

## IPO Market Delivers Strong Gains in July

*Healthcare sector a standout performer*

**16 August 2016:** The Australian Initial Public Offerings (IPOs) market delivered strong gains in July, with the average monthly return from the nine companies listing on the Australian Securities Exchange (ASX) striking 15.7%, outperforming the S&P/ASX 200 by 9.4 per cent, according to a new report, the [OnMarket July IPO Report 2016](#).

A total \$995.7 million was raised in ASX IPOs during July, compared with \$420 million in June. Oventus Medical was the strongest performer, jumping 62% over the month since listing on the 19<sup>th</sup> of July. Another strong gainer was from the healthcare sector, Race Oncology, up 22.5% over July. Big gains were posted by jeweller Michael Hill, which raised \$440.6 million in the month's biggest float, returning 8.7% to investors on its first day of trade and 28.7% over the month.

The month featured a private equity sale, the float of finance company Scottish Pacific by Next Capital, which gained 7.8% over July. Only one company, retailer Kogan.com, ended the month down.

Ben Bucknell, chief executive of [OnMarket BookBuilds](#) (OMB), said the report highlights the solid returns IPOs are delivering to investors, much greater than those of the overall share market. "The *OnMarket July IPO Report 2016* reveals the average return from the 43 companies which had listed on the ASX during 2016 was 26.2%, compared to a return of 5.0% from the S&P/ASX 200. Both the returns and the number of companies listing were higher compared to the same period in 2015," he said.

### July 2016 IPO Breakdown

| Company Name                   | ASX Code | Listing Date | Sector                 | Offer Price | Offer Size (\$mn) | Market Cap. (\$mn) | 1 <sup>st</sup> Day Return | July Return  |
|--------------------------------|----------|--------------|------------------------|-------------|-------------------|--------------------|----------------------------|--------------|
| Shaver Shop Group              | SSG      | 1/7/2016     | Consumer Discretionary | 1.05        | 98.1              | 142.6              | 3.3%                       | 8.6%         |
| Kogan.com                      | KGN      | 7/7/2016     | Consumer Discretionary | 1.80        | 51.2              | 139.1              | -16.7%                     | -17.2%       |
| Michael Hill International     | MHJ      | 7/7/2016     | Consumer Discretionary | 1.15        | 440.6             | 565.1              | 8.7%                       | 28.7%        |
| Race Oncology                  | RAC      | 13/7/2016    | Healthcare             | 0.20        | 4.3               | 12.9               | 32.5%                      | 22.5%        |
| Scottish Pacific Group         | SCO      | 13/7/2016    | Financials             | 3.20        | 293.5             | 480.2              | 4.7%                       | 7.8%         |
| Garda Capital Group            | GCM      | 14/7/2016    | Financials             | 1.00        | 16.0              | 24.0               | 3.0%                       | 0.0%         |
| Oventus Medical                | OVN      | 19/7/2016    | Healthcare             | 0.50        | 12.0              | 58.3               | 40.0%                      | 62.0%        |
| Range International            | RAN      | 22/7/2016    | Materials              | 1.00        | 50.0              | 193.5              | 30.0%                      | 29.0%        |
| Australis Oil & Gas            | ATS      | 25/7/2016    | Energy                 | 0.25        | 30.0              | 85.4               | 2.0%                       | 0.0%         |
| <b>Monthly Total / Average</b> |          |              |                        |             | <b>995.7</b>      | <b>1,701.2</b>     | <b>11.9%</b>               | <b>15.7%</b> |
| <b>YTD Total / Average</b>     |          |              |                        |             | <b>3,483.3</b>    | <b>8,781.9</b>     | <b>17.2%</b>               |              |

"However, many investors are missing out on these IPO investment opportunities. It is still the case that most IPOs in Australia are largely going to institutional investors," said Bucknell.

“OnMarket is working to address this imbalance by offering companies the opportunity to offer IPO stock to all investors through its [OnMarket](#) tool. Importantly, the OnMarket allocation algorithm ensures investors get treated equally and fairly whether they are a wealthy institution or a mum-and-dad investor,” he said.

### 2016 YTD Performance

|                       | No. of IPOs | Market Cap. (\$mn) | 1 <sup>st</sup> Day Return | Return at 31 July | ASX 200 YTD Return at 31 July |
|-----------------------|-------------|--------------------|----------------------------|-------------------|-------------------------------|
| 1 Jan to 31 July 2016 | 43          | 8,781.9            | 17.2%                      | 26.2%             | 5.0%                          |
| 1 Jan to 31 July 2015 | 38          | 8,395.8            | 13.3%                      | 17.7%             | 5.3%                          |

[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.

“Investors can use the OnMarket app and portal to research IPO offerings made through the platform. Several companies are now offering their stock directly to the public through this digital platform, enabling all investors to access these important high-growth investment opportunities.

“Our system is built to generate instant notifications to investors and to host free company information so they can keep up to date with IPO offers and information. All of this can be done with a smartphone. Investors can easily swipe through the companies going public through the OnMarket platform. If an IPO interests them, members can then bid and pay for the stock via the OnMarket app and portal,” said Bucknell.

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### [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.