

ISLAMIC MODEST FASHION
#SALAAMINSIGHTS

Current Consolidation Activity and Potential in Islamic Modest Fashion: Prepared by Thomson Reuters and DinarStandard





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EXECUTIVE SUMMARY

1. Executive Summary



Global spend on apparel was worth an estimated \$1.7 trillion in 2015, with exports accounting for 30 percent of the global apparel market, or \$517 billion in 2015, with 5 key OIC markets accounting for 12 percent of apparel exports in 2014, the largest being Bangladesh.

Muslims accounted for 14 percent or an estimated \$244 billion in 2015, however, with a rapidly increasing population, Muslim spend on apparel is expected to grow by 6 percent per annum between 2015 and 2020, which is double the growth rate of the global apparel industry.

- Modest fashion represents a key sub-segment of the Muslim spend of clothing, underpinned by Islamic religious obligations, with requirements for both men and women. However, female spend represents a larger market opportunity, accounting for two thirds of global apparel spend.

Despite the substantial demand for Islamic modest fashion, the market has largely been unaddressed by leading global apparel companies, with the current industry landscape highly fragmented across individual segments of the modest fashion value chain.

- This report identified over 1,000 OIC-based manufacturers of apparel, 146 key modest fashion brands, and 85 e-commerce retailers.
- There was limited investment identified among OIC-based apparel manufacturers since 2013, with 32 investments totaling \$188 million, primarily strategic acquisitions without private equity involvements, accounting for 0.1 percent of Muslim spend in 2015.

However, there have been promising developments in the global Modest fashion industry which suggest substantial opportunity for key global players to emerge and capture market share.

- There were 25 mainstream apparel companies identified that were addressing the modest fashion opportunity, with brands including Dolce and Gabbana and DKNY, and with retailers including H&M and John Lewis, suggesting that the industry is becoming more mainstream.
- Emerging players in the Islamic modest fashion have attracted substantial venture investment, including Turkey-based e-commerce retailer Modanisa receiving \$5.5 million in 2015, and brand HijUp receiving a seven-figure dollar investment.

Substantial opportunities exist for different investors to create leading modest fashion companies.

- Mainstream and modest fashion retailers alike can create scale through acquiring modest fashion retailers or brands and broadening the scope of their geographic and product focus.
- Private equity investors can invest in budding brands and accelerate organic growth to achieve substantial returns.
- Venture capital firms can invest in high-potential innovative products and new creations in the modest fashion market, such as the climate adapting hijab.

“

Muslims spent an estimated \$244 billion in 2015 on apparel globally. Although the modest fashion landscape is highly fragmented with no global modest fashion players currently, there are substantial opportunities with 25 mainstream players that recently entered the market.

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2. Acknowledgments

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REPORT PURPOSE, SCOPE AND METHODOLOGY

3. Report Purpose, Scope and Methodology

3.1. Report purpose and scope

Muslims spent an estimated \$230 billion on apparel in 2014 according to the *State of the Global Islamic Economy Report 2015/16*, prepared by Thomson Reuters in collaboration with DinarStandard. This report seeks to further explore the landscape and key export markets for the global modest fashion markets, key investment activity that has occurred since 2013 and opportunities for consolidation in the industry.

For the purposes of this report, the following key terminology will be used throughout:

- **Apparel:** Used to refer to all categories of clothing, including men's, women's and children's clothing
- **Islamic modest fashion companies:** Those companies that focus primarily on serving the modest clothing requirements of Muslim consumers
- **Mainstream fashion companies:** Those companies that focus on mainstream fashion, and may or may not accommodate Muslim consumers through either the selling or manufacturing of dedicated Islamic modest fashion brands
- **CAGR:** Cumulative annual growth rate
- **PE:** Private equity
- **M&A:** Mergers and acquisitions



3.2 Approach

Primary research

Expert interviews were conducted with the following individuals to gain additional insights:

- Kerim Ture, Founder and Managing Partner, Modanisa, Turkey
- Altaf Alim, Commercial Director, Aab, United Kingdom
- Rabia Zargapur, Founder and Designer, Rabia Z, United Arab Emirates

Existing research was also leveraged, including the State of the Global Islamic Economy Reports produced between 2013 and 2015, prepared by Thomson Reuters in conjunction with DinarStandard. Further, in-house datasets and insights were used by DinarStandard to support opportunity identification and landscape analysis.

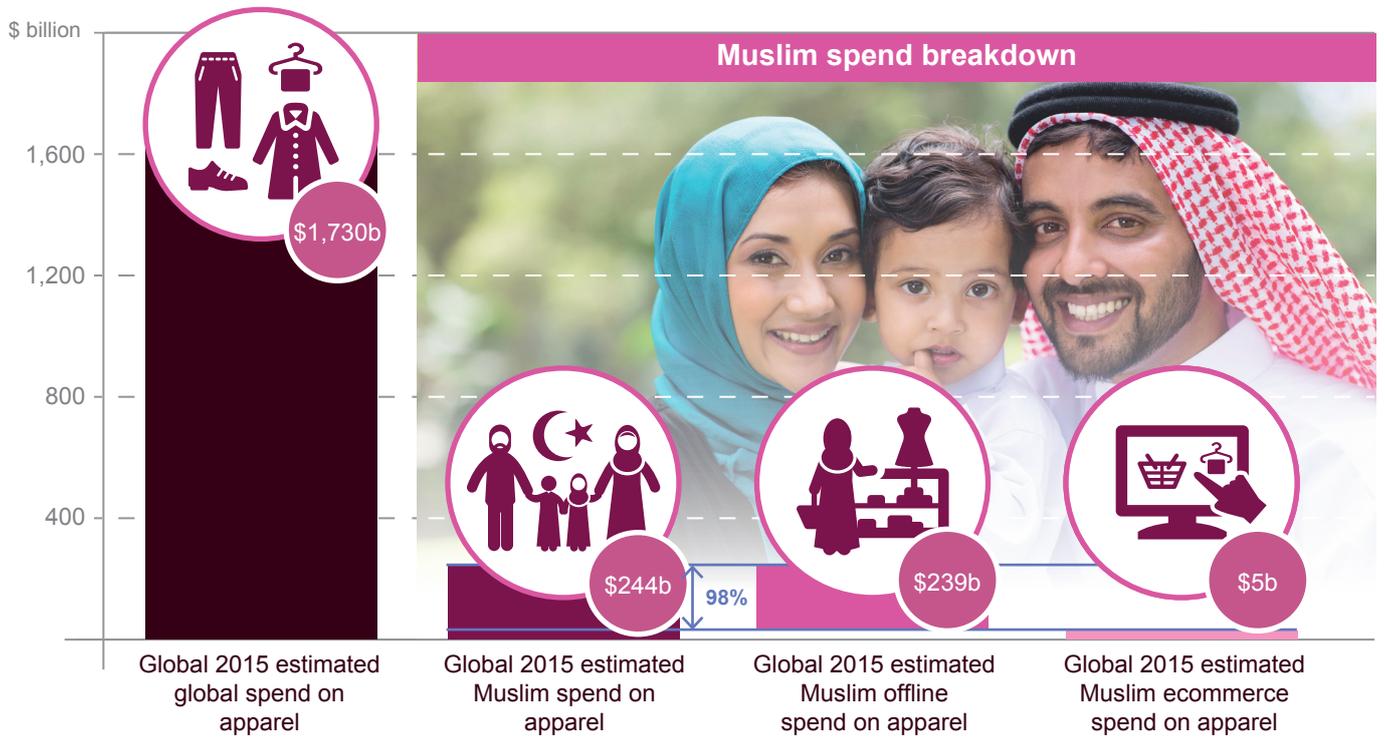
Secondary research

A wide range of secondary sources were used to support key findings, including, but not limited to, Zephyr's comprehensive M&A database; Hoover's; Dun & Bradstreet Inc.; private company databases; IBISWorld; company websites; and news articles.



