

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
August 7, 2019

SUTTER ROCK CAPITAL CORP.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation)

1-35156
(Commission File Number)

27-4443543
(I.R.S. Employer Identification No.)

One Sansome Street
Suite 730
San Francisco, CA 94104
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(650) 235-4769**

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class:	Trading symbol:	Name of each exchange on which registered:
Common Stock, par value \$0.01 per share	SSSS	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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 any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On August 7, 2019, Sutter Rock Capital Corp. (the “Company”) issued a press release announcing its financial results for the fiscal quarter ended June 30, 2019. A copy of the press release is included as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated into this Item 2.02 by reference.

The information disclosed under this Item 2.02, including the information set forth in Exhibit 99.1 hereto, is being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise. The information in this Item 2.02 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or into any filing or other document pursuant to the Exchange Act, except as otherwise expressly stated in any such filing.

Item 8.01. Other Events.

On August 7, 2019, in connection with the Company’s conference call to announce its financial results for the fiscal quarter ended June 30, 2019, the Company provided a presentation to stockholders, analysts and any other parties participating on the call. A copy of the slides that the Company used during the presentation has been included as Exhibit 99.2 to this Current Report on Form 8-K and has been posted on the Company’s website.

Item 9.01 Financial Statements and Exhibits.

[Exhibit 99.1](#) [Press Release dated August 7, 2019*](#)

[Exhibit 99.2](#) [Earnings Presentation dated August 7, 2019](#)

*The press release attached hereto as Exhibit 99.1 is “furnished” and not “filed,” as described in Item 2.02 of this Current Report on Form 8-K.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 7, 2019

SUTTER ROCK CAPITAL CORP.

By: /s/ Allison Green

Allison Green

Chief Financial Officer, Treasurer and
Corporate Secretary



Sutter Rock Capital Corp. Reports Second Quarter 2019 Financial Results

Net Asset Value of \$10.75 per Share as of June 30, 2019

Board of Directors Approves Additional \$5.0 Million for Share Repurchase Program; Bringing Share Repurchase Program Total to \$25.0 Million

SAN FRANCISCO, Calif., August 7, 2019 (GLOBE NEWSWIRE) – Sutter Rock Capital Corp. (“Sutter Rock” or the “Company”) (Nasdaq:SSSS) today announced financial results for the quarter ended June 30, 2019. Net assets totaled approximately \$211.1 million, or \$10.75 per share, at June 30, 2019, as compared to \$9.89 per share at December 31, 2018 and \$10.46 per share at June 30, 2018.

“Our portfolio companies continue to demonstrate strong operating fundamentals and we are excited about their positioning in their respective markets,” said Mark Klein, President and Chief Executive Officer of Sutter Rock. “We believe that our portfolio is undervalued and as such we have increased our share repurchase program to \$25.0 million.”

“Additionally, we are pleased to announce we have committed to invest in GreenAcreage Real Estate Corp.,” Klein continued, “We believe the unique dynamics in the cannabis space have created a compelling opportunity for cannabis-based real estate investment trusts.”

Investment Portfolio as of June 30, 2019

At June 30, 2019, Sutter Rock held positions in 24 portfolio companies with an aggregate fair value of approximately \$183.4 million. As a result of the Company’s continued strategy to increase the size of its investments in individual portfolio companies, Sutter Rock has consolidated its investment portfolio around its top positions. The Company’s top five portfolio company investments accounted for approximately 60% of the total portfolio at fair value as of June 30, 2019 and for approximately 90% of Sutter Rock’s market capitalization as of August 6, 2019.

Top Five Investments as of June 30, 2019

<i>\$ in millions</i>	Fair Value	% of Total Portfolio
Palantir Technologies, Inc.	\$ 30.7	16.7%
Coursera, Inc.	30.6	16.7
Lyft, Inc.	19.0	10.4
Course Hero, Inc.	18.8	10.2
Nextdoor.com, Inc.	11.0	6.0
Total (rounded)	\$ 110.1	60.0%

Second Quarter 2019 Investment Portfolio Activity

During the three months ended June 30, 2019, Sutter Rock exited investments in the following portfolio companies:

Portfolio Company	Shares Sold	Average Net Share Price ⁽¹⁾	Net Proceeds (in millions)	Realized Gain/(Loss) (in millions)
Spotify Technology S.A.	150,360	\$137.51	\$20.7	\$14.3
Dropbox, Inc.	437,460	\$24.06	\$10.5	\$4.3
Knewton, Inc. ⁽²⁾	375,985	\$ –	\$0.1	\$(5.1)

(1) The average net share price is the net share price realized after deducting all commissions and fees on the sale(s), if applicable.

