

New Zealand Private Equity and Venture Capital Monitor 2019

Full year review

Contents

Executive summary	4
Mid-market private equity	6
Venture and early stage capital	8
Buy-out private equity	10
Case studies	12
Opinion	14
Outlook	18
Activity summary	20
About the survey	22

Foreword

We are delighted to bring you the sixteenth full year edition of the EY New Zealand Private Equity and Venture Capital Monitor.

This full year edition of the New Zealand Private Equity and Venture Capital Monitor consolidates the findings from previous surveys and provides a more detailed review of 2018 including commentary on the industry from the New Zealand Private Equity & Venture Capital Association's (NZVCA) Chair.

2018 was another year of record activity, with \$1.7b of combined investments and divestments across private equity and venture capital transactions. Divestment activity in particular showed significant growth on the prior year.

Total investment activity in 2018 was \$1,094 million an increase of \$218 million from 2017, but still just below 2016's bumper year. This is driven by higher average deal value in 2018 (\$18 million) compared to 2017 (\$13 million).

Private equity investment excluding venture capital reached \$823.9m, compared with the \$658.7m in 2017 and \$1.1bn in 2016.

The record level of total venture and early stage investment of \$269.7m was notable for one larger investment round by domestic and international venture firms in Rocket Lab.

In 2018 venture capital activity was again driven by a combination of local and overseas capital. International investment interest in technology companies remains strong for selected globally competitive companies growing from New Zealand.

The commitment to growing New Zealand's businesses has been clear in responses to the Monitor, with the plans for their investee companies focussing on growth in exports and new markets, product development, recruitment and R&D.

Fund-raising activity took a pause with New Zealand funds deploying capital raised in the previous two years.

Consistent with the broader trend in New Zealand capital markets, there were no Initial Public Offerings sponsored by New Zealand fund managers in 2018. The outlook for future years looks better as portfolio companies assess options for new capital raising.

Private capital is a significant contributor to the New Zealand capital market eco-system. Private equity and venture capital fund managers provide more than capital. They are accelerating ambitions for growth companies.

Colin McKinnon
Executive Director, NZVCA



Executive summary

The year to 31 December 2018 was characterised by a record level of overall activity of NZ\$1,698.9m, an increase of \$709.3m from 2017 (\$989.6m) and significantly above the average of \$870.2m since the first survey in 2003.

Mid-market investment activity continued to be strong in 2018 resulting in \$245.0m in investments, albeit down from a high of \$333.7m recorded in 2017. Divestment activity with disclosed deal values has increased to \$100.8m in 2018 from \$62.4m recorded in 2017.

Meanwhile, 2018 was a record year for VC activity. Investments have increased to \$269.7m, with divestments decreasing in the period.

Buy-out activity has continued, but at a lower level than the 2016 peak, with \$579.0m of investments and \$503.4 divestment activity.



Brad Wheeler
Partner, Transaction Advisory Services
EY



Colin McKinnon
Executive Director
NZVCA

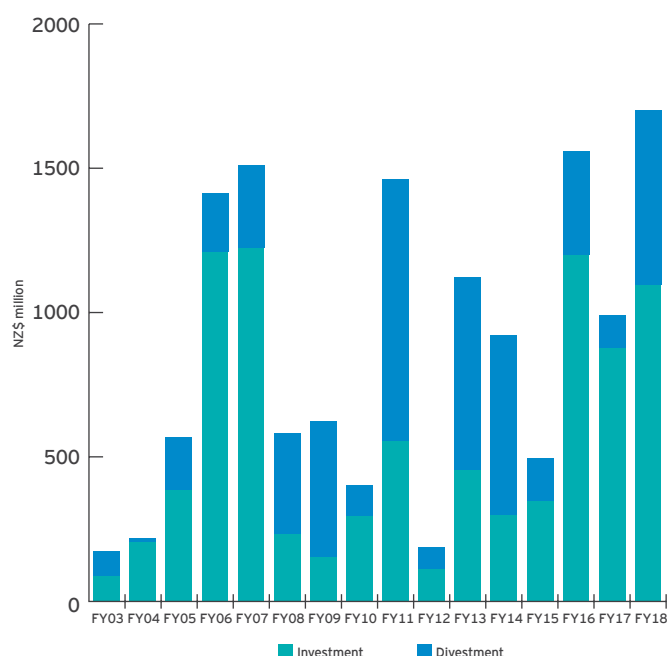
Investments

- ▶ Total investment value in 2018 was \$1,093.6m spread across 62 deals.
- ▶ The total number of investments with known values remained stable (a marginal decrease from 68 to 62).
- ▶ The total average deal value increased slightly from \$12.9m to \$17.6m, with VC average deal value increasing from \$4.5m to \$6.7m and the buy-out average nearly doubling to \$193.0m.
- ▶ Mid-market investment activity decreased from \$333.7m to \$245.0m following a record year in 2017, but remained significantly above the historical average level. This decrease was driven by a lower average investment value (2018: \$12.9m, 2017: \$19.6m) over a larger number of transactions (2018: 19, 2017: 17).
- ▶ Total VC investment increased from \$217.3m to \$269.7m, across a similar number of deals (2018: 40, 2017: 48), with the Rocket Lab capital raise being the standout transaction.

