Analyst Booklet – detailed financials
For the six months ended 30 September 2017
This presentation contains forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as “believe”, “anticipate”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements.

While these forward-looking statements represent our judgments and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include key factors that could adversely affect our businesses and financial performance.

We are not under any obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein.
Strategy: to build valuable internet platforms

Partner with **entrepreneurs**

Build businesses with ‘**platform**’ potential

Address **big societal needs**

In **high-growth** markets

Where we can build sustainable **leadership positions**

The internet has given rise to a new age where the power is shifting from large, vertically integrated corporations towards platform businesses with attractive economics.

**What do we do?**

- We partner with founders/entrepreneurs to build platform businesses with scale, which then provides strong and defensible leadership positions, as well as healthy financials.
- We offer services that address something fundamental to customers as this makes them use these platforms regularly.
- And we focus on growth markets, because this approach provides two sources of growth: the markets themselves which are growing rapidly and the business model reaching its full potential.
Synopsis of financials

- Solid performance on the back of:
  - accelerating revenue growth,
  - reduction in ecommerce losses and development spend,
  - a healthy boost from Tencent, and
  - satisfactory results from video entertainment.

- The group is exposed to significant foreign exchange volatility:
  - The Chinese Renminbi and Nigerian Naira depreciated YoY, while
  - other operating currencies strengthened, assisting the US$ operating performance.

### Revenue* (US$m)

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6,788</td>
<td>9,021</td>
</tr>
<tr>
<td>Growth</td>
<td>33% (39%)</td>
<td></td>
</tr>
</tbody>
</table>

### Development spend* (US$m)

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>496</td>
<td>470</td>
</tr>
<tr>
<td>Growth</td>
<td>-5% (-6%)</td>
<td></td>
</tr>
</tbody>
</table>

### Trading profit* (US$m)

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,473</td>
<td>2,067</td>
</tr>
<tr>
<td>Growth</td>
<td>40% (52%)</td>
<td></td>
</tr>
</tbody>
</table>

### Core HEPS (USc)

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>212</td>
<td>350</td>
</tr>
<tr>
<td>Growth</td>
<td>65%</td>
<td></td>
</tr>
</tbody>
</table>

*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A.
Ecommerce and Tencent fuel robust revenue growth

- Growth rate accelerated from 27% to 33% YoY.
- Tencent revenues were up 57% YoY in local currency. Smartphone and PC games, payment related services, online advertising and digital content subscriptions (live broadcast, video and music) remained the key drivers of growth.
- Internet revenues accounted for 77% of revenues (72% in 1H FY17).
- Driven by increased scale and strong growth from Flipkart, classifieds and payments, ecommerce revenue growth accelerated to 38% YoY, a significant increase on the 24% reported in the prior year.
- VE in SA delivered 10% growth YoY (3% in local currency). SSA revenue growth amounted to 4% in local currency, but -3% on a reported basis, mainly due to the weak Nigerian Naira.
- The disposal of Allegro in FY17 had a negative impact of US$193m on revenue for the period.

### Incremental revenue* by segment, YoY (US$m)

<table>
<thead>
<tr>
<th>Segment</th>
<th>YoY change (%)</th>
<th>YoY revenue growth rate* (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecommerce</td>
<td>38%</td>
<td>26%</td>
</tr>
<tr>
<td>SNS</td>
<td>56%</td>
<td>22%</td>
</tr>
<tr>
<td>Video entertainment</td>
<td>7%</td>
<td>29%</td>
</tr>
<tr>
<td>Media</td>
<td>5%</td>
<td>27%</td>
</tr>
<tr>
<td>M&amp;A and other</td>
<td>-4%</td>
<td>33%</td>
</tr>
<tr>
<td>Forex</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>33% (39%)</td>
<td></td>
</tr>
</tbody>
</table>

*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A. SNS includes Tencent and Mail.ru.
Diversified business mix – ongoing shift

- Diversity of revenue streams reduce the risk of exposure to any one territory/currency or business model.
- 82% of revenues now earned outside South Africa, compared to 80% in 1H FY17.
- Annuity income (i.e. subscription revenues, IVAS and gaming) accounted for 56% of revenues, down 2% YoY due to the negative impact of currency weakness in SSA subscription revenues.
- Cyclical advertising revenue constitutes only 12% of total revenue, compared to 13% in 1H FY17.

1H FY18 Revenue* by geography

- Asia (64%)
- South Africa (18%)
- Europe (10%)
- Rest of Africa (5%)
- Latin America (2%)
- Other (1%)

1H FY18 Revenue* by type

- IVAS & games (40%)
- Subscription (16%)
- Ecommerce (17%)
- Advertising (12%)
- Print, circulation & distribution (2%)
- Technology (1%)
- Other (12%)

* Based on economic-interest, i.e. assuming equity-accounted investments are proportionately consolidated.
**Development spend lower on an economic interest basis**

### Development spend (US$m)*

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Older investments</td>
<td>953</td>
<td>961</td>
<td>1084</td>
<td>496</td>
<td>470</td>
</tr>
<tr>
<td>New investments</td>
<td></td>
<td></td>
<td></td>
<td>188</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>308</td>
<td>270</td>
</tr>
</tbody>
</table>

FY15

- **Older investments:** US$953m
- **New investments:** US$961m

FY16

- **Older investments:** US$961m
- **New investments:** US$1,084m

FY17

- **Older investments:** US$1,084m
- **New investments:** US$496m

1H FY17

- **Older investments:** US$496m
- **New investments:** US$308m

1H FY18

- **Older investments:** US$308m
- **New investments:** US$270m

### Incremental development spend by segment, YoY (US$m)*

<table>
<thead>
<tr>
<th>Segment</th>
<th>1H FY17</th>
<th>Video entertainment</th>
<th>Media</th>
<th>Equity accounted investments</th>
<th>Forex</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>YoY change (%)</td>
<td>-19%</td>
<td>-10%</td>
<td>38%</td>
<td>27%</td>
<td>2%</td>
<td>-5% (-6%)</td>
</tr>
<tr>
<td></td>
<td>496</td>
<td>(4)</td>
<td></td>
<td>29</td>
<td>12</td>
<td>470</td>
</tr>
</tbody>
</table>

* Development spend consists of trading losses incurred by developing businesses that have yet to reach scale. Results reported on an economic-interest basis include equity-accounted investments on a proportionately consolidated basis. Numbers in brackets represent year-on-year growth in local currency, excluding M&A.

