

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): March 18, 2025

RAND CAPITAL CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

New York
(State or Other Jurisdiction
of Incorporation)

814-00235
(Commission
File Number)

16-0961359
(I.R.S. Employer
Identification Number)

1405 Rand Building, Buffalo, NY 14203
(Address of Principal Executive Offices) (Zip Code)

(716) 853-0802
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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. ☐

Item 7.01. Regulation FD Disclosure.

Rand Capital Corporation (the "Company") hereby furnishes the investor presentation slides that the Company will present to analysts and investors beginning on March 18, 2025. The slides are attached hereto as Exhibit 99.1 and will be available on the Company's website at www.randcapital.com, under "Investors". The information found on, or otherwise accessible through, the Company's website is not incorporated by reference herein.

The information contained in this Current Report on Form 8-K, including the investor presentation slides attached hereto as Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description of Exhibit
99.1	Investor Presentation, dated March 18, 2025.
104	Cover Page Interactive Data File (the cover page XBRL tags are 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 hereunto duly authorized.

RAND CAPITAL CORPORATION

Date: March 18, 2025

By: /s/ Daniel P. Penberthy

Name: Daniel P. Penberthy

Title: Chief Executive Officer



INVESTOR PRESENTATION

March 18, 2025

Daniel P. Penberthy
President & CEO



FORWARD LOOKING STATEMENTS

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than historical facts, including but not limited to statements regarding the strategy of the Company and its outlook; statements regarding the implementation of the Company's strategy and the growth and sustainability of its dividend; statements regarding the impact of reduced borrowing costs on profitability; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove to be incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) evolving legal, regulatory and tax regimes; (2) changes in general economic and/or industry specific conditions; and (3) other risk factors as detailed from time to time in Rand's reports filed with the Securities and Exchange Commission ("SEC"), including Rand's annual report on Form 10-K for the year ended December 31, 2024, quarterly reports on Form 10-Q, and other documents filed with the SEC. Consequently, such forward-looking statements should be regarded as Rand's current plans, estimates and beliefs. Except as required by applicable law, Rand assumes no obligation to update the forward-looking information contained in this presentation.

The Company's investment activities are managed by its external investment adviser, Rand Capital Management, LLC. Additional information can be found at the Company's website where it regularly posts information: <https://www.randcapital.com/>.

All information contained herein is for informational purposes and should not be construed as investment advice. It does not constitute an offer, solicitation or recommendation to purchase any security. Past performance does not guarantee future results. Diversification does not guarantee a profit or protect against a loss.

NASDAQ: RAND



Externally-managed Business Development Company (BDC)

***Focused on debt and related equity investments in
privately-held, lower middle market companies***

***Investment objective is to generate current income and,
when possible, complement with capital appreciation***

Market Capitalization	\$71.0 Million	Common Shares Outstanding	3.0 Million
52-Week Low/High	\$13.69 / \$31.89	Institution/Insider Ownership	11% / 68%
Closing Price (3/11/25)	\$23.90	Dividend Yield	4.9%

Market data as of March 11, 2025 [Source: FactSet]; Dividend Yield calculated with annualized dividend based on 1Q25 dividend of \$0.29 divided by closing stock price on March 11, 2025



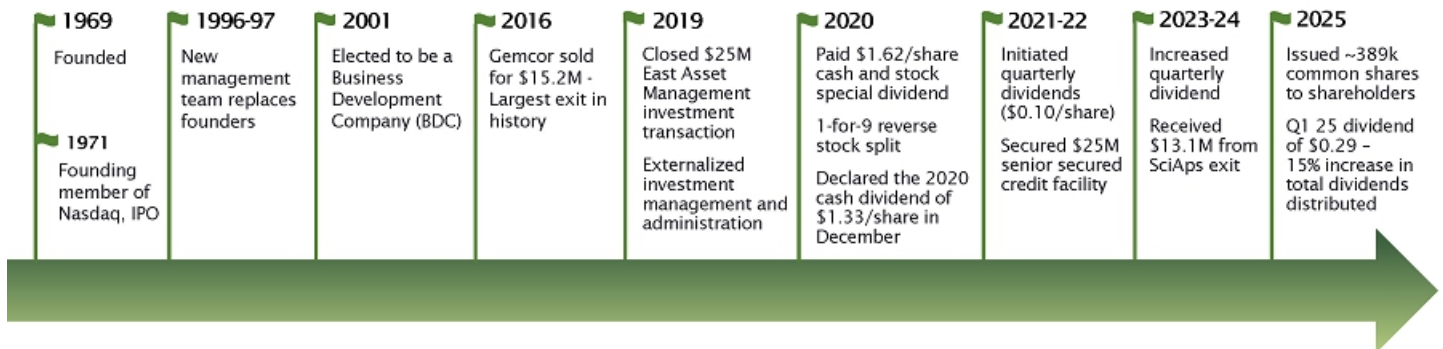
The Rand Building, Buffalo, NY



TRANSFORMATION OF RAND CAPITAL

Internally-managed,
venture capital-oriented BDC

Externally-managed, dividend paying BDC
that lends to lower middle market
companies



