



Nexia
Australia

Initial Public Offerings

Australian Mid-Market Activity
Q2, 2025 Financial Year



Introduction

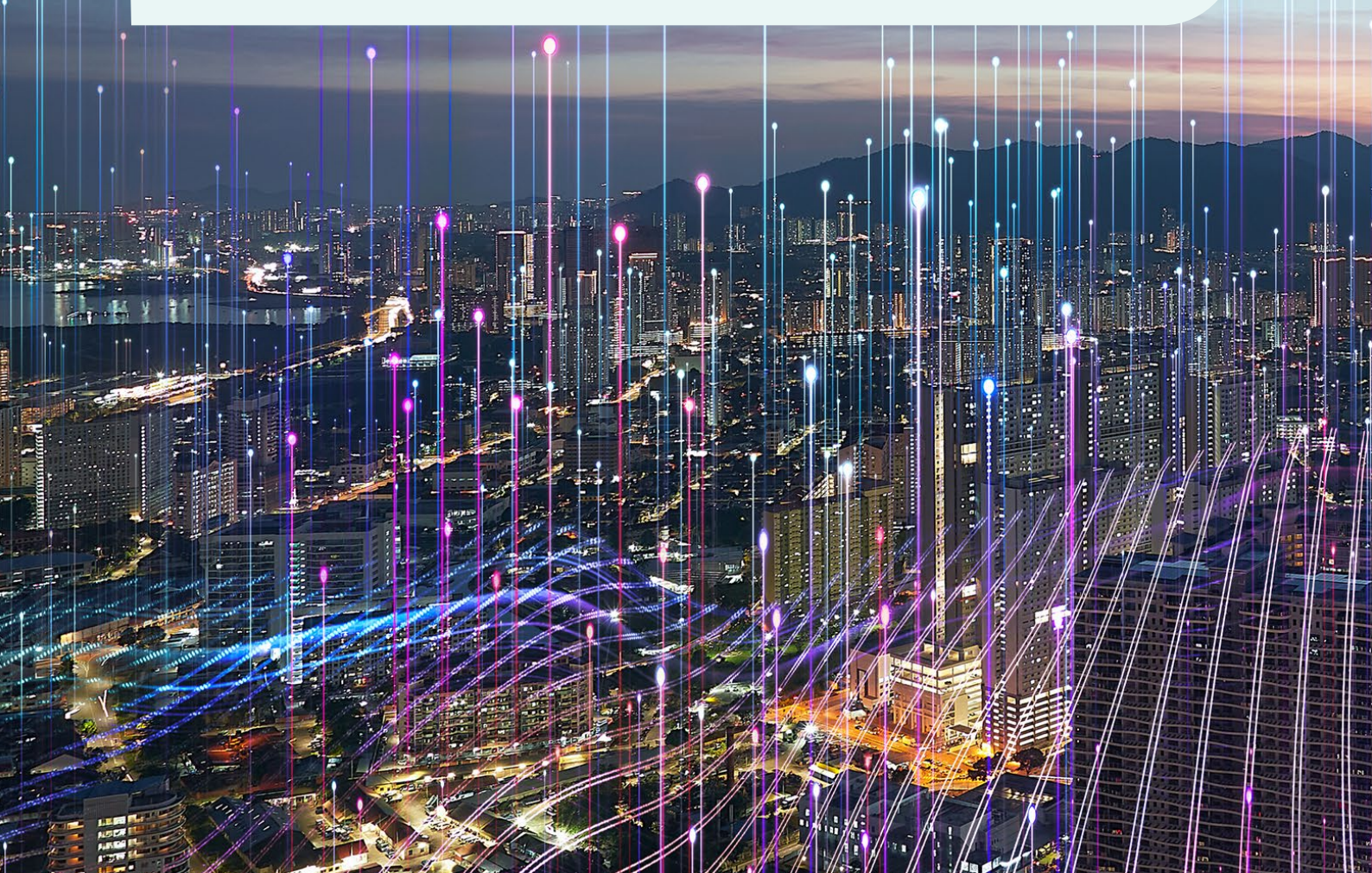
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We are happy to present our quarterly review of the mid-market Initial Public Offerings ("IPOs") on the Australian Securities Exchange ("ASX"). The analysis focuses on the current quarter and the immediately preceding 12 months to provide you with an overview of 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 further details 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 4 mid-market IPOs in the quarter, the same as last quarter and 3 less than the same quarter in the prior year.
- The mining-related sectors remained the most active sector in the quarter with 2 IPOs.
- Mid-market companies aggregately raised \$28.1 million on the ASX in the quarter, compared to \$109.3 million during the last quarter.
- The average IPO fundraising was \$7.0 million, which decreased \$20.3 million on the previous quarter and 45.8% on the 12-month average.
- On average, transaction costs (excluding brokerage fees) for the last 12 months increased by 44.2% to \$431.0 million compared to the prior year.



