

# Deal *Pulse*

Queensland M&A | ***Don't Stop me Now***



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About Pitcher Partners	IPO update	Geographic spread	Industrials & chemicals	Leisure	Pharma, medical & biotech	Energy, mining & utilities	Consumer	Technology, media & telecoms	Sectors summary	Introduction	Contents
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# Introduction

Pitcher Partners is pleased to present our Deal Pulse “Don’t Stop Me Now” analysing Queensland Mergers & Acquisitions (“M&A”) over the calendar year 2021. This report presents research findings including key transactions and sector trends.

Deal Pulse focuses on Queensland M&A activity being:

- Acquisitions by Queensland based private and public corporate entities of local, interstate and offshore ventures; and
- Divestments of Queensland based ventures to local, interstate and offshore entities and also private equity funds.

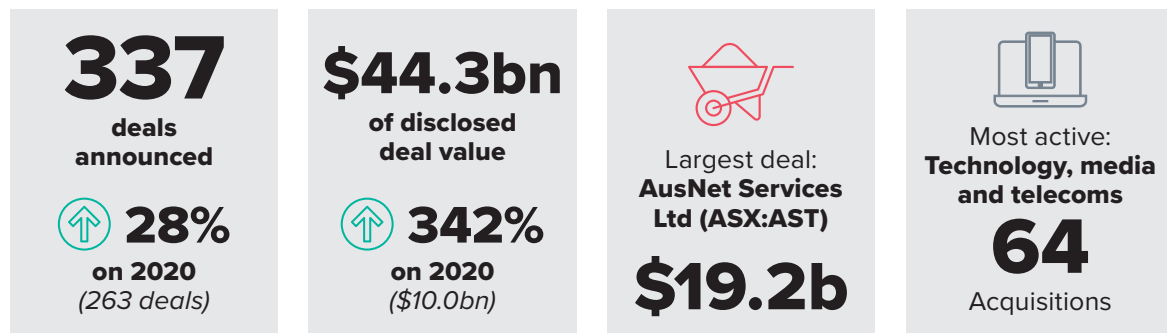
Transaction values are included in the report to the extent that deal values have been publicly disclosed.

Queensland M&A blew past previous year volumes and values, as deal activity accelerated from the COVID-19 induced slowdown seen in 2020:

- Deal volumes were up by 28% to a record 337 deals (2020: 263 deals), with momentum in the second half of the calendar year so strong it delivered the best six months on record.
- Deal values skyrocketed to \$44.3bn (more than double the previous highest result of \$18.8bn in 2018), driven by nine mega deals above \$1.0bn.

**Deal volumes were driven primarily by:**

- **Technology, Media & Telecommunications (TMT):** continued to be the top performer for a third year with 64 deals (up another 23% over 2020’s 52 deals).
- **Consumer:** trended up for the first time since 2017, recovering from a prior year low of 25 to 54 deals. Approx. 20% of transactions were for restaurants, showing dealmakers anticipate a post-pandemic shift in spending from goods to entertainment.
- **Energy, Mining & Utilities:** this was the year of the mega deal, with five of the total nine deals above \$1.0bn. Despite deal values being more than double 2015’s record of \$11.0bn, volumes were down from 2020’s record of 49, to 34.
- **Pharma, Medical & Biotech:** Pharma, Medical & Biotech deals have strengthened in 2021, increasing by 24% to 31 deals.
- **Leisure:** bounced back from a poor showing in 2020, with volumes up 67% to 30 deals. Dealmakers saw upside in the struggling tourism accommodation sector, with 18 of the 30 deals being hotels and resorts.



## 2014–21 Queensland market breakdown

Deals 2021 | Average deals 2014–2020

Large cap



Mid-market



Small cap

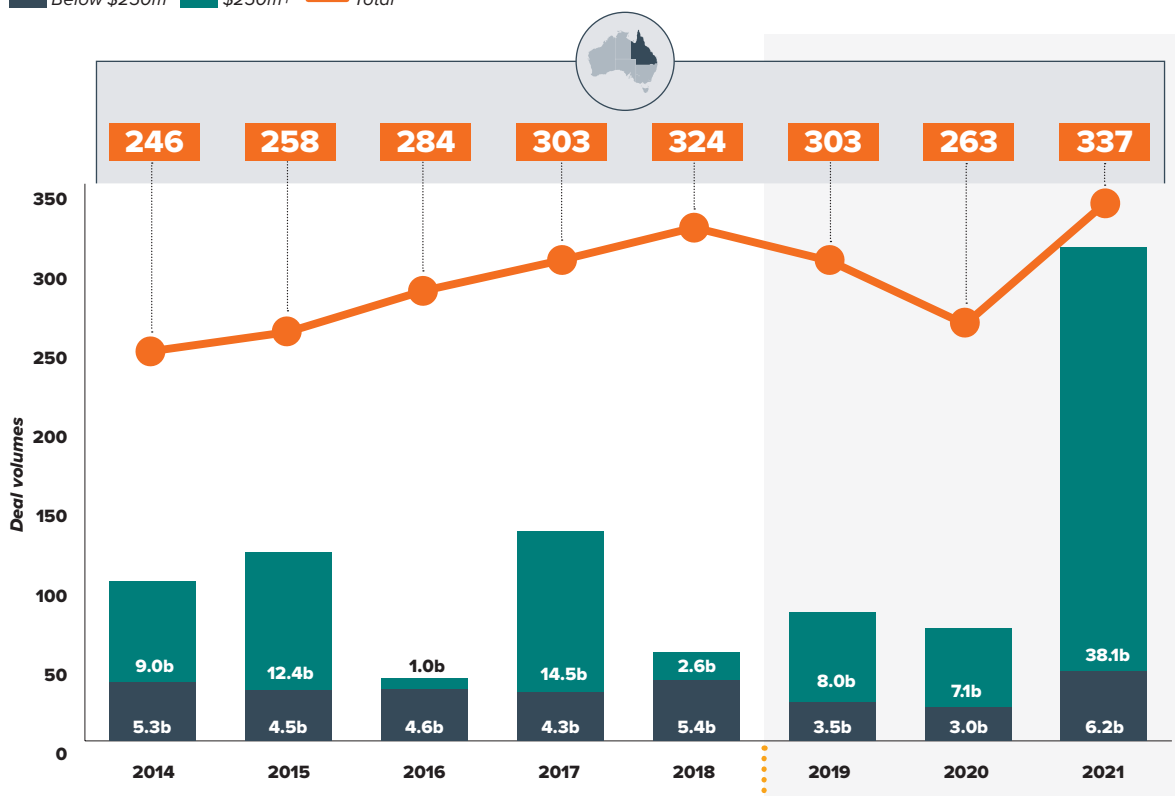


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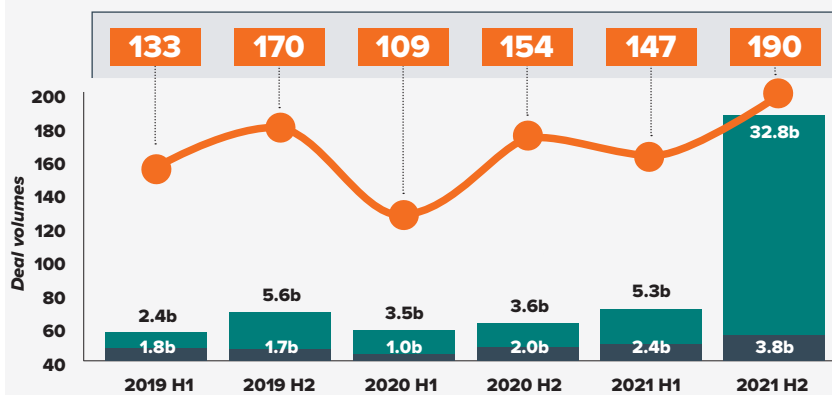


## 2014–21 Number of deals & total deal values

Below \$250m \$250m+ Total



### 2019–21 in focus

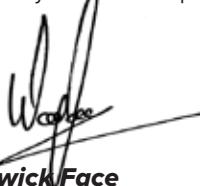


### Other notable insights:

- IPOs:** in 2021, eight Queensland companies listed on the Australian Securities Exchange (ASX), higher than the previous year's five, but down on the 17-year average of ten Queensland listings per year.
- PE firms** continued their interest in Queensland, completing 12 acquisitions in 2021, down slightly on last year's 15, but up on the long-term average of eight.
- International deal volumes** were back up to a three year high, with international buyers acquiring a net 26 businesses in Queensland (sold 30 versus bought 56). This movement back towards international investment is somewhat surprising given border restrictions have meant buyers haven't been able to put boots on the ground in 'Fortress Australia' for the past 24 months.

