

fieldfisher

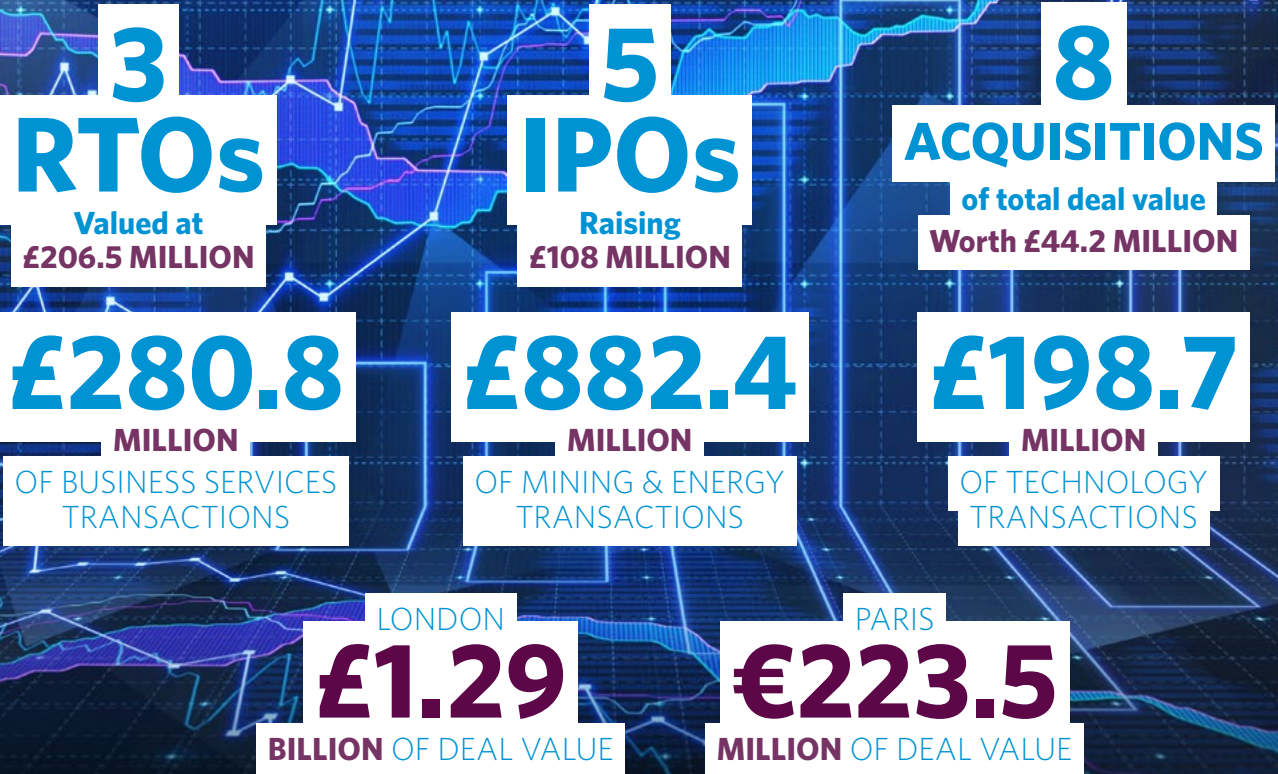
**Fieldfisher Equity
Capital Markets**

**Wrap
2018**



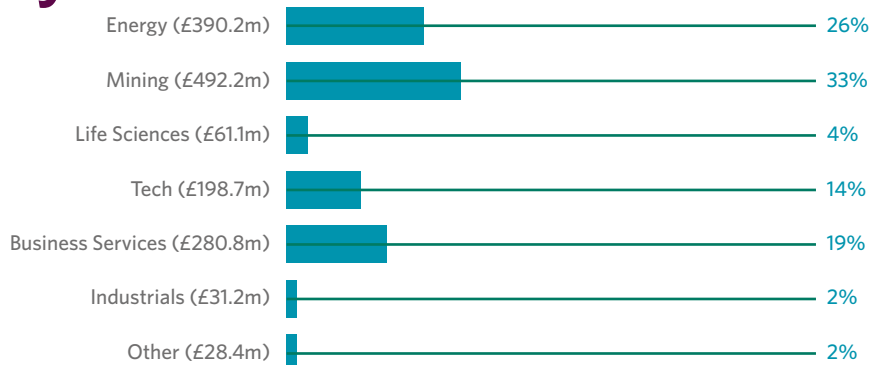
Fieldfisher Equity Capital Markets Wrap 2018

Advised on **£1.5 BILLION** of ECM deals in 2018



ECM deals by sector (£ value)

(LONDON & PARIS)



Summary

European law firm Fieldfisher advised on close to **£1.5 billion-worth of equity capital markets (ECM) deals** across the London and Paris capital markets in 2018.

