



**TRINITY  
CAPITAL**

*A National Leader in Growth Stage Lending*

**Second Quarter 2021  
Investor Presentation**

# FORWARD LOOKING STATEMENTS | DISCLAIMER

Trinity Capital Inc. (the “Company”) cautions that this presentation may contain forward-looking statements that are based on current expectations and assumptions about future events, and which are not based in historical fact. The forward-looking statements in this presentation are based on current conditions as of the date of this presentation, and include, but are not limited to, statements regarding our financial objectives, beliefs, strategies, anticipated future operating results and cash flows, operating expenses, investment originations and performance, available capital, and payment of future dividends and stockholder returns. Although our management believes that the expectations reflected in any forward-looking statements are reasonable, actual results could differ materially from those expressed or implied in the forward-looking statements. By their nature, these forward-looking statements involve numerous assumptions, uncertainties and risks, both general and specific. The risk exists that these statements may not be fulfilled. We caution readers of this presentation not to place undue reliance on these forward-looking statements, as a number of factors could cause future Company results to differ materially from these statements. Forward-looking statements may be influenced in particular by factors such as fluctuations in interest rates and stock indices, the effects of competition in the areas in which we operate, and changes in economic, political and regulatory conditions, including as a result of the coronavirus (COVID-19) pandemic. When relying on forward-looking statements to make decisions, investors should carefully consider the aforementioned factors as well as other uncertainties and events. Historical results discussed in this presentation are not indicative of future results.

The information disclosed in this presentation is made as of the date hereof and reflects Trinity Capital Inc.’s current assessment of its financial performance for the most recent period reported. Actual financial results filed with the Securities and Exchange Commission in the future may differ from those contained herein in the event of additional adjustments recorded prior to the filing of its financial statements. The information contained in this presentation should be viewed in conjunction with Trinity Capital Inc.’s most recently filed Quarterly Report on Form 10-Q, Annual Report on Form 10-K or Registration Statement on Form 424B1. We undertake no obligation to update the information contained herein to reflect subsequently occurring events or circumstances, except as required by applicable securities laws and regulations.

This presentation does not constitute a prospectus and should under no circumstances be understood as an offer to sell or the solicitation of an offer to buy our common stock or any other securities nor will there be any sale of the common stock or any other securities referred to in this presentation in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction. Nothing in these materials should be construed as a recommendation to invest in any securities that may be issued by Trinity Capital Inc. or as legal, accounting or tax advice.

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# COMPANY OVERVIEW



# TRINITY CAPITAL OVERVIEW

Structure   IPO Date	Internally Managed - Business Development Company   February 2, 2021		
Exchange   Ticker	Nasdaq   TRIN		
Business	Secured loans and equipment financing to growth stage companies backed by technology banks, venture capital and private equity firms		
Market Capitalization	\$389.6 Million <sup>(1)</sup> Market Cap	\$14.33 <sup>(2)</sup> NAV per Share	
13 Year Track Record <sup>(3)</sup>	\$23.4 Billion Opportunities	\$1.4 Billion Fundings	186 Investments
Portfolio <sup>(2)</sup>	57 Companies Debt Positions	60 Companies Warrant Positions	11 Companies Equity Positions
Liquidity <sup>(2)</sup>	\$108 Million Available Liquidity	BBB- Investment Rating <sup>(4)</sup>	Debt to Equity 65%

(1) Based on the closing price of TRIN on August 4, 2021.

(2) As of June 30, 2021.

(3) Historical information includes information and data related to Trinity Capital's predecessor funds, the first of which was launched in 2008, through June 30, 2021. The predecessor funds were merged with and into Trinity Capital on January 16, 2020, immediately after which Trinity Capital began operating as a business development company.

(4) Credit rating assigned by Egan-Jones Ratings Company, an independent, unaffiliated rating agency. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. There can be no assurance that this rating will remain for any given period-of-time.

# WHY IS TRINITY DIFFERENT

We understand the growth stage world and provide more than money to our portfolio company partners

## Deep Operating Experience

- Highly experienced executive team with startup experience
- Decades of in-depth high-tech experience
- Numerous U.S. and International patents issued

## One Stop – Loans & Equipment Financing

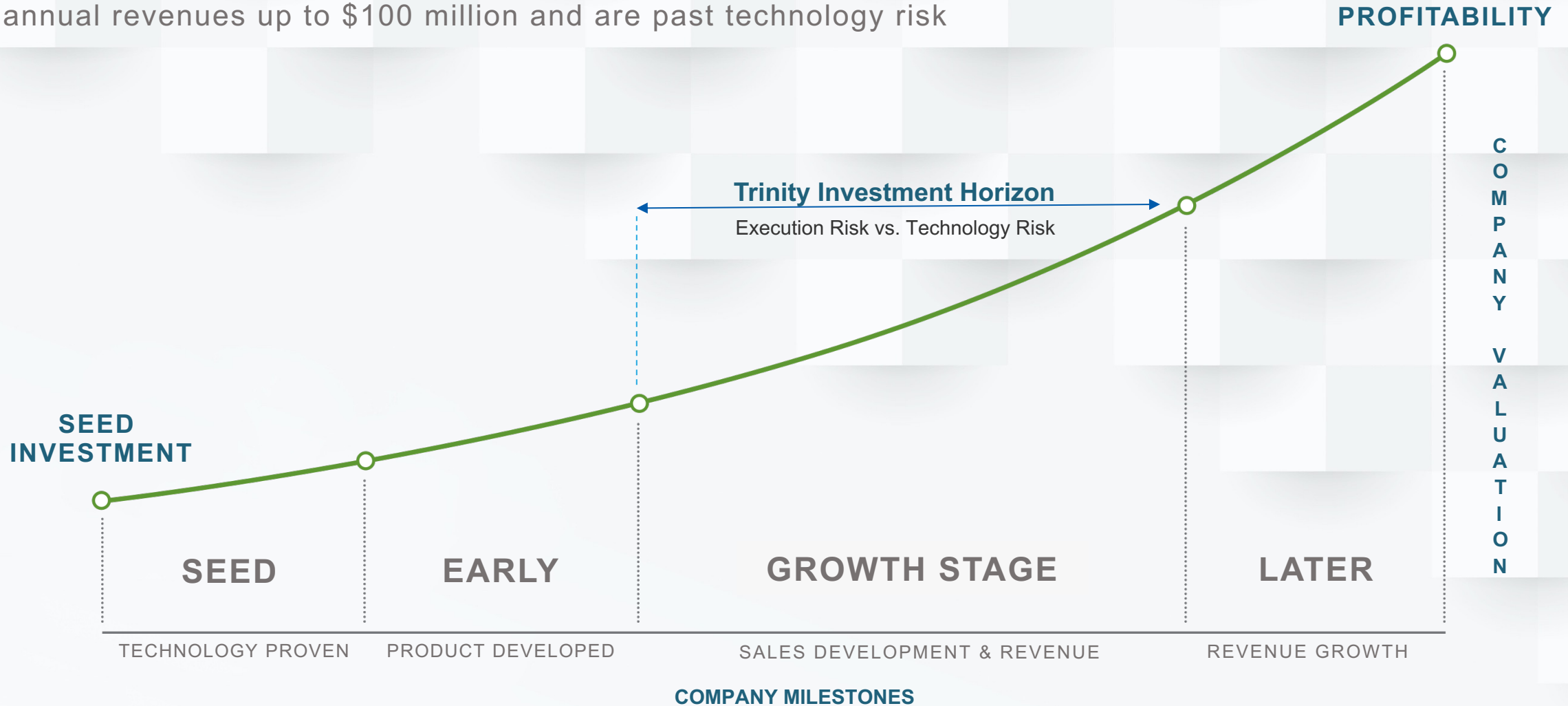
- Providing term loans and equipment financing to growth stage companies
- Flexible financing solutions based on the company's requirement
- Financing solutions to a highly fragmented, underserved market

## Robust & Scalable Platform

- Robust and scalable systems for origination, underwriting and monitoring
- Separation of origination, underwriting and monitoring duties aides “positive feedback” loop
- 39 dedicated professionals with a unique culture built over 13+ years

# INVESTMENT HORIZON

Growth Stage Companies are generally defined as having active equity sponsors, annual revenues up to \$100 million and are past technology risk



# SENIOR & SUBORDINATED TERM LOANS

## Term Loans

01

### SENIOR / SUBORDINATED LOAN

*Work With The Banks*

02

### BACKED BY INSTITUTIONAL CAPITAL

*Companies Have Raised Equity*

03

### STILL BURNING CASH

*Companies in Growth Mode and Still Burning Cash*

## Select Examples



*Madison Reed is an American brand of hair care and hair color products.*

- **Investor Syndicate**

Norwest Venture Partners, True Ventures, Comcast Ventures

- **Use of loan**

Extension of runway

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*DailyPay is a fintech provider of earned income software that integrates with large companies' payroll & time management systems to allow employees to harness the power of their pay.*