Queensland dealmakers, along with consumers have indeed been "having a good time". With 91% of Queenslanders now fully vaccinated, domestic and international borders back open, and the general mindset transitioning from pandemic to endemic, let's hope the "don't stop" mindset can continue for at least the next little while.

We trust you find this report valuable.

  
**Warwick Face**

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# Sectors summary



## Technology, media & telecommunications

2020	2021
<b>52</b> Deals	<b>64</b> Deals
Total Value <b>\$332m</b> (from 24 deals)	Total Value <b>\$1,466m</b> (from 27 deals)



## Consumer

2020	2021
<b>25</b> Deals	<b>54</b> Deals
Total Value <b>\$264m</b> (from 9 deals)	Total Value <b>\$1,462m</b> (from 19 deals)



## Energy, mining & utilities

2020	2021
<b>49</b> Deals	<b>34</b> Deals
Total Value <b>\$2,781m</b> (from 35 deals)	Total Value <b>\$25,765m</b> (from 26 deals)



## Pharma, medical & biotech

2020	2021
<b>25</b> Deals	<b>31</b> Deals
Total Value <b>\$991m</b> (from 11 deals)	Total Value <b>\$2,952m</b> (from 16 deals)



## Leisure

2020	2021
<b>18</b> Deals	<b>30</b> Deals
Total Value <b>\$546m</b> (from 10 deals)	Total Value <b>\$1,654m</b> (from 23 deals)



## Industrials & chemicals

2020	2021
<b>15</b> Deals	<b>28</b> Deals
Total Value <b>\$208m</b> (from 6 deals)	Total Value <b>\$1,780m</b> (from 11 deals)



## Business services

2020	2021
<b>19</b> Deals	<b>25</b> Deals
Total Value <b>\$43m</b> (from 5 deals)	Total Value <b>\$887m</b> (from 11 deals)



## Financial services

2020	2021
<b>19</b> Deals	<b>23</b> Deals
Total Value <b>\$226m</b> (from 7 deals)	Total Value <b>\$1,778m</b> (from 6 deals)



## Real estate

2020	2021
<b>7</b> Deals	<b>13</b> Deals
Total Value <b>\$118m</b> (from 4 deals)	Total Value <b>\$2,866m</b> (from 10 deals)



## Agriculture

2020	2021
<b>19</b> Deals	<b>12</b> Deals
Total Value <b>\$898m</b> (from 10 deals)	Total Value <b>\$368m</b> (from 6 deals)



## Transport

2020	2021
<b>7</b> Deals	<b>12</b> Deals
Total Value <b>\$3,667m</b> (from 5 deals)	Total Value <b>\$2,664m</b> (from 7 deals)



## Construction

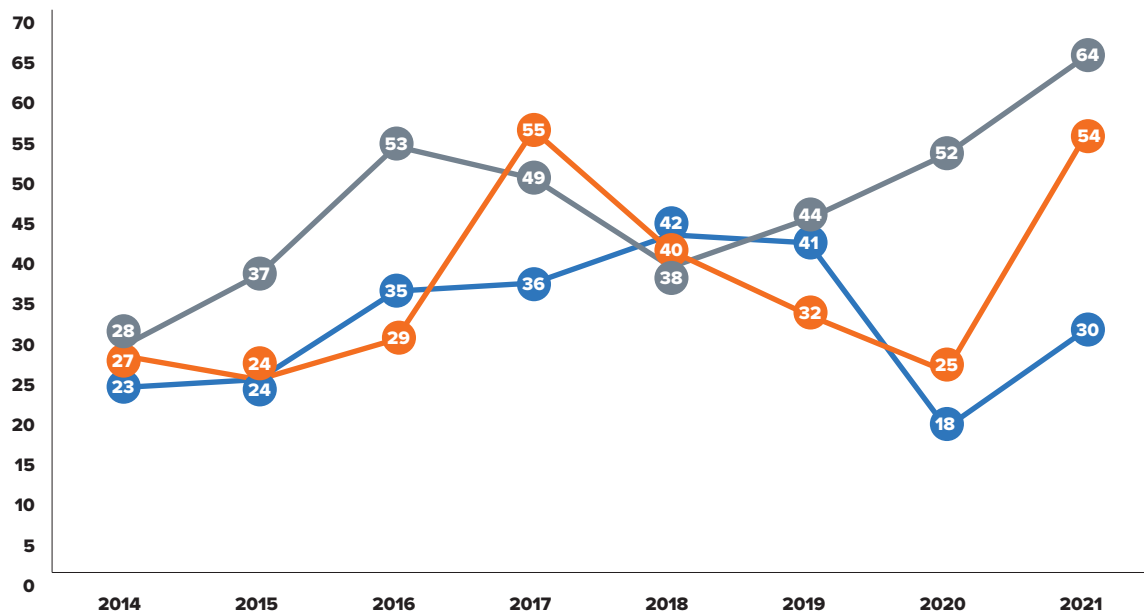
2020	2021
<b>8</b> Deals	<b>11</b> Deals
Total Value <b>\$25m</b> (from 2 deals)	Total Value <b>\$633m</b> (from 5 deals)



# Sectors trending up

Figure 1: M&A deal volume 2014–21

Consumer TMT Leisure



## Consumer

Trending upward is an understatement for the consumer sector, with deal volumes more than doubling from a low of 25 deals, to 54 transactions. Whilst automotive retail, parts and accessories remained steady contributing 12 deals, it was consumer discretionary spending that supported the significant acceleration. In a clear signal that investors are expecting the Sunshine State to be open for business in 2022, nine fast food / restaurants and five breweries changed hands, along with meal delivery business Youfoodz, which sold for \$131m to Berlin-based competitor Hellofresh.



## Technology, media & telecommunications

TMT continued upwards with no sign of slowing down in 2021. This is the fourth consecutive year that deal volumes have increased in the sector, again off the back of application software deals which accounted for just short of half of all deals. In a year of much larger deal values, TMT was no exception, increasing from \$332m to \$1.5bn in deal values, with four deals above \$100m.



## Leisure

Continuing our theme for the year, the worst performing sector of 2020 (an all time low of 18 deals) has turned it around in 2021 with 30 deals. Investors have found value in smaller hotels and motels which have faced significant challenges over the last 24 months.

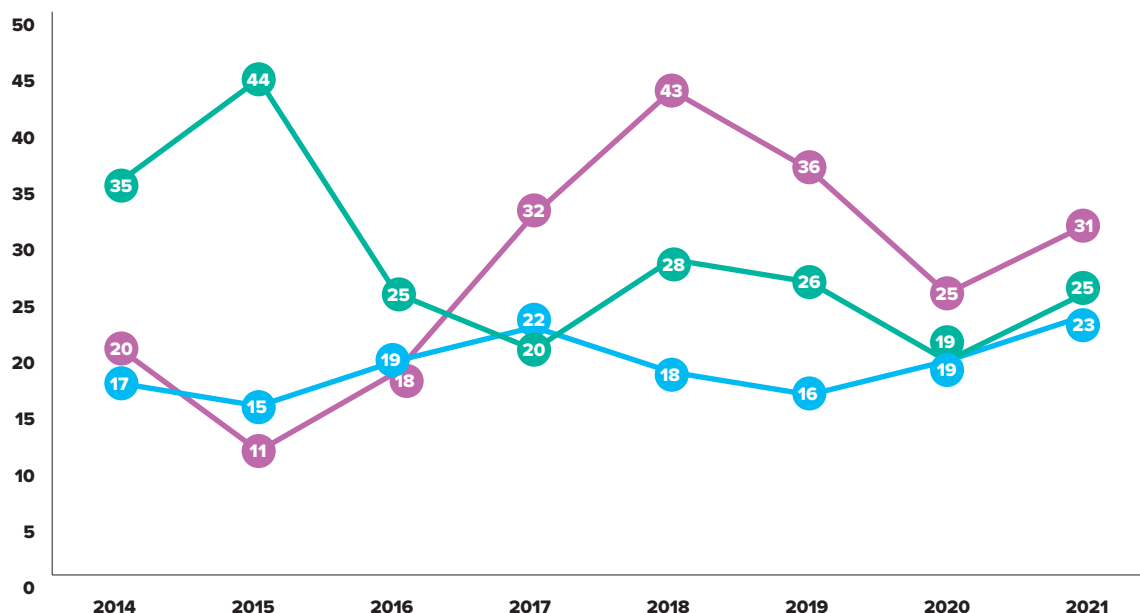
Deal values were again significantly higher than the previous year, with the sector reporting deal values of \$1.6bn, up 67% on 2020's \$546m.



