

OnMarket BookBuilds and CMC Markets Boost Online IPO Offering

11 August 2016: In recognition of the increasing investor demand for access to Initial Public Offerings (IPOs), CMC Markets and OnMarkets BookBuilds (OMB) have entered a deal which allows CMC Markets' clients to bid for IPOs through their broking account using OnMarket's platform.

IPOs are delivering stellar returns to investors, with the average gain on the 21 companies that listed on the Australian Securities Exchange (ASX) in the second quarter sitting at 33.5%.

The deal is the first of its kind that OnMarket has signed with a stockbroker as the fintech expands its footprint in the investment community. Investors can seamlessly link to the OnMarket web portal through the CMC Markets' online trading platform, using an application programming interface (API) providing access to the OnMarket platform. CMC Markets clients can then visit the IPO Centre and bid on IPOs by simply providing their CHESS Holder Identification Number (HIN) to have their securities appear within their broking account once the IPO has closed.

Ben Bucknell, Chief Executive Officer of OnMarket BookBuilds, said the partnership with CMC Markets would help to engender greater investor interest in IPOs.

"We welcome CMC Markets confidence in our technology, which will enable its clients to more easily bid on IPOs and research each deal thoroughly using the OnMarket tool.

"OnMarket's best-in-breed 'More Info' panel includes video interviews with management, company releases, third party research and relevant press articles. The platform was designed in response to survey data that shows investors need seven sources of information before making an investment decision. This tool allows users to be truly self-directed," he said.

"Straight through processing ensures direct matching of payments with bids and investors' final allocations are automatically uploaded to their CMC Markets online broking account," Bucknell said.

Andrew Rogers, Head of CMC Markets Stockbroking, said the deal would expand investment opportunities for its clients.

"In response to investor demand, we have integrated the OnMarket platform into our offering and created a dedicated IPO Centre within our online trading platform so investors can view information on IPOs in an easily digestible format and bid into these capital raisings in a seamless fashion. Importantly, shares are then allocated to their CMC Markets broking account, making it a very straightforward process," said Rogers.

OnMarket is the world's first direct access portal and app for IPOs and equity placements. Investors can sign up, bid and invest in companies without paying any commissions or brokerage.

OnMarket's recently released <u>Second Quarter IPO Report</u> reveals how lucrative ASX IPO investments have been in recent times. That report showed that the average return from the 34 companies which had listed on the ASX over the year to June 30, 2016, was 23.3%, compared to a 1.2% fall for the S&P/ASX 200.

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Those returns follow a strong IPO market in 2015 when the average return on the 93 companies that listed on the ASX was 23%. That compares well with the S&P/ASX 200, which lost 3% over the same period.

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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. 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.

About CMC Markets

CMC Markets plc. (CMCX.L), was established in 1989 and through regulated offices and branches in 14 countries is now one of the world's leading independent financial services providers. Through our award-winning, online and mobile trading platforms, we enable clients to trade over 10,000 financial instruments including contracts for difference (CFDs), foreign currencies (FX), Binaries and Countdowns, electronically traded funds (ETFs), shares, mFunds (unlisted managed funds), options, listed managed investments, warrants and interest rate securities.

In 2007 CMC Markets launched its broking service, CMC Markets Stockbroking, which is now one of the few remaining non-bank aligned, online stockbrokers in Australia. Dedicated to quality, innovation and customer service, in 2015 CMC Markets was recognised as an ABA100 Winner for Service Excellence in The Australian Business Awards 2015. Please see our website for more information www.cmcmarkets.com.au