



prosus

Financial Results

Year ended March 31st 2020

Important information

This report contains forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995 concerning our financial condition, results of operations and businesses.

These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates", or the negative thereof, or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties.

These forward-looking statements and other statements contained in this report regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved. Actual events or results may differ materially as a result of risks and uncertainties facing us and our subsidiaries. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements.

There are a number of factors that could affect our future operations and could cause those results to differ materially from those expressed in the forward-looking statements including (without limitation): (a) changes to IFRS and associated interpretations, applications and practices as they apply to past, present and future periods; (b) ongoing and future acquisitions, changes to domestic and international business and market conditions such as exchange rate and interest rate movements; (c) changes in domestic and international regulatory and legislative environments; (d) changes to domestic and international operational, social, economic and political conditions; (f) labour disruptions and industrial action; and (g) the effects of both current and future litigation.

The forward-looking statements contained in the report speak only as of the date of the report. We are not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements to reflect events or circumstances after the date of the report or to reflect the occurrence of unanticipated events. We cannot give any assurance that forward-looking statements will prove correct and investors are cautioned not to place undue reliance on any forward-looking statements.



1. Business Update

2. Financials

3. Outlook

The background is a long-exposure photograph of a multi-lane bridge at night. The sky is a deep blue. On the left, there are several high-voltage power line towers. The bridge deck is filled with light trails from moving vehicles, with red and orange streaks for taillights and blue and white streaks for headlights. On the right side of the bridge, a series of tall, modern streetlights are visible. In the distance, the bridge's support structure, including a large A-frame pylon, is silhouetted against the twilight sky.

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Business Update

Bob van Dijk

FY20 was a transformational year



Operational Highlights

- Prosus ended the year in a position of financial strength
- Strong financial performance across all segments
- Businesses are scaling and delivered strong growth
- Covid-19 having some impact near-term but will provide structural tailwinds in the long-term and accelerate growth
- Strong balance sheet

Strategic Highlights

- Listed Prosus, Europe's largest consumer internet company
- Executed smart deals accelerating strategic priorities
- Allocated capital in a disciplined manner
- Expanded ecosystems in all three segments

Key operational and strategic highlights

Strong financial performance

+23%

YoY Group Revenue growth¹

+33%

YoY Ecommerce revenue growth¹

+16%

YoY Trading Profit growth¹

+13%

YoY Core HE growth²

Robust growth in core segments



Classifieds

+22%

Paying listers

112k

#cars sold⁴



Food
Delivery

+102%

Orders

+76%

GMV



Payments
& Fintech

+29%

TPV³

+30%

#Transactions³

Strategic M&A and corporate action

Listing Prosus, created US\$16bn
of value on the day

Deals worth US\$1.3bn, spread
across segments

In-market consolidation driving
rationalisation

Disciplined approach

¹ Reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Percentages represent year-on-year growth in local currency, excluding M&A.

² Percentage represents year-on-year growth in local currency.

³ TPV and transaction growth excludes Wibmo. TPV growth in local currency.

⁴ Number of cars sold at inspection centers

A focused and proven strategy building long-term value



A disciplined and focused approach to capital allocation

How we allocate capital



Invest in core segments

We focus on select high potential segments that we understand deeply and they compete for capital



Strong returns

We aim for returns well over cost of capital



Manage risk profile

Our proven strategy: Test, Invest, Scale



Long-term outlook

We invest to build sustainable, profitable businesses
Ventures - investing early for future growth



Selection

We select the best assets and management talent/local founders are essential

What we have done

In FY20:

Invested US\$1.3bn across our portfolio

Sourced and considered numerous M&A opportunities

Led strategic market consolidation in Classifieds, Payments, Food Delivery

Exchanged our stake in MakeMyTrip for a stake in Trip.com achieving an IRR of 24%¹

Since 2008:

Optimised our portfolio: MCG, Allegro, Flipkart

Focused on 3 high-potential segments

Launched Ventures to plant seeds for longer-term growth

Delivered strong IRRs across all segments, with impairment rate below 10%

¹ As at 25 April 2019

Classifieds: Strong growth, smart in-market consolidation and continued extension into transactions

Continued momentum
in our core business



+37%

YoY Revenue growth¹

+22%

YoY Average monthly paying listers²

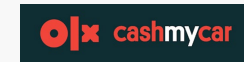
+309m

Monthly active users¹

M&A to strengthen the business



Investing further into Transactions
ecosystem to enhance and deepen
the user experience



¹ Reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Percentages represent year-on-year growth in local currency, excluding M&A.

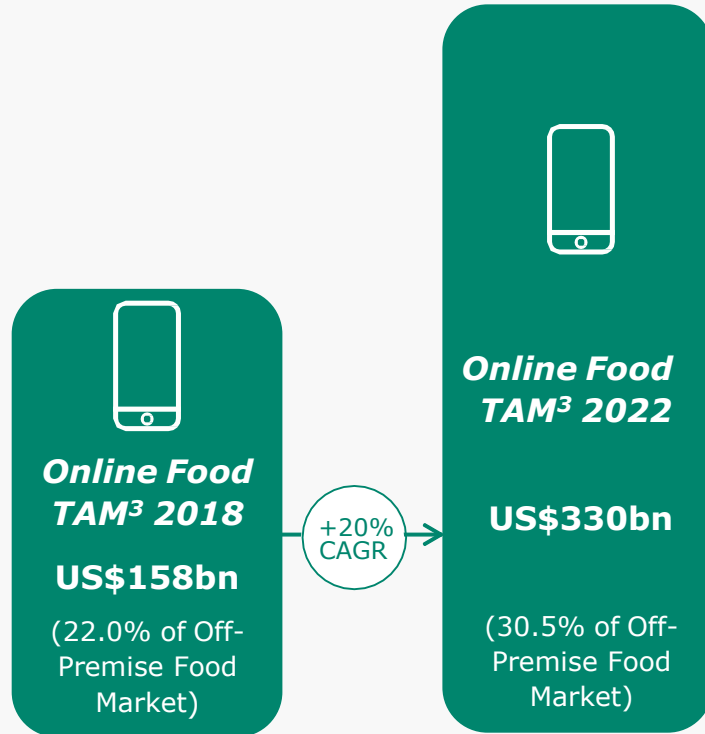
² Numbers have been adjusted to reflect a like-for-like basis due to changes in the markets within our portfolio.

Food Delivery: Robust growth with investments showing returns and delivering accelerated unit economics

Online food delivery growing strongly as penetration increases

Reinforced leadership as investments beginning to show real returns

1P driving growth and expanding the market



+76%

YoY growth in GMV¹

+105%

YoY growth in Revenue²

+15p.p

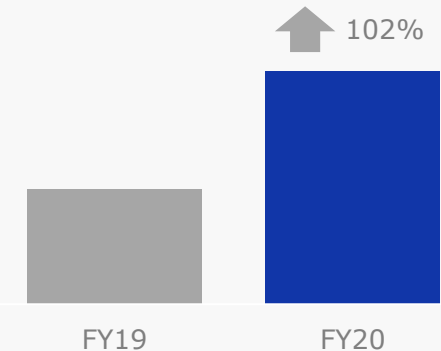
Improvement in trading loss margin vs 1H



+3X

YoY growth in 1P orders¹

Total orders¹



¹ Orders and GMV are 100% for all companies. Investee companies' KPIs are aligned with 3month reporting lag period (Jan19 – Dec19). GMV is calculated in US\$ using average exchange rates for respective years.

² Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated.