(2) Exit of Knewton includes an 8% Convertible Promissory Note with a principal value of \$0.1 million.

Subsequent to quarter-end, through August 6, 2019, Sutter Rock exited investments in the following portfolio companies:

Portfolio Company	Shares Sold	Average Net Share Price ⁽¹⁾	Net Proceeds (in millions)	Realized Gain (in millions)
Dropbox, Inc.	55,000	\$26.08	\$1.4	\$0.5

(1) The average net share price is the net share price realized after deducting all commissions and fees on the sale(s), if applicable.

Subsequent to quarter-end, through August 6, 2019, Sutter Rock has committed to make the following new and follow-on investments:

Portfolio Company	Investment	Anticipated Transaction Date	Investment (in millions)
GreenAcreage Real Estate Corp.	Common Stock	8/13/2019	\$7.5
Aspiration, Inc.	Convertible Note	8/9/2019	\$0.3

Second Quarter 2019 Financial Results

	Quarter Ended June 30, 2019		Quarter Ended June 30, 2018	
	\$ in millions	per share	\$ in millions	per share
Net investment loss	(\$2.8)	(\$0.14)	(\$5.4)	(\$0.26)
Net realized gain on investments	13.6	0.69	3.4	0.16
Net change in unrealized appreciation/(depreciation) of investments	(12.4)	(0.63)	9.9	0.47
Benefit from taxes on unrealized depreciation of investments	1.0	0.05	1.0	0.05
Net change in net assets resulting from operations ⁽¹⁾	(\$0.7)	(\$0.03)	\$8.8	\$0.42
Repurchase of common stock ⁽²⁾	(0.7)	0.03	(2.2)	0.05
Increase/(decrease) in net asset value ⁽¹⁾	(\$1.4)	\$0.00	\$6.7	\$0.47

(1) Total may not sum due to rounding.

(2) During the quarters ended June 30, 2019 and 2018, the Company repurchased 115,801 and 315,625 shares of Sutter Rock Capital Corp. common stock for approximately \$0.7 million and \$2.2 million in cash, respectively. The use of cash in connection with the repurchases decreased net asset value as of period end; however, the reduction in shares outstanding as of period end resulted in no change in the net asset value per share.

Weighted-average common basic shares outstanding were approximately 19.8 million and 21.0 million for the quarters ended June 30, 2019 and 2018, respectively.

Sutter Rock's liquid assets were approximately \$84.4 million as of June 30, 2019, consisting of approximately \$54.4 million of cash and \$30.0 million of public securities, \$19.0 million of which is subject to sales restrictions.

During the quarter ended June 30, 2019, Sutter Rock did not have any borrowings outstanding under its existing \$12.0 million credit facility. The credit facility matured on May 31, 2019 and Sutter Rock is nearing completion of negotiations for a new line of credit with more favorable terms; although, there can be no assurances or guarantees regarding the outcome of such negotiations.

Share Repurchase Program

Under the publicly announced share repurchase program, as of June 30, 2019, the Company has repurchased 2,534,157 shares of its common stock for approximately \$15.9 million since the share repurchase program was announced in August 2017.

On August 5, 2019, the Board of Directors authorized a \$5.0 million expansion of the share repurchase program to \$25.0 million. The dollar value of shares that may yet be purchased by the Company under the share repurchase program is approximately \$9.1 million.

Conference Call and Webcast

Management will hold a conference call and webcast for investors today at 2:00 p.m. PT (5:00 p.m. ET). The conference call access number for U.S. participants is 800-367-2403, and the conference call access number for participants outside the U.S. is +1 334-777-6978. The conference ID number for both access numbers is 4572363. Additionally, interested parties can access a live webcast of the call from Sutter Rock Capital's website at <http://www.sutterrock.com>. An archived replay of the webcast will also be available for 12 months following the live presentation.

