UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _____ to _______

Commission File Number: 814-00235

Rand Capital Corporation
(Exact Name of Registrant as specified in its Charter)

New York **(State or Other Jurisdiction of Incorporation or Organization)**	**16-0961359** **(IRS Employer Identification No.)**
14 Lafayette Square, Suite 1405, Buffalo, NY **(Address of Principal executive offices)**	**14203** **(Zip Code)**

(716) 853-0802
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.10 par value	**RAND**	**Nasdaq Capital Market**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☑	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

As of August 4, 2025, there were 2,969,814 shares of the registrant's common stock outstanding.

RAND CAPITAL CORPORATION AND SUBSIDIARIES
TABLE OF CONTENTS FOR FORM 10-Q

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements and Supplementary Data

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		June 30, 2025 (Unaudited)		December 31, 2024
ASSETS				
Investments at fair value:				
Control investments (cost of $6,563,940 and $6,188,940, respectively)	**$**	**2,000,000**	$	2,500,000
Affiliate investments (cost of $44,800,334 and $42,488,804, respectively)		**42,717,475**		51,668,144
Non-Control/Non-Affiliate investments (cost of $9,912,772 and $19,442,491, respectively)		**7,646,779**		16,649,897
Total investments, at fair value (cost of $61,277,046 and $68,120,235, respectively)		**52,364,254**		70,818,041
Cash		**4,419,813**		834,805
Interest receivable (net of allowance of $25,337 and $0, respectively)		**250,263**		357,530
Prepaid income taxes		**344,695**		329,365
Deferred tax asset, net		**111,438**		2,161
Other assets		**149,076**		115,531
Total assets	**$**	**57,639,539**	$	72,457,433
LIABILITIES AND STOCKHOLDERS' EQUITY (NET ASSETS)				
Liabilities:				
Due to investment adviser	**$**	**509,500**	$	2,182,846
Accounts payable and accrued expenses		**38,600**		92,568
Line of credit (see Note 6)		—		600,000
Capital gains incentive fees		—		1,565,000
Deferred revenue		**377,485**		516,441
Dividend payable		—		2,168,058
Total liabilities		**925,585**		7,124,913
Commitments and contingencies (see Note 5)				
Stockholders' equity (net assets):				
Common stock, $0.10 par; shares authorized 100,000,000; shares issued: 3,037,709 at 6/30/25 and 2,648,916 at 12/31/24; shares outstanding: 2,969,814 at 6/30/25 and 2,581,021 at 12/31/24 (see Note 1)		**303,771**		264,892
Capital in excess of par value		**64,051,504**		55,419,620
Stock dividends distributable: 0 shares at 6/30/25 and 388,793 shares at 12/31/24		—		8,672,231
Treasury stock, at cost: 67,895 shares at 6/30/25 and 12/31/24		**(1,566,605)**		(1,566,605)
Total distributable earnings		**(6,074,716)**		2,542,382
Total stockholders' equity (net assets) (per share – 6/30/25: $19.10; 12/31/24: $25.31)		**56,713,954**		65,332,520
Total liabilities and stockholders' equity (net assets)	**$**	**57,639,539**	$	72,457,433

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Investment income:				
Interest from portfolio companies:				
Control investments	**$ 12,979**	$ 198,885	**$ 12,979**	$ 386,368
Affiliate investments	**1,264,789**	1,192,116	**2,547,648**	2,358,201
Non-Control/Non-Affiliate investments	**236,794**	604,226	**631,101**	1,064,306
Total interest from portfolio companies	**1,514,562**	1,995,227	**3,191,728**	3,808,875
Interest from other investments:				
Non-Control/Non-Affiliate investments	**36,556**	144	**46,939**	2,058
Total interest from other investments	**36,556**	144	**46,939**	2,058
Dividend and other investment income:				
Affiliate investments	**—**	13,125	**13,125**	26,250
Non-Control/Non-Affiliate investments	**—**	60,050	**—**	198,760
Total dividend and other investment income	**—**	73,175	**13,125**	225,010
Fee income:				
Control investments	**4,516**	4,516	**9,032**	9,032
Affiliate investments	**42,891**	54,815	**174,646**	128,535
Non-Control/Non-Affiliate investments	**3,772**	8,272	**174,731**	29,858
Total fee income	**51,179**	67,603	**358,409**	167,425
Total investment income	**1,602,297**	2,136,149	**3,610,201**	4,203,368
Expenses:				
Base management fee (see Note 8)	**217,649**	322,672	**469,857**	625,267
Income based incentive fees (see Note 8)	**—**	—	**119,673**	—
Capital gains incentive fees (see Note 8)	**(1,490,000)**	1,641,000	**(1,565,000)**	1,753,300
Interest expense	**25,417**	393,172	**61,903**	783,192
Professional fees	**142,020**	91,460	**350,862**	323,767
Stockholders and office operating	**103,349**	82,667	**194,112**	151,695
Directors' fees	**66,550**	66,550	**130,400**	130,400
Administrative fees	**50,250**	40,000	**99,000**	78,167
Insurance	**9,974**	10,380	**23,136**	23,424
Corporate development	**(2,493)**	4,881	**4,501**	10,426
Bad debt expense	**13,125**	—	**38,462**	—
Total (benefits) expenses	**(864,159)**	2,652,782	**(73,094)**	3,879,638
Net investment income (loss) before income taxes:	**2,466,456**	(516,633)	**3,683,295**	323,730
Income tax (benefit) expense	**(11,778)**	562	**(13,054)**	1,340
Net investment income (loss)	**2,478,234**	(517,195)	**3,696,349**	322,390
Net realized gain (loss) on sales and dispositions of investments:				
Affiliate investments	**—**	(831,891)	**925,357**	(831,891)
Non-Control/Non-Affiliate investments	**—**	1,259,999	**(25)**	4,710,091
Net realized gain (loss) on sales and dispositions of investments	**—**	428,108	**925,332**	3,878,200
Net change in unrealized appreciation/depreciation on investments:				
Control investments	**—**	—	**(875,000)**	—
Affiliate investments	**(10,122,270)**	8,849,945	**(10,545,654)**	8,749,945
Non-Control/Non-Affiliate investments	**(189,944)**	(1,070,919)	**(189,944)**	(3,861,215)
Change in unrealized appreciation/depreciation before income taxes	**(10,312,214)**	7,779,026	**(11,610,598)**	4,888,730
Deferred income tax benefit	**(97,826)**	(47,834)	**(94,210)**	(47,834)
Net change in unrealized appreciation/depreciation on investments	**(10,214,388)**	7,826,860	**(11,516,388)**	4,936,564
Net realized and unrealized (loss) gain on investments	**(10,214,388)**	8,254,968	**(10,591,056)**	8,814,764
Net (decrease) increase in net assets from operations	**$ (7,736,154)**	$ 7,737,773	**$ (6,894,707)**	$ 9,137,154
Weighted average shares outstanding	**2,969,814**	2,581,021	**2,920,135**	2,581,021
Basic and diluted net (decrease) increase in net assets from operations per share	**$ (2.60)**	$ 3.00	**$ (2.36)**	$ 3.54

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
(Unaudited)

	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Net assets at beginning of period	**$ 65,311,253**	$ 61,569,339	**$ 65,332,520**	$ 60,815,213
Net investment income (loss)	**2,478,234**	(517,195)	**3,696,349**	322,390
Net realized gain on sales and dispositions of investments	—	428,108	**925,332**	3,878,200
Net change in unrealized appreciation/depreciation on investments	**(10,214,388)**	7,826,860	**(11,516,388)**	4,936,564
Net (decrease) increase in net assets from operations	**(7,736,154)**	7,737,773	**(6,894,707)**	9,137,154
Declaration of dividend	**(861,145)**	(748,496)	**(1,723,859)**	(1,393,751)
Net assets at end of period	**$ 56,713,954**	$ 68,558,616	**$ 56,713,954**	$ 68,558,616

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six months ended June 30, 2025	Six months ended June 30, 2024
Cash flows from operating activities:		
Net (decrease) increase in net assets from operations	**$ (6,894,707)**	$ 9,137,154
Adjustments to reconcile net increase in net assets to net cash provided by (used in) operating activities:		
Investments in portfolio companies	**(409,755)**	(10,945,497)
Proceeds from sale of portfolio investments	**955,357**	7,219,550
Proceeds from loan repayments	**8,490,868**	3,356,760
Net realized gain on sales and dispositions of portfolio investments	**(925,332)**	(3,878,200)
Change in unrealized appreciation/depreciation on investments	**11,610,598**	(4,888,730)
Deferred income tax benefit	**(109,277)**	(134,874)
Amortization	**12,500**	12,500
Original issue discount amortization	**(29,004)**	(14,004)
Non-cash conversion of debenture interest	**(1,223,945)**	(795,134)
Non-cash conversion of loan modification fee	**(15,000)**	—
Change in interest receivable allowance	**25,337**	—
Changes in operating assets and liabilities:		
Decrease (increase) in interest receivable	**81,930**	(272,017)
Increase in other assets	**(46,045)**	(407,542)
Increase in prepaid income taxes	**(15,330)**	(21,994)
Decrease in accounts payable and accrued expenses	**(53,968)**	(37,158)
Decrease in due to investment adviser	**(1,673,346)**	(656,625)
(Decrease) increase in capital gains incentive fees payable	**(1,565,000)**	1,753,300
(Decrease) increase in deferred revenue	**(138,956)**	14,167
Total adjustments	**14,971,632**	(9,695,498)
Net cash provided by (used in) operating activities	**8,076,925**	(558,344)
Cash flows from financing activities:		
Net (repayment of) proceeds from line of credit	**(600,000)**	950,000
Payment of cash dividend	**(3,891,917)**	(1,393,751)
Net cash used in financing activities	**(4,491,917)**	(443,751)
Net increase (decrease) in cash	**3,585,008**	(1,002,095)
Cash:		
Beginning of period	**834,805**	3,295,321
End of period	**$ 4,419,813**	$ 2,293,226

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2025
(Unaudited)

Company, Geographic Location, Business Description, (Industry) and Website	(a) Type of Investment	(b) Date Acquired	(c) Equity	Cost	(d)(f) Fair Value	Percent of Net Assets
Non-Control/Non-Affiliate Investments – 13.5% of net assets: (g) (j)						
Caitec, Inc. (e)(l)(p) Halethorpe, MD. Pet product manufacturer and distributor. (Consumer Goods) www.caitec.com	$1,750,000 Subordinated Secured Promissory Note modified to 14% PIK through June 30, 2025, thereafter 12% (+2% PIK), due June 1, 2026.	11/6/20	4%	2,399,639	2,399,639	8.5%
	36,261 Series A Preferred.	12/28/23		36,261	—	
	150 Class A Units.	11/6/20		150,000	—	
	$1,750,000 Subordinated Secured Promissory Note modified to 14% PIK through June 30, 2025, thereafter 12% (+2% PIK), due June 1, 2026.	11/6/20		2,399,639	2,399,639	
	150 Class A Units.	11/6/20		150,000	—	
	36,261 Series A Preferred.	12/28/23		36,261	—	
	Total Caitec			5,171,800	4,799,278	
GoNoodle, Inc. (l)(p) Nashville, TN. Student engagement education	$1,500,000 Secured Note at 12% (1% PIK) due September 30, 2025.	11/1/19	<1%	1,447,463	1,447,463	2.6%
software providing core aligned physical activity breaks. (Software) www.gonoodle.com	Warrant for 21,948 Series D Preferred.	11/1/19		38	38	
	Total GoNoodle			1,447,501	1,447,501	
Lumious (Tech 2000, Inc.) (p) Herndon, VA. Develops and delivers IT training. (Software) www.t2000inc.com	$850,000 Replacement Term Note at 14% due December 1, 2025.	11/16/18	0%	789,944	600,000	1.1%
OnCore Golf Technology, Inc. (e)(p) Buffalo, NY. Patented and proprietary golf balls utilizing technology and innovation. (Consumer Product) www.oncoregolf.com	300,483 Preferred AA.	11/30/18	3%	752,712	100,000	0.2%
Open Exchange, Inc. (e)(p) Lincoln, MA. Online presentation and training software. (Software) www.openexc.com	397,899 Series C Preferred.	11/13/13	2%	1,193,697	700,000	1.2%
	397,899 Common.	10/22/19		208,243	—	
	Total Open Exchange			1,401,940	700,000	
PostProcess Technologies, Inc. (e)(p) Buffalo, NY. Provides innovative solutions for the post-processing of additive manufactured 3D parts. (Manufacturing) www.postprocess.com	137,054 Series A Preferred.	11/1/19	<1%	348,875	—	0.0%
Subtotal Non-Control/Non-Affiliate Investments				**$ 9,912,772**	**$ 7,646,779**	
Affiliate Investments – 75.3% of net assets (g) (k)						
Applied Image, Inc. (p) Rochester, NY. Global supplier of precision imaged optical components and calibration standards for a wide range of industries and applications. (Manufacturing) www.appliedimage.com	$1,750,000 Term Note at 10%, due February 1, 2029.	12/31/21	12%	1,750,000	1,750,000	3.1%
	Warrant for 1,167 shares.	12/31/21		—	—	
	Total Applied Image			1,750,000	1,750,000	
Autotality (formerly Filterworks Acquisition USA, LLC) (l)(m)(p) Deerfield Beach, FL. Provides spray booth equipment, frame repair machines and paint booth filter services for collision shops. (Automotive) www.autotality.com	$2,283,702 Amended Term Note at 12% (+2% PIK) due March 31, 2026.	11/18/19	8%	3,002,323	3,002,323	5.3%
	626.2 shares Class A-1 Units.	6/3/22		626,243	—	
	417.7 shares Class A-0 Units.	9/30/22		139,232	—	
	Total Autotality			3,767,798	3,002,323	

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2025 (Continued)
(Unaudited)

Company, Geographic Location, Business Description, (Industry) and Website	(a) Type of Investment	(b) Date Acquired	(c) Equity	Cost	(d)(f) Fair Value	Percent of Net Assets
BMP Food Service Supply Holdco, LLC (e)(l)(m)(p) Salt Lake City, UT. Provides design, distribution, and installation services for commercial kitchen renovations and new builds. (Professional and Business Services) www.foodservicesupply.com	$7,035,000 Second Amended and Restated Term Note: $4,820,000 in principal amount at 12% PIK through December 31, 2025, thereafter 12%, and $2,215,000 in principal amount at 16% PIK through December 31, 2025, thereafter 16%, due November 22, 2027.	11/22/22	15%	6,973,057	6,973,057	12.3%
	15.4% Preferred Interest.	11/22/22		497,619	—	
	Total BMP Food Service Supply			7,470,676	6,973,057	
BMP Swanson Holdco, LLC (m)(p) Plano, TX. Designs, installs, and maintains a variety of fire protection systems. (Professional and Business Services) www.swansonfire.com	$1,600,000 Term Note at 12% due May 31, 2028.	3/4/21	9%	1,700,115	1,700,115	4.3%
	Preferred Membership Interest for 9.24%.	3/4/21		233,333	750,000	
	Total BMP Swanson			1,933,448	2,450,115	
Carolina Skiff LLC (e)(m)(p) Waycross, GA. Manufacturer of ocean fishing and pleasure boats. (Manufacturing) www.carolinaskiff.com	6.0825% Class A Common Membership Interest.	1/30/04	7%	15,000	765,245	1.4%
	6.62% Premium Preferred Interest.	4/29/25		34,755	34,755	
	Total Carolina Skiff			49,755	800,000	
FCM Industries Holdco LLC (l)(p) Jacksonville, FL. Commercial mulch installation company that serves a range of end markets. (Professional and Business Services) www.firstcoastmulch.com	$3,380,000 Term Note at 13% due July 31, 2028.	7/31/23	12%	3,380,000	3,380,000	6.9%
	$420,000 Convertible Note at 10% PIK, due July 31, 2033.	7/31/23		509,730	509,730	
	Total FCM Industries			3,889,730	3,889,730	
Highland All About People Holdings, Inc. (l)(p) Phoenix, AZ. Full-service staffing and executive search firm with a focus on the healthcare industry. (Professional and Business Services) www.allaboutpeople.net	$3,000,000 Term Note at 12% (+4% PIK) due August 7, 2028.	8/7/23	12%	3,239,267	3,239,267	6.8%
	1,000,000 Class A Units.	8/7/23		1,000,000	600,000	
	Total Highland All About People			4,239,267	3,839,267	
Inter-National Electronic Alloys LLC d/b/a EFINEA (m)(p) Oakland, NJ. Stocking distributor of controlled expansion alloys, electronic grade nickels, refractory grade metals and alloys, and soft magnetic alloys. (Distribution) www.nealloys.com	$3,288,235 Term Note at 12% due April 4, 2028.	4/4/23	6%	3,372,069	3,372,069	8.6%
	75.3 Class B Preferred Units.	4/4/23		1,011,765	1,500,000	
	Total EFINEA			4,383,834	4,872,069	
Mobile RN Holdings LLC d/b/a Mobile IV Nurses (l)(m)(p) Phoenix, AZ. IV hydration therapy service provider. (Health and Wellness) www.mobileivnurses.com	$2,500,000 Term Note at 14% (+1% PIK) due October 2, 2029.	10/2/24	6%	2,518,936	2,518,936	5.3%
	6,375 Class A Common Units.	10/2/24		375,000	500,000	
	Total Mobile IV Nurses			2,893,936	3,018,936	
Mountain Regional Equipment Solutions (e)(l)(m)(p) Salt Lake City, UT. Provider of maintenance, safety, fluid transfer, and custom fabrication products. (Distribution) www.mountainregionaleq.com	$3,000,000 Term Note at 14% PIK through June 30, 2025, thereafter 14%, due January 16, 2029.	1/16/24	7%	3,191,352	2,000,000	3.5%
	37,991 Common Units.	1/16/24		204,545	—	
	Warrant for 4% Membership Interest.	1/16/24		60,000	—	
	Total Mountain Regional Equipment Solutions			3,455,897	2,000,000	

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2025 (Continued)
(Unaudited)

Company, Geographic Location, Business Description, (Industry) and Website	(a) Type of Investment	(b) Date Acquired	(c) Equity	Cost	(d)(f) Fair Value	Percent of Net Assets
Seybert's Billiards Corporation d/b/a The Rack Group (h)(l)(p) Coldwater, MI. Billiard supplies. (Consumer Product) www.seyberts.com	$6,099,131 Fourth Amended and Restated Term Note: $4,299,131 in principal amount at 12% (+2% PIK) through January 19, 2026, thereafter 14%, and $1,800,000 in principal amount at 14%, due January 19, 2027.	11/22/21	8%	6,146,184	6,146,184	14.3%
	Warrant for 4% Membership Interest.	1/19/21		25,000	50,000	
	$1,435,435 Term Note at 12% (+2% PIK) through January 19, 2026, thereafter 14%, due January 19, 2027.	1/19/21		1,475,794	1,475,794	
	Warrant for 4% Membership Interest.	1/19/21		25,000	50,000	
	5.82 Common shares.	10/24/22		194,000	400,000	
	Total Seybert's			7,865,978	8,121,978	
Tilson Technology Management, Inc. (e)(p)	120,000 Series B Preferred.	1/20/15	8%	600,000	—	3.5%
Portland, ME. Provides network deployment	21,391 Series C Preferred.	9/28/16		200,000	—	
construction and information system services	70,176 Series D Preferred.	9/29/17		800,000	—	
management for cellular, fiber optic and	15,385 Series E Preferred.	3/15/19		500,012	—	
wireless systems providers. Its affiliated	23,077 Series F Preferred.	6/15/20		750,003	—	
entity, SQF, LLC is a CLEC supporting	211,567 A-1 Units of SQF Holdco LLC.	3/15/19		—	1,000,000	
small cell 5G deployment. (Professional and Business Services)	250 Class D-1 Units of SQF Holdco LLC.	2/16/23		250,000	1,000,000	
www.tilsontech.com	**Total Tilson**			3,100,015	2,000,000	
Subtotal Affiliate Investments				**$ 44,800,334**	**$ 42,717,475**	
Control Investments - 3.5% of net assets (g) (o)						
ITA Acquisition, LLC (l)(m)(p) Ormond Beach, FL. Blind and shade manufacturing. (Manufacturing) www.itawindowfashions.com	$2,672,808 Fifth Amended and Restated Term Note at 14% PIK through March 31, 2026, thereafter 12% (+2% PIK), due June 21, 2026.	6/22/21	37%	3,619,220	1,415,814	3.5%
	$1,500,000 Term Note at 14% PIK through March 31, 2026, thereafter 12% (+2% PIK), due June 21, 2026.	6/22/21		1,820,910	584,186	
	1,124 Class A Preferred Units and 1,924 Class B Common Units.	6/22/21		1,123,810	—	
	Total ITA			6,563,940	2,000,000	
Subtotal Control Investments				**$ 6,563,940**	**$ 2,000,000**	
TOTAL INVESTMENTS – 92.3%				**$ 61,277,046**	**$ 52,364,254**	
OTHER ASSETS IN EXCESS OF LIABILITIES - 7.7%					**4,349,700**	
NET ASSETS – 100%					**$ 56,713,954**	

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2025 (Continued)
(Unaudited)

Notes to the Consolidated Schedule of Portfolio Investments

(a)At June 30, 2025, restricted securities represented 100% of the fair value of the investment portfolio. Restricted securities are subject to one or more restrictions on resale and are not freely marketable. Type of investment for equity position is in the form of shares unless otherwise noted as units or interests, i.e., preferred shares, common shares.

