



Capital Southwest Supports Osceola Capital's Recapitalization of Central Medical Group

June 2, 2020

DALLAS, June 02, 2020 (GLOBE NEWSWIRE) -- Capital Southwest Corporation ("Capital Southwest," "CSWC" or the "Company") (Nasdaq: CSWC), an internally managed business development company focused on providing flexible financing solutions to support the acquisition and growth of middle market businesses, announced today that it supported Osceola Capital's ("Osceola") recapitalization of Central Medical Group ("CMG" or the "Company") with a senior secured first lien term loan, revolver and capex line, as well as a minority equity investment. Capital Southwest led the financing and will act as the sole administrative agent on the credit facilities.

"We are thrilled to partner with Osceola on its recapitalization of CMG," said Douglas Kelley, Managing Director of Capital Southwest. "The business provides medical equipment solutions and services across the Northeast and Mid-Atlantic regions and is a critical partner to its hospice clients, especially during the COVID-19 pandemic." "The Company's management team has developed a strong reputation as a premier provider of hospice equipment management services in their target markets, and Osceola adds an exciting vision for CMG's organic and acquisitive growth going forward," said Spencer Klein, Vice President of Capital Southwest.

"Capital Southwest stood behind its term sheet despite severe market fluctuations and was an unflappable partner throughout the process of closing CMG," said Patrick Watkins, Vice President of Osceola. "We appreciate their support and look forward to working with Capital Southwest to grow the Company through add-on acquisitions and de novo facilities."

Founded in 1997 and headquartered in Flanders, New Jersey, CMG is a leading provider of outsourced equipment management solutions for hospices. In addition to managing the challenging logistics of delivering medical equipment to the site of care, CMG's technology platform provides its clients with consolidated ordering and invoicing, as well as reporting and analytics on utilization, cost trends, and patient data.

About Capital Southwest

Capital Southwest Corporation (Nasdaq: CSWC) is a Dallas, Texas-based, internally managed business development company with approximately \$272 million in net assets as of March 31, 2020. Capital Southwest is a middle market lending firm focused on supporting the acquisition and growth of middle market businesses with \$5 million to \$25 million investments across the capital structure, including first lien, unitranche, second lien, subordinated debt and non-control equity co-investments. As a public company with a permanent capital base, Capital Southwest has the flexibility to be creative in its financing solutions and to invest to support the growth of its portfolio companies over long periods of time.

Forward-Looking Statements

This press release contains historical information and forward-looking statements with respect to the business and investments of Capital Southwest. Forward-looking statements are statements that are not historical statements and can often be identified by words such as "will," "believe," "expect" and similar expressions and variations or negatives of these words. These statements are based on management's current expectations, assumptions and beliefs. They are not guarantees of future results and are subject to numerous risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statement. These risks include risks related to changes in the markets in which Capital Southwest invests; changes in the financial and lending markets; regulatory changes; tax treatment and general economic and business conditions; and uncertainties associated with the impact from the COVID-19 pandemic, including its impact on the global and U.S. capital markets and the global and U.S. economy, the length and duration of the COVID-19 outbreak in the United States as well as worldwide and the magnitude of the economic impact of that outbreak; the effect of the COVID-19 pandemic on our business prospects and the operational and financial performance of our portfolio companies, including our ability and their ability to achieve their respective objectives, and the effects of the disruptions caused by the COVID-19 pandemic on our ability to continue to effectively manage our business.

Readers should not place undue reliance on any forward-looking statements and are encouraged to review Capital Southwest's Annual Report on Form 10-K for the year ended March 31, 2020 and subsequent filings with the Securities and Exchange Commission for a more complete discussion of the risks and other factors that could affect any forward-looking statements. Except as required by the federal securities laws, Capital Southwest does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or any other reason after the date of this press release.

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Source: Capital Southwest Corporation