

Cape Town, 23 November 2020 – Naspers Limited (JSE: NPN) today announced strong results for the six months ended 30 September 2020

The group recovered well from a tough first quarter to accelerate revenue growth, improve profitability and cash-flow generation.

Strong performance in uncertain times:

- Group revenue grew 32% to US\$13.0bn (HY20: US\$10.2bn), with strong growth across food delivery, etail and education.
 - Prosus revenues grew 32% to US\$12.7bn (HY20: US\$9.9bn)
 - 141% revenue growth of food delivery
 - 69% revenue growth in etail
 - 54% revenue growth in edtech
- Group trading profit increased by 42% to US\$2.6bn (HY20: US\$1.9bn).
- Core headline earnings were US\$1.6bn (HY20: US\$1.7bn) driven by improved profitability from our ecommerce units and the growing contribution from Tencent. The year-on-year 5% decrease reflects that Naspers owns 72.66% of Prosus in the current financial year and owned 100% in the prior year.
- Free cash flow jumped from US\$19m to US\$292m driven by lower food losses, strong working-capital management, and US\$81m increase in Tencent dividend.

Bob van Dijk, Group Chief Executive Officer, commented:

"Our strong performance reflects the resilience and adaptability of the group and of our teams to effectively navigate challenging times. We entered the pandemic with financial strength and good momentum and in the second half of the period, our businesses recovered well from the initial impact of Covid-19 and are now fundamentally stronger than they were going into the pandemic."

The pandemic has accelerated activity in the consumer internet space, benefitting our businesses. We have seen particularly strong growth in food delivery, online payments, etail, and edtech and, throughout the period, we continued to invest for long-term growth. Looking ahead, we will continue to look after our people and support the communities we serve through uncertain times and we are focused on emerging well from the pandemic."

Several companies had stand out performances:

- iFood grew revenues by 234% YoY with KPIs including order frequency and order value hitting record levels.
- PayU GPO grew revenues 48% as people used cashless payment methods.
- Udemy grew enrolments more than 400%.
- BYJU'S saw 180% growth in students on top of already high growth rates.

Disciplined investment for long-term growth:

- Invested ~US\$600m to strengthen our businesses.
- Classifieds
 - Merged letgo and OfferUp in the US and led a US\$120m investment round for a 35% fully diluted stake in the combined business which is well-positioned for growth with national reach.
 - Injected our MENA classifieds assets into EMPG (Emerging Markets Property Group) for a 39% fully diluted stake and participated in a US\$150m financing round valuing the business at over US\$1bn.
 - Post the end of the period, OLX Brazil closed the US\$520m acquisition of leading real-estate vertical Grupo Zap, announced in March 2020.
- Payments and fintech
 - Additional investment of US\$53m in Remitly.
- Edtech
 - Stepped up our total investment to more than US\$1bn and seven companies in this fast-growing sector.

Strong balance sheet:

- Net cash position of US\$4.6bn.
- Undrawn US\$2.5bn revolving credit facility.
- In July, Prosus successfully raised more than US\$2bn in debt, comprising its longest-dated US dollar offering to date and its debut euro notes offering.

Basil Sgourdos, Group Chief Financial Officer, said:

"The group delivered strong results, with group revenues growing 32% to US\$13bn, trading profit growing 42% to US\$2.6bn, and core headline earnings of US\$1.6bn.

Despite a tough first quarter, strong recovery in the second quarter resulted in ecommerce revenue growth of 52% for the reporting period compared to the same period last year. Notably, food delivery nearly doubled revenue growth while trading losses improved by US\$91m.

We remained disciplined on capital allocation and ended the period with a strong balance sheet, giving us financial flexibility as we move forwards. Given our strong cash position, the full market valuations in consumer internet M&A and a widening of our consolidated discount to net-asset-value, after the end of the period we announced a substantial US\$5bn buy back of our own stock to invest in our strong portfolio and return value to shareholders. We remain fully focused on value creation through delivering continued long-term growth and by reducing the discount."

Donations to support government responses to Covid-19

On 30 March 2020, Naspers committed R1.5 billion of emergency aid in support of the South African government's response to the Covid-19 pandemic. This commitment has been delivered, with R500 million donated to government's Solidarity Fund, and R1 billion worth of PPE provided to South Africa's front-line healthcare workers.

The group also donated ₹1bn in India to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund created by Prime Minister Narendra Modi to alleviate the suffering of those affected by the Covid-19 crisis and to aid India's emergency response.