The majority of Fieldfisher's ECM transactions were completed on AIM, the junior tier of the London Stock Exchange, for which the firm is consistently ranked as one of the top advisers to listed companies.

Fieldfisher advised on deals with a combined value £1.23 billion on AIM last year, equal to around 21% of all funds raised on London's junior market in 2018.

Deal activity was led by natural resources transactions, with an aggregate deal value in excess of £882 million during the year, across mining (£492 million) and both conventional and renewable energy deals (£390 million).

The total deal value was largely accrued from fundraisings as well as a significant take private deal, bond mandates and other forms of financing.

Business services was also a strong sector for the firm's ECM practice, accounting for around £280 million of deal activity, driven largely by M&A among AIM-listed clients and a number of significant fundraisings.

These sectors were followed by tech, with deals totalling £199 million, and life sciences at £61 million.

The firm was also well represented on both the Regulated Market and the Growth Market of the Euronext Paris, particularly in the businesses services, tech and life sciences sectors, accounting for deal value of €223.5 million across all transactions in 2018.

Commenting on the Fieldfisher's ECM deal figures, Neil Matthews, head of the firm's ECM group, said:

"Fieldfisher's robust ECM performance was achieved despite tough fundraising conditions on capital markets.

"There was a noticeable slowdown in UK deal-making towards the end of 2018, as uncertainty over Brexit forced delays in investment decisions.

"Natural resources, business services, technology and life sciences nevertheless proved especially resilient to the wider erosion of confidence in equities, particularly on London's AIM market, which continues to provide a vital investment platform for early stage UK and international businesses.

"Our Paris team also had a very successful 2018, completing significant fundraisings for companies across both the Regulated and Growth markets of the Euronext Paris.

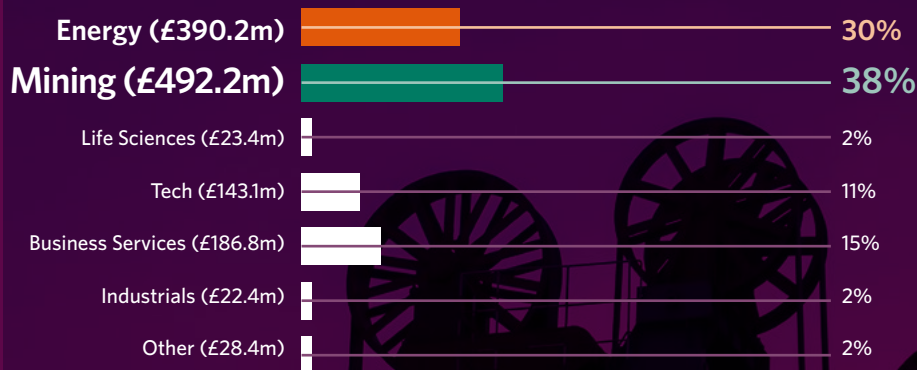
"Regardless of the outcome of Brexit, we expect to maintain our strong record in advising companies and their advisers on a range of pivotal ECM deals across the European capital markets in 2019."



Energy and Natural Resources

ECM deals by sector

(LONDON)



Energy and natural resources represented by far the largest share of deal value for Fieldfisher’s ECM team in 2018, totalling £882.4 million across mining and energy-related transactions.

Notable deals included the reverse takeover of Diversified Gas & Oil PLC in June, pursuant to a \$575 million (£448 million) acquisition of producing assets in the US in June and the C\$537m (£307.7m) take private of Dalradian Resources (now Dalradian Gold) in September.

The firm advised on a range of transaction types for mining and energy clients and their advisers, successfully closing a series of placings, subscriptions, equity investments, bond mandates and loan facilities, often to demanding schedules amid unpredictable ECM conditions.

