

2 December 2024

Naspers accelerates growth, with 5X improvement in adjusted EBIT

The first six months of the financial year have been a successful period for the Group. Our operations delivered topline growth of 24%, with consolidated Ecommerce revenue of US\$3.3bn, and we increased Ecommerce adjusted EBIT by five times to US\$169m. We recently celebrated the listing of Swiggy, valued at US\$11.3bn, and sold US\$2bn+ of assets, including a portion of our Swiggy stake and our Trip.com position. Our buyback has created US\$36bn of value since launch, with 12% NAV per share accretion, and is the largest globally of any tech company as a portion of market capitalisation. We are actively exploring the immense AI opportunity for our more than 2 billion customers, to accelerate our growth and profitability, and we are confident in the impact and value it will bring.

Fabricio Bloisi, Group CEO, said: "Innovation and reinvention are in our DNA and essential to our success. We are embracing the massive opportunity we see in deploying AI to deliver exceptional products and services to our 2 billion customers. Our future growth will be driven by our AI-first mindset and disciplined investment into building world-class marketplaces, combined with greater collaboration across the ecosystem and our ability to build a winning culture. We are already showing signs of success, with peer-leading growth and rising profitability across our Ecommerce portfolio.

"AI is transforming the way we work and how we serve our customers. We have data from billions of transactions across our portfolio that allow us to train AI models to personalise the customer experience and better predict their needs. This is a competitive advantage of our technology ecosystems. I am excited about the huge potential for Naspers – our journey to the next US\$100 billion of value is well under way."

Ervin Tu, President and CIO, Prosus and Naspers, commented: "In the past six months, we've made substantial progress delivering on our strategy. Our Group is profitable after corporate costs, and our ongoing share buyback programme continues to create meaningful shareholder value. With Swiggy's recent IPO, and by actively managing our portfolio through equity stake sales, we've highlighted significant pools of value, and we're confident there's even more ahead. With our strong and liquid balance sheet, we plan to grow and leverage our ecosystem, with an eye on the next wave of opportunity.

"We believe the combination of stronger-performing operating businesses, value creating M&A, and our open-ended share-repurchase programme will continue to drive shareholder returns."

Directorate change

After 29 years of exemplary leadership and service, Basil Sgourdos will retire as Group Chief Financial Officer, effective 30 November 2024. Nico Marais will assume the role of Interim Chief Financial Officer of Naspers and Prosus. The process to finalise the role of the Group Chief Financial Officer has begun and the market will be advised of this decision in due course.

The board of directors has decided to nominate Phuthi Mahanyele-Dabengwa for appointment as an executive director of Naspers and Prosus at the next annual general meeting. Phuthi is currently the South Africa CEO of Naspers and is also an independent non-executive director of Vodacom, a member of the United Nations Global Compact SA board and of the South Africa BRICS Business Council. With effect from 1 April 2025, she is expected to be appointed as an executive director of Naspers and Prosus.

Group performance

Consolidated results for continuing operations			
Group	HY2025	HY2024	YoY change¹
Revenues	US\$3.4bn	US\$2.9bn	23%
Adjusted EBITDA	US\$115m	(US\$46m)	n/a
Adjusted EBIT	US\$36m	(US\$121m)	>100%
Core headline earnings	US\$1.5bn	US\$866m	74% ²
Ecommerce portfolio			
Revenues	US\$3.3bn	US\$2.9bn	24%
Adjusted EBITDA	US\$241m	US\$33m	n/a
Adjusted EBIT	US\$169m	(US\$35m)	>100%
Food Delivery			
Revenues	US\$674m	US\$574	30%
Adjusted EBITDA	US\$97m	US\$11m	n/a
Adjusted EBIT	US\$94m	US\$5m	>100%
Classifieds³			
Revenues	US\$399m	US\$342m	20%
Adjusted EBITDA	US\$140m	US\$102m	n/a
Adjusted EBIT	US\$133m	US\$94m	42%
Payments & Fintech			
Revenues	US\$636m	US\$497m	45%
Adjusted EBITDA	(US\$8m)	(US\$18m)	n/a
Adjusted EBIT	(US\$11m)	(US\$22m)	95%
Etail			
Revenues	US\$1.5bn	US\$1.2bn	16%
Adjusted EBITDA	US\$35m	US\$21m	n/a
Adjusted EBIT	(US\$19m)	(US\$24m)	28%
Edtech			
Revenues	US\$85m	US\$71m	20%
Adjusted EBITDA	(US\$10m)	(US\$61m)	n/a
Adjusted EBIT	(US\$13m)	(US\$66m)	80%

Phuthi Mahanyele-Dabengwa, South Africa CEO, Naspers, commented: "We saw encouraging developments in South Africa's operating environment in the first half of this financial year, creating a more favourable backdrop for growth. Our South African businesses performed positively over the period and we expect them to accelerate their performance, through our strategy of driving innovation and adopting an artificial intelligence (AI) first mindset. We are also excited about delivering even greater value to consumers, offering them enhanced convenience and seamless experiences through our platform businesses.

