

**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 5, 2020

SURO 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 5, 2020, SuRo Capital Corp. (the “Company”) issued a press release announcing its financial results for the fiscal quarter ended June 30, 2020. 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 5, 2020, in connection with the Company’s conference call to announce its financial results for the fiscal quarter ended June 30, 2020, 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.

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	Press Release dated August 5, 2020*
Exhibit 99.2	Earnings Presentation dated August 5, 2020

*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 5, 2020

SURO CAPITAL CORP.

By: /s/ Allison Green

Allison Green

Chief Financial Officer, Chief Compliance
Officer, Treasurer and Corporate Secretary

**SuRo Capital Corp. Reports Second Quarter 2020 Financial Results***Net Asset Value of \$11.84 per Share as of June 30, 2020*

SAN FRANCISCO, CA, August 5, 2020 (GLOBE NEWSWIRE) – SuRo Capital Corp. (“SuRo Capital” or the “Company”) (Nasdaq:SSSS) today announced its financial results for the quarter ended June 30, 2020. Net assets totaled approximately \$192.7 million, or \$11.84 per share, at June 30, 2020, compared to \$10.22 per share at March 31, 2020 and \$10.75 per share at June 30, 2019.

“This quarter, SuRo Capital reported the highest dividend-adjusted net asset value per share in five years. On July 29, 2020, we were pleased to declare a \$0.15 per share dividend. The quarter was highlighted by several significant financings for existing portfolio companies and investments in new opportunities,” said Mark Klein, President and Chief Executive Officer of SuRo Capital. “The companies in our portfolio demonstrated strong growth and resilience this quarter despite the ongoing impact of the COVID-19 outbreak. We believe our portfolio is well-positioned given the current market conditions.”

“We are also excited to announce the closing of two new investments during the second quarter: a \$5.0 million equity investment in Rent the Runway, Inc. and a \$6.9 million collateralized loan to Palantir Lending Trust. SuRo Capital also made follow-on, pro rata investments in Lime during the second quarter and Coursera subsequent to quarter-end. We continue to see more opportunities to deploy capital in credit investments. We have also been exploring opportunities in pre-business combination private investments in public equity (“PIPEs”) associated with the special-purpose acquisition company (“SPAC”) asset class.”

Investment Portfolio as of June 30, 2020

At June 30, 2020, SuRo Capital held positions in 24 portfolio companies with an aggregate fair value of approximately \$199.0 million. As a result of the Company’s continued strategy to increase the size of its investments in individual portfolio companies, SuRo Capital has consolidated its investment portfolio around its top positions. The Company’s top five portfolio company investments accounted for approximately 68% of the total portfolio at fair value as of June 30, 2020.

Top Five Investments as of June 30, 2020

<i>\$ in millions</i>	Cost Basis	Fair Value	% of Total Portfolio
Coursera, Inc.	\$14.5	\$49.9	25.1%
Course Hero, Inc.	5.0	33.2	16.7
Palantir Technologies, Inc.	16.2	30.5	15.3
Ozy Media, Inc.	10.9	11.3	5.7
Nextdoor.com, Inc.	10.0	10.5	5.3
Total (rounded)	\$56.6	\$135.4	68.1%

Second Quarter 2020 Investment Portfolio Activity

During the three months ended June 30, 2020, SuRo Capital funded the following new and follow-on investments, excluding capitalized transaction costs:

Portfolio Company	Investment	Transaction Date	Investment
Neutron Holdings, Inc. (d/b/a Lime)	Junior Preferred Convertible Note	5/11/2020	\$0.5 million
Rent the Runway, Inc.	Preferred Stock	6/17/2020	\$5.0 million
Palantir Lending Trust	Collateralized Loan	6/19/2020	\$6.9 million

Subsequent to quarter-end, through August 5, 2020, SuRo Capital funded the following follow-on investment:

Portfolio Company	Investment	Transaction Date	Investment
Coursera, Inc.	Preferred Shares, Series F	7/15/2020	\$2.8 million

