



Small-cap tech IPO rush extends to NSX

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A boom in new listings from early-stage technology players on the Australian Securities Exchange is extending to the National Stock Exchange – a smaller, lesser-known, rival local bourse that targets emerging companies.

On Friday, Malaysia's **AdvanceTC** became the biggest technology company ever to list on the NSX.

Shares were priced at 55¢ each, valuing the company by market capitalisation at \$165 million. AdvanceTC is a research and development phase company with big ambitions to manufacture and take to market a three-in-one laptop, tablet and phone device it is calling "MAGIC Zlate".

The stock debuted 18 per cent above the listing price at 65¢, where it also closed its first session. No new capital was raised, although AdvanceTC plans to tap the local equity market within the next three to six months looking for between \$10 million and \$15 million.

Earlier in the year, ASX listing officer **Max Cunningham** said the main

bourse was running roadshows throughout Asia to attract new issuants, with a particular focus on technology companies.

Following the closely watched 2013 debut from **99 Wuxian**, other Asian technology companies such as **MigMe** have moved to list on the ASX in 2014.

Now NSX listing officer **Ian Craig** has said the upstart exchange has also begun running Asian roadshows to attract foreign issuants.

The NSX has formed partnerships with brokers on the ground in a

number of Asian countries to attract new companies. Malaysian broker **Chong Wee Chong** of Southasia Advisory, who made the introduction to AdvanceTC, said he was currently fielding enquiries from a strong pipeline of companies from around south-east Asia.

He said many were facing major challenges in listing or tapping venture capital funds in their home markets, and were now considering an Australian exchange.

"For very early-stage companies, the NSX is probably a more nurturing home than the ASX," Mr Chong said.

AdvanceTC chairman and chief executive **Loi Cheng Pheng** said he hoped listing on the NSX would be a stepping stone to a bigger equity market. "If we can prove our mettle on the NSX, then the next step will be to list on a bigger bourse. That could be many places but now that we have made Australia our home the ASX is the obvious next step," Mr Loi said.

Mr Craig confirmed that three more technology companies were heading to the NSX in the coming months. He

expects **Edtrin Group**, a platform for online education, to generate significant interest in the market.

New listings that have hit the boards of the NSX in the past two months have included Malaysian nanotechnology business **Nanopac Innovation**, Chinese-funded Australian investment company **Invest Nexus**, and US merchant payment services company **Community Merchant Solutions**.

NSX chief executive **Emlyn Scott** said the exchange's efforts were attracting "innovative" and "aspirational" companies from around the world.

Aspirational is a good adjective for AdvanceTC – becoming a smart device manufacturer would mean taking on the likes of Apple and Samsung, two of the world's biggest companies.

The company has been working on a developing a custom processor with Intel for 18 months. A patent is pending on a system it calls True Convergence that allows for integrated telephony into a full operating system on any form-factor computing device.



Loi Cheng Pheng ... ASX the 'next step'.