

# THE AUSTRALIAN BUSINESS REVIEW

Tuesday, April 9, 2024 | Today's Paper | Mind Games

## Top 500 Private Companies: Gina Rinehart's Hancock tops list; young billionaire Laurence Escalante a fast climber

**EXCLUSIVE**

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UPDATED 7:48PM SEPTEMBER 20, 2022, FIRST PUBLISHED AT 3:30PM SEPTEMBER 20, 2022 •  14 COMMENTS

Young billionaire Laurence Escalante's online social gaming business has surged into the top 10 biggest private Australian companies, a little more than a decade after [the 40-year-old founded Virtual Gaming Worlds in a shared office space in Perth.](#)

VGW's revenue hit a record \$3.1bn this year, according to data compiled by IBISWorld for The Australian, enough to make it the sixth largest Australian business by revenue.

[Gina Rinehart's Hancock Prospecting, her iron ore and rural land empire,](#) is the biggest business in revenue terms on IBISWorld's Top 500 Private Companies list.

Twice as big as Anthony Pratt's Visy cardboard box manufacturing and recycling business in second position.

Hancock's revenue rose almost 12 per cent in 2022 to \$18.9bn as iron ore exports from its huge Hope Downs mine in Western Australia's Pilbara continued to grow,

while Visy's income reached \$9.3bn according to IBISWorld.

Rinehart and Pratt are entrenched in the top echelon of [The List – Australia's Richest 250](#), published by The Australian annually, as is Escalante.

Many other big names from The List also feature prominently among the Top 500 Private Companies, including transport magnate Lindsay Fox, apartments king Harry Triguboff, chemist retailers Jack Gance and Mario Verrocchi and the families behind big construction firms, meat processors, car sellers and petrol retailers.

Fox's Linfox is the fifth largest private company in Australia with revenue of almost \$3.3bn, just behind grain growers' cooperative CBH Group (third place with \$4.3bn in revenue) and health insurance business HCF (fourth, \$3.5bn revenue).

Adelaide's billionaire Shahin brothers are the names behind Peregrine Corporation, the owners of the On The Run (OTR) service station chain, Smokemart and Gift Box chains, and the Reliance Petroleum distribution business.

Peregrine's \$2.9bn revenue is the seventh largest in the country, placing the company ahead of accounting firm EY, which has an annual income of \$2.8bn, and Brookfield's ANZ Hospitals with its revenue at \$2.7bn.

Rounding out the top 10 is Brisbane construction firm Hutchinson's, famously known as 'Hutchies'.

Headed by chairman Scott Hutchinson, the 110-year-old business posted revenue of \$2.6bn this year, according to IBISWorld.

While growth has been steady for many firms on the Top 500 Private Companies, it has rocketed for Escalante's VGW – though it makes all of its money outside Australia.

Almost all of VGW's customers are in North America, playing social casino virtual games such as its Chumba Casino suite of online poker machine, poker and blackjack table games, and Luckyland Slot.

VGW customers pay real money to buy virtual coins to play.

It operates under a sweepstakes model that gives users the chance to win promotional sweepstakes that can be redeemed for cash.

The company is also developing a range of casual non-casino-themed social games.

It has proved a very profitable venture for Mr Escalante, a Hungry Jack's employee in his teens who would spend hours playing video games and who built a business worth almost \$3.5bn by his late 30s.

Other big names on the list are Triguboff's Meriton (ranked 21 with revenue of \$2.2bn), Gance and Verrocchi's Chemist Warehouse (ranked 12, \$2.6bn) and Spotlight Group (ranked 13, \$2.6bn), headed by Zac Fried and his uncle Morry Fraid.

The AFL is the 75th biggest private company in Australia, with annual revenue of almost \$740m.

The sport governing body will almost certainly move further up the list in the future after [recently signing a blockbuster \\$4.5bn broadcast deal](#).

The Australian Rugby League Commission's \$575m revenue puts that sport in 109th position, while Cricket Australia is in 153rd with its annual income of \$447m.

The average revenue figure for all of the companies on the Top 500 Companies list is \$553m, which signifies a 10.7 per cent increase from a year ago.

IBISWorld senior enterprise analyst Joel Barry said 51 companies in this year's Top 500 list operate in the building construction industry, up from 36 last year.

"In last year's list, construction saw negative growth of -1.62 per cent, rebounding to 8.92 per cent this year with average revenue of \$500m," he said. "This could indicate the larger operators being able to better withstand the effect of rising material costs compared with their smaller-scale counterparts. Builders made up 9 per cent of total revenue for this year's list."

Mr Barry said low unemployment rates have been reflected in this year's list, with the 12 hospitals in the Top 500 seeing an 87 per cent increase in full-time equivalent staff on average.

“Agricultural enterprises have also seen high headcounts over the last financial year, recording an average increase of 37 per cent,” he said.

Australia’s privately held financiers have also seen a slowdown in this year’s release, only recording 2.35 per cent average growth.

“The four banks covered in this list recorded a collective 9.5 per cent decline,” Mr Barry said.

Local manufacturers also had a hard year, only recording 0.76 per cent growth across 24 companies.

“In a financial year wrought by supply chain issues, it would seem that our supermarkets’ suppliers and manufacturers have been bearing much of the burden,” Mr Barry said.

#### **JOHN STENSHOLT, EDITOR, THE LIST**

John Stensholt joined The Australian in July 2018. He writes about Australia’s most successful and wealthy entrepreneurs, and the business of sport. Previously John worked at The Australian Financial Review and ... [Read more](#)



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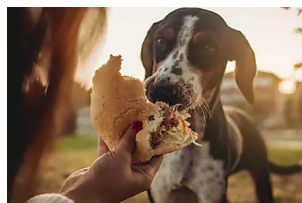
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