PORTFOLIO DISCIPLINE



Investment Criteria

- ✓ Revenue > \$10 million and EBITDA > \$1.5 million
- ✓ Growth and later stage businesses
- ✓ Sustainable, differentiated market-accepted product
- ✓ Skilled, motivated and invested management
- ✓ Broad industries generally with East, South or Midwest U.S. operations

Investment Structure

- ✓ Subordinated debt with warrants or preferred equity
- ✓ For expansion capital, growth or ownership transition
- ✓ Co-investor with institutional funds, and deal sponsors as lender and minority owner
- ✓ Current interest combined with payment in kind instruments

Investment Terms

- ✓ Target initial investment size of \$2.0 million to \$4.0 million
- ✓ Typical transaction size \$15 million to \$20 million
- ✓ Require board observation, informational rights or board seat
- ✓ Typically 5-year hold period



2024: A YEAR OF GROWTH AND STRATEGIC EXECUTION

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

Strong Financial Performance

- Full year investment income up 17% to \$8.6 million, driven by five new debt instruments and fee income
- Net Asset Value (NAV) per share increased 7% to \$25.31 at 12/31/24¹

Strategic Portfolio Repositioning

- Debt investments 75% of portfolio at 12/31/24, up from 64% in 2023, with 13.8% yield
- Monetized select equity investments, exited publicly traded securities, and deployed nearly \$14 million into income-generating assets

Strengthened Balance Sheet & Shareholder Returns

- Reduced outstanding bank debt by \$15.7 million during the year
- Raised regular quarterly cash dividend by 16%; total dividends declared in 2024² were outsized at \$5.03 per share driven by realized capital gains

Positioned for Future Growth

- Strong liquidity (\$24M+ in available credit) and disciplined capital deployment strategy
- Prepared to capitalize on new investment opportunities and benefit from potential interest rate reductions

¹ Net asset value per share amounts based on weighted average shares outstanding of 2,581,021, which does not include the additional shares of common stock issued by the Company in January 2025 pursuant to the Company's Q4 2024 cash and stock dividend

² Total dividends declared for the year reached \$5.03 per share, driven largely by realized capital gains during the year.



DELIVERING CASH DIVIDENDS

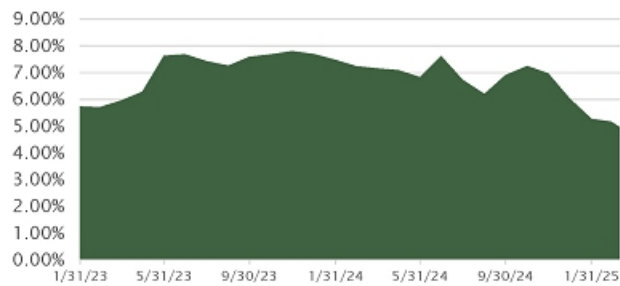
(Results compared with the prior-year period unless otherwise noted)

Realized capital gains enabled \$5.03 per share of total dividends in 2024 (consisted \$1.67/share in cash and a \$3.36/share stock dividend)

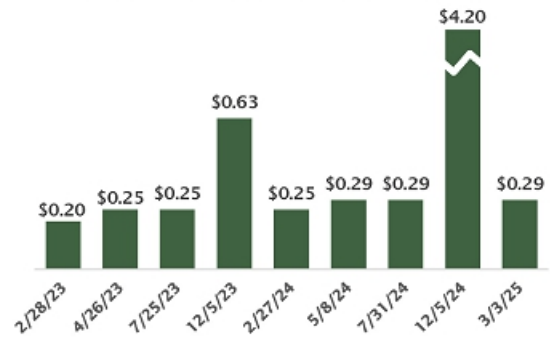
Outsized Q4 2024 dividend driven in part by the successful sale of SciAps in 2024:

- \$4.20 per share (~\$10.8M in the aggregate); Declared Dec. 5, 2024 and paid Jan. 24, 2025
- Cash portion limited to 20% of the aggregate amount, or ~\$2.2 million
- Remaining ~\$8.7 million paid in stock (issued 389K shares); Following distribution Rand had 2,969,814 shares outstanding