# Sectors strong and steady

Figure 2: M&A deal volume 2014–21

Business services Financial services Pharm, medical & biotech



## Business services

Despite a decline in 2020 to 19 deals, Business Services has stabilised in 2021 with 25 deals. This brings it back in line with its long-term average.

Deal values increased 20-fold over 2020 thanks to Quadrant Private Equity's \$650m acquisition of Affinity Education Group Limited's 150 centres. Childcare is certainly back in favour, with Queensland based Busy Bees Early Learning Australia Pty Ltd acquiring Think Childcare and its approximately 100 centres for \$153m.



## Financial services

For a second year in a row, Financial services remained steady, accounting for 7% of total deals. Insurance brokers and financial services transactions accounted for 50% of all deals as the sector increased by four to 23 deals.

In a rare mega deal for the sector, Bank of Queensland acquired Melbourne based Members Equity Bank Limited (ME Bank) for \$1.3bn. ME Bank is a branchless bank founded to offer access to home loan products. Today it offers a wide range of low-cost banking products.



## Pharma, medical & biotech

After dropping in 2020 (along with most sectors), Pharma, Medical and Biotech is back to its long-term average with 31 deals in 2021. The continued consolidation in the wellness industry has contributed to the deal volume over the last five years as larger listed players continue to acquire smaller practitioner run centres. We expect this trend to continue with further consolidation of Physiotherapy, Chiropractic, Osteo and Dental practices during 2022.

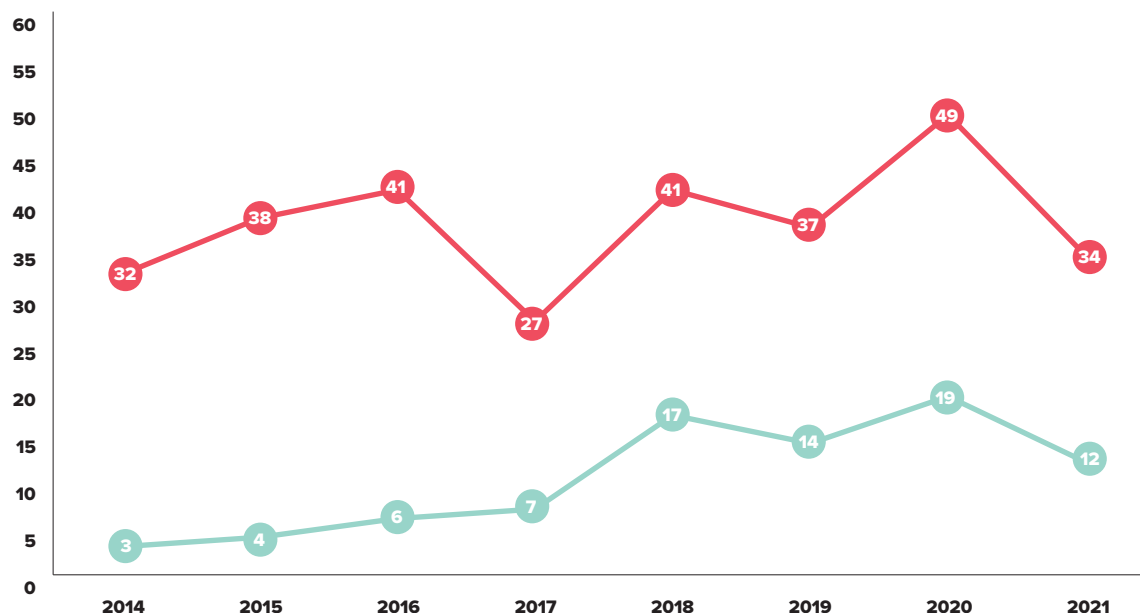




## Sectors trending down

Figure 3: M&A deal volume 2014–21

Energy, mining & utilities Agriculture



### Energy, mining & utilities

Energy Mining & Utilities is this year's bigger relative faller on a volume basis down 31% (15 deals) to 34 deals. Gold deals fell sharply from 14 in 2020 to only four in 2021. There were only two coal deals, down from five in 2020. This could be the sign of the times for our resource rich state, and while record coal prices will continue to drive M&A in the short term, a move towards renewables and a greener future may continue to put pressure on the sector.



### Agriculture

Despite the significant sales of Miranda Downs and Croydon Stations for an estimated \$160m and \$80m respectively, the sector's steady rise over the past six years has come to an end with Agriculture deal volumes dropping to 12 deals in 2021 (2020: 19 deals). Queensland holds over 45% of Australia's total head of cattle and is responsible for seven of Australia's top 10 natural resource management (NRM) regions.

# Technology, media & telecoms

To the moon



TMT deal volumes have remained historically strong rising to 64 deals. This sector has been a top performer over the last seven years with almost one in five deals coming from this sector in both 2020 and 2021.

2021 saw another record performance with deal volumes increasing 23% on 2020. Deal values were also up significantly with almost \$1.5bn in deals (2020: \$332m). The sector was dominated by application software deals that accounted for almost 50% of all deals, demonstrating the fact that all companies no matter the industry are continuing to be forced to adopt technologies that increase productivity, engage customers, and/or streamline operations.

Notable transactions included:

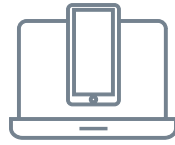
- Brisbane based **Over the Wire Holdings Limited** was acquired by Aussie Broadband Limited for \$396m, in a move that will strengthen its business segment with Over the Wire adding 16,000 business, enterprise, government and wholesale customers to Aussie Broadband's 28,000 business customers and 410,000 residential customers.
- Continuing the trend of global interest in Australian technology companies, Dye & Durham has acquired **GlobalX** for \$170 million, almost a year and a half after they entered a definitive agreement.
- Insurance technology company **ENData Pty Ltd** was acquired by Texas based Solera Holdings, Inc. Pitcher Partners Corporate Finance team acted as lead advisor on the deal which was sold for an undisclosed amount.

Private Equity also chose to invest heavily in TMT with half of all 2021 Private Equity deals coming from the TMT sector with six PE backed deals. Of note was Potentia Capital, a leading technology-focused private equity firm, which acquired majority stakes in:

- Queensland based booking and property management system provider NewBook Pty Ltd.
- Brisbane based self-service B2B & B2C eCommerce platform Commerce Vision Pty Ltd.

