Financial results presentation

For the year ended 31 March 2018

NASPERS

Important information

This report 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”, “endeavor” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and should be considered in light of various important factors. 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. The key factors that could cause our actual results performance, or achievements to differ materially from those in the forward-looking statements include, among others, changes to IFRS and the interpretations, applications and practices subject thereto as they apply to past, present and future periods; ongoing and future acquisitions, changes to domestic and international business and market conditions such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political conditions; the occurrence of labour disruptions and industrial action and the effects of both current and future litigation.

We are not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise. We cannot give any assurance that forward-looking statements will prove to be correct and investors are cautioned not to place undue reliance on any forward-looking statements contained herein.

Agenda

1. Strategic business review
2. Financial review
3. Outlook

Strategic business review

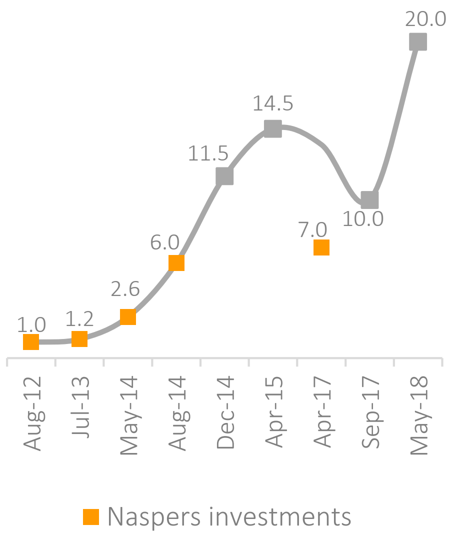
We have delivered well on our objectives

FY18 Objectives

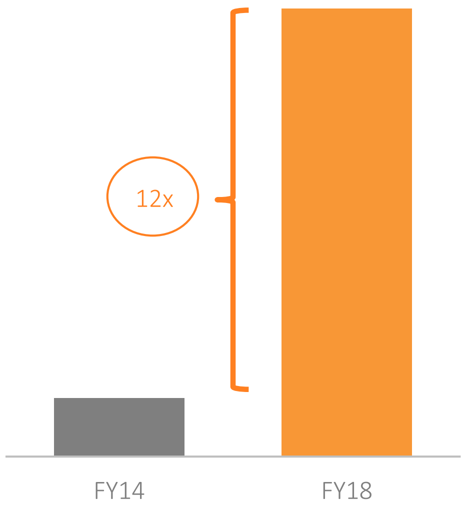
- Deliver strong financials
- Scale classifieds (+letgo)
- Drive payments growth
- Expand food delivery
- Grow VE subscribers and cut costs

Flipkart: this is how we create value

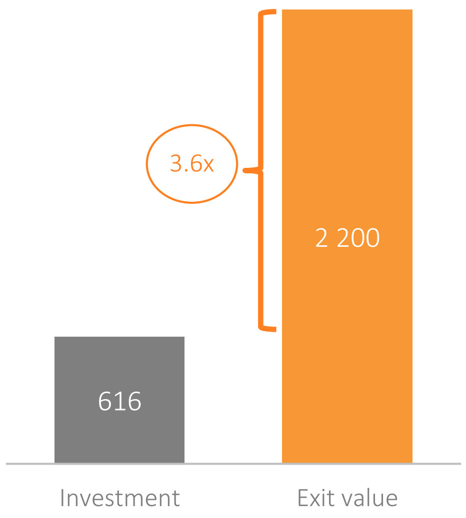
Flipkart's valuation over time (US$bn)[1]



Flipkart group GMV (US$m)



Naspers return (US$m)[2]



Invest early, remain disciplined

Prioritise growth

Unlock value

[1] Values reflect pre-money valuations as evidenced by funding rounds. The Naspers investment in April 2017 was a direct purchase from another financial investor in Flipkart.
[2] The disposal of our 11.18% stake for US$2.2bn as announced in May 2018 is still pending regulatory approval and is expected to close in FY19.

Prioritising investments to accelerate growth in core segments

	Classifieds	Food delivery	Payments
Ambition	Create a US$10bn+ segment with revenues increasing well above US$2bn and high margins	Portfolio of absolute leaders in high growth markets	Integrated fintech leader in focus markets
Current scale	• More than 330m users • #1 in 36 markets • US$628m in revenues	• #1 in 40 markets • FY18 order and GMV growth both +65% YoY[1]	• US$25.5bn (+53%) in processed value in FY18 • #1 in 7 of 17 markets • Investing in credit and remittances

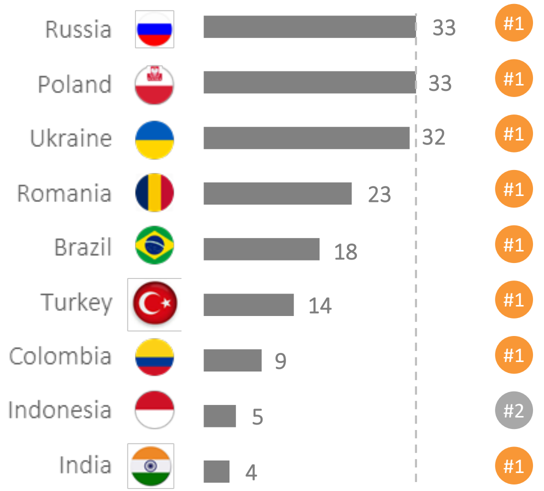
[1] Orders and GMV reflect 100% of underlying businesses.

Opportunity: classifieds

Leveraging market leadership

Penetration
listers per 1000 middle class capita

Category ranking[1]

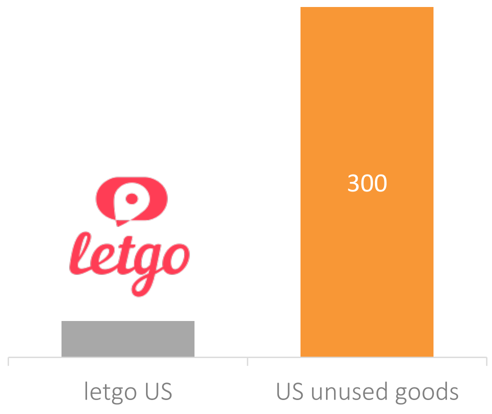


Sources: Euromonitor, SimilarWeb, OLX database

[1] Category rankings determined by ranking of classifieds app within the shopping category.

