



Third Quarter 2018 Earnings Call

November 7, 2018

Allen F. "Pete" Grum
President & CEO

Daniel P. Penberthy
Executive Vice President & CFO

Safe Harbor Statement

Statements included in these slides that do not relate to present or historical conditions are “forward-looking statements” within the meaning of that term in Section 27A of the Securities Act of 1933, and in Section 21E of the Securities Exchange Act of 1934. Additional oral or written forward-looking statements may be made by us from time to time, and forward-looking statements may be included in documents that are filed with the Securities and Exchange Commission. Forward-looking statements involve risks and uncertainties that could cause results or outcomes to differ materially from those expressed in the forward-looking statements. Forward-looking statements may include, without limitation, statements relating to our plans, strategies, objectives, expectations and intentions and are intended to be made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as “believes,” “forecasts,” “intends,” “possible,” “expects,” “estimates,” “anticipates,” or “plans” and similar expressions are intended to identify forward-looking statements. Among the important factors on which such statements are based are assumptions concerning the state of the national economy and the markets in which our portfolio companies operate, the state of the securities markets and the national financial markets, and inflation. Forward-looking statements are also subject to the risks and uncertainties described under the caption “Risk Factors” contained in documents that we file with the SEC, including our 2017 Annual Report on Form 10-K filed on March 8, 2018. There may be other factors not identified that affect the accuracy of our forward-looking statements. Further, any forward-looking statement speaks only as of the date it is made and, except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances. New factors emerge from time to time that may cause our business to not develop as we expect, and we cannot predict all of them.



Third Quarter 2018 Highlights

- NAV of \$4.84 per share at September 30, 2018; down from \$4.87 at June 30, 2018
 - Impacted by realized loss upon sale of portfolio company, partially offset by tax benefit
- Supported existing portfolio company, BeetNPath, LLC, with \$140,000 investment
- Investment income increased 66% and 34% over the prior-year third quarter and nine month periods
- Portfolio valued at \$32.2 million at quarter end



Genicon Increases Market Penetration



April 2015

Initial Investment

\$4.2 million

Fair Value of Investment*

6%

Equity Ownership*

Headquarters

Winter Park, FL

Revenue Stage

Expansion

Description

Recognized as an emerging leader in the design, production, and distribution of patented surgical instrumentation focused exclusively on laparoscopic surgery

Recent Business Activity

- Revenue up 38% over prior year
- Recent new contract wins or expansions from HealthTrust Purchase Group, Vizient, and Helios
- Six new inventions
- Registration and market approval in Saudia Arabia

** Based on Rand's investment as of September 30, 2018*



Tilson on *Inc. 5000 List* for Eight Consecutive Years



January 2015

Initial Investment

\$2.5 million

Fair Value of Investment*

11%

Equity Ownership*

Headquarters

Portland, ME

Revenue Stage

High Traction

Description

Provides network deployment and information system professional services to telecom, construction, utility and government clients, and successfully executes complex and challenging projects worldwide

Recent Business Activity

- Recently ranked for the eighth consecutive year on the *Inc. 5000* list
- Projects revenue growth of over 50% for 2018 and 2019
- Employs it's differentiated capability to lead technology advancement in support of expanding 5G infrastructure deployment

* Based on Rand's investment as of September 30, 2018



GiveGab Transaction Volume Increases 10x



March 2013

Initial Investment

\$616,221

Fair Value of Investment*

4%

Equity Ownership*

Headquarters

Ithaca, NY

Revenue Stage

Expansion

Description

The Nonprofit Giving Platform, providing a quick and easy way for fundraising professionals to raise money online

Recent Business Activity

- Synergies from the acquisition of Kimbia are helping drive growth
- 2018 giving transaction volume is on pace to grow at a rate of approximately 10x over 2017
- Partnering with more than 150 giving days annually, helping nonprofits raise approximately \$500 million in 2018

* Based on Rand's investment as of September 30, 2018



SciAps, Inc. Wins in Marketplace



July 2013

Initial Investment at Start-up

\$2.0 million

Fair Value of Investment*

6%

Equity Ownership*

Headquarters

Woburn, MA

Revenue Stage

Expansion

Description

Instrumentation company producing portable analytical devices using XRF, LIBS and RAMAN spectroscopy to identify compounds, minerals, and elements.