- **Investor Syndicate**

Intercept Ventures, Inspirational Ventures, RPM Ventures

- **Use of Loan**

Working capital, fuel growth



# EQUIPMENT FINANCING

## Equipment Financing

01

### COMPANIES WITH CAPEX REQUIREMENTS

*Manufacturing Equipment and Hard Assets*

02

### HARDWARE AS A SERVICE

*Equipment at Customer Location*

03

### INDUSTRY AGNOSTIC

## Select Examples



*Impossible Foods is a company that develops plant-based substitutes for meat products*

- **Investor Syndicate**  
Khosla Ventures, Horizons Ventures
- **Use of Equipment Financing**  
Manufacturing equipment

*Happiest Baby, the parenting solutions company, has brought to us the safest and smartest baby bed SNOO*

- **Investor Syndicate**  
Lux Capital, Greycroft Partners, Obvious Ventures
- **Use of Equipment Financing**  
Hardware as a service – Happiest Baby equipment at customer's location

# CURRENT MARKET CONDITIONS AND OPPORTUNITIES

Attractive growth opportunity in the debt and equipment financing space

## Continued investment in our team and platform

- We've added to the team over the last nine months
- Robust Pipeline activity – 70% increase in opportunities compared to Q2'20

## The VC ecosystem has been incredibly resilient

- Venture Capital funding continued to be strong in 1H 2021 - \$150 Billion<sup>(1)</sup>
- US VCs closed 338 funds totaling \$74 billion<sup>(1)</sup>

## Focusing on areas that we think are attractive

- Identified certain industries and company profiles that help reduce risk in this environment
- Large underserved market to growth stage companies

# PARTNERSHIP WITH TOP VCS AND TECHNOLOGY BANKS

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Multiple **shared portfolio companies** with top Venture Capital Firms

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Relationships with **top market share banks** catering to majority of VC-backed companies

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We have established **inter-creditor** agreements with the banks

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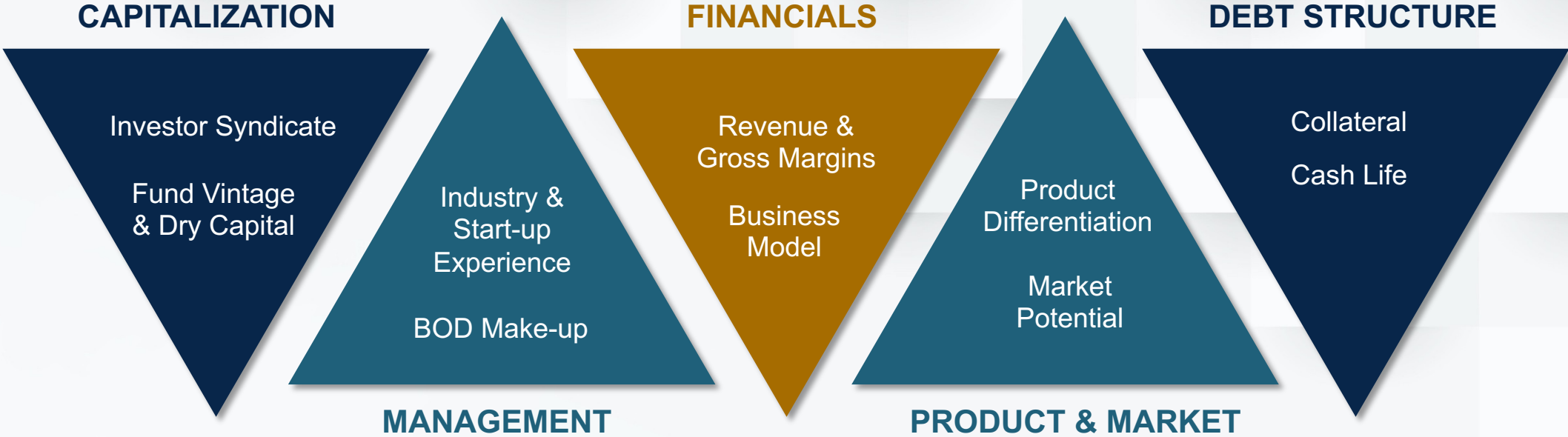
Combining with bank debt results in a **lower blended cost** to our customers

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We provide **equipment financing** and **incremental debt capital**

# UNDERWRITING APPROACH AND RISK MITIGATION

Disciplined investment approach keeps our annualized loss rate at 27 Bps and is more than offset by realized gains on warrant/equity investments<sup>(1)</sup>



(1) Includes historical information of Trinity Capital's predecessor funds, the first of which was launched in 2008, through June 30, 2021. Past performance is not indicative of future results. No assurance can be given that the Company's investment objective will be achieved or that an investor will receive a return of all or any part of such investor's investment. Investment results may vary significantly over any given time period.

# FINANCIAL HIGHLIGHTS



# Q2 2021 HIGHLIGHTS

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## Robust Earnings

- Total Investment Income of \$19.5M
- Net Investment Income (“NII”) of \$10.1M
- Net Investment Margin (“NIM”) of \$12.3%
- NII per share of \$0.38 provides 131% distribution coverage
- Increased the second quarter dividend distribution to \$0.29 per share

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## Leading Originations Platform

- Debt & equity commitments in Q2 2021: \$126.5M
- Debt & equity fundings in Q2 2021: \$122.4M
- Net portfolio growth at Cost: \$49.3M
- Net portfolio growth at FMV: \$62.0M

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## Portfolio Yielding Assets

- Total Debt Investments (at cost): \$521.0M
- Total Investments (at cost): \$574.6M
- Effective Yield: 15.9% compared to 15.5% in Q1 2021

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## Liquidity

- \$108M available liquidity (subject to existing terms and covenants of the Company’s credit facility)
- Debt to Equity 65%

