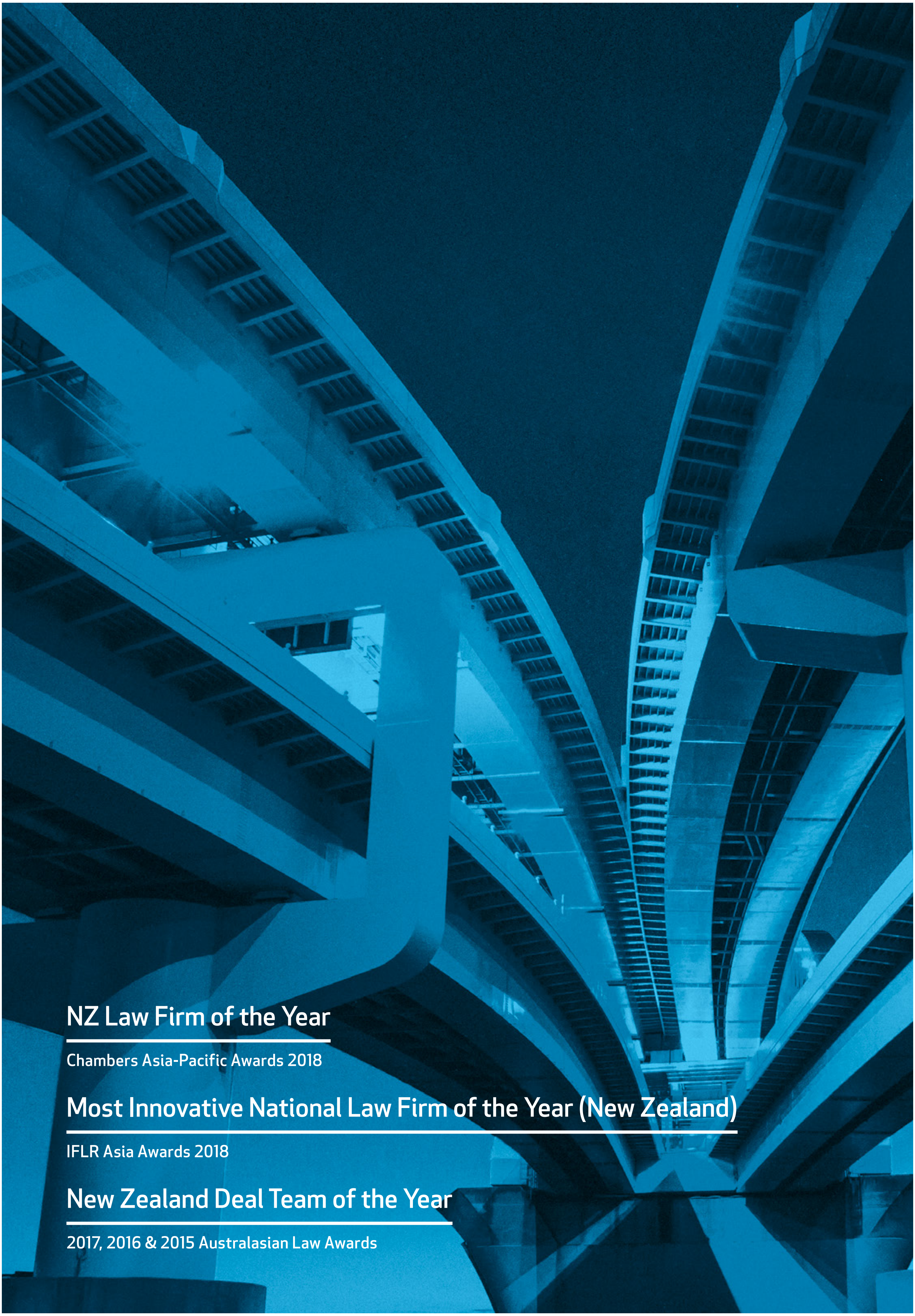
New Zealand Mergers & Acquisitions

TRENDS AND INSIGHTS

March 2018


NZ Law Firm of the Year
Chambers Asia-Pacific Awards 2018
Most Innovative National Law Firm of the Year (New Zealand)
IFLR Asia Awards 2018
New Zealand Deal Team of the Year
2017, 2016 & 2015 Australasian Law Awards

Contents

We look back at New Zealand's mergers and acquisitions activity last year and identify the likely trends for 2018.

Rational exuberance?

M&A has kicked off with a strong start, with deal momentum from the end of 2017 in full swing.

2017 was another solid year for global M&A activity, although slightly down on 2016 for both deal volumes and values.

In New Zealand the story was similar. The absence of a few major transactions relative to 2016 had a significant effect on aggregate deal value, as it will in a market as small as New Zealand's, and there were slow periods, especially around the general election, but the pace picked up in the closing months of the year to deliver a respectable result.

Looking ahead, we expect a strong M&A pipeline in 2018, underpinned by cashed-up private equity buyers, strategic investors with money to spend following several years of solid corporate profits, and generally favourable economic conditions, with continuing low interest rates (in New Zealand, at least) ensuring affordable debt financing.

"Looking ahead, we expect a strong M&A pipeline in 2018."

Speed wobbles?

Market frenzies around exotic financial instruments, such as Bitcoin et al, bring to mind some of the excesses of the period leading up to the 2008 financial crisis. More conventional markets are also encountering increased volatility, spurred on by the end of quantitative easing and the spectre of rising interest rates in the world's largest economies.