A replay of the conference call may be accessed until 5:00 p.m. PT (8:00 p.m. ET) on August 14, 2019 by dialing 888-203-1112 (U.S.) or +1 719-457-0820 (International) and using conference ID number 4572363.

About Sutter Rock Capital Corp.

Sutter Rock Capital Corp. (Nasdaq:SSSS) is a publicly traded investment fund that seeks to invest in high-growth, venture-backed private companies. The fund seeks to create a portfolio of high-growth emerging private companies via a repeatable and disciplined investment approach, as well as to provide investors with access to such companies through its publicly traded common stock. Sutter Rock Capital is headquartered in San Francisco, CA. www.sutterrock.com

Forward-Looking Statements

Statements included herein may constitute "forward-looking statements," which relate to future events or our future performance or financial condition. These statements are not guarantees of our future performance, condition or results of operations and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the SEC. Sutter Rock Capital Corp. undertakes no duty to update any forward-looking statements made herein, unless required to do so by law.

Contact

Sutter Rock Capital Corp.
(650) 235-4769
IR@sutterrock.com

SUTTER ROCK CAPITAL CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES (UNAUDITED)

	June 30, 2019	December 31, 2018
ASSETS		
Investments at fair value:		
Non-controlled/non-affiliate investments (cost of \$94,545,251 and \$105,869,607, respectively)	\$ 169,015,959	\$ 170,067,233
Non-controlled/affiliate investments (cost of \$29,999,703 and \$42,333,854, respectively)	1,400,349	5,931,863
Controlled investments (cost of \$22,963,375 and \$22,960,942, respectively)	12,998,814	22,816,733
Total Portfolio Investments	183,415,122	198,815,829
Investments in U.S. Treasury bills (cost of \$99,979,000 and \$99,982,067, respectively)	99,995,000	99,994,000
Total Investments (cost of \$247,487,329 and \$271,146,470, respectively)	283,410,122	298,809,829
Cash	54,418,254	28,184,163
Proceeds receivable	51,511	—
Escrow proceeds receivable	2,074,820	2,494,582
Interest and dividends receivable	426,995	255,670
Deferred financing costs	—	267,541
Prepaid expenses and other assets ⁽³⁾	1,502,921	207,769
Total Assets	341,884,623	330,219,554
LIABILITIES		
Accounts payable and accrued expenses ⁽³⁾	2,189,367	490,687
Accrued incentive fees, net of waiver of incentive fees ⁽¹⁾	—	4,660,472
Accrued management fees, net of waiver of management fees ⁽¹⁾	—	415,056
Accrued interest payable	475,000	475,000
Payable for securities purchased	89,477,652	89,480,103
Deferred tax liability	—	885,566
4.75% Convertible Senior Notes due March 28, 2023 ⁽²⁾	38,617,556	38,434,511
Total Liabilities	130,759,575	134,841,395
Net Assets	\$ 211,125,048	\$ 195,378,159
NET ASSETS		
Common stock, par value \$0.01 per share (100,000,000 authorized; 19,646,846 and 19,762,647 issued and outstanding, respectively)	\$ 196,468	\$ 197,626
Paid-in capital in excess of par	191,586,438	192,322,399
Accumulated net investment loss	(18,413,823)	(16,228,294)
Accumulated net realized gain/(loss) on investments	1,833,175	(7,691,365)
Accumulated net unrealized appreciation of investments	35,922,790	26,777,793
Net Assets	\$ 211,125,048	\$ 195,378,159
Net Asset Value Per Share	\$ 10.75	\$ 9.89

(1) This balance references a related-party transaction.

(2) As of June 30, 2019 and December 31, 2018, the 4.75% Convertible Senior Notes due March 28, 2023 had a face value of \$40,000,000.

(3) This balance includes a right of use asset and corresponding operating lease liability, respectively.