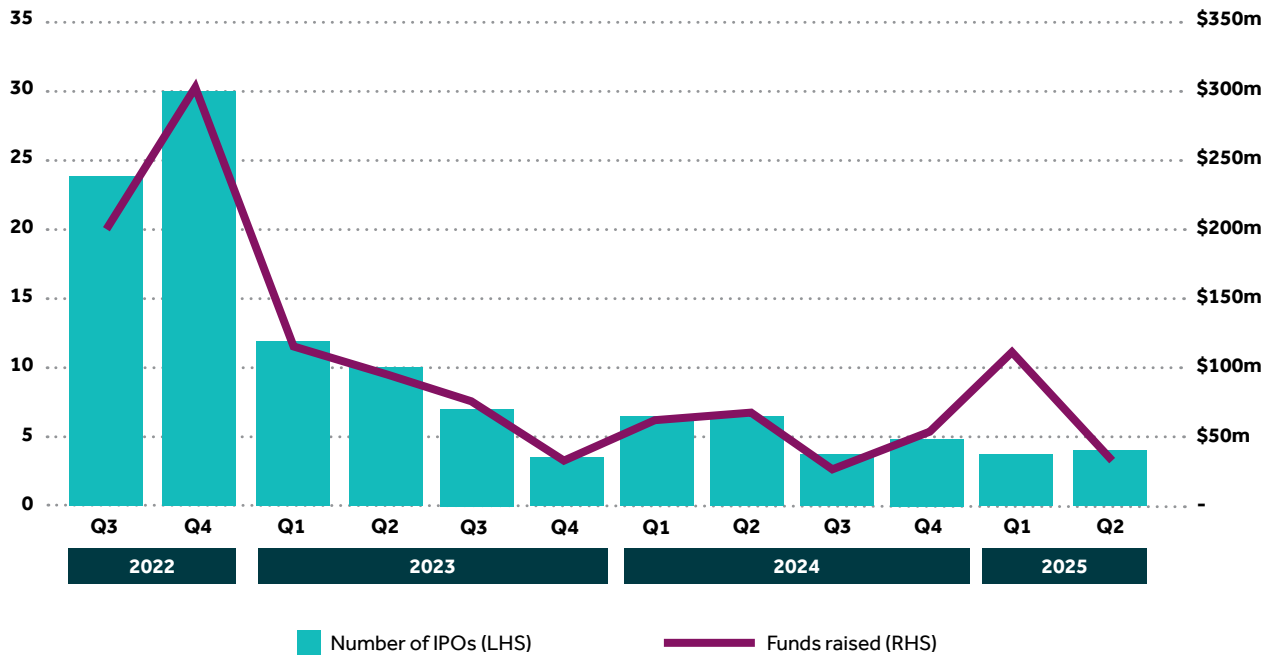
Overview

There were 4 IPOs in the mid-market this quarter, the same as last quarter and a decrease compared to the same quarter last year (Q2 2024) which had 7.

Total funds raised in the quarter was \$28.1 million, decreasing by \$81.2 million from last quarter and \$44.6 million compared to the same quarter last year. The average funds raised per transaction this quarter was 74.3% less than last quarter, decreasing from \$27.3 million last quarter to \$7.0 million. It was also a 32.4% decrease compared to the same quarter last year. This quarter saw the 12-month average funds raised per transaction decrease by 2.2%.

The average enterprise value at IPO in the quarter was \$16.5 million, which was 71.4% less than last quarter and 46.1% less than the same quarter last year. The listing of Bhagwan Marine Limited in the last quarter with a substantial valuation of \$191.3 at IPO was significantly higher than the enterprise value of other listings in the current and previous quarter, making this quarter's average enterprise value of companies at IPO smaller in comparison.