- **Proportionate share of development spend from equity-accounted investments, which is the difference between economic interest and consolidated development spend, amounted to US$139m (US$109m in 1H FY17).**
- **This number does not impact our cash flow, as development spend of equity-accounted investments is funded by the capital already raised.**
- **Step-up in spending on new investments increased by US$13m, mainly related to Showmax in Poland, as well as Delivery Hero, Swiggy and Kreditech.**
- **This was offset by a 13% decline (US$39m) in funding of older, more established businesses, most notably a US$36m reduction in classifieds spend (excluding letgo).**
Trading profit boosted by Tencent and reduced ecommerce losses

- YoY trading profit growth was 52% in local currency.
- Tencent’s YoY trading profit growth was 45%, with investment in content, channel costs for smartphone games, and a change in revenue mix reducing trading profit margins.
- Ecommerce losses reduced through increased scale in classifieds and payments, in particular the cost efficiencies from combining Citrus Pay with PayU India.
- Video entertainment’s trading profit grew by 3% as South Africa maintained profitability and SSA losses stabilised.
- The disposal of Allegro in FY17 had a negative impact of US$83m on trading profit in the current period.

Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent YoY growth in local currency, excluding M&A. Showmax is included in video entertainment (VE).
### E-commerce segmental detail

<table>
<thead>
<tr>
<th>Segmental Review</th>
<th>Revenue</th>
<th>EBITDA1</th>
<th>Trading Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Six months ended</td>
<td>Year ended</td>
<td>Six months ended</td>
</tr>
<tr>
<td></td>
<td>30 September 2017</td>
<td>31 March 2017</td>
<td>30 September 2017</td>
</tr>
<tr>
<td></td>
<td>Reviewed</td>
<td>Reviewed</td>
<td>% Audited</td>
</tr>
<tr>
<td>Internet</td>
<td>$6,938</td>
<td>$4,889</td>
<td>42</td>
</tr>
<tr>
<td>Social network services</td>
<td>$5,357</td>
<td>$3,510</td>
<td>53</td>
</tr>
<tr>
<td>- Tencent</td>
<td>$9,241</td>
<td>$3,426</td>
<td>53</td>
</tr>
<tr>
<td>- Mail.ru</td>
<td>$116</td>
<td>$84</td>
<td>38</td>
</tr>
<tr>
<td>E-commerce</td>
<td>$1,251</td>
<td>$1,379</td>
<td>15</td>
</tr>
<tr>
<td>- Etail</td>
<td>$877</td>
<td>$753</td>
<td>16</td>
</tr>
<tr>
<td>- Travel</td>
<td>$128</td>
<td>$67</td>
<td>51</td>
</tr>
<tr>
<td>- Payments</td>
<td>$126</td>
<td>$83</td>
<td>52</td>
</tr>
<tr>
<td>- Classifieds</td>
<td>$289</td>
<td>$196</td>
<td>47</td>
</tr>
<tr>
<td>- Food delivery</td>
<td>$56</td>
<td>$20</td>
<td>&gt;100</td>
</tr>
<tr>
<td>- Other</td>
<td>$105</td>
<td>$67</td>
<td>57</td>
</tr>
<tr>
<td>Video entertainment</td>
<td>$1,777</td>
<td>$1,645</td>
<td>8</td>
</tr>
<tr>
<td>Media1</td>
<td>$315</td>
<td>$264</td>
<td>11</td>
</tr>
<tr>
<td>Corporate services</td>
<td>$1</td>
<td>$1</td>
<td>1</td>
</tr>
<tr>
<td>Intersegmental</td>
<td>$(10)</td>
<td>$(31)</td>
<td>68</td>
</tr>
<tr>
<td>Economic Interest</td>
<td>$9,021</td>
<td>$6,788</td>
<td>53</td>
</tr>
<tr>
<td>Less: Equity-accounted</td>
<td>$5,914</td>
<td>$(3,830)</td>
<td>$(54)</td>
</tr>
<tr>
<td>Consolidated</td>
<td>$3,107</td>
<td>$2,958</td>
<td>5</td>
</tr>
</tbody>
</table>

**Notes**

1. EBITDA refers to earnings before interest, taxation, depreciation and amortisation.
2. Includes revenue of US$13.0m (2016: US$10.7m and 31 March 2017: US$8.8m) and trading profit of US$3.3m (2016: US$2.9m and 31 March 2017: US$0.2m) relating to Novus Holdings Limited (Novus). The group distributed a majority of its shareholding in Novus to its shareholders in September 2017 (refer to note 10).

- New segmental disclosure reflects sub-segments within ecommerce separately.
Classifieds and payments drive profitability in ecommerce

Financial progress of profitable entities* (US$m)

- 20 profitable businesses in portfolio, compared to 19 a year ago (adjusted for disposals).
- Improved operating leverage as trading profit from profitable businesses increased 55% YoY on revenue growth of 50%.
- Trading margin 37% vs. 35% in prior year as higher margin businesses grew faster.
- Etail revenue increased by 37% in local currency. (Acceleration in 3rd party sales have a negative impact on revenue growth – i.e. we book commission fees as opposed to the transaction values - but typically generate higher margins).
- Payment revenue growth driven by healthy growth in transaction and payment volumes.

Revenue split (US$m)*

** Constant currency revenue growth by type**

- Etail (55%)
- Classifieds (18%)
- Other (11%)
- Payments (8%)
- Travel (8%)

*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A. 1HFY17 numbers exclude US$205m in revenue and US$105m in trading profit associated with disposed entities. **Constant currency growth reflect year-on-year growth in local currency, excluding M&A.
Classifieds now profitable

- Number of profitable entities increased to 14 (11 a year ago).
- Profitable entities increased margins from 45% to 54%.
- Revenue growth underpinned by growth in Avito and European markets (led by Poland, Ukraine and Romania, mainly due to increased levels of monetisation).
- Segment turned profitable, mainly due to higher revenues and savings in marketing spend (also in our joint ventures).