Our mining team worked with several internationally-focused clients, particularly those with assets in Africa, advancing projects in a number of key commodities including lithium, copper and tin.

On the energy side, the firm’s established presence in the conventional oil and gas market was boosted by a number of instructions on renewables deals – an area that is expected to deliver significant growth for the ECM practice in the near future.

Deal highlight: Diversified Gas & Oil RTO

Fieldfisher advised nomad **Smith & Williamson** and joint brokers **Mirabaud Securities** and **Stifel Nicolaus** on the largest acquisition by an oil and gas company completed to date on London’s AIM market in June 2018.

US-based **Diversified Gas & Oil PLC** (DGO) acquired a network of assets in the Appalachian Basin, US, covering around 2.5 million acres (10,117km²) for approximately \$575 million (£448 million).

The acquisition, which constituted a reverse takeover (RTO) of DGO under AIM Rules for Companies, made DGO one of the top gas and oil producers on the London Stock Exchange.

Business services

ECM deals by client type (£ value)

(LONDON & PARIS)

Company Clients
(1bn)

Adviser Clients
(£481m)

£0M £200M £400M £600M £800M £1BN

Business services was a particularly strong area for ECM transactions in 2018, with Fieldfisher advising on £280.8 million across the London and Paris exchanges.

Deals were driven largely by M&A activity among AIM-listed clients as well as several significant fundraisings via subscriptions and placings.

Fieldfisher acted on deals concerning a range of business service providers last year, including document management centres, events companies, outsourcing specialists and law firms.

The firm is also one of the leading legal advisers to brokers, nomads and accountants to AIM-listed companies, advising these clients on close to half a billion pounds-worth of deal activity last year.

The firm's Manchester office was a significant contributor to the overall deal tally, representing clients Restore PLC and Marlowe PLC on over £90 million-worth of transactions in 2018.

Deal highlight: €107 million share capital increase for GL Events

Fieldfisher's Paris ECM team advised banks **CM-CIC Market Solutions and Natixis** in their capacity as global coordinators, joint lead managers and bookrunners on the €107 million (£94 million) share capital increase on Euronext Paris-listed **GL Events** in October 2018.

ECM deals by transaction type (volume)

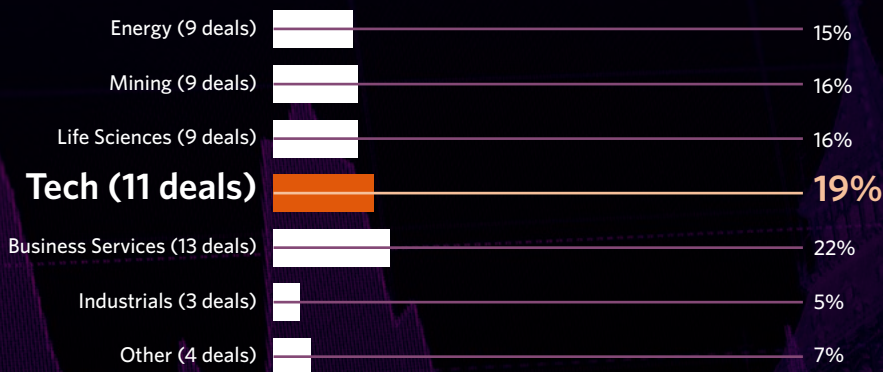
(LONDON & PARIS)



Tech

ECM deals by sector (volume)

(LONDON & PARIS)



Fieldfisher’s ECM team advised on tech deals valued at £198.7 million in 2018, including three IPOs across the London and Paris markets.

Individual deal values ranged from under £3 million to over £50 million, raising funds for a variety of innovative technologies in the fintech, clean tech, software as a service (SaaS) and audience engagement solutions spaces.

Two of the tech IPOs the firm advised on were floatations on the Euronext Growth market in Paris, overseen by our Paris ECM team. This is an area where we expect to see significant further fundraisings this year, as Paris continues to promote itself as a European tech hub.

In London, one of the most remarked upon tech deals concluded in 2018 was the £25 million Main Market listing of cryptocurrency mining service, Argo Blockchain – a company whose share price performance has proved an interesting test case for investor appetite for cryptocurrency services.