If the economists promoting the ten year economic cycle are right, we could be in for a bumpy ride. The impact of China's government-mandated M&A pull back could also be felt here, given the prominent role of Chinese buyers in the New Zealand market over the last decade.

Regulatory static?

On the regulatory front, dealmakers may also face additional hurdles this year.

Chief among them will be that old perennial, our overseas investment regime, where legislative amendments may lead to longer assessment times for overseas investors (and the domestic vendors selling to them) – at least in the short term.

An increasingly hands-on Commerce Commission could also prove a challenge for transactions which look to consolidate markets.

2017 – ups and downs

The good	The bad	The ugly?
Increase in deal volume	Decrease in deal value Increase in deal execution timeframes	Several big deals stymied by regulators

Globally, 2017 was another impressive year for M&A, although the data showed a slight decrease in aggregate deal value and volume relative to 2016 – total value US$3.15 trillion, down from US$3.26 trillion in 2016; total volume 18,433 deals, down from 18,592 in 2016.

In New Zealand, total deal value was down significantly (from US$8.6 billion to US$3.5 billion). This reflects the comparative lack of big deals, like 2016's Sistema or Nuplex. It is also worth noting that the information is incomplete as there were more than 60 announced transactions with no disclosed value.

Deal volume, on the other hand, was up 30% on 2016 – 127 transactions in 2017 versus 97 the previous year.

The pace of New Zealand M&A activity varied throughout the year. After a slow start, M&A activity increased in the second quarter, before declining again in the third quarter (predictably coinciding with the lead up to New Zealand's general election). Once the election and subsequent lengthy coalition talks concluded, 2017 ended with a flurry of M&A activity, which has carried over to the start of 2018.

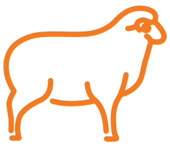
There is significant momentum heading toward the end of the March quarter in New Zealand and, anecdotally at least, bankers, lawyers and other advisors have more on their plates than they did this time last year.

	GLOBAL		NEW ZEALAND	
	2016	2017	2016	2017
Total value (US$)	3.26tn	3.15tn	8.6bn	3.5bn
Total volume	18,592	18,433	97	127

Source: Mergermarket

New Zealand M&A highlights in 2017

A busy year in the consumer sector, including:



VF Corporation's acquisition of New Zealand outdoor apparel manufacturer, Icebreaker

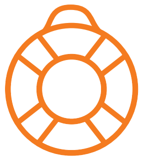
Direct Capital's investment in the rapidly growing New Zealand clothing manufacturer, AS Colour

Navis Capital's acquisition of a majority stake in Mainland Poultry, New Zealand's largest egg producer

Financial services businesses were on the radar in 2017, with several high-profile transactions taking place, including:

AIA's announced acquisition of Sovereign, New Zealand's largest life insurance business

Finance Now's acquisition of The Warehouse Group's Financial Services arm



The NZ Superannuation Fund's investment in Fidelity Life

The transport and services sectors gained popularity in 2017, with PE buyers showing a clear interest, including:

Waterman Capital's acquisition of freight solutions business, PBT Transport

Direct Capital's investment in the trustee services business Complectus

2017 – ups and downs *(continued)*

The proportion of cross-border deals rose in 2017 – up to 58% from 43% in 2016. These included:

- Opus was acquired by WSP Global, the Canadian headquartered global consultancy
- ANZCO Foods was acquired by Itoham Yonekyu Holdings, a Japanese listed entity

Some large would-be deals failed to obtain regulatory approval, including:

- the proposed merger between Vodafone NZ and Sky TV
- NZME and Fairfax NZ's proposed merger (now on appeal)
- Vero's scheme of arrangement with Tower
- HNA's $660m bid for UDC Finance