SUTTER ROCK CAPITAL CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018
INVESTMENT INCOME				
Non-controlled/non-affiliate investments:				
Interest income	\$ 198,175	\$ 8,932	\$ 336,672	\$ 10,612
Non-controlled/affiliate investments:				
Interest income	60,127	221,813	119,593	455,895
Controlled investments:				
Interest income	29,650	11,328	58,937	24,901
Dividend income	200,000	350,000	200,000	350,000
Total Investment Income	<u>487,952</u>	<u>592,073</u>	<u>715,202</u>	<u>841,408</u>
OPERATING EXPENSES				
Management fees ⁽¹⁾	—	1,286,066	848,723	2,609,642
Incentive fees/(Reversal of Incentive fee accrual) ⁽¹⁾	—	2,588,085	(4,660,472)	4,059,419
Costs incurred under Administration Agreement ⁽¹⁾	—	397,113	306,084	821,258
Directors' fees	86,250	86,250	172,500	172,500
Professional fees	1,310,028	326,798	3,371,950	666,696
Interest expense	600,205	1,473,695	1,204,373	2,613,758
Compensation expense	469,944	—	632,108	—
Income tax expense	29,949	26,229	33,712	148,499
Other expenses	796,807	160,036	991,753	649,306
Total Operating Expenses	<u>3,293,183</u>	<u>6,344,272</u>	<u>2,900,731</u>	<u>11,741,078</u>
Management fee waiver ⁽¹⁾	—	(335,403)	—	(490,347)
Incentive fee waiver ⁽¹⁾	—	—	—	(5,000,000)
Total operating expenses, net of waiver of management and incentive fees	3,293,183	6,008,869	2,900,731	6,250,731
Net Investment Loss	<u>(2,805,231)</u>	<u>(5,416,796)</u>	<u>(2,185,529)</u>	<u>(5,409,323)</u>
Realized Gains/(Losses) on Investments:				
Non-controlled/non-affiliated investments	13,590,233	3,363,333	21,859,371	2,587,288
Non-controlled/affiliate investments	—	—	(12,334,831)	(680)
Controlled investments	—	—	—	—
Net Realized Gain on Investments	<u>13,590,233</u>	<u>3,363,333</u>	<u>9,524,540</u>	<u>2,586,608</u>
Realized loss on partial repurchase of 5.25% Convertible Senior Notes due 2018	—	—	—	(397,846)
Change in Unrealized Appreciation/(Depreciation) of Investments:				
Non-controlled/non-affiliated investments	(6,751,196)	10,555,021	10,277,147	20,409,685
Non-controlled/affiliate investments	(1,220,012)	(952,635)	7,802,636	(8,628,965)
Controlled investments	(4,469,112)	270,209	(9,820,352)	6,225,269
Net Change in Unrealized Appreciation/(Depreciation) of Investments	<u>(12,440,320)</u>	<u>9,872,595</u>	<u>8,259,431</u>	<u>18,005,989</u>
Benefit from taxes on unrealized depreciation of investments	979,713	1,010,871	885,566	1,010,871
Net Change in Net Assets Resulting from Operations	<u>\$ (675,605)</u>	<u>\$ 8,830,003</u>	<u>\$ 16,484,008</u>	<u>\$ 15,796,299</u>
Net Change in Net Assets Resulting from Operations per Common Share:				
Basic	<u>\$ (0.03)</u>	<u>\$ 0.42</u>	<u>\$ 0.84</u>	<u>\$ 0.75</u>
Diluted ⁽²⁾	<u>\$ (0.03)</u>	<u>\$ 0.35</u>	<u>\$ 0.75</u>	<u>\$ 0.66</u>
Weighted-Average Common Shares Outstanding				
Basic	19,719,706	20,968,850	19,741,058	21,059,254
Diluted ⁽²⁾	19,719,706	28,866,674	23,472,402	28,866,674

(1) This balance references a related-party transaction.

(2) For the three months ended June 30, 2019, 3,731,344 potentially dilutive common shares were excluded because the effect of these shares would have been anti-dilutive. For the six months ended June 30, 2019 and the three and six months ended June 30, 2018, 0 potentially dilutive common shares were excluded.

