

# Private Companies

## SPECIAL REPORT



# Private Companies

## Big shifts among WA's top players



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6-PAGE FEATURE

The ranking of WA's largest private companies has changed dramatically over the past decade.

**T**HE Data & Insights database has recorded the revenue of Western Australia's largest companies for many years and highlights how rapidly the business sector has changed.

Gina Rinehart's Hancock Prospecting has achieved exponential growth in the revenue it generates from its iron ore mines.

It is now well established as the state's largest private company, helped in large part by the earnings from its subsidiary, Roy Hill Holdings, which is ranked number two.

Another relatively new entrant to the list is Tattarang, which houses the rapidly expanding business interests of Andrew and Nicola Forrest.

It had revenue of \$1.45 billion last financial year, and that's just counting its dividends from iron ore miner Fortescue Metals Group and revenue from its agribusiness arm.

Mining contractor Byrnecut does not have a high public profile despite growing to be the state's fourth largest private business.

Its biggest direct competitor, Barminto, is now part of listed company Perenti Global.

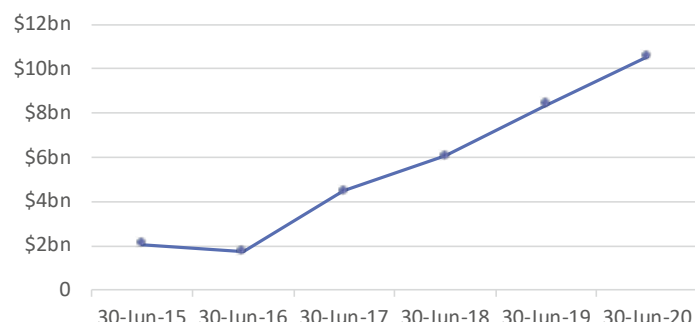
Another company to have disappeared from the list last year is stockbroker Hartleys, having been bought by listed competitor Euroz.

BGC Australia and ABN Group have slipped down the list, reflecting the slowdown in residential

### HANCOCK PROSPECTING

ANNUAL REVENUE

**\$10.56bn**



### Boost for the state's iron lady

Iron ore may dominate revenue at Hancock Prospecting, but its interests extend to copper, gold and agribusiness.

**Matt McKenzie**

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GINA Rinehart and the Hancock family empire again top the list of Western Australia's private businesses, according to Data & Insights.

While most of the company's revenue is generated by Hancock Prospecting's 70 per cent share of Roy Hill Holdings, there's a variety of other interests in the portfolio, including Atlas Iron and Australian Outback Beef.

Roy Hill, which mines and ships iron ore from the Pilbara, had a big increase in revenue in the 2020 financial year, up 24 per cent to \$6.4 billion.

That was significantly up on the \$2.3 billion from FY2017, as production ramped up after first exports in December 2015.

All that was as the iron ore price lifted from about \$US55 per tonne around July 2016 to around \$US100/t in June 2020.

The mine and infrastructure have the capacity to produce 60 million tonnes per annum, with plans to increase output to 70mtpa.

A new magnetic separator plant completed early in 2020 has helped improve yields at the mine, with Hancock saying it had helped recover 4mtpa of iron ore at Roy Hill previously wasted.

Roy Hill committed about \$400 million of new capital during the year, and repaid all its original loan syndication facilities, the company said.

With the strong iron ore price as a tailwind, Roy Hill earned an after-tax profit of \$2.2 billion, up 60 per cent, and paid its first dividend of \$475 million to the owners.

Japan's Marubeni Corporation holds a 15 per cent equity interest in Roy Hill, South Korean Posco



controls 12.5 per cent, and China Steel Corporation owns 2.5 per cent.

### Expansive empire

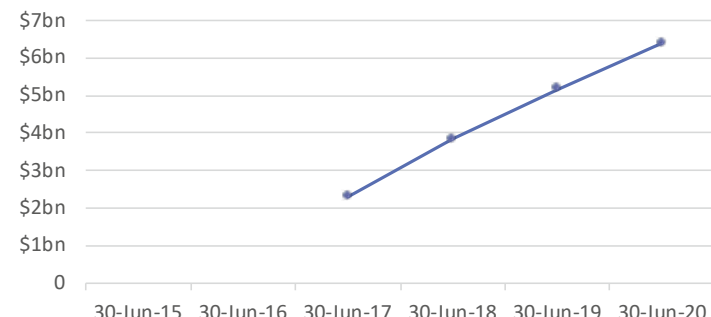
Hancock's revenue was \$10.6 billion for the 2020 financial year, according to the company's annual reports, and it had assets of \$21 billion.