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## Credit Rating

- Egan Jones BBB-<sup>(1)</sup>
- Stable Outlook

# QUARTERLY INCOME STATEMENT

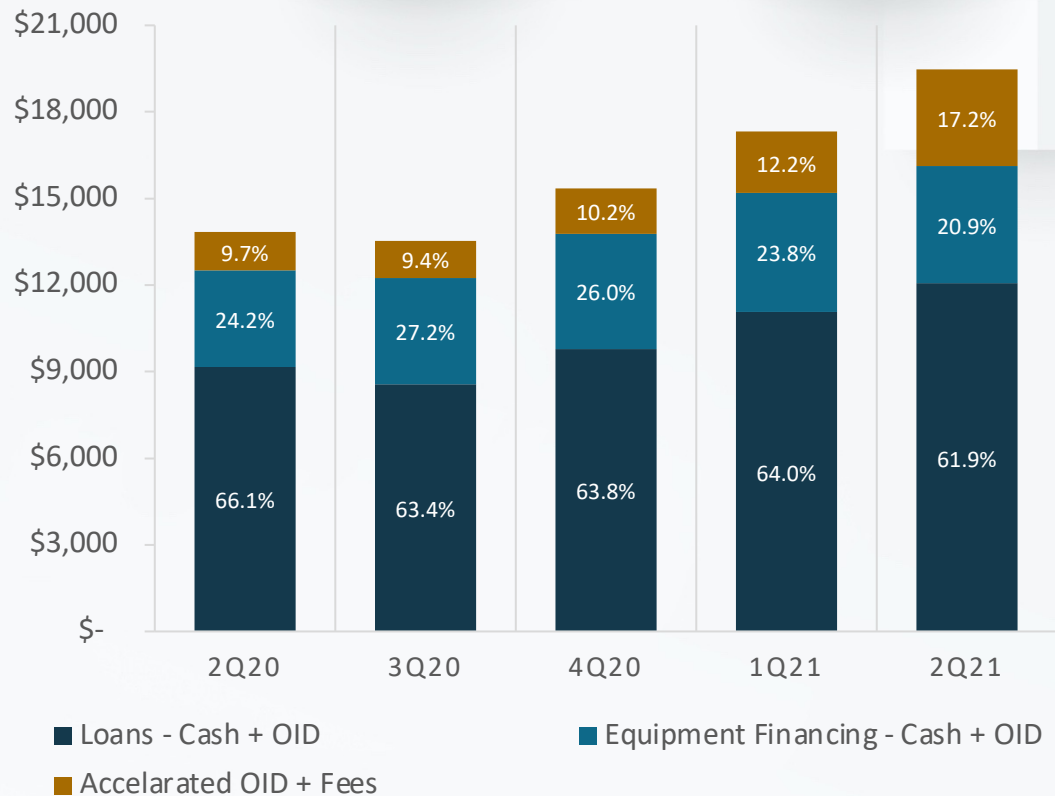
	For the three months ended				
<i>(In 000's, except per share amounts)</i>	06/30/2021	3/31/2021	12/31/2020	9/30/2020	06/30/2020
<b>Total Investment Income</b>	<b>\$19,476</b>	<b>\$17,320</b>	<b>\$15,340</b>	<b>\$13,529</b>	<b>\$13,847</b>
Interest expense and other debt financing costs	4,425	4,616	4,340	3,893	4,281
Compensation and benefits	3,370	3,996	4,482	2,892	1,681
General and administrative	1,601	1,455	1,232	1,128	1,124
<b>Total Operating Expenses</b>	<b>9,396</b>	<b>10,067</b>	<b>10,054</b>	<b>7,913</b>	<b>7,086</b>
<b>Net Investment Income (NII)</b>	<b>10,080</b>	<b>7,253</b>	<b>5,286</b>	<b>5,616</b>	<b>6,761</b>
Net Realized Gain / (Loss) from Investments	1,995	2,595	(5,029)	(1,490)	(2,002)
Net Change in Unrealized Appreciation / (Depreciation) from Investments	12,630	15,476	8,995	8,208	2,122
Costs related to the acquisition of Trinity Capital Holdings, LLC. and Legacy Funds	-	-	472	-	-
<b>Net Increase (Decrease) in Net Assets from Operations</b>	<b>\$24,705</b>	<b>\$25,324</b>	<b>\$9,724</b>	<b>\$12,334</b>	<b>6,881</b>
<b>Net Investment Income (NII) per Share</b>	<b>\$0.38</b>	<b>\$0.31</b>	<b>\$0.29</b>	<b>\$0.31</b>	<b>\$0.37</b>
<b>Net Increase (Decrease) in Net Assets resulting from Operations per Share</b>	<b>\$0.93</b>	<b>\$1.08</b>	<b>\$0.53</b>	<b>\$0.68</b>	<b>\$0.38</b>
<b>Weighted Average Shares Outstanding – Basic and Diluted</b>	<b>26,479</b>	<b>23,555</b>	<b>18,261</b>	<b>18,166</b>	<b>18,075</b>

# INCOME SOURCE & PORTFOLIO YIELD TRENDS

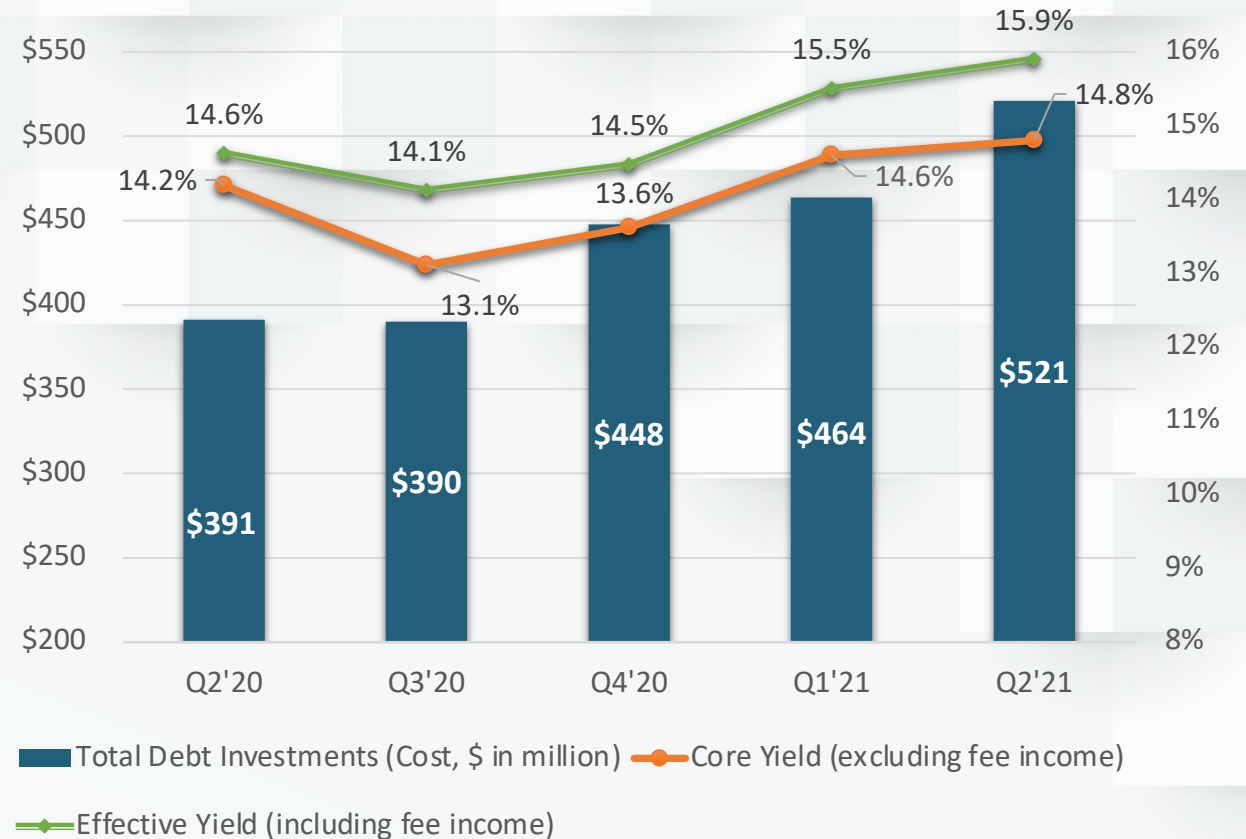
Early principal repayments of \$51.1 million in Q2 2021 generated higher portfolio yields

