pursuant to ASC Topic 718, the expense is offset by a corresponding increase in paid-in capital. Additionally, adjusts for other items attributed to the difference between certain per share data based on the weighted-average basic shares outstanding and those calculated using the shares outstanding as of a period end or transaction date.
- (3) The total return for the nine months ended September 30, 2024, and 2023 equals to the change in the ending market value over the beginning of the period price per share plus distributions paid per share during the period, divided by the beginning price assuming the distribution is reinvested on the date of the distribution. As such, the total return is not annualized. The total return does not reflect any sales load that must be paid by investors.
- (4) The ratios are calculated based on weighted average net assets for the relevant period and are annualized.
- (5) The portfolio turnover rate for the nine months ended September 30, 2024, and 2023 equals to the lesser of investment portfolio purchases or sales during the period, divided by the average investment portfolio value during the period. As such, portfolio turnover rate is not annualized.
- (6) Includes distributions on unvested restricted stock awards.

11. Commitments and Contingencies

The Company's commitments and contingencies consist primarily of unfunded commitments to extend credit in the form of loans to the Company's portfolio companies. As of September 30, 2024, a portion of these unfunded contractual commitments are dependent upon the portfolio company reaching certain milestones before the debt commitment becomes available. Furthermore, the Company's credit agreements with its portfolio companies generally contain customary lending provisions which allow the Company relief from funding obligations for previously made unfunded commitments in instances where the underlying portfolio company experiences materially adverse events that affect the financial condition or business outlook for the portfolio company. Since a portion of these commitments may expire without being drawn, unfunded contractual commitments do not necessarily represent future cash requirements. As such, the Company's disclosure of unfunded contractual commitments includes only those which are available at the request of the portfolio company and unencumbered by future or unachieved milestones.

As of September 30, 2024, and December 31, 2023, the Company had approximately \$489.0 million and \$335.3 million, respectively, of available unfunded commitments, including undrawn revolving facilities, which were available at the request of the portfolio company and unencumbered by future or unachieved milestones. In order to draw a portion of the Company's available unfunded commitments, a portfolio company must submit to the Company a formal funding request that complies with the applicable advance notice and other operational requirements. The amounts disclosed exclude unfunded commitments (i) for which, with respect to a portfolio company's agreement, a milestone was achieved after the last day on which the portfolio company could have requested a drawdown funding to be completed within the

reporting period; and (ii) related to the portion of portfolio company investments assigned to or directly committed by the Adviser Funds as described in “Note -12 Related Party Transactions”. The fair value of the Company’s unfunded commitments is considered to be immaterial as the yield determined at the time of underwriting is expected to be materially consistent with the yield upon funding, given that interest rates are generally pegged to market indices and given the existence of milestones, conditions and/or obligations embedded in the borrowing agreements.

As of September 30, 2024, and December 31, 2023, the Company’s unfunded contractual commitments available at the request of the portfolio company, including undrawn revolving facilities, and unencumbered by milestones were as follows:

(in thousands) Portfolio Company	Unfunded Commitments ⁽¹⁾ as of	
	September 30, 2024	December 31, 2023
Debt Investments:		
Earnix Ltd.	\$ 41,250	\$ —
Arcus Biosciences, Inc.	37,500	—
Shield AI, Inc.	37,500	—
Thumbtack, Inc.	30,000	40,000
Armis, Inc.	25,000	—
Checkr Group, Inc.	23,625	23,625
Skydio, Inc.	22,500	22,500
Pindrop Security, Inc.	19,375	—
Braeburn Pharmaceuticals	17,500	—
Coronet Cyber Security Ltd.	17,000	—
Phathom Pharmaceuticals, Inc.	15,300	6,120
Akero Therapeutics, Inc.	15,000	15,000
Main Street Rural, Inc.	14,000	10,500
Harness, Inc.	11,550	—
Marathon Health, LLC	10,000	—
Viridian Therapeutics	10,000	—
Suzy, Inc.	8,000	12,000
WellBe Senior Medical, LLC	8,000	—
Geron Corporation	7,800	—
Semperis Technologies Inc.	7,500	—
Elation Health, Inc.	7,500	7,500
Curana Health Holdings, LLC	7,500	—
ATAI Life Sciences N.V.	7,000	—
Behavox Limited	7,000	—
Dragos	6,500	13,000
Leapwork ApS	6,345	3,900
enGene, Inc.	5,250	—
Babel Street	4,367	3,375
Heron Therapeutics, Inc.	4,000	4,000
AlphaSense Inc.	4,000	—
Saama Technologies, LLC	3,875	3,875
Allvue Systems, LLC	3,590	3,590
Sight Sciences, Inc.	3,500	—
LogRhythm, Inc.	3,142	—
Recover Together, Inc.	2,500	—
Dronedeploy, Inc.	3,125	6,250
Riviera Partners LLC	3,000	3,000
Zappi, Inc.	2,571	2,571
Loftware, Inc.	2,277	2,277

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(in thousands) Portfolio Company	Unfunded Commitments ⁽¹⁾ as of	
	September 30, 2024	December 31, 2023
Debt Investments:		
Streamline Healthcare Solutions	\$ 2,200	\$ 2,200
New Relic, Inc.	2,176	2,176
Sumo Logic, Inc.	2,000	2,000
Ceros, Inc.	1,707	1,707
ThreatConnect, Inc.	1,600	1,600
LogicSource	1,209	1,209
3GTMS, LLC	1,155	1,182
Zimperium, Inc.	1,088	3,727
Flight Schedule Pro, LLC	1,080	639
Ikon Science Limited	1,050	1,050
LinenMaster, LLC	1,000	1,000
Fortified Health Security	840	840
Omeda Holdings, LLC	731	731
Dispatch Technologies, Inc.	688	625
Constructor.io Corporation	625	625
ShadowDragon, LLC	333	333
Cybermaxx Intermediate Holdings, Inc.	12	390
Automation Anywhere, Inc.	—	29,400
Tarsus Pharmaceuticals, Inc.	—	20,625
Kura Oncology, Inc.	—	19,250
Tipalti Solutions Ltd.	—	10,500
Next Insurance, Inc.	—	10,000
Senseonics Holdings, Inc.	—	8,750
Modern Life, Inc.	—	6,500
Brain Corporation	—	5,000
Cutover, Inc.	—	2,650
Plentific Ltd	—	2,625
Altumint, Inc.	—	2,500
Yipit, LLC	—	2,250
Dashlane, Inc.	—	2,137
Annex Cloud	—	1,750
Agilence, Inc.	—	800
Enmark Systems, Inc.	—	457
Alchemer LLC	—	445
Cytracom Holdings LLC	—	72
Total Unfunded Debt Commitments:	484,936	330,828
Investment Funds & Vehicles:⁽²⁾		
Forbion Growth Opportunities Fund I C.V.	1,757	1,757
Forbion Growth Opportunities Fund II C.V.	2,277	2,748
Total Unfunded Commitments in Investment Funds & Vehicles:	4,034	4,505
Total Unfunded Commitments	\$ 488,970	\$ 335,333

- (1) For debt investments, amounts represent unfunded commitments, including undrawn revolving facilities, which are available at the request of the portfolio company. Amount excludes unfunded commitments which are unavailable due to the borrower having not met certain milestones. These amounts also exclude \$152.2 million and \$127.7 million of unfunded commitments as of September 30, 2024, and December 31, 2023, respectively, to portfolio companies related to loans assigned to or directly committed by the Adviser Funds as described in “Note -12 Related Party Transactions”.
- (2) For investment funds and vehicles, the amount represents uncalled capital commitments in private equity funds.

The following table provides additional information on the Company's unencumbered unfunded commitments regarding milestones, expirations and type:

(in thousands) Unfunded Commitments	September 30, 2024	December 31, 2023
Expiring during:		
2024	\$ 162,870	\$ 291,896
2025	236,470	3,004
2026	32,202	7,537
2027	15,071	14,078
2028	6,164	6,547
2029	27,983	3,590
2030	4,176	4,176
Total Unfunded Debt Commitments	484,936	330,828
Unfunded Commitments in Investment Funds & Vehicles:		
Expiring during:		
2030	1,757	1,757
2032	2,277	2,748
Total Unfunded Commitments in Investment Funds & Vehicles	4,034	4,505
Total Unfunded Commitments	\$ 488,970	\$ 335,333

The following tables provide the Company's contractual obligations as of September 30, 2024 and December 31, 2023:

As of September 30, 2024:	Payments due by period (in thousands)				
Contractual Obligations ⁽¹⁾	Total	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Debt ⁽²⁾⁽³⁾	\$ 1,751,000	\$ 170,000	\$ 1,216,000	\$ —	\$ 365,000
Lease and License Obligations ⁽⁴⁾	24,528	3,206	6,551	5,560	9,211
Total	\$ 1,775,528	\$ 173,206	\$ 1,222,551	\$ 5,560	\$ 374,211

As of December 31, 2023:	Payments due by period (in thousands)				
Contractual Obligations ⁽¹⁾	Total	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Debt ⁽⁵⁾⁽³⁾	\$ 1,570,000	\$ 105,000	\$ 689,000	\$ 411,000	\$ 365,000
Lease and License Obligations ⁽⁴⁾	26,741	2,539	6,629	6,248	11,325
Total	\$ 1,596,741	\$ 107,539	\$ 695,629	\$ 417,248	\$ 376,325

- (1) Excludes commitments to extend credit to the Company's portfolio companies and uncalled capital commitments in investment funds.
- (2) Includes \$175.0 million in principal outstanding under the SBA Debentures, \$50.0 million of the February 2025 Notes, \$70.0 million of the June 2025 Notes, \$50.0 million of the June 2025 3-Year Notes, \$50.0 million of the March 2026 A Notes, \$50.0 million of the March 2026 B Notes, \$150.0 million of the 2031 Asset-Backed Notes, \$40.0 million of the 2033 Notes, \$325.0 million of the September 2026 Notes and \$350.0 million of the January 2027 Notes as of September 30, 2024. There was also \$201.0 million outstanding under the SMBC Facility and \$240.0 million outstanding under the MUFG Bank Facility as of September 30, 2024.
- (3) Amounts represent future principal repayments and not the carrying value of each liability. See "Note 5 – Debt".
- (4) Facility leases and licenses including short-term leases.
- (5) Includes \$175.0 million in principal outstanding under the SBA Debentures, \$105.0 million of the July 2024 Notes, \$50.0 million of the February 2025 Notes, \$70.0 million of the June 2025 Notes, \$50.0 million of the June 2025 3-Year Notes, \$50.0 million of the March 2026 A Notes, \$50.0 million of the March 2026 B Notes, \$150.0 million of the 2031 Asset-Backed Notes, \$40.0 million of the 2033 Notes, \$325.0 million of the September 2026 Notes and \$350.0 million of the January 2027 Notes as of December 31, 2023. There was also \$94.0 million outstanding under the SMBC Facility and \$61.0 million outstanding under the MUFG Bank Facility as of December 31, 2023.

Certain premises are leased or licensed under agreements which expire at various dates through July 2034. For the three months ended September 30, 2024 and 2023, total rent expense, including short-term leases, amounted to approximately \$0.8 million and \$0.9 million in each period, respectively. For the nine months ended September 30, 2024 and 2023, total rent expense, including short-term leases, amounted to approximately \$2.7 million and \$2.5 million in each period, respectively. The Company recognizes an operating lease liability and a ROU asset for all leases, with the exception of short-term leases. The lease payments on short-term leases are recognized as rent expense on a straight-line basis. The discount rate applied to measure each ROU asset and lease liability is based on the Company's incremental weighted average cost of debt. The Company considers the general economic environment and its credit rating and factors in various financing and asset specific adjustments to ensure the discount rate applied is appropriate to the intended use of the underlying lease. While some of the leases contained options to extend and terminate, it is not reasonably certain that either option will be utilized and therefore, only the payments in the initial term of the leases were included in the lease liability and ROU asset.

