

# Prospectus in for Citadel's \$46.5m raising

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A handful of small cap managers have taken substantial stakes in soon-to-be-listed education and technology services company Citadel Group.

Citadel lodged its prospectus with the Australian Securities and Investments Commission on Thursday morning, after broker Evans & Partners underwrote the float at \$2.25 a share this week.

The company raised \$46.5 million at \$2.25 a share during the institutional bookbuild, which will see it list with a \$100 million market capitalisation on November 12.

The fixed-price IPO valued Citadel at 13.9-times forecast 2015 financial year profit and 7.8-times earnings, on an enterprise value-to-earnings before interest and tax basis.

It's understood there will be a number of substantial shareholders on listing, including founders Miles Jakeman and Mark McConnell and a couple of domestic fund managers.

[As reported by Street Talk last week, Citadel is chaired by Macquarie Group chairman Kevin McCann, while former Telstra executive Deena Shiff and former Australian army chief Peter Leahy are also on the company's board.](#)

Citadel's principal earner is its information technology contracting, which seeks three-to-five year contracts and specialises in secure audio visual and video conferencing.

The other side of the business is a training arm, which is forecast to make 30 per cent of Citadel's earnings in fiscal 2015. It runs white-collar training courses, which are jobs-focused and not reliant on government funding.

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