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Hercules Capital, Inc.
Form 10-Q
November 01, 2018
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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, 2018

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)

400 Hamilton Ave., Suite 310

Palo Alto, California

743113410
(IRS Employer

Identification No.)
94301

(Zip Code)

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(Address of Principal Executive Offices)

(650) 289-3060

(Registrant's Telephone Number, Including Area Code)

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

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

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

Large accelerated filer	Accelerated filer
Non-accelerated filer	Smaller reporting company
Emerging growth company	

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

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

On October 29, 2018, there were 96,731,791 shares outstanding of the Registrant's common stock, \$0.001 par value.

HERCULES CAPITAL, INC.

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Item 1.

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PART I: FINANCIAL INFORMATION

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

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS
HERCULES CAPITAL, INC.

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(unaudited)

(dollars in thousands, except per share data)

	September 30, 2018	December 31, 2017
Assets		
Investments:		
Non-control/Non-affiliate investments (cost of \$1,663,658 and \$1,506,454, respectively)	\$1,670,034	\$1,491,458
Control investments (cost of \$64,630 and \$25,419, respectively)	62,387	19,461
Affiliate investments (cost of \$84,821 and \$87,956, respectively)	28,095	31,295
Total investments in securities, at value (cost of \$1,813,109 and \$1,619,829, respectively)	1,760,516	1,542,214
Cash and cash equivalents	43,212	91,309
Restricted cash	2,429	3,686
Interest receivable	15,722	12,262
Other assets	1,175	5,244
Total assets	\$1,823,054	\$1,654,715
Liabilities		
Accounts payable and accrued liabilities	\$21,473	\$26,896
SBA Debentures, net (principal of \$149,000 and \$190,200, respectively) ⁽¹⁾	147,527	188,141
2022 Notes, net (principal of \$150,000 and \$150,000, respectively) ⁽¹⁾	147,859	147,572
2024 Notes, net (principal of \$83,510 and \$183,510, respectively) ⁽¹⁾	81,791	179,001
2025 Notes, net (principal of \$75,000 and \$0, respectively) ⁽¹⁾	72,495	—
2033 Notes, net (principal of \$40,000 and \$0, respectively) ⁽¹⁾	38,752	—
2021 Asset-Backed Notes, net (principal of \$3,515 and \$49,153, respectively) ⁽¹⁾	3,423	48,650
2022 Convertible Notes, net (principal of \$230,000 and \$230,000, respectively) ⁽¹⁾	224,660	223,488
Credit Facilities	80,894	—
Total liabilities	\$818,874	\$813,748
Net assets consist of:		
Common stock, par value	96	85
Capital in excess of par value	1,060,875	908,501

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Unrealized appreciation (depreciation) on investments ⁽²⁾	(53,784)	(79,760)
Accumulated undistributed realized gains (losses) on investments	(30,855)	(20,374)
Undistributed net investment income	27,848	32,515
Total net assets	\$1,004,180	\$840,967
Total liabilities and net assets	\$1,823,054	\$1,654,715
Shares of common stock outstanding (\$0.001 par value, 200,000,000 authorized)	96,751	84,424
Net asset value per share	\$10.38	\$9.96

(1) The Company's SBA Debentures, 2022 Notes, 2024 Notes, 2025 Notes, 2033 Notes, 2021 Asset-Backed Notes and 2022 Convertible Notes, as each term is defined herein, are presented net of the associated debt issuance costs for each instrument. See "Note 4 – Borrowings".

(2) Amounts include \$1.2 million and \$2.1 million in net unrealized depreciation on other assets and accrued liabilities, including escrow receivables, and estimated taxes payable as of September 30, 2018 and December 31, 2017, respectively.

See notes to consolidated financial statements.

The following table presents the assets and liabilities of our consolidated securitization trust for the 2021 Asset-Backed Notes (see Note 4), which is a variable interest entity (“VIE”). The assets of our securitization VIE can only be used to settle obligations of our consolidated securitization VIE, these liabilities are only the obligations of our consolidated securitization VIE, and the creditors (or beneficial interest holders) do not have recourse to our general credit. These assets and liabilities are included in the Consolidated Statement of Assets and Liabilities above.

(Dollars in thousands)	September 30, 2018	December 31, 2017
Assets		
Restricted Cash	\$ 2,429	\$ 3,686
Total investments in securities, at value (cost of \$86,070 and \$146,208, respectively)	85,965	144,513
Total assets	\$ 88,394	\$ 148,199
Liabilities		
2021 Asset-Backed Notes, net (principal of \$3,515 and \$49,153, respectively) ⁽¹⁾	\$ 3,423	\$ 48,650
Total liabilities	\$ 3,423	\$ 48,650

(1) The Company’s 2021 Asset-Backed Notes are presented net of the associated debt issuance costs. See “Note 4 – Borrowings”.

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED STATEMENT OF OPERATIONS

(unaudited)

(in thousands, except per share data)

	Three Months		Nine Months Ended	
	Ended September	30,	September 30,	
	2018	2017	2018	2017
Investment income:				
Interest income				
Non-control/Non-affiliate investments	\$47,662	\$41,725	\$134,031	\$124,049
Control investments	921	464	2,348	1,505
Affiliate investments	509	246	1,570	248
Total interest income	49,092	42,435	137,949	125,802
Fee income				
Commitment, facility and loan fee income:				
Non-control/Non-affiliate investments	1,858	2,239	6,228	7,613
Control investments	1	1	1	11
Affiliate investments	71	2	263	2
Total commitment, facility and loan fee income	1,930	2,242	6,492	7,626
One-time fee income:				
Non-control/Non-affiliate investments	1,580	1,188	6,423	7,254
Total one-time fee income	1,580	1,188	6,423	7,254
Total fee income	3,510	3,430	12,915	14,880
Total investment income	52,602	45,865	150,864	140,682
Operating expenses:				
Interest	9,451	9,185	28,715	28,046
Loan fees	1,502	1,314	6,039	5,500
General and administrative				
Legal Expenses	677	925	1,889	3,792
Other Expenses	3,044	2,623	9,515	8,570
Total general and administrative	3,721	3,548	11,404	12,362
Employee compensation:				
Compensation and benefits	5,294	6,014	18,069	17,276
Stock-based compensation	3,332	1,831	8,498	5,573
Total employee compensation	8,626	7,845	26,567	22,849
Total operating expenses	23,300	21,892	72,725	68,757
Net investment income	29,302	23,973	78,139	71,925
Net realized gain (loss) on investments				
Non-control/Non-affiliate investments	3,350	(8,911)	(4,115)	(10,940)
Control investments	—	(15,543)	(4,308)	(15,989)
Affiliate investments	—	—	(2,058)	—
Total net realized gain (loss) on investments	3,350	(24,454)	(10,481)	(26,929)

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Net change in unrealized appreciation (depreciation) on investments				
Non-control/Non-affiliate investments	3,967	11,320	22,327	45,420
Control investments	378	17,624	3,715	17,703
Affiliate investments	(1,368)	4,609	(66)	(47,486)
Total net unrealized appreciation (depreciation) on investments	2,977	33,553	25,976	15,637
Total net realized and unrealized gain (loss)	6,327	9,099	15,495	(11,292)
Net increase (decrease) in net assets resulting from operations	\$35,629	\$33,072	\$93,634	\$60,633
Net investment income before investment gains and losses per common share:				
Basic	\$0.31	\$0.29	\$0.87	\$0.87
Change in net assets resulting from operations per common share:				
Basic	\$0.37	\$0.40	\$1.04	\$0.73
Diluted	\$0.37	\$0.40	\$1.04	\$0.73
Weighted average shares outstanding				
Basic	95,460	82,496	89,100	82,073
Diluted	95,671	82,607	89,212	82,173
Distributions declared per common share:				
Basic	\$0.31	\$0.31	\$0.93	\$0.93

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(unaudited)

(dollars and shares in thousands)

	Common Shares	Stock Par Value	Capital in excess of par value	Unrealized Appreciation (Depreciation) on Investment	Accumulated Undistributed Realized Gains (Losses) on Investment	Undistributed Net Investment Income	Net Assets
Balance at December 31, 2016	79,555	\$ 80	\$839,657	\$ (89,025)	\$ 14,314	\$ 22,918	\$787,944
Net increase (decrease) in net assets resulting from operations	—	—	—	15,637	(26,929)	71,925	60,633
Public offering, net of offering expenses	4,077	4	56,330	—	—	—	56,334
Issuance of common stock due to stock option exercises	46	—	213	—	—	—	213
Retired shares from net issuance	(18)	—	(172)	—	—	—	(172)
Issuance of common stock under restricted stock plan	10	—	—	—	—	—	—
Retired shares for restricted stock vesting	(187)	—	(2,483)	—	—	—	(2,483)
Distributions reinvested in common stock	132	—	1,780	—	—	—	1,780
Issuance of Convertible Notes	—	—	3,413	—	—	—	3,413
Distributions	—	—	—	—	(14,893)	(62,104)	(76,997)
Stock-based compensation ⁽¹⁾	—	—	5,619	—	—	—	5,619
Balance at September 30, 2017	83,615	\$ 84	\$904,357	\$ (73,388)	\$ (27,508)	\$ 32,739	\$836,284
Balance at December 31, 2017	84,424	\$ 85	\$908,501	\$ (79,760)	\$ (20,374)	\$ 32,515	\$840,967
Net increase (decrease) in net assets resulting from operations	—	—	—	25,976	(10,481)	78,139	93,634
Public offering, net of offering expenses	11,953	11	143,787	—	—	—	143,798
Issuance of common stock due to stock option exercises	63	—	704	—	—	—	704
	(57)	—	(718)	—	—	—	(718)

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Retired shares from net issuance							
Issuance of common stock under restricted stock plan	336	—	—	—	—	—	—
Retired shares for restricted stock vesting	(76)	—	(937)	—	—	—	(937)
Distributions reinvested in common stock	108	—	1,372	—	—	—	1,372
Distributions	—	—	—	—	—	(82,806)	(82,806)
Stock-based compensation ⁽¹⁾	—	—	8,166	—	—	—	8,166
Balance at September 30, 2018	96,751	\$ 96	\$1,060,875	\$ (53,784)	\$ (30,855)	\$ 27,848	\$1,004,180

(1) Stock-based compensation includes \$33 and \$46 of restricted stock and option expense related to director compensation for the nine months ended September 30, 2018 and 2017, respectively.

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited)

(dollars in thousands)

	For the Nine Months Ended September 30,	
	2018	2017
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	\$93,634	\$60,633
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Purchase of investments	(706,113)	(487,321)
Principal and fee payments received on investments	503,971	486,985
Proceeds from the sale of investments	17,521	21,945
Net unrealized depreciation (appreciation) on investments	(25,976)	(15,637)
Net realized loss (gain) on investments	10,481	26,929
Accretion of paid-in-kind principal	(7,040)	(7,078)
Accretion of loan discounts	(2,961)	(5,242)
Accretion of loan discount on Convertible Notes	504	448
Accretion of loan exit fees	(12,482)	(14,413)
Change in deferred loan origination revenue	3,472	1,083
Unearned fees related to unfunded commitments	1,908	441
Amortization of debt fees and issuance costs	5,197	4,534
Depreciation	147	153
Stock-based compensation and amortization of restricted stock grants ⁽¹⁾	8,166	5,619
Change in operating assets and liabilities:		
Interest and fees receivable	(3,460)	1,107
Prepaid expenses and other assets	2,141	(1,100)
Accounts payable	(187)	—
Accrued liabilities	(4,282)	(2,457)
Net cash provided by (used in) operating activities	(115,359)	76,629
Cash flows from investing activities:		
Purchases of capital equipment	(325)	(127)
Net cash provided by (used in) investing activities	(325)	(127)
Cash flows from financing activities:		
Issuance of common stock, net	143,498	56,334
Retirement of employee shares	(651)	(2,442)
Distributions paid	(81,434)	(75,217)
Issuance of 2022 Convertible Notes	—	230,000
Issuance of 2024 Notes	—	5,637

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Issuance of 2025 Notes	75,000	—
Issuance of 2033 Notes	40,000	—
Repayments of 2019 Notes	—	(110,364)
Repayments of 2024 Notes	(100,000)	—
Repayments of 2021 Asset-Backed Notes	(45,637)	(43,729)
Repayments of Long-Term SBA Debentures	(41,200)	—
Borrowings of credit facilities	216,109	8,497
Repayments of credit facilities	(135,216)	(13,513)
Cash paid for debt issuance costs	(3,978)	(4,662)
Fees paid for credit facilities and debentures	(161)	(28)
Net cash provided by (used in) financing activities	66,330	50,513
Net increase (decrease) in cash, cash equivalents and restricted cash	(49,354)	127,015
Cash, cash equivalents and restricted cash at beginning of period	94,995	21,366
Cash, cash equivalents and restricted cash at end of period	\$45,641	\$148,381
Supplemental non-cash investing and financing activities:		
Distributions reinvested	1,372	1,780

(1) Stock-based compensation includes \$33 and \$46 of restricted stock and option expense related to director compensation for the nine months ended September 30, 2018 and 2017, respectively.

See notes to consolidated financial statements.

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

(Dollars in thousands)	For the Nine Months Ended September 30,	
	2018	2017
Cash and cash equivalents	\$43,212	\$140,568
Restricted cash	2,429	7,813
Total cash, cash equivalents and restricted cash presented in the Consolidated Statements of Cash Flows	\$45,641	\$148,381

See “Note 2 – Summary of Significant Accounting Policies” and “Note 11- Recent Accounting Pronouncements” for a description of restricted cash and cash equivalents.