"Hot" sectors

TRANSPORT UP 350%

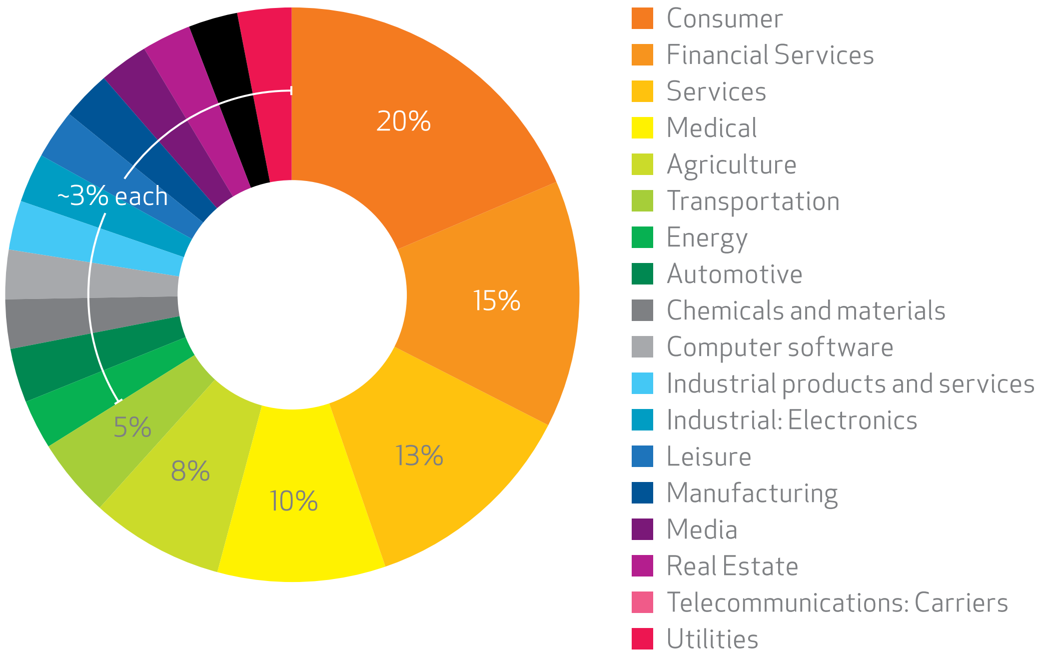
SERVICES UP 150%

FINANCIAL SERVICES UP 33%

CONSUMER UP 31%

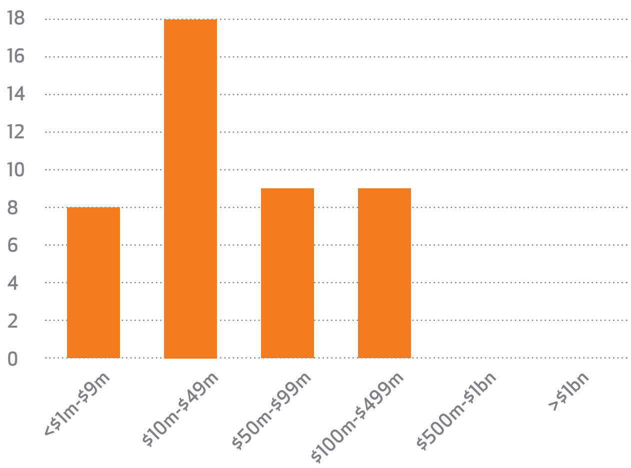
2017 by the numbers

Sector spread of top 40 New Zealand deals by disclosed purchase price



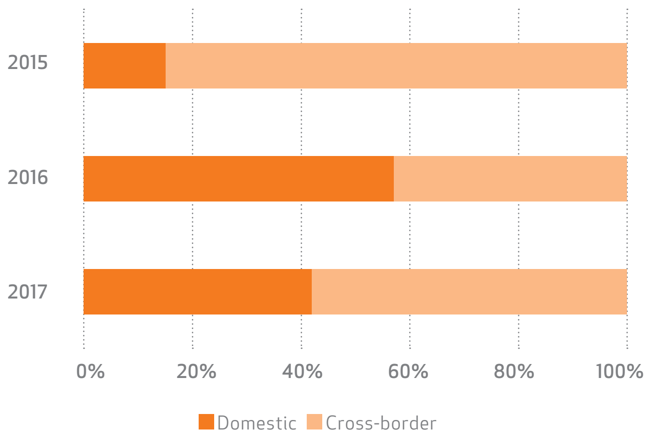
Source: Mergermarket

All New Zealand deals by disclosed purchase price (USD)



Source: Mergermarket

All New Zealand deals cross-border/domestic split



Source: Mergermarket

New Zealand M&A in 2018

The good

Strong year anticipated with high levels of competition between cashed up purchasers

The bad

Economic uncertainty?

Excess froth?

The ugly?

Signalled OIO reforms could prove painful for dealmakers, at least in the short term

Expected commercial and legal trends

- **A sellers' market** – The seller-friendly market dynamic we saw in 2017 will continue (and perhaps reach its apex), as demand for high quality assets outstrips supply, debt remains readily accessible, and both trade and financial investors command sizeable war chests.
- **Rationality (hopefully) prevails** – High price expectations should drive more scrutiny of potential deals and a greater need for dealmakers to build a strategic case for proposed acquisitions. Likely effects of these trends will be fewer deals passing initial screening and longer execution timeframes.
- **OIO a persistent challenge** – The Overseas Investment Office consent process is likely to become more fraught, after a recent period of improvement. Processing times will probably lengthen, at least in the short term, as the OIO's resources are redirected towards the new government's tougher residential land requirements. Vendors looking for a quick sale may favour domestic bids as a result. The possibility of more far-reaching amendments in future should also be kept in mind. Beyond the possible inclusion of forestry cutting rights within the sensitive land regime, nothing has been announced yet, but the policy preferences of key members of the government mean further changes can't be discounted.
- **PE continuing its run** – Private equity firms raised more capital in 2017, after an already-strong year of fundraising in 2016, and will remain in acquisition mode, with bolt-on acquisitions likely to feature.
- **An interventionist ComCom** – Several high-profile declines in 2017 and more proactive enforcement signal that the gloves may be off at the Commerce Commission.
- **Action on the Main Board** – Takeovers of listed companies will remain in vogue, despite the relatively full pricing of listed equities.
- **Pragmatism not idealism** – M&A deal terms will continue to drift towards more seller-friendly positions, given the high level of competition for quality assets.
- **Shareholder activism is here to stay** – The emergent and welcome trend towards increased shareholder activism will create greater impetus for boards to consider strategic acquisitions or divestments of non-core assets.
- **Disrupt or be disrupted** – We will see a rise in convergence and "defensive" M&A, as businesses seek to acquire talent and technology, sometimes outside their traditional sectors, in order to stay one step ahead of existing competitors and disruptive new players.

KEY SECTORS TO WATCH

Financial services

Banks, driven by regulatory demands, will be looking for opportunities to divest underperforming or non-core assets.