The following table sets forth information related to the measurement of the Company's operating lease liabilities and supplemental cash flow information related to operating leases as of September 30, 2024, and 2023:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Total operating lease cost	\$ 762	\$ 691	\$ 2,091	\$ 1,995
Cash paid for amounts included in the measurement of lease liabilities	\$ 371	\$ 495	\$ 1,268	\$ 2,231
			As of September 30, 2024	As of December 31, 2023
Weighted-average remaining lease term (in years)			8.06	8.68
Weighted-average discount rate			6.85 %	6.79 %

The following table shows future minimum lease payments under the Company's operating leases and a reconciliation to the operating lease liability as of September 30, 2024:

(in thousands)	As of September 30, 2024
2024	\$ 598
2025	3,088
2026	3,179
2027	3,452
Thereafter	14,090
Total lease payments	24,407
Less: imputed interest & other items	(5,927)
Total operating lease liability	\$ 18,480

The Company may, from time to time, be involved in litigation arising out of its operations in the normal course of business or otherwise. Furthermore, third parties may try to seek to impose liability on the Company in connection with the activities of its portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, the Company does not expect any current matters will materially affect the Company's financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on the Company's financial condition or results of operations in any future reporting period.

12. Related Party Transactions

As disclosed in "Note 1 - Description of Business", the Adviser Subsidiary is the Company's wholly owned registered investment advisor business, composed of the collectively held and presented entities Hercules Adviser LLC, Hercules Capital Management, LLC, and Hercules Partner Holdings, LLC entities. The Adviser Subsidiary is accounted for as a portfolio investment of the Company held at fair value. The Adviser Subsidiary has entered into investment management agreements with its privately offered Adviser Funds, and it receives management fees based on the assets under management of the Adviser Funds. In addition, the general partner interests (the "GP Interests") held by Hercules Partner Holdings, LLC may receive incentive fees based on the performance of the Adviser Funds. Both the Adviser Subsidiary and Hercules Partner Holdings, LLC are owned by Hercules Capital Management LLC. During the three and nine months ended September 30, 2024, the Adviser Subsidiary declared and paid dividend distributions to the Company of \$1.8 million and \$5.0 million, respectively. No dividend distributions were made during the three and nine months ended September 30, 2023. Refer to "Note 4 – Investments" for information related to income, gains and losses recognized related to the Company's investment.

The Company has a shared services agreement ("Sharing Agreement") with the Adviser Subsidiary, through which the Adviser Subsidiary has access to the Company's human capital resources (including administrative functions) and other resources and infrastructure (including office space and technology). Under the terms of the Sharing Agreement, the Company allocates the related expenses of shared services to the Adviser Subsidiary based on direct time spent, investment activity, and proportion of assets under management depending on the nature of the expense. The Company's total expenses for the three months ended September 30, 2024 and 2023, are net of expenses allocated to the Adviser Subsidiary of \$2.2 million and \$2.4 million, respectively. The Company's total expenses for the nine months ended September 30, 2024 and 2023, are net of expenses allocated to the Adviser Subsidiary of \$7.9 million and \$7.5 million, respectively. As of September 30, 2024 and December 31, 2023, there was less than \$0.1 million and approximately \$0.1 million receivable, respectively, from the Adviser Subsidiary.

In addition, the Company may from time-to-time make investments alongside the Adviser Funds or assign a portion of investments to the Adviser Funds in accordance with the Company's allocation policy. The assigned investment activities for the nine months ended September 30, 2024 and 2023, are summarized below:

(in millions)	Nine Months Ended September 30,			
	2024		2023	
Investment commitments assigned to or directly committed by the Adviser Funds	\$	422.1	\$	491.4
Investment fundings assigned to, directly originated or funded by the Adviser Funds	\$	277.1	\$	294.4
Amounts received by the Company from the Adviser Funds relating to assigned investments	\$	6.0	\$	12.1

13. Subsequent Events

Dividend Distribution Declaration

On October 24, 2024, the Board declared a cash distribution of \$0.40 per share to be paid on November 20, 2024 to stockholders of record as of November 13, 2024. In addition to the cash distribution, and as part of the supplemental cash distribution of \$0.32 per share to be paid in four quarterly distributions of \$0.08 per share, the Board declared a supplemental cash distribution of \$0.08 per share to be paid on November 20, 2024 to stockholders of record as of November 13, 2024. Including the \$0.08 per share supplemental cash distributions paid to stockholders of record as of March 6, 2024, May 14, 2024 and August 13, 2024, the Board has declared the full \$0.32 per share of supplemental cash distribution declared on February 8, 2024.

Authorized shares of Company stock

On October 28, 2024, the Company filed Charter Amendment with the Secretary of State of the State of Maryland. The Charter Amendment amended the Company's Articles of Incorporation to increase the number of authorized shares of Company stock from 200.0 million shares to 300.0 million shares, as approved by the Company's Board. The Charter Amendment is effective as of October 28, 2024.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

The matters discussed in this report, as well as in future oral and written statements by management of Hercules Capital, Inc., that are forward-looking statements are based on current management expectations that involve substantial risks and uncertainties which could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements. Forward-looking statements relate to future events or our future financial performance. We generally identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. Important assumptions include our ability to originate new investments, achieve certain margins and levels of profitability, the availability of additional capital, and the ability to maintain certain debt to asset ratios. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this report should not be regarded as a representation by us that our plans or objectives will be achieved. The forward-looking statements contained in this report include statements as to:

- our current and future management structure;
- our future operating results;
- our business prospects and the prospects of our prospective portfolio companies;
- the impact of investments that we expect to make;
- our informal relationships with third parties including in the venture capital industry;
- the expected market for venture capital investments and our addressable market;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- our ability to access debt markets and equity markets;
- the occurrence and impact of macro-economic developments (for example, global pandemics, natural disasters, terrorism, international conflicts and war) on us and our portfolio companies;
- the ability of our portfolio companies to achieve their objectives;
- our expected financings and investments;
- our regulatory structure and tax status as a RIC;
- our ability to operate as a BDC and our subsidiaries ability to operate as SBICs;
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the timing, form and amount of any distributions;
- the impact of fluctuations in interest rates on our business;
- the valuation of any investments in portfolio companies, particularly those having no liquid trading market; and
- our ability to recover unrealized depreciation on investments.

You should not place undue reliance on these forward-looking statements. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statement to reflect events or circumstances occurring after the date of this report.

The following discussion should be read in conjunction with our consolidated financial statements and related notes and other financial information appearing elsewhere in this report. In addition to historical information, the following discussion and other parts of this report contain forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated by such forward-looking information due to the factors discussed under Item 1A—“Risk Factors” of Part II of this quarterly report on Form 10-Q, Item 1A—“Risk Factors” of our Annual Report on Form 10-K filed with the SEC on February 15, 2024 and under “Forward-Looking Statements” of this Item 2.

Use of Non-GAAP Measures

Throughout this MD&A, we present our financial condition and results of operations in the way we believe will be most meaningful and representative of our business results. Some of the measurements we use are “Non-GAAP financial measures” under SEC rules and regulations. GAAP is the acronym for “generally accepted accounting principles” in the United States. The Non-GAAP financial measures we present may not be comparable to similarly-named measures reported by other companies.

Overview

We are a leading specialty finance company with a focus on providing financing solutions to high-growth and innovative venture capital-backed and institutional-backed companies in a variety of technology and life sciences industries. Our primary business objectives are to increase our net income, net investment income, and net asset value through our investments. We principally invest in debt securities and, to a lesser extent, equity securities, with a particular emphasis on Structured Debt. We use the term “Structured Debt” to refer to a debt investment that is structured with an equity, warrant, option, or other right to purchase or convert into common or preferred stock. We aim to achieve our business objectives by maximizing our portfolio total return through generation of current income from our debt investments and capital appreciation from our warrant and equity investments. We expect that our investments will generally range from \$25.0 million to \$100.0 million, although we may make investments in amounts above or below this range. Through generation of current income from our debt investments and capital appreciation from our warrant and equity investments, we aim to maximize our portfolio total return.

Since inception through September 30, 2024, we have originated more than \$21.0 billion in commitments in over 660 companies. We, our subsidiaries or our affiliates, may also agree to manage certain other funds that invest in debt, equity or provide other financing or services to companies in a variety of industries for which we may earn management or other fees for our services. As of September 30, 2024, Hercules and its Adviser Subsidiary actively manage approximately \$4.6 billion of assets.

We are structured as an internally managed, non-diversified, closed-end investment company that has elected to be regulated as a BDC under the 1940 Act. As a BDC, we are required to comply with certain regulatory requirements. For instance, we generally have to invest at least 70% of our total assets in “qualifying assets,” which includes securities of private U.S. companies, cash, cash equivalents, and high-quality debt investments that mature in one year or less. Consistent with requirements under the 1940 Act, we invest primarily in United States based companies and to a lesser extent in foreign companies. We source our investments through our principal office located in San Mateo, CA, as well as through our additional offices in Boston, MA, New York, NY, Bethesda, MD, San Diego, CA, Denver, CO, and London, United Kingdom.

We have elected to be treated for tax purposes as a RIC under the Code and operate in a manner so as to qualify for the tax treatment applicable to RICs. In order to qualify as a RIC, among other requirements, we must maintain certain income, asset, and distribution requirements. As a RIC, we generally will not be subject to U.S. federal income tax on the income that we distribute (or are deemed to distribute) to our stockholders provided that we maintain our RIC status for a given year.

Portfolio and Investment Activity

The total fair value of our investment portfolio as of September 30, 2024 and December 31, 2023 was as follows:

(in millions)	Fair Value	
	September 30, 2024	December 31, 2023
Debt	\$ 3,380.6	\$ 3,057.3
Equity	143.0	152.2
Warrants	30.0	33.9
Investment Funds & Vehicles	6.9	4.6
Total Investment Portfolio	\$ 3,560.5	\$ 3,248.0

Our investments in portfolio companies take a variety of forms, including unfunded contractual commitments and funded investments. Not all debt commitments represent future cash requirements. Unfunded contractual commitments depend upon a portfolio company reaching certain milestones before the debt commitment is available to the portfolio company, which is expected to affect our funding levels. These commitments are subject to the same underwriting and ongoing portfolio maintenance as the on-balance sheet financial instruments that we hold. Debt commitments generally fund over the following year from underwriting. From time to time, unfunded contractual commitments may expire without being drawn and thus do not represent future cash requirements.

Prior to entering into a contractual commitment, we generally issue a non-binding term sheet to a prospective portfolio company. Non-binding term sheets are subject to completion of our due diligence and final investment committee approval process, as well as the negotiation of definitive documentation with the prospective portfolio companies. These non-binding term sheets generally convert to contractual commitments in approximately 90 days from signing and some portion may be assigned or allocated to or directly originated by the Adviser Funds prior to or after closing. Not all non-binding term sheets are expected to close and do not necessarily represent future cash requirements.

