

NSX MARKET INSIGHTS

UPDATE 3/20 – OCTOBER 2020

1. ISSUER UPDATES

New Listings

31st July 2020 – Glass manufacturer Australia Sunny Glass Group Limited ([NSX:AG1](#)) listed on the National Stock Exchange of Australia with an initial market capitalisation of \$25.8 million. The Company (previously known as Ventus Aqua Limited) acquired Sydney Sunny Glass, a manufacturer and supplier of architectural glass and premium treated glass products to the Australian construction industry.

24th August 2020 – Digital health and fitness company OliveX Holdings Limited ([NSX:OLX](#)) listed on the National Stock Exchange of Australia with an initial market capitalisation of \$7.5 million. OliveX is a digital lifestyle company focused on the health and fitness industry.

31 August 2020 – Travel Goods and Apparel company Rofina Group Limited ([NSX:218](#)) listed on the National Stock Exchange of Australia with an initial market capitalisation of \$15.75 million. Rofina is a specialty retailer and distributor of travel accessories, luggage, bags and winter apparel.

2. PARTICIPANT UPDATES

Two brokers have been admitted as NSX Participants

[Taylor Collison Limited](#) – Taylor Collison is a leading financial services firm, providing advice and wealth creation services to private and institutional investors and corporate clients throughout Australia.

[Morrison Securities Pty Limited](#) – Morrison Securities is specialise in providing white labelled trading solutions to Broker Dealers (Shadow Brokers) where they provide seamless and cost effective third party stock broking execution & clearing solutions to AFSL holders such as financial planners, financial advisors, banks, building societies and trading educators.

3. COVID-19 RELATED MATTERS

NSX recognises the challenges relating to disclosure for listed entities arising from the continually evolving and unprecedented situation surrounding the coronavirus

pandemic ('COVID-19') and that different listed entities are being affected in varying ways by COVID-19.

It's noted that a listed entity's continuous disclosure obligations do not extend to predicting the unpredictable.

NSX does not expect listed entities to announce information that comprises matters of supposition or that is insufficiently definite to necessitate disclosure nor does NSX expect listed entities to make forward-looking statements to the market unless they have a clear and reasonable basis for doing so.

Practical Guidance on Disclosure Obligations

- **Material operational decisions:** an entity that makes an operational decision that is likely to have a material effect on the price or value of its securities should immediately announce that decision to the market. This might include, for example, a decision to stand down a material number of employees or to close or suspend certain operations or facilities.
- **Capital raisings:** an entity that is proposing a capital raising to restore its financial position will need to announce it to the market as soon as it is committed to proceeding with the capital raising.
- **Entities in financial difficulty:** a listed entity in financial difficulty are subject to the same disclosure standards as any other entity. If there is an adverse development affecting the financial condition or prospects of an entity that a reasonable person would expect information about that development to have a material effect on the price or value of its securities, the listed entity must immediately disclose that information.

Misleading COVID-19 Announcements

The Treasurer on 25 May 2020 issued [Corporations \(Coronavirus Economic Response\) Determination \(No. 2\) 2020](#) temporarily amending the continuous disclosure provisions that apply to the companies and their officers' to enable them to more confidently provide guidance to the market during the Coronavirus crisis.

Announcements concerning new or revised business cases related to or including COVID-19 treatments,

detection, preventative solutions, or inventions should have regard to the disclosure principles set out in the [Code of Best Practice for Reporting by Life Sciences Companies, Second Edition](#).

Where NSX has concerns relating to a COVID-19-related announcement, NSX is likely to immediately suspend trading in the entity's securities pending further enquiries by NSX to establish that the announcement meets the requirements of the listing rules.

ASIC Guidance on Financial Reporting

- [ASIC Corporations \(Extended Reporting and Lodgment Deadlines—Listed Entities\) Instrument 2020/451](#)

Annual Reports

A public company that is listed or a registered scheme that is listed is relieved from subsection 319(3) of the Act for a financial year that ends between 21 February 2020 and 7 July 2020 (both inclusive) where it lodges the reports required to be prepared or obtained for the financial year under Division 1 of Part 2M.3 of the Act with ASIC within 4 months after the end of the financial year.

Half-Yearly Reports

A listed disclosing entity is relieved from subsection 320(1) of the Act for a half-year that ends between 15 March 2020 and 7 July 2020 (both inclusive) where it lodges the reports that it is required to prepare or obtain for the half-year under Division 2 of Part 2M.3 of the Act with ASIC within 106 days after the end of the half-year.

4. NSX UPDATES

Trade Acceptance Service (TAS)

NSX is advancing towards achieving to [“go-live” with TAS on 23 November 2020](#). This follows the ASIC regulatory approval, given to the NSXA for the TAS Business Rules in May 2020 and further subsequent consultation with ASX Clear.

The introduction of TAS rules will be a mandatory change for CHES registered securities and the market at which point NSXA will commence disseminating its trades to ASX Clear through CHES. Importantly, this development will harmonise the market practice for trade registration and post-trade processing between ASX, NSXA and Chi-X markets, and provide automation that is necessary for scaling NSXA operations. The resulting post-trade automation will also reduce risks and deliver greater efficiencies to NSXA participants.

NSX Fast Track Listings

NSX offers a Fast Track listing migration service for companies currently listed on ASX, where those companies satisfy NSX's listing and suitability requirements, allowing for the low cost and seamless migration of listings from ASX to NSX.

The listing application fee for Fast Track listings is \$2,200 (GST exclusive).

NSX will process the listing application within 4 weeks, matching the required time the company will need to hold its General Meeting to obtain shareholder approval to delist from ASX and relist on the NSX.

To commence the listing application the relevant forms are available on [NSX's website](#).