

Rand Capital Portfolio Company, Knoa Software, Achieves Record Cloud Revenue in 2017

- ***Increased cloud-based revenue by more than five times and nearly doubled on-premise revenue***
- ***Knoa's proprietary software used in multiple successful migrations to SAP S/4HANA® and SAP Fiori®***

BUFFALO, N.Y.--(BUSINESS WIRE)-- [Rand Capital Corporation](#) (NASDAQ: RAND) ("Rand"), a venture capital company which invests in growth businesses with unique product, service or technology concepts, reported that one of its portfolio companies, [Knoa Software, Inc.](#), announced that it achieved record Cloud revenue in 2017. Specifically, the company increased its cloud-based subscription service revenue by more than five times and also nearly doubled its perpetual license revenue, compared with 2016. Knoa Software is a leading provider of user experience management ("UEM") software. The 2017 revenue growth was driven by a record number of new customers in the Asia-Pacific market, the newest region to begin adopting its UEM software. Furthermore, Knoa's flagship UEM software, which is resold by SAP as SAP®UEM by Knoa, was used to facilitate several major customer migration projects to SAP S/4HANA® and SAP Fiori®.

"Our business is growing rapidly because organizations are realizing the value of user analytics throughout every stage of an IT project and in improving operational efficiencies," said Brian Berns, CEO, Knoa Software. "In 2017, the ROI of the SAP UEM application was proven in several successful customer migration projects, including one of the largest yet – a migration to SAP S/4HANA involving 300,000 SAP users. We are also seeing good momentum with system integrators, who are beginning to incorporate user analytics in their implementation methodology, as a must-have component."

Allen F. ("Pete") Grum, President and Chief Executive Officer of Rand Capital, commented, "Knoa introduced an updated version of its UEM in early 2017. This product was embraced by its clients as they sought a cloud-based approach to UEM. The reported revenue milestone is an exciting testament to the benefits of the product."

ABOUT KNOA SOFTWARE

Knoa Software delivers on-premise and cloud solutions that generate unique insights for the optimization of the end-user experience for solutions from vendors including SAP, Oracle and others. Knoa's patented software provides CIOs and business executives the actionable metrics needed to help ensure organizations and end-users realize the full value of their enterprise application investment. Headquartered overlooking Union Square in New York City, Knoa provides solutions that help hundreds of global corporations and government

organizations make impactful, real-time, fact-based decisions that enrich and maximize the experience for over a million end users. For further information, visit www.knoa.com or follow us at @knoasoftware on Twitter.

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). 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.

SAP, SAP S/4HANA, SAP Fiori and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP SE (or an SAP affiliate company) in Germany and other countries. See <http://www.sap.com/corporate-en/legal/copyright/index.epx> for additional trademark information and notices. All other product and service names mentioned are the trademarks of their respective companies.

View source version on businesswire.com:

<http://www.businesswire.com/news/home/20180206005845/en/>

Company:

Rand Capital

Allen F. ("Pete") Grum

President and CEO

Phone: 716-853-0802

pgrum@randcapital.com

or

Investors:

Kei Advisors LLC

Deborah K. Pawlowski / Karen L. Howard

Phone: 716-843-3908 / 716-843-3942

dpawlowski@keiadvisors.com / khoward@keiadvisors.com

Source: Rand Capital Corporation