Dividend Yield LTM



Quarterly Declared Dividends



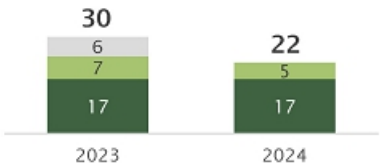
EVOLVING PORTFOLIO MIX CENTERED ON DEBT INVESTMENTS



Fair Value Portfolio Mix
(\$ in millions)



Portfolio Mix
(# of Companies)



■ Debt ■ Equity ■ Publicly Traded Stock

Portfolio fair value decrease reflects the SciAps exit, stock sales, portfolio company loan repayments, and valuation adjustments in multiple portfolio companies, partially offset by new and follow-on investments.

Mix at year-end, based on fair value:

- 75% Fixed-rate debt investments
- 25% Equity investments in private companies

Annualized weighted average yield of debt investments, which includes PIK interest, was 13.8% at December 31, 2024

Up 20 basis points over 2023



STRATEGIC PORTFOLIO OPTIMIZATION

2024 Investments



Supplies automated lubrication systems, active and passive safety systems and maintenance products for mobile heavy equipment

New investment of \$3.2 million (\$3.0M term loan at 14% and a \$205,000 equity investment)



Provider of upscale salon spaces for lease

New debt investment of \$5.5 million at 14% including PIK; Repaid existing \$1.9M loan during the year



Billiard supply company

Follow-on debt investment of \$1.8 million



Provider of services for commercial kitchens and new builds

Follow-on equity investment of \$108,000



Blind and shade manufacturing

Follow-on debt investment of \$125,000



Professional mobile IV hydration and vitamin therapy service

New investment of \$2.9 million (\$2.5M term loan at 14% plus 1% PIK, and \$375,000 equity investment)

2024 Exits



Received \$13.1 million from the sale, consisting of \$2.1 million in debt repayment, \$165,000 in interest income and loan-related fees, and \$10.8 million in equity return. RAND realized gain of \$7.7 million.



Sold remaining 194,934 shares at an average price of \$18.02 per share, realizing \$3.5 million

BDC holdings: Sold holdings in 5 publicly traded BDCs for total proceeds of \$4.6 million, which included a realized gain of \$1.5 million

Nailbiter: Exited investment and received full repayment of a \$2.25 million debt instrument

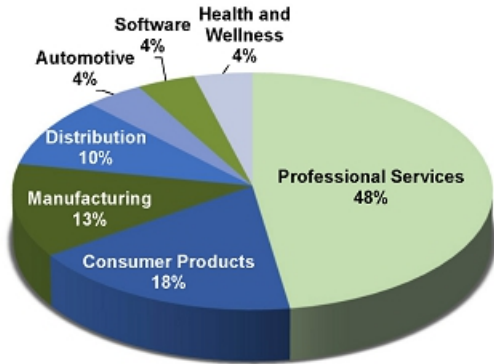
Knoa: Exited remaining equity investment

Mezmeriz: Exited remaining equity investment

PORTFOLIO SPANS A BROAD RANGE OF INDUSTRIES

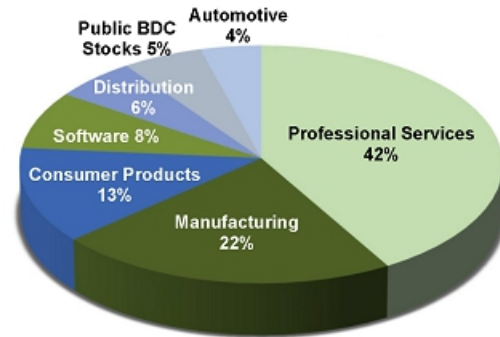


December 31, 2024



*Based on total investments
at fair value of \$70.8 million*

December 31, 2023



*Based on total investments
at fair value of \$77.1 million*



TOP FIVE PORTFOLIO INVESTMENTS (BASED ON FAIR VALUE)

<small>(\$ in millions)</small>	Company	Investments at Fair Value	Year Acquired	Industry	% of Total Portfolio	Investment Type
	Tilson	\$11.5	2015	Professional Services – Cellular info systems, construction, mgmt.	16%	Equity – paying dividend
	Seybert's	\$7.9	2021	Consumer Product – Billiard supplies	11%	Term note (12% plus 2% PIK) Warrant
	Food Service Supply	\$7.0	2022	Professional Services – Services for commercial kitchens and new builds	10%	Term note (12%) Equity
	Mattison LLC	\$5.6	2024	Professional and Business Services – Provider of upscale salon spaces for lease	8%	Term note (14%)
	Caitec	\$4.5	2020	Offers a wide range of high-quality, affordable pet products	6%	Term note (14% PIK)
Total Top 5		\$36.5			52%	

All values as of December 31, 2024. Totals may not foot due to rounding.

