

Naspers & Prosus FY2026 Half Year Results | Prosus | November 24, 2025

Fabricio Bloisi:

Hello, partners. How are you? Welcome to our results call. I hope you receive it and you enjoy it, our results today. I'm quite excited to what we'll be sharing today. At the same time, we could share a little ecosystem thesis is working. So, I enjoy very much to share the numbers of Despegar. It's not only 5% of Despegar revenue coming from the iFood ecosystem, but we share the data week by week. You can see a very strong growth. I'm quite confident we'll get to 10, 15% in the short term. So, this is the basis of our thesis, our ecosystem thesis. We're growing very fast in iFood, but we're pushing Despegar to grow together. At the same time, we could share a little of our numbers in terms of results.

You saw we grew 70% to \$530 million. I think it's great to share this number with you. One year ago, I told you I expect us to have more profits than Tencent dividends and I expect us to get to multiple billion dollars of profit. And many people said, "I can't see Prosus doing that." So, I hope you can see Prosus doing that today. We are going to get between \$1.1-1.2 billion in profits adjusted EBITDA this year, excluding this JET and La Centrale. So we can expect that, I don't know, \$1.234 billion EBITDA] this year and for sure a couple billion dollars of profits in the next few years. So I'm quite excited about our numbers in terms of results. We keep the discipline, we sold 1.2 billion. But we are on track to sell at least \$2 billion in this year of our assets. We keep our buyback. Now we bought back more than \$40 billion, generate more than \$60 billion in results. So I think we keep the discipline, we keep the growth, but I want to reinforce all of that is the foundation to how we are going to build a much bigger company. So innovation is growing amazingly well at Prosus. I wanted to do a bigger session of innovation now, but because of the timing, we decided to focus on numbers today. But in a few weeks, by December 15, maybe January 15, we are going to make a much longer presentation on how AI is changing our lives in terms of life commerce models, in terms of assistance. You saw we had 20,000 assistants already, so I could talk a lot about innovation. Hope you make questions about that. That's quite exciting. So our moment now is execution, execution, execution.

We had some discipline also in M&As. A few M&As are focusing growth. For example, the India ones exceeding and are growing. They are growing more than 120% year over year. We are very excited about that. A few M&As are increasing our profitability like La Central, JET, and Despegar. So I think the company's doing good. I'm excited about the results. Hope you have many exciting questions for us today. And my priorities now execute, go to those few billion dollars in results. We are just getting started. We really want to build at least a hundred billion dollars outside of Tencent and one of the best tech companies in the world. Let's talk more about that today. So let's go for our questions. Mr. Eoin, guide us.

Eoin Ryan:

Speaking of just getting started, let's get started on the Q&A. Shall we? Catherine, why don't you, if you could, remind the audience how to ask a question please. And then I'll start off with a quick question. So please, Catherine...

Operator:

Ladies and gentlemen, we will now begin our Q&A session. If you have a question, we ask that you please use the raise hand function at the bottom of your Zoom screen. Once called upon, please unmute your audio to ask your question. If you have joined via a phone line, please press star nine to enter the queue and star six to unmute once called upon. For those of you watching on the webcast, if you would

like to submit a written question, please type it in the "ask a question tab" to the right-hand side of the player. I will now hand back to your host, Eoin Ryan, to take your questions.

Eoin Ryan:

That's great, Catherine. Thanks very much. It's great to be here today, and it's good to hear from you guys. As you said, Fabricio, I think we're following through on our commitments. One such commitment was investment in our ecosystems. The biggest investment to date has been JET, and I think it's on the minds of most of investors. So can you give us a little update? We're a few days in since the delisting of JET. What's the future look like?

Fabricio Bloisi:

Let's talk about the JET a little. First we closed the JET transaction completely a few weeks ago, but just last Monday or Tuesday we changed the management, the supervisory board. So now I and a few other people from Prosus are part of the supervisory board of JET for the last six days. So what I can tell you, we are very, very confident. As you saw, we shared lots of data on Despegar, how it's growing, how we are working within the system. On JET, we have just six days, so it would not be appropriate to share today. What I can tell you... First, we have this week working a lot with JET about the key set of culture to enable the company to think big, move faster, and grow a lot. JET is not growing over the last few years as you know. Obviously we know that's true.

I'm very, very confident that together we deliver a company that grow faster and it is much better. The first biggest thing is on culture. It's happening right now the reclaiming of JET. That's why we couldn't add the numbers, because we need a few more weeks to have projections for JET. At the same time, our focus besides culture... And again you saw me here last week on Prosus. The results we have today is because of the change of culture one year ago. Besides of culture, technology, and product are the three big areas of energy of our reforms. On technology we need again to move faster and to make sure JET becomes a more tech-first company with first-class technology in the world. Using AI to take all its decisions. On products we have to make sure that a few areas that JET is a little of say behind, we move faster.

For example, loyalty program. That is four in Latin America, but it's not ready here in Europe. So we are going to push those three things. We expect to push it in November and December. Hopefully in January, we have a few results to share. Today's still too soon. But I can tell you that JET is not performing well. We all know that, but the level of confidence I have that you have a company growing again and competing very well is very, very high. And probably some letters from the CEO, maybe we share a letter from the CEO. But we can share more info on JET, but you have more specific questions I can answer today.

Eoin Ryan:

It is the holiday season for letter writing, so maybe you can write one to investors there after.

Fabricio Bloisi:

Let's write one on JET.

Eoin Ryan:

Okay, well thanks for that. I'm sure there'll be some follow up questions on that throughout the call. But let's open it up to the audience, and I think the first question is coming from Will Packer from BNP. Will, your line's open. Make sure you're on mute.

