



Armillary

Newsletter August 2025

Oceania Bakery Sector Insights

The bakery sector in New Zealand and Australia is not just growing, it is maturing into a more complex and investable market. What was once a fragmented mix of family-run bakeries and large-scale bread producers is now a space defined by consumer-led innovation, regulatory clarity and a steady stream of strategic transactions. The market has seen over ten notable M&A deals in the past decade across Oceania, a signal that the sector is no longer flying under the radar.



In New Zealand, the market reached NZ\$3.65b in 2025 and is forecast to grow at 3.56% annually through to 2030. Australia, with a broader base, hit AU\$15.2b and is tracking at a slightly higher CAGR of 3.67 percent over the same period. These numbers are underpinned by a shift in consumer behaviour that is both predictable and persistent. People want healthier options, they want convenience, and they are willing to pay for quality. Gluten-free, organic and plant-based products are no longer fringe categories. They are now central to product development and shelf space

allocation.

The shift reflects a broader change in how bakery products are conceived, from production methods to presentation and the role they play in everyday consumption. Artisanal bread, sourdough and par-baked goods are gaining traction. So are portable breakfast options and long shelf-life formats. The demand is clear and the supply side is responding, not just with new SKUs but with new business models.

Focus on Bread Production - Historical and Forecasted Metrics												
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
New Zealand	Revenue (NZ\$m)	1,449	1,652	1,642	1,712	1,777	1,851	1,919	1,994	2,084	2,083	2,196
	Volume (Mkg)	235	235	221	222	225	230	233	237	242	244	246
	Price per unit (NZ\$)	6	7	7	8	8	8	8	8	9	9	9
Australia	Revenue (AU\$m)	5,806	6,699	6,915	7,099	7,284	7,469	7,669	7,885	8,100	8,331	8,686
	Volume (Mkg)	1,012	1,017	1,009	1,009	1,010	1,011	1,013	1,015	1,021	1,022	1,024
	Price per unit (AU\$)	6	7	7	7	7	7	8	8	8	8	8

Data sources: [NZ Stats Source](#) | [AU Stats Source](#)

Technology is playing a quiet but critical role. Automation is reducing production labour intensity. AI is being used for quality control and predictive maintenance. IoT sensors are helping manage consistency in dough and baking conditions. Blockchain is being trialled for traceability. These are operational upgrades that improve margins and reduce risk.

The competitive landscape is still diverse. Goodman Fielder remains a dominant player with multiple brands across both countries. But the rise of smaller, focused producers is notable. Companies like Bakeworks, Venerdi and Purebread are carving out defensible positions in niche segments. The market is fragmented enough to allow for innovation but consolidated enough to support scale.



From an M&A perspective, the sector is active and increasingly strategic. The acquisition of Tasmanian Bakeries by Patties Foods and Oriens Capital's investment in Van Dyck Fine Foods are recent examples. These deals are not just about footprint. They are about capability, brand and access to new channels. For private equity and strategic buyers, the bakery sector offers a mix of stability and upside that is hard to find elsewhere in food manufacturing.

The regulatory environment is well defined. FSANZ provides a consistent framework across both countries. Food safety and occupational standards are clear and enforced. This reduces compliance risk and supports cross-border operations. Industry associations like BIANZ and NZAB add another layer of structure and advocacy.

The bakery industry in New Zealand offers a stable and promising investment landscape. The combination of growing consumer demand, technological advancements and strategic market activity positions the sector favourably for future growth and innovation.

Completed Engagements

Little Island Creamery Acquisition

We are pleased to have acted as advisor to New Zealand Dairy Dessert Company in its acquisition of Little Island Creamery, the iconic plant-based ice cream and beverage brand.



This strategic move brings together Little Island's plant-based innovation with Appleby Farms' premium dairy expertise, creating a more diverse offering for consumers and strengthening the group's position in the New Zealand dessert market.

Congratulations to the team at NZ Dairy Dessert Company on this exciting step.

PAE New Zealand Acquisition

We are proud to have acted as the exclusive acquisition and funding advisor to Kā te Rama Switched On Group on its acquisition of PAE New Zealand Limited.

PAE New Zealand Limited is a leading provider of commercial facilities and asset management services across Aotearoa New Zealand.