Second Quarter 2020 Financial Results

	Quarter Ended June 30, 2020		Quarter Ended June 30, 2019	
	\$ in millions	per share ⁽¹⁾	\$ in millions	per share ⁽¹⁾
Net investment loss ⁽²⁾	\$(4.7)	\$(0.28)	(\$2.8)	(\$0.14)
Net realized gain/(loss) on investments	(0.0)	-	13.6	0.69
Net change in unrealized appreciation/(depreciation) of investments, net of tax effects	26.5	1.62	(11.4)	(0.58)
Net increase/(decrease) in net assets resulting from operations – basic ⁽³⁾	\$21.8	\$1.34	(\$0.7)	(\$0.03)
Repurchase of common stock ⁽⁴⁾	(3.6)	0.16	(0.7)	0.03
Stock-based compensation ⁽²⁾	2.0	0.12	-	-
Increase/(decrease) in net asset value	\$20.2	\$1.62	(\$1.4)	\$0.00

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

(2) For the quarter ended June 30, 2020, this balance includes \$2.0 million of accelerated recognition of compensation cost related to the cancellation of all vested and unvested options on April 28, 2020.

(3) Total may not sum, due to rounding.

(4) During the quarters ended June 30, 2020 and 2019, the Company repurchased 594,637 and 115,801 shares of SuRo Capital common stock, for approximately \$3.6 million and \$0.7 million in cash, respectively, under its Share Repurchase Program. 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 an increase in the net asset value per share.

Weighted-average common basic shares outstanding were approximately 16.4 million and 19.7 million for the quarters ended June 30, 2020 and 2019, respectively.

SuRo Capital's liquid assets were approximately \$23.3 million as of June 30, 2020, consisting of cash and restricted cash.

Dividend Declaration for Second Quarter 2020

On July 29, 2020, SuRo Capital's Board of Directors declared a dividend of \$0.15 per share payable on August 25, 2020 to the Company's common stockholders of record as of the close of business on August 11, 2020. The dividend will be paid in cash.

Share Repurchase Program

During the quarter ended June 30, 2020, SuRo Capital repurchased 594,637 shares under its Share Repurchase Program for an aggregate purchase price of \$3.6 million. The dollar value of shares that may yet be purchased by the Company under the Share Repurchase Program is approximately \$2.7 million.

Under the publicly announced Share Repurchase Program and the Modified Dutch Auction Tender Offer, as of August 5, 2020, the Company has repurchased 5,901,324 shares of its common stock for approximately \$37.3 million since the Share Repurchase Program was announced in August 2017.

Conference Call and Webcast

Management will hold a conference call and webcast for investors on August 5, 2020 at 2:00 p.m. PT (5:00 p.m. ET). The conference call access number for U.S. participants is 323-794-2093, and the conference call access number for participants outside the U.S. is 866-548-4713. The conference ID number for both access numbers is 3811592. Additionally, interested parties can listen to a live webcast of the call from the "Investor Relations" section of SuRo Capital's website at www.surocap.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 12, 2020 by dialing 888-203-1112 (U.S.) or +1 719-457-0820 (International) and using conference ID number 3811592.

Certain Information Regarding the Dividend

The date of declaration and amount of the dividend are subject to the sole discretion of SuRo Capital's Board of Directors. The aggregate amount of the dividend declared and paid by SuRo Capital will be fully taxable to stockholders. The tax character of SuRo Capital's dividends cannot be finally determined until the close of SuRo Capital's taxable year (December 31). SuRo Capital will report the actual tax characteristics of each year's dividends annually to stockholders and the IRS on Form 1099-DIV subsequent to year-end.

Registered stockholders with questions regarding declared dividends may call American Stock Transfer at 800-937-5449.