Will Packer:

Hi there, many thanks for taking my questions. Two from me please. Firstly, Fabricio, you talked to optimizing the buyback in your prepared remarks video. Could you help us think through the implications of that optimizing? Is it the current buyback run rate of \$6-7 billion as the new normal for FY '26, '27 and beyond? Or should we think you cutting the buyback? And then it sounds like it's fair to assume that there's going to be some flexibility of funding perhaps away from Tencent towards Meituan and free cash flow. In terms of my second question, the global online classified share prices have sold off sharply in recent weeks following the OpenAI Developer Day and Rightmove's AI profit warning. Fabricio specifically, GenAI is central to your vision for the group. How are you thinking about the risk and opportunities for classifieds in terms of GenAI? Does this recent sell-off make the sector an increasingly attractive potential use of your M&A firepower, or would you rather see the dust settle first? Thank you.

Fabricio Bloisi:

Thank you, Will. Thank you for the questions. First you asked about the optimizing the buyback. You have lots of good numbers there. No need to repeat all of them. But in general, as you said, the buyback is more or less \$6-7 billion this year. We have an open buyback. We are going to keep an open buyback the way it is. I like buybacks, because I think we are... If our company's cheap, we should be investing in our own company and increasing the value of the shareholders that want to stay. So we are going to keep doing that. On the other side, I think the company we have today is a very different Prosus than it was two, three years ago. Remember again, one year ago I said we are going to get to multiple billion dollars of profit. Many shareholders didn't see it coming. It is coming. But hopefully you can see that in the numbers that we are sharing today.

So Prosus is on a different moment. The discount is on a different moment. Tencent is on a different moment. I'm a big fan of Tencent. I think Tencent is going to be a big winner in the AI race. Tencent's position for that in China... And if you compare the multiples of Tencent versus everything else in US, there is a lot of space to Tencent keep growing. So it's exactly what I said. It's optimizing the buyback. We are going to keep the open buyback as we have, but I'm not going to say names of other companies. People asked me not to name other companies. I can tell you that at least other companies now are going to fund that we believe has smaller growth potential than Tencent, growth and strategic potential than Tencent. And yes, we are going to sell these companies and use this money also to keep a buyback.

So what we are going to see is optimizing. It's exactly that. Eventually the buyback is 1 billion, maybe. Half billion is for Tencent, half a billion is for other companies that we can sell and use the cash to... I think the right word I want to use is to make a better capital allocation, which the number one company in China growing fast, well positioned to win in the AI race. It's not the best decision to me to sell Tencent even if we increase the value per share. So if I can optimize it selling other things and increasing our participation, that's what we intend to do. We expect it to sell at least \$2 billion this year. And how can I say? You can expect that we are going to do buybacks using other sources that is not Tencent.

Nico Marais:

Just to...

Fabricio Bloisi:

Ah, yes. Please.

Nico Marais:

Just to remind you although we're selling our Tencent stock on a per share basis, we've actually increased our exposure to Tencent. And by minting the share buyback with the other proceeds from our other divestments... And I will further enhance on a per share basis the exposure to Tencent compared to continuing on the current path. So I think that is a critical way of how we control and enhance our share buyback programme.

Fabricio Bloisi:

For example, there's other company that we believe has less focus today than they should. We could sell company that we believe has less focus and invest more or sell less of company that we believe are performing well, has less focus and we believe are going to win the Chinese markets. So that's what I mean by optimize.

Eoin Ryan:

Those companies are the companies we're talking about as the additional 2 billion, right? That's just to be clear.

Fabricio Bloisi:

At least 2 billion.

Eoin Ryan:

At least 2 billion.

Fabricio Bloisi:

And we already sold 1.2 billion. We've sold at least 40 million. And can we use this money to offsets... Let's say we sell 1 billion in Tencent and 1 billion for other companies.

Eoin Ryan:

Yes. That's not something we've seen from the group in many years, a more active portfolio management.

Fabricio Bloisi:

Yeah. That the buyback is automatic. That's what I don't like. We should say we should sell more or less in the buyback. And you should select better what to sell.

Eoin Ryan:

Great. And to the second question.

Fabricio Bloisi:

Yes, the second question was on AI and classifiers you said.

Eoin Ryan:

Yep.

Fabricio Bloisi:

Many people sometimes ask me if I think... You are not the first one this week. If I think that AI could have impact on classifiers. My answer is it's much bigger than that. I think AI is going to have impact in classifiers, on e-commerce, and food delivery. In investing, in analysts reports from banks. AI is going to have impact everywhere. Obviously as you know, the markets today is a little too heavy, so everyone looks like AI leader. But there will be AI winners that will create trillions of dollars of value. Not only trillions of dollars of cost, but trillions of dollars of value. And it is going to happen. How I see that on classifieds, the point here is not if AI is going to hit your industry or not. Because if you think AI is not going to hit your industry, you are wrong. It will hit all industry.

The point is how we play our game on that industry. And I think what we are doing here in Prosus is very, very good. We are not like... You said some other company, or you said some classifieds went down?

Nico Marais:

Yeah.

Fabricio Bloisi:

We're not saying names again. Other classifieds companies, they have been much more conservative in technology, and they invested much less to be. Classified was that these many people were, how can I say, surfing the high profitability without investing enough in technology. That's not our approach. Prosus as a group is investing in large commerce model to understand the customers better than itself and use data to improve our companies. We are investing a lot in agents. We have more than 20,000 agents doing everything, including many things on classifieds. We're investing a lot in ventures. And the only focus of ventures from Prosus now is not to be a venture capital that invests in everything. It's to invest in companies that can make our ecosystem run better, or in companies that can run better because our ecosystem. So these three areas has profound impact in our classified business. We're using the large commerce model to run better classified business and ads on agents. We are running lots of our services to agents. For example, taking care of customers, taking care of retailers. Remember our classified is less horizontal, more focus in real estate and

Fabricio Bloisi:

In the jobs and...

