

Naspers Limited
(Incorporated in the Republic of South Africa)
(Reg. No 1925/001431/06)
JSE Share Code: NPN ISIN: ZAE 000325783
("Naspers")

Trading statement

Shareholders are advised that the Naspers group ("the Group") is finalising its condensed consolidated interim financial statements for the period ended 30 September 2023.

For the six months to September 2023, our consolidated ecommerce portfolio excluding Tencent delivered peer-leading growth and accelerated profitability. We are on track to fulfil our commitment of consolidated ecommerce profitability and cash flow generation. This performance, combined with improved profitability from equity accounted investments, and the continuation of the share repurchase programme, led to significant growth in core headline earnings per share.

During the period, we delivered on our commitment to simplify the Group's structure, with the successful removal of the cross-holding. We thank shareholders for their vote of support. The Group has made significant progress on its strategic priorities and will continue to target peer-leading growth and improving profitability. Furthermore, the Group will continue the open-ended repurchase programme while the holding company discount remains elevated and deliver a clear capital allocation strategy focused on high conviction opportunities. Strong business performance and increased scale will create opportunities to highlight the value of our investments. There is significant opportunity to increase returns in the Group's investments and deliver long term value to shareholders.

The Group has illustrated below the anticipated changes in earnings, headline earnings and core headline earnings per share for continuing operations and total operations for the period ended 30 September 2023 as compared to the restated 30 September 2022 operations. Prior period numbers have been adjusted to reflect the impact of the exit of the OLX Auto businesses. (Details discussed later in the statement):

| Continuing operations | Restated 30 September 2022 US cents | 30 September 2023 expected increase US cents | Expected increase % |
|--|---|--|------------------------|
| Earnings per share ⁽¹⁾ | 501 | 294-329 | 58.6%-65.6% |
| Headline earnings per share ⁽¹⁾ | 28 | 282-284 | 1 007.2%- 1 014.2% |
| Core headline earnings* per share ⁽¹⁾ | 214 | 231-246 | 108.0%-115.0% |

| Total operations | 30 September 2022 US cents | 30 September 2023 Expected increase US cents | Expected increase % |
|--|-------------------------------|--|------------------------|
| Earnings per share ⁽¹⁾ | 497 | 298-333 | 60.0%-67.0% |
| Headline earnings per share ⁽¹⁾ | 24 | 286-288 | 1 192.0%- 1 199.0% |
| Core headline earnings* per share ⁽¹⁾ | 210 | 235-250 | 112.0%-119.0% |

Core headline earnings per share and **headline earnings per share** for the period are expected to increase in the current year. This growth is driven by improved profitability of our ecommerce consolidated businesses and equity-accounted investments, in particular Tencent, and an increase in our net interest income. 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.

The increase in **earnings per share** was positively impacted by the Group's improved profitability and lower number of shares due to the ongoing open-ended share repurchase. Earnings per share growth further benefitted from improved interest income received of US\$0.4bn (H1 FY23: US\$0.1bn) and lower impairment losses of approximately US\$0.5bn (H1 FY23: US\$1.5bn) on assets within the Group's portfolio compared to the prior year. The Group's gains realised on the sell down of Tencent and the Group's share of fair value losses/gains from investees have remained fairly consistent period on period.

The gains relating to the sell down of Tencent and impairment charges impacting earnings per share are excluded from headline and core headline earnings per share.

The Group has restated the 30 September 2022 published information following OLX Auto's classification as Discontinued operations.

We have made meaningful progress in exiting our OLX Autos businesses. All of our OLX Autos operations that have been disposed of, classified as held for sale or closed down by 30 September 2023 are presented as discontinued operations. Prior period published earnings have been adjusted as follows:

| 30 September 2022 | Published US\$'m | Restated US\$'m |
|---|-------------------------|------------------------|
| Earnings from Total operations | 1 060 | 1 060 |
| Earnings from continuing operations | 977 | 1 070 |
| Earnings from discontinuing operations | 83 | (10) |

Consequent to the classification of OLX Autos to discontinued operations, the per share information from continuing operations for 30 September 2022 has been restated as follows:

| 30 September 2022 – continuing operations | Published US cents | Restated US cents |
|--|---------------------------|--------------------------|
| Earnings per N share | 458 | 501 |
| Headline earnings per N share | (15) | 28 |
| Core headline earnings per N share | 174 | 214 |

The successful removal of the cross-holding between Naspers and Prosus, was concluded in September 2023. The removal of the cross-holding does not have an impact on the Naspers weighted average number of shares because the shares held by Prosus were treated as treasury shares and excluded from the average number of shares. In addition, as a result of the capitalisation and share consolidation, Naspers free-float shareholders hold the same number of shares as they did before the transaction.

More details will be published with the condensed consolidated interim financial statements on Wednesday, 29 November 2023.

Financial information on which this trading statement is based has not been subject to an independent audit or review by the Group's auditors.

** 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 and (vii) the amortisation of intangible assets recognised in business combinations and acquisitions. 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.*

Core headline earnings per share constitute pro-forma financial information in terms of the JSE Limited Listings Requirements. The pro forma financial information is the responsibility of the Group's directors.

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

20 November 2023

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