Media

Traditional media business will continue to look to M&A for quicker access to digital transmission channels (Commerce Commission permitting).

Forestry

Uncertainty regarding upcoming changes to the regulation of this primary industry may prompt increased divestment activity in 2018.

Consumer

Consumer confidence and spending are expected to remain buoyant in the short to medium-term. Export businesses should thrive, with a low OCR keeping the New Zealand dollar in check. There are a lot of high quality New Zealand businesses in this sector, which are achieving increased global exposure.

Technology

Global PE interest in high-tech businesses is strong, including among New Zealand and Australian PE firms. Strategic investors continue to pursue digital transformation strategies, both internally and by acquiring the necessary technology and talent.

KEY MACROECONOMIC THEMES IN 2018

Faltering business confidence – According to some surveys (not all), business confidence is at its lowest point since 2009. It is too early to say whether or not this is a lasting or rational reaction to the election of the Labour/NZ First coalition government.

Consumer confidence remains strong – Despite concerns among business leaders (for the moment at least), consumer confidence remains strong.

Softening housing market – All signs point to a slowdown in the overheated housing market (though this is looking more like a gradual correction than the bursting of a bubble). If the downward trend in house prices continues, there could be flow-on effects for consumer spending in the longer term.

Capacity constraints – New Zealand's unemployment rate dropped to a nine-year low in the last quarter of 2017. With more restrictive policy settings towards immigration and existing plant and equipment nearing capacity, our economy faces significant constraints on further growth.

NZ dollar subdued – Lower than expected inflation has prompted the RBNZ to forecast no changes to the OCR until June 2019, which is likely to be a boon to export-driven businesses.

A frothy market is driving more seller-friendly deal terms

An analysis of key deal terms in the M&A transactions we worked on in 2017 has yielded some interesting findings, both a continuation of existing trends and some new patterns.

The dominant trend from our database is a drift towards more seller-friendly positions in some (but not all) areas.

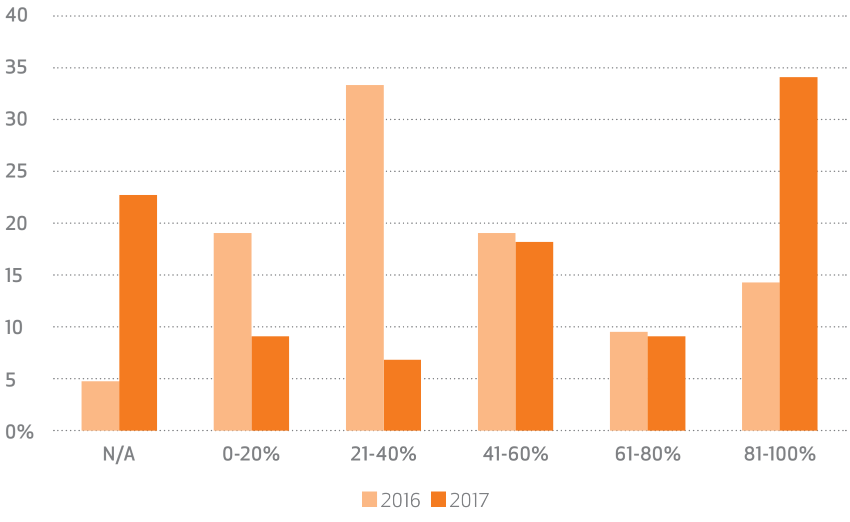
This may indicate a willingness from buyers to be slightly more pragmatic in order to get deals across the line.

Warranty and indemnity liability caps

Warranties: surprisingly there was an increase in the percentage of deals which had higher liability caps for warranties other than title and tax (or no cap altogether).

Tax indemnity: a greater proportion of deals featured caps on the seller's liability under the tax indemnity (52% of deals featured no cap in 2016, versus 27% in 2017).

Warranty liability cap as percentage of purchase price (other than title and tax)



Warranty minimum claims

Sale agreements often provide for a minimum warranty claim amount, on a per claim basis ("de minimis"), and in aggregate ("basket"). Based on our review it appears that buyers accepted a slightly more seller-friendly position on these points in 2017.

Warranty claim time limits

So that sellers do not remain indefinitely exposed to potential warranty or indemnity liability, sale agreements typically include time limits for claims to be made. In 2017, claim time limits were generally consistent with our analysis in previous years:

- caps ranged from 12 months to 48 months for business-related warranties

- the 12-23 month bracket remained the most popular for claims under business-related warranties (of the deals which featured a time limit, 40% fell within this bracket, compared to 71% in 2016)
- 24% of deals included no time limit on claims under business-related warranties, up from 9% in 2016.