Forward-Looking Statements

Statements included herein, including statements regarding SuRo Capital's beliefs, expectations, intentions or strategies for the future, may constitute "forward-looking statements". SuRo Capital cautions you that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected or implied in these statements. All forward-looking statements involve a number of risks and uncertainties, including the impact of the COVID-19 pandemic and any market volatility that may be detrimental to our business, our portfolio companies, our industry, and the global economy, that could cause actual results to differ materially from the plans, intentions and expectations reflected in or suggested by the forward-looking statements. Risk factors, cautionary statements and other conditions which could cause SuRo Capital's actual results to differ from management's current expectations are contained in SuRo Capital's filings with the Securities and Exchange Commission. SuRo Capital undertakes no obligation to update any forward-looking statement to reflect events or circumstances that may arise after the date of this press release.

About SuRo Capital Corp.

SuRo 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. SuRo Capital is headquartered in San Francisco, CA. Connect with the company on Twitter, LinkedIn, and at www.surocap.com

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

	June 30, 2020	December 31, 2019
ASSETS		
Investments at fair value:		
Non-controlled/non-affiliate investments (cost of \$99,121,577 and \$90,567,041, respectively)	\$ 168,700,422	\$ 152,866,112
Non-controlled/affiliate investments (cost of \$52,857,243 and \$52,857,243, respectively)	29,438,698	37,944,268
Controlled investments (cost of \$7,161,412 and \$7,161,412, respectively)	860,198	775,198
Total Portfolio Investments	198,999,318	191,585,578
Investments in U.S. Treasury bills (cost of \$99,999,611 and \$49,996,667, respectively)	100,000,000	50,000,000
Total Investments (cost of \$259,139,843 and \$200,582,363, respectively)	298,999,318	241,585,578
Cash	22,385,073	44,861,263
Restricted cash	900,000	—
Escrow proceeds receivable	67,135	265,303
Interest and dividends receivable	70,274	84,630
Deferred financing costs	11,382	11,382
Prepaid expenses and other assets ⁽¹⁾	1,197,711	1,755,933
Total Assets	323,630,893	288,564,089
LIABILITIES		
Accounts payable and accrued expenses ⁽¹⁾	1,933,219	1,143,923
Payable to executive officers	—	1,369,873
Accrued interest payable	475,000	475,000
Dividends payable	—	2,107,709
Payable for securities purchased	89,499,611	44,746,660
Income tax payable	38,965	—
4.75% Convertible Senior Notes due March 28, 2023 ⁽²⁾	38,991,657	38,803,635
Total Liabilities	130,938,452	88,646,800
Net Assets	\$ 192,692,441	\$ 199,917,289
NET ASSETS		
Common stock, par value \$0.01 per share (100,000,000 authorized; 16,279,679 and 17,564,244 issued and outstanding, respectively)	\$ 162,797	\$ 175,642
Paid-in capital in excess of par	173,199,798	178,550,374
Accumulated net investment loss	(33,351,303)	(25,679,362)
Accumulated net realized gain on investments	12,821,670	5,867,417
Accumulated net unrealized appreciation/(depreciation) of investments	39,859,479	41,003,218
Net Assets	\$ 192,692,441	\$ 199,917,289
Net Asset Value Per Share	\$ 11.84	\$ 11.38

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

(2) As of June 30, 2020 and December 31, 2019, the 4.75% Convertible Senior Notes due March 28, 2023 had a face value of \$40,000,000.