Results reported on an economic-interest basis, all numbers exclude letgo. Numbers in brackets represent year-on-year growth in local currency, excluding M&A. FX contributed 9% to nominal revenue growth in 1HFY18. Profitable entities reflect businesses that reported a trading profit for the six-months ended 30 September.
Financials affected by local currency pricing vs. US$ input costs.

Currency strength was the main driver of the 8% YoY revenue growth (3% in local currency, with higher subscription revenues - due to a higher subscriber base and annual price increases).

Overall profitability was impacted by losses in SSA related to ongoing fx weakness, as well as higher decoder subsidies to stimulate PVR growth and thus retention.

Trading margin relatively stable at ~13%.

The decline in capex is due to the rollout of new customer care and billing platforms on a much smaller scale compared to last year.

Non-recurring expenses (e.g. 2016 Olympics) impacted positively on programming costs, resulting in only a marginal increase YoY.
Video entertainment: solid results from SA, SSA stabilised

- Higher subscriber revenue (10% sub growth, ~3% price hikes) and content savings, boosted by a stronger ZAR, drove profitability.
- Increased depreciation and lease interest due to capitalisation of IS20B transponder in Sept 2016 impacted negatively.
- Trading margin nonetheless increased from 27% to 28%.
- SA business generated US$191m in FCF.
- The negative impact of fx on revenues were partially offset by positive subscriber growth and price increases.
- Savings from the elimination of non-performing content also contributed to losses stabilising.
- US$166m in cash trapped in Africa (mainly in Angola) as at 30 Sep 2017. Extracted US$259m in 1HFY18 mainly from Nigeria.
Associates: healthy contribution from Tencent and Mail.ru

- Tencent delivered top-line growth of 57% YoY across all revenue segments, with smartphone and PC games, payment related services, online advertising and digital content subscriptions all key drivers of growth.

- Growth in operating profit lower at 26% YoY due to higher channel costs in smart phone games and investment in content.

- Mail.ru achieved organic revenue growth of 18% YoY, mainly driven by growth in online-advertising and massively multiplayer online (MMO) games, as well as in online food delivery (Delivery Club).

- Trading profit growth was affected by investments to grow Delivery Club, Youla and Beepcar.

**Tencent operating profit (RMBm)**

- 2014: 30,411
- 2015: 41,764
- 2016: 58,154
- 9M FY16: 43,208
- 9M FY17: 60,170

*CAGR +38%, up 39%*

**Mail.ru EBITDA* (RUBm)**

- 2014: 16,850
- 2015: 18,086
- 2016: 17,914
- 9M FY16: 12,945
- 9M FY17: 14,106

*CAGR +3%, up 9%*

**Tencent market cap (US$bn)**

- FY15: 178
- FY16: 192
- FY17: 272
- 20 Nov 2017: 511

**Mail.ru market cap (US$bn)**

- FY15: 4.2
- FY16: 4.5
- FY17: 4.6
- 20 Nov 2017: 6.6

Note: Financial information as per financial years ending December, which differs from the Naspers reporting period, FY data as per 31 March. Equity accounted investments is included on a 3-month lagged basis.
Free cash flow (FCF) breakdown (US$m)

<table>
<thead>
<tr>
<th>US$m</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>176</td>
<td>218</td>
</tr>
<tr>
<td>Working capital</td>
<td>(94)</td>
<td>(333)</td>
</tr>
<tr>
<td>Non-cash items</td>
<td>10</td>
<td>45</td>
</tr>
<tr>
<td>Cash (utilised in)/ generated from operations</td>
<td>92</td>
<td>(70)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(78)</td>
<td>(45)</td>
</tr>
<tr>
<td>Finance leases</td>
<td>(51)</td>
<td>(56)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(157)</td>
<td>(175)</td>
</tr>
<tr>
<td>Investment income</td>
<td>193</td>
<td>250</td>
</tr>
<tr>
<td>Free cash outflow (FCF)</td>
<td>(1)</td>
<td>(96)</td>
</tr>
</tbody>
</table>

FCF: increased cash from operations offset by changes in working capital

- FCF positively impacted by:
  - a US$42m increase in cash from operations is mainly due to a higher contribution from profitable businesses,
  - a US$33m reduction in capex, and
  - dividend from Tencent increasing by US$56m to US$247m.

- Offset by working capital outflows:
  - due to investment in set-top box inventory,
  - investment in retail inventory ahead of seasonal sales events, and
  - pre-payments on renewal of sports rights.

- Disposal of Allegro in FY17 also impacted negatively, reducing cash from operations in the current period by US$92m.
### Holding company sources of cash and commitments

<table>
<thead>
<tr>
<th>US$'m</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Holdco sources of cash flow</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tencent dividend</td>
<td>191</td>
<td>247</td>
</tr>
<tr>
<td>VE segment dividends *</td>
<td>352</td>
<td>330</td>
</tr>
<tr>
<td>Allegro</td>
<td>25</td>
<td>-</td>
</tr>
<tr>
<td>Classifieds portfolio</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total inflows</strong></td>
<td>568</td>
<td>599</td>
</tr>
<tr>
<td><strong>Commitments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holdco – operating costs</td>
<td>39</td>
<td>53</td>
</tr>
<tr>
<td><strong>Available for interest/dividends</strong></td>
<td>529</td>
<td>546</td>
</tr>
<tr>
<td>Holdco interest cost (6 months)</td>
<td>96</td>
<td>94</td>
</tr>
<tr>
<td><strong>Interest cover</strong></td>
<td>5.5</td>
<td>5.8</td>
</tr>
<tr>
<td><strong>Loan to value (Debt : marketable securities)</strong></td>
<td>3%</td>
<td>2%</td>
</tr>
</tbody>
</table>

* ZAR component reflected at same FX rate that forward cover entered into to cover interest payments for next 12 months from this dividend

- With the exception of classifieds and our VE technology business Irdeto, almost all dividend extractions happen during the first half of the year.
- Total inflows increased by 5%, with the loss of cash from Allegro following its disposal replaced by cash flow from classifieds.
- Holdco operating costs were impacted by higher corporate IT and M&A costs as well as costs associated with the issuance of a new bond in July.
- The loan to value ratio improved due to the increase in the share price of marketable securities (i.e. Tencent +61% YoY and Mail.ru +88% YoY).
Recent M&A activity

Key considerations for acquisitions are:
- High-growth opportunities
- Addressing big societal needs
- In high-growth markets
- Where we can build leadership positions with a sustainable moat

During 1HFY18, the following investments were made:
- Delivery Hero US$473m
- MakeMyTrip US$156m
- Kreditech US$99m
- Takealot US$74m
- Flipkart US$71m
- Swiggy US$61m
- Other US$71m

Post-balance sheet date the group invested US$911m in new growth opportunities.