\$70.8 million portfolio fair value with 22 portfolio companies



FULL YEAR FINANCIAL SUMMARY

(\$ in thousands, except per share data)

	2024	2023
Total investment income	\$ 8,559	\$ 7,338
Total expenses	4,837	4,178
Net investment income ¹	3,425	2,968
Net investment income per share ²	\$ 1.33	\$ 1.15
Adjusted net investment income per share ³	\$ 1.72	\$ 1.46
Net realized and unrealized gain on investments	\$ 5,403	\$ 3,559
Net increase in net assets from operations	8,828	6,527
Net increase in net assets from operations per share ²	\$ 3.42	\$ 2.53

Total investment income grew 17%

- Reflects 29% increase in interest from portfolio companies and 66% increase in fee income

Total expenses increase reflects higher capital gains and income based incentive fees

- Recognized income based incentive fee expense of \$178,000 in 2024; no similar expense in the prior year

Excluding the capital gains incentive fees, adjusted expenses increased \$451,000 to \$3.8 million in 2024³

¹ Net of income tax expense

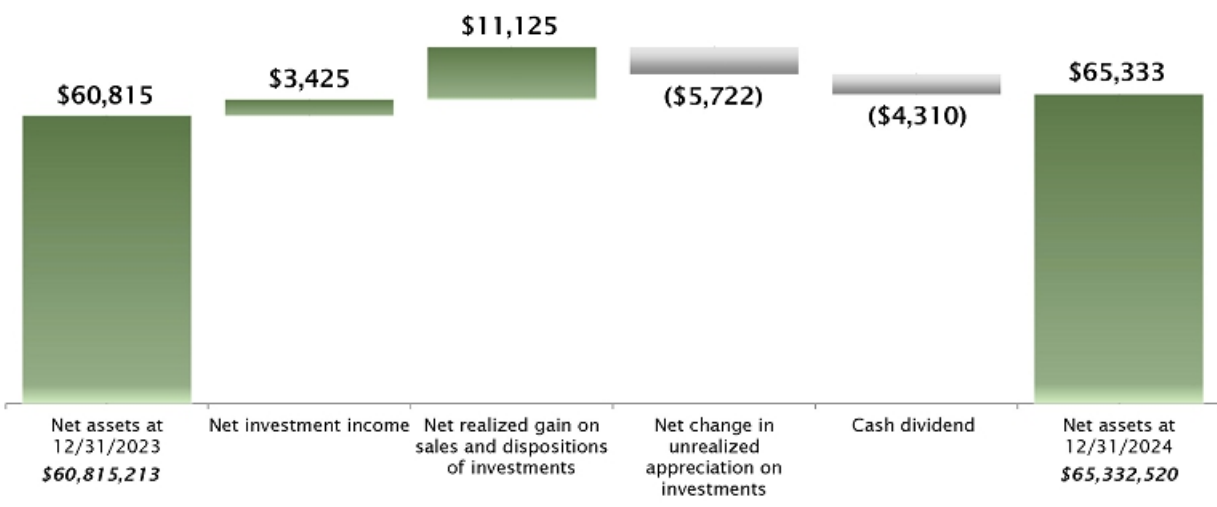
² Per share amounts based on weighted average shares outstanding of 2,581,021 in 2024 and in 2023.

³ Adjusted Net Investment Income per share and Adjusted Expenses are non-GAAP financial measures. Please see supplemental slides for a description of these non-GAAP financial measures and reconciliation tables between GAAP and non-GAAP.



2024 NET ASSET VALUE CHANGE

(\$ in thousands)



Totals may not sum due to rounding



STRONG AND FLEXIBLE BALANCE SHEET

Net Asset Value Composition

At December 31, 2024

Per Share	Assets and Liabilities
\$0.32	\$835,000 consolidated cash
\$27.44	\$70.8 million in private investments
\$(2.45)	\$(6.3) million other assets & liabilities, net
\$25.31	Net Asset Value (NAV) per share

Total assets of \$72.5 million was down 11%, largely due to sale of SciAps

Reduced bank debt balance \$3.3 million during Q4 24 and \$15.7 million during 2024

- \$600,000 line of credit balance at year-end
- Outstanding borrowings carried an interest rate of 8.0% at December 31, 2024
- \$24.4 million of availability on credit facility