Our portfolio activity for the nine months ended September 30, 2024 and September 30, 2023 was comprised of the following:

(in millions)	September 30, 2024	September 30, 2023
Investment Commitments⁽¹⁾		
Investment Commitments Originated by Hercules Capital and the Adviser Funds	\$ 2,073.2	\$ 1,760.2
Less: Commitments assigned to or directly committed by the Adviser Funds	(422.1)	(491.4)
Net Total Investment Commitments	\$ 1,651.1	\$ 1,268.8
Gross Debt Commitments Originated by Hercules Capital and the Adviser Funds		
New portfolio company	\$ 1,857.6	\$ 1,355.9
Existing portfolio company	207.6	393.2
Sub-total	2,065.2	1,749.1
Less: Debt commitments assigned to or directly committed by the Adviser Funds	(420.7)	(490.1)
Net Total Debt Commitments	\$ 1,644.5	\$ 1,259.0
Investment Fundings⁽²⁾		
Gross Debt Fundings by Hercules Capital and the Adviser Funds		
New portfolio company	\$ 992.0	\$ 682.4
Existing portfolio company	338.2	597.5
Sub-total	1,330.2	1,279.9
Less: Debt fundings assigned to or directly funded by the Adviser Funds	(275.7)	(293.1)
Net Total Debt Fundings	\$ 1,054.5	\$ 986.8
Equity Investments and Investment Funds and Vehicles Fundings by Hercules Capital and the Adviser Funds		
New portfolio company	\$ 2.0	\$ 2.0
Existing portfolio company	6.5	9.7
Sub-total	\$ 8.5	\$ 11.7
Less: Equity fundings assigned to or directly funded by the Adviser Funds	(1.4)	(1.3)
Net Total Equity and Investment Funds and Vehicle Fundings	\$ 7.1	\$ 10.4
Total Unfunded Contractual Commitment⁽³⁾	\$ 489.0	\$ 400.6
Non-Binding Term Sheets		
New portfolio company	\$ 178.5	\$ 40.0
Existing portfolio company	2.0	50.0
Total	\$ 180.5	\$ 90.0

(1) Includes restructured loans and renewals in addition to new commitments.

(2) Funded amounts include borrowings on revolving facilities.

(3) Amount represents unfunded commitments, including undrawn revolving facilities, which are available at the request of the portfolio company. Amount excludes unfunded commitments which are unavailable due to the borrower having not met certain milestones. This excludes \$152.2 million and \$135.7 million of unfunded commitments as of September 30, 2024, and 2023, respectively, to portfolio companies related to loans assigned to or directly committed by the Adviser Funds.

We receive principal payments on our debt investment portfolio based on scheduled amortization of the outstanding balances. In addition, we receive principal repayments for some of our loans prior to their scheduled maturity date. The frequency or volume of these early principal repayments may fluctuate significantly from period to period. During the nine months ended September 30, 2024, we received approximately \$724.0 million in aggregate principal repayments. Approximately \$27.2 million of the aggregate principal repayments related to scheduled principal payments and approximately \$696.8 million were early principal repayments related to 43 portfolio companies.

Total portfolio investment activity (inclusive of unearned income and excluding activity related to taxes payable and escrow receivables) as of and for the nine months ended September 30, 2024 and September 30, 2023 was as follows:

(in millions)	September 30, 2024	September 30, 2023
Beginning portfolio	\$ 3,248.0	\$ 2,963.9
New fundings and restructures	1,338.7	1,291.6
Fundings assigned to or directly funded by the Adviser Funds	(277.1)	(294.4)
Warrants not related to current period fundings	0.7	1.6
Principal repayments received on investments	(27.2)	(37.8)
Early payoffs	(696.8)	(647.4)
Proceeds from sale of equity and warrant investments	(23.4)	(34.9)
Accretion of loan discounts and paid-in-kind interest	65.0	43.5
Net acceleration of loan discounts and loan fees due to early payoffs or restructures	(8.2)	(10.2)
New loan fees	(11.5)	(11.0)
Gain (loss) on investments due to sales or write offs	2.7	2.2
Net change in unrealized appreciation (depreciation)	(50.4)	(5.7)
Ending portfolio	\$ 3,560.5	\$ 3,261.4

Additionally, we may hold investments in debt, warrant, or equity positions of portfolio companies that have filed a registration statement with the SEC in contemplation of a potential initial public offering. There can be no assurance that companies that have yet to complete their initial public offerings will do so in a timely manner or at all.

The following table presents certain selected information regarding our debt investment portfolio as of September 30, 2024 and December 31, 2023. This includes information on index rate floors which we have in place on all of our floating rate debt investments:

	September 30, 2024	December 31, 2023
Number of portfolio companies with debt outstanding	122	125
Percentage of debt bearing a floating rate	97.3%	95.9%
Percentage of debt bearing a fixed rate	2.7%	4.1%
Weighted average core yield ⁽¹⁾⁽³⁾	13.3%	14.3%
Weighted average effective yield ⁽²⁾⁽³⁾	14.4%	15.3%
Prime rate at the end of the period	8.00%	8.50%
Percentage of Prime rate linked debt investments	75.5 %	69.2 %
Weighted average floor rate bearing a Prime rate	6.9 %	5.7 %
Percentage of SOFR and BSBY rate linked debt investments	21.8 %	26.7 %
Weighted average floor rate bearing a SOFR or BSBY rate	1.0 %	1.1 %

- (1) The core yield is a Non-GAAP financial measure. The core yield on our debt investments excludes the effects of fee and income accelerations attributed to early payoffs, restructuring, loan modifications, other one-time events, and includes income from expired commitments. Please refer to the "Portfolio Yield" section below for further discussion of this measure.
- (2) The effective yield on our debt investments includes the effects of fee and income accelerations attributed to early payoffs, restructuring, loan modifications, and other one-time events. The effective yield is derived by dividing total investment income from debt investments by the weighted average earning investment portfolio assets outstanding during the year, excluding non-interest earning assets such as warrants and equity investments. Please refer to the "Portfolio Yield" section below for further discussion of this measure.
- (3) The core and effective yields represent the weighted average yields for the three-month periods ended September 30, 2024 and December 31, 2023. Please refer to the "Portfolio Yield" section below for further discussion of these measures.

Macroeconomic Market Developments

The capital markets are subject to fluctuations caused by various external factors such as changes in the inflationary environment, interest rate movements, concerns over slowing economic growth and possible global recession, uncertainty and disruption caused by geopolitical events, including the conflicts in Ukraine, Russia, and the Middle East, among other factors. These macroeconomic developments are outside our control and could require us to adjust our plan of operations, and impact our financial position, results of operations or cash flows in the future. We monitor macroeconomic market developments and their related impact to our business, including impacts to our portfolio companies, employees, due diligence and underwriting processes, and the broader financial markets.

Our investment portfolio continues to be focused on industries and sectors that are generally expected to be more resilient to U.S. and global economic cycles. This includes being partially insulated from declining interest rates as all of our floating rate debt investments, which represent 97.3% and 95.9% of our debt portfolio as of September 30, 2024 and

December 31, 2023, respectively, are subject to interest rate floors. While our portfolio is not immune to the impact of macroeconomic events, we and our portfolio are well positioned to manage the current environment. Given the unpredictability and fluidity of the macroeconomic market, neither our management nor our Board is able to predict the full impact of the macroeconomic events on our business, future results of operations, financial position, or cash flows.

Income from Portfolio

We primarily generate revenue in the form of interest income, from our investments in debt securities, and fee income, which is primarily comprised of commitment and facility fees. Interest income is recognized in accordance with the contractual terms of the loan agreement to the extent that such amounts are expected to be collected. Fees generated in connection with our debt investments are recognized over the life of the loan or, in some cases, recognized as earned. In addition, we generate income from dividends on either direct equity investments or equity interests obtained in connection with originating loans, such as options, warrants or conversion rights. We also generate revenue in the form of capital gains, if any, on warrants or other equity securities that we acquire from our portfolio companies.

As of September 30, 2024, our debt investments generally have a term of between two and five years and typically bear interest at a rate ranging from approximately 8.0% to approximately 17.7%. In addition to the cash yields received on our debt investments, in some instances, our debt investments may also include any of the following: exit fees, balloon payment fees, commitment fees, success fees, PIK provisions or prepayment fees which may be required to be included in income prior to receipt.

Interest on debt securities is generally payable monthly, with amortization of principal typically occurring over the term of the investment. In addition, our loans may include an interest-only period ranging from three to eighteen months or longer. In limited instances in which we choose to defer amortization of the loan for a period of time from the date of the initial investment, the principal amount of the debt securities and any accrued but unpaid interest become due at the maturity date.

Loan origination and commitment fees are generally received in full at the inception of a loan are deferred and amortized into fee income as an enhancement to the related loan's yield over the contractual life of the loan. We recognize nonrecurring fees amortized over the remaining term of the loan commencing in the quarter relating to specific loan modifications. As of September 30, 2024 and December 31, 2023, unamortized capitalized fee income was recorded as follows:

(in millions)	September 30, 2024	December 31, 2023
Offset against debt investment cost	\$ 36.7	\$ 32.9
Deferred obligation contingent on funding or other milestone	9.7	9.4
Total Unamortized Fee Income	\$ 46.4	\$ 42.3

Loan exit fees to be paid at the termination of the loan are accreted into interest income over the contractual life of the loan. As of September 30, 2024 and December 31, 2023, loan exit fees receivable were recorded as follows:

(in millions)	September 30, 2024	December 31, 2023
Included within debt investment cost	\$ 37.0	\$ 35.9
Deferred receivable related to expired commitments	3.4	4.3
Total Exit Fees Receivable	\$ 40.4	\$ 40.2

Additionally, we have debt investments in our portfolio that earn PIK interest. The PIK interest, computed at the contractual rate specified in each loan agreement, is recorded as interest income and added to the principal balance of the loan on specified capitalization dates. To maintain our status as a RIC, the non-cash PIK income must be distributed to stockholders with other sources of income in the form of dividend distributions even though we have not yet collected any cash from the borrower. Amounts necessary to pay these distributions may come from available cash or the liquidation of certain investments. During the three months ended September 30, 2024 and 2023, we recorded approximately \$12.7 million and \$6.7 million in PIK income, respectively. During the nine months ended September 30, 2024 and 2023, we recorded approximately \$37.9 million and \$18.0 million in PIK income, respectively.

Portfolio Yield

We report our financial results on a GAAP basis. We monitor the performance of our total investment portfolio and total debt portfolio using both GAAP and Non-GAAP financial measures. In particular, we evaluate performance through monitoring the portfolio yields as we consider them to be effective indicators, for both management and stockholders, of

the financial performance of our total investment portfolio and total debt portfolio. The key metrics that we monitor with respect to yields are as described below:

- “Total Yield” - The total yield is derived by dividing GAAP basis “Total investment income” by the weighted average GAAP basis value of investment portfolio assets outstanding during the year, including non-interest earning assets such as warrants and equity investments at amortized cost.
- “Effective Yield” on total debt investments - The effective yield is derived by dividing GAAP basis “Total investment income” from debt investments⁽¹⁾ by the weighted average GAAP basis value of debt investment portfolio assets at amortized cost outstanding during the year.
- “Core Yield” on total debt investments – The core yield is a Non-GAAP financial measure. The core yield is derived by dividing “Core investment income” from debt investments by the weighted average GAAP basis value of debt investment portfolio assets at amortized cost outstanding during the year. “Core investment income” adjusts GAAP basis “Total investment income” from debt investments⁽¹⁾ to exclude fee and other income accelerations attributed to early payoffs, deal restructuring, loan modifications, and other one-time income events, but includes income from expired commitments.

	Three Months Ended September 30,	
	2024	2023
Total Yield	13.8%	14.7%
Effective Yield ⁽¹⁾	14.4%	15.5%
Core Yield (Non-GAAP) ⁽¹⁾	13.3%	14.2%

(1) Yield calculated using “Total investment income” excluding bank interest, dividend income, and investment income from other assets for the three months ended September 30, 2024.