Eoin Ryan:

Autos

Fabricio Bloisi:

Autos thank you. So we're taking care of the autos retainers and our partners. And third, we are investing in early stage AI companies that are betting in growing in classifiers. So we can make these companies grow faster, and we can also make our classifiers not only keep growing, but disrupt other classifiers companies. So yes, AI will have impact. I think Prosus is very well positioned about that,

because everything we are doing, we could talk about that for one hour, but part of our positive results, not because we are lucky or because our markets just grow, is because we are selling better.

We are reducing the cost of ads, we are increasing the efficiency of the company. We are reducing the requirements for hiring people because our agents expand our working capacity. So we are doing a lot of classifieds. For example, this one thing we just invested in one company that are automating through agents, the relationship between real estate and their customers. We are doing that by ourselves and we invest in a company that is growing like 300% doing the same thing. Our classifieds is very well positioned to use AI as a competitive advantage. So that's how I see AI in Prosus.

Eoin Ryan:

Okay. Great. Right. So the next question is going to come from Andrew. Thank you, Will.

Andrew Ross:

Thanks, Will. Thanks so much. Hi, guys. Can you hear me okay?

Eoin Ryan:

Yep.

Andrew Ross:

Perfect. Good afternoon. I've got two please. The first one is to follow up on Will's question on optimization of the buyback and to understand how it relates to where the discount is at a given period of time. It's been observable that the cadence of buybacks has slowed down in the last few months as the discount has stayed in my kind of high twenties to thirty-ish percent zone, depending on your definition of an NAV. So should we kind of see that as a signal that the company feels there's less attractive opportunities in buying its own shares relative to the rest of the NAV at these levels, which should we expect the buyback to move up or down depending on where the discount is. That's the first question. The second one is to follow up on the opening remarks on JET. Appreciate it's going to be hard to give guidance today, but if you could give us a flavor of the level of investment that you'd like to put into JET, that would be very helpful. Thank you.

Fabricio Bloisi:

Thank you, Andrew. On the buyback... I was concentrating the JET. You want more information on-

Eoin Ryan:

Whether it's a function of the discount coming down, the buyback coming down.

Fabricio Bloisi:

What I said is what I don't like is to have completely automatic thing. So it's a function of many things, how well we are doing, how fast we're growing, how profitable we are. How our discount is, you said the discount was around 26, 27 of the last few one month, two months. I am an optimistic founder so you can discount my optimistic opinion, but I will also one year and a half later remind you that we are delivering everything that we promised one year ago. We deliver the growth, profitability, the discipline, the completely reset on culture and the innovation.

So my optimistic vision is, let's help you go down more. Because if the incentive is very valuable and we have \$1, \$2, \$3, \$4 billion in profits in our core that is playing well, innovating et cetera, I will call you later to ask. So why the reason you have this level of discount at 26 or seven or eight et cetera to us. So

considering all of that, the buyback is going to be more aggressive or less aggressive. My point on optimization now specifically is if we can keep buying back, but not only from Tencent but from Tencent and other assets that we are selling, this is much better for us all. So that's what we are trying to implement now. Did he have another question?

Eoin Ryan:

Yeah. It was on the level of investment for JET.

Fabricio Bloisi:

Yes. The level of investment for JET. This is not a problem, to be honest, Andrew. Not the problem today. So how I see that. First, would I invest more in JET? Yes. My problem today is not invest more in JET that we've become operators of the company six days ago. Today we are having the full week of meeting to plan the next three or four months. Does it even have a plan for the next three or four months because their budget stops in December. We are doing today, tomorrow the planning for the next three or four months. So we had this discussion last week, should we be doing in one day a proposal? The answer is no. You have our guidance without JET. We will give more information the guidance we've shared as soon as we have it. But I want to reinforce first, the problem is not the level of the investment to me. The problem is the efficiency.

Two things. First, JET is under-delivering in what they promised. What they're delivering is less than their current guidance. But second, the efficiency of the investment in JET has to improve before any other movement. So I'm not going to increase investment directly in JET. If you don't think we are making... I could put \$100 million dollars in JET. It's not very well invested, it's not worthwhile. So right now we are trying to rebalance return on investments on investments and help technology improve return on investments. That's why the guidance for the next two, three, four months, they are not very valuable, because if we think we can improve it a lot in 45 days, I have to run it first and see the results, then a new guidance. So that's why we need this 45 days to have a better view on JET numbers. But I just want to reinforce, not to complement but to reinforce, our level of confidence that we can run JET better in terms of growth and profitability very, very high And we will share things more about that. Maybe we share more data on JET.

Nico Marais:

So Andrew, maybe just to comment on what Fabricio's saying that JET did not perform well. It was a listed company until last week. Last time it came to the market, you would've seen that order growth was negative 7%. Company guided at that stage given their own internal metrics, in Euro terms, they reported in Euros, and I have about 360 million euros for the calendar year if we are doing the five, which is December '25. Now, I can't say to you that some of those teams have continued in doing Q3 where we've seen further reduction in some of the order growth, and that will cause and have an impact in terms of their regional guidance, where our expectations will measure against that, is that they will materially invest the 360 million.

Fabricio Bloisi:

Anyway, my confidence on JET growing faster, any improving result is very high. But since we have six days, we need to update to the numbers on JET the next call.

Eoin Ryan:

I think the important thing to point out here is that the acquisition was not made on the results of this year. The acquisition was made on the expectations for return over multi years, which is what you're talking about as planning has just begun on that.

