
**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 September 30, 2017 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)

27-3008946
(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):

- Large Accelerated Filer Accelerated Filer
 Non-accelerated Filer 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 October 31, 2017
Common Stock, \$0.001 par value per share	7,430,697

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

See accompanying notes to financial statements

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

	AS OF SEPTEMBER 30, 2017 (UNAUDITED)	AS OF DECEMBER 31, 2016
ASSETS		
Investment securities:		
Unaffiliated investments at acquisition cost *	\$ 41,800,052	\$ 66,336,448
Affiliated investments at acquisition cost	24,061,200	11,898,906
Controlled investments at acquisition cost	108,462,512	96,551,795
Total acquisition cost	<u>\$ 174,323,764</u>	<u>\$ 174,787,149</u>
Unaffiliated investments at market value *	\$ 34,697,485	\$ 51,202,592
Affiliated investments at market value	18,483,191	10,410,045
Controlled investments at market value	85,547,952	85,918,212
Total market value ** (Note 6)	<u>138,728,628</u>	<u>147,530,849</u>
Cash	—	1,934,247
Receivable from dividends and interest	1,460,238	820,824
Other assets	10,974	28,513
Total Assets	<u>140,199,840</u>	<u>150,314,433</u>
LIABILITIES		
Payable for securities purchased	—	395,532
Payable to affiliates (Note 4)	759,105	796,533
Consulting fee payable	26,143	27,250
Accrued expenses and other payables	129,405	182,727
Total Liabilities	<u>914,653</u>	<u>1,402,042</u>
NET ASSETS	<u>\$ 139,285,187</u>	<u>\$ 148,912,391</u>
Net Assets consist of:		
Common Stock, par value \$0.001 per share 100,000,000 shares authorized	\$ 7,431	\$ 7,431
Paid-in-capital	184,698,313	184,698,313
Accumulated net investment loss	(2,056,356)	—
Accumulated net realized loss from security transactions	(7,769,065)	(8,537,053)
Net unrealized depreciation on investments and warrants transactions	<u>(35,595,136)</u>	<u>(27,256,300)</u>
NET ASSETS	<u>\$ 139,285,187</u>	<u>\$ 148,912,391</u>
Shares of Common Stock outstanding	<u>7,430,697</u>	<u>7,430,697</u>
Net asset value per share (Note 2)	<u>\$ 18.74</u>	<u>\$ 20.04</u>

* Includes Fidelity Investments Money Market Treasury Portfolio – Class I, which invests primarily in U.S. Treasury securities. The yields as of 09/30/17 and 12/31/16 were 0.94% and 0.35%, respectively. Please see <https://fundresearch.fidelity.com/mutual-funds/summary/316175504> for additional information.

** Includes warrants whose primary risk exposure is equity contracts.

See accompanying notes to financial statements

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

	FOR THE THREE MONTHS ENDED		FOR THE NINE MONTHS ENDED	
	SEPTEMBER 30, 2017	SEPTEMBER 30, 2016	SEPTEMBER 30, 2017	SEPTEMBER 30, 2016
INVESTMENT INCOME				
Unaffiliated dividends	\$ —	\$ 9,205	\$ —	\$ 13,547
Unaffiliated interest	5,820	2,931	35,085	14,398
Affiliated/Controlled interest	427,547	227,875	1,008,376	588,861
TOTAL INVESTMENT INCOME	433,367	240,011	1,043,461	616,806
EXPENSES				
Investment advisory fees (Note 4)	707,865	813,334	2,175,267	2,510,446
Administration fees	48,398	45,326	142,049	120,581
Custody fees	7,587	2,377	18,209	9,454
Transfer agent fees	9,114	6,842	23,815	20,261
Registration and filing fees	5,823	5,806	17,278	17,293
Professional fees	128,954	194,218	374,257	456,623
Printing fees	38,260	(2,913)	68,176	35,004
Trustees fees	25,000	25,000	75,000	75,000
Compliance fees	27,900	47,407	80,509	141,192
Settlement fees	50,000	—	50,000	—
Miscellaneous fees	28,021	24,639	75,257	55,438
TOTAL NET EXPENSES	1,076,922	1,162,036	3,099,817	3,441,292
NET INVESTMENT LOSS	(643,555)	(922,025)	(2,056,356)	(2,824,486)
Net Realized and Unrealized Loss on Investments:				
Net realized gains (losses) from security transactions				
Affiliated/Controlled	—	(3,538,500)	—	(3,035,229)
Non-affiliated and other assets	207,196	(5,769,095)	767,988	1,255,168
Net change in unrealized appreciation (depreciation) on investments	2,897,235	10,868,623	5,128,989	(2,461,007)
Net change in unrealized appreciation (depreciation) on affiliated/controlled investments	(5,844,537)	(8,456,604)	(17,191,561)	(15,952,775)
Net change in unrealized appreciation (depreciation) on affiliated/controlled warrants investments (1)	2,923,747	(1,686,853)	3,723,736	4,521,391
Net Realized and Unrealized Gains (Losses) on Investments	183,641	(8,582,429)	(7,570,848)	(15,672,452)
Net Decrease In Net Assets Resulting From Operations	\$ (459,914)	\$ (9,504,454)	\$ (9,627,204)	\$ (18,496,938)
Net Decrease In Net Assets Per Share Resulting From Operations (2)	\$ (0.07)	\$ (1.26)	\$ (1.30)	\$ (2.43)

(1) Primary risk exposure is equity contracts.

(2) Per share results are calculated based on weighted average shares outstanding for each period.

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.
Consolidated Statements of Cash Flows (Unaudited)

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net decrease in Net Assets resulting from operations	\$ (9,627,204)	\$ (18,496,938)
Adjustments to reconcile net decrease in Net Assets derived from operations to net cash provided by (used in) operating activities:		
Purchases of investments	(16,078,804)	(62,754,261)
Proceeds from disposition of investments	19,655,068	69,315,924
Net purchases from short-term investments	(2,344,891)	(1,130,000)
(Increase) decrease in dividends and interest receivable	(639,414)	2,787,165
(Decrease) increase in payable for investment purchased	(395,532)	3,056,390
(Decrease) increase in payable to affiliates	(37,428)	754,253
Decrease in other assets	17,539	776,140
Decrease in accrued expenses and other payables	(54,429)	(48,543)
Decrease in restricted cash	—	1,000,000
Net realized (gain) loss from investments	(767,988)	1,780,061
Net unrealized depreciation from investments, other assets, and warrants transactions	8,338,836	13,892,391
Net cash provided by (used in) provided by operating activities	(1,934,247)	10,932,582
CASH FLOWS FROM FINANCING ACTIVITIES		
Cost of shares repurchased	—	(2,005,435)
Net cash used by financing activities	—	(2,005,435)
Net increase (decrease) in cash	(1,934,247)	8,927,147
Cash - beginning of period	1,934,247	767,286
Cash - end of period	\$ —	\$ 9,694,433

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Consolidated Statements of Changes in Net Assets

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (UNAUDITED)	FOR THE YEAR ENDED DECEMBER 31, 2016
FROM OPERATIONS:		
Net investment loss	\$ (2,056,356)	\$ (3,835,503)
Net realized gains (loss) from security transactions and warrants transactions	767,988	(6,167,339)
Net change in unrealized depreciation on investments and warrants transactions	(8,338,836)	(14,658,712)
Net decrease in net assets from operations	(9,627,204)	(24,661,554)
FROM CAPITAL SHARE TRANSACTIONS:		
Value of shares repurchased	—	(2,005,434)
Net increase (decrease) in net assets from capital share transactions	—	(2,005,434)
TOTAL DECREASE IN NET ASSETS	(9,627,204)	(26,666,988)
NET ASSETS:		
Beginning of period	148,912,391	175,579,379
End of period	\$ 139,285,187	\$ 148,912,391
Accumulated Net Investment Loss	\$ (2,056,356)	\$ —
COMMON STOCK ACTIVITY:		
Shares repurchased	—	(272,008)
Net decrease in shares outstanding	—	(272,008)
Shares outstanding, beginning of period	7,430,697	7,702,705
Shares outstanding, end of period	7,430,697	7,430,697

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Financial Highlights: Selected per share data and ratios for a share outstanding throughout each period

	FOR THE NINE MONTHS ENDED SEPT 30, 2017* (UNAUDITED)	FOR THE YEAR ENDED DECEMBER 31, 2016*	FOR THE YEAR ENDED DECEMBER 31, 2015*	FOR THE YEAR ENDED DECEMBER 31, 2014	FOR THE YEAR ENDED DECEMBER 31, 2013	FOR THE YEAR ENDED DECEMBER 31, 2012
Net asset value at beginning of period	\$ 20.04	\$ 22.79	\$ 24.49	\$ 28.32	\$ 22.90	\$ 23.92
Income from investment operations:						
Net investment loss	(0.28)	(0.52)	(0.06) ⁽¹⁾	(1.26)	(1.42)	(0.39)
Net realized and unrealized gains (losses) on investments	(1.02)	(2.76)	(1.78)	3.04	7.16	(1.01)
Total from investment operations	(1.30)	(3.28)	(1.84)	1.78	5.74	(1.40)
Distributions from:						
Realized capital gains	—	—	—	(5.86)	(0.32)	—
Premiums from shares sold in offerings	—	—	—	—	— ⁽²⁾	0.38
Anti-dilutive effect from capital share transactions	—	0.53	0.14	0.25	—	—
Net asset value at end of period	\$ 18.74	\$ 20.04	\$ 22.79	\$ 24.49	\$ 28.32	\$ 22.90
Market value at end of period	\$ 8.00	\$ 7.67	\$ 8.17	\$ 18.65	\$ 23.17	\$ 17.44
Total return						
Based on Net Asset Value	(6.49)% ^(A)	(12.07)%	(6.94)%	12.54%	25.30%	(4.26)%
Based on Market Value	4.30)% ^(A)	(6.12)%	(56.19)%	4.76%	34.61%	21.70%
Net assets at end of period (millions)	\$ 139.3	\$ 148.9	\$ 175.6	\$ 209.7	\$ 256.9	\$ 195.9
Ratio of total expenses to average net assets	2.88)% ^(B)	2.90%	1.36)% ⁽³⁾	5.29)% ⁽³⁾	6.52)% ⁽³⁾	2.56%
Ratio of total expenses to average net assets, excluding incentive fees	2.88)% ^(B)	2.90%	2.68%	3.12%	2.67%	2.56%
Ratio of net investment loss to average net assets	(1.91)% ^(B)	(2.36)%	(0.24)%	(4.31)%	(5.96)%	(2.12)%
Portfolio turnover rate	12)% ^(A)	49%	22%	95%	17%	10%

* Consolidated.

(1) Calculated using average shares outstanding.

(2) Less than \$0.005 per share.

(3) Amount includes the incentive fee. For the year ended December 31, 2015, the year ended December 31, 2014, and the year ended December 31, 2013, the ratio of the incentive fee to average net assets was (1.32)%, 2.17%, and 3.85%, respectively.

(A) Not Annualized.

(B) Annualized.

