



WHAT IS YOUR EXIT STRATEGY?

A RECENT RMIT STUDY revealed that of the 880,000 small businesses in Australia (worth in excess of \$3.5 trillion), 44 per cent would be sold over the next ten years representing some \$1.6 trillion in value. Assuming these sellers can find a buyer, the expected average sale price of these businesses will be less than five times earnings.

One potential exit strategy is to list your business on the National Stock Exchange of Australia (NSX). A primary driver is that public companies trade on higher multiples to private companies realising greater value for key stakeholders.

The National Stock Exchange of Australia

NSX Limited is unique in Australian Financial Markets. It operates both the National Stock Exchange of Australia and the Bendigo Stock Exchange. Both exchanges are focused on listing small to medium sized enterprises. NSX Ltd now has more than 110 securities and \$1billion in market capitalisation across its two exchanges.

NSX listed companies cover a diverse range, in size, activities and geographic location. SMEs, community-based organisations, debt securities, property and investment schemes are all catered for.

Becoming a publicly listed company brings a wealth of opportunity for your business.

Benefits of becoming a listed company

Outsourced trading – Listing enables your company to have all trades in your company's shares outsourced, performed by accredited brokers operating in a licensed, regulated market. This brings a higher level of corporate governance for the business via greater transparency and shareholder confidence.

Daily market valuation – Your company can achieve a daily market valuation accessible through the national press and NSX website.

Access to capital – From floating, it becomes easier as a listed company to access capital enabling you to grow your business.

Greater liquidity – Increasing the liquidity in your company's shares allows you to broaden your shareholder base and gives existing shareholders an exit opportunity. This assists with succession planning

Investor confidence – Being listed on a regulated stock exchange enhances corporate governance and disclosure requirements, providing investors with an increased level of confidence.

Why choose the NSX?

Cost effective – As an alternative exchange for small to medium size businesses, NSX has designed a cost structure, which delivers value to your company.

Fewer shareholders needed – A spread of only 50 shareholders is required to list on NSX.

Streamlined admission process – With dedicated resources liaising with you throughout the application process, NSX ensures that becoming listed is both efficient and problem free.

Suits growing companies – Companies with a market capitalisation of just \$500k meet NSX's size requirements, ensuring growing businesses can become listed from an early stage.

Good corporate governance – NSX supports a high level of corporate governance through its rules whilst recognising the resourcing available to emerging businesses.



NSX CEO Richard Symon

Richard Symon is the CEO of NSX Ltd. Mr Symon has been involved a number of start-up ventures and is passionate about the future of small companies in Australia and the contribution of this sector to the economy. In 1999, Mr Symon co-founded an internet based stocking broking company – Australia Stockbroking Ltd which was subsequently sold to PBL who merged the company with Charles Schwab.

Mr Symon is a fellow member of Finsia and a member of the Association of Financial Services Educators. He is also a director of PIAA and chair of the Charity Financial Services Foundation.

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