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾	
Debt Investments								
Biotechnology Tools								
Under 1 Year Maturity								
Excicure, Inc. ⁽¹²⁾	Biotechnology Tools	Senior Secured	September 2019	Interest rate PRIME + 6.45% or Floor rate of 9.95%, 3.85% Exit Fee	\$4,999	\$5,171	\$5,171	
Subtotal: Under 1 Year Maturity						5,171	5,171	
Subtotal: Biotechnology Tools (0.51%)*						5,171	5,171	
Consumer & Business Products								
1-5 Years Maturity								
WHOOP, INC. ⁽¹²⁾	Consumer & Business Products	Senior Secured	July 2021	Interest rate PRIME + 3.75% or Floor rate of 8.50%, 6.95% Exit Fee	\$6,000	5,970	5,970	
Subtotal: 1-5 Years Maturity						5,970	5,970	
Subtotal: Consumer & Business Products (0.59%)*						5,970	5,970	
Diversified Financial Services								
1-5 Years Maturity								
Gibraltar Business Capital, LLC ⁽⁷⁾	Diversified Financial Services	Unsecured	March 2023	Interest rate FIXED 14.50%	\$15,000	14,718	14,865	
Subtotal: 1-5 Years Maturity						14,718	14,865	
Subtotal: Diversified Financial Services (1.48%)*						14,718	14,865	
Drug Delivery								
Under 1 Year Maturity								
Drug Delivery						\$5,939	6,523	6,523

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Agile Therapeutics, Inc. ⁽¹¹⁾		Senior Secured	December 2018	Interest rate PRIME + 4.75%			
				or Floor rate of 9.00%, 3.70%			
				Exit Fee			
Subtotal: Under 1 Year Maturity						6,523	6,523
1-5 Years Maturity							
AcelRx Pharmaceuticals, Inc. ⁽¹¹⁾	Drug Delivery	Senior Secured	March 2020	Interest rate PRIME + 6.05%			
				or Floor rate of 9.55%, 11.69%			
				Exit Fee	\$ 12,943	13,786	13,733
Antares Pharma Inc. ⁽¹⁰⁾⁽¹⁵⁾	Drug Delivery	Senior Secured	July 2022	Interest rate PRIME + 4.50%			
				or Floor rate of 9.25%, 4.25%			
				Exit Fee	\$ 25,000	25,233	25,304
Subtotal: 1-5 Years Maturity						39,019	39,037
Subtotal: Drug Delivery (4.54%)*						45,542	45,560

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Drug Discovery & Development							
Under 1 Year Maturity							
Auris Medical Holding, AG ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Senior Secured	February 2019	Interest rate PRIME + 6.05% or Floor rate of 9.55%, 5.75% Exit Fee	\$ 1,527	\$ 2,209	\$ 2,209
Brickell Biotech, Inc. ⁽¹²⁾	Drug Discovery & Development	Senior Secured	September 2019	Interest rate PRIME + 5.70% or Floor rate of 9.20%, 7.82% Exit Fee	\$ 5,581	5,996	5,996
Epirus Biopharmaceuticals, Inc. ⁽⁸⁾	Drug Discovery & Development	Senior Secured	December 2018	Interest rate PRIME + 4.70% or Floor rate of 7.95%, 3.00% Exit Fee	\$ 2,277	2,561	65
Subtotal: Under 1 Year Maturity						10,766	8,270
1-5 Years Maturity							
Acacia Pharma Inc. ⁽¹⁰⁾	Drug Discovery & Development	Senior Secured	January 2022	Interest rate PRIME + 4.50%	\$ 10,000	9,815	9,815

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				or Floor rate of 9.25%, 3.95% Exit Fee			
Aveo Pharmaceuticals, Inc. (10)(13)	Drug Discovery Senior & Development Secured	July 2021	Interest rate PRIME + 4.70%				
				or Floor rate of 9.45%, 5.40% Exit Fee	\$ 10,000	10,053	9,954
	Drug Discovery Senior & Development Secured	July 2021	Interest rate PRIME + 4.70%				
				or Floor rate of 9.45%, 3.00% Exit Fee	\$ 10,000	10,144	10,123
Total Aveo Pharmaceuticals, Inc.					\$ 20,000	20,197	20,077
Axovant Sciences Ltd. (5)(10)(16)	Drug Discovery Senior & Development Secured	March 2021	Interest rate PRIME + 6.80%				
				or Floor rate of 10.55%	\$ 55,000	54,107	54,262
BridgeBio Pharma LLC (13)	Drug Discovery Senior & Development Secured	January 2022	Interest rate PRIME + 4.35%				
				or Floor rate of 9.35%, 6.35% Exit Fee	\$ 35,000	34,850	34,850
Chemocentryx, Inc. (10)(15)(17)	Drug Discovery Senior & Development Secured	December 2021	Interest rate PRIME + 3.30%				
				or Floor rate of 8.05%, 6.25% Exit Fee	\$ 15,000	14,976	14,990
Genocea Biosciences, Inc. (11)	Drug Discovery Senior & Development Secured	May 2021	Interest rate PRIME +		\$ 14,000	14,762	14,767

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				2.75%			
				or Floor rate of 7.75%, 10.12%			
Merrimack Pharmaceuticals, Inc. ⁽¹²⁾	Drug Discovery & Development	Senior Secured	August 2021	Interest rate PRIME + 4.00%			
				or Floor rate of 9.25%, 5.55% Exit Fee	\$ 15,000	14,928	14,928
Mesoblast ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Senior Secured	March 2022	Interest rate PRIME + 4.95%			
				or Floor rate of 9.45%, 6.95% Exit Fee	\$ 35,000	35,116	35,519
Metuchen Pharmaceuticals LLC ⁽¹⁴⁾	Drug Discovery & Development	Senior Secured	October 2020	Interest rate PRIME + 7.25%			
				or Floor rate of 10.75%, PIK Interest 1.35%, 2.25% Exit Fee	\$ 19,902	20,508	20,480
Motif BioSciences Inc. ⁽⁵⁾⁽¹⁰⁾⁽¹⁵⁾	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 5.50%			
				or Floor rate of 10.00%, 2.15% Exit Fee	\$ 15,000	14,839	14,787
Myovant Sciences, Ltd. ⁽⁵⁾⁽¹⁰⁾⁽¹³⁾	Drug Discovery & Development	Senior Secured	November 2021	Interest rate PRIME + 4.00%	\$ 40,000	40,050	39,638

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			or Floor rate of 8.25%, 6.55% Exit Fee			
Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.) (10)(15)(16)	Drug Discovery Senior & Development Secured	September 2020	Interest rate PRIME + 2.75%			
			or Floor rate of 8.50%, 4.50% Exit Fee	\$ 40,000	40,776	40,383
	Drug Discovery Senior & Development Secured	September 2020	Interest rate PRIME + 2.75%			
			or Floor rate of 8.50%, 4.50% Exit Fee	\$ 10,000	10,210	10,096
	Drug Discovery Senior & Development Secured	September 2020	Interest rate PRIME + 2.75%			
			or Floor rate of 8.50%, 2.25% Exit Fee	\$ 10,000	10,064	9,980
	Drug Discovery Senior & Development Secured	August 2022	Interest rate PRIME + 2.10%			
			or Floor rate of 7.85%, 6.95% Exit Fee	\$ 10,000	9,959	9,959
Total Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.)				\$ 70,000	71,009	70,418
Stealth Bio Therapeutics Corp. (5)(10)(12)	Drug Discovery Senior & Development Secured	January 2021	Interest rate PRIME + 5.50%	\$ 20,000	20,253	20,059
			or Floor rate of 9.50%, 6.00% Exit			

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			Fee			
Tricida, Inc. ⁽¹⁵⁾⁽¹⁷⁾	Drug Discovery Senior & Development Secured	March 2022	Interest rate PRIME + 3.35%			
			or Floor rate of 8.35%, 11.14%			
			Exit Fee	\$ 25,000	25,132	25,096
uniQure B.V. ⁽⁵⁾⁽¹⁰⁾⁽¹¹⁾	Drug Discovery Senior & Development Secured	May 2020	Interest rate PRIME + 3.00%			
			or Floor rate of 8.25%, 5.48%			
			Exit Fee	\$ 20,000	20,608	20,551
Verastem, Inc. ⁽¹²⁾	Drug Discovery Senior & Development Secured	December 2020	Interest rate PRIME + 6.00%			
			or Floor rate of 10.50%, 4.50%			
			Exit Fee	\$ 5,000	5,031	5,026
	Drug Discovery Senior & Development Secured	December 2020	Interest rate PRIME + 6.00%			
			or Floor rate of 10.50%, 4.50%			
			Exit Fee	\$ 5,000	5,059	5,054
	Drug Discovery Senior & Development Secured	December 2020	Interest rate PRIME + 6.00%			
			or Floor rate of 10.50%, 4.50%			
			Exit Fee	\$ 5,000	5,030	5,023
	Drug Discovery Senior & Development Secured	December 2020	Interest rate PRIME + 6.00%	\$ 10,000	9,967	9,888

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	or Floor rate of 10.50%, 4.50% Exit Fee			
Total Verastem, Inc.		\$25,000	25,087	24,991
Subtotal: 1-5 Years Maturity			436,237	435,228
Subtotal: Drug Discovery & Development (44.17%)*			447,003	443,498

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Electronics & Computer Hardware							
1-5 Years Maturity							
908 DEVICES INC. ⁽¹⁵⁾	Electronics & Computer Hardware	Senior Secured	September 2020	Interest rate PRIME + 4.00% or Floor rate of 8.25%, 4.25% Exit Fee	\$ 10,000	\$ 10,080	\$ 10,099
Glo AB ⁽⁵⁾⁽¹⁰⁾⁽¹³⁾⁽¹⁴⁾	Electronics & Computer Hardware	Senior Secured	February 2021	Interest rate PRIME + 6.20% or Floor rate of 10.45%, PIK Interest 1.75%, 2.95% Exit Fee	\$ 12,138	12,153	12,214
Subtotal: 1-5 Years Maturity						22,233	22,313
Subtotal: Electronics & Computer Hardware (2.22%)*						22,233	22,313
Healthcare Services, Other							
1-5 Years Maturity							
Medsphere Systems Corporation ⁽¹⁴⁾⁽¹⁵⁾	Healthcare Services, Other	Senior Secured	February 2021	Interest rate PRIME + 4.75% or Floor rate of 9.00%, PIK Interest 1.75%	\$ 20,346	20,211	20,116
	Healthcare Services, Other	Senior Secured	February 2021	Interest rate PRIME + 4.75%	\$ 5,076	5,047	5,020

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				or Floor rate of 9.00%,			
				PIK Interest 1.75%			
Total Medsphere Systems Corporation					\$ 25,422	25,258	25,136
Oak Street Health (12)	Healthcare Services, Other	Senior Secured	September 2021	Interest rate PRIME + 5.00%			
				or Floor rate of 9.75%, 5.95%			
				Exit Fee	\$ 30,000	30,320	30,127
PH Group Holdings (13)							
	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45%			
				or Floor rate of 10.95%	\$ 20,000	19,929	19,946
	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45%			
				or Floor rate of 10.95%	\$ 10,000	9,955	9,931
Total PH Group Holdings					\$ 30,000	29,884	29,877
Subtotal: 1-5 Years Maturity						85,462	85,140
Subtotal: Healthcare Services, Other (8.48%)*						85,462	85,140
Information Services							
1-5 Years Maturity							
MDX Medical, Inc. (14)(15)(19)	Information Services	Senior Secured	December 2020	Interest rate PRIME + 4.00%			
				or Floor rate of 8.25%,			
				PIK Interest 1.70%	\$ 15,223	14,921	14,864
Subtotal: 1-5 Years Maturity						14,921	14,864
Subtotal: Information Services (1.48%)*						14,921	14,864

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Internet Consumer & Business Services							
Under 1 Year Maturity							
The Faction Group LLC	Internet Consumer & Business Services	Senior Secured	January 2019	Interest rate PRIME + 4.75% or Floor rate of 8.25%	\$2,000	\$2,000	\$2,000
Subtotal: Under 1 Year Maturity						2,000	2,000
1-5 Years Maturity							
AppDirect, Inc. (13)(19)	Internet Consumer & Business Services	Senior Secured	January 2022	Interest rate PRIME + 5.70% or Floor rate of 9.95%, 3.45% Exit Fee	\$20,000	19,932	19,953
Art.com, Inc. (12)(14)(15)	Internet Consumer & Business Services	Senior Secured	April 2021	Interest rate PRIME + 5.40% or Floor rate of 10.15%, PIK Interest 1.70%, 1.50% Exit Fee	\$10,074	9,946	9,926
Cloudpay, Inc. (5)(10)	Internet Consumer & Business Services	Senior Secured	April 2022	Interest rate PRIME + 4.05% or Floor rate of 8.55%, 6.95% Exit Fee	\$11,000	10,949	10,949
						\$50,410	50,365
							50,365

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EverFi, Inc. (14)(16)	Internet Consumer & Business Services	Senior Secured		Interest rate PRIME + 3.90%			
				or Floor rate of 8.65%,			
				PIK Interest 2.30%			
First Insight, Inc. (15)(17)	Internet Consumer & Business Services	Senior Secured	November 2021	Interest rate PRIME + 6.25%			
				or Floor rate of 11.25%	\$ 6,000	5,887	5,887
Greenphire, Inc. (17)	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate 3-month LIBOR + 8.00%			
				or Floor rate of 9.00%	\$ 3,125	3,125	3,129
	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate PRIME + 3.75%			
				or Floor rate of 7.00%	\$ 1,500	1,500	1,500
Total Greenphire, Inc.					\$ 4,625	4,625	4,629
Intent Media, Inc. (12)(17)	Internet Consumer & Business Services	Senior Secured	September 2021	Interest rate PRIME + 5.13%			
				or Floor rate of 10.125%, 2.00%			
				Exit Fee	\$ 9,200	9,210	9,286
Interactions Corporation (19)	Internet Consumer & Business Services	Senior Secured	March 2021	Interest rate 3-month LIBOR + 8.60%			
				or Floor rate of 9.85%, 1.75%			
				Exit Fee	\$ 25,000	25,073	25,205
LogicSource	Internet Consumer & Business Services	Senior Secured	October 2019	Interest rate PRIME + 6.25%			
				or Floor rate of 9.75%, 5.00%			
				Exit Fee	\$ 3,972	4,331	4,334
Postmates, Inc. (17)(19)	Internet Consumer & Business Services	Senior Secured	September 2022	Interest rate PRIME + 3.85%			
				or Floor rate of 8.85%, 8.05%			
				Exit Fee	\$ 20,000	19,516	19,516
RumbleON, Inc.			May 2021		\$ 5,000	4,984	4,984

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	Internet Consumer & Business Services	Senior Secured		Interest rate PRIME + 5.75%			
				or Floor rate of 10.25%, 4.55%			
				Exit Fee			
Snagajob.com, Inc. (13)(14)	Internet Consumer & Business Services	Senior Secured	July 2020	Interest rate PRIME + 5.15%			
				or Floor rate of 9.15%,			
				PIK Interest 1.95%, 2.55%			
				Exit Fee	\$41,635	41,773	41,890
	Internet Consumer & Business Services	Senior Secured	July 2020	Interest rate PRIME + 5.65%			
				or Floor rate of 10.65%,			
				PIK Interest 1.95%, 2.55%			
				Exit Fee	\$5,008	4,778	4,778
Total Snagajob.com, Inc.					\$46,643	46,551	46,668
Tectura Corporation (7)(8)(9)(14)	Internet Consumer & Business Services	Senior Secured	June 2021	Interest rate FIXED 6.00%,			
				PIK Interest 3.00%	\$20,766	20,766	19,672
	Internet Consumer & Business Services	Senior Secured	June 2021	PIK Interest 8.00%	\$10,680	240	—
Total Tectura Corporation					\$31,446	21,006	19,672
The Faction Group LLC	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate 3-month LIBOR + 9.25%			
				or Floor rate of 10.25%	\$7,467	7,467	7,482
Wheels Up Partners LLC	Internet Consumer & Business Services	Senior Secured	July 2022	Interest rate 3-month LIBOR + 8.55%			
				or Floor rate of 9.55%	\$20,980	20,799	20,805
Xometry, Inc. (17)(19)	Internet Consumer & Business Services	Senior Secured	November 2021	Interest rate PRIME + 3.95%	\$7,000	6,996	6,996
				or Floor rate of 8.45%, 7.45%			

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	Exit Fee	
Subtotal: 1-5 Years Maturity	267,637	266,657
Subtotal: Internet Consumer & Business Services (26.75%)*	269,637	268,657

See notes to consolidated financial statements.

