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Bluewater Bio to consider fresh funding and acquisitions as part of next growth phase; IPO also a possibility, CEO says
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Bluewater Bio International, a privately-owned specialist wastewater treatment group, is looking to move into its next phase of growth, said group chief executive Daniel Ishag. Speaking in a telephone interview, Ishag said the company is considering a further round of fund raising, which could bring in a strategic partner, while it is also looking at potential acquisition opportunities and the possibility of an IPO next year.

"We've reached the point where we need to develop our wastewater technology and expand the business internationally," he said.

Earlier this week, the company announced the appointment of Dynshaw Italia as chief financial officer. Italia has extensive experience with fast-growing companies and previously held senior positions at Cobra Beer and eBookers. Cobra Beer was one of the UK's fastest-growing beer brands, while at eBookers Italia helped grow the company from a start-up venture into one of Europe's largest online travel agencies. While he was at these two companies he used JPMorgan, Rothschild, KPMG, Deloitte and Grant Thornton to advise on deals.

"Dynshaw has vast experience of fund-raising and his track record in executing mergers and acquisitions will be crucial to Bluewater Bio as the group looks to expand in Africa and Asia," said Ishag. He added the group was already looking at a number of potential deals.

"We want to grow our portfolio both organically and by acquisition. We're looking at both intellectual property deals or straight-forward bolt-ons of businesses that have a complementary technology, in clean-water or desalination for example," he continued.

A company spokesperson said in an email that the group has yet to appoint advisers for its acquisitions search or potential IPO. However, it has appointed Grant Thornton to advise on general financial matters. It previously used Ernst & Young.

Bluewater Bio has developed a cost-effective water treatment solution called HYBAS (Hybrid Bacillus Advanced Sludge) which can remove nutrients and phosphates from contaminated water. The technology, which can treat municipal and domestic wastewater, as well as agriculture, sewage and industrial wastewater, is claimed to be more cost-effective than other methods of processing, delivering savings of over 50% to users.

Last September, the group raised an additional GBP 2m from existing investors through a share placing of 12.9m shares at 15.5 pence each. Ishag indicated that this implied a market capitalisation of about GBP 50m.

"We're looking at another round of financing which could bring in a strategic investor. There could be an announcement in the next few weeks," he said.

Asked about a potential stock market listing, Ishag said an IPO was a possibility at some stage. "We're comfortable where we are at the moment. We'll review the situation again towards the end of the year, but an IPO is not being ruled out," he added.

The group's largest investor is Aqua Resources Fund who over the past year has injected GBP 3.8m into the company in return for an 18% stake. The fund is managed by FourWinds Capital Management.

Source	mergermarket
Value	GBP 50m (Estimated market cap)
Stake Value	100%