We believe that these measures are useful for our stockholders as it provides further insight into the yield of our portfolio to allow a more meaningful comparison with our competitors. As noted above, Core Yield, a Non-GAAP financial measure, is derived by dividing Core investment income, as defined above, by the weighted average GAAP basis value of debt investment portfolio assets at amortized cost outstanding. The reconciliation to calculate “Core investment income” from GAAP basis 'Total investment income' are as follows:

(in thousands)	Three Months Ended September 30,	
	2024	2023
GAAP Basis:		
Total investment income	\$ 125,248	\$ 116,744
Less: fee and income accelerations attributed to early payoffs, restructuring, loan modifications, and other one-time events except income from expired commitments	(9,160)	(9,378)
Non-GAAP Basis:		
Core investment income	\$ 116,088	\$ 107,366
Less: bank interest income, dividend income, and other investment income from other assets	(2,831)	(903)
Core investment income from debt portfolio	\$ 113,257	\$ 106,463

We believe the Core Yield is useful for our investors as it provides the yield at which our debt investments are originated and eliminates one-off items that can fluctuate significantly from period to period, thereby allowing for a more meaningful comparison over time.

Although the Core Yield, a Non-GAAP financial measure, is intended to enhance our stockholders’ understanding of our performance, the Core Yield should not be considered in isolation from or as an alternative to the GAAP financial metrics presented. The aforementioned Non-GAAP financial measure may not be comparable to similar Non-GAAP financial measures used by other companies.

Another financial measure that we monitor is the total return for our investors, which was approximately 26.8% and 36.1% during the nine months ended September 30, 2024 and 2023, respectively. The total return equals the change in the ending market value over the beginning of the period price per share plus distributions paid per share during the period, divided by the beginning price assuming the distribution is reinvested on the date of the distribution. The total return does not reflect any sales load that may be paid by investors. See “Note 10 – Financial Highlights” included in the notes to our consolidated financial statements appearing elsewhere in this report.

Portfolio Composition

Our portfolio companies are primarily privately held companies and public companies which are active in sectors characterized by high margins, high growth rates, consolidation and product and market extension opportunities.

The following table presents the fair value of the Company's portfolio by industry sector as of September 30, 2024 and December 31, 2023:

(in thousands)	September 30, 2024		December 31, 2023	
	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
Drug Discovery & Development	\$ 1,125,617	31.6%	\$ 1,257,699	38.7%
Software	1,018,236	28.6%	764,985	23.6%
Healthcare Services, Other	574,750	16.1%	300,079	9.3%
Consumer & Business Services	355,831	10.0%	525,973	16.2%
All other industries ⁽¹⁾	486,079	13.7%	399,310	12.2%
Total	\$ 3,560,513	100.0%	\$ 3,248,046	100.0%

(1) See "Note 4 – Investments" for complete list of industry sectors and corresponding amounts of investments at fair value as a percentage of the total portfolio. As of September 30, 2024, the fair value as a percentage of total portfolio does not exceed 5.0% for any individual industry sector other than "Drug Discovery & Development", "Software", "Healthcare Services, Other", or "Consumer & Business Services".

Industry and sector concentrations vary as new loans are recorded and loans are paid off. Investment income, consisting of interest, fees, and recognition of gains on equity and warrants or other equity interests, can fluctuate materially when a loan is paid off or a warrant or equity interest is sold. Investment income recognized in any given year can be highly concentrated in several portfolio companies.

For the nine months ended September 30, 2024 and the year ended December 31, 2023, our ten largest portfolio companies represented approximately 30.6% and 29.7% of the total fair value of our investments in portfolio companies, respectively. As of September 30, 2024 and December 31, 2023, we had five and five investments that represented 5% or more of our net assets, respectively. As of September 30, 2024 and December 31, 2023, the Company had four and five equity investments, respectively, that represented 5% or more of the total fair value of the Company's equity investments. These equity investments represented approximately 52.9% and 56.5% of the total fair value of the Company's equity investments as of September 30, 2024 and December 31, 2023, respectively.

As of September 30, 2024 and December 31, 2023, approximately 97.3% and 95.9% of the debt investment portfolio was priced at floating interest rates or floating interest rates with a Prime, SOFR, or BSBY-based interest rate floor, respectively. Changes in interest rates, including Prime, SOFR, or BSBY rates, may affect the interest income and the value of our investment portfolio for portfolio investments with floating rates.

Our investments in Structured Debt generally have detachable equity enhancement features in the form of warrants or other equity securities designed to provide us with an opportunity for capital appreciation. These features are treated as OID and are accreted into interest income over the term of the loan as a yield enhancement. Our warrant coverage generally ranges from 3% to 20% of the principal amount invested in a portfolio company, with a strike price generally equal to the most recent equity financing round. As of September 30, 2024, we held warrants in 98 portfolio companies, with a fair value of approximately \$30.0 million. The fair value of our warrant portfolio decreased by approximately \$3.9 million, as compared to a fair value of \$33.9 million as of December 31, 2023, primarily related to the decrease in fair value of the portfolio companies.

Our existing warrant holdings would require us to invest approximately \$61.4 million to exercise such warrants as of September 30, 2024. Warrants may appreciate or depreciate in value depending largely upon the underlying portfolio company's performance and overall market conditions. As attractive investment opportunities arise, we may exercise certain of our warrants to purchase stock, and could ultimately monetize our investments. Of the warrants that we have monetized since inception, we have realized multiples in the range of approximately 1.02x to 42.71x based on the historical rate of return on our investments. We may also experience losses from our warrant portfolio in the event that warrants are terminated or expire unexercised.

Portfolio Grading

We use an investment grading system, which grades each debt investment on a scale of 1 to 5 to characterize and monitor our expected level of risk on the debt investments in our portfolio with 1 being the highest quality. The following table shows the distribution of our outstanding debt investments on the 1 to 5 investment grading scale at fair value as of September 30, 2024 and December 31, 2023, respectively:

Investment Grading	September 30, 2024			December 31, 2023		
	Number of Companies	Debt Investments at Fair Value	Percentage of Total Portfolio	Number of Companies	Debt Investments at Fair Value	Percentage of Total Portfolio
1	20	\$ 731,277	21.6%	20	\$ 626,770	20.5%
2	51	1,474,880	43.6%	52	1,286,195	42.1%
3	44	1,078,012	31.9%	47	1,040,629	34.0%
4	5	75,686	2.3%	5	103,705	3.4%
5	2	20,723	0.6%	1	—	0.0%
	122	\$ 3,380,578	100.0%	125	\$ 3,057,299	100.0%

As of September 30, 2024 and December 31, 2023, our debt investments had a weighted average investment grading of 2.24 and 2.24 on a cost basis, respectively. Changes in a portfolio company's investment grading may be a result of changes in portfolio company's performance and/or timing of expected liquidity events. For instance, we may downgrade a portfolio company if it is not meeting our financing criteria or are underperforming relative to their respective business plans. We may also downgrade a portfolio company as it approaches a point in time when it will require additional equity capital to continue operations. Conversely, we may upgrade a portfolio company's investment grading when it is exceeding our financial performance expectations and/or is expected to mature/repay in full due to a liquidity event. The overall downgrade of the portfolio's weighted average investment grading is reflective of the impact of current macroeconomic environment.

As macroeconomic events evolve and cause disruption in the capital markets and to businesses, we are continuing to monitor and work with the management teams and stakeholders of our portfolio companies to navigate the significant market, operational, and economic challenges created by these events. This includes remaining proactive in our assessments of credit performance to manage potential risks across our investment portfolio.

Non-accrual Investments

The following table shows the amortized cost of our performing and non-accrual investments as of September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023	
	Amortized Cost	Percentage of Total Portfolio at Amortized Cost	Amortized Cost	Percentage of Total Portfolio at Amortized Cost
Performing	\$ 3,518	97.4 %	\$ 3,216	99.0 %
Non-accrual	92	2.6 %	31	1.0 %
Total Investments	\$ 3,610	100.0 %	\$ 3,247	100.0 %

Debt investments are placed on non-accrual status when it is probable that principal, interest, or fees will not be collected according to contractual terms. When a debt investment is placed on non-accrual status, we cease to recognize interest and fee income until the portfolio company has paid all principal and interest due or demonstrated the ability to repay our current and future contractual obligations. We may not apply the non-accrual status to a loan where the investment has sufficient collateral value to collect all of the contractual amount due and is in the process of collection. Interest collected on non-accrual investments are generally applied to principal.

Results of Operations

Our condensed consolidated operating results for the three and nine months ended September 30, 2024 and 2023, were as follows:

(in thousands, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Total investment income	\$ 125,248	\$ 116,744	\$ 371,807	\$ 338,065
Total expenses	42,084	39,950	127,123	120,072
Net investment income	83,164	76,794	244,684	217,993
Net realized gain (loss):	(559)	(2,587)	1,825	5,590
Net change in unrealized appreciation (depreciation):	(13,894)	(46,240)	(44,982)	(6,277)
Net increase (decrease) in net assets resulting from operations	\$ 68,711	\$ 27,967	\$ 201,527	\$ 217,306
Net investment income before gains and losses per common share:				
Basic	\$ 0.51	\$ 0.52	\$ 1.52	\$ 1.53
Change in net assets resulting from operations per common share:				
Basic	\$ 0.42	\$ 0.19	\$ 1.25	\$ 1.52
Diluted	\$ 0.42	\$ 0.19	\$ 1.24	\$ 1.51

Our operating results can vary substantially from period to period due to various factors, including changes in the level of investments held, changes in our investment yields, recognition of realized gains and losses, and changes in net unrealized appreciation and depreciation, among other factors. As a result, comparison of the net increase (decrease) in net assets resulting from operations may not be meaningful.

Investment Income

Total investment income for the three and nine months ended September 30, 2024 was approximately \$125.2 million and \$371.8 million, respectively as compared to approximately \$116.7 million and \$338.1 million, respectively for the three and nine months ended September 30, 2023. Investment income is primarily composed of interest income earned on our debt investments, fee income from commitments, facilities, and other loan related fees and dividend income distributions.

Interest and Dividend Income

The following table summarizes the components of interest and dividend income for the three and nine months ended September 30, 2024 and 2023:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Contractual interest income	\$ 90,288	\$ 89,747	\$ 268,441	\$ 258,685
Exit fee interest income	12,047	10,904	34,519	34,340
PIK interest income	12,706	6,652	37,870	17,999
Dividend income	2,100	—	5,800	—
Other investment income ⁽¹⁾	1,909	3,036	5,728	8,198
Total interest and dividend income	\$ 119,050	\$ 110,339	\$ 352,358	\$ 319,222

(1) Other investment income includes OID interest income and interest recorded on other assets.

Interest and dividend income for the three and nine months ended September 30, 2024 totaled approximately \$119.0 million and \$352.4 million as compared to approximately \$110.3 million and \$319.2 million for the three and nine months ended September 30, 2023. The increase in interest and dividend income for the three and nine months ended September 30, 2024 as compared to the period ended September 30, 2023 is primarily attributable to an increase in the weighted average principal, dividend income distributions, and partially offset by lower core yield.

Interest income is comprised of recurring interest income from the contractual servicing of loans and non-recurring interest income that is related to the acceleration of income due to early loan repayments and other one-time events during the period.

The following table summarizes recurring and non-recurring interest income for the three and nine months ended September 30, 2024 and 2023:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Recurring interest income	\$ 113,252	\$ 104,823	\$ 337,863	\$ 300,810
Non-recurring interest income	5,798	5,516	14,495	18,412
Total interest income	\$ 119,050	\$ 110,339	\$ 352,358	\$ 319,222

A portion of interest income is earned in the form of PIK interest. The following table shows the PIK-related activity for the nine months ended September 30, 2024 and 2023, at cost:

(in thousands)	Nine Months Ended September 30,	
	2024	2023
Beginning PIK interest receivable balance	\$ 38,030	25,713
PIK interest income during the period	37,870	17,999
PIK capitalized as principal or converted to equity or other assets	(618)	(375)
Payments received from PIK loans	(12,671)	(4,023)
Realized gain (loss)	—	(52)
Ending PIK interest receivable balance	\$ 62,611	39,262

The increase in PIK interest income during the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023 is due to an increase in the weighted average principal outstanding for debt investments which earn PIK interest. Payments on PIK loans are normally received only in the event of payoffs. The PIK receivable for September 30, 2024 and September 30, 2023 was approximately 2% and 1% of total debt investments, respectively.