4. Overview of Key Facts

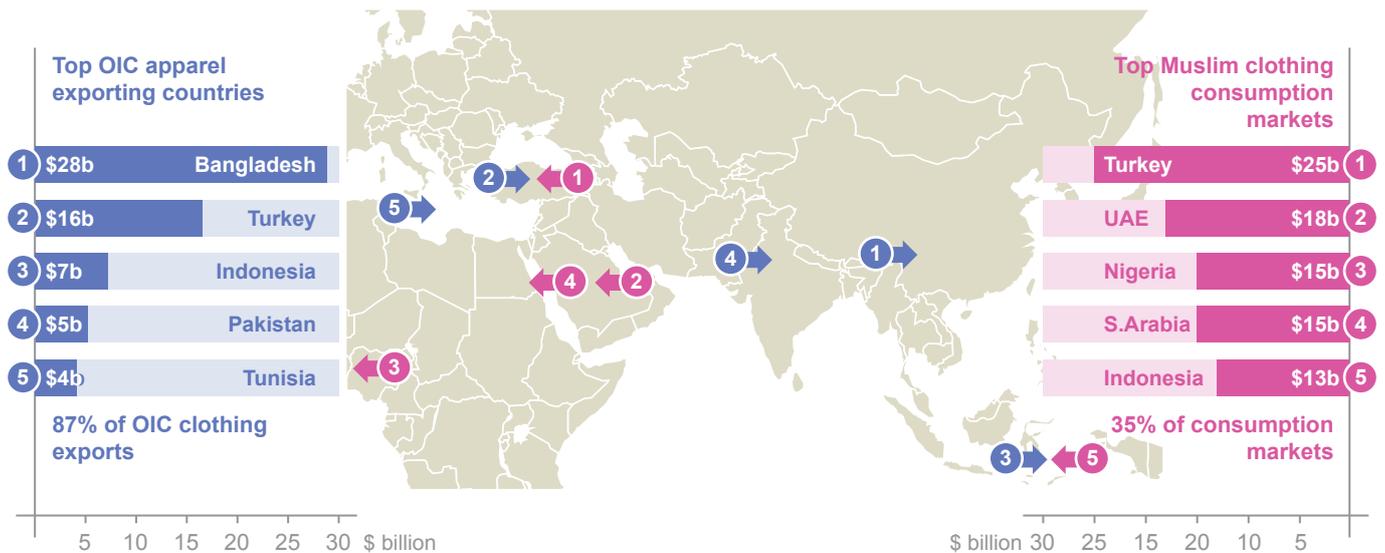
GLOBAL AND MUSLIM SPEND ON APPAREL, 2015



IMPLICATION

Muslim spend accounted for 14% of global spend on apparel in 2015

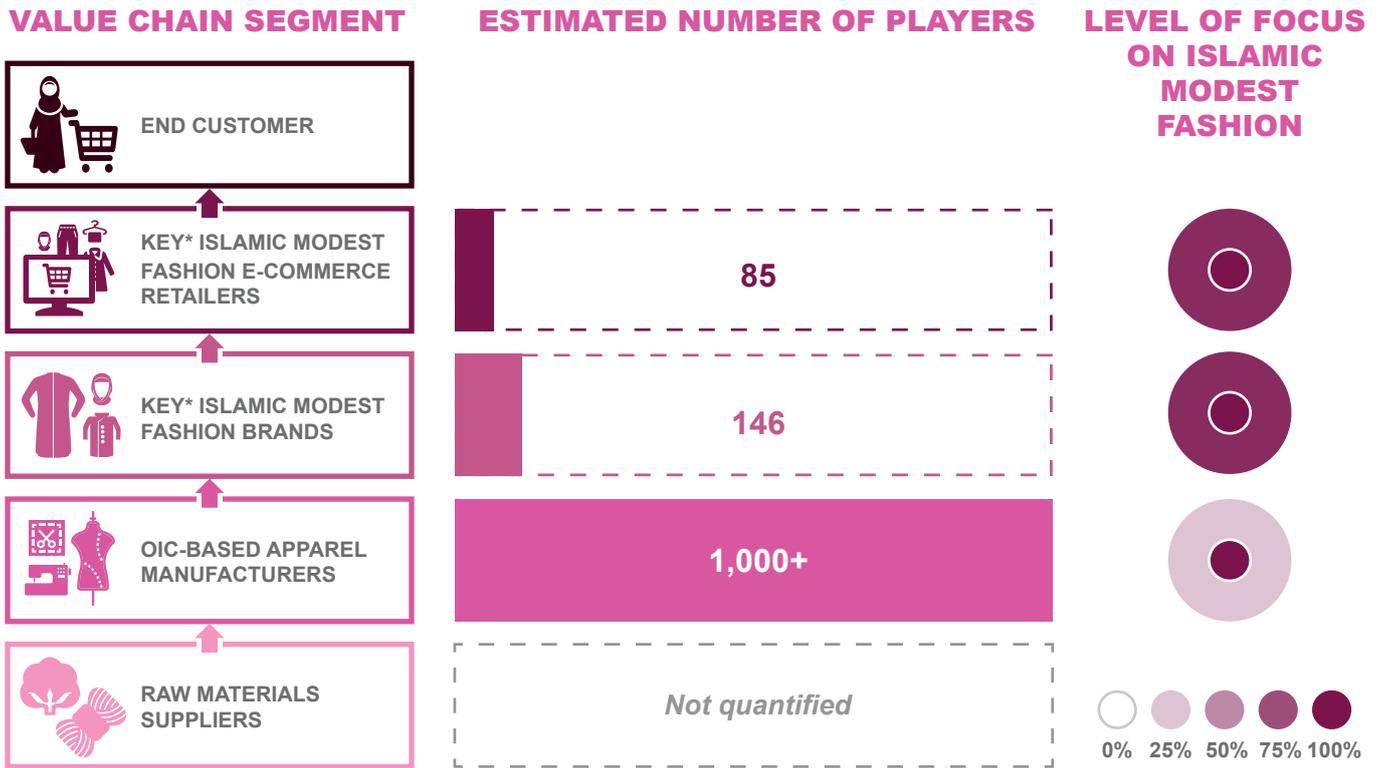
KEY OIC EXPORT COUNTRIES AND TOP MUSLIM APPAREL CONSUMPTION MARKETS, 2014



IMPLICATION

Top five countries accounted for majority of OIC exports and 35 percent of consumption value

GLOBAL LANDSCAPE AND VALUE CHAIN FOR ISLAMIC MODEST FASHION



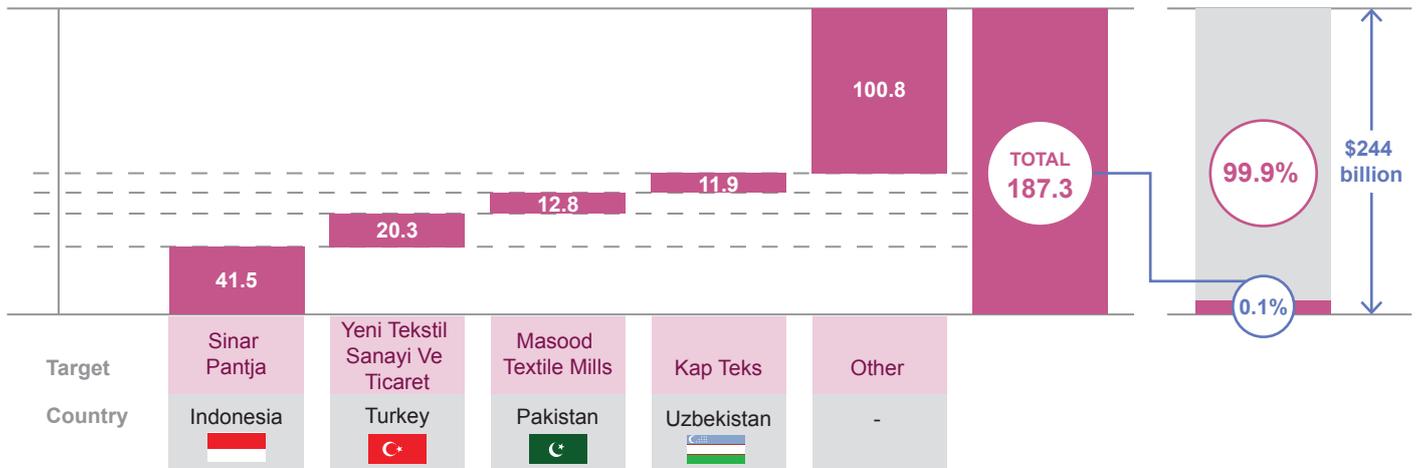
* Not an exhaustive list - methodology explained later in the report

IMPLICATION

Fragmented landscape ripe for consolidation

KEY INVESTMENTS IN OIC-BASED APPAREL MANUFACTURERS, 2013 - FEBRUARY 2016

Deal activity in the modest fashion value chain between 2013 and 2016 year to date (acquisitions in OIC markets, \$ in millions) Total Muslim spend on apparel, \$ in billions



IMPLICATION

Very low deal activity since 2013

5. Global Apparel Industry

5.1. Global industry overview

In 2015, the global apparel industry was valued at \$1.73 trillion.¹ The United States is the apparel industry's largest market. In terms of production, China accounts for more than 40 percent of total apparel-industry exports to all countries in 2015, while the EU-28 accounts for 25.8 percent of industry exports, and Bangladesh accounts for 7.2 percent of exports.²

Women and girls' apparel is the largest product segment of the apparel-manufacturing industry, accounting for almost two-thirds of revenue generated by it. Based on IBISWorld estimates, women and girls' apparel account for 56.5 percent of the apparel-manufacturing industry, or \$960 billion, based on 2015 global apparel market estimates.

According to IBISWorld, the apparel-manufacturing industry grew at an annualized rate of 0.6 percent between 2010 and 2015, but growth is expected to accelerate to 3 percent per annum between 2015 and 2020, driven by rising disposable incomes and rapid growth in demand from emerging countries.

5.2. Landscape of industry players

There are several large international and regional players in the global apparel industry, with close to 40,000 players identified by IBISWorld. Significant players with revenue greater than \$2 billion include Nike, Adidas and VF Corporation.

However, the remaining share of the market primarily comprises smaller firms with strong local brand recognition but with limited resources to develop a broader market presence. Large players have focused on organic growth, driving expansion across international and emerging markets and new product categories with various acquisitions. Although small industry players have adapted innovative and aesthetic designs in niche markets, the lack of financial resources to expand and develop brand recognition has led to a history of being acquired.