By bringing PAE NZ's scale, capabilities, and long-standing client relationships into the fold, Switched On Group will expand its national footprint and enhance its ability to deliver comprehensive, end-to-end facilities management solutions across the public and private sectors. As a majority Māori-owned organisation, Switched On Group is committed to delivering value to local communities, whānau, and iwi. The acquisition of PAE NZ strengthens that commitment, uniting two locally led businesses with aligned values and complementary strengths.

We are proud to support Switched On Group in this transformational step and look forward to seeing the combined entity continue to expand its impact across Aotearoa New Zealand.



Acquisition advisory

Acquisition of PAE NZ by Kā te Rama
Switched On Group



Acquisition funding

Exclusive arranger of acquisition funding,
including working capital and
performance bonds from Westpac NZ
Limited for the acquisition of PAE NZ by
Kā te Rama Switched On Group



Acquisition Advisory

Acquisition of Little Island



Equity Raise

Growth and Acquisition funding



In addition to the completed M&A engagements above Armillary has been active in its advisory services with completed valuations in the FinTech / Payments and Building Materials / Construction sector as well as working for an NZX listed company on a combined Independent Advisers Report for the Takeovers Code & Appraisal Report under the NZX Listing Rules.

MAWW Insights

Business Process Outsourcing

Rationales for an M&A Strategy

INDUSTRY REPORT – 2025

Business Process Outsourcing – Industry Report 2025

This report from M&A Worldwide highlights renewed momentum in the Business Process Outsourcing sector.

AI and automation are increasingly at the center of deal priorities, with buyers targeting capabilities that enhance efficiency and scalability. ESG compliance has also shifted from an optional add-on to a core requirement, influencing both valuations and strategic positioning.

Private equity continues to play an active role alongside strategic acquirers, shaping a landscape where operational transformation and sustainable practices are no longer trends but prerequisites for growth.

[**Read the Full Report Here**](#)

People Movements

We're pleased to welcome Kyle Edmonds as an Independent Director to the Armillary board, continuing our focus on strong governance and broadening the perspectives guiding Armillary.

Kyle brings his deep experience across financial markets and investment management, with a particular focus on Māori business and strategic advisory.



As a Wealth Adviser at JBWere New Zealand, he works closely with iwi and hapū, charitable trusts, foundations and family offices to implement diversified investment portfolios that reflect long-term aspirations and objectives.

His previous role at BNZ Private Bank included contributing to the bank's Māori strategy and his governance roles with Te Rūnanga o Toa Rangatira Incorporated and Koata Limited, where he contributes to audit, risk and investment oversight, align closely with Armillary's kaupapa.

As our team grows and our board continues to evolve, we remain grounded in our values. Kyle's appointment reinforces our commitment to thoughtful governance and positions us to better serve a diverse and growing client base with integrity.



Lucy joined Armillary in March 2025 as an Analyst in our Christchurch office.

She holds a Bachelor of Commerce (Agriculture) from Lincoln University and brings her experience in rural banking, having held both front-line and credit roles at Rabobank NZ. Most recently, she was part of the Corporate Ag team at Westpac Australia.

[See the Full Team Here](#)

Current Engagements



First-Aid Inventory Solution (Equity Raise):

Equity raise for an internet of things based first aid inventory replenishment and management business.

Bakery Group (Business Sale):

Opportunity to acquire a leading NZ bakery group with national retail presence, strong cash flow and long-term supermarket partnerships.

Transport Tech Supplier (Business Sale):

Opportunity to acquire NZ's leading provider of transport and security tech, supplying councils and contractors across traffic, parking and public transport.

**Retirement Village Development (Capital Raise):**

Capital Raise to fund the development of retirement villages.

**Optical Composites (Equity Raise):**

Capital raise for a company that has developed innovative optical composite panels as an alternative to glass.

Services to Agribusiness (Company Sale):

Opportunity to acquire a well established and growing company which provides critical services and product into the agribusiness sector.

Through the MAWW network we have access to a wide range of other mid-market opportunities throughout Australia, Asia, Europe, EMEA and the Americas. Please contact us if there are any particular sectors or geographies of interest.

Contact Us





Share



Share



Forward

Want to change how you receive these emails?

You can [update your preferences](#) or [unsubscribe from this list](#)

Armillary is not a registered bank