Divestments

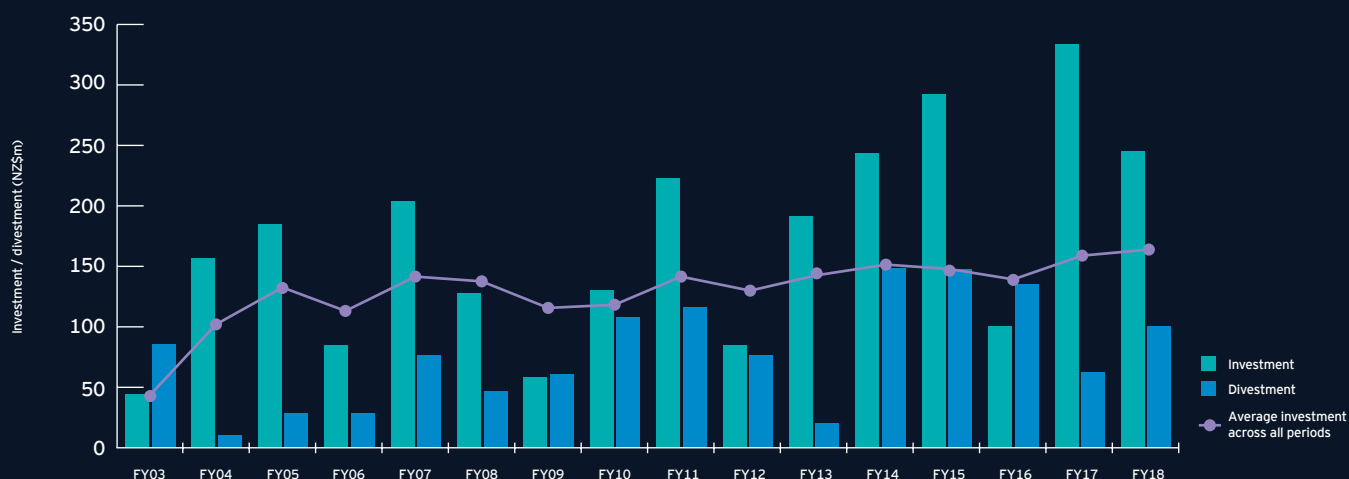
- ▶ Total divestment value in 2018 increased to \$605.3m from \$113.6m in 2017.
- ▶ Divestment activity in 2018 was driven predominantly by Top-end PE divestments including Pacific Equity Partners' divestment of natural health company Manuka Health and Pencarrow Private Equity's divestment of its shareholding in activewear brand Icebreaker.

Overall activity summary 2003 to 2018



Mid-market private equity

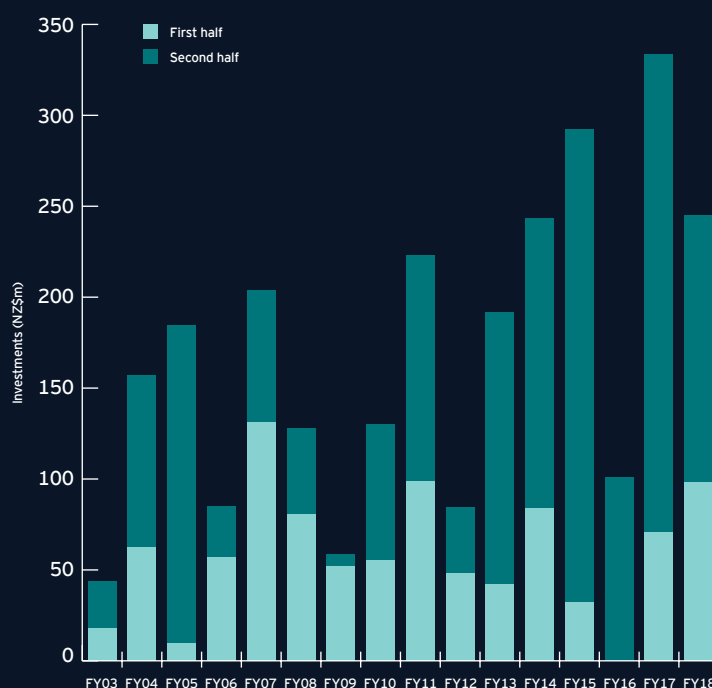
Mid-market private equity investment/divestment summary 2003 to 2018



Mid-market investment

- ▶ The level of mid-market investment from deals with disclosed values decreased to \$245.0m from a record level of \$333.7m in 2017.
- ▶ The average investment value decreased from \$19.6m in 2017 to \$12.9m in 2018, a return to the longer-term average trend.
- ▶ Mid-market deals exclude any transactions where the target has an estimated enterprise value over \$150m, as these are categorised as buy-out transactions for the purposes of this report.

Mid-market investments - half year split





The Mid-Market sector continues to be a strong performer with more than \$1.9 billion invested in the last decade and \$976 million returned to investors to date.

Andrew Frankham
NZVCA Chair

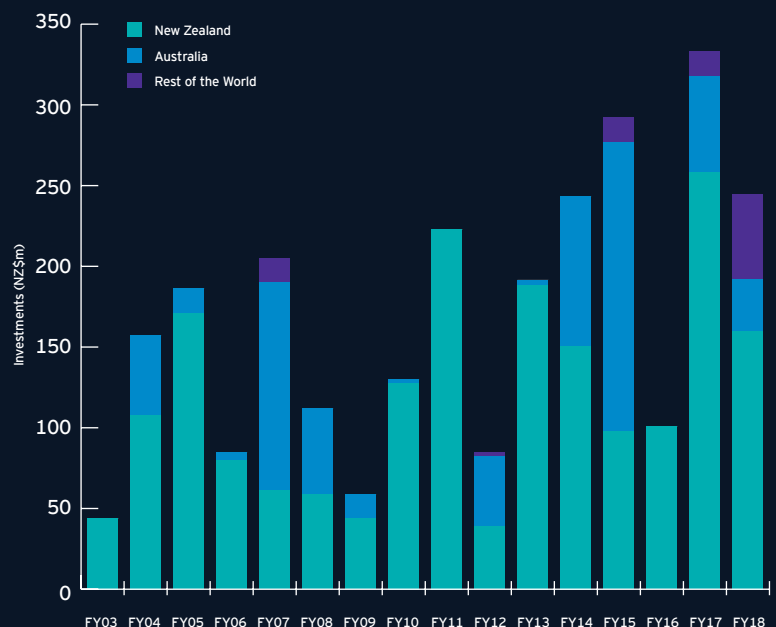
Mid-market investment

- Mid-market investment activity remained buoyant in 2018, driven by record levels of investments by New Zealand domiciled funds including investments by Pioneer Capital, Pencarrow Private Equity, Waterman Capital, Milford Private Equity and Oriens Capital.
- There was also an increased level of activity from funds outside of Oceania.