¹ Based on "Global fashion industry statistics – International apparel" at Fashion United. <https://www.fashionunited.com/global-fashion-industry-statistics-international-apparel>, accessed on February 15, 2016. The figures were estimates for 2012, extrapolated from historical annual growth rates of 0.6 percent per annum between 2010 and 2015, as referenced below.

² 'IBISWorld Industry Report Global Apparel Manufacturing', IBISWorld, 2015.

5.3. Top exporting countries

Global exports of apparel can be estimated at \$517 billion in 2015, or 30 percent of the global apparel market. Female apparel accounted for 28 percent of apparel exports.

Global exports of apparel were estimated at \$479 billion in 2014, an 8 percent CAGR increase from exports in 2012. Assuming a similar increase in 2015, exports would have been \$517 billion, accounting for 30 percent of the global apparel market in 2015.

- The top five exporting countries accounted for 55 percent of global apparel exports. The top exporters were China (\$173 billion); Bangladesh (\$28 billion); Italy (\$23 billion); Vietnam (\$20 billion); and Germany (\$19 billion).
- The export of female apparel amounted to \$136 billion in 2014, increasing by 7.8 percent CAGR between 2012 and 2014 and accounting for 28 percent of global apparel exports and 15 percent of the female clothing market.

The top five OIC export markets, led by Bangladesh, accounted for 12 percent of total apparel exports and 10 percent of female-apparel exports.

In 2014, OIC countries exported apparel worth \$69 billion in aggregate. The top five OIC exporting countries accounted for 12 percent of global exports in 2014 and close to 90 percent of OIC exports.

- OIC countries are net exporters of apparel, importing \$33 billion of apparel in 2014 and resulting in a sector trade surplus of \$36 billion in 2014.
- The top OIC exporters in 2014 were Bangladesh (\$28 billion); Turkey (\$16 billion); Indonesia (\$7 billion); Pakistan (\$5 billion); and Tunisia (\$4 billion).
- In aggregate, the largest five OIC markets in 2014 exported \$60 billion in apparel, 25 percent of which was female apparel.³

³ Latest available export statistics for 2014 at ITC Trade Map, <http://www.trademap.org/Index.aspx>, accessed on 15 February 2015.

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Muslims accounted for 14 percent of global spend or an estimated \$244 billion in 2015, however, with a rapidly increasing population, Muslim spend on apparel is expected to grow by 6 percent per annum between 2015 and 2020, which is double the growth rate of the global apparel industry. Modest clothing represents a key category of Muslim spend.

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MUSLIM MARKET FOR CLOTHING

6. Muslim Market for Clothing

6.1. The Islamic need for modest clothing

The demand for modest fashion for Muslims is underpinned by Islamic religious obligation for both males and females. The Holy Quran instructs Muslims to dress in a modest manner. There is a consensus among Islamic schools of jurisprudence on appropriate Islamic dress codes for women and men as summarized in the table below.⁴

<Table> Modest fashion needs by gender

Men	<ul style="list-style-type: none">• The clothing should properly cover the awrat. (Note: Most Shariah jurists agree that, among his non-mahram, a man's awrat is his body from the navel to the knees.)• No gold or silk is permitted. (Note: This opinion is based on a number of ahadith that condemn men who wear gold or silk.)• Garments should be loose and not body-hugging.• The clothing should have a concealing material and cut; the material and design of the dress should not show the colour of the skin it covers or the shape of the body that it is supposed to hide.• The clothing should not resemble women's clothing.• The clothing should not attract undue attention but observe the Islamic principles of modesty and haya.
Women	<ul style="list-style-type: none">• The clothing should properly cover the awrat. (Note: According to many jurists, among her non-mahram, a woman's awrat is her whole body with the exception of her face and her hands.)• Garments should be loose and not body-hugging.• The clothing should have a concealing material and cut; the material and design of the dress should not show the colour of the skin it covers or the shape of the body that it is supposed to hide.• The clothing should not resemble men's clothing.• A khimar (a head cover or scarf) or hijab, with or without a niqab, should be worn.• The clothing should not attract undue attention, observing the Islamic principles of modesty and haya.

Given the criteria above, Muslims who wish to adhere to the principles of Islamic dress are often hard pressed to find suitable clothing in mainstream retailers and marketplaces. This underserved need creates a unique set of opportunities within the clothing and fashion industry.

The need for modesty extends to other religions:

- In Judaism, the term tzniut, meaning 'modesty' or 'privacy', is a concept used within Orthodox and Conservative Judaism that includes a group of laws concerned with modesty in both dress and deed. The principal guiding point of tzniut with regard to dress is that a Jew should not dress in a way that attracts attention. However, just like in Muslim communities, there are various interpretations of tzniut in Jewish communities, resulting in a variety of dressing practices.⁵
- Several passages in the Bible highlight the need for modesty.
- In Hinduism, the Rigveda⁶ instructs a woman to wear a veil and lower her gaze. Additionally, the book mentions that wearing the garments of the opposite sex is prohibited.⁷

⁴ Summarized from Jamal Badawi, *Women & Men Dress in Islam*. http://www.icmtn.org/forms/women_dress.pdf, accessed on 15 February 2016.

⁵ <http://www.torah.org/learning/women/class14.html#>, accessed on 31 January 2016.

⁶ Rigveda Book 8, Hymn 33, verse 19.

⁷ Rigveda Book 10, Hymn 85, verse 30.

6.2. Muslim spend on clothing

The Islamic modest fashion market is a subset of Muslim expenditure on apparel, which is estimated at \$244 billion in 2015 and projected to grow by 6.04 percent CAGR by 2020. The degree to which Muslims adhere to Islamic clothing requirements varies regionally as well as within regions and countries in their interpretation and cultural influence. Therefore, the Islamic modest clothing market is considered a subset of spending by Muslim consumers on all apparel.

Muslims spent an estimated \$230 billion on apparel in 2014, and this expenditure is projected to grow to \$327 billion by 2020.⁸ Based on the estimated CAGR, the aggregate was \$244 billion in 2015, amounting to 14 per cent of the global apparel industry.⁹

The five largest consumption markets in 2014 were Turkey (\$25 billion), the United Arab Emirates (\$18 billion), Nigeria (\$15 billion), Saudi Arabia (\$14.7 billion), and Indonesia (\$12.7 billion).¹⁰

Though spending is largely conducted through traditional retail channels, e-commerce is a high-growth channel estimated at above \$5 billion in 2015, and the top ten markets account for over 60 percent of spend. E-commerce is becoming an increasingly important channel, with spend on clothing estimated at \$4.8 billion in 2013. Assuming a similar share of the overall Muslim spend on apparel in 2015 would suggest a \$5.2 billion market in 2015, although digital penetration rates are likely to have increased much faster than growth in total spend on clothing.

Based on detailed analysis undertaken in 2013, the top ten Muslim clothing e-commerce markets accounted for 60.9 percent of global spend, or \$2.9 billion.

- Assuming the top ten markets maintained their aggregate share of total Muslim e-commerce spend on clothing in 2015, this would amount to at least \$3.2 billion spent by Muslims on clothing through e-commerce in 2015.
- The largest markets identified in the 2013 study were as follows:
 - Turkey (9.8 percent share of total spend)
 - U.S.A. (9.2 percent share of total spend)
 - U.A.E. (8.9 percent share of total spend)
 - Saudi Arabia (7.6 percent share of total spend)
 - Germany (6.1 percent share of total spend)
 - U.K. (4.9 percent share of total spend)
 - France (4.3 percent share of total spend)
 - Iran (3.9 percent share of total spend)
 - Egypt (3.4 percent share of total spend)
 - Morocco (2.8 per cent share of total spend).
- These figures reflect the current Internet and e-commerce penetration of these markets and Muslim population clothing spending in these countries.¹¹

⁸ Thomson Reuters and DinarStandard, *State of the Global Islamic Economy Report 2015/16*.

⁹ "IBISWorld Industry Report Global Apparel Manufacturing", IBISWorld, 2015.

¹⁰ Thomson Reuters and DinarStandard, 'Special Focus: Clothing E-Commerce', in *State of the Global Islamic Economy Report 2015/16*, 2014.