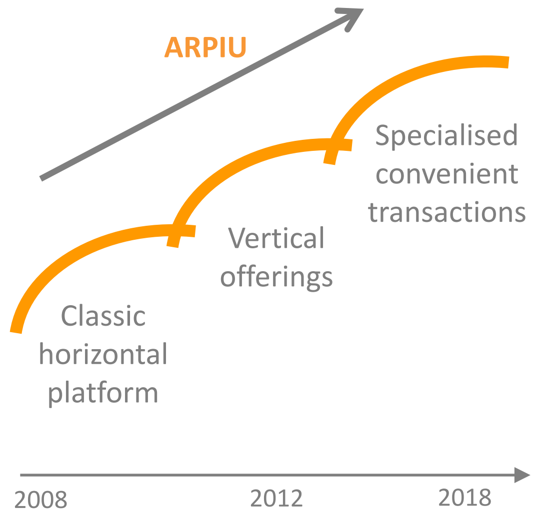
letgo: great opportunity

GMV
> US$300bn unused goods in US households



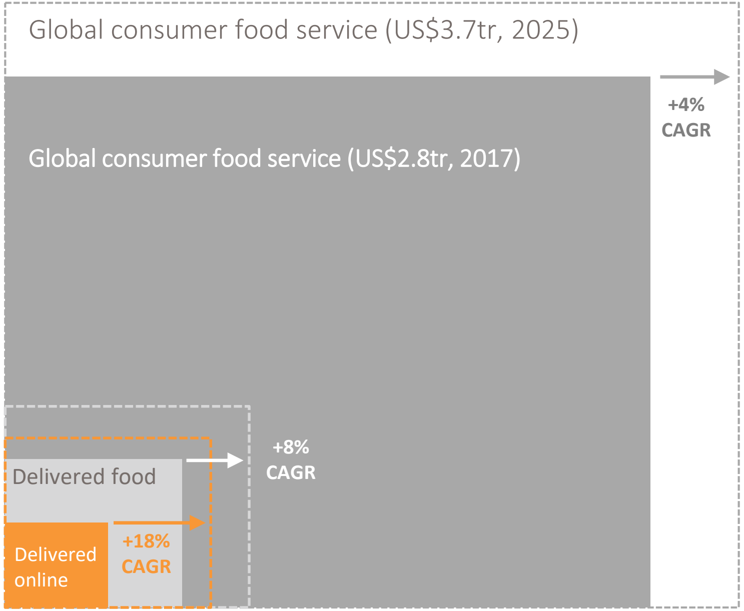
Sources: KPCB Forrester, letgo database

Extending business model



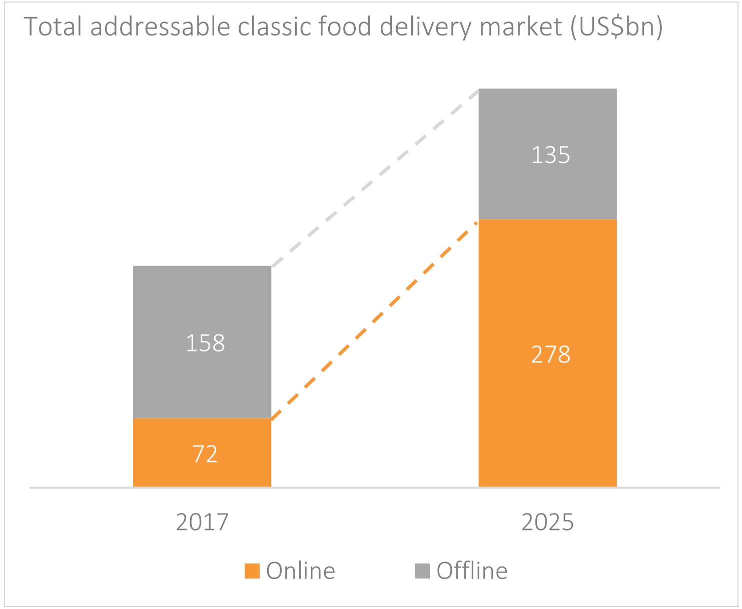
Opportunity: food delivery

Larger food market offers sizeable expansion opportunity



Source: Barclays Research and Euromonitor

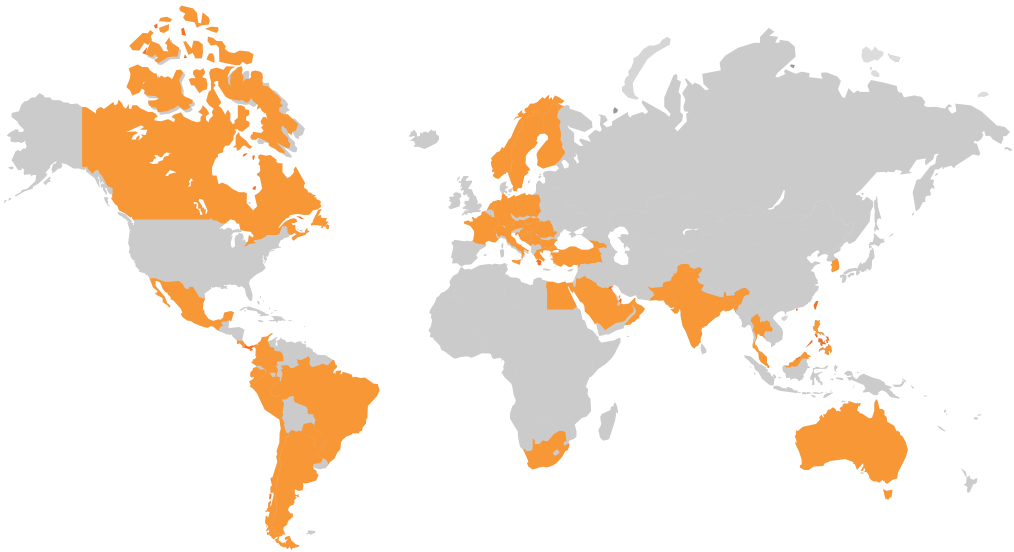
Food delivery market undergoing online disruption

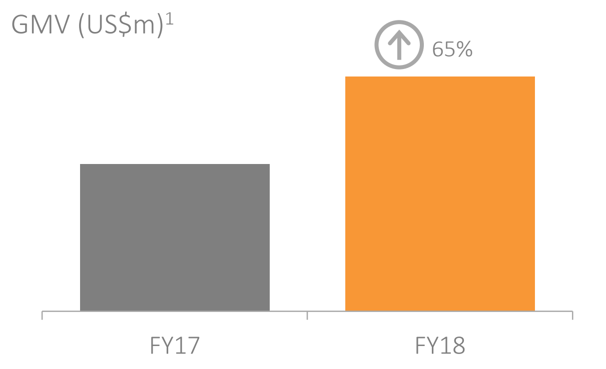


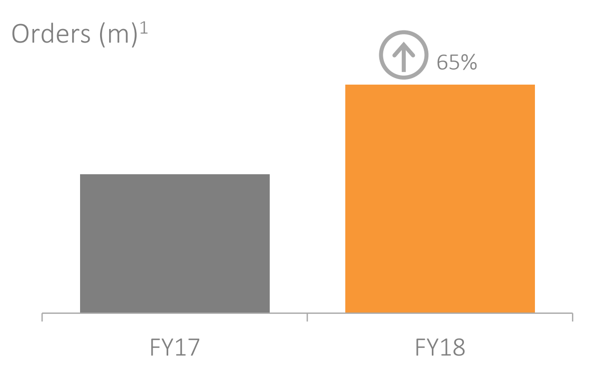
Source: McKinsey, company data

Food delivery: leadership positions in many large geographies

Global footprint - leadership position in 40 markets







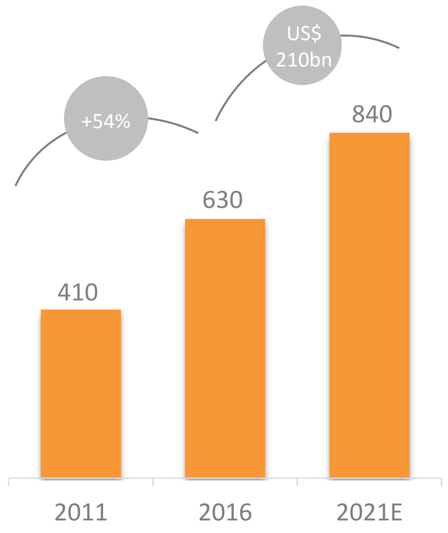
Delivery Hero · ifood · SWIGGY · MR D

[1] GMV is calculated in US$ using average exchange rates for respective years. Delivery Hero's financial year end is December; however data reflects the April 2017 – March 2018 period to align with iFood and Swiggy. GMV and number of orders exclude Mr D, which is a subsidiary of Takealot.

Opportunity: payments

Large and fast-growing segment

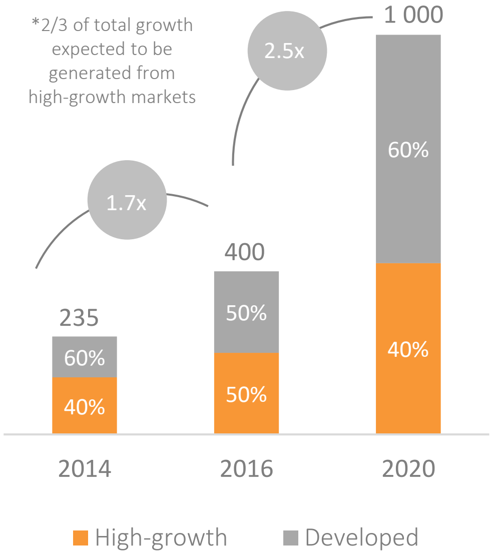
Global fee-based payment revenues (US$bn)[1]



[1] Excludes cross-border.
Source: McKinsey, company data

Cross-border a great opportunity

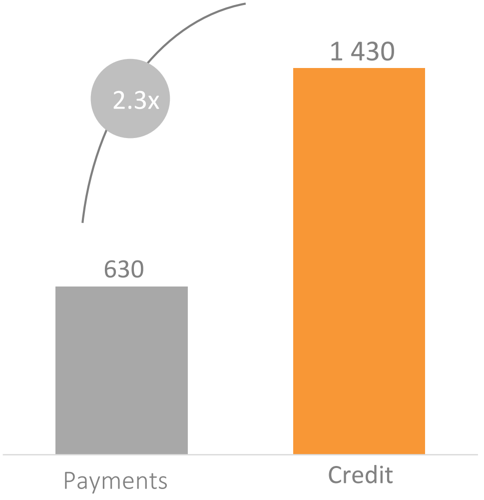
Global online cross-border market size (B2C), (US$bn)



Source: AliResearch - Accenture

Significant scope for credit

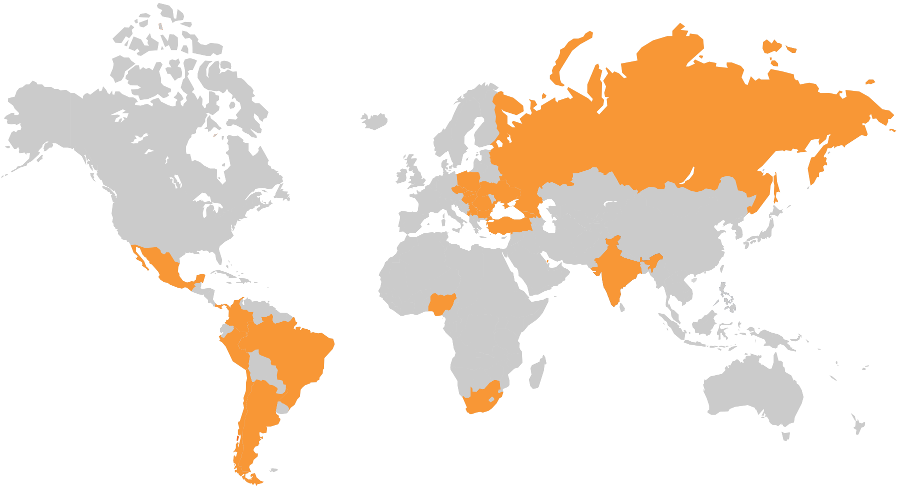
Credit (lending) revenue pool 2x larger than payments (US$bn)



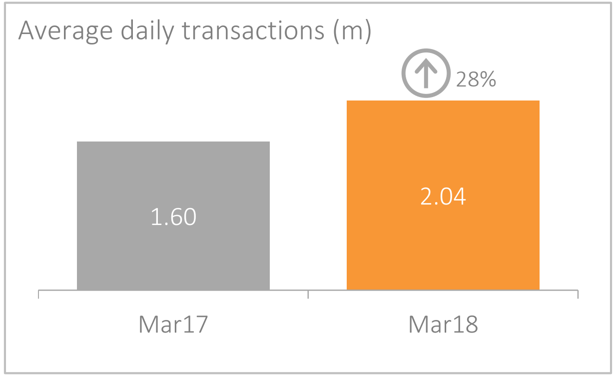
Source: McKinsey, company data

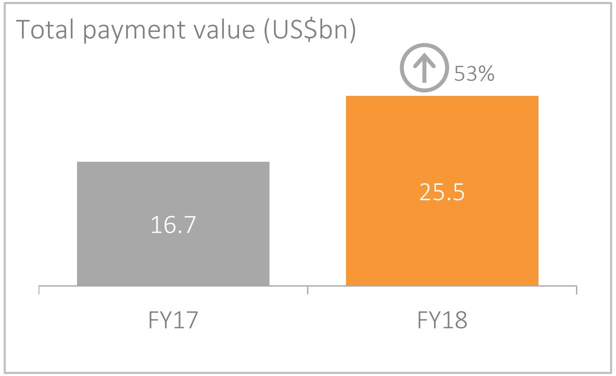
Payments: improving financial access through technology

Global footprint – operations in 17 markets



Core payments	Credit services	Remittances	Other
PayU	Kreditech, PaySense, zest, creditas	Remitly	LUNO, Digital Currency Group





Note: Digital Currency Group forms part of the Naspers Ventures portfolio.

