

M&A NEWS

Global Business Bulletin

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John Perry

300

The 300th
CB Associate
joined our
Global Alliance
in March 2021

The Hospitality
Industry Winner
Marloes Knippenberg
given Business Woman
of the Year Award 2020

John Perry

A long way to independence



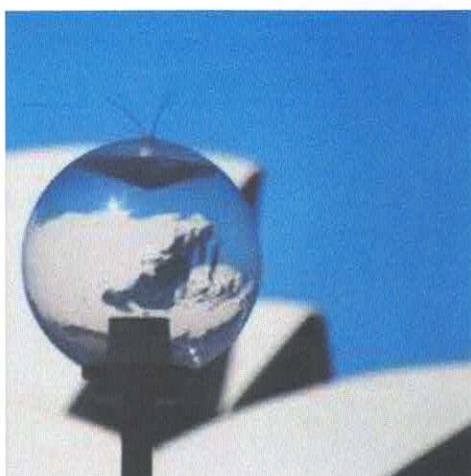
John Perry joined CBA as its 300st Associate.

My story starts about 50 miles north of London. I was brought up in a small village called Houghton Conquest in rural Bedfordshire. Houghton Conquest has an ancient history with a heritage-listed church dating back to the fourteenth century. The village was mentioned in the Domesday Book, the “census” taken in 1086 after the invasion of England by William the Conqueror. Houghton Conquest is an Anglo-Saxon / Norman name meaning Conquest’s farm on a spur or ridge. Nearby Houghton House is the House Beautiful in John Bunyan’s famous seventeenth-century book “The Pilgrim’s Progress”.

From this rural background I developed an early interest in the world and current affairs. My favourite subject at school was Geography and I went on to study it at Durham University. In the UK, the focus of traditional universities is to “educate the mind” as opposed to the vocational training that occurs at newer universities and in Australia, where I now reside.

Whilst the focus on educating the mind is perceived as quaint in my adopted home, I think it still generates transferable skills and independent thinking relevant in the modern world and does not restrict a student to a narrow education whilst in their late teens / early twenties.

I decided I wanted to come to Australia at the age of 8 after having watched the 1975 Ashes series (England vs Australia cricket). The Australian cricket team played a positive, determined game of cricket, which seemed to reflect the national “can do” psyche. After undertaking an accountancy qualification, I was fortunate to relocate from KPMG UK to KPMG Sydney for a 2-year secondment, which I extended to 4 years. The choice to stay in Australia with an outdoors’ lifestyle, beaches and “summer all year round” was an easy one compared to enduring miserable, cold, rainy English winters! The only negative was that my family is 24 hours away by plane.



