

Capital Markets
Deals
Review

H1 2022



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Our Capital Markets Deals Review H1 2022

At the beginning of 2022, many of us anticipated a positive year coming off the back of a very buoyant 2021. The unexpected events in Ukraine, increased inflation and a lack of market confidence has meant the opposite. The Times asks “Are we already in the middle of a financial crash?”.

The market has taken a downturn. Instead of the predicted fair winds, the markets look to be heading for a storm. On both the Main Market and AIM there have been a handful of IPOs and further raises since the start of this year, but the majority of these were most likely unfinished business from 2021, or pushed through before external global and economic factors took effect.

Globally, IPO's volumes slumped by nearly 50% during the first half of 2022, with London enduring its worst first half since 2009, with 26 issuers raising £595m in the first half of 2022, compared to 47 issuers raising £9.4b in the same period the year before.

In the second quarter of 2022, the main market completed six IPOs, raising £192m in total, whilst AIM had just one admission, raising £6m.

A massive contrast to Q2 2021 where there were 12 IPOs on the Main Market and 13 on AIM raising a total of £3.8bn.

The war in Ukraine has created a perfect storm driving up high energy and soon, food prices, too. Covid lockdowns in Hong Kong, Shanghai and, perhaps, extending to include Beijing, are continuing to stifle large parts of China. Legacy supply issues persist post-pandemic in many industries, and the geo-political shift away from non-Western aligned jurisdictions is creating a new supply turmoil for many industries. Inflation is approaching double digits in key economies, exacerbating the problems faced by many sectors.

Against this backdrop, investors will be wary of any forthcoming IPOs and any IPOs that do proceed in the coming months are at the mercy of their risk adverse nature. However, there is a healthy pipeline of IPO's on the horizon, some delayed from H1 while many growing sectors such as ESG and solar energy are looking to the equity capital markets for funding. As we look at the uncertain landscape, we will hold off any prediction of a rebound until after the summer break.



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Market stats

As of June 2022

Main Market

Equity Market Value:

£3,551 billion

Number of companies:

1,119 companies

International listed companies:

197

UK Listed companies:

922

New money raised in 2022:

£4,996 million

AIM

Equity Market Value:

£105 billion

International listed companies:

114

UK listed companies:

721

New money raised in 2022:

£131,493 million

Raised from further issues:

£83,640 million

Aquis Growth Market

New companies admitted in 2022 to the AQSE Growth Market:

11

Companies listed on the Aquis Growth Market:

101

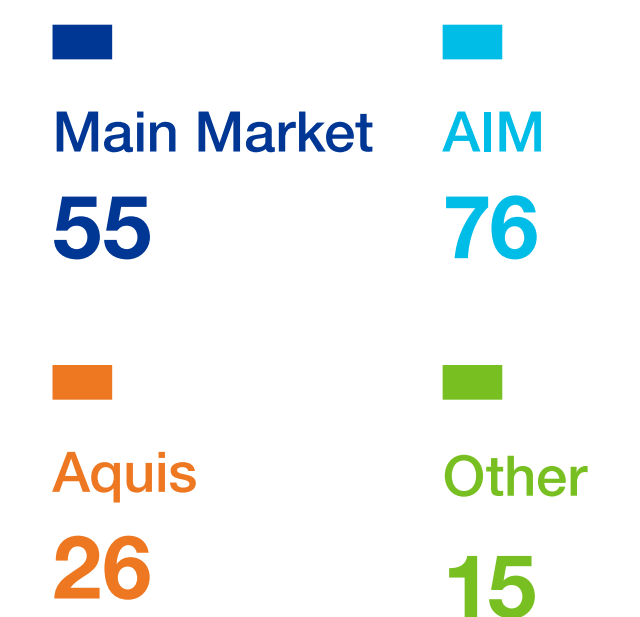
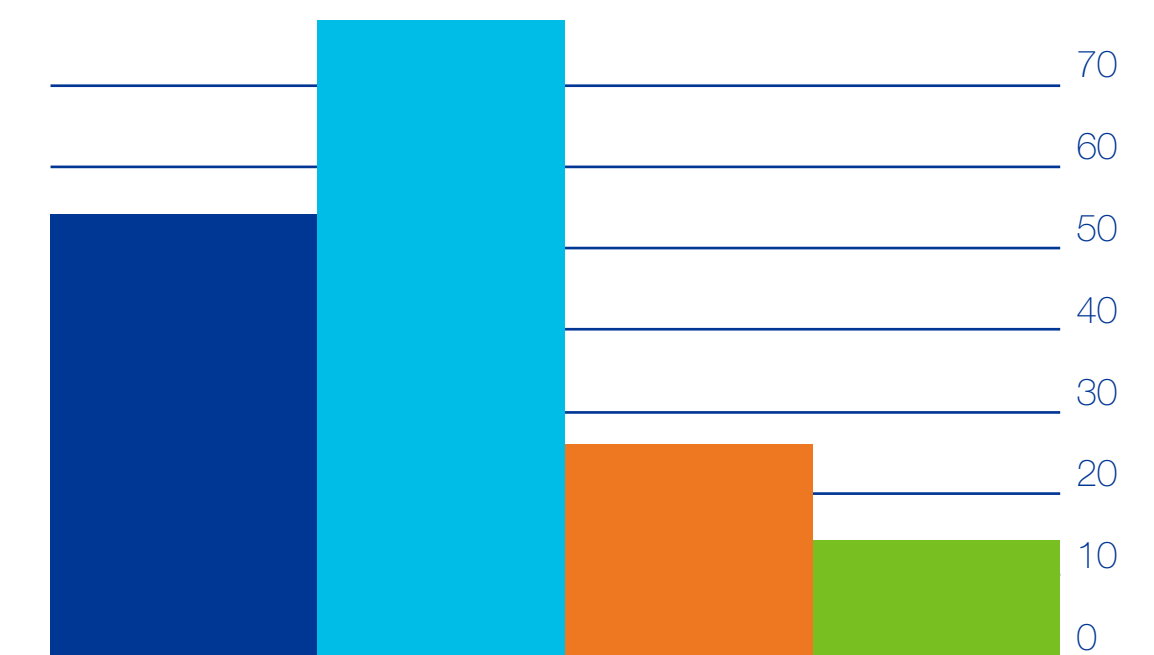
New money raised in 2022:

£11 million


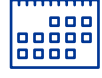




Market Capitalisation:

£1.4 billion

Our clients split across the markets



PKF Capital Markets transactions H1 2022

 Company	 Transaction date	 Market	 Transaction Type	 Sector	 Country of operations
CT Automotive Group Plc	January	AIM	Admission to AIM	Manufacturing	UK
Graft Polymer (UK) Plc	January	Main Market	Admission to Main Market	Manufacturing	UK
Genflow Biosciences Plc	January	Main Market	Admission to Main Market	Manufacturing	UK
ACP Energy Plc	January	Main Market	Admission to Main Market	Natural Resources	Worldwide
i(x) Net Zero Plc	February	AIM	Admission to AIM	Renewable Energy	US
Hamak Gold Limited	February	Main Market	Admission to Main Market	Natural Resources	Liberia
Ondo InsurTech Plc	March	Main Market	Re-admission to Main Market	Technology	UK
Codex Acquisition Plc	March	Main Market	Admission to Main Market	Natural Resources	UK
Beacon Rise Holdings Plc	March	Main Market	Admission to Main Market	Technology	UK
DG Innovate plc (formerly Path Investments plc)	April	Main Market	Re-admission to Main Market	Natural Resources	UK
Aura Renewable Acquisitions plc	April	Main Market	Admission to Main Market	Natural Resources	UK
Financials Acquisition Corp	April	Main Market	Admission to Main Market	Technology	Worldwide
Psych Capital Plc	June	AQSE	Admission to the AQSE Growth Market	Healthcare	UK

Deals Review

CT Automotive Group Plc

ADMISSION TO AIM

**£81.49 million**

Approximate market capitalisation as of 30 June 2022

**22,871,905**

Number of ordinary shares in issue

**160 pence**

per share as of 30 June 2022

CT Automotive Group Plc was admitted to trading on AIM in January, raising gross proceeds of £33.6 million through the issue of 22,871,905 placing shares priced at 147p each, giving a market capitalisation of £75 million on Admission.