2020 Deals		2021 Deals
52	↑	64
Value		Value
<b>\$332m</b> (From 24 deals)		<b>\$1,466m</b> (From 27 deals)
Avg. Value*		Avg. Value*
<b>\$14m</b>		<b>\$23m</b>

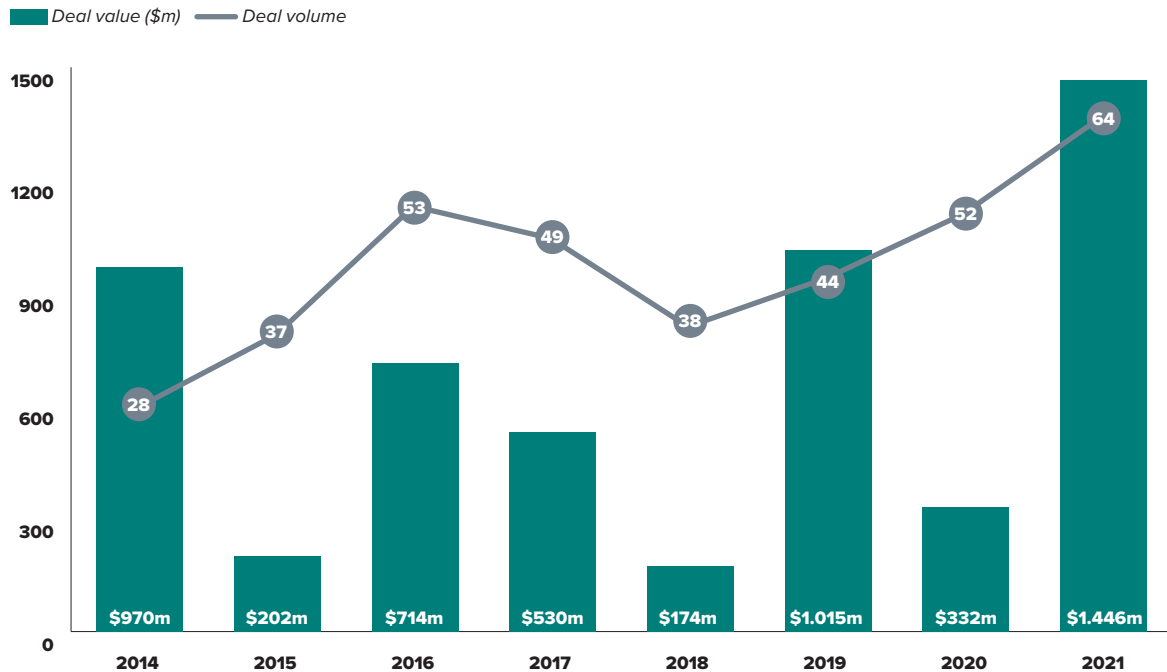
\*Deals above \$500m excluded



“ENData will further expand Solera’s position in Australia, and globally, as the leading provider of innovative solutions across the entire insurance claims ecosystem.”

**DARKO DEJANOVIC**, CHIEF EXECUTIVE OFFICER, SOLERA HOLDINGS, INC.

#### TMT deal volume and value breakdown 2014–21



#### TMT deal volume and values 2014–21

■ Number of deals 2020/1 ■ Average deals 2014–2020

##### Large cap

1 \$396m

1 \$240m

##### Mid-market

15 \$1,015m

9 \$272m

##### Small cap

11 \$55m

12 \$50m

##### Not disclosed

37

21



2

# Consumer

Consumer is  
back, baby



Reversing a four-year slide in deal volumes, the sector came back strongly in 2021 as restaurant, fast food and craft beer acquisitions returned to favour as Queenslanders look to spend big on entertainment post lockdown.

There was rising activity in the Craft Beer industry after recent years of buyouts slowing:

- Brisbane based **Ballistic Beer** also acquired the **Whitsunday Island Brewing Company** and **Bargara Brewing**, increasing their Queensland presence and production capacity.

Fast food and restaurant acquisitions were on the menu during the year including:

- **Domino's Pizza** enter its 10th market with an \$80m acquisition of the Domino's Taiwanese pizza chain which has been run by Formosa International Hotels Corporation. Domino's Taiwan operates 157 corporate and franchised stores and is the second largest chain in Taiwan.
- **Collins Foods** snapping up further acquisitions this time in the Netherlands.

Automotive retail, parts and accessories again featured with acquisitions continuing for **Eagers**, **National Tyre & Wheel** and **MotorCycle Holdings**.

Finally, Private Equity investors have continued to show interest in the Veterinary industry with **Pemba Capital Partners** acquiring **Vets Central**, a Queensland-based consolidator of Australian veterinary clinics, with a rationale that the veterinary industry is a structurally high growth and defensive sector with scope to provide a differentiated offering.

2020 Deals	2021 Deals
<b>25</b>	<b>54</b>
Value <b>\$264m</b> (From 9 deals)	Value <b>\$1,462m</b> (From 19 deals)
Avg. Value* <b>\$29m</b>	Avg. Value* <b>\$14m</b>



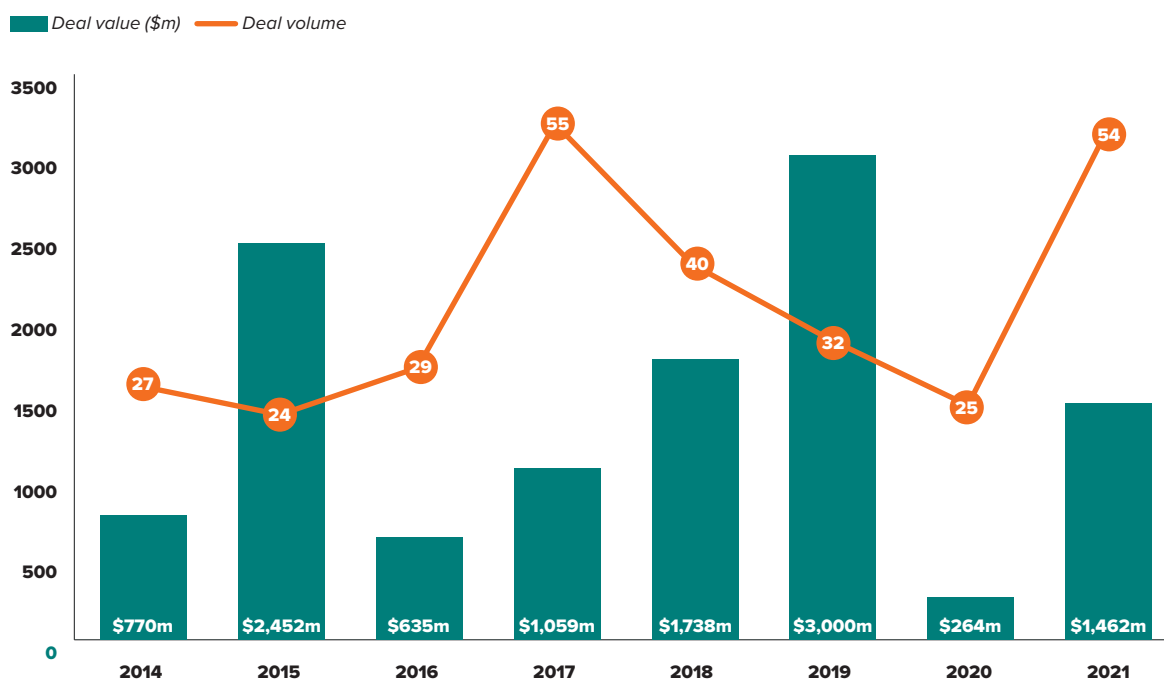
\*Deals above \$500m excluded



“More buyouts are expected in Australia’s craft beer sector as large players look to bolster their portfolio with faster-growing brands.”

**SIMON EVANS**, SENIOR REPORTER, AUSTRALIAN FINANCIAL REVIEW

**Consumer deal volume and values breakdown 2014–21**



**Consumer deal volume and values 2014–21**

Number of deals 2021 (orange bar) Average deals 2014–2020 (teal bar)

Large cap

1 \$726m

1 \$847m

Mid-market

12 \$721m

10 \$538m

Small cap

6 \$14m

8 \$31m

Not disclosed

35

15

3

# Energy, mining & utilities

Mega deals drive record values



Despite deal volumes decreasing from 49 to 34 deals, the sector saw record \$25.8bn in disclosed deal value. This was driven by five mega deals in the sector, including the largest deal of the year.

With a considerable \$17.8bn transaction value, the largest Queensland deal of the year was the acquisition of **AusNet** by a consortium of investors including **Sunsuper**. This follows a trend of private investment into the Australian energy industry, with AusNet formerly being the last remaining publicly listed electricity infrastructure company in Australia.