Fabricio Bloisi:

Yeah, so as I said, on these six days, we think the numbers are bad because of this reduction of 6%. I believe that in 45 days, with a strong reset and culture and moving faster in tech. You have good news to share, but we can do that today because it's sure.

Eoin Ryan:

Yes. Thank you, Andrew. And the next question we'll take from Cesar at Bank of America.

Caesar Tiron:

Hi. Thanks. Hi, everyone. Thanks for the presentation and the opportunity to ask questions. I just want to focus on M&A. So I have a couple of questions on it. The first one, do I understand correctly that the available firepower for M&A is still around \$8 billion? That's the first one. The second one, should we expect you to pause a little bit M&A as you focus on the integrating all these assets and focusing on the ecosystems or should we expect any large transactions in the next couple of months? And then the third one, it seems to me that you've been talking a lot more about India recently. Should we understand that this is back as a focus area for you? So I felt you talked a little bit more about it than at the capital markets day, for example.

Nico Marais:

Let me take the first one. So Cesar, thank you for the question. So at the end of September, from a total group perspective, we had 20 billion of cash on the balance sheet, but 18 billion of that related to our central corporate costs, corporate cash position. And subsequent to September we have settled of course the JET acquisition as well as La Centrale, so that was about \$7 billion that were spent on that. So on a performant basis, it leaves us with about \$11 billion of cash at the center, and obviously we need some liquidity buffer against that. So what is available for M&A is I would say at least eight and more if from a pure balance sheet perspective.

Fabricio Bloisi:

That said, our priority is not to spend \$8 billion or more, or nine, on bigger positions right now. My big priority by far... I think I want to highlight one thing first, has been very, very good, you talk more about on those meetings, but OLX is doing very good, very profitable, growing well. So we have good expectations with La Central synergies. And second, again, when we announced the Just Eat acquisition, many people said, "Ah, but it's expensive." We really don't believe that. I think we are paid four to five in something that should be \$15 billion. That's what we have to build.

So my biggest priority by far is how we make sure that JET gets that growing with the best technology products in the world and really win in Europe. That's our biggest priority by now. So as a curiosity, I read in the newspapers other two or three rumors, Prosus intends to expand five to \$10 billion on those things. I can tell you that we read all the newspapers, these rumors, we are quite much focusing in delivering right now. And again I think now I have some reputation inside we deliver the numbers we

promised and also I always talk about transparency. We'll give transparency on JET just after a few more weeks or months.

Eoin Ryan:

It's like you said in your opening remarks, it's focused on execution, execution, execution, right?

Fabricio Bloisi:

Yes.

Eoin Ryan:

And then the other question that Cesar had was on India and whether it's a bigger focus right now.

Fabricio Bloisi:

Yeah, we talked a lot about India in the last few days. I met Prime Minister Modi just three days ago. So it was all in the news that we're talking about. But really great to be honest. I'm always complaining Europe helps to move faster than talk about creating big tech companies and meeting Prime Minister Modi was how we move faster. He asked me, "Let's do more." So it was a very inspiring conversation. I think what we've done in India is very good. We are the biggest FDI, the national investor in India. Many of our companies have more value to unlock. So we promised you a few IPOs in the last 12 months. Most of them happened. You still have expectation that there will be another very big IPO and that's going to be big and good of amazing companies. So our returns on investing in India are quite positive. We invested in the last one month I think in two companies that are growing very fast. Rapido is growing 120%, it's a number one company in mobility. Ixigo is growing very fast. I remember now maybe 70% something around that. And they are very good online travel agents and travel and mobility too. So I think we are keeping the consistency in the areas we want to invest. We're keeping the idea of ecosystem synergies and I expect a lot more good news from India not only spending a lot of money but we put that in the presentations. PayU for years including you, our analysts complaining that PayU has to perform better, PayU is profitable finally, after many years the profitability of PayU is growing quarter by quarter by 12, month by month even better. PayU is helping our other companies to grow faster and the other companies are helping PayU to grow faster and it's getting closer to our system will create another positive impact. We are excited that we're going to build more many business dollars in value in India.

Eoin Ryan:

Thank you. It's clear you can see the operational improvement in the India-owned and operated PayU, but you're also seeing that increasing connectedness of all of the individual pieces within the ecosystem working together a little bit more.

Fabricio Bloisi:

Yes. So you see, this time we shared lots of data in Latin America, probably saw that chart with iFood in the loyalty, the center, and many business around benefits from these customers and we even share some data. We are doing the same thing in India where the results are good. We are going to share more data into that in the next few months. So we don't expect to spend \$8 billion in India right now, but to keep having good results in terms of ecosystem building in India. And I think the latest investments are very good moments.

Eoin Ryan:

Yep. And with PayU now profitable, we could say that all of our main businesses are indeed profitable, which is something we've never been able to say. And you think about millions to a billion and then to multiple billions, that's certainly a necessary thing.

Fabricio Bloisi:

What you just said? Oh, the business is profitable?

Eoin Ryan:

All of the business is profitable.

Fabricio Bloisi:

Oh my god.

Eoin Ryan:

You've heard it here.

Fabricio Bloisi:

Have you heard that?

Eoin Ryan:

It's open news.

Fabricio Bloisi:

Yeah. We are delivering.

Eoin Ryan:

All right, Cesar, thanks very much for the questions.

Caesar Tiron:

Thank you.

Eoin Ryan:

And we'll move

Eoin Ryan:

Move to Michael, from Avior. Hello, Michael.

Michael de Nobrega:

Hi. Hi, can you hear me clearly?

Eoin Ryan:

Yes.

