

Prosus N.V.

(Incorporated in the Netherlands)

(Legal Entity Identifier: 635400Z5LQ5F9OLVT688)

AEX and JSE Share Code: PRX ISIN: NL0013654783

('Prosus' or 'the company')

Trading statement

Shareholders are advised that the Prosus group ("the group") is finalising its condensed consolidated interim financial statements for the period ended 30 September 2021.

Prosus N.V. ("Prosus") is a subsidiary of Naspers Limited ("Naspers"), a company incorporated in South Africa and listed on the Johannesburg Stock Exchange ("JSE") Limited in South Africa.

For context, in terms of the JSE Listings Requirements, South African listed entities with a primary listing on the exchange are obliged to issue a trading statement as soon they are reasonably certain that the upcoming financial results would differ by at least 20% from those of the previous corresponding period. Trading statements are generally issued to provide shareholders with a range of outcomes in respect of key financial metrics.

The financial results of Prosus almost completely account for Naspers's results. Based on Naspers's anticipated period ended 30 September 2021 results, Naspers is required to issue a trading statement in terms of the above JSE listing requirements. To ensure that shareholders of Prosus are provided simultaneously with equivalent information, Prosus is issuing this trading statement.

Over the past six months the group posted a solid performance. These results reflect a diverse ecommerce portfolio, which has grown significantly in value. We aim to increase the size of this portfolio over coming years. The results for the period reflect continued investment to fund growth by expanding our existing platforms and building deeper relations with customers and partners. Additionally, we invested US\$5.2bn in new acquisitions to expand our ecosystems, mainly in edtech and food delivery, and to position the business for continued long-term growth.

Voluntary share exchange

On 16 August 2021, the group completed a voluntary share exchange transaction which resulted in Prosus free float shareholders (shareholders external to the group) being entitled to 58.9% effective economic interest in the Prosus NAV, and Naspers 41.1%. In the period we also bought 19 227 815 Prosus shares as part of the share buyback programme announced as part of this transaction. The weighted average number of shares for N shareholders was 1 624 652 070 for the six months ended 30 September 2020, and total net weighted average number of shares that participated in the economics of Prosus for the six months ended 30 September 2021 was 1 577 788 406. The Group has illustrated the anticipated changes in earnings, headline earnings and core headline earnings per share for the period ended 30 September 2021 as compared to 30 September 2020 in the tables below:

	30 September 2020	30 September 2021 expected increase/(decrease)	Expected increase/(decrease) %
	US cents*	US cents*	
Earnings per N share ^{(1)^}	185	812 – 825	439% – 446%
Headline earnings* per share ⁽¹⁾	149	(10) – 0	(7%) – 0%
Core headline earnings** per share ⁽¹⁾⁽²⁾	134	7 – 16	5% – 12%

[^] Earnings per N share represents the economic interest per share taking into account the impact of the cross-holding agreement between Prosus and Naspers, which became effective at the time of the closing of the voluntary share exchange. The cross-holding agreement deals with how distributions by Prosus will be attributed to its N ordinary shareholders.

The significant increase in earnings per share is due to a gain of US\$12.3bn realised on the sale of a 2% interest in Tencent in April 2021. This gain is excluded from headline earnings per share and core headline earnings per share.

Headline earnings is expected to marginally decrease in the current period, mainly due to the increase in net finance costs.

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 increase by between 7 and 16 cents per share (between 5% and 12%) driven by a larger contribution from Tencent, despite our sale of a 2% holding in that group. This was partially offset by investments to grow our ecommerce ecosystems and platforms.

More details will be published with the condensed consolidated interim financial statements on Monday, 22 November 2021.

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

** Headline earnings represents net profit for the year attributable to the Group's equity holders, excluding certain defined separately identifiable remeasurements relating to, amongst others, impairments of tangible assets, intangible assets (including goodwill) and equity-accounted investments, gains and losses on acquisitions and disposals of investments as well as assets, dilution gains and losses on equity-accounted investments, remeasurement gains and losses on disposal groups classified as held for sale and remeasurements included in equity-accounted earnings, net of related taxes (both current and deferred) and the related non-controlling interests. These remeasurements are determined in accordance with Circular 1/2021, headline earnings, as issued by the South African Institute of Chartered Accountants, at the request of the JSE Limited in relation to the calculation of headline earnings and disclosure of a detailed reconciliation of headline earnings to the earnings numbers used in the calculation of basic earnings per share in accordance with the requirements of IAS 33 – Earnings per Share, under the JSE Listings Requirements.*

*** 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 us. 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) subsequent fair-value remeasurement of cash-settled share-based incentive expenses; (iii) cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; (iv) 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; (v) fair-value adjustments on financial and unrealised currency translation differences, as these items obscure our underlying operating performance; (vi) one-off gains and losses (including acquisition-related costs) resulting from acquisitions and disposals of businesses as these items relate to changes in our composition and are not reflective of our underlying operating performance; (vii) the amortisation of intangible assets recognised in business combinations and acquisitions; and (viii) the donations due to Covid-19, as these expenses are not considered operational in nature. These adjustments are made to the earnings of businesses controlled by us, as well as our 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 N ordinary shares in issue during the respective periods. The A ordinary shareholders share 1/5th of the earnings attributable to the external N shareholders and B ordinary shareholders share 1/1 000 000th at 30 September 2021. The earnings will be expected to increase at the same ratio as N ordinary shareholders.
- (2) During March 2021, the group changed its definition of adjusted EBITDA and trading loss to exclude the remeasurement of the cash settlement share-based payment liability.

Amsterdam, the Netherlands
16 November 2021

JSE sponsor to Prosus
Investec Bank Limited

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About Prosus

Prosus is a global consumer internet group and one of the largest technology investors in the world. Operating and investing globally in markets with long-term growth potential, Prosus builds leading consumer internet companies that empower people and enrich communities.

The group is focused on building meaningful businesses in the online classifieds, food delivery, payments and fintech, and education technology sectors in markets including India, Russia, and Brazil. Through its ventures team, Prosus invests in areas including health, logistics, blockchain, and social commerce. Prosus actively seeks new opportunities to partner with exceptional entrepreneurs who are using technology to improve people's everyday lives.

Every day, billions of people use the products and services of companies that Prosus has invested in, acquired or built, including 99minutos, Aruna, AutoTrader, Autovit.ro, Avito, Bibit, BiomeMakers, Borneo, Brainly, BUX, BYJU'S, Bykea, Codecademy, Collective

Benefits, Creditas, DappRadar, DeHaat, Domofond.ru, dott, ElasticRun, eMAG, Eruditus, Flink, Good Glamm Group, GoodHabit, Honor, iFood, Imovirtual, Klar, Kovi, LazyPay, letgo, Luno, Meesho, Movile, Oda, OLX, Otodom, OTO MOTO, PaySense, PayU, Pharmeasy, Properati, Property24, Quick Ride, Red Dot Payment, Republic, Shipper, ShopUp, SoloLearn, Stack Overflow, Standvirtual, Swiggy, Ula, Urban Company, and Wolt. Hundreds of millions of people have made the platforms of Prosus's associates a part of their daily lives. For listed companies where we have an interest, please

see: Tencent, DeliveryHero, Remitly, Mail.ru, Trip.com, Udemy, Skillsoft, Sinch and SimilarWeb.

Today, Prosus companies and associates help improve the lives of more than two billion people around the world. Prosus has a primary listing on Euronext Amsterdam (AEX:PRX) and secondary listings on the Johannesburg Stock Exchange (XJSE:PRX) and a2X Markets (PRX.AJ). Prosus is majority-owned by Naspers.

For more information, please visit www.prosus.com.