

The background of the slide is a composite image. It features a city skyline at night, with various skyscrapers illuminated. In the foreground, there is a road that curves into the distance, with light trails suggesting motion. The road is overlaid with a pattern of binary code (0s and 1s). The sky is dark blue with streaks of light, possibly representing data or energy. The overall color palette is dominated by blues, reds, and oranges.

prosus

The road to profitability

Basil Sgourdos | Group CFO

Key messages



We have a strong and improving financial base



We have scaled an attractive fast-growing portfolio which is now profitable at the core



We are determined to deliver our path to aggregate profitability which enhances our ability to crystallise value



Our share repurchase programme is differential and is creating significant NAV accretion for our shareholders

We have made significant progress since listing Prosus in 2019



Ecommerce scaling fast

Consolidated revenue CAGR >35% 1H20-1H23



Structural improvement

Doubled Prosus free float



Built valuable growth extensions

Convenience, Credit, auto transactions and Edtech revenue now contribute 35% of total revenue compared to 6% 3 years ago



Significantly enhanced disclosure

Financial & remuneration reports



Scaled core profitability

Core Classifieds & Food profitable, Core Payments and Etail breakeven



Strengthened shareholder engagement

Value creation, structural action, compensation, sustainability



Strengthened balance sheet

Issued US\$10bn bonds at attractive rates, net cash position



Unlocked value for shareholders

US\$18bn shares repurchased since 2019



We have acted decisively in recent years to build our balance sheet and increase liquidity

- **Raised sizeable debt at attractive rates which is proving to be a strategic advantage in the current environment**
- **Improved profitability and cash generation**
- **Meituan distribution will provide further cushion and flexibility**

Our businesses are positioned to achieve scale, peer margins and faster growth



We have invested to scale our businesses and are now driving towards profitability



		Restaurants	New initiatives	Classifieds	Autos	Payments	Credit	Edtech
	Revenue growth ¹	29%	833%	20%	84%	47%	247%	30%
	Profit/(loss) margin ¹	7%	-167%	27%	-21%	-2%	-112%	-108%
	Margin ambition	25%	10%	35-45%	30-35%	10-12%	20-25%	15%
Industry peers	Revenue growth ²	24%	796%	11%	18%	17%	32%	25%
	Profit/(loss) margin ²	-5%	-45%	48%	-8%	23%	-24%	13%

Note: financials calendarised as of March 31st year end.

¹ Results from continuing operations reported on a consolidated basis for 1H FY23. Revenue growth in local currency excluding M&A. Classifieds revenue growth excludes Avito (Russia) and Ukraine.

² A verage of a representative peer group for each segment. Source: Bloomberg, Company information

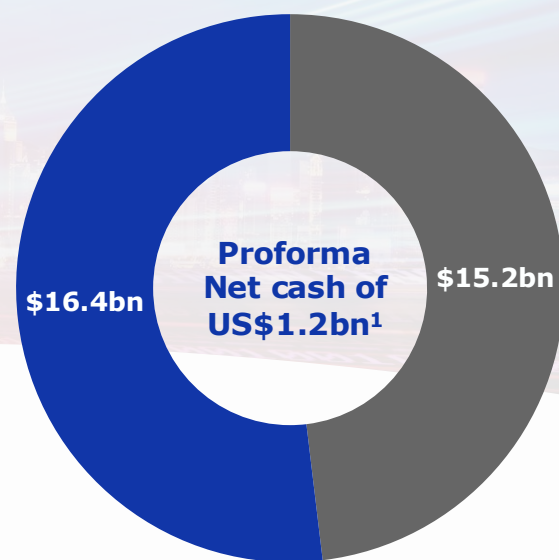
Net cash and excellent liquidity is a strategic advantage in the current environment

We actively strengthened our financial position ahead of macro conditions deteriorating

Expanded financial flexibility

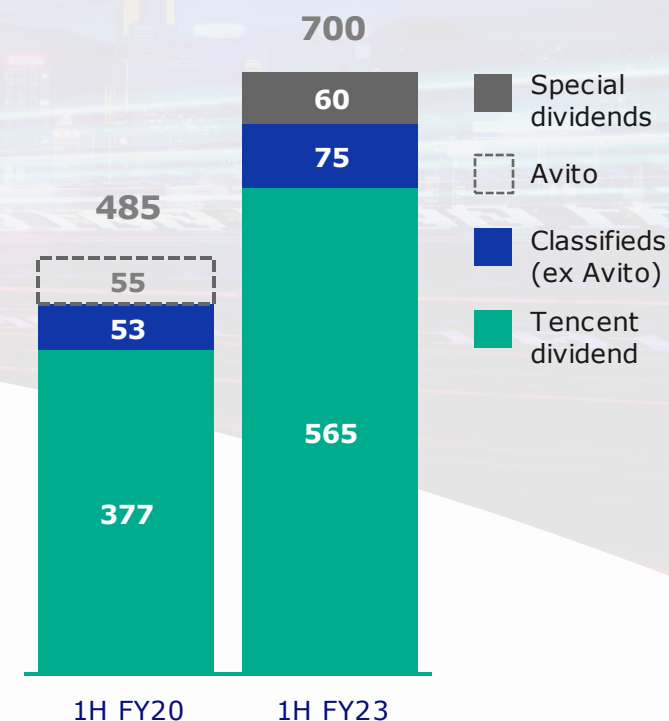
- Actively raised debt
- Portfolio management: Sale of JD.com, Avito, 2% Tencent trim and Meituan will be held-for-sale