CT Automotive is a leading designer, developer and supplier of interior components to the global automotive industry. The Company plans to use the funds raised to invest in the next phase of its growth and facilitate the pursuit of strategic growth opportunities. These include enlarging its facilities in Europe and North America and investing in new operations in Mexico and expanding existing capacity in the Czech Republic.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf, Lauren Haslam and Jack Devlin.

“ We were happy to work with the Capital Markets team at PKF for our admission to AIM. They worked collaboratively with us to ensure a successful outcome and finished their work on time and within budget. We very much valued their support through the process.”

David Wilkinson

Chief Financial Officer

CT Automotive Group Plc

Deals Review

Graft Polymer (UK) Plc

ADMISSION TO THE MAIN MARKET



£16.76 million

Approximate market capitalisation as of 30 June 2022



104,000,000

Number of ordinary shares in issue



16.10 pence

per share as of 30 June 2022

Graft Polymer (UK) Plc was admitted to the Main Market of the London Stock Exchange in January.

Based on the placing price of 21.5p, Graft Polymer raised gross proceeds of £5 million, giving a market capitalisation of £22.4 million on Admission. Following Admission, the company had approximately 104 million Ordinary Shares in issue.

Established in 2017 by a group of polymer technology experts and venture capitalists, Graft Polymer's core business comprises polymer modification and development of drug delivery systems. The fundraising of £5 million was to fund accelerated growth, expand the group's research and production facility in Slovenia to meet rising customer demand, upgrade existing facilities to enable future IP registration, and increase both inventory and marketing opportunities following expected increased sales.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Adam Humphreys and Lauren Haslam.

“PKF's expertise and unwavering support were important factors in enabling us to complete LSE Main Market admission.”

Yifat Steuer

CFO and Executive Director
Graft Polymer (UK) Plc

Deals Review

Genflow Biosciences Plc

ADMISSION TO THE MAIN MARKET

**£7.46 million**

Approximate market capitalisation as of 30 June 2022

**47,036,500**

Number of ordinary shares in issue

**2.50 pence**

per share as of 30 June 2022

Genflow Biosciences Plc was admitted to the Main Market of the London Stock Exchange in January.

Genflow Biosciences Plc raised gross proceeds of £3.7 million through the issue of 47,036,500 Ordinary Shares priced at 8p each, giving a market capitalisation of £23.4 million on Admission.

Genflow Biosciences Plc is a biotechnology company focused on longevity and the development of therapies to counteract the effects of aging and diseases associated with advanced age.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Adam Humphreys and Sam Bradshaw.

“The longevity field is set to become not only a billion-dollar industry but a dominant force in the life sciences sector. We have confidence that Genflow Biosciences can both generate value for the investors and make a real difference in people’s lives.”

Eric Leire

CEO
Genflow Biosciences Plc

Deals Review

ACP Energy Plc

ADMISSION TO THE MAIN MARKET



£2.8 million

Approximate market capitalisation as of 30 June 2022



16,600,000

Number of ordinary shares in issue



6 pence

per share as of 30 June 2022

ACP Energy Plc was admitted to the Main Market of the London Stock Exchange in January.

Upon Admission, ACP Energy issued a total of 16,600,000 Ordinary Shares, based upon a combination of direct subscriptions at 5p per share and a placing at 2p per share, raising gross proceeds of £830,000.

The Company will focus on acquiring opportunities within the upstream segment of the oil and gas industry, in areas such as appraisal, development and production, focusing particularly on projects with identified oil and/or natural gas reserves and resources.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf.

“ACP is proud to have completed its IPO to the Main Market of the London Stock Exchange. PKF were extremely supportive throughout the process, and we look forward to working with them further as we identify targets for the development of the company.”

James Orbell

Non-Executive Director
ACP Energy Plc

Deals Review

i(x) Net Zero Plc

ADMISSION TO AIM

**£23.32 million**

Approximate market capitalisation as of 30 June 2022

**79,056,811**

Number of ordinary shares in issue

**28 pence**

per share as of 30 June 2022

i(x) Net Zero PLC was admitted to the AIM market of the London Stock Exchange in February.

Upon Admission, the number of ordinary shares in issue was 79,056,811, giving i(x) Net Zero a market capitalisation of approximately £60.1 million, at the issue price of 76 pence per share.

i(x) Net Zero PLC aims to provide a “positive, scalable, measurable and sustainable impact” on the environment. It has two main focus areas, the first being energy transition, and the second sustainability in the built environment. Examples of investments include waste-to-fuels company WasteFuel Global and Carbon Engineering, specialising in the capture of carbon dioxide which it then uses to make synthetic fuels.