Acquisition spend over time (US$m)

Announced after half year-end

<table>
<thead>
<tr>
<th>Investments</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivery Hero</td>
<td>US$775m</td>
</tr>
<tr>
<td>Remitly</td>
<td>US$100m</td>
</tr>
<tr>
<td>Kreditech</td>
<td>US$36m</td>
</tr>
<tr>
<td>Total</td>
<td>US$911m</td>
</tr>
</tbody>
</table>
• Net finance costs were impacted by:
  - Net interest cost of US$54m,
  - Total foreign exchange losses of US$47m related mainly to cross-currency swaps.

• Increase of US$535m in share of equity accounted investments:
  - mainly attributed to Tencent (US$606m)
  - offset by losses from new investments (MakeMyTrip, Delivery Hero and Kreditech).

• (Losses)/gains on acquisitions and disposals:
  - Loss on disposal of Novus (US$145m)
  - Gain on disposal of Souq (US$89m).

• Impairments relate mainly to the closure of the classifieds JV in Bangladesh (US$17m), and various other smaller write-offs.

• Tax paid is up YoY due to increased profitability, particularly in the video-entertainment segment.

*Based on economic-interest, i.e. equity-accounted investments are proportionately consolidated.

### Summarised income statement

<table>
<thead>
<tr>
<th>US$m</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue*</td>
<td>6,788</td>
<td>9,021</td>
</tr>
<tr>
<td>Less: Equity-accounted investments</td>
<td>(3,830)</td>
<td>(5,914)</td>
</tr>
<tr>
<td>Consolidated revenue</td>
<td>2,958</td>
<td>3,107</td>
</tr>
<tr>
<td>Trading profit</td>
<td>45</td>
<td>70</td>
</tr>
<tr>
<td>Trading margin</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(165)</td>
<td>(125)</td>
</tr>
<tr>
<td>Share of equity-accounted results</td>
<td>912</td>
<td>1,447</td>
</tr>
<tr>
<td>Gains on acquisitions and disposals</td>
<td>39</td>
<td>(51)</td>
</tr>
<tr>
<td>Impairments</td>
<td>(28)</td>
<td>(37)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(144)</td>
<td>(148)</td>
</tr>
<tr>
<td>Net profit</td>
<td>541</td>
<td>1,076</td>
</tr>
<tr>
<td>Core headline earnings</td>
<td>914</td>
<td>1,510</td>
</tr>
<tr>
<td>Core headline EPS (US$)</td>
<td>2.12</td>
<td>3.50</td>
</tr>
</tbody>
</table>

*Based on economic-interest, i.e. equity-accounted investments are proportionately consolidated.
Equity-accounted results

Associate and JV contributions (US$m)

- Once-off gains relate primarily to business combination gains/losses recognised by associates and joint ventures.
- The growth in 1H FY18 is primarily driven by Tencent, which contributed US$606m (of which US$414m relates to gains on mergers and acquisitions and is therefore reflected as a once-off adjustment).
## Contribution by associates and joint ventures

<table>
<thead>
<tr>
<th>1H FY18 (US$m)</th>
<th>Company results</th>
<th>PPA adjustments</th>
<th>IFRS results</th>
<th>Other adjustments*</th>
<th>Core HEPS contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tencent</td>
<td>1,615</td>
<td>-</td>
<td>1,615</td>
<td>212</td>
<td>1,827</td>
</tr>
<tr>
<td>Mail.ru</td>
<td>8</td>
<td>(1)</td>
<td>7</td>
<td>13</td>
<td>20</td>
</tr>
<tr>
<td>MakeMyTrip</td>
<td>(53)</td>
<td>(2)</td>
<td>(55)</td>
<td>7</td>
<td>(48)</td>
</tr>
<tr>
<td>Delivery Hero</td>
<td>(14)</td>
<td>-</td>
<td>(14)</td>
<td>-</td>
<td>(14)</td>
</tr>
<tr>
<td>Other</td>
<td>(102)</td>
<td>(4)</td>
<td>(106)</td>
<td>11</td>
<td>(95)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,454</strong></td>
<td><strong>(7)</strong></td>
<td><strong>1,447</strong></td>
<td><strong>243</strong></td>
<td><strong>1,690</strong></td>
</tr>
</tbody>
</table>

Equity-accounted investments’ contribution to core HEPS (US$m)

- **Company results**: 1,454
- **PPA adjustments**: (7)
- **IFRS results**: 1,447
- **Other adjustments**: 243
- **Core HEPS Contribution**: 1,690

FX conversion rates: Tencent - 1H FY18 US$/RMB6.7424 (6.616), Mail.ru - 1H FY18 US$/RUR57.977 (64.939)

### Notes
- “Other adjustments” relate to headline and core earnings adjustments similar to Naspers methodology.
- These include:
  - Equity-settled share-based payments
  - Fair-value adjustments and forex
  - Profit/losses on disposals of non-current assets
  - Impairments
  - Gains/losses on acquisitions and disposals
  - Amortisation charges
Interest paid and received
- Net finance cost on borrowings (net of interest received on loans and bank accounts) was down 27% to US$54m, benefiting from lower utilisation of credit facilities and interest received on cash retained from Allegro disposal.
- The RCF facility of US$2.5bn was unutilised at 30 Sept 2017.

Other finance costs
- Mainly due to a loss on the cross-currency interest rate swap (US$38m) and foreign exchange losses on intergroup loans denominated in Nigerian Naira, as well as transponder leases.