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HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Media/Content/Info							
1-5 Years Maturity							
Bustle ⁽¹⁴⁾⁽¹⁵⁾	Media/Content/Info	Senior Secured	June 2021	Interest rate PRIME + 4.10% or Floor rate of 8.35%, PIK Interest 1.95%, 1.95% Exit Fee	\$ 15,240	\$ 15,234	\$ 15,364
Subtotal: 1-5 Years Maturity						15,234	15,364
Subtotal: Media/Content/Info (1.53%)*						15,234	15,364
Medical Devices & Equipment							
Under 1 Year Maturity							
Aspire Bariatrics, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Senior Secured	December 2018	Interest rate PRIME + 4.00% or Floor rate of 9.25%, 6.85% Exit Fee	\$ 1,793	2,273	808
Micell Technologies, Inc. ⁽¹²⁾	Medical Devices & Equipment	Senior Secured	August 2019	Interest rate PRIME + 7.25% or Floor rate of 10.50%, 5.00% Exit Fee	\$ 3,146	3,524	3,524

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Subtotal: Under 1 Year Maturity					5,797	4,332		
1-5 Years Maturity								
Flowonix Medical, Inc.	Medical Devices & Equipment	Senior Secured	October 2021	Interest rate PRIME + 4.00%				
				or Floor rate of 9.00%, 7.95% Exit Fee	\$ 15,000	14,480	14,480	
Intuity Medical, Inc. (15)	Medical Devices & Equipment	Senior Secured	June 2021	Interest rate PRIME + 5.00%				
				or Floor rate of 9.25%, 4.95% Exit Fee	\$ 17,500	17,375	17,402	
Quanta Fluid Solutions (5)(10)(11)	Medical Devices & Equipment	Senior Secured	April 2020	Interest rate PRIME + 8.05%				
				or Floor rate of 11.55%, 5.00% Exit Fee	\$ 6,853	7,327	7,266	
Quanterix Corporation (11)	Medical Devices & Equipment	Senior Secured	March 2020	Interest rate PRIME + 2.75%				
				or Floor rate of 8.00%, 0.58% Exit Fee	\$ 7,688	7,635	7,635	
Rapid Micro Biosystems, Inc. (13)(15)	Medical Devices & Equipment	Senior Secured	April 2022	Interest rate PRIME + 5.15%				
				or Floor rate of 9.65%, 7.25% Exit Fee	\$ 18,000	18,034	18,034	
Sebacia, Inc. (15)	Medical Devices & Equipment	Senior Secured	January 2021	Interest rate PRIME + 4.35%				
				or Floor rate of 8.85%, 6.05% Exit Fee	\$ 11,000	11,061	11,003	
			June 2022		\$ 20,000	19,930	19,930	

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Transenterix, Inc. (10)(13)	Medical Devices & Equipment	Senior Secured		Interest rate PRIME + 4.55%			
				or Floor rate of 9.55%, 6.95% Exit Fee			
Subtotal: 1-5 Years Maturity					95,842	95,750	
Subtotal: Medical Devices & Equipment (9.97%)*					101,639		100,082
Software							
Under 1 Year Maturity							
Pollen, Inc. ⁽¹⁵⁾	Software	Senior Secured	April 2019	Interest rate PRIME + 4.25%			
				or Floor rate of 8.50%, 4.00% Exit Fee	\$7,000	7,148	7,148
Subtotal: Under 1 Year Maturity						7,148	7,148

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
1-5 Years Maturity							
Banker's Toolbox, Inc. (13)(18)	Software	Senior Secured	March 2023	Interest rate 3-month LIBOR + 7.88%			
				or Floor rate of 7.88%	\$39,900	\$39,129	\$39,227
Businessolver.com, Inc. (16)(17)	Software	Senior Secured	May 2023	Interest rate 3-month LIBOR + 7.50%	\$52,275	51,290	51,292
Clarabridge, Inc. (12)(14)	Software	Senior Secured	April 2021	Interest rate PRIME + 4.80%			
				or Floor rate of 8.55%,			
				PIK Interest 3.25%	\$41,916	41,898	42,356
Couchbase, Inc. (15)(17)(19)	Software	Senior Secured	September 2021	Interest rate PRIME + 5.25%			
				or Floor rate of 10.75%	\$15,000	14,915	14,915
Credible Behavioral Health, Inc. (14)(17)	Software	Senior Secured	September 2021	Interest rate PRIME + 3.20%			
				or Floor rate of 7.95%,			
				PIK Interest 3.30%	\$7,510	7,421	7,421
Dashlane, Inc. (14)(19)	Software	Senior Secured	April 2022	Interest rate PRIME + 4.05%	\$10,039	10,018	10,018

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				or Floor rate of 8.55%,			
				PIK Interest 1.10%, 9.25%			
				Exit Fee			
Emma, Inc. ⁽¹⁷⁾⁽¹⁸⁾	Software	Senior Secured	September 2022	Interest rate 3-month LIBOR + 8.39%	\$37,037	35,793	36,062
Evernote Corporation ⁽¹⁴⁾⁽¹⁷⁾⁽¹⁹⁾	Software	Senior Secured	October 2020	Interest rate PRIME + 5.45%			
				or Floor rate of 8.95%	\$6,000	5,984	6,067
	Software	Senior Secured	July 2021	Interest rate PRIME + 6.00%			
				or Floor rate of 9.50%,			
				PIK Interest 1.25%	\$4,061	4,043	4,062
	Software	Senior Secured	July 2022	Interest rate PRIME + 6.00%			
				or Floor rate of 9.50%,			
				PIK Interest 1.25%	\$2,507	2,491	2,491
Total Evernote Corporation					\$12,568	12,518	12,620
Fuze, Inc. ⁽¹³⁾⁽¹⁴⁾⁽¹⁵⁾⁽¹⁶⁾⁽¹⁹⁾	Software	Senior Secured	July 2021	Interest rate PRIME + 3.70%			
				or Floor rate of 7.95%,			
				PIK Interest 1.55%, 3.55%			
				Exit Fee	\$50,929	51,423	51,714
Impact Radius Holdings, Inc. ⁽¹²⁾⁽¹⁴⁾	Software	Senior Secured	December 2020	Interest rate PRIME + 4.25%			
				or Floor rate of 8.75%,			
				PIK Interest 1.55%, 1.75%			
				Exit Fee	\$10,152	10,214	10,171
	Software	Senior Secured	December 2020	Interest rate PRIME + 4.25%	\$2,006	2,006	1,996

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				or Floor rate of 8.75%,			
				PIK Interest 1.55%			
Total Impact Radius Holdings, Inc.					\$ 12,158	12,220	12,167
Insurance Technologies Corporation ⁽¹⁷⁾	Software	Senior Secured	March 2023	Interest rate 3-month LIBOR + 7.75%			
				or Floor rate of 8.75%	\$ 12,500	12,271	12,383
Lightbend, Inc. ⁽¹⁴⁾⁽¹⁵⁾	Software	Senior Secured	August 2021	Interest rate PRIME + 4.25%			
				or Floor rate of 8.50%,			
				PIK Interest 2.00%	\$ 11,122	10,963	10,965
Lithium Technologies, Inc. ⁽¹⁷⁾	Software	Senior Secured	October 2022	Interest rate 3-month LIBOR + 8.00%			
				or Floor rate of 9.00%	\$ 12,000	11,774	11,774
Microsystems Holding Company, LLC ⁽¹³⁾⁽¹⁹⁾	Software	Senior Secured	July 2022	Interest rate 3-month LIBOR + 8.25%			
				or Floor rate of 9.25%	\$ 12,000	11,846	11,931
OneLogin, Inc. ⁽¹⁴⁾⁽¹⁵⁾	Software	Senior Secured	July 2021	Interest rate PRIME + 5.95%			
				or Floor rate of 10.70%,			
				PIK Interest 2.00%	\$ 26,272	25,961	26,239
Quid, Inc. ⁽¹⁴⁾⁽¹⁵⁾	Software	Senior Secured	February 2021	Interest rate PRIME + 4.75%			
				or Floor rate of 8.25%,			
				PIK Interest 2.25%, 3.00%			
				Exit Fee	\$ 8,446	8,609	8,627

See notes to consolidated financial statements.

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HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
RapidMiner, Inc. (12)(14)	Software	Senior Secured	December 2020	Interest rate PRIME + 5.50% or Floor rate of 9.75%, PIK Interest 1.65%	\$7,089	\$7,070	\$7,038
Regent Education (14)	Software	Senior Secured	January 2021	Interest rate FIXED 10.00%, PIK Interest 2.00%, 6.35% Exit Fee	\$3,162	3,185	1,987
Salsa Labs, Inc. ⁽¹⁷⁾	Software	Senior Secured	April 2023	Interest rate 3-month LIBOR + 8.15% or Floor rate of 9.15%	\$6,000	5,889	5,889
Signpost, Inc. ⁽¹⁴⁾	Software	Senior Secured	February 2020	Interest rate PRIME + 4.15% or Floor rate of 8.15%, PIK Interest 1.75%, 3.75% Exit	\$15,718	16,111	16,110

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				Fee			
ThreatConnect, Inc. (14)(15)(19)	Software	Senior Secured	October 2022	Interest rate PRIME + 4.95%			
				or Floor rate of 9.95%,			
				PIK Interest 1.05%, 2.20% Exit Fee	\$ 7,500	7,405	7,405
Vela Trading Technologies (18)	Software	Senior Secured	July 2022	Interest rate 3-month LIBOR + 10.50%			
				or Floor rate of 10.50%	\$ 19,875	19,443	19,642
Wrike, Inc. (13)(14)(19)	Software	Senior Secured	February 2021	Interest rate PRIME + 6.00%			
				or Floor rate of 9.50%,			
				PIK Interest 2.00%, 3.00% Exit Fee	\$ 10,320	10,161	10,437
YouEarnedIt (18)	Software	Senior Secured	July 2023	Interest rate 1-month LIBOR + 8.66%	\$ 9,000	8,746	8,746
ZocDoc (19)	Software	Senior Secured	August 2021	Interest rate 3-month PRIME + 6.20%			
				or Floor rate of 10.95%, 2.00% Exit Fee	\$ 30,000	29,953	30,093
Subtotal: 1-5 Years							
Maturity						466,012	467,058
Subtotal: Software (47.22%)*						473,160	474,206
Surgical Devices							
Under 1 Year							
Maturity							
Gynesonics, Inc. (9)(14)(15)	Surgical Devices	Unsecured Convertible	May 2019	PIK Interest 8.00%	\$ 144	144	181

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Debt

Subtotal: Under 1 Year Maturity					144	181		
Subtotal: Surgical Devices (0.02%)*					144	181		
Sustainable and Renewable Technology								
Under 1 Year Maturity								
Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.) ⁽⁶⁾⁽¹⁴⁾⁽¹⁹⁾	Sustainable and Renewable Technology	Senior Secured	August 2019	Interest rate PRIME + 8.70%				
				or Floor rate of 12.95%, 5.00% Exit Fee	\$ 10,000	9,999		9,999
	Sustainable and Renewable Technology	Senior Secured	November 2018	PIK Interest 10.00%	\$ 634	634		634
	Sustainable and Renewable Technology	Senior Secured	November 2018	Interest rate PRIME + 10.70%				
				or Floor rate of 15.70%,				
				PIK Interest 2.00%	\$ 600	593		593
Total Solar Spectrum LLC					\$ 11,234	11,226		11,226
Subtotal: Under 1 Year Maturity						11,226		11,226
1-5 Years Maturity								
FuelCell Energy, Inc. ⁽¹²⁾	Sustainable and Renewable Technology	Senior Secured	April 2020	Interest rate PRIME + 5.40%				
				or Floor rate of 9.90%, 6.68% Exit Fee	\$ 13,091	13,176		13,213
	Sustainable and Renewable Technology	Senior Secured	April 2020	Interest rate PRIME + 5.40%				
				or Floor rate of 9.90%, 8.50% Exit Fee	\$ 11,909	13,607		13,615
Total FuelCell Energy, Inc.					\$ 25,000	26,783		26,828
Impossible Foods, Inc. ⁽¹⁷⁾	Sustainable and Renewable Technology	Senior Secured	July 2021	Interest rate PRIME + 3.95%	\$ 30,000	29,692		29,692

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				or Floor rate of 8.95%, 10.00% Exit Fee			
Metalysis Limited (5)(10)	Sustainable and Renewable Technology	Senior Secured	March 2021	Interest rate PRIME + 5.00%			
				or Floor rate of 9.25%, 6.95% Exit Fee	\$ 7,500	7,569	7,592
Proterra, Inc. (11)(14)	Sustainable and Renewable Technology	Senior Secured	November 2020	Interest rate PRIME + 3.70%			
				or Floor rate of 7.95%, PIK Interest 1.75%, 5.95% Exit Fee	\$ 25,372	26,581	26,723
	Sustainable and Renewable Technology	Senior Secured	November 2020	Interest rate PRIME + 3.70%			
				or Floor rate of 7.95%, PIK Interest 1.75%, 7.00% Exit Fee	\$ 5,074	5,329	5,343
Total Proterra, Inc.					\$ 30,446	31,910	32,066
Subtotal: 1-5 Years Maturity						95,954	96,178
Subtotal: Sustainable and Renewable Technology (10.70%)*						107,180	107,404
Total: Debt Investments (159.66%)*						\$ 1,608,014	\$ 1,603,275

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

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(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Equity Investments						
Communications & Networking						
GlowPoint, Inc. ⁽⁴⁾	Communications & Networking	Equity	Common Stock	114,192	\$102	\$19
Peerless Network Holdings, Inc.	Communications & Networking	Equity	Preferred Series A	1,135,000	1,229	6,395
Subtotal: Communications & Networking (0.64%)*					1,331	6,414
Diagnostic						
Singulex, Inc.	Diagnostic	Equity	Common Stock	937,998	750	488
Subtotal: Diagnostic (0.05%)*					750	488
Diversified Financial Services						
Gibraltar Business Capital, LLC ⁽⁷⁾	Diversified Financial Services	Equity	Common Stock	830,000	1,884	1,874
	Diversified Financial Services	Equity	Preferred Series A	10,602,752	26,122	25,976
Total Gibraltar Business Capital, LLC				11,432,752	28,006	27,850
Subtotal: Diversified Financial Services (2.77%)*					28,006	27,850
Drug Delivery						
AcelRx Pharmaceuticals, Inc. ⁽⁴⁾⁽¹⁰⁾	Drug Delivery	Equity	Common Stock	54,240	108	209
BioQ Pharma Incorporated ⁽¹⁵⁾	Drug Delivery	Equity	Preferred Series D	165,000	500	688
Edge Therapeutics, Inc. ⁽⁴⁾	Drug Delivery	Equity	Common Stock	49,965	309	41
Neos Therapeutics, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Delivery	Equity	Common Stock	125,000	1,500	606
Subtotal: Drug Delivery (0.15%)*					2,417	1,544