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Consolidated Schedule of Investments

SEPTEMBER 30, 2017 (UNAUDITED)

PORTFOLIO COMPANY (% OF NET ASSETS) AND INDUSTRY	TYPE OF INVESTMENT	SHARES/PAR VALUE (\$)	COST BASIS	MARKET VALUE
ALIPHCOM, INC. (0.0%) Consumer Electronics	Common Stock *(1)(7)	2,128,005	\$ 10,108,024	\$ 0
CLOUDERA, INC. (0.2%) Software	Common Stock *(1)(7)	20,000	580,000	299,160
EQX CAPITAL, INC. (2.9%) Equipment Leasing	Common Stock *(1)(2)(7) Preferred Stock - Series A *(1)(2)(7)	100,000 4,000,000	20,000 4,000,000	44,420 3,975,600
				4,020,020
HERA SYSTEMS, INC. (1.5%) Aerospace	Preferred Stock - Series A *(1)(2)(7) Preferred Stock - Series B *(1)(2)(7) Preferred Stock Warrants - Series B *(1)(2)(7) Preferred Stock Warrants - Series B *(1)(2)(7)	3,642,324 2,039,203 700,000 6,214,922	2,000,000 1,587,102 0 0	154,434 453,315 155,540 1,380,956
				2,144,245
HIGHTAIL, INC. (6.1%) Cloud Computing	Preferred Stock - Series E *(1)(4)(7)	2,268,602	9,620,188	8,537,430
INTRAOOP MEDICAL CORP. (15.2%) Medical Devices	Convertible Note (1)(2)(7) Matures June 2020 Interest Rate 15%	1,000,000	1,000,000	1,000,000
	Convertible Note (1)(2)(7) Matures June 2020 Interest Rate 15%	1,000,000	1,000,000	1,000,000
	Convertible Note (1)(2)(7) Matures June 2020 Interest Rate 15%	1,500,000	1,500,000	1,500,000
	Convertible Note (1)(2)(7) Matures June 2020 Interest Rate 15%	1,000,000	1,000,000	1,000,000
	Preferred Stock - Series C *(1)(2)(7)	26,856,187	26,299,938	11,679,756
	Term Note (1)(2)(7) Matures February 2020 Interest Rate 8%	2,000,000	2,000,000	2,000,000
	Term Note (1)(2)(7) Matures February 2020 Interest Rate 8%	3,000,000	3,000,000	3,000,000
				21,179,756

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Consolidated Schedule of Investments - continued

SEPTEMBER 30, 2017 (UNAUDITED)

PORTFOLIO COMPANY (% OF NET ASSETS) AND INDUSTRY	TYPE OF INVESTMENT	SHARES/PAR VALUE (\$)	COST BASIS	MARKET VALUE
NUTANIX, INC. (7.4%) Networking	Common Stock *	459,772	\$ 7,376,112	\$ 10,294,295
PHUNWARE, INC. (4.2%) Mobile Computing	Preferred Stock - Series E *(1)(3)(7)	3,257,328	9,999,997	5,850,813
PIVOTAL SYSTEMS CORP. (21.3%) Semiconductor Equipment	Common Stock Warrants - Class B *(1)(2)(7)	18,180,475	0	6,864,220
	Preferred Stock Warrants - Series D *(1)(2)(7)	4,158,654	0	405,053
	Preferred Stock - Series A *(1)(2)(7)	11,914,217	6,000,048	7,380,857
	Preferred Stock - Series B *(1)(2)(7)	13,065,236	6,321,482	8,093,914
	Preferred Stock - Series C *(1)(2)(7)	2,291,260	2,657,862	2,425,757
	Preferred Stock - Series D *(1)(2)(7)	6,237,978	3,975,801	4,526,277
				29,696,078
QMAT, INC. (8.6%) Advanced Materials	Convertible Note (1)(2)(7) Matures March 2019 Interest Rate 8%	1,000,000	1,000,000	1,000,000
	Convertible Note (1)(2)(7) Matures March 2019 Interest Rate 8%	200,000	200,000	200,000
	Convertible Note (1)(2)(7) Matures March 2019 Interest Rate 8%	100,000	100,000	100,000
	Convertible Note (1)(2)(7) Matures March 2019 Interest Rate 8%	100,000	100,000	100,000
	Convertible Note (1)(2)(7) Matures March 2019 Interest Rate 8%	100,000	100,000	100,000
	Convertible Note (1)(2)(7) Matures March 2019 Interest Rate 8%	100,000	100,000	100,000
	Convertible Note (1)(2)(7) Matures March 2019 Interest Rate 8%	350,000	350,000	350,000
	Preferred Stock - Series A *(1)(2)(7)	16,000,240	16,000,240	8,377,726
	Preferred Stock - Series B *(1)(2)(7)	2,000,000	2,000,000	1,492,800
	Preferred Stock Warrants - Series A *(1)(2)(7)	2,000,000	0	296,400
				12,016,926
QUICKLOGIC CORP. (1.3%) Semiconductors	Common Stock *	1,100,000	1,682,134	1,848,000

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Consolidated Schedule of Investments - continued

SEPTEMBER 30, 2017 (UNAUDITED)

PORTFOLIO COMPANY (% OF NET ASSETS) AND INDUSTRY	TYPE OF INVESTMENT	SHARES/PAR VALUE (\$)	COST BASIS	MARKET VALUE
REVASUM, INC. (5.5%) Semiconductor Equipment	Common Stock *(1)(2)(7)	10,000	\$ 1,000	\$ 20,862
	Term Note (1)(2)(7) Matures February 2020 Interest Rate 5%	1,000,000	1,000,000	1,000,000
	Preferred Stock - Series A *(1)(2)(7)	441,998	1,999,997	1,877,873
	Preferred Stock - Series Seed *(1)(2)(7)	2,200,000	2,200,000	4,781,920
				7,680,655
ROKU, INC. (4.1%) Consumer Electronics	Common Stock *(1)(7)	250,000	2,312,500	5,639,750
RORUS, INC. (0.0%) Water Purification	Convertible Note (1)(7) Matures June 2021 Interest Rate 2%	50,000	50,000	50,000
SILICON GENESIS CORP. (3.9%) Intellectual Property	Common Stock *(1)(2)(7)	921,892	169,045	13,275
	Common Stock Warrants *(1)(2)(7)	5,000,000	0	8,000
	Common Stock Warrants *(1)(2)(7)	37,982	6,678	273
	Common Stock Warrants *(1)(2)(7)	3,000,000	0	4,800
	Preferred Stock -Series 1-C *(1)(2)(7)	82,914	109,518	62,235
	Preferred Stock -Series 1-D *(1)(2)(7)	850,830	431,901	171,272
	Preferred Stock -Series 1-E *(1)(2)(7)	5,704,480	2,614,401	1,870,499
	Preferred Stock -Series 1-F *(1)(2)(7)	912,453	509,785	417,447
	Preferred Stock -Series 1-G *(1)(2)(5)(7)	48,370,793	4,729,221	2,629,437
	Preferred Stock -Series 1-H *(1)(2)(7)	837,942	963,494	215,267
			5,392,505	
SUNRUN, INC. (2.1%) Renewable Energy	Common Stock *	524,820	4,954,995	2,912,751
SVXR, INC. (0.7%) Semiconductor Equipment	Preferred Stock - Series A *(1)(3)(7)	2,013,491	1,000,000	1,000,000

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Consolidated Schedule of Investments - continued

SEPTEMBER 30, 2017 (UNAUDITED)

PORTFOLIO COMPANY (% OF NET ASSETS) AND INDUSTRY	TYPE OF INVESTMENT	SHARES/PAR VALUE (\$)	COST BASIS	MARKET VALUE
TELEPATHY INVESTORS, INC. (1.2%) Consumer Electronics	Convertible Note (1)(2)(7) Matures January 2018 Interest Rate 10%	2,000,000	\$ 2,000,000	\$ 343,020
	Convertible Note (1)(2)(7) Matures January 2018 Interest Rate 10%	500,000	500,000	85,755
	Convertible Note (1)(2)(7) Matures January 2018 Interest Rate 10%	300,000	300,000	51,453
	Convertible Note (1)(2)(7) Matures January 2018 Interest Rate 10%	500,000	500,000	85,755
	Convertible Note (1)(2)(7) Matures January 2018 Interest Rate 10%	150,000	150,000	25,726
	Convertible Note (1)(2)(7) Matures January 2018 Interest Rate 10%	300,000	300,000	51,453
	Preferred Stock - Series A *(1)(2)(7)	15,238,000	3,999,999	978,280
				1,621,442
UCT COATINGS, INC. (0.7%) Advanced Materials	Common Stock *(1)(3)(7)	1,500,000	662,235	912,000
	Common Stock Warrants *(1)(3)(7)	2,283	67	4
				912,004
VUFINE, INC. (1.3%) Consumer Electronics	Common Stock *(1)(2)(7)	750,000	15,000	675
	Convertible Note (1)(2)(7) Matures July 2019 Interest Rate 6%	1,500,000	1,500,000	1,500,000
	Preferred Stock - Series A *(1)(2)(7)	22,500,000	2,250,000	295,650
				1,796,325
WRIGHTSPEED, INC. (7.7%) Automotive	Preferred Stock - Series C *(1)(3)(4)(5)(7)	2,267,659	6,864,023	5,705,203
	Preferred Stock - Series D *(1)(3)(7)	1,100,978	3,375,887	3,163,550
	Preferred Stock - Series E *(1)(3)(7)	450,814	1,658,996	1,351,630
	Preferred Stock - Series F *(1)(3)(7)	90,707	499,995	471,459
	Preferred Stock Warrants - Series F *(1)(3)(7)	18,141	0	28,532
				10,720,374
INVESTMENT COMPANY (3.7%)	Fidelity Investments Money Market Treasury Portfolio - Class I (6)	5,116,099	5,116,099	5,116,099

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Consolidated Schedule of Investments - continued

SEPTEMBER 30, 2017 (UNAUDITED)

			MARKET VALUE
TOTAL INVESTMENTS			
(Cost \$174,323,764)			
—99.6%			\$ 138,728,628
OTHER ASSETS IN EXCESS OF			
LIABILITIES — 0.4%			556,559
NET ASSETS — 100.0%			<u>\$ 139,285,187</u>

* *Non-income producing security.*

(1) *Restricted security. Fair Value is determined by or under the direction of the Company's Board of Directors (See note 3).*

(2) *Controlled investments.*

(3) *Affiliated issuer.*

(4) *A portion represents position held in Firsthand Holdings, Ltd. (See Note 1).*

(5) *A portion represents position held in Firsthand Development, Ltd. (See Note 1).*

(6) *The Fidelity Investments Money Market Portfolio invests primarily in U.S. Treasury securities.*

(7) *Fair value level 3 security.*

See accompanying notes to financial statements

Firsthand Technology Value Fund, Inc.

