



FIRST QUARTER 2024 FINANCIAL RESULTS

May 13, 2024

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FORWARD LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than historical facts, including but not limited to statements regarding the expectations of Rand Capital Corporation (“Rand” or the “Company”) to continue to be taxed as a regulated investment company (“RIC”) for U.S. federal income tax purposes; the effectiveness of, and execution on, Rand’s investment strategy and 2024 objectives; the investment processes used by its external investment adviser, Rand Capital Management, LLC under the investment advisory and management agreement with Rand; the competitive ability and position of Rand; the amount of the Company’s dividend per share in future periods, and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove to be incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) the risk that Rand may be unable to continue to fulfill the conditions required in order to continue to be treated as a RIC for U.S. federal income tax purposes; (2) evolving legal, regulatory and tax regimes; (3) changes in general economic and/or industry specific conditions; and (4) other risk factors as detailed from time to time in Rand’s reports filed with the Securities and Exchange Commission (“SEC”), including Rand’s annual report on Form 10-K for the year ended December 31, 2023, quarterly reports on Form 10-Q, the preliminary and definitive proxy statements and other documents filed with the SEC. Consequently, such forward-looking statements should be regarded as Rand’s current plans, estimates and beliefs. Except as required by applicable law, Rand assumes no obligation to update the forward-looking information contained in this presentation.

The Company’s investment activities are managed by its external investment adviser, Rand Capital Management, LLC. Additional information can be found at the Company’s website where it regularly posts information: <https://www.randcapital.com/>.

All information contained herein is for informational purposes and should not be construed as investment advice. It does not constitute an offer, solicitation or recommendation to purchase any security. Past performance does not guarantee future results. Diversification does not guarantee a profit or protect against a loss.

STRONG EXECUTION

(Results compared with the prior-year period unless otherwise noted)

- ✓ Strategy focused on expanding portfolio composition with new debt investments drives total investment income growth of 12% to \$2.1 million over the prior-year period
- ✓ Net asset value per share \$23.85 at quarter-end, up 1% from year-end 2023¹
- ✓ Portfolio fair value \$82.8 million at quarter-end, up 7% from year-end 2023
- ✓ Invested \$10.8 million in new and follow on investments during first quarter
- ✓ Strong and flexible balance sheet, and a solid pipeline of opportunities
 - Total liquidity of ~\$11 million at quarter-end²

¹ Net asset value per share amounts based on weighted average shares outstanding

² Consists of cash, value of publicly traded BDCs, and senior secured revolving credit facility availability



The Rand Building, Buffalo, NY

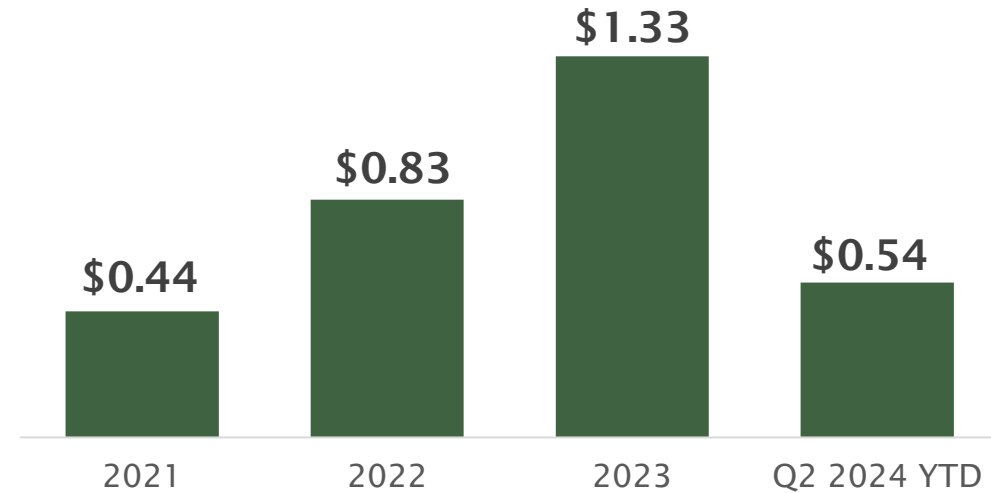


DELIVERING CASH DIVIDENDS

(Results compared with the prior-year period unless otherwise noted)