"As digital platforms increasingly drive economic growth around the world, Naspers is proud to champion the digital platform economy in South Africa as a catalyst for economic development, innovation, and job creation."

Peer-leading growth and accelerating profitability across Ecommerce portfolio

Food Delivery: iFood reaches 100m order milestone⁴, achieves record profit and drives innovation and ecosystem expansion, and Swiggy's IPO delivers gain of US\$2bn

- iFood delivered strong top line growth, with Gross Merchandise Value (GMV) up 32%, orders up 29% and revenue increasing 30%.

¹ All growth percentages shown here are in local currency terms, excluding the impact of acquisitions and disposals (M&A), unless otherwise stated.

² Nominal basis

³ Excludes OLX Autos and OLX Autos financing business

⁴ iFood reported more than 100m orders in August 2024

- iFood's core restaurant business grew aEBIT by 85% to US\$148m, improving aEBIT margin to 26%.
- Extensions grew revenue by 30%, driven by strong performance in groceries marketplace and credit businesses
- Overall, iFood achieved a record profit, with aEBIT of US\$98m, up 387%.
- Delivery Hero grew GMV by 6% for the six months ended 30 June 2024, with revenue up 19%, boosting profitability to an adjusted EBITDA of €241m (up from €9m in 1H23).
- Swiggy grew Gross Order Value (GOV) by 24%, while adjusted EBITDA losses reduced to US\$85m.
- Swiggy listed on Indian exchanges in November, with a valuation of US\$11.3bn, and a gain of US\$2bn on total investment.

Classifieds – OLX Group: Strong performance, with continued growth and expanding margins

- Classifieds consolidated revenue grew 20%, with standout performances by OLX Europe motors and real estate verticals.
- Motors and real estate verticals grew revenue 26% and 27% respectively, reflecting new pricing strategies, improved monetisation and higher adoption of value-added services.
- In South Africa, Property24 and AutoTrader delivered revenue of US\$26m, up 9% and sustained levels of profitability in a challenging market
- Overall, aEBIT increased by 42% to US\$133m, with aEBIT margin up 6pp, to 33%.

Payments & Fintech – PayU: Strong overall performance, with significant revenue growth and improving margins

- Consolidated revenue grew 45% to US\$636m, with significant contributions from Iyzico, GPO and Indian credit.
- Indian payments Total Payment Volume (TPV) increased by 27%, and revenues by 14%, while aEBIT loss of US\$12m reflected lower take rates.
- Indian credit grew its loan book by 63%, revenues by 93% and improved its aEBIT margin by 12pp, delivering an aEBIT loss of US\$12m.
- Iyzico grew revenues 151% to US\$120m, while aEBIT of US\$7m was impacted by lower gross margins and higher costs.
- GPO revenues up 32% to US\$175m, with aEBIT of US\$12m; sale of GPO ongoing, with completion due in FY25.
- Overall, aEBIT losses improved by 95% to US\$11m, reflecting continued investment in PayU India.

Etail: Continued growth at Takealot Group and eMAG on track for overall profitability for FY25

- eMAG delivered strong growth with GMV up 16%, and revenue up 19% to US\$1.1bn.
- eMAG aEBIT improved by US\$15m to a loss of US\$7m; includes US\$10m restructuring costs in Hungary.
- Takealot Group continues to strengthen its market position in general merchandise, achieving an 11% increase in GMV and 7% growth in revenue.
- Takealot.com: GMV grew 10% and revenue up 7%.
- Mr. D: Revenue up by 8%, groceries GMV surged by 109%, overall GMV growth at 13%, while aEBIT grew to US\$2m.
- Sale of Superbalist to a consortium of local private and retail industry investors.

Edtech: Improving performance, with a focus on profitability

- Consolidated revenue grew 20% to US\$85m, while trading losses reduced by US\$53m to a loss of US\$13m.
- Stack Overflow revenues up 21% to \$57m and aEBIT loss narrowed to US\$7m, driven by new API offer.
- GoodHabitZ grew revenue by 17%, with an aEBIT loss of US\$2m.

Media24: ongoing transition of news operations in an increasingly digital media landscape

- The Competition Commission in South Africa approved the sale of Media24 logistics business and community newspaper portfolio to Novus Holdings on 30 October 2024.
- Continued investment in premium content to enhance reader engagement.

Please note: Group results are shown on a consolidated basis from continuing operations, which reflect all majority owned and managed businesses. All OLX Autos business units are classified as discontinued operations, in line with IFRS disclosures. All growth percentages shown here are in local currency terms, excluding the impact of acquisitions and disposals (M&A), unless otherwise stated. Growth percentages shown here for all non-financial key performance indicators compare HY25 to HY24.

For full details of the Group's results, please visit www.naspers.com.

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