

Riverside to invest \$100mn in Australia's health

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Singapore: The global private equity firm, Riverside Company has said that it would be investing about \$100 million in Australia, with a focus on healthcare and IT sectors.

The company's Australian-based partner Mr Simon Feiglin said in a news report that Australia may eventually represent up to 40 percent of the company's business.

"We have four companies already invested in that fund. My guess is we will have another eight companies, give or take, in that fund. Australia is very important in what we do and my guess is Australia will end up being at least a third, if not more, of what we do. Thirty to forty percent of that will be in Australia," he said.

He also indicated that it was likely that one more acquisition would be announced before the end of the year. "We see a lot of opportunity in Australia for the sorts of companies we like to invest in."

The report added that globally, the firm is focused on acquiring and investing in growing businesses valued at up to \$250 million. Since its founding in 1988 it has invested in more than 340 transactions and boasts a portfolio of more than 70 companies.

"We are looking for companies between \$3m and \$20m of EBITDA (earnings before interest, taxes, depreciation, and amortization) where we can make a controlling investment, typically not buying 100 percent, where we can work with existing management team or bring in a new team. Typically that is cross-border," he added.

The company's most successful Australian investment was a 70 percent stake in Retail Zoo made in 2010, which was sold earlier this year to Bain Capital.

The investment is one of three in the sector by Riverside in Australia and New Zealand in the four years it has been active in the Asia Pacific region. "Out of five total investments healthcare has been a disproportionate amount of what we do and I think that will continue," Mr Feiglin said.