

An ASX Listing Guide For Media + Investor Relations



Introduction

Listing on the ASX can be a daunting concept, especially if the business founders are still heavily involved with the company. Key reasons to list on the Australian Securities Exchange (ASX) via an Initial Public Offer (IPO) are:

- To accelerate growth
- To create new business opportunities via organic expansion or through acquisition
- To provide new and existing shareholders with an opportunity to exchange shares at a price determined by the market
- To provide employee share purchase plans
- To provide a transparent market valuation
- To increase the company's profile, and
- To give the founders an exit strategy

However, with the many reasons to progress with an IPO, several considerations also need to factor into the decision:

- The volatility of market conditions
- Costs and fees with listing
- Disclosure of all information including Directors' interests – which may reduce once listed
- Accountability for institutional and retail shareholders, and
- Greater reporting requirements



This guide is intended on being a tool to support you to help navigate your way through the complexities clearly and concisely.

About the ASX (1 of 2)



Stand tall in the world's markets

- 3rd largest stock market in Asia Pacific*
- 9th largest stock market globally*
- Market capitalisation of approximately \$2.6 trillion



Strong track record of growth

- Market leading position in resources
- World leaders in the healthcare sector
- Global home for small and mid-cap tech IPOs



Pioneering market innovation

- At the forefront of electronic trading and capital raising
- Efficient capital raising processes with minimal documentation