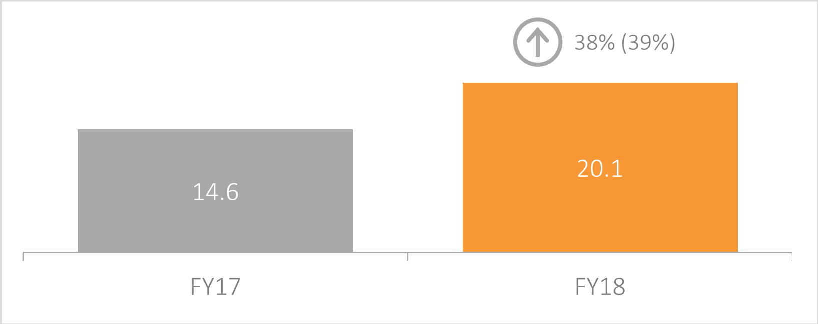
Financial review

FY18 financial highlights

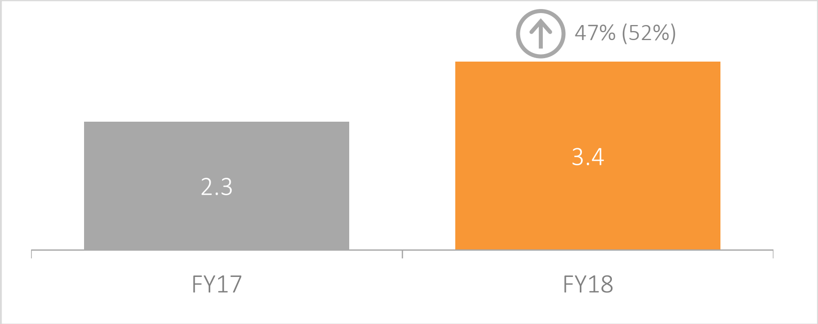
1. Accelerated growth in revenue and trading profit
2. Ecommerce losses narrowing, margins improving
3. Classifieds turned profitable and cash generative (excluding letgo)
4. Steady results from video entertainment, sub-Saharan Africa losses stabilised
5. Tencent performance contributed to healthy earnings growth
6. Strong balance sheet + healthy returns underpin our conviction to seek out further opportunities

Synopsis of financials

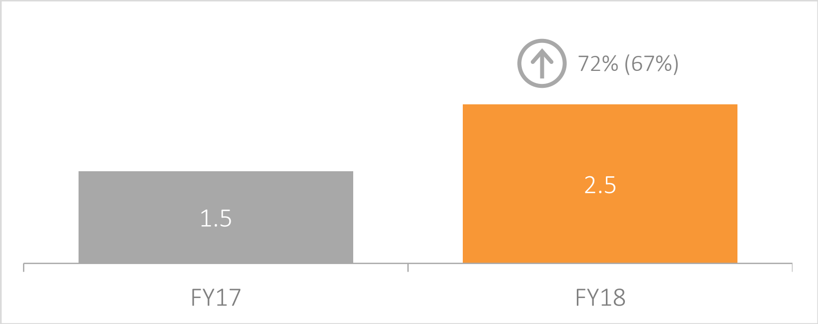
Revenue (US$bn)[1]



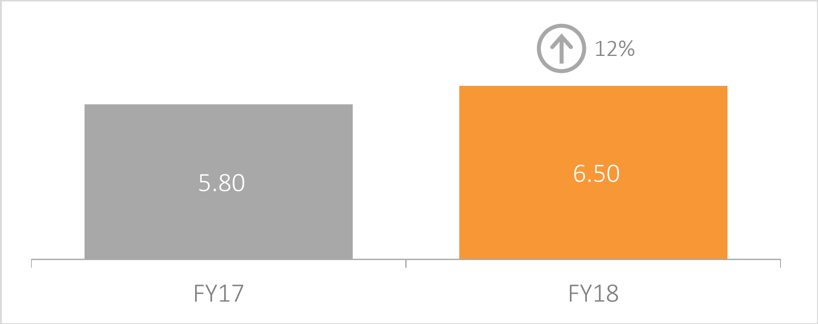
Trading profit (US$bn)[1,2]



Core headline earnings (US$bn)[2]



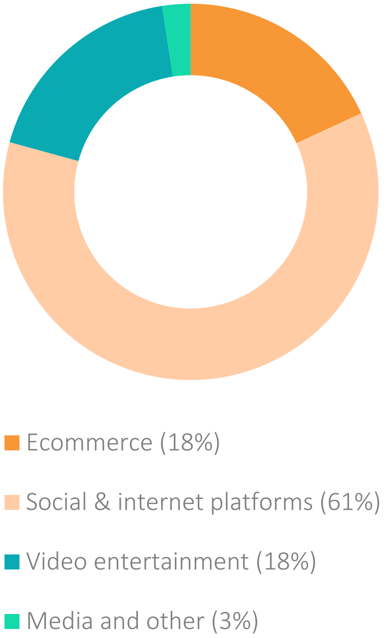
DPS (ZAR)



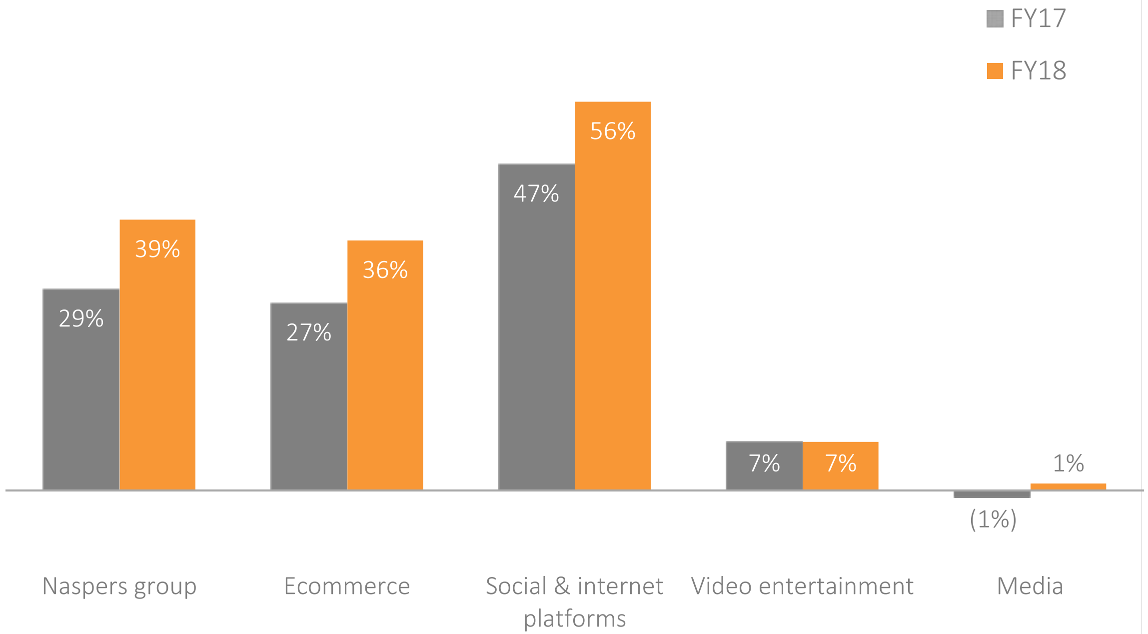
[1] Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A.
[2] FY17 restated for the change in the calculation of trading profit and core headline earnings regarding Tencent's digital content amortisation.

Ecommerce and Tencent underpin revenue growth

Revenue by segment (US$m)[1]



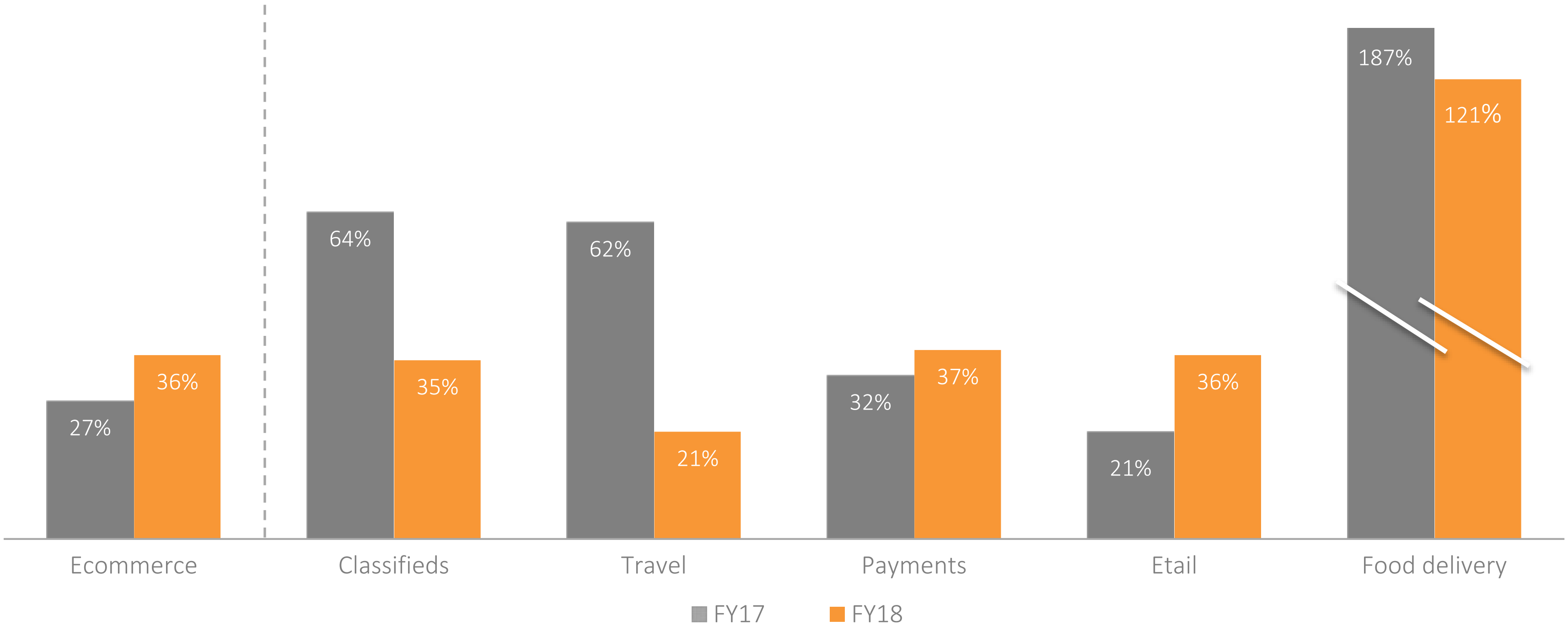
Constant currency revenue growth by segment (%)[1]



