
— Street Talk

Ex-Carlyle boss repeats Healthscope playbook at Colinton; lobs three bids

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Ex-Carlyle Australia boss Simon Moore's got three hot buns in the oven at his private equity investment firm Colinton Capital Partners. [<https://www.afr.com/street-talk/colinton-capital-partners-leads-20m-moneytech-raising-20211129-p59d30>]

Street Talk understands Colinton is in advanced discussions to acquire majority stakes in IVF and eye medication business Midas Healthcare, dental plan provider Smiles.com.au, and engineering business FYFE.

That would be three deals Colinton was hoping to close before Christmas, but the exact status wasn't known.

Midas and Smiles are extensions of Moore's experience leading global PE giant The Carlyle Group's investment in Healthscope, a take private alongside TPG which saw the company return to the ASX with a \$3.4 billion market cap in 2014.

[<https://www.afr.com/markets/equity-markets/tpg-and-carlyle-sell-out-of-healthscope-20151124-gl671u>]

Midas owns less than 10 pharmacies selling IVF and macular degeneration medicines on Australia's east coast, which were expecting \$123 million revenue and \$6.5 million EBITDA for the 2023 financial year. Nearly half of its revenue came from a five-year contract with Virtus Health, which was carted away by Melbourne PE investor BGH Capital (run by former TPG/Healthscope dealmakers) earlier this year.

Colinton was aiming for an 80 per cent stake in the business (with the founders' 20 per cent rolling over into the new structure), at a seven-times multiple for about a



Jason Phillips, Genevieve Gregor, Simon Moore and Martyn Strickland from Colinton Capital in 2017. **Daniel Munoz**

\$50 million valuation.

Private equity sources said should Colinton be successful, it would tap former Healthscope boss Robert Cooke for Midas' board.

Colinton's second target, also in healthcare, was dental cover provider Smile.com.au. It's a smaller company - about \$5 million in revenue and \$4 million EBITDA expected in FY23 - and Colinton was understood to be chasing a 60/40 split with the founder, including performance-related earn-outs.

Its third target, FYFE, is a 40-year-old integrated engineering, environment, planning and survey firm with more than 350 staff. It was the largest of the three targets and expected \$75 million in revenue and about \$15 million EBITDA for the 2023 financial year.

Colinton was understood to be going down the bilateral route with FYFE's owners, and was expecting to value it at under \$100 million.

The firm was set up by Moore and ex- Goldman Sachs senior dealmaker Genevieve Gregor in 2017, and has amassed investments including smash repairer AMA Group, [<https://www.afr.com/street-talk/terms-out-for-150m-ama-group-raise-20210910-p58qh4>] IntelliHR, AMS Group, Dimeo, Moneytech [<https://www.afr.com/street-talk/colinton-capital-partners-leads-20m-moneytech-raising-20211129-p59d30>] and Clear Dynamics.

Earlier this year it also teamed up with Andrew Forrest's Minderoo and institutional bigwig QIC to buy into building site safety products company Buildsafe. [<https://www.afr.com/street-talk/pe-buyer-colinton-taps-qic-minderoo-for-buildsafe-20210708-p587va>]

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