³ Source: Euromonitor

Payments & Fintech: Strong growth with India providing opportunity to expand into the broader financial ecosystem

Unique regional footprint across fast-growing markets for digital payments



+29%

YoY growth in Group TPV¹

+26%

YoY growth in GPO

+32%

YoY growth in India

+30%

YoY growth in total number of transactions²

Digitisation in India brings substantial opportunities

Migration to online

Growth in ecommerce

Shift from cash to digital payments

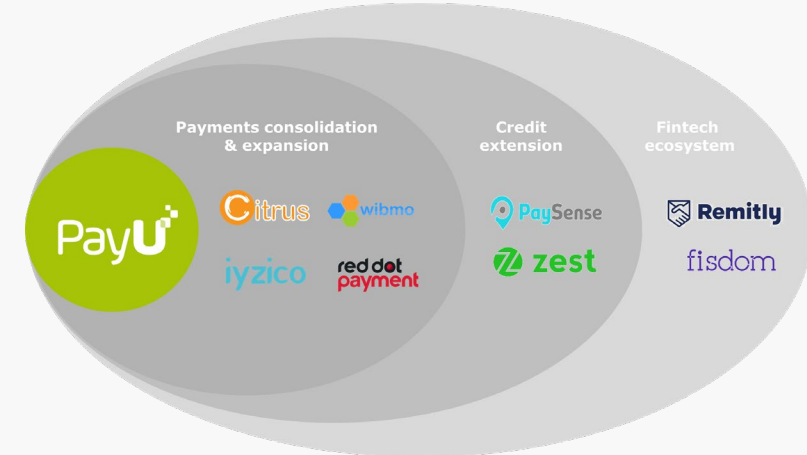
Government initiatives



52%

of total transactions from PayU India

PayU India transitioning from a focus on local payments to broader financial services



+US\$110m

FY20 credit issuance³ volumes

¹ Total payment value (TPV) growth in local currency excluding M&A. GPO (Global Payments Operations) = all markets outside of India

² Represents year-on-year growth, excluding Wibmo.

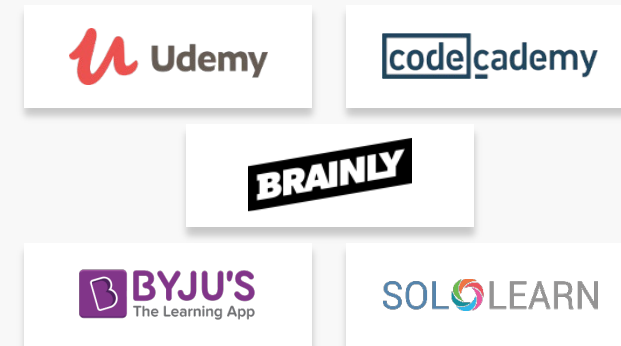
³ Issuance volume includes PayU's own product volumes, and 100% of PaySense and ZestMoney volumes.

Investing in new industries disrupted by tech



- Invest in companies that will be the **next wave of growth** for Prosus
- Addressing **big societal needs**
- In sectors of the economy where **technology can lead to meaningful change** in consumer behavior and economics

Potential for major disruption of the future global education system



US\$10T

Market opportunity by 2030

3%

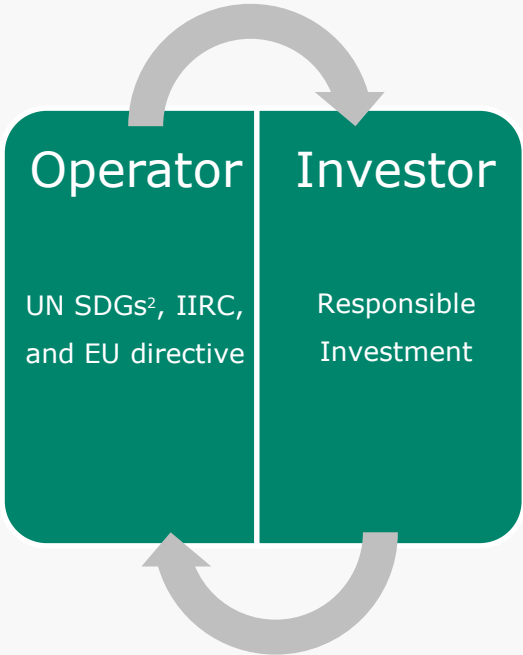
Online penetration

**Covid-19 a catalyst
for change**

400%+
Increase in enrollments for
Udemy customers

We continue to enhance our ESG activities, supporting the UN SDGs

Our approach



Progress made in the last year

Environmental

- Carbon footprint - reported scope 1 and 2
- Offsetting carbon credits - partnership with Greenseat
- Reducing waste and using recycled packaging

Social

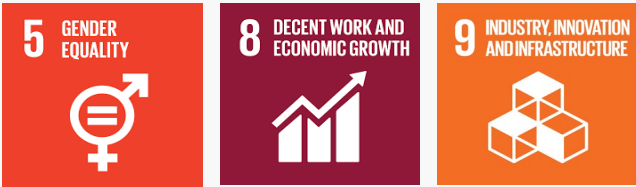
- Employee development - 25k learners trained on MyAcademy
- Gender diversity - 40% of our workforce is female
- Supporting communities - ongoing educational and local entrepreneur support

Governance

- Board - added gender, geographical and skills diversification
- Board committee - appointed new lead independent director
- Executive remuneration - continued to enhance design to reward long-termism

Aligning to SDGs¹

Group wide contribution:



Business specific contribution:



¹ Sustainable Development Goals (SDG)

Investing in our people, partners and customers during the Covid-19 pandemic to emerge more strongly



Protect the health of our employees and those around them

- Working from home
- Communication, information and support protocols
- Travel restrictions



Support the communities in which we operate

- R1.5bn (US\$84m) to South Africa
- ₹100 crore to India



Classifieds: Supporting partners and customers

- Listing duration, pricing and subscription adjustments
- Developed video-based products
- Accelerated pay and ship rollout
- Financial relief to support sellers



Food Delivery: Supporting restaurants and drivers

- Waived commissions
- Reduced restaurant payment cycles
- R\$100m in support to restaurants and couriers
- Masks, gloves, thermal checks



Payments & Fintech: Supporting merchants

- Free digital training for merchants
- Collecting donations for hospitals at points-of-sale
- Various other initiatives



Etail: Protecting customers and couriers, enabling trade

- Assist new offline retailers
- Contactless delivery
- Collection of goods from lockers

The background is a long-exposure photograph of a multi-lane bridge at night. The bridge's surface is dark, and the sky above is a deep blue. Numerous light trails from vehicles are visible, creating vibrant streaks of red, orange, yellow, and blue that stretch across the frame. In the distance, the bridge's support structure, including a large A-frame pylon, is silhouetted against the twilight sky. Power lines and streetlights are also visible along the bridge's length.

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Financial Update

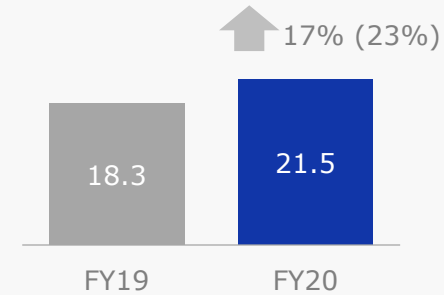
Basil Sgourdos

FY20 Financial Highlights: Strong finish to a strong year

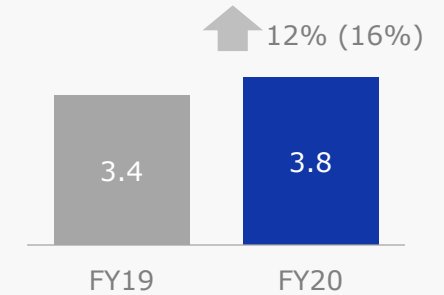
- 1 Strong and accelerated ecommerce revenue growth of 33%
- 2 Improved profitability and cash generation, while investing to grow the Food Delivery opportunity
- 3 Results underpinned by continued healthy growth from Tencent
- 4 Covid-19 impacts felt in March and will impact FY21, but the group has ample financial strength to weather the storm and execute our long-term strategy and financial aspirations
- 5 Refinanced debt at lower rates and ended FY20 with flexibility to fund future growth
- 6 US\$85m transaction costs related mainly to listing Prosus had meaningful impact on free cash flow