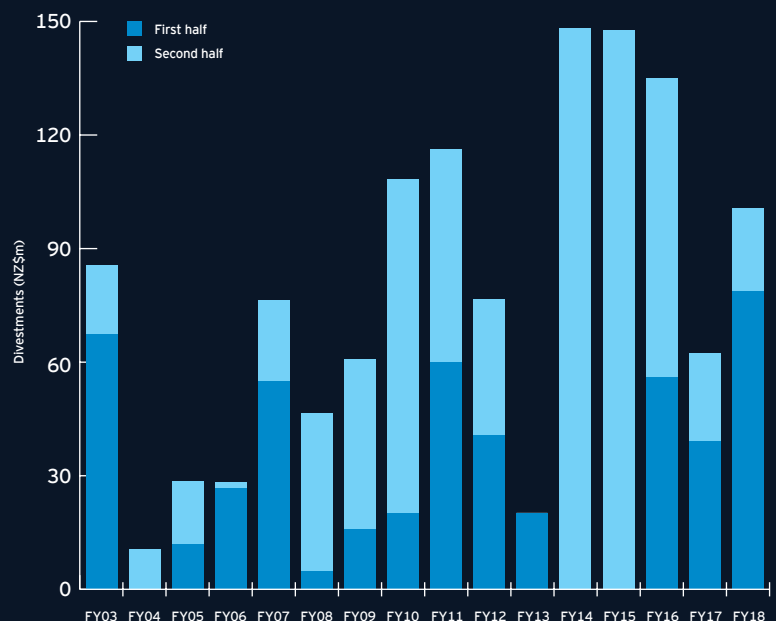
Mid market divestment

- Mid-market divestment activity showed an increase from 2017.
- Divestment activity was primarily driven by transactions by Australian funds.

Mid-market investments - domicile



Mid-market divestments - half year split





Venture and early stage capital

Venture capital investment/divestment summary 2003 to 2018

Overview

Since 2009 our survey results for venture capital activity have been supplemented by deal information from NZVIF's Young Company Finance publication. This has led to broader data capture, and the inclusion of early stage investment activity within the VC segment. Early stage investment includes activity of fund managers, angel networks and individuals. We have included only activity of fund managers (who employ a General Partner / Limited Partner structure) in our dataset.

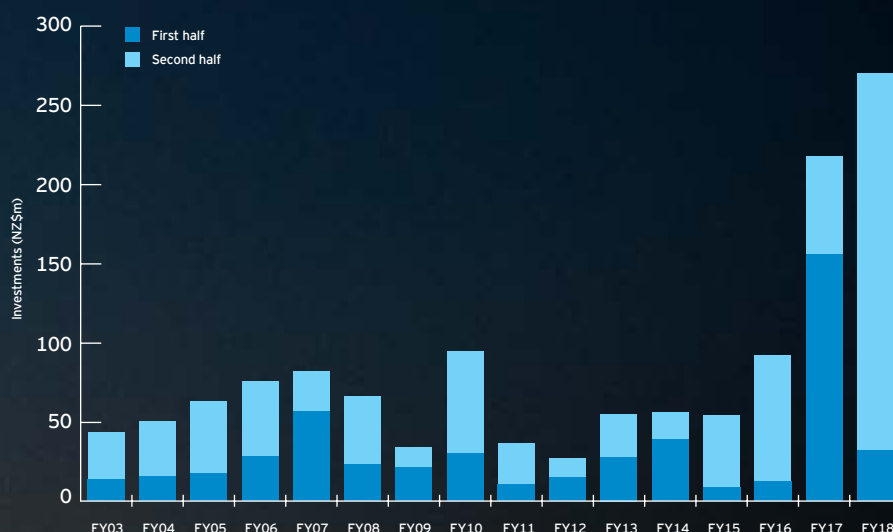
Fund managers or General Partners manage capital provided by investors. Fund managers have investment programmes to attract investor's capital prior to deploying the capital. Their activity is distinct from angel networks that help individuals to invest their own capital usually on a deal by deal basis.

The size of early stage funds varies from large venture capital funds (greater than \$50m funds under management) to small and micro VC (\$2m-10m funds under management). The stage of investment describes the path from seed/early stage to expansion.

Venture and early stage investment

- ▶ Total investment value of disclosed VC activity in New Zealand of \$269.7m across 40 deals in 2018 (compared to \$217.3m across 48 deals in 2017). This represents a notable increase in the value of New Zealand VC activity.
- ▶ The headline deal was the additional capital raised by Rocket Lab, an aerospace technology company, whilst there was a continuation of smaller scale deals consistent with prior years.

Venture and early stage investment summary

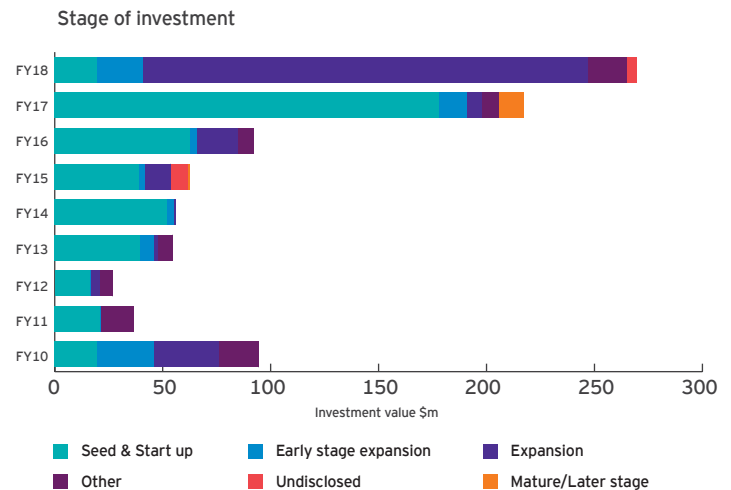




2018 saw a shift from seed & start-up capital towards early stage and expansion capital

Stage of investment

This chart shows the stages of investment of VC activity in NZ. The split of investments by stage differs in 2018 driven by the classification of the Rocket Lab investment round.

