

FINANCIAL REVIEW

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HD **Bets on the best start-ups**
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Institutional investors are keeping an eye on which technology start-ups make it through to the final round of the federal government's illustrious accelerator program and competition.

More adventurous speculators are placing bets, hoping for a repeat of last year's 62 per cent jump in the share price of ASX-listed winner, semiconductor maker BluGlass Limited.

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BluGlass's share price jumped from 15¢ to 23¢ last October on news of the win. The win attracted a number of institutional investors to the stock, according to chief executive Giles Bourne.

Boston-based Wellington Management **Company** has taken a 10 per cent **stake** in the **company**.

A record number of 228 companies have entered this year's contest, a 50 per cent increase on last year's pool.

Roughly 20 per cent of entrants are public companies with sophisticated investors. Six are listed on the Australian Securities Exchange.

Mr Bourne said the competition significantly expanded BluGlass's investor base by raising its profile and validating its business plan through a rigorous vetting process.

Solar energy company RayGen Resources – a finalist in last year's competition – signed a \$60 **million** investment and distribution deal in **China** with ZhuoZhou Intense **Solar** in April.

RayGen chief executive Bob Cart said the deal "would never have happened" if not for the competition.

Austrade officials invited RayGen on a trade mission to **China** last November on the back of its participation.

Money is not the big draw card of this contest, said Mr Cart. Rather, it's the mentoring and participation in high level trade missions with senior government officials.

"Investors see the competition as a validating process," he said.

This year's 228 entrants have collectively invested over \$300 **million** in their technologies and employ more than 850 people.

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