



**Nexia**  
Australia

## Initial Public Offerings

Australian Mid-Market Activity  
Q1, 2024 Financial Year





# Introduction

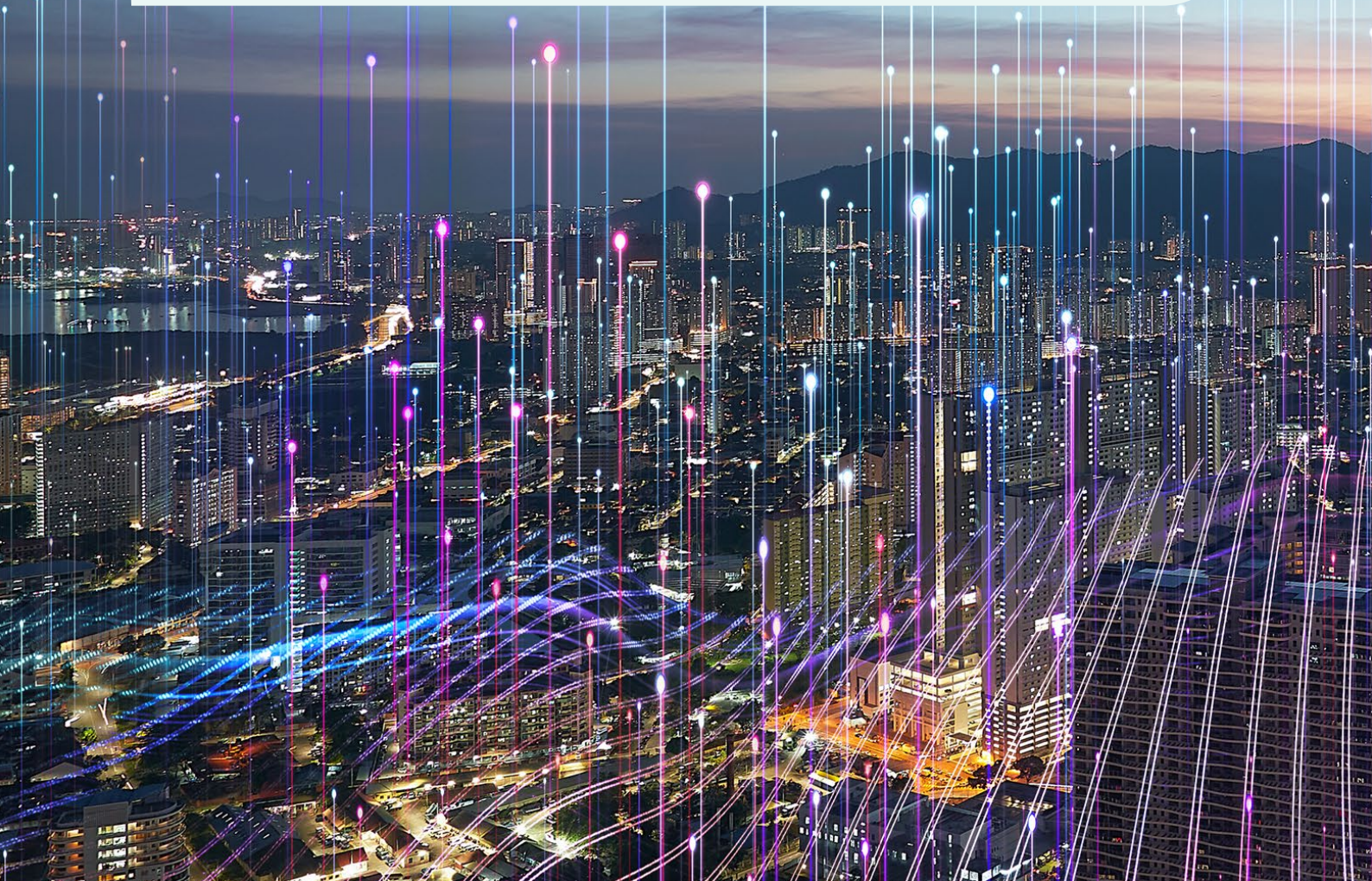
## We are happy to present our quarterly review of the mid-market IPOs on the ASX.