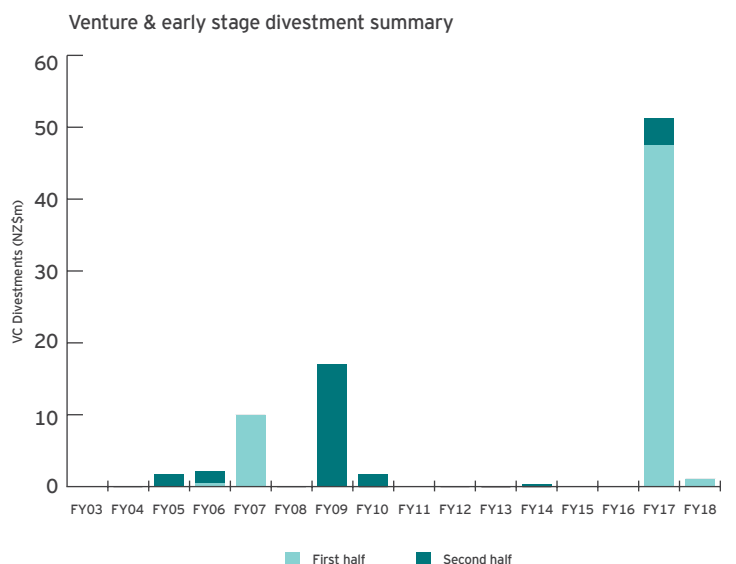
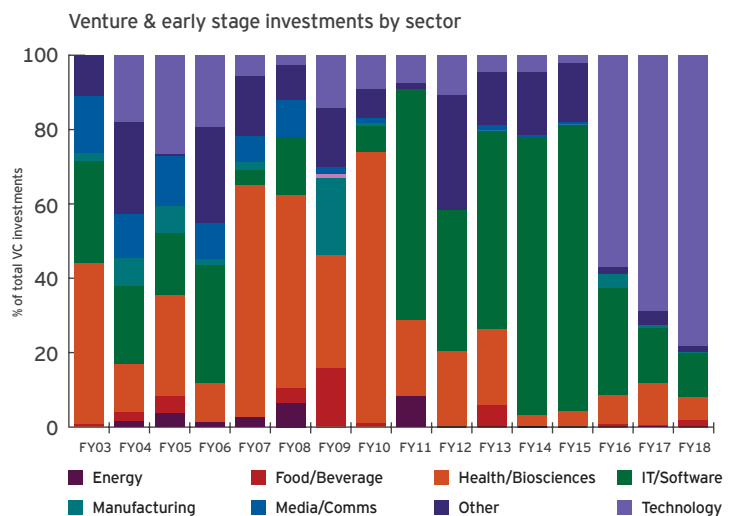


Venture and early stage capital - sector review

- ▶ Technology and IT / software remain key focus sectors for VC investment.
- ▶ Other sectors obtaining VC funding in the year included food / beverage and health / biosciences.

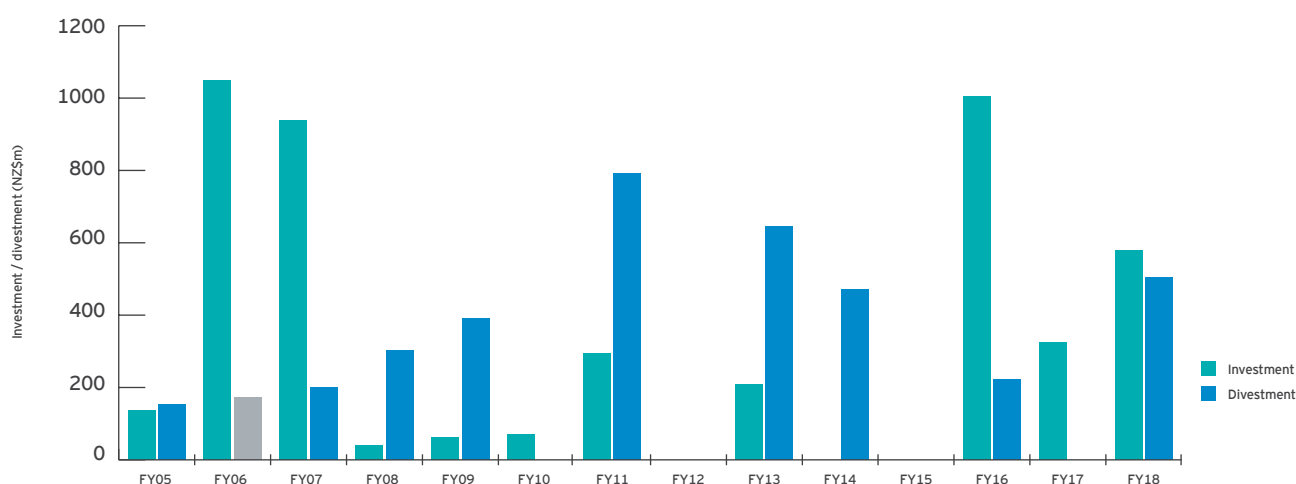
Venture and early stage capital - divestment

- ▶ Divestment activity in 2018 was minimal following a record year in 2017.
- ▶ Divestment activity presented in this report is limited by the availability of information on transaction values in some cases.



Buy-out private equity

Buy-out private equity investment/divestment summary 2005 to 2018



Overview

- Buy-out transactions are defined as those transactions with an estimated enterprise value over \$150m. The observed deal value trends from 2005 to date are a result of a small number of high value transactions in this segment. 2018 saw continued buy-out investment activity and a return to divestment activity following minimal divestments in the prior three years.

Buy-out investment

- Buy-out investments were undertaken by overseas funds, including:
 - Pacific Equity Partners investing in Evolution Healthcare.
 - HgCapital's acquisition of Orion Health's Health Rhapsody business.
 - Bain Capital's investment in Tower.

Case studies

Smart Environmental

In July 2017, the Maui Capital Aqua Fund invested in Smart Environmental alongside Smart's senior management.

Maui Capital works in partnership with successful and like-minded management teams, to assist them in executing active growth strategies and building great local New Zealand businesses.

Smart Environmental has been in the Waste, Recycling, Resource Recovery and Parks industries for over 25 years.

Smart is the third largest player in New Zealand's municipal waste management and recycling sector. The business has strong relationships with 15 Councils across more than 20 contracts, servicing more than 250,000 households. Smart also has a small but growing commercial waste collections business.

In a fast-evolving waste and recycling environment, Smart is challenging the traditional industry model by concentrating on recycling more of New Zealand's waste stream and reducing flows to landfill.

Currently the local waste and recycling sector is fragmented, beneath two large operators both of which are privately held and offshore-owned.