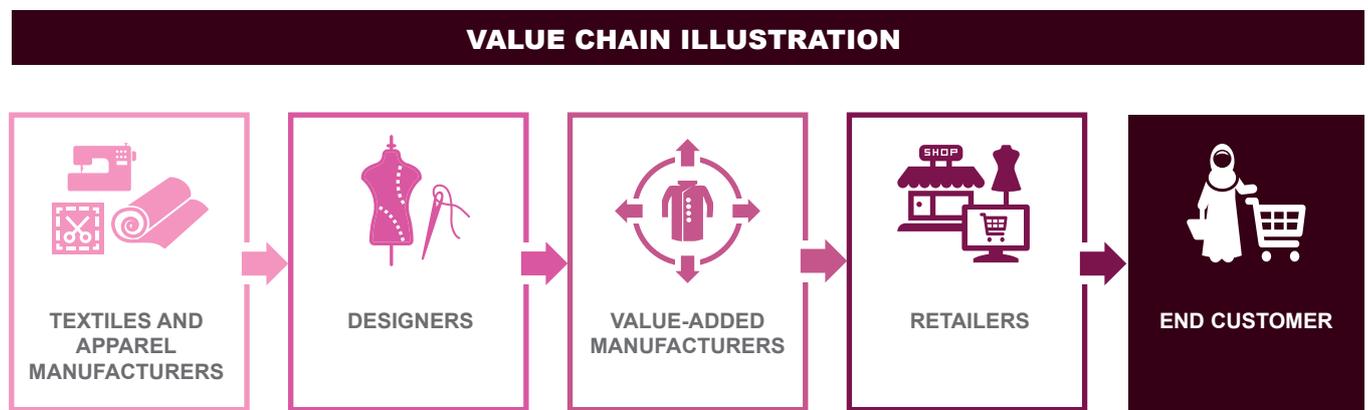
¹¹ Thomson Reuters and DinarStandard, *State of the Global Islamic Economy Report 2015/16*, 2015.

7. Current Landscape and Key Players Addressing the Muslim Market

7.1 Value chain overview

The Islamic Modest fashion market value chain can be segmented into four broad categories: textiles suppliers, designers, value-added manufacturers and retailers.

<Diagram> The value chain



Textile and apparel manufacturers process raw materials into semi-finished garments and clothes. They tend to be located in low-cost countries that represent key export markets for apparel. Garment manufacturers tend to serve both the modest and mainstream fashion industries; however, there are notable players in modest fashion that have vertically integrated operations and possess their own textile mills.

Designers are the creative drivers of the modest fashion industry. A majority of modest fashion designers are fashion house startups producing clothing in limited quantities. They are usually family-run or limited partnership entities.

Value-added manufacturers in the modest fashion market are usually fashion labels or designers that have managed to expand their production line, either in-house or through outsourcing, to serve a larger market.

Retailers include both e-commerce and offline traditional retailers, although some retailers carry their own product lines.

7.2 Landscape

The modest fashion industry is at a very nascent stage and highly fragmented, with over 146 focused Islamic modest fashion brands, 58 (sell their own brand) focused retailers and over 800 apparel manufacturers in key OIC export markets. There are also 25 mainstream fashion players addressing modest fashion.

- Existing brands and retailers tend to be country-focused with limited international scope, with a few exceptions including Pakistan-based retailer Gul Ahmed, which has an international store presence.
- Textile and apparel manufacturers tend to serve numerous clients and are predominantly located in select OIC exporting countries, including mainstream fashion companies, with limited vertical integration across brands and textile manufacturing.
- The industry remains at an early stage, but with substantial growth opportunities. According to Altaf Alim, Commercial Director at Aab, modest fashion, which was once very niche, is on the cusp of stepping into the mainstream. An example of this is our recent Aab store opening in a mainstream shopping centre, where we are competing alongside established fashion brands with encouraging results.’
- This section presents an overview of the landscape, but Section 10 contains a full breakdown of the key designers and retailers as well as a selection of apparel manufacturers in each of the key apparel-exporting OIC markets.

<Table> Overview of Islamic modest fashion landscape

Segment	Textile	Manufacturers	Key Designers and Brands	Key Retailers
Analysis coverage	Top five OIC exporters		Global	Global
Estimated number of players	More than 800 (More than 1,000 globally)		146 (including 7 mainstream fashion brands)	85 (including 18 mainstream retailers)

In a highly fragmented industry, there were over 7,500 textile- and apparel-manufacturing companies in the five largest OIC apparel-export markets. Of those companies, over 800 were focused on female apparel.¹² Furthermore, 14 percent, or over 100 of these, were focused on modest fashion.

- Each segment of the value chain is highly fragmented in nature, with none of the key players accounting for more than 5 percent of the global industry.
- For the five leading OIC apparel-export markets, there were a total of 7,681 apparel- and textile-manufacturing companies.
- Of these suppliers, 821 were focused predominantly on female apparel in the top OIC markets. Applying an estimated 14 percent for the Muslim consumer’s share of clothing spend in 2015, there were 114 focused on women’s modest clothing.

¹² Based on information from private company database of Hoover’s, Inc. While there was robust data for Turkey and Indonesia, the numbers for Bangladesh, Pakistan and Tunisia were based on an extrapolation of the value of apparel exports per company for Turkey and Indonesia.

<Table> Numbers of apparel companies by top exporting market

Country	Total apparel	Female apparel
Bangladesh	3,656	249
Turkey	2,207	424
Indonesia	902	87
Tunisia	353	17
Pakistan	564	43
Total	7,681	821

This report identified 146 Islamic modest fashion brands and 85 Islamic modest fashion retailers, with Indonesia, the United States and Malaysia representing the top retail markets.¹³

Of the 85 modest fashion e-commerce sites identified globally, 68 percent manufactured and sold their own brands. The top locations for retailers were Indonesia, Malaysia, the United Kingdom and the United States, which accounted for 44 of 85 identified retailers, or 52 percent of the total number of Islamic modest fashion retailers globally.

The 146 brands identified primarily sold through three of the leading e-commerce websites: Modanisa, Sefamerve, and HijUp.

<Table> Islamic modest fashion key players landscape—breakdown by core activity

Category	Number of Players	% of total
Brands	146	63%
Own Brand Retail	54	23%
General E-commerce Retail	13	6%
Mainstream Retail Players	18	7%
Grand Total	231	100%

<Table> Islamic modest fashion retailers landscape—breakdown by country

Country	Number of Players	% of total
Indonesia	11	13%
United States	11	13%
Malaysia	11	13%
United Kingdom	11	13%
Turkey	6	7%
United Arab Emirates	4	4%
Other	31	36%
Grand Total	85	100%

¹³ This list is based on a detailed search of Hoover's global company database, online retailers lists on Halalpalooza, a list of key brands on Aquila Style, and a search of brands sold through the Islamic e-commerce Modest fashion sites that had the highest traffic. This was supplemented by collective DinarStandard's findings as highlighted in the *State of the Global Islamic Economy Report 2014/15* and *State of the Global Islamic Economy Report 2015/16*, including the modest fashion e-commerce study in 2014 and the Digital Islamic Economy Report in 2015.

Furthermore, this report identified 25 mainstream fashion industry players that have sought to address the Islamic modest fashion industry either by introducing their own brands or by selling modest fashion products.

The top countries for mainstream fashion companies were Indonesia (4 companies) and the United Kingdom (4 companies), followed by the United States (3 companies), Italy (2 companies), and Malaysia (2 companies).

<Table> Mainstream global fashion players addressing Islamic modest fashion

Category	Number of Players	% of total
Brands	7	28%
Own Brand Retail	4	16%
General E-commerce Retail	14	56%
Grand Total	25	100%

7.3 Key players

Table: Select key players in the global modest fashion industry

Segment	Key Players ¹⁴
Textile Suppliers	<p>Beximco Group (Bangladesh)</p> <ul style="list-style-type: none"> Beximco is one of South Asia's largest textile and garment companies, manufacturing cotton and polyester blended garments for men, women, and children for both domestic and export markets. The Group's global clients include Calvin Klein, H&M, JCPenney, Macy's, Zara, UNICEF, Royal Doulton and Villeroy & Boch.
	<p>Apac Citra Centertex Tbk PT (Indonesia)</p> <ul style="list-style-type: none"> Apac Citra Centertex Tbk PT is a multinational company with garment manufacturing operations in Indonesia, Africa, the Americas, Asia, Australia and Europe.
Designers/ Labels	<p>Khaadi (Pakistan)</p> <ul style="list-style-type: none"> Khaadi is a multinational Pakistani fashion brand with 40 stores in Pakistan, the U.A.E., Saudi Arabia, Canada, Mexico, the United States, Australia, Malaysia and the United Kingdom. The estimated annual turnover is \$67 million.
	<p>Itang Yunasz (Indonesia)</p> <ul style="list-style-type: none"> Itang Yunasz is one of Indonesia's veteran designers. Over the past two decades, Itang Yunasz has been mainly focusing on serving the modest fashion market through his company, PT Yunasz Astabrata. Within his company, Yunasz manages one mainstream fashion label, Tatum, and four Muslim fashion labels: Preview (mid-end Muslim men's apparel), Kamilaa (mid-end Muslim women's apparel), Moshaiet (mid-end young Muslim women's apparel), and Itang Yunasz (premium line). The estimated annual turnover is around \$50 million in 2015.
Value-add Manufacturers	<p>SHUKR (Jordan)</p> <ul style="list-style-type: none"> Founded in 2000, SHUKR is one of the pioneers in the modest fashion industry. SHUKR manufactures its clothing lines in Jordan and sells via its e-commerce store, which focuses on the United States, the United Kingdom, Canada, Turkey and other international markets. SHUKR's clothing lines are also carried by stockists in many countries, including in Australia, as well as in Africa, Asia, Europe and MENA.
	<p>PT Shafira Laras Persada (Indonesia)</p> <ul style="list-style-type: none"> PT Shafira Laras Persada has been producing Muslimwear since 1988, making it one of Indonesia's Modest fashion industry pioneers. The company owns around 25 outlets across Indonesia.
	<p>Tekbir (Turkey)</p> <ul style="list-style-type: none"> Established in 1982, Tekbir is one of the leading players in Turkey's modest fashion industry. Tekbir's products are sold in around 100 outlets. The company employs around 3,000 people in its manufacturing facility.
	<p>DKNY (U.S.A.)</p> <ul style="list-style-type: none"> DKNY is a leading mainstream global fashion brand based in New York, owned by French multinational luxury goods conglomerate LVMH. LVMH generated revenues of over \$39 billion in 2015.¹⁵ DKNY launched the Ramadhan Collection in 2014, collaborating with U.A.E.-based fashion designers Yalda Golshari and Tamara Al-Gannani.

