

## AD Capital to list on ASX

Sarah Simpkins  
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**Wealth advisory firm AD Capital Group is starting to work its way to being listed on the ASX this year, with a planned \$10 million initial public offering.**

The company says funds raised from the IPO will be used by AD Capital to provide additional funding for company growth and to provide liquidity assurance for incoming investors.

AD is planning to seek further advisory acquisitions, leaning towards premium financial planners across Australia, with offices in Melbourne, Sydney, Perth and Brisbane.

AD's Financial Services business is also said to be considering a direct investment in acquiring planning practices.

Jonathan Thomas, CEO at AD Capital said: "AD Capital is excited to be working towards an ASX listing, as the added capital will allow us to expand and grow the Group, and also to take advantage of acquisition opportunities."

Mr Thomas said the group is hoping to list as soon as possible, with an aim to have a couple of deals complete in the first quarter.

"We're looking to finish up with a couple of acquisitions so we can go to market with a better proposition," he said.

The company has around 50 advisers nationwide, and is focused on wealth management, research and consultation.

Last year it acquired Sydney based independent dealer group Adasonia and national non-bank dealer group, Ballast Financial Services.

AD Capital comprises three business divisions: AD Securities, AD Financial Services/Advisory and AD Research with the group's core clients including retail, wholesale and institutional groups within Australian financial services.

AD Financial Services is a dealer group aiming to fill the gap between institutionally owned dealer groups and boutique dealer groups.

“I guess it comes down to size and one of the issues with running a dealer group is the high cost of compliance and the high degree of governance you have to have over your advisers in the group,” Mr Thomas said.

“If you’re a smaller advice group, that starts to become very difficult because it’s very costly to do. The other alternative is to then go to an institutionally aligned dealer group who do have the ability to cover all those costs but then you start to lose the connection with your clients.”

He added AD is hoping to achieve the “best of both worlds”, by having the means to back costs while retaining a personal touch with clients.

AD Securities Australia is the group’s client-focused advisory and equities dealing firm while the research division provides investment consulting services, giving customised solutions to institutional investors.

“AD Capital has existing traction across its AD Securities, Financial Services and Research business units, and the group has considerable market potential, as significant growth in the wealth management industry in Australia provides an ample growth runway for AD Capital,” Mr Thomas said.

“AD Securities has already been appointed lead manager to three IPOs on the ASX in 2019.”

Mr Thomas joined AD Capital last year.

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