



Capital Southwest Supports Hybrid Apparel's Acquisition of Air Waves

August 11, 2021

DALLAS, Aug. 11, 2021 (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 backed an Altamont Capital Partners ("Altamont") portfolio company, Hybrid Apparel ("Hybrid", or the "Company") in its acquisition of Air Waves with a split lien term loan. Capital Southwest led the financing and will act as the sole administrative agent on the credit facility. Main Street Capital Corporation is also a lender in the split lien term loan.

"We are thrilled to partner with Altamont and Hybrid on their acquisition of Airwaves," said Josh Weinstein, Senior Managing Director of Capital Southwest, "Hybrid's reputation precedes itself as a leading design and apparel distribution company for retailers and ecommerce platforms alike." Spencer Klein, Senior Vice President of Capital Southwest, adds further, "The partnership with Air Waves will expand upon Hybrid's existing service offering and make a high-value print-on-demand service available to Hybrid's customers. This will be a great strategic addition for the Altamont and Hybrid teams."

Founded in 1997, Hybrid Apparel is the leading full-service design, development, sourcing, production and apparel distribution company based in Cypress, California. Hybrid has a world-class sourcing and global supply chain infrastructure, with expertise in customer delivery and service across a wide range of apparel categories and geographies. As the industry leader in brand and licensing management, Hybrid supports the best global and national brands as well as global licensed properties across media and entertainment, music, gaming, food & beverage, auto, lifestyle and more.

Founded in 1981, Air Waves is a leading provider of on-demand garment printing and fulfillment services. Air Waves services several major online retailers using customer e-commerce integrations and offers thousands of creative, high quality apparel products with rapid turnaround times and "mass customization" capabilities. Air Waves is located in Columbus, Ohio where it operates its production and fulfillment.

About Capital Southwest

Capital Southwest Corporation (Nasdaq: CSWC) is a Dallas, Texas-based, internally managed business development company with approximately \$368 million in net assets as of June 30, 2021. 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 Altamont Capital Partners

Altamont Capital Partners is a private investment firm based in the San Francisco Bay Area with more than \$2.5 billion of assets under management. Altamont is focused on investing in middle market businesses where it can partner with leading management teams to help its portfolio companies reach their full potential. The firm's principals have significant experience building business success stories across a range of industries, including consumer, restaurants & multi-unit, financial services, healthcare, industrials, and business services.

Forward-Looking Statements

This press release contains historical information and forward-looking statements with respect to the business of Capital Southwest, including, but not limited to, the statement about Capital Southwest's future performance and financial condition. 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, capital, and lending markets; regulatory changes; tax treatment and general economic and business conditions; our ability to operate our wholly owned subsidiary, Capital Southwest SBIC I, LP, as an SBIC; 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, 2021 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