In a \$1.8bn merger of two equals, **Orocobre** and **Galaxy Resources** joined forces to create **Allkem**, a top five global lithium chemicals company, that is well-positioned to significantly benefit through material operating synergies from a highly complementary portfolio of assets.

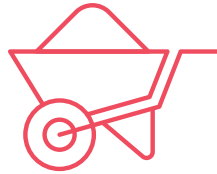
Following on from their acquisition of Tansim Lithium Project in 2020, **Sayona Mining** continued expanding their lithium operations through the acquisition of **Moblan Lithium Project** and **North American Lithium** (for \$120m and \$12m respectively). These acquisitions allow for vertical integration with the nearby Authier lithium project, accelerating Sayona's position of becoming a leading supplier to the fast-growing North American battery and EV market.

The balance of the mega deals included the acquisition of an 80% stake in **BHP Mitsui Coal** by **Stanmore Resources Limited** for \$1.8bn, **Senex Energy Limited's** divestment to Korea's largest trading company **Posco International Corporation** for \$1.1bn, and **Evolution Mining Limited's** acquisition of the **Ernest Henry copper-gold mine** from **Glencore** for \$1.0bn.

2020 Deals	2021 Deals
49	34
Value \$2,781m (From 35 deals)	Value \$25,765m (From 26 deals)
Avg. Value* \$26m	Avg. Value* \$28m

\*Deals above \$500m excluded

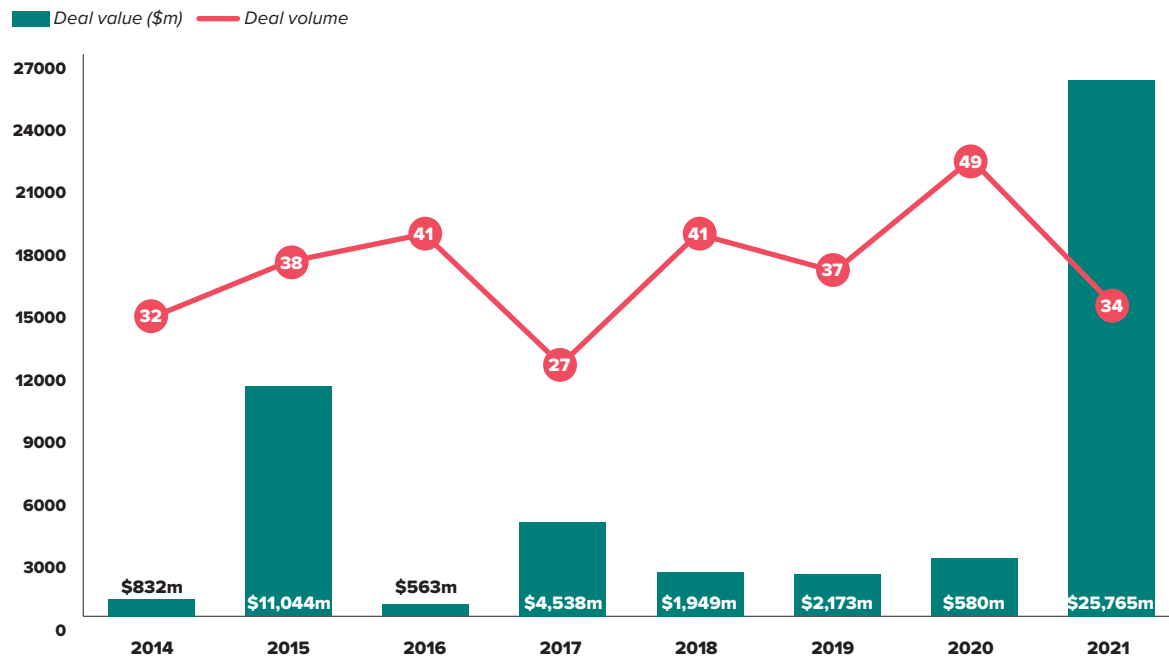




“With the merger, we will go further in our commitment to delivering the lithium chemicals that the world increasingly needs to mitigate climate change and carbon emissions.”

**PERES DE SOLEY**, CEO, ALLKEM

**EMU deal volume and values breakdown 2014–21**



**EMU deal volume and values 2014–21**

■ Number of deals 2021    ■ Average deals 2014–2020

Large cap



Mid-market



Small cap



Not disclosed



4

# Pharma, medical & biotech

Private Equity continue  
to invest heavily



Recovering from the lowest deal volumes since 2016, Pharma, Medical & Biotech deal volumes were up 24% to 31 in 2021. Deal values tripled primarily due to the \$2.3bn Icon Cancer Care transaction.

After being sold in 2017 for \$1.0bn, **Icon Cancer Care** has changed hands again this year with Swedish Private Equity firm **EQT Partners** taking an undisclosed majority stake in the company. Icon Group is Australia's largest vertically integrated cancer care provider, offering radiation oncology, medical oncology, compounding and pharmacy services through a network of facilities across Australia, New Zealand, Singapore, Hong Kong and mainland China.

**Healthia Limited** has continued its aggressive acquisition strategy making several further acquisitions, including **Back in Motion** for \$93m. Back in Motion operates 64 physiotherapy clinics and is a suitable addition to Healthia's allied healthcare business which already includes 54 physiotherapy clinics, 14 hand therapy clinics, 45 optometry stores, a wholesale eyewear frame distribution business, 94 podiatry clinics, six retail footwear stores, two orthotics laboratories and an allied health wholesale supplies business.

**1300smiles**, owner and operator of 34 full-service dental practices across Queensland and New South Wales (31 in Queensland), was acquired for \$162m by private equity firm **BGH Capital's** dental roll up **Abano Healthcare**, in a move to become the leading, multi-brand dental support group in Australasia.

2020 Deals		2021 Deals
25		31
Value \$991m (From 11 deals)		Value \$2,952m (From 16 deals)
Avg. Value* \$19m		Avg. Value* \$22m

\*Deals above \$500m excluded

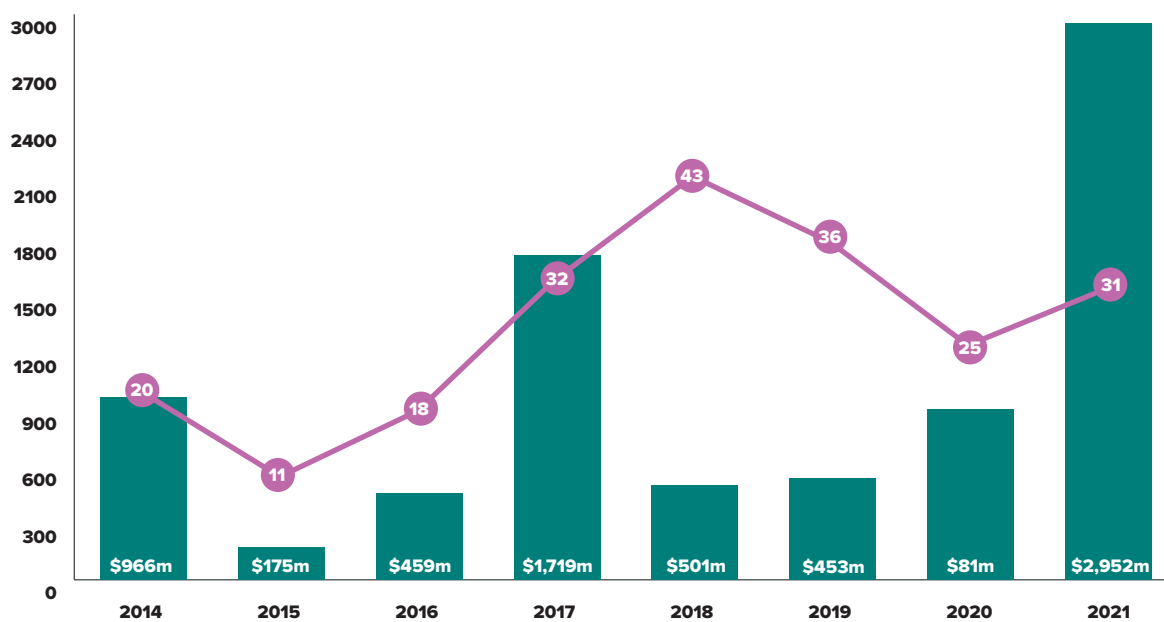


“Now, we can drive the next phase of global growth and market leadership through further investment in critical infrastructure and cutting-edge technologies.”

