



Private Equity News Australia

Key Highlights

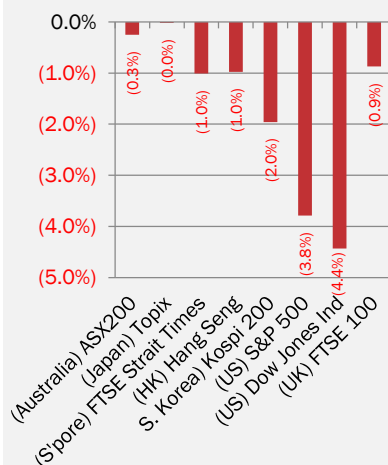
- RCR Tomlinson in administration, potential breakup play
- Next Capital eyeing NZ Bus business
- Global PE firm Apax Partners makes offer for online marketplace company Trade Me

- **RCR Tomlinson.** Listed engineering firm RCR entered into administration on Thursday and it is understood that McGrathNicol has put the company up for sale – which may lead to a potential breakup play for private equity funds.
- **NZ Bus.** It is understood that Next Capital is eyeing NZ Bus, Infratil's New Zealand bus operation. This follows Next Capital's sale of Forest Coachlines for \$110 million 3 months ago.
- **Retail Zoo.** Bain Capital-owned Retail Zoo is making a growth pitch to potential investors – including taking its core Boost Juice business to the United States. Bain Capital acquired Retail Zoo from The Riverside Company in 2013. The company is said to be generated \$40 million to \$50 million in EBITDA. The Australian Financial Review (19 November 2018).
- **Allied Pinnacle.** It is speculated that Hong Kong-based private equity fund PAG has emerged as a potential bidder for Allied Pinnacle, the bakery business owned by Pacific Equity Partners. The business is said to be valued at circa \$1 billion.
- **Fonterra South American Operations.** ASX-listed Fonterra is said to be weighing the sale of its South American operations as well as its New Zealand ice cream company, Tip Top. Tip Top is speculated to be worth some NZ\$400 million (\$375 million).
- **Brambles' IFCO.** It is understood that Brambles is knocking back offers from private equity firms for its IFCO crates unit and is instead pursuing a demerger. Brambles acquired IFCO eight years ago for \$1.3 billion.
- **Device Technologies** It is understood that Navis Capital is seeking a debt package worth \$300 million from two of the big four Australian lenders (at circa 4.5x EBITDA) to finance its acquisition of Device Technologies.

ASX200 INDEX



EQUITY INDICES (WEEKLY % CHANGE)



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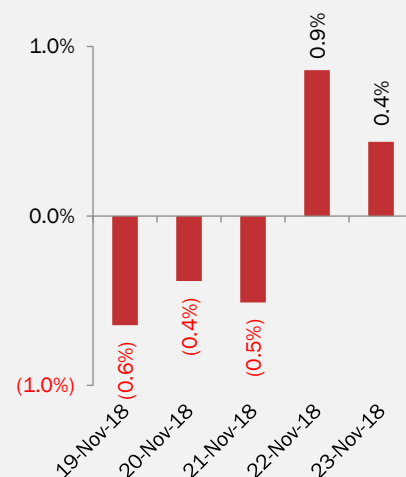
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- Trade Me.** ASX-listed online market place company Trade Me has attracted the interest of global private equity firm Apax Partners. The New Zealand-based company generated NZ\$250 million revenue and NZ\$164 million EBITDA in 2018, and it has a market capitalisation of \$2 billion. The offer is said to value Trade Me at \$2.3 billion.
- Capital SMART.** It is understood that Suncorp Group is set to take full ownership of smash repairs chain Capital SMART – ahead of its potential sale. Capital SMART's chairman and founder Jim Vais has agreed to sell his minority ownership interest in the business to Suncorp, and hope to secure private equity funding to acquire the entire business back from Suncorp. The business generates circa \$300 million in revenue and circa \$30 million in EBITDA.
- Aveo.** It is understood that retirement village operator Aveo is speeding up its sale process given its share price rout.
- ReadyTech.** Private equity Pemba Capital is said to be struggling to sell its 80%-owned software business ReadyTech. The business (a software-as-a-service provider specialising in the education and employment sectors) is said to generate \$15 million in annual earnings.
- Reject Shop.** A private entity owned by Ruffy Geminder has made a \$2.70 cash takeover offer for Reject Shop, valuing the discount variety retailer at \$78 million. It is understood that private equity suitors, such as Allegro, may take a look at the business as well.
- Tandem Corp.** IFM Investors-owned Tandem Corp is facing a \$400 million class action for allegedly underpaying thousands of technicians through sham contracts.
- MPC Kinetic.** IPO hopeful MPC Kinetic is expected to shelve its plans for an IPO following the recent market volatility.

