



Navis Capital Partners Announces Divestment of Retail Apparel Group to The Foschini Group

Sydney, 25 May 2017: Navis Capital ("Navis") today confirmed that it has signed documentation to divest its controlling interest in leading Australian retailer, Retail Apparel Group ("RAG") to The Foschini Group of South Africa.

The transaction values RAG at an Enterprise Value of approximately A\$302.5 million. The transaction is expected to close in calendar Q3 2017.

RAG is one of Australia's leading apparel retailers, with over 400 stores across the Tarocash, Connor, yd., Johnny Bigg and Rockwear brands. The business has a broad menswear offering across Australia and New Zealand and a growing women's athleisure range in Rockwear, appealing to a wide customer demographic.

Navis acquired its majority interest in RAG in May 2011. Since then, Navis has supported management to develop and acquire new brands, expand the store network and drive operational initiatives.

Philip Latham and Ravi Jeyaraj, Partners of Navis Capital, commented: "Our objective in the RAG investment was to assist management in expanding the store network of existing brands and launch new brands, taking advantage of RAG's strong systems and processes. This, coupled with management's fine stewardship of the business, has been fundamental to RAG's consistent and reliable growth over many years. We would like to take this opportunity to thank the management team led by Gary Novis and Dean Zanapalis for their dedication and hard work."

Gary Novis will continue as CEO under the new arrangements, together with the existing senior management team. Mr Novis commented: "We enjoyed working with the Navis team and have appreciated their support over the last six years. We are excited to be partnering with The Foschini Group, a pre-eminent retailer in South Africa, UK and Australia, and we look forward to further expanding and enhancing our offering with their support."

Navis is being advised by Fort Street Advisers, EY and King & Wood Mallesons.

Navis, which manages approximately US\$ 5 billion in equity capital, has a long and proven track record in pan-Asian private equity, with over 70 control transactions across the Asian region completed since its establishment in 1998.

About Navis Capital Partners Limited

Founded in 1998, Navis focuses on private and public equity investments primarily in and around Asia. Navis contributes both capital and management expertise to a limited number of well-positioned companies with the objective of directing strategic, operational and financial improvements. Navis has one of the largest private equity professional teams in Asia, comprising over 60 individuals, supported by over 30 administrative staff, in seven offices across the region.

About Retail Apparel Group

RAG is the leading specialty menswear retailer in Australia and New Zealand, with over 400 stores across Australia and New Zealand. The group operates five brands – Tarocash, yd, Connor, Johnny Bigg and Rockwear. RAG has a strong track record of executing network expansion and new brand development and acquisitions.

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