



# NASPERS GROUP STRATEGY

Bob van Dijk, Group CEO



# Naspers in numbers

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**100 years old**



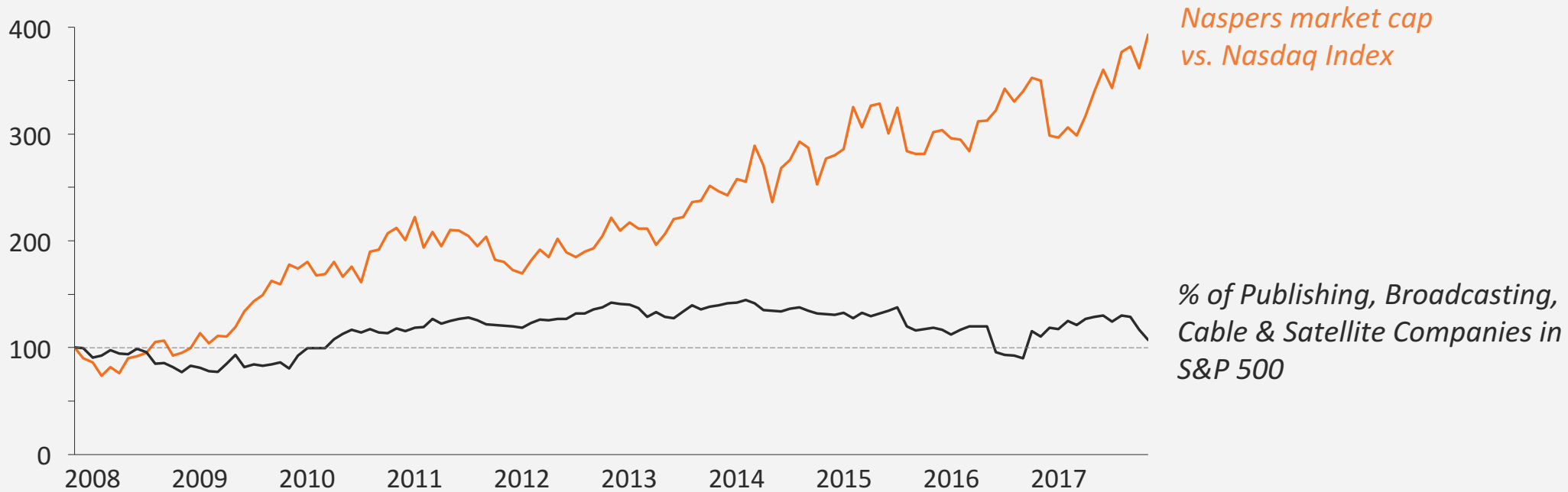
**US\$100bn+ market cap**



**100% online revenue in  
near future**

# A US\$100 billion company

*Naspers' relative market performance, Nov 2007- Nov 2017  
Index November 30, 2007 = 100*



*Naspers market cap vs. Nasdaq Index*

*% of Publishing, Broadcasting, Cable & Satellite Companies in S&P 500*

Note: Share of S&P500 market cap from S&P Composite 1500 for Publishing, Broadcasting and Cable & Satellite sub-industries. Source: FactSet

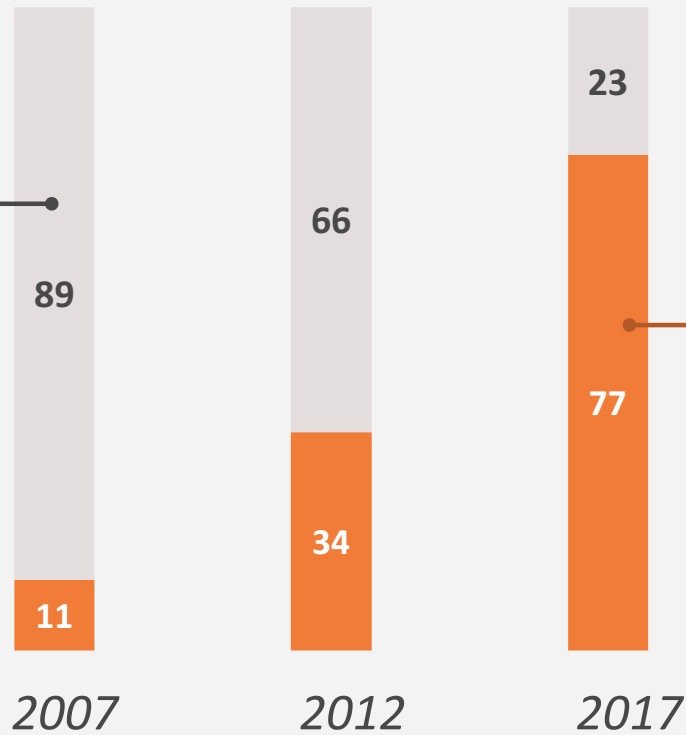
# On our way to be 100% online

Naspers revenue mix (%)

**TV & print media**



Icon depicting a newspaper and a television screen.