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

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
INVESTMENT INCOME				
Non-controlled/non-affiliate investments:				
Interest income	\$ 61,126	\$ 198,175	\$ 216,211	\$ 336,672
Dividend income	—	—	50,000	—
Non-controlled/affiliate investments:				
Interest income/(reversal of interest income accrual)	(49,612)	60,127	(29,184)	119,593
Dividend income	30,000	—	56,250	—
Controlled investments:				
Interest income	—	29,650	—	58,937
Dividend income	200,000	200,000	200,000	200,000
Total Investment Income	<u>241,514</u>	<u>487,952</u>	<u>493,277</u>	<u>715,202</u>
OPERATING EXPENSES				
Management fees ⁽¹⁾	—	—	—	848,723
Reversal of incentive fee accrual ⁽¹⁾	—	—	—	(4,660,472)
Costs incurred under Administration Agreement ⁽¹⁾	—	—	—	306,084
Compensation expense ⁽²⁾	3,005,524	469,944	3,930,440	632,108
Directors' fees	111,250	86,250	222,500	172,500
Professional fees	678,472	1,310,028	1,817,838	3,371,950
Interest expense	568,627	600,205	1,142,027	1,204,373
Income tax expense	39,590	29,949	48,255	33,712
Other expenses	505,439	796,807	1,004,158	991,753
Total Operating Expenses	<u>4,908,902</u>	<u>3,293,183</u>	<u>8,165,218</u>	<u>2,900,731</u>
Net Investment Loss	<u>(4,667,388)</u>	<u>(2,805,231)</u>	<u>(7,671,941)</u>	<u>(2,185,529)</u>
Realized Gains/(Losses) on Investments:				
Non-controlled/non-affiliated investments	(23,987)	13,590,233	6,954,253	21,859,371
Non-controlled/affiliate investments	—	—	—	(12,334,831)
Net Realized Gain/(Loss) on Investments	<u>(23,987)</u>	<u>13,590,233</u>	<u>6,954,253</u>	<u>9,524,540</u>
Change in Unrealized Appreciation/(Depreciation) of Investments:				
Non-controlled/non-affiliated investments	24,821,654	(6,751,196)	7,276,832	10,277,147
Non-controlled/affiliate investments	1,569,843	(1,220,012)	(8,505,571)	7,802,636
Controlled investments	<u>130,698</u>	<u>(4,469,112)</u>	<u>85,000</u>	<u>(9,820,352)</u>
Net Change in Unrealized Appreciation/(Depreciation) of Investments	26,522,195	(12,440,320)	(1,143,739)	8,259,431
Provision for taxes on unrealized appreciation of investments	—	979,713	—	885,566
Net Change in Net Assets Resulting from Operations	<u>\$ 21,830,820</u>	<u>\$ (675,605)</u>	<u>\$ (1,861,427)</u>	<u>\$ 16,484,008</u>
Net Change in Net Assets Resulting from Operations per Common Share:				
Basic	<u>\$ 1.33</u>	<u>\$ (0.03)</u>	<u>\$ (0.11)</u>	<u>\$ 0.84</u>
Diluted ⁽³⁾	<u>\$ 1.10</u>	<u>\$ (0.03)</u>	<u>\$ (0.11)</u>	<u>\$ 0.70</u>
Weighted-Average Common Shares Outstanding				
Basic	16,383,188	19,719,706	16,912,091	19,741,058
Diluted ⁽³⁾	20,300,980	19,719,706	16,912,091	23,472,402

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

(2) For the three and six months ended June 30, 2020, this balance includes \$1,962,431 of accelerated recognition of compensation cost related to the cancellation of unvested options on April 28, 2020.

(3) For the six months ended June 30, 2020 and the three months ended June 30, 2019, 3,917,792 and 3,731,344 potentially dilutive common shares, respectively, were excluded from the weighted-average common shares outstanding for diluted net increase in net assets resulting from operations per common share because the effect of these shares would have been anti-dilutive.

