Naspers Limited

(Incorporated in the Republic of South Africa)
(Reg. No 1925/001431/06)
JSE Share Code: NPN ISIN: ZAE000015889
LSE ADS Code: NPSN ISIN: US6315122092
("Naspers")

Trading statement

Shareholders are advised that the Naspers group ("the group") is finalising its condensed consolidated interim report for the six months ended 30 September 2020.

As outlined in the table below, the Group is expected to deliver good results for the first half ended 30 September 2020 despite the impacts of Covid-19.

We have completed several acquisitions in the first six months and have continued to explore growth opportunities to advance our strategy, expand our ecosystem and to position the business for continued long-term growth.

More details will be published with the condensed consolidated interim financial statements on Monday, 23 November 2020.

The group has illustrated the anticipated changes in earnings, headline earnings and core headline earnings per share for the period ended 30 September 2019 as compared to 30 September 2020 in the tables below:

	30 September 2019 US cents	**30 September 2020 expected increase/(decrease) US cents**	**Expected increase/(decrease) %**
Earnings per share[(1)]	518	(34) – 3	(6.6%) – 0.6%
Headline earnings per share[(1)]	326	67 – 89	20.6% – 27.3%
Core headline earnings* per share[(1)]	380	(28) – (5)	(7.4%) – (1.3%)

For the period ended 30 September 2020, the group's earnings, headline earnings and core headline earnings growth is impacted largely by reduced earnings contributions in the current year from the Prosus Group, post its listing in September 2019 and the creation of the free-float resulting in a significant non-controlling interest of the group. As at 30 September 2019 we recognised 100% of the Prosus earnings compared to 72.66% in the current period. The expected non-controlling interest share in the core headline earnings for the period would be approximately US$600m. We refer shareholders to the separate Prosus trading statement which is free of the impacts outlined in this paragraph and outlines expected increases in headline earnings and core headline earnings of the group's operations. We remind shareholders that Prosus represents the majority of the group's operations.

Shareholders are reminded that the board considers **core headline earnings** an appropriate indicator of the operating performance of the group, as it adjusts for non-operational items. Core headline earnings per share for the current period is expected to decrease by between 28 and 5 cents per share (between 7.4% and 1.3%), driven mainly by the creation of the Prosus free float in September 2019 as described above. Adjusted for this, core headline earnings growth per share is expected to increase in the same range as Prosus, between 23.8% - 30.5%, as illustrated in the Prosus trading statement.

Like most companies, in the period we faced some challenges due to Covid-19, particularly in countries where government lockdown regulations were wide ranging and long lasting. However, we have seen a sharp recovery in all of our impacted businesses as our contingency plans produced results once lockdown regulations began easing. We continue to respond quickly to the evolving Covid-19 situation to ensure we safeguard our people, maintain our ability to serve our customers and protect our businesses for the long-term. While forward visibility remains difficult, given the challenges some countries face in dealing with the longer-term effects of Covid-19, we continue to believe we will benefit from the acceleration of the trends that have propelled the growth of the consumer internet.

Financial information on which this trading statement is based has not been reviewed or reported on by the company's auditors.

JSE sponsor (South Africa): Investec Bank Limited
Cape Town
16 November 2020

* *Core headline earnings, a non-IFRS performance measure, represent headline earnings for the period, excluding certain non-operating items. Specifically, headline earnings are adjusted for the following items to derive core headline earnings: (i) equity-settled share-based payment expenses on transactions where there is no cash cost to the company. These include those relating to share-based incentive awards settled by issuing treasury shares as well as certain share-based payment expenses that are deemed to arise on shareholder transactions; (ii) deferred taxation income recognised on the first-time recognition of deferred tax assets, as this generally relates to multiple prior periods and distorts current period performance; (iii) fair-value adjustments on financial instruments and unrealised currency translation differences, as these items obscure the group's underlying operating performance; (iv) once-off gains and losses (including acquisition-related costs) resulting from acquisitions and disposals of businesses, as these items relate to changes in the composition of the group and are not reflective of its underlying operating performance; and (v) the amortisation of intangible assets recognised in business combinations and acquisitions and (vi) donations made to various governments in assisting with the Covid-19 pandemic, as these expenses are not considered operational in nature. These adjustments are made to the earnings of combined businesses controlled by the group as well as the group's share of earnings of associates and joint ventures, to the extent that the information is available.*

(1) Per share information is based on the net number of A and N ordinary shares in issue during the respective periods.