

Capital Markets

Deals Review

H1 2024



Contents...

03 Foreword

04 Markets stats

05 Our Capital Markets transactions 2024

06 Deals review

25 About PKF

26 Our Capital Markets credentials

27 Our team

Our Capital Markets Deals Review H1 2024

Following a challenging few years for the London market, things seem to be looking up. The country has voted for “change” and, as with all new winds, the change in management brings the promise of something new and a much-needed sense of vitality.

According to a recent report in The Times, 37 companies listed on AIM were acquired, many by US private equity firms, in the last year – the highest level of take-private transactions for 12 years – mostly driven by low stock market valuations. A combination of 36 consecutive months of outflows from UK equity funds, low valuations, high interest rates and a poor economic outlook had many companies questioning their reasons for being listed and others reflecting on the attractiveness of an IPO. Despite the apparent rush for the exit door, the London market is resilient and green shoots look to be appearing. Of the 18 New Issues to the AIM (10) and Main Markets (8) that took place in the first half of 2024, PKF were pleased to have supported 6 of them. We were especially proud to have been involved in half of the AIM New Issues in H1 2024.

Immediately following the General Election result, share prices rose in expectation of a prolonged period of stability. The FTSE 250 rose by 1.8 per cent to achieve its highest level for over two years before falling back slightly. Sterling, too, rose 0.1 per cent against the dollar to \$1.27 – the highest level since mid-June – and was up 0.01 per cent on the euro at €1.18. Sky News reported that: “On a trade-weighted basis, the pound is now back where it was in 2016.” Companies can start to have a bit more confidence and take steps now that the ground looks to be more solid.

The return to the office after the summer holidays and the run into Autumn promises to be very busy and will be a peak time for the market. With any luck we’re at the beginning of a new and positive cycle on the London markets.



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Market stats

As of 30 June 2024

Main Market

Equity Market Value:

£3,690,737 million

Total number of companies:

1,022 companies

International listed companies:

162

UK Listed companies:

860

New money raised:

£339.9 million

AIM

Equity Market Value:

£76,530 million

International listed companies:

99

UK listed companies:

619

New money raised in 2024:

£239 million

Raised from further issues:

£582 million

AQSE Growth Market

Companies admitted in 2024 to the AQSE Growth Market:

1

Companies listed on the Aquis Growth Market:

100

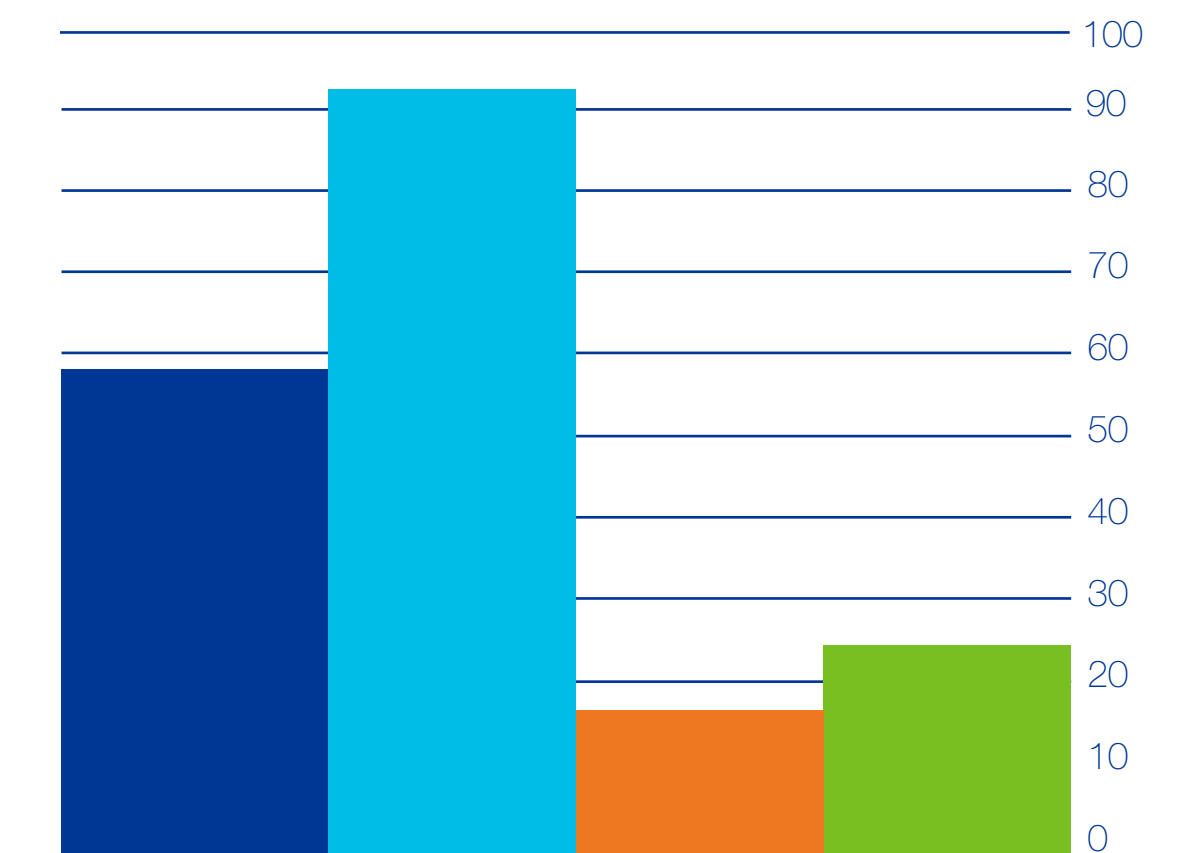
New money raised in 2024:

£0

Total market capitalisation of new issues at admission:

£6.98 million

Our clients by markets



Main Market

59

AIM

91

AQSE

17

Other

25

PKF Capital Markets transactions H1 2024

 Company	 Transaction date	 Market	 Transaction Type	 Sector	 Countries of operation
Sorted Group Holdings Plc (formerly Location Sciences)	February	AIM	Acquisition and re-admission to AIM	Technology	UK, USA
European Green Transition plc	April	AIM	Admission to AIM	Technology / Natural Resources	UK, Germany, Sweden
Helix Exploration PLC	April	AIM	Admission to AIM	Natural Resources	USA
Electric Guitar PLC	May	AIM	Acquisition and admission to AIM	Technology	UK
Ondo InsurTech plc	June	Main	Prospectus and Open Offer	Technology	UK
Mustang Energy Plc	June	Main	Re-admission to Main Market and acquisition	Technology	UK

Deals Review

Sorted Group Holdings Plc

ACQUISITION AND RE-ADMISSION TO AIM

**£2 million**

Approximate market capitalisation on Admission

**2,285,712**

Total number of ordinary shares in issue on Admission

**87.50 pence**

Trading price per share on Admission

Location Sciences were successful in their acquisition of Sorted Holdings Limited and re-admission to AIM in February.

The company has raised gross proceeds of approximately £2 million, through the subscription of 2,285,712 new ordinary shares at a price of 87.50 pence per share.

Sorted operates a software-as-a-service business model providing delivery experience software which serves ecommerce retailers – from large, global enterprises to smaller, independent start-ups.

Upon completion, the company will trade under a new name of 'Sorted Group Holdings Plc'.

PKF acted as reporting accountant on the transaction and the Capital Markets team included Joseph Baulf, Sam Bradshaw and Martha Povoas.



Today's fundraise and AIM listing marks another exciting stage in Sorted's journey, as we continue our mission of bringing ecommerce retailers of all sizes confidence in every delivery, every time. PKF was instrumental in the due diligence of this process, and we look forward to continuing our collaboration in the future."

Simon Wilkinson

Chairman

Sorted Group Holdings Plc

Deals Review

European Green Transition plc

ADMISSION TO AIM

**£6.45 million**

Approximate market capitalisation on Admission

**64,495,890**

Total number of ordinary shares in issue on Admission

**0.10 pence**

Trading price per share on Admission

European Green Transition (EGT) were successful in their fundraise and admission to trading on AIM in April.

The company has raised gross proceeds of £6.45 million (before expenses), through the placing and subscription of 64,495,890 new ordinary shares, at a price of £0.10 per share.

EGT capitalises on the opportunities created by the green economy and energy transition in Europe. Their vision is to build a portfolio of high-quality green economy assets – including, solar and wind farms, rehabilitation and processing projects, and more – through an M&A focused-model. They have already acquired a portfolio of assets, notably its principle Olserum Rare Earth Element (REE) project.

