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B. Riley Financial, Inc. to Provide Financing Arrangement with The Wet Seal, Inc., including \$20 Million Debtor In Possession Facility, Plan Sponsorship Agreement

LOS ANGELES, Feb. 9, 2015 /PRNewswire/ -- B. Riley Financial, Inc. (OTCBB: RILY) has executed a debtor in possession financing arrangement (DIP) and plan sponsorship agreement (PSA) for The Wet Seal, Inc. (Nasdaq: WTSL). Both the DIP financing and PSA, which form the basis for The Wet Seal's chapter 11 reorganization, will be handled by B. Riley Financial, Inc. and its subsidiaries, B. Riley & Co., LLC, and Great American Group, LLC and its affiliates and designees.



"This engagement with The Wet Seal is an example of what we envisioned when B. Riley & Co. and Great American Group combined last year. We are now able to structure financing solutions that draw from the expertise and financial resources housed in our investment banking group, B. Riley & Co. LLC, as well as our asset valuation and disposition services at the Great American Group," said Bryant Riley, Chairman of B. Riley Financial.

"Utilizing a collaborative approach, we have engaged our various service groups to provide a financial recovery path for The Wet Seal that we believe will restore its iconic name in fashion retailing and benefit all parties involved," he concluded.

On January 15, 2015, The Wet Seal, headquartered in Foothill Ranch, California, filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. On January 20, 2015, the Bankruptcy Court approved The Wet Seal's request to continue to operate in the ordinary course of business, including interim approval of the financing arranged by B. Riley Financial.

B. Riley Financial, Inc. is providing the financing in order to assist in The Wet Seal's efforts to reorganize. The DIP financing provides for a \$20 million term loan facility, subject to certain limitations and conditions, including a \$5 million availability block at closing from B. Riley Financial, Inc. to be funded on an interim and final basis. This loan facility will provide availability to fund The Wet Seal's operations during the Chapter 11 cases, including its obligations to vendors and other purveyors of goods and services. The financing remains subject to final Bankruptcy Court approval and the satisfaction of specified closing conditions.

The PSA provides a comprehensive blueprint for The Wet Seal's emergence from Chapter 11 as a going concern pursuant to a plan of reorganization under which B. Riley Financial, Inc. has agreed to provide funding and will receive a majority of the stock in the reorganized company at emergence. On February 5, the Bankruptcy Court authorized Wet Seal to assume the PSA, subject to certain modifications, including the opportunity for the company to explore alternative transactions; the plan of reorganization, which is not yet filed, remains subject to Bankruptcy Court approval.

About The Wet Seal, Inc.

The Wet Seal, Inc., a pioneer in fast fashion retailing, sells apparel, footwear and accessories designed for teen girls and young women of all sizes through retail stores nationwide, as well as an e-commerce website. As of January 15, 2015, the company operated a total of 173 stores in 42 states and Puerto Rico and an e-commerce business at www.wetseal.com. For more company information, visit www.wetsealinc.com.

About B. Riley Financial Inc.:

B. Riley Financial, Inc. (OTCBB: RILY) provides collaborative financial services and solutions through several subsidiaries, including: B. Riley & Co. LLC, a leading investment bank which provides corporate finance, research, and sales & trading to corporate, institutional and high net worth individual clients; Great American Group, LLC a leading provider of advisory and

valuation services, asset disposition and auction solutions, and commercial lending services; and B. Riley Asset Management, LLC, a provider of investment products to institutional and high net worth investors.

B. Riley Financial, Inc. is headquartered in Los Angeles with offices in major financial markets throughout the United States and Europe. For more information on B. Riley Financial, Inc. please visit www.brileyfin.com.

Safe Harbor Statement and Disclosure

Statements contained herein, which are not historical facts, such as, but not limited to, statements about goals, expectations, financial or other projections, intentions or beliefs are forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Because these forward-looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events or developments to differ materially from those expressed or implied by these forward-looking statements. Such factors include those risks described from time to time in the Company's filings with the SEC. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. The Company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

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