## SOURCES OF INVESTMENT INCOME

IN THOUSANDS



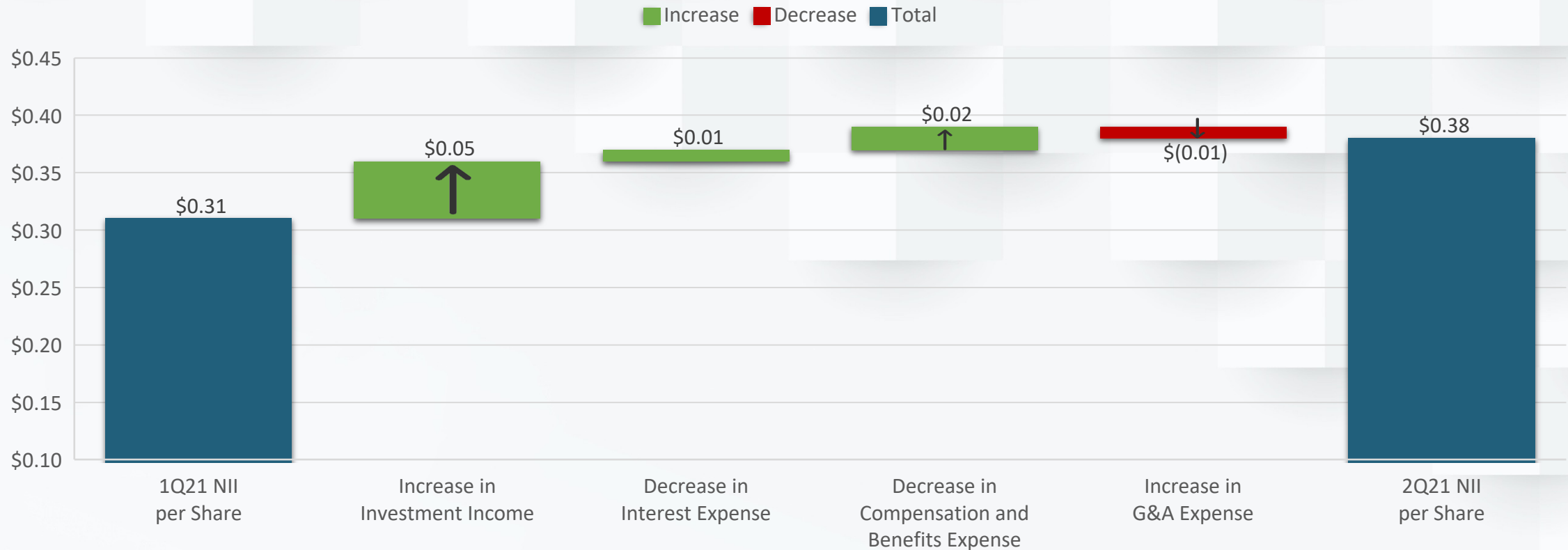
## PORTFOLIO YIELDS





# NET INVESTMENT INCOME PER SHARE BRIDGE

## Reconciliation of Quarterly NII per Share

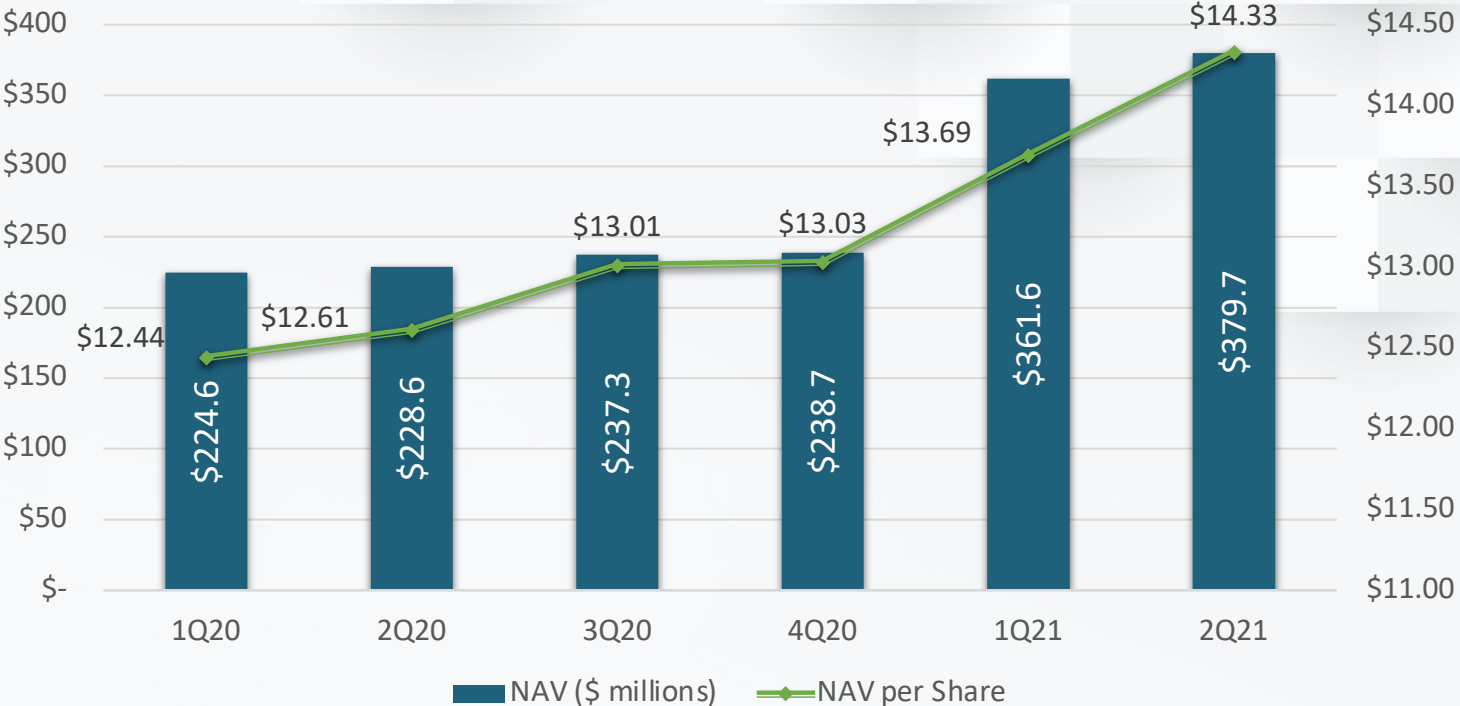


# BALANCE SHEET

(In 000's, except per share amounts)

	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020
<b>Assets</b>					
Total Investments at fair value	\$597,696	\$535,741	\$493,651	\$425,484	418,844
Cash and cash equivalents	19,124	36,026	44,656	36,323	21,849
Restricted cash	15,341	15,259	16,445	16,331	16,552
Interest Receivable	4,065	3,924	3,468	3,158	3,186
Prepaid Expenses & Other Assets	5,221	3,037	1,488	1,132	910
<b>Total Assets</b>	<b>\$641,447</b>	<b>\$593,987</b>	<b>559,708</b>	<b>482,428</b>	<b>\$461,341</b>
<b>Liabilities</b>					
Credit facility, net of unamortized deferred financing cost	\$68,947	\$43,420	\$132,893	\$112,411	\$102,167
2025 Notes payable, net of unamortized deferred financing cost	120,832	120,594	120,303	120,178	119,968
Convertible Notes payable, net of unamortized deferred financing costs and discount	47,214	47,113	46,552	-	-
Distribution Payable	7,682	7,396	4,947	-	-
Security Deposits	8,812	8,605	7,874	7,060	6,096
Accounts Payable, accrued expenses, and other liabilities	8,240	5,296	8,381	5,454	4,464
<b>Total Liabilities</b>	<b>261,727</b>	<b>232,424</b>	<b>320,960</b>	<b>245,103</b>	<b>232,695</b>
<b>Net Assets</b>	<b>379,720</b>	<b>\$361,563</b>	<b>\$238,748</b>	<b>\$237,325</b>	<b>228,646</b>
Shares Outstanding	26,491	26,415	18,321	18,236	18,138
<b>Net Assets per Share</b>	<b>\$14.33</b>	<b>\$13.69</b>	<b>\$13.03</b>	<b>\$13.01</b>	<b>\$12.61</b>

# GROWING NET ASSET VALUE

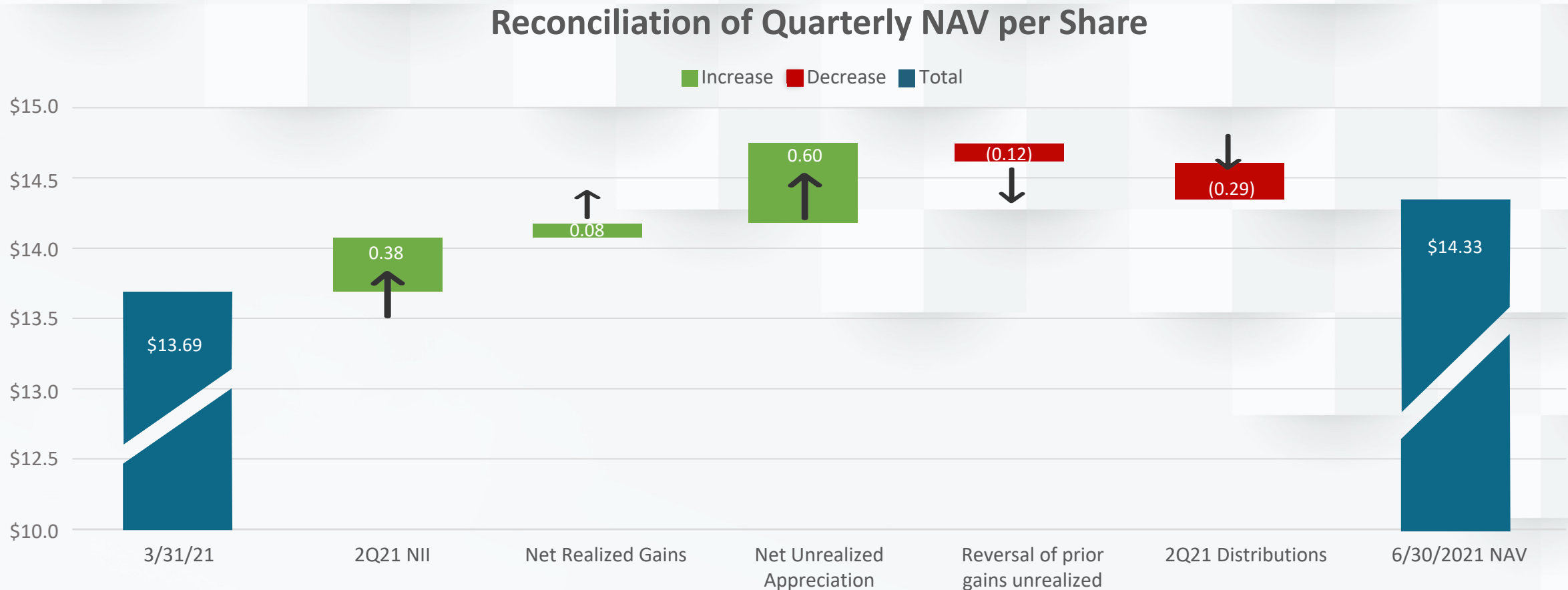


**Accretive NAV per Share Growth**

Net Asset Value – 4.7% increase this quarter

Initial Public Offering in Q1 of 2021

# NET ASSET VALUE (NAV) PER SHARE BRIDGE



# DEBT CAPITAL STRUCTURE

Key borrowing types (\$ in million) at 6/30/21

Funding Source	Debt Commitment	Outstanding Principle	Undrawn Commitment	Stated Maturity	Interest Rate
<b>Notes:</b>					
2025 Unsecured Notes	\$125.0	\$125.0	-	January 16, 2025	7.0%
Convertible Notes	\$50.0	\$50.0	-	December 11, 2025	6.0%
<b>Bank Facility:</b>					
Credit Suisse Credit Facility	\$300.0	\$70.0	\$230.0	January 8, 2022	3-month Libor + 3.25%