¹⁴ Based on company data.

¹⁵ "LVMH Investors", <http://www.lvmh.com/investors/>, accessed on 15 February 2016

Segment	Key players
Retailers	<p>Modanisa (Turkey)</p> <ul style="list-style-type: none"> • Modanisa is a leading e-commerce site with over 200 brands and more than 22 designers selling through the platform. It receives more than 4.5 million visitors each month and has 1.8 million followers on Facebook.¹⁶
	<p>Sefamerve (Turkey)</p> <ul style="list-style-type: none"> • With 4.3 million female followers on Facebook, Sefamerve was the second-fastest developing brand after Turkish Airlines in 2015 according to Socialbakers. It recorded 29 million page interactions between January and November 2015.¹⁷
	<p>Matahari (Indonesia)</p> <ul style="list-style-type: none"> • Matahari is a leading retail company with more than 140 stores all over Indonesia. • Net revenue as of September 2015 was \$504.6 million • Private equity firm CVC Capital Partners owns around 2 percent of Matahari's shares.
	<p>Landmark International (UAE)</p> <ul style="list-style-type: none"> • The Landmark Group of Companies runs 1,000 mainstream fashion outlets encompassing 18 million square feet of retail space across its portfolios in the Middle East and India. • The annual turnover was \$5 billion (estimated, 2015).
	<p>Gul Ahmed (Pakistan)</p> <ul style="list-style-type: none"> • Gul Ahmed is one of the largest integrated textile mills in Pakistan that sells its products through its own retail chain, Ideas, and the Gul Ahmed online store. • The annual turnover was \$319.4 million (2015)

¹⁶ '\$5.5 Million Investment to Modanisa', Borsa Istanbul, 25 February 2015. <http://www.borsaistanbul.com/en/news/2015/02/25/usd-5.5-million-investment-to-modanisa.com>

¹⁷ 'The Most Popular Brand', Daily Sabah, January 15, 2016. <http://www.dailysabah.com/life/2016/01/16/japanese-firms-return-home-set-eye-on-consumer-electronics-market>

8. M&A Activity in the Modest fashion Value Chain

8.1. Overview

This report identified 32 M&A apparel-manufacturing deals between February 2013 and February 2016 in the OIC countries and a further three notable investments in modest fashion companies between February 2013 and February 2016.

This analysis is based on an extensive search of Zephyr, a leading global M&A and investments database, for investments made in apparel and textile manufacturing companies in OIC countries. We note that not all of these companies are necessarily focused or involved in modest fashion, but they do represent a key component of the global fashion industry supply chain. The following parameters were also followed for the purposes of this analysis:

- Any non-apparel deals or deals where the target was not an apparel manufacturer was excluded.
- Only deals occurring between February 2013 and February 2016 were included on the list. All IPOs were excluded, as were any investments where an equity stake of less than 30 percent was acquired or where an existing debt investment was converted into equity.
- The list was supplemented by a best-efforts review of publicly available information on venture investments made in modest fashion companies globally, although other investments may have occurred that were not reported or were of a smaller amount.

8.2. M&A and Investment Activity in the Modest fashion Value Chain

In the OIC markets, 32 investments in textile and apparel manufacturers were identified between February 2013 and February 2016, valued at \$186 million in aggregate.

- Five OIC markets accounted for over 80 percent of deal volume and over 90 percent of deal value. The largest markets, in order of size, were Indonesia, Turkey, Pakistan, Egypt and Malaysia.
- Indonesia, the third-largest apparel-export market in the OIC, was the largest market by both deal volume (accounting for seven deals, or 22 percent of deal volume) and by value (accounting for 33 percent of value).
- The top 10 deals accounted for 75 percent of aggregate deal value, with all top deals being corporate acquisitions, and with limited evident involvement by private equity players.

<Table> Breakdown of M&A activity by top OIC markets

Country	# of deals %	%	Value (\$ in millions)	%
Indonesia	7	21.9%	62.5	33.4%
Turkey	5	15.6%	41.2	22.0%
Pakistan	4	12.5%	22.1	11.8%
Egypt	5	15.6%	26.5	14.2%
Malaysia	5	15.6%	10.6	5.7%
Other	6	18.8%	24.3	13.0%
Total	32	100.0%	187.3	100.0%

<Table> Top Apparel Investments in OIC markets

Target: Modanisa	Target name	Target Country	Acquirer name	Acquirer type	Deal Year	Deal Value (\$ in millions)	% of total
Apparel suppliers	Sinar Pantja Djaja, Pt	Indonesia	Sri Rejeki Isman Tbk, Pt	Corporate	2013	41.51	22.2%
	Yeni Tekstil Sanayi Ve Ticaret As	Turkey	Eis Eczacibasi Ilac Sinai Ve Finansal Yatirimlar San Ve Tic As	Corporate	2015	20.30	10.8%
	Masood Textile Mills Ltd	Pakistan	Shandong Ruyi Science & Technology Group Co., Ltd	Corporate	2013	12.78	6.8%
	Kap-Teks Ooo	Uzbekistan	Rus Invest Textile Group Ooo	Corporate	2013	11.88	6.3%
	Mensa Gayrimenkul Yatirim Insaat As	Turkey	Mensa Sinai Ticari Mali Yatirimlar As	Corporate	2013	8.34	4.5%
	Fast Retailing Indonesia, Pt	Indonesia	Mitsubishi Corporation	Corporate	2013	7.18	3.8%
	Golden Textiles & Clothes Wool Company Sae	Egypt	Arafa Ready-Made Clothes Investment	Corporate	2013	5.75	3.1%
	Teodore Pan Garmindo, Pt	Indonesia	Undisclosed Joint Venture Partner	Corporate	2014	5.56	3.0%
	Golden Textiles & Clothes Wool Company Sae	Egypt	Undisclosed Acquirors	Corporate	2014	4.86	2.6%
	Berjaya Bandartex Sdn Bhd	Indonesia	Ramatex Bhd	Corporate	2015	3.82	2.0%
	Other deals						65.29
Subtotal						187.27	100.0%
Select brands/retailers	Modanisa	Turkey	STC Ventures	Venture Capital	2015	6	
	HijUp	Indonesia	500 startups/Aslanoba ventures	Venture Capital	2015	>1 million	
	Citra Style	Germany	Consortium	Venture Capital	2013	\$1.5 million	

8.3 Select deal profile analysis

<Table> Analysis of select top M&A deals in apparel-manufacturing

Target: PT Sinar Pantja Djaja	Acquirer: PT Sri Rejeki Isman TBK (Sritex)	Target sector/country: garment manufacturing / Indonesia	Value: \$41.5 million
Deal rationale:	<p>Acquirers: PT Sri Rejeki Isman TBK, better known as Sritex, is a vertically integrated textile-and-garment manufacturer in Indonesia. The company, Southeast Asia's largest textile manufacturer, has four production units: spinning, weaving, dyeing, and garment. Sritex is controlled by the Lukminto family.</p> <p>Target: PT Sinar Pantja Djaja manufactures and exports yarns such as polyester and viscose for the spinning industry. The company is based in Semarang, Indonesia.</p> <p>Value-creation opportunities: The acquisition helped Sritex almost double its spinning production to 583,000 bales of yarn per year, contributing 30 percent to Sritex's spinning sales in the first half of 2014.¹⁸</p>		
Target: Yeni Tekstil Sanayi ve Ticaret	Acquirer: Eis Eczacıbaşı İlaç	Target sector/country: garment manufacturing / Turkey	Value: \$20.3 million
Deal rationale:	<p>Acquirers: Founded in 1942, Eczacıbaşı is a prominent Turkish industrial group with 41 companies, 12,450 employees and a combined net turnover of TL 7.4 billion in 2014.</p> <p>Target: Yeni Tekstil is a leading textile manufacturer operating in Istanbul.</p> <p>Value-creation opportunities: The acquisition helped Eczacıbaşı gain access to the lucrative textile market as well as the ability to grow its real-estate portfolio. The combined entity can also leverage Eczacıbaşı's buying power and scale to achieve cost efficiencies.</p>		

¹⁸ 'Sritex Prepares \$159m for Expansion, Hopes to Boost Sales,' The Jakarta Post, 13 August 2014.