On completion of admission, the company also intends to make an offer on the Bookbuild platform of new ordinary shares at the placing price for up to £0.5 million.

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



EGT would like to thank the PKF Transaction Services team for the exceptional service provided as part of our £6.4m fundraise and IPO of European Green Transition plc on AIM. The PKF team supported us throughout the entire project, providing excellent technical and commercial advice while meeting all project timelines and responding to all our questions in a timely manner. We look forward to continuing our relationship with PKF going forward.”

Jack Kelly

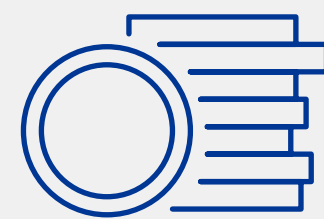
CFO

European Green Transition plc

Deals Review

Helix Exploration PLC

ADMISSION TO THE MAIN MARKET



£12.2 million

Approximate market capitalisation on Admission



75,000,000

Total number of ordinary shares in issue on Admission



0.10 pence

Trading price per share on Admission

Helix Exploration PLC were successful in their acquisition, fundraise and admission to trading on AIM in April.

The company has raised gross proceeds of £7.5 million, through the placing and subscription of 75,000,000 new shares at a price of £0.10 per ordinary share, giving a market capitalisation of £12.2 million on admission.

Helix Exploration PLC is an exploration company focused on the commercial development and monetisation of a non-hydrocarbon associated helium-rich gas structure in the Ingomar Dome, located in central Montana.

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



We were delighted to have had the Capital Markets team of PKF Littlejohn as part of our team producing the highly successful IPO of Helix Exploration. As market demand escalated PKF were able to work with speed and accuracy against accelerated timelines – assisting with the delivery of an over-subscribed listing, on time and in budget.”

David Minchin

Executive Chairman
Helix Exploration PLC

Deals Review

Electric Guitar PLC

ACQUISITION AND ADMISSION TO AIM

**£4.70 million**

Approximate market capitalisation on Admission

**61,184,843**

Total number of ordinary shares in issue on Admission

**2.1 pence**

Trading price per share on Admission

Electric Guitar PLC were successful in their acquisition, fundraise and admission to trading on AIM in May.

The company has acquired 3radical Limited for approximately £1.28 million, to be satisfied through the issue of 61,184,843 new Ordinary Shares. The Company also raised £2.20 million (before expenses) through a Placing and Subscription at 2.1p per share. Based on the issue price of 2.1p per share, the market capitalisation of the Enlarged Group will be approximately £4.70 million on Admission.

Electric Guitar PLC is a provider of first-party data solutions for the marketing and advertising industry. They acquire and scale businesses that help marketers maximise the value of first-party data through curating, managing and deploying data solutions.

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



We were very pleased with the Capital Markets team at PKF on our admission to AIM. As a fast-growing technology company with an ambitious buy-and-build agenda, we wanted to work with a reporting accountant with significant experience in Capital Markets. We value the support PKF Littlejohn provided in meeting our aspirations for the listing, and look forward to working with them in the future.”

Richard Horwood

COO

Electric Guitar PLC

Deals Review

Ondo InsurTech plc

PROSPECTUS AND OPEN OFFER

**£4.2 million**

Raised via prospectus and Open Offer

**21,428,571**

Total number of placing shares

**14 pence**

Issue price per share

Ondo InsurTech plc were successful in their connection with a prospectus and Open Offer to raise a total of £4.2 million in June. This fundraise comes in two stages which have seen Ondo Insurtech raise £3 million via a Placing and a further £1.2 million via Open Offer. The Placing and Open Offer are to raise funds to enable Ondo to accelerate and role out operations into the US and maintain growth in other UK and Scandinavian markets.

Ondo InsurTech is a leading company in claims prevention technology for home insurers. Ondo's strategy is to become the leading cost effective solution for managing escape of water risk across North America and Western Europe. In 2022, the insurance tech company was granted the LSE's Green Economy Mark, which recognised LeakBot's contribution to the global sustainability economy.

PKF acted as reporting accountant on the transaction and the Transaction Services team included Joseph Baulf, Sam Bradshaw and Martha Povoas.



Ondo InsurTech plc completed a successful Placing and Open offer which is another step in Ondo's growth story with new funding to be deployed for targeted expansion in the USA, UK and Nordics. The Transaction Services team at PKF led by Joseph Baulf was professional, pragmatic, and commercial in their approach which enabled this transaction to be completed within the required tight timescales."