**Online**  
(Ecommerce, Social, Payments, Games)



Icon depicting a laptop, a smartphone, a stack of coins, and a robot head.

# How we capitalise on this opportunity

We partner with **local entrepreneurs to...**



**Build businesses with 'platform' potential**



**Addressing big societal needs**



**In high-growth markets**



**Where we can build sustainable leadership positions**

# Naspers journey

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# 1

## RESET

- Organized in global **segments**
- Established **excellent ecommerce team**
- **Divested** low-potential assets

2014–2015

# 2

## ACCELERATE

- **Accelerated ecommerce growth**
- **Consolidated** for leadership
- **Exited** peak value businesses
- Executed quality **growth investments**

2016–2017

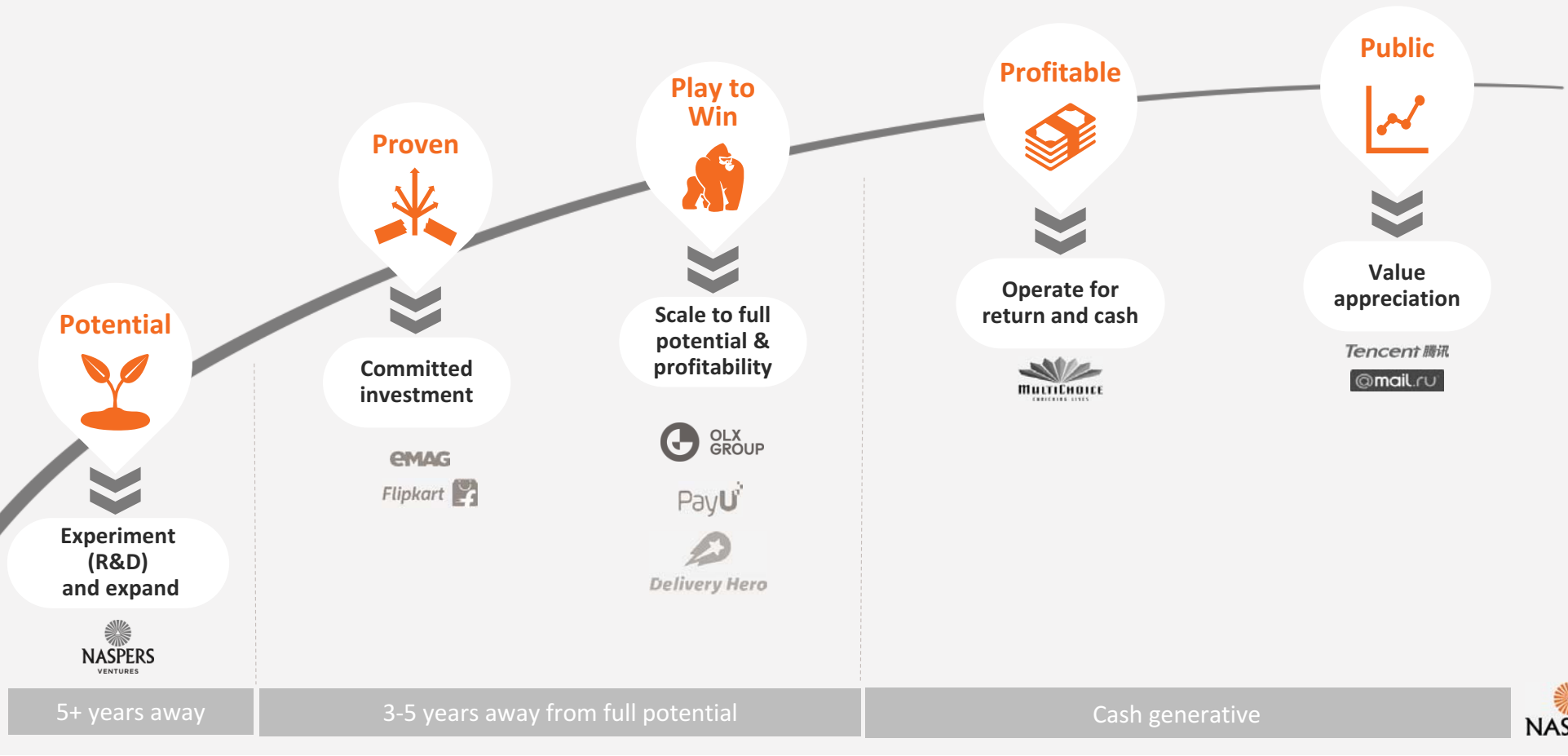
# 3

## CRYSTALISE

- Grow ecommerce to **profitability**
- **Develop core segments** into US\$5-10+bn businesses