SURO CAPITAL CORP. AND SUBSIDIARIES
FINANCIAL HIGHLIGHTS (UNAUDITED)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Per Basic Share Data				
Net asset value at beginning of the period	\$ 10.22	\$ 10.75	\$ 11.38	\$ 9.89
Net investment income/(loss) ⁽¹⁾	(0.28)	(0.14)	(0.45)	(0.11)
Net realized gain/(loss) on investments ⁽¹⁾	—	0.69	0.41	0.48
Net change in unrealized appreciation/(depreciation) of investments ⁽¹⁾	1.62	(0.63)	(0.07)	0.42
Provision for taxes on unrealized appreciation of investments ⁽¹⁾	—	0.05	—	0.05
Repurchases of common stock ⁽¹⁾	0.16	0.03	0.45	0.02
Stock-based compensation ⁽¹⁾	0.12	—	0.12	—
Net asset value at end of period	<u>\$ 11.84</u>	<u>\$ 10.75</u>	<u>\$ 11.84</u>	<u>\$ 10.75</u>
Per share market value at end of period	\$ 8.47	\$ 6.40	\$ 8.47	\$ 6.40
Total return based on market value ⁽²⁾	44.54%	(15.57)%	29.31%	22.61%
Total return based on net asset value ⁽²⁾	15.85%	—%	4.04%	8.70%
Shares outstanding at end of period	16,279,679	19,646,846	16,279,679	19,646,846
Ratios/Supplemental Data:				
Net assets at end of period	\$ 192,692,441	\$ 211,125,048	\$ 192,692,441	\$ 211,125,048
Average net assets	\$ 169,877,812	\$ 211,244,233	\$ 184,435,968	\$ 203,070,126
Ratio of gross operating expenses to average net assets ⁽³⁾	8.19%	5.14%	7.83%	4.66%
Ratio of income tax provision to average net assets	—%	(0.46)%	—%	(0.44)%
Ratio of net operating expenses to average net assets ⁽³⁾	8.19%	4.68%	7.83%	4.22%
Ratio of net investment income/(loss) to average net assets ⁽³⁾	(7.61)%	(5.39)%	(7.29)%	(2.18)%
Portfolio Turnover Ratio	—%	—%	5.88%	5.04%

(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. Significant and material non-recurring expenses are not annualized. For the three and six months ended June 30, 2020, the Company excluded \$1,962,431 and \$1,962,431, respectively of non-recurring expenses. For the three and six months ended June 30, 2019, the Company excluded \$617,536 and \$(1,769,820), respectively, of non-recurring expenses and did not annualize the income tax provision. 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.

SURO CAPITAL

Q2 2020 Earnings Call
August 5, 2020



Forward Looking Statements

Statements included herein, including statements regarding SuRo Capital Corp.'s ("SuRo Capital", "SSSS", "we", "us" or "our") beliefs, expectations, intentions or strategies for the future, may constitute "forward-looking statements". SuRo Capital cautions you that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected or implied in these statements. All forward-looking statements involve a number of risks and uncertainties, including the impact of the COVID-19 pandemic and any market volatility that may be detrimental to our business, our portfolio companies, our industry, and the global economy, that could cause actual results to differ materially from the plans, intentions and expectations reflected in or suggested by the forward-looking statements. Risk factors, cautionary statements and other conditions which could cause SuRo Capital's actual results to differ from management's current expectations are contained in SuRo Capital's filings with the Securities and Exchange Commission. SuRo Capital undertakes no obligation to update any forward-looking statement to reflect events or circumstances that may arise after the date of this press release.

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

The following slides contain summaries of certain financial and statistical information about SuRo Capital. 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 SuRo Capital or any of its portfolio companies, or information about the market, as indicative of SuRo Capital's 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 SuRo Capital.



Overview and Impact of COVID-19 Outbreak

- 1 SuRo Capital's Net Asset Value per share is \$11.84 as of June 30, 2020, SuRo Capital's highest dividend-adjusted NAV in 5 years**
 - Increase from \$10.22 per share at March 31, 2020
 - Net Asset Value totaled approximately \$192.7 million at quarter-end
 - We continue to be optimistic about the future of our portfolio and believe our portfolio companies' strong operating fundamentals and market opportunities will drive Net Asset Value growth as the economy recovers from the COVID-19 outbreak
- 2 On July 29, 2020, SuRo Capital declared a \$0.15 per share dividend to be paid on August 25, 2020**
- 3 The COVID-19 outbreak has had a severe negative impact on many families and on the financial markets, but our portfolio continues to be well positioned to manage the effects of the economic dislocation caused by COVID-19**