Summary financials (US\$'bn)¹

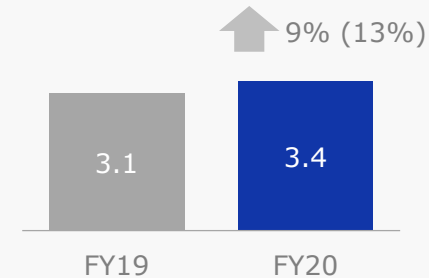
Revenue²



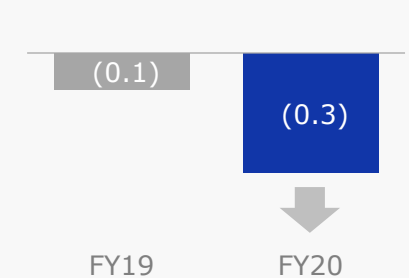
Trading profit²



Core HE



Free cash flow

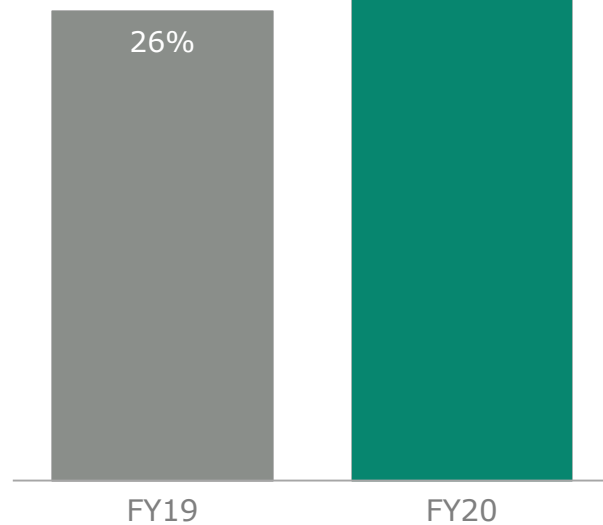


¹ Summary financials from continuing operations. Numbers in brackets represent year-on-year growth in local currency, excluding M&A.

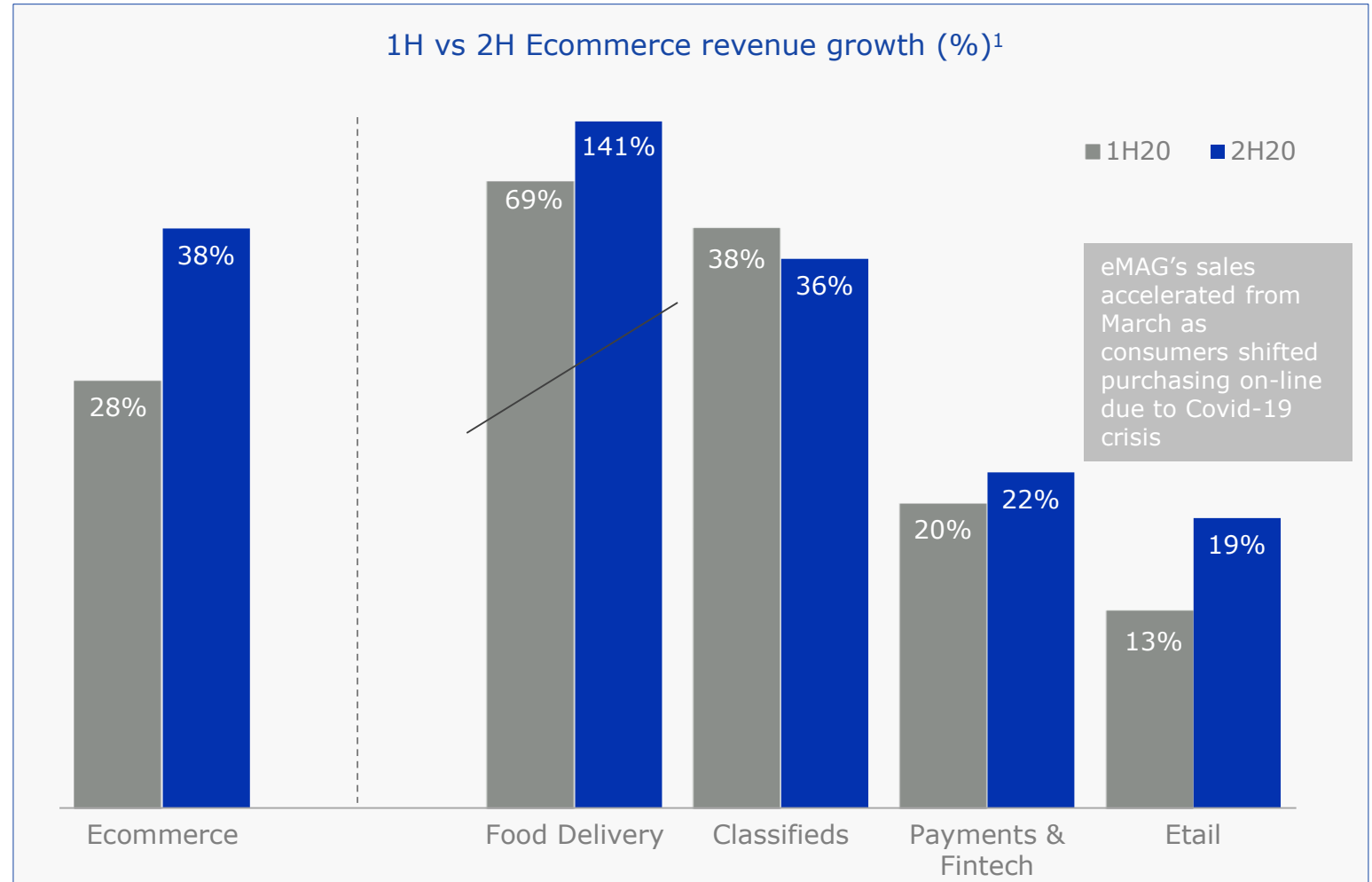
² Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated.