Kevin Withington

Chief Executive Director

Ondo Insurtech plc

Deals Review

Mustang Energy Plc

ACQUISITION AND ADMISSION TO AIM



0.01 pence

Expected opening price at Re-admission



400,345,563

Total number of ordinary shares in issue on Re-admission



0.01 pence

Trading price per share on Re-admission

Mustang Energy Plc were successful in their acquisition of Cykel AI Plc and their re-admission to the Main Market of the London Stock Exchange in June.

The acquisition constitutes a reverse takeover and the Group has issued 400,345,563 new ordinary shares at a price of £0.01 each, upon re-admission.

Cykel AI Plc is an AI automation platform that seeks to automate company workflows across operations, sales, marketing and more.

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



We were highly impressed with the PKF Littlejohn team for their work as the reporting accountant on the prospectus used for our takeover of Cykel AI Plc. Their significant expertise and dedicated support were crucial in achieving a successful transaction and we valued their contribution.”

Dean L Gallegos
Managing Director
Mustang Energy Plc

Experts in the listed market

We have a strong reputation with publicly listed companies, particularly in London where our specialist Capital Markets team is based. Understanding these highly regulated, technically complex businesses has become a specialism of ours.

Our specialist 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.

We are the 2nd largest auditor of AIM listed companies and the 5th largest of all LSE companies with over 190 listed clients. In the last 5 years we have grown significantly in the listed audit market by focussing on delivering consistent quality and making all our clients feel valued. Our Capital Markets services include:

Pre-IPO



IPO



Specialist transactions



Audit



Tax





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 12th

Largest audit practice in the UK



£153 million

annual fee income

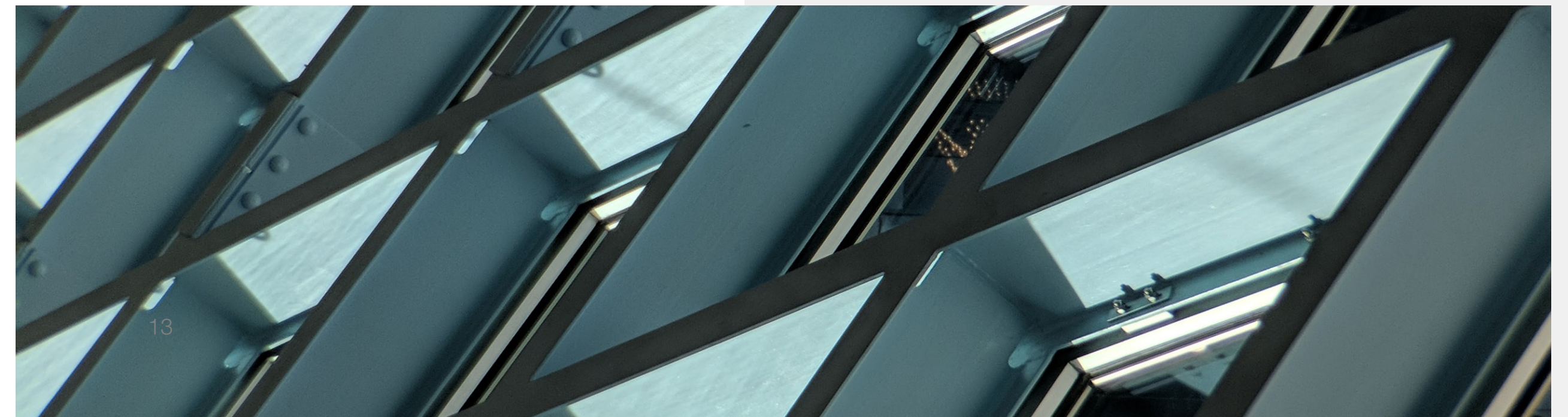


1,450+ staff



5th 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



Technology sector



Financials and Real Estate sector



PKF UK in numbers

12th

Largest accountancy brand in the UK

17

Offices across the UK

1,450+

Employees and 129 partners

£153m

Fee income and growing rapidly



Capital Markets in numbers

190+

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 Global in numbers

Part of the 14th

Largest global accounting network

480

Offices in 150 countries

\$1.4bn+

In aggregate fee income

21,000+

Employees

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



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