

Houston Investment Firm Announces New \$275 Million Fund for Small Businesses

GP Capital Partners to provide flexible capital solutions for growing lower middle market companies

HOUSTON, TX (October 12, 2021) – Four Houston-based finance leaders announced today the launch of a new \$275 million fund, GP Capital Partners, LP (“GP Capital Partners” or the “Fund”). The Fund is structured as a Small Business Investment Company (“SBIC”) and will provide flexible capital solutions to fund growth and recapitalizations for privately-held, lower middle market businesses. The Fund received its SBIC license from the U.S. Small Business Administration in September 2021, and will extend the Genesis Park private investment platform.

The founders of GP Capital Partners have worked together previously in professional and community leadership roles. Curtis Hartman, Gina Luna, Paul Hobby, and Peter Shaper all have decades of experience investing in, and lending to, middle market companies.

The Fund will target investment opportunities in the Southern U.S., particularly Texas and the Gulf Coast Region where the principals have broad networks and vast operational experience. The Fund will make both debt and equity investments across diversified industries with particular focus on markets where the team has proven expertise, such as communications, information technology, business and industrial services, and advanced and tech-enabled manufacturing.

“The types of companies with which we plan to partner are the backbone of our regional economy. They create good jobs and are poised for growth,” said Curtis Hartman, Principal of the Fund. “While small businesses disproportionately drive economic growth and employment, they are underserved by traditional banks and other capital providers. We are here to support and accelerate their success.”

Houston and Dallas are ranked among the top five U.S. cities for middle market firms, with a concentration of startups scaling quickly to join the middle market. Despite the strengths of the Texas market, there are relatively few non-bank, non-energy focused, lower middle market capital providers.

Beyond just providing capital, the four GP Capital founders bring significant experience across private equity, private credit, banking, professional services, and as operating company executives. That ability to add value will differentiate GP Capital Partners in the marketplace.

“This is not a one-sided deal where we make a loan or equity investment and sit-back, simply monitoring performance. We are in this to help these companies grow, transition and succeed,” said Fund Principal, Gina Luna. “I love working with owners and management teams and helping them take their company to the next level. That’s what we have all done for most of our careers. We know that if our partners are successful, we are successful, and that drives us every day.”

GP Capital Partners anticipates making 20 to 25 investments over the life of the Fund with a typical investment size ranging from \$5 million to \$20 million. The Fund generally targets profitable companies with at least \$10 million of revenue and \$2-10 million in EBITDA, with proven business models and seasoned management teams.

The investment team works closely with owners and management teams to create flexible capital structures that address a particular need or event that a company is facing, such as significant growth, ownership transition, family generational transfer, management buyout, acquisition, or debt

refinancing. The investment can include a mix of senior secured debt, second lien and subordinated debt, and preferred or common equity. In the case of equity investments, the Fund generally expects to take a minority position, leaving owner-operators in control of their companies.

For more information about GP Capital Partners, visit www.genesis-park.com or email partnerships@genesis-park.com

About GP Capital Partners, LP

GP Capital Partners is a Houston-based Small Business Investment Company (“SBIC”), with \$275 million in capital commitments, including funding through the U.S. Small Business Administration. The Fund supports privately-held, growth and later stage small businesses in the lower middle market through flexible capital solutions and strategic guidance. The Fund generally targets companies with at least \$10 million of revenue and \$2-10 million of EBITDA, with proven business models and seasoned management teams. Founded and managed by four, well-seasoned investment professionals, GP Capital Partners is committed to partnering with the companies and management teams in which it invests to facilitate growth, transition, and success. For more information, visit www.genesis-park.com.

About the Small Business Investment Company (“SBIC”) Program

The Small Business Investment Company Program, administered by the U.S. Small Business Administration (“SBA”), is a multi-billion dollar investment program created by Congress in 1958 to bridge the gap between entrepreneurs’ and small businesses’ need for capital and traditional sources of financing.

The SBIC Program supports small businesses and job growth, having facilitated over \$85 billion in funding to more than 100,000 small businesses. Qualified fund managers that successfully complete the SBIC Program’s application process are granted a license to operate as an SBIC and must invest in eligible “small businesses,” as defined by SBA regulations.