

22 March 2016

Synova bags 3x return

Synova Capital (“Synova”), an award winning investor into UK growth companies, is delighted to announce the sale of portfolio company TLG Brands (“TLG”) to Hong Kong listed Global Brands Group [HK: 787], one of the world’s leading branded apparel, footwear, fashion accessories and lifestyle product companies, realising a return of 3x invested capital. TLG owns handbag brands Fiorelli, Modalu and Nica and is the UK’s leading supplier of fashion accessories.

The Fund acquired TLG off-market in July 2008, having approached the Company directly following an in-depth review of the market. The investment rationale was centred on a plan to develop TLG’s online presence through the creation of a new e-commerce platform and a significant opportunity to drive international sales with a particular focus on Europe and Asia.

As a result of this strategy TLG enjoyed significant growth in its online business and in international markets, gaining TLG a place in the Sunday Times list of fastest growing UK businesses in terms of international sales. Driven by this success the Company’s total revenues grew from £13m pre-investment to over £30m at exit with profits growing almost threefold over the same period.

Philip Shapiro, a Managing Partner of Synova and a Director of TLG, commented: *“We worked with an exceptional management team to deliver strong growth in TLG’s leading brands both in the UK and internationally. The exit is a result of the ambition and hard work of that team and their excellent working relationship with Synova. With market leading positions in all of their key territories we wish the team every success in the next stage of the Company’s development.”*

Mike Hiscock, CEO of TLG, commented: *“I have greatly enjoyed working with Synova who demonstrated a detailed understanding of our business. Their strategic input and vision has been fundamental in ensuring we achieved our goal of developing a multi-channel, multi territory branded accessories business.” –ENDS-*

NOTES:

1. **Synova** invests in UK growth opportunities with a particular focus on companies valued at between £10m and £100m. Key verticals include Business Services, Financial Services, Technology, Consumer and Healthcare & Education. Further information on Synova is available from www.synova-capital.com or by email press@synova-capital.com.
2. TLG is Synova’s second exit in 2016 following its 16x return on the sale of Kinapse to Hg Capital in January.
3. KPMG provided corporate finance advice to Synova with Pinsent Masons providing legal advice.

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