- ✓ Paid Q1 2024 dividends of \$0.25 per share
- ✓ On May 8, 2024, declared second quarter cash dividend of \$0.29 per share
 - To be paid on or about June 14, 2024, to shareholders of record as of May 31, 2024
 - Represents increase of 16% from Q1 2024 dividend
- ✓ During 2023, paid total dividends of \$1.33 per share, an increase of 60% over 2022

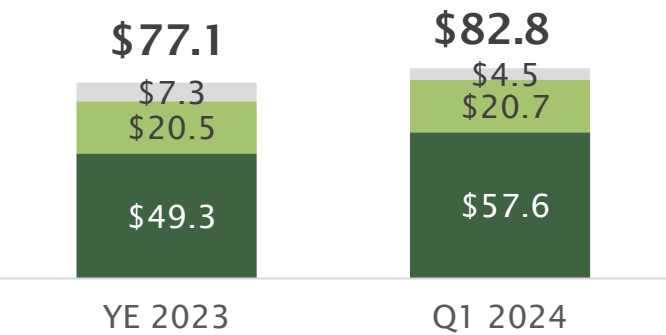
Dividends per Share





PORTFOLIO MIX

Fair Value Portfolio Mix
(\$ in millions)

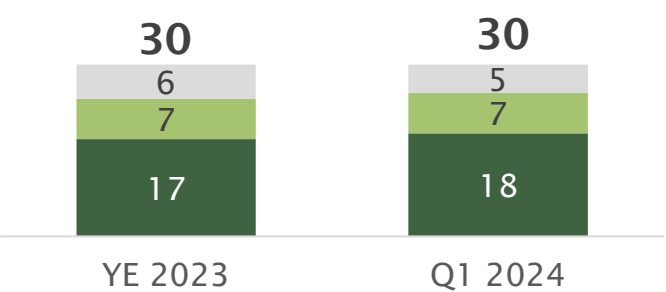


Fair value increase reflects new and follow-on investments, and valuation adjustments on several portfolio companies

Mix at quarter-end, based on fair value:

- 70% Fixed-rate debt investments
- 25% Equity investments in private companies
- 5% Publicly traded equities (includes dividend paying BDCs stock)

Portfolio Mix
(# of Companies)



Annualized weighted average yield of debt investments, which includes PIK interest, was 13.7% at March 31, 2024

■ Debt ■ Equity ■ Publicly Traded Stock

Q1 2024 PORTFOLIO ACTIVITY



Investments



Supplies automated lubrication systems, active and passive safety systems and maintenance products for mobile heavy equipment

Funded new investment \$3.2 million

Consists of a \$3.0 million term loan at 14% and a \$205,000 equity investment



Provider of upscale salon spaces for lease

Funded new debt investment of \$5.5 million at 14% including PIK

Repaid existing \$1.9 million loan during the quarter



Billiard supply company

Funded follow-on debt investment of \$1.8 million

Total debt and equity investments at a fair value of \$7.8 million

Exits / Repayments



Sold remaining 194,934 shares at an average price of \$18.02 per share, realizing \$3.5 million



Branded tire pressure monitoring systems consisting of a suite of proprietary hardware and software

