

Sustainable Fashion Brand Reformation Announces Majority Investment from the Permira Funds

Transaction Will Support Popular Brand's Continued Growth

LOS ANGELES, CA and NEW YORK, NY – July 10, 2019– Reformation, the premier sustainable fashion brand, and Permira, the global private equity firm, today announced that a company backed by the Permira funds has entered into a definitive agreement to acquire a majority stake in Reformation. As part of the transaction, Yael Aflalo will remain Chief Executive Officer and a significant owner of the company, and Hali Borenstein will remain President.

Headquartered in Los Angeles and founded in 2009, Reformation designs and manufactures limited edition collections using sustainable methods and materials. The company puts sustainability at the core of everything it does, making effortless silhouettes that celebrate the feminine figure while catering to consumers who want to minimize their ecological footprint. From running a sustainable factory in Los Angeles to using deadstock and eco fabrics to tracking the environmental impact of every product, Reformation is committed to pushing the industry forward. Additionally, with its vertically-integrated manufacturing and distribution process, Reformation has a fast, data-driven approach to designing products and managing inventory, proving that fast fashion and sustainability can co-exist. Reformation has also established itself as a pioneer in retail innovation, developing an in-store tech concept that brings the best of its online experience to its 14 physical stores.

“I founded Reformation with the vision of creating a brand that appeals to fashionable consumers, but doesn’t destroy the planet. By incorporating better practices throughout our supply chain, we are able to create beautiful clothes at a fraction of the environmental impact of conventional fashion,” said Yael Aflalo, Reformation Founder and CEO. “When we met with the Permira team, it was clear that they shared our commitment to sustainability, and have a strong understanding of how to best navigate the complex and rapidly changing consumer market. Permira’s global consumer and retail expertise is invaluable as we embark on this next chapter of growth. Their partnership allows us to expand our business domestically and internationally and launch into new product categories, taking us one step closer to our mission of bringing sustainable fashion to everyone.”

“Uniquely positioned at the intersection of fashion and sustainability, Reformation authentically speaks to today’s consumer,” said Permira Principal David Brisske. “Yael has done an incredible job building a brand and a company with a clear mission, beautiful products and a loyal following. It’s rare for a business to have both tremendous brand strength and first-rate omnichannel capabilities, as Reformation has. We are thrilled to support Yael and Hali as they continue to grow Reformation in the U.S. and abroad.”

Permira will draw on its significant experience in backing leading consumer brands, internet businesses and omnichannel retailers – including Hugo Boss, Valentino, Dr. Martens, Minted, The Knot Worldwide and Allegro – to help Reformation achieve its growth plans, expand its e-commerce strategy and retail footprint both domestically and internationally, and to launch new product categories, all while remaining the industry leader in sustainable fashion.

Longtime investor Stripes Group will remain an important partner. Ken Fox, Stripes Founder and Partner, said, “We are proud to have supported Reformation at key inflection points to help accelerate growth and drive scale, and are excited to continue to invest alongside Yael and the Permira funds as the company capitalizes on an even larger opportunity for future success.”

Goldman Sachs & Co. LLC acted as financial advisor and Latham & Watkins LLP acted as legal advisor, respectively, to Reformation. Morgan Stanley & Co. LLC acted as financial advisor and Skadden, Arps, Slate, Meagher & Flom LLP acted as legal advisor, respectively, to Permira. The transaction, which is subject to customary closing conditions, is expected to close in third quarter 2019.

About Reformation

Created in 2009 by Yael Aflalo, Reformation is a revolutionary lifestyle brand that proves fast fashion and sustainability can co-exist. Reformation combines stylish, vintage-inspired designs with sustainable practices, releasing limited-edition collections for women who want to look beautiful and live sustainably. A 100% carbon, water and waste neutral company, Reformation infuses green measures into every aspect of the business. From running a sustainable factory in Los Angeles to using deadstock and eco fabrics to tracking the environmental impact of every product, Reformation is committed to pushing the industry forward. The brand has also established itself as a pioneer in retail innovation, developing an in-store tech concept that brings the best of its online experience to its 14 physical doors.

About Permira

Permira is a global investment firm. Founded in 1985, the firm advises funds with a total committed capital of approximately US\$38.5bn (€33bn) and makes long-term investments, including majority control investments as well as strategic minority investments, in companies with the objective of transforming their performance and driving sustainable growth. The Permira funds have made over 250 private equity investments in five key sectors: Technology, Consumer, Financial Services, Industrials, and Healthcare. The Permira funds have a long track record of successfully investing in Consumer companies around the world. In addition to Reformation, portfolio companies have included Allegro, Dr. Martens, eDreams ODIGEO, Hugo Boss, Minted and The Knot Worldwide. Permira employs over 250 people in 14 offices across Europe, North America and Asia.

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