

October 30, 2019



Rand Capital Corporation

Rand Capital Portfolio Company, KnowledgeVision, Merges with OpenExchange

Forms Market Leading, Innovative Video Solutions Company

BUFFALO, N.Y.--(BUSINESS WIRE)-- [Rand Capital Corporation](#) (Nasdaq: RAND) ("Rand" or "Rand Capital"), a business development company, announced that one of its portfolio companies, [KnowledgeVision Systems, Inc.](#), has merged with [OpenExchange Inc.](#) to form a market leading innovative video solutions company. The merged company is dedicated to serving live, on-demand and streaming video needs of the professional investment and financial services industries worldwide.

The merger brings together KnowledgeVision's patented and proprietary Knovio technology with OpenExchange's extensive network of video conference connections. KnowledgeVision's expertise lies in the hosting, streaming, organization and tracking of on-demand and live video and online presentations. OpenExchange's network links more than 40,000 endpoints in over 60 countries throughout the global financial services sector.

"Extending the opportunity to utilize the OpenExchange offerings represents a huge plus for current and future customers of the Knovio smart media platform," noted Michael Kolowich, KnowledgeVision's Chief Executive Officer. "It assures accelerated investment in our advanced video hosting and streaming platform, and enables us to focus our efforts on serving the financial services sector's unique video needs."

Daniel P. Penberthy, Executive Vice President and Chief Financial Officer of Rand Capital, added, "Rand has participated in five financing transactions into KnowledgeVision over the past six years. Over that tenure, the company achieved new technology milestones and advanced customer adoption. This progression has positioned them for the merger with OpenExchange at what appears to be an ideal time, as the financial services industry has a pent-up demand for live video and video-on-demand services to engage and communicate with their constituents."

Mr. Penberthy concluded, "Rand has a high degree of confidence in the potential of the combined organization, evidenced by our intent to convert some of our existing notes into equity of the combined entity. The new company is now better positioned in the market, which we believe will lead to stronger returns on our investment."

Further information about the merger and opportunities of the combined organization can be viewed on the livestream discussion, which aired on the Knovio platform: [KnowledgeVision – OpenExchange Merger Livestream](#).

Rand began investing in KnowledgeVision in 2013 and has invested approximately \$1.7 million to date.

ABOUT OPENEXCHANGE

OpenExchange's mission is to video-enable the vital daily communications of the financial services and professional investment industry and its clients with advanced one-to-one, one-to-many, and many-to-many video technologies, tools and services. Anchored by its experience in connecting more than 45,000 video endpoints and providing an online video platform to more than 360,000 registered users, the OpenExchange Network bridges the worlds of real-time videoconferencing, video live-streaming, and searchable on-demand video archives, making it easy to connect, create, disseminate, and discover information critical to investment decisions. Read more at: <https://openexc.com/> and <https://www.knowledgevision.com/>.

ABOUT RAND CAPITAL

Rand Capital (Nasdaq: RAND) is a Business Development Company (BDC) with a wholly-owned subsidiary licensed by the U.S. Small Business Administration (SBA) as a Small Business Investment Company (SBIC). Rand currently focuses its equity investments in early or expansion stage companies and generally lends to more mature companies. The Company seeks investment opportunities in businesses with strong leaders who are 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: <https://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 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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