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Mavcap outlines plans for technology projects

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THE Malaysian Venture Capital Management Berhad (Mavcap) has outlined several initiatives next year, as part of efforts to develop technology-related ideas into viable, commercial projects.

Apart from a continued focus on the Cradle Investment Programme (CIP), it will seek more technology platform here and abroad, and develop their business viabilities, said its chief executive officer Mohd Azwar Mahmud.

According to him, Mavcap has recently acquired two technologies from abroad and placed in local varsities for further development.

One of the technologies is voice recognition, acquired from a university in China, and now undergoing research and development (R&D) efforts at Universiti Malaya, while the other is nanotechnology from Singapore, now placed at Universiti Kebangsaan Malaysia, said Mohd Azwar. "We also aim to have some 40 investee companies next year. So far this year, we have 35 investee companies and hope to have five more by year-end," he said, adding that Mavcap expects initial public offering (IPO) exercise from five of its investee companies next year.

Mohd Azwar said apart from IPOs, there will also be mergers and acquisitions among its investee companies, and trade sales where several of its investee companies being acquired by bigger companies next year.

Mavcap operates with RM280 million for its direct ventures, RM120 million for seed ventures and another RM100 million for its local outsourcing programme, meant to develop venture capital business in the country.

On the CIP, Mohd Azwar said the first batch of 20 successful applications of the programme will be announced in Putrajaya today in conjunction with its official launch.

Prime Minister Datuk Seri Dr Mahathir Mohamad is expected to officiate the launch.

In the first batch of CIP, aimed at providing pre-seed level funding to local technopreneurs, RM1 million will be disbursed where each application will receive RM50,000. A total of 42 applications were submitted in the first batch, opened from the programme's launch on July 18 and closed on August 15.

Applications from the second batch, are currently being evaluated.

Among key categories of the applications, said Mohd Azwar, are software, which includes open source tools development, productivity improvement tools and industry specific applications, e-services, as well as consumer and business services.

Mavcap, according to CIP Programme's deputy head Shannon Boase, is satisfied with the quality of applications.

"Several have quite original ideas. They will be matched with industry mentor to provide assistant in developing their ideas into business," she told Computimes in Kuala Lumpur last week.

Mavcap is working with an initial fund of RM25 million this year from the total RM100 million allocated for the CIP.