

Sportswear brand Castore gets into shape for \$200m fundraising

Castore, the British sportswear brand backed by Sir Andy Murray, is in talks with investors about a \$200m fundraising as it intensifies its battle with global rivals Adidas and Nike.

Sky News has learnt that the Manchester-based business, which was founded by Liverpudlian brothers Phil and Tom Beahon, is working with bankers on plans to secure a significant capital injection.

City sources said this weekend that Castore had appointed Rothschild to advise it on the process.

Initial talks with prospective investors have already begun ahead of a formal process later this year, they said.

[Sir Andy](#), the three-times Grand Slam winner, has been a shareholder in the company since 2019.

At the time, he said it was “a young, exciting brand that offers something different, with products that are really well cut and designed”.

“For me it was a natural progression from previous kit partners,” he added.

The business, which mainly sells its products online, positions itself as a high-quality alternative to established rivals such as Adidas and Puma.

It has struck kit supply deals with Premier League teams including Newcastle United and Wolverhampton Wanderers.

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Image:

Castore has struck kit supply deals with Premier League teams including Newcastle United

The brand is also building a presence in sports such as cricket, golf and Formula One, where it has a deal with the McLaren team.

Castore was reported to have been valued at £750m after its most recent debt financing, which took place last autumn.

That deal saw it extend its borrowing facilities to encompass lenders including HSBC and Silicon Valley Bank.

One source speculated it was likely to seek a £1bn-plus valuation if it sold shares as part of the new capital raise.

Existing shareholders in Castore include the billionaire Issa brothers, who jointly own Asda and the petrol forecourts giant EG Group.

The founders of Pure Gym and New Look are also among the company's backers.

Bankers believe Castore is a logical candidate for a medium-

term stock market flotation as it expands.

One insider said the company was likely to make profits of about £30m this year.

“As the economy has worsened, people have focused their budgets,” Tom Beahon told The Sunday Times last year.

“They’re still spending but only on things they’re passionate about.

“We’re selling products for sports teams whose fans are incredibly passionate.

“For team sports fans, buying their child the team’s shirt or jacket is not a discretionary purchase.”

Castore declined to comment this weekend on its latest funding plans.