

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 \$25 million of EBITDA.

CSWC manages investable capital of approximately \$1.2 billion. As of June 30 2021, CSWC had funded over \$1.6 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 \$70 million financings • \$5 to ~\$35 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 \$20 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 |

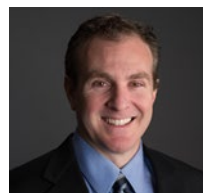
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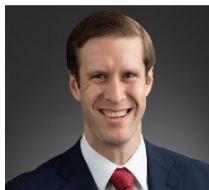
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MUENSTER
Since 1932

Consumer Products & Retail

\$23mm
Revolver, First Lien & Delayed Draw

August 2021



Wall Street Prep
Business Services

\$13mm
Revolver, First Lien & Equity

July 2021



HYBRID
APPAREL

Consumer Products & Retail

\$16mm
Split Lien Term Loan

June 2021



Student RESOURCE CENTER
Bridging Education Opportunities For All

Education

\$23mm
Revolver, First Lien & Equity

June 2021



crafty apes

Media, Marketing & Entertainment

\$12mm
First Lien & Delayed Draw

June 2021



CAIN CARGO CONTROL

Energy Services (Downstream)

\$6mm
First Lien

June 2021



FoodPharma
Functional Food Manufacturing

Business Services

\$16mm
Revolver, First Lien, Delayed Draw & Equity

June 2021



NeuroPsychiatric HOSPITALS
Healing the body and mind.

Healthcare Services

\$30mm
Revolver, First Lien & Delayed Draw

May 2021



nwn Carousell

Software & IT Services

\$15mm
Revolver & First Lien

May 2021



SHEARWATER

Consumer Products & Retail

\$21mm
Revolver, First Lien, Delayed Draw & Equity

April 2021



CHEMISTRY RX

Healthcare Services

\$8mm
First Lien

March 2021



MAKO STEEL RABCO

Industrial Products

\$10mm
Revolver & First Lien

March 2021



ALLOVER MEDIA

Media, Marketing & Entertainment

\$15mm
Revolver & First Lien

March 2021



CityVet

Healthcare Services

\$10mm
First Lien, Delayed Draw & Equity

March 2021



KMS, INC.

Distribution

\$16mm
First Out Unitranche

January 2021



FLIP ELECTRONICS

Distribution

\$18mm
Last Out Unitranche & Equity

January 2021



AMWARE
MULTI-CHANNEL LOGISTICS

Logistics

\$20mm
First Lien

December 2020 (add-on)
October 2017 (add-on)
July 2016



BROAD SKY
we make wireless work

Software & IT Services

\$18.5mm
Revolver, First Lien & Equity

December 2020



ACCELERATION PARTNERS

Business Services

\$13mm
Last Out Unitranche, Delayed Draw & Equity

December 2020



KleinHersh
Strategic Leadership Placement

Business Services

\$15mm
Revolver & First Lien

November 2020



sonobi

Media, Marketing & Entertainment

\$9mm
First Lien & Equity

September 2020



RTIC

Consumer Products & Retail

\$8mm
Revolver & First Lien

September 2020



TRINITY3 TECHNOLOGY

Distribution Services

\$7mm
Term Loan & Equity

September 2020 (add-on)
November 2019



relevant. rental solutions.

Industrial Products

\$20mm
Last Out Unitranche & First Lien

August 2020 (add-on)
October 2019



EVERWATCH

Software & IT Services

\$12mm
Revolver & First Lien

July 2020