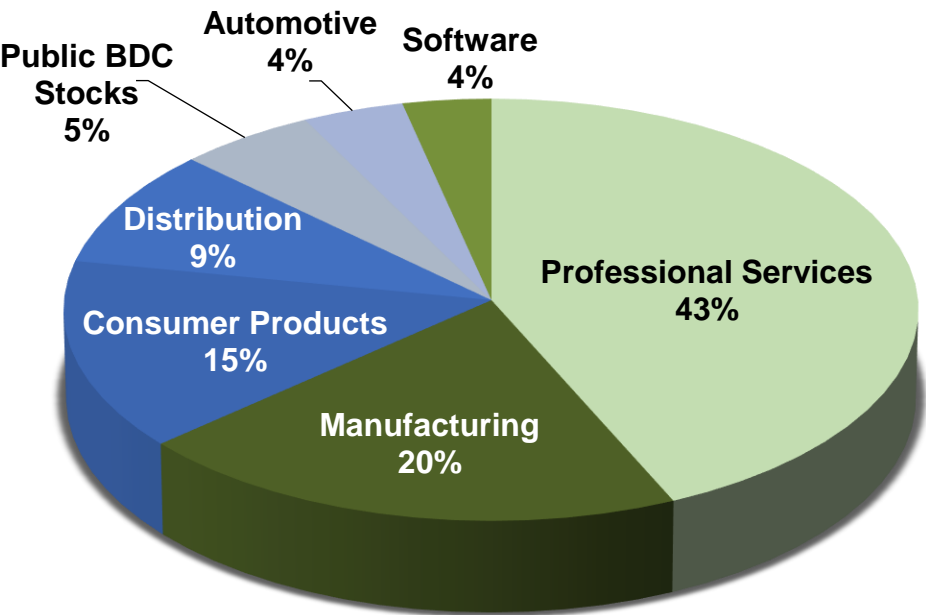
Received \$687,000 principal loan repayment: total debt and equity investment had a fair value of \$2.4 million at quarter-end



DIVERSIFIED PORTFOLIO

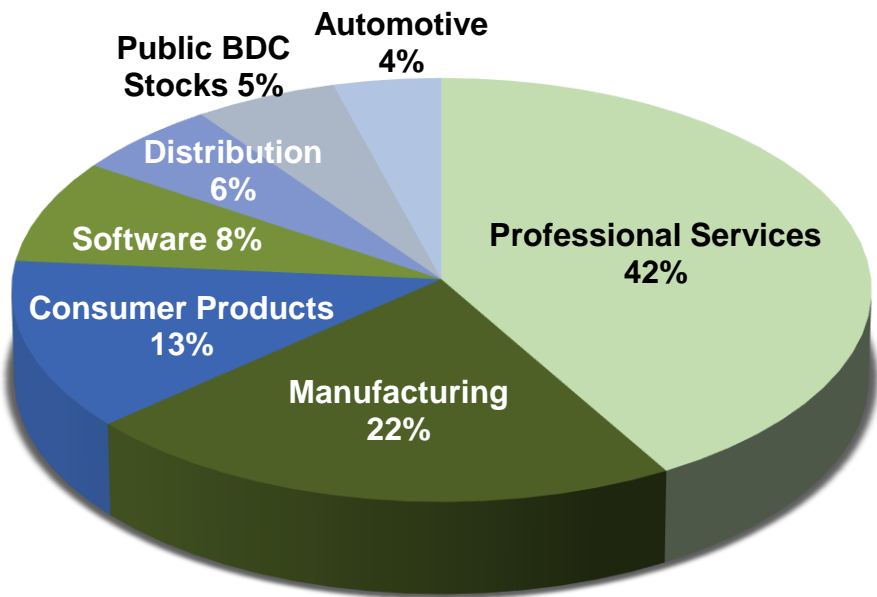
Investments by Industry Classification

March 31, 2024



*Based on total investments
at fair value of \$82.8 million*






December 31, 2023



*Based on total investments
at fair value of \$77.1 million*



TOP FIVE PORTFOLIO INVESTMENTS

(\$ in millions)	Company	Investments at Fair Value	Year Acquired	Industry	% of Total Portfolio	Investment Type
	Tilson	\$10.6	2015	Professional Services – Cellular info systems, construction, mgmt.	13%	Equity – paying dividend
	Seybert's	\$7.8	2021	Consumer Product – Billiard supplies	9%	Term note (12% plus 2% PIK) Warrant
	Food Service Supply	\$7.4	2022	Professional Services – Services for commercial kitchens and new builds	9%	Term note (12%) Equity
	Mattison LLC	\$5.5	2024	Professional and Business Services – Provider of upscale salon spaces for lease	7%	Term Note (9% plus 5% PIK)
	SciAps, Inc.	\$5.2	2013	Manufacturing – Portable analytical instruments	6%	Promissory note (12%) Equity
Total Top 5		\$36.5			44%	

All values as of March 31, 2024. Totals may not foot due to rounding.

