



CLEAN

LINEN & WORKWEAR



PERMIRA
DEBT MANAGERS

PRESS RELEASE

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Permira Credit Solutions II acts as sole lender in CLEAN Linen's acquisition of Paragon Laundry

Permira Debt Managers ("PDM"), the debt management and advisory arm of Permira and one of Europe's leading specialist debt investors, today announces that direct lending fund Permira Credit Solutions II is acting as sole lender in the financing of the acquisition of Stevens Hatherley Holdings Limited trading as Paragon Laundry by CLEAN Linen to create one of UK's largest independent linen and garment rental providers. MML backed CLEAN Linen almost doubles in size due to the acquisition.

The acquisition of Paragon is supported by long-term debt provided and arranged by Permira Credit Solutions II, together with an acquisition/capex facility available to support future growth.

Founded in 1886, CLEAN is one of Britain's leading independent linen and workwear, rental and laundry service providers and the acquisition of Paragon Laundry creates a leading player in the UK. The combined business also holds a stake in the Brilliant Laundry Group which provides UK-wide coverage.

Thomas Kyriakoudis, CIO of Permira Debt Managers, added: "We are delighted to back CLEAN Linen, a long-established and successful family business that really stands-out in its sector. We see a great opportunity for the business to flourish in a competitive but attractive UK hospitality sector. The capital that our funds provide will be used to facilitate the acquisition of Paragon and bring to fruition exciting capex projects that should drive growth over the next few years. This transaction is a good example of our strategy of backing high-quality, growing private businesses in Europe with flexible and patient capital."

PDM closed its most recent direct lending fund, Permira Credit Solutions II, in July 2015. To date, the fund, which has c. €1.0 billion of available capital, has invested €600 million across 18 separate European transactions and we continue to see great opportunities for our fund to invest at attractive risk-adjusted returns whilst benefitting from strong downside protection."

Livingstone Partners acted as advisors to CLEAN Linen and MML Capital while Freshfields provided legal advice to PDM in connection with the financing.

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Permira Debt Managers is Permira's independent debt management and advisory business. It is one of Europe's leading specialist debt investors, advising investment funds and products which have provided more than €3bn of debt capital to over 100 European businesses. Wholly owned by Permira, PDM was established in 2007 and aims to partner with businesses to provide the capital they require and generate market-leading risk adjusted returns for investors. To achieve this PDM follows two key investing strategies: Direct Lending and Structured Credit. PDM also has a distinctive origination platform which benefits from the strength of Permira's extensive network including 6 European investing offices in UK, France, Germany, Sweden, Italy and Spain, and 5 sector teams specialising in Consumer, Financial Services, Healthcare, Industrials and Technology.

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