Ecommerce growth accelerated year-over-year and 2H vs 1H

YoY Ecommerce revenue growth (%)¹



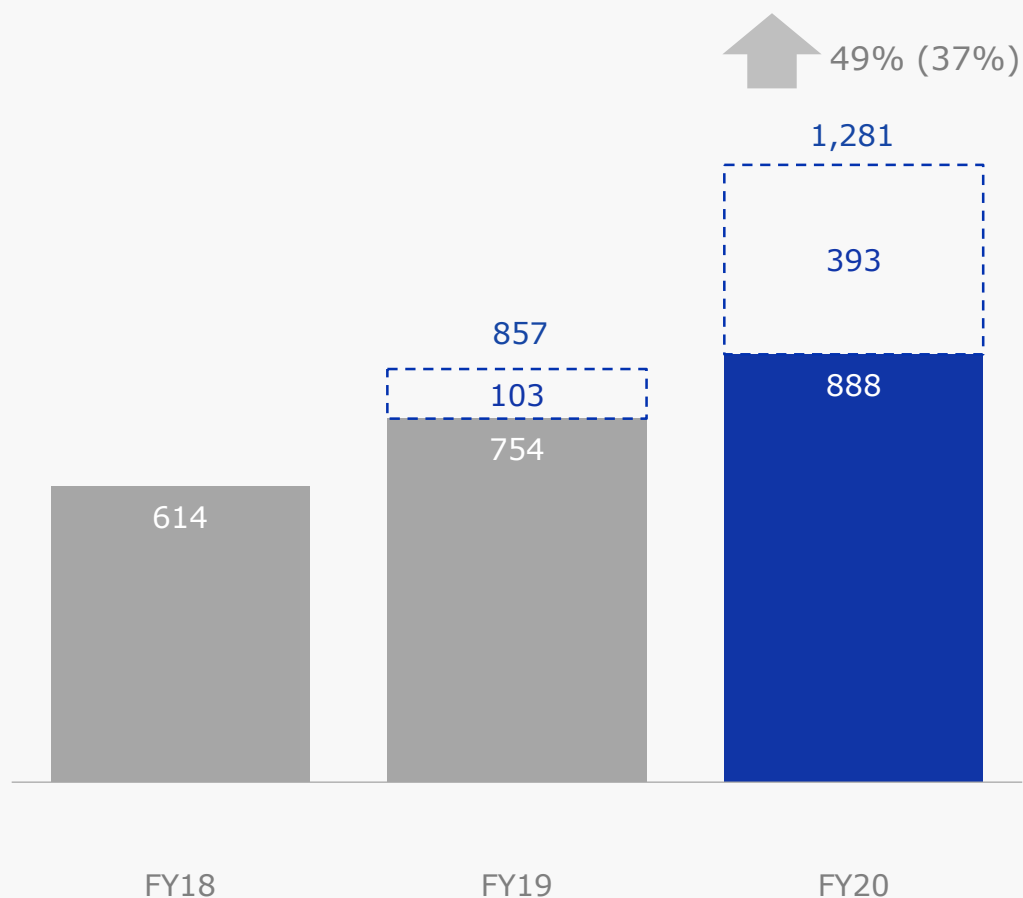
1H vs 2H Ecommerce revenue growth (%)¹



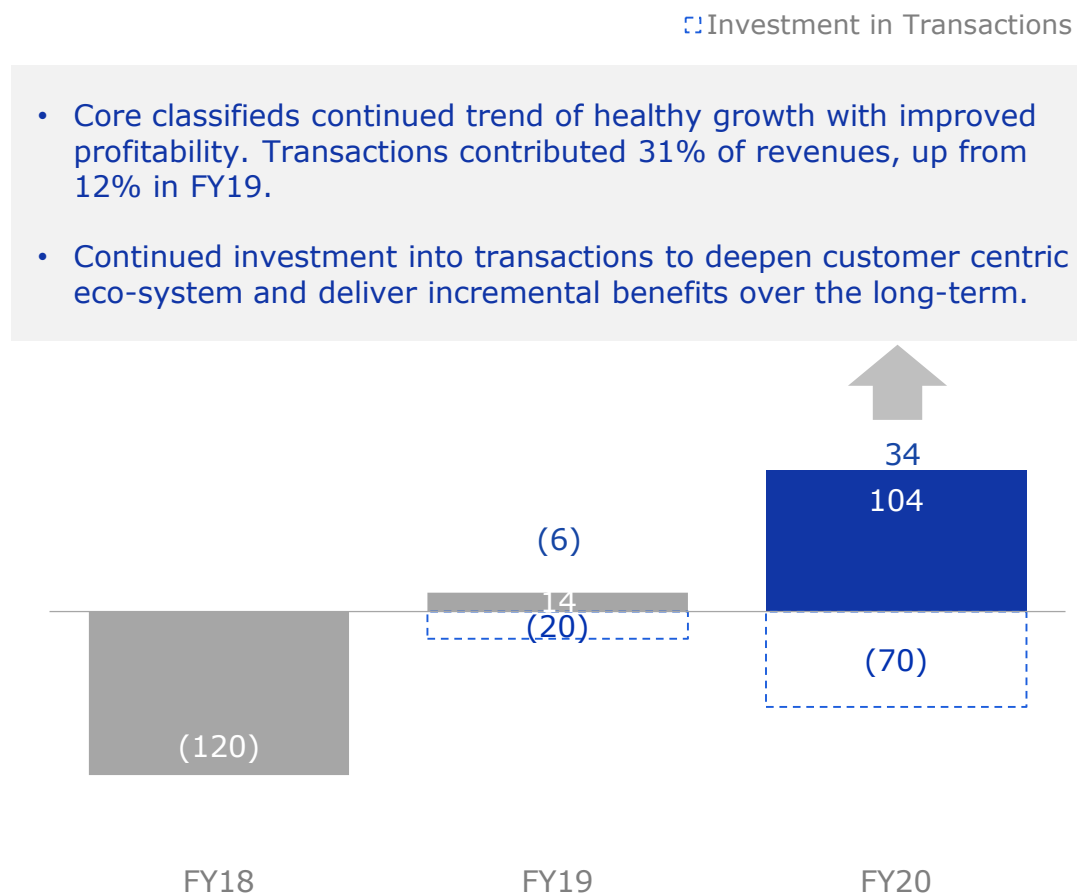
¹ Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Year-on-year growth shown in local currency, excluding M&A.

Core Classifieds driving profitability while investing in transactions

Revenue (US\$'m)¹



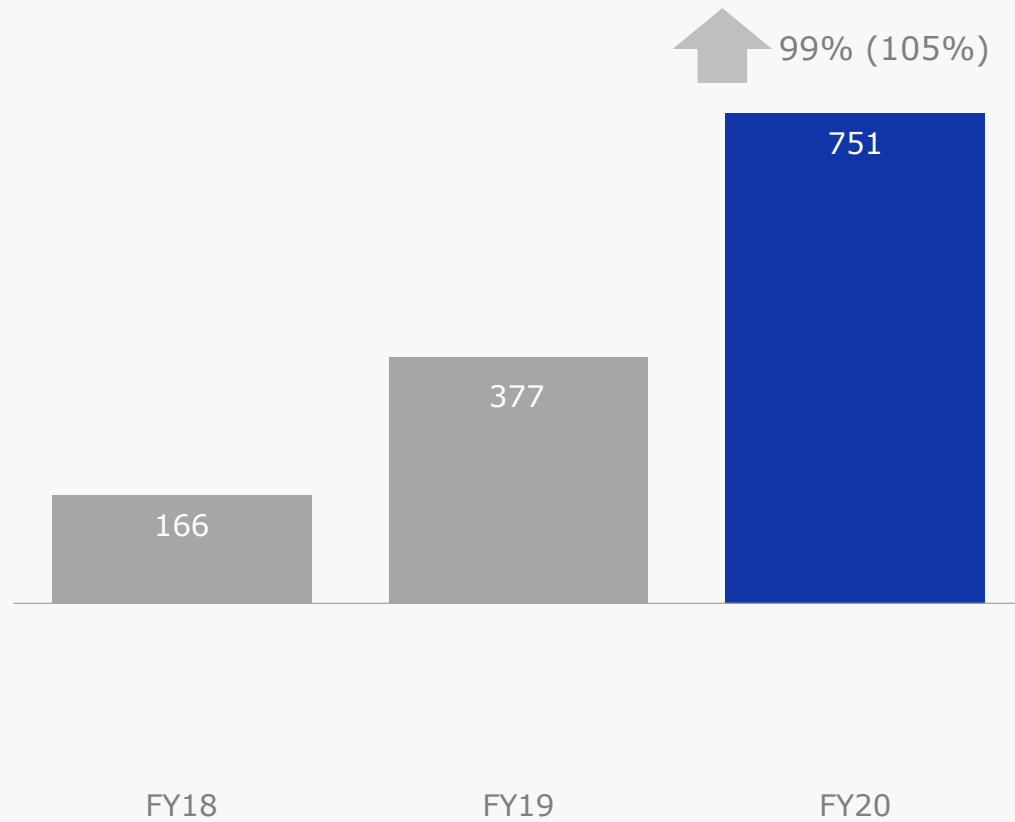
Trading profit/(loss) (US\$'m)¹



¹ Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth shown in local currency, excluding M&A. FY18 results are based on the Combined Carve-out Financial Statements included in the Listing Prospectus of Prosus.

Food Delivery: Strong growth, positive customer acquisition trends and investment in 1P drive margin improvement in 2H

