



Rand Capital Announces Two of its Portfolio Companies Undertaking Major Financing Rounds to Support Their Strategic Growth

- ***ACV Auctions raised \$150 million in a Series E***
- ***PostProcess raised \$20 million in a Series B***

BUFFALO, N.Y.--(BUSINESS WIRE)-- [Rand Capital Corporation](#) (Nasdaq: RAND) ("Rand" or "Rand Capital" or the "Company"), a business development company, announced that two of its Buffalo, NY-based portfolio companies, [ACV Auctions, Inc.](#) and [PostProcess Technologies, Inc.](#), have both completed major financing rounds, raising \$150 million and \$20 million, respectively. The ACV Auctions financing was led by Wellington Management Company and Fidelity Management & Research Co. and included existing investors such as Bain Capital Ventures, Bessemer Venture Partners and Tribeca Venture Partners. The PostProcess Technologies round was led by Grand Oaks Capital, an investment firm founded by businessman and philanthropist Tom Golisano, the founder of Paychex Inc.

ACV Auctions is committed to being the most trusted way for dealers to buy and sell used vehicles. The new capital will fuel ACV Auctions' investment in technology and data-driven solutions that will help dealerships source and sell used vehicles. The ACV Condition Inspection Report has become the gold-standard for the automotive industry. Patent-pending products include Virtual Lift™, an imaging tool that captures the undercarriage of vehicles, solving an industry blindspot; and Audio Motor Profile (AMP), a tool that captures a clear audio clip of the vehicle's running engine to expose its true condition. The new capital will also be used to expand the company's footprint across North America and grow the ACV Auctions team, which currently stands at 1,000+ employees.

PostProcess Technologies was founded in 2014 and is the first and only provider of automated and intelligent post-printing solutions for industrial 3D printing. The new funding will accelerate the company's full-stack solution of proprietary software, hardware, and chemistry with a focus on data analytics and machine learning, and will also allow the company to significantly increase its global go-to-market activity. PostProcess is increasing its European footprint through its investment in a new FINISH3D Benchmarking Lab, a technology demonstration and customer support facility. It will host benchmark test solutions as well as provide a training center for European customers. The company also recently expanded its European channel partner network with the addition of two leading distributors who will service and support the French and Nordic markets.

Allen F. ("Pete") Grum, President and Chief Executive Officer of Rand Capital, commented, "We are pleased to be associated with these dynamic companies and support their growth. For ACV Auctions, this represents the largest round of venture capital in the history of

Buffalo-based companies, making it our area's first unicorn. We initially invested in both companies in 2016 based on their management and innovativeness. We are proud to support their efforts to further advance their respective businesses."

The fair value of Rand's investments in ACV Auctions and PostProcess Technologies was \$2.8 million and \$300,000, respectively, as of September 30, 2019. Rand was not a participant in the latest financing round for either company, but did convert its convertible note into PostProcess Technologies Series A1 preferred shares.

ABOUT ACV AUCTIONS

Headquartered in Buffalo, NY, ACV is an online, wholesale vehicle marketplace that provides franchise and used-car dealerships a more effective and transparent way of buying and selling wholesale vehicles through 20-minute auctions. Its technology modernizes the entire arc of auction operations, providing third-party inspections, account management, title, payment processing, arbitration management and transportation. The company strives to be the most trusted source in the industry for dealers to buy and sell wholesale vehicles. To learn more, visit www.acvauctions.com.

ABOUT POSTPROCESS TECHNOLOGIES

PostProcess Technologies is the only provider of automated and intelligent post-printing solutions for 3D printed parts. Founded in 2014 and headquartered in Buffalo, NY, USA, with international operations in Sophia-Antipolis, France, PostProcess removes the bottleneck in the third step of 3D printing – post-printing – through patent-pending software, hardware, and chemistry technologies. PostProcess's solutions automate additive manufacturing's most common post-printing processes with a software-based approach, including support, resin, and powder removal, as well as surface finishing, resulting in "customer-ready" 3D printed parts. Its technology delivers transformative results in decreased manual labor, reduced cycle time, improved consistency and repeatability, and lower scrap/re-print rates. The PostProcess portfolio has been proven across all major industrial 3D printing technologies and is in use daily in every imaginable manufacturing sector. For more information, please visit www.postprocess.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). Additional information can be found at the Company's website where it regularly posts information: www.randcapital.com.

Safe Harbor Statement

This press release 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. 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 Capital's reports filed with the Securities and Exchange Commission ("SEC"), including Rand Capital's annual report on Form 10-K for the year ended December 31, 2018, later filed quarterly reports on Form 10-Q, the definitive proxy statement and other documents filed with the SEC. Consequently, such forward-looking statements should be regarded as Rand Capital's current plans, estimates and beliefs. Except as required by applicable law, Rand Capital assumes no obligation to update the forward-looking information contained in this release.

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Source: Rand Capital Corporation