SUTTER ROCK CAPITAL CORP. AND SUBSIDIARIES
FINANCIAL HIGHLIGHTS (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Per Basic Share Data				
Net asset value at beginning of the period	\$ 10.75	\$ 9.99	\$ 9.89	\$ 9.64
Net investment loss ⁽¹⁾	(0.14)	(0.26)	(0.11)	(0.26)
Net realized gain on investments ⁽¹⁾	0.69	0.16	0.48	0.12
Realized loss on partial repurchase of 5.25% Convertible Senior Notes due 2018 ⁽¹⁾	—	—	—	(0.02)
Net change in unrealized appreciation/(depreciation) of investments ⁽¹⁾	(0.63)	0.47	0.42	0.86
Benefits from taxes on unrealized depreciation of investments ⁽¹⁾	0.05	0.05	0.05	0.05
Repurchase of common stock ⁽¹⁾	0.03	0.05	0.02	0.07
Net asset value at end of period	<u>\$ 10.75</u>	<u>\$ 10.46</u>	<u>\$ 10.75</u>	<u>\$ 10.46</u>
Per share market value at end of period	\$ 6.40	\$ 6.86	\$ 6.40	\$ 6.86
Total return based on market value ⁽²⁾	(15.57)%	(9.02)%	22.61%	25.87%
Total return based on net asset value ⁽²⁾	—%	4.69%	8.70%	8.53%
Shares outstanding at end of period	19,646,846	20,750,913	19,646,846	20,750,913
Ratios/Supplemental Data:				
Net assets at end of period	\$ 211,125,048	\$ 217,148,613	\$ 211,125,048	\$ 217,148,613
Average net assets	\$ 211,244,233	\$ 210,027,033	\$ 203,070,126	\$ 207,058,773
Ratio of gross operating expenses to average net assets ⁽³⁾	5.14%	12.25%	4.66%	11.15%
Ratio of incentive fee waiver to average net assets	—%	—%	—%	(2.41)%
Ratio of management fee waiver to average net assets	—%	(0.65)%	—%	(0.48)%
Ratio of income tax provision to average net assets	(0.46)%	—%	(0.44)%	—%
Ratio of net operating expenses to average net assets ⁽³⁾	<u>4.68%</u>	<u>11.60%</u>	<u>4.23%</u>	<u>8.26%</u>
Ratio of net investment loss to average net assets ⁽³⁾	(5.39)%	(10.46)%	(2.18)%	(5.30)%
Portfolio Turnover Ratio	—%	0.05%	5.04%	0.10%

(1) Based on weighted-average number of shares outstanding for the relevant period.

(2) Total return based on market value is based on the change in market price per share between the opening and ending market values per share in the year. Total return based on net asset value is based upon the change in net asset value per share between the opening and ending net asset values per share.

(3) Financial Highlights for periods of less than one year are annualized and the ratios of operating expenses to average net assets and net investment loss to average net assets are adjusted accordingly. Non-recurring expenses, including the \$5.0 million accrued incentive fee forfeiture pursuant to the Waiver Agreement, are not annualized. For the three and six months ended June 30, 2019, the Company excluded \$617,536 and \$(1,769,820) of non-recurring expenses and did not annualize the income tax provision. For three and six months ended June 30, 2018, the Company excluded \$0 and \$352,667 of non-recurring expenses and did not annualize the incentive fee waiver. Because the ratios are calculated for the Company's common stock taken as a whole, an individual investor's ratios may vary from these ratios.

SUTTER ROCK

Q2 2019 Earnings Call
August 7, 2019



Forward Looking Statements

This presentation contains forward-looking statements that involve substantial risks and uncertainties. All forward-looking statements included in this presentation are made only as of the date hereof and are subject to change without notice. Actual outcomes and results could differ materially from those suggested by this presentation due to the impact of many factors beyond the control of Sutter Rock Capital Corp. ("SSSS"), including those listed in the "Risk Factors" sections of our filings with the Securities and Exchange Commission ("SEC"). SSSS assumes no obligation to update or revise any such forward-looking statements unless required to do so by law.

Certain information discussed in this presentation (including information relating to portfolio companies) was derived from third-party sources and has not been independently verified. SSSS makes no representation or warranty with respect to this information.