# SOLID SHAREHOLDER RETURNS

## Cumulative Distributions per share



**Distributable Net Income covered dividends by 131% in Q2'2021**

Strong Earnings and Dividend Growth

Consistently paid a quarterly dividend since formation in Q1 2020

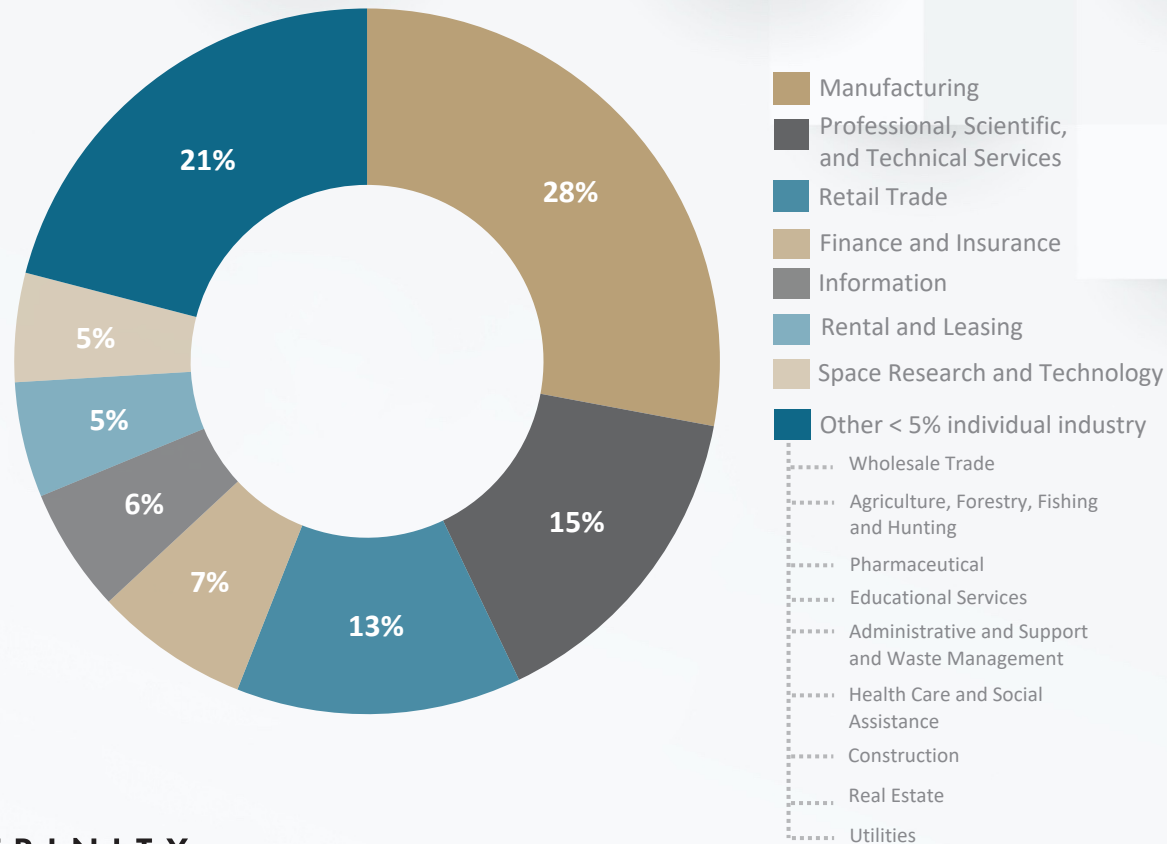
# PORTFOLIO HIGHLIGHTS



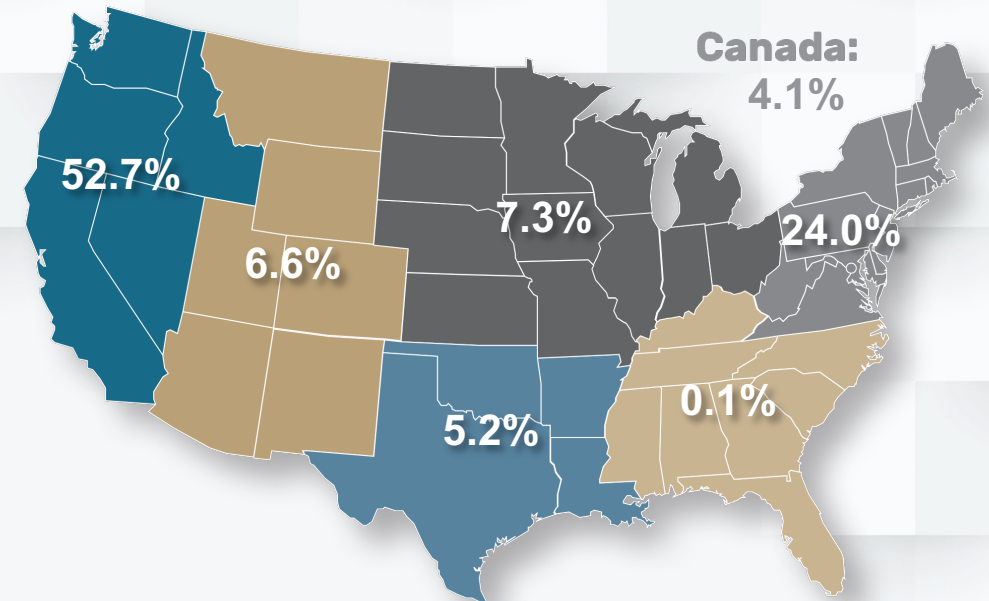
# PORTFOLIO DIVERSIFICATION

At June 30, 2021

## Industry Diversification<sup>(1)</sup>



## Geography Diversification<sup>(1)</sup>



(1) Based on Fair Market Value

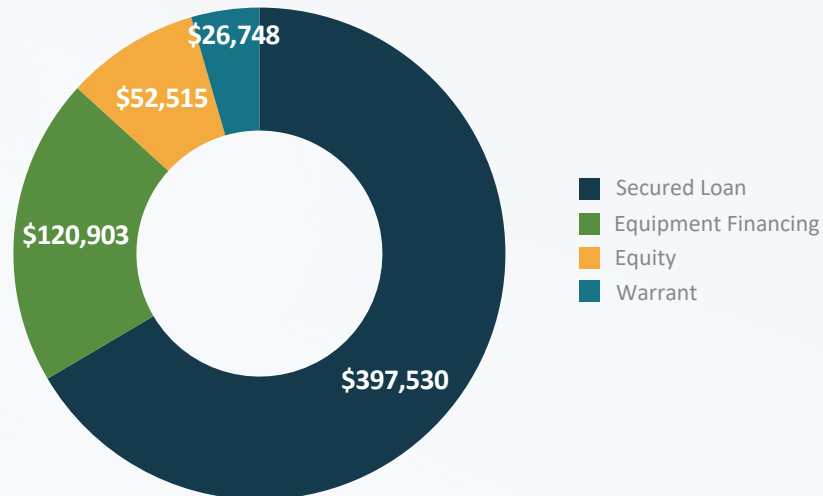


# PORTFOLIO SUMMARY

Type	June 30, 2021				March 31, 2021			
	Cost		Fair Value		Cost		Fair Value	
	Amount	%	Amount	%	Amount	%	Amount	%
Secured Loan	\$400,944	69.8%	\$397,530	66.4%	\$338,940	64.5%	\$335,663	62.6%
Equipment Financing	120,078	20.9%	120,903	20.2%	127,717	24.3%	128,021	23.9%
Equity	39,715	6.9%	52,515	8.8%	44,609	8.5%	49,619	9.3%
Warrants	13,818	2.4%	26,748	4.6%	13,965	2.7%	22,438	4.2%
<b>Total</b>	<b>\$574,555</b>	<b>100.0%</b>	<b>\$597,696</b>	<b>100.0%</b>	<b>\$525,231</b>	<b>100.0%</b>	<b>\$535,741</b>	<b>100.0%</b>