- **Plant seeds** for longer term growth

Now

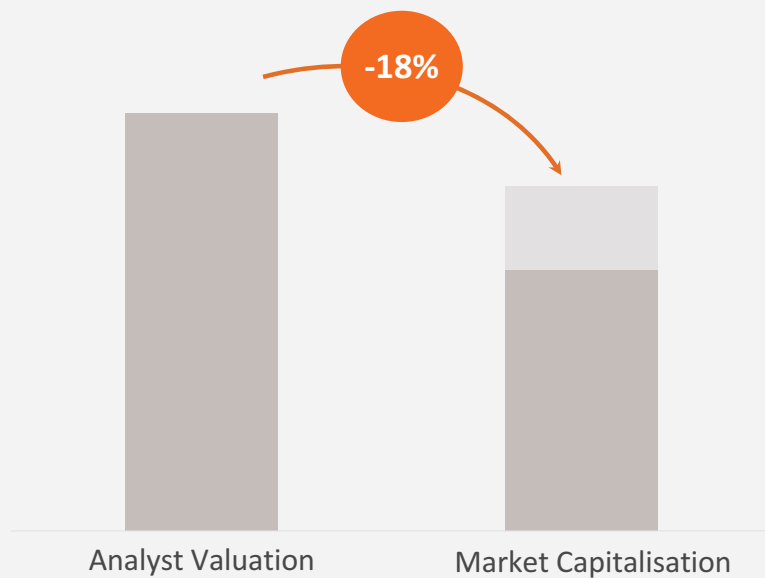
# Balanced portfolio



# Valuation opportunity

## Significant discount primarily driven by technical factors

*Naspers valuation, December 2017 (US\$bn)*



## Pushing key levers

- Build **outstanding companies**
- Accelerate **path to profitability** in core
- **Transparency on our strategy & financials**
- **Pro-active stakeholder communications**

Note: Analyst valuation value based on market valuation for Naspers portfolio as at 1-12-2017. Calculated using (i) valuations derived from the average of sell-side analysts currently covering Naspers with the exception of (ii) prevailing share prices for publicly listed assets, and (iii) post money valuations based on most recent transactions when analysts' consensus is not available.



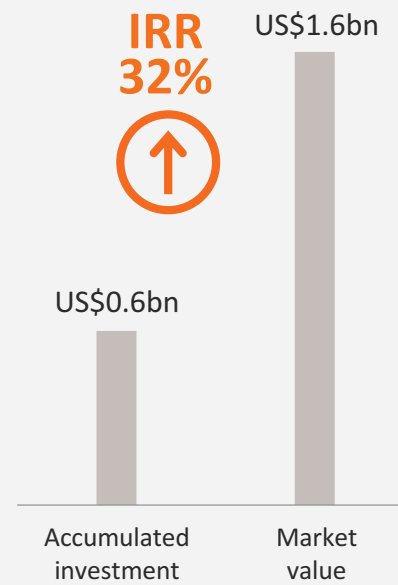
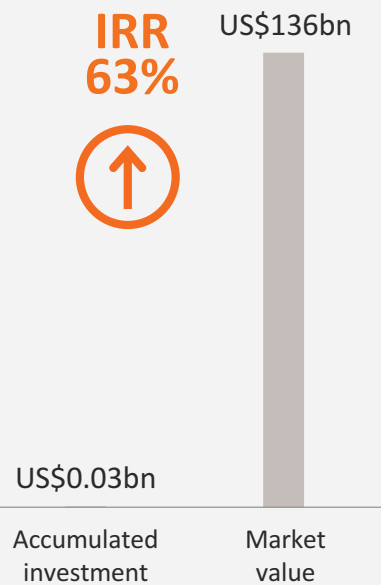
# Building winners

Tencent 腾讯

 Classifieds (ex. letgo)

