

FINANCIAL REVIEW

Market Wrap - Street Talk

InfoTrack moves towards IPO starter's gun

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InfoTrack has accelerated its run at the ASX boards following a better-than-expected reception from fund managers.

Street Talk understands InfoTrack's sponsor, broker Goldman Sachs, is seeking to commence formal marketing for the \$500 million-odd float in mid-to-late April, while InfoTrack's management plan to be back in front of fundies in early May.

If all goes to plan, the company will list in June.

InfoTrack fronted fundies on an investor education roadshow last week. According to the roadshow presentation obtained by Street Talk, it had \$144 million in revenue in the year to December 31 and \$21 million in earnings before interest, tax, depreciation and amortisation.

InfoTrack boss John Ahern and chief financial officer Tony Ghiazza told fundies it had grown revenue at 40 per cent a year since the 2013 financial year, on a compound annual growth rate basis, and won more than 1000 new clients in 2014 and 2015. They said active user numbers had grown to 26,174 in fiscal 2015 - more than doubling from two years earlier.

They're big numbers and the question for fundies, as always, is how long the company can continue to win 60 per cent of client pitches and whether it can continue to double its user base every two years. They're also keen to know more about Ahern, who was appointed to the top job in May.

From all reports, Ahern and Ghiazza presented well, but they are relatively unknown to listed market investors. So too chairman Stephen Wood.

The pair told potential investors that 69 per cent of its revenue came from law firm clients last financial year and named clients including Herbert Smith Freehills, Ashurst and Slater + Gordon.

But fundies were left wondering what to compare the information-workflow software platform company with. The obvious ASX-listed SaaS peers include Aconex and the soon-to-be-listed WiseTech Global, while others expected in the table include MYOB and Xero.

Such names make it clear InfoTrack is likely to be one for the believers and another that'll make the value managers blush.

Elsewhere in IPOs, Canaccord Genuity has booked fundies to meet with RedBubble on Tuesday. The online marketplace owner is working with Canaccord and UBS.

And Crescent Capital's ArcPac Building Products business will also meet potential investors this week in a non-deal roadshow.