[1] Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated, reflecting year-on-year growth in local currency, excluding M&A.

Ecommerce growth accelerating

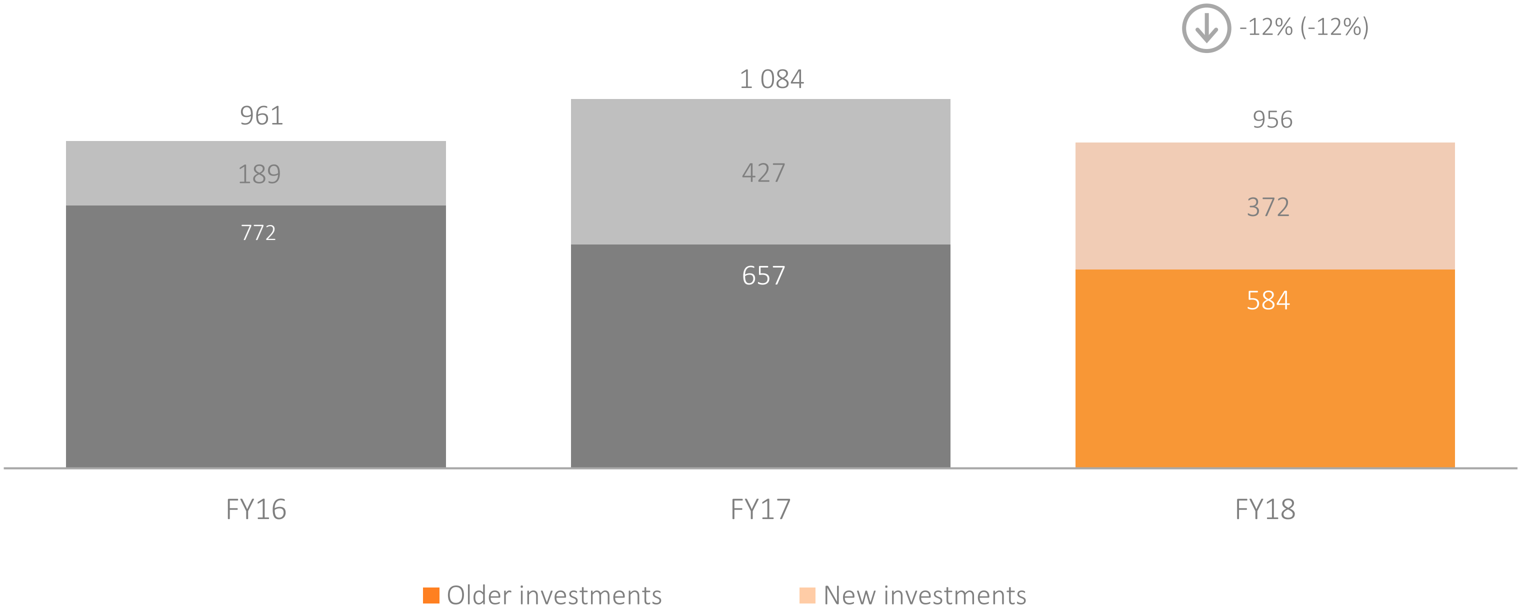
Constant currency revenue growth by type (%)[1]



[1] Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated, reflecting year-on-year growth in local currency, excluding M&A. Note: Allegro was sold in FY17, resulting in the marketplace segment falling away. FY17 revenue growth in travel was boosted by the launch of the India hotel segment.

Development spend on downward trend as businesses turn profitable

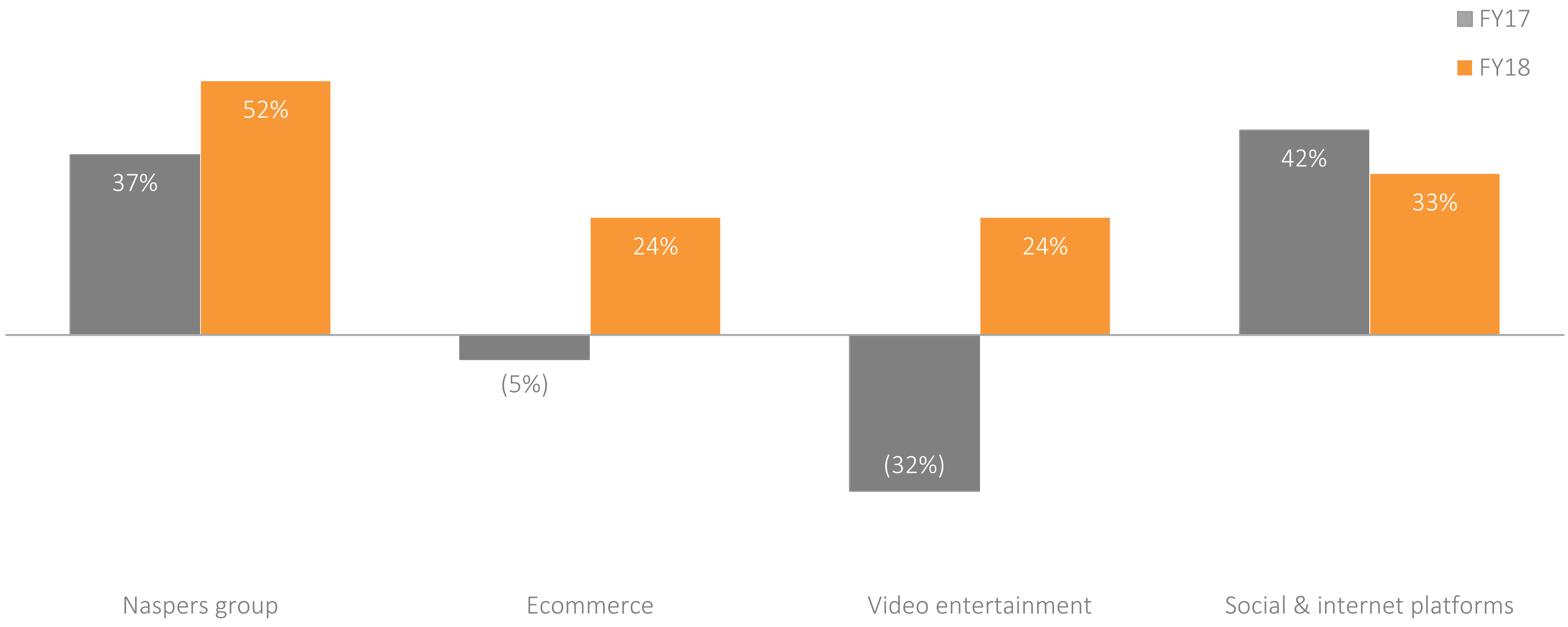
Development spend (US$m)[1]



[1] Development spend represents trading losses of developing businesses yet to reach scale. 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.