Maui and Smart's shared vision is the creation of a uniquely Kiwi, regionally-focused industry player of scale in the waste sector. Maui's investment will:

- ▶ Enable investment in management capability and leadership to facilitate the next growth phase
- ▶ Enable investment in internal process and systems to create a scalable platform
- ▶ Provide access to fresh and previously unavailable capital to unlock further organic growth
- ▶ Facilitate a platform that can partner with like-minded businesses

Maui Capital was founded in 2008 by the New Zealand executive team who had previously managed the Hauraki Private Equity No.1 and No.2 Funds for Goldman Sachs JBWere. Maui Capital currently operates the Maui Capital Indigo and Aqua Funds, with combined committed capital of \$500 million.

The Maui team has experience in investing in a diverse range of industries and in businesses of all scales and stages enabling active strategies to grow or transform businesses.

Accelerating healthy lifestyle ambition

In 2018 Pioneer Capital invested in the healthy snack food business of Tom & Luke.

A shared passion for health and good food was the genesis for Tom & Luke. The business partners met five years ago when Tom Dorman, a personal trainer, worked in a gym across the road from the cafe where Luke Cooper was a chef.

Frustrated by the high sugar content and additives in supposedly healthy snack foods, they started developing bars and protein balls that are high in fibre, protein and fat, without any of the nasties, alongside experienced food entrepreneur Richard Plimmer.

Tom & Luke grew quickly. The brand is now sold in supermarkets throughout New Zealand, in Woolworths, Coles Express and Costco stores in Australia, on Amazon in the US, and in numerous outlets in Japan.

Due to its rapid growth and sector, the business had received several approaches from investment firms and chose to partner with Pioneer Capital, who aligned with the founding shareholders' values.

The Pioneer Capital investment allows Tom & Luke to make its future expansion plans happen faster. Wherever the business goes from here, it will always remain true to the founders' passion for spreading the message about healthy lifestyle.

Pioneer Capital partners with owners and managers of private businesses through investing \$10 million – \$50 million (or more in partnership with their limited partners) and helping them to build value through growth.

Pioneer Capital focus on New Zealand businesses managed by highly capable teams, expanding in large international markets, earning meaningful revenue and delivering high value products and services to their customers. Typically, these businesses export the majority of their products and services.

Their investment capital primarily funds growth, which may include acquisitions. It may also provide a bridge to public markets or a change of ownership.



Accelerating global ambition of visual data science software

In July 2014, the Pencarrow IV Fund made a significant minority investment in Seequent, providing mainly expansion capital to become the largest single shareholder.

Silicon Valley private equity firm Accel-KKR made an investment in Seequent in September 2018, for a 70 percent shareholding. With their global headquarters remaining in Christchurch, the company continues to run R&D from New Zealand, Canada and South Africa.

Previously called ARANZ Geo, Seequent is a unique software business which started out making a diagnostic aid for wound care. It was then adapted for use by Weta Workshop technicians to generate some of the extraordinary animations in the Lord of the Rings film trilogy. Seequent has since grown exponentially under the watchful eye of Pencarrow, New Zealand's longest established private equity manager, to become a leading global provider of 3D geological modelling software for mining and exploration geologists.

Seequent is best known for its Leapfrog 3D geological modelling solutions for the mining and minerals industry. The company has launched Leapfrog versions for the civil engineering, geothermal energy and environmental industries, as well as other visualisation and collaboration technologies.

Pencarrow continues to retain an investment in Seequent, and with Accel-KKR, brings capital and valuable business expertise and networks into new global markets. This will be particularly valuable for Seequent's newly launched Leapfrog Works for the civil and environmental sectors, as well as enabling further complementary acquisitions globally.

Founded in 1993, Pencarrow Private Equity is one of the most experienced private equity managers in New Zealand, having invested in more than 40 companies over its 26-year history. Seequent was an investment in the NZ\$124m Pencarrow IV Fund which had its final close in December 2012. The investment alongside Accel-KKR occurred through the more recently raised \$250 million Pencarrow V Fund, which achieved a first and final close in April 2018.

Other companies currently under investment by Pencarrow include Umbrellar (cloud hosting & web services), SolarCity (residential solar electricity), BeGroup (retirement village & aged care operator), MMC (outsourced fund & investment administration), Mix (natural skin and hair care products), Netlogix (technology-enabled freight logistics), The Collective (branded global yoghurt manufacturer) and Avanti Finance (leading non-bank lender).

Opinion



Andrew Frankham
NZVCA Chair

We are pleased to announce that 2018 was another busy year for private capital investment. The volume of total investments completed was consistent with recent years but at higher average invested capital. The total private capital investment for the year was \$1.05 billion. This capital was deployed into accelerating the growth of New Zealand companies and is indicative of a strong and healthy private capital market.

Over the last decade more than \$5.4 billion has been invested into growing New Zealand companies. To date, more than \$4.1 billion has been returned to investors for re-investment into new opportunities or recycling back into the broader economy.

Venture and Early-Stage investment continue to increase. Over the decade \$936 million has been invested in 579 transactions in this category. In 2018 there was a sharp rise with \$270 million invested across 40 venture and early-stage investments which materially exceeded previous records. The stand out contributor to this activity was the capital raising completed by Rocket Lab, in which ACC completed a significant investment.

The Mid-Market sector continues to be a strong performer with more than \$1.9 billion invested in the last decade and \$976 million returned to investors to date. That capital continues to accelerate the ambitions of growth focused companies within fund portfolios. While investment in 2018 decreased to \$245m from the record level of \$334m set in 2017, investment levels remain well above the long-term average.

Buy-out activity has continued, but at a lower level than the 2016 peak, with \$579m of investments and \$503.4m of divestment activity. The EY New Zealand Private Equity and Venture Capital Monitor measures the level of professional investment activity in New Zealand's private markets. Private markets are important in New Zealand as privately-owned businesses represent a greater portion of the total market than is the case in other comparable countries. The Monitor is important research and we are grateful to EY for its production.

The background of the page is a photograph of a sunset. The sky is a deep blue at the top, transitioning to a bright orange and yellow near the horizon where the sun is setting. There are several clouds, some of which are illuminated from below by the sun, creating a dramatic effect. In the foreground, the silhouettes of several people are visible, appearing to be playing soccer on a field. The sun is positioned low in the sky, between two of the players, creating a strong backlight effect.