(b)The Date Acquired column indicates the date on which the Corporation first acquired an investment.

(c)Each equity percentage estimates the Corporation's ownership interest in the applicable portfolio investment. The estimated ownership is calculated based on the percent of outstanding voting securities held by the Corporation or the potential percentage of voting securities held by the Corporation upon exercise of warrants or conversion of debentures, or other available data. If applicable, the symbol "<1%" indicates that the Corporation holds an equity interest of less than one percent.

(d)The Corporation's investments are carried at fair value in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 "Fair Value Measurements and Disclosures," which defines fair value and establishes guidelines for measuring fair value. At June 30, 2025, ASC 820 designates 100% of the Corporation's investments as "Level 3" assets. Under the valuation policy of the Corporation, unrestricted publicly traded securities are valued at the closing price for these securities on the last trading day of the reporting period. Restricted securities are subject to restrictions on resale and are valued at fair value as determined in good faith by our external investment advisor Rand Capital Management, LLC ("RCM") and approved by the Board of Directors. Fair value is considered to be the amount that the Corporation may reasonably expect to receive for portfolio securities when sold on the valuation date. Valuations as of any particular date, however, are not necessarily indicative of amounts which may ultimately be realized as a result of future sales or other dispositions of securities and these favorable or unfavorable differences could be material. Among the factors considered in determining the fair value of restricted securities are the financial condition and operating results, projected operations, and other analytical data relating to the investment. Also considered are the market prices for unrestricted securities of the same class (if applicable) and other matters which may have an impact on the value of the portfolio company (see Note 3. "Investments" to the Consolidated Financial Statements).

(e)These investments are non-income producing. All other investments are income producing. Non-income producing investments have not generated cash payments of interest or dividends including LLC tax-related distributions within the last twelve months or are not expected to do so going forward. If a debt or a preferred equity investment fails to make its most recent payment, then the investment will also be classified as non-income producing.

(f)As of June 30, 2025, the total cost of investment securities was approximately $61.3 million. Net unrealized depreciation was approximately ($8.9) million, which was comprised of $3.9 million of unrealized appreciation of investment securities and ($12.8) million of unrealized depreciation of investment securities. At June 30, 2025, the aggregate gross unrealized gain for federal income tax purposes was $2.0 million and the aggregate gross unrealized loss for federal income tax purposes was ($10.9) million. The net unrealized loss for federal income tax purposes was ($8.9) million based on a tax cost of $61.7 million.

(g)All of the Corporation's portfolio assets are pledged as collateral for purposes of securing the Corporation's senior secured revolving credit facility pursuant to a general security agreement, dated June 27, 2022, between the Corporation, the subsidiaries listed therein, and the Lender (as defined herein).

(h)Reduction in cost and fair value from previously reported balances reflects current principal repayment.

(i)Represents interest due (amounts over $100,000) from investments included as interest receivable on the Corporation's Consolidated Statements of Financial Position. None at June 30, 2025.

(j)Non-Control/Non-Affiliate Investments are investments that are neither Control Investments nor Affiliate Investments.

(k)Affiliate Investments are defined by the Investment Company Act of 1940, as amended ("1940 Act"), as those Non-Control investments in companies in which between 5% and 25% of the voting securities of such company are owned by the Corporation.

(l)Payment in kind (PIK) represents earned interest that is added to the cost basis of the investment and due at maturity. The amount of PIK earned is included in the interest rate detailed in the "Type of Investment" column, unless it has been noted with a (+), in which case the PIK is in addition to the face amount of interest due on the security.

(m)Equity holdings are held in a wholly owned (100%) "blocker corporation" subsidiary of Rand Capital Corporation for federal income tax and Regulated Investment Company (RIC) compliance purposes.

(n)Indicates assets that the Corporation believes do not represent "qualifying assets" under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of the Corporation's total assets at the time of acquisition of any additional non-qualifying assets. The Corporation had no investments in non-qualifying assets as of June 30, 2025.

(o)Control Investments are defined by the 1940 Act as investments in companies in which more than 25% of the voting securities of such companies are owned by the Corporation or where the Corporation maintains greater than 50% representation on its board of directors or other similar governing body.

(p)Investments classified as Level 3 for purposes of the fair value determination by RCM and approved by the Board of Directors.

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2025 (Continued)
(Unaudited)

Investments in and Advances to Affiliates

Company	Type of Investment	January 1, 2025, Fair Value	Net Change in Unrealized Appreciation (Depreciation)	Gross Additions (1)	Gross Reductions (2)	June 30, 2025, Fair Value	Net Realized Gains (Losses)	Interest/ Dividend/ Fee Income (3)
Control Investments:								
ITA Acquisition, LLC	$2,672,808 Fifth Amended and Restated Term Note at 14% PIK through March 31, 2026, thereafter 12% (+2% PIK), due June 21, 2026.	$ 1,642,968	$ (602,154)	$ 375,000	$ —	$ 1,415,814	$ —	$ 18,011
	$1,500,000 Term Note at 14% PIK through March 31, 2026, thereafter 12% (+2% PIK), due June 21, 2026.	857,032	(272,846)	—	—	584,186	—	4,000
	1,124 Class A Preferred Units and 1,924 Class B Common Units.	—	—	—	—	—	—	—
	Total ITA	2,500,000	(875,000)	375,000	—	2,000,000	—	22,011
	Total Control Investments	**$ 2,500,000**	**$ (875,000)**	**$ 375,000**	**$ —**	**$ 2,000,000**	**$ —**	**$ 22,011**
Affiliate Investments:								
Applied Image, Inc.	$1,750,000 Term Note at 10%, due February 1, 2029.	$ 1,750,000	$ —	$ —	$ —	$ 1,750,000	$ —	$ 91,038
	Warrant for 1,167 shares.	—	—	—	—	—	—	—
	Total Applied Image	1,750,000	—	—	—	1,750,000	—	91,038
Autotality (formerly Filterworks Acquisition USA, LLC)	$2,283,702 Amended Term Note at 12% (+2% PIK) due March 31, 2026.	2,928,648	—	73,675	—	3,002,323	—	208,217
	626.2 shares Class A-1 Units.	—	—	—	—	—	—	—
	417.7 shares Class A-0 Units.	—	—	—	—	—	—	—
	Total Autotality	2,928,648	—	73,675	—	3,002,323	—	208,217
BMP Food Service Supply Holdco, LLC	$7,035,000 Second Amended and Restated Term Note: $4,820,000 in principal amount at 12% PIK through December 31, 2025, thereafter 12%, and $2,215,000 in principal amount at 16% PIK through December 31, 2025, thereafter 16%, due November 22, 2027.	6,538,026	—	435,031	—	6,973,057	—	449,682
	15.4% Preferred Interest.	497,619	(497,619)	—	—	—	—	—
	Total FSS	7,035,645	(497,619)	435,031	—	6,973,057	—	449,682
BMP Swanson Holdco, LLC	$1,600,000 Term Note at 12% due May 31, 2028.	1,700,115	—	—	—	1,700,115	—	105,906
	Preferred Membership Interest for 9.24%.	750,000	—	—	—	750,000	—	—
	Total BMP Swanson	2,450,115	—	—	—	2,450,115	—	105,906
Carolina Skiff LLC	6.0825% Class A Common Membership Interest.	1,208,000	(442,755)	—	—	765,245	—	—
	6.62% Premium Preferred Interest.	—	—	34,755	—	34,755	—	—
	Total Carolina Skiff	1,208,000	(442,755)	34,755	—	800,000	—	—
FCM Industries Holdco LLC	$3,380,000 Term Note at 13% due July 31, 2028.	3,380,000	—	—	—	3,380,000	—	228,520
	$420,000 Convertible Note at 10% PIK, due July 31, 2033.	—	484,837	24,893	—	509,730	—	24,893
	Total FCM	3,380,000	484,837	24,893	—	3,889,730	—	253,413
Highland All About People Holdings, Inc.	$3,000,000 Term Note at 12% (+4% PIK) due August 7, 2028.	3,175,091	—	64,176	—	3,239,267	—	262,703
	1,000,000 Class A Units.	600,000	—	—	—	600,000	—	—
	Total All About People	3,775,091	—	64,176	—	3,839,267	—	262,703
Inter-National Electronic Alloys LLC	$3,288,235 Term Note at 12% due April 4, 2028.	3,372,069	—	—	—	3,372,069	—	210,024
	75.3 Class B Preferred Units.	1,011,765	488,235	—	—	1,500,000	—	—
	Total EFINEA	4,383,834	488,235	—	—	4,872,069	—	210,024
Microcision LLC	Membership Interest Purchase Warrant for 5%	—	—	—	—	—	55,357	—

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2025 (Continued)
(Unaudited)

Company	Type of Investment	January 1, 2025, Fair Value	Net Change in Unrealized Appreciation (Depreciation)	Gross Additions (1)	Gross Reductions (2)	June 30, 2025, Fair Value	Net Realized Gains (Losses)	Interest/ Dividend/ Fee Income (3)
Mobile RN Holdings LLC	$2,500,000 Term Note at 14% (+1% PIK) due October 2, 2029.	2,506,319	—	12,617	—	2,518,936	—	195,983
	6,375 Class A Common Units.	375,000	125,000	—	—	500,000	—	—
	Total Mobile IV Nurses	2,881,319	125,000	12,617	—	3,018,936	—	195,983
Mountain Regional Equipment Solutions	$3,000,000 Term Note at 14% PIK through June 30, 2025, thereafter 14%, due January 16, 2029.	—	(739,352)	2,739,352	—	2,000,000	—	245,352
	37,991 Common Units.							
	Warrant for 4% Membership Interest.	—	—	—	—	—	—	—
	Total MRES	—	(739,352)	2,739,352	—	2,000,000	—	245,352
Pressure Pro, Inc.	$3,000,000 Term Note at 12% (+3% PIK) due January, 19, 2028.	1,702,705	—	22,445	(1,725,150)	—	—	121,261
	Warrant for 10% Membership Interest.	750,000	(720,000)	—	(30,000)	—	870,000	—
	Total Pressure Pro	2,452,705	(720,000)	22,445	(1,755,150)	—	870,000	121,261
Seybert's Billiards Corporation	$6,099,131 Fourth Amended and Restated Term Note: $4,299,131 in principal amount at 12% (+2% PIK) through January 19, 2026, thereafter 14%, and $1,800,000 in principal amount at 14%, due January 19, 2027.	6,167,723	—	46,482	(68,021)	6,146,184	—	466,020
	Warrant for 4% Membership Interest.	25,000	25,000	—	—	50,000	—	—
	$1,435,435 Term Note at 12% (+2% PIK) through January 19, 2026, thereafter 14%, due January 19, 2027.	1,511,064	—	17,701	(52,971)	1,475,794	—	112,695
	Warrant for 4% Membership Interest.	25,000	25,000	—	—	50,000	—	—
	5.82 Common shares.	194,000	206,000	—	—	400,000	—	—
	Total Seybert's	7,922,787	256,000	64,183	(120,992)	8,121,978	—	578,715
Tilson Technology Management, Inc.	120,000 Series B Preferred.	4,560,000	(4,560,000)	—	—	—	—	13,125
	21,391 Series C Preferred.	813,000	(813,000)	—	—	—	—	—
	70,176 Series D Preferred.	2,666,000	(2,666,000)	—	—	—	—	—
	15,385 Series E Preferred.	584,000	(584,000)	—	—	—	—	—
	23,077 Series F Preferred.	877,000	(877,000)	—	—	—	—	—
	211,567 A-1 Units of SQF Holdco LLC.	1,000,000	—	—	—	1,000,000	—	—
	250 Class D-1 Units of SQF Holdco LLC.	1,000,000	—	—	—	1,000,000	—	—
	Total Tilson	11,500,000	(9,500,000)	—	—	2,000,000	—	13,125
	Total Affiliate Investments	**$ 51,668,144**	**$ (10,545,654)**	**$ 3,471,127**	**$ (1,876,142)**	**$ 42,717,475**	**$ 925,357**	**$ 2,735,419**
	Total Control and Affiliate Investments	**$ 54,168,144**	**$ (11,420,654)**	**$ 3,846,127**	**$ (1,876,142)**	**$ 44,717,475**	**$ 925,357**	**$ 2,757,430**

This schedule should be read in conjunction with the Corporation's Consolidated Financial Statements, including the Notes to the Consolidated Financial Statements and the Consolidated Schedule of Portfolio Investments.

(1)Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow on investments, capitalized interest and the accretion of discounts. Gross additions also include the movement of an existing portfolio company into this category and out of another category.

(2)Gross reductions include decreases in the cost basis of investments resulting from principal repayments, sales, note conversions, the exchange of existing securities for new securities and the movement of an existing portfolio company out of this category and into another category.

(3)Represents the total amount of interest, fees or dividends credited to income for the portion of the period an investment was included in "Control or Affiliate" categories, respectively.

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2025 (Continued)
(Unaudited)

Industry Classification	Percentage of Total Investments (at fair value) as of June 30, 2025
Professional and Business Services	36.6 %
Consumer Product	24.9
Distribution	13.1
Manufacturing	8.7
Health and Wellness	5.8
Automotive	5.7
Software	5.2
Total Investments	**100** %

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024

Company, Geographic Location, Business Description, (Industry) and Website	(a) Type of Investment	(b) Date Acquired	(c) Equity	Cost	(d)(f) Fair Value	Percent of Net Assets
Non-Control/Non-Affiliate Investments – 25.5% of net assets: (g) (j)						
Caitec, Inc. (e)(l)(p) Halethorpe, MD. Pet product manufacturer and distributor. (Consumer Goods) www.caitec.com	$1,750,000 Subordinated Secured Promissory Note modified to 14% PIK through December 31, 2024, thereafter 12% (+2% PIK), due June 1, 2026.	11/6/20	4%	2,237,456	2,237,456	6.8%
	36,261 Series A Preferred.	12/28/23		36,261	—	
	150 Class A Units.	11/6/20		150,000	—	
	$1,750,000 Subordinated Secured Promissory Note modified to 14% PIK through December 31, 2024, thereafter 12% (+2% PIK), due June 1, 2026.	11/6/20		2,237,456	2,237,456	
	150 Class A Units.	11/6/20		150,000	—	
	36,261 Series A Preferred.	12/28/23		36,261	—	
	Total Caitec			4,847,434	4,474,912	
GoNoodle, Inc. (l)(p) Nashville, TN. Student engagement education	$1,500,000 Secured Note at 12% (1% PIK) due September 30, 2025.	11/1/19	<1%	1,440,252	1,440,252	2.2%
software providing core aligned physical activity breaks. (Software)	Warrant for 47,324 Series C Preferred.	3/1/15		25	25	
	Warrant for 21,948 Series D Preferred.	11/1/19		38	38	
www.gonoodle.com	**Total GoNoodle**			1,440,315	1,440,315	
HDI Acquisition LLC d/b/a Hilton Displays (l)(p) Greenville, SC. Manufacturing, installation and maintenance of signage and brands. (Manufacturing) www.hiltondisplays.com	$1,245,119 Term Loan at 12% (+2% PIK) due June 30, 2025.	11/8/19	0%	1,071,824	1,071,824	1.6%
Lumious (Tech 2000, Inc.) (p) Herndon, VA. Develops and delivers IT training. (Software) www.t2000inc.com	$850,000 Replacement Term Note at 14% due December 1, 2025.	11/16/18	0%	789,944	789,944	1.2%
Mattison Avenue Holdings LLC (p) Dallas, TX. Provider of upscale salon spaces for lease. (Professional and Business Services) www.mattisonsalonsuites.com	$5,500,000 Term Note at 14% due June 25, 2027.	3/28/24	0%	5,572,902	5,572,902	8.5%
Mountain Regional Equipment Solutions (m)(p)	$3,000,000 Term Note at 14% due January 16, 2029.	1/16/24	4%	2,952,000	2,500,000	3.8%
Salt Lake City, UT. Provider of maintenance,	37,991 Common Units.	1/16/24		204,545	—	
safety, fluid transfer, and custom fabrication products. (Distribution)	Warrant for 1% Membership Interest.	1/16/24		60,000	—	
www.mountainregionaleq.com	**Total Mountain Regional Equipment Solutions**			3,216,545	2,500,000	
OnCore Golf Technology, Inc. (e)(p) Buffalo, NY. Patented and proprietary golf balls utilizing technology and innovation. (Consumer Product) www.oncoregolf.com	300,483 Preferred AA.	11/30/18	3%	752,712	100,000	0.2%
Open Exchange, Inc. (e)(p) Lincoln, MA. Online presentation and	397,899 Series C Preferred.	11/13/13	3%	1,193,697	700,000	1.1%
training software. (Software)	397,899 Common.	10/22/19		208,243	—	
www.openexc.com	**Total Open Exchange**			1,401,940	700,000	

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024 (Continued)