Fee Income

Fee income from commitment, facility and loan related fees for the three and nine months ended September 30, 2024 totaled approximately \$6.2 million and \$19.4 million, respectively as compared to approximately \$6.4 million and \$18.8 million, respectively for the three and nine months ended September 30, 2023. Fee income was relatively consistent for the three months ended September 30, 2024 and 2023. The increase in fee income for the nine months ended September 30, 2024 and 2023 is primarily due to an increase in the weighted average principal and an increase in expired commitments.

Fee income is comprised of recurring fee income from commitment, facility, and loan related fees, fee income due to expired commitments, and acceleration of fee income due to early loan repayments during the period. The following table summarizes the components of fee income for the three and nine months ended September 30, 2024 and 2023:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Recurring fee income	\$ 2,423	\$ 2,243	\$ 7,081	\$ 6,418
Fee income - expired commitments	413	300	1,790	651
Accelerated fee income - early repayments	3,362	3,862	10,578	11,774
Total fee income	\$ 6,198	\$ 6,405	\$ 19,449	\$ 18,843

In certain investment transactions, we may earn income from advisory services; however, we had no income from advisory services in the three and nine months ended September 30, 2024 or 2023.

Operating Expenses

Our operating expenses are comprised of interest and fees on our debt borrowings, general and administrative expenses, taxes, and employee compensation and benefits. During the three and nine months ended September 30, 2024 and 2023, our net operating expenses totaled approximately \$42.1 million and \$40.0 million, respectively for the three-month periods, and approximately \$127.1 million and \$120.1 million, respectively for the nine-month periods.

Interest and Fees on our Debt

Interest and fees on our debt totaled approximately \$22.4 million and \$19.0 million for the three months ended September 30, 2024 and 2023, respectively, and approximately \$63.9 million and \$57.6 million for the nine months ended September 30, 2024 and 2023, respectively. Our higher weighted average borrowings outstanding and cost of debt during

both the three and nine month periods ended September 30, 2024, resulted in an increase of interest and fee expenses as compared to the three and nine months ended September 30, 2023.

Our weighted average cost of debt was approximately 5.1% and 4.8% for the three months ended September 30, 2024 and 2023, respectively and 5.0% and 4.8%, for the nine months ended September 30, 2024 and 2023, respectively. The weighted average cost of debt includes interest and fees on our debt but excludes the impact of fee accelerations due to the extinguishment of debt, as applicable. The increase in the weighted average cost of debt during 2024 as compared to 2023, was attributable to increased usage of our Credit Facilities which are floating rate instruments and have a higher borrowing rate.

General and Administrative Expenses and Tax Expenses

General and administrative expenses include legal fees, consulting fees, accounting fees, printer fees, insurance premiums, rent, expenses associated with the workout of underperforming investments, and various other expenses. Our general and administrative expenses stayed flat at \$4.6 million for the three months ended September 30, 2024 and 2023, respectively and increased to \$14.1 million from \$13.9 million for the nine months ended September 30, 2024 and 2023, respectively. The increase in general and administrative expenses for the nine months ended September 30, 2024 is primarily attributable to an increase in costs of office and technology expenses, and certain professional fees. Tax expenses were \$2.0 million and \$1.9 million during the three months ended September 30, 2024 and 2023, respectively and \$4.5 million and \$5.2 million for the nine months ended September 30, 2024 and 2023, respectively. Our tax expenses primarily relate to excise tax accruals.

Employee Compensation

Employee compensation and benefits totaled approximately \$12.1 million and \$42.9 million, for the three and nine months ended September 30, 2024 as compared to approximately \$13.6 million and \$41.1 million respectively, for the three and nine months ended September 30, 2023. The movement between the three and nine months ended September 30, 2024 and 2023 was primarily due to fluctuations in variable compensation.

Employee stock-based compensation totaled approximately \$3.2 million and \$9.7 million, for the three and nine months ended September 30, 2024 as compared to approximately \$3.3 million and \$9.8 million respectively, for the three and nine months ended September 30, 2023. There was no significant change between the comparative periods.

Expenses allocated to the Adviser Subsidiary

The shared services agreement with the Adviser Subsidiary (the “Sharing Agreement”), provides the Adviser Subsidiary access to our human capital resources, including deal professionals, finance, and administrative functions, as well as other resources including infrastructure assets such as office space and technology. Under the terms of the Sharing Agreement, we allocate the related expenses of shared services to the Adviser Subsidiary. Our total net operating expenses for the three months ended September 30, 2024 and 2023, are net of expenses allocated to the Adviser Subsidiary of \$2.2 million and \$2.4 million, respectively and \$7.9 million and \$7.5 million for the nine months ended September 30, 2024 and 2023, respectively. The decrease in expenses allocated to the Adviser Subsidiary for the three months ended September 30, 2024 compared to 2023 is due to lower allocations to the Adviser Funds. The increase in expenses allocated to the Adviser Subsidiary for the nine months ended September 30, 2024 compared to 2023 is due to a result of higher average assets under management and higher allocations to the Adviser Funds. As of September 30, 2024 and December 31, 2023, there was less than \$0.1 million and approximately \$0.1 million due from the Adviser Subsidiary, respectively.

Net Realized Gains and Losses and Net Change in Unrealized Appreciation and Depreciation

Realized gains or losses on investments are measured by the difference between the net proceeds from the repayment or sale and the cost basis of an investment without regard to unrealized appreciation or depreciation previously recognized, and includes investments written off during the period, net of recoveries. Realized loss on debt extinguishment relates to additional fees, costs, and accelerated recognition of remaining debt issuance costs, which are recognized in the event debt is extinguished before its stated maturity. The net change in unrealized appreciation or depreciation on investments primarily reflects the change in portfolio investment values during the reporting period, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized.

A summary of net realized gains and losses for the three and nine months ended September 30, 2024 and 2023 is as follows:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Realized gains	\$ 2,790	\$ 3,693	\$ 17,766	\$ 23,533
Realized losses	(3,291)	(6,280)	(14,950)	(17,956)
Realized foreign exchange gains (losses)	(58)	—	(991)	13
Net realized gains (losses)	\$ (559)	\$ (2,587)	\$ 1,825	\$ 5,590

During the three and nine months ended September 30, 2024, we recognized a net realized loss of \$0.6 million and a net realized gain of \$1.8 million, respectively. The net realized gains (losses) were generated from gross realized gains of \$2.8 million and \$17.8 million respectively, for the three and nine month periods, primarily from the sale of our equity and warrant positions in Palantir Technologies, TransMedics Group, Inc., Tarsus Pharmaceuticals, Inc., DoorDash, Inc., and sale proceeds from the completed acquisition of Delphix Corp. Our gains were offset by gross realized losses of \$3.3 million and \$15.0 million, respectively, for the three and nine month periods, from the write-off of equity and warrant investments in Proterra, Inc., The Faction Group LLC, Udacity, Inc., Humanigen, Inc., Eigen Technologies Ltd., ADMA Biologics, Inc., Sio Gene Therapies, Inc., Fulcrum Bioenergy, Inc., PDS Biotechnology Corporation, Polyera Corporation, Intuity Medical, Inc., and The Neat Company which had no value after the respective portfolio companies were acquired or dissolved. Additionally, we realized a loss of \$9.1 million from write-off of our debt investments relating to Better Therapeutics, Inc. and Eigen Technologies Ltd., net of recovered collections of \$6.0 million.

During the three and nine months ended September 30, 2023, we recognized net realized loss of \$2.6 million and a net realized gain of \$5.5 million, respectively. The net realized gains (losses) were generated from gross realized gains of \$3.7 million and \$23.5 million, respectively, for the three and nine month periods, primarily from the sale of our equity and warrant positions in Palantir Technologies, Provention Bio, Inc., TransMedics Group, Inc., SprinklR, Inc., and Zeta Global Corp. Our gains were offset by gross realized losses of \$6.3 million and \$18.0 million, respectively, for the three and nine month periods, primarily from the write-off of equity and warrant investments in Concert Pharmaceuticals, Inc. and Fungible, Inc. which had no value after the respective portfolio companies were acquired, the write-off of our equity investments in Gynesonics, Inc., Paratek Pharmaceuticals, Inc. and Flowonix Medical Inc. as a result of capital markets transactions. Additionally, we realized a net \$5.4 million loss from write-off of our debt investments in Codiak Biosciences, Inc. and Esme Learning Solutions, Inc., net of recovered collections of \$17.5 million.

The net change in unrealized appreciation and depreciation of our investments is derived from the changes in fair value of each investment determined in good faith by our Valuation Committee and approved by the Board. The following table summarizes the change in net unrealized appreciation or depreciation of investments for the three and nine months ended September 30, 2024 and 2023:

(in thousands)	Three Months Ended September		Nine Months Ended September	
	2024	2023	2024	2023
Gross unrealized appreciation on portfolio investments	\$ 28,782	\$ 34,458	\$ 86,226	\$ 130,577
Gross unrealized depreciation on portfolio investments	(38,093)	(75,113)	(126,780)	(115,661)
Reversal of prior period net changes in unrealized appreciation (depreciation) upon a realization event	(1,587)	(4,396)	(11,498)	(20,904)
Net change in unrealized appreciation (depreciation) on portfolio investments	(10,898)	(45,051)	(52,052)	(5,988)
Other net changes in unrealized appreciation (depreciation) ⁽¹⁾	(2,996)	(1,189)	7,070	(289)
Total net change in unrealized appreciation (depreciation) on investments	\$ (13,894)	\$ (46,240)	\$ (44,982)	\$ (6,277)

(1) Includes the net change in unrealized appreciation (depreciation) related to derivative instruments and other assets and liabilities.

During the three months ended September 30, 2024 and 2023, we recorded approximately \$13.9 million and \$46.2 million of net unrealized depreciation, respectively, on our investments. During the nine months ended September 30, 2024

and 2023, we recorded approximately \$45.0 million and \$6.3 million of net unrealized depreciation on our investments, respectively.

The following tables summarize the key drivers of change in net unrealized appreciation (depreciation) of investments for the three and nine months ended September 30, 2024 and 2023:

(in thousands)	For the Three Months Ended September 30, 2024			For the Nine Months Ended September 30, 2024		
	Debt	Equity, Warrants and Investment Funds ⁽¹⁾	Total	Debt	Equity, Warrants and Investment Funds ⁽¹⁾	Total
Investment valuation appreciation (depreciation)	\$ (15,641)	\$ 6,330	\$ (9,311)	\$ (34,786)	\$ (5,768)	\$ (40,554)
Reversal of prior period net changes in unrealized appreciation (depreciation) upon a realization event	(2,957)	1,370	(1,587)	(784)	(10,714)	(11,498)
Other net changes in unrealized appreciation (depreciation)	1,718	(4,714)	(2,996)	1,420	5,650	7,070
Net change in unrealized appreciation (depreciation)	\$ (16,880)	\$ 2,986	\$ (13,894)	\$ (34,150)	\$ (10,832)	\$ (44,982)

(in thousands)	For the Three Months Ended September 30, 2023			For the Nine Months Ended September 30, 2023		
	Debt	Equity, Warrants and Investment Funds ⁽¹⁾	Total	Debt	Equity, Warrants and Investment Funds ⁽¹⁾	Total
Investment valuation appreciation (depreciation)	\$ (30,528)	\$ (10,127)	\$ (40,655)	\$ 264	\$ 14,652	\$ 14,916
Reversal of prior period net changes in unrealized appreciation (depreciation) upon a realization event	(9,271)	4,875	(4,396)	(17,696)	(3,208)	(20,904)
Other net changes in unrealized appreciation (depreciation)	(1,053)	(136)	(1,189)	267	(556)	(289)
Net change in unrealized appreciation (depreciation)	\$ (40,852)	\$ (5,388)	\$ (46,240)	\$ (17,165)	\$ 10,888	\$ (6,277)

(1) Includes the net change in unrealized appreciation (depreciation) related to derivative instruments and other assets and liabilities.