The company's value has increased 24,000 per cent since

### ROY HILL HOLDINGS

ANNUAL REVENUE

**\$6.40bn**





construction and the restructuring at BGC.

Many businesses, such as DVG Automotive Group, Kailis Bros and Pindan, have disappeared from the list after being bought by big international groups.

Others, such as Sealanes, have been absorbed by private equity investors and no longer release annual financial statements.

Fast-growing companies set to join the ranks of WA's largest include vegetable producer and retailer Galati Group, currently ranked number 18 with revenue of \$402 million.

Another rapidly expanding Perth business is APM, which employs more than 6,600 people delivering a wide range of human services for

governments across 10 countries.

However, the private equity-backed business does not disclose its annual revenue.

The ranking of companies would change dramatically if different metrics were used.

Perron Group, for instance, is ranked 13th by revenue.

But with a large portfolio of shopping centres, office buildings and other investments worth nearly \$6 billion, it would jump to third if the ranking was by total assets.

Another example is investment company Wright Prospecting, which is ranked 24th by revenue.

With a net profit of \$204 million last financial year, it would rank third on that criteria.



**EARNER:** Iron ore mining is the biggest revenue generator for WA's three largest private companies. **Photo:** FMG



**DEVELOPMENT:** Gina Rinehart has built the Hancock empire.

Mrs Rinehart took over as chair in the early 1990s, Hancock said in its annual report.

"[Hancock] is one of the most successful private companies in Australia's history, and the most successful private mining and agriculture company in Australia's history," the company said.

"It is also one of the most successful private mining companies in the world."

In addition to the 70 per cent stake in Roy Hill, Hancock has a 50 per cent slice of Rio Tinto's Hope Downs operations, which produced 47mt in 2020.

In 2018, Hancock bought Atlas Iron.

Revenue for Atlas was not published in the Hancock report, but the company has said production was 9mtpa of iron ore in the Pilbara.

Recent approval for the Corunna Downs mine development will extend Atlas's life by five years, Hancock said.

Hancock has undertaken exploration drilling at Mulga Downs, where it claims an iron ore resource of 290mt.

It is also exploring for copper and gold in Ecuador and in Victoria, the latter through Catalyst Metals.

In coal, Hancock funded permitting work for development of Riversdale Resources' Grassy Mountain project in Alberta, Canada.

A partnership with Indian conglomerate GVK is developing the Alpha and Alpha West coal projects in Queensland, although little activity appears to have taken place in recent years.

Finally, British phosphate junior Sirius Minerals was acquired by AngloAmerican in March, with Hancock to receive a royalty stream from the business's project valued at \$US250 million.

In addition to mining, Hancock has an agribusiness interest.

The business owns 25 properties, and says it is Australia's second largest beef producer.

Mulga Downs station, Fossil Downs, Liveringa and Nerrima are WA cattle stations owned directly by Hancock.

The company owns two thirds of Australian Outback Beef, which bought the S Kidman & Co pastoral empire in 2016.

China's Shanghai CRED controls the remaining third of the Kidman stations.

S Kidman says it has 11 pastoral stations in Australia with only one, Ruby Plains, in WA.

Ruby Plains is 4,200 square kilometres and has about 24,000 head of cattle.

Hancock's reporting shows a 19 per cent increase in Kidman revenue to \$74 million.

"[Hancock's] rationale and strategy underpinning its

decision to acquire S Kidman & Co was demonstrated during the year, with flooding across the channel country notwithstanding the severe four-year drought," the company said.

"This, together with the increased use of backgrounding, feedlotting and branding drove a strong net profit after tax result of \$27.8 million."

While the cattle stations get most of the attention, milk producer Bannister Downs Dairy is half-owned by Hancock, while it has been reported Hancock bought peanut farms in Queensland.

## In the bank

Hancock has \$2.6 billion allocated in its financial statements for dividend payments under its ownership deed.

But those have not flowed through to all the family because of arbitration proceedings.