ASX ranked 1st globally by number of secondary offerings in 2021

Second consecutive year as the leading exchange by volume

An efficient capital raising framework



Placements



Rights Issues

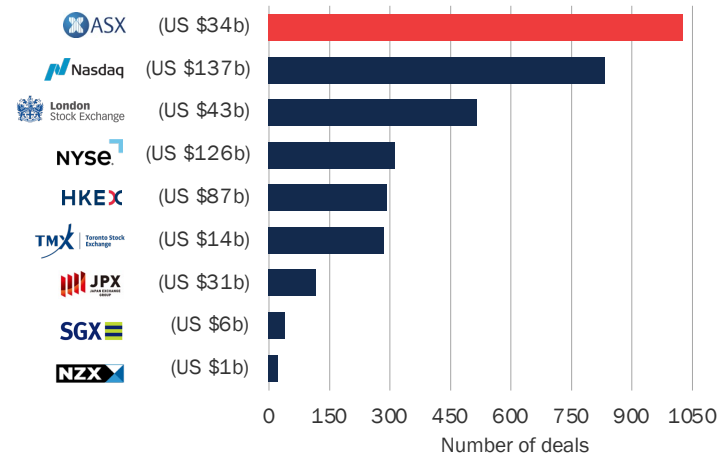


Share Purchase Plans

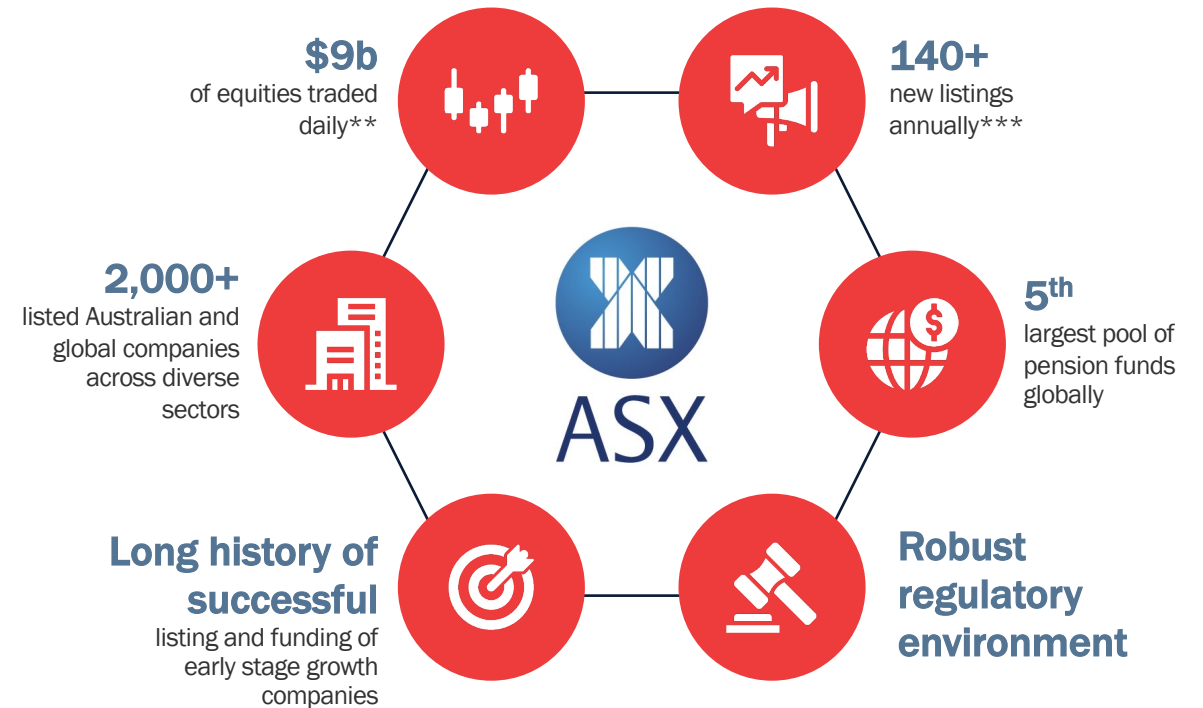


Accelerated Issues

Secondary offerings by exchange in 2021



A highly active capital market



*by free-float market cap and index weighting in the S&P Global Broad Market Index (BMI). Source: Austrade Benchmark Report 2022.

12 month rolling average to June across ASX & Chi-X. *Based on annual average from 2017-2021 Source: Willis Towers Watson Global Pension Assets Study 2022

About the ASX (2 of 2)

ASX sits at the heart of Australia's financial markets

It is a highly active capital raising platform, consistently ranking in the world's top equity markets



Annual average
2017–2021

#140+
new listings

\$9b
IPO capital
raised AUD

\$50b
follow on capital
raised AUD

Proven track record across all industry sectors

Join an impressive peer group of both mature and growth companies

- Small and mid-cap growth companies
- Dominant resources and financials sectors
- An emerging technology sector
- World-class healthcare sector

Strength in small and mid-cap as well as early stage IPOs

Access a sophisticated investor base interested in growth opportunities, as an attractive alternative to private funding

Breakdown by numbers



- 42% Resources (Energy + M&M)
- 13% IT and Communication Services
- 11% Consumer Discretionary & Staples
- 10% Industrials & Materials (ex M&M)
- 9% Health Care
- 7% Financials
- 6% Real Estate
- 1% Utilities

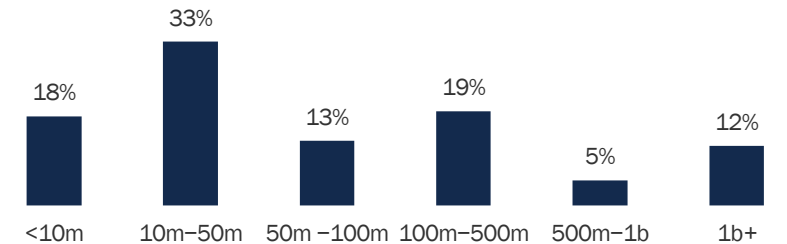
Breakdown by Market Cap



- 30% Resources (Energy + M&M)
- 22% Financials
- 11% Consumer Discretionary & Staples
- 10% Health Care
- 10% IT and Communication Services
- 9% Industrials & Materials (ex M&M)
- 6% Real Estate
- 2% Utilities

Active market for both early stage and mature companies

Proportion of Listed Companies by Market Capitalisation (A\$)



Eligibility, Tests + Requirements

The ASX requires a company to be financially suitable for listing by meeting a series of requirements, these include:

The Assets Test:

- Net tangible assets of at least \$4 million (after deducting fundraising costs) or a market capitalisation of at least \$15 million;
- No less than half of the company's total tangible assets (after raising funds) in cash or in a form readily convertible to cash (or, if this test is not satisfied, the company must have commitments consistent with its business objectives to spend at least half of its cash or current assets readily convertible to cash);
- Working capital of \$1.5 million (or can show its budgeted revenue for the first full financial year post listing is included in working capital) after allowing for the first full financial year's costs and any asset acquisitions funded out of working capital that is referred to in the prospectus; and
- Sufficient working capital for its stated objectives.

