

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **December 10, 2024**

CAPITAL SOUTHWEST CORPORATION

(Exact Name Of Registrant As Specified In Charter)

Texas
(State or Other Jurisdiction of Incorporation)

814-00061
(Commission File Number)

75-1072796
(IRS Employer Identification No.)

**8333 Douglas Avenue, Suite 1100
Dallas, Texas 75225**
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(214) 238-5700**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$0.25 par value per share	CSWC	The Nasdaq Global Select Market
7.75% Notes due 2028	CSWCZ	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

On December 10, 2024, Capital Southwest Corporation issued a press release announcing that it received a “green light” letter from the Small Business Administration inviting it to file its application to obtain a license to operate a second small business investment company subsidiary. The copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by Capital Southwest Corporation on December 10, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: December 11, 2024

By: /s/ Michael S. Sarner
Name: Michael S. Sarner
Title: Chief Financial Officer



Capital Southwest Receives “Green Light” Letter from the U.S. Small Business Administration to Submit Its Second SBIC License Application

Dallas, Texas – December 10, 2024 – Capital Southwest Corporation (“Capital Southwest” 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, today announced that the U.S. Small Business Administration (the “SBA”) has issued a “green light” letter inviting Capital Southwest to submit its application to obtain a license to operate a second Small Business Investment Company (“SBIC”) subsidiary.

“Our partnership with the SBIC program continues to be an important strategic priority for Capital Southwest and a natural fit with our core lower middle market investment strategy,” said Michael Sarner, Chief Financial Officer of Capital Southwest. “Access to additional SBA debentures will continue to diversify our sources of attractive long-term capital and enable Capital Southwest to maintain balance sheet funding flexibility through capital market cycles. We look forward to continuing to work with the SBA to complete this process.”

Upon approval, Capital Southwest would receive its second SBIC license which would provide the Company with access to up to an additional \$175 million of growth capital through SBA-guaranteed debentures, bringing Capital Southwest’s combined borrowing capacity through the SBIC program to a total of \$350 million. SBA debentures have maturities of ten years and have fixed interest rates tied to the U.S. 10 Year Treasury rate. Receipt of a green light letter from the SBA does not assure an applicant that the SBA will ultimately issue an SBIC license, and Capital Southwest has received no assurance or indication from the SBA that it will receive an SBIC license, or of the timeframe in which it would receive a license, should one be granted.

The SBA program has played a pivotal role within Capital Southwest’s lower middle market investment strategy since receiving its first SBIC license in April 2021. Capital Southwest received exemptive relief from the Securities and Exchange Commission that allows for the exclusion of SBIC leverage from the Company’s applicable asset coverage limits.

About Capital Southwest

Capital Southwest Corporation (Nasdaq: CSWC) is a Dallas, Texas-based, internally managed business development company with approximately \$1.5 billion in investments at fair value as of September 30, 2024. Capital Southwest is a middle market lending firm focused on supporting the acquisition and growth of middle market businesses with \$5 million to \$50 million investments across the capital structure, including first lien, second lien 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 “forward-looking” statements, as that term is defined under the federal securities laws, including the potential benefits of obtaining a license to operate a wholly owned SBIC subsidiary. 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 stated or implied in forward-looking statements due to a number of factors. 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 and lending markets; regulatory changes; tax treatment and general economic and business conditions; and the other risks detailed in Capital Southwest’s Form 10-K filed with the SEC for the year ended March 31, 2024, in Capital Southwest’s quarterly report on Form 10-Q for the quarter ended September 30, 2024 and in other

filings and reports that Capital Southwest may file from time to time with the SEC. The forward-looking statements included in this press release represent Capital Southwest's views as of the date of this press release. Capital Southwest anticipates that subsequent events and developments will cause Capital Southwest's views to change. Capital Southwest undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements should not be relied upon as representing Capital Southwest's views as of any date subsequent to the date of this press release.

Investor Relations Contact:

Michael S. Sarner, Chief Financial Officer
214-884-3829