Flipkart 

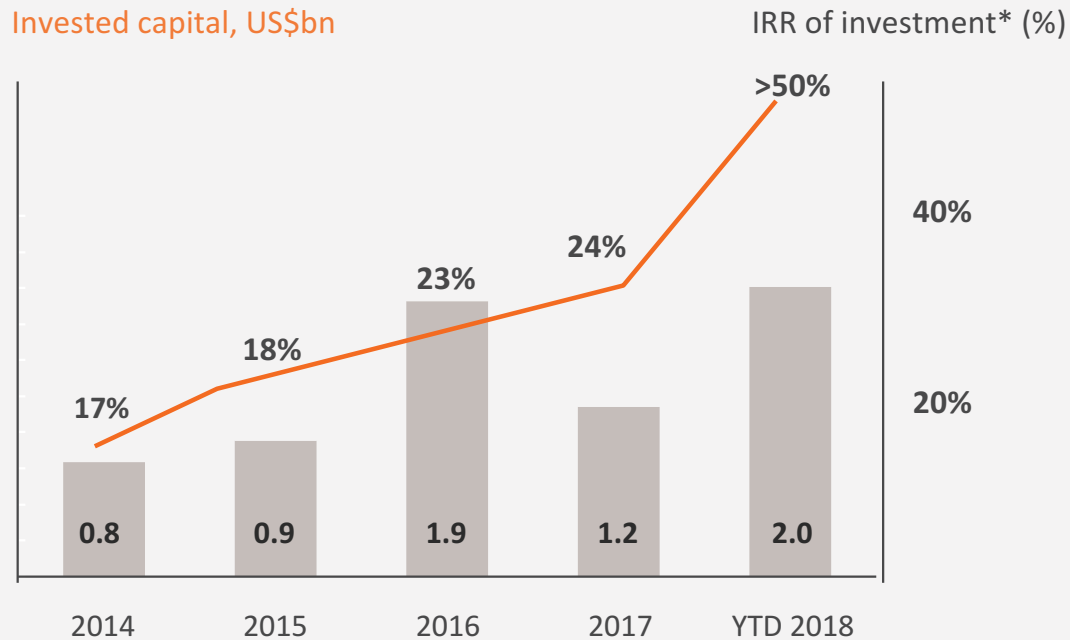
 Food Delivery



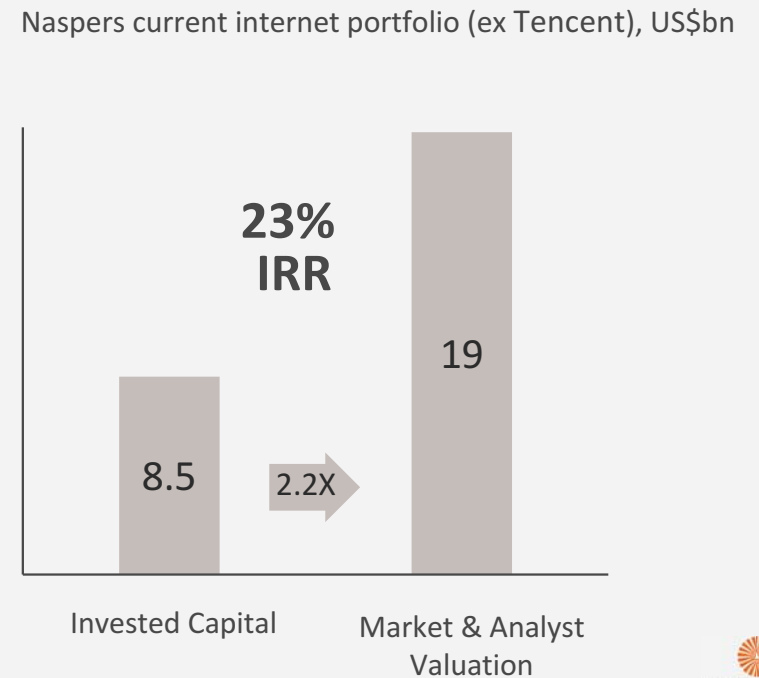
Note: Accumulated investments includes invested capital to 30 September 2017. Cumulative return based on market valuation as at 30 September 2017 calculated using (i) prevailing share prices for publicly listed assets; (ii) average valuation of sell-side analysts currently covering Naspers; and (iii) post money valuation based on most recent transactions when analysts' consensus is not available

