

A low-angle, upward-looking photograph of a modern glass skyscraper. The building's facade is composed of a grid of dark metal frames and large, reflective glass panels. The glass reflects the sky and other buildings, creating a complex pattern of light and color. The overall tone is cool and professional, with a strong emphasis on geometric lines and perspective.

Positioning for growth in 2022

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Positioning for growth

Finbarr Griffin, Head of Corporate Advisory

As Head of Corporate Advisory, Finbarr is responsible for developing the overall strategy for Corporate Advisory within Goodbody's Investment Banking division. He is supported by a team of over 30 senior financiers and advisers based in Dublin and London who work collaboratively as one unit.



Looking back on 2021, for Goodbody's Ireland and UK business, it was a strong year. This reflects international trends, with capital in a variety of forms available on attractive terms.

Firstly, there was a continuation of accelerated capital raising trends in the UK and Ireland as we navigated year two of the coronavirus pandemic. In the UK, £26bn was raised in new capital, marking the second highest total since 2009. Indeed, our UK colleagues pointed to elevated activity in the consumer discretionary industry. Meanwhile, back in Ireland, active sectors of note include Technology, Media and Telecoms (TMT), Renewables, Financial Services and Healthcare. Despite a challenging macroeconomic backdrop, Ireland had a record-breaking number of M&A deals in 2021, higher than any other year on record with deal values at over \$100bn and transaction volumes up 58% year on year¹. We expect this strong growth to continue into 2022.

The pandemic and the related economic recovery created financial challenges and opportunities for a myriad of corporates including state-owned companies, private firms and co-operative business models. Both equity and debt-originated finance were tapped to support corporates' strategic plans during the year - and at Goodbody, we have a global distribution platform that sources equity and debt funding for our clients.

In 2021, Goodbody advised on transactions with a value of over €11.5bn, marking one of our strongest years in the past decade. We had a busy year across areas such as public markets, private equity, corporate M&A and sustainability: we acted as **joint broker on Playtech's disposal of its Finalto business** and later in the year as financial adviser and broker on various takeover approaches. In the private company space, we acted as **financial adviser to Taxamo on the \$200m sale to Nasdaq listed Vertex, Inc.** Meanwhile, we worked with **Applegreen and Yew Grove to take both firms private** as well as **Molten Ventures as it raised additional funding to support its growth strategy**. In addition, we were proud to be **advisors to HealthBeacon, the first business from Euronext's pre-IPO programme** to list on the Euronext Dublin growth market, raising €25m at a market capitalisation of €100m at IPO in December (we examine this transaction in more detail on page six). And, as ESG continues to gather momentum, we also apply a sustainability lens to

raising capital. For example, **Goodbody is Bord Na Móna's ongoing financial adviser**, managing its fundraising for a series of largescale climate action projects, and we acted as **Co-Lead Manager on AIB's €750m green bond**. To explore some of our other highlights from 2021, see page five.

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Another exciting milestone was the acquisition of Goodbody by AIB, Ireland's largest bank. Our new ownership structure strengthens and accelerates the growth trajectory of our business. In 2022, we plan to expand our corporate finance and corporate broking footprints in both Ireland and the UK. To do this, a growing team - in Dublin and London - will be actively supporting existing and new clients in industries of relevance to the Irish economy and selective sectors where we are investing in research, trading and advisory services.

Following AIB's acquisition of Goodbody, we have organised the Corporate Advisory division into three teams:

- **PLC Advisory and Corporate Broking:** advising publicly listed companies on equity and debt capital market transactions, mergers and acquisitions and bringing new companies to the stock market via Initial Public Offerings.
- **Growth Companies:** advising companies in technology, healthcare and other sectors on accessing capital to fund their growth strategies and selling to strategic trade and financial buyers.
- **Cleantech, Energy, Infrastructure and Semi-State:** advising companies in these sectors that are focused on innovative technology and sustainable solutions.

These three teams will act as a centre of excellence for corporate advisory services within the AIB Group and engage with a fast-growing client base as the year progresses.

Finally, we look forward to meeting with a number of leading companies at our annual Spring UK and Irish Equities Conference on 22 March.

¹ Source: Refinitiv, as of 31 December 2021.

Trends to watch in 2022

In 2022, we see five financing and capital markets trends shaping the landscape:

1. Monetary policy adjustment to **inflation and the wider economy** has already started to increase the cost of capital.
2. Albeit moderately, we expect **strong valuation multiples**, and the best companies will continue to raise finance at attractive terms.
3. Supporting valuation, there are **high levels of capital within private equity funds** looking to deploy across a range of sectors and strategies (growth, rollup, break-up).
4. Following the **explosion of SPACs** over the last two years, will we witness the implosion? Redemptions are running high and the clock is ticking on de-SPACing given the two-year window.
5. We see a **continued appetite for IPOs** albeit more selectively following high volumes of transactions internationally in 2021.

This year, we see three key operational issues facing companies:

- The latest economic data shows that **inflationary pressures will continue** for longer than originally expected with a knock-on effect on companies' costs.
- Managing supply chain issues - in terms of both supply and logistics - is a **core competency for companies** facing demand increases in 2022.
- Labour shortages and a tight market means that companies will have to look closely at their **hiring and retaining** strategies.



Want to talk to us?

For more information on our corporate advisory capabilities, please contact us using the details below and a member of our team will be in touch.

