

# Fund eyes investment opportunities after successful capital raising

## **NBR staff**

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Murray Capital has successfully raised \$15 million through its new investment vehicle, the Rakaia Fund and is now actively seeking prime investment opportunities in established New Zealand businesses.

The private equity arm of Murray + Company was joint lead manager with First NZ Capital last year for the University of Canterbury's fully subscribed \$50 million philanthropic bond issue. It also manages Canterbury Museum's investment portfolio.

Justin Murray, managing director of Murray Capital, said the capital raised for the Rakaia Fund indicated the market was still supporting sound investment offerings despite the tighter economic environment. The fund also had significant interest from large co-investors who would consider providing additional capital if required.

He said the Rakaia Fund had a preference for export-led businesses because the strongest growth prospects were likely to come from accessing international markets.

"Specifically we are interested in businesses that need further capital to grow, require restructuring or could act as the conduit for industry consolidation. As an investor, the Rakaia Fund will provide a business with capital, strategic guidance, financial advice, governance and access to

networks both in New Zealand and offshore," Murray said.

"Our investment team's offshore experience means we can support export-led businesses in building their operations. We can assist in overcoming the challenges they face and we have a strong sense of the scale of the opportunities they can access. New Zealand exporters are particularly well placed to benefit from Asian economic growth and Rakaia Fund is keen to back businesses which are positioned for this opportunity.

"We are focused on long term value creation for all shareholders of the businesses in which we invest."

Types of investment could include:

- expansion capital for internal growth or acquisition;
- management buy-outs and buy-ins;
- industry consolidation;
- succession or replacement capital;
- recapitalisation of stressed or under-capitalised businesses.

Murray believed there were some excellent opportunities among established regional businesses. The fund would not consider start-ups, or companies involved with unproven technologies.

Murray + Company also operates corporate advisory and wealth management divisions.