It has been reported the Hope Margaret Hancock Trust owns 24 per cent of Hancock Prospecting, with Mrs Rinehart's children the key beneficiaries.

The trust was established in 1988, it has been reported, by family patriarch, and Mrs Rinehart's father, Lang Hancock.

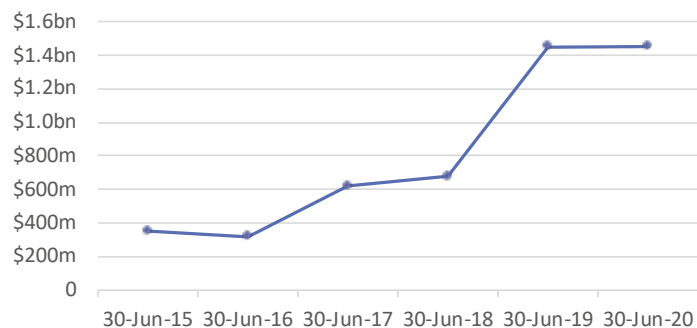
It had been due to vest in 2011, but Mrs Rinehart wrote to her four children delaying the payments, leading to an ongoing legal dispute that eventually headed to arbitration.

In the past five years, Hancock has paid \$818 million in discretionary dividends.

# TATTARANG

ANNUAL REVENUE

## \$1.45bn



IT was only May last year that Tattarang was unveiled as the new name for Andrew and Nicola Forrest's family office, but it has rarely been out of the news since.

Formerly known as Minderoo Group, Tattarang's main asset is a 36 per cent shareholding in iron ore miner Fortescue Metals Group.

Dividends from Fortescue have enabled Tattarang to build a large and rapidly expanding portfolio.

Tattarang's biggest operating business is Harvest Road Group, which in turn owns the state's largest beef processor, Harvey Beef.

It employs more than 600 staff and has annual sales of more than \$340 million.

Like all of Tattarang's business arms, Harvest Road is on a rapid growth path.

It is spending \$80 million on a feedlot at Koojan Downs, two hours north of Perth, recently acquired two cattle stations in Western Australia's north, and is investing \$15 million near Albany on its new aquaculture venture.

Tattarang's hospitality, sport and entertainment arm, known as ZIZ, is also a big investor in WA.

Its largest development, due to get under way later this year, is an \$85 million eco-resort at Exmouth, where it bought 40 hectares of oceanfront land.

Another WA investment, through property arm fiveight, was the purchase of a 12-storey office block at 190 St Georges Terrace for more than \$50 million.

Tattarang's biggest investments are happening outside WA.

It bought iconic bootmaker and retailer RM Williams last October for a reported \$190 million.

Its energy arm, Squadron Energy, could become the group's largest operation.

It has purchased wind farm developer Windlab and is investing in two greenfields developments.

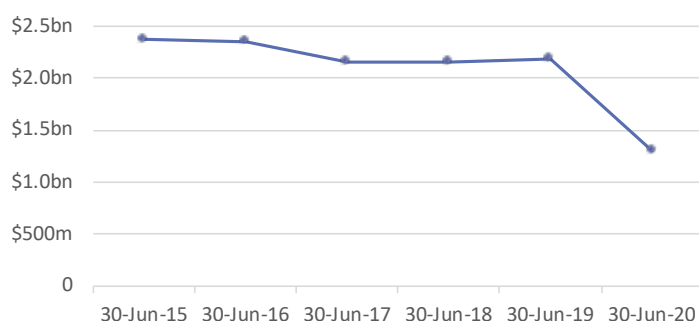
These are a \$250 million LNG import terminal at Port Kembla, south of Sydney, and Sun Cable, which proposes the establishment of a giant solar farm in the Northern Territory to supply power to Indonesia.

- Mark Beyer

# BGC AUSTRALIA

ANNUAL REVENUE

## \$1.30bn



HAVING held the mantle of Western Australia's largest private company several times during its history, BGC Australia's revenue has shrunk in recent years after the death of its founder.

Established in 1960 by Len Buckridge, the Buckridge Group of Companies quickly grew to comprise home building, civil construction, contracting and building materials, previously reaching revenues above \$2 billion.

Mr Buckridge owned the company in its entirety until his death in 2014, which resulted in his family selling-off and restructuring parts of the BGC empire.