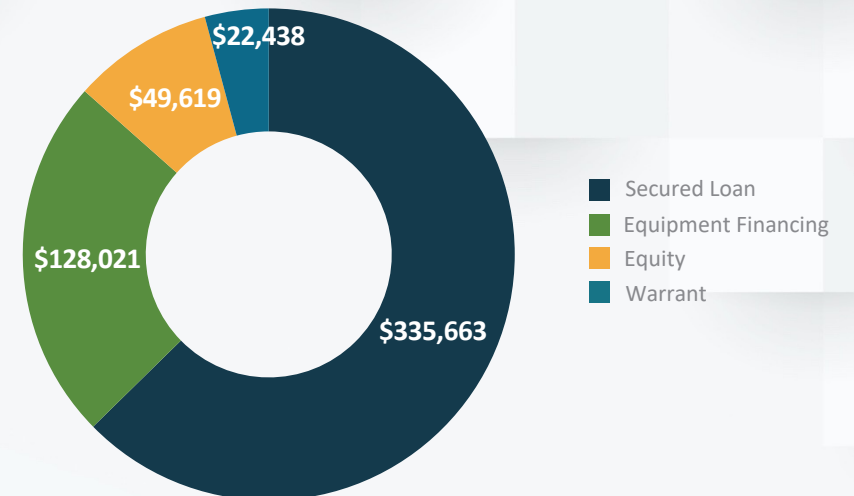
## Total Portfolio: By Type

At Fair Value as of June 30, 2021  
In \$000



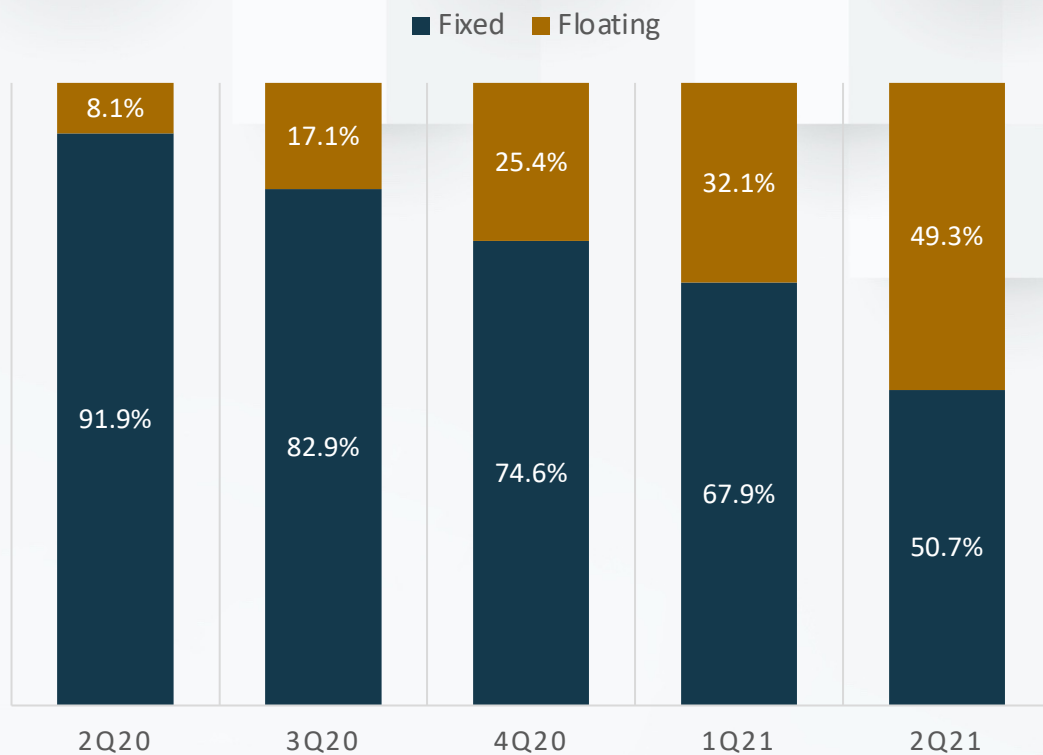
## Total Portfolio: By Type

At Fair Value as of March 31, 2021  
In \$000

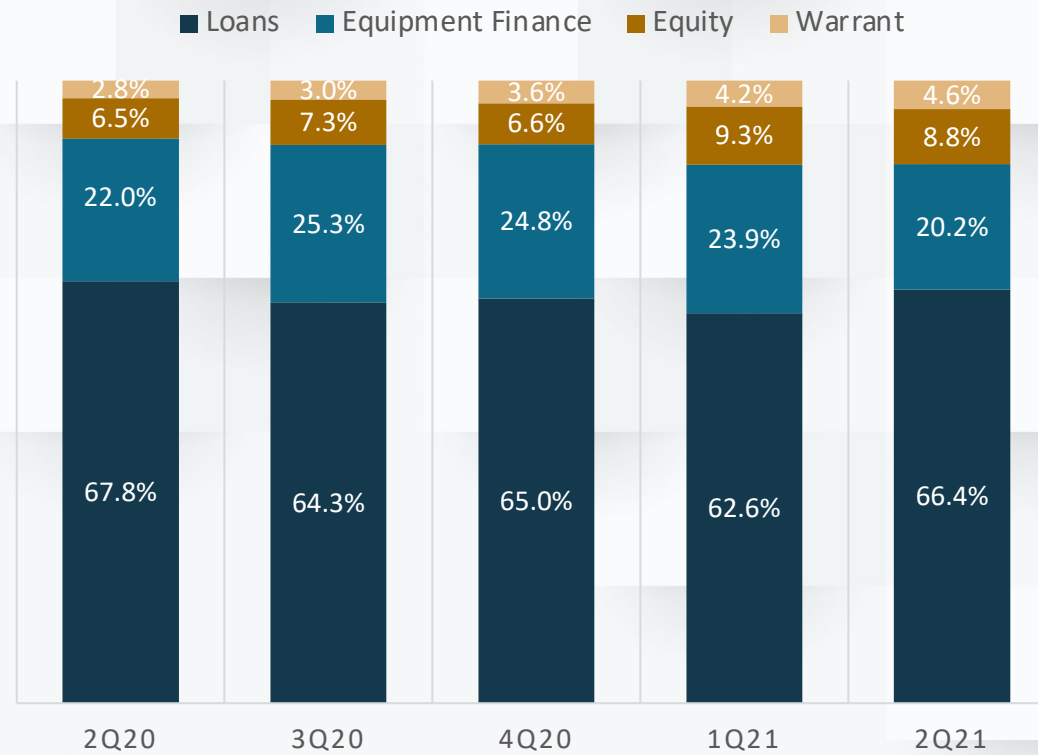


# PORTFOLIO TRENDS

FIXED VS FLOATING DEBT INVESTMENTS<sup>(1)</sup>



TOTAL PORTFOLIO BY INVESTMENT TYPE<sup>(2)</sup>



▶ Pivoting to floating rate portfolio

▶ Strong Asset Diversification

# HYPOTHETICAL WARRANT UPSIDE

FOR ILLUSTRATION PURPOSES ONLY

## 2 Pending Portfolio Company M&A Liquidity Events at 6/30/21

- Matterport and Atieva (Lucid Motors) have entered into definitive merger agreements with Special Purpose Acquisition Companies (SPACs)

## 96 Warrant Positions in 60 Portfolio Companies

- GAAP fair value ~ \$26.7 million
- GAAP cost ~ \$13.8 million
- ~ \$32.6 million in nominal exercise value

## Hypothetical Models of Potential Warrant Gains at 6/30/21

- Assume that only 50% of warrants will monetize
- Cost of exercised warrants is ~ \$23.2 million
- Based on 26.5 million shares of common stock outstanding at 6/30/21

### 2X MULTIPLE

- Investment of \$16.3 million (50%)
- Proceeds of \$32.6 million (2X)
- Cost of \$23.2 million
- Potential gain of \$9.4 million or \$0.35 per share