Company, Geographic Location, Business Description, (Industry) and Website	(a) Type of Investment	(b) Date Acquired	(c) Equity	Cost	(d)(f) Fair Value	Percent of Net Assets
PostProcess Technologies, Inc. (e)(p) Buffalo, NY. Provides innovative solutions for the post-processing of additive manufactured 3D parts. (Manufacturing) www.postprocess.com	360,002 Series A1 Preferred.	11/1/19	<1%	348,875	—	0.0%
Subtotal Non-Control/Non-Affiliate Investments				**$ 19,442,491**	**$ 16,649,897**	
Affiliate Investments – 79.1% of net assets (g) (k)						
Applied Image, Inc. (l)(p) Rochester, NY. Global supplier of precision imaged optical components and calibration standards for a wide range of industries and applications. (Manufacturing) www.appliedimage.com	$1,750,000 Term Note at 10% (+2% PIK) through February 1, 2025, thereafter 10%, due February 1, 2029.	12/31/21	12%	1,750,000	1,750,000	2.7%
	Warrant for 1,167 shares.	12/31/21		—	—	
	Total Applied Image			1,750,000	1,750,000	
BMP Food Service Supply Holdco, LLC (h)(l)(m)(p) Salt Lake City, UT. Provides design, distribution, and installation services for commercial kitchen renovations and new builds. (Professional and Business Services) www.foodservicesupply.com	$7,035,000 Second Amended and Restated Term Note; $4,820,000 at 12% and $2,215,000 at 13% (+3% PIK), due November 22, 2027.	11/22/22	15%	6,538,026	6,538,026	10.8%
	15.4% Preferred Interest.	11/22/22		497,619	497,619	
	Total BMP Food Service Supply			7,035,645	7,035,645	
BMP Swanson Holdco, LLC (m)(p) Plano, TX. Designs, installs, and maintains a variety of fire protection systems. (Professional and Business Services) www.swansonfire.com	$1,600,000 Term Note at 12% due May 31, 2028.	3/4/21	9%	1,700,115	1,700,115	3.8%
	Preferred Membership Interest for 9.24%.	3/4/21		233,333	750,000	
	Total BMP Swanson			1,933,448	2,450,115	
Carolina Skiff LLC (e)(m)(p) Waycross, GA. Manufacturer of ocean fishing and pleasure boats. (Manufacturing) www.carolinaskiff.com	6.0825% Class A Common Membership Interest.	1/30/04	7%	15,000	1,208,000	1.8%
FCM Industries Holdco LLC (l)(p) Jacksonville, FL. Commercial mulch installation company that serves a range of end markets. (Professional and Business Services) www.firstcoastmulch.com	$3,380,000 Term Note at 13% due July 31, 2028.	7/31/23	12%	3,380,000	3,380,000	5.2%
	$420,000 Convertible Note at 10% PIK, due July 31, 2033.	7/31/23		484,837	—	
	Total FCM Industries			3,864,837	3,380,000	
Filterworks Acquisition USA, LLC d/b/a Autotality (h)(l)(m)(p) Deerfield Beach, FL. Provides spray booth equipment, frame repair machines and paint booth filter services for collision shops. (Automotive) www.autotality.com	$2,283,702 Amended Term Note at 6% (+8% PIK) through March 31, 2025, thereafter 12% (+2% PIK), due March 31, 2026.	11/18/19	8%	2,928,648	2,928,648	4.5%
	626.2 shares Class A-1 Units.	6/3/22		626,243	—	
	417.7 shares Class A-0 Units.	9/30/22		139,232	—	
	Total Filterworks			3,694,123	2,928,648	
Highland All About People Holdings, Inc. (l)(p) Phoenix, AZ. Full-service staffing and executive search firm with a focus on the healthcare industry. (Professional and Business Services) www.allaboutpeople.net	$3,000,000 Term Note at 12% (+4% PIK) due August 7, 2028.	8/7/23	12%	3,175,091	3,175,091	5.8%
	1,000,000 Class A Units.	8/7/23		1,000,000	600,000	
	Total Highland All About People			4,175,091	3,775,091	
Inter-National Electronic Alloys LLC d/b/a EFINEA (l)(m)(p) Oakland, NJ. Stocking distributor of controlled expansion alloys, electronic grade nickels, refractory grade metals and alloys, and soft magnetic alloys. (Distribution) www.nealloys.com	$3,288,235 Term Note at 12% (+2% PIK) due April 4, 2028.	4/4/23	6%	3,372,069	3,372,069	6.7%
	75.3 Class B Preferred Units.	4/4/23		1,011,765	1,011,765	
	Total EFINEA			4,383,834	4,383,834	

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024 (Continued)

Company, Geographic Location, Business Description, (Industry) and Website	(a) Type of Investment	(b) Date Acquired	(c) Equity	Cost	(d)(f) Fair Value	Percent of Net Assets
Mobile RN Holdings LLC d/b/a Mobile IV Nurses (l)(m)(p)	$2,500,000 Term Note at 14% (+1% PIK) due October 2, 2029.	10/2/24	6%	2,506,319	2,506,319	4.4%
Phoenix, AZ. IV hydration therapy service provider. (Health and Wellness)	6,375 Class A Common Units.	10/2/24		375,000	375,000	
www.mobileivnurses.com	**Total Mobile IV Nurses**			2,881,319	2,881,319	
Pressure Pro, Inc. (h)(l)(p) Harrisonville, MO. A provider of branded	$3,000,000 Term Note at 12% (+3% PIK) due January 19, 2028.	1/19/23	10%	1,702,705	1,702,705	3.8%
tire pressure monitoring systems consisting of a suite of proprietary hardware	Warrant for 10% Membership Interest.	1/19/23		30,000	750,000	
and software. (Manufacturing) www.pressurepro.us	**Total Pressure Pro**			1,732,705	2,452,705	
Seybert's Billiards Corporation d/b/a The Rack Group (l)(p) Coldwater, MI. Billiard supplies.	$6,099,131 Third Amended and Restated Term Note at 12% (+2% PIK) due January 19, 2026.	11/22/21	8%	6,167,723	6,167,723	12.1%
(Consumer Product)	Warrant for 4% Membership Interest.	1/19/21		25,000	25,000	
www.seyberts.com	$1,435,435 Term Note at 12% (+2% PIK) due January 19, 2026.	1/19/21		1,511,064	1,511,064	
	Warrant for 4% Membership Interest.	1/19/21		25,000	25,000	
	5.82 Common shares.	10/24/22		194,000	194,000	
	Total Seybert's			7,922,787	7,922,787	
Tilson Technology Management, Inc. (p)	*120,000 Series B Preferred.	1/20/15	8%	600,000	4,560,000	17.6%
Portland, ME. Provides network deployment	*21,391 Series C Preferred.	9/28/16		200,000	813,000	
construction and information system services	*70,176 Series D Preferred.	9/29/17		800,000	2,666,000	
management for cellular, fiber optic and	*15,385 Series E Preferred.	3/15/19		500,012	584,000	
wireless systems providers. Its affiliated	23,077 Series F Preferred.	6/15/20		750,003	877,000	
entity, SQF, LLC is a CLEC supporting	211,567 A-1 Units of SQF Holdco LLC.	3/15/19		—	1,000,000	
small cell 5G deployment. (Professional and Business Services)	250 Class D-1 Units of SQF Holdco LLC.	2/16/23		250,000	1,000,000	
www.tilsontech.com	**Total Tilson**			3,100,015	11,500,000	
	*2.5% dividend payable quarterly.					
Subtotal Affiliate Investments				**$ 42,488,804**	**$ 51,668,144**	
Control Investments - 3.8% of net assets (g) (o)						
ITA Acquisition, LLC (l)(m)(p) Ormond Beach, FL. Blind and shade manufacturing. (Manufacturing) www.itawindowfashions.com	$2,297,808 Fourth Amended and Restated Term Note at 3% (+11% PIK) through December 31, 2024, thereafter 12% (+2% PIK), due June 21, 2026.	6/22/21	37%	3,244,220	1,642,968	3.8%
	$1,500,000 Term Note at 3% (+11% PIK) through December 31, 2024, thereafter 12% (+2% PIK), due June 21, 2026.	6/22/21		1,820,910	857,032	
	1,124 Class A Preferred Units and 1,924 Class B Common Units.	6/22/21		1,123,810	—	
	Total ITA			6,188,940	2,500,000	
Subtotal Control Investments				**$ 6,188,940**	**$ 2,500,000**	
TOTAL INVESTMENTS – 108.4%				**$ 68,120,235**	**$ 70,818,041**	
LIABILITIES IN EXCESS OF OTHER ASSETS - (8.4%)					**(5,485,521)**	
NET ASSETS – 100%					**$ 65,332,520**	

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024 (Continued)

Notes to the Consolidated Schedule of Portfolio Investments

(a)At December 31, 2024, restricted securities represented 100% of the fair value of the investment portfolio. Restricted securities are subject to one or more restrictions on resale and are not freely marketable. Type of investment for equity position is in the form of shares unless otherwise noted as units or interests, i.e., preferred shares, common shares.

(b)The Date Acquired column indicates the date on which the Corporation first acquired an investment.

(c)Each equity percentage estimates the Corporation's ownership interest in the applicable portfolio investment. The estimated ownership is calculated based on the percent of outstanding voting securities held by the Corporation or the potential percentage of voting securities held by the Corporation upon exercise of warrants or conversion of debentures, or other available data. If applicable, the symbol "<1%" indicates that the Corporation holds an equity interest of less than one percent.

(d)The Corporation's investments are carried at fair value in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 "Fair Value Measurements and Disclosures," which defines fair value and establishes guidelines for measuring fair value. At December 31, 2024, ASC 820 designates 100% of the Corporation's investments as "Level 3" assets. Under the valuation policy of the Corporation, unrestricted publicly traded securities are valued at the closing price for these securities on the last trading day of the reporting period. Restricted securities are subject to restrictions on resale and are valued at fair value as determined in good faith by our external investment advisor Rand Capital Management, LLC ("RCM") and approved by the Board of Directors. Fair value is considered to be the amount that the Corporation may reasonably expect to receive for portfolio securities when sold on the valuation date. Valuations as of any particular date, however, are not necessarily indicative of amounts which may ultimately be realized as a result of future sales or other dispositions of securities and these favorable or unfavorable differences could be material. Among the factors considered in determining the fair value of restricted securities are the financial condition and operating results, projected operations, and other analytical data relating to the investment. Also considered are the market prices for unrestricted securities of the same class (if applicable) and other matters which may have an impact on the value of the portfolio company (see Note 3. "Investments" to the Consolidated Financial Statements).

(e)These investments are non-income producing. All other investments are income producing. Non-income producing investments have not generated cash payments of interest or dividends including LLC tax-related distributions within the last twelve months or are not expected to do so going forward. If a debt or a preferred equity investment fails to make its most recent payment, then the investment will also be classified as non-income producing.

(f)As of December 31, 2024, the total cost of investment securities was approximately $68.1 million. Net unrealized appreciation was approximately $2.7 million, which was comprised of $10.8 million of unrealized appreciation of investment securities and ($8.1) million of unrealized depreciation of investment securities. At December 31, 2024, the aggregate gross unrealized gain for federal income tax purposes was approximately $10.8 million and the aggregate gross unrealized loss for federal income tax purposes was ($7.0) million. The net unrealized gain for federal income tax purposes was $3.8 million based on a tax cost of $65.9 million.

(g)All of the Corporation's portfolio assets are pledged as collateral for purposes of securing the Corporation's senior secured revolving credit facility pursuant to a general security agreement, dated June 27, 2022, between the Corporation, the subsidiaries listed therein, and the Lender (as defined herein).

(h)Reduction in cost and fair value from previously reported balances reflects current principal repayment.

(i)Represents interest due (amounts over $100,000) from investments included as interest receivable on the Corporation's Consolidated Statements of Financial Position. None at December 31, 2024.

(j)Non-Control/Non-Affiliate Investments are investments that are neither Control Investments nor Affiliate Investments.

(k)Affiliate Investments are defined by the 1940 Act, as those Non-Control investments in companies in which between 5% and 25% of the voting securities are owned by the Corporation.

(l)Payment in kind (PIK) represents earned interest that is added to the cost basis of the investment and due at maturity. The amount of PIK earned is included in the interest rate detailed in the "Type of Investment" column, unless it has been noted with a (+), in which case the PIK is in addition to the face amount of interest due on the security.

(m)Equity holdings are held in a wholly owned (100%) "blocker corporation" subsidiary of Rand Capital Corporation for federal income tax and Regulated Investment Company (RIC) compliance purposes.

(n)Indicates assets that the Corporation believes do not represent "qualifying assets" under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of the Corporation's total assets at the time of acquisition of any additional non-qualifying assets. The Corporation had no investments in non-qualifying assets as of December 31, 2024.

(o)Control Investments are defined by the 1940 Act as investments in companies in which more than 25% of the voting securities are owned by the Corporation or where greater than 50% of the board representation is maintained.

(p)Investments classified as Level 3 for purposes of the fair value determination by RCM and approved by the Board of Directors.

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024 (Continued)

Investments in and Advances to Affiliates

Company	Type of Investment	January 1, 2024, Fair Value	Net Change in Unrealized Appreciation (Depreciation)	Gross Additions (1)	Gross Reductions (2)	December 31, 2024, Fair Value	Net Realized Gains (Losses)	Interest/ Dividend/ Fee Income (3)
Control Investments:								
ITA Acquisition, LLC	$2,297,808 Fourth Amended and Restated Term Note at 3% (+11% PIK) through December 31, 2024, thereafter 12% (+2% PIK), due June 21, 2026.	$ 2,496,708	$ (1,601,252)	$ 747,512	$ —	$ 1,642,968	$ —	$ 472,494
	$1,500,000 Term Note at 3% (+11% PIK) through December 31, 2024, thereafter 12% (+2% PIK), due June 21, 2026.	1,652,252	(963,878)	168,658	—	857,032	—	279,343
	1,124 Class A Preferred Units and 1,924 Class B Common Units.	—	—	—	—	—	—	—
	Total ITA	4,148,960	(2,565,130)	916,170	—	2,500,000	—	751,837
	Total Control Investments	**$ 4,148,960**	**$ (2,565,130)**	**$ 916,170**	**$ —**	**$ 2,500,000**	**$ —**	**$ 751,837**
Affiliate Investments:								
Applied Image, Inc.	$1,750,000 Term Note at 10% (+2% PIK) through February 1, 2025, thereafter 10%, due February 1, 2029.	$ 1,750,000	$ —	$ —	$ —	$ 1,750,000	$ —	$ 219,605
	Warrant for 1,167 shares.	—	—	—	—	—	—	—
	Total Applied Image	1,750,000	—	—	—	1,750,000	—	219,605
BMP Food Service Supply Holdco, LLC	$7,035,000 Second Amended and Restated Term Note; $4,820,000 at 12% and $2,215,000 at 13% (+3% PIK), due November 22, 2027.	6,394,953	—	177,911	(34,838)	6,538,026	—	892,470
	15.4% Preferred Interest.	1,000,000	(610,000)	107,619	—	497,619	—	—
	Total FSS	7,394,953	(610,000)	285,530	(34,838)	7,035,645	—	892,470
BMP Swanson Holdco, LLC	$1,600,000 Term Note at 12% due May 31, 2028.	1,700,115	—	—	—	1,700,115	—	214,611
	Preferred Membership Interest for 9.24%.	500,000	250,000	—	—	750,000	—	—
	Total BMP Swanson	2,200,115	250,000	—	—	2,450,115	—	214,611
Carolina Skiff LLC	6.0825% Class A Common Membership Interest.	1,708,000	(500,000)	—	—	1,208,000	—	—
DSD Operating, LLC	$3,063,276 Term Note at 12% (+2% PIK) due September 30, 2026.	—	—	—	—	—	—	—
	1,067 Class A Preferred shares.	—	—	—	—	—	23,699	—
	1,067 Class B Common shares.	—	—	—	—	—	—	—
	Total DSD	—	—	—	—	—	23,699	—
FCM Industries Holdco LLC	$3,380,000 Term Note at 13% due July 31, 2028.	3,380,000	—	—	—	3,380,000	—	473,513
	$420,000 Convertible Note at 10% PIK, due July 31, 2033.	438,156	(484,837)	46,681	—	—	—	46,681
	Total FCM	3,818,156	(484,837)	46,681	—	3,380,000	—	520,194
Filterworks Acquisition USA, LLC	$2,283,702 Amended Term Note at 6% (+8% PIK) through March 31, 2025, thereafter 12% (+2% PIK), due March 31, 2026.	2,880,946	—	253,952	(206,250)	2,928,648	—	428,268
	626.2 shares Class A-1 Units.	256,994	(256,994)	—	—	—	—	—
	417.7 shares Class A-0 Units.	139,232	(139,232)	—	—	—	—	—
	Total Filterworks	3,277,172	(396,226)	253,952	(206,250)	2,928,648	—	428,268
Highland All About People Holdings, Inc.	$3,000,000 Term Note at 12% (+4% PIK) due August 7, 2028.	3,049,187	—	125,904	—	3,175,091	—	515,616
	1,000,000 Class A Units.	1,000,000	(400,000)	—	—	600,000	—	—
	Total All About People	4,049,187	(400,000)	125,904	—	3,775,091	—	515,616
Inter-National Electronic Alloys LLC	$3,288,235 Term Note at 12% (+2% PIK) due April 4, 2028.	3,338,074	—	33,995	—	3,372,069	—	457,071
	75.3 Class B Preferred Units.	1,011,765	—	—	—	1,011,765	—	—
	Total INEA	4,349,839	—	33,995	—	4,383,834	—	457,071

See accompanying notes

Table of Contents

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024 (Continued)

Company	Type of Investment	January 1, 2024, Fair Value	Net Change in Unrealized Appreciation (Depreciation)	Gross Additions (1)	Gross Reductions (2)	December 31, 2024, Fair Value	Net Realized Gains (Losses)	Interest/ Dividend/ Fee Income (3)
Knoa Software, Inc.	973,533 Series A-1 Convertible Preferred.	—	—	—	—	—	—	—
	1,876,922 Series B Preferred.	100,000	1,129,155	—	(1,229,155)	—	(1,229,155)	—
	Total Knoa	100,000	1,129,155	—	(1,229,155)	—	(1,229,155)	—
Mezmeriz, Inc.	1,554,565 Series Seed Preferred.	—	742,850	—	(742,850)	—	(742,850)	—
Mobile RN Holdings LLC	$2,500,000 Term Note at 14% (+1% PIK) due October 2, 2029.	—	—	2,506,319	—	2,506,319	—	97,667
	6,375 Class A Common Units.	—	—	375,000	—	375,000	—	—
	Total Mobile IV Nurses	—	—	2,881,319	—	2,881,319	—	97,667
Pressure Pro, Inc.	$3,000,000 Term Note at 12% (+3% PIK) due January 19, 2028.	3,063,436	—	66,721	(1,427,452)	1,702,705	—	367,382
	Warrant for 10% Membership Interest.	30,000	720,000	—	—	750,000	—	50,000
	Total Pressure Pro	3,093,436	720,000	66,721	(1,427,452)	2,452,705	—	417,382
SciAps, Inc.	187,500 Series A Preferred.	1,500,000	—	—	(1,500,000)	—	3,705,106	—
	274,299 Series A1 Convertible Preferred.	504,710	—	—	(504,710)	—	1,246,669	—
	117,371 Series B Convertible Preferred.	250,000	—	—	(250,000)	—	617,518	—
	113,636 Series C Convertible Preferred.	175,000	—	—	(175,000)	—	432,262	—
	369,698 Series C1 Convertible Preferred.	399,274	—	—	(399,274)	—	986,235	—
	147,059 Series D Convertible Preferred.	250,000	—	—	(250,000)	—	617,518	—
	Warrant to purchase Series D-1 Preferred.	45,000	—	—	(45,000)	—	111,153	—
	$2,090,000 Second Amended and Restated Secured Subordinated Promissory Note at 12% due August 20, 2024.	2,090,000	—	—	(2,090,000)	—	—	311,462
	Total SciAps	5,213,984	—	—	(5,213,984)	—	7,716,461	311,462
Seybert's Billiards Corporation	$6,099,131 Third Amended and Restated Term Note at 12% (+2% PIK) due January 19, 2026.	4,274,917	—	1,892,806	—	6,167,723	—	889,979
	Warrant for 4% Membership Interest.	25,000	—	—	—	25,000	—	—
	$1,435,435 Term Note at 12% (+2% PIK) due January 19, 2026.	1,475,613	—	35,451	—	1,511,064	—	225,732
	Warrant for 4% Membership Interest.	25,000	—	—	—	25,000	—	—
	5.82 Common shares.	194,000	—	—	—	194,000	—	—
	Total Seybert's	5,994,530	—	1,928,257	—	7,922,787	—	1,115,711
Tilson Technology Management, Inc.	120,000 Series B Preferred.	4,559,500	500	—	—	4,560,000	—	52,500
	21,391 Series C Preferred.	812,800	200	—	—	813,000	—	—
	70,176 Series D Preferred.	2,666,400	(400)	—	—	2,666,000	—	—
	15,385 Series E Preferred.	584,500	(500)	—	—	584,000	—	—
	23,077 Series F Preferred.	876,800	200	—	—	877,000	—	—
	211,567 A-1 Units of SQF Holdco LLC.	800,000	200,000	—	—	1,000,000	302,677	—
	250 Class D-1 Units of SQF Holdco LLC.	250,000	750,000	—	—	1,000,000	94,587	—
	Total Tilson	10,550,000	950,000	—	—	11,500,000	397,264	52,500
	Total Affiliate Investments	**$ 53,499,372**	**$ 1,400,942**	**$ 5,622,359**	**$ (8,854,529)**	**$ 51,668,144**	**$ 6,165,419**	**$ 5,242,557**
	Total Control and Affiliate Investments	**$ 57,648,332**	**$ (1,164,188)**	**$ 6,538,529**	**$ (8,854,529)**	**$ 54,168,144**	**$ 6,165,419**	**$ 5,994,394**

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024 (Continued)

This schedule should be read in conjunction with the Corporation's Consolidated Financial Statements, including the Notes to the Consolidated Financial Statements and the Consolidated Schedule of Portfolio Investments.

(1)Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow on investments, capitalized interest and the accretion of discounts. Gross additions also include the movement of an existing portfolio company into this category and out of another category.