Phuthi Mahanyele-Dabengwa, CEO, South Africa:

"Naspers is deeply committed to South Africa. We believe our country's technology ecosystem has a vibrant future with many attributes supporting growth in this sector: access to technology talent, a relatively low cost of doing business, and a society that is digitising rapidly. We are seeing this play out in the growth of ecommerce, fintech, and education technology platforms. Through Naspers Foundry, we are proud to invest in the next wave of home-grown tech businesses and we are excited by a rich pipeline of prospects. We will continue to support South Africa on the road to economic recovery and inclusive growth."

Outlook

The current operating environment remains uncertain and the longer-term social and economic impact of Covid-19 is unclear. The group is on a solid financial footing and the fundamentals of the underlying businesses are strong, with all well-positioned to build on the accelerating shift to online triggered by the pandemic.

Management remains focused on value creation for shareholders through driving profitability and cash generation in the group's more-established ecommerce businesses, while investing for growth in food delivery, classifieds transactions, credit, and edtech.

In recent months, the group's consolidated discount to net-asset-value has widened and management is committed to addressing the structural issues causing this.

On 30 October 2020, the group announced its intention for Prosus to acquire up to US\$5bn of Prosus and Naspers shares. This will be implemented by the acquisition of up to US\$1.4bn Prosus N ordinary shares and US\$3.6bn Naspers N ordinary shares on the market. The program will be executed in an optimal manner that can comfortably be done in the market.

The complete results are available at www.naspers.com/investors

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Notes on the numbers

- All growth percentages are shown in local currency terms and adjusted for acquisitions and disposals.
- All amounts are shown on an economic-interest basis (i.e. including a proportionate consolidation of the contribution from associates and joint ventures).
- Naspers owns 72.66% of Prosus.

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About Naspers

Established in 1915, Naspers has transformed itself to become a global consumer internet company and one of the largest technology investors in the world. Through Prosus, the group operates and invests globally in markets with long-term growth potential, building leading consumer internet companies that empower people and enrich communities. Prosus has its primary listing on Euronext Amsterdam and a secondary listing on the Johannesburg Stock Exchange and Naspers is the majority owner of Prosus.

In South Africa, Naspers is one of the foremost investors in the technology sector and is committed to building its internet and ecommerce companies in the country. These include Takealot, Mr D Food, Superbalist, OLX, Autotrader, Property24 and PayU, in addition to Media24, South Africa's leading print and digital media business.

Naspers is also focused on stimulating South Africa's local tech sector through **Naspers Foundry**. This is a R1.4 billion investment targeting early stage technology companies in South Africa that seek to address big societal needs. To help address youth unemployment in impoverished communities, in 2019, Naspers launched **Naspers Labs**, a social impact programme for young, unemployed South Africans aged between 17 and 25. Located in low income, urban settings, Naspers Labs provide a structured development journey enabling young people to enter the economy.

Naspers has a primary listing on the Johannesburg Stock Exchange (NPN.SJ) and a secondary listing on the A2X Exchange (NPN.AJ) in South Africa, and has an ADR listing on the London Stock Exchange (LSE: NPSN).

For more information, please visit www.naspers.com

Naspers Foundry

Naspers Foundry is an early-stage business funding initiative focused on technology entrepreneurs in South Africa. Over the past year, Naspers Foundry invested R30 million in SweepSouth, an online home and business cleaning services platform that connects clients with trusted, reliable cleaners.

Visit www.sweepsouth.com for more information.

After year-end, in May 2020, Naspers Foundry invested a further R100 million in Aerobotics, an agritech company that provides tree crop health and yield intelligence data to the agricultural industry using drone and satellite-enabled AI technology. Visit www.aerobotics.com for more information.

In September this year, Naspers Foundry closed a transaction in Food Supply Network on undisclosed terms. The independent B2B marketplace integrates ordering systems of manufacturers, distributors, and buyers (restaurants, hotels and retailers) of food products. Visit <https://foodsupply.co.za/za/> for more information.

Naspers Labs

Naspers Labs is the group's flagship social impact programme designed to transform and launch South Africa's unemployed youth into economic activity. Currently in its pilot phase, Naspers has invested R69 million in Naspers Labs and has set up four labs. To date, 2,030 young people have completed the Naspers Labs programme and 956 employment placements have been made. As a result of Covid-19, Naspers Labs is expanding their offering to train youth in Cyber Security, Software Development and Cloud Computing, through remote learning. Visit www.nasperslabs.org for more information.