

Firsthand Technology Value Fund, Inc.  
Form 10-Q  
August 09, 2013

---

U.S. SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period of June 30, 2013 or

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

Commission File Number 333-168195

FIRSTHAND TECHNOLOGY VALUE FUND, INC.  
(Exact Name of Registrant as Specified in Charter)

MARYLAND  
(State or Other Jurisdiction of  
Incorporation or Organization)

77-6100553  
(I.R.S. Employer  
Identification No)

150 Almaden Boulevard, Suite 1250  
San Jose, California  
(Address of Principal Executive Offices)

95113  
(Zip Code)

Registrant's Telephone Number, Including Area Code: (408) 886-7096

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 period 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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

<input type="checkbox"/>	Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer
<input type="checkbox"/>	Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company

(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange

Act).  Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at June 30, 2013
Common Stock, \$0.001 par value per share	8,556,480

---

---

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION		2
Item 1.	Financial Statements	2
	Statements of Assets and Liabilities as of June 30, 2013 (Unaudited) and December 31, 2012	2
	Statements of Operations (Unaudited) for the Three Months Ended June 30, 2013 and June 30, 2012, and for the Six Months Ended June 30, 2013 and June 30, 2012	3
	Statements of Cash Flows (Unaudited) for the Six Months Ended June 30, 2013 and June 30, 2012	4
	Statements of Changes in Net Assets for the Six Months Ended June 30, 2013 (Unaudited) and for the Year Ended December 31, 2012	5
	Selected Per Share Data and Ratios for the Six Months Ended June 30, 2013 (Unaudited), for the Year Ended December 31, 2012, and for the Period April 18, 2011 (Commencement of Operations) Through December 31, 2011	6
	Schedule of Investments (Unaudited) as of June 30, 2013	7
	Notes To Financial Statements (Unaudited)	10
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	21
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	28
Item 4.	Controls and Procedures	31
PART II. OTHER INFORMATION		32
Item 1.	Legal Proceedings	32
Item 1A.	Risk Factors	32
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	32
Item 3.	Defaults Upon Senior Securities	32
Item 4.	Mine Safety Disclosures	32
Item 5.	Other Information	32
Item 6.	Exhibits	32
SIGNATURES		33



PART I. FINANCIAL INFORMATION  
ITEM 1. FINANCIAL STATEMENTS

Firsthand Technology Value Fund, Inc.  
Statements of Assets and Liabilities

	AS OF JUNE 30, 2013 (UNAUDITED)	AS OF DECEMBER 31, 2012
<b>ASSETS</b>		
Investment securities:		
Unaffiliated investments at acquisition cost	\$ 67,585,707	\$59,673,215
Affiliated investments at acquisition cost	16,530,990	14,544,002
Controlled investments at acquisition cost	6,000,000	6,000,000
Total acquisition cost	\$ 90,116,697	\$80,217,217
Unaffiliated investments at market value	\$ 67,297,465	\$42,858,398
Affiliated investments at market value	12,347,100	10,330,275
Controlled investments at market value	6,000,000	6,000,000
Total market value * (Note 6)	85,644,565	59,188,673
Cash**	126,769,478	136,827,597
Receivable for securities sold	—	1
Receivable from interest	1,404,300	1,017,214
Other assets	12,245	26,677
Total Assets	213,830,588	197,060,162
<b>LIABILITIES</b>		
Written options, at value (proceeds \$549,891, \$0, respectively)***	573,720	—
Payable to affiliates (Note 4)	1,031,777	990,968
Consulting fee payable	14,000	14,000
Offering cost payable	—	5,090
Accrued expenses and other payables	41,052	129,075
Total Liabilities	1,660,549	1,139,133
<b>NET ASSETS</b>	<b>\$ 212,170,039</b>	<b>\$ 195,921,029</b>
Net Assets consist of:		
Common Stock, par value \$0.001 per share 100,000,000 shares authorized	\$ 8,556	\$8,556
Paid-in-capital	217,152,025	217,152,025
Accumulated net investment loss	(1,876,033 )	—
Accumulated net realized gains/(losses) from security transactions	1,381,452	(183,638 )
Net unrealized depreciation on investments, other assets, warrants transactions, and written options	(4,495,961 )	(21,055,914 )
<b>NET ASSETS</b>	<b>\$ 212,170,039</b>	<b>\$ 195,921,029</b>
Shares of Common Stock outstanding	8,556,480	8,556,480
Net asset value per share (Note 2)	\$ 24.80	\$22.90

\* Includes warrants and purchased options whose primary risk exposure is equity contracts.

\*\*Cash composed primarily of the Fidelity Institutional Money Market Treasury Portfolio which invests primarily in U.S. Treasury securities. The yield as of 6/30/13 was 0.01%. Please see <https://fundresearch.fidelity.com/mutual-funds/summary/316175504> for additional information.

\*\*\* Primary risk exposure is equity contracts.

See accompanying notes to financial statements



Firsthand Technology Value Fund, Inc.  
 Statements of Operations (Unaudited)

	FOR THE THREE MONTHS ENDED		FOR THE SIX MONTHS ENDED	
	JUNE 30, 2013	JUNE 30, 2012	JUNE 30, 2013	JUNE 30, 2012
<b>INVESTMENT INCOME</b>				
Unaffiliated interest	\$22,170	\$2,376	\$25,566	\$5,342
Affiliated interest	274,382	163,899	537,086	300,505
<b>TOTAL INVESTMENT INCOME</b>	<b>296,552</b>	<b>166,275</b>	<b>562,652</b>	<b>305,847</b>
<b>EXPENSES</b>				
Investment advisory fees (Note 4)	1,031,777	855,190	2,010,923	1,280,184
Administration and accounting fees	30,986	23,760	61,192	45,540
Custody fees	4,382	1,448	8,070	3,130
Transfer agent fees	7,178	11,903	13,842	19,060
Registration and filing fees	4,488	4,517	8,926	8,365