Fieldfisher is anticipating strong growth in the wider UK fintech sector in 2019 as a number of start-up and scale-up businesses mature with the assistance of venture capital funding and begin to consider ECMs as offering potential routes to their next stage of growth.

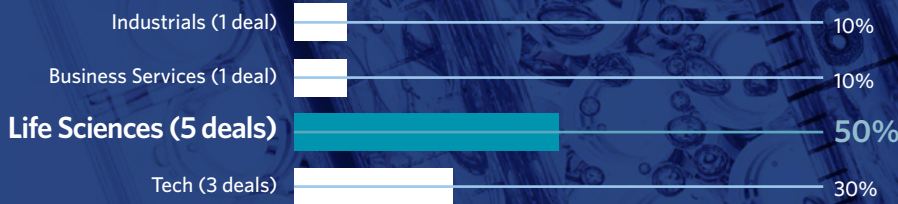
Deal highlight: Argo Blockchain IPO

Fieldfisher advised **Mirabaud Securities** in their capacity as sole bookrunner and corporate broker to crypto-mining company **Argo Blockchain PLC**, which listed on the London Stock Exchange’s Main Market on 3 August.

The IPO was the first standard listing of a cryptocurrency service provider completed in the UK. The company raised £25 million at IPO, valuing it at a market capitalisation of £47 million – although its subsequent stock performance has highlighted market uncertainty about this type of business.

Life sciences

Paris ECM deals by sector (volume)



Fieldfisher advised on over £61 million-worth of life sciences transactions on London and Paris exchanges in 2018.

Half of the ECM deal volume advised on by Fieldfisher's Paris offices were life sciences transactions, raising a total of €29.1 million (£25.5 million).

Like tech, life sciences is a key focus sector for the Paris exchanges, which offer companies access to a liquid pan-European market and various other business incentives that are encouraging deal activity.

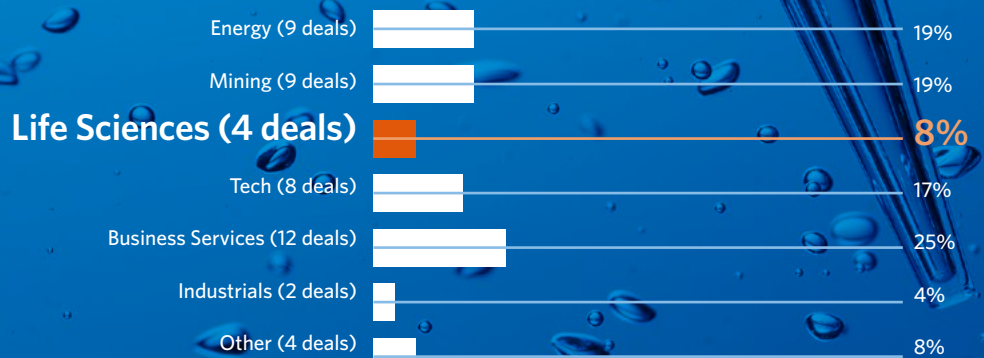
In London, life sciences deals made up 8% of Fieldfisher's transactions by volume but just 2% by value (£23.4 million), as this sector was outpaced by ECM deal activity in other areas, as well as stiff competition from venture capital funding in the life sciences space.

With the growth of patented treatments and changing regulations around cannabis-based medicines, Fieldfisher expects this sector to command an increasing share of its ECM transactions from 2019 onwards.

Deal highlight: Deinove acquisition and capital increase

Fieldfisher advised Euronext Paris Growth market-listed cleantech and life sciences company **Deinove SAS** on its €15.3 million (£13.4 million) acquisition of German pharmaceutical business **Biovertis AG** in April 2018 and on an €8.5 million capital increase via an accelerated bookbuild in June 2018.

London ECM deals by sector (volume)



Outlook for 2019

The lull in UK ECM activity in the final quarter of last year made for a subdued start to 2019.

Aside from uncertainty over many unresolved Brexit issues, various tensions casting a cloud over ECMs globally include ongoing trade disputes between the US and China; the possibility of interest rate hikes in the US which could lift borrowing costs for businesses; and concerns about a fresh Eurozone recession.

There are, however, still many reasons to remain optimistic about the prospects for ECM activity in Europe and the UK, and particularly the growth credentials of London's AIM market, especially as growth could prove elusive elsewhere over the coming 12 months.