Purchase price adjustment mechanisms

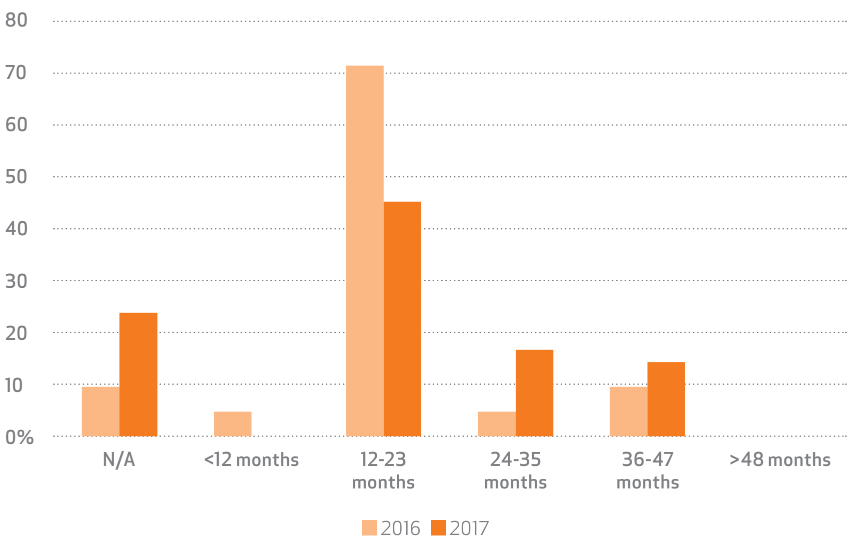
Purchase price adjustment mechanisms are a common feature of sale agreements, reflecting the fact that there is often a time-lag between when the agreement is signed and when the transaction is completed. These adjustments tend to be relatively complex and highly negotiated, since they can result in significant additional value transfer between buyer and seller (depending on which party the adjustment favours).

Last year we predicted that the "locked box" mechanism (under which the economic benefit and risk of the business effectively transfers to the buyer at signing) would become more popular, however, based on our data, this has not occurred. Only 8% of the deals we worked on last year followed this approach, a low percentage compared with markets in the northern hemisphere. This perhaps reflects a general unfamiliarity with the "locked box" approach in New Zealand.

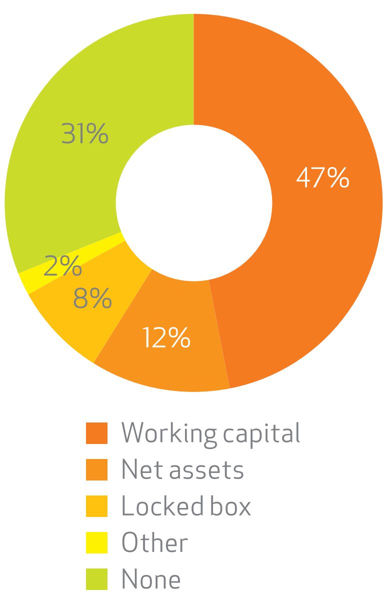
Purchase price adjustments based on the difference between a target working capital figure, and actual working capital at settlement, remained the preferred mechanism (47% of deals). Adjustments based on net assets at settlement (which also take into account changes in fixed assets) were the next most popular (12% of deals).

Slightly fewer deals included any kind of purchase price adjustment in 2017, suggesting that parties may be more prepared to take any downside risk of trading between signing and settlement in the interest of getting deals finalised quickly.

Warranties other than title/tax – time periods (percentage of deals)



Completion accounts mechanism



Deposits

Deposits were an even less common feature in the deals observed in 2017 than they were in 2016, payable in only 8% of deals (versus 10% in 2016). We suspect that the slight uptick in the use of deposits in 2016 was due to increased nervousness regarding regulatory risk for bidders based in China (of which there were fewer in 2017).

Escrow/retention amounts

Amounts held in escrow (e.g. to satisfy warranty claims) featured in 27% of the deals we acted on in 2017, a significant drop from 2016 where nearly half of deals featured an escrow amount. In part, this may be explained by the increased prominence of Warranty and Indemnity (*W&I*) insurance in 2017. It also tends to indicate a higher risk appetite among buyers in a more seller-friendly market.

Material adverse change (MAC) conditions

MAC conditions (which provide an "out" for the buyer in the event of a significant material adverse event affecting target business between signing of the sale agreement and the settlement date) were widely used in 2017, though less so than in 2016, when they featured in more than half the deals we observed. Again, this suggests buyers were more willing to take on risk in 2017.

Warranty & indemnity insurance

W&I insurance, which allows sellers to lay off the risk of claims under warranties and indemnities to an insurer, was a feature of 19% of the deals we worked on in 2017, up from 15% in 2016.

Historically, W&I insurance has been favoured primarily by PE firms seeking a clean exit from their investee companies. However, in 2017 deals with PE sellers made up only about a third of insured deals and a third of insured deals featured no PE involvement at all. This suggests that the value and utility of the product is becoming more widely recognised by strategic/trade investors.

We expect the following trends in W&I insurance in 2018:

- lower premiums on larger deals – premiums are trending down as the market becomes increasingly competitive – although competition isn't as strong at the low end
- lower deductibles – deductibles are trending down (and more policies are featuring no deductible, although not all insurers are willing to go there). This is also a function of increasing competition and better aligns W&I insurance coverage with the positions traditionally taken in non-insured deals
- stapled insurance – W&I insurance will increasingly be "pre-packed" in competitive processes. Sellers will pre-arrange a broker, underwriter and draft policy to streamline the process
- coverage percentages – in larger deals, coverage (as a percentage) may be lower, as buyers take a view on the likelihood of an "Armageddon" event occurring, and
- warranties covered – although there will remain some no-go areas for underwriters (e.g. environmental warranties, at least in the absence of comprehensive due diligence). As a general rule, insurers are taking a slightly more commercial approach to the range of warranties that are insurable (again subject to appropriate due diligence having been carried out).

The private equity race continues

Private equity houses were again active in 2017, with global PE M&A values and volumes up on 2016 levels.