Shareholder Spread

The ASX requires a newly listed company to have at least 300 non-affiliated shareholders, each holding a parcel of shares with a value of at least \$2,000 (excluding shares subject to escrow).

The Profit Test

- Audited accounts of the business and any mergers or acquisitions for the prior three years.
- Validate a track record of achieving \$1 million net profit in aggregate over the last three financial years and net profit of \$500,000 for the 12 months up to a date no more than two months before applying for listing.
- The company's main business must be continuous and the same for the last three years.

Free Float

The company must have a free float at the time of admission of not less than 20%. The free float is the percentage of the company's main class of securities that are not subject to escrow and are held by non-affiliated shareholders.

Listing Process + Timeline

Week 1	Kick off meeting	
Week 2	Establish due diligence committee + Management presentation	
Week 3	Initial ASX discussion	
Week 4	Analyst briefing	
Week 5	Prepare listing application	Once the agreement is in place, we produce a framework of communications and assess existing assets
Week 6		
Week 7	Analyst research finalised	
Week 8		
Week 9	Bookbuild	
Week 10	ASIC exposure period commences	
Week 11		
Week 12	ASIC exposure period ends / offer period opens	
Week 13		PR listing day activity kicks in with numerous pieces of content across multiple channels and publications
Week 14	Offer period closes	
Week 15	Settlement	IR activity ramps up closer to the listing day with announcement
Week 16	Company lists on ASX	PR listing day activity kicks in with numerous pieces of content across multiple channels and publications
Week 17 and beyond	Post-listing on ASX	Ongoing post-listing IR activity with necessary announcements and market updates.

About M+C Partners

We are a leading investor and media relations firm that specialises in servicing the investor marketing needs of emerging companies on the ASX. Our competitive advantage lies in the capital markets experience and strategic advisory capabilities of its investor relations advisory team along with the journalism background of the media relations team.

We are a thoughtful and tenacious team that has a reputation for taking an innovative approach to delivering impactful messages.

Headquartered in Sydney and with a team in Perth, our wide range of clients include large multinational institutions to local start-ups across various categories including, technology, health and consumer, manufacturing, energy and resources.

Offices in Sydney + Perth

~100
listed
clients

20
professional
staff

Content generation, social media and distribution:

STOCKHEAD

Since 2020 we have been involved with our clients on:

~\$680m
in capital
raised

~85
roadshows

~730
investor/broker
meetings arranged

How we can assist you with listing

In today's financial market, where investors seek capital growth and a vast array of companies competing for investors' capital, we have the industry experience, knowledge, and networks to produce, develop, and improve your corporate profile, generating maximum shareholder value.

We can provide advice and support for requirements, whether that be:



Broker introductions to Equity Capital Markets teams across the market spectrum



Exposure to Institutional Investors via Roadshows



Retail Brokers to support an equity capital raise, or



Improving ASX communications to maximise the valuation impact of your newsflow

Perfecting communications is vital to informing current shareholders and attracting new investors. Our messages are carefully crafted, delivered well-timed, and with maximum awareness to ensure minimal or maximum potential valuation impact. These could be:

- ASX communications
- Investor Presentation and Website Content and Design
- Investor Targeting – Institutional and Retail
- Stock Trading Intelligence, or
- Capital Markets Advisory

What makes us different?

A new approach to connect companies with investors combining an experienced large capital markets advisory team with a large media relations team specialising in content creation + distribution.