8.4 Investment in modest fashion retail companies

<Table> Analysis of top investments in Modest fashion

Target: Modanisa	Acquirer: STC Ventures / Aslanoba Capital	Target sector/country: Modest fashion / Turkey	Value: \$5.5 million
Deal rationale:	<p>Acquirers: STC Ventures is an independently managed venture capital fund whose anchor investor is the Saudi Telecom Company. STC Ventures primary goal is to empower entrepreneurs to create market leading technology businesses. Aslanoba Capital is an early-stage technology investor.</p> <p>Target: Modanisa.com is a leading online fashion and shopping website for women who embrace a modest dressing style, offering thousands of options in line with their preferences.</p> <p>Value-creation opportunities:</p> <ul style="list-style-type: none"> • Market Expansion: STC Partner Aiman Al-Atiqi referred to Modest fashion as a 'large and untapped market' in a press release. Investors agree that this may be one of the largest and fastest-growing markets in the region. • Revenue diversification: This also creates revenue opportunities internationally for the Saudi-based venture firm.¹⁹ 		
Target: HijUp	Acquirer: Fenox Venture Capital / 500 Startups	Target sector/country: Modest fashion / Indonesia	Value: undisclosed
Deal rationale:	<p>Acquirers: Fenox Venture Capital is a Silicon Valley-based venture capital firm that specializes in assisting entrepreneurs in North America achieve global expansion in Asian, European and Middle Eastern markets. 500 Startups is a leading global venture capital seed fund and startup accelerator.</p> <p>Target: HijUp is an e-commerce site that mainly sells Islamic fashion items for women in Indonesia.</p> <p>Value-creation opportunities: HijUp intends to use the capital to expand geographically and strengthen its position in the Southeast Asia Muslim e-commerce space. It also hopes to build its infrastructure capabilities and human resource functions to support a larger customer base.²⁰</p>		

¹⁹ 'Turkey Modanisa Islamic Fashion Ecommerce Raises 5.5 Million Investment from STC Ventures', *Wamda*, <http://www.wamda.com/2015/03/turkey-modanisa-is-lamic-fashion-ecommerce-5-5m-investment-stc-ventures>, accessed on 15 February 2015.

²⁰ Indonesia's HijUp bags second round of seed funding at 7 figures, *Tech in Asia*, accessed on 15 February 2015.





OPPORTUNITIES AND CONSIDERATIONS

9. Opportunities and Considerations

9.1. Overview of opportunities

M&A serves as a critical strategic component for fashion brands, both mainstream and modest, to significantly expand the scope of their products and geographic presence.

However, the modest fashion industry provides significant potential returns for both the private equity and venture capital industries. Both investor types can play a key role in building global modest fashion brands.

The major stakeholders that can gain from investments are as follows:

- **Fashion industry companies**—existing modest and mainstream fashion companies, including brands and retailers
- **Private equity firms**—investment firms that can invest in established, high-growth Modest fashion companies to create international players
- **Venture capital firms**—high-risk investment firms that can invest in new concepts and innovative startups to create new players.

<Figure> Overview of investment options by key stakeholder

STAKEHOLDERS	INVESTMENT OPTIONS		
 FASHION COMPANIES	Expand geographic and product coverage	Build scale to enable cost efficiency	Acquire talented designers
 PRIVATE EQUITY	Invest in a brand	Expand global retail and customer network	Build a brand portfolio
 VENTURE CAPITAL	Invest in innovative products	Invest in new formats	

9.2. Opportunities for fashion industry players

Figure: An illustration of growth options for fashion industry players



Expand geographic and product coverage

By acquiring modest fashion retailers, fashion companies can significantly boost revenues through the creation of companies that have an international focus, a broad product offering and substantial production volumes.

Currently, modest fashion retailers are small in size and focused on specific countries. However, they have established a loyal customer base, and those selling their own brands have access to established production capabilities.

Several scenarios can unfold where companies in the fashion value chain can leverage M&A to boost revenues and strengthen their product offering, facilitating the creation of global modest fashion brands:

- Mainstream retailers can boost their online presence, entering the modest fashion space and creating the possibility of introducing modest fashion products into their physical stores.
- Modest fashion retailers can access customers in new countries and enhance their brand and product offering by acquiring other modest fashion sites.
- Manufacturers with established production capabilities can gain access to the modest fashion market by acquiring retailers.

The rationale behind several recent mainstream deals illustrates how leading international modest fashion brands can be created:

- The acquisition of online retailer Ebuys Inc. for \$62.5 million will help footwear and accessories retailer DSW Inc. (NYSE: DSW) expand into online and international markets.
- Italy-based La Rinascente acquired the German KaDeWe Group to broaden its geographic focus.
- Macy's acquisition of beauty retailer Bluemercury in early 2015 has helped Macy's in repositioning its brand, with plans to introduce the retailer's product lines into the chain's stores.

When asked about industry consolidation opportunities, Rabia Z's founder, Rabia Zargapor commented, 'Opportunities lie across the value chain; however, due to no major and real modest fashion brands that are big enough to add value to the manufacturers as yet ... [the] current opportunity lies mainly with retailers in buying wholesale and retailing them. Once there is a significant increase of modest fashion with retailers, only then can there be an increase in manufacturing orders and so on...' ¹⁴

Build scale to enable cost efficiencies

Consolidation can help brands build scale through greater purchasing power with manufacturers and by leveraging relatively fixed support costs.

Under common ownership, companies with multiple modest fashion brands can negotiate better terms with apparel manufacturers and gain more visibility with retailers.

Commenting on the challenge of securing reliable manufacturers in the *State of the Global Islamic Economy Report 2015/16*, Windri Widiesta Dhari of Islamic modest fashion brand NurZahra said, during the period between 'the 1st and 3rd years in the business, the biggest challenge was production. Having the right suppliers and having the best manufacturers were very difficult due to minimum quantity orders in their policies and terms of payment.'

Many mergers between fashion companies have the benefit of both expanding revenues and rationalizing the cost base of both companies. The merger of JustFab and ShoeDazzle, two subscription e-commerce apparel companies, helped both to expand internationally and realize operational synergies. ¹⁵

Acquire brands

Given the success of several mainstream brands in launching their own modest fashion brands, like DKNY and Dolce and Gabbana, M&A can help brands boost their product diversity. Several mainstream deals highlight product diversity as a key driver of M&A activity among established brands:

- Coach, Inc. agreed to buy designer footwear company Stuart Weitzman for as high as \$574 million as part of an effort to revamp the luxury handbag-maker's image amid declining sales and increased competition.
- In late November, Italian luxury goods-maker Tod's SpA announced its intention to purchase the Roger Vivier trademark for 415 million , or \$441.7 million. ¹⁶

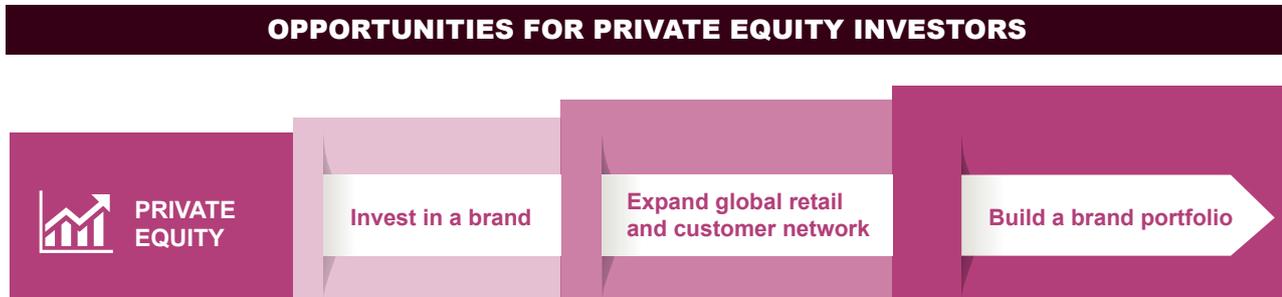
¹⁴Arthur Zaczekiewicz, 'Scaling Up: M&A Activity to Rise as Omnichannel Retailing Grows', *WWD*, 17 June 2015, <http://wwd.com/business-news/mergers-acquisitions/ma-activity-omnichannel-retailing-grows-10155880/>.

¹⁵JustFab and ShoeDazzle Announce Merger to Create the World's Largest Fashion Subscription E-Commerce Company', PR Newswire, <http://www.prnewswire.com/news-releases/justfab-and-shoedazzle-announce-merger-to-create-the-worlds-largest-fashion-subscription-e-commerce-company-220515221.html>.

¹⁶Sheena Butler-Young, 'The 7 Biggest Fashion Company Mergers of 2015', 22 December 2015, <http://footwearnews.com/2015/business/mergers-acquisitions/7-biggest-fashion-shoe-company-mergers-acquisitions-2015-178990/> *Footwear News*.

9.3 Opportunities for private equity investors

<Figure> An illustration of growth options for private equity investments



Invest in a budding brand

Private equity firms are attracted to the fashion industry, with mid-sized and large buyout firms making investments in fashion brands. Private equity firms that invest in brands are attracted by a loyal customer base and positive consumption growth, and apparel is no exception to this. Business development site Axial Technologies lists close to 150 North American mid-market private equity firms that invest in apparel.¹⁷

There have also been notable investments by leading global private equity firms in fashion brands:

- In April 2015, The Blackstone Group L.P., the publicly listed private equity firm that has shaped the modern private equity industry, acquired a 20 percent stake in Versace in 2014.
- Leading Italian private equity firm Clessidra invested in fashion brand Roberto Cavalli in 2015.
- Carlyle invested in ski jacket-maker Moncler in 2009 and exited in 2014.¹⁸

Mid-sized brands are gaining increasing attention from investors, driven by fragmented demand in a maturing fashion market, with some consumers preferring to purchase independent brands instead of major fashion brands.