The following slides contain summaries of certain financial and statistical information about SSSS. The information contained in this presentation is summary information intended to be considered in connection with review of our SEC filings and other public announcements we may make, by press release or otherwise, from time to time. We undertake no duty or obligation to publicly update or revise the information contained in this presentation unless required to do so by law. In addition, information related to past performance, while it may be helpful as an evaluative tool, is not indicative of future results, the achievement of which cannot be assured. You should not view the past performance of SSSS or any of its portfolio companies, or information about the market, as indicative of SSSS' or any of its portfolio companies' future results. The performance data stated herein may have been due to extraordinary market or other conditions, which may not be duplicated in the future. Current performance may be lower or higher than the performance data quoted. This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities of SSSS.



2nd Quarter 2019 NAV

Preliminary NAV of \$10.75



Q2 Investment Portfolio Activity - Exits

Net Realized Gain in Q2 of \$13.6 million

Spotify

- During Q2, Sutter Rock sold its remaining 150,360 Spotify shares
- Sutter Rock realized a total gain of \$22.5 million on the sale of its entire position in Spotify, with an original cost basis of \$10.0 million

Portfolio Company	Investment	Transaction Date	Shares Sold	Price per Share ⁽¹⁾	Proceeds ⁽²⁾	Realized Gain
Spotify Technology S.A.	Common Shares	Q1 2019	85,000	\$139.66	\$11,871,346	\$8,259,563
Spotify Technology S.A.	Common Shares	Q2 2019	150,360	\$137.51	\$20,676,287	\$14,285,987
Total			235,360	\$138.29	\$32,547,633	\$22,545,550

Dropbox

- During Q2, Sutter Rock sold approximately 50% of its position in Dropbox; Sutter Rock still holds 437,530 Dropbox shares
- Since June 30th, we sold an additional 6% of our remaining position in Dropbox; 382,530 Dropbox shares remain to date

Portfolio Company	Investment	Transaction Date	Shares Sold	Price per Share ⁽¹⁾	Proceeds ⁽²⁾	Realized Gain
Dropbox, Inc.	Common Shares	Q2 2019	437,460	\$24.06	\$10,524,414	\$4,333,675
Dropbox, Inc.	Common Shares	Q3 2019	55,000	\$26.08	\$1,434,620	\$496,967
Total			492,460	\$24.28	\$11,955,069	\$4,822,996

Knewton

- During Q2, Knewton executed a sale to Wiley. Noteholders will be paid \$2.0 million, with an additional \$1.0 million held in escrow expected to be received in mid-2020

Portfolio Company	Investment	Transaction Date	Shares Sold	Price per Share	Proceeds	Realized Loss
Knewton, Inc.	Series E Shares	Q2 2019	375,985	\$-	\$-	(\$4,999,999)
Knewton, Inc.	Convertible Note	Q2 2019	1	\$51,511	\$51,511	(\$83,702)
Total			-	\$51,511	\$51,511	(\$5,083,701)

(1) Weighted average price per share, net of fees
 (2) Proceeds net of fees



**SUTTER
ROCK
CAPITAL**

Investment Activity (Committed): GreenAcreage

Subsequent to Quarter End

Description

- Newly formed real estate investment trust which holds industrial and retail cannabis-related facilities currently operated by Acreage Holdings

Opportunity

- Cannabis operators have a significant need for capital
- Sutter Rock is entering at discount to where Innovative Industrial Properties Inc. (IIPR) is trading based on a multiple of funds from operations



Management

- Led by Gordon DuGan, who most recently served as CEO of Gramercy Property Trust, which he sold to Blackstone in 2018 for \$7.6B

Tenant

- Primary tenant is Acreage, one of the largest vertically integrated, multi-state operators of cannabis in the United States



Investment Activity (Committed): Aspiration

Subsequent to Quarter End

Description

- Aspiration is a mobile banking platform that offers socially responsible banking and investing products and services

Opportunity

- Demonstrated success in appealing to a market that has typically been under-banked
- More than half of Aspiration's customers are under 35, and only 6% of its customers live in the New York City, Los Angeles, and San Francisco Bay area



