



The Johnsons Report is a regular release designed to provide market intelligence on recently transacted business sales and acquisitions, involving mid-sized Australian companies that operate in the private sector. Its purpose is to give the reader insight into broad M&A activity across various industry segments.

MANUFACTURING



Victoria PLC acquires Dunlop Flooring from Pacific Group Deal Size: \$34M

December 2016 – Dunlop Flooring, an Australian underlay and hardwood flooring manufacturer and distributor, has been acquired from Pacific Brands Limited by UK-based Victoria PLC. The size of the deal is approximately \$34 million, to be funded from cash and existing bank facilities. Victoria PLC designs, manufactures and distributes innovative floor coverings. It considers that the acquisition will expand its market exposure and reinforce its long-term growth strategies. Post-acquisition, Dunlop Flooring will continue to operate largely autonomously and can expect to benefit from the synergies afforded from being part of a larger group.

Source: [Company Announcement](#)



Universal Forest Products purchases The UBEECO Group Deal Size: \$28M

December 2016 – Michigan-based wood products company Universal Forest Products Inc. has acquired The UBEECO Group Pty Ltd in a deal worth approximately \$28 million, the terms of which have not been disclosed. UBEECO is a Sydney-based wood packaging company that manufactures and distributes boxes, crates, pallets, protection packaging and packaging accessories. Universal's CEO is very positive about the acquisition, stating that UBEECO's excellent reputation for quality products & service and strong leadership team make it an ideal fit. Management at UBEECO believes the deal will provide the business with opportunities for leveraging Universal's resources and expertise.

Source: [Company Announcement](#)



DexKo Global acquires Melbourne Trailer & Caravan Supplies Deal Size: Undisclosed

December 2016 – Indiana-based DexKo Global Inc, the world's largest manufacturer of trailer axles and chassis components, has announced its acquisition of Melbourne Trailer and Caravan Supplies (MTCS) for an undisclosed amount. MTCS is a family-owned supplier of trailer & caravan axles and other trailer

components and acts as a distributor of Dexter Axle products in Australia. Management at both companies has expressed excitement about the partnership, the new growth opportunities it provides, and at the way it will enable them to create a 'one-stop shop' that offers a full suite of market leading high-quality engineered products.

Source: [Industry News](#)



Precision Global acquires Ralpet Plastics Deal Size: Undisclosed

October 2016 – New York-based Precision Global has acquired Sydney company Ralpet Plastics Pty Ltd, a manufacturer of injection and blow-moulded products, for an undisclosed amount. Precision Global is a manufacturer of aerosol valves and other dispensers for a range of industries and is the inventor of the modern aerosol valve. Ralpet Plastics produces aerosol caps, jars and bottles for various sectors including cosmetics, food & beverage, and industrial. Precision has been seeking acquisitions to enhance its capabilities, and the company director is looking forward to building on Ralpet's strong foundations. The director of Ralpet stated that the company's team is excited about the opportunity to work with Precision Global.

Source: [Company Announcement](#)



Carnegie Wave Energy acquires Energy Made Clean Deal Size: \$13M

October 2016 – Australian battery and solar engineering company Energy Made Clean has been acquired by Carnegie Wave Energy in a deal worth approximately \$13 million. The purchase is subject to shareholder approval and is to be funded through a combination of cash (\$3 million) and shares (\$10 million). Energy Made Clean specialises in the design, construction and operation of microgrids, commercial solar projects and battery storage systems. The acquisition is expected to enable Carnegie to fast-track its product diversification and to become a global leader in the renewable energy sector by supplying a world-first combination of wave, solar, wind and diesel energy generation and storage systems.

Source: [Company Announcement](#)



Glen Dimplex Group buys Technika Deal Size: Undisclosed

October 2016 – International company The Glen Dimplex Group has announced its acquisition of Technika, a Melbourne-based home appliance company, for an undisclosed amount. Glen Dimplex is a global leader in electrical heating & domestic appliances and renewable energy solutions. Combining Glen Dimplex's existing brands with those of Technika, the acquisition is expected to lead to a strengthening of both their market positions in Australia. Glen Dimplex's managing director is keen to retain Technika's founders as well as key personnel, due to their vital knowledge and experience. The Technika team has expressed enthusiasm about the opportunities created through the acquisition.

Source: [Company Announcement](#)

HOSPITALITY



Australian Whisky Holdings acquires Nant Distillery & Estate Deal Size: \$9M

October 2016 – Australian Whisky Holdings Limited has announced its acquisition of the Nant Distillery business and the historic Nant Estate property from Nant Group, for a consideration of approximately \$9 million, including \$3 million in cash. Tasmania-based Nant Group produces and sells whisky and related products and operates a restaurant at the estate. The acquisition fits well with AWH's vision to have ownership interests in a number of Australian single malt whisky businesses, with a particular focus on Tasmania. The deal also fits with the listed private equity group's desire to take a leadership position and accelerate growth & development in the craft whisky sector.

Source: [Company Announcement](#)



Lantern Hotel Group - ► divests Five Dock Hotel in NSW Deal Size: \$28.75M

November 2016 – Lantern Hotel Group recently sold the Five Dock Hotel to former Wallaby player Bill Young for the sum of \$28.75 million. The sale

was organised through Ray White Real Estate, with the inner-western Sydney pub reportedly having been on the market for just one week. The listing generated a lot of interest, due to the pub being such a quality property. The buyer of the pub is reported to be "very pleased" with the purchase. The sale forms part of Lantern's winding up of its business and possible delisting. The proceeds of the sale will be distributed to shareholders.