(2)Gross reductions include decreases in the cost basis of investments resulting from principal repayments, sales, note conversions, the exchange of existing securities for new securities and the movement of an existing portfolio company out of this category and into another category.

(3)Represents the total amount of interest, fees or dividends credited to income for the portion of the period an investment was included in "Control or Affiliate" categories, respectively.

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
December 31, 2024 (Continued)

Industry Classification	Percentage of Total Investments (at fair value) as of December 31, 2024
Professional and Business Services	47.6%
Consumer Product	17.7
Manufacturing	12.7
Distribution	9.7
Software	4.1
Automotive	4.1
Health and Wellness	4.1
Total Investments	**100**%

See accompanying notes

RAND CAPITAL CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. ORGANIZATION

Rand Capital Corporation ("Rand", the "Corporation", "we", "us" and "our") was incorporated under the laws of New York in February 1969. We completed our initial public offering in 1971 and operated as an internally managed, closed end, management investment company from that time until November 2019.

In November 2019, Rand completed a stock sale transaction (the "Closing") with East Asset Management ("East"). The transaction consisted of a $25 million investment in Rand by East, in the form of cash and contributed portfolio assets, in exchange for approximately 8.3 million shares of Rand common stock. East owns approximately 64% of Rand Capital's outstanding common stock at June 30, 2025. Concurrent with the Closing, Rand Capital Management, LLC ("RCM"), a registered investment adviser, was retained by Rand as its external investment adviser and administrator (the Closing and the retention of RCM as our investment adviser and administrator are collectively referred to herein as the "Transaction"). The term of the Corporation's investment advisory and management agreement (the "Investment Management Agreement") with RCM was extended after approval of its renewal by our Board of Directors (the "Board") in October 2024 and is currently scheduled to expire on December 31, 2025. In addition, the term of the Corporation's administration agreement (the "Administration Agreement") with RCM was extended after approval of its renewal by the Board in October 2024 and is currently scheduled to expire on December 31, 2025. The Investment Management Agreement and Administration Agreement can continue for successive annual periods after December 31, 2025 provided that such continuance is specifically approved at least annually by (i)(A) the affirmative vote of a majority of the Board or (B) the affirmative vote of a majority of our outstanding voting securities, and (ii) the affirmative vote of a majority of our directors who are not "interested persons," as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the "1940 Act"), of us, RCM or our respective affiliates. Pursuant to the terms of the Investment Management Agreement, Rand pays RCM a base management fee and may pay an incentive fee, if specified benchmarks are met.

In connection with the Closing, we also entered into a shareholder agreement with East (the "Shareholder Agreement"). Pursuant to the terms of the Shareholder Agreement, East has the right to designate two or three persons, depending upon the size of the Board, for nomination for election to the Board. East has the right to designate (i) up to two persons if the size of the Board is composed of fewer than seven directors or (ii) up to three persons if the size of the Board is composed of seven or more directors. East's right to designate persons for nomination for election to the Board under the Shareholder Agreement is the exclusive means by which East may designate or nominate persons for election to the Board. The Board currently consists of five directors, and Adam S. Gusky and Benjamin E. Godley are East's designees on the Board.

We currently operate as an externally managed, closed-end, non-diversified management investment company. We have elected to be regulated as a business development company ("BDC") under the 1940 Act. As a BDC, we are required to comply with certain regulatory requirements specified in the 1940 Act. For instance, we generally have to invest at least 70% of our total assets in "qualifying assets" and provide managerial assistance to the portfolio companies in which we invest. See "Item 1. Business - Regulations, Business Development Company Regulations" in our Annual Report on Form 10-K for the year ended December 31, 2024.

In connection with the completion of the Transaction, we have shifted to an investment strategy focused on higher yielding debt investments and elected U.S. Federal tax treatment as a regulated investment company ("RIC").

The Board declared the following quarterly cash dividends during the six months ended June 30, 2025:

Quarter	Dividend/Share Amount	Record Date	Payment Date
1st	$ 0.29	March 14, 2025	March 28, 2025
2nd	$ 0.29	May 30, 2025	June 13, 2025

On December 5, 2024, the Board declared a dividend of $4.20 per share. The dividend was paid in the aggregate combination of 20% in cash and 80% in newly issued shares of common stock on January 24, 2025 to shareholders of record as of December 16, 2024. The portion of the dividend paid using common stock increased the number of issued and outstanding shares of common stock from 2,581,021 shares to 2,969,814 shares as of January 24, 2025.

In order to continue to qualify as a RIC, Rand holds several of its equity investments in wholly-owned subsidiaries that facilitate a tax structure that is advantageous to the RIC election. Rand has the following wholly-owned blocker subsidiaries in place at June 30, 2025: Rand BMP Swanson Holdings Corp., Rand Carolina Skiff Holdings Corp., Rand DSD Holdings Corp., Rand Filterworks Holdings Corp., Rand FSS Holdings Corp., Rand INEA Holdings Corp., and Rand ITA Holdings Corp. (collectively the "Blocker Corps"). These subsidiaries are consolidated using United States generally accepted accounting principles ("GAAP") for financial reporting purposes.

On October 7, 2020, Rand, RCM and certain of their affiliates received an exemptive order from the Securities and Exchange Commission ("SEC") to permit Rand to co-invest in portfolio companies with certain affiliates, including other BDCs and registered investment companies managed by RCM and certain of its affiliates in a manner consistent with Rand's investment objective, policies, strategies and restrictions as well as regulatory requirements, subject to compliance with certain conditions (the "Order"). On March 29, 2021, the SEC granted Rand, Callodine Group, LLC ("Callodine"), which holds a controlling interest in RCM, and certain of their affiliates a new exemptive order (the "New Order") that superseded the Order and permits Rand to co-invest with affiliates managed by RCM and Callodine. Callodine is a yield focused asset management platform. Pursuant to the New Order, Rand is generally permitted to co-invest with affiliates covered by the New Order if a "required majority" (as defined in Section 57(o) of the 1940 Act) of Rand's independent directors make certain conclusions in connection with a co-investment transaction, including that (1) the terms of the transaction, including the consideration to be paid, are reasonable and fair to Rand and its shareholders and do not involve overreaching in respect of Rand or its shareholders on the part of any person concerned, (2) the transaction is consistent with the interests of Rand's shareholders and is consistent with Rand's investment objective and strategies and (3) the investment by Rand's affiliates would not disadvantage Rand, and Rand's participation would not be on a basis different from or less advantageous than that on which Rand's affiliates are investing. In addition, on September 6, 2022, the SEC granted an amendment to the New Order to permit Rand to participate in follow-on investments in our existing portfolio companies with certain Affiliated Funds (as defined in the New Order) that do not hold any investments in such existing portfolio companies.

The accompanying consolidated financial statements describe the operations of Rand and its wholly-owned subsidiaries, Rand Capital Sub, LLC ("Rand Sub") and the Blocker Corps (collectively, the "Corporation").

Our corporate office is located in Buffalo, NY and our website address is www.randcapital.com. We make available on our website our annual and quarterly reports, proxy statements and other information as soon as reasonably practicable after such material is filed with the SEC. Our shares are traded on the Nasdaq Capital Market under the symbol "RAND."

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – It is our opinion that the accompanying consolidated financial statements include all adjustments of a normal recurring nature necessary for a fair presentation in accordance with GAAP of the consolidated financial position, results of operations, cash flows and statement of changes in net assets for the interim periods presented. The Corporation is an investment company following accounting and reporting guidance in Accounting Standards Codification ("ASC") 946, *Financial Services—Investment Companies*. Certain information and note disclosures normally included in audited annual consolidated financial statements prepared in accordance with GAAP have been omitted; however, we believe that the disclosures made are adequate to make the information presented herein not misleading. The interim results for the six months ended June 30, 2025 are not necessarily indicative of the results to be expected for the full year.

These statements should be read in conjunction with the consolidated financial statements and the notes included in our Annual Report on Form 10-K for the year ended December 31, 2024. Information contained in this filing should also be reviewed in conjunction with our related filings with the SEC prior to the date of this report.

Principles of Consolidation - The consolidated financial statements include the accounts of Rand and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Fair Value of Financial Instruments – The carrying amounts reported in the consolidated statement of financial position of cash, interest receivable, accounts payable and accrued expenses approximate fair value because of the immediate or short-term nature of these financial instruments.

Investment Classification – In accordance with the provisions of the 1940 Act, the Corporation classifies its investments by level of control. Under the 1940 Act, "Control Investments" are investments in companies that the Corporation is deemed to "Control" if it owns more than 25% of the voting securities of the company or has greater than 50% representation on the company's board of directors or other similar governing body. "Affiliate Investments" are companies in which the Corporation owns between 5% and 25% of the voting securities of the company. "Non-Control/Non-Affiliate Investments" are those companies that are neither Control Investments nor Affiliate Investments.

Investments - Investments are valued at fair value as determined in good faith by RCM and approved by the Board. The Corporation generally invests in loan, debt, and equity instruments and there is no single standard for determining fair value of these investments. As a result, determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio company while employing a consistent valuation process. Due to the inherent uncertainty of determining the fair value of portfolio investments, there may be material risks associated with this determination including that estimated fair values may differ from the values that would have been used had a readily available market value for the investments existed and these differences could be material if the Corporation's assumptions and judgments differ from results of actual liquidation events. The Corporation analyzes and values each investment quarterly and records unrealized depreciation for an investment that it believes has become impaired, including where collection of a loan or debt security or realization of the recorded value of an equity security is doubtful. Conversely, the Corporation will record unrealized appreciation if it believes that an underlying portfolio company has appreciated in value and, therefore, the Corporation's equity securities in the underlying portfolio company have also appreciated in value. Additionally, the Corporation continues to assess any material risks associated with this fair value determination, including risks associated with material conflicts of interest. Under the valuation policy of the Corporation, unrestricted publicly traded securities are valued at the closing price for these securities on the last trading day of the reporting period.

Qualifying Assets - As of June 30, 2025, the Corporation's portfolio of investments only included qualifying assets as defined in Section 55(a) of the 1940 Act. The Corporation's qualifying assets consist of qualifying investments in privately held businesses, principally based in the United States.

Revenue Recognition - Interest Income - Interest income is recognized on the accrual basis except where the investment is in default or where receipt of such interest is otherwise presumed to be in doubt. In such cases, interest is recognized at the time of receipt. A reserve for possible losses on interest receivable is maintained when appropriate. The reserve for possible losses of interest receivable was $25,337 as of June 30, 2025. There was no reserve for possible losses of interest receivable as of December 31, 2024.

The Corporation holds debt securities in its investment portfolio that contain payment-in-kind ("PIK") interest provisions. PIK interest, computed at the contractual rate specified in each debt agreement, is added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. For investments with PIK interest, the Corporation will not accrue PIK interest if the portfolio company valuation indicates that the PIK interest is not collectible. Loans which are on non-accrual status remain in such status until the borrower has demonstrated the ability and intent to pay contractual amounts due or such loans become current. As of June 30, 2025, the Corporation's debt investment in ITA Acquisition, LLC (ITA) was on non-accrual status with a cost of $5.4 million and fair value of $2.0 million, which represented 8.9% and 3.8% of the investment portfolio, respectively. As of December 31, 2024, none of the Corporation's investments were on non-accrual status. For the six months ended June 30, 2025 and 2024, 33.9% and 18.9%, respectively, of the Corporation's total investment income was attributable to non-cash PIK interest income.

Revenue Recognition - Dividend Income – The Corporation may receive cash distributions from portfolio companies that are limited liability companies or corporations, and these distributions are classified as dividend income on the consolidated statement of operations. Dividend income is recognized on an accrual basis when it can be reasonably estimated for private portfolio companies or on the ex-dividend date for publicly traded portfolio companies.

The Corporation may hold preferred equity securities that contain cumulative dividend provisions. Cumulative dividends are recorded as dividend income, if declared and deemed collectible, and any dividends in arrears are recognized into income and added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed.

Revenue Recognition - Fee Income - Consists of the revenue associated with the amortization of financing fees charged to the portfolio companies upon successful closing of financings, income associated with portfolio company monitoring fees, income associated with early repayment fees and income associated with portfolio company loan modification fees.

Realized Gain or Loss and Unrealized Appreciation or Depreciation of Investments - Amounts reported as realized gains and losses are measured by the difference between the proceeds from the sale or exchange and the cost basis of the investment without regard to unrealized gains or losses recorded in prior periods. The cost of securities that have, in management's judgment, become worthless are written off and reported as realized losses when appropriate. Unrealized appreciation or depreciation reflects the difference between the fair value of the investments and the cost basis of the investments.

Original Issue Discount – Investments may include "original issue discount", or OID. This occurs when the Corporation purchases a warrant and a note from a portfolio company simultaneously, which requires an allocation of a portion of the purchase price to the warrant and reduces the purchase price allocated to the note by an equal amount in the form of a note discount or OID. The note is reported net of the OID and the OID is accreted into interest income over the life of the loan.

Net Assets per Share - Net assets per share are based on the number of shares of common stock outstanding. There are no common stock equivalents outstanding.

Supplemental Cash Flow Information - Net income taxes paid during the six months ended June 30, 2025 and 2024 were $17,343 and $110,374, respectively. Interest paid during the six months ended June 30, 2025 and 2024 was $54,401 and $784,090, respectively. The Corporation converted $1,223,945 and $795,134 of interest receivable into investments during the six months ended June 30, 2025 and 2024, respectively.

Accounting Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Stockholders' Equity (Net Assets) - At June 30, 2025 and December 31, 2024, there were 500,000 shares of $10.00 par value preferred stock authorized and unissued.

On April 23, 2025, the Board approved a share repurchase plan which authorizes the Corporation to repurchase shares of Rand's outstanding common stock with an aggregate cost of up to $1,500,000 at prices per share of common stock no greater than the then current net asset value. This share repurchase authorization is in effect through April 23, 2026, and replaces the share repurchase authorization that was previously approved by the Board in May 2024. No shares of Rand's common stock were repurchased by the Corporation during the six months ended June 30, 2025 or the six months ended June 30, 2024.

Income Taxes – The Corporation elected to be treated, for U.S. federal income tax purposes, as a RIC under Subchapter M of the Code. The Corporation must distribute substantially all of its investment company taxable income each tax year as dividends to its shareholders to maintain its RIC status. If the Corporation continues to qualify as a RIC and continues to satisfy the annual distribution requirement, the Corporation will not have to pay corporate level U.S. federal income taxes on any income that the Corporation distributes to its stockholders.

The Blocker Corps, which are consolidated under U.S. GAAP for financial reporting purposes, are subject to U.S. federal and state income taxes. Therefore, the Corporation accounts for income taxes pursuant to FASB ASC Topic 740, *Income Taxes*. Under FASB ASC Topic 740, deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The Corporation records a valuation allowance against the deferred tax assets if and to the extent it is more likely than not that the Corporation will not recover the deferred tax assets. In evaluating the need for a valuation allowance, the Corporation weights all relevant positive and negative evidence, and considers among other factors, historical financial performance, projected future taxable income, scheduled reversals of deferred tax liabilities, the overall business environment, and tax planning strategies. Changes in circumstances, including the Blocker Corps generating significant taxable income and tax planning strategies, could cause a change in judgment about the need for a valuation allowance of the related deferred tax assets. Any change in the valuation allowance will be included in income in the period of the change in estimate.

Accordingly, as of June 30, 2025 and December 31, 2024, the valuation allowance against the Corporation's U.S. federal deferred tax assets was $363,471.

The Corporation reviews the tax positions it has taken to determine if they meet a "more likely than not threshold" for the benefit of the tax position to be recognized in the consolidated financial statements. A tax position that fails to meet the more likely than not recognition threshold will result in either a reduction of a current or deferred tax asset or receivable, or the recording of a current or deferred tax liability. There were no uncertain tax positions recorded at June 30, 2025 or December 31, 2024.

Depending on the level of taxable income earned in a tax year, the Corporation may choose to carry forward taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income, as required. To the extent that the Corporation determines that its estimated current year taxable income will be in excess of estimated dividend distributions for the current year from such income, the Corporation accrues excise tax, if any, on estimated excess taxable income as such taxable income is earned. The Corporation did not incur any federal excise tax expense during the six months ended June 30, 2025 or 2024.

Distributions from net investment income and distributions from net realized capital gains are determined in accordance with U.S. federal tax regulations, which may differ from amounts determined in accordance with GAAP and those differences could be material. These book-to-tax differences are either temporary or permanent in nature. Reclassifications due to permanent book-tax differences, including the offset of net operating losses against short-term gains and nondeductible meals and entertainment, have no impact on net assets.

The Corporation is currently open to audit under the statute of limitations by the Internal Revenue Service for the years ended December 31, 2021 through 2024. In general, the Corporation’s state income tax returns are open to audit under the statute of limitations for the years ended December 31, 2021 through 2024.

It is the Corporation’s policy to include interest and penalties related to income tax liabilities in income tax expense on the Consolidated Statement of Operations. There were no amounts recognized for the six months ended June 30, 2025. The Corporation incurred $720 in interest expense related to income tax liabilities during the six months ended June 30, 2024.

Concentration of Credit and Market Risk – The Corporation’s financial instruments potentially subject it to concentrations of credit risk. Cash is invested with banks in amounts which, at times, exceed insured limits. The Corporation does not anticipate non-performance by such banks.

The following are the concentrations of the top five portfolio company values compared to the fair value of the Corporation’s total investment portfolio:

	June 30, 2025
Seybert’s Billiards Corporation (Seybert’s)	16%
BMP Food Service Supply Holdco, LLC (FSS)	13%
Inter-National Alloys LLC (EFINEA)	9%
Caitec, Inc. (Caitec)	9%
FCM Industries Holdco LLC (First Coast Mulch)	7%

	December 31, 2024
Tilson Technology Management, Inc. (Tilson)	16%
Seybert’s	11%
FSS	10%
Mattison Avenue Holdings LLC (Mattison)	8%
Caitec	6%

Recently Issued or Adopted Accounting Standards – In December 2023, the FASB issued Accounting Standards Update No. 2023-09, Income Taxes (Topic 740) (“ASU 2023-09”). The amendments in ASU 2023-09 are intended to improve income tax disclosures, primarily related to the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for the Corporation’s fiscal year beginning after December 15, 2024, however, these disclosures are not required for interim periods. The amendments are to be applied on a prospective basis, although retrospective adoption is permitted. The Corporation does not believe the adoption of ASU 2023-09 will have a material impact on its consolidated financial statements or disclosures.

Note 3. INVESTMENTS

The Corporation’s investments are carried at fair value in accordance with FASB Accounting Standards Codification (ASC) 820, “Fair Value Measurements and Disclosures”, which defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosures about fair value measurements.

Loan investments are defined as traditional loan financings typically with no equity features or required equity co-investment. Debt investments are defined as debt financings that include one or more equity features such as conversion rights, stock purchase warrants, and/or stock purchase options. Equity investments are direct investments into a portfolio company and may include preferred stock, common stock, warrants and limited liability company membership interests.

The Corporation uses several approaches to determine the fair value of an investment. The main approaches are:

- Loan and debt securities are generally valued at cost when representative of the fair value of the investment or sufficient assets or liquidation proceeds are expected to exist from a sale of a portfolio company at its estimated fair value. The valuation may also consider the carrying interest rate versus the related inherent portfolio risk of the investment. A loan or debt instrument may be reduced in value if it is judged to be of poor quality, collection is in doubt or insufficient liquidation proceeds exist.

- Equity securities may be valued using the:

▪*Cost approach* - The cost approach uses estimates of the liquidation value of the portfolio company' assets in relation to the cost of the respective security. This approach values the equity at the value remaining after the portfolio company pays off its debt and loan balances and its outstanding liabilities.

▪*Market approach* - The market approach uses observable prices and other relevant information generated by similar market transactions. It may include both private and public M&A transactions where the traded price is a multiple of EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) or another relevant operating metric. It may also include the market value of comparable public companies that are trading in an active market, or the use of market multiples derived from a set of comparables to assist in pricing the investment. Additionally, the Corporation adjusts valuations if a subsequent significant equity financing has occurred that includes a meaningful portion of the financing by a sophisticated, unrelated new investor.

▪*Income approach* - The income approach employs valuation techniques to convert future benefits or costs, usually in the form of cash flows, into a present value amount. The measurement is based on value indicated by current market expectations about those future amounts.

