



Capital Southwest Supports VertexOne's Acquisition of WaterSmart

August 5, 2020

DALLAS, Aug. 05, 2020 (GLOBE NEWSWIRE) -- Capital Southwest Corporation ("Capital Southwest") (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 recently supported the acquisition of WaterSmart by Vertex Business Services ("VertexOne") with first lien financing and equity co-investment. Capital Southwest serves as administrative agent on the credit facility. East West Bank is a first out lender in the term loan and provides a revolving credit facility.

VertexOne acquired WaterSmart, a provider of SaaS customer engagement and analytics for city and county water utilities. WaterSmart currently serves approximately 150 North American water utility customers in 33 states. The acquisition of WaterSmart broadens VertexOne's product offering allowing VertexOne to better serve smaller utility customers with less than 50,000 meters in operation.

DFW Capital Partners ("DFW") acquired VertexOne in July 2019. VertexOne provides software and managed services to electric, water, and gas utilities throughout the United States and Canada. VertexOne's Customer Information System ("CIS") manages account information, consumption, and billing data, providing a single point solution for tracking all customer interactions. VertexOne's offering also includes CRM, customer engagement, meter data management, and workforce management modules designed specifically for utilities.

About Capital Southwest

Capital Southwest Corporation (Nasdaq: CSWC) is a Dallas, Texas-based, internally managed business development company with approximately \$278 million in net assets as of June 30, 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.

About DFW Capital Partners

DFW Capital Partners is a private equity investment firm focused on lower middle-market companies. The firm concentrates on service companies, with an emphasis on healthcare and outsourced business and industrial support services. DFW has established a 20+ year track record of success in building leading companies. DFW is headquartered in Teaneck, New Jersey and maintains an office in Chevy Chase, Maryland. For more information visit www.dfwcapital.com.

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: whether the SBA ultimately issues the SBIC license and the timing thereof; changes in the markets in which Capital Southwest invests; changes in the financial, capital, 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, including the "Risk Factors" sections therein, 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