

DATE

January 31, 2024

SECTORS

Consumer, Leisure & Retail

DEAL LOCATIONS



DEAL TEAM



Stephan von Parpart
Managing Director



Christian Dehm
Director



Sven Lange
Vice President

DC Advisory acts as exclusive financial advisor to ara Group on the sale of LLOYD



Background

- German based shoe manufacturer and retailer, ara Group, is strategically reviewing its existing brand portfolio in order to focus on certain core brands
- DC Advisory have been supporting ara Group in this process, resulting in several successful transactions
- Since 1888, LLOYD has been a market leader in the premium footwear sector in the German speaking and Scandinavian countries. LLOYD was acquired by ara Group in 2000
- Founded in 2018, Arklyz is a fast-growing retail group with a focus on sports, athleisure and workwear. Arklyz covers a range vertically connected business activities from manufacturing to end consumer distribution

Process

- ara Group engaged DC Advisory as exclusive sell-side advisor to examine strategic options for LLOYD
- Despite a difficult economic environment in the fashion industry, DC Advisory successfully orchestrated a competitive auction process
- The process included project management, coordination of due diligence workstreams, rendering of financial analyses and marketing materials, providing a

focused market approach and advice on all strategic aspects of the transaction while managing consistent dialogue with multiple potential buyers

Outcome

- In January 2024, ara Group signed an agreement to sell 100% of LLOYD to Arklyz. The transaction is expected to close in March 2024 and is subject to customary closing conditions
- Arklyz intends to support LLOYD in its future growth path and to capitalize on a range of strategic synergies
- This transaction demonstrates DC Advisory's strong track record of providing comprehensive sell-side advice in the fashion industry

"DC Advisory gave us great support throughout the whole process. A very professional and highly dedicated team helped us to find a perfect match on the buyer side."

Andreas Wortmann
CEO, ara Group

"We are pleased to have finalized a transaction that has great potential for the future development of LLOYD. It was a great pleasure to work with the ara / LLOYD team and their strong commitment and dedication to this project."

Stephan von Parpart
Managing Director, DC Advisory Germany