

# Largest Avusa investors stay with TMG

By [Phakamisa Ndzamela](#)

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The largest institutional investors in Avusa (AVU) - the Public Investment Corporation (PIC), Kagiso Asset Management and Coronation - have confirmed that they had opted to remain shareholders in the new listed entity Times Media Group (TMG).



Avusa shareholders had until Friday to decide whether to accept a cash offer of R24 per share or 1.47707 Times Media Group shares for every Avusa share.

"We are staying on. I think there will be significant value unlocked," Kagiso head of research Abdul Davids said.

Karl Leinberger the chief investment officer at Coronation also confirmed that his company would remain as an investor.

Other big investors remaining include UHC, Mvelaphanda Holdings and Old Mutual.

The exact shareholding of these investors is not yet clear as they have sold some shares.

However, the PIC is expected to be the largest institutional investor with close to a 20% stake. New shares in TMG have been trading since last Monday.

TMG shares ended down 1.72% to R14.25 on Tuesday. However, they are still at about R2.75 higher than the debut price of R11.50.

TMG, formally known as Richrau 229 - an Mvelaphanda Group subsidiary - is the new owner of media house Avusa.

TMG has appointed seven board members compared to the 14 that Avusa had. A process to allow for women representation and an independent chairperson on its board is underway.

TMG is restructuring Avusa and is looking to drive more efficiencies in the group.

Cost cutting measures include a smaller board that will help save costs and a reduction in the head office head count. There are moves to drive synergies between the Avusa titles.

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