



SECOND QUARTER 2024 FINANCIAL RESULTS

August 6, 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 strategy of the Company and its outlook; statements regarding pending sale of portfolio company SciAps and the timing for the expected closing of such transaction; statements regarding the implementation of the Company’s strategy and the growth of its dividend; 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) evolving legal, regulatory and tax regimes; (2) changes in general economic and/or industry specific conditions; and (3) 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, 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.

CONSISTENT EXECUTION DROVE STRONG Q2 RESULTS



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

- ✓ Growth in interest income from continued deployment into debt investments
 - Total investment income up 18% to \$2.1 million over the prior-year period
- ✓ Net asset value per share was \$26.56 at quarter-end, up 11% sequentially⁽¹⁾
- ✓ Portfolio fair value \$87.1 million at quarter-end, up 13% from year-end 2023
- ✓ Capitalized on market conditions with selective exits
- ✓ Deployed capital to improve balance sheet by reducing debt
 - Reduced debt \$2.0 million in the quarter and repaid an additional \$2.3 million subsequent to quarter end
- ✓ Portfolio company SciAps expected to be acquired in 2024 providing Rand with an influx in capital



The Rand Building, Buffalo, NY

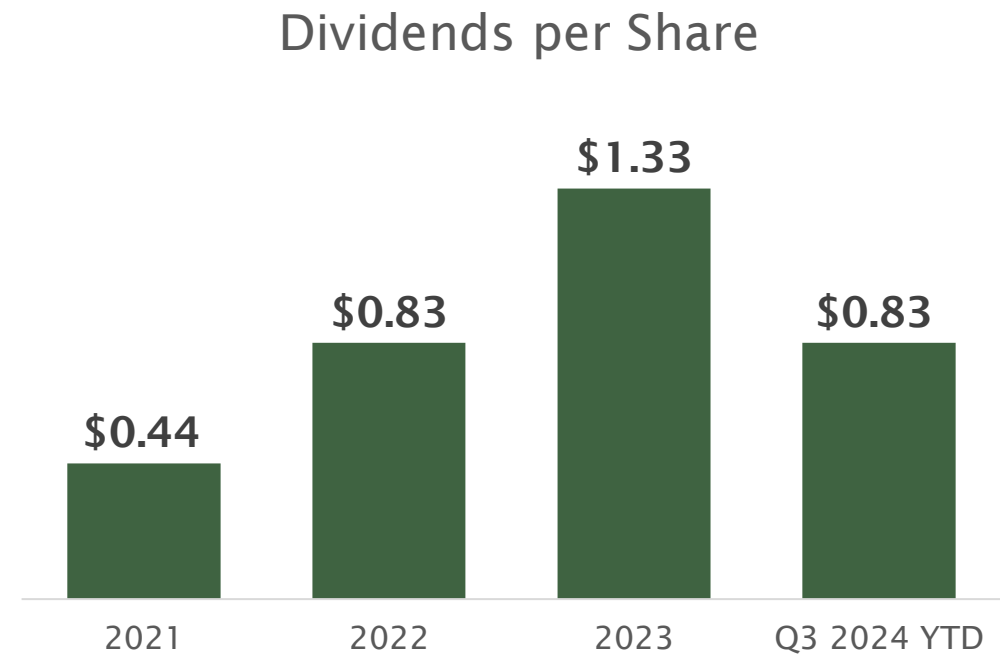
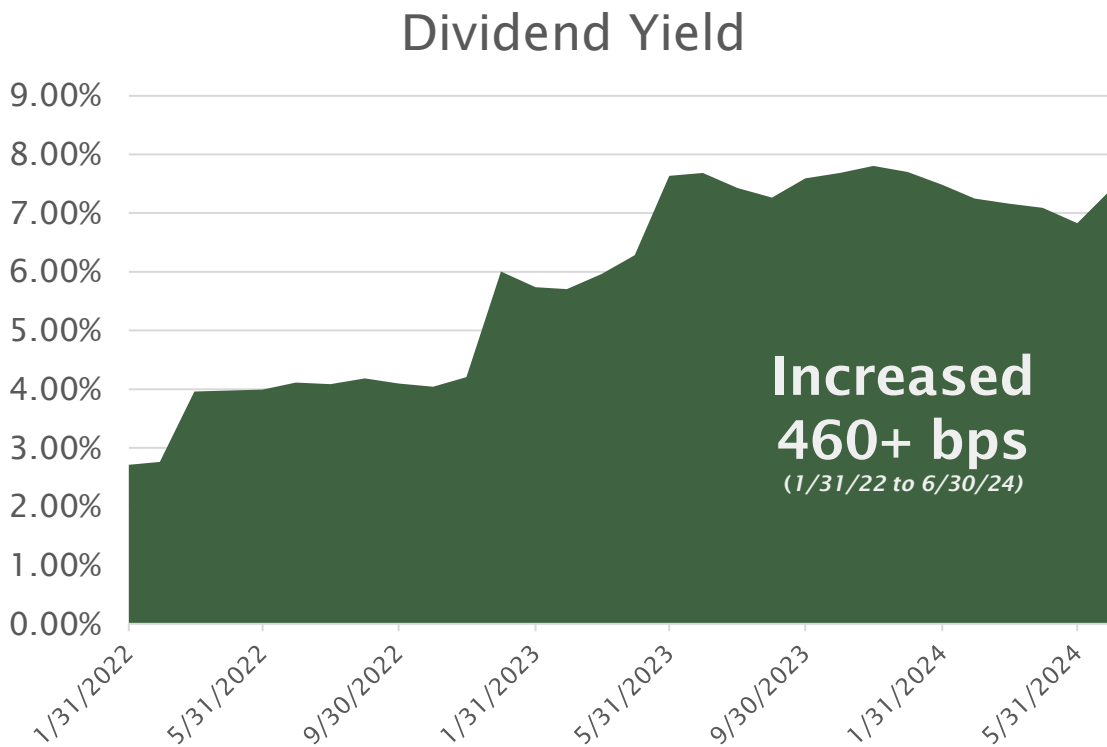
¹ Net asset value per share amounts based on weighted average shares outstanding



