



Versa Capital Finalizes Acquisition of The Wet Seal Retail Operations

New Company Named The Wet Seal, LLC; Crystal Financial LLC Provides \$15 Million Senior Credit Facility

PHILADELPHIA, Penn. and FOOTHILL RANCH, Calif. – April 15, 2015 – Versa Capital Management, LLC (“Versa”) announced today that one of its affiliates has completed the previously announced acquisition of the business of The Wet Seal, Inc., a pioneer in young women’s fast fashion retailing through mall stores and e-commerce. The transaction was approved by the United States Bankruptcy Court for the District of Delaware on April 1, 2015.

The new company, known as The Wet Seal, LLC (“Wet Seal”), will maintain its headquarters in Foothill Ranch, Calif. and continue operating its 173 stores and growing its online platform. The company’s operations will be supported by a new \$15 million senior credit facility provided by Crystal Financial LLC.

Wet Seal’s senior management is unchanged, with Ed Thomas serving as Chief Executive Officer. His leadership team includes Tom Hillebrandt, Chief Financial Officer; Christine Lee, Executive Vice President and Chief Merchandising Officer; Jon Kubo, Executive Vice President and Chief Digital Officer; Kim Bajrech, Senior Vice President and General Merchandise Manager; and Rachel Page, Vice President of Stores and Operations.

“We’re glad to be in business with a strong partner in Versa Capital,” Thomas stated. “Our goal now is to further implement the strategies we developed when I returned to the business last September. Those plans call for optimizing the legacy of the Wet Seal brand and strengthening e-commerce as an important source of new customers and sales. We are focused on providing our growing customer base with fashionable merchandise that appeals to young women everywhere.”

According to Gregory L. Segall, CEO of Versa Capital and Chairman of Wet Seal, “We are excited to be working with Ed and his team after a year of intensive study of this part of the retail sector. The Wet Seal brand is more than 50 years old and, as such, carries a lifespan that few retailers can match. We believe the new strategy that Ed and his team have created will produce a bright future for this iconic retailer.”

The new company is privately held with a new board that includes CEO Ed Thomas. The legacy publicly-traded entity, The Wet Seal, Inc. (DIP), is now named SEAL 123, Inc., and will wind up its case pending in the Delaware Bankruptcy Court after completing the resolution of creditor claims and distributions.

About Versa Capital Management, LLC

Based in Philadelphia, Versa Capital Management, LLC is a private equity investment firm with more than \$1.4 billion of assets under management focused on control investments in special

situations involving middle market companies where value and performance growth can be achieved through enhanced operational and financial management. Versa's portfolio includes retailers Avenue Stores and Vestis (Bob's Stores, Eastern Mountain Sports and Sport Chalet); restaurants such as Black Angus Steakhouses; community newspapers under Civitas Media; and manufacturers that service a variety of industries. More information can be found at www.versa.com.

About The Wet Seal, LLC

The Wet Seal, LLC is known as a pioneer in fast fashion apparel, footwear and accessories designed for teen girls and young women of all sizes through retail stores nationwide, as well as a highly active e-commerce website. The company currently operates 173 stores in 42 states and Puerto Rico and an e-commerce business at www.wetseal.com.

About Crystal Financial LLC

Crystal Financial LLC, a portfolio company of Solar Capital Ltd., is an independent commercial finance company that provides senior and junior secured loans for both asset-based and cash flow financings (minimum of \$10 million in fundings) to middle-market companies. Its team of experienced, responsive professionals has underwritten, closed and managed more than \$20 billion in secured debt commitments across a wide range of industries. For more information, please visit www.crystalfinco.com, or contact Cheryl Carner, 617.428.8718.

Media Contact:

The Abernathy MacGregor Group, Inc.

Rivian Bell, rlb@abmac.com, 213.630.6550

Chuck Dohrenwend, cod@abmac.com, 212.371.5999