

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): January 10, 2024

HORIZON TECHNOLOGY FINANCE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

814-00802
(Commission File Number)

27-2114934
(IRS Employer Identification No.)

312 Farmington Avenue
Farmington, CT 06032

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(860) 676-8654**

Check the appropriate box below if the Form 8-K filing 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	Ticker Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	HRZN	The Nasdaq Stock Market LLC
4.875% Notes due 2026	HTFB	The New York Stock Exchange
6.25% Notes due 2027	HTFC	The New York Stock Exchange

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.

Section 2 **Financial Information**
Item 2.02 **Results of Operations and Financial Condition**

On January 10, 2024, Horizon Technology Finance Corporation (the “Company”) issued a press release announcing its investment portfolio update for the three months ended December 31, 2023. A copy of this press release is attached hereto as Exhibit 99.1.

The information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1 furnished herewith, is being furnished and shall not be deemed “filed” for any purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liabilities of such Section. The information in this Current Report on Form 8-K shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Section 9 **Financial Statements and Exhibits**
Item 9.01 **Financial Statements and Exhibits**

(d) Exhibits.

99.1 [Press Release of the Company dated January 10, 2024.](#)
104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Date: January 10, 2024

HORIZON TECHNOLOGY FINANCE CORPORATION

By: /s/ Robert D. Pomeroy, Jr.
Robert D. Pomeroy, Jr.
Chief Executive Officer



Horizon Technology Finance Provides Fourth Quarter 2023 Portfolio Update

- *HRZN Originates \$63.4 Million of New Loans in Q4 -*
- *HRZN Ends 2023 with Committed Backlog of \$218 Million -*

Farmington, Connecticut – January 10, 2024 – Horizon Technology Finance Corporation (NASDAQ: HRZN) (“Horizon”), an affiliate of Monroe Capital, and a leading specialty finance company that provides capital in the form of secured loans to venture capital-backed companies in the technology, life science, healthcare information and services, and sustainability industries, today provided its portfolio update for the fourth quarter ended December 31, 2023 and an update on the lending platform (“Horizon Platform”) of Horizon Technology Finance Management LLC (“HTFM”), its investment adviser.

“We closed out the year with another solid quarter of quality originations at the Horizon Platform, including \$63 million of loans funded by HRZN,” said Gerald A. Michaud, President of HRZN and HTFM. “We are pleased to announce that, during the quarter, HRZN completed its first co-investment with funds managed by Monroe Capital, a direct benefit to Horizon from HTFM’s access to Monroe’s substantial investment platform. In addition to the new originations in the quarter, HRZN’s committed backlog of debt investments increased to \$218 million. HRZN also received \$48 million in loan payoffs and partial paydowns during the quarter, generating additional accelerated income and further validating our predictive pricing strategy. Entering 2024, we remain well positioned to further grow HRZN’s venture debt portfolio and deliver additional value to HRZN’s shareholders.”

Fourth Quarter 2023 Portfolio Update

Originations

During the fourth quarter of 2023, HRZN funded a total of \$63.4 million of loans, as follows:

- \$32.5 million to a new portfolio company, VERO Biotech, Inc., a developer of innovative nitric oxide delivery technology for the acute care setting. The loan is HRZN’s first co-investment with Monroe Capital. This funding will support the continued commercial expansion of the GENOSYL® Delivery System (GENOSYL® DS), as well as other R&D initiatives.
 - \$10.0 million to a new portfolio company, Parse Biosciences, Inc., a provider of accessible and scalable single cell sequencing solutions.
 - \$7.5 million to a new portfolio company, MicroTransponder, Inc., the developer of the Vivistim Paired VNS System, the only FDA-approved neurostimulation device designed to improve stroke recovery by restoring 2-3 times more motor function in a stroke survivor’s hand and arm compared to traditional rehabilitation therapy.
 - \$6.5 million to an existing portfolio company, TemperPack Technologies, Inc., a manufacturer of sustainable insulated packaging for perishable last mile deliveries.
 - \$5.0 million to an existing portfolio company, a developer of innovative medical devices and therapies to address the evolving needs of interventional specialists.
 - \$1.9 million to an existing portfolio company, Nexii Building Solutions Inc., a green construction technology company focused on creating environmentally-friendly, durable, cost-efficient and disaster-resilient buildings.
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Liquidity Events and Partial Paydowns