### 3X MULTIPLE

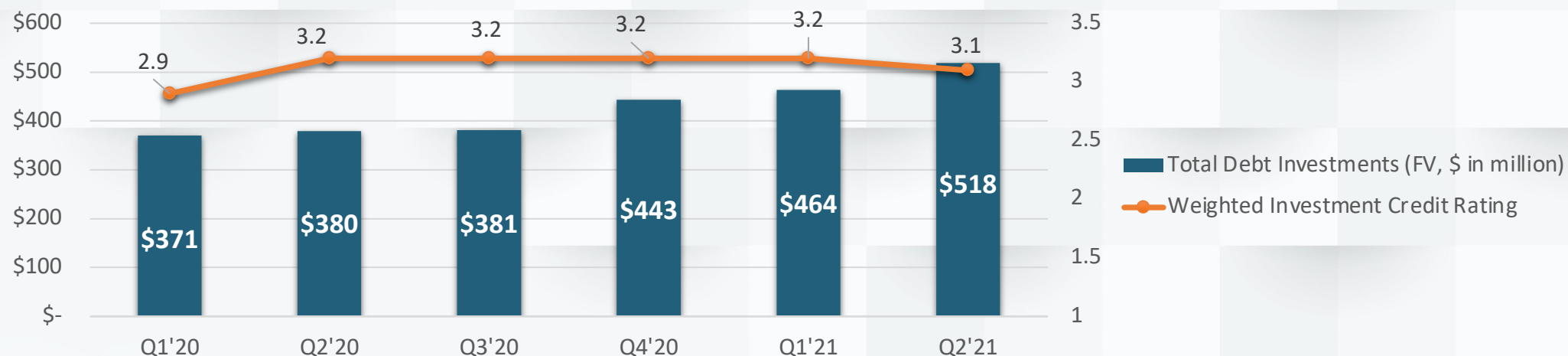
- Investment of \$16.3 million (50%)
- Proceeds of \$48.8 million (3X)
- Cost of \$23.2 million
- Potential gain of \$25.6 million or \$0.97 per share

### 4X MULTIPLE

- Investment of \$16.3 million (50%)
- Proceeds of \$65.1 million (4X)
- Cost of \$23.2 million
- Potential gain of \$41.9 million or \$1.58 per share

# DISCIPLINED CREDIT RATING

Consistent and disciplined underwriting standards



Credit risk rating at Fair Value, Q2 2021 – Q2 2020 (\$ in thousands)

	Q2 2021		Q1 2021		Q4 2020		Q3 2020		Q2 2020	
Very Strong Performance (4.0 – 5.0)	\$83,915	16.2%	\$110,278	23.8%	\$92,519	20.9%	\$59,767	15.8%	\$63,877	16.8%
Strong Performance (3.0 – 3.9)	\$204,906	39.5%	\$164,709	35.4%	212,969	48.0%	\$187,844	49.3%	\$176,131	46.5%
Performing (2.0 – 2.9)	\$199,449	38.5%	\$148,690	32.1%	116,895	26.4%	\$130,263	34.2%	\$135,718	35.7%
Watch (1.6– 1.9)	\$29,820	5.7%	\$39,194	8.5%	19,230	4.3%	-	0.0%	-	0.0%
Default/Workout (1.0 – 1.5)	\$343	0.1%	\$812	0.2%	1,606	0.4%	\$3,502	0.7%	\$3,956	1.0%
<b>Weighted Average</b>	<b>3.1</b>		<b>3.2</b>		<b>3.2</b>		<b>3.2</b>		<b>3.2</b>	

# DIVERSIFIED PORTFOLIO

Select List of Current & Historical Investments

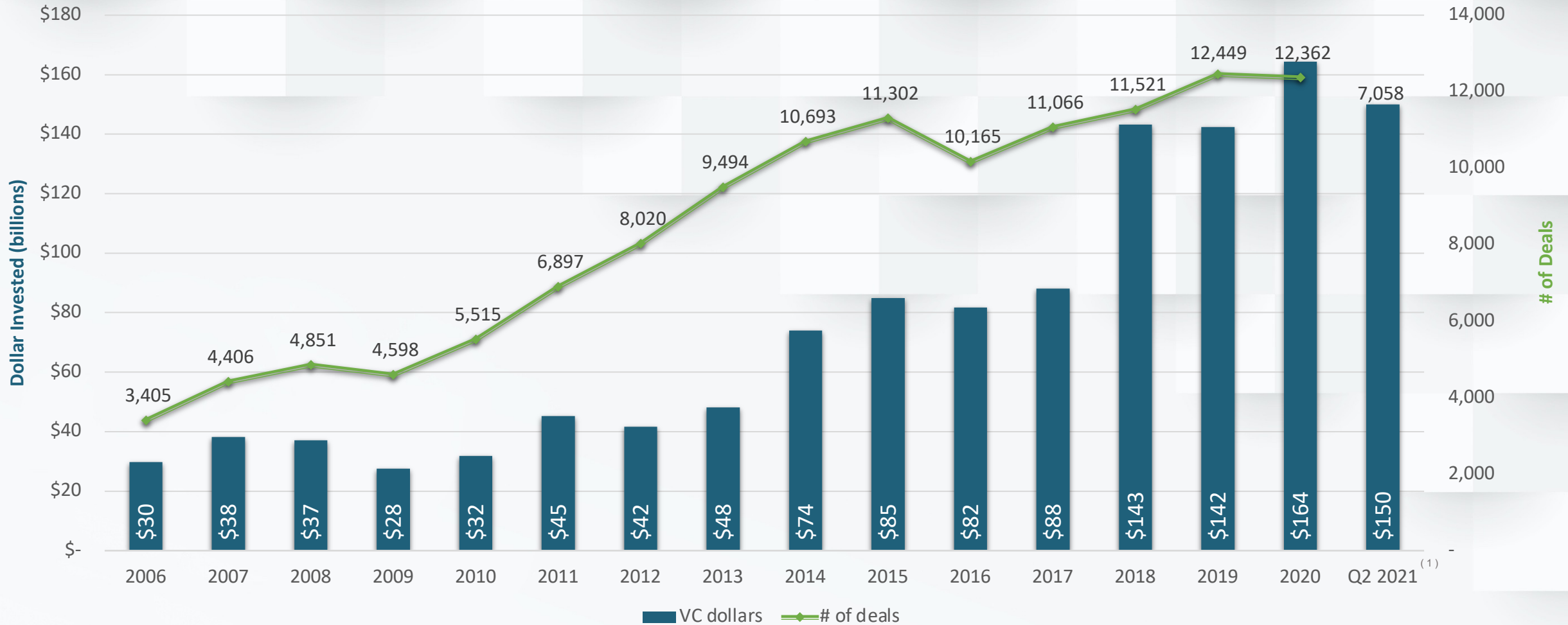
 bh cosmetics®	MADISON REED®	 dailypay	 UNTUCKit SHIRTS DESIGNED TO BE WORN UNTUCKED	IMPOSSIBLE®	 lark	 Because	 matterport®	 SUPER73
LUCID	 gocheck KIDS™	MOLEKULE	 RECIPROCITY	 cuebiq	FIREFLY	 happiest baby	Second Nature 	 NATURE'S Fynd
 Yellowbrick	 maxwell	 Equipment Share	 SUN BASKET	 rapidminer	 RoBotany™	 BACKBLAZE	Petal	 DANDELION
 VitaCup.	 rigetti	 Footprint	EXELA	 indie SEMICONDUCTOR	 MIYOKO'S CREAMERY SANTA CALIFORNIA	 INVENIA LABS	ETAGEN	HEALTH-ADE  KOMBUCHA
Pendulum™	 BOWERY THE MODERN FARMING COMPANY	 examity® BETTER TEST INTEGRITY.	PEBBLEPOST®	 circle®	 Gobble	WOMPLY	BOOSTED	ZOSANO  PHARMA

The background of the image is a blurred, high-angle shot of a modern building's interior or entrance. Several people are walking across a polished, reflective floor. The scene is captured with a motion blur effect, giving a sense of activity and movement. A prominent yellow rectangular frame is overlaid on the right side of the image, partially enclosing the text. The overall color palette is muted, with greys, blues, and whites, accented by the bright yellow of the frame.