Consolidated Notes to Financial Statements

SEPTEMBER 30, 2017 (UNAUDITED)

NOTE 1. THE COMPANY

Firsthand Technology Value Fund, Inc. (the “Company,” “us,” “our,” and “we”), is a Maryland corporation and an externally managed, non-diversified, closed-end management investment company that has elected to be treated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). The Company acquired its initial portfolio of securities through the reorganization of Firsthand Technology Value Fund, a series of Firsthand Funds, into the Company. The reorganization was completed on April 15, 2011. The Company commenced operations on April 18, 2011. Under normal circumstances, the Company will invest at least 80% of its assets for investment purposes in technology companies, which are considered to be those companies that derive at least 50% of their revenues from products and/or services within the information technology sector or the “cleantech” sector. Information technology companies include, but are not limited to, those focused on computer hardware, software, telecommunications, networking, Internet, and consumer electronics. While there is no standard definition of cleantech, it is generally regarded as including goods and services designed to harness renewable energy and materials, eliminate emissions and waste, and reduce the use of natural resources. In addition, under normal circumstances we will invest at least 70% of our assets in privately held companies and in public companies with market capitalizations less than \$250 million. Our portfolio is primarily composed of equity and equity derivative securities of technology and cleantech companies (as defined above). These investments generally range between \$1 million and \$10 million each, although the investment size will vary proportionately with the size of the Company’s capital base. The Company’s shares are listed on the NASDAQ Global Market under the symbol “SVVC.”

The Company is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946.

CONSOLIDATION OF SUBSIDIARIES. On May 8, 2015, the Board of Directors of the Company approved the formation of a fully owned and controlled subsidiary (as defined by the 1940 Act) of the Company named Firsthand Venture Investors (“FVI”), a California general partnership formed on March 30, 2015. After the close of business on June 30, 2015, the Company contributed substantially all of its assets to FVI in return for a controlling general partner ownership interest in FVI. The transaction was completed July 1, 2015. Under this new structure, we will have all or substantially all of our investment activities conducted through our fully owned subsidiary, FVI.

On June 10, 2016, the Board of Directors of the Company approved the formation of a fully owned and controlled subsidiary (as defined by the 1940 Act) of FVI named Firsthand Holdings, Ltd. (“FHL”), a Cayman Islands corporation formed on May 4, 2016. Under this structure, we may from time to time transfer investments in the Company held in the Company or FVI to FHL in return for ownership interests in FHL. The net assets of FHL at September 30, 2017, were \$5,981,512 or 4.3% of the Company’s consolidated net assets. On September 27, 2016, the Board of Directors of the Company approved the formation of a fully owned and controlled subsidiary (as defined by the 1940 Act) of FVI named Firsthand Development, Ltd (“FDL”), a Cayman Islands corporation formed on September 22, 2016. Under this structure, we may from time to time transfer investments in the Company held in the Company or FVI to FDL in return for ownership interests in FDL. The net assets of FDL at September 30, 2017, were \$2,405,780 or 1.7% of the Company’s consolidated net assets. The financial statements of the Company, FVI, FHL, and FDL are presented in the report on a consolidated basis.

FHL and FDL are both treated as controlled foreign corporations under the Internal Revenue Code and are not expected to be subject to U.S. federal income tax. FVI is treated as a U.S. shareholder of each of FHL and FDL. As a result, FVI is required to include in gross income for U.S. federal tax purposes all of FHL and FDL’s income, whether or not such income is distributed by FHL or FDL. If a net loss is realized by FHL or FDL, such loss is not generally available to offset the income earned by FVI.

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Consolidated Notes to Financial Statements - continued

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NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed in the preparation of the Company's financial statements included in this report:

USE OF ESTIMATES. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

INTERIM FINANCIAL STATEMENTS. Interim financial statements are condensed and should be read in conjunction with the Company's latest annual financial statements. Interim disclosures generally do not repeat those of the annual statements. It is Management's opinion that all adjustments necessary for a fair statement of the periods presented have been made and all adjustments are of a normal recurring nature.

PORTFOLIO INVESTMENT VALUATIONS. Investments are stated at "value" as defined in the 1940 Act and in the applicable regulations of the Securities and Exchange Commission and in accordance with GAAP. Value, as defined in Section 2(a)(41) of the 1940 Act, is (i) the market value of those securities for which a market quotation is readily available and (ii) the fair value as determined in good faith by, or under the direction of, the board of directors for all other securities and assets. On September 30, 2017, our financial statements include venture capital investments valued at approximately \$112.6 million. The fair values of our venture capital investments were determined in good faith by, or under the direction of, the Board. Upon sale of these investments, the values that are ultimately realized may be different from what is presently estimated. The difference could be material. Also see note 6 regarding the fair value of the company's investments.

CASH AND CASH EQUIVALENTS. The Company considers liquid assets deposited with a bank, investments in money market funds, and certain short-term debt instruments with maturities of three months or less to be cash equivalents. These investments represent amounts held with financial institutions that are readily accessible to pay our expenses or purchase investments. Cash and cash equivalents are valued at cost plus accrued interest, which approximates market value.

RESTRICTED SECURITIES. At September 30, 2017, we held \$118.6 million in restricted securities.

INCOME RECOGNITION. Dividend income is recorded on the ex-dividend date. Interest income is accrued as earned. Discounts and premiums on securities purchased are amortized over the lives of the respective securities. Other non-cash dividends are recognized as investment income at the fair value of the property received. When debt securities are determined to be non-income producing, the Company ceases accruing interest and writes off any previously accrued interest. These write-offs are recorded as a debit to interest income.

SHARE VALUATION. The net asset value ("NAV") per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash or other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding of the Fund, rounded to the nearest cent.

REALIZED GAIN OR LOSS AND UNREALIZED APPRECIATION OR DEPRECIATION OF PORTFOLIO INVESTMENTS. A realized gain or loss is recognized when an investment is disposed of and is computed as the difference between the Company's cost basis in the investment at the disposition date and the net proceeds received from such disposition. Unrealized appreciation or depreciation is computed as the difference between the fair value of the investment and the cost basis of such investment.

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INCOME TAXES. As we intend to continue to qualify as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”), the Company does not provide for income taxes. The Company recognizes interest and penalties in income tax expense.

FOREIGN CURRENCY TRANSLATION. The accounting records of the Company are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the rate of exchange of such currencies against U.S. dollars on the date of valuation.

SECURITIES TRANSACTIONS. Securities transactions are accounted for on the date the transaction for the purchase or sale of the securities is entered into by the Company (*i.e.*, trade date).

CONCENTRATION OF CREDIT RISK. The Company places its cash and cash equivalents with financial institutions and, at times, cash held in checking accounts may exceed the Federal Deposit Insurance Corporation insured limit.

OPTIONS. The Company is subject to equity price risk in the normal course of pursuing its investment objectives and may enter into options written to hedge against changes in the value of equities. The Company may purchase put and call options to attempt to provide protection against adverse price effects from anticipated changes in prevailing prices of securities or stock indices. The Company may also write put and call options. When the Company writes an option, an amount equal to the premium received by the Company is recorded as a liability and is subsequently adjusted to the current fair value of the option written.

Premiums received from writing options that expire unexercised are treated by the Company on the expiration date as realized gains from investments. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or, if the premium is less than the amount paid for the closing purchase transaction, as a realized loss. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security or currency in determining whether the Company has realized a gain or loss. The Company as writer of an option bears the market risk of an unfavorable change in the price of the security underlying the written option.

The market value of the Company’s purchased options as of September 30, 2017 can be found on the Schedule of Investments. The net realized gains/(loss) from purchased and written options and the net change in unrealized appreciation (depreciation) on purchased and written options for the period ended September 30, 2017 can be found on the Statement of Operations.

The Company had no option transactions for the nine months ended September 30, 2017.

The average notional value of the Fund’s derivatives during the nine months ended September 30, 2017, is as follows:

	Purchased Options (Notional Value)	Warrants (Notional Value)	Written Options (Notional Value)
Firsthand Technology Value Fund, Inc.	\$ —	\$ 6,146,612	\$ —

NOTE 3. BUSINESS RISKS AND UNCERTAINTIES

We plan to invest a substantial portion of our assets in privately-held companies, the securities of which are inherently illiquid. We also seek to invest in small publicly-traded companies that we believe have exceptional growth potential and to make opportunistic investments in publicly-traded companies, both large and small. In the case of investments in small publicly-traded companies, although these companies are publicly traded, their stock may not trade at high volumes, and prices can be volatile, which may restrict our ability to sell our positions. These privately held and publicly traded businesses tend to lack management depth, have limited or no history of operations and typically have not attained profitability. Because of the speculative nature of our investments and the lack of public markets for privately held investments, there is greater risk of loss than is the case with traditional

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investment securities.

We do not choose investments based on a strategy of diversification. We also do not rebalance the portfolio should one of our portfolio companies increase in value substantially relative to the rest of the portfolio. Therefore, the value of our portfolio may be more vulnerable to events affecting a single sector, industry or portfolio company and, therefore, may be subject to greater volatility than a company that follows a diversification strategy.

Because there is typically no public or readily-ascertainable market for our interests in the small privately-held companies in which we invest, the valuation of those securities is determined in good faith by the Valuation Committee, comprised of all members of the Board who are not “interested persons” of the Company, as such term is defined in Section 2(a)(19) of the 1940 Act, in accordance with our Valuation Procedures and is subject to significant estimates and judgments. The determined value of the securities in our portfolio may differ significantly from the values that would be placed on these securities if a ready market for the securities existed. Any changes in valuation are recorded in our Statement of Operations as “Net increase (decrease) in unrealized appreciation on investments.” Changes in valuation of any of our investments in privately-held companies from one period to another may be volatile.

The Board may, from time to time, engage an independent valuation firm to provide it with valuation assistance with respect to certain of our portfolio investments. The Company intends to continue to engage an independent valuation firm to provide us with assistance regarding our determination of the fair value of select portfolio investments each quarter unless directed by the Board to cancel such valuation services. The scope of the services rendered by an independent valuation firm is at the discretion of the Board. The Board is ultimately and solely responsible for determining the fair value of the Company’s investments in good faith.

With respect to investments for which market quotations are not readily available or when such market quotations are deemed not to represent fair value, the Board has approved a multi-step valuation process to be followed each quarter, as described below:

- (1) each quarter the valuation process begins with each portfolio company or investment being initially valued by the Valuation Committee of the Advisor (as defined below) (the “Advisor Valuation Committee”) or the independent valuation firm;
- (2) the Valuation Committee of the Board on a quarterly basis reviews the preliminary valuation of the Advisor Valuation Committee and that of the independent valuation firms and makes the fair value determination, in good faith, based on the valuation recommendations of the Advisor Valuation Committee and the independent valuation firms; and
- (3) at each quarterly Board meeting, the Board considers the valuations recommended by the Advisor Valuation Committee and the independent valuation firms that were previously submitted to the Valuation Committee of the Board and ratifies the fair value determinations made by the Valuation Committee of the Board.

NOTE 4. INVESTMENT MANAGEMENT FEE

The Company has entered into an investment management agreement (the “Investment Management Agreement”) with Firsthand Capital Management, Inc. (“FCM” or the “Advisor”), pursuant to which the Company will pay FCM a fee for providing investment management services consisting of two components—a base management fee and an incentive fee.