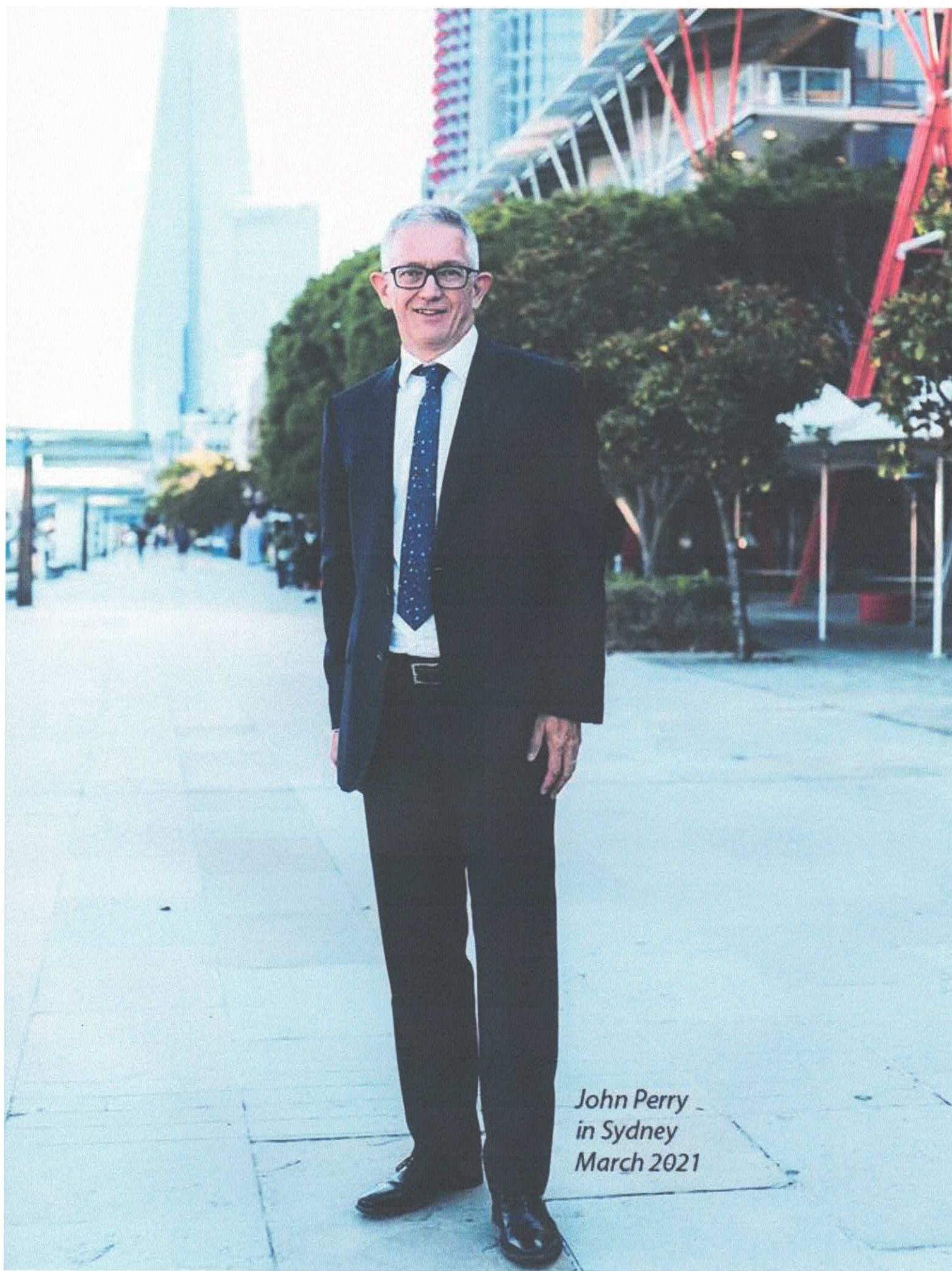
In another stroke of fortune, the CFO of an audit client in the radio industry required assistance to undertake a transformational merger. I spent 6 months there assisting with acquisition and financing execution and post-merger integration and my love of investment banking was born.

Sydney – gate to the world

From this assignment, I transferred to KPMG Corporate Finance and then a boutique corporate adviser before landing at Macquarie Group, which had a reputation of being extremely innovative and employing some of the brightest minds around. I stayed at Macquarie for more than 11 years and it was formative in shaping my thinking and experience in investment banking.

Macquarie’s culture was based on “freedom within boundaries” meaning that the Group encouraged employees to have an entrepreneurial spirit and to take measured risk in generating revenue and establishing new businesses. As an investment bank, we were innovators in a number of areas such as engaging operational consultants to assist in M & A deal identification, marketing and client due diligence through to co-investing with clients in principal transactions.

My first day was symbolic of how my more than a decade at Macquarie would progress. After arriving for work just after 8am, my boss told me not to sit down, but to get out of the office and run a business sale transaction for PepsiCo. He indicated that he was confident in my ability and wouldn’t come to that first meeting,



*John Perry
in Sydney
March 2021*

so it was “sink or swim” for me. Fortunately, I swam and lead that complex sale over the next 6 months.

Macquarie was full of challenging assignments and learning experiences.

After the sale process for a large beverage business, the CEO gave me a “deal present” of a laminated copy of the deal timetable I had presented to him on day 1 of the transaction, which had said we would sell the business within 3 months. It ultimately took 2 years and 1 day as there was realistically only one buyer who could pay the expected price due to strong synergies, so we in essence had to wait for their timing. Lesson – be transparent, thoughtful, and measured in what you say and don’t fall into the trap of telling the client what you think they want to hear!

At Retirement Villages Group (“RVG”), I set up and led as CEO a \$1.5 billion business. This was a senior care acquisition roll-up with a joint venture partner and was a significant balance sheet investment for Macquarie. Lesson – principal investment requires a complete mind shift of investing your own money and operating it as your own business, as opposed to advising others how to invest or realise theirs. It sharpens the thinking as the stakes are higher.