Michael de Nobrega:

Perfect. Well, first of all, thank you for letting us ask the questions, and for the presentation. So the first one is actually in iFood. So with Keeta and DiDi now ramping up their presence in the Brazilian food delivery market, what are your thoughts, and what have you seen since October? And then, how do you think this is going to impact iFood's growth trajectory over the next year to two years?

And then, maybe just touching on India, so you mentioned that there's a lot more collaboration between yourselves and the different companies that you have minority stakes in. How do you think about monetizing that, going forward? Is that largely given from yourselves, or are they providing data back a higher rate?

Fabricio Bloisi:

You understand the end of the question, "By yourself," what?

Eoin Ryan:

It's a connection of between the companies in India, and particularly the minority companies, and whether there's, how do we facilitate data sharing to improve the outbreak?

Fabricio Bloisi:

Very good. So first on iFood, I think many of you were in Brazil, and have visited in Brazil one or two months ago. The people that were there, they could see iFood is more than one business, that they're doing the same thing for the last five, seven years. The reason iFood is growing so fast, we just got through, including all the business, 160 million orders. But just to remind you, last time we met, we celebrate 100 million orders, obviously, we did 160 million orders, is because it's a company innovating, and we thinking how we offer business, and offer the best technology for this for our customers. So obviously, we have competition now, more competition, that is, DiDi and Keeta, the late one, is also entering, or they just entered.

Those two companies entering, as you see, this is two or three. They're spending a lot of money per order. They have discounts of 20, 50, 60, sometimes 70% in an order. So my advice to you, just check later, how much they are paying to be there competing. And look, if you give a free meal to someone, people will eat for free, it'll happen.

But is it sustainable to have the best service, the best offer over time? And remember, this is in the core that is the food delivery. iFood today have, besides the core, a big loyalty program that gives free delivery plus discounts on Despegar, plus discounts, I think, are thousands of other companies.

We have Fintech, we have dine-in, we have POS machines in the restaurants where we take transactions. We have kiosks, where we put orders in the restaurants. We have a credit card, called New Voucher credit card, with one million people buying food with a credit card, paying to iFood.

We have the business of ads, that is going super well. We invest in, we bought one company Advolve, we invested in CRM bonus, great company, in terms of loyalty. The classifieds integration with Despegar is a big success. So everything that buys in iFood, they get three points to use on Despegar.

We have a company for entertainment that is similar. We have are launching now, just now one, this week, iFood plus Uber. So Uber has tens of millions of customers that are not iFood customers, and iFood has tens of millions of customers that are not Uber customers. I guarantee you that we are going to see a lot of cross-sell in the two best companies in the region.

So, some company are investing now a lot, to have the offer that we had six years ago, and we welcome competition, this make everyone run faster, but it's much more than, "Let's make an excel of a business, and cashflow this business." It is, can we be the best creating new business, innovating, moving faster?

iFood is doing that. So if you study around the core food delivery, you see many businesses. Interesting thing for you, because I know you like the numbers, more than my things on innovation, Fintech, we spent two, three years saying, "Fintech is the future for iFood." Fintech numbers are growing very fast, and profitability in Fintech is growing very fast.

So our profitability keeps growing, because a few business we were investing one, two years ago, I'll tell you the truth, Fintech, groceries and selling to, what's that called, AnotaAI?

We were losing money the last two, three years. Now we are making money. So my point's really is, iFood is a good business, and there be competition, and let's fight for offering the best service for our customers.

And I want to remind you, we are very focused in iFood to win there. Some of our competitors are distracted all around the world. Even in their home markets there is a lot of, how can I say, pressure to compete against other players. So we are confident. But you compete.

Nico Marais:

And Michael, you also asked in terms of, given the competitive environment, how do we see in terms of the impacts of that might be? And look, in terms of the high growth rates that iFood is going, we are very confident that for the second half of this year, we will continue to sort of stay at those levels.

And we also reiterated our confidence in the overall guidance. iFood is also investing, not only in new product, but also, again, some of the competitors. But we've built a lot of that into our existing processes, and we are sort of re-evaluating various other projects and elements to utilize, and free up funding, so that we can actually fight against the competitors, without changing the sort of trajectory that iFood's on for this financial year.

Eoin Ryan:

I think another important point though, is, the concept of competition for iFood is certainly not new. And over the years where they've actually had the most competition are the periods where you've seen the most growth. And one of the things that Diego often says is, "If we focus on prices, it's the race to the bottom, but you build a real mode through product."

And what you've just described there is an ecosystem that is iFood, within an ecosystem that is LATAM. And I think you've highlighted, I think there's tremendous hidden value in that Pago business, that we should, and will do more to bring to you guys in the future.

Now, how about we touch on the India ecosystem? And the question there was, how you can really build the LCM, and between those businesses without connecting data?

Fabricio Bloisi:

And you asked about minority companies, also.

Eoin Ryan:

Yes, exactly.

Fabricio Bloisi:

Look, my mind doesn't work like that. I remember the last results call, someone made this same question. If you are a minority, then you can't cooperate between the companies. I disagree. I absolutely disagree.

I think we can cooperate with minority companies. We do it, we don't do it because I call them and say, "I'm their boss, do what I'm saying."

We do it, because we call them and say, "That's how we run fine-tuning in our AI models. That's how we run customer support, using AI. That's our key PIs on optimizing the partner, our partner's relationship with agents."

When we show all of that to a good company, the company say, "I want it. I'm going to be your partner, to get this data. I want to run my company just like that."

With other companies, I'll tell another story. We show all that to Meesho. Meesho liked it, but Meesho showed how they are doing, I think was multi-language customer support, and they said, "Oh, my God, this is very good. We want to use also, we want to learn more from that."