ASC 820 classifies the inputs used to measure fair value into the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities, used in the Corporation's valuation at the measurement date. Under the valuation policy, the Corporation values unrestricted publicly traded companies, categorized as Level 1 investments, at the closing price on the last trading day of the reporting period.

Level 2: Quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active, or other observable inputs other than quoted prices.

Level 3: Unobservable and significant inputs to determining the fair value.

Financial assets are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Any changes in estimated fair value are recorded in the statement of operations.

At June 30, 2025 and December 31, 2024, all of the Corporation's investments were Level 3 investments. There were no Level 1 or Level 2 investments at June 30, 2025 or December 31, 2024.

In the valuation process, the Corporation values restricted securities categorized as Level 3 investments, using information from these portfolio companies, which may include:

- Audited and unaudited statements of operations, balance sheets and operating budgets;
- Current and projected financial, operational and technological developments of the portfolio company;
- Current and projected ability of the portfolio company to service its debt obligations;
- The current capital structure of the business and the seniority of the various classes of equity if a deemed liquidation event were to occur;
- Pending debt or capital restructuring of the portfolio company;
- Current information regarding any offers to purchase the investment, or recent financing transactions;
- Current ability of the portfolio company to raise additional financing if needed;
- Changes in the economic environment which may have a material impact on the operating results of the portfolio company;
- Internal circumstances and events that may have an impact (both positive and negative) on the operating performance of the portfolio company;
- Qualitative assessment of key management;
- Contractual rights, obligations or restrictions associated with the investment; and
- Other factors deemed relevant to assess valuation.

The valuation may be reduced if a portfolio company's performance and potential have deteriorated significantly. If the factors that led to a reduction in valuation are overcome, the valuation may be adjusted accordingly.

Equity Securities

Equity securities may include preferred stock, common stock, warrants and limited liability company membership interests.

The significant unobservable inputs used in the fair value measurement of the Corporation's equity investments are EBITDA and revenue multiples, where applicable, the financial and operational performance of the business, and the debt and senior equity preferences that may exist in a deemed liquidation event. Standard industry multiples may be used when available; however, the Corporation's portfolio companies are typically privately-held, lower middle market companies and these industry standards may be adjusted to more closely match the specific financial and operational characteristics of the portfolio company. Due to the nature of certain investments, fair value measurements may be based on other criteria, which may include third party appraisals. Significant changes in any of these unobservable inputs may result in a significantly higher or lower fair value estimate.

Another key factor used in valuing equity investments is a significant recent arms-length equity transaction entered into by the portfolio company with a sophisticated, non-strategic, unrelated, new investor. The terms of these equity transactions may not be identical to the equity transactions between the portfolio company and the Corporation, and the impact of the difference in transaction terms on the market value of the portfolio company may be difficult or impossible to quantify.

When appropriate the Black-Scholes pricing model is used to estimate the fair value of warrants for accounting purposes. This model requires the use of highly subjective inputs including expected volatility and expected life, in addition to variables for the valuation of minority equity positions in small private and early stage companies. Significant changes in any of these unobservable inputs may result in a significantly higher or lower fair value estimate.

For investments made within the last year, the Corporation generally relies on the cost basis, which is deemed to represent the fair value, unless other fair value inputs are identified causing the Corporation to depart from this basis.

Loan and Debt Securities

The significant unobservable inputs used in the fair value measurement of the Corporation's loan and debt securities are the financial and operational performance of the portfolio company, similar debt with similar terms with other portfolio companies, as well as the market acceptance for the portfolio company's products or services. These inputs will likely provide an indicator as to the probability of principal recovery of the investment. The Corporation's loan and debt investments are often junior secured or unsecured securities. Fair value may also be determined based on other criteria where appropriate. Significant changes to the unobservable inputs may result in a change in fair value. For recent investments, the Corporation generally relies on the cost basis, which is deemed to represent the fair value, unless other fair value inputs are identified causing the Corporation to depart from this basis.

The following table provides a summary of the significant unobservable inputs used to determine the fair value of the Corporation's Level 3 portfolio investments as of June 30, 2025:

Investment Type	**Market Approach EBITDA Multiple**	**Market Approach Liquidation Seniority**	**Market Approach Revenue Multiple**	**Market Approach Transaction Pricing**	**Totals**
Non-Control/Non-Affiliate Equity	$ —	$ —	$ 700,000	$ 100,038	$ 800,038
Non-Control/Non-Affiliate Loan and Debt	4,799,278	2,047,463	—	—	6,846,741
Total Non-Control/Non-Affiliate	**$ 4,799,278**	**$ 2,047,463**	**$ 700,000**	**$ 100,038**	**$ 7,646,779**
Affiliate Equity	$ 6,650,000	$ —	$ —	$ —	$ 6,650,000
Affiliate Loan and Debt	34,317,475	—	—	1,750,000	36,067,475
Total Affiliate	**$ 40,967,475**	**$ —**	**$ —**	**$ 1,750,000**	**$ 42,717,475**
Control Equity	$ —	$ —	$ —	$ —	$ —
Control Loan and Debt	—	2,000,000	—	—	2,000,000
Total Control	**$ —**	**$ 2,000,000**	**$ —**	**$ —**	**$ 2,000,000**
Total Level 3 Investments	**$ 45,766,753**	**$ 4,047,463**	**$ 700,000**	**$ 1,850,038**	**$ 52,364,254**

Range	4X - 11X	1X	3.5X	Not Applicable
Unobservable Input	EBITDA Multiple	Asset Value	Revenue Multiple	Transaction Price
Weighted Average	5.7X	1X	3.5X	Not Applicable

The following table provides a summary of the components of Level 1, 2 and 3 Assets Measured at Fair Value at June 30, 2025:

		Fair Value Measurements at Reported Date Using		
Description	**June 30, 2025**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Other Significant Unobservable Inputs (Level 3)**
Loan investments	$ 4,300,115	$ —	$ —	$ 4,300,115
Debt investments	40,614,101	—	—	40,614,101
Equity investments	7,450,038	—	—	7,450,038
Total	**$ 52,364,254**	**$ —**	**$ —**	**$ 52,364,254**

The following table provides a summary of the components of Level 1, 2 and 3 Assets Measured at Fair Value at December 31, 2024:

		Fair Value Measurements at Reported Date Using		
Description	**December 31, 2024**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Other Significant Unobservable Inputs (Level 3)**
Loan investments	$ 15,037,873	$ —	$ —	$ 15,037,873
Debt investments	38,043,721	—	—	38,043,721
Equity investments	17,736,447	—	—	17,736,447
Total	$ 70,818,041	$ —	$ —	$ 70,818,041

The following table provides a summary of changes in Assets Measured at Fair Value Using Significant Unobservable Inputs (Level 3) for the six months ended June 30, 2025:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)			
Description	Loan Investments	Debt Investments	Equity Investments	Total
Ending balance December 31, 2024, of Level 3 Assets	$ 15,037,873	$ 38,043,721	$ 17,736,447	$ 70,818,041
Realized (losses) gains included in net change in net assets from operations:				
GoNoodle, Inc. (GoNoodle)	—	—	(25)	(25)
Microcision, LLC (Microcision)	—	—	55,357	55,357
Pressure Pro, Inc. (Pressure Pro)	—	—	870,000	870,000
Total realized gains, net	—	—	925,332	925,332
Unrealized (losses) gains included in net change in net assets from operations:				
BMP Food Service Supply Holdco, LLC (FSS)	—	—	(497,619)	(497,619)
Carolina Skiff LLC (Carolina Skiff)	—	—	(442,755)	(442,755)
FCM Industries Holdco LLC (First Coast Mulch)	—	484,837	—	484,837
Inter-National Electronic Alloys LLC (EFINEA)	—	—	488,235	488,235
ITA Acquisition, LLC (ITA)	(875,000)	—	—	(875,000)
Lumious	(189,944)	—	—	(189,944)
Mobile RN Holdings LLC (Mobile IV Nurses)	—	—	125,000	125,000
Mountain Regional Equipment Solutions (MRES)	—	(739,352)	—	(739,352)
Pressure Pro	—	—	(720,000)	(720,000)
Seybert’s Billiards Corporation (Seybert’s)	—	—	256,000	256,000
Tilson Technology Management, Inc. (Tilson)	—	—	(9,500,000)	(9,500,000)
Total unrealized losses, net	(1,064,944)	(254,515)	(10,291,139)	(11,610,598)
Purchases of securities/changes to securities/non-cash conversions:				
Autotality (formerly Filterworks Acquisition USA, LLC)	—	73,675	—	73,675
Caitec, Inc. (Caitec)	324,366	—	—	324,366
Carolina Skiff	—	—	34,755	34,755
First Coast Mulch	—	24,893	—	24,893
FSS	—	435,031	—	435,031
GoNoodle, Inc. (GoNoodle)	—	7,211	—	7,211
Highland All About People Holdings, Inc. (All About People)	—	64,176	—	64,176
ITA	375,000	—	—	375,000
Mobile IV Nurses	—	12,617	—	12,617
MRES	—	239,352	—	239,352
Pressure Pro	—	22,445	—	22,445
Seybert’s	—	64,183	—	64,183
Total purchases of securities/changes to securities/non-cash conversions	699,366	943,583	34,755	1,677,704
Repayments and sales of securities:				
HDI Acquisition LLC (Hilton Displays)	—	(1,071,824)	—	(1,071,824)
Mattison Avenue Holdings LLC (Mattison)	(5,572,902)	—	—	(5,572,902)
Microcision	—	—	(55,357)	(55,357)
Pressure Pro	—	(1,725,150)	(900,000)	(2,625,150)
Seybert's	—	(120,992)	—	(120,992)
Total repayments and sales of securities	(5,572,902)	(2,917,966)	(955,357)	(9,446,225)
Transfers within Level 3	(4,799,278)	4,799,278	—	—
Ending balance June 30, 2025, of Level 3 Assets	$ 4,300,115	$ 40,614,101	$ 7,450,038	$ 52,364,254
Change in unrealized appreciation/depreciation included in earnings related to Level 3 investments still held at reporting date				$ (10,890,598)

The following table provides a summary of changes in Assets Measured at Fair Value Using Significant Unobservable Inputs (Level 3) for the six months ended June 30, 2024:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)			
Description	**Loan Investments**	**Debt Investments**	**Equity Investments**	**Total**
Ending balance December 31, 2023, of Level 3 Assets	$ 12,417,977	$ 36,861,525	$ 20,536,560	$ 69,816,062
Realized gains (losses) included in net change in net assets from operations:				
Knoa Software, Inc. (Knoa)	—	—	(1,229,155)	(1,229,155)
Tilson Technology Management, Inc. (Tilson)	—	—	397,264	397,264
Total realized losses, net	—	—	(831,891)	(831,891)
Unrealized gains (losses) included in net change in net assets from operations:				
Filterworks Acquisition USA, LLC (Filterworks)	—	—	(196,226)	(196,226)
Knoa	—	—	1,129,155	1,129,155
Pressure Pro, Inc. (Pressure Pro)	—	—	470,000	470,000
SciAps, Inc. (SciAps)	—	—	5,586,016	5,586,016
Tilson	—	—	1,761,000	1,761,000
Total unrealized gains, net	—	—	8,749,945	8,749,945
Purchases of securities/changes to securities/non-cash conversions:				
BMP Food Service Supply Holdco, LLC (FSS)	—	—	107,619	107,619
Caitec, Inc. (Caitec)	283,170	—	—	283,170
FCM Industries Holdco LLC (First Coast Mulch)	—	22,623	—	22,623
Filterworks	—	102,396	—	102,396
GoNoodle, Inc. (GoNoodle)	—	7,139	—	7,139
HDI Acquisition LLC (Hilton Displays)	—	10,646	—	10,646
Highland All About People Holdings, Inc. (All About People)	—	61,973	—	61,973
Inter-National Electronic Alloys LLC (INEA)	—	25,392	—	25,392
ITA Acquisition, LLC (ITA)	449,086	—	—	449,086
Mattison Avenue Holdings LLC (Mattison)	5,572,902	—	—	5,572,902
Mountain Regional Equipment Solutions (MRES)	—	2,946,000	264,545	3,210,545
Pressure Pro	—	37,637	—	37,637
Seybert's Billiards Corporation (Seybert's)	—	1,863,507	—	1,863,507
Total purchases of securities/changes to securities/non-cash conversions	6,305,158	5,077,313	372,164	11,754,635
Repayments and sales of securities:				
FSS	—	(34,838)	—	(34,838)
Mattison	(1,894,470)	—	—	(1,894,470)
Pressure Pro	—	(1,427,452)	—	(1,427,452)
Tilson	—	—	(397,264)	(397,264)
Total repayments and sales of securities	(1,894,470)	(1,462,290)	(397,264)	(3,754,024)
Ending balance June 30, 2024, of Level 3 Assets	$ 16,828,665	$ 40,476,548	$ 28,429,514	$ 85,734,727
Change in unrealized appreciation/depreciation included in earnings related to Level 3 investments still held at reporting date				$ 7,620,790

Note 4. OTHER ASSETS

At June 30, 2025 and December 31, 2024, other assets was comprised of the following:

	June 30, 2025	December 31, 2024
Prepaid expenses	**$ 79,076**	$ 16,977
Deferred financing fees, net	**50,000**	62,500
Accounts receivable	**20,000**	22,929
Dividends receivable	**—**	13,125
Total other assets	**$ 149,076**	$ 115,531

Note 5. COMMITMENTS AND CONTINGENCIES

The Corporation had no commitments at June 30, 2025 or December 31, 2024.

Note 6. SENIOR SECURED REVOLVING CREDIT FACILITY

On June 27, 2022, the Corporation entered into a credit agreement (the "Credit Agreement") with M&T Bank, as lender (the "Lender"), which provides the Corporation with a senior secured revolving credit facility in a principal amount not to exceed $25.0 million (the "Credit Facility"). The amount the Corporation can borrow, at any given time, under the Credit Facility is tied to a borrowing base, which is measured as (i) 75% of the aggregate sum of the fair market values of the publicly traded equity securities held (other than shares of ACV Auctions, if any) plus (ii) the least of (a) 75% of the fair market value of the shares of ACV Auctions held, if any, (b) $6.25 million and (c) 25% of the aggregate borrowing base availability for the Credit Facility at any date of determination plus (iii) 50% of the aggregate sum of the fair market values of eligible private loans held that meet specified criteria plus (iv) the lesser of (a) 50% of the aggregate sum of the fair market values of unsecured private loans held that meet specified criteria and (b) $1.25 million minus (v) such reserves as the Lender may establish from time to time in its sole discretion. As of June 30, 2025, the Corporation did not own any publicly traded equity securities or any shares of ACV Auctions. The Credit Facility has a maturity date of June 27, 2027. Under the borrowing base formula described above, the unused line of credit balance for the Credit Facility was approximately $20.2 million at June 30, 2025.

The Corporation's borrowings under the Credit Facility bear interest at a variable rate determined as a rate per annum equal to 3.50 percentage points above the greater of (i) the applicable daily simple secured overnight financing rate (SOFR) or (ii) 0.25%. At June 30, 2025, the Corporation's applicable interest rate was 7.95%. In addition, under the terms of the Credit Facility, the Corporation has also agreed to pay the Lender an unused commitment fee on a quarterly basis, computed as 0.30% multiplied by the average daily Unused Commitment Fee Base (which is defined as the difference between (i) $25.0 million and (ii) the sum of the aggregate principal amount of the Corporation's outstanding borrowings under the Credit Facility) for the preceding quarter. The unused commitment fee related to the Credit Facility during the three and six months ended June 30, 2025 was $19,167 and $37,457, respectively. The unused commitment fee related to the Credit Facility during the three and six months ended June 30, 2024 was $6,157 and $9,616, respectively. Unused commitment fees are recorded as interest expense on the Consolidated Statements of Operations.

The Credit Agreement contains representations and warranties and affirmative, negative and financial covenants usual and customary for agreements of this type, including among others, covenants that prohibit, subject to certain specified exceptions, the Corporation's ability to merge or consolidate with other companies, sell any material part of the Corporation's assets, incur other indebtedness, incur liens on the Corporation's assets, make investments or loans to third parties other than permitted investments and permitted loans, and declare any distribution or dividend other than certain permitted distributions. The Credit Agreement includes the following financial covenants: (i) a tangible net worth covenant that requires the Corporation to maintain a Tangible Net Worth (defined in the Credit Agreement as the Corporation's aggregate assets, excluding intangible assets, less all liabilities) of not less than $50.0 million, which is measured quarterly at the end of each fiscal quarter, (ii) an asset coverage ratio covenant that requires the Corporation to maintain an Asset Coverage Ratio (defined in the Credit Agreement as the ratio of the fair market value of all of the Corporation's assets to the sum of all of the Corporation's obligations for borrowed money plus all capital lease obligations) of not less than 3:1, which is measured quarterly at the end of each fiscal quarter and (iii) an interest coverage ratio covenant that requires the Corporation to maintain an Interest Coverage Ratio (defined in the Credit Agreement as the ratio of Cash Flow (as defined in the Credit Agreement) to Interest Expense (as defined in the Credit Agreement)) of not less than 2.5:1, which is measured quarterly on a trailing twelve-months basis. As of June 30, 2025, the Corporation was in compliance with these covenants.

Events of default under the Credit Agreement which permit the Lender to exercise its remedies, including acceleration of the principal and interest on the Credit Facility, include, among others: (i) default in the payment of principal or interest on the Credit

Facility, (ii) default by the Corporation on any other obligation, condition, covenant or other provision under the Credit Agreement and related documents, (iii) failure by the Corporation to pay any material indebtedness or obligation owing to any third party or affiliate, or the failure by the Corporation to perform any agreement with any third party or affiliate that would have a material adverse effect on the Corporation and its subsidiaries taken as a whole, (iv) the sale of all or substantially all of the Corporation's assets to a third party, (v) various bankruptcy and insolvency events, and (vi) any material adverse change in the Corporation and its subsidiaries, taken as a whole, or their business, assets, operations, management, ownership, affairs, condition (financial or otherwise) or the Lender's collateral that the Lender reasonably determines will have a material adverse effect on the Lender's collateral, the Corporation and its subsidiaries, taken as a whole, or their business, assets, operation or condition (financial or otherwise) or on the Corporation's ability to repay its debts.

In connection with entry into the Credit Facility, the Corporation and each of its subsidiaries that guaranty the Credit Facility entered into a general security agreement, dated June 27, 2022, with the Lender (the "Security Agreement"). The Security Agreement secures all of the Corporation's obligations to the Lender, including, without limitation, principal and interest on the Credit Facility and any fees and charges. The security interest granted under the Security Agreement covers all of the Corporation's personal property including, among other things, all accounts, chattel paper, investment property, deposit accounts, general intangibles, inventory, and all of the fixtures. The Security Agreement contains various representations, warranties, covenants and agreements customary in security agreements and various events of default with remedies under the New York Uniform Commercial Code and the Security Agreement. Events of default under the Security Agreement, which permit the Lender to exercise its various remedies, are similar to those contained in the Credit Agreement.

The outstanding balance drawn on the Credit Facility at June 30, 2025 and December 31, 2024 was $0 and $600,000, respectively. The unamortized closing fee was $50,000 and $62,500 as of June 30, 2025 and December 31, 2024, respectively, and it is recorded in Other Assets on the Consolidated Statement of Financial Position. Amortization expense related to the Credit Facility during the three and six months ended June 30, 2025 was $6,250 and $12,500, respectively. Amortization expense related to the Credit Facility during the three and six months ended June 30, 2024 was $6,250 and $12,500, respectively.