Locally, PE deal volumes (both entries and exits) increased 90% on 2016, according to Mergermarket, but value was down, suggesting some hesitancy to write larger cheques early in fund life-cycles. Pressure will be building on PE firms to deploy capital in 2018.

Consumer and technology (particularly artificial intelligence) sectors are expected to be of particular interest to PE buyers. We also expect that, given higher seller price expectations, PE firms may find it harder to find deals which meet their IRR (internal rate of return) expectations, and may instead focus on smaller bolt-on acquisitions which can add more value through synergies with their existing portfolio companies.

The IPO market is tipped to remain subdued in 2018, so PE sellers will continue to prefer exits by way of trade sale (rather than pure IPO or "dual track" processes as we saw in earlier years). We expect that IPOs will be back on the agenda in subsequent years, as changes to regulatory settings and solid market performance will drive increased interest in the equity capital markets.

2017 PE highlights by sector

Consumer

AS COLOUR
Direct Capital (NZ)

MIX
Pencarrow (NZ)

MAINLAND POULTRY
Navis Capital (Australia)

TRILOGY
CITIC (China)

NUMBER ONE SHOES
Allegro (Australia)

ICEBREAKER
Pencarrow (NZ)

PROVINCIAL EDUCATION
Waterman (NZ)

Leisure

INTERNATIONAL VOLUNTEER HQ
Mercury Capital (Australia)

Medical

HEALTHLINK
Waterman (NZ)

NIRVANA HEALTH
Mercury Capital (Australia)

HERITAGE LIFECARE
Adamantem Capital (Australia)

Industrial

CONTRACT RESOURCES
Anchorage Capital (Australia)

SMART ENVIRONMENTAL
Maui Capital (NZ)

Services

SMART TRADE INTERNATIONAL
Pemba Capital (Australia)

Transport

NETLOGIX
Pencarrow (NZ)

PBT
Waterman (NZ)

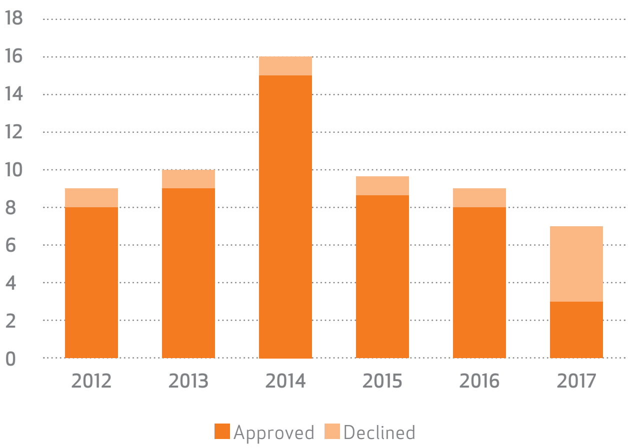
Target | PE Firm (Location) | Investment | Divestment

ComCom takes the gloves off

In 2017, the Commerce Commission declined to clear or authorise three high-profile deals: Sky/Vodafone, NZME/Fairfax (which it also successfully defended on appeal) and Vero/Tower. It also declined to clear a fire protection services deal,[1] while Trade Me's acquisition of Motorcentral (a supplier of software and websites for motor vehicle dealers) remains stalled pending further Commerce Commission consideration.

Overall, 2017 was an outlier year for the number of deals the regulator has turned down.

Commerce Commission merger clearance and authorisation decisions 2012-2017



These numbers include some large transactions in sensitive and/or concentrated markets. But there is no doubt the Commission is displaying a high degree of confidence:

- In Sky/Vodafone and Vero/Tower, the prospect of a more competitive alternative scenario wasn't necessarily obvious but the Commission concluded that an alternative scenario (that would be more competitive) had a "real chance" of emerging, which, under the legal test, was sufficient to justify declining clearance
- In the Fairfax/NZME authorisation, the Commission was willing to look beyond economic outcomes to potential detriments to news quality and media plurality, and those concerns tipped the scales against the merger. More generally the Commission signalled that it is willing to consider a broad range of potential detriments in its decision-making (e.g. the environment, employment, privacy interests).

Given the higher proportion of declines in recent times, it is possible that sellers may look even less fondly on bids that are conditional on clearance or authorisation.

> **"Overall, 2017 was an outlier year for the number of deals the regulator has turned down."**

The Commission has also been active in merger control enforcement. Some of the Commission's enforcement work is typically not public, at least in its early stages. But the publicly known cases give a sense of the Commission's willingness to get into the ring when parties don't apply for clearance for a deal the Commission is interested in:

- Vero came under investigation for acquiring 19.99% of Tower, on the basis the stake may have given Vero a substantial degree of influence, or the ability to bring real pressure to bear on the decision-making of its rival
- The Commission joined Complete Office Supplies in seeking an interim injunction to prevent the acquisition of OfficeMax by Platinum (owner of Staples), pending a trial on competition concerns. The Commission had previously cleared the merger but the clearance lapsed because the deal was not completed within the 12 month statutory timeframe.

This more proactive approach to enforcement may cause buyers to think twice before proceeding with acquisitions in concentrated markets without the Commission's blessing.