The base management fee will be calculated at an annual rate of 2.00% of our gross assets. For services rendered under the Investment Management Agreement, the base management fee will be payable quarterly in arrears. The base management fee will be calculated based on the average of (1) the value of our gross assets at the end of the current calendar quarter and (2) the

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value of our gross assets at the end of the preceding calendar quarter; and will be appropriately adjusted for any share issuances or repurchases during the current calendar quarter. Base management fees for any partial quarter will be pro-rated.

The incentive fee is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Management Agreement, as of the termination date), commencing on April 15, 2011, and equals 20% of the Company's realized capital gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees, provided that the incentive fee determined as of December 31, 2016, was calculated for a period of shorter than twelve calendar months to take into account any realized gains computed net of all realized capital losses and unrealized capital depreciation from inception. As of September 30, 2017, there were no accrued incentive fees.

NOTE 5. DEBT

The Company does not currently have any significant outstanding debt obligations (other than normal operating expense accruals).

NOTE 6. FAIR VALUE

Securities traded on, or quoted by, the NASDAQ Stock Market, Inc. ("NASDAQ") are valued according to the NASDAQ official closing price. Securities traded on other stock exchanges, including the New York Stock Exchange ("NYSE"), are valued at their last reported sale price as of the close of trading of that exchange (normally 4:00 P.M. Eastern Time for the NYSE). If a security is not traded that day, the security will be valued at its most recent bid price.

Securities traded in the over-the-counter market, but not quoted by NASDAQ, are valued at the last sale price (or, if the last sale price is not readily available, at the most recent closing bid price as quoted by brokers that make markets in the securities) at the close of trading on the NYSE.

Securities traded both in the over-the-counter market and on a stock exchange are valued according to the broadest and most representative market.

Securities and other assets that do not have market quotations readily available are valued at their fair value as determined in good faith by the Board in accordance with the Valuation Procedures adopted by the Valuation Committee of the Board.

In pricing illiquid, privately placed securities, the Board of Directors is responsible for (1) determining overall valuation guidelines and (2) ensuring that the investments of the Company are valued within the prescribed guidelines.

The Valuation Committee of the Board is responsible for determining the valuation of the Company's assets within the guidelines established by the Board of Directors. The Valuation Committee of the Board receives information and recommendations from the Adviser and an independent valuation firm.

The values assigned to these investments are based on available information and do not necessarily represent amounts that might ultimately be realized when that investment is sold, as such amounts depend on future circumstances and cannot reasonably be determined until the individual investments are actually liquidated or become readily marketable.

APPROACHES TO DETERMINING FAIR VALUE. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). In effect, GAAP applies fair value terminology to all valuations whereas the 1940 Act applies market value terminology to readily marketable assets and fair value terminology to other assets.

The main approaches to measuring fair value utilized are the market approach, the income approach, and the asset-based

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approach. The choice of which approach to use in a particular situation depends on the specific facts and circumstances associated with the Company, as well as the purpose for which the valuation analysis is being conducted. FCM and the independent valuation firm rely primarily on the market and income approaches. We also considered the asset-based approach in our analysis because certain of the portfolio companies do not have substantial operating earnings relative to the value of their underlying assets.

- **Market Approach (M):** The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. For example, the market approach often uses market multiples derived from a set of comparables. Multiples might lie in ranges with a different multiple for each comparable. The selection of where within the range each appropriate multiple falls requires the use of judgment in considering factors specific to the measurement (qualitative and quantitative).
- **Income Approach (I):** The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present value amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. Those valuation techniques include present value techniques and the multi-period excess earnings method, which is used to measure the fair value of certain assets.
- **Asset-Based Approach (A):** The asset-based approach examines the value of a company's assets net of its liabilities to derive a value for the equity holders.

FAIR VALUE MEASUREMENT. In accordance with the guidance from the Financial Accounting Standards Board on fair value measurements and disclosures under GAAP, the Company discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (Level 3 measurements).

The guidance establishes three levels of the fair value hierarchy as follows:

- Level 1 -** Unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the date of measurement.
- Level 2 -** Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument in an inactive market, prices for similar instruments in an active or inactive market, interest rates, prepayment speeds, credit risks, yield curves, default rates, and similar data.
- Level 3 -** Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Company's own assumptions about the assumptions a market participant would use in valuing the asset or liability based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in

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those securities. The following is a summary of the inputs used to value the Company's net assets as of September 30, 2017:

	LEVEL 1 QUOTED PRICES	LEVEL 2 OTHER SIGNIFICANT OBSERVABLE INPUTS	LEVEL 3 SIGNIFICANT UNOBSERVABLE INPUTS
Assets			
Common Stocks			
Advanced Materials	\$ —	\$ —	\$ 912,000
Consumer Electronics	—	—	5,640,425
Equipment Leasing	—	—	44,420
Intellectual Property	—	—	13,275
Networking	10,294,295	—	—
Renewable Energy	2,912,751	—	—
Semiconductors	1,848,000	—	—
Semiconductor Equipment	—	—	20,862
Software	—	—	299,160
Total Common Stocks	15,055,046	—	6,930,142
Preferred Stocks			
Advanced Materials	—	—	9,870,526
Aerospace	—	—	607,749
Automotive	—	—	10,691,842
Cloud Computing	—	—	8,537,430
Consumer Electronics	—	—	1,273,930
Equipment Leasing	—	—	3,975,600
Intellectual Property	—	—	5,366,157
Medical Devices	—	—	11,679,756
Mobile Computing	—	—	5,850,813
Semiconductor Equipment	—	—	30,086,598
Total Preferred Stocks	—	—	87,940,401
Asset Derivatives *			
Equity Contracts	—	—	9,143,778
Total Asset Derivatives	—	—	9,143,778
Convertible Notes			
Advanced Materials	—	—	1,850,000
Aerospace	—	—	—
Consumer Electronics	—	—	2,143,162
Medical Devices	—	—	9,500,000
Semiconductor Equipment	—	—	1,000,000
Water Purification	—	—	50,000
Total Convertible Notes	—	—	14,543,162
Mutual Funds	5,116,099	—	—
Total	\$ 20,171,145	\$ —	\$ 118,557,483

* Asset derivatives include warrants.

At the end of each calendar quarter, management evaluates the Level 2 and Level 3 assets and liabilities for changes in liquidity, including, but not limited to: whether a broker is willing to execute at the quoted price, the depth and consistency of prices from third-party services, and the existence of contemporaneous, observable trades in the market. Additionally, manage-

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ment evaluates the Level 1 and Level 2 assets and liabilities on a quarterly basis for changes in listings or delistings on national exchanges. Transfers in and out of the levels are recognized at the value at the end of the quarter. There were no transfers between Levels 1 and 2 as of September 30, 2017.

Following is a reconciliation of Level 3 assets (at either the beginning or the ending of the quarter) for which significant unobservable inputs were used to determine fair value.

INVESTMENTS AT FAIR VALUE USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	BALANCE AS OF 12/31/16	NET PURCHASES/ CONVERSION	NET SALES/ CONVERSION	NET REALIZED GAINS / (LOSSES)	NET UNREALIZED APPRECIATION (DEPRECIATION) ⁽¹⁾	TRANSFERS IN (OUT) OF LEVEL 3	BALANCE AS OF 9/30/17
Common Stocks							
Advanced Materials	\$ 394,200	\$ —	\$ —	\$ —	\$ 517,800	\$ —	\$ 912,000
Consumer Electronics	3,037,441	—	—	—	2,602,984	—	5,640,425
Equipment Leasing	44,430	—	—	—	(10)	—	44,420
Intellectual Property	14,750	—	—	—	(1,475)	—	13,275
Networking	10,990,390	—	—	—	(696,095)	(10,294,295)	—
Semiconductor Equipment	7,524	—	—	—	13,338	—	20,862
Software	245,466	—	—	—	53,694	—	299,160
Preferred Stocks							
Advanced Materials	12,724,961	—	—	—	(2,854,435)	—	9,870,526
Advertising Technology	9,757,918	—	(12,355,330)	1,015,419	1,581,993	—	—
Aerospace	445,456	1,587,103	—	—	(1,424,810)	—	607,749
Automotive	10,410,045	1,029,175	(529,180)	—	(218,198)	—	10,691,842
Cloud Computing	8,550,361	—	—	—	(12,931)	—	8,537,430
Consumer Electronics	3,752,749	—	—	—	(2,478,819)	—	1,273,930
Equipment Leasing	3,975,600	—	—	—	—	—	3,975,600
Intellectual Property	6,137,917	—	(755,172)	—	(16,588)	—	5,366,157
Medical Devices	24,511,642	—	—	—	(12,831,886)	—	11,679,756
Mobile Computing	7,365,796	—	—	—	(1,514,983)	—	5,850,813
Semiconductor Equipment	21,883,997	2,999,997	—	—	5,202,604	—	30,086,598

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INVESTMENTS AT FAIR VALUE USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	BALANCE AS OF 12/31/16	NET PURCHASES/ CONVERSION	NET SALES/ CONVERSION	NET REALIZED GAINS / (LOSSES)	NET UNREALIZED APPRECIATION (DEPRECIATION) ⁽¹⁾	TRANSFERS IN (OUT) OF LEVEL 3	BALANCE AS OF 9/30/17
Asset Derivatives							
Equity Contracts	\$ 5,420,042	\$ —	\$ —	\$ —	\$ 3,723,736	\$ —	\$ 9,143,778
Convertible Notes							
Advanced Materials	—	1,850,000	—	—	—	—	1,850,000
Advertising Technology	559,360	—	(1,118,720)	559,360	—	—	—
Aerospace	71,208	405,000	(476,208)	—	—	—	—
Consumer Electronics	2,913,612	4,300,000	(3,500,000)	—	(1,570,450)	—	2,143,162
Medical Devices	4,000,000	5,500,000	—	—	—	—	9,500,000
Semiconductor Equipment	—	1,000,000	—	—	—	—	1,000,000
Water Purification	50,000	—	—	—	—	—	50,000
Total	\$ 137,264,865	\$ 18,671,275	\$ (18,734,610)	\$ 1,574,779	\$ (9,924,531)	\$ (10,294,295)	\$ 118,557,483

(1) The net change in unrealized depreciation from Level 3 instruments held as of September 30, 2017 was \$11,701,087.

The below chart represents quantitative disclosure about significant unobservable inputs for Level 3 fair value measurements at September 30, 2017.