Revenue (US\$m)¹



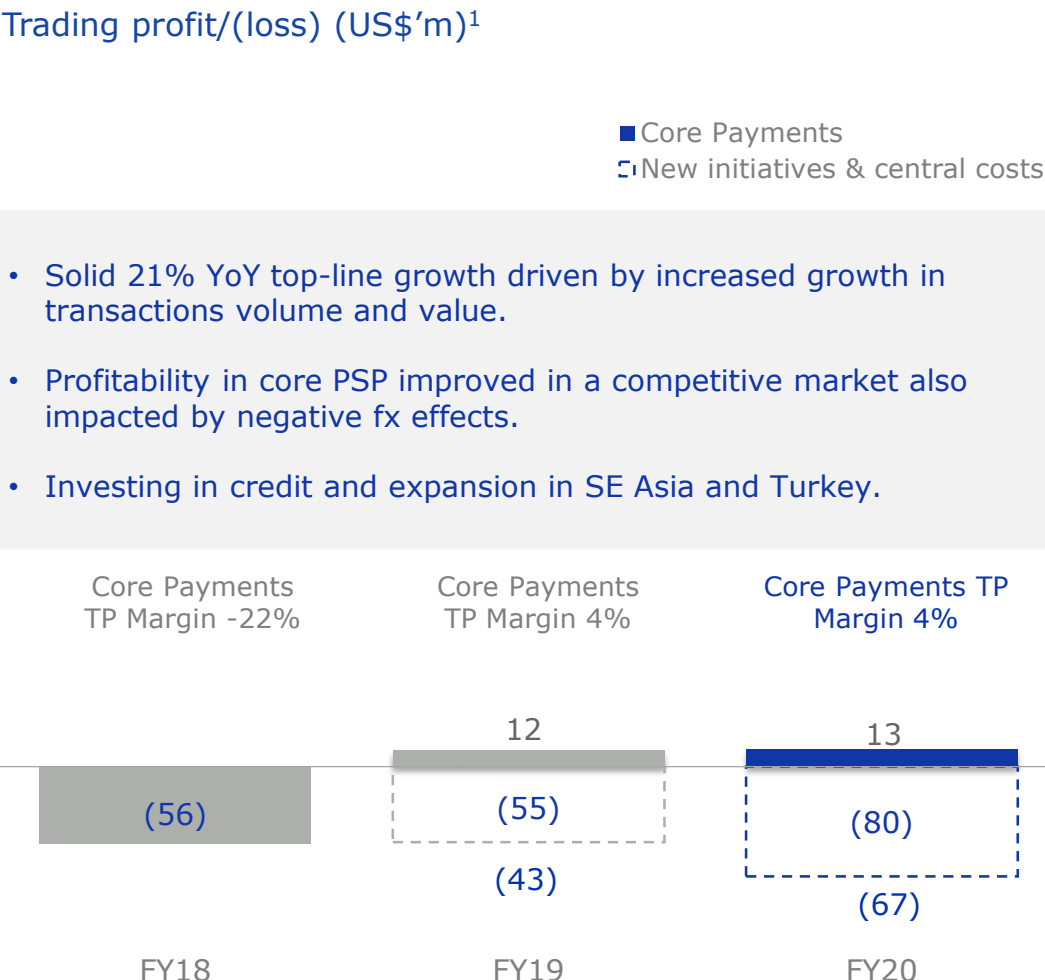
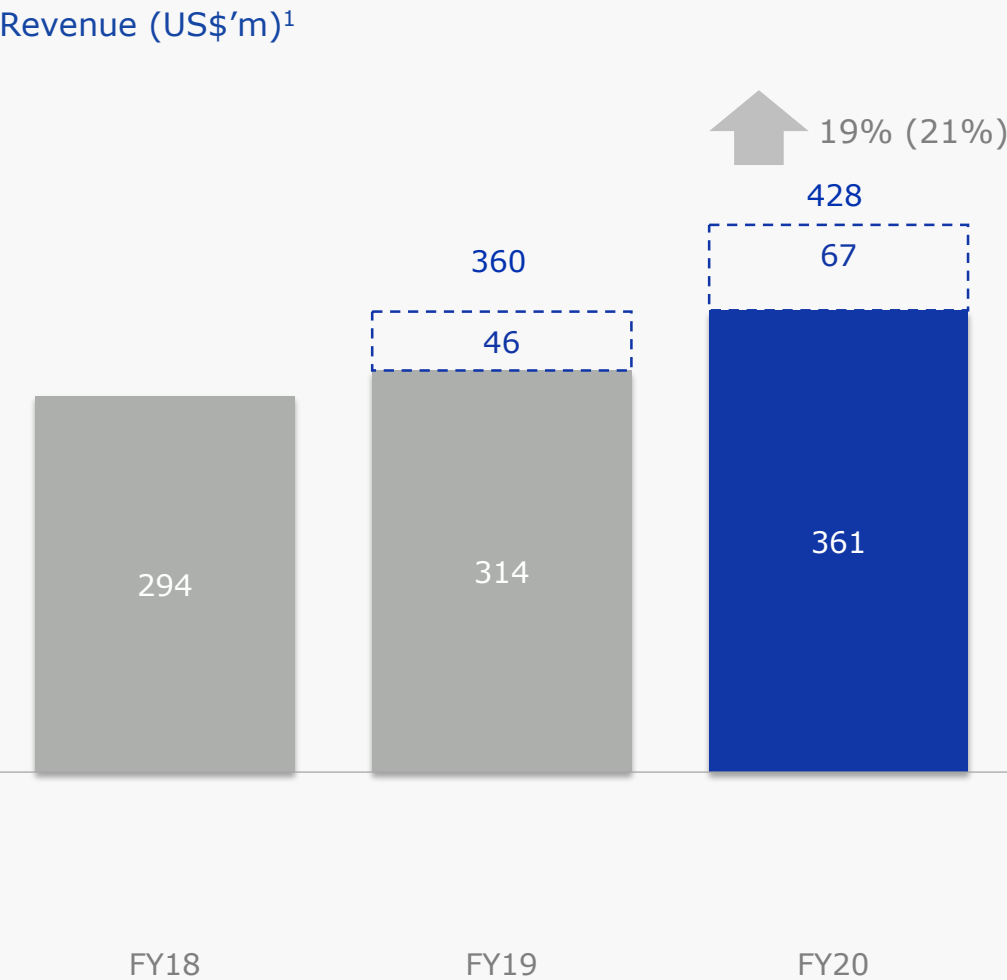
Trading loss (US\$m)¹

- Investing to transform all aspects of the supply chain from how food is sourced, to how it is prepared and ultimately consumed.
- Expanding food supply and adding new categories such as groceries.
- GP margin improved in 2H20 due to rationalisation in customer acquisition costs and a reduction in delivery costs.



¹ Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth shown in local currency, excluding M&A. FY18 results are based on the Combined Carve-out Financial Statements included in the Listing Prospectus of Prosus.

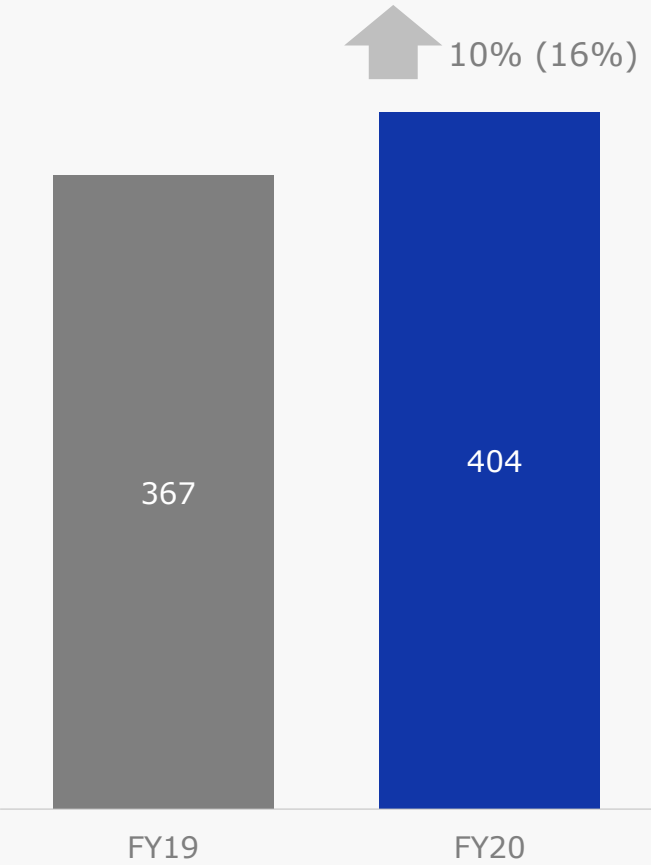
Core Payments profitable as the business continues to scale