PKF provided Transaction Support on the transaction alongside PKF O’Connor Davies. The Capital Markets team included Joseph Baulf and Marc Rinaldi.

“The completion of the listing onto AIM of i(x) Net Zero is a testament to the growing interest in sustainable investment. We look forward to supporting them as they identify possible investments in the future.”

Joseph Baulf

Partner

PKF Littlejohn

Deals Review

Hamak Gold Limited

ADMISSION TO MAIN MARKET



£1.98 million

Approximate market capitalisation as of 30 June 2022



20,833,000

Number of ordinary shares in issue



9 pence

per share as of 30 June 2022

Hamak Gold Limited was admitted to the Main Market of the London Stock Exchange in February.

Hamak Gold is a gold exploration and development company which holds two highly prospective gold Mineral Exploration Licences (MELs) and also holds an option to acquire a further five MELs in Liberia, which is considered highly prospective for gold and is geologically similar to neighbouring gold producing countries such as Guinea, Mali, Ivory Coast and Ghana.

Upon Admission, Hamak Gold issued a total of 20,833,000 Ordinary Shares.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf and Ben Pringle.

“Hamak is proud to have completed its IPO to Main Market of the London Stock Exchange. We appreciate the support provided by PKF throughout the process, and we look forward to working with them in the future as we start to carry out exploration on our licenses in Liberia.”

Karl Smithson

Executive Director
Hamak Gold Limited

Deals Review

Ondo InsurTech Plc

RE-ADMISSION TO MAIN MARKET

**£4 million**

Approximate market capitalisation as of 30 June 2022

**xx**

Number of ordinary shares in issue

**5.88 pence**

per share as of 30 June 2022

Ondo InsurTech Plc (formerly Spinnaker Acquisitions Plc) was re-admitted to trading on the Main Market of the London Stock Exchange in March.

In conjunction with Re-admission, the Company raised gross proceeds of £3,427,501 through fundraising (comprised of a placing and subscription) at an issue price of 12 pence per share. Upon Admission, Ondo had a market capitalisation of approximately £8.2 million.

Ondo Insurtech Plc has become the first “insurtech” company on the London Stock Exchange.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf, Adam Humphreys and Jack Devlin.

“We valued the assistance of the Capital Markets team at PKF in helping us with our successful RTO and Placing. They were a pleasure to work with and we appreciated their professional approach and support throughout the transaction. This marks an important event for Ondo InsurTech Plc and our plans for the future.”

Richard Ehlan

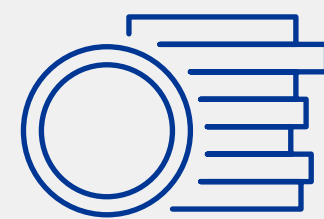
Interim CFO

Ondo InsurTech Plc

Deals Review

Codex Acquisitions plc

ADMISSION TO MAIN MARKET

**£1.27 million**

Approximate market capitalisation as of 30 June 2022

**8,500,000**

Number of ordinary shares in issue

**15 pence**

per share as of 30 June 2022

Codex Acquisitions plc was admitted to the Main Market of the London Stock Exchange in March.

Codex Acquisitions plc is a special purpose acquisition company, actively seeking to partner with sector-leading companies in the renewable energy sector. Environmental Social and Governance (ESG) considerations are important factors that will guide the Company when selecting possible investment opportunities.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf and Abigail Williams.

“Codex Acquisition plc’s IPO and placing support its intentions to invest in companies within the growing ESG and renewable space. We look forward to supporting them as they identify possible investments in the future.”

Joseph Baulf

Partner

PKF Littlejohn

Deals Review

Beacon Rise Holdings Plc

ADMISSION TO MAIN MARKET

**£2.8 million**

Approximate market capitalisation as of 30 June 2022

**1,122,000**

Number of ordinary shares in issue

**250 pence**

per share as of 30 June 2022

Beacon Rise Holdings Plc was admitted to the Main Market of the London Stock Exchange in March, raising gross proceeds of £1,122,000 through the subscription of 1,122,000 Ordinary Shares at a price of £1.00 per Ordinary Share.