Drug Discovery & Development

Aveo Pharmaceuticals, Inc. (4)(10)(15)	Drug Discovery & Development	Equity	Common Stock	1,901,791	1,715	6,774
Axovant Sciences Ltd. (4)(5)(10)(16)	Drug Discovery & Development	Equity	Common Stock	129,827	1,269	314
Cerecor, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	119,087	1,000	556
Dare Biosciences, Inc. (p.k.a. Cerulean Pharma, Inc.) (4)	Drug Discovery & Development	Equity	Common Stock	13,550	1,000	13
Dicerna Pharmaceuticals, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	142,858	1,000	2,180
Dynavax Technologies (4)(10)	Drug Discovery & Development	Equity	Common Stock	20,000	550	248
Eidos Therapeutics, Inc. (4)(10)	Drug Discovery & Development	Equity	Common Stock	15,000	255	150
Genocea Biosciences, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	223,463	2,000	174
Insmed, Incorporated (4)	Drug Discovery & Development	Equity	Common Stock	70,771	1,000	1,284
Melinta Therapeutics (4)	Drug Discovery & Development	Equity	Common Stock	51,821	2,000	204
Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.) (4)(10)(16)	Drug Discovery & Development	Equity	Common Stock	76,362	2,744	741
Rocket Pharmaceuticals, Ltd (p.k.a. Inotek Pharmaceuticals Corporation) (4)	Drug Discovery & Development	Equity	Common Stock	944	1,500	23
Tricida, Inc. (4)	Drug Discovery & Development	Equity	Common Stock	105,260	2,000	3,217
Subtotal: Drug Discovery & Development (1.58%)*					18,033	15,878
Electronics & Computer Hardware						
Identiv, Inc. (4)	Electronics & Computer Hardware	Equity	Common Stock	6,700	34	40
Subtotal: Electronics & Computer Hardware (0.00%)*					34	40
Information Services						
DocuSign, Inc. (4)	Information Services	Equity	Common Stock	385,000	6,081	20,239
Subtotal: Information Services (2.02%)*					6,081	20,239

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Internet Consumer & Business Services						
Blurb, Inc.	Internet Consumer & Business Services	Equity	Preferred Series B	220,653	\$ 175	\$ 71
Brigade Group, Inc. (p.k.a. Philotic, Inc.)	Internet Consumer & Business Services	Equity	Common Stock	9,023	93	—
Lightspeed POS, Inc. ⁽⁵⁾⁽¹⁰⁾	Internet Consumer & Business Services	Equity	Preferred Series C	230,030	250	354
	Internet Consumer & Business Services	Equity	Preferred Series D	198,677	250	318
Total Lightspeed POS, Inc.				428,707	500	672
Nextdoor.com, Inc.	Internet Consumer & Business Services	Equity	Common Stock	328,190	4,854	4,854
OfferUp, Inc.	Internet Consumer & Business Services	Equity	Preferred Series A	286,080	1,663	1,916
	Internet Consumer & Business Services	Equity	Preferred Series A-1	108,710	632	728
Total OfferUp, Inc.				394,790	2,295	2,644
Oportun (p.k.a. Progress Financial)	Internet Consumer & Business Services	Equity	Preferred Series G	218,351	250	294
	Internet Consumer & Business Services	Equity	Preferred Series H	87,802	250	243
Total Oportun (p.k.a. Progress Financial)				306,153	500	537
RazorGator Interactive Group, Inc.	Internet Consumer & Business Services	Equity	Preferred Series AA	34,783	15	—
Tectura Corporation ⁽⁷⁾	Internet Consumer & Business Services	Equity	Common Stock	414,994,863	900	—

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	Internet Consumer & Business Services	Equity	Preferred Series BB	1,000,000	—	—
Total Tectura Corporation				415,994,863	900	—
Subtotal: Internet Consumer & Business Services (0.87%)*					9,332	8,778
Media/Content/Info						
Pinterest, Inc.	Media/Content/Info	Equity	Preferred Series Seed	620,000	4,085	4,815
Subtotal: Media/Content/Info (0.48%)*					4,085	4,815
Medical Devices & Equipment						
AtriCure, Inc. ⁽⁴⁾⁽¹⁵⁾	Medical Devices & Equipment	Equity	Common Stock	10,119	266	354
Flowonix Medical Incorporated	Medical Devices & Equipment	Equity	Preferred Series AA	221,893	1,500	27
Gelesis, Inc.	Medical Devices & Equipment	Equity	Common Stock	198,202	—	744
	Medical Devices & Equipment	Equity	Preferred Series A-1	191,210	425	793
	Medical Devices & Equipment	Equity	Preferred Series A-2	191,626	500	756
Total Gelesis, Inc.				581,038	925	2,293
Medrobotics Corporation ⁽¹⁵⁾	Medical Devices & Equipment	Equity	Preferred Series E	136,798	250	31
	Medical Devices & Equipment	Equity	Preferred Series F	73,971	155	29
	Medical Devices & Equipment	Equity	Preferred Series G	163,934	500	90
Total Medrobotics Corporation				374,703	905	150
Optiscan Biomedical, Corp. ⁽⁶⁾	Medical Devices & Equipment	Equity	Preferred Series B	61,855	3,000	474
	Medical Devices & Equipment	Equity	Preferred Series C	19,273	655	137
	Medical Devices & Equipment	Equity	Preferred Series D	551,038	5,257	4,203
	Medical Devices & Equipment	Equity	Preferred Series E	311,989	2,609	3,061

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Total Optiscan Biomedical, Corp.				944,155	11,521	7,875	
Outset Medical, Inc. (p.k.a. Home Dialysis Plus, Inc.)	Medical Devices & Equipment	Equity	Preferred Series B	232,061	527	608	
Quanterix Corporation ⁽⁴⁾	Medical Devices & Equipment	Equity	Common Stock	84,778	1,000	1,817	
Subtotal: Medical Devices & Equipment (1.31%)*					16,644	13,124	
Software							
CapLinked, Inc.	Software	Equity	Preferred Series A-3	53,614	51	91	
Druva, Inc.	Software	Equity	Preferred Series 2	458,841	1,000	1,573	
	Software	Equity	Preferred Series 3	93,620	300	367	
Total Druva, Inc.					552,461	1,300	1,940
HighRoads, Inc.	Software	Equity	Common Stock	190	307	—	
NewVoiceMedia Limited ⁽⁵⁾⁽¹⁰⁾	Software	Equity	Preferred Series E	669,173	963	1,459	
Palantir Technologies	Software	Equity	Preferred Series E	727,696	5,431	4,714	
	Software	Equity	Preferred Series G	326,797	2,211	2,117	
Total Palantir Technologies					1,054,493	7,642	6,831
Sprinklr, Inc.	Software	Equity	Common Stock	700,000	3,749	4,023	
WildTangent, Inc.	Software	Equity	Preferred Series 3	100,000	402	181	
Subtotal: Software (1.45%)*					14,414	14,525	

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Surgical Devices						
Gynesonics, Inc. ⁽¹⁵⁾	Surgical Devices	Equity	Preferred Series B	219,298	\$250	\$79
	Surgical Devices	Equity	Preferred Series C	656,538	282	123
	Surgical Devices	Equity	Preferred Series D	1,991,157	712	912
	Surgical Devices	Equity	Preferred Series E	2,786,367	429	684
Total Gynesonics, Inc.				5,653,360	1,673	1,798
Transmedics, Inc.						
	Surgical Devices	Equity	Preferred Series B	88,961	1,100	407
	Surgical Devices	Equity	Preferred Series C	119,999	300	548
	Surgical Devices	Equity	Preferred Series D	260,000	650	1,189
	Surgical Devices	Equity	Preferred Series F	100,200	500	458
Total Transmedics, Inc.				569,160	2,550	2,602
Subtotal: Surgical Devices (0.44%)*					4,223	4,400
Sustainable and Renewable Technology						
Flywheel Building Intelligence, Inc. (p.k.a. SCIEnergy, Inc.)	Sustainable and Renewable Technology	Equity	Common Stock	192	761	—
Modumetal, Inc.	Sustainable and Renewable Technology	Equity	Preferred Series C	3,107,520	500	105
Proterra, Inc.	Sustainable and Renewable Technology	Equity	Preferred Series 5	99,280	500	494
Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.)	Sustainable and Renewable	Equity	Common Stock	288	61,502	8,704

(6)	Technology		
	Subtotal: Sustainable and Renewable Technology (0.93%)*	63,263	9,303
	Total: Equity Investments (12.69%)*	\$168,613	\$127,398

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

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Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Warrant Investments						
Biotechnology Tools						
Labcyte, Inc.	Biotechnology Tools	Warrant	Preferred Series C	1,127,624	\$ 323	\$ 558
Subtotal: Biotechnology Tools (0.06%)*					323	558
Communications & Networking						
Peerless Network Holdings, Inc.	Communications & Networking	Warrant	Common Stock	3,328	—	15
Spring Mobile Solutions, Inc.	Communications & Networking	Warrant	Common Stock	2,834,375	418	—
Subtotal: Communications & Networking (0.00%)*					418	15
Consumer & Business Products						
Gadget Guard (p.k.a Antenna79) ⁽¹⁵⁾	Consumer & Business Products	Warrant	Common Stock	1,662,441	228	—
Intelligent Beauty, Inc.	Consumer & Business Products	Warrant	Preferred Series B	190,234	230	224
The Neat Company	Consumer & Business Products	Warrant	Preferred Series C-1	540,540	365	—
WHOOP, INC.	Consumer & Business Products	Warrant	Preferred Series C	68,627	18	16
Subtotal: Consumer & Business Products (0.02%)*					841	240
Drug Delivery						
AcelRx Pharmaceuticals, Inc. ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	176,730	786	222
Agile Therapeutics, Inc. ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	180,274	730	2
BioQ Pharma Incorporated	Drug Delivery	Warrant	Common Stock	459,183	1	798

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Celsion Corporation ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	13,927	428	—
Dance Biopharm, Inc. ⁽¹⁵⁾	Drug Delivery	Warrant	Common Stock	110,882	74	—
Edge Therapeutics, Inc. ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	78,595	390	14
Kaleo, Inc. (p.k.a. Intelliject, Inc.)	Drug Delivery	Warrant	Preferred Series B	82,500	594	1,794
Neos Therapeutics, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Delivery	Warrant	Common Stock	70,833	285	9
Pulmatrix Inc. ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	25,150	116	—
ZP Opco, Inc. (p.k.a. Zosano Pharma) ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	3,618	266	—
Subtotal: Drug Delivery (0.28%)*					3,670	2,839

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Drug Discovery & Development						
Acacia Pharma Inc. ⁽⁴⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	201,330	\$ 304	\$ 379
ADMA Biologics, Inc. ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	89,750	295	72
Auris Medical Holding, AG ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	15,672	249	—
Brickell Biotech, Inc.	Drug Discovery & Development	Warrant	Preferred Series C	26,086	119	83
Cerecor, Inc. ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	22,328	70	28
Chroma Therapeutics, Ltd. ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Preferred Series D	325,261	490	—
Concert Pharmaceuticals, Inc. ⁽⁴⁾⁽¹⁰⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	132,069	545	442
CTI BioPharma Corp. (p.k.a. Cell Therapeutics, Inc.) ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	29,239	165	—
CytRx Corporation ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	105,694	160	6
Dare Biosciences, Inc. (p.k.a. Cerulean Pharma, Inc.) ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	17,190	369	—
Dicerna Pharmaceuticals, Inc. ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	200	28	—
Evofem Biosciences, Inc. (p.k.a. Neothetics, Inc.) ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	7,806	266	13
Fortress Biotech, Inc. (p.k.a. Coronado Biosciences, Inc.) ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	73,009	142	1
Genocea Biosciences, Inc. ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	403,136	431	143
Immune Pharmaceuticals ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	10,742	164	—
Melinta Therapeutics ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	40,545	626	—
Motif BioSciences Inc. ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾⁽¹⁵⁾		Warrant		73,452	282	190

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	Drug Discovery & Development		Common Stock			
Myovant Sciences, Ltd. ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	73,710	460	1,085
Neuralstem, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	5,783	77	—
Ology Bioservices, Inc. (p.k.a. Nanotherapeutics, Inc.) ⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	171,389	838	—
Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.) ⁽⁴⁾⁽¹⁰⁾⁽¹⁵⁾⁽¹⁶⁾	Drug Discovery & Development	Warrant	Common Stock	94,841	204	79
Savara Inc. (p.k.a. Mast Therapeutics, Inc.) ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	32,467	203	121
Sorrento Therapeutics, Inc. ⁽⁴⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	306,748	889	530
Stealth Bio Therapeutics Corp. ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Preferred Series A	650,000	158	177
Tricida, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	53,458	222	937
uniQure B.V. ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	37,174	218	665
XOMA Corporation ⁽⁴⁾⁽¹⁰⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	9,063	279	6
Subtotal: Drug Discovery & Development (0.49%)*					8,253	4,957

Electronics & Computer Hardware

908 DEVICES INC. ⁽¹⁵⁾	Electronics & Computer Hardware	Warrant	Preferred Series D	79,856	100	75
Subtotal: Electronics & Computer Hardware (0.01%)*					100	75

Healthcare Services, Other

Chromadex Corporation ⁽⁴⁾	Healthcare Services, Other	Warrant	Common Stock	139,673	157	174
Subtotal: Healthcare Services, Other (0.02%)*					157	174

Information Services

INMOBI Inc. ⁽⁵⁾⁽¹⁰⁾	Information Services	Warrant	Common Stock	65,587	82	—
MDX Medical, Inc. ⁽¹⁵⁾	Information Services	Warrant	Common Stock	2,812,500	283	275
Netbase Solutions, Inc.	Information Services	Warrant	Preferred Series 1	60,000	356	407
RichRelevance, Inc.	Information Services	Warrant	Preferred Series E	112,612	98	—
Subtotal: Information Services (0.07%)*					819	682

See notes to consolidated financial statements.