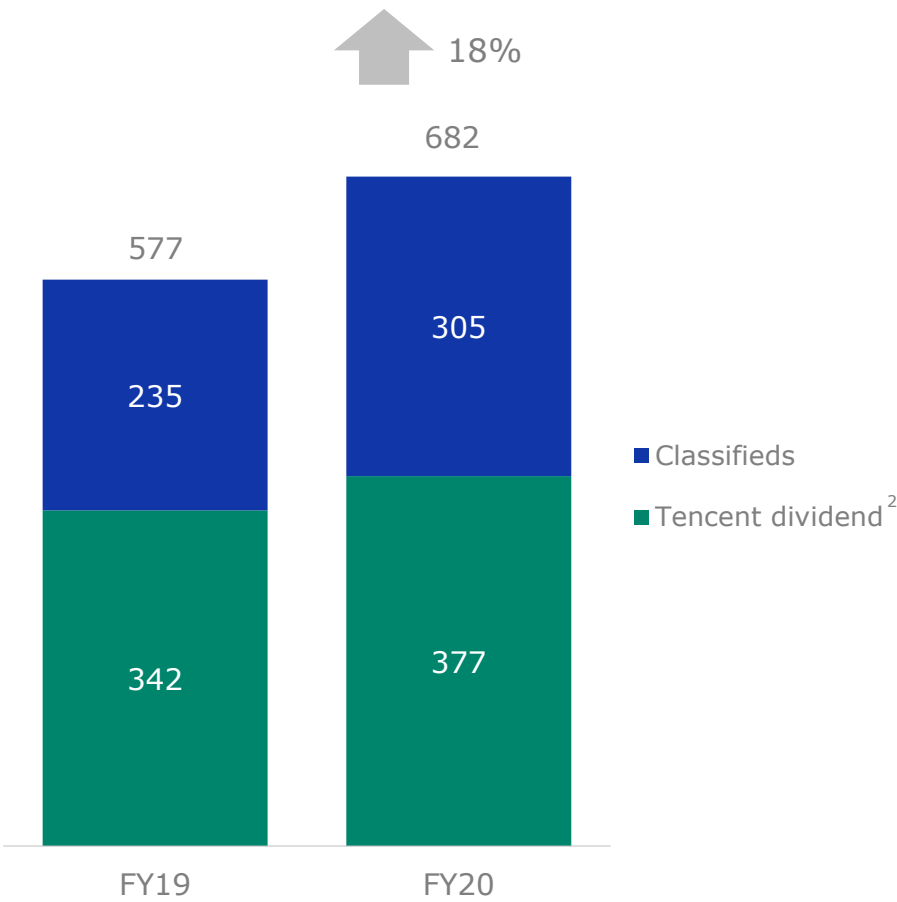
¹ Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Year-on-year growth shown in local currency, excluding M&A. FY18 results are based on the Combined Carve-out Financial Statements included in the Listing Prospectus of Prosus. New initiatives include Red Dot, Iyzico and Wibmo.

Profitable businesses contributed significantly to central cash flows

Consolidated trading profit from profitable ecommerce businesses (US\$m)¹



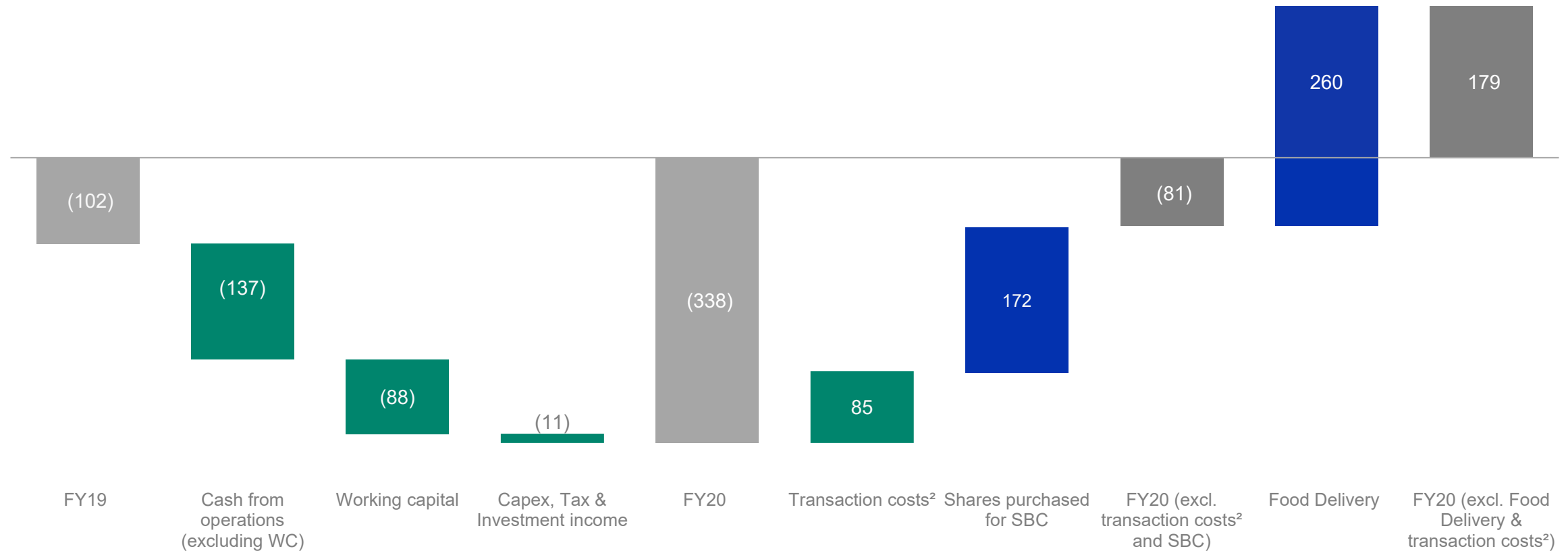
Dividends to HoldCo (US\$m)



¹ Numbers in brackets represent year-on-year growth in local currency, excluding M&A.
² US\$342m dividend from Tencent in the prior year included a special dividend of US\$10m related to the Tencent Music Entertainment IPO.

FCF reflects increased Food Delivery investment and listing transaction costs

Incremental FCF, YoY (US\$m)¹



¹ FCF defined as EBITDA less adjustments for non-cash items, working capital, taxation, capital expenditure, capital leases repaid and investment income.

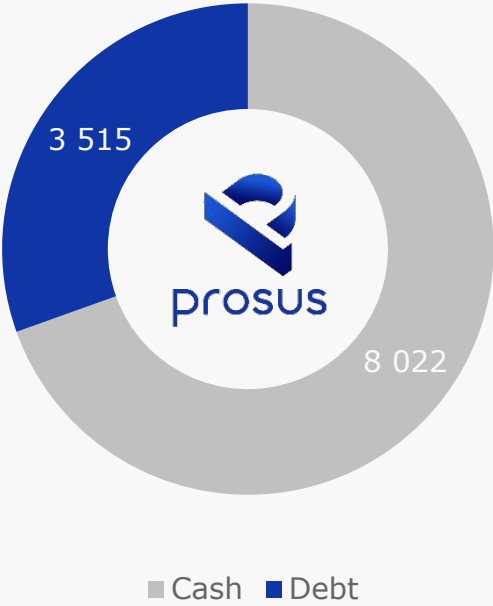
² Transaction costs consist primarily of cost related to the listing of Prosus on the Amsterdam Euronext.

Strong liquid balance sheet with lower cost of debt

Liquid financial position enabling investment to improve our businesses and add to our portfolio

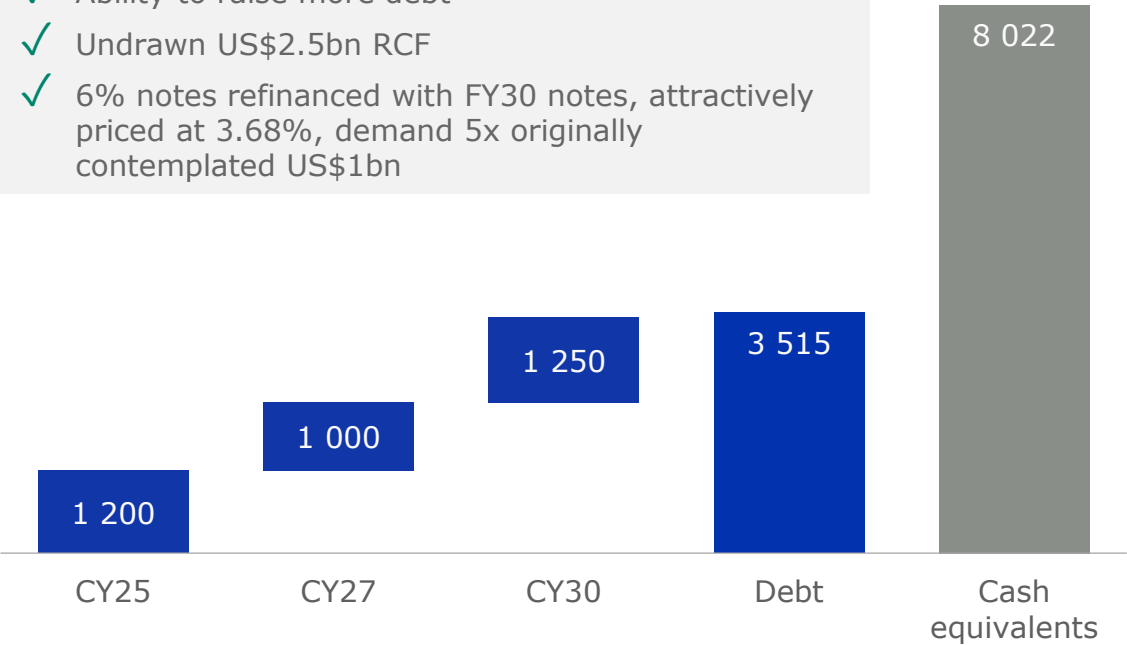
Successfully priced US\$1.25bn 3.68% notes in January 2020