That included the sale of BGC Contracting to NRW Holdings for \$116.4 million in 2019.

The Aloft Perth and The Westin Perth hotel properties, both developed by BGC, were also sold.

An office building on Walters Drive in Herdsman was another commercial asset divested by the group, with Mineral Resources paying \$60.5 million for the property last year.

As part of the broader sales strategy, the group initially put the BGC Fibre Cement and BGC Plasterboard businesses on the market. However, that plan was shelved as part of its decision to reconsider the building and materials division as a core business.

This renewed focus was bolstered by BGC's bid for Midland Brick, which was approved by the ACCC last December, adding to its existing clay brick operations through Brikmakers. BGC now owns two of the state's three major clay brick suppliers.

BGC's residential division has been the major contributor to its overall revenue.

The group consolidated more than 12 of its home brands last year, just before government housing stimulus measures created a surge in WA homebuilding activity, which resulted in BGC claiming a record month of new home sales in June of nearly 1,000.

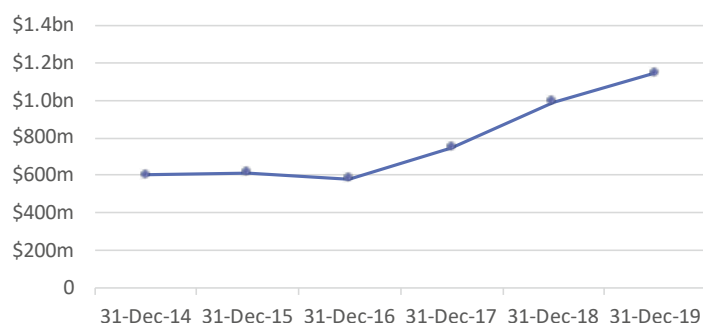
Recent commercial contracts include a \$14 million state government apartment project in Claremont.

- Katie McDonald

# BYRNECUT

ANNUAL REVENUE

## \$1.15bn



BYRNECUT Australia in the nation's largest underground mining contractor and has risen two places on *Business News'* private company rankings after increasing its annual revenue by almost \$160 million.

Led by managing director Pat Boniwell, the Perth-based company recorded \$1.15 billion in revenue during 2019, according to its most recent financial data from BDO Audit.

The total represented a significant increase on the \$991 million it made in 2018.

During that same period, the company also acquired assets valued at \$62 million, taking its asset total to \$643 million.

Since its launch in Kalgoorlie in 1987, Byrnecut has grown to employ more than 2,700 people in Western Australia and successfully secure long-term mine development and production contracts, supplying management, labour, equipment, materials, and construction services, as well as mine design work.

During the past decade, the company has diversified and expanded, establishing mining, drilling and consultancy businesses Byrnecut Offshore, Pinjarra-based Murray Engineering, Quattro Project

Engineering, Mining Plus, Jetcrete and Raising Australia.

The Byrnecut Group now also offers training opportunities and occupational health and safety services, with its BOAB (Building Opportunities for Aboriginal Business) business for indigenous Australians, and health and injury prevention company Sano Health.

Byrnecut has positioned itself as one of the world's leading underground mining contractors, expanding its operations to Africa, Asia, the Middle East and Europe.

The company operates nine projects nationally, including works on EMR Capital's Golden Grove Mine in Geraldton and Saracen Metals' gold mine in Leonora.

Byrnecut has experienced continued growth this year, with Adelaide-based mining company OZ Minerals announcing that Byrnecut would take over as its underground mining contractor earlier this month.

The contract, which will continue for five years, is said to be valued at about \$650 million.

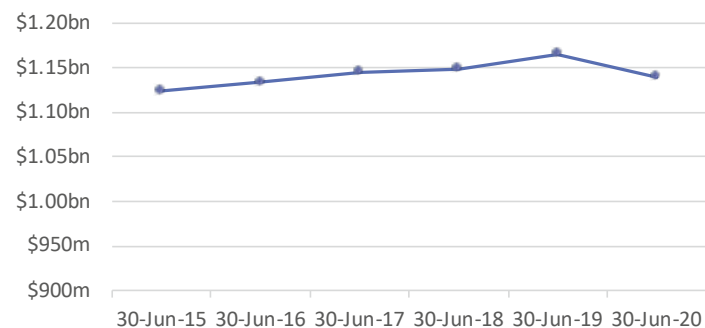
- Jesinta Burton



# WILSON PARKING

ANNUAL REVENUE

## \$1.14bn



A GLANCE at Wilson Parking's top-line figures indicates a robust performance for the Hong Kong-based outfit, with revenue static at \$1.14 billion.

