

Tech investor Naspers first-half profit slumps 93%

Naspers said on Wednesday, 23 November, its interim profit slipped 93% as the technology investor increased funding of its businesses and also due to a lower contribution of profit from its biggest investment Tencent.



The Cape Town-based firm reported a headline earnings per share of 24c for the six months that ended 30 September, as against 368c posted in the same period a year ago.

The company also bore the brunt of high inflation, higher interest rates and a drop in valuations of technology companies, forcing it to adopt cost-cutting measures for the second half to shore up profitability, it said.

Naspers, one of Africa's biggest companies, has investments spread across online businesses including classifieds, food delivery, payments and education - generally considered its e-commerce portfolio.

Its Amsterdam-listed subsidiary, Prosus NV, is the holding firm of these businesses, but its main source of profit is Chinese technology behemoth Tencent, where it is the majority shareholder.

Its investments into e-commerce businesses will peak in the current financial year and will reach profitability in the next two years, it said.

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