DAILY PERFORMANCE OF ASX200



The ASX 200 fell 0.3% this week despite two strong trading sessions on Thursday and Friday.

Major news weighing on the stock market this week include the uncertainty surrounding Brexit, heightening trade dispute between the US & China, the budget saga in Italy and a deterioration of global economic growth outlook.

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Rolling Table of Recent Activities & Rumours

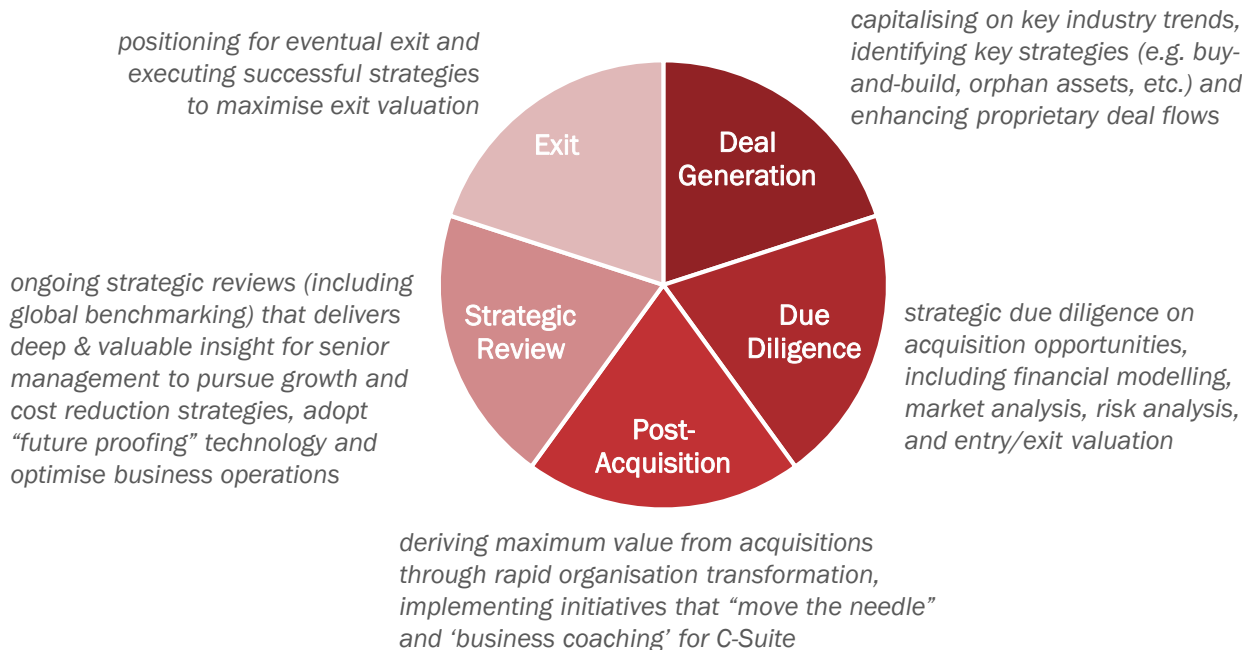
DATE	INVESTOR(S)	TARGET	SECTOR	TRANSACTION TYPE
Nov-18		RCR Tomlinson	Engineering services	In administration
Nov-18	Next Capital	NZ Bus	Bus operator	Pursuing
Nov-18		Tip Top	Ice cream	For sale
Nov-18		Brambles' IFCO	Crates unit	For sale
Nov-18	Apax Partners (UK-based)	Trade Me (ASX-listed)	Online marketplace	Pursuing
Nov-18		Suncorp Group's Capital SMART	Smarrh repairs	Potential sale
Nov-18		Aveo	Retirement villages	For sale
Nov-18		Reject Shop	Discount retailer	Being pursued
Nov-18	Navis Capital Partners	Device Technologies	Medical equipment	Acquisition
Nov-18	Pemba Capital	Device Technologies	Medical equipment	Sold
Nov-18	Blackstone	Ixom	Chemical	Sold
Nov-18	Bain Capital	Retail Zoo (Boost Juice)	QSR	Seeking sale
Nov-18	Equity Partners	Tasman Butchers	Meat retailer	Sold from administration
Nov-18	KKR	MYOB	Accounting software	Pursuing
Nov-18	SCF Partners & Viburnum Funds	MPC Kinetic	Pipeline construction	Potential IPO
Nov-18	BGH Capital	Healthscope	Hospital	Pursuing
Nov-18	Brookfield	Healthscope	Hospital	Pursuing
Nov-18	BGH Capital	Navitas	Education provider	Pursuing
Nov-18	Next Capital	Steelforce	Steel distribution	Set to be sold
Nov-18	Macquarie Capital	PEXA	Electronic settlement	Sold
Nov-18	TPG Capital	Greencross	Pet care	Pursuing
Nov-18	Pacific Equity Partners	KKR-backed Calvin Capital	Smart meters	Bolt-on
Nov-18	Quadrant Private Equity	Ingeus	Employment services	Bolt-on
Nov-18	ROC Partners	Capilano Honey	Honey	Pursuing