E goodbody@goodbody.ie

T +353 1 667 0420 | +44 203 841 6220

W www.goodbody.ie



In 2021, we advised on transactions with a value of over €11.5bn

Transaction highlights



PLC Advisory and Corporate Broking

- Med-tech €100m IPO of HealthBeacon on Euronext Dublin
- £111m growth capital fundraise for Molten Ventures
- €12m capital raise for Yew Grove REIT
- Financial adviser to Yew Grove REIT on its €127m sale to Slate Office REIT
- Sponsor and broker to Playtech on its \$250m disposal of Finalto
- Financial adviser and broker to Playtech on multiple offers and approaches for the company
- €77m secondary placing of shares in Kerry Group for Kerry Co-Cop
- Appointed corporate broker to CRH
- Share buyback for Kingspan
- €25m capital raise for Datalex and for Indigo (PE founder shareholder)
- £400m secondary placing for Wizz Air
- Sole financial adviser to Applegreen on its €1.6bn sale to Causeway Consortium, a consortium including Blackstone
- Sponsor to AIB on various transactions
- Joint Lead Manager on AIB's €750m green bond



Molten



Growth Companies

- Sell-side adviser to SaaS based software company Engage EHS on its sale to EcoOnline
- Sell-side adviser to SaaS based software company Taxamo on its \$200m sale to Vertex
- Buy-side adviser to Cardinal Capital on its investment in ecommerce platform provider Luzern
- Financial adviser to Mzuri on a number of acquisitions across the UK and Europe
- Financial adviser to Allica Bank on funding options



MZURI



Cleantech, Energy, Infrastructure and Semi-State

- Financial adviser to Bord na Móna
- Financial adviser to EirGrid on its Celtic Interconnector fundraising
- Financial adviser to Coillte on various engagements
- Strategic adviser to Jones Engineering
- Hosted thought-provoking conferences with industry experts on food sector, aviation and energy sustainability

Bord na Móna



Case study: Managing the HealthBeacon IPO

Last year, Goodbody acted as Sole Global Co-ordinator, Bookrunner, Corporate Broker and Euronext Growth Advisor on the IPO of HealthBeacon, raising €25m and giving the company a market capitalisation at IPO of €100m.

Founded in 2013, HealthBeacon is an Irish digital therapeutics company that develops products for managing injectable medications for patients in the home.

Earlier this month, we caught up with David Kearney, Head of Corporate Broking, and Stephen Kane, Director of Corporate Finance, to discuss how they managed the IPO.



David Kearney,
Head of Corporate Broking



Stephen Kane,
Director of Corporate Finance

How did you form a relationship with HealthBeacon?

Goodbody has tracked the HealthBeacon story for a number of years and had an existing relationship with the management team.

From your appointment, how long did it take until IPO? And can you tell us a bit about that journey?

The IPO process began in earnest in May 2021 and the IPO itself occurred in December. The journey started with developing the investment case with the management team. We held our first 'early look' investor meetings in early July - and more followed in August. During the summer months significant diligence and accounting workstreams were progressed as well as the drafting of the Information Document. In October, we held further meetings with investors. In addition, we undertook pre-deal investor education, and the management roadshow and bookbuilding got underway. This culminated in HealthBeacon's admission to Euronext Growth Dublin, with its first day of trading on 15 December.

How and where did you target investors?

As with all IPOs, early investor engagement is critical - and so, we started meeting investors in July and met investors a number of times throughout the process. This resulted in the successful oversubscription of the largest Euronext Dublin IPO in 2021. There was strong interest across various geographies, with investors from the US, Europe and the UK. There was significant demand from sophisticated growth investors who could see the impressive progress the company had achieved in the last 12 months and the future growth potential.

Why was the HealthBeacon IPO attractive to investors?

HealthBeacon is at a pivotal stage of its development - its mission is to become the world's leading digital therapeutics platform for injectable medications, and it is expecting approximately 10x increase in the number of patients in the near term. The IPO helps accelerate its ambitious growth strategy and will enable the business to scale to meet potential demand.

What is your outlook for other listings?

Notwithstanding the uncertain Covid-19 environment, 2021 was an exceptional year for raising capital on the markets. As we look to the months ahead, the IPO window remains open for high quality companies looking to finance their growth agendas. The core of our business is connecting companies with capital and we've a superb track record, having raised over €18bn for companies and their shareholders in the last five years. We provide financial and strategic advice, transaction structuring and help position the story to maximise the quality of demand and outcome, with a global equities distribution platform to reach the widest institutional investor audience.

Case study: Managing the HealthBeacon IPO



Goodbody's Stephen Kane, Edward Dunne and David Kearney were delighted to join HealthBeacon on its first day of trading on Euronext Growth Dublin on 15 December 2021. Source: Euronext.

HealthBeacon IPO in numbers

1st IPO-ready business

to list on the Euronext Dublin growth market



€25m

primary raise

Largest

Euronext Dublin IPO in 2021

€100m

market capitalisation at IPO

1st med-tech

IPO listing on Euronext Dublin



Upcoming event

The Goodbody Annual Spring UK and Irish Equities Conference takes place on 22 March 2022

Meet the leading UK and Irish companies across eight sectors. Meetings will take place in groups with limited one-on-one meetings available. For Institutional investors only.

For queries, please email:
E investorrelations@goodbody.ie



Dublin 2 Ballsbridge Park, Ballsbridge, Dublin 4 T +353 1 667 0400	London 49 Grosvenor Street, London W1K 3HP T +44 203 841 6220	Cork City Quarter, Lapps Quay, Cork T +353 21 427 9266	Galway Unit 4, Dockgate, Dock Road, Galway T +353 91 569 744	www.goodbody.ie Wealth Management Investment Banking Asset Management
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Produced February 2022

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