

## TFG acquires Australian menswear group RAG

TFG has acquired Australian menswear group Retail Apparel Group (RAF) for close to R3bn. TFG says its acquisition of RAG further broadens its international expansion into chosen geographical areas with a product and value offering that is well aligned with TFG's multi-brand business model.



Tarocash, a menswear apparel brand part of the RAG portfolio acquired by TFG.

RAG was established in 1987 and houses a portfolio of predominantly menswear brands, making it a large player in the value to mid-market, fashion-conscious menswear speciality segment in Australia and New Zealand. It also has a women's athleisure range. RAG's portfolio incorporates five brands, namely: Tarocash, yd, Connor, Johnny Bigg and Rockwear.

According to the official release, "RAG is expected to post double-digit increases in revenue and profit this year, with expectations that the growth will continue in line with the company's expansion strategy. The majority of RAG's 400 stores are located in high foot traffic areas within regional and suburban shopping centres, with RAG's centralised management team allowing the group to leverage its relationships with key landlords to obtain premium sites."

The South African retailer is buying 100% of the Australian chain from private equity group Navis Capital and RAG's founder Stephen Leibowitz along with other members of management. The current management team of RAG have all entered into new employment contracts with TFG, to ensure operational continuity going forward.

“We are excited to be able to realise our ambition to expand into Australasia through the very successful RAG business and its well established and experienced management team,” said chief executive officer of TFG, Doug Murray.

Chief executive of RAG, Gary Novis, said: “We are delighted to become partners with one of the world’s leading retail groups and our management team is excited to be part of what will be a very successful future for our company in Australasia.”

For more, visit: <https://www.bizcommunity.com>