Recent Business Activity

- LIBS approved globally for measuring carbon and carbon equivalents for both pipeline inspections (midstream) and refining (downstream)
- Established distribution channel partner in China

* Based on Rand's investment as of September 30, 2018

"We anticipate millions of dollars of new revenue from our new LIBS analyzer. It's the only device of its type that's been approved for pipeline inspection applications and there are nearly 200,000 miles of pipeline to test in North America alone," noted Don Sackett, SciAps' CEO. "Further, a major channel partner in China replaced their Japanese supplier's product with SciAps because they said SciAps has superior product breadth and more responsive customer support."



Portfolio Companies: By Revenue Stage



Several portfolio companies approaching exit stage*



Portfolio Companies: By Investment Period



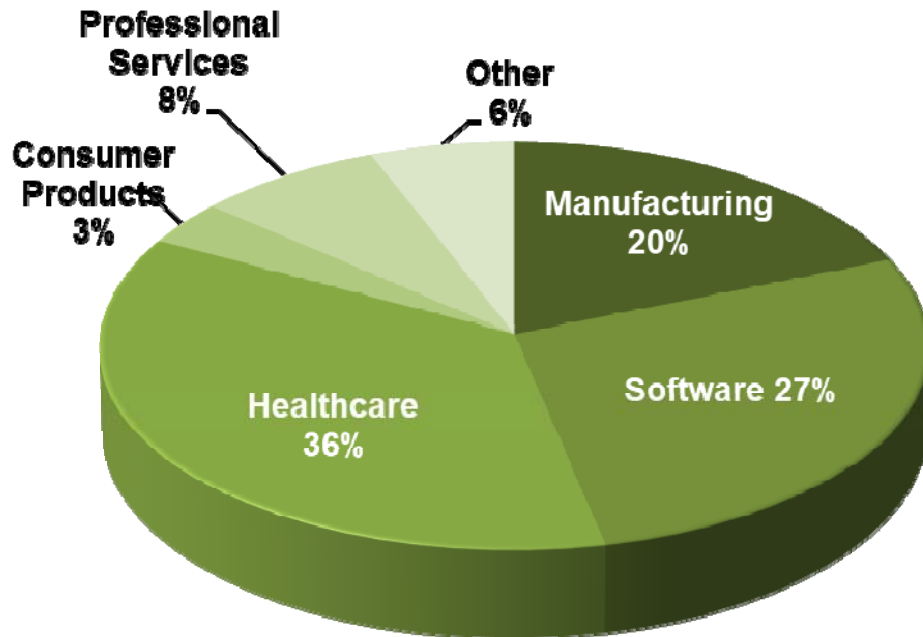
Average portfolio age is 4.8 years*



Diverse Portfolio Reflects Strategy

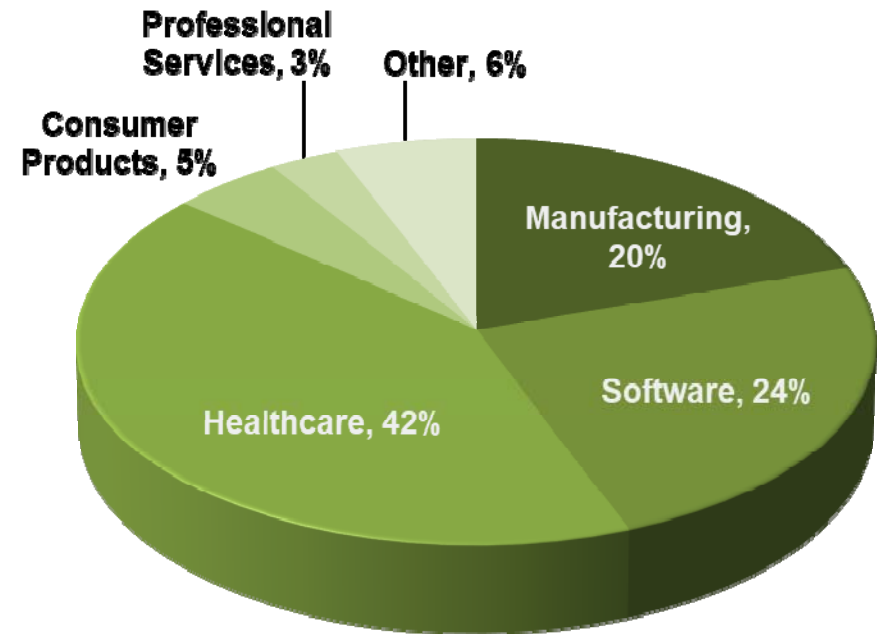
Investments by Industry Classification

September 30, 2018



Based on total investments at fair value of \$32.2 million as of September 30, 2018

