

MH QUESTIONS ON INVESTMENT PORTAL

1. Will the IAS be able to claim VAT input on IT development expenditure?
2. Will there be a separate legal entity owning the IT development system where we hold a 50% interest? The IT development software will most likely be located on Profile Media computer infrastructure with their programmers understanding the coding. So there is a real risk for the IAS of no fallback position where we can still use the subscriber and calendar functionality if the envisaged portal venture does not commercially succeed and is ultimately abandoned in a worst case scenario.
3. Have recurring additional IT development / IT security costs on an annual basis been estimated?
4. If say 20 companies sign up on the investment portal for the full or partial packages and some of these currently arrange presentations through the IAS will the IAS now be sharing this presentation revenue with Profile Media on a 50/50 basis?
5. Will the entire portal package offered to companies include AGM attendance as well as investor briefings, results presentations and market news? Will this include being made aware of new research issued potentially? Will IAS members be able to as easily sign up to specific companies as well as importantly opting out?
6. How will the marketing function work to get companies to sign up and remain on the portal be driven – will this be done by both IAS CEO and Profile personnel. Who will handle the billing of these companies on a monthly basis and how will these admin costs be dealt with?
7. Has a detailed value for money analysis by Profile Media been done of the different pricing options offered to corporates and feedback related to actual sign up interest? Given that the IAS has had pushback over cost of presentations by some listed companies we need to apply our minds.
8. Will the IAS retain both its subscription revenues and presentations revenues by companies not using the investment portal? (Repeat partially of point 4)
9. Has the IAS detailed the membership functionality in terms of required fields information, online annual payment and a calendar view of presentations all specified in detail as part of the IT development? Will the IAS office have logical computer access to member records to check/update and enable allocation of corporate payment to multiple members?
10. How will the investor portal work in relation to retail investors who are not IAS members and from a revenue generation basis?
11. Amortisation of the IT development. I would think 3-5 years is a more realistic write off period rather than 10 years. We could engage Ransome Russouw on this and the VAT issue potentially
12. How does the Profile Media corporate client list compare to that of the IAS in terms of cross over and new presentation possibilities?
13. Level of IT security over access to member information and corporate contact information. In terms of POPI we need to ensure taken adequate steps to safeguard information and enable members / corporates to opt out. How do we manage / identify /prevent unauthorised emails selling to our members?
14. Will companies who wish to continue on the same basis as now hosting their own presentations and just using our member list be able to continue on same basis as now?
15. Handover of IAS company relationships and contacts pre and post Ann Marie retirement.
16. IAS needs to continue with awards process which may be done via the investment portal
17. Investment Analyst journal engagement may be improved via portal visibility
18. Any regulatory risks to the investment portal by corporates disseminating price sensitive information to IAS members ahead of JSE SENS announcement or would this all fall on the corporate entity concerned?