DELIVERING CASH DIVIDENDS

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

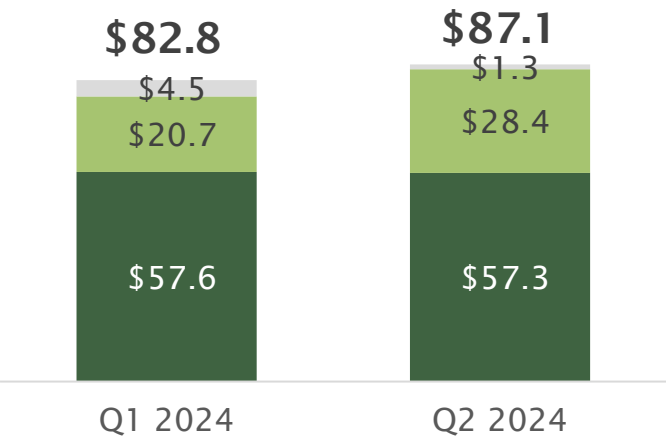
- ✓ Paid Q2 2024 dividend of \$0.29 per share
- ✓ On July 31, 2024, declared third quarter cash dividend of \$0.29 per share
 - To be paid on or about September 13, 2024, to shareholders of record as of August 30, 2024



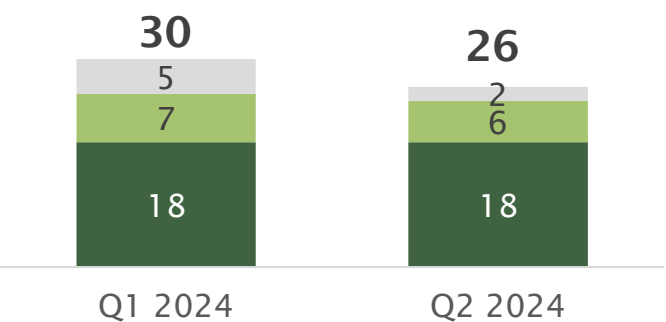


PORTFOLIO MIX

Fair Value Portfolio Mix
(\$ in millions)