However, a \$20 million drop in profitability has left the company nursing a \$19 million loss this past financial year.

That will no doubt come as a disappointing result for a company that recorded profit of close to \$40 million as recently as 2016.

While the most recent result has done little to dent Wilson's standing on the private companies list, given it remains in fifth place, it does show that no business has been left untouched by the COVID-19 pandemic.

Wilson, which is anchored by its parking facilities in and around Perth's CBD and other capital cities in Australia, can chalk up the loss in part to fewer people travelling to work in the city throughout 2020.

Some markets, such as Perth, have recovered quickly, while the likes of Sydney and Melbourne

have suffered months without any significant patronage.

As the pandemic recedes and Australians return to some degree of normalcy, revenue from parking should restore the company's profitability, given its revenue has not fallen below \$1 billion since 2015.

Its range of diversified interests should also help keep the company afloat in the interim.

Among a notable list is a \$1.5 million contract with the Department of Fire and Emergency Services to undertake monitoring of sites in Cockburn, as well as a \$1.5 million contract to oversee hotel quarantining on behalf of the Department of Health.

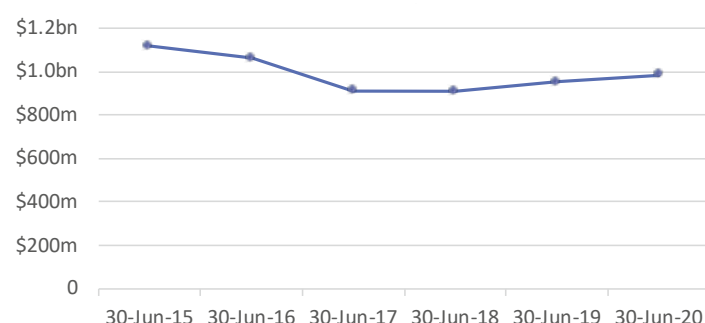
Revenue from these sources make up a smaller part of the company's overall result but will likely grow in importance as Wilson considers whether parking fees are as guaranteed a source of recurrent income as they once were.

- Jordan Murray

# ABN GROUP

ANNUAL REVENUE

## \$985m



ABN Group has weathered the ups and downs of the housing market during its decades in the business.

Established in 1978 and headed by co-founder and managing director Dale Alcock and chief executive Andrew Roberts, the private company is one of the state's largest homebuilders.

In recent years, ABN Group has worked to lift revenue to levels approaching the \$1 billion it achieved in 2015 (a year when dwelling approvals across the country reached record highs).

During that time the group expanded into the Victorian market; a move that would shelter it from the subsequent decline in housing activity in Western Australia.

While demand for houses in WA tapered off, new dwelling starts continued to rise in Victoria, as reflected in the group's latest financial results.

Revenue from WA contracts fell by 5.1 per cent over the 2019-20 financial year to \$531 million.

Meanwhile, revenue from the builder's Victoria-based operations was up 15.7 per cent, resulting

in total revenue (consolidated) increasing by 3 per cent for the year to June 30 2020.

Just 47 per cent of the business's total builds were based in WA, positioning it in second place behind BGC Australia for most WA housing starts.

Overall, ABN Group achieved 3,247 home starts across Australia, making it the fourth largest homebuilder in the country, down one spot on the previous year.

ABN could boost output in 2021 thanks to the state government launching its own COVID-19 housing stimulus package, on top of federal grants.

ABN has six homebuilder brands, including Celebration Homes and Webb & Brown-Neaves, and has diversified into medium-density developments via Parcel Property.

Resolve Finance and Resolve Home Loans also fall under the ABN Group banner, with Dale Alcock Projects and PACT representing its construction division.

The group additionally provides support services (including plumbing, ceiling and custom-made kitchen works).

- Katie McDonald

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# NAVITAS

## ANNUAL REVENUE

# \$943m

THE second appearance by Navitas on Data & Insights' private business list has the education services provider falling to eighth place on the back of a \$17 million decline in revenue.