# Creating value

## Made a step change in IRR from 2015



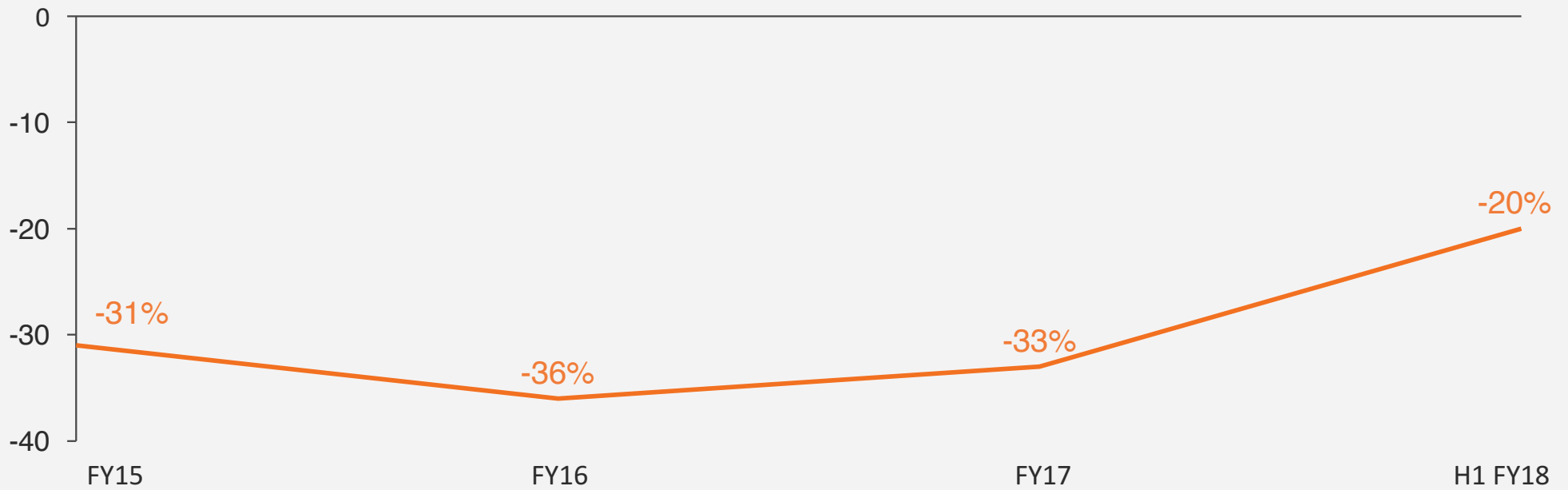
## Current portfolio is delivering 2X WACC



Note: \*IRR of Internet investment weighted by individual period and measured using relevant project IRR

# Ecommerce businesses showing margin improvement

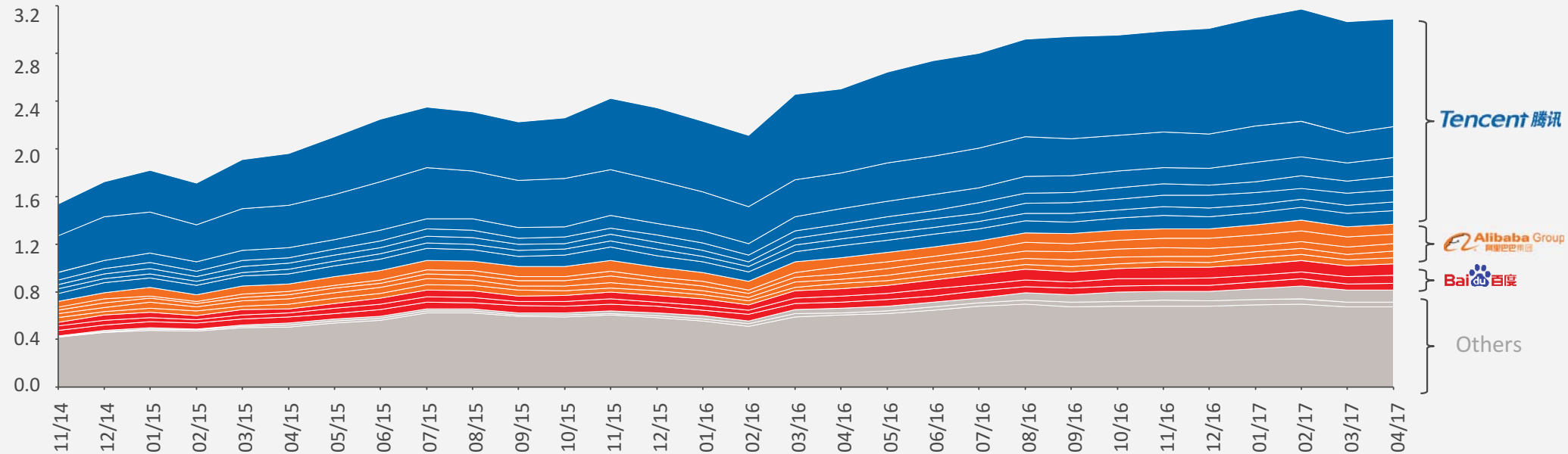
*Ecommerce trading profit margin, FY14-H1 FY18*