Net cash of US\$4.5bn¹



Bond maturity and liquidity potential (US\$'bn)

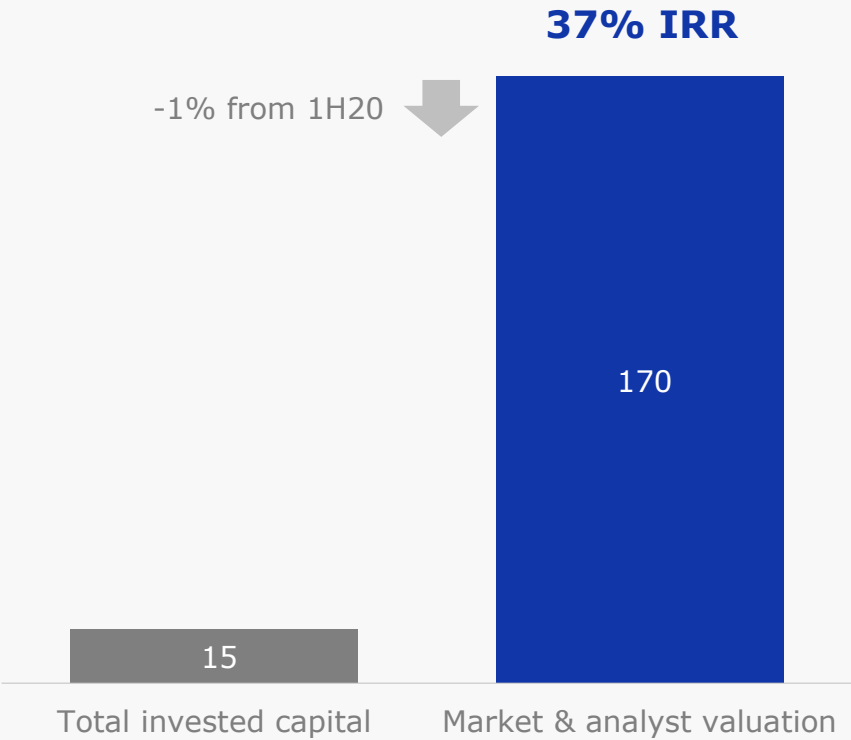
- ✓ Ability to raise more debt
- ✓ Undrawn US\$2.5bn RCF
- ✓ 6% notes refinanced with FY30 notes, attractively priced at 3.68%, demand 5x originally contemplated US\$1bn



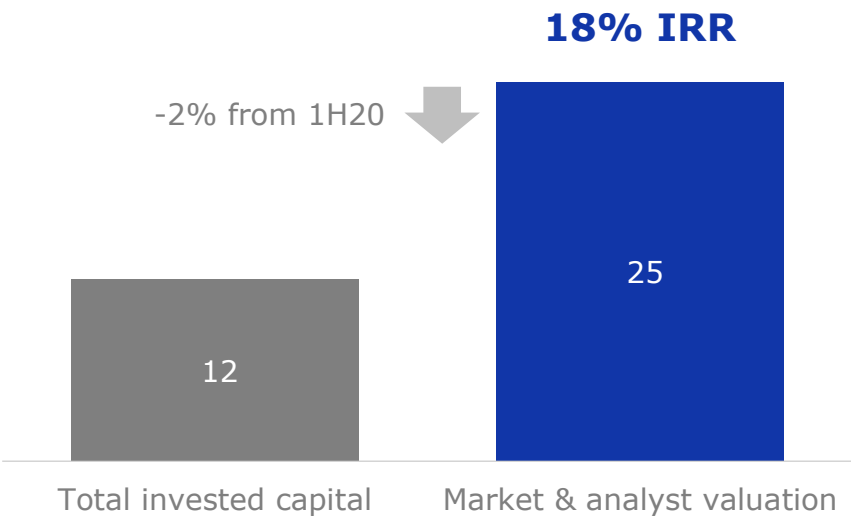
¹ Cash includes short-term cash investments, debt includes all interest-bearing debt.

IRR impacted by Covid-19 in March

All internet investments (incl Tencent)
FY02 – FY20 (US\$'bn)^{1,2,3}



Current internet portfolio (ex Tencent)
FY02 – FY20 (US\$'bn)^{1,2}



¹ The estimated market valuations are calculated as at 31 March 2020 using (i) prevailing share prices for stakes in listed assets; (ii) valuation estimates derived from the average of sell-side analysts currently covering Prosus for unlisted assets; and (iii) post-money valuations on recent transactions of unlisted assets where analyst consensus is not available.
² Total invested capital is net of dividends.
³ Investment in Tencent started in FY02.

As of FY21 we will treat all SARs as cash settled

The rationale for doing this

- Two listed shares complicates settlement process
- For simplicity and added transparency the group has revisited the accounting for SAR schemes
- Going forward settlement to be directly in cash rather than using Naspers shares purchased for cash
- This treatment aligns with the Group's commitment to not dilute shareholders
- Effective 1 April 2020 the Group will treat all SARs as cash settled

No impact on cash

Equity settled

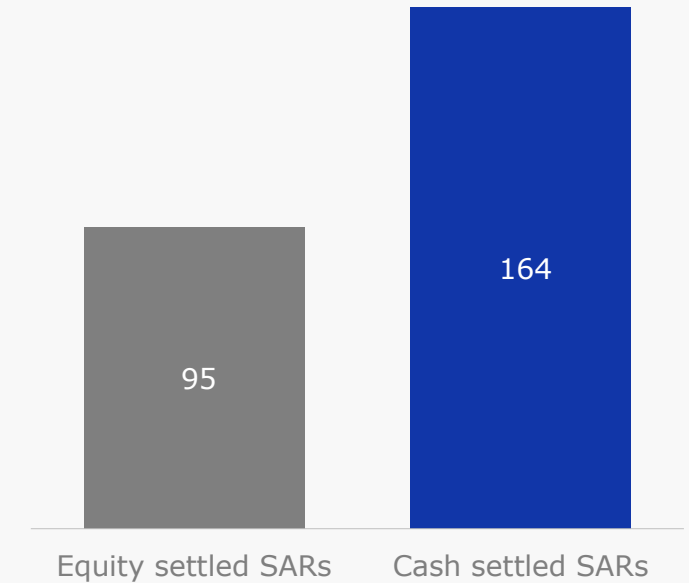
On exercise the Group buys shares on the open market to settle the gain

Cash settled

On exercise the Group settles the gain in cash

Impact on Trading Profit

FY20 SBC charge – cash vs equity settled (US\$'m)¹



¹ Reflects Naspers Group SBC charge included in trading profit. The change in settlement will have no impact on Prosus' consolidated results, however the change will impact the trading profit of Prosus in FY21.

Covid-19 Business Update

- 1 Prosus ended FY20 strongly and remains in a healthy and liquid financial position which will allow us to invest through the downturn to improve our businesses and add to our portfolio
- 2 Prosus prioritises its people, partners and customers throughout the pandemic, because it is the right thing to do and will build stronger and more healthy businesses over the long term
- 3 There are early signs that Covid-19's impact on the business is bottoming, but, for FY21, it will negatively impact revenue, and to a lesser extent profitability and free cash flow
- 4 The severity of the impact on our operations varies across our segments and geographies, but the largest impact will be on the 1H'2021 numbers
- 5 We believe our businesses remain fundamentally strong and will recover with the economy. Covid-19 is accelerating the migration of consumption and economic activity online. Prosus is now 100% online.