For the three and six months ended June 30, 2025 and 2024, the average debt outstanding under the Credit Facility and weighted average interest rate were as follows:

	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Average debt outstanding	$ —	$ 16,987,912	$ 301,657	$ 17,132,143
Weighted average interest rate	N/A	8.99 %	7.88 %	8.91 %

Note 7. CHANGES IN STOCKHOLDERS' EQUITY (NET ASSETS)

The following schedule analyzes the changes in stockholders' equity (net assets) section of the Consolidated Statements of Financial Position for the three and six months ended June 30, 2025 and 2024, respectively:

	Common Stock	Capital in excess of par value	Stock dividends distributable	Treasury Stock, at cost	Total distributable earnings (losses)	Total Stockholders' Equity (Net Assets)
April 1, 2025	$ 303,771	$ 64,051,504	$ —	$ (1,566,605)	$ 2,522,583	$ 65,311,253
Payment of dividend	—	—	—	—	(861,145)	(861,145)
Net decrease in net assets from operations	—	—	—	—	(7,736,154)	(7,736,154)
June 30, 2025	$ 303,771	$ 64,051,504	$ —	$ (1,566,605)	$ (6,074,716)	$ 56,713,954

	Common Stock	Capital in excess of par value	Stock dividends distributable	Treasury Stock, at cost	Total distributable earnings (losses)	Total Stockholders' Equity (Net Assets)
April 1, 2024	$ 264,892	$ 55,801,170	$ —	$ (1,566,605)	$ 7,069,882	$ 61,569,339
Payment of dividend	—	—	—	—	(748,496)	(748,496)
Net increase in net assets from operations	—	—	—	—	7,737,773	7,737,773
June 30, 2024	$ 264,892	$ 55,801,170	$ —	$ (1,566,605)	$ 14,059,159	$ 68,558,616

	Common Stock	Capital in excess of par value	Stock dividends distributable	Treasury Stock, at cost	Total distributable earnings (losses)	Total Stockholders' Equity (Net Assets)
January 1, 2025	$ 264,892	$ 55,419,620	$ 8,672,231	$ (1,566,605)	$ 2,542,382	$ 65,332,520
Payment of dividend	38,879	8,631,884	(8,672,231)	—	(1,722,391)	(1,723,859)
Net decrease in net assets from operations	—	—	—	—	(6,894,707)	(6,894,707)
June 30, 2025	$ 303,771	$ 64,051,504	$ —	$ (1,566,605)	$ (6,074,716)	$ 56,713,954

	Common Stock	Capital in excess of par value	Stock dividends distributable	Treasury Stock, at cost	Total distributable earnings (losses)	Total Stockholders' Equity (Net Assets)
January 1, 2024	$ 264,892	$ 55,801,170	$ —	$ (1,566,605)	$ 6,315,756	$ 60,815,213
Payment of dividend	—	—	—	—	(1,393,751)	(1,393,751)
Net increase in net assets from operations	—	—	—	—	9,137,154	9,137,154
June 30, 2024	$ 264,892	$ 55,801,170	$ —	$ (1,566,605)	$ 14,059,159	$ 68,558,616

Note 8. RELATED PARTY TRANSACTIONS

Investment Management Agreement

Concurrent with the Closing, RCM, a registered investment adviser, was retained by the Corporation as its external investment adviser and administrator, which resulted in Daniel Penberthy, the Corporation's President and Chief Executive Officer, and Margaret Brechtel, the Corporation's Executive Vice President, Treasurer, Chief Financial Officer and Secretary, serving as officers and employees of RCM. Under the Investment Management Agreement, the Corporation pays RCM, as compensation for the investment advisory and management services, fees consisting of two components: (i) the Base Management Fee and (ii) the Incentive Fee.

At June 30, 2025 and December 31, 2024, amounts payable to RCM were comprised of the following, and are reported on the "Due to investment adviser" line on the Consolidated Statements of Financial Position:

	June 30, 2025	December 31, 2024
Base Management Fee payable	**$ 217,649**	$ 277,628
Income Based Incentive Fees payable	**291,851**	178,218
Capital Gains Fee payable	**—**	1,727,000
Total due to investment adviser	**$ 509,500**	$ 2,182,846

The "Base Management Fee" is calculated at an annual rate of 1.50% of the Corporation's total assets (other than cash but including assets purchased with borrowed funds). For the three and six months ended June 30, 2025, the Base Management Fee was $217,649 and $469,857, respectively. For the three and six months ended June 30, 2024, the Base Management Fee was $322,672 and $625,267, respectively. As of June 30, 2025 and December 31, 2024, the Corporation had $217,649 and $277,628, respectively, payable for the Base Management Fees, and it is included in the "Due to investment adviser" line on the Corporation's Consolidated Statements of Financial Position.

The "Incentive Fee" is comprised of two parts: (1) the "Income Based Fee" and (2) the "Capital Gains Fee". The Income Based Fee is calculated and payable quarterly in arrears based on the "Pre-Incentive Fee Net Investment Income" (as defined in the Investment Management Agreement) for the immediately preceding calendar quarter, subject to a hurdle rate of 1.75% per quarter (7% annualized) and is payable promptly following the filing of the Corporation's financial statements for such quarter, to the extent the Income Based Fee exceeds Accrued Unpaid Income.

The Corporation pays RCM an Incentive Fee with respect to its Pre-Incentive Fee Net Investment Income in each calendar quarter as follows:

(i)no Income Based Fee in any quarter in which the Pre-Incentive Fee Net Investment Income for such quarter does not exceed the hurdle rate of 1.75% (7.00% annualized);

(ii)100% of the Pre-Incentive Fee Net Investment Income for any calendar quarter with respect to that portion of the Pre-Incentive Fee Net Investment Income for such calendar quarter, if any, that exceeds the hurdle rate of 1.75% (7.00% annualized) but is less than 2.1875% (8.75% annualized); and (iii)20% of the amount of the Pre-Incentive Fee Net Investment Income for any calendar quarter with respect to that portion of the Pre-Incentive Fee Net Investment Income for such calendar quarter, if any, that exceeds 2.1875% (8.75% annualized).

The Income Based Fee paid to RCM for any calendar quarter shall not be in excess of the Incentive Fee Cap. The "Incentive Fee Cap" for any quarter is an amount equal to (1) 20.0% of the Cumulative Net Return (as defined below) during the relevant Income Based Fee Calculation Period (as defined below) minus (2) the aggregate Income Based Fee that was paid in respect of the calendar quarters included in the relevant Income Based Fee Calculation Period.

For purposes of the calculation of the Income Based Fee, "Income Based Fee Calculation Period" is defined as, with reference to a calendar quarter, the period of time consisting of such calendar quarter and the additional quarters that comprise the eleven calendar quarters immediately preceding such calendar quarter.

For purposes of the calculation of the Income Based Fee, "Cumulative Net Return" is defined as (1) the aggregate net investment income in respect of the relevant Income Based Fee Calculation Period minus (2) any Net Capital Loss, if any, in respect of the relevant Income Based Fee Calculation Period. If, in any quarter, the Incentive Fee Cap is zero or a negative value, the Corporation pays no Income Based Fee to RCM for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is a positive value but is less than the Income Based Fee that is payable to RCM for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Corporation pays an Income Based Fee to RCM equal to the Incentive Fee Cap for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is equal to or greater than the Income Based Fee that is payable to RCM for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Corporation pays an Income Based Fee to the Adviser equal to the Income Based Fee calculated as described above for such quarter without regard to the Incentive Fee Cap.

For purposes of the calculation of the Income Based Fee, "Net Capital Loss," in respect of a particular period, means the difference, if positive, between (1) aggregate capital losses, whether realized or unrealized, in such period and (2) aggregate capital gains, whether realized or unrealized, in such period.

Any Income Based Fee otherwise payable under the Investment Management Agreement with respect to Accrued Unpaid Income (as described below) (such fees being the "Accrued Unpaid Income Based Fees") shall be deferred, on a security by security basis, and shall become payable to RCM only if, as, when and to the extent cash is received in respect of any Accrued Unpaid Income. Any Accrued Unpaid Income that is subsequently reversed in connection with a write-down, write-off, impairment or similar treatment of the investment giving rise to such Accrued Unpaid Income will, in the applicable period of reversal, (1) reduce Pre-Incentive Fee Net Investment Income and (2) reduce the amount of Accrued Unpaid Income Based Fees. For purposes of the Investment Management Agreement, Accrued Unpaid Income is defined as any net investment income that consists of any accretion of original issue discount, market discount, payment-in-kind interest, payment-in-kind dividends or other types of deferred or accrued income, including in connection with zero coupon securities, that the Corporation has recognized in accordance with GAAP, but has not yet received in cash. Subsequent payments of Accrued Unpaid Income Based Fees that are deferred as provided for in the Investment Management Agreement shall not reduce the amounts otherwise payable for any quarter as an Income Based Fee.

For the three and six months ended June 30, 2025, the Income Based Fees earned under the Investment Management Agreement were $0 and $119,673, respectively. For the three and six months ended June 30, 2024, there were no Income Based Fees earned under the Investment Management Agreement. As of June 30, 2025, the cumulative accrued Income Based Fees was $291,851, and based upon the Accrued Unpaid Income received in cash during the prior quarter by the Corporation, none of the accrued Income Based Fees became payable to RCM as of the end of such quarter. As of December 31, 2024, cumulative accrued Income Based Fees payable was $178,218.

The second part of the Incentive Fee is the "Capital Gains Fee". This fee is determined and payable in arrears as of the end of each calendar year. Under the terms of the Investment Management Agreement, the Capital Gains Fee is calculated at the end of each applicable year by subtracting (1) the sum of the cumulative aggregate realized capital losses and aggregate unrealized capital depreciation from (2) the cumulative aggregate realized capital gains, in each case calculated from November 8, 2019. If this amount is positive at the end of any calendar year, then the Capital Gains Fee for such year is equal to 20.0% of such amount, less the cumulative aggregate amount of Capital Gains Fees paid in all prior years. If such amount is negative, then there is no Capital Gains Fee payable for that calendar year. If the Investment Management Agreement is terminated as of a date that is not a calendar year end, the termination date shall be treated as though it were a calendar year end for purposes of calculating and paying the Capital Gains Fee.

For purposes of the Capital Gains Fee:

- •The cumulative aggregate realized capital gains are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in the Corporations portfolio when sold minus (b) the accreted or amortized cost basis of such investment.
- •The cumulative aggregate realized capital losses are calculated as the sum of the amounts by which (a) the net sales price of each investment in the portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.
- •The aggregate unrealized capital depreciation is calculated as the sum of the amount, if negative, between (a) the valuation of each investment in the portfolio as of the applicable Capital Gains Fee calculation date minus (b) the accreted or amortized cost basis of such investment.

For purposes of calculating the amount of the capital gains incentive fee accrual to be included as part of a company's financial statements, GAAP requires a company to consider, as part of such calculation, the amount of cumulative aggregate unrealized capital appreciation that such company has with respect to its investments. As a result, the capital gains incentive fee accrual under GAAP is calculated using both the cumulative aggregate realized capital gains and losses and the aggregate net change in unrealized capital appreciation/depreciation at the close of the period. If the calculated amount is positive, GAAP requires the Corporation to record a capital gains incentive fee accrual equal to 20% of this cumulative amount, less the aggregate amount of actual capital gains incentive fees paid, or capital gains incentive fees accrued under GAAP, for all prior periods. However, unrealized capital appreciation is not used by the Corporation as part of the calculation to determine the amount of the Capital Gains Fee actually payable to RCM under the terms of the Investment Management Agreement. There can be no assurances that such unrealized capital appreciation will be realized in the future.

As of June 30, 2025, there was no Capital Gains Fee currently payable under the terms of the Investment Management Agreement, and the final calculations are determined annually, and subject to change based on subsequent realized gains, losses or unrealized losses during the remainder of 2025.

In accordance with GAAP, the Corporation is required to accrue a capital gains incentive fee on all realized and unrealized gains and losses. At June 30, 2025, no fee would be due based on net portfolio depreciation. At December 31, 2024, there was an accrual of $3,292,000 for the capital gains incentive fee, which represented both the capital gains fee payable to RCM of $1,727,000 and $1,565,000 that would be due based on net portfolio appreciation at December 31, 2024. The $1,727,000 capital gains fee payable was recorded in the line item "Due to investment adviser" on the Consolidated Statement of Financial Position at December 31, 2024, and was paid to RCM during the six months ended June 30, 2025. For the three and six months ended June 30, 2025, the capital gains incentive fee benefit was ($1,490,000) and ($1,565,000), respectively. For the three and six months ended June 30, 2024, the capital gains incentive fee expense was $1,641,000 and $1,753,300, respectively.

Administration Agreement

Under the terms of the Administration Agreement, RCM agreed to perform (or oversee, or arrange for, the performance of) the administrative services necessary for the Corporation's operations, including, but not limited to, office facilities, equipment, clerical, bookkeeping, finance, accounting, compliance and record keeping services at such office facilities and such other services as RCM, subject to review by the Board, will from time to time determine to be necessary or useful to perform its obligations under the Administration Agreement. RCM shall also arrange for the services of, and oversee, custodians, depositories, transfer agents, dividend disbursing agents, other shareholder servicing agents, accountants, attorneys, underwriters, brokers and dealers, corporate fiduciaries, insurers, banks and such other persons in any such other capacity deemed to be necessary or desirable.

RCM is responsible for the Corporation's financial and other records that are required to be maintained and prepares all reports and other materials required to be filed with the SEC or any other regulatory authority, including reports to shareholders. In addition, RCM assists the Corporation in determining and publishing the Corporation's net asset value (NAV), overseeing the preparation and filing of the tax returns, and the printing and dissemination of reports to shareholders, and generally overseeing the payment of expenses and the performance of administrative and professional services rendered by others. RCM provides, on the Corporation's behalf, managerial assistance to those portfolio companies that have accepted its offer to provide such assistance.

For the three and six months ended June 30, 2025, the Corporation recorded administrative fees of $50,250 and $99,000, respectively, related to costs incurred by RCM that are reimbursable under the Administration Agreement. For the three and six months ended June 30, 2024, the Corporation recorded administrative fees of $40,000 and $78,167, respectively, related to costs incurred by RCM that are reimbursable under the Administration Agreement.

Note 9. FINANCIAL HIGHLIGHTS

The following schedule provides the financial highlights, calculated based on shares outstanding, for the periods indicated:

	Six months ended June 30, 2025 (Unaudited)*	Six months ended June 30, 2024 (Unaudited)*
Per Share Data: (1)		
Net asset value, beginning of period	25.31	23.56
Income from operations:		
Net investment income	1.24	0.13
Net realized gain on sales and dispositions of investments	0.31	1.50
Net change in unrealized appreciation/depreciation on investments	(3.88)	1.91
(Decrease) increase in net assets from operations	(2.32)	3.54
Payment of cash dividend	(0.58)	(0.54)
Effect of stock dividend	(3.31)	—
(Decrease) increase in net assets per share	(6.21)	3.00
Net asset value, end of period	$ 19.10	$ 26.56
Per share market price, end of period	$ 16.12	$ 15.22
Total return based on market value (2)	(13.25)%	21.32%
Total return based on net asset value (3)	(22.26)%	15.02%
Supplemental Data:		
Ratio of expenses before income taxes to average net assets (4)	(0.24)%	12.00%
Ratio of expenses including income taxes to average net assets (4)	(0.28)%	11.85%
Ratio of net investment income to average net assets (4)	12.11%	1.00%
Portfolio turnover	0.67%	13.33%
Debt/equity ratio	—%	25.09%
Net assets, end of period	$ 56,713,954	$ 68,558,616
Total amount of senior securities outstanding, exclusive of treasury securities	$ -	$ 17,200,000
Asset coverage per unit (5)	N/A	498.6%

(1)*Per share data is based on shares outstanding and the results are rounded to the nearest cent.*

(2)*Total return based on market value is calculated as the change in market value per share during the period plus declared dividends per share, assuming reinvestment of dividends, divided by the beginning market value per share.*

(3)*Total return based on net asset value is calculated as the change in net asset value per share during the period plus declared dividends per share, divided by the beginning net asset value per share.*

(4)*Percentage is presented on an annualized basis.*

(5)*Asset coverage per unit is the ratio of the carrying value of the Corporation's total consolidated assets, less liabilities and indebtedness not represented by senior securities, to the aggregate amount of senior securities representing indebtedness.*

* *Amounts are rounded.*

The Corporation's interim period results could fluctuate as a result of a number of factors; therefore results for any interim period should not be relied upon as being indicative of performance for the full year or in future periods.

Note 10. SUBSEQUENT EVENT

Subsequent to the quarter end, on July 28, 2025, Rand's Board of Directors declared a quarterly cash dividend of $0.29 per share. The cash dividend will be paid on or about September 12, 2025 to shareholders of record as of August 29, 2025.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the consolidated financial statements and related notes included elsewhere in this report. Historical results and percentage relationships among any amounts in the consolidated financial statements are not necessarily indicative of trends in operating results for any future periods.

FORWARD LOOKING STATEMENTS

Statements included in this Management's Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this report 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, as amended, and in Section 21E of the Securities Exchange Act of 1934, as amended. 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 SEC. Forward-looking statements involve risks and uncertainties that could cause our 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, including statements related to our investment strategies and our intention to co-invest with certain of our affiliates; the impact of our election as a RIC for U.S. federal tax purposes on the payment of corporate level U.S. federal income taxes by Rand; statements regarding our liquidity and financial resources; statements regarding any capital gains fee that may be due to RCM upon a hypothetical liquidation of our portfolio and the amount of the capital gains fee that may be payable to RCM for 2025; and statements regarding our compliance with the RIC requirements as of June 30, 2025; and statements regarding future dividend payments, 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 United States economy and the local markets in which our portfolio companies operate, the state of the securities markets in which the securities of our portfolio companies could be traded, liquidity within the United States financial markets, and inflation. Forward-looking statements are also subject to the risks and uncertainties described under the caption "Risk Factors" contained in Part II, Item 1A of this report and in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024.

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 when 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 not to develop as we expect, and we cannot predict all of them.

Overview

We are an externally managed, non-diversified investment company that lends to and invests in lower middle market companies. Our investment objective is to generate current income and when possible, complement this current income with capital appreciation. As a result, our investments are primarily in higher yielding debt instruments. Our investment activities are managed by our investment adviser, Rand Capital Management, LLC ("RCM").

We have elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). As a BDC, we are required to comply with certain regulatory requirements specified in the 1940 Act.

In November 2019, Rand completed a stock sale transaction (the "Closing") with East Asset Management ("East"). The transaction consisted of a $25 million investment in Rand by East, in the form of cash and contributed portfolio assets, in exchange for approximately 8.3 million shares of Rand common stock. Concurrent with the Closing, RCM, a registered investment advisor, was retained by Rand as its external investment adviser and administrator (the Closing and the retention of RCM as our investment adviser and administrator are collectively referred to herein as the "Transaction"). The term of the new investment advisory and management agreement (the "Investment Management Agreement") with RCM was extended after approval of its renewal by our Board of Directors (the "Board") in October 2024 and is currently scheduled to expire on December 31, 2025. In addition, the term of the administration agreement (the "Administration Agreement") with RCM was extended after approval of its renewal by the Board in October 2024 and is currently scheduled to expire on December 31, 2025. The Investment Management Agreement and Administration Agreement can continue for successive annual periods after December 31, 2025 provided that such continuance is specifically approved at least annually by (i)(A) the affirmative vote of a majority of the Board or (B) the affirmative vote of a majority of our outstanding voting securities, and (ii) the affirmative vote of a majority of our directors who are not "interested persons," as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the "1940 Act"), of us, RCM or our respective affiliates.

On January 24, 2024, the Board, including a "required majority" (as such term is defined in Section 57(o) of the 1940 Act) of the Board, approved the modified asset coverage requirements set forth in Section 61(a)(2) of the 1940 Act. As a result, our asset coverage requirement under the 1940 Act for senior securities was changed from 200% to 150%, effective January 24, 2025. We monitor our compliance with this coverage ratio on a regular basis. As of June 30, 2025, we had no senior securities outstanding and, as a result, our asset coverage ratio for senior securities as of June 30, 2025 is incalculable. For a discussion of the risks associated with our adoption of a modified asset coverage requirement of 150%, please see the discussion of risks under the caption "Risk Factors – Risks related to our Indebtedness" contained in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024. Notwithstanding the reduction of our asset coverage requirement under the 1940 Act from 200% to 150% effective January 24, 2025, under the terms of the Credit Agreement, we are required to maintain an Asset Coverage Ratio (defined in the Credit Agreement as the ratio of the fair market value of all of the Corporation's assets to the sum of all of the Corporation's obligations for borrowed money plus all capital lease obligations) of not less 300%.

