

Super Retail reaches summit of Macpac auction

Super Retail Group appears set to make its first major acquisition since Rebel Sport in 2011 after agreeing to pay almost \$150 million for outdoor clothing and equipment retailer Macpac.

It is understood Super Retail Group managing director Peter Birtles will announce the deal when the \$1.6 billion auto, sporting goods and outdoor leisure retailer releases its December-half results on Tuesday.

The acquisition will make Super Retail the market leader in outdoor clothing and camping equipment, ahead of Kathmandu, boosting revenues by about \$100 million a year.

Macpac's major shareholder, private equity firm CHAMP Ventures, put the business up for sale late last year, two years after outlaying an estimated \$70 million, or about seven times earnings before interest, tax, depreciation and amortisation, to acquire a 90 per cent stake from Kathmandu founders Bernie Wicht and Jan Cameron. Cameron is understood to still hold a small percentage of the business.

The deal follows a strategic review last September and a hotly contested three-month sale process handled by KPMG Corporate Finance's Melbourne-based partner Luke Lawrentschuk, who knew the business well, having advised Cameron and Macpac on the sale to CHAMP in December 2015.

Over the last two years store numbers have risen from about 43 to 51 and Macpac sees scope to reach 100-plus stores. The vertically integrated company also sells its own-brand clothing, tents, sleeping bags and packs in 30 countries through its online store.

Greenhill Australia and King & Wood Mallesons advised Super Retail Group. K&L Gates provided legal counsel to CHAMP.

It's understood Morgan Stanley is overseeing the sale process while KPMG Corporate Finance is on vendor due diligence.