The 2018 Monitor illustrates that the availability of private capital in New Zealand remains healthy, with renewed interest in early stage investing and continued strong activity in the mid-market investment space.

Andrew Frankham
NZVCA Chair

Capital invested

The investment activity of domestic mid-market fund managers in 2018 followed a record set the previous year. The level of mid-market investment from transactions with disclosed values decreased to \$245m from a record level of \$333.7m in 2017. The average investment value also decreased from \$19.6m to \$12.9m in 2018, a return to the longer-term average trend.

There continues to be a significant amount of capital available from domestic and international private equity funds, providing alternatives for mid-market and large private companies seeking new capital. However, the shortage of capital available for venture capital (series A and B capital raisings) has been long acknowledged. The last year has seen emerging evidence that there are teams with the particular skillset to execute in this niche environment. New investors from angel investors to KiwiSaver funds are taking renewed interest in aggregating capital into venture funds, with a recent example being the announced Ice House Ventures fund. The significant participation of international funds in investment rounds in 2017 continued into 2018. However, timing of larger transactions is often “lumpy”. We are aware that international interest in New Zealand innovation is still strong and we expect more international fund transactions in the future.

Outlook

The optimism of survey participants has improved since last year, but remains subdued with ongoing concerns around global macro themes including recession fears and trade disruptions. The outlook for interest rates and economic growth remains subdued in the near term but New Zealand businesses continue to remain active in executing growth strategies.

Investment in New Zealand’s private companies continues to provide excellent opportunities for experienced managers to accelerate growth and build capability. Institutional investors continue to consider increasing mandates targeting private equity.

Industry development

The view of the private market community is clear that partnering with private capital is more than simply the capital component. It is a catalyst for change including succession and enabling continued growth. Our research indicated that we needed to be a “bolder and stronger” advocate for the industry. We’ve listened to that feedback and are acting on it.

Our ambition is to improve our capacity to connect business owners with the capital that enables a step-change in growth. A key aspect of that is to help profile the industry for business owners to navigate and understand the opportunity that private capital provides.

We are focused on shifting our approach and character to more actively engage with business-owners and accelerating growth ambitions.

As an industry body, we continue to explore ways to promote excellent outcomes for all stakeholders. Our focus is on being more vocal about the combined strength of investors, fund managers and company owners in building strong and enduring New Zealand companies.

I encourage you to support the Association’s efforts and wherever possible, to contribute to the conversation around accelerating growth and improving productivity through the continued development of New Zealand’s private equity and venture capital markets.

Outlook

Industry outlook

The outlook for the New Zealand private capital market remains positive and is slightly improved on 2017.

Fund managers highlighted key factors affecting portfolio companies, including labour availability, challenges of meeting growth plans in a period of global economic uncertainty, and access to capital.

The New Zealand IPO market remained moribund in 2018, whilst private M&A activity continued to be buoyant.

Plans for investee companies

Respondents were asked their plans in relation to new investee companies. In 2018 these plans included:

- ▶ Expanding into new markets
- ▶ Increasing headcount
- ▶ Increasing marketing expenditure
- ▶ Launching new products
- ▶ Increased R&D spend

Challenges and opportunities

Respondents identified the following factors which they consider will impact venture capital and private equity activity in New Zealand over the next 12 months.

Venture capital respondents noted:

- ▶ Achieving successful exits
- ▶ Availability of capital
- ▶ Potential impact of Government policy

Private equity respondents highlighted the following:

- ▶ Level of “dry powder” and competition for assets driving higher multiples
- ▶ Ability to hire skilled and experienced employees
- ▶ Potential impact of tax changes on investor participation
- ▶ Increased opportunities from ageing vendors seeking succession

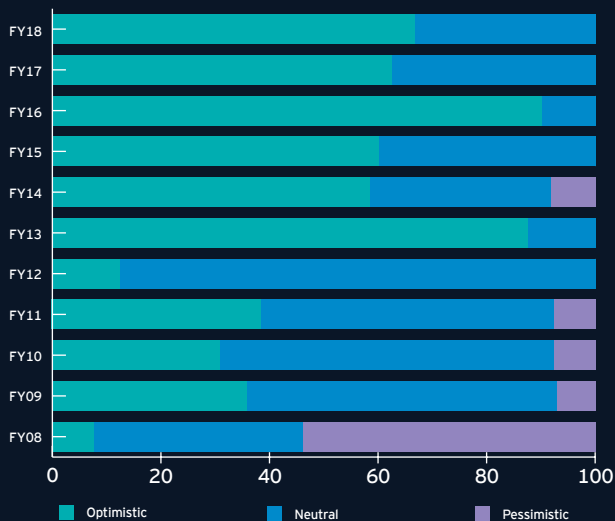


Increasing optimism bodes well for 2019 to continue the strong growth.

Brad Wheeler
Partner, EY

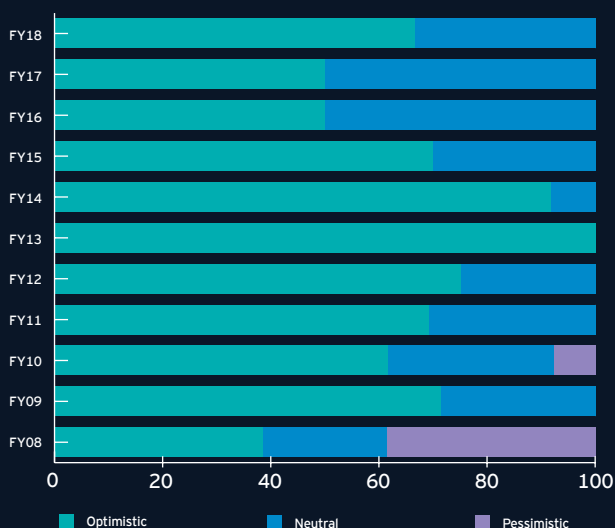
Next six months

Respondents' short term outlook is slightly more positive than last year and largely optimistic, reflecting the New Zealand economy's relative resilience compared to global markets.



Next 18 months

The outlook for the next 18 months is also slightly improved from the prior year.