1 Aon/Fire Protection Services Limited.

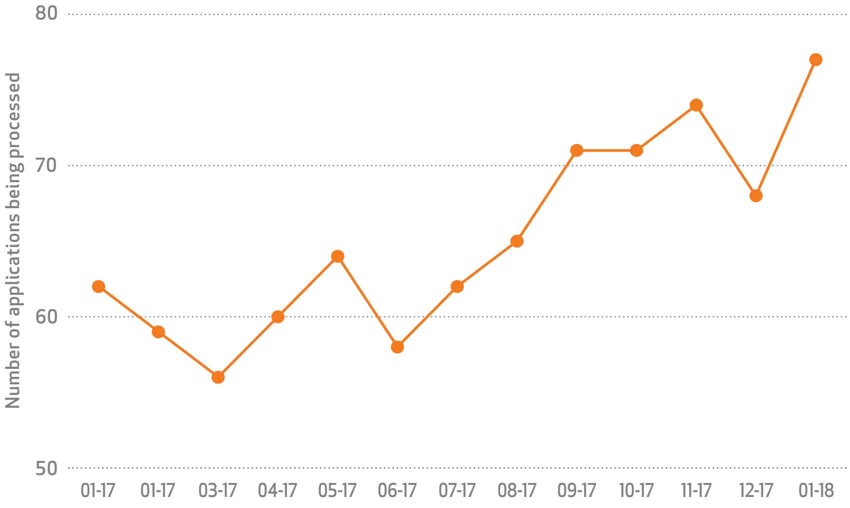
OIO – a year of change and challenges ahead

Proposed legislative amendments spearheaded by the new Labour-led coalition government appear likely to present a number of challenges for the Overseas Investment Office (*OIO*).

Current application processing timeframes

The OIO is still working through the bottleneck of applications which built-up before and during the "interregnum" period following the general election. Recent indications are that, despite the refinements to the OIO process introduced last year, the OIO is having difficulty meeting its processing KPIs, due to both volume of applications, and perhaps, the approach to the assessment of certain sensitive land applications mandated by the new government.

History of OIO application work-in-progress numbers as at end of each month*



Current OIO average timeframes (Feb 17-Jan 18)

Significant business assets

47 business days

Sensitive land (OIO consent under delegated authority)

52 business days

Sensitive land (ministerial consent)

73 business days

*Above timeframes exclude time spent by OIO waiting for information/details from applicant.

Interestingly, there was little difference in processing time between sensitive land applications decided under delegated authority and significant business assets applications.

Legislative reform means possible resourcing issues ahead

The OIO may face significant resourcing challenges once the Overseas Investment Amendment Bill (which regulates purchases of residential land by overseas persons) comes into effect.

Treasury has estimated that the law change could blow out the number of transactions involving "sensitive land" from around 150 a year to more than 4,700. We don't expect the increase to be so dramatic due to innovations such as "standing" consents. But it will be important for the new government to ensure that the OIO is adequately resourced to handle its increased responsibilities.

A new Ministerial Directive Letter came into effect in late 2017 raising the threshold for acquiring rural land and forest land by requiring applicants to satisfy the OIO that the benefits from their investments are "genuinely substantial and identifiable".

On the other hand, as part of the Comprehensive and Progressive Agreement for Transpacific Partnership (CPTPP), the threshold above which transactions involving overseas acquirers from countries which are parties to the CPTPP will require OIO consent (as acquisitions of "significant business assets") will increase from $100m to $200m.

The upshot for 2018 is that consents will likely take longer, and may be more challenging to obtain. Foreign bidders may be at a further disadvantage, particularly if sellers are prepared to leave some money on the table to secure a certain and timely exit from a domestic acquirer.

Need for transparency highlighted

The OIO's high-profile decision to decline consent to China-based HNA to acquire UDC Finance (which had been shaping up to be one of the banner deals of 2017) on the grounds that it could not determine who ultimately owned and controlled HNA has brought the need for transparency in consent applications into sharp relief.

HNA publicly expressed its disappointment in the OIO's decision, calling it "inconsistent with the views of other regulators around the world". Whether or not this is a fair comment, the decision may give offshore investors with similar issues pause when considering bidding for New Zealand assets.

Sellers should also take steps to ensure bidders are willing to be frank with the OIO, and carry out their own OIO-style "good character" checks on bidders, prior to signing.

"The upshot for 2018 is that consents will likely take longer, and may be more challenging to obtain. Foreign bidders may be at a further disadvantage, particularly if sellers are prepared to leave some money on the table to secure a certain and timely exit from a domestic acquirer."

CHAPMAN TRIPP

NZX a hunting ground (again) in 2018?

Despite listed equities in New Zealand being fully priced in historic terms, takeover activity was relatively strong last year. 2017 saw eight "take private" transactions launched, coming in the form of both traditional Code offers and schemes of arrangement, although three failed. The most recent takeover attempt for Abano launched in 2016 also faltered.

A notable feature of two of the successful takeover offers were the significant premiums on offer. Elongated OIO approval timeframes continued to impact transaction execution.

With a shortage of quality assets coming to market through traditional M&A channels, we expect a high level of takeover activity, and high premiums for fortunate shareholders, to continue in 2018.

Premium to the previous close prior to the announcement of the offer

WSP Global's successful full takeover of Opus International Consultants	87%
OG Oil and Gas's successful partial takeover of New Zealand Oil and Gas	25%
Zeta's unsuccessful partial takeover of New Zealand Oil and Gas	18%
Zhejiang RIFA's successful full takeover of Airwork	20%*
CITIC's scheme of arrangement with Trilogy	27%
Fairfax's failed scheme of arrangement with Tower	48%
Vero's failed scheme of arrangement with Tower	77%
Yang Kee successful Logistics' takeover of Fliway	13%

*Bid price less than 2016's partial offer.

