

Overview

Capital Southwest (NASDAQ: CSWC) is an internally-managed, credit-focused BDC that is an active lender to middle market companies across the capital structure. CSWC provides flexible capital that fills financing needs that traditional first lien senior lenders are unwilling to meet. In particular, CSWC is well-positioned to finance lower middle market businesses with \$3 to \$15 million of EBITDA.

CSWC manages investable capital of approximately \$1.1 billion. As of December 31 2020, CSWC had funded over \$1.4 billion in new credit investments, including the capital invested in its I-45 Senior Loan Fund.

The Company is managed by an investment team with decades of experience working with one another. The firm and all of its employees are located in Dallas, Texas.

Recent Investment Activity

In 2020, CSWC committed approximately **\$192 million** in new and add-on direct debt and equity financings across **12** different middle market portfolio companies.

Industry Preferences

CSWC is a **generalist** investment firm with certain preferred sectors:

- Business services
- Digital media and advertising
- Healthcare products and services
- Value-added distribution
- Industrial manufacturing and services
- Consumer products and retail
- Tech-enabled and digital media services

Investment Parameters

Investment Size	<ul style="list-style-type: none"> • \$5 to \$50 million financings • \$5 to ~\$25 million commitment size per deal • Active network of co-investors
Company Size	<ul style="list-style-type: none"> • Minimum of \$3 million of EBITDA • Typically \$3 to \$15 million of EBITDA
Situations	<ul style="list-style-type: none"> • New platform acquisitions • Dividend recapitalizations • Refinancings • Bolt-on acquisitions • Growth financings
Clients	<ul style="list-style-type: none"> • Financial sponsors • Investment banks and business brokers • Founder and independently-owned businesses • Independent sponsors
Investment Structures	<ul style="list-style-type: none"> • Unitranche debt (with network of first out senior lending relationships) • First lien debt • Second lien debt • Subordinated debt • Preferred and common equity • Flexibility to invest across multiple securities
Equity Investments	<ul style="list-style-type: none"> • Equity co-investments alongside debt investments • Non-control investor
Geography	<ul style="list-style-type: none"> • Anywhere in the United States
Partnership	<ul style="list-style-type: none"> • Relationship-centric firm focused on mutually beneficial partnerships over several deals
Committee Process	<ul style="list-style-type: none"> • Investment committee all co-located in Dallas • CSWC deal leaders have day-to-day access to Senior Management and can “speak for the firm” and execute without surprises

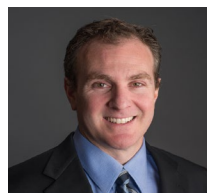
Capital Southwest Investment Team



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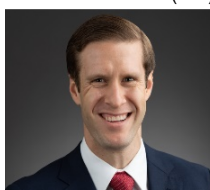
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 <p>CHEMISTRY RX Healthcare Services</p> <p>\$8mm First Lien</p> <p>March 2021</p>	 <p>Industrial Products</p> <p>\$10mm Revolver & First Lien</p> <p>March 2021</p>	 <p>Media, Marketing & Entertainment</p> <p>\$15mm Revolver & First Lien</p> <p>March 2021</p>	 <p>Healthcare Services</p> <p>\$10mm First Lien, Delayed Draw & Equity</p> <p>March 2021</p>	 <p>Distribution</p> <p>\$16mm First Out Unitranche</p> <p>January 2021</p>
 <p>Distribution</p> <p>\$18mm Last Out Unitranche & Equity</p> <p>January 2021</p>	 <p>Logistics</p> <p>\$20mm First Lien</p> <p>December 2020 (add-on) October 2017 (add-on) July 2016</p>	 <p>Software & IT Services</p> <p>\$18.5mm Revolver, First Lien & Equity</p> <p>December 2020</p>	 <p>Business Services</p> <p>\$13mm Last Out Unitranche, Delayed Draw & Equity</p> <p>December 2020</p>	 <p>Business Services</p> <p>\$15mm Revolver & First Lien</p> <p>November 2020</p>
 <p>Media, Marketing & Entertainment</p> <p>\$9mm First Lien & Equity</p> <p>September 2020</p>	 <p>Consumer Products & Retail</p> <p>\$8mm Revolver & First Lien</p> <p>September 2020</p>	 <p>Distribution Services</p> <p>\$7mm Term Loan & Equity</p> <p>September 2020 (add-on) November 2019</p>	 <p>Industrial Products</p> <p>\$20mm Last Out Unitranche & First Lien</p> <p>August 2020 (add-on) October 2019</p>	 <p>Software & IT Services</p> <p>\$12mm Revolver & First Lien</p> <p>July 2020</p>
 <p>Business Services</p> <p>\$15mm Revolver, First Lien & Equity</p> <p>July 2020</p>	 <p>Healthcare Products</p> <p>\$17mm Revolver, First Lien & Equity</p> <p>July 2020 (add-on) November 2017</p>	 <p>Healthcare Services</p> <p>\$19mm Revolver, First Lien & Equity</p> <p>July 2020 (add-on) November 2018</p>	 <p>Business Services</p> <p>\$23mm Last Out Unitranche & Equity</p> <p>June 2020 (add-on) July 2019</p>	 <p>Distribution</p> <p>\$8mm First Lien</p> <p>March 2020</p>
 <p>Industrial Services</p> <p>\$8mm First Lien</p> <p>February 2020</p>	<p>Confidential</p> <p>Industrial Services</p> <p>\$16mm First Lien & Delayed Draw</p> <p>January 2020</p>	 <p>Media, Marketing & Entertainment</p> <p>\$21mm First Lien</p> <p>January 2020 (add-on) December 2017</p>	 <p>Environmental Services</p> <p>\$19.5mm First Lien</p> <p>December 2019</p>	 <p>Software & IT Services</p> <p>\$22mm Revolver, First Lien & Equity</p> <p>December 2019</p>