

Moneyweb moves to AltX

Media company Moneyweb Holdings Limited (Moneyweb) has been granted approval by the Johannesburg Stock Exchange to move its listing to the AltX. The switch, which takes place tomorrow, Wednesday, 8 November 2006, will be one of the more prominent JSE main board companies whose listing has moved to the booming AltX, which was launched three years ago.

Moneyweb CEO Alec Hogg says: "Much has changed since we first listed on the JSE's Development Capital Market back in July 1999. Back then, the idea was always to graduate as rapidly as possible, as we did within a couple years, to the Main Board. That was during the worldwide Internet boom when everyone expected explosive growth in our core business of online publishing."

Although the Internet has transformed the media sector in many other countries, South Africa's slow adoption of broadband (fast, always-on connectivity) has plagued growth domestically.

Hogg maintains that's finally about to change: "The licensing of a Second Network Operator; Government's directive to Telkom to get moving; and strides made by the cellphone companies are bringing us, belatedly, into the broadband world.

Broadband

"The number of broadband users is up six-fold in the past year and projected to rise another 10 times by 2009. We are already seeing the impact at our flagship Moneyweb.co.za site where unique home page visitors are rising at a rate of more than 35% year-on-year - by far the most dramatic growth we've enjoyed since the business was founded in 1997."

Hogg says the impact of wide scale adoption of broadband was one of the major motivators for the company's switch in the listing: "AltX is the home for rapidly expanding, developing companies with rules that are better suited than the main board to small, entrepreneurial companies. It provides us with far more scope to expand."

He adds that long-time institutional shareholders Allan Gray Investment Counsel and Investec Asset Management were approached ahead of the decision to switch to AltX: "Both said they are comfortable staying on board as investors, which is a reflection of the status of AltX nowadays. When the exchange first kicked off, many institutions said they were not allowed to invest in companies listed there."