While that represents a minor slip in revenue for the company, it disguises a dramatic \$120 million fall in profitability that left Navitas recording an \$80 million loss.

The reasons for that outcome are myriad, with asset write-downs, goodwill impairments and other liabilities considered key factors in the result.

Still, it's a stark outcome given the business was acquired for more than \$2 billion in 2019 at the behest of BGH Capital, AusSuper and founder Rod Jones, who had expressed frustrations with the ASX's compliance requirements prior to the company delisting.

Mr Jones was on record as being critical of having to deliver dividends to shareholders in the short term with the move to private investors reflecting a desire to embrace long-term investors.

That has proved difficult given the international education market, which has been riven by the COVID-19 pandemic.

Western Australia's universities have been pumelled by the loss of international students as a recurrent revenue stream, given fees from these

enrolments brought in more than \$500 million to the state's institutions.

International travel is unlikely to resume until 2022, meaning fees from international students will contribute next to the nothing to the sector for this year at least.

Navitas can cushion the blow by embracing domestic enrolments, as chief executive Scott Jones has already indicated.

It's more than likely, though, that economic headwinds may test the durability of the company's delisting, let alone the premise that privately run education providers can compete with the established cadre of publicly funded institutions.

- Jordan Murray

# VGW HOLDINGS

## ANNUAL REVENUE

# \$779m

VIRTUAL Gaming World Holdings more than doubled its profits in 2020, partly due to people having more time to play online games during the COVID-19 pandemic.

VGW posted a profit of \$72.1 million in 2020, up from \$27.9 million in the 2019 financial year.

Revenue increased by 122 per cent, from \$351.3 million to \$778.8 million in 2020.

Most of the revenue (\$531.8 million) came from social gambling site Chumba Casino, a game the company launched in 2012.

Global Poker was responsible for \$142.7 million, while \$104.8 million was from its new game, Luckyland Slots.

Revenue from Global Poker fell in the first half of the 2020 financial year but managed to recover in the second half of the year.

In its annual report, VGW said the period from January to June 2020 had been an exceptional time for the company's results, due to the pandemic.

"While a challenging time operationally for our staff and key stakeholders, providing our entertainment services consumed primarily on mobile devices is very popular for our customers," it said.

"An environment of reduced travel, working from home, and more flexible time have all contributed to increased demand for our offerings."

In April 2020, the company paid an unfranked 2-cent dividend to shareholders, distributing a total of \$11.3 million.

VGW's bumper year has meant it is now ranked eighth on the *Business News Data & Insights* list of private businesses, up from 18th spot in 2019.

Company founder Laurence Escalante was named on the *Australian Financial Review's* Young Rich List with an estimated wealth of \$900 million.

Mr Escalante founded the company in 2010. It now has a portfolio of more than 80 games and employs 400 staff in Perth, Sydney, the US, the Philippines and Malta.

Most of its customers are in the US and Canada.

- Madeleine Stephens

# CFC GROUP

## ANNUAL REVENUE

# \$651m

SEVEN acquisitions during the past six years have bolstered the growth of diversified industrial company CFC Group.

Led by executive chairman Philip Cardaci, the group lifted revenue last financial year to \$651 million, according to the annual report of parent company Contura Mining Pty Ltd.

The group posted a net profit of \$8.6 million and declared annual dividends of \$10 million.

CFC's revenue has grown from about \$400 million in 2015, with the group employing more than 1,200 people across Australia.

Its most recent acquisition, completed last year through its Construction

Equipment Australia business, was of ELB Equipment.

That made it the leading distributor of Ditch Witch and Komptech equipment.

A more significant acquisition, completed in 2019, was a stake in Victorian company Dunstons.

Since the acquisition, Dunstons has delivered some big contract wins.

It has secured a long-term services contract with Fortescue Metals Group for the design and construction of dewatering infrastructure across its Pilbara mines.

A joint venture between Dunstons and CFC's contracting arm, Cape, won a \$70 million contract to design and construct a reticulated water supply to up to 1,500 rural properties in Victoria.

CFC's trucking and logistics business, Centurion, has also racked up some notable wins.

These include a \$25 million contract with Century Mining in Queensland.

It has also secured extra work with supermarket operator Brindley Group in Karratha and negotiated a contract extension at the Sino Iron project in the Pilbara.

