



Rand Capital Receives \$6 Million SBIC Funding Commitment

- ***Debenture funding provided by U.S. Small Business Administration***
- ***Additional capital supports Rand's growth strategy***

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, announced that it was recently awarded a \$6 million commitment for additional capital to be issued to its wholly-owned subsidiary, Rand Capital SBIC, Inc. The leverage commitment, granted by the U.S. Small Business Administration ("SBA"), permits Rand SBIC to draw down capital, as needed, for future investments through September 30, 2023. This new debenture leverage will have a ten year maturity and will carry a fixed market rate of interest, both of which are determined following the dates of the capital draws.

Since the establishment of Rand SBIC in 2002, Rand has received \$18 million of SBA capital, of which it has repaid \$10 million, leaving \$8 million of SBA debenture obligations currently outstanding. These debentures have an average annual interest rate of 3.6%, with scheduled maturities between 2022 and 2025. Following a full draw down of the new \$6 million SBA commitment, Rand SBIC's total outstanding debenture leverage would be \$14 million.

Daniel P. Penberthy, Executive Vice President and Chief Financial Officer of Rand, commented, "Rand and the SBA have a shared mission of growing businesses and jobs. Access to this additional capital allows us to further expand our portfolio in support of advancing businesses. The SBA leverage is long-term capital, however it does require semi-annual interest payments to the SBA. Therefore Rand will continue its focus on current yield debt investments in combination with growth equity to support this new leverage funding."

Allen F. ("Pete") Grum, Rand's President and Chief Executive Officer, added, "While this capital commitment had taken some time to receive, it demonstrates the SBA's confidence in Rand and the important role we serve in the funding cycle of young businesses in underserved markets. We have a healthy pipeline of deserving opportunities and believe that this new capital, combined with our other strategic initiatives, will continue to drive shareholder value."

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) with a wholly owned subsidiary 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. The Company seeks investment opportunities in businesses with strong leaders who are 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 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.

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