



JZ CAPITAL PARTNERS LTD

JZ CAPITAL PARTNERS ANNOUNCES SALE OF PARAGON WATER SYSTEMS FOR 1.8x GROSS RETURN ON INVESTMENT

~ \$16.2 million in gross proceeds realised, delivering an 18.4% IRR ~

14 March 2018

JZ Capital Partners Limited (LSE:JZCP.L or “JZCP”), the London listed fund that invests in US and European microcap companies and US real estate, is pleased to announce the sale of Paragon Water Systems, Inc. (“Paragon”) to Culligan Water, the world leader in residential, office, commercial and industrial water treatment.

Founded in 1988 and headquartered in Tampa, Florida, Paragon develops and produces “point-of-use” water filtration products for leading global Original Equipment Manufacturer (“OEM”) clients, big brand suppliers to specialty and big box retailers, direct sales organisations and companies with national or international water filtration dealership networks.

JZCP expects to realise approximately \$16.2 million in gross proceeds (including escrows) from the sale, representing an increase of approximately \$3.7 million, or 29.6% on the carrying value of Paragon of approximately \$12.5 million as of 31 January 2018. In addition to increasing JZCP’s overall NAV as of January 31, 2018 by 0.4%, this transaction represents a gross multiple of invested capital (“MOIC”) of approximately 1.8x and a gross internal rate of return (“IRR”) of approximately 18.4%.

David Zalaznick, JZCP’s Founder and Investment Adviser, commented: “We are pleased with this realisation above JZCP’s net asset value. One of our objectives is to demonstrate to shareholders and potential new investors that our NAV is conservatively valued. We hope to continue our realisation cycle and build liquidity for our previously stated goals of making new investments, paying down debt and buying back stock.”

The transaction follows the recent announcement that JZCP is to sell Bolder Healthcare Solutions (“BHS”) to a subsidiary of Cognizant, one of the world’s leading professional services companies, for gross proceeds of approximately \$108.0 million, representing an increase in NAV of approximately 4.3%, as of 31 January 2018.

Ends

For further information:

Ed Berry / Kit Dunford
FTI Consulting

+44 (0) 20 3727 1143

David Zalaznick
Jordan/Zalaznick Advisers, Inc.

+1 212 485 9410

Paul Ford
JZ Capital Partners

+44 (0) 1481 745383

About JZCP

JZ Capital Partners (“JZCP”) is one of the oldest closed-end investment companies listed on the London Stock Exchange. It seeks to provide shareholders with a return by investing selectively in US and European microcap companies and US real estate. JZCP receives investment advice from Jordan/Zalaznick Advisers, Inc. (“JZAI”) which is led by David Zalaznick and Jay Jordan. They have worked together for more than 35 years and are supported by teams of investment professionals in New York, Chicago, London and Madrid. JZAI’s experts work with the existing management of microcap companies to help build better businesses, create value and deliver strong returns for investors. For more information please visit www.jzcp.com.