Pursuant to the terms of the Investment Management Agreement, Rand pays RCM a base management fee and may pay an incentive fee, comprised of two parts: (1) the "Income Based Fee" and (2) the "Capital Gains Fee", if specified benchmarks are met.

We elected U.S. federal tax treatment as a regulated investment company ("RIC") under subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). To maintain our qualification as a RIC, we must, among other things, meet certain source of income and asset diversification requirements. As of June 30, 2025, we believe we were in compliance with the RIC requirements. As a RIC, we generally will not be subject to corporate-level U.S. federal income taxes on any net ordinary income or capital gains that we timely distribute to our shareholders as dividends. In addition, as a RIC, we must distribute annually to our shareholders at least 90% of our ordinary net income and realized net short-term capital gains in excess of realized net long-term capital losses, if any. Accordingly, our Board has regularly declared a quarterly cash dividend since our RIC election.

Our Board declared the following quarterly cash dividends during the six months ended June 30, 2025:

Quarter	Dividend/Share Amount	Record Date	Payment Date
1st	$ 0.29	March 14, 2025	March 28, 2025
2nd	$ 0.29	May 30, 2025	June 13, 2025

On December 5, 2024, our Board declared a dividend in the amount of $4.20 per share. The dividend was paid in the aggregate combination of 20% in cash and 80% in newly issued shares of our common stock on January 24, 2025 to shareholders of record as of December 16, 2024. The portion of the dividend paid using our common stock increased the number of issued and outstanding shares of our common stock from 2,581,021 shares to 2,969,814 shares as of January 24, 2025.

During the second quarter, the valuation of our investment in Tilson Technology Management, Inc. (Tilson) was reduced to $0 after it filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court, District of Delaware. Additional information regarding the Tilson Technologies bankruptcy can be found in our Current Report on Form 8-K filed on May 30, 2025. We are monitoring the bankruptcy process through the court's website. At March 31, 2025, our investment in Tilson had an aggregate cost basis of $2,850,015 and an aggregate fair value of $9,500,000. Our investment in Tilson represented approximately 14.5% of our net assets as of March 31, 2025 and approximately 15.3% of our total investments at fair value as of March 31, 2025.

We also separately own 211,567 Class A-1 units and 250 Class D-1 units of SQF Holdco LLC ("SQF"), which is a separate company from Tilson Technology and is not part of the Tilson Chapter 11 Proceedings. As of June 30, 2025, our investment in SQF had an aggregate cost basis of $250,000 and an aggregate fair value of $2,000,000.

We may co-invest, subject to the conditions included in the exemptive relief order we received from the SEC, with certain of our affiliates. See "SEC Exemptive Order" below. We believe these types of co-investments are likely to afford us additional investment opportunities and provide an ability to achieve greater diversification in our investment portfolio.

SEC Exemptive Order

On October 7, 2020, Rand, RCM and certain of their affiliates received an exemptive order from the SEC to permit the Corporation to co-invest in portfolio companies with certain affiliates, including other BDCs and registered investment companies managed by RCM and certain of its affiliates, in a manner consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements, subject to compliance with certain conditions (the "Order"). On March 29, 2021, the SEC granted Rand, RCM, Callodine, which holds a controlling interest in RCM, and certain of their affiliates a new exemptive order (the "New Order") that superseded the Order and permits Rand to co-invest with affiliates managed by RCM and Callodine. Pursuant to the New Order, we are generally permitted to co-invest with affiliates covered by the New Order if a “required majority” (as defined in Section 57(o) of the 1940 Act) of Rand’s independent directors makes certain conclusions in connection with a co-investment transaction, including that (1) the terms of the transaction, including the consideration to be paid, are reasonable and fair to Rand and its shareholders and do not involve overreaching in respect of Rand or its shareholders on the part of any person concerned, (2) the transaction is consistent with the interests of Rand’s shareholders and is consistent with Rand’s investment objective and strategies and (3) the investment by Rand’s affiliates would not disadvantage Rand, and Rand’s participation would not be on a basis different from or less advantageous than that on which Rand’s affiliates are investing. In addition, on September 6, 2022, the SEC granted an amendment to the New Order to permit us to participate in follow-on investments in our existing portfolio companies with certain Affiliated Funds (as defined in the New Order) that do not hold any investments in such existing portfolio companies.

Critical Accounting Policies

We prepare our consolidated financial statements in accordance with United States generally accepted accounting principles (GAAP), which require the use of estimates and assumptions that affect the reported amounts of assets and liabilities. A summary of our critical accounting policies can be found in our Annual Report on Form 10-K for the year ended December 31, 2024 under Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Financial Condition

Overview:

	June 30, 2025	December 31, 2024	Decrease	% Decrease
Total assets	$ 57,639,539	$ 72,457,433	$ (14,817,894)	(20.5)%
Total liabilities	925,585	7,124,913	(6,199,328)	(87.0)%
Net assets	$ 56,713,954	$ 65,332,520	$ (8,618,566)	(13.2)%

Net asset value per share (NAV) was $19.10 at June 30, 2025 and $25.31 at December 31, 2024.

Cash approximated 7.8% of net assets at June 30, 2025, as compared to 1.3% of net assets at December 31, 2024.

During 2022, we entered into a $25 million senior secured revolving credit facility (the “Credit Facility”) with M&T Bank, as lender (the “Lender”), with the amount that we can borrow thereunder, at any given time, determined based upon a borrowing base formula. The Credit Facility has a 5-year term with a maturity date of June 27, 2027. Our borrowings under the Credit Facility bear interest at a variable rate per annum equal to 3.50 percentage points above the greater of (i) the applicable daily simple secured overnight financing rate (SOFR) or (ii) 0.25%. There was no outstanding balance drawn on the Credit Facility at June 30, 2025. See “Note 6. Senior Secured Revolving Credit Facility” in the Notes to the Consolidated Financial Statements for additional information regarding the terms of our Credit Facility.

Composition of Our Investment Portfolio

Our financial condition is dependent on the success of our portfolio holdings. The following summarizes our investment portfolio at the dates indicated:

	June 30, 2025	December 31, 2024	Decrease	% Decrease
Investments, at cost	$ 61,277,046	$ 68,120,235	$ (6,843,189)	(10.0)%
Unrealized (depreciation) appreciation, net	(8,912,792)	2,697,806	(11,610,598)	(430.4)%
Investments, at fair value	$ 52,364,254	$ 70,818,041	$ (18,453,787)	(26.1)%

Our total investments at fair value, as determined by RCM and approved by our Board, approximated 92% of net assets at June 30, 2025 as compared to approximately 108% of net assets at December 31, 2024.

Our investment objective is to generate current income and when possible, complement this current income with capital appreciation. As a result, we are focused on investing in higher yielding debt instruments and related equity investments in privately held, lower middle market companies with a committed and experienced management team in a broad variety of industries. In the past, we have also invested in publicly traded shares of other business development companies that provided income through dividends and had more liquidity than our private company equity investments, but did not own any such shares of other business development companies as of June 30, 2025.

The change in investments during the six months ended June 30, 2025, at cost, is comprised of the following:

	Cost Increase (Decrease)
New investments:	
ITA Acquisition, LLC (ITA)	$ 375,000
Carolina Skiff LLC (Carolina Skiff)	34,755
Total of new investments	409,755
Other changes to investments:	
BMP Food Service Supply Holdco, LLC (FSS) interest conversion	435,031
Caitec, Inc. (Caitec) interest conversion	324,366
Mountain Regional Equipment Solutions (MRES) interest conversion, fee conversion and OID amortization	239,352
Autotality (formerly Filterworks Acquisition USA, LLC) interest conversion	73,675
Seybert’s Billiards Corporation (Seybert’s) OID amortization and interest conversion	64,183
Highland All About People Holdings, Inc. (All About People) interest conversion	64,176
FCM Industries Holdco LLC (First Coast Mulch) interest conversion	24,893
Pressure Pro, Inc. (Pressure Pro) OID amortization and interest conversion	22,445
Mobile RN Holdings LLC (Mobile IV Nurses) interest conversion	12,617
GoNoodle, Inc. (GoNoodle) interest conversion	7,211
Total of other changes to investments	1,267,949
Investments repaid, sold, liquidated or converted:	
GoNoodle warrant expiration	(25)
Pressure Pro warrant sale	(30,000)
Seybert’s debt repayment	(120,992)
HDI Acquisition LLC (Hilton) debt repayment	(1,071,824)
Pressure Pro debt repayment	(1,725,150)
Mattison Avenue Holdings LLC (Mattison) debt repayment	(5,572,902)
Total of investments repaid, sold, liquidated or converted	(8,520,893)
Net change in investments, at cost	**$ (6,843,189)**

Results of Operations

Comparison of the three months ended June 30, 2025 to the three months ended June 30, 2024:

Investment Income

	Three months ended June 30, 2025	Three months ended June 30, 2024	(Decrease) Increase	% (Decrease) Increase
Interest from portfolio companies	$ 1,514,562	$ 1,995,227	$ (480,665)	(24.1)%
Interest from other investments	36,556	144	36,412	25286.1%
Dividend and other investment income	—	73,175	(73,175)	(100.0)%
Fee income	51,179	67,603	(16,424)	(24.3)%
Total investment income	$ 1,602,297	$ 2,136,149	$ (533,852)	(25.0)%

The total investment income during the three months ended June 30, 2025 was received from 14 portfolio companies. For the three months ended June 30, 2024, total investment income was received from 22 portfolio companies.

Interest from portfolio companies – Interest from portfolio companies was approximately 24% lower during the three months ended June 30, 2025 versus the same period in 2024 due to the fact that several interest yielding investments were repaid during the last year and new debt instruments were not originated in replacement. The proceeds were used to repay outstanding borrowed amounts under the Credit Facility. Debt instruments were repaid by Hilton, Mattison, Nailbiter, Inc. (Nailbiter), Pressure Pro, and SciAps, Inc. (SciAps).

We hold debt securities in our investment portfolio that contain payment-in-kind ("PIK") interest provisions. PIK interest, computed at the contractual rate specified in each debt agreement, is added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. Interest can also be shifted from current cash payment to PIK as part of a loan modification. For the three months ended June 30, 2025 and 2024, 37.4% and 21.8%, respectively, of our total investment income was attributable to non-cash PIK interest income.

Interest from other investments - The increase in interest from other investments is primarily due to higher average cash balances during the three months ended June 30, 2025 versus the same period in 2024.

Dividend and other investment income - Dividend income is comprised of cash distributions from limited liability companies (LLCs) and corporations in which we have invested. Our investment agreements with certain LLCs require those LLCs to distribute funds to us for payment of income taxes on our allocable share of the LLC's profits. These portfolio companies may also elect to make additional discretionary distributions or dividends. Dividend income will fluctuate based upon the profitability of these LLCs and corporations and the timing of the distributions. The dividend distributions for the respective periods were:

	Three months ended June 30, 2025	Three months ended June 30, 2024
FS KKR Capital Corp. (FS KKR)	$ —	$ 36,000
PennantPark Investment Corporation (Pennantpark)	—	13,650
Tilson	—	13,125
Barings BDC, Inc. (Barings)	—	10,400
Total dividend and other investment income	$ —	$ 73,175

Fee income - Fee income generally consists of the revenue associated with the amortization of financing fees charged to the portfolio companies upon successful closing of financings, income associated with portfolio company monitoring fees, income associated with early repayment fees and income associated with portfolio company loan modification fees. The financing fees are amortized ratably over the life of the instrument associated with the fees. The unamortized fees are carried on the balance sheet under the line item "Deferred revenue."

The income associated with the amortization of financing fees was $51,179 and $52,803 for the three months ended June 30, 2025 and 2024, respectively. During the three months ended June 30, 2024, we recognized a prepayment fee of $14,800 from our investment in Pressure Pro.

Expenses

	Three months ended June 30, 2025	Three months ended June 30, 2024	Decrease	% Decrease
Total (benefits) expenses	$ (864,159)	$ 2,652,782	$ (3,516,941)	(132.6)%

The decrease in total expenses during the three months ended June 30, 2025 versus the same period in 2024 was primarily due to a $3,131,000 decrease in the capital gains incentive fee expense, a $367,755 decrease in interest expense, and a $105,023 decrease in base management fees payable to RCM.

The capital gains incentive fee benefit during the three months ended June 30, 2025 is due to the calculation of the capital gains fee as required by GAAP. We are required under GAAP to accrue capital gains incentive fees on the basis of net realized capital gains and losses and net unrealized gains and losses. Our capital gains incentive fee accrual reflects the capital gains incentive fees that would be payable to RCM if our entire investment portfolio was liquidated at its fair value as of the balance sheet date, even though RCM is not entitled to this capital gains incentive fee under the Investment Management Agreement with respect to unrealized gains unless and until such gains are realized. The decrease in expense during the three months ended June 30, 2025 is attributable to a net increase in net unrealized depreciation during the quarter, which was primarily the result of the writedown of the valuation of our investment in Tilson by $9,500,000.

The decrease in interest expense resulted from lower average outstanding debt balances under the Credit Facility during the three months ended June 30, 2025 versus the same period in 2024. Interest expense for the three months ended June 30, 2025 and 2024 was $25,417 and $393,172, respectively.

The base management fee payable to RCM under the Investment Management Agreement is calculated based upon total assets less cash, and, as investments are exited or repaid, the base management fee payable to RCM will decrease accordingly. The base management fee for the three months ended June 30, 2025 and 2024 was $217,649 and $322,672, respectively.

Net Investment Income (Loss)

The excess of investment income over total expenses, including income taxes, represents net investment income (loss). The net investment income (loss) for the three months ended June 30, 2025 and 2024 was $2,478,234 and ($517,195), respectively.

Realized Gain on Investments

	Three months ended June 30, 2025	Three months ended June 30, 2024	Change
Realized gain on investments before income taxes	$ —	$ 428,108	$ (428,108)

During the three months ended June 30, 2024, we recognized a net realized gain of $598,371 on the sale of 86,000 shares of Carlyle Secured Lending Inc. (Carlyle), a net realized gain of $484,834 on the sale of 195,000 shares of Pennantpark, and a net realized gain of $176,794 on the sale of 21,000 shares of Ares Capital Corporation (Ares). In addition, we recognized a realized gain of $397,264 from proceeds received from Tilson following a partial sale of certain SQF assets.

During the three months ended June 30, 2024, we liquidated our investment in Knoa Software, Inc. (Knoa), which was previously valued at $0, and recognized a realized loss of ($1,229,155).

Change in Unrealized (Depreciation) Appreciation of Investments

	Three months ended June 30, 2025	Three months ended June 30, 2024	Change
Change in unrealized (depreciation) appreciation of investments before income taxes	$ (10,312,214)	$ 7,779,026	$ (18,091,240)

The change in net unrealized (depreciation) appreciation, before income taxes, for the three months ended June 30, 2025, was comprised of the following:

	Three months ended June 30, 2025
First Coast Mulch	$ 484,837
Inter-National Electronic Alloys LLC (EFINEA)	200,000
Mobile IV Nurses	125,000
Lumious	(189,944)
FSS	(250,000)
Carolina Skiff	(442,755)
MRES	(739,352)
Tilson	(9,500,000)
Total change in net unrealized (depreciation) appreciation of investments before income taxes	$ (10,312,214)

In accordance with the Corporation’s valuation policy, we increased the value of our investments in EFINEA, First Coast Mulch, and Mobile IV Nurses after a financial analysis of each of the portfolio companies indicating continued improved performance.

During the three months ended June 30, 2025, the valuation of our investments in Carolina Skiff, FSS, Lumious, and MRES were decreased after a review of their operations and financial condition.

The valuation of our investment in Tilson was reduced to zero after it filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court, District of Delaware. See “Overview” and our Current Report on Form 8-K filed on May 30, 2025 for additional information regarding the Tilson bankruptcy.

All of the valuation adjustments resulted from a determination of fair value in good faith by RCM, which was subsequently approved by our Board, using the guidance set forth by ASC 820 and our established valuation policy.

The change in net unrealized appreciation (depreciation), before income taxes, for the three months ended June 30, 2024, was comprised of the following:

	Three months ended June 30, 2024
SciAps	$ 5,586,016
Tilson	1,761,000
Knoa	1,229,155
Pressure Pro	470,000
FS KKR	31,680
Barings	17,200
Ares	(170,080)
Autotality	(196,226)
Pennantpark	(449,388)
Carlyle	(500,331)
Total change in net unrealized appreciation (depreciation) of investments before income taxes	$ 7,779,026

Barings and FS KKR are publicly traded stocks, and as such, were marked to market at the end of each quarter, using the closing price on the last trading day of the quarter.

We sold our investments in Ares, Carlyle, Knoa and Pennantpark during the three months ended June 30, 2024.

In accordance with the Corporation's valuation policy, we increased the value of our investments in SciAps, Tilson and Pressure Pro after a financial analysis of each of the portfolio companies indicating continued improved performance.

Following the end of the second quarter of 2024, SciAps announced that it had entered into a definitive purchase agreement to be acquired by a United Kingdom based buyer for total consideration of up to $260 million, comprising of an up-front consideration payable at closing of $200 million, less standard closing adjustments, and the transaction was subject to customary closing conditions and regulatory approvals, with closing occurring later in calendar year 2024.

The valuation of our investment in Autotality, during the three months ended June 30, 2024, was decreased after a review of their operations and financial condition.

All of the valuation adjustments resulted from a determination of fair value in good faith by RCM, which was subsequently approved by our Board, using the guidance set forth by ASC 820 and our established valuation policy.

Net (Decrease) Increase in Net Assets from Operations

We account for our operations under GAAP for investment companies. The principal measure of our financial performance is "Net (decrease) increase in net assets from operations" on our consolidated statements of operations. The net (decrease) increase in net assets from operations for the three months ended June 30, 2025 and 2024 was ($7,736,154) and $7,737,773, respectively.

Comparison of the six months ended June 30, 2025 to the six months ended June 30, 2024:

Investment Income

	Six months ended June 30, 2025	Six months ended June 30, 2024	(Decrease) Increase	% (Decrease) Increase
Interest from portfolio companies	$ 3,191,728	$ 3,808,875	$ (617,147)	(16.2)%
Interest from other investments	46,939	2,058	44,881	2180.8%
Dividend and other investment income	13,125	225,010	(211,885)	(94.2)%
Fee income	358,409	167,425	190,984	114.1%
Total investment income	$ 3,610,201	$ 4,203,368	$ (593,167)	(14.1)%

The total investment income during the six months ended June 30, 2025 was received from 17 portfolio companies. For the six months ended June 30, 2024, total investment income was received from 24 portfolio companies.

Interest from portfolio companies – Interest from portfolio companies was approximately 16% lower during the six months ended June 30, 2025 versus the same period in 2024 due to the fact that several interest yielding investments were repaid during the last year and new debt instruments were not originated in replacement. The proceeds were used to repay outstanding borrowed amounts under the Credit Facility. Debt instruments were repaid by Hilton, Mattison, Nailbiter, Pressure Pro, and SciAps.

We hold debt securities in our investment portfolio that contain payment-in-kind ("PIK") interest provisions. PIK interest, computed at the contractual rate specified in each debt agreement, is added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. Interest can also be shifted from current cash payment to PIK as part of a loan modification. For the six months ended June 30, 2025 and 2024, 33.9% and 18.9%, respectively, of our total investment income was attributable to non-cash PIK interest income.

Interest from other investments - The increase in interest from other investments is primarily due to higher average cash balances during the six months ended June 30, 2025 versus the same period in 2024.

Dividend and other investment income - Dividend income is comprised of cash distributions from limited liability companies (LLCs) and corporations in which we have invested. Our investment agreements with certain LLCs require those LLCs to distribute funds to us for payment of income taxes on our allocable share of the LLC's profits. These portfolio companies may also elect to make additional discretionary distributions and dividends. Dividend income will fluctuate based upon the profitability of these LLCs and corporations and the timing of the distributions. The dividend distributions for the respective periods were:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Tilson	$ 13,125	$ 26,250
FS KKR	—	72,000
Pennantpark	—	54,600
Carlyle	—	41,280
Barings	—	20,800
Ares	—	10,080
Total dividend and other investment income	$ 13,125	$ 225,010

Fee income - Fee income generally consists of the revenue associated with the amortization of financing fees charged to the portfolio companies upon successful closing of financings, income from portfolio company board attendance fees, income associated with portfolio company monitoring fees, and other miscellaneous fees. The financing fees are amortized ratably over the life of the instrument associated with the fees. The unamortized fees are carried on the balance sheet under the line item "Deferred revenue."

