

HERBERT SMITH FREEHILLS ADVISES SURFSTITCH ON ACQUISITION AND A\$50 MILLION PLACEMENT

04 December 2015 | Australia, Brisbane, Melbourne, Perth, Sydney
News

Herbert Smith Freehills has advised SurfStitch Group Limited (**SurfStitch**) on its acquisition of SHI Holdings Pty Limited (**SHI**), a global designer and distributor of water board sports products.

The [acquisition](#), which completed on 3 December 2015, saw SurfStitch purchase 100% of the shares of SHI for an enterprise value of A\$23.7 million, paid in cash.

Herbert Smith Freehills has also advised SurfStitch on a A\$50 million institutional placement of shares, which launched on 25 November 2015. Part of the proceeds from the placement will be used to provide SurfStitch with the flexibility to pursue further strategic growth initiatives including complementary acquisition opportunities.

The Herbert Smith Freehills team advising on the acquisition was led by partner [Bradley Russell](#), assisted by solicitor Jacqueline Pollard. Partner [Philip Hart](#) and solicitor Thomas Mawson advised SurfStitch on the placement of shares.

Bradley Russell said: “We are delighted to have been able to support SurfStitch as it diversifies into an industry leading online action sports and youth culture network.”

Philip Hart said: “We are pleased to have worked with the SurfStitch team on this important placement, having also acted on the company’s initial public offering and listing on ASX, and its recent A\$42.5 million institutional placement and share purchase plan to fund its acquisitions of Magicseaweed and Rollingyouth.”

The shareholders of SHI were advised by Sparke Helmore. The institutional placement was fully underwritten by J.P. Morgan Australia Limited and [UBS](#), Australia Branch, who were advised by Baker & McKenzie.

Herbert Smith Freehills has a valued, long-standing relationship with SurfStitch, having advised the company on numerous strategic acquisitions and capital markets transactions. In addition to advising the company on its A\$214 million IPO in December 2014.

Herbert Smith Freehills also acted for SurfStitch on its acquisitions of Garage Entertainment Aust Pty Ltd and TMG Pty Ltd in November 2015, and Magicseaweed Limited and Rollingyouth Pty Limited in May 2015. In addition, the firm advised SurfStitch on its acquisition of the European online business SurfDome in November 2014 and its pre-IPO acquisition of the SurfStitch Australia and SurfStitch Europe businesses and Billabong International's North American online catalogue business, Swell.com, in August 2014.

Herbert Smith Freehills' [capital markets](#) team is Australia's number one [equity capital markets](#) team by deal count, having advised issuers on more equity capital markets transactions in the first nine months of 2015 than any other law firm (Thomson Reuters). The team has also recently advised:

- [Aventus Retail Property Fund on its A\\$686.5 million initial public offering](#);
- Pepper Group Limited on its A\$471 million initial public offering;
- oOh!media Limited on its A\$289.3 million initial public offering; and
- the [Commonwealth of Australia](#) on the A\$5.9 billion Medibank Private initial public offering.

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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