

CASE STUDY

VILLA WORLD GROUP

In 2011, CVC acquired a 13% holding in ASX listed GEO Property Group, which at the time was emerging from a property meltdown in the Gold Coast market associated with the GFC, bank de-leveraging and a failed management strategy.

At the time of CVC's entry GEO report net assets of \$152 million, a market capitalization of approximately \$85 million and annual sales revenue of \$110 million.

Over the next 2 years CVC built its holding to 23%, put a representative on the Board, and assisted in developing and executing a new strategy which included:

- Recruitment and appointment of new Managing Director
- Change of company name to Villa World
- Buy-back of shares on accretive basis
- Sale of substantial non-core/strategic assets
- Strengthening of management team
- Finance facility re-negotiated
- Re-introduction of Dividend
- Re-stocking of property assets
- Placement of shares at approximate net asset value

In June 2014 Villa World reported Net Assets of \$180 million, sales revenue of \$229 million and had a market capitalization exceeding \$185 million.

In August 2014 CVC sold its holding for a profit in excess of \$15 million, representing an internal rate of return exceeding 25% per annum.



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