So the point is not being majority or minority. And if you need to be majority to do something good is because there's something wrong, or you are not selling well, or the guy, there's not the right guy. We can work with the minorities, because we are saying, "This company can grow faster. These are the data and the technology that gets there." And we are cooperating well on that.

One example, PayU, is giving credit and working with customer profiles with users, hope that we are minority investors, but the companies are growing faster because of PayU. That's why we are here.

Eoin Ryan:

And the other thing to take into account is the LLM, so the-

Fabricio Bloisi:

LCM.

Eoin Ryan:

... that we're testing now in LATAM, and we're getting some of the results already in the deck. That's something that we can also bring to bear in the other ecosystems.

Fabricio Bloisi:

So today, we have an event, with 80 people from all around the world being trained in. We launched AI House two weeks ago, where we have now a center of learning knowledge of AI, that everyone is traveling there, to participate in the events.

We are running today with 80 people, inside browsers, on fine-tuning large language models to optimize e-commerce transactions. So everything that we did in Latin America is now, now and really today, going to Europe. So you don't need to get my authority to do that. And we are quite confident we have a lot of growth, curiosity.

I needed to use a lot of the time of the meeting Tuesday morning, to talk only about tech in innovation, but it was too much information. So we said, "Let's talk to the numbers today." We'll get back soon, as soon as Eoin wants. It was fun to talk to him for two weeks.

But we're going to share why we are more quoted than ever, that we are one of the best players in AI-commerce in the world. So we talk more about that.

Eoin Ryan:

You brought up the AI House, we'll get your questions again, but I think this is an important thing to pause on, because this is something that is kind of inherent in the new culture. It's not something you would expect one, two years ago.

Can you talk a little bit about the AI House, why you opened it, what you're hoping to achieve? Because it certainly is, it's certainly a little different.

Fabricio Bloisi:

I want to make Amsterdam the center of AI in Europe. It has a lot of knowledge, but not a vibrant community. If you go to Silicon Valley, every day we go there, there is Hackathons. So we create a big space in Amsterdam, where every day we have a Hackathon and a meeting, of course, and it's open for two weeks.

We are having, every day, a big event with hundreds of people, and we are helping the ecosystem, and we are helping, ourselves too. But we are contributing to make Netherlands a center in Europe AI. We also hosted, last week, the AI House official open house last week. Two weeks ago, we hosted the Luminate, an event in Europe talking about putting regulators and founders together, to reinforce that. Mike was one of the speakers there, and Mr. President Barroso.

We are talking about, Europe needs to move faster, Europe needs to play to win. There are many things in Europe regulation, including the AI Act, congratulations, Europe, because we did a big change this week, including the DG Comp, that we think should be taking more risks to create leaders.

So Brussels is taking a much more aggressive or preeminent position to say, "Let's lead enough technology and regulator to create a big European tech leader." And we are very confident on our actions, I would tell you, one more time.

Eoin Ryan:

That's great, that's great. Now, please don't-

Eoin Ryan:

Yeah, okay. Don't kill my e-mail now. We'd love to have some more investors now at the AI House, so we can match up certain events with your travel pilot. So please reach out to IR.

So let's move on. Thank you, Michael. We'll move on to Luke, at Morgan Stanley. Hi, Luke.

Luke Holbrook:

Yeah, hi. Good afternoon, everyone. I just wondered if I could pick up on this thread of more competition in food delivery.

So you signaled more investment in JET. Obviously, we heard from Delivery Hero and Talabat, also pointed to more investment, as well, being a big theme over the last month. But if we just map that through, then, for iFood, how can we see that progressing into FY '27?

Is that the trajectory that you see there? And just particularly in the context that you may need to, do you feel like there needs to be more investment into dark stores, or more 1P logistics? I'll just be interested to hear your thoughts there.

And then, just finally, I appreciate you might not be able to say anything, but the Delivery Hero situation, obviously, you've got till mid-August to sell down to single digits. Is there anything that you can comment on, in regards to that? Thank you.

Fabricio Bloisi:

Okay, so on competition on Talabat, we have no access to different view on Talabat. iFood made a projection for the year that included competitors, and we are going to deliver on our projection, and our growth, and everything else, so we are doing quite good. I can't talk today on the numbers for the next year, but as I told you, many of the business that we started one year or two years ago, or three years or four years ago, they're becoming mature now. So iFood is more than the food delivery.

One example is the iFood Pago, you remember me about this. Remember that Mercado Libre has half of its products from Mercado Pago. iFood Pago is an important part of iFood already, and it's growing. So I really don't have any number today to share on the next year. I can tell you that what's better for this year, we have delivery, we are at with that. And we have to now, to do the, what is next year, in one or two months.

On Delivery Hero, I'm sorry, I don't have any updates on that. We have an agreement. The agreement is for 12 months, we're going to deliver, in the agreement that we made. Sometimes, I talk in the press that I believe that this agreement is not the best thing for Europe, that Europe would be better, as a continent, if we have global tech champions. That said, we have an agreement, we're going to do the agreement according to the terms of the agreement, nothing to share.

However, we are selling assets of companies that has lower ... We are selling assets of profits. When I say, "We're going to sell two billion this year," it doesn't include Delivery Hero. So maybe we're going to sell more than two billion, maybe we're going to sell next year. We just don't have any updates on that.

Nico Marais:

Let me just add to that. A lot of the investments that we are making in iFood, that drives the business forward, regardless of the competition, are exactly the same areas that you now need to do even better, because of the competition.

For instance, optimizing the delivery aspects of the business in our cheaper food elements, the loyalty program elements, all of those things we have been doing, we are just accelerating and improving even more in those spaces. And now, we have the AI elements, that we can add to enhance that moat.