Beacon Rise Holdings is a special purpose acquisition company formed to undertake acquisitions with operations in the primary and secondary segment of the education technology sector.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Mark Ling and Linlin Jin.

“The company is pleased to be listed on the Main Market of the London Stock Exchange. We are grateful for the professional, meticulous and efficient working attitude of PKF during this complex process.”

Xiaobing Wang

CEO

Beacon Rise Holdings Plc

Deals Review

DG Innovate plc

ADMISSION TO MAIN MARKET

**£16.36 million**

Approximate market capitalisation as of 30 June 2022

**5,397,451,305**

Number of ordinary shares in issue

**0.18 pence**

per share as of 30 June 2022

DG Innovate plc (formerly Path Investments plc) was admitted to the Main Market of the London Stock Exchange in April. On Admission, the Company completed the acquisition of Deregallera Holdings Ltd (formerly DG Innovate Limited) for an initial consideration of £32.4 million, by the issue of 5,397,451,305 shares at the price of 6 pence per Ordinary Share.

DG Innovate is an advanced research and development company pioneering sustainable and environmentally considerate improvements to electric mobility and storage, using abundant materials and the best engineering and scientific practices.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf and Jack Devlin.

“The Completion of the RTO by Path Investments Plc with DG Innovate Ltd highlights the continuing trend toward investing in sustainability. The electric mobility and storage sector is extremely interesting and one that is expected to see huge growth. We look forward to following them on their journey in the future.”

Joseph Baulf

Partner

PKF Littlejohn

Deals Review

Aura Renewable Acquisitions plc

ADMISSION TO MAIN MARKET



£97,000

Approximate market capitalisation as of 30 June 2022



9,000,000

Number of ordinary shares in issue



9.25 pence

per share as of 30 June 2022

Aura Renewable Acquisitions plc was admitted to the Main Market of the London Stock Exchange in April.

Aura Renewable raised gross proceeds of £1,000,000 by way of a placing of 9,000,000 Ordinary Shares and subscription of 1,000,000 Ordinary Shares, at an issue price of 10 pence per share.

Following Admission, Aura Renewable Acquisitions will pursue opportunities to acquire businesses in the renewable energy sector particularly participants in the wind, solar, biomass, hydropower and green hydrogen supply chain ranging from raw materials resourcing to power generation, energy storage and recycling.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Archer and Lauren Haslam.

“We appreciate the work of the PKF team in supporting our listing process and look forward to working with them in the future.”

John Croft

Chairman

Aura Renewable Acquisitions plc

Deals Review

Financials Acquisition Corp

ADMISSION TO MAIN MARKET

**£153.73 million**

Approximate market capitalisation as of 30 June 2022

**15,450,000**

Number of ordinary shares in issue

**995 pence**

per share as of 30 June 2022

Financials Acquisition Corp was admitted to the Main Market of the London Stock Exchange in April.

The company raised gross proceeds of £150,000,000 by way of a placing of 15,450,000 Ordinary Shares and 7,500,000 whole Warrants, at an issue price of 10 pounds per share.

Financials Acquisition is a special purpose acquisition company focused on insurance technology. It will target a business combination with tech-enabled insurers that are approaching “sufficient scale and maturity” to debut on public markets, paying special attention to companies operating in the UK and across Europe.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf, Mark Ling, Abigail Williams and Jack Devlin.

“The Capital Markets team at PKF had the knowledge and experience to assist on our successful listing and placing on the LSE Main Market. We appreciated their professional approach and support throughout the transaction. This is a landmark for the Company and we look forward to identifying a business combination in the future.”

William Allen

CEO

Financials Acquisition Corp

Deals Review

Psych Capital Plc

ADMISSION TO THE AQSE GROWTH MARKET

**£15.9 million**

Approximate market capitalisation as of 30 June 2022

**290,033,335**

Number of ordinary shares in issue

**5.5 pence**

per share as of 30 June 2022

Psych Capital Plc was admitted to trade on the AQSE Growth Market in June, raising gross proceeds of £810,000 from the issue and allotment of 16,200,000 Placing Shares.

Psych Capital Plc will look to identify, fund and support the building of British and European companies across three core pillars: therapeutic treatments, drug development, and data/AI. Its mission is to support a new wave of innovators who are well positioned to challenge the status-quo and revolutionise how society deals with mental health conditions.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Dominic Roberts, Adam Humphreys and Lauren Haslam.

