

## The best – and worst – floats of 2013

Edmund Tadros and Sally Rose

Feted job outsourcing site **Freelancer** and a little-known company building an indoor skydiving centre in Sydney's west have provided the most breathtaking returns of this year's floats.

Freelancer shares are up 268 per cent since listing on Friday, while shares in **Indoor Skydive Australia Gro** have almost tripled since listing in January. They are the top two performers of the more than 30 companies floated on the stock exchange to date this year.

Other top performers include phosphate firm **Fertoz**, up 150 per cent, and law firm **Shine Corporate**, up 71.8 per cent. **Virtus Health** is up 56.7 per cent since listing in June.

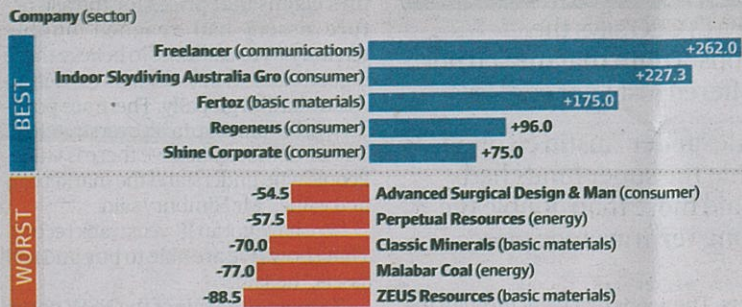
Analysis by *The Australian Financial Review* shows shares in 13 of the 32 floats in 2013 are trading above their debut price, 17 are trading under water, while two have not moved.

The worst performers are dominated by junior resource companies. Uranium explorer **ZEUS Resources** has lost 89 per cent since listing. Hunter Valley coal seam gas developer **Malabar Coal** is down 77 per cent, and West Australian base metal and gold explorer **Classic Minerals** is down 72.5 per cent.

Of the five floats raising more than \$100 million, online insurance comparison website **iSelect** has performed the worst, with its shares down 35.1 per cent.

### Float activity picks up

Best and worst IPOs of 2013 by return to date (as at Nov 18, 2013)



SOURCE: FINANCIAL REVIEW

The overall mixed performance comes before a December that will feature more than a dozen confirmed floats, including a \$341.1 million raising from credit agency Veda Group and the biggest float of the year, a \$700 million raising by television network Nine Entertainment Co.

The next biggest float of the year was **Ozforex Group**, which raised \$439 million when it listed in October.

One investor is sceptical about the speed with which Nine Entertainment is returning to the market. "It is hard to believe that Channel Nine is a much better business than it was a year ago, but because the stock market is up, it could float for more than it should," Platypus Asset Management chief investment officer Donald Williams said.

Overall, Mr Williams said that while the quality of the IPO pipeline is mixed, "it appears there is more good than bad coming to market".

"Valuations on a price-earnings ratios seem more solid than they have for the past four years," he said.

Indoor Skydive Australia Group raised \$12 million in a January listing at 20¢ a share. The stock peaked at more than 75¢ in September before steadying around 55¢.

"Internationally, once built, these centres generate very positive cash flow," said Greencape Capital portfolio manager Matthew Ryland, who has invested in Indoor Skydive.

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## Pate for I

Simon Evans

Biotechnology which has doubled its market value to \$300 million, striking two licensing deals with global partners, is unlikely to need an IPO for a long time, says Bionomics

**Kaufman**, a former officer of the \$33 billion pharmaceutical group **CSL**, said his model of partnership with pharmaceuticals promising new solid position.

"We're in the time," he said.

Bionomics signed an August deal worth \$US172 million and milestone payments to seek to develop a chronic pain drug. The deal signed in the US-based drug **Pharmaceutic** worth \$US345 million for anti-anxiety drug research by Bior

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