



## Premier Men's Underwear Brand SAXX Receives Strategic Investment from TZP Group

**Vancouver, British Columbia – August 25, 2021** – SAXX Underwear Co. Ltd. ("SAXX"), the innovative Canadian men's underwear brand, announced that it has received a strategic investment from TZP Group ("TZP"), a multi-strategy private equity firm, through TZP Capital Partners III, L.P. NLS Group Holdings Inc. ("NLS"), led by Krystal Growth Partners which invested in SAXX in April 2010, will retain a significant minority interest in SAXX. As part of the transaction, Brentwood Associates, a Los Angeles-based private equity firm that invested in SAXX in December of 2016, will exit their investment. Terms of the transaction were not disclosed.

Founded in 2006, SAXX has revolutionized men's premium underwear with their patented BallPark Pouch™ technology – a hammock-shaped pouch built into each pair which their customers refer to as "life changing." SAXX product designs have since expanded to include comfortable, premium, high-performance men's apparel tailored to support an active lifestyle. Its products are made from the highest quality functional fabrics and construction methods to address the specific needs of their fanatical customer base, ranging from everyday lifestyle pieces to high performance athletic gear. SAXX's self-described "obsession with the comfort of your manhood" has attracted a cult-like following that includes prominent celebrities and athletes.

With over 5,800 retailer partner doors across North America, UK, Europe, Japan, and Australia, SAXX is actively extending its brand reach globally. Since its inception, SAXX has experienced rapid sales growth of 26% compounded annually over the last five years, with e-commerce sales growing an impressive 60 percent year-over-year in 2020 alone. As part of the investment, TZP will help support the Company's operations, growth strategy and expansion into new markets while building out its current presence across the United States and Europe. SAXX and TZP will work together to strategically deepen customer relationships and increase brand awareness, while also exploring new product categories and retail distribution opportunities.

"Creating the iconic BallPark Pouch™ was the beginning of a new era in men's underwear, and epitomizes our company's obsession with comfort and innovation. Since then, we have set the standard in this category and become the leading men's premium underwear brand in Canada," said Wendy Bennison, Chief Executive Officer of SAXX. "We know that there is a significant opportunity for our business, beyond what we have accomplished to-date and beyond our borders, and we are excited to be partnering with TZP on this next chapter of growth. This transaction supports the significant opportunity we see to strengthen our leadership position as the best in solving male discomfort and to further expand the SAXX brand globally. TZP's expertise in brand expansion and digital transformation, as well as their track record of driving omnichannel growth for leading consumer brands, make them the ideal partner to bring our coveted, patented technology to the world."

"Since its founding, SAXX has pioneered technical performance in men's underwear and disrupted a category through innovative and technical design that didn't exist previously," said Dan Galpern, Partner at TZP. "Through its patented technology and unique design, SAXX offers a truly differentiated product with substantial growth opportunities into both new categories and markets. We are excited to partner with the exceptional team at SAXX as they continue to build a world-class brand and execute on the opportunities ahead."

Terry Holland, SAXX board member and Managing Partner at Krystal Growth Partners, added, “The SAXX journey is one we are excited to continue on under the stewardship of TZP and the SAXX leadership team. We are so confident in the ongoing opportunity, we have chosen to retain a minority interest in the Company. There remains a tremendous opportunity in the next phase of growth bringing innovative performance products to the global market.”

Eric Reiter, partner at Brentwood, commented, “It has been such a pleasure to partner with Wendy and the SAXX management team in support of SAXX’s ambitious growth strategy over the last five years. SAXX has become a leading lifestyle brand in the men’s premium underwear category, built around superior product quality and industry leading innovation. We believe the Company is well-positioned to continue its exciting performance trajectory.”

Financo Raymond James served as SAXX’s exclusive financial advisor in the transaction and DLA Piper served as SAXX’s legal counsel. Kirkland & Ellis LLP and Stikeman Elliott LLP served as legal counsel to TZP Group. Perkins Coie served as legal counsel to Brentwood.

#### **About SAXX Underwear Co. Ltd.**

SAXX has an obsession with the comfort of manhood that is revolutionizing the men’s underwear industry. SAXX underwear keeps guys comfortable, confident and ready for action in any situation, thanks in part to its BallPark Pouch™ – a patented 3D hammock-shaped pouch that keeps everything in place for chafe-free support. The brand is one of the fastest-growing men's underwear companies in North America and is poised for growth beyond the underwear market, as it incorporates its BallPark Pouch™ technology into other categories such as activewear, sleepwear and swimwear. For more information, visit [saxxunderwear.com](http://saxxunderwear.com) or follow SAXX on social at [@saxxunderwear](https://twitter.com/saxxunderwear).

#### **About TZP Group**

TZP Group, a multi-strategy private equity firm managing approximately \$2.0 billion across its family of funds including TZP Capital Partners, TZP Small Cap Partners, TZP Strategies and TZP Strategies Acquisition Corp., is focused on control, growth equity and structured capital investments in business services and consumer companies. Founded in 2007, TZP targets companies with solid historical performance and sustainable value propositions and aims to be a “Partner of Choice” for business owners and management teams. TZP seeks to invest primarily in closely-held, private companies in which the owners desire to retain a significant stake and partner with an investor with complementary operating and financial skills to accelerate company growth, increase profitability, and maximize the value of their retained stake. TZP leverages its investment professionals’ operating and investment experience to provide strategic and operational guidance and is dedicated to long-term value creation. For more information, please visit [www.tzpgroup.com](http://www.tzpgroup.com).

#### **About Krystal Growth Partners.**

Krystal Growth Partners, formed in 2004 by Terry Holland, brings years of operations, investment, financing and M&A experience and a willingness to 'roll up our sleeves' to a segment of the market that is generally under-served by professional equity capital providers. Krystal believes in supporting our partners, by contributing in the areas where we have significant expertise, which, in effect, adds depth to the management teams and allows them to focus on creating a great business.



### **About Brentwood Associates**

Brentwood Associates is a Los Angeles-based private equity investment firm with a 30+ year history of investing in middle-market growth-oriented consumer and business services companies. Since 1984, Brentwood's dedicated private equity team has invested in over 50 portfolio companies with an aggregate transaction value of over \$6 billion. With significant experience in both investing and brand building, Brentwood is a value-added partner for entrepreneurs and senior management teams building world-class companies. For more information about Brentwood, please visit [www.brentwood.com](http://www.brentwood.com).

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