Prosus N.V.

(Incorporated in the Netherlands)

(Legal Entity Identifier: 635400Z5LQ5F9OLVT688)

AEX and JSE Share Code: PRX ISIN: NL0013654783

(**Prosus**)

Trading statement

Shareholders are advised that the Prosus group ("the Group") is finalising its summarised consolidated financial statements for the year ended 31 March 2022.

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 results for the year ended 31 March 2022, Naspers is required to issue a trading statement in terms of the above JSE Listings Requirements. To ensure that shareholders of Prosus are provided with equivalent information simultaneously, Prosus is issuing this trading statement.

In a year marked with continued global turmoil and uncertainty, which has made for a turbulent operating environment, financial year 2022 was a year of progress for Prosus. We remained focused on executing our long-term strategy and delivering strong operational growth across our core segments. At the same time, we made strategic investments and laid the foundation for future growth across the portfolio. We invested US$6.2bn in new acquisitions and existing businesses to expand our ecosystems, mainly in Edtech and Food Delivery, and to position the business for continued long-term growth in line with the groups long-term strategy.

Voluntary share exchange

On 16 August 2021, the Group completed a voluntary share exchange transaction which resulted in Prosus free float (shareholders external to the Group) being entitled to 58.9% effective economic interest in the Prosus NAV with Naspers being entitled to the remaining 41.1%. As at 31 March 2022 the Prosus free float's effective economic interest in the Prosus NAV is 57.7% and Naspers holds the remaining 42.3%, with the difference from the time of the exchange offer reflecting the completion by Prosus of a $5 billion share repurchase program

In the year we bought 57 951 367 Prosus shares as part of the share buyback programme announced as part of this transaction. Prosus has 1 419 444 251 net shares N[(1)] in issue at 31 March 2022. The weighted average number of shares for N shareholders was 1 622 454 867 for the year ended 31 March 2021, and total net weighted average number of shares that participated in the economic interest of Prosus was 1 506 713 351. The Group has illustrated the anticipated changes in earnings, headline earnings and core headline earnings per share for the year ended 31 March 2022 as compared to 31 March 2021 in the tables below:

	31 March 2021 US cents*	31 March 2022 expected increase/(decrease) US cents*	Expected increase/(decrease) %
Earnings per N share (1)^	459	767 – 799	167% – 174%
Headline earnings* per N share (1)	360	(169) – (144)	(47%) – (40%)
Core headline earnings per N share** (1)	299	(63) – (42)	(21%) – (14%)

^ 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 and core headline earnings per share.

Headline earnings is expected to decrease in the current year, mainly due to the decrease in contribution to headline earnings from associates including lower fair value gains in the current year, continued investment in growth adjacencies in our ecommerce businesses and increased net finance cost.

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 year is expected to decrease by between 63 and 42 cents per share (between 21% and 14%). This is primarily due to continued investment in growth adjacencies in our ecommerce businesses, a decreased contribution from Tencent due to the 2% divestment earlier this year and increased net finance cost.

More details will be published with the annual report on Monday, 27 June 2022.

Financial information on which this trading statement is based has not been subject to an independent audit or review by the Group'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 year, 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 recognized 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 unrealized 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 amortization of intangible assets recognized 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 and B ordinary shareholders share 1/5th and 1/1 000 000th respectively of the earnings attributable to the external N shareholders as at 31 March 2022. The earnings will be expected to increase in the same ratio as N ordinary shareholders.

15 June 2022

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Sponsor:
Investec Bank Limited