Top 5 Positions = 68% of Total Investment Portfolio at Fair Value

Based on Total Investment Portfolio Fair Value of \$199.0 million

		Cost Basis (\$ in millions)	Fair Value (\$ in millions)	% of Investment Portfolio
1	 Coursera	\$14.5	\$49.9	25.1%
2	 Course Hero	\$5.0	\$33.2	16.7%
3	 Palantir	\$16.2	\$30.5	15.3%
4	 OZY	\$10.9	\$11.3	5.7%
5	 Nextdoor	\$10.0	\$10.5	5.3%
			\$135.5	68.1%

- SuRo Capital's Top 5 positions account for approximately **68%** of the investment portfolio at fair value, excluding treasuries, as of 6/30/20

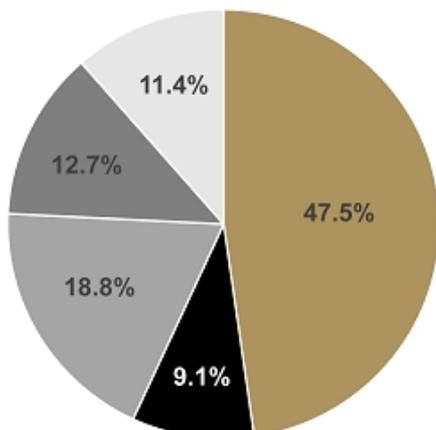
Note: Total may not sum due to rounding.

Notable Portfolio Company Developments

Portfolio Company	Ongoing Process	Commentary
 Palantir	Potential IPO	<ul style="list-style-type: none"> In July 2020, several media outlets (including <i>Reuters</i> and <i>Business Insider</i>) reported Palantir filed its S-1 ahead of an expected IPO in late Summer or early Fall 2020, which represents an acceleration of the IPO timeline previously expected in the next 1.5 - 2.5 years Reports by <i>TechCrunch</i> and others in early July revealed that Palantir has secured \$550 million financing from Somp Holdings and Fujitsu as part of a \$961 million total raise described in a recent Form D filing by the company
 SHARESPOST	Pending Merger	<ul style="list-style-type: none"> SharesPost executed a merger agreement with Forge, who together have serviced over 10,000 client transactions worth more than \$6 billion
 coursera	Series F Financing	<ul style="list-style-type: none"> On July 17th, Coursera announced it has raised \$130 million in Series F financing led by NEA According to <i>The Information</i>, an online publication, this round values Coursera at approximately \$2.5 billion
 Course Hero	Series B Financing	<ul style="list-style-type: none"> As reported by <i>EdSurge</i> in February 2020, Course Hero executed a transaction involving \$10 million of Series B funding at a \$1.1 billion pre-money valuation led by NewView Capital, who also contributed \$30 million to the company's employee tender program In July 2020, Course Hero announced the launch of an educator exchange, where college faculty can earn income by uploading and sharing unique teaching, learning, and study materials with peers and students In response to COVID-19, Course Hero offered educators free access to its document library of more than 40 million teaching and learning resources

Key Investment Themes

As a Percentage of Total Investment Portfolio at Fair Value as of 6/30/2020



Note: Sustainability investment theme accounted for 0.5% of Total Investment Portfolio in the second quarter.