Income and Excise Taxes

We account for income taxes in accordance with the provisions of ASC Topic 740 Income Taxes, under which income taxes are provided for amounts currently payable and for amounts deferred based upon the estimated future tax effects of differences between the financial statements and tax basis of assets and liabilities given the provisions of the enacted tax law. Valuation allowances may be used to reduce deferred tax assets to the amount likely to be realized. We intend to timely distribute to our stockholders substantially all of our annual taxable income for each year, except that we may retain certain net capital gains for reinvestment and, depending upon the level of taxable income earned in a year, we may choose to carry forward taxable income for distribution in the following year and pay any applicable U.S. federal excise tax.

Because federal income tax regulations differ from U.S. GAAP, distributions in accordance with tax regulations may differ from net investment income and realized gains recognized for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their appropriate tax character. Permanent differences may also result from the classification of certain items, such as the treatment of short-term gains as ordinary income for tax purposes. Temporary differences arise when certain items of income, expense, gain or loss are recognized at some time in the future.

The Adviser Subsidiary

Hercules Capital Management LLC through the Adviser Subsidiary has entered into investment management agreements (the "IMAs") with the Adviser Funds. Pursuant to the IMAs, the Adviser Subsidiary provides investment advisory and management services to the Adviser Funds in exchange for an asset-based fee. In addition, Hercules Capital Management LLC through its control of the GP Interests for each of the Adviser Funds may receive certain incentive fee allocations. The Adviser Funds are privately offered investment funds exempt from registration under the 1940 Act that invest in debt and equity investments in venture or institutionally backed technology related and life sciences companies.

The Adviser Subsidiary receives fee income for the services provided to the Adviser Funds. The Adviser Subsidiary's contribution to our net investment income is derived from dividend income declared by the Adviser Subsidiary and interest income earned on loans to the Adviser Subsidiary. For the three months ended September 30, 2024 and 2023, \$1.8 million and no dividends, respectively, were declared by the Adviser Subsidiary. For the nine months ended September 30, 2024 and 2023, \$5.0 million and no dividends, respectively, were declared by the Adviser Subsidiary.

Financial Condition, Liquidity, Capital Resources and Obligations

Our liquidity and capital resources are derived from our debt borrowings and cash flows from operations, including investment sales and repayments, and income earned. Our primary use of funds from operations includes investments in portfolio companies and payments of fees and other operating expenses we incur. We have used, and expect to continue to use, our debt and the proceeds from the turnover of our portfolio and from public and private offerings of securities to finance our investment objectives. We may also raise additional equity or debt capital through registered offerings off a shelf registration, At-the-Market ("ATM"), and private offerings of securities, by securitizing a portion of our investments, or by borrowing from the SBA through our SBIC subsidiaries. This "Financial Condition, Liquidity, Capital Resources and Obligations" section should be read in conjunction with the "Macroeconomic Market Developments" section above.

During the nine months ended September 30, 2024, we principally funded our operations from (i) cash receipts from interest, dividend, and fee income from our investment portfolio, (ii) cash proceeds from the realization of portfolio investments through the repayments of debt investments and the sale of debt and equity investments, (iii) borrowings on our credit facilities, and (iv) equity offerings.

During the nine months ended September 30, 2024, our operating activities used \$88.8 million of cash and cash equivalents, compared to \$62.6 million used during the nine months ended September 30, 2023. The \$26.2 million increase in cash used in operating activities was primarily due to a \$64.5 million increase in net purchases of investments offset by a \$36.8 million increase in principal, fee repayments, and proceeds from the sale of debt investments.

During the nine months ended September 30, 2024, our investing activities used approximately \$700 thousand of cash, compared to \$390 thousand used during the nine months ended September 30, 2023. The \$310 thousand increase in cash used in investing activities was due to an increase in purchases of capital equipment.

During the nine months ended September 30, 2024, our financing activities provided \$17.5 million of cash, compared to \$74.3 million provided during the nine months ended September 30, 2023. The \$56.8 million decrease in cash flows from financing activities was primarily due to a \$172.0 million decrease in equity issued and a \$23.8 million increase in dividend distributions, offset by an increase in net borrowing activity of \$126.0 million. During the nine months ended September 30, 2024, we distributed dividends of \$225.6 million compared to \$201.8 million during the nine months ended September 30, 2023. We also reduced the usage of our ATM program, which provided (net of offering costs) approximately \$66.3 million and down from \$238.3 million, during the nine months ended September 30, 2024 and 2023, respectively.

As of September 30, 2024, our net assets totaled \$1.9 billion, with a NAV per share of \$11.40. We intend to continue to operate in order to generate cash flows from operations, including income earned from investments in our portfolio companies. Our primary use of funds will be investments in portfolio companies and cash distributions to holders of our common stock.

Available liquidity and capital resources as of September 30, 2024

As of September 30, 2024, we had \$572.3 million in available liquidity, including \$38.9 million in cash, cash equivalents, and available borrowing capacity of approximately \$23.4 million under the SMBC Facility, \$175.0 million under our SMBC letter of credit facility, \$160.0 million under the MUFG Bank Facility, and \$175.0 million of SBA Debentures, subject to certain conditions. Additional liquidity is available through accordion provisions within the terms of our Credit Facilities, through which the available borrowing capacity can be increased by an aggregate \$475.0 million, subject to certain conditions. Further, the SMBC letter of credit facility may also be increased by an additional \$225.0 million (up to \$400.0 million), subject to certain conditions. Total amounts outstanding as of September 30, 2024, were \$441.0 million outstanding under our Credit Facilities, which are floating interest rate obligations, and the remaining \$1,310.0 million of term debt outstanding, which are all fixed interest rate debt obligations.

Not considered above, as of September 30, 2024, we held \$5.1 million of cash classified as restricted cash. Our restricted cash relates to amounts that are held as collateral securing certain of our financing transactions, including collections of interest and principal payments on assets that are securitized related to the 2031 Asset-Backed Notes. Based on current characteristics of the securitized debt investment portfolios, the restricted funds may be used to pay monthly interest and principal on the securitized debt with any excess distributed to us or available for our general operations. Refer

to “Note 5 – Debt” included in the notes to our consolidated financial statements appearing elsewhere in this report for additional discussion of our debt obligations.

The 1940 Act permits BDCs to incur borrowings, issue debt securities, or issue preferred stock unless immediately after the borrowings or issuance the ratio of total assets (less total liabilities other than indebtedness) to total indebtedness plus preferred stock is less than 200% (or 150% if certain requirements are met). On September 4, 2018 and December 6, 2018, our Board, including a “required majority” (as such term is defined in Section 57(o) of the 1940 Act) and our stockholders, respectively, approved the application to us of the 150% minimum asset coverage ratio set forth in Section 61(a)(2) of the 1940 Act. As of September 30, 2024, our asset coverage ratio under our regulatory requirements as a BDC was 217.1% excluding our SBA debentures. Our exemptive order from the SEC allows us to exclude all SBA leverage from our asset coverage ratio. As a result of the SEC exemptive order, our ratio of total assets on a consolidated basis to outstanding indebtedness may be less than 150%, which while providing increased investment flexibility, also may increase our exposure to risks associated with leverage. Total asset coverage when including our SBA debentures was 205.7% as of September 30, 2024.

The 1940 Act prohibits us from selling shares of our common stock at a price below the current NAV per share of such stock, with certain exceptions. One such exception is prior stockholder approval of issuances below NAV provided that our Board makes certain determinations. On August 16, 2024, we obtained authorization from our stockholders to issue common stock at a price below our then-current NAV per share for a twelve-month period which will expire on August 16, 2025.

As detailed above, our diverse and well-structured balance sheet is designed to provide a long-term focused and sustainable investment platform. Currently, we believe we have ample liquidity to support our near-term capital requirements. As the impact of the macro-economic events, potential global recession, acts of terrorism, war, geopolitical events, and the related disruption to markets and business continues to impact the economy, we will continue to evaluate our overall liquidity position and take proactive steps to maintain the appropriate liquidity position based upon the current circumstances.

Equity Offerings

We may from time-to-time issue and sell shares of our common stock through public or ATM offerings. We currently sell shares through our equity distribution agreement with JMP Securities LLC (“JMP”) and Jefferies LLC (“Jefferies”) (the “2023 Equity Distribution Agreement”) entered into on May 5, 2023. The 2023 Equity Distribution Agreement provides that we may offer and sell up to 25.0 million shares of our common stock from time to time through JMP or Jefferies, as our sales agents. Sales of our common stock, if any, may be made in negotiated transactions or transactions that are deemed to be “at the market,” as defined in Rule 415 under the Securities Act, including sales made directly on the NYSE or similar securities exchange or sales made to or through a market maker other than on an exchange, at prices related to the prevailing market prices or at negotiated prices. We generally use net proceeds from these offerings to make investments, to repurchase or pay down liabilities and for general corporate purposes. As of September 30, 2024, approximately 13.6 million shares remain available for issuance and sale under the current equity distribution agreement.

During the three and nine months ended September 30, 2024, we issued and sold zero and 3.7 million shares of our common stock receiving total accumulated net proceeds of zero and \$66.4 million, respectively. This is a decrease from the approximately \$107.6 million and \$238.3 million of accumulated net proceeds received from the issuance and sale of 6.5 million shares and 16.2 million shares, respectively, during the three and nine months ended September 30, 2023.

Commitments and Obligations

Our significant cash requirements generally relate to our debt obligations. As of September 30, 2024, we had \$1,751.0 million of debt outstanding, \$170.0 million within the next year, \$1,216.0 million within 1 to 3 years, and \$365.0 million beyond 3 years.

In addition to our debt obligations, in the normal course of business, we are party to financial instruments with off-balance sheet risk. These consist primarily of unfunded contractual commitments to extend credit, in the form of loans, to our portfolio companies. Unfunded contractual commitments to provide funds to portfolio companies are not reflected on our balance sheet.

Our unfunded contractual commitments may be significant from time to time. A portion of these unfunded contractual commitments are dependent upon the portfolio company reaching certain milestones before the debt commitment becomes available. Furthermore, our credit agreements contain customary lending provisions which allow us relief from funding obligations for previously made unfunded commitments in instances where the underlying company experiences materially adverse events that affect the financial condition or business outlook for the company. These commitments will be subject to the same underwriting and ongoing portfolio maintenance as are the on-balance sheet financial instruments that we hold.

Since these commitments may expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. As such, our disclosure of unfunded contractual commitments includes only those which are available at the request of the portfolio company and unencumbered by milestones. Refer to “Note 11 – Commitments and Contingencies” included in the notes to our consolidated financial statements appearing elsewhere in this report for additional discussion of our unfunded commitments.

As of September 30, 2024, we had approximately \$489.0 million of available unfunded commitments, including undrawn revolving facilities, which were available at the request of the portfolio company and unencumbered by future or unachieved milestones, as well as uncalled capital commitments to make investments in private equity funds. In order to draw a portion of the Company's available unfunded commitments, a portfolio company must submit to the Company a formal funding request that complies with the applicable advance notice and other operational requirements. The available unfunded commitments excludes unfunded commitments (i) for which, with respect to a portfolio company's agreement, a milestone was achieved after the last day on which the portfolio company could have requested a drawdown funding to be completed within the reporting period; and (ii) \$152.2 million of unfunded commitments which represent the portion of portfolio company commitments assigned to or directly committed by the Adviser Funds.