It is pleasing to note that the documentation around takeover and scheme transactions was considerably more clear, concise and effective in those documents produced in the last quarter of 2017, after the Takeovers Panel published new guidance/expectations in August.

In March 2017, the Takeovers Panel recommended for ministerial approval a number of technical amendments to the Takeovers Code which will reduce compliance costs and provide clarity. These include altering the Code's application to small companies by excluding those with less than $15m of annual revenue or $30m of assets, as well as clarifying the Code's timing rules and providing for greater electronic communication with shareholders.

Technical changes to the Code should be in place by 30 September, but the proposed "small companies" change to the Act will take longer.

The Panel was also conferred with a new power to settle takeover cost recovery disputes, but to date has not used it. The Kathmandu/Briscoe Group court action over disputed costs settled, but the acrimonious Abano/Healthcare Industry court proceeding over costs, and Abano withholding a dividend due to Healthcare, continues.

"With a shortage of quality assets coming to market through traditional M&A channels, we expect a high level of takeover activity, and high premiums for fortunate shareholders to continue in 2018."

Chapman Tripp's M&A team

Chapman Tripp's national M&A team partners with clients to successfully execute some of the biggest, most complex and challenging transactions in New Zealand.

Our team has advised on more M&A work than any other New Zealand law firm, including many of New Zealand's most significant cross-border deals.

Clients value our long history of innovation, strong relationships with regulators and proven ability to get even the most challenging deals across the line. We maximise opportunity, identify and manage risk early on and work strategically with our clients to achieve the outcome they want.

We play a significant role in merger, acquisition and disposal transactions for international and New Zealand clients, large multinationals and leading private equity players across many industries. We regularly advise on the structure, strategy and implementation of takeovers, schemes, joint ventures and other complex transactions.

Chapman Tripp's work for international clients has involved some of the most high profile OIO applications in recent times.

Chapman Tripp recent M&A highlights

In 2017 we advised on:

- First Gas's $200m acquisition of the Ahuroa gas facility from Contact Energy
- outdoor apparel manufacturer Icebreaker's sale to US-based VF Corporation, which owns The North Face, Timberland and Vans
- Australasian carpet-maker Godfrey Hirst's sale to global flooring manufacturer Mohawk Industries
- New Zealand Superannuation Fund's 41.1% investment in insurer Fidelity Life
- Southern Pastures' 25% acquisition of Lewis Road Creamery
- New Zealand law firm AJ Park's sale of its intellectual property business to publicly-listed Asia-Pacific IP group (IPH Limited) for $66.1m
- Waterman Capital's acquisition of freight solutions business, PBT Transport
- Beach Energy's acquisition of the Origin Energy subsidiary Lattice Energy for AU$1.585b
- Ireland's Clanwilliam Group's staged acquisition of Toniq Limited (a developer of retail and pharmacy software), and a 50% stake in Healthlink Ltd from Waterman Holdings Limited
- Arvida Group Limited's acquisition of three retirement villages (Mary Doyle Lifecare (in Havelock North), Strathallan Lifecare (in Timaru) and 50% of Village at the Park Lifecare (in Wellington)) for $106m
- digital agency Little Giant's sale to Japan's Dentsu Aegis Network

Chapman Tripp's M&A team *(continued)*

- Direct Capital's investment to acquire a minority shareholding in AS Colour, a leading international provider of high quality blank apparel and other merchandise
- WSP NZ Acquisition Limited (WSP), a wholly-owned subsidiary of Canadian WSP Global Inc. takeover of NZX-listed Opus International Consultants for $263.2m
- Finance Now's acquisition of The Warehouse Group's Financial Services arm
- Trilogy International's acquisition of 80% of Lanocorp New Zealand for $12.5m plus future earn-out payments
- Trilogy International's scheme of arrangement with CITIC Capital in respect of 100% of the shares in Trilogy
- Australia's Blue Sky Private Equity's formation of, and its investment in, Active New Zealand LP
- ACG Education's acquisition of NZX-listed private training provider Intueri Education Group's seven New Zealand vocational schools
- Australia's Evolution Healthcare's sale of two hospitals (Bowen Hospital and Wakefield Hospital) to Vital Healthcare Property Limited for $68m
- Shell's sale of its Kapuni onshore oil and gas field to its joint venture partner Todd Energy
- ASX-listed BlueScope Steel, which owns New Zealand Steel, sale of its Taharoa export ironsands business to Taharoa Mining Investments Limited
- Downer EDI's acquisition of Hawkins construction from the McConnell family
- Precinct Properties' acquisition of 50% of co-working space operator Generator
- Hawkins Group's sale of Harker Underground Construction's assets to Abergeldie Harker
- Tenon Clearwood LP's purchase of Tenon's New Zealand-based Clearwood manufacturing and global sales operations, for US$55m
- Pencarrow Private Equity's acquisition of interests in Mix, a leading manufacturer of natural beauty and personal care products
- Australia's Home Care BidCo Pty Limited's acquisition of up to 40% of Healthcare of New Zealand Holding, and
- NZX-listed code company Airwork Holdings' response to the $211.4m full takeover offer by China's Zhejiang Rifa Holding Group Co. Limited.

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