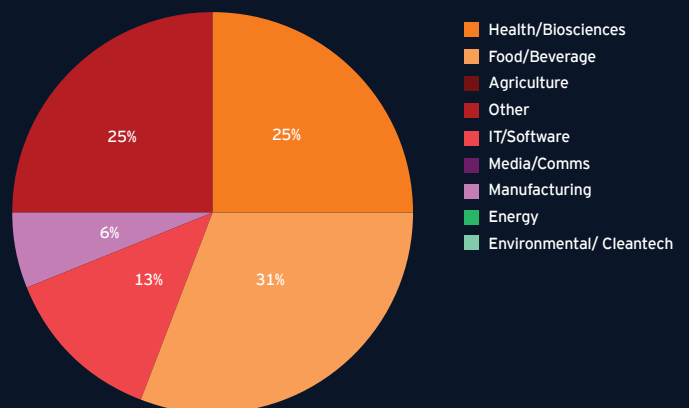


Outlook by sector

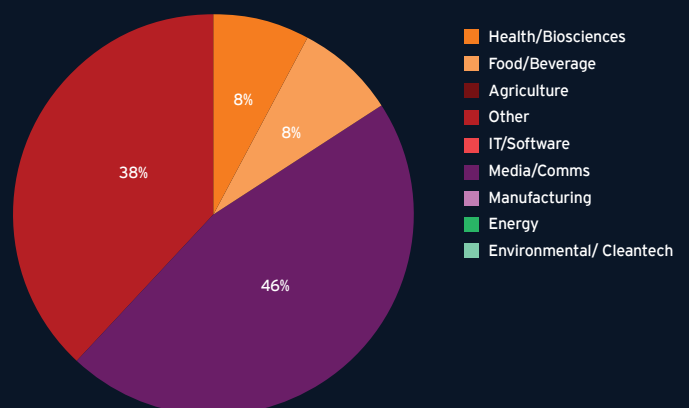
For 2018, respondents were asked to identify which sectors they were most optimistic and most pessimistic about.

Food/Beverage and Health/Biosciences continue to generate significant optimism whilst fund managers have a more pessimistic view of the Media and Communications sector in particular.

Sectors most optimistic about



Sectors most pessimistic about



Activity summary

Currency: NZ\$m	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
Investment								
Venture capital	43.6	50.2	63.0	75.6	81.9	66.1	34.0	94.4
Mid-market PE	44.1	157.0	184.7	84.8	203.7	127.8	58.7	130.0
Buy-out PE	0.0	0.0	136.9	1,048.5	937.7	40.1	62.7	70.0
Total	87.7	207.2	384.6	1,208.9	1,223.4	234.0	155.4	294.4
Investment (no. of deals)								
Venture capital	42	44	50	77	60	52	63	67
Mid-market PE	7	18	25	18	23	31	12	14
Buy-out PE	0	0	4	17	2	1	3	1
Total	49	62	79	112	85	84	78	82
Divestment (NZ\$m)								
Venture capital	0.0	0.0	1.8	2.1	10.0	0.0	17.1	1.8
Mid-market PE	85.5	10.7	28.4	28.2	76.3	46.5	60.8	108.2
Buy-out PE	0.0	0.0	154.6	172.0	200.0	301.5	391.5	0.0
Total	85.5	10.7	184.8	202.3	286.3	348.0	469.4	110.0
Divestment (no. of deals)								
Venture capital	0	0	1	4	3	1	1	2
Mid-market PE	7	2	5	5	7	12	6	5
Buy-out PE	0	0	1	1	1	1	2	0
Total	7	2	7	10	11	14	9	7
Total activity – investments and divestments (NZ\$m)								
Venture capital	43.6	50.2	64.9	77.6	91.9	66.1	51.1	96.2
Mid-market PE	129.5	167.7	213.1	113.0	280.1	174.3	119.5	238.2
Buy-out PE	0.0	0.0	291.5	1,220.5	1,137.7	341.6	454.2	70.0
Total	173.2	217.9	569.4	1,411.2	1,509.7	582.0	624.8	404.4
Average Investment deal size								
Venture capital	1.0	1.1	1.3	1.0	1.4	1.3	0.5	1.4
Mid-market PE	6.3	8.7	7.4	4.7	8.9	4.1	4.9	9.3
Buy-out PE	0.0	0.0	34.2	61.7	468.8	40.1	20.9	70.0
Average for all	1.8	3.3	4.9	10.8	14.4	2.8	2.0	3.6

Currency: NZ\$m	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Investment								
Venture capital	36.6	26.8	54.8	55.8	62.5	92.3	217.3	269.7
Mid-market PE	223.0	84.6	191.5	243.5	284.1	100.8	333.7	245.0
Buy-out PE	294.5	0.0	210.0	0.0	0	1,005.6	325.0	579.0
Total	554.0	111.4	456.2	299.3	346.6	1,198.7	876.0	1,093.6
Investment (no. of deals)								
Venture capital	70	50	66	62	69	50	48	40
Mid-market PE	12	12	15	19	17	11	17	19
Buy-out PE	2	0	1	0	0	5	3	3
Total	84	62	82	81	86	66	68	62
Divestment (NZ\$m)								
Venture capital	0.0	0.0	0.0	0.4	0	0.0	51.2	1.1
Mid-market PE	116.3	76.7	2.9	148.3	147.8	134.9	62.4	100.8
Buy-out PE	791.6	0.0	662.5	471.6	0	223.4	0.0	503.4
Total	907.9	76.7	665.4	620.3	147.8	358.3	113.6	605.3
Divestment (no. of deals)								
Venture capital	0	0	0	2	0	0	2	1
Mid-market PE	7	5	3	5	4	5	2	4
Buy-out PE	3	0	4	2	0	4	0	3
Total	10	5	7	9	4	9	4	8
Total activity – investments and divestments (NZ\$m)								
Venture capital	36.6	26.8	54.8	56.2	62.5	92.3	268.5	270.8
Mid-market PE	339.2	161.3	194.4	391.7	431.9	235.7	396.1	345.7
Buy-out PE	1,086.1	0.0	872.5	471.6	0	1,229.0	325.0	1,082.4
Total	1,461.9	188.1	1,121.7	919.5	494.4	1,557.0	989.6	1,698.9
Average Investment deal size								
Venture capital	0.5	0.5	0.8	0.9	0.9	1.8	4.5	6.7
Mid-market PE	18.6	7.0	12.8	12.8	16.7	9.2	19.6	12.9
Buy-out PE	147.2	0.0	210.0	0.0	0.0	201.1	108.3	193.0
Average for all	6.6	1.8	5.6	3.7	4.0	18.2	12.9	17.6

About the survey

The survey

The EY New Zealand Private Equity & Venture Capital survey is based on responses received from venture capital and private equity participants in the New Zealand market, including firms from both New Zealand and Australia. The values reported represent the equity component of transactions only. We have also included in our analysis any publicly announced information, acknowledging S&P Capital IQ as a source of data, in addition to venture capital activity as reported in NZVIF's *Startup* – Young Company Finance publication. We do note that there are a small number of industry participants that elect not to participate.