Centurion has made five acquisitions in recent years. These include Regal Transport's general haulage business in WA, Triton Transport Services, and part of FuelTrans' WA operations.

Its fleet has grown to more than 2,000 vehicles.

As well as its operating businesses, CFC owns Birchmead Property Group.

Birchmead's projects range from industrial land in Rockingham to an apartment development in West Perth.

It has also partnered with Hesperia on projects in Middle Swan and Murdoch.

- Mark Beyer

# GEORGIU GROUP

## ANNUAL REVENUE

# \$608m

PETER Georgiou has overseen dynamic growth of the family business he started in 1977 as Direct Drainage.

Now led by his son, John, Georgiou Group is a diversified civil, engineering and construction contractor with operations across Western Australia and the eastern states.

Its revenue jumped 25 per cent to \$608 million last financial year, helped by the surge in government infrastructure spending.

Nationally, the group has 35 projects under way and more than 650 staff.

John Georgiou has turned to public lobbying to help the family company win more work.

As founding chair of Australian Owned Contractors, he represents a dozen mid-sized firms wanting to take work off the foreign owned tier one contractors such as Acciona, CPB Contractors and John Holland.

The campaign has delivered considerable success, with many big projects carved up into smaller packages that suit local firms.

A case in point is the \$400 million Tonkin Gap project, which Georgiou won last year in joint venture with BMD Constructions, WA Limestone, BG&E and GHD.

Georgiou's other major road projects in WA include the \$118 million High Street upgrade in Fremantle, and the \$86 million upgrade of the Roe Highway and Kalamunda Road interchange.

It was recently named preferred proponent (with BMD) for a major Mitchell Freeway extension.

Georgiou also has won big road projects in Queensland and NSW, which account for about half the group's annual revenue.

Outside the roads sector, its major projects include an expansion of Ramsay Health Care's Hollywood Private Hospital and Brightwater Care Group's Inglewood complex.

Georgiou was one of four builders selected last year to progress through to the tendering stage for the \$256 million expansion of Joondalup Health Campus.

However, that contract was awarded this month to Multiplex.

- Mark Beyer





**FUTURE:** Perron Group's \$1 billion plan for the Cockburn Quarter precinct. **Image:** Buchan Group

## PERRON GROUP

### ANNUAL REVENUE

**\$607m**

PERRON Group has long been among Western Australia's largest private companies, with its conservative approach to business a defining characteristic.

Founded by the late Stan Perron, a prominent businessman and philanthropist, the group's core interests are in property ownership, land development and the automotive industry, as the sole WA distributor of Toyota vehicles and products.

The group has additional holdings in infrastructure assets (including airports), managed equities, and Rio Tinto iron ore royalties.

Those mining royalties were particularly useful to the group last financial year, when its revenue was boosted by a rise in iron ore royalty receipts.

Perron Group achieved \$606.9 million in annual revenue for 2019-20, ranking it 12th on the *Business News* list of private companies, down two spots from the previous year.

In the year to June 2020, Perron Group reported a rare annual net loss of \$304 million as a result of asset write-downs, largely involving its investment properties.

The group's property portfolio includes CBD office tower Central Park (50 per cent ownership), and several shopping centres; Cockburn Gateway, Belmont Forum, Galleria Shopping Centre and The Square Mirrabooka.

Despite the write-downs, Perron Group's net assets overall were most recently valued at \$3.1 billion, placing it in a strong financial position.

After the death of its founder in 2018, the business's portfolio was structured to provide the greater majority of the group's assets and future earnings to the Stan Perron Charitable Foundation.

Since its inception in the 1960s, Perron Group has maintained a sustainable growth trajectory, reflected in the modest increases in revenue over the past five years.

Reinforcing the group's confidence in the future is its recent \$1 billion investment into a new town centre for Cockburn, a 20-year plan proposing shopping centre upgrades, as well as new residential and commercial towers.

- Katie McDonald

## JOHN HUGHES GROUP

### ANNUAL REVENUE

**\$462m**

DESPITE the challenges posed by the COVID-19 pandemic, revenue for one of Australia's largest car-retailing sites is still expected to increase this financial year.

Led by chairperson John Hughes, the company recorded \$462 million in revenue during the 2019-20 financial year.

The figure represented a \$21 million decrease on the previous year.