Fabricio Bloisi:

And to complement Nico Marais's point, some of the investments we did on iFood over the last five years are quite big. We can replicate that in JET starting this week, because only now we are the management of JET. There is lots of upsides inside the ecosystem. That's what I'm selling for one year to you. I think Google and Microsoft and Meta and Tencent are winning, not only because they have one key product, but because they have a scale inside an ecosystem that enable cross-sell AI technology. We have that and we will have benefits from that, on JET and on iFood.

Eoin Ryan:

I think one of the things that iFood has done a fantastic job of in the past is areas that required investments to scale, then don't need all of that investment going forward. You take some of that from area A and deploy it into area B so it's not incremental investment always in the asset. I think one of the questions that we get underneath this perhaps is, well what does this mean for your future year

guidance and is this a kind of retrenchment or return to an investment cycle? But I think you were very clear at the beginning of the call that you expect to go from the one point something billion today, one, two, even three, you said, two more than that and that includes investment in the other parts of the business and food.

Fabricio Bloisi:

So I ask here, the credibility to think that first time we talk about two billion, everyone said, "Oh my god, I don't see how they can do it." We'll get to two billion. And so we are confident we are going to keep increasing our other markets.

Eoin Ryan:

I think they probably said the same thing on 160 orders at iFood. So thanks very much of that, Luke. And we will go to Robert at Kepler. Hello Robert.

Robert Vink:

Yeah, good afternoon. Thank you. Thank you very much. First question on the impact of agentic consumer applications on marketplaces. If you look at these agentic applications, people are using it for more and more tasks. In the case of Prosus, I think you saw the first impact at Stack Overflow where people found coding suggestions of agentic applications better than browsing on the forum. But increasingly it could be the case that purchasing decisions could also move towards these consumer agentic applications like ChatGPT. So I'm wondering how do you plan to integrate your marketplaces inside of these applications and as user behavior shifts towards consumer agentic applications, could some marketplaces like classified loose distribution leverage and the data advantage? So how will you address this to stay ahead?

And maybe second question on the IRRs. I think in the past you targeted 20% IRR target with a higher hold role for startups and lower for high quality, more mature businesses. If I look at for example, La Centrale, which you're buying for around 1 billion euros, clearly a high quality business is growing at a CAGR of 13% EBITDA you expect that market growth to continue. So I think it's challenging maybe to get the 20% IRR. So I'm wondering what is your lower hurdle in terms of larger investments in terms of IRR. So what is your minimum hurdle to make these deals?

Fabricio Bloisi:

I try to explain quickly just because of the time, but on the first one what you just asked, live agents are going to compete against us, yes. I told you in the beginning I want to talk one hour about our strategy there. It's exactly about that. So what we are going to tell you soon is, we are doing Large Commerce Model. We are doing agents focusing our internal and partners and we are doing live assistants where we deliver this kind of service to our customers and I think we will be very well positioned because of our ecosystem and how to operate there better than any other player outside. So I could talk about that for one hour but I need you to wait a little more. But I agree with you, Robert. It's a risk. Yes, it's an opportunity too. We are moving fast to lead on that including on many investments we made exactly on this area. So we are bullish and excited about what we can do in our live assistants. Next chapter to know more about that.

The second is on IRR. We expect, yes, 20% IRR on La Centrale. Remember La Centrale is a small company operating more isolated. We think that putting it together with everything we are doing outside, we are going to get good levels of growth, increasing profitability and we expected to get more than 20% in La Centrale.

Robert Vink:

Okay, thank you.

Eoin Ryan:

Great, thanks. And it looks like, Will, you're back in the line. You want to unmute your line?

Fabricio Bloisi:

I was very fast with Robert so if you have more time, we can get back to Robert's question.

Eoin Ryan:

Well, let's see what happens. Will, are you there?

Fabricio Bloisi:

You left us.

Eoin Ryan:

I think it's in-

Will Packer:

Sorry, I was just unmuting. Just wanted to come back, thank you for your comments earlier. Very useful. So it's pretty clear the six to seven billion is the right kind of framing for the FY26 buyback. When we think about FY27 and beyond, is that the kind of level we should be thinking or is it just you're going to have optionality and decide depending on the relative appeal of different uses of capital? Thanks.

Fabricio Bloisi:

Most companies, they do a buyback, very specific, "I'm going to buy back five billion dollars." We are doing an open buyback. So we are exactly not saying this is the number for the next one, two, three years. So we don't have any number for next year. But as I told you before, what I don't like is to have an automatic thing. We have to analyze what we have opportunities while we have what's happening in the world. I'll give you one thing to think. I think Prosus is cheap oh my god. Why we can have a company that's creating one and a half billion dollars close to the acting profits and they still have a discount. The world is not like that today. We have many companies valued at a hundred times revenues having our cash position. But maybe the world's going to change. That's my point. There is a lot of change ahead. I think Prosus is very well positioned.

If the world change, we are going to become even a more attractive company because we're doing innovation AI, we are generating cash, and we have investment capacity. So for sure, since I have an open-ended buyback, I don't need to think how it's going to work next year, one year in advance. I have to keep playing well with discipline, with good capital allocation. That's what you asked me one year ago. What I'm telling you now, one year after, we deliver the discipline. One year after, selling less things until more other companies is good capital allocation because we believe much more in the growth of assets.

But what I commit to you is, we are going to keep executing well, but we don't have a guidance for next year yet. We simply don't have it. So six months, maybe we can share it more. Again, I'm confident we are going to keep executing well what we have in terms of innovation delivery. To me, I think next year

is much more a year of opportunity for us than a year of, "Oh my god. Risk, how we're going to handle not believing what we've got?"

Eoin Ryan:

Okay. Thank you, Will.