Modest fashion is a niche, emerging area of focus for private equity firms to consider, with attractive investment fundamentals. Modest fashion represents an attractive niche for private equity players to invest in, with notable brands and retailers gaining traction and growing rapidly—such as Modanisa and HijUp, which secured multi-million dollar investments in the last year—and developing a loyal and increasingly global customer base.

Altaf Alim, Commercial Director at Aab, observes: ‘I do know that [private equity firms] are watching this space with interest. Mainstream fashion is a fairly saturated and mature market, therefore it’s increasingly difficult to stand out. However, modest fashion, which was once very niche, is on the cusp of stepping into the mainstream.’

¹⁷ “Apparel Retail Private Equity Firms”, *Axial.com*, accessed on 15 February 2016.

¹⁸ ‘Private Equity Embraces Italian Fashion Revival’, *Financial Times*, 6 July 2016.

However, a key consideration for securing investment is ensuring that investments funds are Shariah-compliant, which will help brands maintain credibility with values-based consumers. According to Kerim Ture, Founder and Managing Partner at Modanisa, ‘The Muslim PE and personal wealth management companies realize the potential now, and I hope we will see [them being] pioneers in this field before their western counterparts.’

Enable rapid organic growth

Private equity investors can provide modest fashion with capital, supplemented by strategic and operational know-how, to achieve rapid organic growth in both revenue and profits.

Recent investments in mainstream fashion companies serve as a case in point:

- Qatar-based Mayhoola invested over 200 million euros (\$220 million) in building Valentino’s global retail network, helping revenues reach close to 700 million euros (\$770 million) and more than doubling over a five-year period.
- U.S.-based Carlyle listed Moncler in 2014 and was able to recoup six times its initial investment.¹⁹

Modest fashion companies face the challenge of scaling production and evolving from a mostly online presence to establishing brick-and-mortar locations.

Commenting on the impact private equity could have on modest fashion, Altaf Alim of Aab said, ‘Private equity can ultimately offer a fast track to achiev[ing] scale for a modest fashion company. For example, opening stores or hiring experienced staff ... A private equity firm can offer the financial resources and expertise to help a brand achieve scale in 2–3 years compared to 5–7 years if the brand does it alone.’

Rabia Zargapur echoed the sentiments about opportunities and noted that private equity firms ‘can provide a strong infrastructure that a real fashion company needs, from management, financial models, legal teams, professional creative teams, [and] production partners, all the way to marketing, sales, PR and of course retail, bricks-and-mortar and online...’

Build a brand portfolio

Private equity firms often use bolt-on acquisitions to grow the size, scope and profitability of their portfolio companies, with notable success stories in the mainstream apparel industry.

A case in point is Sun Capital’s acquisition of family-owned The Uniform Place, a Milwaukee-based apparel retailer, for undisclosed terms. This was a bolt-on acquisition for portfolio company Life Uniforms, which is a retailer of hospital scrubs and other specialty healthcare apparel.²⁰

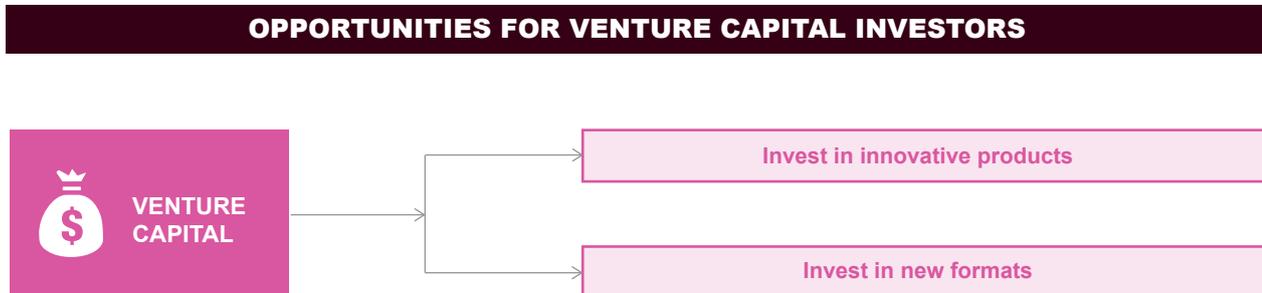
When asked about general consolidation opportunities, Kerim Ture of Modanisa said, ‘In the mid- and long-term, [consolidation] will be a necessity ... Every market has a different fashion retail dynamic; to reach the global level, modest fashion retailers and brands will consolidate to gain the market expertise and to scale.’ There is substantial scope to consolidate different brands under common ownership, helping modest fashion companies to expand both product and geographical scope.

¹⁹ ‘Private Equity Embraces Italian Fashion Revival’, *Financial Times*, 6 July 2016.

²⁰ Anthony Noto, ‘Sun Capital Buys the Uniform Place’, *Mergers & Acquisitions*, 21 December 2011, http://www.themiddlemarket.com/news/sun_capital_buys_the_uniform_place-226059-1.html.

9.4 Opportunities for Venture Capital Investors

<Figure> An illustration of investment options for venture-capital firms



Invest in Innovative Products

Modesty can impose lifestyle constraints on Muslim women, so there is substantial opportunity for entrepreneurs to develop innovative products that can translate into significant returns for venture investors.

A notable example of such innovation is Veil Hijab, a U.S.-based startup that launched a pre-order campaign on Kickstarter for 'the first water-repellent, climate-adapting hijab' in 2015. The campaign exceeded its goal of \$5,000 by 784 percent, having raised \$39,221 from nearly 900 people.²¹

Another example of product innovation with high growth potential is a hijab that enables Muslim women to comfortably and easily use earphones or stethoscopes. Singaporean designer Adlina Anis has come up with a pilot product that aims to solve this problem.²²

Meanwhile, Turkey-based e-commerce company Sefamerve sees an opportunity to help Muslim women care for their covered hair: the company is working on bonnets that will include Vitamin E capsules to prevent hair loss.²³

²¹ Merinda Valley, 'Veil Brand Aspires to Be "Nike of Muslim Women"', *The Arab American News*, http://www.arabamericannews.com/news/news/id_11323/Veil-brand-aspires-to-be-Nike-of-Muslim-women.html.

²² Jacky Yap, 'Brilliant! This Singapore Designer Created the First Ever Earphone Friendly Tudung!', *Vulcan Post*, January 2016, <https://vulcanpost.com/505961/earphone-friendly-hijab/>.

²³ Yakup Kocaman, 'Lessons from Innovation in Turkey's Hijab Market', *Salaam Gateway*, 4 September 2015, fashionartdesign.salaamgateway.com/en/fashion-art-design/story/Lessons_from_innovation_in_Turkeys_hijab_market-SALAM04092015105832/.

New formats/aggregators

Despite its significant market size, there are inefficiencies in the fragmented modest fashion industry. These are areas where digital companies can introduce innovations.

Online marketplace or aggregator websites for modest fashion are innovation areas that can bring more efficiency into the market. ModLi.co is an online marketplace for modest fashion that has received a round of seed funding.²⁴ However, the site currently caters predominantly to Jewish and Christian women in the U.S. and Israel markets. To date, there has never been a similar Etsy-like format for Muslim-focused fashion.

An increasing number of startups are offering a subscription model for consumer goods that can be extended to modest fashion. Some notable examples are Birchbox, which sends monthly samples of high-end beauty products to subscribers, and the Dollar Shave Club, a subscription company that sends monthly replacements of razor blade cartridges. Opportunities are open to introduce a similar business model to modest fashion. A company that has operated under this model is Hijabi Box, which has been operating since 2013 and has more than 28,000 followers on Facebook. Yet, despite the increasingly diverse selection of Islamic fashion available in recent years, there are still plenty of opportunities for Muslim fashion-focused startups to tap into the subscription model.

²⁴ CrunchBase, <https://www.crunchbase.com/organization/modli#/entity>, accessed 15 February 2015.