Portfolio Mix
(# of Companies)



■ Debt ■ Equity ■ Publicly Traded Stock

Fair value increase reflects a follow-on investment and valuation adjustments on several portfolio companies

Mix at quarter-end, based on fair value:

- 66% Fixed-rate debt investments
- 32% Equity investments in private companies
- 2% Publicly traded equities (includes dividend paying BDCs stock)

Annualized weighted average yield of debt investments, which includes PIK interest, was 13.8% at June 30, 2024

Q2 2024 PORTFOLIO ACTIVITY



Investment



*Provider of services for commercial
kitchens and new builds*

Funded follow-on equity investment of \$108 thousand

Total debt and equity investments had a fair value of \$7.5 million

Exits / Repayments



*Received \$740,000 principal loan repayment:
total debt and equity investment had a fair
value of \$2.2 million at quarter-end*



*Sold share holdings in three publicly
traded BDCs for total proceeds of
\$3.3 million, which included a
realized gain of \$1.3 million*



*Partial asset sale drove
realized gain of \$397,000*



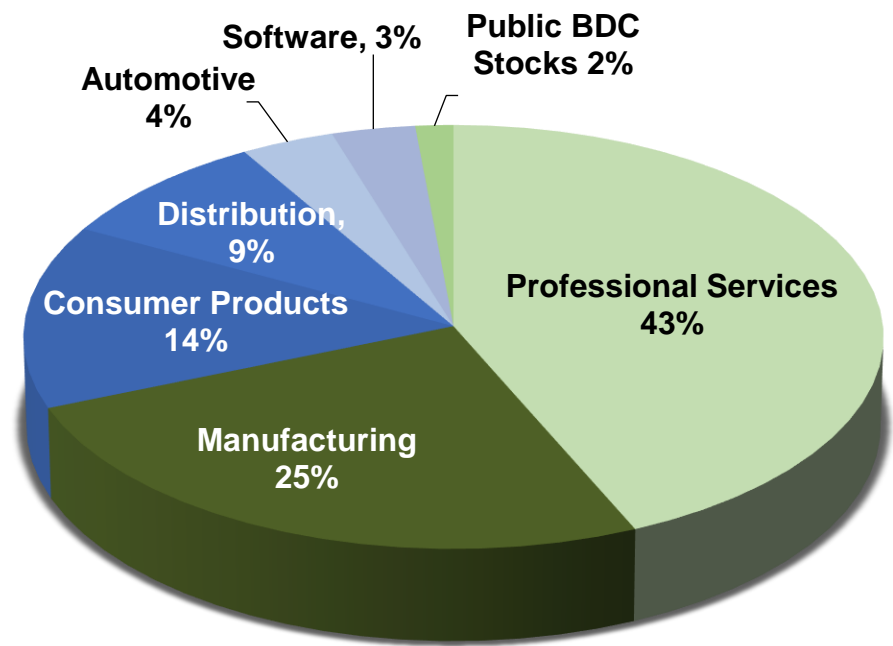
*Exited remaining equity
investment*



DIVERSIFIED PORTFOLIO

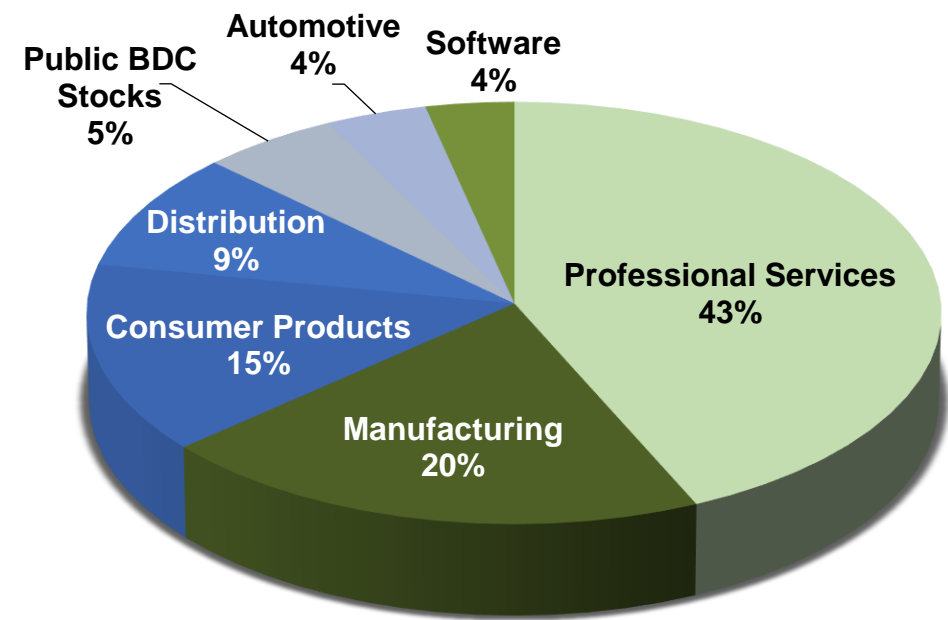
Investments by Industry Classification

June 30, 2024



*Based on total investments
at fair value of \$87.1 million*






March 31, 2024



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

TOP FIVE PORTFOLIO INVESTMENTS



(\$ in millions)	Company	Investments at Fair Value	Year Acquired	Industry	% of Total Portfolio	Investment Type