HRZN experienced liquidity events from four portfolio companies in the fourth quarter of 2023, including principal prepayments and partial paydowns of \$48.3 million, compared to \$37.9 million of principal prepayments and partial paydowns during the third quarter of 2023:

- In October, HRZN received a principal paydown of \$11.0 million on its venture loans to Evelo Biosciences, Inc.
- In December, Primary Kids, Inc. (“Primary Kids”) paid its outstanding principal balance of \$5.1 million on its venture loan, plus interest, end-of-term payment and prepayment fee. HRZN continues to hold warrants in Primary Kids.
- In December, Infobionic, Inc. (“Infobionic”) paid its outstanding principal balance of \$2.2 million on its venture loan, plus interest, end-of-term payment and prepayment fee. HRZN continues to hold warrants in Infobionic.
- In December, Magnolia Medical Technologies, Inc. (“Magnolia”) paid its outstanding principal balance of \$30.0 million on its venture loan, plus interest, end-of-term payment and prepayment fee. HRZN continues to hold warrants in Magnolia.

Principal Payments Received

During the fourth quarter of 2023, HRZN received regularly scheduled principal payments on investments totaling \$11.8 million, compared to regularly scheduled principal payments totaling \$9.1 million during the third quarter of 2023.

Commitments

During the quarter ended December 31, 2023, HRZN closed new loan commitments totaling \$89.4 million to four companies, compared to new loan commitments of \$157.7 million to seven companies in the third quarter of 2023.

Pipeline and Term Sheets

As of December 31, 2023, HRZN’s unfunded loan approvals and commitments (“Committed Backlog”) were \$218.3 million to 15 companies. This compares to a Committed Backlog of \$201.8 million to 19 companies at HRZN as of September 30, 2023. HRZN’s portfolio companies have discretion whether to draw down such commitments and the right of a portfolio company to draw down its commitment is often subject to achievement of specific milestones and other conditions to borrowing. Accordingly, there is no assurance that any or all of these transactions will be funded by HRZN. Across the Horizon Platform, the quarter ended with an additional \$10.5 million of unfunded loan approvals and commitments.

During the quarter, HTFM received signed a term sheet that is in the approval process, which may result in the Horizon Platform providing up to an aggregate of \$20.0 million of new debt investments. These opportunities are subject to underwriting conditions including, but not limited to, the completion of due diligence, negotiation of definitive documentation and investment committee approval, as well as compliance with HTFM’s allocation policy. Accordingly, there is no assurance that any or all of these transactions will be completed or funded by HRZN.

Warrant and Equity Portfolio

As of December 31, 2023, HRZN held a portfolio of warrant and equity positions in 103 portfolio companies, including 89 private companies, which provides the potential for future additional returns to HRZN's shareholders.

About Horizon Technology Finance

Horizon Technology Finance Corporation (NASDAQ: HRZN), externally managed by Horizon Technology Finance Management LLC, an affiliate of Monroe Capital, is a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and sustainability industries. The investment objective of Horizon is to maximize its investment portfolio's return by generating current income from the debt investments it makes and capital appreciation from the warrants it receives when making such debt investments. Horizon is headquartered in Farmington, Connecticut, with a regional office in Pleasanton, California, and investment professionals located throughout the U.S. Monroe Capital is a \$17 billion asset management firm specializing in private credit markets across various strategies, including direct lending, technology finance, venture debt, opportunistic, structured credit, real estate and equity. To learn more, please visit horizontechfinance.com.

Forward-Looking Statements

Statements included herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance, condition or results 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 the Company's filings with the Securities and Exchange Commission. Horizon undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.

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