September 30, 2017



Based on total investments at fair value of \$30.7 million as of September 30, 2017



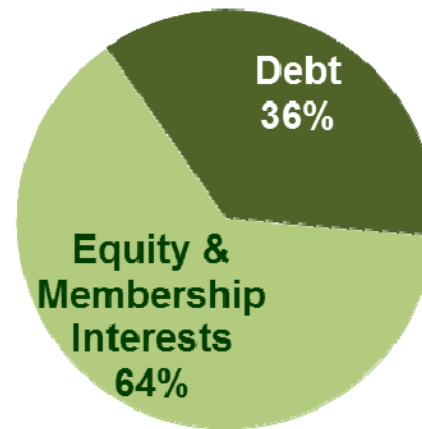
Equity Investment Focused, But Flexible

Growth Strategy

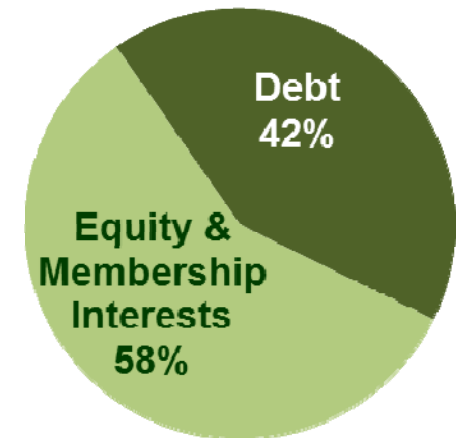
- Focused on capital appreciation and growing NAV
- Near-term objective to build investment income
- Flexibility: adjust investments to meet needs



2015



2016








2017

September 30, 2018: 57% Equity, 43% Debt



Top Five Investments in Portfolio

\$32.2 million total portfolio, 29 active companies

	Company	Investments at Fair Value (in millions)	Year Acquired	Industry	% of Total Portfolio
	Genicon	\$4.2	2015	Healthcare—Surgical Instrumentation	13%
	eHealth	\$3.5	2016	Healthcare—Clinical Record Imaging Systems	11%
	Rheonix	\$2.9	2009	Healthcare—Molecular Testing Devices	9%
	Tilson	\$2.5	2015	Professional Services	8%
	Outmatch	\$2.1	2010	Software—Predictive Talent Selection	7%
	TOTAL Top 5	\$15.2			48%