Additionally, we had approximately \$180.5 million of non-binding term sheet outstanding to five new companies and one existing company, which generally convert to contractual commitments within approximately 90 days of signing. Non-binding outstanding term sheets are subject to completion of our due diligence and final investment committee approval process, as well as the negotiation of definitive documentation with the prospective portfolio companies. Not all non-binding term sheets are expected to close and do not necessarily represent future cash requirements.

The fair value of our unfunded commitments is considered to be immaterial as the yield determined at the time of underwriting is expected to be materially consistent with the yield upon funding, given that interest rates are generally pegged to market indices and given the existence of milestones, conditions and/or obligations embedded in the borrowing agreements.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and revenues and expenses during the period reported. On an ongoing basis, our management evaluates its estimates and assumptions, which are based on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ from those estimates. Changes in our estimates and assumptions could materially impact our results of operations and financial condition.

For a description of our critical accounting policies, refer to “Note 2 – Summary of Significant Accounting Policies” included in the notes to our consolidated financial statements appearing elsewhere in this report. We consider the most significant accounting policies to be those related to our Valuation of Investments, Fair Valuation Measurements, Income Recognition, and Income Taxes. The valuation of investments is our most significant critical estimate. The most significant input to this estimate is the yield interest rate, which includes the hypothetical market yield plus premium or discount adjustment, used in determining the fair value of our debt investments. The following table shows the approximate increase (decrease) to the fair value of our debt investments from hypothetical change to the yield interest rates used for each valuation, assuming no other changes:

(in thousands)	Change in unrealized appreciation (depreciation)	
Basis Point Change		
(100)	\$	48,570
(50)	\$	26,165
50	\$	(28,321)
100	\$	(57,107)

For a further discussion and disclosure of key inputs and considerations related to this estimate, refer to “Note 3 – Fair Value of Financial Instruments” included in the notes to our consolidated financial statements appearing elsewhere in this report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to financial market risks, including changes in interest rates. Interest rate risk is defined as the sensitivity of our current and future earnings to interest rate volatility, variability of spread relationships, the difference in re-pricing intervals between our assets and liabilities and the effect that interest rates may have on our cash flows. Changes in interest rates may affect both our cost of funding and our interest income from portfolio investments, cash and cash equivalents and idle fund investments. Our investment income will be affected by changes in various interest rates, including Prime, SOFR, and BSBY rates, to the extent our debt investments include variable interest rates. As of September 30, 2024, approximately 97.3% of the loans in our portfolio had variable rates based on floating Prime, SOFR, or BSBY rates with a floor. The majority of our loans are linked to the Prime rate and comprise 75.5% of the loan portfolio, and have a weighted average Prime floor of 6.9% as of September 30, 2024. Our SOFR or BSBY indexed debt investments have weighted average index floors of approximately 1.0% as of September 30, 2024. Our debt borrowings under the Credit Facilities bear interest at a floating rate, all other outstanding debt borrowings bear interest at a fixed rate. Changes in interest rates can also affect, among other things, our ability to acquire and originate loans and securities and the value of our investment portfolio.

Based on our Consolidated Statements of Assets and Liabilities as of September 30, 2024, the following table shows the approximate annualized increase (decrease) in components of net assets resulting from operations of hypothetical base rate changes in interest rates, assuming no changes in our investments and debt:

(in thousands)						
Basis Point Change	Interest Income	Interest Expense	Net Income	EPS		
(200)	\$ (32,024)	\$ (8,196)	\$ (23,828)	\$ (0.15)		
(100)	\$ (17,644)	\$ (4,098)	\$ (13,546)	\$ (0.08)		
(75)	\$ (13,426)	\$ (3,073)	\$ (10,353)	\$ (0.06)		
(50)	\$ (9,286)	\$ (2,049)	\$ (7,237)	\$ (0.04)		
(25)	\$ (4,873)	\$ (1,024)	\$ (3,849)	\$ (0.02)		
25	\$ 5,577	\$ 1,024	\$ 4,553	\$ 0.03		
50	\$ 11,586	\$ 2,049	\$ 9,537	\$ 0.06		
75	\$ 18,931	\$ 3,073	\$ 15,858	\$ 0.10		

We generally do not engage in hedging activities. From time-to-time, we may hedge against interest rate fluctuations and foreign currency by using standard hedging instruments such as futures, options, and forward contracts. While hedging activities may insulate us against changes in interest rates and foreign currency, they may also limit our ability to participate in the benefits of lower interest rates with respect to our borrowed funds and higher interest rates with respect to our portfolio of investments. During the nine months ended September 30, 2024, we have entered into a foreign currency forward to limit our foreign currency exposure with respect to the British Pound. For additional information refer to “Note 4 – Investments”, included in the notes to our consolidated financial statements appearing elsewhere in this report.

Although we believe that the foregoing analysis is indicative of our sensitivity to interest rate changes, it does not adjust for potential changes in the credit market, credit quality, size and composition of the assets in our portfolio. It also does not adjust for other business developments, including our debt borrowings and use of our Credit Facilities that could affect the net increase in net assets resulting from operations, or net income. It also does not assume any repayments from our portfolio companies. Accordingly, no assurances can be given that actual results would not differ materially from the statement above.

Because we currently borrow, and plan to borrow in the future, money to make investments, our net investment income is dependent upon the difference between the rate at which we borrow funds and the rate at which we invest the funds borrowed. Accordingly, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. In periods of rising interest rates, our cost of funds would increase, which could reduce our net investment income if there is not a corresponding increase in interest income generated by variable rate assets in our investment portfolio. For additional information regarding the interest rate associated with each of our debt borrowings, refer to Item 2 - “Financial Condition, Liquidity and Capital Resources” in this quarterly report on Form 10-Q and “Note 5 – Debt” included in the notes to our consolidated financial statements appearing elsewhere in this report.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's chief executive and chief financial officers, under the supervision and with the participation of the Company's management, conducted an evaluation of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. As of the end of the period covered by this quarterly report on Form 10-Q, the Company's chief executive and chief financial officers have concluded that the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in reports that the Company files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the Company's chief executive and chief financial officers, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act that occurred during our most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II: OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We may, from time to time, be involved in litigation arising out of our operations in the normal course of business or otherwise. Furthermore, third parties may try to seek to impose liability on us in connection with the activities of our portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, we do not expect any current matters will materially affect our financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on our financial condition or results of operations in any future reporting period.

ITEM 1A. RISK FACTORS

In addition to the risks discussed below, important risk factors that could cause results or events to differ from current expectations are described in Part I, Item 1A “Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 15, 2024 (the “Annual Report”).

Our financial results could be negatively affected if a significant portfolio investment fails to perform as expected.

Our total investment in companies may be significant individually or in the aggregate. As a result, if a significant investment in one or more companies fails to perform as expected, our financial results could be more negatively affected, and the magnitude of the loss could be more significant than if we had made smaller investments in more companies. The following table shows the fair value of the totals of investments held in portfolio companies as of September 30, 2024 that represent greater than 5% of our net assets:

(in thousands)	September 30, 2024	
	Fair Value	Percentage of Net Assets
Axsome Therapeutics, Inc.	\$ 165,469	8.9 %
Phathom Pharmaceuticals, Inc.	\$ 160,907	8.7 %
Marathon Health, LLC	\$ 157,857	8.5 %
Corium, Inc.	\$ 110,394	6.0 %
SeatGeek, Inc.	\$ 109,152	5.9 %

- Axsome Therapeutics, Inc. is a biopharmaceutical company developing novel therapies for the management of central nervous system disorders for which there are limited treatment options.
- Phathom Pharmaceuticals, Inc. is a biopharmaceutical company focused on the development and commercialization of novel treatments for gastrointestinal diseases and disorders.
- Marathon Health, LLC is a provider of employer-sponsored healthcare platform intended to provide convenient and unhurried patient-centered care services.
- Corium, Inc. develops, engineers, and manufactures drug delivery products and devices that utilize the skin and mucosa as a primary means of transport.
- SeatGeek, Inc. is a mobile-focused ticket platform that enables users to buy and sell tickets for live sports, concerts and theater events.

Our financial results could be materially adversely affected if these portfolio companies or any of our other significant portfolio companies encounter financial difficulty and fail to repay their obligations or to perform as expected.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Dividend Reinvestment Plan

During the nine months ended September 30, 2024, we issued 342,129 shares of common stock to stockholders in connection with the dividend reinvestment plan. These issuances were not subject to the registration requirements of the Securities Act. The aggregate value of the shares of our common stock issued under our dividend reinvestment plan was approximately \$6.3 million.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Plans

On June 27, 2024, Scott Bluestein, chief executive officer and director, adopted a written plan for the sale of our common stock that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. The plan covered the sale of up to 100,000 shares of the Company's common stock over a period commencing after the later of (1) 91 days from the adoption date or (2) the earlier of (a) the third business day following the public disclosure of the Company's financial results on Form 10-Q for the quarter ended June 30, 2024 or (b) 121 days after the adoption date, and terminated on December 15, 2024 or upon the earlier completion of all authorized transactions under the plan. On September 26, 2024, all authorized transactions were completed under the plan and the plan terminated.

During the third quarter ended September 30, 2024, no other directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

ITEM 6. EXHIBITS

Exhibit Number	Description
3(a)	Articles of Amendment and Restatement. ⁽¹⁾
3(b)	Articles of Amendment, dated March 6, 2007. ⁽²⁾
3(c)	Articles of Amendment, dated April 5, 2011. ⁽³⁾
3(d)	Articles of Amendment, dated April 3, 2015. ⁽⁴⁾
3(e)	Articles of Amendment, dated February 23, 2016. ⁽⁵⁾
3(f)*	Articles of Amendment, dated October 28, 2024.
3(g)	Amended and Restated Bylaws of Hercules Capital, Inc. ⁽⁵⁾
31.1*	Chief Executive Officer Certification Pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Chief Financial Officer Certification Pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Chief Executive Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Chief Financial Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, has been formatted in Inline XBRL

* Filed herewith.

- (1) Previously filed as part of Pre-Effective Amendment No. 1, as filed on May 17, 2005 (File No. 333-122950) to the Registration Statement on Form N-2 of the Company.
- (2) Previously filed as part of the Current Report on Form 8-K of the Company, as filed on March 9, 2007.
- (3) Previously filed as part of the Current Report on Form 8-K of the Company, as filed on April 11, 2011.
- (4) Previously filed as part of the Registration Statement on Form N-2 of the Company, as filed on April 20, 2015 (File No. 333-203511).
- (5) Previously filed as part of the Current Report on Form 8-K of the Company, as filed on March 20, 2020.

Schedule 12 – 14

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS IN AND ADVANCES TO AFFILIATES
For the Nine Months Ended September 30, 2024 (unaudited)

(in thousands)		Amount of Interest, Dividends, and Fees Credited to Income ⁽²⁾	Realized Gain (Loss)	Fair Value as of December 31, 2023	Gross Additions ⁽³⁾	Gross Reductions ⁽⁴⁾	Net Change in Unrealized Appreciation/ (Depreciation)	Fair Value as of September 30, 2024
Portfolio Company	Investment ⁽¹⁾							
Control Investments								
Majority Owned Control Investments								
Coronado Aesthetics, LLC ⁽⁸⁾	Preferred Stock	\$ —	\$ —	\$ 260	\$ —	\$ —	\$ 58	\$ 318
	Common Stock	—	—	2	—	—	(1)	1
Gibraltar Acquisition LLC (p.k.a. Gibraltar Business Capital, LLC) ⁽⁵⁾	Unsecured Debt	4,034	—	34,478	1,155	—	—	35,633
	Member Units	—	—	28,034	—	—	(6,365)	21,669
Hercules Adviser LLC ⁽⁶⁾	Unsecured Debt	5,457	—	12,000	—	—	—	12,000
	Member Units	—	—	28,713	—	—	2,720	31,433
Total Majority Owned Control Investments		\$ 9,491	\$ —	\$ 103,487	\$ 1,155	\$ —	\$ (3,588)	\$ 101,054
Other Control Investments								
Tectura Corporation ⁽⁷⁾	Senior Debt	\$ 518	\$ —	\$ 8,250	\$ —	\$ —	\$ —	\$ 8,250
	Preferred Stock	—	—	3,263	—	—	524	3,787
	Common Stock	—	—	4	—	—	2	6
Total Other Control Investments		\$ 518	\$ —	\$ 11,517	\$ —	\$ —	\$ 526	\$ 12,043
Total Control Investments		\$ 10,009	\$ —	\$ 115,004	\$ 1,155	\$ —	\$ (3,062)	\$ 113,097

(1) Stock and warrants are generally non-income producing and restricted.