	FAIR VALUE AT 9/30/17	VALUATION TECHNIQUES	UNOBSERVABLE INPUTS	RANGE (WEIGHTED AVG.)
Direct venture capital investments: Advanced Materials	\$12.9M	Market Comparable Companies Prior Transaction Analysis Probability-Weighted Expected Return Option Pricing Model	EBITDA Multiple Years to Maturity Volatility Risk-Free Rate Going Concern Probability Discount for Lack of Marketability	8.8x - 10.5x (10.1x) 5 years (5 years) 50.0% (50%) 1.92% (1.92%) 75% - 100% (77%) 22.7% (22.7%)
Direct venture capital investments: Aerospace	\$2.1M	Prior Transaction Analysis Option Pricing Model	Years to Maturity Volatility Risk-Free Rate	5 years (5 years) 60.0% (60.0%) 1.92% (1.92%)
Direct venture capital investments: Automotive	\$10.7M	Prior Transaction Analysis Option Pricing Model	Years to Maturity Volatility Risk-Free Rate	3 years (3 years) 55.0% (55.0%) 1.62% (1.62%)

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<i>continued</i>	FAIR VALUE AT 9/30/17	VALUATION TECHNIQUES	UNOBSERVABLE INPUTS	RANGE (WEIGHTED AVG.)
Direct venture capital investments: Cloud Computing	\$8.5M	Market Comparable Companies Option Pricing Model	Revenue Multiple Years to Maturity Volatility Risk-Free Rate	1.6x - 2.0x (1.7x) 2 years (2 years) 40.0% (40.0%) 1.47% (1.47%)
Direct venture capital investments: Consumer Electronics	\$9.1M	Market Comparable Companies Prior Transaction Analysis Probability-Weighted Expected Return Invested Capital(Cost) Option Pricing Model	Revenue Multiple Going Concern Probability Probability of Proceeds Available to Preferred Stock Years to Maturity Volatility Risk-Free Rate Discount for Lack of Marketability	1.1x - 2.1x (1.6x) 30% - 100% (87%) 10% (10%) 1 year - 5 years (3.1 years) 50.0% - 70.0% (64.7%) 1.31% - 1.92% (1.63%) 15.0% - 25.8% (15.0%)
Direct venture capital investments: Equipment Leasing	\$4.0M	Prior Transaction Analysis Option Pricing Model	Years to Maturity Volatility Risk-Free Rate	5 years (5 years) 50.00% (50.0%) 1.92% (1.92%)
Direct venture capital investments: Intellectual Property	\$5.4M	Prior Transaction Analysis Option Pricing Model	Years to Maturity Volatility Risk-Free Rate Discount for Lack of Marketability Adjustment for Market Movement	5 years (5 years) 55% (55%) 1.92% (1.92%) 24.3% (24.3%) (29.3%) (-29.3%)
Direct venture capital investments: Medical Devices	\$21.2M	Market Comparable Companies Option Pricing Model	Revenue Multiple Years to Maturity Volatility Risk-Free Rate	2.9x - 3.1x (3.0x) 4 years (4 years) 50.0% (50.0%) 1.77% (1.77%)
Direct venture capital investments: Mobile Computing	\$5.9M	Market Comparable Companies Prior Transaction Analysis Option Pricing Model	Revenue Multiple Years to Maturity Volatility Risk-Free Rate	1.3x - 2.0x (1.7x) 2 years (2 years) 60.0% (60.0%) 1.47% (1.47%)
Direct venture capital investments: Semiconductor Equipment	\$38.4M	Market Comparable Companies Prior Transaction Analysis Option Pricing Model	Revenue Multiple Years to Maturity Volatility Risk-Free Rate Discount for Lack of Marketability	1.2x - 3.2x (2.6x) 2 years - 5 years (2.7 years) 40.0% - 60.0% (51.7%) 1.47% - 1.92% (1.57%) 0.0% - 15.5% (2.9%)
Direct venture capital investments: Software	\$0.3M	Prior Transaction Analysis	Discount for Lack of Marketability	10.0% (10.0%)
Direct venture capital investments: Water Purification	\$0.1M	Prior Transaction Analysis Option Pricing Model	Years to Maturity Volatility Risk-Free Rate	5 years (5 years) 40.0% (40.0%) 1.92% (1.92%)

Firsthand Technology Value Fund, Inc.

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SEPTEMBER 30, 2017 (UNAUDITED)

NOTE 7. FEDERAL INCOME TAXES

The Company has elected, and intends to qualify annually, for the special tax treatment afforded regulated investment companies under the Internal Revenue Code of 1986, as amended (the "Code"). As provided in the Code, in any fiscal year in which a BDC so qualifies and distributes at least 90% of its taxable net income, the BDC (but not the shareholders) will be relieved of federal income tax on the income distributed. Accordingly, no provision for income taxes has been made. To avoid imposition of the excise tax applicable to regulated investment companies, the Company intends to declare as dividends in each calendar year at least 98% of its net investment income (earned during the calendar year) and 98.2% of its net realized capital gains (earned during the 12 months ended October 31) plus undistributed amounts, if any, from prior years.

The reorganization described in Note 1 (the formation of FVI as a fully owned subsidiary for investment activities) was structured to avoid any adverse tax consequences for the Company and its shareholders. The Company's engaging in investment activities through FVI does not, in our view, jeopardize the Company's ability to continue to qualify as a RIC under the Code.

The following information is based upon the federal income tax cost of portfolio investments as of September 30, 2017.

Gross unrealized appreciation	\$	23,926,315
Gross unrealized depreciation		(59,521,451)
Net unrealized depreciation	\$	<u>(35,595,136)</u>
Federal income tax cost, investments	\$	<u>174,323,764</u>

The Company is subject to tax provisions that establish a minimum threshold for recognizing, and a system for measuring, the benefits of a tax position taken or expected to be taken in a tax return. Taxable years ending 2013, 2014, 2015, and 2016 remain open to federal and state audit. As of December 31, 2016, management has evaluated the application of these provisions to the Company and has determined that no provision for income tax is required in the Company's financial statements for uncertain tax provisions.

NOTE 8. INVESTMENT TRANSACTIONS

Investment transactions (excluding short-term investments) were as follows for the nine months ended September 30, 2017.

PURCHASES AND SALES

Purchases of investment securities	\$	<u>16,078,804</u>
Proceeds from sales and maturities of investment securities	\$	<u>19,655,068</u>

NOTE 9. SHARE BUYBACK/TENDER OFFER

SHARE BUYBACKS. On April 26, 2016, the Board of Directors of the Fund approved a discretionary share repurchase plan (the "Plan"). Pursuant to the Plan, the Fund was authorized to purchase in the open market up to \$2 million worth of its common stock. The Plan allowed the Fund to acquire its own shares at certain thresholds below its net asset value (NAV) per share, in accordance with the guidelines specified in Rule 10b-18 of the Securities Act of 1934, as amended. The intent of the Plan was to increase NAV per share and thereby enhance shareholder value. The Fund completed the repurchase plan in September 2016, having repurchased and retired a total of 272,008 shares of stock, at a total cost of approximately \$2 million. As of September 30, 2017, the Fund had 7,430,697 shares outstanding.

Firsthand Technology Value Fund, Inc.

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NOTE 10. INVESTMENTS IN AFFILIATES AND CONTROLLED INVESTMENTS

Under the 1940 Act, the Company is required to identify investments where it owns greater than 5% (but less than 25%) of the portfolio company's outstanding voting shares as an affiliate of the Company. Also, under the 1940 Act, the Company is required to identify investments where it owns greater than 25% of the portfolio company's outstanding voting shares as a controlled investment of the Company. A summary of the Company's investments in affiliates and controlled investments for the period from December 31, 2016, through September 30, 2017, is noted below:

AFFILIATE/CONTROLLED INVESTMENTS*	VALUE AT 12/31/16	PURCHASES/MERGER	INTEREST	SALES/MATURITY/EXPIRATION	REALIZED GAIN (LOSS)	CHANGE IN APPRECIATION/DEPRECIATION	VALUE 9/30/17	SHARES HELD AT 9/30/17
EQX, Inc. Common Stock*	\$ 44,430	\$ —	\$ —	\$ —	\$ —	\$ (10)	\$ 44,420	100,000
EQX, Inc. Preferred Stock - Series A*	3,975,600	—	—	—	—	—	3,975,600	4,000,000
Hera Systems, Inc. Term Note*	41,208	—	70	41,208	—	—	—	—
Hera Systems, Inc. Series A Preferred*	445,456	—	—	—	—	(291,022)	154,434	3,642,324
Hera Systems, Inc. Term Note*	—	20,000	332	20,000	—	—	—	—
Hera Systems, Inc. Convertible Note*	—	200,000	10,000	200,000	—	—	—	—
Hera Systems, Inc. Convertible Note*	30,000	—	1,836	30,000	—	—	—	—
Hera Systems, Inc. Convertible Note*	—	65,000	1,444	65,000	—	—	—	—
Hera Systems, Inc. Convertible Note*	—	70,000	1,295	70,000	—	—	—	—
Hera Systems, Inc. Term Note*	—	50,000	1,514	50,000	—	—	—	—
Hera Systems, Inc. Series B Preferred*	—	1,587,102	—	—	—	(1,133,787)	453,315	2,039,203
Hera Systems, Inc. Series B Warrants*	—	—	—	—	—	155,540	155,540	700,000
Hera Systems, Inc. Series B Warrants*	—	—	—	—	—	1,380,956	1,380,956	6,214,922
IntraOp Medical Corp. Series C Preferred*	24,511,642	—	—	—	—	(12,831,886)	11,679,756	26,856,187
IntraOp Medical Corp. Convertible Note*	1,000,000	—	156,197	—	—	—	1,000,000	1,000,000

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AFFILIATE/CONTROLLED INVESTMENTS*	VALUE AT 12/31/16	PURCHASES/MERGER	INTEREST	SALES/MATURITY/EXPIRATION	REAL-IZED GAIN (LOSS)	CHANGE IN APPRECIATION/DEPRECIATION	VALUE 9/30/17	SHARES HELD AT 9/30/17
IntraOp Medical Corp. Convertible Note*	\$ —	\$ 1,000,000	\$ 50,548	\$ —	\$ —	\$ —	\$ 1,000,000	1,000,000
IntraOp Medical Corp. Convertible Note*	—	1,500,000	1,849	—	—	—	1,500,000	1,500,000
IntraOp Medical Corp. Convertible Note*	—	1,000,000	32,877	—	—	—	1,000,000	1,000,000
IntraOp Medical Corp. Term Note*	3,000,000	—	179,507	—	—	—	3,000,000	3,000,000
IntraOp Medical Corp. Term Note*	—	2,000,000	102,137	—	—	—	2,000,000	2,000,000
Phunware, Inc., Preferred Stock Series E	7,365,796	—	—	—	—	(1,514,983)	5,850,813	3,257,328
Pivotal Systems, Series A Preferred*	6,370,532	—	—	—	—	1,010,325	7,380,857	11,914,217
Pivotal Systems, Series B Preferred*	6,985,982	—	—	—	—	1,107,932	8,093,914	13,065,236
Pivotal Systems, Series C Preferred*	2,273,159	—	—	—	—	152,598	2,425,757	2,291,260
Pivotal Systems, Series D Preferred*	4,060,924	—	—	—	—	465,353	4,526,277	6,237,978
Pivotal Systems, Series D Warrants*	284,036	—	—	—	—	121,017	405,053	4,158,654
Pivotal Systems, Common Stocks Warrants - Class B*	4,743,286	—	—	—	—	2,120,934	6,864,220	18,180,475
QMAT, Preferred Stock Series A*	10,724,961	—	—	—	—	(2,347,235)	8,377,726	16,000,240
QMAT, Preferred Stock Series B*	2,000,000	—	—	—	—	(507,200)	1,492,800	2,000,000
QMAT, Series A Warrant*	376,400	—	—	—	—	(80,000)	296,400	2,000,000
QMAT, Convertible Note*	—	1,000,000	44,055	—	—	—	1,000,000	1,000,000
QMAT, Convertible Note*	—	200,000	132	—	—	—	200,000	200,000
QMAT, Convertible Note*	—	100,000	1,468	—	—	—	100,000	100,000

Firsthand Technology Value Fund, Inc.