Debt
- US$1bn 7-year bond issued July 2013 (6% coupon).
- US$1.2bn 10-year bond issued July 2015 (5.5% coupon).
Proceeds were used to repay the US$700m bond which matured in July 2017, with remaining proceeds to be used for general corporate purposes, including M&A.

Transponders
- Impacted by IS20B satellite launched in September 2016 and capitalised on the balance sheet.
- SSA: 15yr agreement effective Sep 2016 (avg. cost ~US$21m p.a.)
- SA: 15-yr agreement effective Sep 2016 (avg. cost ~US$36m p.a.).

### Finance costs down 24% YoY

<table>
<thead>
<tr>
<th>US$m</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest paid</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and overdrafts</td>
<td>(136)</td>
<td>(132)</td>
</tr>
<tr>
<td>Transponder leases</td>
<td>(100)</td>
<td>(100)</td>
</tr>
<tr>
<td>Other</td>
<td>(20)</td>
<td>(26)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(16)</td>
<td>(6)</td>
</tr>
<tr>
<td><strong>Interest received</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and bank accounts</td>
<td>29</td>
<td>54</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(58)</td>
<td>(47)</td>
</tr>
</tbody>
</table>

| **Other finance costs, net** | | |
| Net FX differences & FV adjustments on derivatives | (58) | (47) |

| **Total net finance costs** | (165) | (125) |
Core headline earnings growing strongly

Trend in core headline earnings per share (US$)

- CAGR +26%
- FY 15: 2.55
- FY 16: 2.98
- FY 17: 4.06
- 1H FY17: 2.12
- 1H FY18: 3.50

- Core headline earnings per share increased 65% YoY, benefiting from:
  - Strong revenue growth (+33% YoY),
  - A 5% reduction in development spend,
  - The trading profit margin expanding by 1% to 23%,
  - A 59% increase in income from associates.

- Adjustments to reported earnings to arrive at core headline earnings are also applied to the contribution from equity-accounted investments.

- These adjustments have tax and minority effects that are similarly adjusted for in arriving at core headline earnings.

Incremental core headline earnings drivers, YoY (US$m)

- 1H FY16: 914
- Forex: (41)
- Equity accounted investments: 578
- Consolidated trading profit: 25
- Minorities: 6
- Net interest cost: 33
- Taxation: (5)
- 1H FY17: 1,510
Core headline earnings reconciliation

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headline earnings</td>
<td>555</td>
<td>916</td>
</tr>
<tr>
<td>Equity-settled share-based payment expenses</td>
<td>124</td>
<td>173</td>
</tr>
<tr>
<td>Amortisation of other intangible assets</td>
<td>177</td>
<td>398</td>
</tr>
<tr>
<td>Business combination losses (M&amp;A transaction costs)</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Retention option expense</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Fair-value adjustments &amp; currency translation differences</td>
<td>56</td>
<td>13</td>
</tr>
<tr>
<td>Core headline earnings</td>
<td>914</td>
<td>1,510</td>
</tr>
</tbody>
</table>

- Main driver of COHE growth was Tencent, contributing US$1.8bn (+121% YoY).
- Equity-settled share scheme charges increased 40%, mainly due to Tencent’s increased share-based payment charges.
- Amortisation of intangibles doubled due to Tencent’s increased investment in video content.
- Currency translation differences relate to the effects of changes in underlying foreign exchange rates, which this year is more stable as it is based on the NAFEX rate in Nigeria.
- The diluted earnings, diluted headline earnings and diluted core headline earnings per share figures presented on the face of the income statement include a decrease of US$20m (1H FY17: US$11m) relating to the future dilutive impact of potential ordinary shares issued by equity-accounted investees.
Balance sheet strong, current business plans fully funded

<table>
<thead>
<tr>
<th>US$m</th>
<th>FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt*: (offshore US$3.2bn)</td>
<td>(2,898)</td>
<td>(3,305)</td>
</tr>
<tr>
<td>Cash: (South Africa US$272m)</td>
<td>4,003</td>
<td>3,165</td>
</tr>
<tr>
<td>Closing net (debt)/cash</td>
<td>1,105</td>
<td>(140)</td>
</tr>
</tbody>
</table>

Gearing

-7% 1%

Net finance cost on loans and borrowings

(74) (54)

- US$272m of total cash is held in ZAR and another US$122m is held in various other African currencies.
- The remainder (88%) of the total cash (US$2,8bn) is held offshore, mainly in US$, EUR, Polish Zloty, Brazilian Real and Indian Rupee.
- Naspers debt covenants:
  - Net debt/adjusted EBITDA <2.75x
  - Interest cover >4.5x

*Excludes satellite lease liabilities (US$1.2bn) and non-interest bearing debt (US$207m).
Debt maturity profile and debt position

Debt maturity profile (US$m)

- Issued a US$1bn 10-year bond in July 2017 at a coupon of 4.85%.
- US$2.5bn Naspers RCF was undrawn at 30 September 2017.
- MultiChoice SA RCF of US$111m was fully drawn at 30 September 2017.

Split of debt obligations (US$m) 1H FY18

- South Africa
- Offshore (US$ & EUR)

Split of net cash reserves (US$m) 1H FY18

- South Africa
- Offshore (US$ & EUR)
### Current assets and liabilities

<table>
<thead>
<tr>
<th>Current assets (US$m)</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory</td>
<td>222</td>
<td>214</td>
</tr>
<tr>
<td>Programme and film rights</td>
<td>400</td>
<td>413</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>465</td>
<td>470</td>
</tr>
<tr>
<td>Other receivables</td>
<td>472</td>
<td>669</td>
</tr>
<tr>
<td>Derivative financial assets</td>
<td>14</td>
<td>23</td>
</tr>
<tr>
<td>Cash and deposits</td>
<td>1,545</td>
<td>3,171</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>26</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,144</strong></td>
<td><strong>4,960</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current liabilities (US$m)</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current portion of long-term debt</td>
<td>222</td>
<td>355</td>
</tr>
<tr>
<td>Provisions</td>
<td>30</td>
<td>48</td>
</tr>
<tr>
<td>Trade payables</td>
<td>599</td>
<td>675</td>
</tr>
<tr>
<td>Accrued expenses and other</td>
<td>1,260</td>
<td>1,354</td>
</tr>
<tr>
<td>Tax payable</td>
<td>51</td>
<td>20</td>
</tr>
<tr>
<td>Derivative financial liabilities</td>
<td>86</td>
<td>50</td>
</tr>
<tr>
<td>Bank overdraft and call loans</td>
<td>34</td>
<td>6</td>
</tr>
<tr>
<td>Liabilities held for sale</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,287</strong></td>
<td><strong>2,512</strong></td>
</tr>
</tbody>
</table>

