

IPOs Deliver Strong First Quarter Returns: OnMarket Report

Resource Listings Back In Focus, Robust Returns Posted

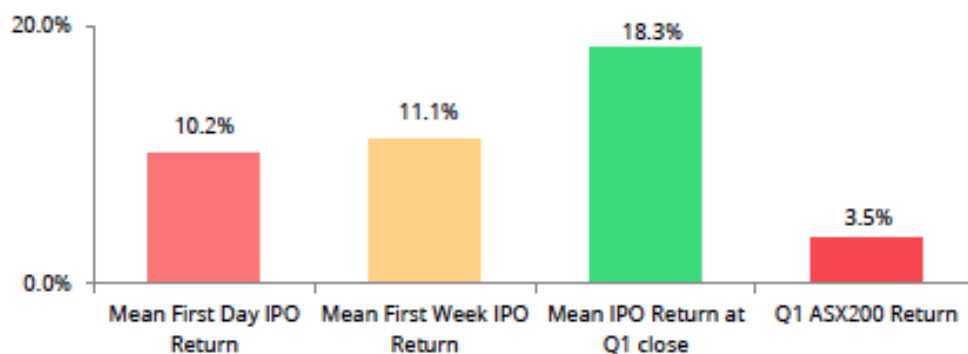
11 April 2017: Initial public offerings (IPOs) of materials companies set an impressive pace in the first quarter of 2017, with 10 companies listing on the Australian Securities Exchange (ASX) from a total 26 floats, up from two in the same period last year, according to the [OnMarket 2017 First Quarter IPO Report](#).

The report reveals that IPOs returned an average of 18.3% over the first quarter, outperforming the benchmark S&P/ASX 200 index by 14.8%. Materials floats provided a steady return of 4.5% on the first day of listing and an average 15.7% gain over the three months to March 31.

The standout performer over the quarter was Ardea Resources, which was offered through the OnMarket platform, returning a stellar 160% from its February 9 listing date to March 31.

“The rush of mining companies to float on the ASX reflects a significant turnaround from last year when few miners floated. There is now a greater investor appetite for mining sector investment given higher commodity prices and greater confidence overall in share markets,” said Tim Eisenhauer, Managing Director of [OnMarket BookBuilds](#) (OMB).

First Quarter IPO Performance

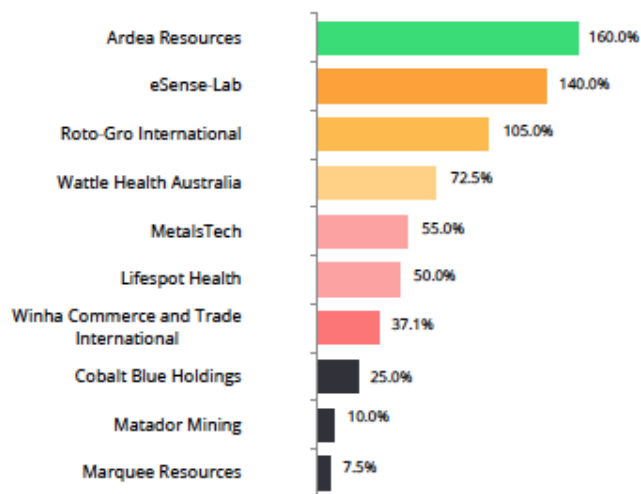


Another strong performer was eSense-Lab, which was up 140% over the quarter. The company plans to examine potential opportunities for its reconstructed cannabis terpene profiles to be incorporated into other products, including therapeutic products. Another February listing, Roto-Gro International, was up an impressive 105% to March 31 and is a manufacturer and seller of hydroponically based rotational growing systems in Australia.

Riding the wave of so-called ‘pot stocks’ is The Hydroponics Company Limited (ASX: THC), which plans to list on the ASX on April 20. OnMarket, the online IPO retail bidding platform, had to close bidding only 2 hours after opening the IPO due to overwhelming demand.

“THC will follow several other companies listing on the ASX in recent times after it became legal to cultivate, produce and manufacture medicinal cannabis products in Australia in October last year. As a result, we may see more ‘pot stocks’ seeking listings on the ASX this year, following in the path of THC,” said Eisenhauer.

Top 10 First Quarter IPOs – YTD Return²



OnMarket’s Eisenhauer said the OnMarket platform was now hosting about 40% of all floats on the ASX, significantly opening up IPO investments to retail investors.

“Using the OnMarket app and portal, retail investors can easily bid and invest in IPOs with as little as \$2000. Many people have been attracted by the potential to diversify their portfolios and enjoy healthy gains,” he said.

The strong start to 2017 follows an impressive year in 2016, when IPOs returned an average of 25.4%, more than triple the 7.5% delivered by the benchmark S&P/ASX 200 index. Eisenhauer says many technology firms and listed investment companies floated last year and he expects more to float on the ASX through 2017 given the increasing importance of technology in global economies and a desire by investors to diversify their portfolios.

[OnMarket](#) is the world’s first direct access portal and app for IPOs. Investors can sign up, bid and invest in companies without paying any commissions or brokerage. The OnMarket app is available in the [App store](#) and [Google Play](#).

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[About OnMarket 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.