Trading profit growth: a marked improvement on last year

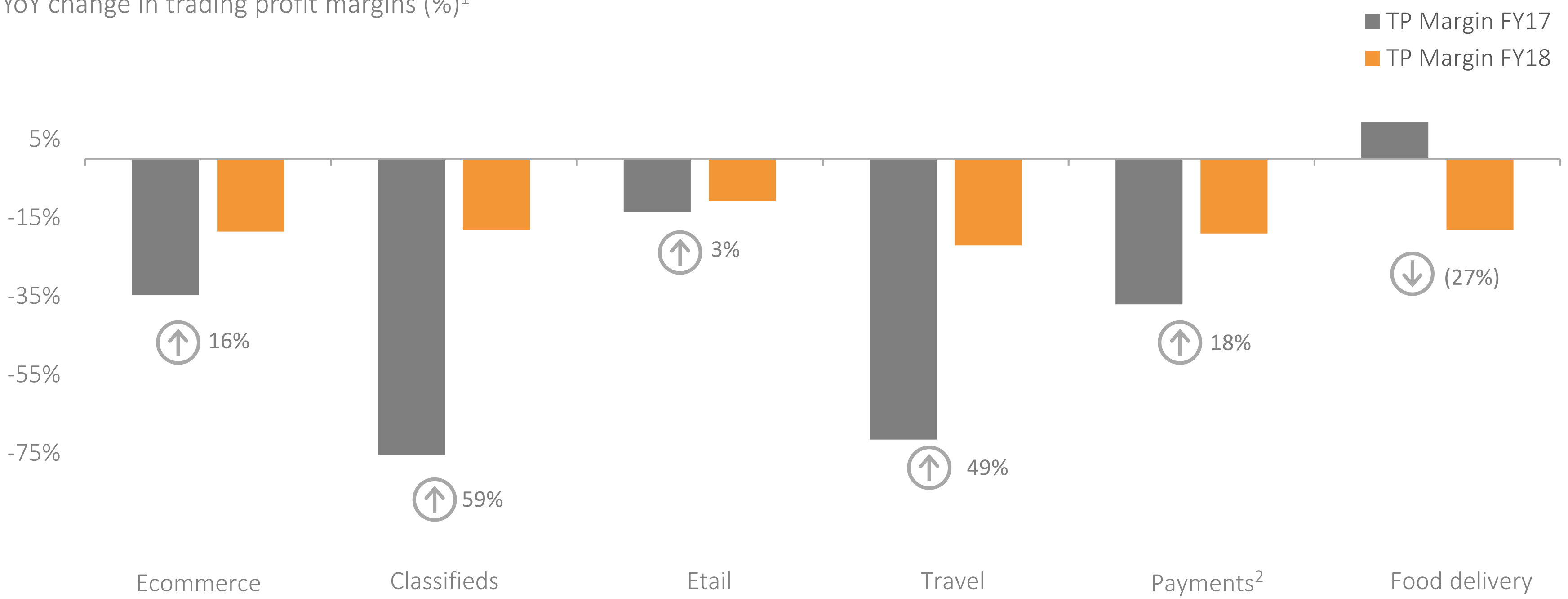
Incremental trading profit by segment, YoY (%)[1]



[1] Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Year-on-year growth shown in local currency, excluding M&A.

Improving operating leverage across ecommerce

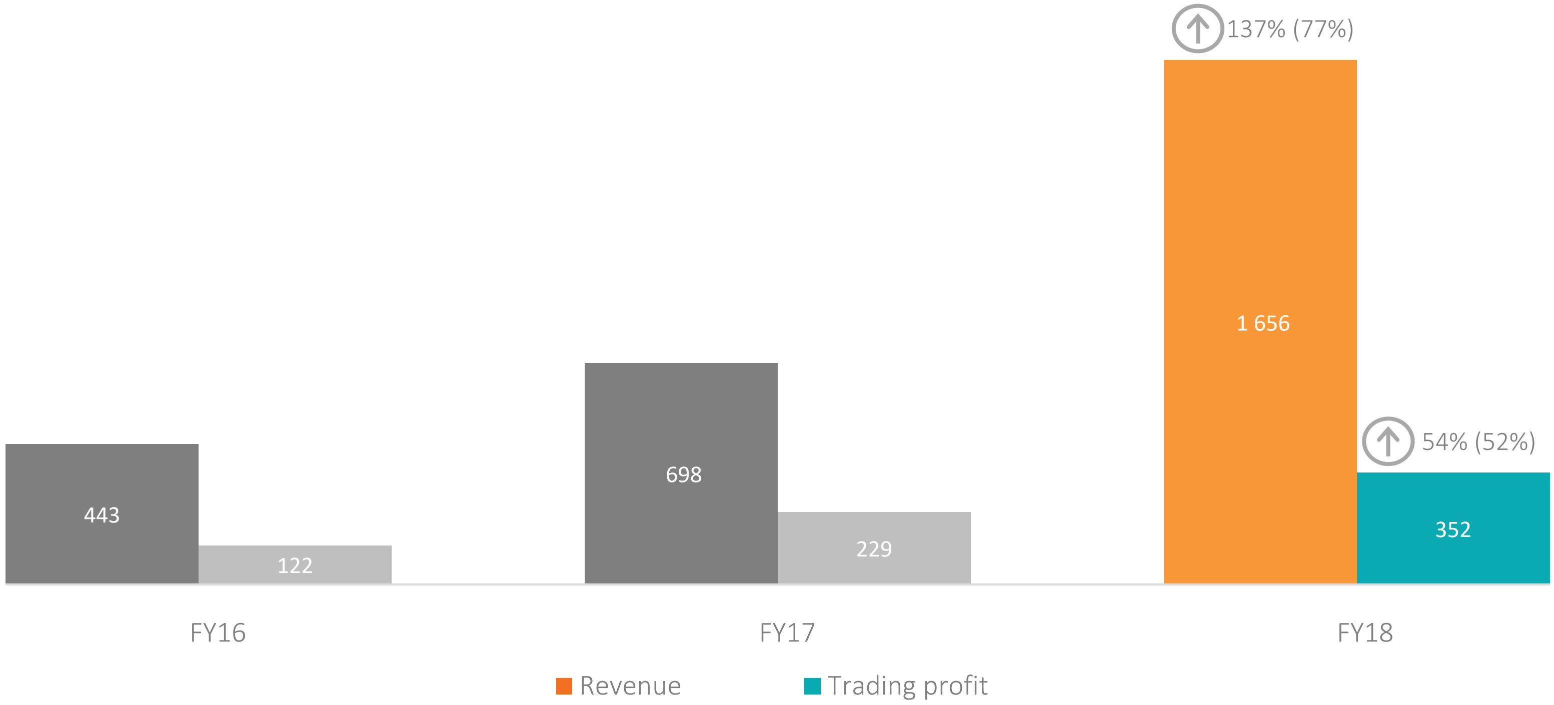
YoY change in trading profit margins (%)[1]



[1] Results exclude Allegro and Flipkart and are reported on an economic-interest basis. Equity-accounted investments are proportionately consolidated.
[2] US$8m in corporate IT charges, which are not directly associated with payments operations, have been excluded from the FY18 trading margin.

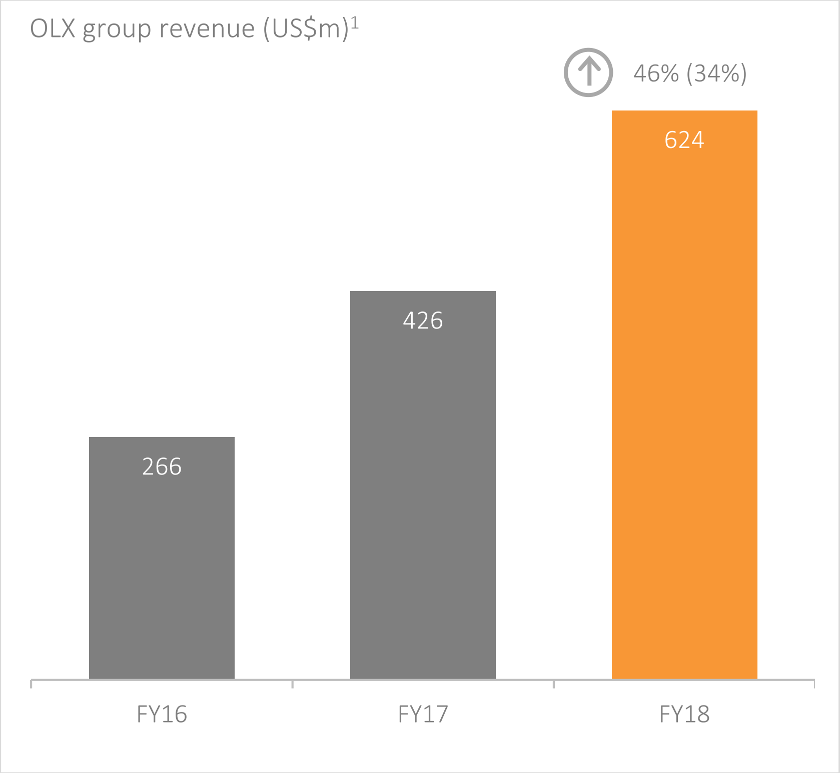
Profitable ecommerce contribution now equal to VE

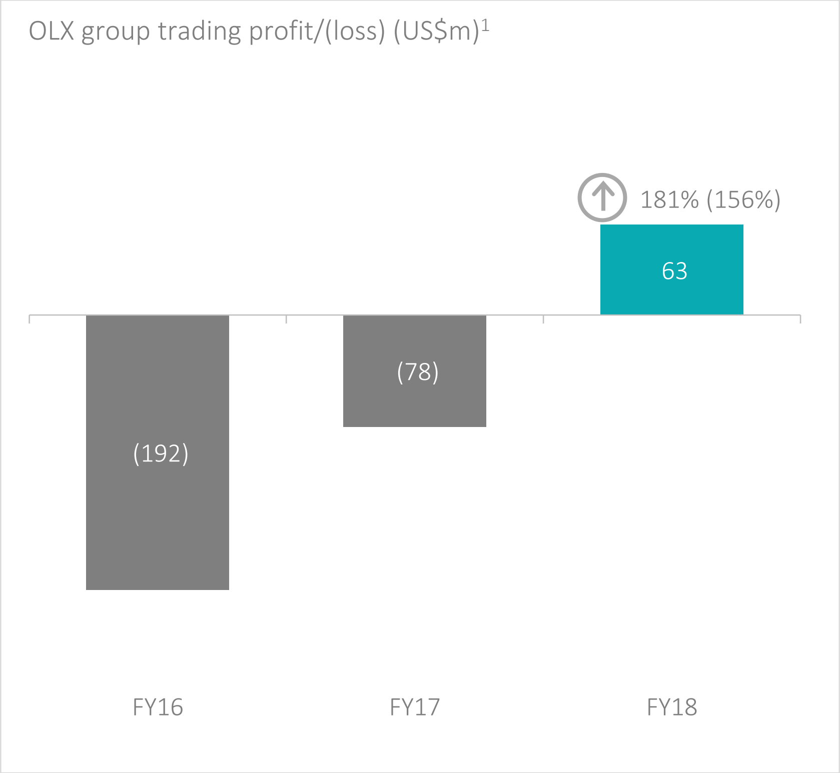
Financial progress of profitable entities (US$m)[1]



[1] Information is reflected on an economic-interest basis; numbers in brackets represent YoY growth in local currency, excluding M&A, on a normalised basis (i.e. accounting for changes in shareholding). FY16 and FY17 numbers exclude revenue and trading profit associated with disposed entities, reflecting amounts on a like-for-like basis.