	Tilson	\$12.3	2015	Professional Services – Cellular info systems, construction, mgmt.	14%	Equity – paying dividend
	SciAps, Inc.	\$10.8	2013	Manufacturing – Portable analytical instruments	12%	Equity Promissory note (12%)
	Seybert's	\$7.9	2021	Consumer Product – Billiard supplies	9%	Term note (12% plus 2% PIK) Warrant
	Food Service Supply	\$7.5	2022	Professional Services – Services for commercial kitchens and new builds	9%	Term note (12%) Equity
	Mattison LLC	\$5.6	2024	Professional and Business Services – Provider of upscale salon spaces for lease	7%	Term Note (9% plus 5% PIK)
Total Top 5		\$44.0			50%	

All values as of June 30, 2024. Totals may not foot due to rounding.

\$87.1 million portfolio fair value with 26 portfolio companies



FINANCIAL REVIEW



SECOND QUARTER FINANCIAL SUMMARY

(\$ in thousands, except per share data)

	Q2 2024	Q2 2023
Total investment income	\$ 2,136	\$ 1,815
Total expenses	2,653	1,307
Net investment (loss) income ¹	(517)	493
Net investment (loss) income per share ²	\$ (0.20)	\$ 0.19
Adjusted net investment income per share ³	\$ 0.44	\$ 0.38
Net realized and unrealized gain on investments	\$ 8,255	\$ 2,179
Net increase in net assets from operations	7,738	2,672
Net increase in net assets from operations per share ²	\$ 3.00	\$ 1.04

Total investment income grew 18%

- Driven by a 35% increase in interest from portfolio companies

Total expenses increase primarily reflects higher capital gains incentive fees

Excluding capital gains incentive fees, adjusted expenses were \$1.0 million in Q2 24 compared with \$816,000 in Q2 23³