**MARK MIDDLETON**, CEO, ICON GROUP

#### Pharma, medical & biotech deal volume and values breakdown 2014–21

■ Deal value (\$m) — Deal volume



#### Pharma, medical & biotech deal volume and values 2014–21

■ Number of deals 2021 ■ Average deals 2014–2020

Large cap

1 \$2,300m  
0

Mid-market

6 \$623m  
6 \$395m

Small cap

9 \$28m  
6 \$21m

Not disclosed

15  
14



# Leisure

Fair weather forecast  
for the Sunshine State



The Leisure industry was the hardest hit by the COVID-19 pandemic with 2020 deals and deal values falling to an all-time low. 2021 saw a return to strong M&A activity as long-term views improved and struggling businesses were consolidated.

Whilst the new year has started with rain and floods, the deal market has had a different outlook. Back in the top five after its first absence in 2020, leisure deal volumes rose 67% to 30 deals (2020: 18 deals). Deal values also more than tripled compared to 2020 hitting \$1.7bn, due in part to the \$338m merger of **Apollo Tourism & Leisure Ltd** and **Tourism Holdings Limited**. The campervan rental companies were hit hard by Covid-19, with Apollo reducing its fleet from 4700 to 2700. The merger positions the new group to take full advantage as borders open and restrictions lift across the globe.

Also of interest was the \$248m sale and leaseback of **Star's Treasury Casino and Hotel** in Brisbane's CBD by **Charter Hall Group**. Star has invested heavily in the nearby \$3.6bn Queen's Wharf development with Treasury Casino moving to its new home once completed. This leaves the existing building to be repurposed as a high-end shopping centre and hotel run by the Ritz Carlton.

Hotels, Resorts and Pubs dominated the remaining leisure deals, accounting for 22 out of the total 30 deals (73%).

- **Hotel Property investments** led the way, looking outside the major cities, investing a total of \$39m through five acquisitions including the Commonwealth Hotel and White Bull Tavern in Roma, the Capella Hotel Motel, the Grand Hotel Motel in Clermont, and the Surf Air Beach Hotel on the Sunshine Coast. These acquisitions bring its total holding to an impressive 56 pub and hotel properties across Australia.
- **Ingenia Communities Group** also completed its acquisition of a portfolio of six lifestyle communities from the Pradella Family's **Seachange Group** for \$270m. In a related transaction, Ingenia also acquired **Caravan Parks of Australia** for \$110m. Ingenia rounded out the year with a third acquisition, acquiring **BIG4 Beacon Resort** for \$37m.

2020 Deals		2021 Deals
18	↑	30
Value \$546m (From 10 deals)		Value \$1,654m (From 23 deals)
Avg. Value* \$55m		Avg. Value* \$55m

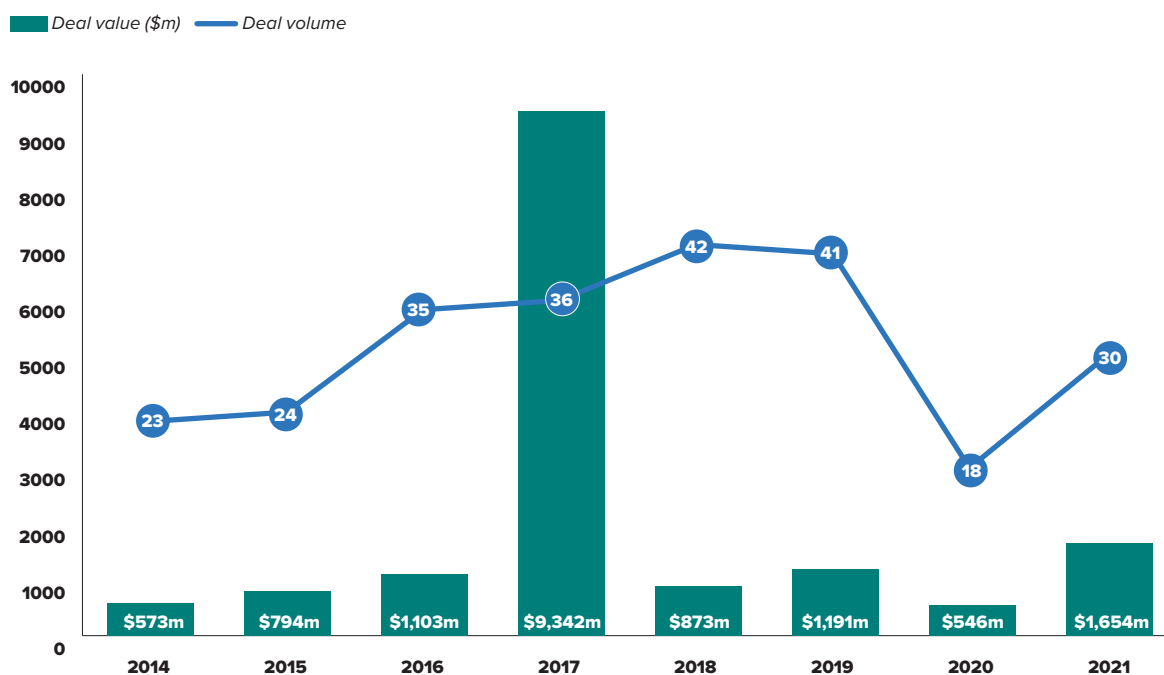
\*Deals above \$500m excluded



“It’s maximising the opportunity as we come out of COVID together.”

**LUKE TROUCHET**, CEO, APOLLO TOURISM

#### Leisure deal volume and values breakdown 2014–21



#### Leisure deal volume and values 2014–21

■ Number of deals 2021 ■ Average H1 deals 2014–2020

Large cap

2 \$764m  
1 \$1,408m

Mid-market

11 \$838m  
14 \$624m

Small cap

10 \$53m  
6 \$29m

Not disclosed

7  
11

# Industrials & chemicals

Electrifying deals as international buyers coming down under



Industrials and chemicals deals have been subdued in recent years with the sector failing to make the top five for several years. 2021 changed that with some big international interest in Queensland's supply chain for electronic technology businesses.

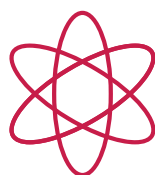
Making it into the top 10 deals of 2021 by size was the reverse merger of **Tritium**, a Brisbane based developer and manufacturer of direct current fast chargers for electric vehicles by US special purpose acquisition company (SPAC) Decarbonization Plus Acquisition Corporation II (NasdaqCM:DCRN). SPACs, also known as "Blank Check Companies" have no commercial operations and are formed strictly to raise capital through IPOs. They have become a very popular investment vehicle in recent years despite having been around for decades. The deal has resulted in Tritium listing on the NASDAQ valued at \$1.5bn. The deal is also reported to have provided additional capital to grow the operations of the company to three global, full-scale manufacturing facilities in Europe, Los Angeles and Brisbane.

Another Brisbane based success story was the sale of RV mobile power product provider Enerdrive to international leader Dometic. Based on Brisbane's bayside, the company has become a market leader in the Australian market with revenue growth of over 300% since 2017. The Pitcher Partners Corporate Finance team also were lead advisers on this transaction for an undisclosed deal amount.