Extensive direct capital markets experience and strategic advisory capability of leadership team



Proprietary database of approximately 2,000 investors and brokers



Leading ex-senior journalists provide high end independent media relations capability



Strategic distribution partnerships with leading small cap news and opinion site, Stockhead

Understanding
markets



strategic
advice

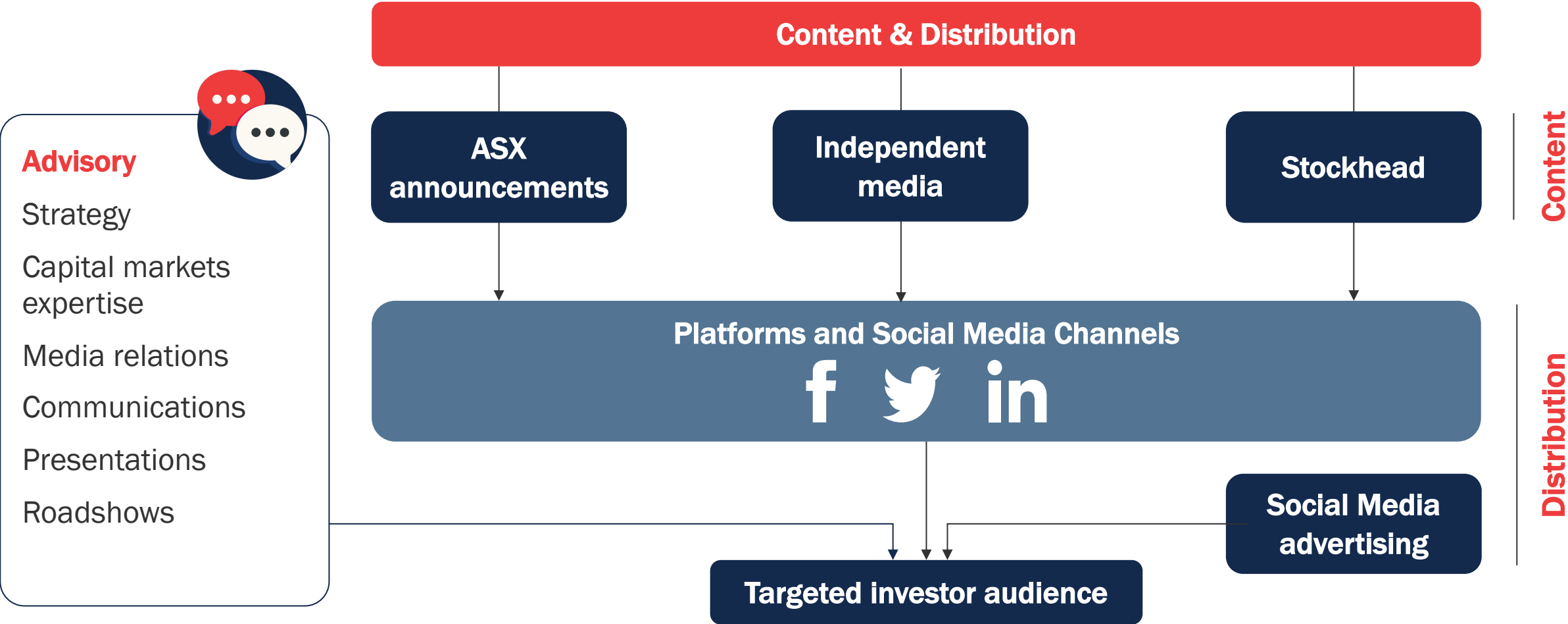


proactive, quality
content



multi-channel
content distribution

A new approach to investor marketing



Bypassing the bottleneck for the “awareness premium”

Why does investor relations need to be combined with content + distribution capability?

- Masses of small cap companies are competing to reach investors
- Fewer and fewer mainstream journalists are available to cover emerging companies in traditional mastheads
- Other online sources of information have minimal intelligent targeting capability
- Strategic partnership with Stockhead provides quality content to a targeted audience and has moved shareholder interaction way beyond spamming inboxes with ASX announcements in 2 ways:
 1. Development of multimedia content on a regular basis in conjunction with the client to promote operational achievements, relevant industry developments etc.
 2. Promote that content directly to potential investors on social media platforms, via dedicated social media marketing campaigns

Advisory Services

Our core advisory capability covers



- Strategic planning
- Capital markets expertise and advice
- Corporate communications – ASX announcements and statutory reporting
- Media relations – financial, trade and consumer press
- Marketing materials – presentations and website content
- Roadshows – proprietary database of ~2,000 brokers and fund managers with genuine emerging company investment interest
- Equity market intelligence

Advisory – Capital Markets



Strategic advice and market intelligence

M+C provide ongoing strategic and corporate advice and counsel from our significant experience in capital markets and the media.