- Other receivables increased largely due to higher content pre-payments in VE, as well as sales proceeds receivable following the disposal of Souq.
- The current portion of LT debt increased largely due to the Multichoice SA RCF of US$111m being fully drawn (matures early c2018).
- Trade payables increased as a result of inventory build up as some business segments gear up for seasonal sales.
- Accrued expenses and other were higher due to increased merchant payables (i.e. cash collected on their behalf by PayU).
Capital expenditure

<table>
<thead>
<tr>
<th>US$m</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land, buildings &amp; manufacturing equipment</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>Transmission equipment</td>
<td>20</td>
<td>4</td>
</tr>
<tr>
<td>Computers, software &amp; network equipment</td>
<td>26</td>
<td>16</td>
</tr>
<tr>
<td>Other (including vehicles and furniture)</td>
<td>19</td>
<td>11</td>
</tr>
</tbody>
</table>

Capital expenditure 78 45

Capex split by business

- Video Entertainment (38%)
- Ecommerce (58%)
- Media (4%)

- In general, our operations are not capex intensive.
- Maintenance capex is expected to change as the business evolves.
- Current estimates for maintenance capex are:
  - Media <ZAR300m
  - Ecommerce ~US$50m
  - Video entertainment ~ZAR1bn
## FX exposure: hedging

<table>
<thead>
<tr>
<th>US$ FX Cover</th>
<th>US$m</th>
<th>ZAR rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 months out</td>
<td>460</td>
<td>15.12</td>
</tr>
<tr>
<td>24 months out</td>
<td>206</td>
<td>14.43</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EUR FX Cover</th>
<th>EUR$m</th>
<th>ZAR rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 months out</td>
<td>51</td>
<td>17.81</td>
</tr>
<tr>
<td>24 months out</td>
<td>17</td>
<td>18.29</td>
</tr>
</tbody>
</table>

**Open FEC positions**
- Video entertainment: US$445m and €68m (programming rights and leases).
- Corporate: US$220m (Bond/RCF interest hedge).
- Media: US$1m and GBP5m.

**Hedging strategy**
- FECs not viable outside of SA, thus exposure in rest of Africa mostly not hedged.
- Video entertainment: cover 100% of net SA exposure under 18 months; up to 100% between 18-24 months forward.
- Media: short-term commitments, cover maximum 12 months rolling input costs.
- Almost all FEC’s qualify for hedge accounting.

**Video entertainment currency dynamics**
- Pricing in local currency.
- ~40% of input costs in hard currency.
- ~80% of these costs are hedged.
OPERATIONS
Classifieds: accelerating growth & margin expansion

- Continued expansion of monetisation markets, now 14 from 11 a year ago.
- Despite its considerable size, the business continues to grow strongly, with key metrics such as MUL +21% and App MAU +30% YoY.
- OLX Europe benefited from tailwinds in the vertical businesses.
- ARPIU has doubled since FY16 and increased 34% since FY17.
- EBITDA margin for monetisation countries expanded from 45% to 54%.
- Looking at peer group EBITDA margins, we believe there is further upside potential.

**Sources:** Company filings, investor reports, EIU reports and Factset, FX rates converted based on year average.

### MULs (m)*

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15.8</td>
<td>19.1</td>
</tr>
<tr>
<td>Increase</td>
<td></td>
<td>21%</td>
</tr>
</tbody>
</table>

### App MAU (m)*

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>65.7</td>
<td>85.4</td>
</tr>
<tr>
<td>Increase</td>
<td></td>
<td>30%</td>
</tr>
</tbody>
</table>

### OLX revenue/internet user - monetisation countries

<table>
<thead>
<tr>
<th># of Countries</th>
<th>FY16</th>
<th>FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Countries</td>
<td>10</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>EBITDA Margin %</td>
<td>45%</td>
<td>45%</td>
<td>54%</td>
</tr>
</tbody>
</table>

### EBITDA Margins: Expanding but room to be best in class (OLX Monetisation Countries only)**

- AutoTrader: 66%
- tradein: 64%
- leboncoin: 60%
- OLX Group: 54%
- blacket: 52%
- FINN: 40%

* Data reflects full year averages at 100% of controlled entities and proportionate share of equity-accounted investments.
** Sources: Company filings, investor reports, EIU reports and Factset, FX rates converted based on year average.
Classifieds: Avito shows consistent growth

- Avito continues to underpin a strong performance by the classifieds portfolio.
- The business prioritised building a best-in-class mobile experience (in line with our group strategy), resulting in a 32% increase in active app users.
- Increased scale generated strong growth across a number of key metrics, including in app Buyers and Sellers, Monthly Unique Listers (MULs) +42% YoY and paying listers +16% YoY.
- In Naspers’ 1HFY18 results, Avito contributed US$137m (+30% YoY) in revenue and US$78m (+29% YoY) in trading profit, maintaining an EBITDA margin of ~60%.

YoY growth in key metrics (avg 1H17 vs. 1H18)

- # of Paying Listers: +16%
- App MAUs: +32%
- MULs: +42%

Buyers and Sellers in Apps (Apr 2014 = 100)

- 62x
- 57x

Revenue (RUBbn)*

- FY14: 4.3
- FY15: 6.7
- FY16: 11.7
- 9m FY16: 8.4
- 9m FY17: 11.3

Adjusted EBITDA* (RUBbn)

- FY14: 2.2
- FY15: 3.3
- FY16: 6.2
- 9m FY16: 4.7
- 9m FY17: 6.8

* Financial information as per the Avito financial year ending December, which differs from the Naspers reporting period. Adjusted EBITDA reflects net profit plus depreciation and amortisation expenses, share-based compensation expense, finance costs (including fair value adjustments in respect of derivative under current office lease agreement) and income tax expense less finance income and expenses.
Classifieds: Poland continues to exceed expectations

Key growth metrics – Avg. 1H17 vs. 1H18

- MULs: +24%
- App MAUs: +38%
- # of Paying Listers: +133%

YoY growth in revenue (rebased to 100)

- Real Estate: +31%
- Vehicles: +47%
- Horiztonal: +99%

OLX Poland continues to grow beyond expectations.