All values as of September 30, 2018, may not foot due to rounding

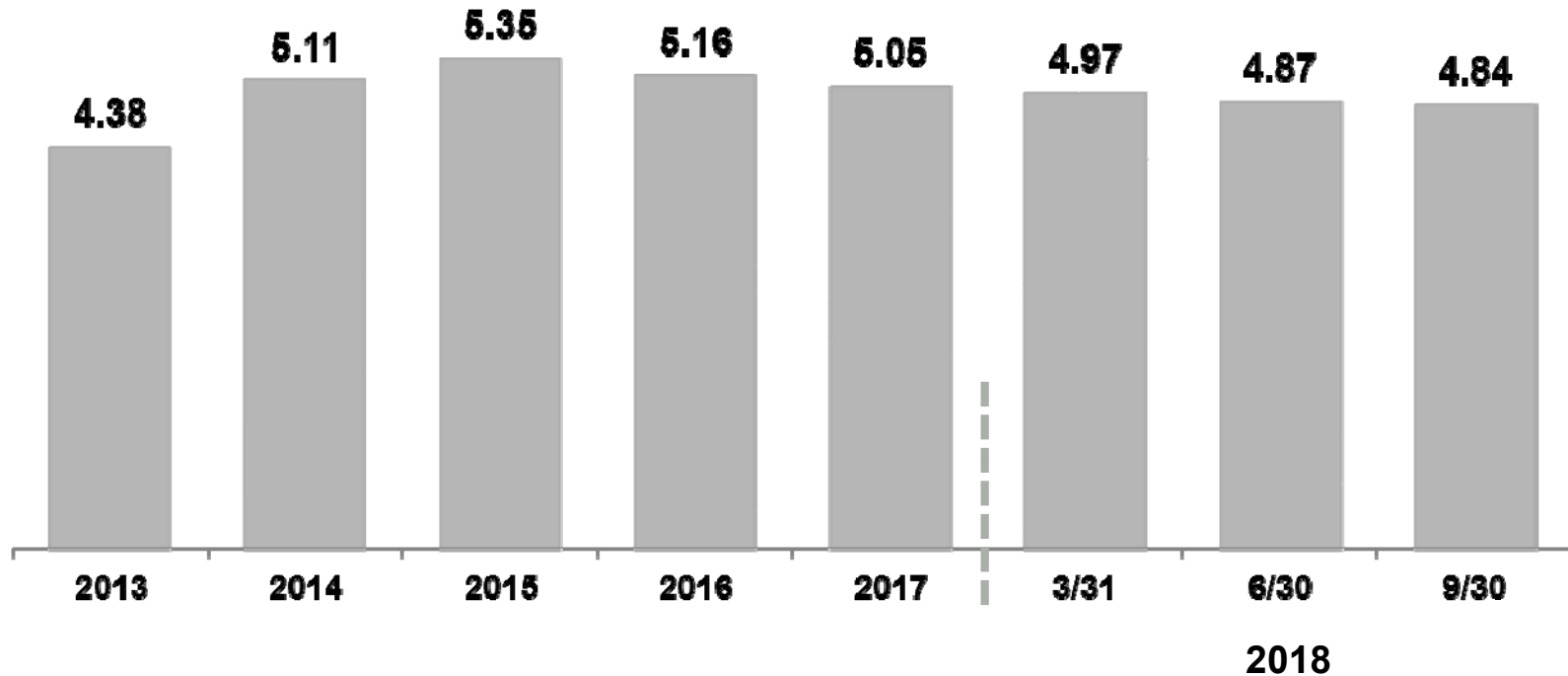


Financial Review

Daniel P. Penberthy
Executive Vice President & CFO

NAV Progression

(NAV per share, after tax)



Portfolio gains/losses drive changes in NAV



Financial Summary

(in thousands, except per share data)

	Q3 2018	Q3 2017	\$/% Δ	YTD 2018	YTD 2017	\$/% Δ
Investment income	\$662	\$397	\$265/66%	\$1,439	\$1,075	\$364/34%
Total expenses	\$448	\$439	\$9/2%	\$1,510	\$1,563	(\$53)/(3%)
Net realized and unrealized (loss) gain on investments	(\$344)	\$83	(\$427)/N/A	(\$1,284)	(\$638)	(\$646)/(101%)
Net (decrease) increase in net assets from operations	(\$179)	\$58	(\$237)/N/A	(\$1,185)	(\$937)	(\$247)/(26%)
Per share	(\$0.03)	\$0.01	(\$0.04)/N/A	\$(0.21)	\$(0.15)	\$(0.06)/(40%)

- Q3 portfolio company loan restructuring as well as income-producing investments over past year drove investment income increase
- Increase in Q3 expenses mainly due to higher professional services, partially offset by a bad debt recovery
- Q3 realized loss resulted from the sale of a portfolio company with no proceeds
- Q3 unrealized loss related to the loan restructuring noted above in investment income



Strong Balance Sheet

At September 30, 2018

Value/share

\$0.39 \$2.5 million cash at Corporate

\$0.31 \$2.0 million cash in SBIC

\$5.09 \$32.2 million in portfolio investments

(\$1.27) \$8.0 million in SBA borrowings (maturity 2022-2025)

\$0.32 \$1.9 million other assets & liabilities, net

\$4.84 **Net Asset Value (NAV) per share**



Closing

Allen F. "Pete" Grum
President & CEO



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