



## **Business Acquisition – Haden & Custance Limited**

**9 November 2016**

Mercer Group Limited (NZX:MGL) is pleased to announce that it has entered into a conditional agreement to acquire 100% of the shares of Haden & Custance Limited (“H&C”).

H&C is based in Hastings and is recognised as a leader in the automated preparation of bulk products for downstream processing, with a focus on the cheese and butter sectors globally. H&C systems are designed by its in-house team of automation, robotic and mechanical engineering specialists with its focus on robotic systems that include the following key components:

- 3 Dimensional De-Palletising
- Block tracking and recipe management
- Defect and foreign object detection
- Robotic De-Cartoning
- Robotic De-Bagging

In addition to its head office in the Hawkes Bay, H&C also has offices in Melbourne and Wisconsin USA. For further information on H&C see [www.hadencustance.com](http://www.hadencustance.com)

The conditional purchase price is \$2.25m. MGL expects to fund the acquisition through a placement of new shares or debt.

H&C fits very well with MGL’s stated strategy of investing in food processing and packaging technologies. The alignment and market synergy with MGL’s Beta, Aico and Titan lines is compelling and provides the scale MGL signalled was required to have a sustainable business. Importantly, H&C has a presence in the US with an office in Wisconsin – this will assist MGL’s strategy to grow Titan and the Beta range in that market. In addition to this strategic rationale, the financial synergy benefit is forecast to be material and MGL believes that this will provide the platform for sustainable profitability.

For further information contact:

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