- It generated strong growth in paying listers (+133% YoY).
- The business introduced monetisation in more categories, such as jobs and services.
- Our three separate Polish platforms (Otomoto, Otodom and OLX.pl) continue to deliver strong results.

Note: Vehicles and real estate revenues include revenues from those categories on the OLX branded platform.
Classifieds: early monetisation in Brazil, plenty of runway

Key Market Insights

- Brazil is an attractive market – it has one of the largest Internet populations in the world, with a young demographic who are willing to spend their money.
- OLX Brazil’s 1HFY18 revenue increased 88% YoY, continuing the strong momentum achieved in FY17.
- Strong revenue growth, combined with marketing spend trending down, resulted in the trading loss narrowing 66% YoY.
- The business is on track to reach break-even by the end of the financial year.

OLX Brazil revenue (BRLm)

- 1H FY17
- 1H FY18
- Increase 88%

OLX Brazil trading (loss) (BRLm)

- 1H FY17
- 1H FY18
- Decrease -66%

*Financials reflect 100% ownership, Naspers owns 50% of OLX Brazil

Source: Euromonitor online database
Classifieds: letgo

letgo USA transitioning to sustainable growth

Monthly minutes spent (mobile app)

Jan-16  Apr-16  Jul-16  Oct-16  Jan-17  Apr-17  Jul-17

106%

Mobile monthly active users (mobile MAUs)

Jan-16  Apr-16  Jul-16  Oct-16  Jan-17  Apr-17  Jul-17

120%

letgo Turkey catching up with Sahibinden

Monthly unique listers (MULs)

Jan-16  Mar-16  May-16  Jul-16  Sep-16  Nov-16  Jan-17  Mar-17  May-17  Jul-17  Sep-17

18%

Monthly unique listers (MULs)

Jan-16  Apr-16  Jul-16  Oct-16  Jan-17  Apr-17  Jul-17

73%

- Our letgo US business continues to excel versus local app competition, with a repeat customer base of ~80%.
- We have overtaken OfferUp in terms of total monthly minutes spent in our apps.
- We have also maintained our lead over OfferUp in terms of total users in our app.
- Our letgo Turkey business has increased its monthly unique listers by 75% YoY.
- Despite an internet population of 6x less than the US, our Turkey business has roughly half of the total number of US listers.
- We continue to narrow the gap with Sahibinden on monthly active users.

Source: Leading third-party data provider
B2C etail: strong GMV growth and improving unit economics

**B2C etail* segment GMV (US$m)**

- **1H FY16**: 554
- **1H FY17**: 746
- **1H FY18**: 1,047 (40% YoY growth)

**YoY growth in GMV (US$m)**

- eMAG: 35%
- Flipkart: 43%
- Takealot: 72%

**B2C etail segment EBITDA as % of GMV**

- **1H FY16**: -19%
- **1H FY17**: -11%
- **1H FY18**: -9%

*GMV presented on an economic interest basis, i.e. equity-accounted investments are proportionately consolidated. We adjust historic data to reflect our shareholding as at 30 Sept 2017, for comparative purposes.

- Flipkart and Takealot drove strong GMV growth in the etail segment.
- eMAG achieved 35% growth in GMV as the business increased its market share in Romania, Bulgaria and Hungary following successful marketing initiatives.
- Flipkart increased its share of GMV to 58% (Jun17), compared to 45% a year ago. Flipkart.com is the category leader in 12 of 20 focus categories, including mobile phones, TVs, laptops and fashion.
- Naspers invested an additional US$74m to acquire a controlling stake in Takealot, resulting in the consolidation of the entity.
- Takealot has increased its share of online traffic in SA to 36%, with Amazon (21%) and Bidorbuy (13%) lagging behind.
Payments: continuing to scale organically and through M&A

Scaling rapidly

- Operations across 17 markets
- >300,000 merchants, 1 integration layer
- Many large global merchants
- Global reach, but deep local presence

Strong growth

- Average daily transactions (m)
  - Sep 16: 1.0
  - Sep 17: 1.8 (+86% (63%)

- Revenue growth (US$m)
  - 1HFY17: 83
  - 1HFY18: 126 (+52% (36%)

Select investments

- **Kreditech**
  - ~US$120m investment
  - Provides AI-based credit

- **Remitly**
  - US$100m investment
  - Digital remittance leader

- Strong growth in average daily transactions across all the countries, not only India.
- Increase in revenues on the back of stable ticket size and take rate, with shift of merchant mix towards larger, global merchants (including Facebook and Uber).
- We continue to invest to build a credit business on top of our payment platform.
- Our investment in Kreditech gives us access to credit scoring technology (AI/ML).
- Though our recent investment in Remitly, we will be extending our range of consumer services to include remittances.