\$82.8 million portfolio fair value with 30 portfolio companies



FINANCIAL REVIEW



FIRST QUARTER FINANCIAL SUMMARY

(\$ in thousands, except per share data)

	Q1 2024	Q1 2023
Total investment income	\$ 2,067	\$ 1,851
Total expenses	1,227	1,048
Net investment income ¹	840	715
Net investment income per share ²	\$ 0.33	\$ 0.28
Adjusted net investment income per share ³	\$ 0.37	\$ 0.39
Net realized and unrealized gain on investments	\$ 560	\$ 1,455
Net increase in net assets from operations	1,399	2,170
Net increase in net assets from operations per share ²	\$ 0.54	\$ 0.84

Total investment income grew 12%

- Driven by a 40% increase in interest from portfolio companies

Total expenses increase reflects higher interest expense, partially offset by lower capital gains incentive fees

Excluding capital gains incentive fees, adjusted expenses were \$1.1 million in Q1 24 compared with \$757,000 in Q1 23³

¹ Net of income tax expense

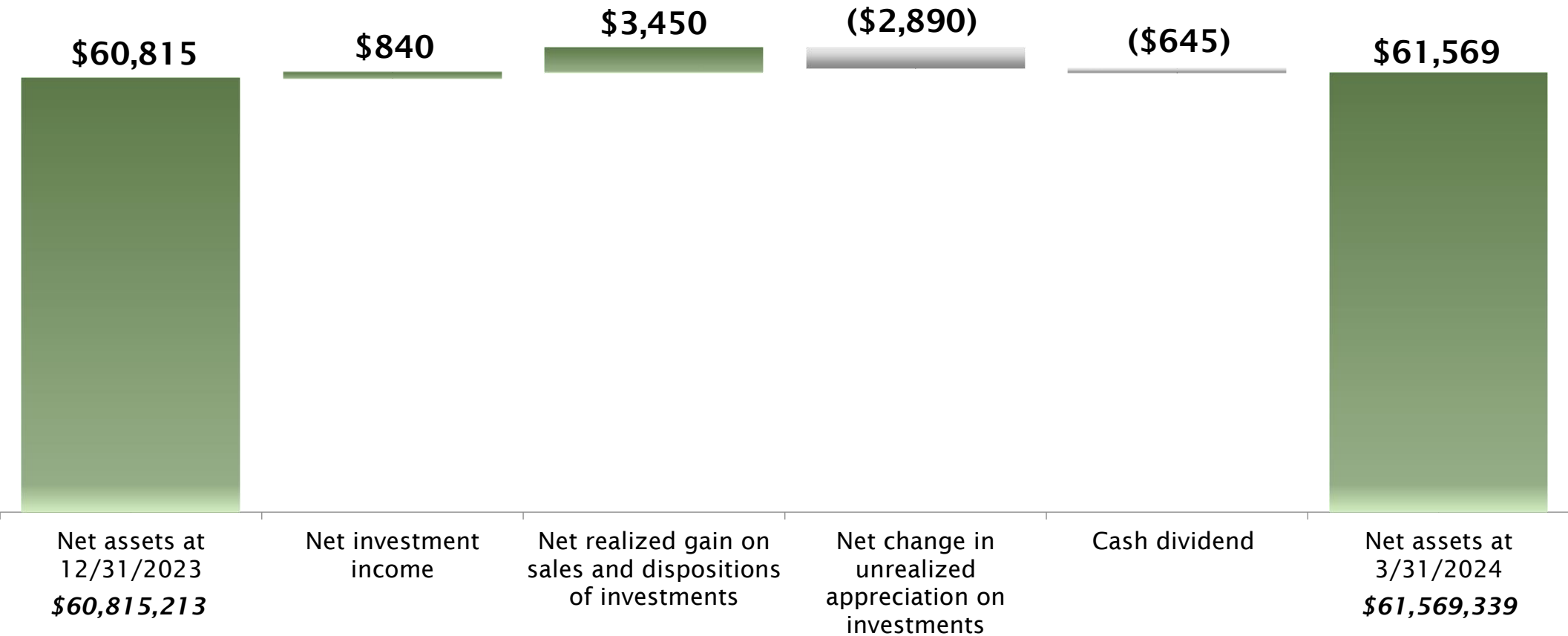
² Per share amounts based on weighted average shares outstanding of 2,581,021 in Q1 2024 and in Q1 2023.

