

IPO Market Soars to Life in May and April, with Strong Returns

8 June 2016: The Australian Initial Public Offerings (IPOs) market delivered strong gains in May, with returns from companies listing on the Australian Securities Exchange (ASX) striking 9.4%, following on from a big 39.4% gain in April, according to a new report, the *OnMarket April-May IPO Report 2016*.

Over the 2016 year-to-date, the average return from the 25 companies which had listed on the ASX as at May 31 was 24.7%, compared to just 1.6% from the S&P/ASX 200.

Ben Bucknell, chief executive of OnMarket BookBuilds (OMB), the creator of the world’s first app giving investors free and fair access to IPOs, said the data highlights the impressive returns IPOs are delivering to investors this year.

“The *OnMarket April-May IPO Report 2016* reveals healthy IPO activity during those two months, after a strong start to the year. All up, 25 companies had listed on the ASX by May 31, and while that was the same number as last year, the returns for the year to May 31, 2016, were higher at 24.7% compared to gains of 11.2% for the same period in 2015.

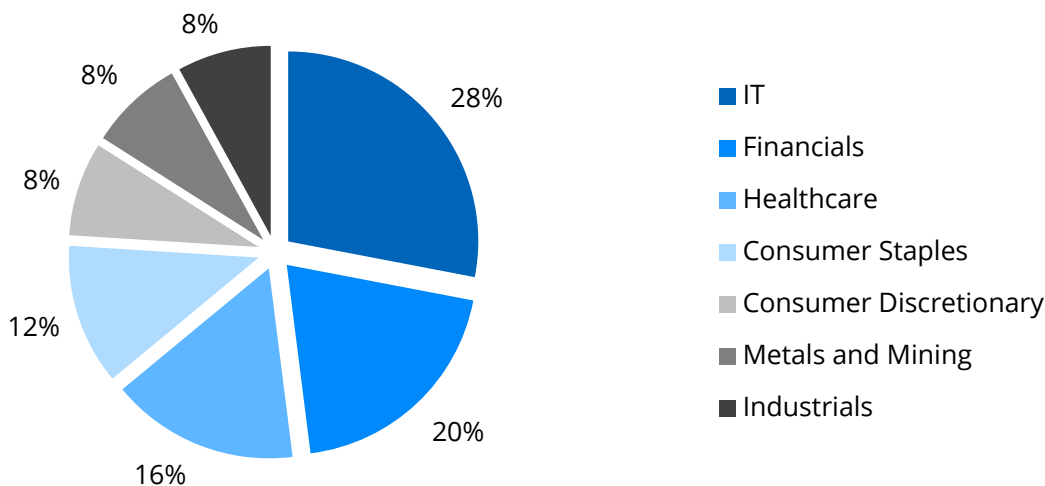
“This reflects a very healthy 2016 Australian IPO market and adds to the impressive IPO performance in 2015, when the average return on the 93 companies that listed on the ASX was 23%,” Bucknell said.

IPO returns during May were boosted by technology company Afterpay Holdings, which had soared 49.5% over the month. Shark Mitigation Systems was another strong performer, returning 7.5% to May 31 after a May 12 listing. Chicken producer Tegel Group held its ground during May after listing at \$1.55 and raising \$299 million.

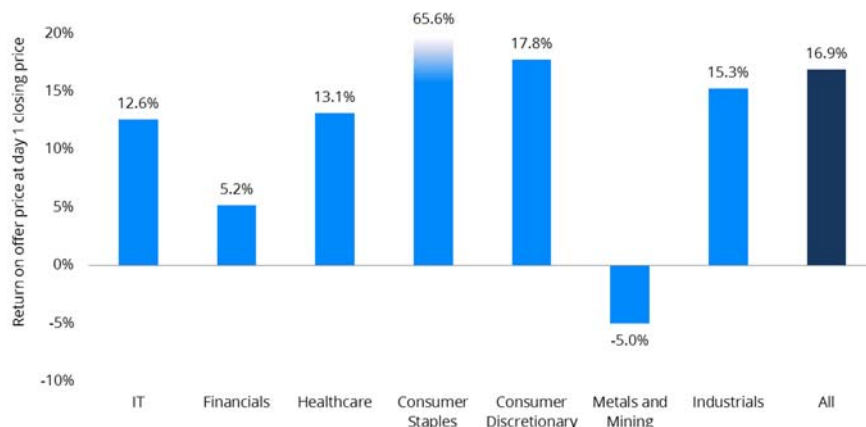
Technology company WiseTech had jumped 30.5% by May 31 after listing on April 11. Another strong performer has been the biggest IPO on the ASX this year, the \$1.3 billion plumbing manufacturer Reliance Worldwide Corporation, whose stock was up 25.2% as at May 31 following an April 25 listing.

“Australia’s IPO market now offers good exposure to a broad range of companies, with more technology and finance companies listing these days, taking over from the resources sector which dominated 10 years ago, as the chart below shows,” said Bucknell.

2016 IPO Sector Breakdown



2016 YTD Sector Performance



“So how do you start investing in IPOs and take advantage of these high returns? The important thing is to get a diversified exposure to companies backed by solid numbers and solid growth plans. Retail investors can do this by using the [OnMarket](#) app and portal, with several companies now offering their stock directly to the public through this digital platform.”

The new [OnMarket](#) app is completely free to investors: it’s free to sign up and free to bid and invest in IPOs. All of this can be done easily with a smartphone.

“For retail investors, who can’t get a one-on-one meeting with a chief executive or other managers as institutions usually do, using the OnMarket app fills the gap, giving investors exclusively curated and relevant information on IPOs, including video interviews with management, research from over 10 independent analysts, including company, sector, and competitor analysis.

“The platform was designed in response to survey data that shows investors need 7.2 sources of information before making an investment decision and allows users to be truly self-directed,” Bucknell said.

The [OnMarket](#) app was launched by Prime Minister Malcolm Turnbull in October 2015, who said at the time: “The brilliance of this is simply that it makes it easier to buy, to trade. This will open up the investment market considerably.”

MEDIA CONTACT

Tim Eisenhauer
 Managing Director, OnMarket BookBuilds
 E: tim.eisenhauer@onmarketbookbuilds.com
 M: +61 450 588 433

[About On-Market BookBuilds \(OMB\)](#)

OnMarket BookBuilds’ mission is to empower investors and companies through innovation in financial technology. OMB believes that investors and companies benefit when capital raisings are conducted fairly, transparently, and efficiently. The company’s new [OnMarket app and bidding platform](#) is a wholly-owned and operated initiative of OMB. The OnMarket app and bidding platform is not a joint venture with ASX and is independent of OMB’s association with ASX in relation to the ASX BookBuild facility.