

# Investment Banking Update

August 16, 2021

**NOT DISCLOSED**



SENIOR SECURED CREDIT  
FACILITIES

## Stephens served as Co-Advisor to Emerald Textiles on a Refinancing of its Existing Credit Facilities

### Transaction Details

- On August 16, 2021, Pacific Avenue Capital Partners, LLC ("Pacific Avenue") announced that its portfolio company Encore Textile Services LLC (d/b/a Emerald Textiles ("Emerald" or the "Company")) completed a refinancing of its existing credit facilities with funds managed by the Credit Group of Ares Management Corporation ("Ares") and Wells Fargo Capital Finance ("Wells Fargo").
  - Ares provided a senior secured Unitranche facility to the Company and Wells Fargo provided an ABL Revolver.
- As part of the transaction, Pacific Avenue also raised more than \$200 million of equity capital to purchase Emerald Textiles from existing limited partner investors through a continuation vehicle, and support the Company's next phase of growth.
- The transaction and Pacific Avenue's continued involvement position Emerald to take advantage of significant market opportunities, while also providing liquidity for the original limited partners.

### According to the Company's Press Release

#### Emerald Textiles

Emerald is the leading provider of outsourced linen management services and specialty products to hospitals, clinics, and other healthcare facilities in the Western United States. The Company provides a full suite of products encompassing traditional linens and add-ons, and is committed to providing the best value-proposition to customers through the highest quality and service. Today, Emerald operates six modern processing facilities and two distribution centers across California, Nevada, and Utah, serving over 750 customer sites.

#### Pacific Avenue

Pacific Avenue Capital Partners, founded by Chris Szniewajs in 2017, is a Los Angeles-based private investment firm focused on corporate divestitures and other complex situations in the middle market. Pacific Avenue has extensive M&A and operations experience allowing the firm to navigate complex transactions and unlock value through operational improvement, capital investment, and accelerated growth. The Pacific Avenue portfolio exceeds more than \$800 million in revenue. Pacific Avenue takes a collaborative approach in partnering with strong management teams to drive strategic change and assist businesses in reaching their full potential. For more information, please visit [www.pacificavenuecapital.com](http://www.pacificavenuecapital.com).

Sources: Company Filings and Press Release.

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HAS BEEN ACQUIRED BY



## Stephens provided a fairness opinion to Emerald Textiles' Board of Directors on the transaction

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- On August 16, 2021, Pacific Avenue Capital Partners, LLC ("Pacific Avenue"), announced that it raised more than \$200 million of equity capital to purchase Encore Textile Services LLC (d/b/a Emerald Textiles ("Emerald" or the "Company")) from existing limited partner investors through a continuation vehicle, and support the Company's next phase of growth.
  - The transaction also included a refinancing of the Company's existing credit facilities with funds managed by the Credit Group of Ares Management Corporation providing a Unitranche solution and Wells Fargo Capital Finance providing an ABL revolver.
- The continuation vehicle was funded by a group of leading institutional investors including Glendower Capital, funds and accounts managed by BlackRock Private Equity Partners, DWS Private Equity, Allstate Investments, CH Investment Partners and other blue-chip investors.
  - The Emerald management team and Pacific Avenue also made a significant investment as part of the transaction.
- The transaction and Pacific Avenue's continued involvement position Emerald to take advantage of significant market opportunities, while also providing liquidity for the original limited partners.

### According to the Company's Press Release

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