Note: Includes all online businesses excluding Marketplaces (Allegro), Tencent and Mail.Ru.

# Tencent's outstanding performance and potential

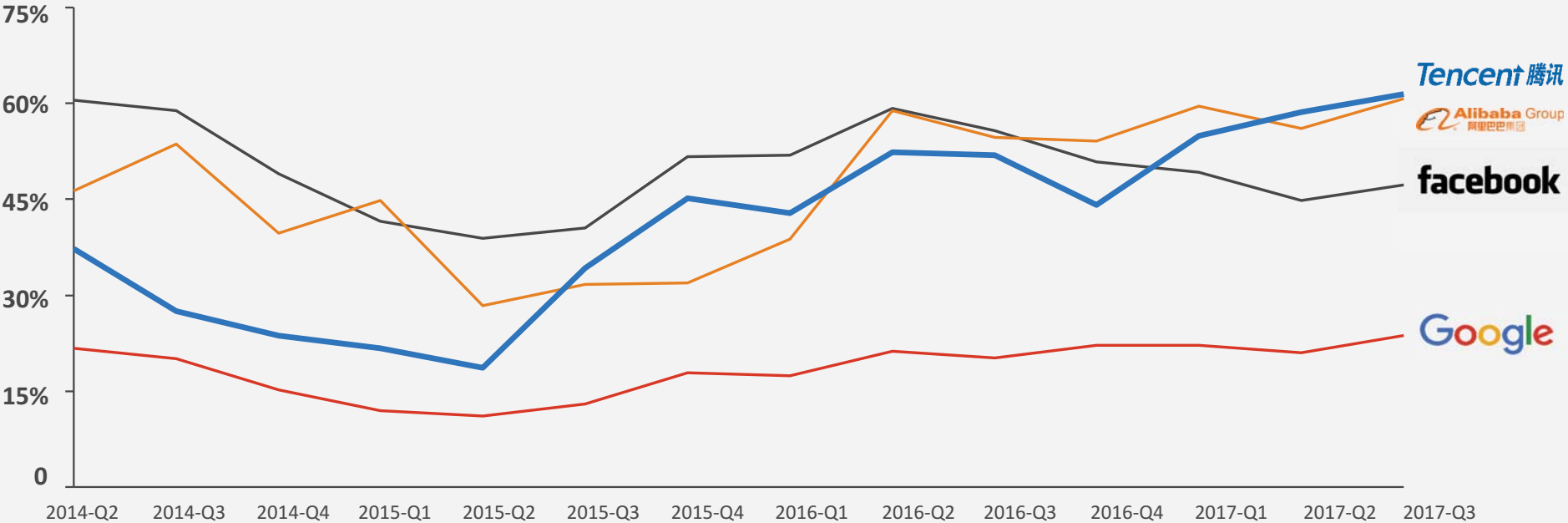
China mobile internet average daily hours by App, 11/14 – 4/17 (bn)



Note: Only top 100 apps by time spent are categorized by company affiliation. Tencent, Alibaba and Baidu affiliates include strategically invested companies. Source: QuestMobile

# Tencent boasts fastest revenue acceleration recently among tech giants

Quarterly revenue growth\* (% , '14-'17)



Note: Only top 100 apps by time spent are categorized by company affiliation. Tencent, Alibaba and Baidu affiliates include strategically invested companies  
 Source: QuestMobile



# What to expect? Group Priorities

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Position the  
portfolio for  
growth

- Continue to **pursue scale** in Classifieds, Food and FinTech
- **Accelerate path to profitability** in our core segments
- **Invest selectively** in new opportunities with high potential
- **Optimise value realisation** for non-strategic assets

Improve  
competitiveness  
of our  
businesses

- Accelerate deployment of **Artificial Intelligence**
- Consistently **pressurise cost and improve margins**
- Maintain **strong balance sheet** in line with financial targets and aspirations