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AFFILIATE/CONTROLLED INVESTMENTS*	VALUE AT 12/31/16	PURCHASES/MERGER	INTEREST	SALES/MATURITY/EXPIRATION	REALIZED GAIN (LOSS)	CHANGE IN APPRECIATION/DEPRECIATION	VALUE 9/30/17	SHARES HELD AT 9/30/17
QMAT, Convertible Note*	\$ —	\$ 100,000	\$ 1,271	\$ —	\$ —	\$ —	\$ 100,000	100,000
QMAT, Convertible Note*	—	100,000	1,140	—	—	—	100,000	100,000
QMAT, Convertible Note*	—	350,000	2,378	—	—	—	350,000	350,000
Revasum, Term Note*	—	1,000,000	29,167	—	—	—	1,000,000	1,000,000
Revasum, Common Stock*	7,524	—	—	—	—	13,338	20,862	10,000
Revasum, Preferred Stock Series Seed*	2,193,400	—	—	—	—	2,588,520	4,781,920	2,200,000
Revasum, Preferred Stock Series A*	—	1,999,997	—	—	—	(122,124)	1,877,873	441,998
Silicon Genesis Corp., Common *	14,750	—	—	—	—	(1,475)	13,275	921,892
Silicon Genesis Corp., Common Warrants*	319	—	—	—	—	(46)	273	37,982
Silicon Genesis Corp., Common Warrants*	10,000	—	—	—	—	(2,000)	8,000	5,000,000
Silicon Genesis Corp., Common Warrants*	6,000	—	—	—	—	(1,200)	4,800	3,000,000
Silicon Genesis Corp., Series 1-C Preferred*	70,444	—	—	—	—	(8,209)	62,235	82,914
Silicon Genesis Corp., Series 1-D Preferred*	195,606	—	—	—	—	(24,334)	171,272	850,830
Silicon Genesis Corp., Series 1-E Preferred*	2,134,616	—	—	332,133	—	68,016	1,870,499	5,704,480
Silicon Genesis Corp., Series 1-F Preferred*	464,165	—	—	73,276	—	26,558	417,447	912,453
Silicon Genesis Corp., Series 1-G Preferred*	3,032,848	—	—	313,257	—	(90,154)	2,629,437	48,370,793

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AFFILIATE/CONTROLLED INVESTMENTS*	VALUE AT 12/31/16	PURCHASES/MERGER	INTEREST	SALES/MATURITY/EXPIRATION	REALIZED GAIN (LOSS)	CHANGE IN APPRECIATION/DEPRECIATION	VALUE 9/30/17	SHARES HELD AT 9/30/17
Silicon Genesis Corp., Series 1-H Preferred*	\$ 240,238	\$ —	\$ —	\$ 36,506	\$ —	\$ 11,535	\$ 215,267	837,942
SVXR, Inc., Series A Preferred	—	1,000,000	172	—	—	—	1,000,000	2,013,491
Telepathy Investors, Inc. Convertible Note*	1,109,340	—	18,333	2,000,000	—	890,660	—	—
Telepathy Investors, Inc. Convertible Note*	—	2,000,000	152,887	—	—	(1,656,980)	343,020	2,000,000
Telepathy Investors, Inc. Convertible Note*	83,201	—	11,638	—	—	(57,475)	25,726	150,000
Telepathy Investors, Inc. Convertible Note*	277,335	—	39,644	—	—	(191,580)	85,755	500,000
Telepathy Investors, Inc. Convertible Note*	166,401	—	24,458	—	—	(114,948)	51,453	300,000
Telepathy Investors, Inc. Convertible Note*	—	300,000	12,583	—	—	(248,547)	51,453	300,000
Telepathy Investors, Inc. Convertible Note*	277,335	—	37,397	—	—	(191,580)	85,755	500,000
Telepathy Investors, Inc. Series A Preferred*	2,096,749	—	—	—	—	(1,118,469)	978,280	15,238,000
UCT Coatings, Inc. Common Stock	394,200	—	—	—	—	517,800	912,000	1,500,000
UCT Coatings, Inc. Common Stock Warrants	1	—	—	—	—	3	4	2,283
Vufine, Inc., Series A Preferred*	1,656,000	—	—	—	—	(1,360,350)	295,650	22,500,000
Vufine, Inc., Convertible Note*	—	500,000	12,411	500,000	—	—	—	—
Vufine, Inc., Common Stock*	14,325	—	—	—	—	(13,650)	675	750,000

Firsthand Technology Value Fund, Inc.

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AFFILIATE/CONTROLLED INVESTMENTS*	VALUE AT 12/31/16	PURCHASES/MERGER	INTEREST	SALES/MATURITY/EXPIRATION	REALIZED GAIN (LOSS)	CHANGE IN APPRECIATION/DEPRECIATION	VALUE 9/30/17	SHARES HELD AT 9/30/17
Vufine, Inc., Convertible Note*	\$ 1,000,000	\$ —	\$ 33,370	\$ 1,000,000	\$ —	\$ —	\$ —	—
Vufine, Inc., Convertible Note*	—	1,500,000	40,932	—	—	—	1,500,000	1,500,000
Wrightspeed, Inc., Convertible Note	—	200,000	5,334	200,000	—	—	—	—
Wrightspeed, Inc., Series C Preferred Stock	5,811,783	529,180	—	529,180	—	(106,580)	5,705,203	2,267,659
Wrightspeed, Inc., Series D Preferred Stock	3,221,792	—	—	—	—	(58,242)	3,163,550	1,100,978
Wrightspeed, Inc., Series E Preferred Stock	1,376,470	—	—	—	—	(24,840)	1,351,630	450,814
Wrightspeed, Inc., Series F Preferred Stock	—	499,995	—	—	—	(28,536)	471,459	90,707
Wrightspeed, Inc. Series F Warrants	—	—	—	—	—	28,532	28,532	18,141
Total Affiliates and Controlled Investments	<u>\$ 104,088,254</u>		<u>\$ 1,008,376</u>			<u>\$ (13,467,825)</u>	<u>\$ 104,031,143</u>	
Total Affiliates	<u>\$ 18,170,042</u>		<u>\$ 5,506</u>			<u>\$ (1,186,846)</u>	<u>\$ 18,483,191</u>	
Total Controlled Investments	<u>\$ 85,918,212</u>		<u>\$ 1,002,870</u>			<u>\$ (12,280,979)</u>	<u>\$ 85,547,952</u>	

*Controlled investment.

As of September 30, 2017, Kevin Landis represents the Company and sits on the board of directors of Hera Systems, Inc.; IntraOp Medical, Inc.; Phunware, Inc.; Pivotal Systems, Inc.; QMAT, Inc.; Revasum, Inc.; Silicon Genesis Corp.; Telepathy Investors, Inc.; Vufine, Inc.; and Wrightspeed, Inc. Serving on boards of directors of portfolio companies may cause conflicts of interest. The Adviser has adopted various procedures to ensure that the Company will not be unfavorably affected by these potential conflicts.

NOTE 11. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Company through the date the financial statements were issued, and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

FORWARD-LOOKING STATEMENTS

The matters discussed in this report, as well as in future oral and written statements by management of the Company, include forward-looking statements based on current management expectations that involve substantial risks and uncertainties which could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements. Forward-looking statements related to future events or our future financial performance. We generally identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these terms or other similar words. Important assumptions include our ability to originate new investments and to achieve certain margins and levels of profitability and the availability of additional capital. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this report should not be regarded as a representation by us that our plans or objectives will be achieved. The forward-looking statements contained in this report include, without limitations, statements as to:

- our future operating results;
- our business prospects and the prospects of our prospective portfolio companies;
- the impact of investments that we expect to make;
- the impact of a protracted decline in the liquidity of the credit markets on our business;
- our informal relationships with third parties;
- the expected market for venture capital investments and our addressable market;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- our ability to access the equity market;
- the ability of our portfolio companies to achieve their objectives;
- our expected financings and investments;
- our regulatory structure and tax status;
- our ability to operate as a business development company and a regulated investment company;
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operation of our portfolio companies;
- the timing, form, and amount of any dividend distributions;
- impact of fluctuation of interest rates on our business;
- valuation of any investments in portfolio companies particularly those having no liquid trading market; and
- our ability to recover unrealized losses.

You should not place undue reliance on these forward-looking statements. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statement to reflect events or circumstances occurring after the date of this report.

The following discussion should be read in conjunction with our consolidated financial statements and related notes and other financial information appearing elsewhere in this prospectus. In addition to historical information, the following discussion and other parts of this prospectus contain forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated by such forward-looking information due to the factors discussed under “Risk Factors” and “Forward-Looking Statements” appearing elsewhere herein.

OVERVIEW

We are an externally managed, closed-end, non-diversified management investment company organized as a Maryland corporation that has elected to be treated as a BDC under the 1940 Act. As such, we are required to comply with certain regulatory requirements. For instance, we generally have to invest at least 70% of our total assets in “qualifying assets,” including securities of private or micro-cap public U.S. companies, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. In addition, for tax purposes we have elected to be treated as a RIC under Subchapter M of the Code. FCM serves as our investment adviser and manages the investment process on a daily basis.

Our investment objective is to seek long-term growth of capital, principally by seeking capital gains on our equity and equity-related investments. There can be no assurance that we will achieve our investment objective. Under normal circumstances, we invest at least 80% of our net assets for investment purposes in technology companies. We consider technology companies to be those companies that derive at least 50% of their revenues from products and/or services within the information technology sector or in the “cleantech” sector. Information technology companies include, but are not limited to, those focused on computer hardware, software, telecommunications, networking, Internet, and consumer electronics. While there is no standard definition of cleantech, it is generally regarded as including goods and services designed to harness renewable energy and materials, eliminate emissions and waste, and reduce the use of natural resources. In addition, under normal circumstances we invest at least 70% of our total assets in privately held companies and public companies with market capitalizations of less than \$250 million. Our portfolio is primarily composed of equity and equity derivative securities of technology and cleantech companies (as defined above). These investments generally range between \$1 million and \$10 million each, although the investment size will vary proportionately with the size of our capital base. We acquire our investments through direct investments in private companies, negotiations with selling shareholders, and in organized secondary marketplaces for private securities.