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Outlook

Bob van Dijk

Key takeaways and thoughts for the future

- 1 The fundamentals of the group are strong, and we ended the year with momentum
- 2 We focus on the long-term and believe our businesses will benefit from a further acceleration of secular trends toward online ecommerce companies brought about by the pandemic
- 3 Throughout the pandemic we intend to invest in our businesses to position them fully for a future recovery
- 4 We will remain disciplined in our investment approach deploying capital on growth assets operating in growth industries with an expected return in excess of our cost of capital
- 5 We face the challenging period from a position of relative financial strength and with sufficient liquidity to both navigate the changing environment and seek out new opportunities

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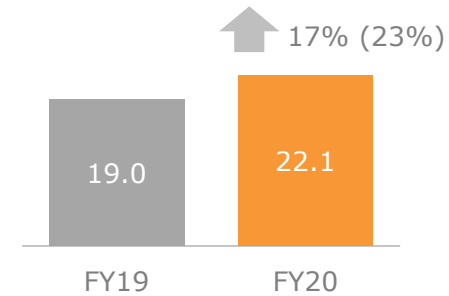
Appendix

Naspers Summary of Financials

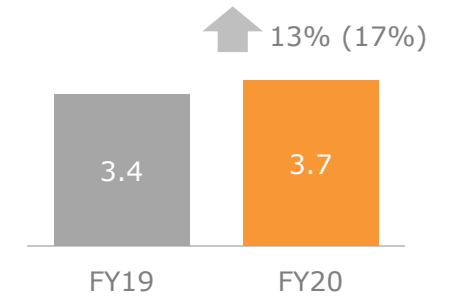
- 1 Strong revenue growth and improved profitability from Prosus
- 2 Strong growth by Takealot with 5p.p margin improvement
- 3 Increased profitability by Media24, despite lower revenue
- 4 Core HE impacted by creation of free-float from capitalisation issue when listing Prosus
- 5 US\$113m transaction cost for Prosus and MCG had a meaningful impact on free cash flow

Summary financials (US\$'bn)¹

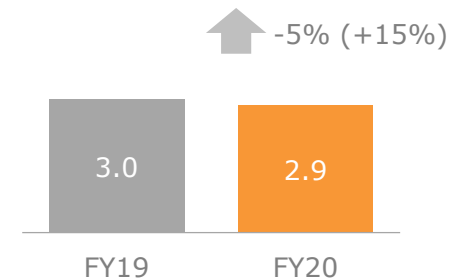
Revenue²



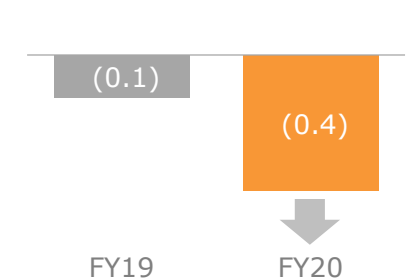
Trading profit²



Core HE



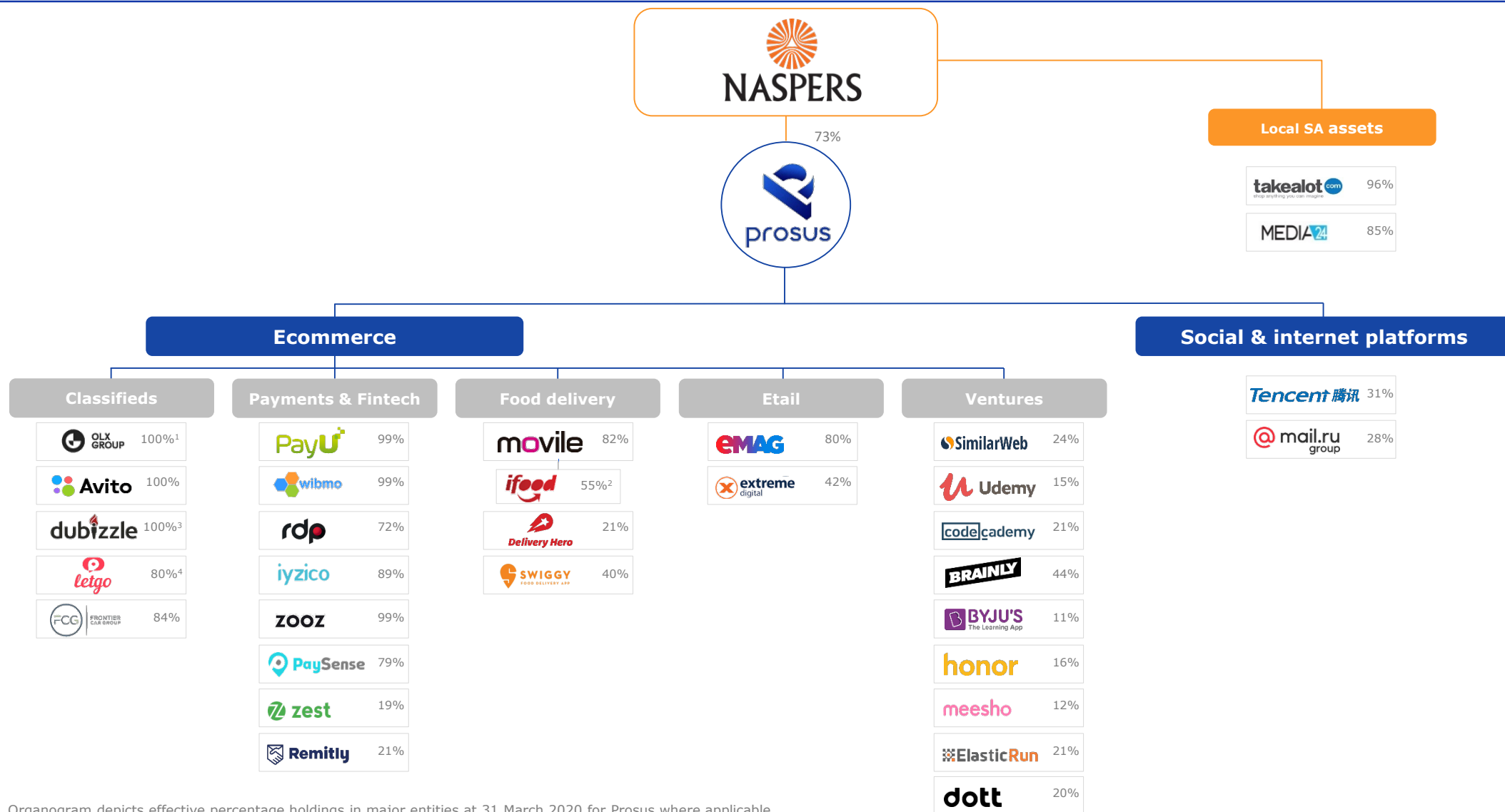
Free cash flow



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² Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated.

Group portfolio



Organogram depicts effective percentage holdings in major entities at 31 March 2020 for Prosus where applicable

¹ OLX owns 50% of operations in Brazil and 66% of Indonesia.

² Mobile holds 67% of iFood.

³ The Dubizzle and EMPG merger completed in April 2020. Following the transaction the Group owned 39% of the merged entity.

⁴ The letgo US and OfferUp merger received regulatory approval and is expected to close on 1 July 2020. Following the transaction the Group will own 40% of the merged entity.

1P:	First party	p.p:	Percentage points
CAGR:	Cumulative average growth rate	PSP:	Payment service provider
EBITDA:	Earnings before interest tax, depreciation and amortisation	RCF:	Revolving credit facility
ESG:	Environmental, Social and Governance	SAR:	Share appreciation rights
FCF:	Free cash flow	SBC:	Share based compensation
GMV:	Gross merchandise value	SDG:	Sustainable Development Goals
GPO:	Global Payment Operations	TAM:	Total addressable market
HE:	Headline earnings	Tx:	Transactions
HoldCo:	Holding company	TP:	Trading profit/(loss)
IIRC:	International Integrated Reporting Council	TPV:	Total payment value
IRR:	Internal rate of return	UK:	United Kingdom
JSE:	Johannesburg Stock Exchange	UN:	United Nations
M&A:	Mergers and acquisitions	US:	United States
MCG:	MultiChoice Group	YoY:	Year-on-year
ML:	Machine learning		



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or alternatively email Eoin Ryan (Head of Investor Relations) at
InvestorRelations@prosus.com