³ Adjusted Net Investment Income per share and Adjusted Expenses are non-GAAP financial measures. Please see supplemental slides for a description of these non-GAAP financial measures and reconciliation tables between GAAP and non-GAAP.



NET ASSET VALUE CHANGE: Q1 2024

(\$ in thousands)



Totals may not sum due to rounding



STRONG AND FLEXIBLE BALANCE SHEET

Net Asset Value Composition

At March 31, 2024

Per Share	Assets and Liabilities
\$0.29	\$0.8 million consolidated cash
\$1.73	\$4.5 million in public equity investments “Liquid” ¹
\$30.34	\$78.3 million in private investments
\$(8.51)	\$(22.0) million other assets & liabilities, net
\$23.85	Net Asset Value (NAV) per share

Total assets increased 4% to \$84.4 million

Publicly-traded equity securities of \$4.5 million available for future liquidity opportunities

At March 31, 2024, \$19.2 million in outstanding borrowings under the \$25 million senior secured revolving credit facility

- Outstanding borrowings carried an interest rate of 8.8% at quarter-end

Did not repurchase any outstanding common stock during the first quarter of 2024; Board of Directors renewed \$1.5 million share repurchase program

Announced regular quarterly dividend of \$0.29 per share for second quarter 2024

¹ \$82.8 million in total portfolio investments includes \$4.5 million of highly liquid BDC publicly traded stock



2024 OBJECTIVES

- ✓ Continue to replicate our past success by increasing our portfolio composition with new debt investments
- ✓ Continue to evaluate current portfolio company equity holdings and M&A market conditions to further drive portfolio equity returns
- ✓ Put capital to work:
 - Leverage cash balance and senior secured revolving credit facility
 - Opportunistically use our publicly traded equity investments as available liquidity
- ✓ Drive investment income growth to increase dividends paid to our shareholders



SUPPLEMENTAL INFORMATION

ADJUSTED EXPENSES (NON-GAAP*)



	Three months ended March 31, 2024	Three months ended March 31, 2023
Total expenses	\$ 1,226,856	\$ 1,047,845
Exclude expenses for capital gains incentive fees	112,300	291,000
Adjusted total expenses	\$ 1,114,556	\$ 756,845

**In addition to reporting total expenses, which is a U.S. generally accepted accounting principle ("GAAP") financial measure, Rand presents adjusted expenses, which is a non-GAAP financial measure. Adjusted expenses is defined as GAAP total expenses removing the effect of any expenses for capital gains incentive fees accrual. GAAP total expenses is the most directly comparable GAAP financial measure. Rand believes that adjusted expenses provides useful information to investors regarding financial performance because it is a method the Company uses to measure its financial and business trends related to its results of operations. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.*

ADJUSTED NET INVESTMENT INCOME PER SHARE (NON-GAAP*)



	Three months ended March 31, 2024	Three months ended March 31, 2023
Net investment income per share	\$ 0.33	\$ 0.28
Exclude expenses for capital gains incentive fees per share	0.04	0.11
Adjusted net investment income per share	\$ 0.37	\$ 0.39

Totals may not sum due to rounding

**In addition to reporting Net Investment Income per Share, which is a GAAP financial measure, the Company presents Adjusted Net Investment Income per Share, which is a non-GAAP financial measure. Adjusted Net Investment Income per Share is defined as GAAP Net Investment Income per Share removing the effect of any expenses for capital gains incentive fees. GAAP Net Investment Income per Share is the most directly comparable GAAP financial measure. Rand believes that Adjusted Net Investment Income per Share provides useful information to investors regarding financial performance because it is a method the Company uses to measure its financial and business trends related to its results of operations. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.*



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