* Year-on-year trends affected by the acquisition of Citrus in November 2016 and Kreditech in May 2017, numbers in brackets represent organic growth excluding these transactions. Kreditech investment included cash of US$99m and committed loan funding.
Online food delivery: highly attractive opportunity

Online food delivery footprint*

- Food delivery is a large, underpenetrated and growing market with abundant opportunities.
- The asset-light two-sided marketplace shows high customer loyalty and growing consumer engagement over time.
- We have investments in:
  - iFood, the leading food-delivery business in Brazil and Mexico (via Movile),
  - Delivery Hero, the leading food-delivery company in 35 markets globally, and
  - Swiggy, a leading player in India.
- Combining these investments, Naspers has exposure to the market leaders in 38 countries.
- In 1HFY18, higher marketing cost related to expansion in Mexico and Argentina had a negative impact on iFood’s profitability.

iFood – investing in further growth (US$m)

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>Trading profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>16</td>
<td>(7)</td>
</tr>
<tr>
<td>FY17</td>
<td>54</td>
<td>4</td>
</tr>
<tr>
<td>1H FY17</td>
<td>20</td>
<td>2</td>
</tr>
<tr>
<td>1H FY18</td>
<td>49</td>
<td>(2)</td>
</tr>
</tbody>
</table>

*Includes Naspers subsidiaries and food delivery associates

Delivery Hero – continuing strong growth in 3Q FY18*

<table>
<thead>
<tr>
<th></th>
<th>Orders (m)</th>
<th>Revenue (EURm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9M FY16</td>
<td>139</td>
<td>23</td>
</tr>
<tr>
<td>9M FY17</td>
<td>206</td>
<td>38</td>
</tr>
<tr>
<td>9M FY16</td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>9M FY17</td>
<td></td>
<td>4</td>
</tr>
</tbody>
</table>

* Company data,

US$1.2bn cumulative investment for ~24% interest; recent ~14% stake subject to regulatory approval

US$61m investment in business aiming to become leader in Indian food delivery

*Company data,
VE: solid subscriber growth, changing mix

Video-entertainment subscriber homes (‘000)

<table>
<thead>
<tr>
<th></th>
<th>1H FY14</th>
<th>1H FY15</th>
<th>1H FY16</th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>7,259</td>
<td>8,402</td>
<td>10,234</td>
<td>11,002</td>
<td>12,232</td>
</tr>
<tr>
<td>SA DTH</td>
<td>4,699</td>
<td>5,174</td>
<td>5,563</td>
<td>6,048</td>
<td>6,636</td>
</tr>
<tr>
<td>SSA DTH</td>
<td>2,019</td>
<td>2,355</td>
<td>2,428</td>
<td>2,553</td>
<td>2,981</td>
</tr>
<tr>
<td>SSA DTT</td>
<td>541</td>
<td>873</td>
<td>2,243</td>
<td>2,401</td>
<td>2,615</td>
</tr>
</tbody>
</table>

Change in subscriber mix

<table>
<thead>
<tr>
<th></th>
<th>1H FY17</th>
<th>1H FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,005</td>
<td>1,890</td>
</tr>
<tr>
<td>SA DTH</td>
<td>3,266</td>
<td>3,290</td>
</tr>
<tr>
<td>SSA DTH</td>
<td>5,730</td>
<td>7,052</td>
</tr>
<tr>
<td>SSA DTT</td>
<td>18%</td>
<td>15%</td>
</tr>
</tbody>
</table>

• Following growth of 1.2m subscribers YoY, the total customer base now stands at 12.2m households.

• The DTH segment added 802k customers YoY, 588k (73%) in SA and 214k (27%) in SSA.

• Despite no additional ASOs during the reporting period, the DTT business recorded growth of 428k since 1HFY17.

• The change in the subscriber mix is ongoing, with growth mainly driven by subscriptions to the mid- and lower-end bouquets.
Mass-market growth is continuing, a solid performance in the context of a weakening economic backdrop.

ARPU remained relatively stable at ZAR347, despite an ongoing change in subscriber mix.

PVRs have increased 8% YoY and the 1.3m customers at present represent a 20% penetration of the subscriber base.

In September, we combined Showmax with DStvNow as an enhanced consumer offering.

These platforms enjoy a strong, early-market position and is positively impacting on churn.
The active customer base for the SSA business (both DTH and DTT) as at 1HFY18 was 5.6m households, representing 46% of the group’s total subscriber base.

We continue to drive the “Value strategy”, i.e. reducing non-performing content, improving customer focus and retention, reducing set-top box prices and rightsizing operations.

Billing in local currency resulted in lower US$ revenues (and ARPU) upon conversion and, together with significant US$ input costs, impacted negatively on financial performance.

Assuming no further currency weakness and continued subscriber growth, we expect losses to bottom out.

VE: SSA operational progress negated by Naira devaluation
VE: DTT at break-even

- Subscriber growth 17%, affected by absence of any analogue switch offs.
- Business segment approaching break-even in the aggregate.
- 4 of the 9 countries offering DTT services are already profitable.
- ASO has commenced in Zambia in Oct 2017, with encouraging early results.

<table>
<thead>
<tr>
<th>Year</th>
<th>Subscribers (m)</th>
<th>ARPU (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H FY13</td>
<td>151</td>
<td>5.6</td>
</tr>
<tr>
<td>1H FY14</td>
<td>541</td>
<td></td>
</tr>
<tr>
<td>1H FY15</td>
<td>873</td>
<td></td>
</tr>
<tr>
<td>1H FY16</td>
<td>2,428</td>
<td></td>
</tr>
<tr>
<td>1H FY17</td>
<td>2,553</td>
<td>4.8</td>
</tr>
<tr>
<td>1H FY18</td>
<td>2,981</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX
1) OLX owns 50% of operations in Brazil and 40.5% of Indonesia
2) Our effective interest in letgo USA (B.V) is 47.1% held through Ambatana Holdings
3) MMYT listed on the Nasdaq stock exchange; fully diluted holding 40%
4) Showmax SA is held 80%, other Showmax operations are held 100%

* Organogram depicts effective percentage holdings in major entities.
Glossary of terms

- **AI**: Artificial intelligence
- **ARPU**: Average revenue per user
- **B2C**: Business to consumer
- **CAGR**: Cumulative annual growth rate
- **COHE**: Core headline earnings
- **DTH**: Direct-to-home
- **DTT**: Digital terrestrial television
- **EPS**: Earnings per share
- **FCF**: Free cash flow
- **FX**: Foreign exchange
- **GMV**: Gross merchandise value
- **M&A**: Mergers and acquisitions
- **MAU**: Monthly active user
- **ML**: Machine learning
- **MUL**: Monthly unique lister
- **RPIU**: Revenue per internet user
- **PVR**: Personal video recorder
- **SSA**: Sub-Saharan Africa
- **SNS**: Social network services
- **VE**: Video entertainment
THANK YOU

Meloy Horn
+27 11 289 3320
+27 82 7727 123
InvestorRelations@naspers.com
www.naspers.com