Will Packer:

No, very helpful. Thank you.

Eoin Ryan:

We have four minutes left. Thanks Will. We'll try to get two in. Nadim from SBG, you're on. So please unmute.

Nadim Mohamed:

Good afternoon. Yes, just two very quick ones from me. So we noticed that the likes of Rightmove and others are investing at quite a high rate in AI and this has the impact of weighing down on their profitability. I'd just like to understand how Prosus have done it, because we haven't really seen that impact on profitability with these substantial investments in AI and LCM. And then just on top of that, just how much of a differentiator is it when you're looking to acquire businesses like La Centrale, the ability to bring these capabilities to the acquisition post here?

Fabricio Bloisi:

I should ask-

Eoin Ryan:

So the first question was how has OLX been able to do so well and expand margins meaningfully while investing in AI, whereas other companies, I won't repeat their name, have now had to reset expectations because they're investing and it's been a long journey of OLX investing in AI.

Fabricio Bloisi:

So I think it all started one year ago on culture, focusing results, innovating more. I think OLX is really delivering in operational well, but also it has the support of an ecosystem. So many of the things that OLX is starting at right now, we are also learning and sharing from inside the ecosystem. Large Commerce Model, for example, the investment was the holding in iFood and now that it is ready, we are pushing it through OLX and trading.

So I think, look, that's the central story or thesis of Prosus. We can have one classified company, I'd say that are operating by itself or, and that's my thesis, together a bigger group that knows how to operate with classifieds in AI, we can make their performance better. The first big company operating that is Despegar. The number of Despegar doesn't look that big because April, May and June were bad. I looked at Despegar month-by-month, it is increasing every month for six months. So that's the teams. OLX benefits from that. And I am quite sure La Centrale is going to benefit from that too.

Eoin Ryan:

Right, so the overall benefit of being part of the group. Nadim, thanks very much. We have to move to the last question. I think we're going to land this. Maddy, take us home please.

Maddy Singh:

Yes, hi. Thanks a lot for taking my question. Just two quick ones from my side.

Fabricio Bloisi:

The best question.

Maddy Singh:

Given your recent positive trip to India and the meeting with the prime minister Modi, would you say your CMD ambitions for India were too conservative in hindsight? I mean with just about 1.3 X revenues from FY25 to FY28 and just above 5% margins. That's what your CMD guidance was. So wondering whether that changes at all post the meeting with the prime minister.

And then the second one, on the asset monetization opportunities outside of Tencent and Meituan, is there any major opportunities you can talk about? Thank you.

Fabricio Bloisi:

So opportunities at on Meituan, opportunities for investing or selling?

Eoin Ryan:

Opportunity to add, to sell to trim the portfolio.

Fabricio Bloisi:

Okay. So first, it was inspiring to meet with Prime Minister Modi. It was really inspiring. But then you said many numbers, 1.3, 1.4, 1.5. I didn't connect those numbers super well. It's also for you?

Nico Marais:

Yeah, look, I think the numbers he's referring to related to essentially the long-term ambition that we shared at the CMD.

Eoin Ryan:

For India.

Nico Marais:

For India. But essentially at that point those are the controlled business, which at this stage is paid in India. And obviously the ecosystem around that is much bigger. So it really depends how the control positions evolve over the next few years. So it could be substantially different depending on how we categorize that.

Fabricio Bloisi:

Yeah, it makes total sense. That's why I didn't recognize the numbers, because we're looking just to PayU basically. Our expectations are bigger than that. But that's the way it is. After talking with the prime minister, if something changes. I'll tell you, yes. I'll tell you one thing. We moved fast in innovation in Brazil and Europe. That's the true thing that we're really running on AI. I think we are leading this. We're thinking, India has to lead. India cannot be one day behind Brazil and Europe. So expect more

moves from us, making sure we have the best AI possible in India. Anyway, another question. I forgot the other question.

Eoin Ryan:

He's saying, two billion.

Nico Marais:

Look, we've got two billion that we are aiming for this financial year. There are other assets that we can consider, but we now can't answer. It will be announced later at this stage.

Fabricio Bloisi:

Yeah, there is some recommendation. We don't say we are selling this company, probably you can understand why. But our portfolio is much more than Meituan and Tencent. There is many others. Some of that, we already talked about it here today. There is many others, other five or 10. And there's many more billions we could sell. But we're not going to say exactly what. I can guarantee you, this year we sell two billion. Probably the next six months we are going to announce how many billions we are going to sell the next year. At least a few more billions.

Eoin Ryan:

All right. Well thank you for that, Matti. And thank you very much everybody for joining us. There are a couple of words you want to leave us with.

Fabricio Bloisi:

You want to say a few final words? I have to say something.

Nico Marais:

No, you go ahead.

Fabricio Bloisi:

So a few final words. Today the focus were on numbers and I'm happy. I think we are moving on the right direction on numbers. We will get to two billion dollars in profits. There is much more to talk on execution of JET. Not for today. Much more to talk on innovation, specifically the question that someone asked me today. I will talk exactly about that.

I was unsure that we should be doing more and moving faster, but I think we are moving well. Just getting started. But our thesis this year, always we are going to be a strong tech-focused operating company. We are getting there. So I'm excited with the results. Hope you enjoyed them too and hope we're going to keep sharing good news with you in the future. Thanks for coming and thanks for being partners. Let's keep moving the future together. Thank you.

Eoin Ryan:

Thank you very much everyone. Thank you guys. And there are a couple of questions here that I will follow up. And always, if you have follow- ups, please reach out directly to your friendly IR team and we will see you. We'll see you very soon. Thank you very much. Bye-bye.

Fabricio Bloisi:

Thank you. Bye.