While our primary focus is to invest in illiquid private technology and cleantech companies, we also may invest in micro-cap publicly traded companies. In addition, we may invest up to 30 percent of the portfolio in opportunistic investments that do not constitute the private companies and micro-cap public companies described above. These other investments may include investments in securities of public companies that are actively traded or in actively traded derivative securities such as options on securities or security indices. These other investments may also include investments in high-yield bonds, distressed debt, or securities of public companies that are actively traded and securities of companies located outside of the United States. Our investment activities are managed by FCM.

PORTFOLIO COMPOSITION

We make investments in securities of both public and private companies. Our portfolio investments consist principally of equity and equity-like securities, including common and preferred stock, warrants for the purchase of common and preferred stock, and convertible and term notes. The fair value of our investment portfolio was approximately \$138.7 million as of September, 2017, as compared to approximately \$147.5 million as of December 31, 2016.

The following table summarizes the fair value of our investment portfolio by industry sector as of September 30, 2017, and December 31, 2016.

	September 30, 2017	December 31, 2016
Semiconductor Equipment	27.5%	18.1%
Medical Devices	15.2%	19.2%
Advanced Materials	9.3%	9.1%
Automotive	7.7%	7.0%
Networking	7.4%	7.4%
Consumer Electronics	6.6%	6.5%
Cloud Computing	6.1%	5.7%
Mobile Computing	4.2%	4.9%
Intellectual Property	3.9%	4.1%
Equipment Leasing	2.9%	2.7%
Renewable Energy	2.1%	2.4%
Aerospace	1.5%	0.4%
Semiconductor	1.3%	0.3%
Software	0.2%	0.2%
Water Purification	0.0%	0.0%
Advertising Technology	—	6.9%
Other Electronics	—	0.9%
Computer Storage	—	0.1%
Money Market Fund	3.7%	0.0%

continued

September 30, 2017

December 31, 2016

Exchange-Traded Funds	—	3.2%
Other Assets in Excess of Liabilities	0.4%	0.9%
Net Assets	100.0%	100.0%

MATURITY OF PRIVATE COMPANIES IN THE CURRENT PORTFOLIO

The Fund invests in private companies at various stages of maturity. As our portfolio companies mature, they move from the “early (development) stage” to the “middle (revenue) stage” and then to the “late stage.” We expect that this continuous progression may create a pipeline of potential exit opportunities through initial public offerings (IPOs) or acquisitions. Of course, some companies do not progress.

The illustration below describes typical characteristics of companies at each stage of maturity and where we believe our current portfolio companies fit within these categories. We expect some of our portfolio companies to transition between stages of maturity over time. The transition may be forward if the company is maturing and is successfully executing its business plan or may be backward if the company is not successfully executing its business plan or decides to change its business plan substantially from its original plan.

EARLY STAGE

Developing product or service for market, high level of research and development, little or no revenue.

MIDDLE STAGE

Established product, customers, business model; limited revenues.

LATE STAGE

Appreciable revenue; may be break-even or profitable; IPO or acquisition candidate.

RESULTS OF OPERATIONS

Comparison of the three months ended September 30, 2017 to the three months ended September 30, 2016.

INVESTMENT INCOME

For the three months ended September 30, 2017, we had investment income of \$433,367 primarily attributable to interest accrued on convertible/term note investments with Telepathy Investors, IntraOp Medical, Revasum and QMAT.

For the three months ended September 30, 2016, we had investment income of \$240,011 primarily attributable to interest accrued on convertible/term note investments with Telepathy Investors, IntraOp Medical, Vufine and Turn.

The higher level of interest income in the three months ended September 30, 2017 compared to the three months ended September 30, 2016 was due to increased investments in convertible notes, particularly IntraOp, QMAT and Revasum.

OPERATING EXPENSES

Gross operating expenses totaled approximately \$1,076,922 during the three months ended September 30, 2017 and \$1,162,036 during the three months ended September 30, 2016.

Significant components of gross operating expenses for the three months ended September 30, 2017, were management fee expense of \$707,865 and professional fees (audit, legal, accounting, and consulting) of \$128,954. Significant components of gross operating expenses for the three months ended September 30, 2016, were management fee expense of \$813,334 and professional fees (audit, legal, accounting, and consulting) of \$194,218.

The lower level of gross operating expenses for the three months ended September 30, 2017 compared to the three months ended September 30, 2016 is primarily attributable to a decrease in our total assets, on which the investment advisory fees are based.

NET INVESTMENT LOSS

Net investment loss was \$643,555 for the three months ended September 30, 2017 versus a net investment loss of \$922,025 for the three months ended September 30, 2016.

The lesser net investment loss in the three months ended September 30, 2017 compared to the three months ended September 30, 2016 is primarily due to a combination of increased investment income and a decrease in total assets, on which the investment advisory fees are based, for the three months ended September 30, 2017.

NET INVESTMENT REALIZED GAINS AND LOSSES AND UNREALIZED APPRECIATION AND DEPRECIATION

A summary of the net realized and unrealized gains and losses on investments for the three-month period ended September 30, 2017, and September 30, 2016, is shown below.

	Three Months Ended September 30, 2017
Realized gains	\$ 207,196
Net change in unrealized depreciation on investments	(23,555)
Net realized and unrealized losses on investments	\$ 183,641
	As of September 30, 2017
Gross unrealized appreciation on portfolio investments	\$ 23,926,315
Gross unrealized depreciation on portfolio investments	(59,521,451)
Net unrealized depreciation on portfolio investments	\$ (35,595,136)

	Three Months Ended September 30, 2016
Realized losses	\$ (9,307,595)
Net change in unrealized depreciation on investments	725,166
Net realized and unrealized losses on investments	\$ (8,582,429)
	As of September 30, 2016
Gross unrealized appreciation on portfolio investments	\$ 13,635,660
Gross unrealized depreciation on portfolio investments	(40,125,639)
Net unrealized depreciation on portfolio investments	\$ (26,489,979)

During the three months ended September 30, 2017, we recognized net realized gains of approximately \$207,196 from the release of an escrow from the previous sale of our Turn investment.

During the three months ended September 30, 2017, net unrealized depreciation on total investments increased by \$23,555. The change in net unrealized appreciation and depreciation of our private investments is based on portfolio asset valuations determined in good faith by our Board of Directors.

During the three months ended September 30, 2016, we recognized net realized losses of approximately \$9,307,595 from the sale/transfer of investments.

During the three months ended September 30, 2016, net unrealized depreciation on total investments decreased by \$725,166. The change in net unrealized appreciation and depreciation of our private investments is based on portfolio asset valuations determined in good faith by our Board of Directors. The decrease in unrealized depreciation on total investments during the quarter is due primarily to the transfer of securities to our wholly-owned affiliate, Firsthand Development, Ltd. (See Note 1) which triggered the recognition of losses on securities that were in a depreciation position prior to the transfer.

INCOME AND EXCISE TAXES

It is our intent to continue to qualify as a RIC under Subchapter M of the Code; accordingly, the Company does not provide for income taxes. The Company does, however, recognize interest and penalties, if any, as an income tax expense.

NET INCREASE/(DECREASE) IN ASSETS RESULTING FROM OPERATIONS AND CHANGE IN NET ASSETS PER SHARE

For the three months ended September 30, 2017, the net decrease in net assets resulting from operations totaled \$459,914 and the basic and fully diluted net change in net assets per share for the three months ended September 30, 2017 was (\$0.07).

For the three months ended September 30, 2016, the net decrease in net assets resulting from operations totaled \$9,504,454 and the basic and fully diluted net change in net assets per share for the three months ended September 30, 2016 was (\$1.23).

The smaller decrease in net assets resulting from operations for the three months ended September 30, 2017 as compared to the three months ended September 30, 2016, is due primarily to the performance of our investments.

Comparison of the nine months ended September 30, 2017 to the nine months ended September 30, 2016.

INVESTMENT INCOME

For the nine months ended September 30, 2017, we had investment income of \$1,043,461 primarily attributable to interest accrued on convertible/term note investments with Telepathy Investors, IntraOp Medical, Revasum and QMAT.

For the nine months ended September 30, 2016, we had investment income of \$616,806 primarily attributable to interest accrued on convertible/term note investments with Silicon Genesis Corporation, IntraOp Medical, Pivotal Systems and Telepathy Investors.

The higher level of interest income in the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016, was due to increased investments in convertible/term notes, particularly IntraOp, QMAT and Revasum.

OPERATING EXPENSES

Gross operating expenses totaled approximately \$3,099,817 during the nine months ended September 30, 2017 and \$3,441,292 during the nine months ended September 30, 2016.

Significant components of operating expenses for the nine months ended September 30, 2017, were management fee expense of \$2,175,267, and professional fees (audit, legal, accounting, and consulting) of \$374,257. Significant components of operating expenses for the nine months ended September 30, 2016, were management fee expense of \$2,510,446, and professional fees (audit, legal, accounting, and consulting) of \$456,623.

The lower level of operating expenses for the nine months ended September 30, 2017, compared to the nine months ended September 30, 2016, is primarily attributable to the decrease in our total assets, on which the investment advisory fees are based.

NET INVESTMENT LOSS

Net investment loss was \$2,056,356 for the nine months ended September 30, 2017 and \$2,824,486 for the nine months ended September 30, 2016.

The lesser net investment loss in the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 is primarily due to a combination of increased investment income and a decrease in total assets, on which the investment advisory fees are based, for the nine months ended September 30, 2017.

NET INVESTMENT REALIZED GAINS AND LOSSES AND UNREALIZED APPRECIATION AND DEPRECIATION

A summary of the gross and net realized and unrealized gains and losses on investments for the nine-month periods ended September 30, 2017, and September 30, 2016, is shown below.

	Nine Months Ended September 30, 2017
Realized gains	\$ 767,988
Net change in unrealized depreciation on investments	(8,338,836)
Net realized and unrealized losses on investments	\$ (7,570,848)
	As of September 30, 2017
Gross unrealized appreciation on portfolio investments	\$ 23,926,315
Gross unrealized depreciation on portfolio investments	(59,521,451)
Net unrealized depreciation on portfolio investments	\$ (35,595,136)
	Nine Months Ended September 30, 2016
Realized losses	\$ (1,780,061)
Net change in unrealized depreciation on investments	(13,892,391)
Net realized and unrealized losses on investments	\$ (15,672,452)
	As of September 30, 2016
Gross unrealized appreciation on portfolio investments	\$ 13,635,660
Gross unrealized depreciation on portfolio investments	(40,125,639)
Net unrealized depreciation on portfolio investments	\$ (26,489,979)

During the nine months ended September 30, 2017, we recognized net realized gains of approximately \$767,988 from the sale/transfer of securities. During the nine months ended September 30, 2016, we recognized net realized losses of approximately \$1,780,061 from the sale/transfer of securities. Realized gains were more than those during the nine months ended September 30, 2016 due to the gains realized on the sale of investments.

During the nine months ended September 30, 2017, net unrealized depreciation on total investments increased by \$8,338,836 compared to an increase of \$13,892,391 in unrealized depreciation on the total investments during the nine months ended September 30, 2016. The change in net unrealized appreciation and depreciation of our private investments is based on portfolio asset valuations determined in good faith by our Board of Directors. This increase in net unrealized depreciation was primarily the result of a decrease in valuation to our QMAT, Aliphcom, IntraOp and Telepathy Investments for the nine months ended September 30, 2017.

