

PEPPER GROUP ADVISED ON AUSTRALIAN ASPECTS OF STRATEGIC PARTNERSHIP WITH BANCO POPULAR

19 August 2016 | Australia, Brisbane, Melbourne, Perth, Sydney
News

Herbert Smith Freehills has advised Pepper Group Limited on the Australian aspects of its international consumer finance alliance with Banco Popular Español S.A.

The alliance arrangements involve the establishment of a 50/50 joint venture between Pepper and Banco Popular in the Spanish unsecured consumer finance market as well as an agreement to pursue new business opportunities internationally with the aim of building a global unsecured consumer finance business, focussing on opportunities in Europe, Asia and the Americas. The joint venture will be the 5th largest provider in the Spanish Point of Sale finance market.

Banco Popular has agreed to acquire an initial 5% interest in Pepper and has entered into a committed, 5 year equity funding facility under which Banco Popular has agreed to subscribe for additional equity in Pepper of up to \$100 million (subject to certain caps, restrictions and conditions precedent) to support future growth.

The Herbert Smith Freehills team was led by partner Philippa Stone, assisted by executive counsel Hemang Shah and solicitor Ben Robinson. The Herbert Smith Freehills team worked closely with Pepper's legal and commercial teams in both Australia and Europe in order to bring this transaction to market.

Philippa Stone said, *"it was a pleasure to once again work with the Pepper team on what is an important transaction for Pepper following its initial public offering and listing on ASX last year"*.

About Herbert Smith Freehills

Operating from over 26 offices across Asia Pacific, EMEA and North America, Herbert Smith Freehills is at the heart of the new global business landscape providing premium quality, full-service legal advice. We provide many of the world's most important organisations with access to market-leading dispute resolution, projects and transactional legal advice, combined with expertise in a number of global industry sectors, including energy, natural resources, infrastructure, technology and financial services. www.herbertsmithfreehills.com

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