2020 Deals	2021 Deals
<b>15</b>	<b>28</b>
Value <b>\$208m</b> (From 6 deals)	Value <b>\$1,780m</b> (From 11 deals)
Avg. Value* <b>\$35m</b>	Avg. Value* <b>\$10m</b>

\*Deals above \$500m excluded

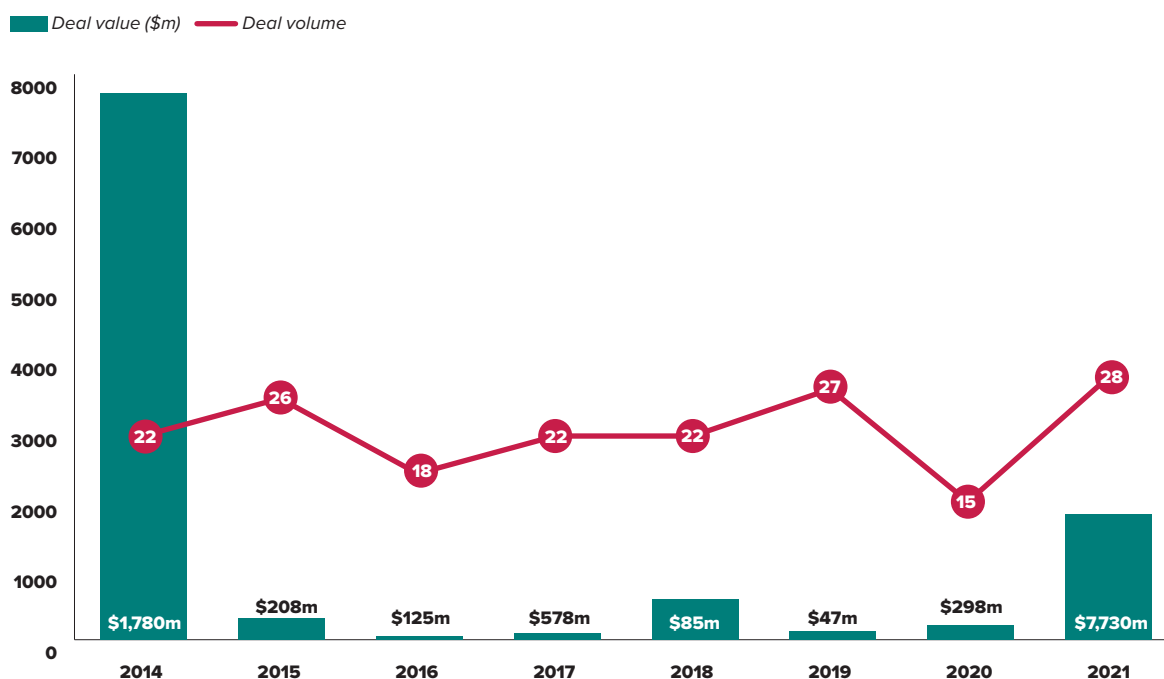




“The Dometic acquisition allows Enerdrive to develop our market presence extensively with the backing of such an amazing organisation.”

**CHRIS McCLELLAN**, DIRECTOR, ENERDRIVE

#### Industrials & chemicals deal volume and values breakdown 2014–21



#### Industrials & chemicals deal volume and values 2014–21

■ Number of deals 2021 ■ Average H1 deals 2014–2020

Large cap

1 \$1,499m  
0

Mid-market

6 \$267m  
4 \$200m

Small cap

4 \$14m  
2 \$15m

Not disclosed

17  
3



120 Queensland business sold across state borders at a ratio of 2.0:1.0, up from an almost even 1.2:1.0 in 2020. International deals continued their three year upward trend increasing to 56 deals, as interest in Queensland remained strong despite acquirers not being able to enter the country.

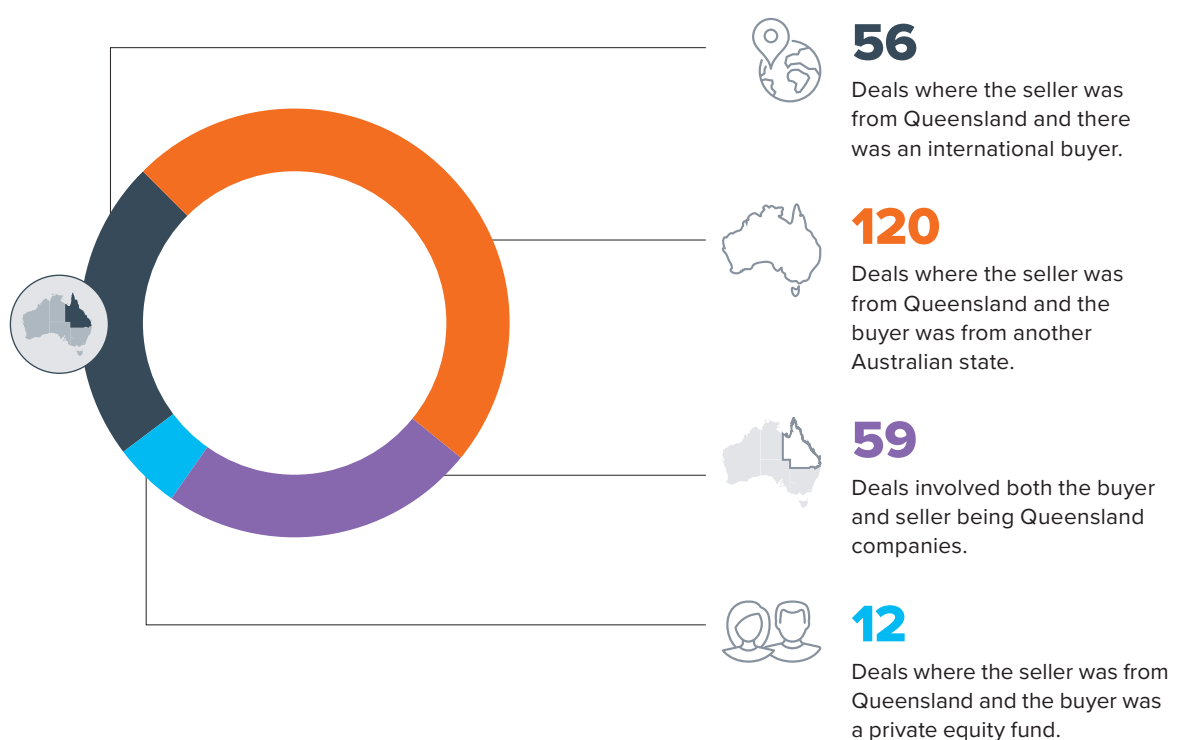
## Geographic spread

### *Sell side transactions*

For the eighth year in a row, the majority of Queensland businesses sold were acquired by interstate buyers. The number of Queensland businesses acquired by interstate buyers almost doubled year-on-year, from 63 in 2020 to 120 in 2021. Of the 247 Queensland businesses sold, interstate sales accounted for 49% of sell sides, a significant increase up from 36% in 2020.

2021 also saw continued growth in the number of Queensland businesses being sold to international buyers, increasing from 41 deals in 2020, to 56 deals in 2021.

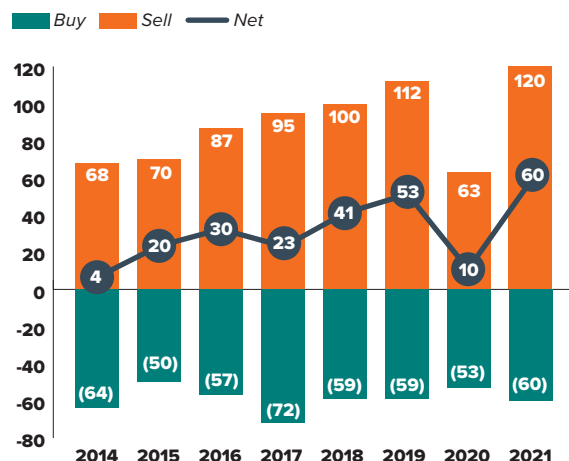
After an exceptional year for private equity deals in 2020 of 17, 12 Queensland businesses were sold to private equity firms. Whilst a material reduction, this was still well ahead of the long-term average of eight deals.



