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Main Street Announces Follow-On Investments

Invests \$9.5 Million in Direct Marketing Solutions, Inc. and \$6.3 Million in Nebraska Vet AcquireCo, LLC

HOUSTON, Jan. 6, 2022 /PRNewswire/ -- Main Street Capital Corporation (NYSE: MAIN) ("Main Street") is pleased to announce that it recently completed three new follow-on investments, totaling \$15.8 million, in two existing portfolio companies, Direct Marketing Solutions, Inc. ("DMS") and Nebraska Vet AcquireCo, LLC (dba Heritage Vet Partners, P.C. or "Heritage").

Main Street originally invested in DMS in February 2018 in partnership with the DMS management team to facilitate the management led buyout of the company. Main Street, along with a co-investor, provided a portion of the financing necessary to facilitate the transaction, with Main Street funding \$27.2 million in a combination of first-lien, senior secured term debt and a direct equity investment. Main Street's follow-on investment in DMS supported the acquisition of the assets of the Freedom, Pennsylvania direct mail production plant from Mailing Services of Pittsburgh, Inc. ("MSP"), a full-service direct mail marketing company, with the acquisition expanding DMS's reach to the Eastern part of the United States. The follow-on investment consisted of an additional first lien, senior secured term loan of \$9.5 million.

Founded in 1982 and headquartered in Portland, Oregon, DMS is a national, vertically integrated provider of omni-channel direct marketing services, including strategy, creative design, direct mail production, and digital marketing to various end markets including the fintech, banking, telecom, and technology industries.

Main Street originally invested in Heritage in December 2020 in partnership with Heritage's existing owners and senior management team to facilitate a minority recapitalization of the company and provide growth capital, with Main Street funding \$17.0 million in a combination of first-lien, senior secured term debt and a minority direct equity investment. Main Street also provided Heritage with a revolving line of credit to support its future growth initiatives and working capital needs and a delayed draw term loan to help facilitate the company's acquisition growth strategy in the mixed-animal veterinary space. Main Street's follow-on investments in Heritage supported the acquisitions of Ironsides Animal Health PLLC and St. Anna Veterinary Clinic, S.C., two mixed-animal practices that provide veterinary services and products as part of Heritage's ongoing acquisition growth strategy. The follow-on investments consisted of additional first lien, senior secured term loans totaling \$6.3 million.

Founded in 1985 and headquartered in West Point, Nebraska, Heritage is a leading provider of mixed-animal and large animal veterinary services and products to livestock producers and companion animal owners throughout the United States.

ABOUT MAIN STREET CAPITAL CORPORATION

Main Street (www.mainstreetcapital.com) is a principal investment firm that primarily provides long-term debt and equity capital to lower middle market companies and debt capital to middle market companies. Main Street's portfolio investments are typically made to support management buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in diverse industry sectors. Main Street seeks to partner with entrepreneurs, business owners and management teams and generally provides "one stop" financing alternatives within its lower middle market investment strategy. Main Street's lower middle market companies generally have annual revenues between \$10 million and \$150 million. Main Street's middle market debt investments are made in businesses that are generally larger in size than its lower middle market portfolio companies.

Main Street, through its wholly owned portfolio company MSC Adviser I, LLC ("MSC Adviser"), also maintains an asset management business through which it manages investments for external parties. MSC Adviser is registered as an investment adviser under the Investment Advisers Act of 1940.

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