Classifieds: OLX turned profitable and FCF generative

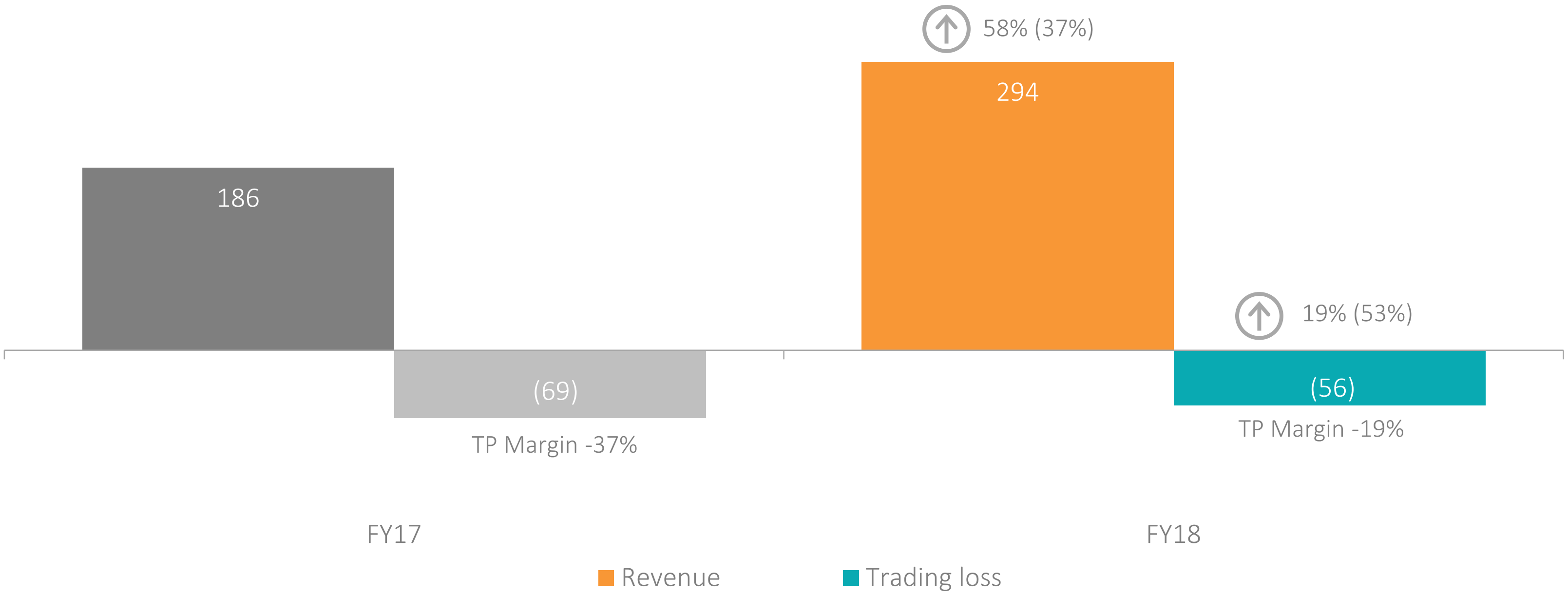




[1] Results reported are on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A. All numbers exclude letgo. FY16 results reflect pro-forma numbers, assuming the consolidation of Avito for the full-year.

Payments: strong revenue growth and margin improvement

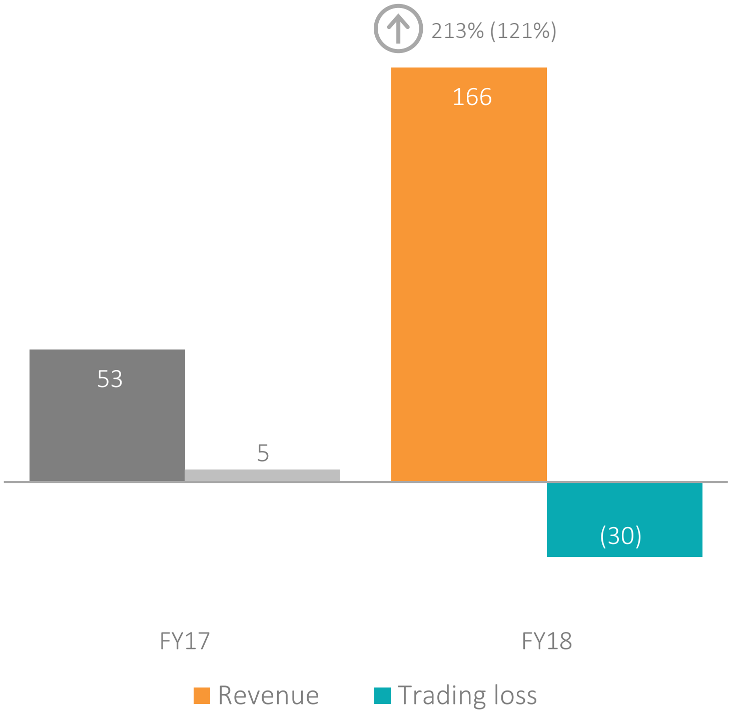
Revenue and trading loss (US$m)[1]



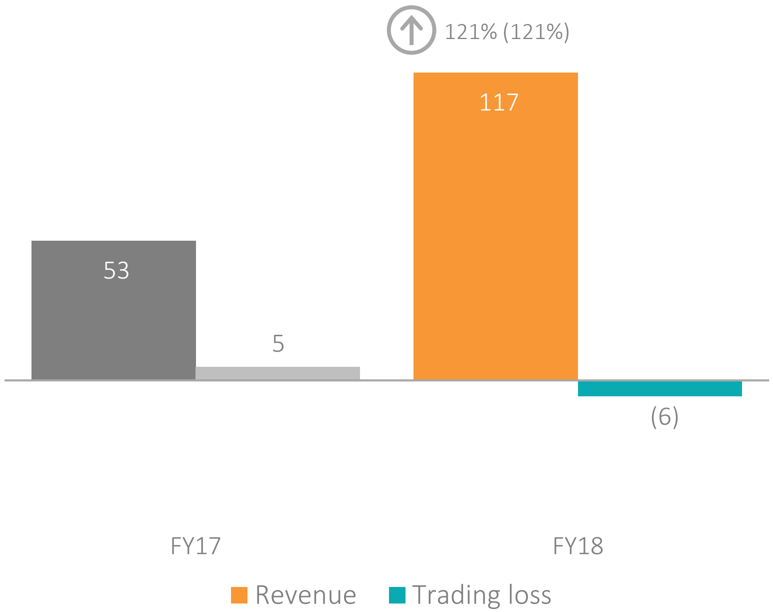
[1] US$8m in corporate IT charges, which are not directly associated with payments operations, have been excluded from the FY18 trading loss above. Information is reflected on an economic-interest basis; numbers in brackets represent YoY growth in local currency, excluding M&A.

Food delivery: scaling fast and delivering strong topline growth

Food delivery (segment results), (US$m)[1]



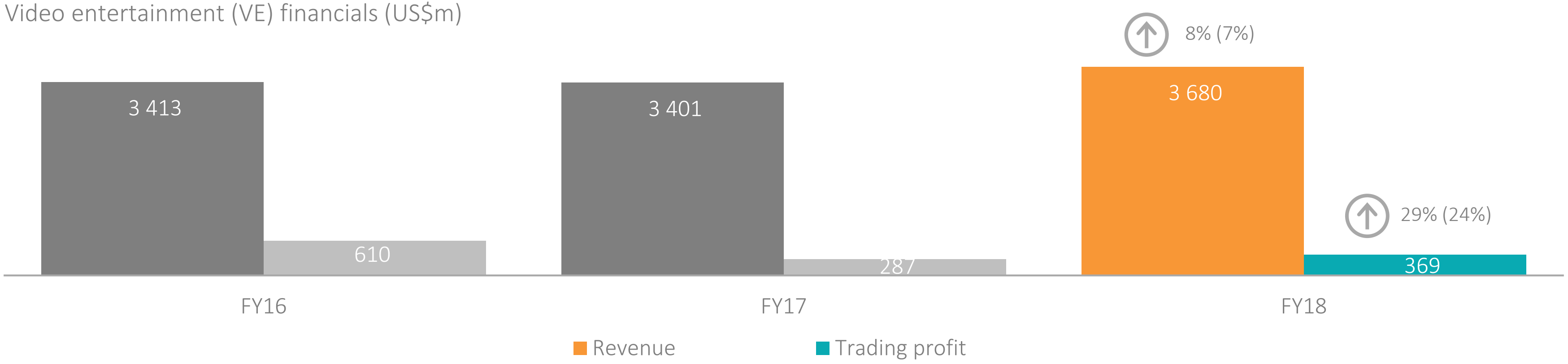
iFood – investing in further growth (US$m)[1]



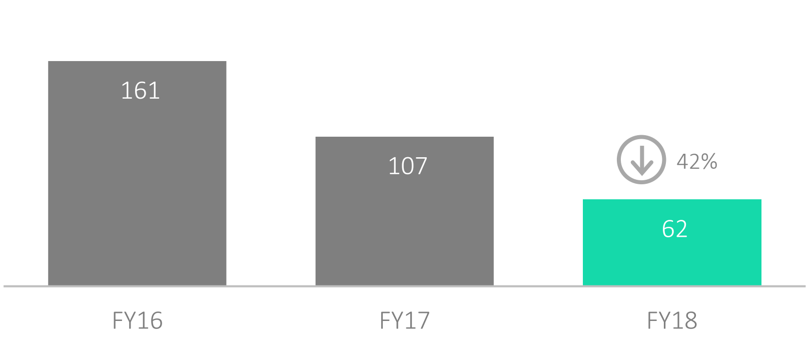
[1] Information is reflected on an economic-interest basis; numbers in brackets represent YoY growth in local currency, excluding M&A.