Data integrity/privacy policy

All data received through EY New Zealand Private Equity & Venture Capital survey process is the property of the NZVCA and EY. Other than for use in the monitor document, all data is subject to the principles of EY's Privacy Policy and will not be sold or released to any other parties.

If you are aware of a colleague that did not receive a copy of the EY New Zealand Private Equity & Venture Capital Monitor or if you would like to participate in future surveys, please contact either Brad Wheeler or Tom Goad at EY or Colin McKinnon at NZVCA. Contact details are provided over.

About EY Transaction Advisory Services (TAS)

How organisations manage their capital agenda today will define their competitive position tomorrow. We work with our clients to help them make better and more informed decisions about how they strategically manage capital and transactions in a changing world. Whether you're preserving, optimising, raising or investing capital, EY's Transaction Advisory Services bring together a unique combination of skills, insight and experience to deliver tailored advice attuned to your needs - helping you drive competitive advantage and increased shareholder returns through improved decision making across all aspects of your capital agenda.

For more information about the EY New Zealand Private Equity & Venture Capital Monitor or to find out more about EY, please contact one of the specialists noted below:

Brad Wheeler
Partner

Tel: +64 21 228 5490
brad.wheeler@nz.ey.com

Andrew Taylor
Partner

Tel: +64 27 289 8449
andrew.taylor@nz.ey.com

Tom Goad
Associate Director

Tel: +64 27 489 9724
tom.goad@nz.ey.com

ey.com/nz/transactions

About the NZ Private Equity and Venture Capital Association (NZVCA)

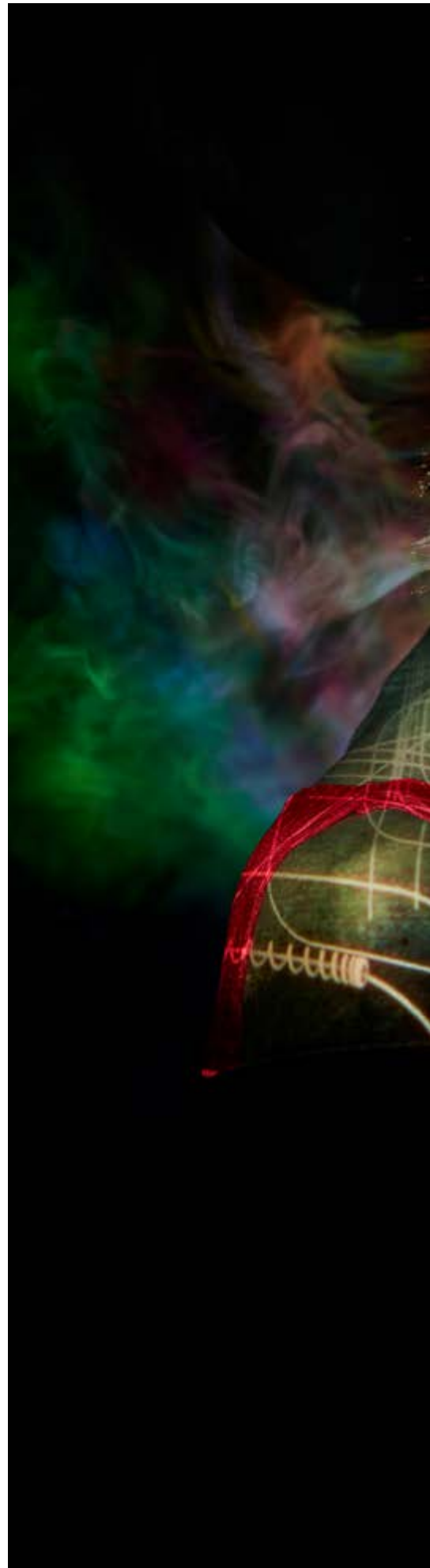
NZVCA is a not-for-profit industry body committed to developing the venture capital and private equity industry in New Zealand. Its core objectives include the promotion of the industry and the asset class on both a domestic and international basis and working to create a world-class venture capital and private equity environment.

Members include venture capital and private equity investors, financial organisations, professional advisors, academic organisations and government or quasi-government agencies.

For further information about the NZVCA please contact:

Colin McKinnon
Executive Director, NZVCA
Tel: +64 9 302 5218
Mobile: +64 27 640 6406
colin.mckinnon@nzvca.co.nz
www.nzvca.co.nz

Andrew Frankham
Chair, NZVCA
andrew.frankham@directcapital.co.nz



About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation is available via ey.com/privacy. For more information about our organization, please visit ey.com.

About EY's Transaction Advisory Services

How you manage your capital agenda today will define your competitive position tomorrow. We work with clients to create social and economic value by helping them make better, more-informed decisions about strategically managing capital and transactions in fast-changing markets. Whether you're preserving, optimizing, raising or investing capital, EY's Transaction Advisory Services combine a set of skills, insight and experience to deliver focused advice. We can help you drive competitive advantage and increased returns through improved decisions across all aspects of your capital agenda.

© 2019 Ernst & Young, New Zealand.
All Rights Reserved.

APAC No. NZ00001019
NZ1010942
ED none

This communication provides general information which is current at the time of production. The information contained in this communication does not constitute advice and should not be relied on as such. Professional advice should be sought prior to any action being taken in reliance on any of the information. Ernst & Young disclaims all responsibility and liability (including, without limitation, for any direct or indirect or consequential costs, loss or damage or loss of profits) arising from anything done or omitted to be done by any party in reliance, whether wholly or partially, on any of the information. Any party that relies on the information does so at its own risk. The views expressed in this article are the views of the author, not Ernst & Young.

ey.com