

20 September 2018

Hiway Group Secures New Investment to Continue Australian Expansion

Pohutukawa II today announced that it had completed the sale of its shareholding in Hiway Group (HGL) alongside Direct Capital IV. HGL is a recognised pioneer of ground stabilisation in New Zealand.

HGL is New Zealand's leading provider of specialist solutions for road, rail and pavement stabilisation, slip and slope reinforcement, soil mechanics, geotechnical design and contamination remediation.

HGL Managing Director John Boocock says "Since 1982 we have built this business into one of the largest South Pacific remediation and stabilisation businesses and this new investment enhances our ability to accelerate growth and boost our offering, particularly in Australia. We thank Direct Capital for their support over the last seven years, during which time HGL significantly expanded its presence in both the New Zealand and Australian markets."

Since Pohutukawa II's investment in 2011, HGL has doubled in size, primarily due to significant growth in Australia, which now accounts for approximately half of the group's revenue. The growth achieved over this period has been due to the successful execution of a number of key initiatives, including investment in new plant and equipment, opening new offices, two joint ventures, and two acquisitions in Australia.

The Riverside Company, a global private equity firm with offices in Melbourne, Australia, has acquired Direct Capital IV and Pohutukawa II's interest in HGL. Direct Capital wishes the HGL team all the very best for this next phase of its growth.

While the terms of the transaction remain confidential, the investment has been successful for Pohutukawa II investors.

Contacts

Heath Kerr, Director, Direct Capital, Ph +64 21 462 105