

TEKLA HEALTHCARE INVESTORS
Form N-Q
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-04889

Tekla Healthcare Investors
(Exact name of registrant as specified in charter)

100 Federal Street, 19th Floor, Boston, MA
(Address of principal executive offices)

02110
(Zip code)

(Name and address of agent for service)

Registrant's telephone number, including area code: 617-772-8500

Date of fiscal year end: September 30

Date of reporting period: 6/30/18

Item 1. Schedule of Investments.

TEKLA HEALTHCARE INVESTORS**SCHEDULE OF INVESTMENTS**

JUNE 30, 2018

(Unaudited)

SHARES		VALUE
CONVERTIBLE PREFERRED AND WARRANTS (a) - 3.3% of Net Assets		
Biotechnology 1.1%		
3,266,667	Amphivena Therapeutics, Inc. Series B (Restricted) (b) (c)	\$ 4,900,001
2,692,309	BioClin Therapeutics, Inc. Series A, 6.00% (Restricted) (b) (c)	1,750,001
1,559,715	BioClin Therapeutics, Inc. Series B, 6.00% (Restricted) (b) (c)	1,166,667
2,266,666	GenomeDx Biosciences, Inc. Series C, 6.00% (Restricted) (b)	754,800
389,603	GenomeDx Biosciences, Inc. Series D Prime, 8.00% (Restricted) (b)	356,487
1,984,030	GenomeDx Biosciences, Inc. Series D, 8.00% (Restricted) (b)	605,129
273,571	GenomeDx Biosciences, Inc. Warrants (Restricted, expiration 11/1/27, exercise price \$0.31) (b)	0
210,000	Trillium Therapeutics, Inc. Series II (d)	1,260,000
		10,793,085
Health Care Equipment & Supplies (Restricted) 1.5%		
3,364,723	AlterG, Inc. Series C, 8.00% (b)	336,472
114,158	CardioKinetix, Inc. Series C, 8.00% (b)	0
205,167	CardioKinetix, Inc. Series D, 8.00% (b)	0
632,211	CardioKinetix, Inc. Series E, 8.00% (b)	0
692,715	CardioKinetix, Inc. Series F, 8.00% (b)	0
N/A(e)	CardioKinetix, Inc. Warrants (expiration 12/11/19, exercise price \$0.69) (b)	0
N/A(e)	CardioKinetix, Inc. Warrants (expiration 6/03/20, exercise price \$0.69) (b)	0
12,695	CardioKinetix, Inc. Warrants (expiration 8/15/24, exercise price \$2.85) (b)	0
951,000	IlluminOss Medical, Inc. Series AA, 8.00% (b) (c)	951,000
895,848	IlluminOss Medical, Inc. Junior Preferred, 8.00%(b) (c)	895,848
47,542	IlluminOss Medical, Inc. Warrants (expiration 1/11/28, exercise price \$1.00) (b) (c)	0
23,771	IlluminOss Medical, Inc. Warrants (expiration 11/20/27, exercise price \$1.00) (b) (c)	0
47,542	IlluminOss Medical, Inc. Warrants (expiration 2/06/28, exercise price \$1.00) (b) (c)	0
71,324	IlluminOss Medical, Inc. Warrants (expiration 3/31/27, exercise price \$1.00) (b) (c)	0
3,750,143	Veniti, Inc. Series A, 8.00% (b) (c)	6,535,374
1,881,048	Veniti, Inc. Series B, 8.00% (b) (c)	3,372,155
1,031,378	Veniti, Inc. Series C, 8.00% (b) (c)	2,084,931
		14,175,780
Life Sciences Tools & Services (Restricted) 0.5%		
3,669,024	Labcyte, Inc. Series C, 8.00% (b)	4,622,970
160,767	Labcyte, Inc. Series D, 8.00% (b)	221,858
122,220	Labcyte, Inc. Series E, 8.00% (b)	196,774
		5,041,602

The accompanying notes are an integral part of this Schedule of Investments.

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**PRINCIPAL
AMOUNT**

VALUE

PRINCIPAL AMOUNT		VALUE
Pharmaceuticals (Restricted) 0.2%		
\$ 1,538,235	Milestone Pharmaceuticals, Inc. Series C, 8.00% (b) (d)	\$ 2,099,998
TOTAL CONVERTIBLE PREFERRED AND WARRANTS (Cost \$37,166,768)		
		32,110,465
CONVERTIBLE NOTES (Restricted)(b) - 0.2% of Net Assets		
Biotechnology 0.1%		
814,796	Amphivena Therapeutics, Inc. Promissory Note, 6.00% due 6/20/19 (c)	814,796
Health Care Equipment & Supplies 0.1%		
17,751	AlterG, Inc. Promissory Note, 6.00% due 9/8/18	17,751
74,456	CardioKinetix, Inc. Promissory Note, 5.00% due 7/31/18 (a)	0
285,294	IlluminOss Medical, Inc. Promissory Note, 8.00% due 12/31/18 (c)	285,294
95,083	IlluminOss Medical, Inc. Promissory Note, 8.00% due 12/31/18 (c)	95,083
190,166	IlluminOss Medical, Inc. Promissory Note, 8.00% due 12/31/18 (c)	190,166
190,166	IlluminOss Medical, Inc. Promissory Note, 8.00% due 12/31/18 (c)	190,166
		778,460
TOTAL CONVERTIBLE NOTES (Cost \$1,668,375)		
		1,593,256

SHARES

COMMON STOCKS AND WARRANTS - 93.6% of Net Assets		
Biotechnology 61.7%		
116,495	AbbVie Inc.	10,793,262
119,074	AC Immune SA (a) (d)	1,107,388
56,082	ACADIA Pharmaceuticals Inc. (a)	856,372
184,030	Akebia Therapeutics, Inc. (a)	1,836,619
86,667	Albireo Pharma, Inc. (a)	3,076,678
204,748	Alexion Pharmaceuticals, Inc. (a)	25,419,464
123,701	Alkermes plc (a)	5,091,533
87,873	Alnylam Pharmaceuticals, Inc. (a)	8,654,612
332,151	Amarin Corporation plc (a) (f)	1,026,347
369,150		