“ We appreciate the rigorous and professional approach from the PKF team in supporting us throughout the Admission process.”

Joseph Colliver

Non-Executive Chairman

Psych Capital Plc



About PKF

Simplifying complexity for our clients

PKF is one of the UK's largest and most successful accountancy brands.

We have a strong reputation with publicly listed companies, and understanding these highly regulated, technically complex businesses has become a specialism of ours. We focus on delivering consistent quality and making all our clients feel valued.

Our specialist capital markets team has vast experience working with companies listed, or looking to list, on a range of international markets including the London Stock Exchange Main Market (Premium and Standard), AIM, AQUIS, NASDAQ & OTC, ASX and TSX & TSX-V.

PKF in the UK...



Ranked 11th

Largest audit practice in the UK



£182.5 million

annual fee income

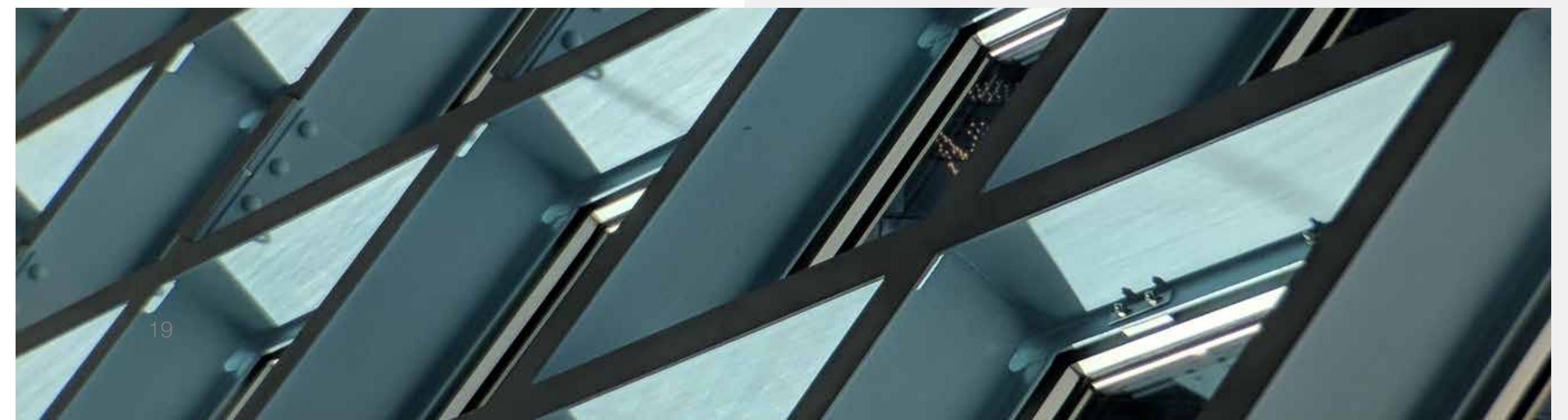


2,035+ staff



6th ranked auditor

of listed companies
in the UK



Our Capital Markets credentials

Our auditor rankings from ARL



Total AIM listed clients



Total UK stock market clients



Basic materials sector



Energy sector



Financials and Real Estate sector



Technology sector



PKF UK in numbers

11th

Largest accountancy brand in the UK

35

Offices across the UK

2,035+

Employees and 180 partners

£182.5m

Fee income and growing rapidly



Capital Markets in numbers

160+

Listed audit clients

£2.7bn

Value of transactions advised on in last 10 years

100+

Transactions advised on in last 5 years

26

International businesses brought to the UK in last 10 years



PKF International in numbers

14th

Largest global accounting network

480

Offices in 150 countries

\$1bn+

In aggregate fee income

20,000+

Employees

How we can help

We can help support businesses at each stage of their lifecycle, from pre-initial public offering (IPO) advice, throughout the IPO as reporting accountants and by providing ongoing support as auditors or providing accounting and tax support to meet your businesses requirements.

Visit our website to find out more.

Pre-IPO



IPO



Specialist transactions



Valuations



Audit & assurance



Tax



Business advisory



Business outsourcing



Get in touch today to see how we can help...

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