# VENTURE CAPITAL AND LENDING MARKET

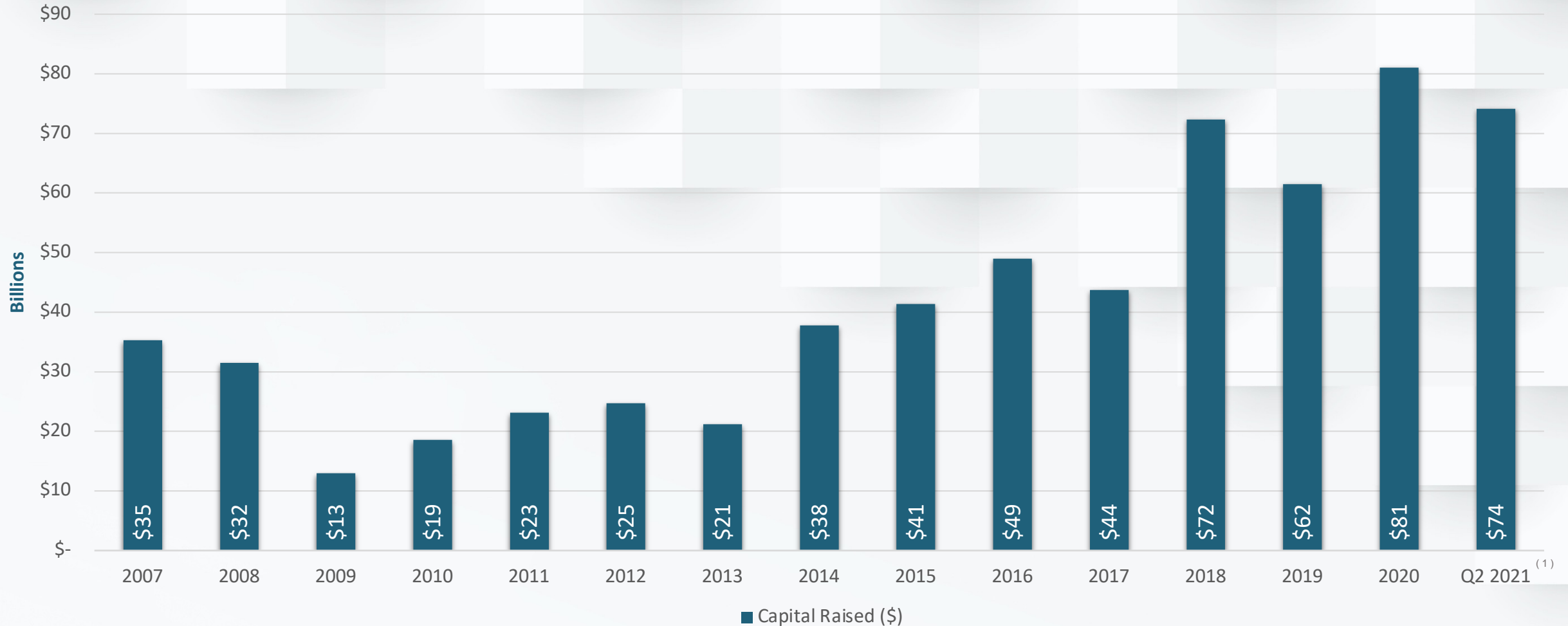
# VENTURE CAPITAL MARKET

## US VC deal activity



# VENTURE CAPITAL FUNDRAISING

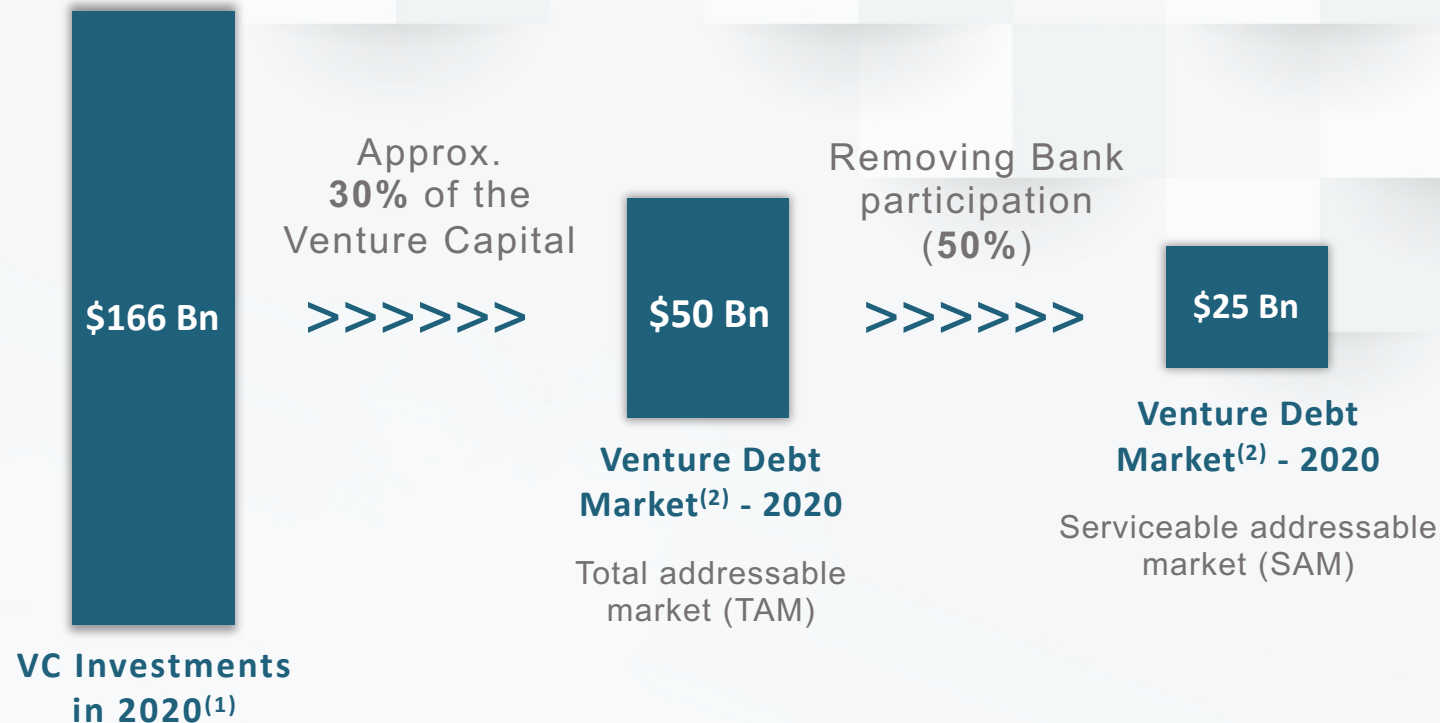
## US VC fundraising activity





# VENTURE DEBT MARKET

Opportunity in an underserved market



## LARGE UNTAPPED MARKET IN 2020

- ▶ **\$25 billion** Market Opportunity Capacity<sup>(2)</sup>
- ▶ There were about **10** significant venture debt lenders
- ▶ The top 3 largest players in the industry achieved < **~15%** market share<sup>(2)</sup>

# ANALYST COVERAGE

A blurred photograph of a modern office building's entrance with people walking. A yellow rectangular highlight box is positioned over the middle of the image, partially overlapping the text. The background is a dark grey gradient on the left and a lighter grey gradient on the right, with a thin gold horizontal line separating the two.

# EXTENSIVE INDUSTRY ANALYST COVERAGE

Followed by seven firms



*A Stifel Company*

**Ryan Lynch**

(initiated coverage 2/23/21)



**Finian O'Shea**

(initiated coverage 2/23/21)



**Mitchell Penn**

(initiated coverage 5/3/21)



**Brock Vandervliet**

(initiated coverage 2/23/21)



**Sarkis Sherbetchyan**

(initiated coverage 2/23/21)



ESTABLISHED 1876

**Christopher Nolan**

(initiated coverage 2/23/21)



**Casey Alexander**

(initiated coverage 2/23/21)

A blurred, low-angle photograph of a crowd of people walking in a modern building lobby. The people are out of focus, showing only their lower legs and feet. The floor is highly reflective, creating clear reflections of the people and the building's architecture. The background shows a large glass-walled building with a grid of windows. The overall scene is bright and dynamic, suggesting a busy, professional environment.

# SUPPLEMENTAL INFORMATION

# REGULATION & STRUCTURE

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Trinity Capital Inc. is an Internally Managed BDC under the 1940 Act and Intends to Elect be treated as a RIC for Federal Income Tax Purposes beginning with its Taxable Year ending December 31, 2020

## **BUSINESS DEVELOPMENT COMPANY (BDC)**

- Regulated by the SEC under the Investment Company Act of 1940 (the “1940 Act”)
- Leverage limited to approximately 2:1 debt/equity
- Investments are required to be carried at fair value
- Majority of Board of Directors must be independent
- Offer managerial assistance to portfolio companies

## **REGULATED INVESTMENT COMPANY (RIC)**

- Distribute taxable income as dividend distributions to shareholders, subject to approval by Trinity Capital’s Board of Directors
- Mandates asset diversification
- Eliminates corporate taxation
- Allows for the retention of capital gains and/or spillover of taxable income

# THANK YOU

*We look forward to our growing partnership.*



TRINITY  
CAPITAL