Prosus N.V.
(Incorporated in the Netherlands)
(Trade Reg No 34099856)
AEX and JSE Share Code: PRX ISIN: NL0013654783
("Prosus")

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 2023.

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") 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 as 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 period ended 30 September 2023, 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.

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 headlines 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 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 removal of the cross holding and in the case of continuing operations both the removal of the cross-holding and 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 N share (1)	91	42-49	46%-54%
Headline earnings* per N share** (1)	7	46-48	664%-679%
Core headline earnings** per N share** (1)	39	35-38	91%-98%

Total operations	Restated 30 September 2022 US cents	30 September 2023 expected increase US cents	Expected increase %
Earnings per N share (1)	90	43-50	48%-55%
Headline earnings* per N share** (1)	7	46-48	664%-679%
Core headline earnings** per N share** (1)	38	36-39	95%-103%

Core headline earnings per share and **headline earnings per share** for the period are expected to increase in the current period. 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 and the removal of the Group's cross-holding structure.

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	2 535	2 535
Earnings from Continuing operations	2 345	2 556
Earnings from Discontinuing operations	190	(21)

The successful removal of the cross-holding between Naspers and Prosus was concluded in September 2023. The previous year's earnings per share have been restated to reflect the capitalisation issue and removal of the cross holding and gives a like-for-like comparison to the financial year 2024 earnings per share. The financial year 2023 earnings per share is lower than in the past due to the additional shares issued to remove the cross holding. Prosus shareholders now own more shares than prior to the removal of the cross holding.

Below is a representation of the impact of the removal of the Group's cross-holding structure on the number of shares utilised in the determination of the Earnings per share.

Period	Published WANOS*	Capitalisation issue and removal of cross holding structure	Restated WANOS*
30 September 2022	1 404 721 230	1 392 906 871**	2 797 628 101

* Weighted average number of shares in issue

** The Group issued 808 533 377 ordinary shares N and reinstated 584 373 494 ordinary shares N

Consequent to the capitalisation issue, and the classification of OLX Autos to discontinued operations, the per share information from continuing and total 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	167	91
Headline earnings per N share	-	7
Core headline earnings per N share	64	39

30 September 2022 – Total operations	Published US cents	Restated US cents
Earnings per N share	181	90
Headline earnings per N share	14	7
Core headline earnings per N share	77	38

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.

*** *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 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.*

(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 30 September 2023. The earnings will be expected to increase in the same ratio as N ordinary shareholders.

20 November 2023
Symphony Offices
Gustav Mahlerlaan 5
1082 MS Amsterdam
The Netherlands

Sponsor:
Investec Bank Limited