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HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Internet Consumer & Business Services						
Aria Systems, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series G	231,535	\$73	\$—
Art.com, Inc. ⁽¹⁵⁾	Internet Consumer & Business Services	Warrant	Preferred Series B	311,005	66	14
Blurb, Inc. ⁽¹⁵⁾	Internet Consumer & Business Services	Warrant	Preferred Series C	234,280	636	26
ClearObject, Inc. (p.k.a. CloudOne, Inc.)	Internet Consumer & Business Services	Warrant	Preferred Series E	968,992	19	183
Cloudpay, Inc. ⁽⁵⁾⁽¹⁰⁾	Internet Consumer & Business Services	Warrant	Preferred Series B	4,960	45	37
Contentful, Inc. ⁽⁵⁾⁽¹⁰⁾	Internet Consumer & Business Services	Warrant	Preferred Series C	82,185	1	1
First Insight, Inc. ⁽¹⁵⁾	Internet Consumer & Business Services	Warrant	Preferred Series B	45,551	56	53
Intent Media, Inc.	Internet Consumer & Business Services	Warrant	Common Stock	140,077	168	246
Interactions Corporation	Internet Consumer & Business Services	Warrant	Preferred Series G-3	68,187	204	420
Just Fabulous, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series B	206,184	1,101	3,070
Lightspeed POS, Inc. ⁽⁵⁾⁽¹⁰⁾	Internet Consumer & Business Services	Warrant	Preferred Series C	245,610	20	166
LogicSource	Internet Consumer & Business Services	Warrant	Preferred Series C	79,625	30	40
Oportun (p.k.a. Progress Financial)	Internet Consumer & Business Services	Warrant	Preferred Series G	174,562	78	61
Postmates, Inc.	Internet Consumer & Business Services	Warrant	Common Stock	189,865	317	381
RumbleON, Inc. ⁽⁴⁾	Internet Consumer & Business Services	Warrant	Common Stock	81,818	72	350
ShareThis, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series C	493,502	547	—
Snagajob.com, Inc.		Warrant		1,800,000	782	69

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	Internet Consumer & Business Services		Preferred Series A			
	Internet Consumer & Business Services	Warrant	Preferred Series B	173,076	8	4
TotalSnagajob.com, Inc.				1,973,076	790	73
Tapjoy, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series D	748,670	316	35
The Faction Group LLC	Internet Consumer & Business Services	Warrant	Preferred Series A	8,703	234	431
Thumbtack, Inc.	Internet Consumer & Business Services	Warrant	Common Stock	102,821	124	133
Xometry, Inc.	Internet Consumer & Business Services	Warrant	Preferred Series B	87,784	47	141
Subtotal: Internet Consumer & Business Services (0.58%)*					4,944	5,861

Media/Content/Info

Machine Zone, Inc.	Media/Content/Info	Warrant	Common Stock	1,552,710	1,960	2,402
Napster (p.k.a. Rhapsody International, Inc.)	Media/Content/Info	Warrant	Common Stock	715,755	383	87
WP Technology, Inc. (Wattpad, Inc.) ⁽⁵⁾⁽¹⁰⁾	Media/Content/Info	Warrant	Common Stock	255,818	4	12
Zoom Media Group, Inc.	Media/Content/Info	Warrant	Preferred Series A	1,204	348	29
Subtotal: Media/Content/Info (0.25%)*					2,695	2,530

Medical Devices & Equipment

Amedica Corporation ⁽⁴⁾⁽¹⁵⁾	Medical Devices & Equipment	Warrant	Common Stock	8,603	459	—
Aspire Bariatrics, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Warrant	Preferred Series B-1	112,858	455	—
Avedro, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Warrant	Preferred Series AA	300,000	401	449
Flowonix Medical Incorporated	Medical Devices & Equipment	Warrant	Preferred Series AA	155,325	362	1
	Medical Devices & Equipment	Warrant	Preferred Series BB	725,806	351	352
Total Flowonix Medical Incorporated				881,131	713	353
Gelesis, Inc.	Medical Devices & Equipment	Warrant	Preferred Series A-1	74,784	78	182
InspireMD, Inc. ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾	Medical Devices & Equipment	Warrant	Common Stock	1,124	242	—
Intuity Medical, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Warrant	Preferred Series 4	1,819,078	294	613
Medrobotics Corporation ⁽¹⁵⁾	Medical Devices & Equipment	Warrant	Preferred Series E	455,539	370	38
Micell Technologies, Inc.	Medical Devices & Equipment	Warrant	Preferred Series D-2	84,955	262	205

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NetBio, Inc.	Medical Devices & Equipment	Warrant	Preferred Series A	7,841	408	—
NinePoint Medical, Inc.	Medical Devices & Equipment	Warrant	Preferred Series A-1	587,840	170	155
Optiscan Biomedical, Corp. (6)	Medical Devices & Equipment	Warrant	Preferred Series E	74,424	573	290
Outset Medical, Inc. (p.k.a. Home Dialysis Plus, Inc.)	Medical Devices & Equipment	Warrant	Preferred Series A	500,000	402	535
Quanterix Corporation (4)	Medical Devices & Equipment	Warrant	Common Stock	66,039	204	539
Sebacia, Inc.	Medical Devices & Equipment	Warrant	Preferred Series D	778,301	133	192
SonaCare Medical, LLC (p.k.a. US HIFU, LLC)	Medical Devices & Equipment	Warrant	Preferred Series A	6,464	188	—
Tela Bio, Inc.	Medical Devices & Equipment	Warrant	Preferred Series B	387,930	61	215
ViewRay, Inc. (4)(15)	Medical Devices & Equipment	Warrant	Common Stock	128,231	333	419
Subtotal: Medical Devices & Equipment (0.42%)*					5,746	4,185

Semiconductors

Achronix Semiconductor Corporation	Semiconductors	Warrant	Preferred Series C	360,000	160	515
	Semiconductors	Warrant	Preferred Series D-2	750,000	99	771
Total Achronix Semiconductor Corporation				1,110,000	259	1,286
Aquantia Corp. (4)	Semiconductors	Warrant	Common Stock	19,683	4	17
Subtotal: Semiconductors (0.13%)*					263	1,303

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HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Software						
Actifio, Inc.	Software	Warrant	Common Stock	73,584	\$249	\$ 113
	Software	Warrant	Preferred Series F	31,673	343	114
Total Actifio, Inc.				105,257	592	227
CareCloud Corporation ⁽¹⁵⁾	Software	Warrant	Preferred Series B	413,433	258	23
Clickfox, Inc. ⁽¹⁵⁾	Software	Warrant	Preferred Series B	539,818	167	19
	Software	Warrant	Preferred Series C	592,019	730	30
	Software	Warrant	Preferred Series C-A	2,218,214	231	314
Total Clickfox, Inc.				3,350,051	1,128	363
DNAnexus, Inc.	Software	Warrant	Preferred Series C	909,091	97	84
Evernote Corporation	Software	Warrant	Common Stock	62,500	106	200
Fuze, Inc. ⁽¹⁵⁾⁽¹⁶⁾	Software	Warrant	Preferred Series F	256,158	89	—
Lightbend, Inc. ⁽¹⁵⁾	Software	Warrant	Preferred Series C-1	391,778	79	71
Message Systems, Inc. ⁽¹⁵⁾	Software	Warrant	Preferred Series C	503,718	334	502
Neos, Inc.	Software	Warrant	Common Stock	221,150	22	—
NewVoiceMedia Limited ⁽⁵⁾⁽¹⁰⁾	Software	Warrant	Preferred Series E	225,586	33	225
OneLogin, Inc. ⁽¹⁵⁾	Software	Warrant	Common Stock	381,620	305	386
Poplicus, Inc.	Software	Warrant	Common Stock	132,168	—	—
Quid, Inc. ⁽¹⁵⁾	Software	Warrant	Preferred Series D	71,576	1	5
RapidMiner, Inc.	Software	Warrant	Preferred Series C-1	4,982	24	27
RedSeal Inc. ⁽¹⁵⁾	Software	Warrant	Preferred Series C-Prime	640,603	66	39
Signpost, Inc.	Software	Warrant	Preferred Series C	324,005	314	157
ThreatConnect, Inc. ⁽¹⁵⁾	Software	Warrant	Preferred Series B	134,086	26	30
Wrike, Inc.	Software	Warrant	Common Stock	698,760	461	2,162
Subtotal: Software (0.45%)*					3,935	4,501

Specialty Pharmaceuticals

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Alimera Sciences, Inc. ⁽⁴⁾	Specialty Pharmaceuticals	Warrant	Common Stock	1,717,709	861	103
Subtotal: Specialty Pharmaceuticals (0.01%)*					861	103
Surgical Devices						
Gynesonics, Inc. ⁽¹⁵⁾	Surgical Devices	Warrant	Preferred Series C	180,480	74	30
	Surgical Devices	Warrant	Preferred Series D	1,575,965	321	411
Total Gynesonics, Inc.				1,756,445	395	441
Transmedics, Inc.	Surgical Devices	Warrant	Preferred Series D	175,000	100	363
	Surgical Devices	Warrant	Preferred Series F	50,544	38	—
Total Transmedics, Inc.				225,544	138	363
Subtotal: Surgical Devices (0.08%)*					533	804

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Series	Shares	Cost ⁽³⁾	Value ⁽⁴⁾
Sustainable and Renewable Technology						
Agrivida, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series D	471,327	\$120	\$—
American Superconductor Corporation ⁽⁴⁾	Sustainable and Renewable Technology	Warrant	Common Stock	58,823	39	66
Calera, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series C	44,529	512	—
Fluidic, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series D	61,804	102	—
Flywheel Building Intelligence, Inc. (p.k.a. SCIEnergy, Inc.)	Sustainable and Renewable Technology	Warrant	Common Stock	5,310	181	—
	Sustainable and Renewable Technology	Warrant	Preferred Series 2-A	63	50	—
Total Flywheel Building Intelligence, Inc. (p.k.a. SCIEnergy, Inc.)				5,373	231	—
Fulcrum Bioenergy, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series C-1	280,897	274	434
GreatPoint Energy, Inc. ⁽¹⁵⁾	Sustainable and Renewable Technology	Warrant	Preferred Series D-1	393,212	548	—
Kinestral Technologies, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series A	325,000	155	97
	Sustainable and Renewable Technology	Warrant	Preferred Series B	131,883	63	29
Total Kinestral Technologies, Inc.				456,883	218	126

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Polyera Corporation ⁽¹⁵⁾	Sustainable and Renewable Technology	Warrant	Preferred Series C	311,609	338	—
Proterra, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series 4	477,517	41	378
Rive Technology, Inc. ⁽¹⁵⁾	Sustainable and Renewable Technology	Warrant	Preferred Series E	234,477	13	12
Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.) ⁽⁶⁾	Sustainable and Renewable Technology	Warrant	Class A Units	0.69	—	—
TAS Energy, Inc.	Sustainable and Renewable Technology	Warrant	Preferred Series AA	428,571	299	—
Tendril Networks	Sustainable and Renewable Technology	Warrant	Preferred Series 3-A	1,019,793	189	—
Subtotal: Sustainable and Renewable Technology (0.10%)*					2,924	1,016
Total: Warrant Investments (2.97%)*					36,482	29,843
Total Investments in Securities (175.32%)*					\$1,813,109	\$1,760,516

* Value as a percent of net assets

- (1) Preferred and common stock, warrants, and equity interests are generally non-income producing.
- (2) Interest rate PRIME represents 5.25% at September 30, 2018. Daily LIBOR, 1-month LIBOR, 3-month LIBOR and 12-month LIBOR represent 2.17%, 2.26%, 2.40% and 2.92%, respectively, at September 30, 2018.
- (3) Gross unrealized appreciation, gross unrealized depreciation, and net unrealized depreciation for federal income tax purposes totaled \$42.0 million, \$102.4 million and \$60.4 million respectively. The tax cost of investments is \$1.8 billion.
- (4) Except for warrants in 39 publicly traded companies and common stock in 21 publicly traded companies, all investments are restricted at September 30, 2018 and were valued at fair value using Level 3 significant unobservable inputs as determined in good faith by the Board of Directors. No unrestricted securities of the same issuer are outstanding. The Company uses the Standard Industrial Code for classifying the industry grouping of its portfolio companies.
- (5) Non-U.S. company or the company's principal place of business is outside the United States.
- (6) Affiliate investment as defined under the Investment Company Act of 1940, as amended, (the "1940 Act") in which Hercules owns at least 5% but generally less than 25% of the company's voting securities.
- (7) Control investment as defined under the 1940 Act in which Hercules owns at least 25% of the company's voting securities or has greater than 50% representation on its board.
- (8) Debt is on non-accrual status at September 30, 2018, and is therefore considered non-income producing. Note that at September 30, 2018, only the \$10.7 million PIK, or payment-in-kind, loan is on non-accrual for the Company's debt investment in Tectura Corporation.
- (9) Denotes that all or a portion of the debt investment is convertible debt.
- (10) Indicates assets that the Company deems not "qualifying assets" under section 55(a) of 1940 Act. Qualifying assets must represent at least 70% of the Company's total assets at the time of acquisition of any additional non-qualifying assets.
- (11)

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- Denotes that all or a portion of the debt investment secures the notes offered in the Debt Securitization (as defined in Note 4).
- (12) Denotes that all or a portion of the debt investment is pledged as collateral under the Wells Facility (as defined in Note 4).
- (13) Denotes that all or a portion of the debt investment is pledged as collateral under the Union Bank Facility (as defined in Note 4).
- (14) Denotes that all or a portion of the debt investment principal includes accumulated PIK interest and is net of repayments.
- (15) Denotes that all or a portion of the investment in this portfolio company is held by Hercules Technology III, L.P., or HT III, the Company's wholly owned small business investment company, or SBIC, subsidiary. On July 13, 2018, the Company completed repayment of the remaining outstanding Hercules Technology II, L.P., or HT II, debentures and subsequently surrendered the SBA license with respect to HT II.
- (16) Denotes that the fair value of the Company's total investments in this portfolio company represent greater than 5% of the Company's total assets at September 30, 2018.
- (17) Denotes that there is an unfunded contractual commitment available at the request of this portfolio company at September 30, 2018. Refer to Note 10.
- (18) Denotes unitranche debt with first lien "last-out" senior secured position and security interest in all assets of the portfolio company whereby the "last-out" portion will be subordinated to the "first-out" portion in a liquidation, sale or other disposition.
- (19) Denotes second lien senior secured debt.

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2017

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Debt Investments							
Biotechnology Tools							
1-5 Years Maturity							
Exicure, Inc. ⁽¹²⁾	Biotechnology Tools	Senior Secured	September 2019	Interest rate PRIME + 6.45%			
				or Floor rate of 9.95%, 3.85% Exit Fee	\$4,999	\$5,115	\$5,146
Subtotal: 1-5 Years Maturity						5,115	5,146
Subtotal: Biotechnology Tools (0.61%)*						5,115	5,146
Communications & Networking							
Under 1 Year Maturity							
OpenPeak, Inc. ⁽⁸⁾	Communications & Networking	Senior Secured	April 2018	Interest rate PRIME + 8.75%			
				or Floor rate of 12.00%	\$11,464	8,228	—
Subtotal: Under 1 Year Maturity						8,228	—
Subtotal: Communications & Networking (0.00%)*						8,228	—
Consumer & Business Products							
Under 1 Year Maturity							
Antenna79 (p.k.a. Pong Research Corporation) ⁽¹⁵⁾	Consumer & Business Products	Senior Secured	December 2018	Interest rate PRIME + 6.00%			
				or Floor rate of 9.50%	\$1,000	1,000	1,000
Subtotal: Under 1 Year Maturity						1,000	1,000
1-5 Years Maturity							

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Antenna79 (p.k.a. Pong Research Corporation) ⁽¹⁵⁾	Consumer & Business Products	Senior Secured	December 2019	Interest rate PRIME + 7.45%			
				or Floor rate of 10.95%, 2.95% Exit Fee	\$18,440	18,580	18,571
Second Time Around (Simplify Holdings, LLC) ⁽⁷⁾⁽⁸⁾⁽¹⁵⁾	Consumer & Business Products	Senior Secured	February 2019	Interest rate PRIME + 7.25%			
				or Floor rate of 10.75%, 4.75% Exit Fee	\$1,746	1,781	—
Subtotal: 1-5 Years Maturity						20,361	18,571
Subtotal: Consumer & Business Products (2.33%)*						21,361	19,571
Drug Delivery							
Under 1 Year Maturity							
Agile Therapeutics, Inc. ⁽¹¹⁾	Drug Delivery	Senior Secured	December 2018	Interest rate PRIME + 4.75%			
				or Floor rate of 9.00%, 3.70% Exit Fee	\$10,888	11,292	11,292
Pulmatrix Inc. ⁽⁹⁾⁽¹¹⁾	Drug Delivery	Senior Secured	July 2018	Interest rate PRIME + 6.25%			
				or Floor rate of 9.50%, 3.50% Exit Fee	\$3,259	3,455	3,455
ZP Opco, Inc. (p.k.a. Zosano Pharma) ⁽¹¹⁾	Drug Delivery	Senior Secured	December 2018	Interest rate PRIME + 2.70%			
				or Floor rate of 7.95%, 2.87% Exit Fee	\$6,316	6,609	6,609
Subtotal: Under 1 Year Maturity						21,356	21,356
1-5 Years Maturity							
AcelRx Pharmaceuticals, Inc. ⁽¹⁰⁾⁽¹¹⁾⁽¹⁵⁾	Drug Delivery	Senior Secured	March 2020	Interest rate PRIME + 6.05%			
				or Floor rate of 9.55%, 11.69% Exit Fee	\$18,653	18,925	18,875
Antares Pharma Inc. ⁽¹⁰⁾⁽¹⁵⁾	Drug Delivery	Senior Secured	July 2022	Interest rate PRIME + 4.50%			
				or Floor rate of 9.00%, 4.25% Exit Fee	\$25,000	25,006	24,958
Edge Therapeutics, Inc. ⁽¹²⁾	Drug Delivery	Senior Secured	February 2020	Interest rate PRIME + 4.65%			
				or Floor rate of 9.15%, 4.95% Exit Fee	\$20,000	20,377	20,331
Subtotal: 1-5 Years Maturity						64,308	64,164
Subtotal: Drug Delivery (10.17%)*						85,664	85,520

See notes to consolidated financial statements.