Did not repurchase any outstanding common stock during 2024



EXECUTING OUR STRATEGY FOR LONG-TERM SHAREHOLDER VALUE

Objectives for 2025 and Beyond

Continued Growth & Income Expansion

- Leveraging a resilient investment pipeline to scale income-generating assets
- Focus on high-yield debt investments to enhance net interest income

Disciplined Capital Deployment & Risk Management

- Capitalize on revolving credit availability for growth; reduced borrowing costs tied to possible fed reserve rate adjustments may enhance profitability
- Proactive portfolio risk management in response to economic challenges

Commitment to Shareholders

- Aim for sustainable dividend growth backed by a strengthened portfolio
- Prudent financial management aims to maximize NAV growth and returns



Investor Relations Contacts:

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Deborah Pawlowski
716-843-3908
dpawlowski@allianceadvisors.com



SUPPLEMENTAL INFORMATION



ADJUSTED EXPENSES (Non-GAAP*)

	Year ended December 31, 2024	Year ended December 31, 2023
Total expenses	\$ 4,837,282	\$ 4,178,319
Exclude (credits)/expenses for capital gains incentive fees	1,012,300	804,700
Adjusted total expenses	\$ 3,824,982	\$ 3,373,619

**In addition to reporting total expenses, which is a U.S. generally accepted accounting principle ("GAAP") financial measure, Rand presents adjusted expenses, which is a non-GAAP financial measure. Adjusted expenses is defined as GAAP total expenses removing the effect of any (credits)/expenses for capital gains incentive fees accrual. GAAP total expenses is the most directly comparable GAAP financial measure. Rand believes that adjusted expenses provides useful information to investors regarding financial performance because it is a method the Company uses to measure its financial and business trends related to its results of operations. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.*



ADJUSTED NET INVESTMENT INCOME PER SHARE (NON-GAAP[®])

	Year ended December 31, 2024	Year ended December 31, 2023
Net investment income per share	\$ 1.33	\$ 1.15
Exclude (credits)/expenses for capital gains incentive fees per share	0.39	0.31
Adjusted net investment income per share	\$ 1.72	\$ 1.46

**In addition to reporting Net Investment Income per Share, which is a GAAP financial measure, the Company presents Adjusted Net Investment Income per Share, which is a non-GAAP financial measure. Adjusted Net Investment Income per Share is defined as GAAP Net Investment Income per Share removing the effect of any (credits)/expenses for capital gains incentive fees. GAAP Net Investment Income per Share is the most directly comparable GAAP financial measure. Rand believes that Adjusted Net Investment Income per Share provides useful information to investors regarding financial performance because it is a method the Company uses to measure its financial and business trends related to its results of operations. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.*

Totals may not sum due to rounding

DISCLOSURES



This overview of Rand Capital Corporation ("Rand" or the "BDC") has been prepared for and is being made by the BDC with oversight by Rand Capital Management, LLC ("RCM"), a registered investment adviser who serves as Rand's external investment adviser and administrator.

This presentation has been provided to you solely for informational purposes and does not constitute an offer or solicitation of an offer or any advice or recommendation to purchase any securities or other financial instruments and may not be construed as such.

An investment in the BDC involves a high degree of risk and this investment is not suitable for all investors. No guarantee or representation is made that the BDC's investment program, including, without limitation, its investment objectives, will be successful. Investors must be willing to bear the risks of this investment, including the possible loss of all or a substantial part of their investment and such other risks as are inherent in securities investments generally as well as those risks that are specific to an investment in the BDC, including without limitation the risks of investing in private credit. An investment will involve significant risks due to the nature of the BDC's investments. The BDC does not represent a complete investment portfolio. There can be no assurance that the investment objectives of the BDC will be achieved. Please see Rand's reports filed with the Securities and Exchange Commission ("SEC"), including Rand's annual report on Form 10-K for the year ended December 31, 2024, quarterly reports on Form 10-Q, and other documents filed with the SEC, and RCM's Form ADV, Part 2A for additional descriptions of these and other risk factors: <https://adviserinfo.sec.gov/firm/summary/304504>.

Past performance is not a guarantee of future results.

The factual information set forth herein has been obtained or derived from sources believed by the BDC to be reliable but it is not necessarily all-inclusive and is not guaranteed as to its accuracy and neither the BDC nor RCM makes no representation or warranty, express or implied, as to the information's accuracy or completeness.

No representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained herein. No reliance may be placed for any purpose on the information and opinions contained in this presentation or their accuracy or completeness and nothing contained herein shall be relied upon as a promise or representation whether as to past or future performance. Certain information in this document has been derived from materials furnished by outside sources. Neither the BDC, RCM or any of their respective affiliates assumes any responsibility for independent verification of such information and has relied on such information being complete and accurate in all material respects.

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