(\$ in millions)

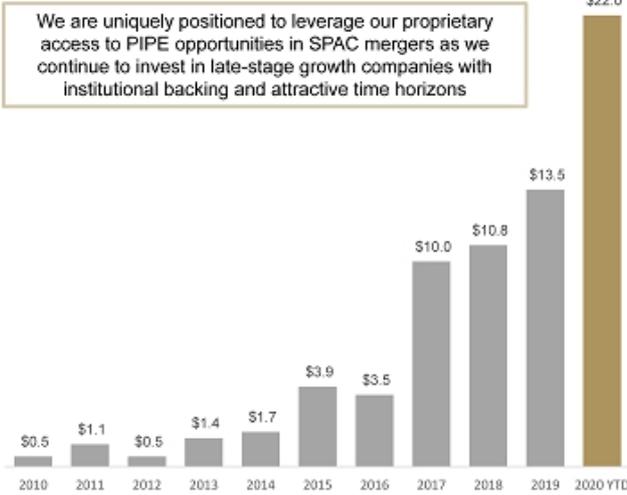
Legend	Industry Theme ⁽¹⁾	Fair Value	% of Portfolio
	Education Technology	\$94.6	47.5%
	Big Data & Cloud	\$37.4	18.8%
	Financial Technology	\$25.3	12.7%
	Marketplaces	\$18.1	9.1%
	Social & Mobile	\$22.7	11.4%
	Total⁽²⁾	\$199.0	100.0%

⁽¹⁾ Sustainability investment theme accounted for 0.5%, or \$0.9 million, of Total Investment Portfolio in the second quarter.
⁽²⁾ Total may not sum due to rounding.

PIPE Opportunities via SPAC Mergers

SuRo Capital remains well positioned to participate in private placements alongside SPACs

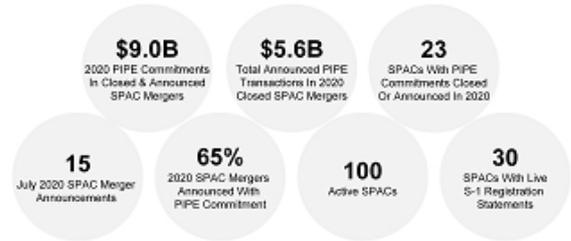
Total SPAC Issuance (\$ in billions)



Notable 2020 SPAC Mergers With PIPE Opportunities

Target	PIPE (\$M)	Industry	SPAC Size (\$M)	Share Price Since Closing
NIKOLA	\$525	Automotive	\$200	↑ 275%
DRAFT KINGS	\$380	Gaming	\$403	↑ 177%
OpenLending	\$250	FinTech	\$275	↑ 34%
SHIFT	\$185	Marketplace	\$131	NA ⁽¹⁾
RUSH STREET	\$160	Gaming	\$200	NA ⁽¹⁾

Key Facts



Investment Activity – Rent the Runway

Description

- Founded in 2009 and headquartered in New York City, Rent the Runway operates an online platform, mobile app, and physical stores for the rental of designer apparel and accessories

Opportunity

- As market leader, Rent the Runway has accumulated a strong data set and robust logistics infrastructure that has allowed it to run large-scale operations effectively across the US.
- Rent the Runway is well-positioned to capitalize on the challenging retail environment and benefit from a rebound in demand for sustainable & affordable clothing options post-lockdown



SuRo Capital Investment Activity

- SuRo Capital invested \$5 million in preferred stock of Rent the Runway
- Given the attractive valuation at which SuRo Capital is making this investment, SuRo Capital believes there is strong upside potential as the economy continues to recover from COVID-19

Select Investors



Investment Activity – Palantir Lending Trust

Description

- As part of our previously announced private credit initiatives, during Q2, SuRo Capital structured a collateralized loan to Palantir Lending Trust, a trust owned by an ex-Palantir employee

Opportunity

- The collateralized loan funded the exercise of, and payment of associated taxes for, 2.26 million Class B common shares of Palantir Technologies, Inc.
- SuRo Capital also participates in additional equity upside of underlying shares in a future liquidity event



Collateralized Loan Terms

- **Term:** 24 months (pre-payable if the Palantir shares are sold in an approved private or public transaction)
- **Interest Rate:** 15%
- **Equity Upside:** SuRo Capital participates in equity upside above \$5.29 per share. The total participation varies based on the liquidation date of shares as well as the price per share at the time of liquidation

