

1 **Service King Press Release**

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3 **NOT FOR IMMEDIATE RELEASE**

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5 **Service King Reaches Agreement with Key Financial Stakeholders to Recapitalize Business**

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7 *Capital Injection Strengthens Service King's Financial Position by Reducing Net Indebtedness by Over*  
8 *\$500 Million*  
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10 **DALLAS, TX** – May 31, 2022 – Service King (or the “Company”), a national operator of auto body collision  
11 repair facilities, today announced its entry into a comprehensive agreement with key financial  
12 stakeholders that will provide the Company with new capital, reduce debt, extend remaining existing debt  
13 maturities, and position Service King to increase reinvestment for long term growth. The agreement is  
14 supported by substantially all of the Company’s bondholders, holders of 100% of its outstanding first-lien  
15 revolving debt and at least 74% of its outstanding first-lien term loan debt, and its equity sponsors. With  
16 the support of its financial stakeholders, Service King expects to complete these recapitalization  
17 transactions on an expedited basis.

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19 “This agreement is an important step forward in strengthening our financial position by adding new capital  
20 and reducing our debt, positioning Service King to continue to grow and succeed over the long term,” said  
21 David Cush, Chief Executive Officer of Service King. “We are confident this recapitalization will allow us to  
22 further invest in the Company and our people, and enable Service King to continue delivering safe,  
23 superior auto body repair services to our customers across the markets we serve.”

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25 He continued, “We thank our insurance carrier partners and vendors for their continued support, and our  
26 noteholders and lenders for their collaboration throughout this process and confidence in our business. I  
27 would also like to thank all the Service King teammates for their resiliency, dedication, and ongoing  
28 commitment to putting customers at the center of the repair experience.”

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30 Under the terms of the transaction support agreement, Service King will receive \$200 million in new  
31 capital, reduce net indebtedness by over \$500 million and extend remaining existing funded debt  
32 maturities until June 2027. Under the agreement, affiliates of Clearlake Capital Group, L.P. (“Clearlake”)  
33 will assume majority ownership of the Company.

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35 “We see significant opportunities ahead for Service King as the Company continues to deliver on its  
36 mission of being the national collision repair operator of choice across several of the country’s fastest  
37 growing MSAs. We are excited to partner with Service King and its talented teammates and reinvest in  
38 the business to drive growth for the long term,” said José E. Feliciano, Co-Founder and Managing Partner  
39 of Clearlake.

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41 Service King will continue normal operations at all service centers nationwide with no interruptions as a  
42 result of this transaction. The financial stakeholders have committed to support the transaction in all  
43 scenarios, subject to various conditions set forth in the comprehensive agreement.

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**48 Advisors**

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50 Kirkland & Ellis LLP is serving as legal counsel to Service King, with PJT Partners serving as financial advisor  
51 and AlixPartners serving as restructuring advisor.

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53 Paul, Weiss, Rifkind, Wharton & Garrison LLP is serving as legal counsel to an ad hoc group of Service  
54 King's noteholders, with Houlihan Lokey serving as financial advisor.

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56 Gibson, Dunn & Crutcher LLP is serving as legal counsel to an ad hoc group of Service King's term lenders,  
57 with Evercore serving as financial advisor.

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59 Davis Polk & Wardwell LLP is serving as legal counsel to an ad hoc group of Service King's revolving lenders,  
60 with FTI Consulting, Inc. serving as financial advisor.

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62 Weil, Gotshal & Manges LLP is serving as legal counsel to Service King's sponsors.

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**64 About Service King Collision®**

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66 Service King Collision®, which is now celebrating over 45 years of experience in the automotive repair  
67 industry, is a national operator of comprehensive, high-quality auto body collision repair facilities. The  
68 organization is consistently recognized for its commitment to customer satisfaction, quality workmanship,  
69 and giving back to the industry through innovative training and recruiting initiatives. Service King traces  
70 its roots to Dallas, Texas and founder Eddie Lennox, who opened the first Service King in 1976. Today,  
71 Service King operates 335 locations in 24 states and the District of Columbia.

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73 For more information and to find a local Service King, visit [serviceking.com](http://serviceking.com) and follow Service King  
74 on [Facebook](#), [Instagram](#) and [Twitter](#).

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**76 About Clearlake Capital Group**

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78 Clearlake Capital Group, L.P. is an investment firm founded in 2006 operating integrated businesses across  
79 private equity, credit, and other related strategies. With a sector-focused approach, the firm seeks to  
80 partner with management teams by providing patient, long-term capital to businesses that can benefit  
81 from Clearlake's operational improvement approach, *O.P.S.*® The firm's core target sectors are industrials,  
82 technology, and consumer. Clearlake currently has over \$72 billion of assets under management, and its  
83 senior investment principals have led or co-led over 400 investments. The firm is headquartered in Santa  
84 Monica, CA with affiliates in Dallas, TX, London, UK and Dublin, Ireland. More information is available at  
85 [www.clearlake.com](http://www.clearlake.com) and on Twitter @Clearlake.

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**88 Forward Looking Statements**

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90 This press release contains forward-looking statements within the meaning of the securities laws.  
91 Forward-looking statements can be identified by the fact that they do not relate strictly to historical or  
92 current facts. They often include words or variation of words such as "expects," "anticipates," "intends,"  
93 "plans," "believes," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should,"  
94 "goal," "could," or "may" or other similar expressions. Forward-looking statements provide

95 management's current expectations or predictions of future conditions, events or results. All statements  
96 that address operating performance, events, or developments that Service King expects will occur in the  
97 future are forward-looking statements, including the Company's ability to consummate the transactions  
98 contemplated by the Transaction Support Agreement and the Company's expectations regarding future  
99 liquidity, cash flows, mandatory debt payments, and other expenditures. They may also include estimates  
100 of sales targets, cost savings, capital expenditures, other expense items, actions relating to strategic  
101 initiatives, demand for the company's products, liquidity, capital structure, market share, industry  
102 volume, other financial items, descriptions of management's plans or objectives for future operations and  
103 descriptions of assumptions underlying any of the above. All forward-looking statements speak only as  
104 of the date they are made and reflect Service King's good faith beliefs, assumptions, and expectations,  
105 but they are not guarantees of future performance or events. Furthermore, Service King disclaims any  
106 obligation to publicly update or revise any forward-looking statement, except as required by law. By their  
107 nature, forward-looking statements are subject to risks and uncertainties that could cause actual results  
108 to differ materially from those suggested by the forward-looking statements.  
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**Contacts**

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**For Service King:**113 press@serviceking.com  
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116 Michael Freitag and Meaghan Repko

117 Joele Frank, Wilkinson Brimmer Katcher

118 212-355-4449

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**For Clearlake:**

120 Jennifer Hurson

121 Lambert &amp; Co.

122 845-507-0571

123 jhurson@lambert.com  
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