Whilst leading RVG, we had to refinance a A\$600 million syndicated loan at the height of the GFC. During this refinance Lehman Brothers went bust and the refinance took 6 months. An amusing, but salutary lesson occurred during the refinance. Negotiations were going badly with the lead bank, which was proposing a set of loan covenants we thought we couldn’t achieve in the subsequent 3-6 months, but there was huge pressure from the RVG Board to restructure the facility. During late night negotiations, a seminal moment occurred when the lead bank’s banker did not mute his conference phone during an interlude. As luck would have it, I overheard him say to a colleague that he wanted to wrap up the call quickly as he had an important golf game the next day.

So, I decided to change tack and to negotiate very aggressively from a position of weakness. I asked for a set of covenants achievable by RVG and outrageously much better than the bank currently had on the table. After I said that we should stay up all night to achieve agreement, the banker’s dejection was palpable. Within an hour he had caved – we got the covenants we wanted, and he got to go to his game of golf in the morning!

Subsequent to Macquarie, I worked for RBS and CIMB in Australia. After growing the core business by undertaking some keynote transactions for large Australian corporates, both RBS and CIMB decided to exit Australian investment banking. After the second such occurrence, I decided that I was fed up with management teams thousands of miles away controlling my destiny and that I would set up my own advisory business Conquest Capital, which is named after my original home village.

I was fortunate to bring across a couple of clients to Conquest Capital and the business was born.

Conquest Capital's focus is to provide independent corporate finance advice to "growth SMEs", whether they be private or listed. We assist SMEs in their growth journey by advising on M & A, capital raising (both equity and debt) and strategy across a number of verticals, including healthcare, consumer, industrials, real estate and technology.

Whilst many advisers seem to specialise in M & A, capital raising and strategy separately, I have found that many SME clients require advice on all such aspects in conjunction, whether that be in either complex, transformational transactions or on an ongoing basis over a number of years. We therefore provide all of this advice in-house.

As we build the boutique, it is important we retain the right culture and join with the right partners, who share the same values of Value-Add, Tenacity and Integrity. We are highly focused on client service and going above and beyond to achieve our client's objectives, but we also try to capture that entrepreneurial spirit that came from some of our days at Macquarie.

Hence our desire to join CBA Cross Border Associates to collaborate with a network of independent professionals so that we can offer our clients a broader service and international access.

Australia has been relatively fortunate in the last year due to its handling of coronavirus. Whilst business was quiet in the middle of last year, we haven't suffered as some countries have.

There has been a noticeable increase in activity in our business from October 2020 onwards, particularly in growth-related roles such as equity raising.

M & A has also returned as confidence in the economic outlook has rebounded, which has allowed some businesses to sell after exiting a downturn.

On a personal basis, I am fortunate to have a wife who has supported my dream of running my own business. The flexibility (combined with hard work) afforded by working for yourself also allows me to be an active participant as my 4-year-old daughter grows.

Active exercise and sport is also an important component of my life. Not only does it keep you physically fit, but it also keeps me mentally sharp. On many occasions I have found that during or after exercise I gain the clarity to find solutions to complex issues over which I had previously been struggling.

It is therapeutic and relaxing to run along the Sydney Harbour foreshore on a stunning Spring day taking in the sun and the breeze.

I challenge myself regularly. I have completed 7 marathons, including one with my sister in Barcelona during which we were fortunate enough to attend "El Classico" in the days of BBC and MSN (Real Madrid and Barcelona for those who are not soccer tragics!). An unforgettable experience with 98,500 screaming Catalonians.

But my great sporting love is cricket. Many outside the English world cannot understand how you can play for days and sometimes not get a result (a draw). Or how rain can cancel a game. However, the swings in a game of cricket, which occur over an extended period, are like life.

The ups and downs in emotions, pressure, excitement, jubilation, and dejection at defeat all need to be handled and done so within the "spirit of cricket", which applauds all good play, whichever side it is on, respects the umpire's decision and that the game is bigger than you. There is much still to appreciate in the modern world from the game of cricket and much to learn.

Who else joined CBA in March 2021



Tom Seidl
M&A Adviser
Vienna area
Austria



Mário Coelho
Consultant
Porto
Portugal



Gerardo Ballesteros
Lawyer
Mexico City
Mexico



Dr. Diana Ribeiro
Lawyer
Porto
Portugal



Kamil Rudawiec
M&A Adviser
Katowice area
Poland

For April we already have applications from candidates in Poland, Sweden, the Czech Republic, Germany, India, and Nigeria.