(2) Represents the total amount of interest, fees, or dividends credited to income for the period an investment was an affiliate or control investment.

(3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, paid-in-kind interest or dividends, the amortization of discounts and closing fees and the exchange of one or more existing securities for one or more new securities.

(4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include previously recognized depreciation on investments that become control or affiliate investments during the period.

(5) As of March 31, 2018, the Company's investment in Gibraltar Acquisition LLC (p.k.a. Gibraltar Business Capital, LLC) became classified as a control investment as a result of obtaining a controlling financial interest. Gibraltar Acquisition LLC is a wholly-owned subsidiary, which is the holding company for their wholly-owned affiliated portfolio companies, Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC. The subsidiary has no significant assets or liabilities, other than their equity and debt investments and equity interest in Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC, respectively.

(6) Hercules Adviser LLC is owned by Hercules Capital Management LLC and presented with Hercules Partner Holdings, LLC which are both wholly owned by the Company. Please refer to "Note 1 - Description of Business" for additional disclosure.

(7) As of March 31, 2017, the Company's investment in Tectura Corporation became classified as a control investment as of result of obtaining more than 50% representation on the portfolio company's board. In May 2018, the Company purchased common shares, thereby obtaining greater than 25% of voting securities of Tectura as of June 30, 2018.

(8) As of December 31, 2021, the Company's investment in Coronado Aesthetics, LLC became classified as a control investment as a result of obtaining more than 25% of the voting securities of the portfolio company

Schedule 12 – 14

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS IN AND ADVANCES TO AFFILIATES
For the Nine Months Ended September 30, 2023 (unaudited)

(in thousands)									
	Investment ⁽¹⁾	Amount of Interest and Fees Credited to Income ⁽²⁾	Realized Gain (Loss)	Fair Value as of December 31, 2022	Gross Additions ⁽³⁾	Gross Reductions ⁽⁴⁾	Net Change in Unrealized Appreciation/ (Depreciation)	Fair Value as of September 30, 2023	
Portfolio Company									
Control Investments									
Majority Owned Control Investments									
Coronado Aesthetics, LLC ⁽⁸⁾	Preferred Stock	\$ —	\$ —	\$ 313	\$ —	\$ —	\$ (68)	\$ 245	
	Common Stock	—	—	6	—	—	(4)	2	
Gibraltar Acquisition, LLC (p.k.a. Gibraltar Business Capital, LLC) ⁽⁵⁾	Unsecured Debt	2,359	—	21,700	9,872	—	2,867	34,439	
	Member Units	—	—	15,244	4,500	—	1,809	21,553	
Hercules Adviser LLC ⁽⁶⁾	Unsecured Debt	455	—	12,000	—	—	—	12,000	
	Member Units	—	—	19,153	—	—	9,515	28,668	
Total Majority Owned Control Investments		\$ 2,814	\$ —	\$ 68,416	\$ 14,372	\$ —	\$ 14,119	\$ 96,907	
Other Control Investments									
Tectura Corporation ⁽⁷⁾	Senior Debt	\$ 516	\$ —	\$ 8,042	\$ —	\$ —	\$ (1,799)	\$ 6,243	
	Preferred Stock	—	—	—	—	—	—	—	
	Common Stock	—	—	—	—	—	—	—	
Total Other Control Investments		\$ 516	\$ —	\$ 8,042	\$ —	\$ —	\$ (1,799)	\$ 6,243	
Total Control Investments		\$ 3,330	\$ —	\$ 76,458	\$ 14,372	\$ —	\$ 12,320	\$ 103,150	

(1) Stock and warrants are generally non-income producing and restricted.

(2) Represents the total amount of interest, fees, or dividends credited to income for the period an investment was an affiliate or control investment.

(3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, paid-in-kind interest or dividends, the amortization of discounts and closing fees and the exchange of one or more existing securities for one or more new securities.

(4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include previously recognized depreciation on investments that become control or affiliate investments during the period.

(5) As of March 31, 2018, the Company's investment in Gibraltar Acquisition LLC (p.k.a. Gibraltar Business Capital, LLC) became classified as a control investment as a result of obtaining a controlling financial interest. Gibraltar Acquisition LLC is a wholly-owned subsidiary, which is the holding company for their wholly-owned affiliated portfolio companies, Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC. The subsidiary has no significant assets or liabilities, other than their equity and debt investments and equity interest in Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC, respectively.

(6) Hercules Adviser LLC is owned by Hercules Capital Management LLC and presented with Hercules Partner Holdings, LLC which are both wholly owned by the Company. Please refer to "Note 1" for additional disclosure.

(7) As of March 31, 2017, the Company's investment in Tectura Corporation became classified as a control investment as of result of obtaining more than 50% representation on the portfolio company's board. In May 2018, the Company purchased common shares, thereby obtaining greater than 25% of voting securities of Tectura as of June 30, 2018.

(8) As of December 31, 2021, the Company's investment in Coronado Aesthetics, LLC became classified as a control investment as a result of obtaining more than 25% of the voting securities of the portfolio company.

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HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS IN AND ADVANCES TO AFFILIATES
As of September 30, 2024 (unaudited)

(in thousands)	Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor	Principal or Shares	Cost	Value ⁽²⁾
Portfolio Company							
Control Investments							
Majority Owned Control Investments							
Coronado Aesthetics, LLC	Medical Devices & Equipment	Preferred Series A Equity			5,000,000	\$ 250	\$ 318
	Medical Devices & Equipment	Common Stock			180,000	—	1
Total Coronado Aesthetics, LLC						\$ 250	\$ 319
Gibraltar Acquisition LLC (p.k.a. Gibraltar Business Capital, LLC) ⁽³⁾	Diversified Financial Services	Unsecured Debt	September 2026	FIXED 3.45%, PIK Interest 8.05%	\$ 26,033	25,774	25,774
	Diversified Financial Services	Unsecured Debt	September 2026	FIXED 11.95%	\$ 10,000	9,859	9,859
	Diversified Financial Services	Member Units			1	34,006	21,669
Total Gibraltar Acquisition, LLC						\$ 69,639	\$ 57,302
Hercules Adviser LLC ⁽⁴⁾	Diversified Financial Services	Unsecured Debt	June 2025	FIXED 5.00%	\$ 12,000	12,000	12,000
	Diversified Financial Services	Member Units			1	35	31,433
Total Hercules Adviser LLC						\$ 12,035	\$ 43,433
Total Majority Owned Control Investments (5.46%)*						\$ 81,924	\$ 101,054
Other Control Investments							
Tectura Corporation	Consumer & Business Services	Senior Secured Debt	January 2027	FIXED 8.25%	\$ 8,250	\$ 8,250	\$ 8,250
	Consumer & Business Services	Common Stock			414,994,863	900	6
	Consumer & Business Services	Preferred Series BB Equity			1,000,000	—	15
	Consumer & Business Services	Preferred Series C Equity			3,235,298	13,263	3,772
Total Tectura Corporation						\$ 22,413	\$ 12,043
Total Other Control Investments (0.65%)*						\$ 22,413	\$ 12,043
Total Control Investments (6.11%)*						\$ 104,337	\$ 113,097

* Value as a percent of net assets

(1) Stock and warrants are generally non-income producing and restricted.

(2) All of the Company's control and affiliate investments are Level 3 investments valued using significant unobservable inputs.

(3) Gibraltar Acquisition LLC is a wholly-owned subsidiary, which is the holding company for their wholly-owned affiliated portfolio companies, Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC. The subsidiary has no significant assets or liabilities, other than their equity and debt investments and equity interest in Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC, respectively.

(4) Hercules Adviser LLC is owned by Hercules Capital Management LLC and presented with Hercules Partner Holdings, LLC which are both wholly owned by the Company. Please refer to "Note 1 - Description of Business" for additional disclosure.

Schedule 12 – 14

HERCULES CAPITAL, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS IN AND ADVANCES TO AFFILIATES
As of and for the year ended December 31, 2023

(in thousands)	Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor	Principal or Shares	Cost	Value ⁽²⁾
Portfolio Company							
Control Investments							
Majority Owned Control Investments							
Coronado Aesthetics, LLC	Medical Devices & Equipment	Preferred Series A Equity			5,000,000	\$ 250	\$ 260
	Medical Devices & Equipment	Common Stock			180,000	—	2
Total Coronado Aesthetics, LLC						\$ 250	\$ 262
Gibraltar Acquisition, LLC (p.k.a. Gibraltar Business Capital, LLC) ⁽³⁾	Diversified Financial Services	Unsecured Debt	September 2026	Interest rate FIXED 11.50%	\$ 25,000	24,663	24,663
	Diversified Financial Services	Unsecured Debt	September 2026	Interest rate FIXED 11.95%	\$ 10,000	9,815	9,815
	Diversified Financial Services	Member Units			1	34,006	28,034
Total Gibraltar Acquisition, LLC						\$ 68,484	\$ 62,512
Hercules Adviser LLC ⁽⁴⁾	Diversified Financial Services	Unsecured Debt	June 2025	Interest rate FIXED 5.00%	\$ 12,000	12,000	12,000
	Diversified Financial Services	Member Units			1	35	28,713
Total Hercules Adviser LLC						\$ 12,035	\$ 40,713
Total Majority Owned Control Investments (5.74%)*						\$ 80,769	\$ 103,487
Other Control Investments							
Tectura Corporation	Consumer & Business Services	Senior Secured Debt	July 2024	Interest rate FIXED 8.25%	\$ 8,250	\$ 8,250	\$ 8,250
	Consumer & Business Services	Common Stock			414,994,863	900	4
	Consumer & Business Services	Preferred Series BB Equity			1,000,000	—	12
	Consumer & Business Services	Preferred Series C Equity			3,235,298	13,263	3,251
Total Tectura Corporation						\$ 22,413	\$ 11,517
Total Other Control Investments (0.64%)*						\$ 22,413	\$ 11,517
Total Control Investments (6.38%)*						\$ 103,182	\$ 115,004

* Value as a percent of net assets

- (1) Stock and warrants are generally non-income producing and restricted.
- (2) All of the Company's control and affiliate investments are Level 3 investments valued using significant unobservable inputs.
- (3) Gibraltar Acquisition LLC is a wholly-owned subsidiary, which is the holding company for their wholly-owned affiliated portfolio companies, Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC. The subsidiary has no significant assets or liabilities, other than their equity and debt investments and equity interest in Gibraltar Business Capital, LLC and Gibraltar Equipment Finance, LLC, respectively.
- (4) Hercules Adviser LLC is owned by Hercules Capital Management LLC and presented with Hercules Partner Holdings, LLC which are both wholly owned by the Company. Please refer to "Note 1 - Description of Business" for additional disclosure.

SIGNATURES

Pursuant to the requirements of the Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HERCULES CAPITAL, INC. (Registrant)

Dated: October 30, 2024

/S/ SCOTT BLUESTEIN

Scott Bluestein
President, Chief Executive Officer, and
Chief Investment Officer

Dated: October 30, 2024

/S/ SETH H. MEYER

Seth H. Meyer
Chief Financial Officer, and
Chief Accounting Officer