Source: [Industry News](#)

➤ **divests Brisbane Hotel in Perth**
Deal Size: \$9.5M

October 2016 – Lantern Hotel Group has sold its popular Perth pub, known as the Brisbane Hotel, as part of its move to divest the company of non-core assets in order to realise proceeds of approximately \$69 million. The hotel was sold for \$9.5 million, which is 5% below the June 30 book value. Lantern Group is in the process of winding up its business and possibly delisting and has sold several of its hotels in the past few months, including The Dolphin Hotel in Sydney and The Alberts Hotel on New Zealand's north island.

Source: [Company Announcement](#)

➤ **divests Uncle Bucks Hotel in Western Sydney to De Angelis**
Deal Size: \$25.3M

November 2016 – Mt Druitt pub Uncle Bucks Hotel has been sold to the family-owned De Angelis Hotel Group for \$25.3 million. De Angelis will add the pub, sold by the Lantern Hotel Group, to its portfolio of gaming pubs across Sydney. The sale also includes an adjacent commercial complex of 5,640sqm size. The complex comes with 90 car-parking spaces and ten tenancies, including Pizza Hut, and returns a gross rental yield of approximately 2.4%.

Source: [Industry News](#)

PROFESSIONAL SERVICES



Arcadis acquires Environmental Strategies
Deal Size: Undisclosed

October 2016 – Design and Consultancy company Arcadis has acquired Environmental Strategies Pty Ltd, Australia's leader in environmental consulting, for an undisclosed amount. While Arcadis is a global leader in environmental remediation work, the company has been lacking some of the local expertise required for environmental remediation projects in Australia. Arcadis considers this acquisition will enable it to build up its environmental capabilities, including the identification and restoration of degraded natural areas for productive re-use. The acquisition will also support the company's growth strategies in the environmental consulting sector.

Source: [Company Announcement](#)

TECHNOLOGY



Over the Wire Holdings purchases Telarus
Deal Size: \$7.6M

December 2016 – Telecommunications and IT services company Over the Wire Holdings has entered into a binding agreement to acquire 100% of the shares of Telarus Pty Ltd. Telarus is a Melbourne-based telecommunications solutions provider to Australian and New Zealand businesses. It has 25 employees and more than 300 customers and provides a number of services, including managed security, private cloud and data networks. The transaction is expected to accelerate Over the Wire's expansion into Victoria and to provide significant synergies to both businesses. The size of the deal is approximately \$7.6 million, to be funded from a combination of cash reserves and debt facilities.

Source: [Company Announcement](#)



MSL Solutions Limited
➤ **acquires GolfBox in Denmark**
Deal Size: Undisclosed

November 2016 – MSL Solutions, a Brisbane-based technology company, has acquired the Danish golf software provider GolfBox A/S. The deal is expected to combine the strengths of both businesses and create a broader portfolio of complementary products and services. The CEO of GolfBox views the new partnership as one that will provide the business with greater strength and resources. MSL, itself a long-time reseller of GolfBox products in Australia, considers the partnership will provide it with a foothold in the European market and increase its access to international growth opportunities. The size of the deal was not disclosed.

Source: [Company Announcement](#)

➤ **acquires Verteda in the UK**
Deal Size: Undisclosed

November 2016 – MSL Solutions, a leading Australian technology company based in Brisbane, has acquired Verteda Ltd for an undisclosed amount. Verteda is a leading UK provider of innovative cloud-based hospitality software solutions to venues, hotels, resorts, and food & beverage service operators. This transaction is expected to create a comprehensive portfolio of products and services for both UK and international markets. Following the acquisition, Verteda's staff, operations and brand will remain the unchanged. Both parties are very positive about the deal, seeing it as a very natural and complementary fit and one that will greatly expand future opportunities for growth.

Source: [Company Announcement](#)



Fleet Complete acquires Securatrak
Deal Size: Undisclosed

November 2016 – Award-winning Toronto-based software development company Fleet Complete has acquired Adelaide-based Securatrak for an undisclosed amount. Securatrak is a GPS technology company that provides vehicle tracking and fleet management software solutions. It has more than 25,000 subscribers in Australia and Asia. Fleet's CEO is very positive about the move, seeing it as one that fits well with the company's growth strategies and provides a perfect opportunity to serve market demand. Management at Securatrak has described the new partnership as a union that is a "perfect match," due to a shared commitment by both companies to innovation and premium services.

Source: [Company Announcement](#)

COMMERCIAL SERVICES



Airlite Group acquired by Millennium Services Group
Deal Size: \$25M

October 2016 – Listed company Millennium Services Group has announced its acquisition of Airlite Group for cash consideration of approximately \$25 million, which is to be 100% debt-funded. Airlite is a WA-based provider of cleaning, maintenance and integrated services to a wide range of blue-chip clients in several states. Millennium Group, a provider of cleaning, security and integrated services to retail centres, commercial properties and government sectors, considers the purchase to be fully aligned with its growth strategies and anticipates that it will increase the business's national footprint.

Source: [Company Announcement](#)



Zip Industries buys Vestal Water
Deal Size: \$10M

November 2016 – Zip Industries, supplier of drinking water appliances, has acquired Vestal, supplier of on-tap drinking water filter systems, for approximately \$10 million. Following the acquisition, the founder of Vestal will lead the newly-formed HORECA (hotels, restaurants and cafés market) division. For Zip, the acquisition will offer a new growth opportunity as it provides a foothold in the hotel and restaurant sector, where there is growing demand for on-tap still and sparkling water systems as well as a positive drive to reduce waste and to improve environmental sustainability. Vestal's founder is also optimistic about the partnership, believing it will lead to opportunities for accelerated growth.

Source: [Industry News](#)

If you're thinking about selling or seeking a merger partner to take your business to the next level, we'd be happy to walk you through some of the more important considerations. Why not get in touch and have an informal and confidential conversation with one of our Directors?

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