INCOME AND EXCISE TAXES

It is our intent to continue to qualify as a RIC under Subchapter M of the Code; accordingly, the Company does not provide for income taxes. The Company does, however, recognize interest and penalties, if any, as an income tax expense.

NET INCREASE/(DECREASE) IN ASSETS RESULTING FROM OPERATIONS AND CHANGE IN NET ASSETS PER SHARE

For the nine months ended September 30, 2017, the net decrease in net assets resulting from operations totaled \$9,627,204 and for the nine months ended September 30, 2016, the net decrease in net assets resulting from operations totaled \$18,496,938. The basic and fully diluted net change in net assets per share for the nine months ended September 30, 2017 was (\$1.30) and the basic and fully diluted net change in net assets per share for the nine months ended September 30, 2016 was (\$2.40). The lesser decrease in net assets for the nine months ended September 30, 2017, compared to the nine months ended September 30, 2016, was due primarily to the increase in valuation to some investments, most notably Pivotal Systems.

DISTRIBUTION POLICY

Our board of directors will determine the timing and amount, if any, of our distributions. We intend to pay distributions on an annual basis out of assets legally available therefore. In order to qualify as a RIC and to avoid corporate-level tax on our income, we must distribute to our stockholders at least 90% of our ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any, on an annual basis. In addition, we also intend to distribute any realized net capital gains (*i.e.*, realized net long-term capital gains in excess of realized net short-term capital losses) at least annually.

CONTRACTUAL OBLIGATIONS

The Fund does not have any Contractual Obligations that meet the requirements for disclosure under Item 303 of Regulation S-K.

OFF-BALANCE SHEET ARRANGEMENTS

The Fund does not have any Off-Balance Sheet Arrangements.

CRITICAL ACCOUNTING POLICIES

This discussion of our financial condition and results of operations is based upon our financial statements, which are prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these financial statements will require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Changes in the economic environment, financial markets, and any other parameters used in determining such estimates could cause actual results to differ. In addition to the discussion below, we will describe our critical accounting policies in the notes to our future financial statements.

Valuation of Portfolio Investments

As a business development company, we generally invest in illiquid equity and equity derivatives of securities of venture capital stage technology companies. Under written procedures established by our board of directors, securities traded on stock exchanges, or quoted by NASDAQ, are valued according to the NASDAQ Stock Market, Inc. ("NASDAQ") official closing price, if applicable, or at their last reported sale price as of the close of trading on the New York Stock Exchange ("NYSE") (normally 4:00 P.M. Eastern Time). If a security is not traded that day, the security will be valued at its most recent bid price. Securities traded in the over-the-counter market, but not quoted by NASDAQ, are valued at the last sale price (or, if the last sale price is not readily available, at the most recent closing bid price as quoted by brokers that make markets in the securities).

at the close of trading on the NYSE. Securities traded both in the over-the-counter market and on a stock exchange are valued according to the broadest and most representative market. We obtain these market values from an independent pricing service or at the mean between the bid and ask prices obtained from at least two brokers or dealers (if available, otherwise by a principal market maker or a primary market dealer). In addition, a large percentage of our portfolio investments are in the form of securities that are not publicly traded. The fair value of securities and other investments that are not publicly traded may not be readily determinable. We value these securities quarterly at fair value as determined in good faith by our board of directors. Our board of directors may use the services of a nationally recognized independent valuation firm to aid it in determining the fair value of these securities. The methods for valuing these securities may include: fundamental analysis (sales, income, or earnings multiples, etc.), discounts from market prices of similar securities, purchase price of securities, subsequent private transactions in the security or related securities, or discounts applied to the nature and duration of restrictions on the disposition of the securities, as well as a combination of these and other factors. Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time, and may be based on estimates, our determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. Our net asset value could be adversely affected if our determinations regarding the fair value of our investments were materially higher than the values that we ultimately realize upon the disposal of such securities.

Revenue Recognition

We record interest or dividend income on an accrual basis to the extent that we expect to collect such amounts. We do not accrue as a receivable interest on loans and debt securities if we have reason to doubt our ability to collect such interest. Loan origination fees, original issue discount, and market discount are capitalized, and we amortize any such amounts as interest income. Upon the prepayment of a loan or debt security, any unamortized loan origination is recorded as interest income. We will record prepayment premiums on loans and debt securities as interest income when we receive such amounts.

Net Realized Gains or Losses and Net Change in Unrealized Appreciation or Depreciation

We measure realized gains or losses by the difference between the net proceeds from the repayment or sale and the cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized. Net change in unrealized appreciation or depreciation reflects the change in portfolio investment values during the reporting period, including any reversal of previously recorded unrealized appreciation or depreciation, when gains or losses are realized.

Inflation

Inflation has not had a significant effect on our results of operations in any of the reporting periods presented herein. However, our portfolio companies have experienced, and may in the future experience, the impacts of inflation on their operating results.

SUBSEQUENT EVENTS

Subsequent to the close of the fiscal quarter on September 30, 2017, and through the date of the issuance of the financial statements included herein, a number of events related to our portfolio of investments occurred, consisting primarily of purchases and sales of securities. Since that date, we have purchased private securities with an aggregate cost of approximately \$2.6 million. We have also sold public securities with an aggregate value of approximately \$2.9 million.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company's business activities contain elements of risk. We consider the principal types of market risk to be valuation risk and small company investment risk.

VALUATION RISK

Value, as defined in Section 2(a)(41) of the 1940 Act, is (i) the market price for those securities for which market quotations are readily available and (ii) fair value as determined in good faith by, or under the direction of, the Board of Directors for all other assets.

Because there is typically no public market for our interests in the small privately-held companies in which we invest, the valuation of the securities in that portion of our portfolio is determined in good faith by our Board of Directors with the assistance of our Valuation Committee, comprised of the independent members of our Board of Directors, in accordance with our Valu-

ation Procedures. In addition, the Board of Directors may use the services of a nationally recognized independent valuation firm to aid it in determining the fair value of some of these securities. In the absence of a readily ascertainable market value, the determined value of our portfolio of securities may differ significantly from the values that would be placed on the portfolio if a ready market for such securities existed. Determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio investment, although our valuation policy is intended to provide a consistent basis for determining fair value of the portfolio investments. The methods for valuing these securities may include: fundamental analysis (sales, income, or earnings multiples, etc.), discounts from market prices of similar securities, purchase price of securities, subsequent private transactions in the security or related securities, or discounts applied to the nature and duration of restrictions on the disposition of the securities, as well as a combination of these and other factors. Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time, and may be based on estimates, our determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed.

Furthermore, changes in valuation of any of our investments in privately-held companies from one period to another may be volatile.

Investments in privately held, immature companies are inherently more volatile than investments in more mature businesses. Such immature businesses are inherently fragile and easily affected by both internal and external forces.

Our portfolio companies can lose much or all of their value suddenly in response to an internal or external adverse event. Conversely, these immature businesses can gain suddenly in value in response to an internal or external positive development.

The values assigned to our assets are based on available information and do not necessarily represent amounts that might ultimately be realized, as these amounts depend on future circumstances and cannot be reasonably determined until the individual investments are actually liquidated or become readily marketable. Upon sale of investments, the values that are ultimately realized may be different from what is presently estimated. This difference could be material.

PRIVATELY PLACED SMALL COMPANIES RISK

The Company invests in small companies, and its investments in these companies are considered speculative in nature. The Company's investments often include securities that are subject to legal or contractual restrictions on resale that adversely affect the liquidity and marketability of such securities. As a result, the Company is subject to risk of loss which may prevent our shareholders from achieving price appreciation, dividend distributions and return of capital.

WE CURRENTLY HOLD A PORTION OF OUR ASSETS IN CASH

As of June 30, 2017, a portion of the Company's assets (3.7%) was invested in cash and/or cash equivalents, which are expected to earn low yields. Given the current low interest rate environment, to the extent the management fee and other operating expenses exceed interest income on the cash holdings of the Company, the Company may experience losses. Furthermore, the investment advisory fee payable by us will not be reduced while our assets are invested in cash-equivalent securities.

In some cases, particularly for primary transactions, it is to our advantage to hold sufficient cash reserve so that we can make additional subsequent investments in these companies in order to (a) avoid having our earlier investments become diluted in future dilutive financings, (b) invest additional capital into existing portfolio companies in case additional investments are necessary, and/or (c) exercise warrants, options, or convertible securities that were acquired as part of the earlier transactions. For this reason, in the case of primary transactions (as opposed to secondary transactions where we do not buy the securities from the issuing companies but instead from existing stockholders), we typically reserve cash in an amount at least equal to our initial investment for such follow-on opportunities. Cash reserves held with respect to a particular investment should, therefore, decline as it is held longer, and will typically not be needed once that portfolio company becomes public or we determine it is no longer in our best interest to make investments in such portfolio company.

We may from time to time liquidate various investments. We are required to distribute substantially all of our net realized gains to stockholders on an annual basis and, therefore, will generally hold the proceeds of liquidated investments in cash pending its distribution.

ITEM 4. CONTROLS AND PROCEDURES.

(a) Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective and provided reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

(b) Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act, that occurred during the fiscal quarter ended September 30, 2017, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

We are not a party to any material pending legal proceeding, and no such proceedings are known to be contemplated.

ITEM 1A. RISK FACTORS.

There have been no material changes from risk factors as previously disclosed in our Form 10-K for the period ended September 30, 2017 in response to Item 1A of Part 1 of Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

None.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

EXHIBIT NUMBER	DESCRIPTION
31.1	Chief Executive Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Chief Financial Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.	Chief Executive Officer and Chief Financial Officer Certification Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

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 thereunto duly authorized.

FIRSTHAND TECHNOLOGY VALUE FUND, INC.



Dated: November 9, 2017

By:

Kevin Landis
Chief Executive Officer



Dated: November 9, 2017

By:

Omar Billawala
Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
31.1	Chief Executive Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Chief Financial Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.	Chief Executive Officer and Chief Financial Officer Certification Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Certification of Chief Executive Officer
Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a)

I, Kevin Landis, certify that:

1. I have reviewed the Quarterly Report on Form 10-Q of Firsthand Technology Value Fund, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement or a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure control and procedures to be designed under our supervision, to ensure material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017



Kevin Landis
Chief Executive Officer

Certification of Chief Financial Officer
Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a)

I, Omar Billawala, certify that:

1. I have reviewed the Quarterly Report on Form 10-Q of Firsthand Technology Value Fund, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement or a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure control and procedures to be designed under our supervision, to ensure material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017



Omar Billawala
Chief Financial Officer

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Firsthand Technology Value Fund, Inc. (the "Company") for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Kevin Landis and Omar Billawala, as Chief Executive Officer and Chief Financial Officer of the Company, respectively, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of their knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 9, 2017



Kevin Landis
Chief Executive Officer



Omar Billawala
Chief Financial Officer