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HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2017

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Drug Discovery & Development							
Under 1 Year Maturity							
CytRx Corporation (11)(15)	Drug Discovery & Development	Senior Secured	August 2018	Interest rate PRIME + 6.00%			
				or Floor rate of 9.50%, 7.09%			
				Exit Fee	\$9,986	\$11,172	\$11,172
Epirus Biopharmaceuticals, Inc. ⁽⁸⁾	Drug Discovery & Development	Senior Secured	April 2018	Interest rate PRIME + 4.70%			
				or Floor rate of 7.95%, 3.00%			
				Exit Fee	\$3,027	3,310	340
Subtotal: Under 1 Year Maturity						14,482	11,512
1-5 Years Maturity							
Auris Medical Holding, AG ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Senior Secured	January 2020	Interest rate PRIME + 6.05%			
				or Floor rate of 9.55%, 5.75%			
				Exit Fee	\$10,341	10,610	10,563

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Aveo Pharmaceuticals, Inc. ⁽¹⁰⁾⁽¹³⁾	Drug Discovery & Development	Senior Secured	July 2021	Interest rate PRIME + 4.70%			
				or Floor rate of 9.45%, 5.40%			
				Exit Fee	\$ 10,000	10,345	10,344
	Drug Discovery & Development	Senior Secured	July 2021	Interest rate PRIME + 4.70%			
				or Floor rate of 9.45%, 3.00%			
				Exit Fee	\$ 10,000	9,918	9,915
Total Aveo Pharmaceuticals, Inc.					\$ 20,000	20,263	20,259
Axovant Sciences Ltd. ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Senior Secured	March 2021	Interest rate PRIME + 6.80%			
				or Floor rate of 10.55%			
				Exit Fee	\$ 55,000	53,631	53,448
Brickell Biotech, Inc. ⁽¹²⁾	Drug Discovery & Development	Senior Secured	September 2019	Interest rate PRIME + 5.70%			
				or Floor rate of 9.20%, 6.75%			
				Exit Fee	\$ 6,090	6,380	6,361
Chemocentryx, Inc. ⁽¹⁰⁾⁽¹⁵⁾⁽¹⁷⁾	Drug Discovery & Development	Senior Secured	December 2021	Interest rate PRIME + 3.30%			
				or Floor rate of 8.05%, 6.25%			
				Exit Fee	\$ 5,000	4,947	4,947
Genocea Biosciences, Inc. ⁽¹¹⁾	Drug Discovery & Development	Senior Secured	January 2019	Interest rate	\$ 13,851	14,482	14,385

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	Development			PRIME + 2.25%			
				or Floor rate of 7.25%, 4.95%			
				Exit Fee			
Inmed, Incorporated (11)	Drug Discovery & Development	Senior Secured	October 2020	Interest rate PRIME + 4.75%			
				or Floor rate of 9.25%, 4.86%			
				Exit Fee	\$ 55,000	55,425	54,963
Metuchen Pharmaceuticals LLC (12)(14)	Drug Discovery & Development	Senior Secured	October 2020	Interest rate PRIME + 7.25%			
				or Floor rate of 10.75%,			
				PIK Interest 1.35%, 2.25%			
				Exit Fee	\$ 25,561	25,721	25,643
Motif BioSciences Inc. (15)	Drug Discovery & Development	Senior Secured	September 2021	Interest rate PRIME + 5.50%			
				or Floor rate of 10.00%, 2.15%			
				Exit Fee	\$ 15,000	14,651	14,651
Myovant Sciences, Ltd. (5)(10)(13)(17)	Drug Discovery & Development	Senior Secured	May 2021	Interest rate PRIME + 4.00%	\$ 25,000	24,704	24,704
				or Floor rate of 8.25%, 6.55%			

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Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.) ⁽¹⁵⁾	Drug Discovery & Development	Senior Secured	September 2020	Exit Fee			
				Interest rate PRIME + 2.75%			
				or Floor rate of 8.50%, 4.50%			
				Exit Fee	\$ 40,000	40,144	39,829
	Drug Discovery & Development	Senior Secured	September 2020	Interest rate PRIME + 2.75%			
				or Floor rate of 8.50%, 4.50%			
				Exit Fee	\$ 10,000	10,040	9,958
	Drug Discovery & Development	Senior Secured	September 2020	Interest rate PRIME + 2.75%			
				or Floor rate of 8.50%, 2.25%			
				Exit Fee	\$ 10,000	9,964	9,895
Total Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.)					\$ 60,000	60,148	59,682
PhaseRx, Inc. ⁽¹⁵⁾	Drug Discovery & Development	Senior Secured	December 2019	Interest rate PRIME + 5.75%			
				or Floor rate of 9.25%, 5.85%			
				Exit Fee	\$ 4,694	4,842	1,917
Stealth Bio Therapeutics Corp. (5)(10)(12)	Drug Discovery & Development	Senior Secured	January 2021	Interest rate PRIME + 5.50%	\$ 15,000	14,898	14,847
				or Floor rate of 9.50%,			

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				5.00%			
				Exit Fee			
uniQure B.V. ⁽⁵⁾⁽¹⁰⁾⁽¹¹⁾	Drug Discovery & Development	Senior Secured	May 2020	Interest rate PRIME + 3.00%			
				or Floor rate of 8.25%, 5.48%			
				Exit Fee	\$ 20,000	20,579	20,543
Verastem, Inc. ⁽¹²⁾⁽¹⁷⁾	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00%			
				or Floor rate of 10.50%, 4.50%			
				Exit Fee	\$ 5,000	4,957	4,910
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00%			
				or Floor rate of 10.50%, 4.50%			
				Exit Fee	\$ 5,000	4,996	4,949
	Drug Discovery & Development	Senior Secured	December 2020	Interest rate PRIME + 6.00%			
				or Floor rate of 10.50%, 4.50%			
				Exit Fee	\$ 5,000	4,953	4,907
Total Verastem, Inc.					\$ 15,000	14,906	14,766
Subtotal: 1-5 Years Maturity						346,187	341,679
Subtotal: Drug Discovery & Development (42.00%)*						360,669	353,191

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2017

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Electronics & Computer Hardware							
1-5 Years Maturity							
908 DEVICES INC. ⁽¹⁵⁾	Electronics & Computer Hardware	Senior Secured	September 2020	Interest rate PRIME + 4.00%			
				or Floor rate of 8.25%, 4.25%			
				Exit Fee	\$ 10,000	\$ 10,014	\$ 9,887
Subtotal: 1-5 Years Maturity						10,014	9,887
Subtotal: Electronics & Computer Hardware (1.18%)*						10,014	9,887
Healthcare Services, Other							
1-5 Years Maturity							
Medsphere Systems Corporation ⁽¹⁴⁾⁽¹⁵⁾	Healthcare Services, Other	Senior Secured	February 2021	Interest rate PRIME + 4.75%			
				or Floor rate of 9.00%,			
				PIK Interest 1.75%	\$ 17,607	17,437	17,437
				Interest rate PRIME + 4.75%			
				or Floor rate of 9.00%,			
				PIK Interest 1.75%	\$ 5,009	4,963	4,963
					\$ 22,616	22,400	22,400

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Total Medsphere Systems Corporation

Oak Street Health (12)	Healthcare Services, Other	Senior Secured	September 2021	Interest rate PRIME + 5.00%			
				or Floor rate of 9.75%, 5.95%			
				Exit Fee	\$ 20,000	19,965	19,965
PH Group Holdings (13)	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45%			
				or Floor rate of 10.95%	\$ 20,000	19,878	19,803
	Healthcare Services, Other	Senior Secured	September 2020	Interest rate PRIME + 7.45%			
				or Floor rate of 10.95%	\$ 10,000	9,922	9,840
Total PH Group Holdings					\$ 30,000	29,800	29,643
Subtotal: 1-5 Years Maturity						72,165	72,008
Subtotal: Healthcare Services, Other (8.56%)*						72,165	72,008

Information Services

1-5 Years Maturity

MDX Medical, Inc. (14)(15)(17)	Information Services	Senior Secured	December 2020	Interest rate PRIME + 4.25%			
				or Floor rate of 8.25%,			
				PIK Interest 1.70%	\$ 7,568	7,369	7,327
Netbase Solutions, Inc. (13)(14)	Information Services	Senior Secured	August 2020	Interest rate PRIME + 6.00%			
				or Floor rate of 10.00%,			
				PIK Interest 2.00%, 3.00%			
				Exit Fee	\$ 9,051	8,730	8,730
Subtotal: 1-5 Years Maturity						16,099	16,057
Subtotal: Information Services (1.91%)*						16,099	16,057

See notes to consolidated financial statements.

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HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2017

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Internet Consumer & Business Services							
1-5 Years Maturity							
AppDirect, Inc.	Internet Consumer & Business Services	Senior Secured	January 2022	Interest rate PRIME + 5.70% or Floor rate of 9.95%, 3.45% Exit Fee	\$10,000	\$9,885	\$9,885
Aria Systems, Inc. (11)(14)	Internet Consumer & Business Services	Senior Secured	June 2019	Interest rate PRIME + 3.20% or Floor rate of 6.95%, PIK Interest 1.95%, 1.50% Exit Fee	\$2,103	2,104	1,803
	Internet Consumer & Business Services	Senior Secured	June 2019	Interest rate PRIME + 5.20% or Floor rate of 8.95%, PIK Interest 1.95%, 1.50% Exit Fee	\$18,832	18,839	16,144
Total Aria Systems, Inc.					\$20,935	20,943	17,947
Greenphire Inc.			January 2021		\$3,883	3,883	3,883

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	Internet Consumer & Business Services	Senior Secured		Interest rate 3-month LIBOR + 8.00%			
				or Floor rate of 9.00%			
	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate PRIME + 3.75%			
				or Floor rate of 7.00%	\$ 1,000	1,000	1,000
Total Greenphire Inc.					\$4,883	4,883	4,883
Intent Media, Inc. (14)(15)	Internet Consumer & Business Services	Senior Secured	May 2019	Interest rate PRIME + 5.25%			
				or Floor rate of 8.75%,			
				PIK Interest 1.00%, 2.00% Exit Fee	\$5,050	5,011	5,027
	Internet Consumer & Business Services	Senior Secured	May 2019	Interest rate PRIME + 5.50%			
				or Floor rate of 9.00%,			
				PIK Interest 2.35%, 2.00% Exit Fee	\$2,020	1,987	1,991
	Internet Consumer & Business Services	Senior Secured	May 2019	Interest rate PRIME + 5.50%			
				or Floor rate of 9.00%,			
				PIK Interest 2.50%, 2.00% Exit Fee	\$2,022	1,988	1,992
Total Intent Media, Inc.					\$9,092	8,986	9,010
Interactions Corporation	Internet Consumer & Business Services	Senior Secured	March 2021	Interest rate 3-month LIBOR +	\$25,000	25,013	25,013

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				8.60%			
				or Floor rate of 9.85%, 1.75% Exit Fee			
LogicSource ⁽¹⁵⁾	Internet Consumer & Business Services	Senior Secured	October 2019	Interest rate PRIME + 6.25%			
				or Floor rate of 9.75%, 5.00% Exit Fee	\$6,452	6,701	6,726
Snagajob.com, Inc. ⁽¹³⁾⁽¹⁴⁾	Internet Consumer & Business Services	Senior Secured	July 2020	Interest rate PRIME + 5.15%			
				or Floor rate of 9.15%, PIK Interest 1.95%, 2.55% Exit Fee	\$41,023	40,633	41,036
Tectura Corporation ⁽⁷⁾⁽⁸⁾⁽⁹⁾⁽¹⁴⁾	Internet Consumer & Business Services	Senior Secured	June 2021	Interest rate FIXED 6.00%, PIK Interest 3.00%	\$20,298	20,298	19,219
	Internet Consumer & Business Services	Senior Secured	June 2021	PIK Interest 8.00%	\$11,015	240	—
Total Tectura Corporation					\$31,313	20,538	19,219
The Faction Group	Internet Consumer & Business Services	Senior Secured	January 2021	Interest rate 3-month LIBOR + 9.25%			
				or Floor rate of 10.25%	\$8,000	8,000	8,000
	Internet Consumer & Business Services	Senior Secured	January 2019	Interest rate PRIME + 4.75%			
				or Floor rate of 8.25%	\$2,000	2,000	2,000
Total The Faction Group					\$10,000	10,000	10,000
Subtotal: 1-5 Years Maturity						147,582	143,719
Subtotal: Internet Consumer & Business Services (17.09%)*						147,582	143,719

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Media/Content/Info								
Under 1 Year Maturity								
Machine Zone, Inc. (14)(16)	Media/Content/Info	Senior Secured	May 2018	Interest rate PRIME + 2.50%				
				or Floor rate of 6.75%,				
				PIK Interest 3.00%	\$ 106,986	106,641	106,641	
Subtotal: Under 1 Year Maturity							106,641	106,641
1-5 Years Maturity								
Bustle (14)(15)	Media/Content/Info	Senior Secured	June 2021	Interest rate PRIME + 4.10%				
				or Floor rate of 8.35%,				
				PIK Interest 1.95%, 1.95% Exit Fee	\$ 15,016	14,935	14,935	
FanDuel, Inc. (9)(12)(14)	Media/Content/Info	Senior Secured	November 2019	Interest rate PRIME + 7.25%				
				or Floor rate of 10.75%, 10.41% Exit Fee	\$ 19,354	19,762	19,695	
	Media/Content/Info	Convertible Debt	September 2020	PIK Interest 25.00%	\$ 1,000	1,000	1,000	
Total FanDuel, Inc.						\$ 20,354	20,762	20,695
Subtotal: 1-5 Years Maturity							35,697	35,630
Subtotal: Media/Content/Info (16.92%)*							142,338	142,271