The income associated with the amortization of financing fees was $138,956 and $101,834 for the six months ended June 30, 2025 and 2024, respectively. During the six months ended June 30, 2025, we recognized a prepayment fee of $167,187 from our debt investment in Mattison, a loan monitoring fee of $20,000 from our debt investment in Pressure Pro, a prepayment fee of $17,266 from our debt investment in Pressure Pro, and a loan modification fee of $15,000 from our investment in MRES.

During the six months ended June 30, 2024, we recognized prepayment fees totaling $25,782 from our investment in Pressure Pro, a loan monitoring fee of $20,000 from our investment in Pressure Pro, a loan monitoring fee of $8,814 from our investment in Mattison, a loan monitoring fee of $5,995 from our investment in Autotality, and a loan modification fee of $5,000 from our investment in Lumious.

Expenses

	Six months ended June 30, 2025	Six months ended June 30, 2024	Decrease	% Decrease
Total (benefits) expenses	$ (73,094)	$ 3,879,638	$ (3,952,732)	(101.9)%

The decrease in total expenses during the six months ended June 30, 2025 versus the same period in 2024 was primarily due to a $3,318,300 decrease in the capital gains incentive fee expense, a $721,289 decrease in interest expense, and a $155,410 decrease in base management fees payable to RCM. The decrease was partially offset by a $119,673 increase in the income based incentive fee expense.

The capital gains incentive fee benefit during the six months ended June 30, 2025 is due to the calculation of the capital gains fee as required by GAAP. We are required under GAAP to accrue capital gains incentive fees on the basis of net realized capital gains and losses and net unrealized gains and losses. Our capital gains incentive fee accrual reflects the capital gains incentive fees that would be payable to RCM if our entire investment portfolio was liquidated at its fair value as of the balance sheet date, even though RCM is not entitled to this capital gains incentive fee under the Investment Management Agreement with respect to unrealized gains unless and until such gains are realized. The decrease in expense during the six months ended June 30, 2025 is attributable to a net increase in net unrealized depreciation in excess of realized capital gains during the period, which was primarily the result of the writedown of the valuation of our investment in Tilson by $9,500,000.

The decrease in interest expense resulted from lower average outstanding debt balances under the Credit Facility during the six months ended June 30, 2025 versus the same period in 2024. Interest expense for the six months ended June 30, 2025 and 2024 was $61,903 and $783,192, respectively.

The base management fee payable to RCM under the Investment Management Agreement is calculated based upon total assets less cash, and, as investments are exited or repaid, the base management fee payable to RCM will decrease accordingly. The base management fee for the six months ended June 30, 2025 and 2024 was $469,857 and $625,267, respectively.

The income based incentive fee is calculated quarterly in accordance with the Investment Management Agreement. The income based incentive fee accrued during the six months ended June 30, 2025 was $119,673, and results from an increase in Pre-Incentive Fee Net Investment Income above the applicable hurdle rate during the three months ended March 31, 2025, as set forth and described in the Investment Management Agreement. “Pre-Incentive Fee Net Investment Income” means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that we receive from portfolio companies) accrued during such calendar quarter, minus our operating expenses for such calendar quarter (including the Base Management Fee, expenses payable under the Administration Agreement, and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding any portion of the Incentive Fee). Pre-Incentive Fee Net Investment Income includes any accretion of original issue discount, market discount, payment-in-kind interest, payment-in-kind dividends or other types of deferred or accrued income, including in connection with zero coupon securities, that we have recognized in accordance with GAAP, but have not yet received in cash (collectively, “Accrued Unpaid Income”). Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized and unrealized capital losses or unrealized capital appreciation or depreciation.

Net Investment Income

The excess of investment income over total expenses, including income taxes, represents net investment income. The net investment income for the six months ended June 30, 2025 and 2024 was $3,696,349 and $322,390, respectively.

Realized Gain on Investments

	Six months ended June 30, 2025	Six months ended June 30, 2024	Change
Realized gain on investments before income taxes	$ 925,332	$ 3,878,200	$ (2,952,868)

During the six months ended June 30, 2025, we sold our warrant investment in Pressure Pro and recognized a realized gain of $870,000. In addition, during the six months ended June 30, 2025, we recognized a gain of $58,329 from additional proceeds received from Microcision LLC (Microcision), an investment we exited in 2022. We also recognized a realized loss of ($25) on GoNoodle when the Series C warrant expired without exercise.

During the six months ended June 30, 2024, we recognized a net realized gain of $3,450,092 on the sale of 194,934 shares of ACV Auctions, Inc. (ACV), a net realized gain of $598,371 on the sale of 86,000 shares of Carlyle, a net realized gain of $484,834 on the sale of 195,000 shares of Pennantpark, and a net realized gain of $176,794 on the sale of 21,000 shares of Ares. In addition, we recognized a realized gain of $397,264 from proceeds received from Tilson following a partial sale of certain SQF assets.

During the six months ended June 30, 2024, we liquidated our investment in Knoa, which was previously valued at $0, and recognized a realized loss of ($1,229,155).

Change in Unrealized (Depreciation) Appreciation of Investments

	Six months ended June 30, 2025	Six months ended June 30, 2024	Change
Change in unrealized (depreciation) appreciation of investments before income taxes	$ (11,610,598)	$ 4,888,730	$ (16,499,328)

The change in net unrealized (depreciation) appreciation, before income taxes, for the six months ended June 30, 2025, was comprised of the following:

	Six months ended June 30, 2025
EFINEA	$ 488,235
First Coast Mulch	484,837
Seybert's	256,000
Mobile IV Nurses	125,000
Lumious	(189,944)
Carolina Skiff	(442,755)
FSS	(497,619)
Pressure Pro	(720,000)
MRES	(739,352)
ITA	(875,000)
Tilson	(9,500,000)
Total change in net unrealized (depreciation) appreciation of investments before income taxes	$ (11,610,598)

We sold our warrant investment in Pressure Pro during the six months ended June 30, 2025.

In accordance with the Corporation's valuation policy, we increased the value of our investments in EFINEA, First Coast Mulch, Mobile IV Nurses, and Seybert's after a financial analysis of each of the portfolio companies indicating continued improved performance.

During the six months ended June 30, 2025, the valuation of our investments in Carolina Skiff, FSS, ITA, Lumious, and MRES were decreased after a review of their operations and financial condition.

The valuation of our investment in Tilson was reduced to zero after it filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court, District of Delaware. See "Overview" and our Current Report on Form 8-K filed on May 30, 2025 for additional information regarding the Tilson bankruptcy.

All of the valuation adjustments resulted from a determination of fair value in good faith by RCM, which was subsequently approved by our Board, using the guidance set forth by ASC 820 and our established valuation policy.

The change in net unrealized appreciation (depreciation), before income taxes, for the six months ended June 30, 2024, was comprised of the following:

		Six months ended June 30, 2024
SciAps	$	5,586,016
Tilson		1,761,000
Knoa		1,129,155
Pressure Pro		470,000
Barings		46,000
FS KKR		(11,520)
Ares		(153,490)
Autotality		(196,226)
Carlyle		(386,811)
Pennantpark		(455,238)
ACV		(2,900,156)
Total change in net unrealized appreciation (depreciation) of investments before income taxes	$	4,888,730

Barings and FS KKR are publicly traded stocks, and as such, were marked to market at the end of each quarter, using the closing price on the last trading day of the quarter.

We sold our investments in ACV, Ares, Carlyle, Knoa and Pennantpark during the six months ended June 30, 2024.

In accordance with the Corporation's valuation policy, we increased the value of our investments in SciAps, Tilson and Pressure Pro after a financial analysis of each of the portfolio companies indicating continued improved performance.

Following the end of the second quarter of 2024, SciAps announced that it had entered into a definitive purchase agreement to be acquired by a United Kingdom based buyer for total consideration of up to $260 million, comprising of an up-front consideration payable at closing of $200 million, less standard closing adjustments, and the transaction was subject to customary closing conditions and regulatory approvals, with closing occurring later in calendar year 2024.

The valuation of our investment in Autotality, during the six months ended June 30, 2024, was decreased after a review of their operations and financial condition.

All of the valuation adjustments resulted from a determination of fair value in good faith by RCM, which was subsequently approved by our Board, using the guidance set forth by ASC 820 and our established valuation policy.

Net (Decrease) Increase in Net Assets from Operations

We account for our operations under GAAP for investment companies. The principal measure of our financial performance is "Net (decrease) increase in net assets from operations" on our consolidated statements of operations. The net (decrease) increase in net assets from operations for the six months ended June 30, 2025 and 2024 was ($6,894,707) and $9,137,154, respectively.

Liquidity and Capital Resources

Liquidity is a measure of our ability to meet anticipated cash requirements, fund new and follow-on portfolio investments, pay distributions to our shareholders and respond to other general business demands. As of June 30, 2025, our total liquidity consisted of approximately $4,420,000 in cash and approximately $20,200,000 of unused availability on our Credit Facility.

During 2022, we entered into a $25 million Credit Facility. The amount we can borrow, at any given time, under the Credit Facility is tied to a borrowing base, which is measured as (i) 75% of the aggregate sum of the fair market values of the publicly traded equity securities we hold (other than shares of ACV Auctions, if any) plus (ii) the least of (a) 75% of the fair market value of the shares of ACV Auctions we hold, if any, (b) $6.25 million and (c) 25% of the aggregate borrowing base availability for the Credit Facility at any date of determination plus (iii) 50% of the aggregate sum of the fair market values of eligible private loans we hold that meet specified criteria plus (iv) the lesser of (a) 50% of the aggregate sum of the fair market values of unsecured private loans we hold that meet specified criteria and (b) $1.25 million minus (v) such reserves as the Lender may establish from time to time in its sole discretion. The Credit Facility has a maturity date of June 27, 2027. There was no outstanding balance drawn on the Credit Facility at

June 30, 2025. Under the borrowing base formula described above, the unused line of credit balance for the Credit Facility was approximately $20,200,000 at June 30, 2025.

Our borrowings under the Credit Facility bear interest at a variable rate determined as a rate per annum equal to 3.50 percentage points above the greater of (i) the applicable daily simple secured overnight financing rate (SOFR) or (ii) 0.25%. At June 30, 2025, our applicable interest rate was 7.95%.

The Credit Agreement contains representations and warranties and affirmative, negative and financial covenants usual and customary for agreements of this type, including among others covenants that prohibit, subject to certain specified exceptions, our ability to merge or consolidate with other companies, sell any material part of our assets, incur other indebtedness, incur liens on our assets, make investments or loans to third parties other than permitted investments and permitted loans, and declare any distribution or dividend other than certain permitted distributions. The Credit Agreement includes the following financial covenants: (i) a tangible net worth covenant that requires us to maintain a Tangible Net Worth (defined in the Credit Agreement as our aggregate assets, excluding intangible assets, less all of our liabilities) of not less than $50.0 million, which is measured quarterly at the end of each fiscal quarter, (ii) an asset coverage ratio covenant that requires us to maintain an Asset Coverage Ratio (defined in the Credit Agreement as the ratio of the fair market value of all of our assets to the sum of all of our obligations for borrowed money plus all capital lease obligations) of not less than 3:1, which is measured quarterly at the end of each fiscal quarter and (iii) an interest coverage ratio covenant that requires us to maintain an Interest Coverage Ratio (defined in the Credit Agreement as the ratio of Cash Flow (as defined in the Credit Agreement) to Interest Expense (as defined in the Credit Agreement)) of not less than 2.5:1, which is measured quarterly on a trailing twelve-months basis. We were in compliance with these covenants at June 30, 2025. See “Note 6. Senior Secured Revolving Credit Facility” on our Notes to the Consolidated Financial Statements for additional information regarding the terms of our Credit Facility.

For the six months ended June 30, 2025, we experienced a net increase in cash of approximately $3,585,000, which is a net effect of approximately $8,077,000 of net cash provided by our operating activities and approximately $4,492,000 of net cash used in our financing activities.

The $8,077,000 of net cash provided by our operating activities during the six months ended June 30, 2025 resulted primarily from net investment income of approximately $3,696,000, approximately $9,446,000 from the sales of equity investments and repayments of debt investments, and an approximately $21,000 net decrease in operating assets. This was partially offset by approximately $410,000 used to fund new or follow-on portfolio company investments, approximately $1,224,000 in non-cash interest income, and an approximately $3,431,000 net decrease in operating liabilities.

Net cash used in financing activities during the six months ended June 30, 2025 was approximately $4,492,000. This is comprised of $600,000 repaid on the Credit Facility and approximately $3,892,000 in cash dividends paid to shareholders.

We anticipate that we will continue to fund our investment activities through cash generated through our ongoing operating activities and through borrowings under the $25 million Credit Facility. We anticipate that we will continue to exit investments. However, the timing of liquidation events with respect to our privately held investments is difficult to project.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are subject to financial market risks primarily consisting of risks resulting from changes in interest rates and the valuation of our investment portfolio.

Interest Rate Risk

Changes in interest rates may affect our interest expense on the debt outstanding under our Credit Facility. Our debt borrowings under the Credit Facility bear interest at a variable rate determined as a rate per annum equal to 3.50 percentage points above the greater of (i) the applicable daily simple secured overnight financing rate (SOFR) and (ii) 0.25%. Changes in interest rates can also affect, among other things, our ability to acquire and originate loans and securities and the value of our investment portfolio. As of June 30, 2025, all of our debt investments had fixed interest rates and were not directly impacted by changes in market interest rates.

Based on our Consolidated Statement of Financial Position as of June 30, 2025, the following table shows the approximate annualized increase (decrease) in net investment income due to hypothetical base rate changes in interest rates under our Credit Facility, assuming no changes in our borrowings as of June 30, 2025. Because we often borrow money to make investments, our net investment income is dependent upon the difference between our borrowing rate and the rate we earn on the invested proceeds borrowed. In periods of rising interest rates, the rate we earn on our debt investments with fixed interest rates will remain the same, while the interest incurred on our borrowings under the Credit Facility will increase. There was no outstanding balance drawn on our Credit Facility at June 30, 2025.

	Impact on net investment income from a change in interest rates on our Credit Facility at:		
	1%	2%	3%
Increase in interest rate	$ —	$ —	$ —
Decrease in interest rate	-	-	-

Although we believe that this analysis is indicative of our existing interest rate sensitivity under our Credit Facility at June 30, 2025, it does not adjust for changes in the credit quality, size and composition of our investment portfolio, and other business developments, including increased borrowings under our Credit Facility, that could affect our net investment income. Accordingly, no assurances can be given that actual results would not differ materially from the results under this hypothetical analysis.

We do not currently engage in any hedging activities. However, we may, in the future, hedge against interest rate fluctuations by using standard hedging instruments such as futures, options and forward contracts. While hedging activities may insulate us against adverse changes in interest rates, they may also limit our ability to participate in the benefits of lower interest rates with respect to our borrowed funds.

Valuation Risk

We carry our investments at fair value, as determined in good faith by RCM and approved by our Board. Determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio company investment while employing a consistent valuation process. Due to the inherent uncertainty of determining the fair value of portfolio investments, there are material risks associated with this determination including that estimated fair values may differ from the values that would have been used had a readily available market value for the investments existed and these differences could be material if our assumptions and judgments differ from results of actual liquidation events. In addition, changes in the market environment and other events that may occur over the life of the investments may cause the value realized on these investments to be different than the valuations that are assigned. The types of factors that we may take into account in valuation of our investments include, as relevant, third party valuations, the portfolio company's ability to make payments and its earnings, the markets in which the portfolio company does business, comparison to publicly-traded securities, recent sales of or offers to buy comparable companies, and other relevant factors.

Item 4. Controls and Procedures

Disclosure Controls and Procedures. The Corporation maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that this information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The Chief Executive Officer and the Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of the Corporation's disclosure controls and procedures as of June 30, 2025. Based on the evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that the Corporation's controls and procedures were effective as of June 30, 2025.

Changes in Internal Control over Financial Reporting. There have been no changes in our internal control over financial reporting during the Corporation's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

PART II.
OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

See the information provided under the heading "Risk Factors" in our annual report on Form 10-K for the year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Period	Total number of shares purchased (1)	Average price paid per share (2)	Total number of shares purchased as part of publicly announced plan (3)	Maximum dollar amount of shares that may yet be purchased under the share repurchase program (3)
4/1/2025 – 4/30/2025	—	—	—	$ 1,500,000
5/1/2025 – 5/31/2025	—	—	—	$ 1,500,000
6/1/2025 – 6/30/2025	—	—	—	$ 1,500,000
Total	—	—	—	

(1)There were no shares repurchased during the quarter.
(2)The average price paid per share is calculated on a settlement basis and includes commission.
(3)On April 23, 2025 the Board of Directors approved a new share repurchase plan, which authorizes the Corporation to repurchase shares of the Corporation's outstanding common stock with an aggregate cost of up to $1,500,000 at prices per share of common stock of no greater than the then current net asset value. This share repurchase authorization lasts for a period of 12 months from the authorization date, until April 23, 2026.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

During the three months ended June 30, 2025, no director or officer of the Corporation adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

(a)Exhibits

The following exhibits are filed with this report or are incorporated herein by reference to a prior filing, in accordance with Rule 12b-32 under the Securities Exchange Act of 1934.

(3.1)(i)	Certificate of Incorporation of the Corporation, incorporated by reference to Exhibit (a)(1) of Form N-2 filed with the SEC on April 22, 1997. (File No. 333-25617).
(3.1)(ii)	Certificate of Amendment to the Certificate of Incorporation, as amended, incorporated by reference to Exhibit 3.1 to the Corporation's Current Report on Form 8-K filed with the SEC on November 12, 2019.
(3.1)(iii)	Certificate of Amendment to the Certificate of Incorporation, as amended, incorporated by reference to Exhibit 3.1 to the Corporation's Current Report on Form 8-K filed with the SEC on May 21, 2020.
(3.1)(iv)	By-laws of the Corporation, incorporated by reference to Exhibit 3(ii) to the Corporation's Quarterly Report on Form 10-Q for the period ended September 30, 2016 filed with the SEC on November 2, 2016. (File No. 814-00235).
(4.1)	Specimen certificate of common stock certificate, incorporated by reference to Exhibit (b) of Form N-2 filed with the SEC on April 22, 1997. (File No. 333-25617).
(31.1)	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended – filed herewith.
(31.2)	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended – filed herewith.
(32.1)	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – Rand Capital Corporation – filed herewith.
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbases Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RAND CAPITAL CORPORATION

Dated: August 4, 2025

/s/ Daniel P. Penberthy

Daniel P. Penberthy, Chief Executive Officer and President
(Chief Executive Officer)

Dated: August 4, 2025

/s/ Margaret W. Brechtel

Margaret W. Brechtel, Executive Vice President, Chief Financial Officer and Treasurer
(Chief Financial Officer)

EXHIBIT 31.1

CERTIFICATION
Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended

I, Daniel P. Penberthy, certify that:

1.I have reviewed this quarterly report on Form 10-Q of Rand Capital Corporation;

2.Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3.Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4.The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

d)Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;

5.The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 4, 2025	/s/ Daniel P. Penberthy
	Daniel P. Penberthy, Chief Executive Officer and President (Chief Executive Officer)

EXHIBIT 31.2

CERTIFICATION
Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended

I, Margaret W. Brechtel, certify that:

1.I have reviewed this quarterly report on Form 10-Q of Rand Capital Corporation;

2.Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3.Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4.The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

d)Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;

5.The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 4, 2025

/s/ Margaret W. Brechtel

Margaret W. Brechtel, Executive Vice President, Chief Financial Officer and Treasurer
(Chief Financial Officer)

EXHIBIT 32.1

CERTIFICATION
Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906
Of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of Rand Capital Corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 (the "Form 10-Q") of the Company fully complies with the requirement of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 4, 2025

/s/ Daniel P. Penberthy
Daniel P. Penberthy, Chief Executive Officer and President
(Chief Executive Officer)

Dated: August 4, 2025

/s/ Margaret W. Brechtel
Margaret W. Brechtel, Executive Vice President, Chief Financial Officer and Treasurer
(Chief Financial Officer)