

South Africa's Naspers cashes in \$10bn Tencent stake

March 23 2018



South African internet and entertainment group Naspers raised \$9.8 billion selling two percent of its hugely-profitable stake in Chinese technology giant Tencent

South African internet and entertainment group Naspers on Friday raised

\$9.8 billion (7.8 billion euros) selling two percent of its hugely-profitable stake in Chinese technology giant Tencent.

Naspers' investment in Tencent has been "one of the greatest venture-capital investments ever", according to Bloomberg News.

It said the stake in Tencent that Naspers bought for \$32 million in 2001 was valued at \$175 billion on Thursday.

Naspers, Tencent's biggest investor, vowed to not sell any more shares for three years.

"These funds will be utilised to reinforce Naspers' balance sheet and invested over time in Naspers' development businesses," the Cape Town-based company said in a statement.

Shenzhen-based Tencent has risen rapidly as China embraced the [internet](#), with the company's fortunes boosted by its WeChat social media platform.

WeChat crossed the one-billion users mark after the Chinese New Year in February.

© 2018 AFP

Citation: South Africa's Naspers cashes in \$10bn Tencent stake (2018, March 23) retrieved 15 June 2024 from <https://phys.org/news/2018-03-south-africa-naspers-cashes-10bn.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--