- Increase reflects higher interest expense due to credit facility utilization

¹ Net of income tax expense

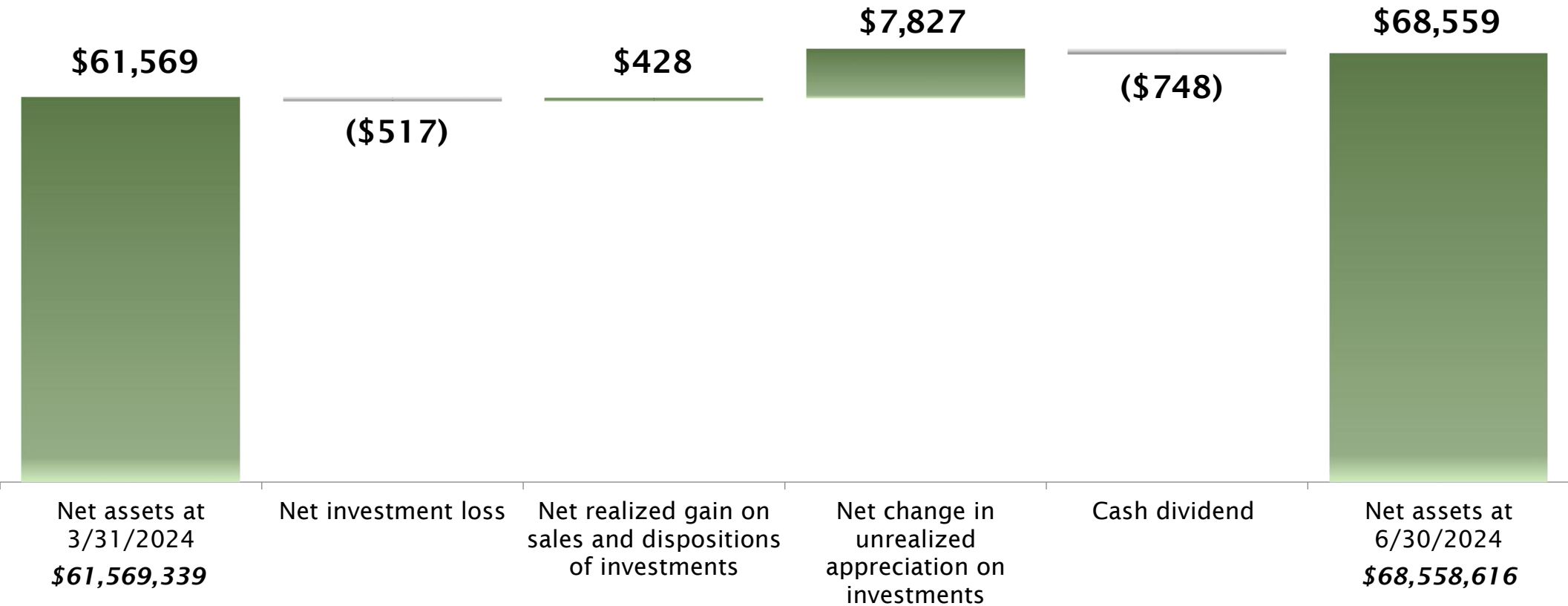
² Per share amounts based on weighted average shares outstanding of 2,581,021 in Q2 2024 and in Q2 2023.

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: Q2 2024

(\$ in thousands)



Totals may not sum due to rounding



STRONG AND FLEXIBLE BALANCE SHEET

Net Asset Value Composition

At June 30, 2024

Per Share	Assets and Liabilities
\$0.89	\$2.3 million consolidated cash
\$0.52	\$1.3 million in public equity investments “Liquid” ¹
\$33.22	\$85.7 million in private investments
\$(8.07)	\$(20.8) million other assets & liabilities, net
\$26.56	Net Asset Value (NAV) per share

Total assets increased 8% to \$90.8 million

Publicly-traded equity securities of \$1.3 million available for future liquidity opportunities

At June 30, 2024, \$17.2 million in outstanding borrowings under the \$25 million senior secured revolving credit facility

- Subsequent to quarter end paid an additional \$2.3 million
- Outstanding borrowings carried an interest rate of 8.8% at quarter-end

Did not repurchase any outstanding common stock during the second quarter of 2024

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

¹ \$87.1 million in total portfolio investments includes \$1.3 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 anticipated capital from the sale of SciAps
 - 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 June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Total expenses	\$ 2,652,782	\$ 1,306,741	\$ 3,879,638	\$ 2,354,586
Exclude expenses for capital gains incentive fees	1,641,000	491,000	1,753,300	782,000
Adjusted total expenses	\$ 1,011,782	\$ 815,741	\$ 2,126,338	\$ 1,572,586

**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 June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Net investment (loss) income per share	\$ (0.20)	\$ 0.19	\$ 0.12	\$ 0.47
Exclude expenses for capital gains incentive fees per share	0.64	0.19	0.68	0.30
Adjusted net investment income per share	\$ 0.44	\$ 0.38	\$ 0.80	\$ 0.77

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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