

Riportico rebuffs investor approaches, considers inorganic growth – CEO

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Riportico, a Portugal-based engineering and construction consultancy, has rebuffed several investor approaches and is considering inorganic growth as part of its diversification strategy, said CEO Ricardo Campos.

The company has received approaches from investment funds and engineering consulting companies from abroad, although the proposals were not interesting enough, said the executive. Riportico, which is in an active growth phase, is not interested in a merely financial investment, but one that would add value, he added.

No further details were provided on the approaches, but the CEO said the investors were not focused on innovation and were more interested in growing via acquisitions. Riportico has a solid management team, it does not have debt and it has an EBITDA that is higher than the market average, he noted.

Riportico expects to increase revenue in Portugal to EUR 6m this year and EUR 1m abroad, said Campos. The company, which has EBITDA of around EUR 2m, started attracting more investor interest since its largest jump in revenue, between 2017 and 2019, he said. Since then, it has been growing 20% per year, he added.

The company would like to take advantage of the competencies it has within building information modelling (BIM) and expand into other business areas, said the executive. The areas it is interested in include environment, circular economy, energy efficiency and sustainability, he said. BIM, which generates and manages 3D digital representations of a project, helps eliminate errors, improves coordination of projects and facilities integration with the construction phase of the project, he noted.

Riportico has already identified potential targets and although the CEO declined to identify them, he said they do business in the Community of Portuguese-speaking countries, or CPLP (Comunidade dos Países de Língua Portuguesa), where Riportico would like to expand. He declined to say how much it plans to invest in acquisitions or its diversification strategy, as this is still under analysis, he said.

The company aims to be the best engineering consulting firm in CPLP, which includes Portugal, Brazil, Angola, Moçambique, Guinea Bissau, Equatorial Guinea, São Tomé and Príncipe and East Timor.

In addition to diversification of new business areas, Riportico is studying expansion into new geographies, said Campos. The company is monitoring the situation in Angola, which has plans for large infrastructure projects in 2023, he said. It expects to establish a physical presence in the country and forge partnerships, much like it has done in Cape Verde, Brazil and Mozambique, he added.

Riportico's competitors include Belgium's TPF, COBA, Quadrante and TecnoPlano, said the executive.

The company offers a wide range of consulting services on large construction jobs in various sectors, ranging from energy to water to roads and various other infrastructures and buildings (some examples include hotels, hospitals, offices and residential), according to its website. Services include project management, supervision, technical due diligence, quantity surveying, geotechnics, topography and urban rehabilitation, among others.

by Nelson Rodrigues