The success of AIM-listed companies such as Diversified Gas & Oil and Fieldfisher clients Marlowe and Restore, which have defied tough market conditions to complete major deals in the least year, offer excellent examples for growth-focused peers to follow.

In Europe, continued investment by Euronext Group, which recently acquired the Irish Stock Exchange, is a positive sign for businesses seeking access to ECM fundraising capabilities across Europe.

Technology, business services and life sciences look to be among some of the most promising sectors for registering ECM deal growth this year, while there are strong signs of valuable M&A activity among listed mining and oil and gas companies, and further investment in renewables.

/01▶03
/01▶03

▶SEARCH▶TR/01▶03
▶SEARCH▶TR/01▶03

▶RS:/011
▶RS:/011

▶RS:/0211TR /ON
▶RS:/0211TR /ON

Contacts



NEIL MATTHEWS
Partner, Corporate
E neil.matthews@fieldfisher.com
T +44 (0)20 7861 4787



DOMINIC GURNEY-CHAMPION
Partner, Corporate
E dominic.gurney-champion@fieldfisher.com
T +44 (0)20 7861 4648



JONATHAN BROOKS
Partner, Head of Mining and Metals, Corporate
E jonathan.brooks@fieldfisher.com
T +44 (0)20 7861 4748



ANTHONY BROCKBANK
Partner, Corporate
E anthony.brockbank@fieldfisher.com
T +44 (0)20 7861 4661



SAMUEL PALLOTTO
Partner, Capital Markets
E samuel.pallotto@fieldfisher.com
T +33 (0)1 7037 8100



DAVID BOWCOCK
Partner
E david.bowcock@fieldfisher.com
T +44 (0)161 268 8575



GEORGE COTTER
Partner, Corporate
E george.cotter@fieldfisher.com
T +44 (0)20 7861 4531



ELISE NOWAK
Senior Associate (Australian Qualified), Corporate
E elise.nowak@fieldfisher.com
T +44 (0)20 7861 4192



BRAD ISAAC
Partner, Corporate
E brad.isaac@fieldfisher.com
T +44 (0)20 7861 4261



MATHILDE CAZÉ
Associate, Capital Markets
E mathilde.caze@fieldfisher.com
T +33 (0)1 7037 8100



ED WESTHEAD
Director, Corporate
E edward.westhead@fieldfisher.com
T +44 (0)20 7861 4810



TANJA MALEY
Associate, Corporate
E tanja.maley@fieldfisher.com
T +44 (0)20 7861 4628



CHARLOTTE WRIGHT
Associate, Capital Markets
E charlotte.wright@fieldfisher.com
T +33 (0)1 7037 8100



NATASHA SCANES
Solicitor, Corporate
E Natasha.Scanes@fieldfisher.com
T +44 (0)20 7861 4868



MATHILDE GHEZ
Associate, Capital Markets, Corporate M&A - Private Equity
E mathilde.ghez@fieldfisher.com
T +33 (0)1 7037 8100

About Fieldfisher

Fieldfisher is a European law firm with market leading practices in many of the world's most dynamic sectors. We are an exciting, forward-thinking organisation with a particular focus on:

- TECHNOLOGY
- FINANCE & FINANCIAL SERVICES
- LIFE SCIENCES
- ENERGY & NATURAL RESOURCES
- MEDIA

The firm is a leading adviser to companies listed on London's AIM market, many of which are businesses operating within our key focus sectors.

Our capital markets practice is ranked in Band 1 for AIM in Chambers and Partners 2018 and six of our team are ranked as individuals, more than any other firm.

Our network has more than **1,450 people** working across **24 offices** providing highly commercial advice based on an in-depth understanding of our clients' needs.

We operate across our offices in:

Manchester	London	Paris	Luxembourg
Birmingham	Brussels	Beijing	Frankfurt
Düsseldorf	Guangzhou	Munich	Shanghai
Rome	Amsterdam	Silicon Valley	Madrid
Belfast [x2]	Hamburg	Milan	Turin
Bologna	Barcelona	Venice	





“Our capital markets practice is ranked in Band 1 for AIM in Chambers and Partners 2018 and six of our team are ranked as individuals, more than any other firm.”