Management

- CEO Andrei Cherny was previously Founder and President of *Democracy: A Journal of Ideas*, a former business consultant to Fortune 100 companies, prosecutor, Navy reserve officer, and a White House aide

Select Investors

alphaedison






Top 5 Positions = 60% of Total Investment Portfolio FMV

Based on Total Investment Portfolio Value of \$183.4 million

- Sutter Rock's Top 5 positions account for approximately 60% of the total investment portfolio at fair value, excluding treasuries, as of 06/30/19

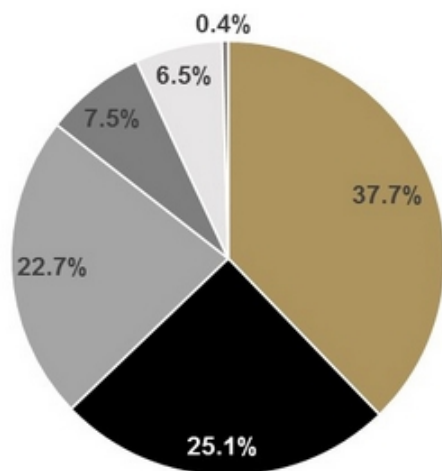
- The Top 5 positions accounted for nearly 88% of Sutter Rock's market capitalization as of 06/30/19

		Fair Value (\$ in millions)	% of Total Portfolio
1	 Palantir	\$30.7	16.7%
2	 coursera	\$30.6	16.7%
3	 lyft	\$19.0	10.4%
4	 Course Hero	\$18.8	10.2%
5	 Nextdoor	\$11.0	6.0%
		\$110.1	60.0%
	Market Capitalization (6/30/2019)	\$125.7	87.6%



Key Investment Themes

Based on Total Investment Portfolio Value of \$183.4 million



(\$ in millions)

Legend	Industry Theme	Fair Value	% of Portfolio
	Education Technology	\$69.2	37.7%
	Marketplaces	\$46.0	25.1%
	Big Data & Cloud	\$41.6	22.7%
	Financial Technology	\$13.8	7.5%
	Social & Mobile	\$11.9	6.5%
	Sustainability	\$0.8	0.4%
	Total⁽¹⁾	\$183.4	100.0%

⁽¹⁾ Total may not sum due to rounding.

⁽¹⁾



Second Quarter 2019

Financial Highlights

For the Quarter Ended June 30, 2019

(\$ in millions)

	Dollars	Per Share
Net Assets at Beginning of Period	\$212.5	\$10.75
Net Investment Loss	(\$2.8)	(\$0.14)
Net Realized Gain on Investments	\$13.6	\$0.69
Net Change in Unrealized Depreciation of Investments	(\$12.4)	(\$0.63)
Benefit from Taxes on Unrealized Depreciation of Investments	\$1.0	\$0.05
Repurchase of Common Stock ⁽¹⁾	(\$0.7)	\$0.03
Net Assets at June 30, 2019⁽²⁾	\$211.1	\$10.75

(1) During the quarter ended June 30, 2019, the Company repurchased 115,801 shares of Sutter Rock Capital Corp. common stock for approximately \$0.7 million in cash. The use of cash in connection with the repurchases decreased net asset value as of period end; however, the reduction in shares outstanding as of period end resulted in no change in the net asset value per share.

(2) May not tie due to rounding



Share Repurchase Program

Board of Directors Approves \$5.0 million for Share Repurchase Program; Bringing Share Repurchase Program Total to \$25.0 million

Purchases to Date	Shares Repurchased	(\$ in millions)	(\$ in millions)
		Cash Used	Allocation Remaining
2017 Total Repurchases	934,658	\$4.9	\$5.1
2018 Total Repurchases	1,483,698	\$10.3	\$4.8
Q1 2019	-	-	\$4.8
Q2 2019	115,801	\$0.7	\$4.1
Total 2019 to Date	115,801	\$0.7	\$9.1
Total To Date	2,534,157	\$15.9	\$9.1

Since commencement of the Share Repurchase Program in August 2017, Sutter Rock has repurchased approximately 11% of its then-outstanding shares.



SUTTER ROCK

Q2 2019 Earnings Call
August 7, 2019