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2017

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Medical Devices & Equipment							
Under 1 Year Maturity							
Amedica Corporation ⁽⁹⁾⁽¹⁵⁾	Medical Devices & Equipment	Senior Secured	January 2018	Interest rate PRIME + 7.70%			
				or Floor rate of 10.95%, 8.25% Exit Fee	\$ 605	\$ 2,255	\$ 2,255
Aspire Bariatrics, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Senior Secured	October 2018	Interest rate PRIME + 4.00%			
				or Floor rate of 9.25%, 5.42% Exit Fee	\$ 2,527	2,848	2,848
Subtotal: Under 1 Year Maturity						5,103	5,103
1-5 Years Maturity							
IntegenX, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Senior Secured	June 2019	Interest rate PRIME + 6.05%			
				or Floor rate of 10.05%, 6.75% Exit Fee	\$ 12,500	13,042	12,991
	Medical Devices & Equipment	Senior Secured	June 2019	Interest rate PRIME + 6.05%	\$ 2,500	2,599	2,598

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				or Floor rate of 10.05%, 6.75% Exit Fee			
	Medical Devices & Equipment	Senior Secured	June 2019	Interest rate PRIME + 6.05%			
				or Floor rate of 10.05%, 9.75% Exit Fee	\$2,500	2,618	2,601
Total IntegenX, Inc.					\$17,500	18,259	18,190
Intuity Medical, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Senior Secured	June 2021	Interest rate PRIME + 5.00%			
				or Floor rate of 9.25%, 4.95% Exit Fee	\$17,500	17,013	17,013
Micell Technologies, Inc. ⁽¹²⁾	Medical Devices & Equipment	Senior Secured	August 2019	Interest rate PRIME + 7.25%			
				or Floor rate of 10.50%, 5.00% Exit Fee	\$5,469	5,744	5,708
Quanta Fluid Solutions ⁽⁵⁾⁽¹⁰⁾⁽¹¹⁾	Medical Devices & Equipment	Senior Secured	April 2020	Interest rate PRIME + 8.05%			
				or Floor rate of 11.55%, 5.00% Exit Fee	\$10,117	10,432	10,386
Quanterix Corporation ⁽¹¹⁾	Medical Devices & Equipment	Senior Secured	March 2019	Interest rate PRIME + 2.75%			
				or Floor rate of 8.00%, 4.00% Exit Fee	\$9,043	9,477	9,477
Sebacia, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Senior Secured	July 2020	Interest rate PRIME + 4.35%	\$8,000	7,927	7,919
				or Floor rate of 8.85%,			

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				6.05% Exit Fee				
Tela Bio, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Senior Secured	December 2020	Interest rate PRIME + 4.95%				
				or Floor rate of 9.45%, 3.15% Exit Fee	\$ 5,000	4,991	4,973	
Subtotal: 1-5 Years Maturity						73,843	73,666	
Subtotal: Medical Devices & Equipment (9.37%)*						78,946	78,769	
Semiconductors								
1-5 Years Maturity								
Achronix Semiconductor Corporation ⁽¹⁵⁾⁽¹⁷⁾	Semiconductors	Senior Secured	August 2020	Interest rate PRIME + 7.00%				
				or Floor rate of 11.00%, 12.50% Exit Fee	\$ 5,000	5,084	5,100	
	Semiconductors	Senior Secured	February 2019	Interest rate PRIME + 6.00%				
				or Floor rate of 10.00%	\$ 4,274	4,274	4,273	
Total Achronix Semiconductor Corporation						\$ 9,274	9,358	9,373
Subtotal: 1-5 Years Maturity						9,358	9,373	
Subtotal: Semiconductors (1.11%)*						9,358	9,373	

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2017

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Software							
Under 1 Year Maturity							
Clickfox, Inc. ⁽¹³⁾	Software	Senior Secured	May 2018	Interest rate PRIME + 8.00%			
				or Floor rate of 11.50%, 12.01% Exit Fee	\$6,378	\$7,671	\$7,671
Digital Train Limited (p.k.a. Jumpstart Games, Inc.) ⁽¹⁵⁾	Software	Senior Secured	July 2018	Interest rate 12-month LIBOR + 2.50%	\$5,671	5,671	4,073
Subtotal: Under 1 Year Maturity						13,342	11,744
1-5 Years Maturity							
Clarabridge, Inc. ⁽¹²⁾⁽¹⁴⁾	Software	Senior Secured	April 2021	Interest rate PRIME + 4.80%			
				or Floor rate of 8.55%, PIK Interest 3.25%	\$40,893	40,870	41,063
Emma, Inc.	Software	Senior Secured	September 2022	Interest rate daily LIBOR + 7.75%			
				or Floor rate of 8.75%	\$50,000	48,565	48,565
Evernote Corporation ⁽¹⁴⁾⁽¹⁵⁾⁽¹⁷⁾	Software	Senior Secured	October 2020	Interest rate PRIME +	\$6,000	5,974	6,100

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				5.45%				
				or Floor rate of 8.95%				
	Software	Senior Secured	July 2021	Interest rate PRIME + 6.00%				
				or Floor rate of 9.50%,				
				PIK Interest 1.25%	\$ 4,023	3,999	3,992	
Total Evernote Corporation					\$ 10,023	9,973	10,092	
Fuze, Inc. ⁽¹³⁾⁽¹⁴⁾⁽¹⁵⁾	Software	Senior Secured	July 2021	Interest rate PRIME + 3.70%				
				or Floor rate of 7.95%,				
				PIK Interest 1.55%, 3.55%				
				Exit Fee	\$ 50,332	50,464	50,420	
Impact Radius Holdings, Inc. ⁽¹⁴⁾⁽¹⁷⁾	Software	Senior Secured	December 2020	Interest rate PRIME + 4.25%				
				or Floor rate of 8.75%,				
				PIK Interest 1.55%, 1.75%				
				Exit Fee	\$ 7,544	7,552	7,498	
Lithium Technologies, Inc. ⁽¹⁷⁾	Software	Senior Secured	October 2022	Interest rate 1-month LIBOR + 8.00%				
				or Floor rate of 9.00%	\$ 12,000	11,740	11,740	
Microsystems Holding Company, LLC	Software	Senior Secured	July 2022	Interest rate 3-month LIBOR + 8.25%				
				or Floor rate of 9.25%	\$ 12,000	11,821	11,821	
OneLogin, Inc. ⁽¹⁴⁾⁽¹⁵⁾	Software	Senior Secured	August 2019	Interest rate PRIME + 6.45%	\$ 15,883	15,811	16,071	

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				or Floor rate of 9.95%,			
				PIK Interest 3.25%			
PerfectServe, Inc.	Software	Senior Secured	April 2021	Interest rate 3-month LIBOR + 9.00%			
				or Floor rate of 10.00%, 2.50%			
				Exit Fee	\$ 16,000	16,023	16,023
	Software	Senior Secured	April 2021	Interest rate 3-month LIBOR + 9.00%			
				or Floor rate of 10.00%, 2.50%			
				Exit Fee	\$ 4,000	4,005	4,005
Total PerfectServe, Inc.					\$ 20,000	20,028	20,028
Pollen, Inc. ⁽¹⁵⁾	Software	Senior Secured	April 2019	Interest rate PRIME + 4.25%			
				or Floor rate of 8.50%, 4.00%			
				Exit Fee	\$ 7,000	6,964	6,964
Poplicus, Inc. ⁽⁸⁾⁽¹⁴⁾	Software	Senior Secured	May 2022	Interest rate FIXED 6.00%,			
				PIK Interest 3.00%	\$ 1,250	1,250	—
Quid, Inc. ⁽¹⁴⁾⁽¹⁵⁾	Software	Senior Secured	October 2019	Interest rate PRIME + 4.75%			
				or Floor rate of 8.25%,			
				PIK Interest 2.25%, 3.00%			
				Exit Fee	\$ 8,303	8,397	8,430
RapidMiner, Inc. ⁽¹⁴⁾	Software	Senior Secured	December 2020	Interest rate PRIME + 5.50%	\$ 7,001	6,971	6,971
				or Floor rate of 9.75%,			

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				PIK Interest 1.65%			
Regent Education ⁽¹⁴⁾	Software	Senior Secured	January 2021	Interest rate FIXED 10.00%,			
				PIK Interest 2.00%, 6.35%			
				Exit Fee	\$ 3,285	3,291	3,291
Signpost, Inc. ⁽¹⁴⁾	Software	Senior Secured	February 2020	Interest rate PRIME + 4.15%			
				or Floor rate of 8.15%,			
				PIK Interest 1.75%, 3.75%			
				Exit Fee	\$ 15,510	15,603	15,685
Vela Trading Technologies	Software	Senior Secured	July 2022	Interest rate daily LIBOR + 9.50%			
				or Floor rate of 10.50%	\$ 20,000	19,495	19,557
Wrike, Inc. ⁽¹⁴⁾⁽¹⁷⁾	Software	Senior Secured	February 2021	Interest rate PRIME + 6.00%			
				or Floor rate of 9.50%,			
				PIK Interest 2.00%, 3.00%			
				Exit Fee	\$ 10,165	9,971	10,007
ZocDoc	Software	Senior Secured	April 2021	Interest rate 3-month LIBOR + 9.50%			
				or Floor rate of 10.50%, 1.00%			
				Exit Fee	\$ 20,000	20,011	20,011
	Software	Senior Secured	November 2021	Interest rate 3-month LIBOR + 9.50%			
				or Floor rate of 10.50%, 1.00%			
				Exit Fee	\$ 10,000	10,005	10,005

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Total ZocDoc	\$30,000	30,016	30,016
Subtotal: 1-5 Years Maturity		318,782	318,219
Subtotal: Software (39.24%)*		332,124	329,963

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

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(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment	Maturity Date	Interest Rate and Floor ⁽²⁾	Principal Amount	Cost ⁽³⁾	Value ⁽⁴⁾
Specialty Pharmaceuticals							
Under 1 Year Maturity							
Jaguar Animal Health, Inc. ⁽¹¹⁾	Specialty Pharmaceuticals	Senior Secured	August 2018	Interest rate PRIME + 5.65% or Floor rate of 9.90%, 7.00% Exit Fee	\$ 1,089	\$ 1,496	\$ 1,496
Subtotal: Under 1 Year Maturity						1,496	1,496
1-5 Years Maturity							
Alimera Sciences, Inc. ⁽¹¹⁾⁽¹⁴⁾	Specialty Pharmaceuticals	Senior Secured	November 2020	Interest rate PRIME + 7.50% or Floor rate of 11.00%, PIK Interest 1.00%, 4.00% Exit Fee	\$ 35,398	35,517	35,517
Subtotal: 1-5 Years Maturity						35,517	35,517
Subtotal: Specialty Pharmaceuticals (4.40%)*						37,013	37,013
Surgical Devices							
1-5 Years Maturity							
Transmedics, Inc. ⁽¹³⁾	Surgical Devices	Senior Secured	February 2020	Interest rate PRIME +	\$ 8,500	8,756	8,757

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				5.30%			
				or Floor rate of 9.55%, 6.70% Exit Fee			
Subtotal: 1-5 Years Maturity					8,756	8,757	
Subtotal: Surgical Devices (1.04%)*					8,756	8,757	
Sustainable and Renewable Technology							
Under 1 Year Maturity							
FuelCell Energy, Inc. ⁽¹²⁾	Sustainable and Renewable Technology	Senior Secured	October 2018	Interest rate PRIME + 5.50%			
				or Floor rate of 9.50%, 8.50% Exit Fee	\$ 16,806	18,190	18,190
Kinestral Technologies Inc.	Sustainable and Renewable Technology	Senior Secured	October 2018	Interest rate 3-month LIBOR + 7.75%			
				or Floor rate of 8.75%, 3.23% Exit Fee	\$ 3,867	3,882	3,882
Subtotal: Under 1 Year Maturity					22,072	22,072	
1-5 Years Maturity							
ChargePoint Inc.	Sustainable and Renewable Technology	Senior Secured	August 2020	Interest rate 3-month LIBOR + 8.75%			
				or Floor rate of 9.75%, 2.00% Exit Fee	\$ 19,394	19,416	19,416
Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.) ⁽⁶⁾	Sustainable and Renewable Technology	Senior Secured	August 2019	Interest rate PRIME + 8.70%			
				or Floor rate of 12.95%, 4.50% Exit Fee	\$ 14,000	13,604	13,604
Proterra, Inc. ⁽¹¹⁾⁽¹⁴⁾⁽¹⁷⁾	Sustainable and Renewable Technology	Senior Secured	November 2020	Interest rate PRIME + 3.70%	\$ 25,036	25,997	26,097

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or Floor rate
of 7.95%,

PIK Interest
1.75%,
5.95% Exit
Fee

	Sustainable and Renewable Technology	Senior Secured	November 2020	Interest rate PRIME + 3.70%			
				or Floor rate of 7.95%,			
				PIK Interest 1.75%, 7.00% Exit Fee	\$ 5,007	5,173	5,190
Total Proterra, Inc.					\$ 30,043	31,170	31,287
Rive Technology, Inc. ⁽¹⁵⁾	Sustainable and Renewable Technology	Senior Secured	January 2019	Interest rate PRIME + 6.20%			
				or Floor rate of 9.45%, 4.00% Exit Fee	\$ 4,258	4,498	4,515
Tendril Networks ⁽¹²⁾	Sustainable and Renewable Technology	Senior Secured	June 2019	Interest rate FIXED 9.25%, 8.50% Exit Fee	\$ 13,156	13,863	13,845
Subtotal: 1-5 Years Maturity						82,551	82,667
Subtotal: Sustainable and Renewable Technology (12.45%)*						104,623	104,739
Total: Debt Investments (168.38%)*						1,440,055	1,415,984

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

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Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
Equity Investments						
Biotechnology Tools						
NuGEN Technologies, Inc. (15)	Biotechnology Tools	Equity	Common Stock	55,780	\$ 500	\$—
Subtotal: Biotechnology Tools (0.00%)*					500	—
Communications & Networking						
Achilles Technology Management Co II, Inc. (7)(15)	Communications & Networking	Equity	Common Stock	100	3,100	242
GlowPoint, Inc. (4)	Communications & Networking	Equity	Common Stock	114,192	102	41
Peerless Network Holdings, Inc.	Communications & Networking	Equity	Preferred Series A	1,000,000	1,000	5,865
Subtotal: Communications & Networking (0.73%)*					4,202	6,148
Diagnostic						
Singulex, Inc.	Diagnostic	Equity	Common Stock	937,998	750	720
Subtotal: Diagnostic (0.09%)*					750	720
Drug Delivery						
AcelRx Pharmaceuticals, Inc. (4)(10)	Drug Delivery	Equity	Common Stock	54,240	108	109
BioQ Pharma Incorporated (15)	Drug Delivery	Equity	Preferred Series D	165,000	500	826
Edge Therapeutics, Inc. (4)	Drug Delivery	Equity	Common Stock	49,965	309	468
Neos Therapeutics, Inc. (4)(15)	Drug Delivery	Equity	Common Stock	125,000	1,500	1,275
Subtotal: Drug Delivery (0.32%)*					2,417	2,678
Drug Discovery & Development						
Aveo Pharmaceuticals, Inc. (4)(10)(15)	Drug Discovery & Development	Equity	Common Stock	1,901,791	1,715	5,315