We are happy to present our quarterly review of the mid-market Initial Public Offerings ("IPOs") on the Australian Securities Exchange ("ASX"). The focus of the analysis is on the current quarter and the immediately preceding 12 months with the aim of providing you with an overview of the current mid-market IPO activity.

In our analysis, we have looked at IPOs with an enterprise value of less than \$200m at the time of listing. We have also provided some further detail on the cost of IPOs broken down by market capitalisation, and the performance of IPOs occurring in the last 12 months by significant sectors.

### Key highlights are:

- There were 7 mid-market IPOs in the quarter, an increase on last quarter, however a decrease on the same quarter last year.
- The mining-related sectors were again the most active sectors in the quarter with 5 IPOs.
- Mid-market companies aggregately raised \$66.0 million on the ASX in the quarter.
- The average IPO fundraising was \$9.4 million, which is a 19.5% increase on the previous quarter, and a 0.1% increase on the 12-month average.
- On average, transaction costs (excluding brokerage fees) increased by 5.6% to \$0.24 million when compared to the prior year.





# Overview

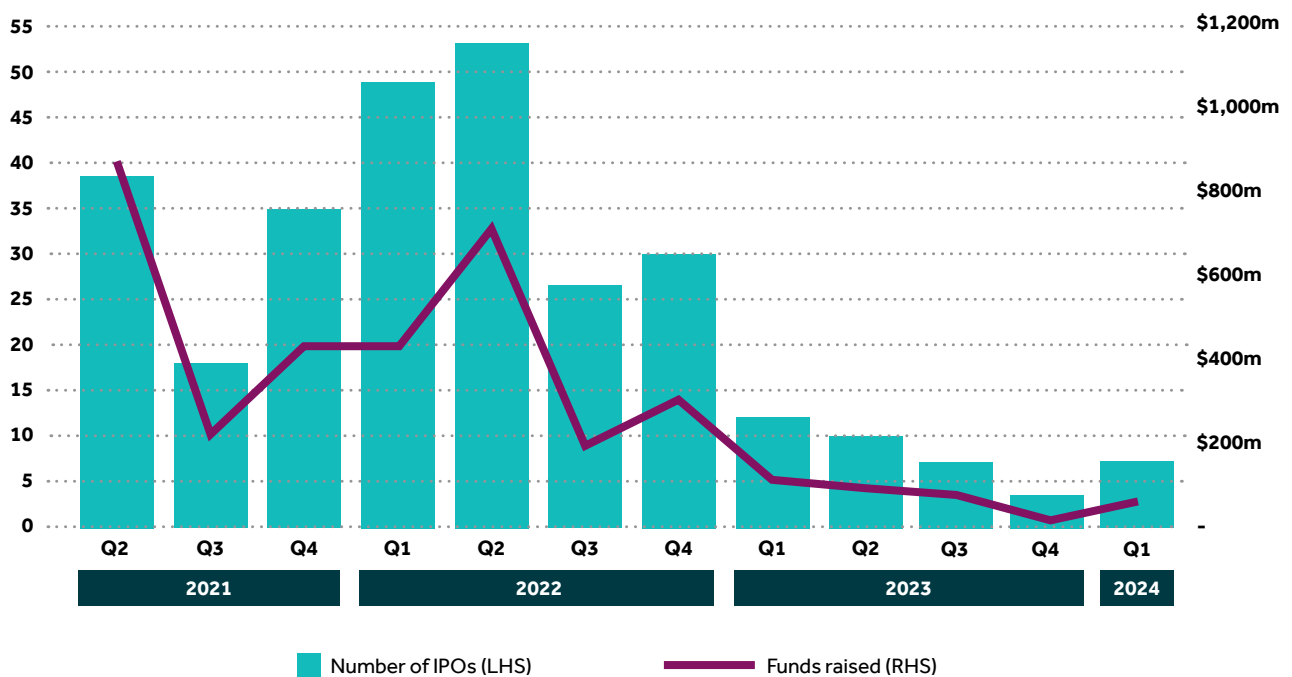
There were 7 IPOs in the mid-market this quarter, an increase from 4 last quarter and a further fall compared to the same quarter last year (Q1 2023) which had 12.

Total funds raised in the quarter was \$66.0 million, a 109.1% increase from last quarter, and a 40.5% decrease compared to the same quarter last year. The average funds raised per transaction this quarter was up by 19.5% from \$7.9 million last quarter to \$9.4 million, and a 1.9% increase compared to the same quarter last year.