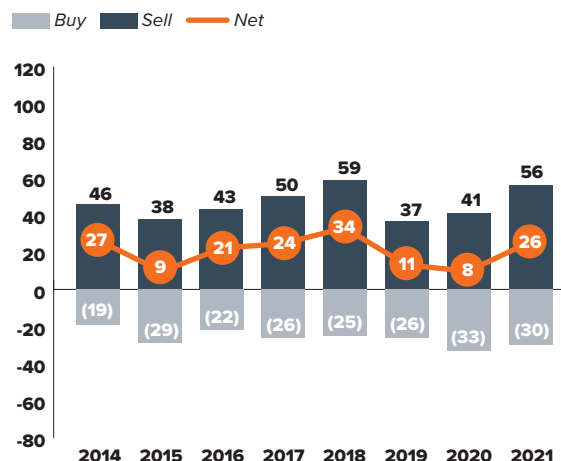
## Geographic transactions (net)

Overall Queensland's net seller position rose considerably as 98 more Queensland businesses were sold than acquired, as compared to only 35 in 2020.

### National



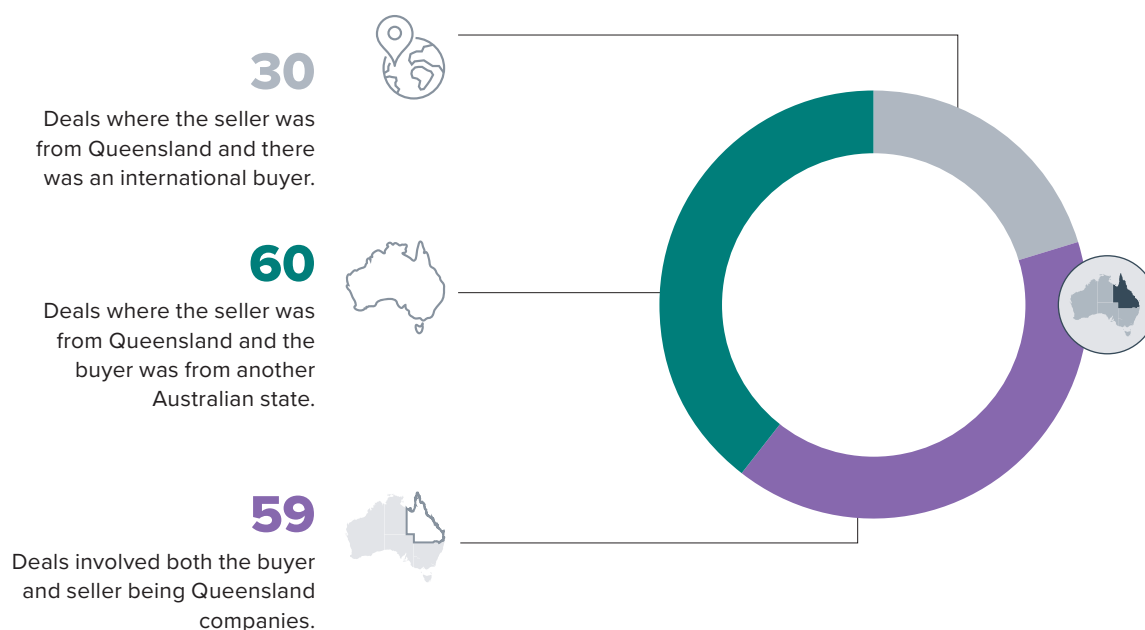
### International



## Buy side transactions

After a record-breaking year in 2020 for Queensland businesses acquiring international companies (33 deals), 2021 saw a slight reduction with 30 cross-border buy side transactions.

Queensland to Queensland deals increased slightly to 59 (2020: 56) as did the number of interstate acquisitions involving a Queensland buyer, increasing from 53 to 60.



# IPO update

From an all-time low of two IPOs in 2019, and five in 2020, eight in 2021 saw Queensland IPO levels trend towards long term average of 10 per year.

The amount of capital raised (\$138m) was well below the 17-year average (\$554m). The second half of 2021 saw the most activity with six of the eight listings being completed in the period. This year's IPO activity was led by the Energy, Mining & Utilities industry with almost \$94m raised through five listings.

After what was one of the hottest listings of the year skyrocketing from a listing price of 85 cents skyrocketing to \$2.33 on its first day, Lithium-sulphur battery company Li-S Energy Limited's share price cooled considerably, ending the year at 84 cents. The original offer size of \$34m (implying a market capitalisation of \$544m) was met with a closing market cap of \$1.5bn at the end of the first day of trading, however it finished the year with a market cap of \$919m.

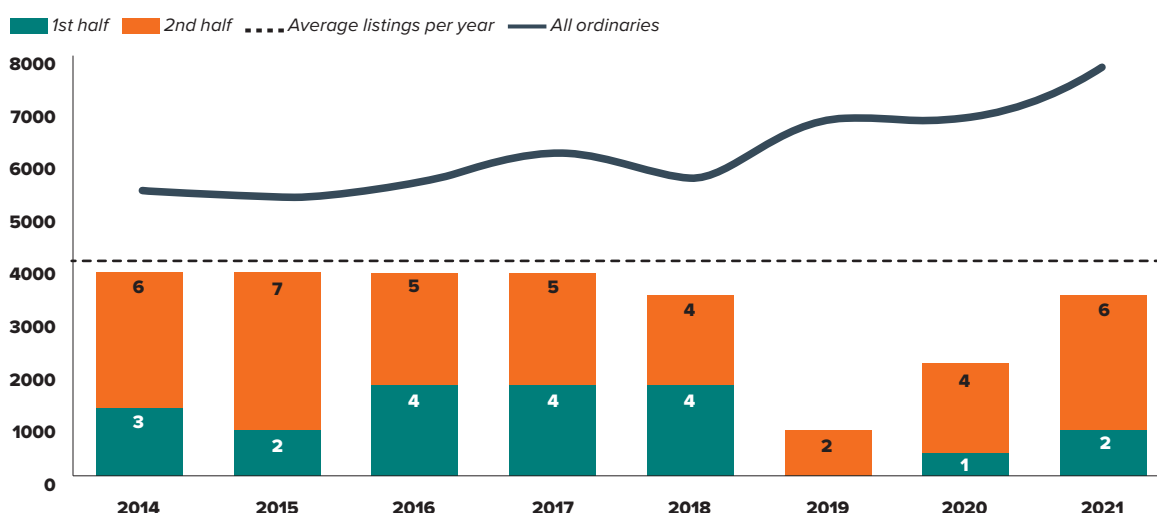
The increase in listing activity is unlikely to slow down, with another four Queensland companies filing for IPOs in late 2021, or early 2022. One such aspirant is Microba life sciences, who counts among its strategic investors the Bill Gates-backed company Ginkgo Bioworks.

IPOs by Industry	17yr Avg	2021
Energy, mining & utilities	4	5
Financial services	1	1
TMT	1	0
Consumer	1	1
Real Estate	1	0
Pharma, medical & biotech	1	0
Industrials & chemicals	1	0
Agriculture	0	0
Business services	0	1
Construction	0	0
Leisure	0	0
Transportation	0	0
<b>Total</b>	<b>10</b>	<b>8</b>

Largest & smallest listing by offer / market cap (as at 31 Dec 2020)	
Largest listing	Li-S Energy Limited (ASX:LIS)
Offer size	\$34.0
Market capitalisation	
Smallest listing	Propell Holdings Limited (ASX:PHL)
Offer size	\$5.0
Market capitalisation	

Highest / lowest return since listing (as at 31 Dec 2020)	
Highest investor return	Revolver Resources Holdings Ltd (ASX:RRR)
Subscription price	\$0.20
% Change to date	130%
Lowest investor return	Propell Holdings Limited (ASX:PHL)
Subscription price	\$0.20
% Change to date	(55%)

Number of IPO transactions from 2014–21





# About Pitcher Partners

## Australian statistics



**120+ partners**



**1,300+ people**



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Pitcher Partners has the resources and depth of expertise of a major firm, but with a boutique firm feel. We give our clients the highest level of personal service and attention. That's the difference.

Pitcher Partners is an association of accounting and business advisory firms located in Adelaide, Brisbane, Melbourne, Newcastle, Perth and Sydney. We have a strong reputation for providing personal service and quality commercial advice to our clients across a broad range of industries.

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Investment advisory services

Philanthropy services

Succession planning

Superannuation strategies

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Hospitality

Manufacturing

Not-for-profit

Professional services

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Retail

# Making business *personal*



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