VE: subscriber growth and cost optimisation drive results

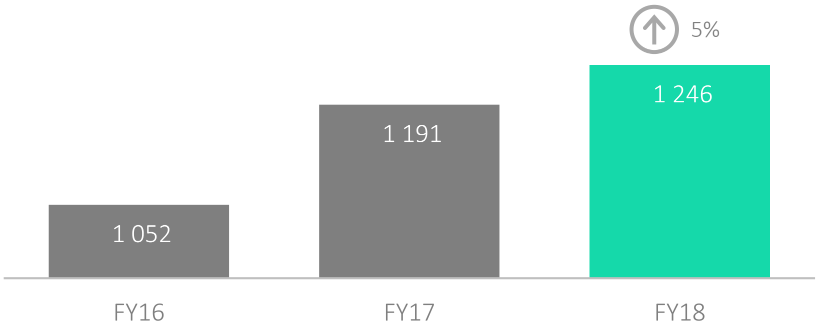
Video entertainment (VE) financials (US$m)



Capital expenditure (US$m)



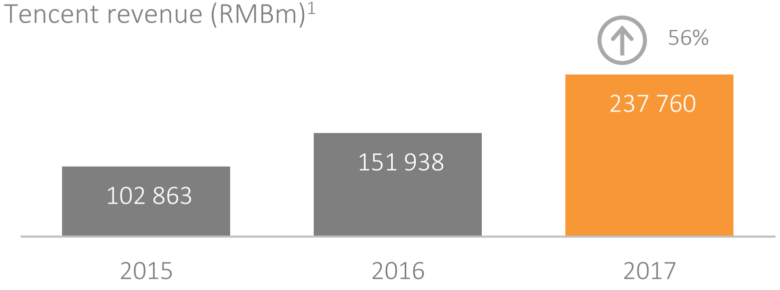
Programming and production costs (US$m)



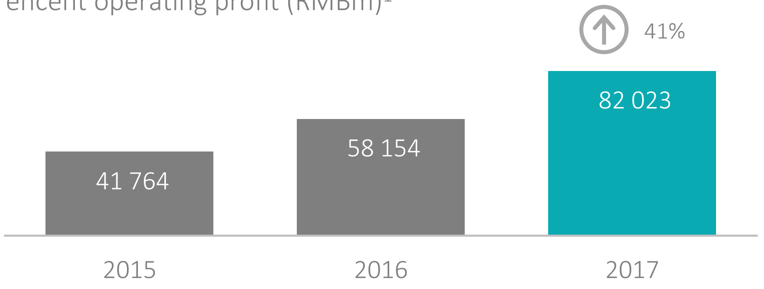
Social & internet platforms: healthy contributions, investing for growth

Tencent

Tencent revenue (RMBm)[1]



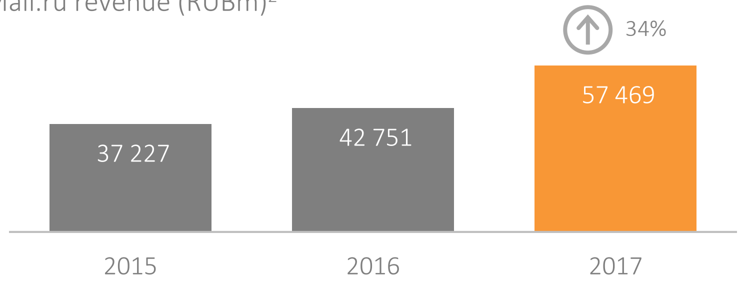
Tencent operating profit (RMBm)[1]



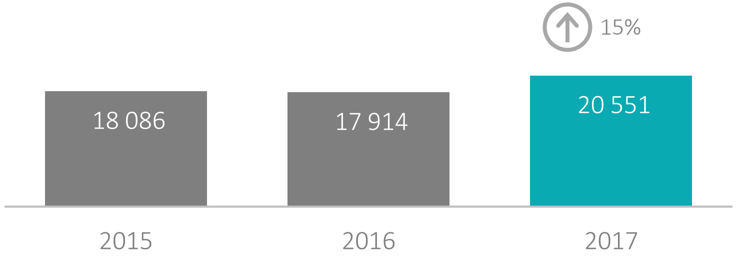
[1] Reflects 100% of Jan-Dec 2017 (FY17), detailed results available at www.tencent.com. Fx rate: FY18 US$/RMB6.5920 (FY17 6.7448). Operating profit reported on a non-GAAP basis.

@mail.ru group

Mail.ru revenue (RUBm)[2]



Mail.ru EBITDA (RUBm)[2]

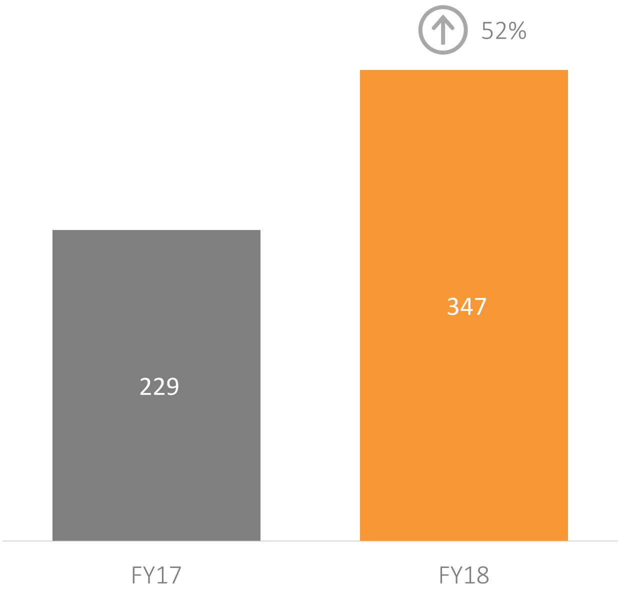


[2] Reflects 100% of Jan-Dec 2017 (FY17) results on a non-GAAP basis; detailed results available at www.corp.mail.ru. Fx rate: FY18 US$/RUR57.6683 (FY17 62.7623).

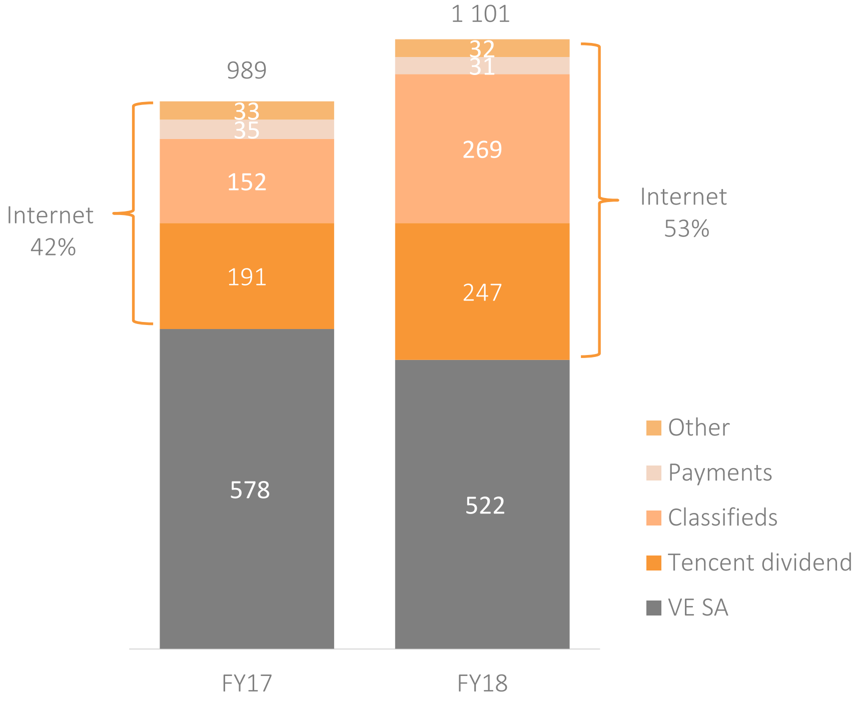
Note: Financial information as per financial years ending December, which differs from the Naspers reporting period. Equity-accounted investments are included on a 3-month lag basis.

FCF: Increased profitability converts into cash generation

Consolidated trading profit from profitable ecommerce businesses (US$m)



Sources of FCF (US$m)[1]



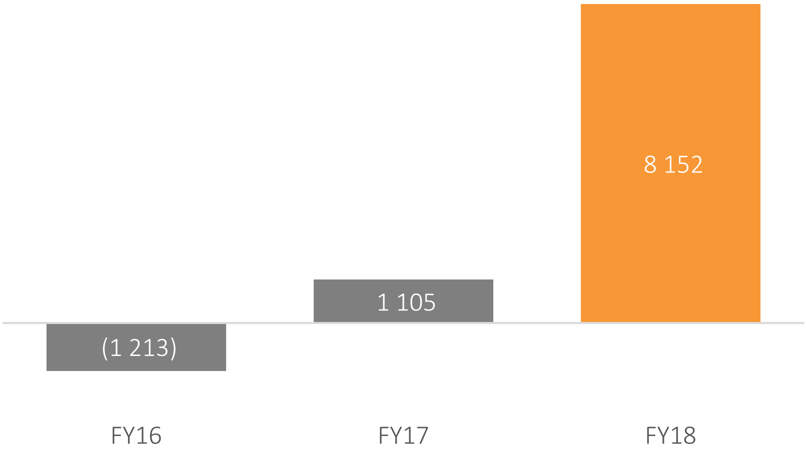
[1] FCF defined as EBITDA less adjustments for non-cash items, working capital, taxation, capital expenditure, capital leases repaid and investment income. Allegro excluded from all comparatives.

