



MVC Private Equity Fund Agrees to Sell Plymouth Rock Energy

October 30, 2018

- ***Plymouth Rock Energy to Sell to ENGIE Resources***

- ***Second Monetization for MVC Private Equity Fund Anticipates Greater Than a 3X Gross Return on Equity***

PURCHASE, N.Y., Oct. 30, 2018 (GLOBE NEWSWIRE) -- MVC Capital, Inc. (NYSE: MVC) ("MVC Capital"), a publicly-traded business development company that makes private debt and equity investments, announced that MVC Private Equity Fund, L.P. ("MVC PE Fund") has agreed to sell its stake in Plymouth Rock Energy ("Plymouth") to ENGIE Resources ("ENGIE"). Consummation of the transaction is subject to the satisfaction of certain closing conditions, including receiving approval from the Federal Energy Regulatory Commission. The anticipated closing is expected by November 30, 2018.



On October 29, 2018, ENGIE agreed to purchase Plymouth, a leading retail energy provider of natural gas and electricity. As part of the transaction, MVC PE Fund is anticipating a gross return on its equity investment in Plymouth of approximately 3.4X (1), based on the equity investments made since November 2011 (2).

"We are very pleased with the outcome of this transaction," said Shivani Khurana, Managing Director of The Tokarz Group Advisers, LLC, the Portfolio Manager to MVC PE Fund. "Throughout the years of MVC's involvement with Plymouth, we formed a collaborative partnership with management, helped them expand their market share and ultimately, sell the business at a favorable price."

"The Plymouth team has built a leading energy marketing company in the Northeast through the hard work of its highly-skilled personnel and strong investment partners," said Adam Sokol, President of Plymouth. "Since 2004, we have organically grown the business through strong customer relationships and customer service, and we believe that the business is well positioned for future growth under ENGIE," said David Sokol, Vice President of Plymouth.

"We are very happy with the purchase, and the fine job done by Plymouth staff to build this portfolio of customers," said Graham Leith, Senior Vice President, Head of Retail, ENGIE Resources. "Plymouth's customers will join our portfolio of over 25,000 commercial & industrial power & natural gas customers, expanding our market share in New York, and it should give us a much larger presence down-state."

Since inception of the MVC PE Fund, MVC Capital invested a total of \$14.6 million in the MVC PE Fund. With the expected exit of Plymouth, coupled with the sale of AccuMed in late 2016, the MVC PE Fund will have returned to MVC Capital \$21.8 million or 150% of its total invested capital, with three investments remaining (3).

KeyBanc Capital Markets acted as the exclusive financial advisor to Plymouth Rock Energy. Locke Lord acted as the legal counsel for Plymouth. Plymouth Rock Fuel Corp., a separately operated entity not owned by Plymouth or MVC PE Fund, is not included as part of the transaction with ENGIE.

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AboutMVC Capital, Inc.

MVC Capital, Inc. is a Business Development Company (BDC) traded on the New York Stock Exchange that provides long-term debt and equity investment capital to fund growth, acquisitions and recapitalizations of companies in a variety of industries.

AboutPlymouth Rock Energy

Plymouth Rock Energy, LLC, headquartered in Woodmere, NY, is a leading energy supplier of natural gas and electricity with approximately 465,000 Residential Customer Equivalents operating in 39 utility markets in the following 7 states: New York, New Jersey, Pennsylvania, Maryland, Ohio, Illinois and Massachusetts.

AboutENGIE Resources

ENGIE Resources is a subsidiary of ENGIE North America and part of the international energy group ENGIE. ENGIE is one of the largest electricity suppliers to non-residential customers in the United States and offers solar and other renewable energy options, demand response and on-bill financing as well as customized plans. ENGIE strives to offer valuable products and services, strong customer service and financial strength to its customers. For more about ENGIE Resources, call 1-866-999-8374.

Forward-Looking Statements

The information contained in this press release contains forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results and conditions to differ materially from those projected in these forward-looking statements, including: MVC Capital's ability to close the Plymouth transaction; receipt of the escrow proceeds from the above transaction; the performance of MVC Private Equity Fund and its portfolio companies; MVC Capital's ability to execute its investment strategy; the performance of MVC Capital's investments; and changes in economic or financial market conditions and other factors that are enumerated in the company's periodic filings with the Securities and Exchange Commission. MVC Capital disclaims and does not undertake any obligation to update or revise any forward-looking statement in this press release.

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[1] The anticipated gross return of 3.4X assumes the full receipt of the escrow proceeds that are anticipated to be released at various dates ranging from 120 days from closing through one year following the closing. The gross return on investment excludes the carried interest and other fees charged to investors.

[2] Past performance is no guarantee of future results. The return data shown excludes \$4.9 million of debt invested by the MVC PE Fund since 2011, which was repaid in full in June 2018.

[3] The return data shown includes escrow proceeds.



Source: MVC Capital, Inc.