- Identify and secure the right advisor ahead of a transaction
- Pre and post IPO promotional strategy working alongside lead broker and advisor
- Communication strategies for corporate transactions including M&A and capital raisings
- Identify the optimum timing to maximise your news flow and undertake transactions
- Broker activity and peer group monitoring
- Access to Bloomberg terminal provides direct access to capital markets intelligence

Advisory – Capital Markets

Investor outreach and roadshow support

Our Network

M&C Partners have a strong network of capital markets participants throughout Australia, established over many years.

Utilising our proprietary database of hundreds of contacts and intelligence we provide highly targeted introductions and roadshows to develop relationships with key investor and capital market participants.

Roadshow Support

In order to ensure our clients are as prepared as possible for a roadshow we provide comprehensive investor briefings ahead of time and where required can prepare detailed investor Q&A documents and conduct rehearsal meetings with the management team.

M+C will also provide a comprehensive roadshow feedback document post the roadshow to provide management with an overview of investor interest and views on the business. The document informs future roadshows and provides a gauge of market sentiment towards the stock.



Institutional
Investors

Dealing
Desks

Sophisticated
Investors

Analysts &
Advisors

Advisory – Investor Relations

Production of all corporate communication materials including:

- ASX market announcements
- Half and full year annual report content
- AGM, financial results, acquisition and conference presentations
- Drafting for quarterly, half yearly and annual results
- Shareholder letters and newsletters
- Investor Q&A briefing documents
- Investor website development and content



Advisory – Media Relations

The M+C media network

The majority of the Media & Capital Partners media team have previously worked in the media. We have continued to cultivate those contacts to the benefit of our clients, and have unique access to tier one media across TV, radio, print and online.

We have the contacts to generate national mainstream media interest in your company and secure positive coverage across business, financial and industry publications.

smh.com.au
The Sydney Morning Herald

THE  AGE

ABC



The Daily Telegraph

**FINANCIAL
REVIEW**

THE AUSTRALIAN 

 **startup
smart**

The Courier Mail 

**BUSINESS
INSIDER**

 **news
.com.au**

sky NEWS



The Canberra Times



The West Australian

Leadership Team



Ben Henri
Partner

Ben has 22 years experience in the Australian equities market including on the institutional desk of Bell Securities and in funds management at one of Australia's first absolute return funds. As a former institutional investor, he has an exceptional understanding of the Investor Relations function. Ben gained experience investing in most different commodities classes and has met with hundreds of individual management teams of listed companies in Australian and internationally.



Rod Hinchcliffe
Director

Rod has over 23 years' experience in investment markets, mainly in Australian equities on both the buy and sell side. He spent 15 years in funds management with one of Australia's first boutique absolute return funds. He joined the fund from inception as an analyst before becoming Portfolio Manager for the Group's offshore fund. Prior to this Rod spent 5 years as part of the institutional sales and research desk at Bell Securities.



Melissa Hamilton
Associate Director

Melissa has over 15 years' experience as a senior media producer and journalist, providing her with valuable expertise in how clients can most clearly and powerfully communicate with target audiences. Melissa has worked in newsrooms in both Australia and the UK and worked extensively in finance journalism, including as a finance journalist and presenter for the Australian Broadcasting Corporation (ABC) and as a producer of CNN's premier business program, Quest Means Business.



Tim Wheeler
Senior Account Director

Tim has over 15 years of experience within financial services, recently at AUSIEX, formally CommSec Adviser Services, where he spent over four years leading all capital market communications to advisers, wholesale clients and sophisticated investors. Through this experience and his interest as a keen micro and small caps investor, Tim has gained an intimate understanding of the investor relations function within a business, plus the advantages of a comprehensive PR campaign.

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