



CAPITAL SOUTHWEST

Capital Southwest Supports Kainos Capital's Acquisition of Muenster Milling

August 16, 2021

DALLAS, Aug. 16, 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 recently supported Kainos Capital ("Kainos") in its acquisition of Muenster Milling ("Muenster") with a revolving credit facility, first lien term loan and delayed draw term loan. Capital Southwest led the financing and will act as the sole administrative agent.

"We are excited to partner with Kainos on its investment in Muenster," said Josh Weinstein, Senior Managing Director of Capital Southwest. "The Company has a demonstrated history of manufacturing high-quality, innovative pet food and treats." Grant Eason, Senior Vice President of Capital Southwest, said, "Muenster is well positioned to capitalize on the increasing number of pet owners that seek clean-label, high-protein and convenient pet food."

Muenster Milling is a 4th-generation, family-owned pet food and ingredients manufacturer located in Muenster, Texas. Since 1932, Muenster has built lasting, impactful relationships with farmers, suppliers, customers, communities, and animals. Muenster specializes in making innovative, freeze-dried and extruded dog food, cat food, and horse feed with a focus on high quality ingredients to provide healthy options for pet owners to feed their pets.

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 Kainos Capital

Kainos Capital is a middle market private equity firm with an exclusive focus on the food and consumer products sectors. The Kainos team has extensive investment and operating experience in the industry, having invested over \$3 billion of equity in more than 75 transactions with a total transaction value in excess of \$12 billion. The firm's strategy is to build a diversified portfolio of growing and strategically relevant food and consumer businesses that trade buyers would like to acquire.

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