Number of IPOs and funds raised by quarter

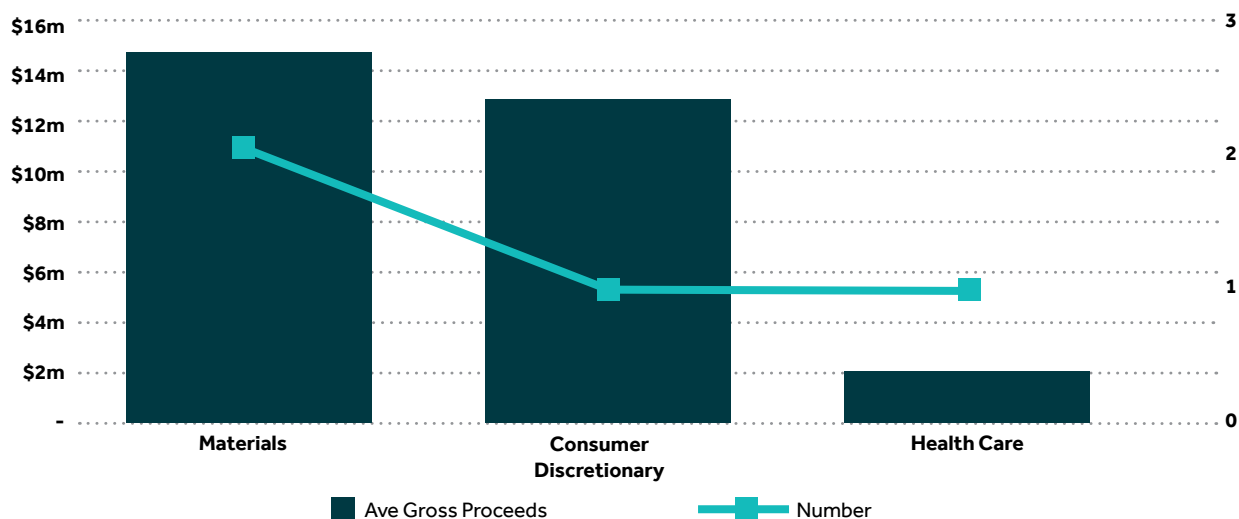


Source: S&P Capital IQ and Nexia analysis



Quarterly Activity

During the quarter, 2 IPOs were within mining-related sectors, while the remaining 2 IPOs were within the consumer discretionary and health care sectors.



Source: S&P Capital IQ and Nexia analysis

Refer below for list of included companies:

Company Name	Industry Sector	Industry	Gross Proceeds (\$m)	EV IPO USE (\$m)
Fulcrum Lithium Ltd	Materials	Metals and Mining	9.7	26.2
Mount Hope Mining Limited	Materials	Metals and Mining	5.0	8.3
ReNerve Limited	Health Care	Health Care Equipment and Supplies	7.0	20.9
Merino & Co. Limited	Consumer Discretionary	Textiles, Apparel and Luxury Goods	6.4	10.5

Source: S&P Capital IQ and Nexia analysis



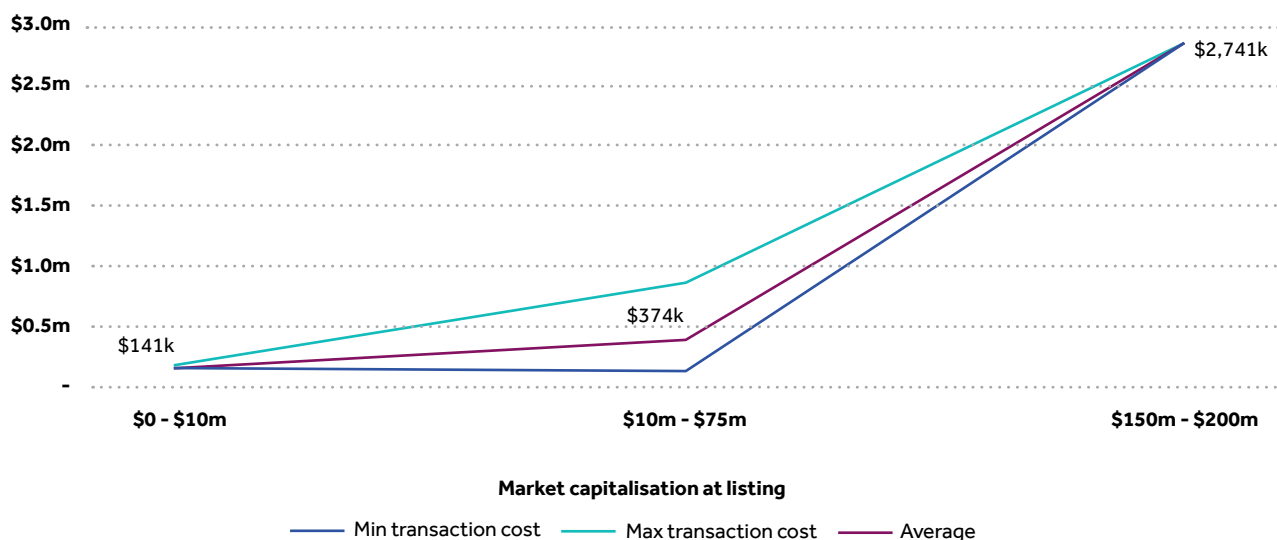
Source: S&P Capital IQ and Nexia analysis

Transaction Costs

Certain transaction 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 \$299,052 to \$431,190.

Transaction costs by market capitalisation 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 October 2024 to 31 December 2024, 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 4 transactions analysed for transaction costs, there was sufficient data for all transactions to calculate the average accounting fees and average legal fees per transaction.



Who we are

At Nexia Australia, we're here to help you achieve your goals and plan for future success with bespoke solutions and personalised, practical advice. Equipped with unparalleled experience and expertise in advisory, tax, audit, business strategy, personal wealth services, and strategic thinking, we're the team you can trust to empower you to achieve your objectives and reach new heights.

We specialise in several key industries and cater to a wide range of clients, from small to medium-sized businesses to large private company groups, not-for-profit entities, subsidiaries of international companies, publicly listed companies, and high-net-worth individuals. We've had the privilege of working with market leaders in many sectors of Australian and New Zealand business, and we're here and ready to help you too.

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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