John Hughes Group told *Business News* it expected revenue to have increased to \$485 million this financial year, but that it was dependent on the company's ability to obtain stock.

Like many in the automotive retail sector, the company has faced temporary factory shutdowns, which have led to delivery delays of up to three months and, subsequently, fewer trade-ins.

Stock level issues aside, Western Australia's automotive retail sector remained relatively untouched by the COVID-19 pandemic, with data from the Federal Chamber of Automotive Industries indicating that more than 89,400 new vehicles were purchased in WA in 2020, representing a fall of just 2.7 per cent on the previous period.

Almost 9,100 new cars were sold in WA in December, an increase of more than 26 per cent on the same time last year.

The John Hughes Group started business in Victoria Park more than five decades ago, expanding

to three offices and employing 400 staff.

The group has diversified in recent years, now operating its own insurance company, a finance company, and offering roadside assistance.

The company has enjoyed a high profile thanks to Mr Hughes' high profile and prominence in advertising across various mediums for several decades.

The group stocks a variety of brands, including Mitsubishi, Hyundai, Volkswagen, Kia, Ford, Geely, ZX Auto, Chrysler, Jeep, and Dodge.

- Jesinta Burton

## ERTECH

### ANNUAL REVENUE

**\$447m**

WANGARA-BASED Ertech has grown to be one of Western Australia's largest private companies, but its profile has changed substantially after the stock market float late last year of its former subsidiary, Duratec.

Ertech reported modest growth in revenue to \$447 million for the year to June 2020, along with a strong lift in net profit to \$22.2 million.

The 2020 results highlighted how far the group has come since it was established by Jim Giumelli in Subiaco in 1981.

From an initial focus on land sub-divisions, Ertech has become a diversified civil contractor with more than 1,000 staff across Australia.

The business is majority owned by the Giumelli family, which has a 53.1 per cent stake, but also has a large number of employee shareholders.

A big contributor to the group's FY20 results was Duratec, which specialises in the protection and remediation of assets such as high-rise buildings, bridges and dams.

With 675 personnel, Duratec contributed \$12.2 million in profit and \$247 million in revenue to Ertech's FY20 results.

Its results will not be consolidated in future, as Ertech's shareholding has been diluted from 50.7 per cent to 19.9 per cent as part of Duratec's initial public offering.

Ertech's results will continue to include its specialist construction and engineering contractor, Fortec, in which it retains a majority stake.

Fortec recently won a \$10 million contract to upgrade wharf four at Geraldton port.

Ertech has also been adding to its own order book, with recent wins including contracts with Main Roads WA to upgrade the South Coast Highway near Albany, and the City of Swan for the design and construction of a new bridge near Gidgegannup.

It has also won contracts with Fortescue Metals Group, Yara Pilbara Nitrates and NSW's transport department.

- Mark Beyer



# Private Companies

## SPECIAL REPORT

### Data & Insights

Showing 6 of 6,652

#### Private companies deliver strong growth

Agribusiness Property Attachment Size Private Business\_special report.pdf 5.03 MB Engineering and construction ... that may be affected by outstanding claims and variations. The company said the value of contingent ...

#### Iron ore boosts private companies

SPECIAL REPORT: Western Australia's iron ore industry has reshaped the BNiQ ranking of the state's largest private companies. ...

#### The Private Company Pay Controversy

Allan Feinberg Business Advice (Sponsored Content) Remuneration and Reward Many private company ... 'work' because it's easy to profit due to poorly designed schemes, or possibly because private company ... SHOULD EQUITY BE OFFERED TO PRIVATE COMPANY EXECUTIVES AS PART OF THEIR REMUNERATION PACKAGE? Many ...

#### ATO releases major private company data for second year

The financial affairs of numerous previously low-key unlisted or foreign-owned companies headquartered in Western Australia have been released by the Australian Taxation Office for the second year running. ...

#### Private companies seek growth capital

A series of major trade sales and the prospect of one of WA's biggest-ever IPOs were highlights in what remained subdued capital markets in the September quarter. Also in our special report, how a surge in backdoor listings is attracting Silicon Valley ent ...

#### Strong foundations for private companies

magnates like Gina Rinehart who can make it big in the private business world. By Mark Pownall Special ... injury to a fuel delivery driver. The company was fined \$50,000 in Perth Magistrate's Court yesterday ...