



Rand Capital Provides Follow-on Investment in GENICON, Medical Device Manufacturer

Rand is largest investor in \$6.6 million capital raise and refinancing

BUFFALO, NY -- (Marketwired) -- 07/20/17 -- [Rand Capital Corporation](#) (NASDAQ: RAND) ("Rand"), a venture capital company which invests in growth businesses with unique product, service or technology concepts, announced that it recently invested \$3 million, partnering with Advantage Capital and Coastal Enterprises in a \$6.6 million capital raise and refinancing package for [GENICON, Inc.](#) As part of the capital transaction, \$2 million of previously outstanding promissory notes payable to Rand were converted into a new term loan, and Rand infused an additional \$1 million. GENICON is recognized as an emerging leader in the design, production and distribution of patented surgical instrumentation focused exclusively on laparoscopic, or minimally invasive, surgery. This capital transaction increases Rand's total investment in GENICON to \$4 million, consisting of \$1 million of Series B Preferred Shares acquired in 2015 and the new \$3 million term loan. GENICON now represents the largest investment in the Rand portfolio.

Gary W. Haberland, Founder, President and Chief Executive Officer of GENICON, commented, "We have been diligently developing new products to serve the growing needs of our global marketplace. This includes two recently introduced products: 1) the [aquas powerflow](#) is a battery powered suction irrigation product which we believe will revolutionize surgical irrigation, and 2) the [a li-gator disposable clip applier](#) ergonomically facilitates wound closure using titanium clips. We appreciate the support of our investors who have provided us capital to fund tooling for such new product lines as well as expand our production capacity, vertically integrating certain product lines to further enhance our quality and reduce our costs."

Daniel P. Penberthy, Rand's Executive Vice President, added, "GENICON is one of the rising stars within our portfolio. With its innovative approach to providing healthcare surgical solutions, the company continues to grow at a double digit pace. With each step in GENICON's growth curve, Rand was pleased to support the business with the needed capital to continue to develop new products and execute on its marketing, manufacturing and sales efforts. Rand has now made six investments in GENICON which have assisted the company in developing a full suite of unique and highly differentiated medical device products that are currently distributed to the surgical community that spans more than 44 countries around the world. We appreciate the opportunity to invest alongside Advantage Capital and Coastal Enterprises as GENICON grows and matures."

ABOUT GENICON

Founded in 1998 and based in Orlando, FL, GENICON is recognized as an emerging leader

in the design, production, and distribution of patented surgical instrumentation focused exclusively on laparoscopic, or minimally invasive, surgery. A privately-held firm, several of its shareholders are surgeons who utilize the company's products. GENICON is a company driven to meet the needs of modern-day healthcare through the harmonization of clinical needs and the economic demands of a global healthcare system. More information can be found at <http://geniconendo.com/>.

ABOUT RAND CAPITAL

Rand Capital (NASDAQ: RAND) provides investors the ability to participate in venture capital opportunities through an investment in the Company's stock. Rand is a Business Development Company (BDC), and its first wholly-owned subsidiary is licensed by the U.S. Small Business Administration (SBA) as a Small Business Investment Company (SBIC). Its second SBIC is undergoing the approval process with the SBA. Rand focuses its equity investments in early or expansion stage companies and generally lends to more mature companies. Rand looks for strong leadership who is bringing to market new or unique products, technologies or services that have a high potential for growth. Additional information can be found at the Company's website where it regularly posts information: <http://www.randcapital.com/>.

Safe Harbor Statement

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements concerning receiving a new SBIC license and funding, future net asset value growth, investment returns and opportunities as well as Rand's plans for utilizing proceeds from sales of portfolio companies when and if received. These statements involve known and unknown risks, uncertainties and other factors that could cause the actual results to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the portfolio companies' markets, competitor responses, and market acceptance of their products and services and other factors disclosed in the Corporation's periodic reports filed with the Securities and Exchange Commission. Consequently, such forward-looking statements should be regarded as the Corporation's current plans, estimates and beliefs. The Corporation assumes no obligation to update the forward-looking information contained in this release.

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