Nov-18	Milgrom family	Sussan	Fashion	Seeking sale
Nov-18	Pacific Equity Partners	Allied Pinnacle	Food ingredients	Seeking sale
Nov-18	Buckeridge family	Buckeridge group of companies	Diversified industrials	Seeking sale
Nov-18	Privately-owned	Pindan	Construction	Seeking sale
Nov-18	Privately-owned	Built	Construction	Seeking sale
Nov-18	Privately-owned	NZ Frost Fans	Crop protection	Seeking sale
Oct-18	Pemba Capital	Heavy Maintenance Group	Heavy engineering	Sold
Oct-18	Crescent Capital	National Dental Care	Dental care	IPO shelved
Oct-18	Blackstone	Capital SMART Repairs	Smash repairs	Pursuing
Oct-18	Oaktree	QMS	Outdoor advertiser	Pursuing
Oct-18	Privately-owned	Perth Radiological Clinic	Radiology	Seeking sale
Oct-18	Privately-owned	Transit Australia Group	Transport operator	Seeking sale
Oct-18	KKR	GenesisCare	Healthcare	Pursuing
Oct-18		Aurizon Holdings rail division	Rail maintenance	Seeking sale
Oct-18	Washington Soul Pattison	AMP Control	Engineering services	Seeking IPO
Oct-18	Macquarie Capital	Smart meters business	Smart meters	Seeking sale
Oct-18		Jemena Water Services unit	Water recycling	Seeking sale
Oct-18		Bramble's IFCO	Reusable plastic	Seeking sale
Oct-18	Quintet Partners	Talent International	IT recruitment	Investment
Oct-18	TPG Capital	Monash IVF	Healthcare	Pursuing
Oct-18	Privately-owned	Pickles Auction	Auctioneering services	Seeking sale
Oct-18	Moelis	Redcape Hotel Group	Pub	Seeking IPO

These items have been sourced from various media outlet reports, company reports and other sources such as trade publications. LCC Asia Pacific does not in any way represent they are accurate. Source of data is available on request.

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LCC also works closely with family- and privately-owned businesses that are either considering exit options or are seeking to raise external capital to accelerate their growth strategies.

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