APPENDIX

10. Appendix

<Table> list of Islamic modest fashion retailers

Retailers List		
Name	Primary Type	Country
Cbazaar	General Ecommerce Retail	India
Haute Arabia	General Ecommerce Retail	U.K.
Hijabenka	General Ecommerce Retail	Indonesia
Hijup.com	General Ecommerce Retail	Indonesia
Jakel	General Ecommerce Retail	Malaysia
libaas.co	General Ecommerce Retail	U.S.A.
MID Collections	General Ecommerce Retail	Nigeria
ModLi	General Ecommerce Retail	Israel
Modanisa	General Ecommerce Retail	Turkey
Muslimmarket.com	General Ecommerce Retail	Indonesia
Sefamerve	General Ecommerce Retail	Turkey
The Scarves Company	General Ecommerce Retail	U.K.
thehijabstore.com	General Ecommerce Retail	U.S.A.
Hijabi Box	General Ecommerce Retail	U.S.A.
4D Hijabi - Salam Hijab	Own Brand Ecommerce Retail	Canada
5ive pillars	Own Brand Ecommerce Retail	U.S.A.
Abaya Addict	Own Brand Ecommerce Retail	U.A.E.
Ahiida	Own Brand Ecommerce Retail	Australia
Aker	Own Brand Ecommerce Retail	Turkey
Al Jalabiya	Own Brand Ecommerce Retail	Saudi Arabia
Alsharifa.com	Own Brand Ecommerce Retail	U.S.A.
Annahariri	Own Brand Ecommerce Retail	U.A.E.
Armine	Own Brand Ecommerce Retail	Turkey
Artizara.com	Own Brand Ecommerce Retail	U.S.A.
Athwab	Own Brand Ecommerce Retail	Jordan
Barakallah.com	Own Brand Ecommerce Retail	U.S.A.
Bokitta	Own Brand Ecommerce Retail	Lebanon
CitraStyle	Own Brand Ecommerce Retail	Germany
Desert Store	Own Brand Ecommerce Retail	Saudi Arabia
East Essence	Own Brand Ecommerce Retail	U.S.A.
Elzatta	Own Brand Ecommerce Retail	Indonesia
Fringadine	Own Brand Ecommerce Retail	France
Haute Hijab	Own Brand Ecommerce Retail	U.S.A.
Hijab House	Own Brand Ecommerce Retail	Australia
Inayah	Own Brand Ecommerce Retail	U.K.
Jelbab.com	Own Brand Ecommerce Retail	Jordan

Kubra Tekin	Own Brand Ecommerce Retail	Turkey
Moshaict	Own Brand Ecommerce Retail	Indonesia
Munawwarah	Own Brand Ecommerce Retail	Malaysia
My Batua	Own Brand Ecommerce Retail	India
Naelofar	Own Brand Ecommerce Retail	Malaysia
Nashata	Own Brand Ecommerce Retail	Singapore
New Hijab Sabedini	Own Brand Ecommerce Retail	Switzerland
Pearl Daisy	Own Brand Ecommerce Retail	U.K.
Rabbani	Own Brand Ecommerce Retail	Indonesia
Rajoul	Own Brand Ecommerce Retail	U.A.E.
Salsabil Islamic Boutique	Own Brand Ecommerce Retail	Egypt
Saqina	Own Brand Ecommerce Retail	Indonesia
Shearasol	Own Brand Ecommerce Retail	Malaysia
Shukr	Own Brand Ecommerce Retail	U.K.
Style Islam	Own Brand Ecommerce Retail	Germany
Tudung People	Own Brand Ecommerce Retail	Malaysia
Vela Scarves	Own Brand Ecommerce Retail	U.S.A.
Vercato	Own Brand Ecommerce Retail	Malaysia
Veil	Own Brand Ecommerce Retail	U.S.A.
Popinjay	Own Brand Ecommerce Retail	Pakistan
Markhor	Own Brand Ecommerce Retail	Pakistan
Sufyaa	Own Brand Ecommerce Retail	Singapore
Kayra	Own Brand Ecommerce Retail	Turkey
Ninja Echo	Own Brand Ecommerce Retail	Singapore
Modestly Active	Own Brand Ecommerce Retail	U.K.
Friniggi	Own Brand Ecommerce Retail	Malaysia
Capsters	Own Brand Ecommerce Retail	Netherlands
Zawara	Own Brand Ecommerce Retail	Malaysia
Dina Torkia	Own Brand Ecommerce Retail	U.K.
November Culture	Own Brand Ecommerce Retail	Malaysia
Shea Rasol	Own Brand Ecommerce Retail	Malaysia
Irada	Own Brand Ecommerce Retail	Russia

<Table> List of Islamic modest fashion brands (including designers)

Brands List		
A.D.A by Ayu Dyah Andari	Indij	Radwah
Aab collection	Irma Hakim	Ragazza
Acacia Label	Irsalina	Rani Hatta
Adlina Anis	Islamic Design House	Rere Wardrobe
Aiesha Abia	Itang Yunasz	Restu Anggraini
ALLURA	Jenahara	Restu Anggraini for HijUp
Amita House	Jenahara Black Label	Ria Miranda
Anemone by Hannie Hananto	Julie's	Ria Miranda for HijUp
Angel Lelga by Itang Yunaz	Junaid Jamshed	Role Model
ANN	Juniperlane	Rumah Ayu
Aprilia	Juniperlane X HijUp	Rumah Kamila
Aybikestil	Kami Idea	Rurik
Ayşen Özen	Kara Indonesia	Salena
Balqees	Kayi for HijUp	Shabilla
Barjis London	KIA by Zaskia Sungkar	Shafira
Bella Kareema	KIMI	Shafira Corp
Çağla Aksu	KIMI X Zahratul Jannah	Simply Veewee
Casa Elana	KIVITZ	Such! by Suchi Utami
Covering Story	Laniek Batik	Tatuis
Demet Yıldız	LAYLA	Tekbir
Dersaadet	Lizahrani	Treimee
Dian Pelangi	L'Mira Ethnique	Tuva by Burcu Aslan
Dian Pelangi for HijUp	Loveliness	Una Style
Diff	Luvice	Up2Datetrimoda
Dress Up for Faith	Madamme BK	Veil Hijab
Elhasbu	Mae by Gerai Yusuf	Vivi Zubedi
Elif Almak	Maima	Zaskia Sungkar
Elmeira	Malaika for HijUp	Zehra Uçar
Emine Türker	MamiBelle	Zesalicious
Errin Ugaru	Mannequina	ZUIKAFFAH
Esra Keküllüoğlu	Marsya	Migrants du Monde
Esra Keskin Demir	Mayovera	DAS Collection
Ethniq Couture	Melek Aydin	Queendom Hijabs
ETU	Mevra	Nahara
EVOLVERE	Minel Aşk	Al Farah
Fantastical	MissMarina	Roselle
Fashionistas	Modgrey	Jovian Mandagi
Ferlow	Muslima Wear	Rizalman Ibrahim
Filiz Yetim	Naima	L.RussoUrbanCouture
Finfin	Nasywa	Chenille Mens
Flaminggo	Nuna Hijabwear	Preview
Gamze Polat	NurZahra	Joe Chia
Happa by Mel Ahyar	OWN by Nina Sept	Shorso
Heaven Sent	Pembe Pirltilar	Silas Liew
Her by February X Hijup	Pınar Şems	
Hijup for JFW	Popyt	
Hijup for LFW	Rabia Z	
House of Jealousy	Rabiya by Ratunisa	
House of Kartina	Rabiya X HijUp	

<Table> List of mainstream companies addressing the Islamic modest fashion market

Mainstream Companies		
Name	Primary Type	Country
DKNY	Brand	U.S.A.
Dolce & Gabbana	Brand	Italy
Mango	Brand	Spain
Melinda Looi	Brand	Malaysia
Oscar de la Renta	Brand	Dominican Republic
Tommy Hilfiger	Brand	U.S.A.
Tube Gallery	Brand	Thailand
Alfa International	General Ecommerce Retail	K.S.A.
Berrybenka	General Ecommerce Retail	Indonesia
Fashion Valet	General Ecommerce Retail	Malaysia
Harrods	General Ecommerce Retail	U.K.
House of Fraser	General Ecommerce Retail	U.K.
Liberty London	General Ecommerce Retail	U.K.
Inditex	General Ecommerce Retail	Spain
Landmark International	General Ecommerce Retail	U.A.E.
John Lewis	General Ecommerce Retail	U.K.
LuLu International	General Ecommerce Retail	U.A.E.
Matahari Dept Store	General Ecommerce Retail	Indonesia
Moda Operandi	General Ecommerce Retail	U.S.A.
Yoox (Net a Porter)	General Ecommerce Retail	Italy
Zalora	General Ecommerce Retail	Singapore
Cantik	Own Brand Ecommerce Retail	Indonesia
H&M	Own Brand Ecommerce Retail	Sweden
Khaadi	Own Brand Ecommerce Retail	Pakistan
Uniqlo	Own Brand Ecommerce Retail	Japan

<Table> list of select key apparel manufacturers in top OIC export markets

Manufacturing Key Players	
Country	Name
Bangladesh	Beximco
	Malek Spinning
	Makson Spinning Mills Ltd
	Square Textile
	The Overseas Apparels & Embroidery Ltd
Indonesia	Apac Citra Centertex Tbk PT
	Busana Apparel Group
	Century Textile Industries (Centex)
	Delami Garment Industries
	Sri Rejeki Isman TBK
Pakistan	Chenab Group
	Fateh Textile Mills Ltd
	Gul Ahmed Group
	Husein Industries Limited
	The National Silk & Rayon Mills Ltd
Tunisia	New Bramatex
	Polo Garments PGT
	Sartex
	Societe Des Arts Textiles Sarl
	Societe Tunisienne De Vetement De Travail Et De Loisirs
Turkey	Ipekyol
	Karbel
	ParkBravo
	Saide Group
	Şik Makas

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