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Axovant Sciences Ltd. ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Equity	Common Stock	129,827	1,270	707
Cerecor, Inc. ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	119,087	1,000	381
Dare Biosciences, Inc. (p.k.a. Cerulean Pharma, Inc.) ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	13,550	1,000	29
Dicerna Pharmaceuticals, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Equity	Common Stock	142,858	1,000	1,290
Dynavax Technologies ⁽⁴⁾⁽¹⁰⁾	Drug Discovery & Development	Equity	Common Stock	20,000	550	374
Epirus Biopharmaceuticals, Inc. ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	200,000	1,000	—
Genocea Biosciences, Inc. ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	223,463	2,000	259
Inotek Pharmaceuticals Corporation ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	3,778	1,500	10
Insmed, Incorporated ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	70,771	1,000	2,154
Melinta Therapeutics ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	43,840	2,000	693
Paratek Pharmaceuticals, Inc. (p.k.a. Transept Pharmaceuticals, Inc.) ⁽⁴⁾	Drug Discovery & Development	Equity	Common Stock	76,362	2,743	1,367
Subtotal: Drug Discovery & Development (1.50%)*					16,778	12,579
Electronics & Computer Hardware						
Identiv, Inc. ⁽⁴⁾	Electronics & Computer Hardware	Equity	Common Stock	6,700	34	22
Subtotal: Electronics & Computer Hardware (0.00%)*					34	22
Information Services						
DocuSign, Inc.	Information Services	Equity	Common Stock	385,000	6,081	8,011
Subtotal: Information Services (0.95%)*					6,081	8,011

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Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
Internet Consumer & Business Services						
Blurb, Inc. (15)	Internet Consumer & Business Services	Equity	Preferred Series B	220,653	\$175	\$46
Brigade Group, Inc. (p.k.a. Philotic, Inc.)	Internet Consumer & Business Services	Equity	Common Stock	9,023	93	—
Lightspeed POS, Inc. (5)(10)	Internet Consumer & Business Services	Equity	Preferred Series C	230,030	250	233
	Internet Consumer & Business Services	Equity	Preferred Series D	198,677	250	213
Total Lightspeed POS, Inc.				428,707	500	446
OfferUp, Inc.	Internet Consumer & Business Services	Equity	Preferred Series A	286,080	1,663	2,236
	Internet Consumer & Business Services	Equity	Preferred Series A-1	108,710	632	850
Total OfferUp, Inc.				394,790	2,295	3,086
Oportun (p.k.a. Progress Financial)	Internet Consumer & Business Services	Equity	Preferred Series G	218,351	250	451
	Internet Consumer & Business Services	Equity	Preferred Series H	87,802	250	255
Total Oportun (p.k.a. Progress Financial)				306,153	500	706
RazorGator Interactive Group, Inc.	Internet Consumer & Business Services	Equity	Preferred Series AA	34,783	15	49
Tectura Corporation (7)	Internet Consumer & Business Services	Equity	Preferred Series BB	1,000,000	—	—
Subtotal: Internet Consumer & Business Services (0.52%)*					3,578	4,333
Media/Content/Info						
Pinterest, Inc.	Media/Content/Info	Equity	Preferred Series Seed	620,000	4,085	5,055
Subtotal: Media/Content/Info (0.60%)*					4,085	5,055

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Medical Devices & Equipment

AtriCure, Inc. ⁽⁴⁾⁽¹⁵⁾	Medical Devices & Equipment	Equity	Common Stock	7,536	266	138
Flowonix Medical Incorporated	Medical Devices & Equipment	Equity	Preferred Series AA	221,893	1,500	—
Gelesis, Inc. ⁽¹⁵⁾	Medical Devices & Equipment	Equity	Common Stock	198,202	—	879
	Medical Devices & Equipment	Equity	Preferred Series A-1	191,210	425	939
	Medical Devices & Equipment	Equity	Preferred Series A-2	191,626	500	894
Total Gelesis, Inc.				581,038	925	2,712
Medrobotics Corporation ⁽¹⁵⁾	Medical Devices & Equipment	Equity	Preferred Series E	136,798	250	302
	Medical Devices & Equipment	Equity	Preferred Series F	73,971	155	225
	Medical Devices & Equipment	Equity	Preferred Series G	163,934	500	532
Total Medrobotics Corporation				374,703	905	1,059
Optiscan Biomedical, Corp. ⁽⁶⁾⁽¹⁵⁾	Medical Devices & Equipment	Equity	Preferred Series B	6,185,567	3,000	402
	Medical Devices & Equipment	Equity	Preferred Series C	1,927,309	655	114
	Medical Devices & Equipment	Equity	Preferred Series D	55,103,923	5,257	4,232
	Medical Devices & Equipment	Equity	Preferred Series E	15,638,888	1,307	1,457
Total Optiscan Biomedical, Corp.				78,855,687	10,219	6,205
Outset Medical, Inc. (p.k.a. Home Dialysis Plus, Inc.)	Medical Devices & Equipment	Equity	Preferred Series B	232,061	527	596
Quanterix Corporation ⁽⁴⁾	Medical Devices & Equipment	Equity	Common Stock	84,778	1,000	1,820
Subtotal: Medical Devices & Equipment (1.49%)*					15,342	12,530
Software						
CapLinked, Inc.	Software	Equity	Preferred Series A-3	53,614	51	90
Druva, Inc.	Software	Equity	Preferred Series 2	458,841	1,000	1,044
	Software	Equity	Preferred Series 3	93,620	300	312
Total Druva, Inc.				552,461	1,300	1,356
ForeScout Technologies, Inc. ⁽⁴⁾	Software	Equity	Common Stock	199,844	529	6,373
HighRoads, Inc.	Software	Equity	Common Stock	190	307	—
NewVoiceMedia Limited ⁽⁵⁾⁽¹⁰⁾	Software	Equity	Preferred Series E	669,173	963	1,544
Palantir Technologies	Software	Equity	Preferred Series E	727,696	5,431	4,923

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	Software	Equity	Preferred Series G	326,797	2,211	2,211
Total Palantir Technologies				1,054,493	7,642	7,134
Sprinklr, Inc.	Software	Equity	Common Stock	700,000	3,749	4,600
WildTangent, Inc. ⁽¹⁵⁾	Software	Equity	Preferred Series 3	100,000	402	179
Subtotal: Software (2.53%)*					14,943	21,276

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HERCULES CAPITAL, INC.

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Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
Surgical Devices						
Gynesonics, Inc. (15)	Surgical Devices	Equity	Preferred Series B	219,298	\$250	\$44
	Surgical Devices	Equity	Preferred Series C	656,538	282	60
	Surgical Devices	Equity	Preferred Series D	1,991,157	712	795
	Surgical Devices	Equity	Preferred Series E	2,786,367	429	521
Total Gynesonics, Inc.				5,653,360	1,673	1,420
Transmedics, Inc.						
	Surgical Devices	Equity	Preferred Series B	88,961	1,100	376
	Surgical Devices	Equity	Preferred Series C	119,999	300	309
	Surgical Devices	Equity	Preferred Series D	260,000	650	957
	Surgical Devices	Equity	Preferred Series F	100,200	500	531
Total Transmedics, Inc.				569,160	2,550	2,173
Subtotal: Surgical Devices (0.43%)*					4,223	3,593
Sustainable and Renewable Technology						
Flywheel Building Intelligence, Inc. (p.k.a. SCIEnergy, Inc.)	Sustainable and Renewable Technology	Equity	Common Stock	19,250	761	—
Modumetal, Inc.	Sustainable and Renewable Technology	Equity	Preferred Series C	3,107,520	500	477
Proterra, Inc.	Sustainable and Renewable Technology	Equity	Preferred Series 5	99,280	500	539
Solar Spectrum Holdings LLC (p.k.a. Sungevity, Inc.) (6)	Sustainable and Renewable Technology	Equity	Common Stock	288	61,502	11,400
Subtotal: Sustainable and Renewable Technology (1.48%)*					63,263	12,416

Total: Equity Investments (10.63%)*	136,196	89,361
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HERCULES CAPITAL, INC.

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Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
Warrant Investments						
Biotechnology Tools						
Labcyte, Inc. (15)	Biotechnology Tools	Warrant	Preferred Series C	1,127,624	\$323	\$458
Subtotal: Biotechnology Tools (0.05%)*					323	458
Communications & Networking						
PeerApp, Inc.	Communications & Networking	Warrant	Preferred Series B	298,779	61	—
Peerless Network Holdings, Inc.	Communications & Networking	Warrant	Preferred Series A	135,000	95	501
Spring Mobile Solutions, Inc.	Communications & Networking	Warrant	Common Stock	2,834,375	418	—
Subtotal: Communications & Networking (0.06%)*					574	501
Consumer & Business Products						
Antenna79 (p.k.a. Pong Research Corporation) (15)	Consumer & Business Products	Warrant	Common Stock	1,662,441	228	—
Intelligent Beauty, Inc. (15)	Consumer & Business Products	Warrant	Preferred Series B	190,234	230	221
The Neat Company (15)	Consumer & Business Products	Warrant	Preferred Series C-1	540,540	365	—
Subtotal: Consumer & Business Products (0.03%)*					823	221
Drug Delivery						
AcelRx Pharmaceuticals, Inc. (4)(10)(15)	Drug Delivery	Warrant	Common Stock	176,730	786	61
Agile Therapeutics, Inc. (4)	Drug Delivery	Warrant	Common Stock	180,274	730	65
BioQ Pharma Incorporated	Drug Delivery	Warrant	Common Stock	459,183	1	968
Celsion Corporation (4)	Drug Delivery	Warrant	Common Stock	13,927	428	—
Dance Biopharm, Inc. (15)	Drug Delivery	Warrant		110,882	74	—

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			Common Stock			
Edge Therapeutics, Inc. ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	78,595	390	230
Kaleo, Inc. (p.k.a. Intelliject, Inc.)	Drug Delivery	Warrant	Preferred Series B	82,500	594	1,540
Neos Therapeutics, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Delivery	Warrant	Common Stock	70,833	285	148
Pulmatrix Inc. ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	25,150	116	4
ZP Opco, Inc. (p.k.a. Zosano Pharma) ⁽⁴⁾	Drug Delivery	Warrant	Common Stock	72,379	266	—
Subtotal: Drug Delivery (0.36%)*					3,670	3,016

See notes to consolidated financial statements.

HERCULES CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2017

(unaudited)

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment (1)	Series	Shares	Cost (3)	Value (4)
Drug Discovery & Development						
ADMA Biologics, Inc. (4)	Drug Discovery & Development	Warrant	Common Stock	89,750	\$295	\$12
Anthera Pharmaceuticals, Inc. (4)(15)	Drug Discovery & Development	Warrant	Common Stock	5,022	984	—
Audentes Therapeutics, Inc. (4)(10)(15)	Drug Discovery & Development	Warrant	Common Stock	9,914	62	147
Auris Medical Holding, AG (4)(5)(10)	Drug Discovery & Development	Warrant	Common Stock	156,726	249	19
Brickell Biotech, Inc.	Drug Discovery & Development	Warrant	Preferred Series C	26,086	119	93
Cerecor, Inc. (4)	Drug Discovery & Development	Warrant	Common Stock	22,328	70	15
Chroma Therapeutics, Ltd. (5)(10)	Drug Discovery & Development	Warrant	Preferred Series D	325,261	490	—
Cleveland BioLabs, Inc. (4)(15)	Drug Discovery & Development	Warrant	Common Stock	7,813	105	3
Concert Pharmaceuticals, Inc. (4)(15)	Drug Discovery & Development	Warrant	Common Stock	132,069	545	1,344
CTI BioPharma Corp. (p.k.a. Cell Therapeutics, Inc.) (4)	Drug Discovery & Development	Warrant	Common Stock	29,239	165	2
CytRx Corporation (4)(15)	Drug Discovery & Development	Warrant	Common Stock	105,694	160	58
Dare Biosciences, Inc. (p.k.a. Cerulean Pharma, Inc.) (4)	Drug Discovery & Development	Warrant	Common Stock	17,190	369	—
Dicerna Pharmaceuticals, Inc. (4)(15)	Drug Discovery & Development	Warrant	Common Stock	200	28	—
Epirus Biopharmaceuticals, Inc. (4)	Drug Discovery & Development	Warrant	Common Stock	64,194	276	—
Fortress Biotech, Inc. (p.k.a. Coronado Biosciences, Inc.) (4)	Drug Discovery & Development	Warrant	Common Stock	73,009	142	29
Genocea Biosciences, Inc. (4)	Drug Discovery & Development	Warrant	Common Stock	73,725	266	4

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Immune Pharmaceuticals ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	10,742	164	—
Melinta Therapeutics ⁽⁴⁾	Drug Discovery & Development	Warrant	Common Stock	31,655	626	12
Motif BioSciences Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	73,452	282	414
Myovant Sciences, Ltd. ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	49,800	283	128
Neothetics, Inc. (p.k.a. Lithera, Inc.) ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	46,838	266	53
Neuralstem, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	5,783	77	—
Ology Bioservices, Inc. (p.k.a. Nanotherapeutics, Inc.) ⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	171,389	838	—
Paratek Pharmaceuticals, Inc. (p.k.a. Transcept Pharmaceuticals, Inc.) ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	75,214	178	212
PhaseRx, Inc. ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	63,000	125	—
Savara Inc. (p.k.a. Mast Therapeutics, Inc.) ⁽⁴⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	32,467	203	8
Sorrento Therapeutics, Inc. ⁽⁴⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	306,748	889	453
Stealth Bio Therapeutics Corp. ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Preferred Series A	487,500	116	107
uniQure B.V. ⁽⁴⁾⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Warrant	Common Stock	37,174	218	240
XOMA Corporation ⁽⁴⁾⁽¹⁰⁾⁽¹⁵⁾	Drug Discovery & Development	Warrant	Common Stock	9,063	279	50
Subtotal: Drug Discovery & Development (0.40%)*					8,869	3,403
Electronics & Computer Hardware						
908 DEVICES INC. ⁽¹⁵⁾	Electronics & Computer Hardware	Warrant	Preferred Series D	79,856	100	73
Clustrix, Inc.	Electronics & Computer Hardware	Warrant	Common Stock	50,000	12	—
Subtotal: Electronics & Computer Hardware (0.01%)*					112	73
Healthcare Services, Other						
Chromadex Corporation ⁽⁴⁾⁽¹⁵⁾	Healthcare Services, Other	Warrant	Common Stock	139,673	157	329
Subtotal: Healthcare Services, Other (0.04%)*						