Balance sheet reinforced with cash to pursue growth opportunities

US$m	FY17	FY18
Debt[1]: (offshore US$3.2bn)	(2 898)	(3 216)
Cash: (South Africa US$398m)	4 003	11 368
Closing net cash	1 105	8 152
Gearing[2]	-9%	-32%
Interest on loans and overdrafts	(198)	(196)

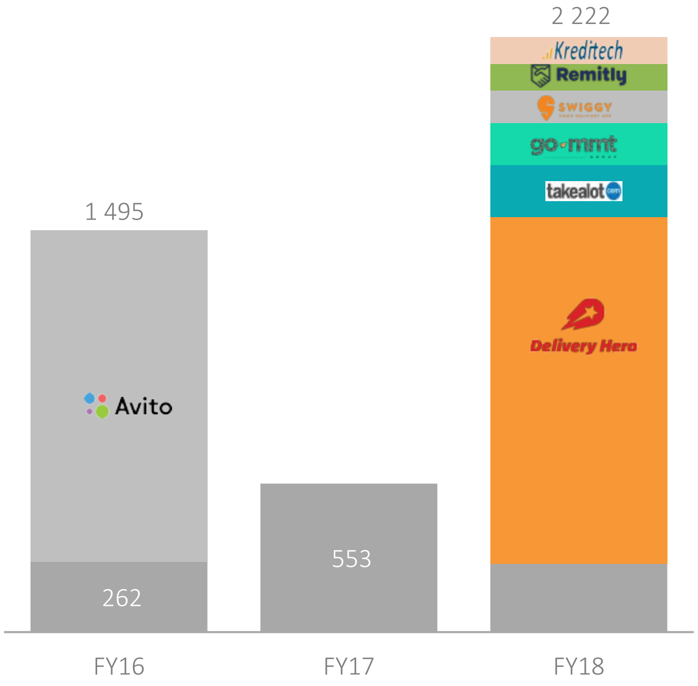
[1] Excludes satellite lease liabilities (US$1.2bn) and non-interest bearing debt (US$207m).
[2] FY17 restated for the group's change in accounting policy for put option liabilities.

Group net cash/(consolidated debt) (US$m)



M&A activity ongoing, disciplined approach

Investments over time (US$m)



Investments FY19 YTD (US$m)

dubizzle	190
FCG Frontier Car Group	89
honor	35
Swiggy Food Delivery App	80
Total	394

Exits (US$m)[1]

souq.com	173
Flipkart	2 200
Total	2 373

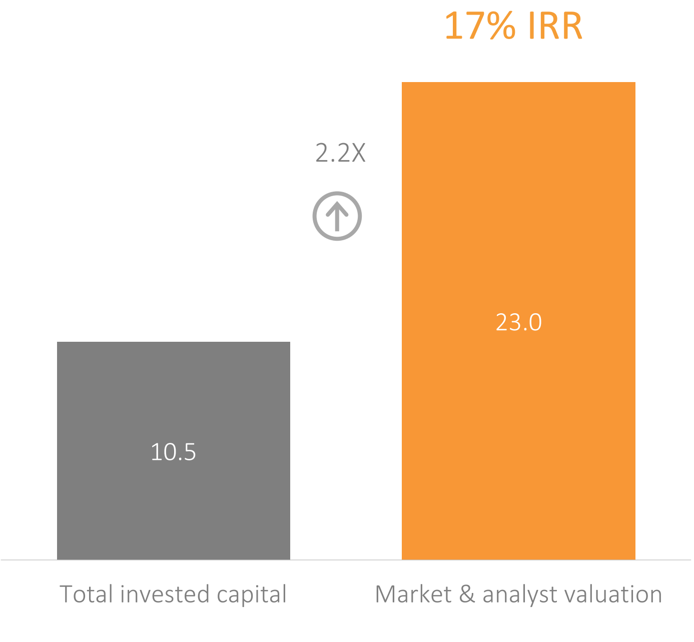
Trim down (US$m)[2]

Tencent 腾讯	9 763
Total	9 763

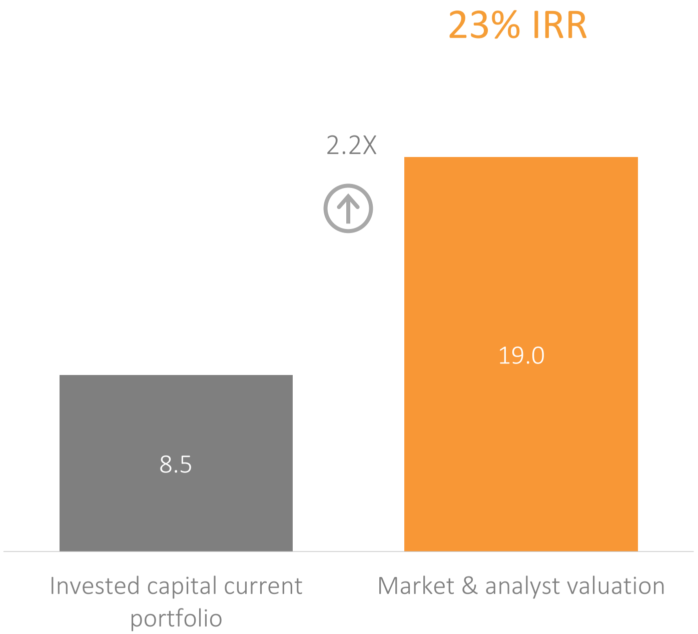
[1] The sale of our 11.18% fully-diluted stake in Flipkart for US$2.2bn was announced in May 2018 and is subject to regulatory approval; the transaction is expected to be concluded in FY19.
[2] Tencent stake was reduced from 33.2% to 31.2% in March 2018.

Internal rate of return well above cost of capital

All internet investments excluding Tencent (FY08 –FY17) (US$bn)[1]



Current internet portfolio excluding Tencent (US$bn)[2]



[1] IRR calculated using market and analyst valuations for all internet assets (excluding Tencent) including disposed and discontinued businesses 2006-2017.
[2] Market and analyst valuations for current internet portfolio (excluding Tencent as at 30 September 2017).

Addressing the holding company discount

Actions to date	Investigated and not being pursued	Work in progress
✓ Scale ecommerce fast 36% organic revenue growth ✓ Improve profitability Ecommerce losses narrowed and negative margin narrowed 7% YoY ✓ Increased sources of free cash flow Cash inflows US$1.1bn; trading profit from profitable ecommerce entities +54% YoY ✓ Capital allocation – value vs future returns Flipkart disposal delivers 32% IRR ✓ Improved financial disclosure ✓ Expanded ADR capacity (LSE and US OTC)	• Dual-listings for Naspers • Listing Tencent stake separately	• Primary listings • Further improvements in profitability • Further portfolio action • Invest to accelerate growth and pursue additional opportunities • Remain disciplined in allocating capital and focused on returns

Outlook

Thoughts about the future…

1. Use balance sheet to accelerate growth (classifieds, payments and food delivery)
2. Pursue selected growth opportunities
3. Continue to scale ecommerce and SSA VE and drive these segments to profitability
4. Focus on innovation (particularly machine learning) across all segments
5. Take active measures to address the discount

Appendix

Group structure

Global platform operator

- **Internet**
  - **Classifieds**
    - OLX Group 100%[1]
    - Avito 71.2%
    - dubizzle 51.8%
    - letgo 73.4%[2]
  - **B2C**
    - eMAG 79.3%
    - takealot.com 96.1%
    - go-mmt 43.1%[3]
    - Flipkart 12.4%[4]
  - **Payments**
    - PayU 97.6%
    - Kreditech 37.6%
    - Remitly 22.6%
  - **Naspers Ventures**
    - **Food**
      - movile 77.4%
      - ifood 60.7%
      - Delivery Hero 22.8%
      - Swiggy 21.9%
    - **Ventures**
      - SimilarWeb 24.5%
      - udemy 12.1%
      - codecademy 21.1%
      - twiggle 13.5%
      - Brainly 34.1%
      - 20.0%
      - 7.5%
  - **Social and internet platforms**
    - Tencent 腾讯 31.2%
    - mail.ru group 28.4%
- **Video entertainment**
  - MultiChoice 80%
    - DStv
  - MultiChoice Africa 100%
    - GOtv Live it. Love it.
    - M-Net 80%
    - SuperSport World of Champions 80%
    - Showmax 80%[5]
    - irdeto 100%
- **Media**
  - Media24 85%

1) OLX owns 50% of operations in Brazil and 40.5% of Indonesia.
2) Our effective interest in letgo USA (B.V) is 47.2% held through Ambatana Holdings.
3) MMYT is listed on the Nasdaq stock exchange.
4) We announced the disposal of our 12.4% (fully diluted 11.2%) stake in Flipkart in May 2018. The transaction is subject to regulatory approval, expected to close in FY19.
5) Showmax SA is held 80%, other Showmax operations are held 100%.
6) In June 2018, the group committed to an investment of US$80m in Swiggy. Following this investment, the group will hold a 24% effective interest (23% fully diluted).
*Organogram depicts effective percentage holdings in major entities.

Glossary of terms

- ARPU: Average revenue per user
- ARPIU: Average revenue per internet user
- B2C: Business to consumer
- C2C: Consumer to consumer
- CAGR: Cumulative annual growth rate
- COHE: Core headline earnings
- DPS: Dividend per share
- DTH: Direct-to-Home
- DTT: Digital terrestrial television
- EPS: Earnings per share
- FCF: Free cash flow
- FX: Foreign exchange
- GMV: Gross merchandise value
- IRR: Internal rate of return
- M&A: Mergers and acquisitions
- MAU: Monthly active user
- MUL: Monthly unique lister
- RPIU: Revenue per internet user
- PVR: Personal video recorder
- SSA: Sub-Saharan Africa
- SVOD: Subscription video-on-demand
- TP: Trading profit
- TPV: Total payment value
- VE: Video entertainment

THANK YOU

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