

Power provider lists on the ASX

SERVICE provider GenusPlus Group has listed on the ASX after a A\$32.8 million initial public offering.



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The IPO saw company founder and managing director David Riches sell 34.17 million shares at 96c per share.

The stock traded as high as \$1.07 and closed at 99c, giving it a market capitalisation of \$153.2 million.

Riches remains the controlling shareholder, with 51%, while he jointly owns with Matt Riches.

The company was formed in 2009 as Powerlines Plus, leveraging off over 60 years of electrical experience over three generations of the Riches family.

Genus was formally established in 2017 and in 2018 and 2019, acquired multiple businesses, including Diamond Underground Services from Ausdrill.

The Perth-based company has more than 500 staff and is an end-to-end specialist service provider for essential power and telecommunications infrastructure.

Its blue-chip mining clients include Fortescue Metals Group, Rio Tinto, BHP, Talison Lithium, Roy Hill, CITIC Pacific Mining, Gold Fields and Barrick Gold at Porgera in Papua New Guinea.

GenusPlus is chaired by former Southern Cross Electrical Engineering boss Simon High, with former Ausdrill CFO Jose Martins and lawyer Paul Gavazzi as directors.

Bell Potter Securities acted as lead manager to the IPO, with Ashanti Capital as co-manager and Sternship Advisers as corporate adviser.

"Our new listing will provide the company with greater exposure and an increased profile to benefit both clients and investors. The listing will also provide the company future capital management flexibility and an enhanced capacity to fund future growth opportunities," Riches

said.

"We have only recently entered the Queensland and New South Wales markets through foothold acquisitions in these states, so these markets represent meaningful opportunities to grow our business. We are focused on building on our strong foothold in WA, and replicating this successful business model into the significantly larger east coast markets.

"Our ASX listing represents an exciting milestone and we look forward to continuing to operate our business efficiently and profitably, and thereby delivering value to our new and existing shareholders."

FY20 revenue was about \$170 million, up 70% on FY19, with EBITDA of \$19.6 million and a net profit after tax of \$10.2 million.

For FY21, GenusPlus is forecasting significant growth with revenue of approximately \$303.3 million, normalised EBITDA of \$32.3 million, normalised EBIT of \$25.5 million and normalised NPAT of \$17.3 million.

GenusPlus' listing comes after fellow power providers Pacific Energy and Zenith Energy were snapped up by private equity in late 2019 and early 2020, respectively.



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