

28 September 2018

CWH Secures New Shareholder

Pohutukawa II today announced that it had completed the sale of its shareholding in Cavalier Wool Holdings (CWH), alongside a sell-down by Direct Capital IV, ACC and Cavalier Corporation, and partial sell-down by Lempriere Australia.

CWH is New Zealand's largest wool scouring operation with plants in Napier and Timaru. It processes greasy wool, removing contaminants and wool grease, into clean wool ready for further processing by domestic carpet manufacturers, and for export to international markets on behalf of the country's wool merchants.

Pohutukawa II together with Direct Capital IV invested into CWH in 2010 and led the consolidation of the industry resulting in significant efficiency gains being achieved, ensuring the New Zealand scouring industry remains internationally competitive and right-sized for New Zealand's sheep population.

The company has been highly profitable throughout Pohutukawa II's investment period, returning its invested capital through regular dividends. The realisation completes a successful investment for investors.

Contacts

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