This quarter has seen the 12-month average funds raised per transaction increase by 0.7%.

The average enterprise value at IPO in the quarter was \$30.8 million, which was up 25.8% from last quarter and 20.2% from the same quarter last year.

## Number of IPOs and funds raised by quarter



Source: S&P Capital IQ and Nexia analysis





## Quarterly Activity

During the quarter, there were 5 IPOs which were within mining related sectors and 2 were within healthcare.

Company Name	Industry Sector	Industry	Gross Proceeds (\$m)	EV IPO USE (\$m)
Australian Critical Minerals Limited	Materials	Metals and Mining	5.00	8.6
Chilwa Minerals Limited	Materials	Metals and Mining	8.00	13.4
Cleo Diagnostics Ltd	Health Care	Health Care Equipment and Supplies	12.00	25.7
CurveBeam AI Limited	Health Care	Health Care Equipment and Supplies	25.00	138.8
Great Divide Mining Ltd	Materials	Metals and Mining	5.00	7.9
James Bay Minerals Limited	Materials	Metals and Mining	6.00	12.1
Pioneer Lithium Limited	Materials	Metals and Mining	5.00	9.4

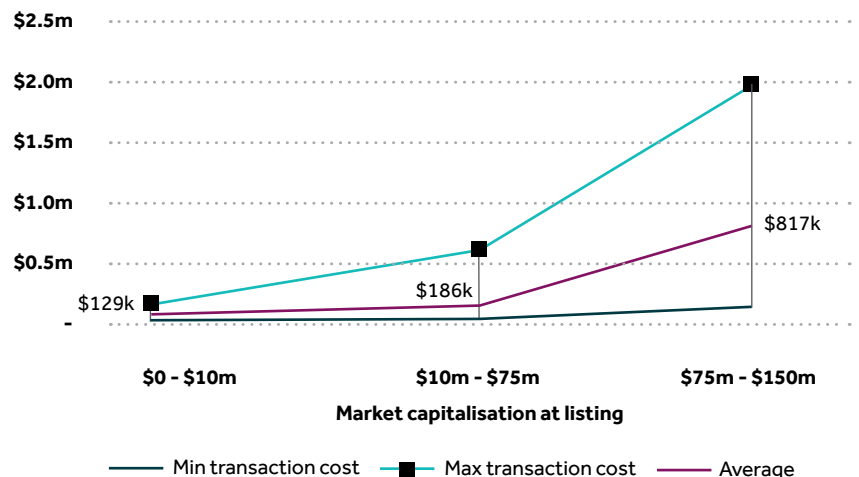
Source: S&P Capital IQ and Nexia analysis

## Transaction Costs

Certain costs in undertaking an IPO, being accounting and legal costs, are typically fixed regardless of the outcome. Fundraising costs, on the other hand, are generally paid on successful completion of the IPO and represent a percentage of proceeds raised. Accordingly, fundraising costs have been excluded from our analysis.

A number of factors will impact the costs incurred, including how prepared the company is for the IPO, the complexity of its business and whether there are any related transactions. Average fixed costs per IPO were higher in the last twelve months compared to the previous year, increasing from \$222,267 to \$235,461.

Transaction costs by market capital size





## Methodology

This analysis has been prepared based on data sourced from S&P Capital IQ. Data analysed is for completed IPOs on the ASX, from 1 July 2023 to 30 September 2023, with an implied enterprise value of less than \$200m. If no implied enterprise value was disclosed at the IPO filing date, transactions were adjusted to reflect the first enterprise value disclosed within the preceding 90 days.

Of the seven transactions analysed for transaction costs there was sufficient data for all of the transactions to calculate the average accounting fees per transaction and there was sufficient data for all of the transactions to calculate the average legal fees per transaction.



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With the wealth of knowledge that comes with 30 years of excellence, a global network, and connections like Bursars' Associations, Independent Schools Associations, the Department of Education, Employment, and Workplace Relations, as well as consulting and bank executives — you can focus on setting 'new' goals instead of worrying about 'how' to reach your current ones.

We take pride in being responsive, progressive, and proactive in identifying and implementing the solution to your success.

## Contact us

Learn how Nexia Australia can help set you and your organisation up for success. Contact your local Nexia Advisor below to get started.

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