Palantir Company Update

- In July 2020, several media outlets reported that Palantir confidentially filed its S-1 ahead of an expected public listing in Summer or Fall 2020
- The potential public listing comes as Palantir reportedly expects to generate \$1 billion in revenue this year and break even for the first time in its 16-year history



Investment Activity - Neutron Holdings, Inc. (d/b/a Lime)

Description

- Founded in 2017 and headquartered in San Francisco, Lime operates a scooter-sharing platform designed to create an efficient micro-mobility infrastructure in over 100 countries

Opportunity

- COVID-19 is affecting transportation utilization as people worldwide limit travel, and governments enforce or encourage shelter in place measures.
- However, SuRo Capital believes that Lime, particularly with new investment from Uber, is well-positioned to benefit from the re-opening of cities having recently won a permit to operate scooters in Paris



SuRo Capital Investment Activity

- Lime raised \$170 million in a transaction led by Uber, and SuRo Capital invested its pro rata of \$506,339 to pull forward a portion of its existing investment.
- SuRo Capital believes the attractive valuation of this follow-on investment creates asymmetric upside opportunities as Lime continues to benefit from city re-openings

Select Investors



Investment Activity – Coursera

Subsequent to Quarter End

Description

- Coursera provides universal access to the world's best education, partnering with top universities and organizations to offer courses online.
- SuRo Capital initially invested in Coursera's June 2013 Series B financing

Opportunity

- The impact of COVID-19 has accelerated demand for Coursera's offerings, particularly for Coursera's Coursera for Campus product, which has allowed schools to adapt to an online-only environment by providing Coursera-made online content for their students



SuRo Capital Investment Activity

- SuRo Capital invested its pro rata of \$2.8 million in Coursera's \$130 million Series F equity financing.
- According to *The Information*, this financing values Coursera at \$2.5 billion

Select Investors



Financial Highlights

For the Quarter Ended June 30, 2020

	Second Quarter 2020	
	Dollars (\$ in millions)	Per Share ⁽¹⁾
Net Assets at Beginning of Period	\$172.5	\$10.22
Net Investment Loss ⁽²⁾	(\$4.7)	(\$0.29)
Net Realized Loss on Investments	(\$0.0)	(\$0.00)
Net Change in Unrealized Appreciation of Investments	\$26.5	\$1.62
Repurchase of Common Stock ⁽³⁾	(\$3.6)	\$0.17
Stock-Based Compensation ⁽²⁾	\$2.0	\$0.12
Net Assets at June 30, 2020	\$192.7	\$11.84

(1) Based on 16,279,679 total shares outstanding at June 30, 2020

(2) For the quarter ended June 30, 2020, this balance includes \$2.0 million of accelerated recognition of compensation cost related to the cancellation of all vested and unvested options on April 28, 2020.

(3) During the quarter ended June 30, 2020, the Company repurchased 594,637 shares of SuRo Capital common stock, for approximately \$3.6 million in cash under its Share Repurchase Program. 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 an increase in the net asset value per share.



Share Repurchase Program

Period	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
2019 Total Repurchases	749,128	\$4.8	\$5.0
Q1 2020	689,928	\$3.7	\$6.3
Q2 2020	594,637	\$3.6	\$2.7 ⁽¹⁾
Total To Date	4,452,049	\$27.3	\$2.7 ⁽¹⁾

Since commencement of the Share Repurchase Program in August 2017, SuRo Capital has repurchased approximately 20% of its then-outstanding shares⁽²⁾

⁽¹⁾ The remaining allocation includes the authorization of an additional \$5.0 million to the Share Repurchase Program on March 9, 2020, bringing Share Repurchase Program total to \$30.0 million.

⁽²⁾ This calculation does not include shares repurchased through SuRo Capital's Modified Dutch Auction Tender Offer, announced on October 21, 2019 and expired on November 22, 2019. The Tender Offer resulted in the repurchase of 1,449,275 shares for approximately \$10.0 million.