We have liquidity to cover 100% of our debt



3.2% Cost of funding²

Strong dividends to holdco



Source: Company information

¹ Proforma Net cash includes proceeds received from the Avito disposal (\$2.4bn) in October 2022 and the maximum cash we committed to the iFood transaction (\$1.8bn).

² 3.2% as the weighted average coupon payable across all outstanding bonds.

We allocated capital to scale our portfolio and return value to shareholders



Shares repurchased

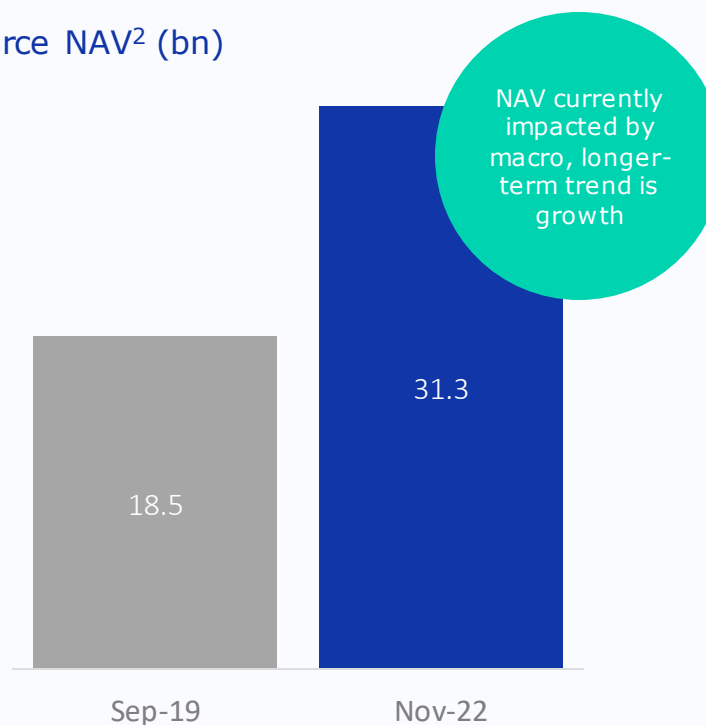
9.3%¹

NAV per share accretion to date

We repurchased **US\$18.3bn** Prosus and Naspers shares, which reduced the share count by **215m** and **27m** shares, respectively

Our actions deliver a significantly larger businesses with outperforming returns enhanced through buyback

Ecommerce NAV² (bn)



US\$bn

Food Delivery	10.0
Classifieds	6.0
Payments and Fintech	4.1
Edtech	4.2
Etail	3.6
Ventures	2.5
Other	0.9
	31.3

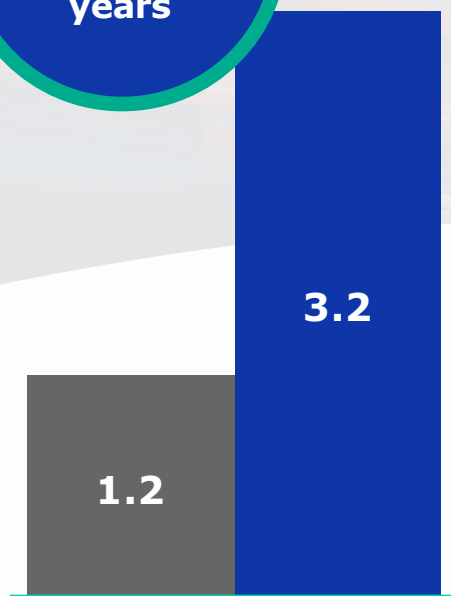
¹ NAV per share accretion includes all per share enhancing actions, including 2020 buyback, share exchange, 2021 buyback and open-ended buyback.

² The estimated market valuations are calculated using a combination of: (i) prevailing share prices for stakes in listed assets; (ii) valuation estimates derived from the average of sell-side analysts currently covering Prosus for stakes in unlisted assets; and (iii) post-money valuations on transactions of these assets or from similar recent transactions for stakes in unlisted assets where analyst consensus is not available. Valuation date is 25 November 2022. Excluding Avido and including 100% of Takealot.

We have grown our business 3X over the last 3 years...

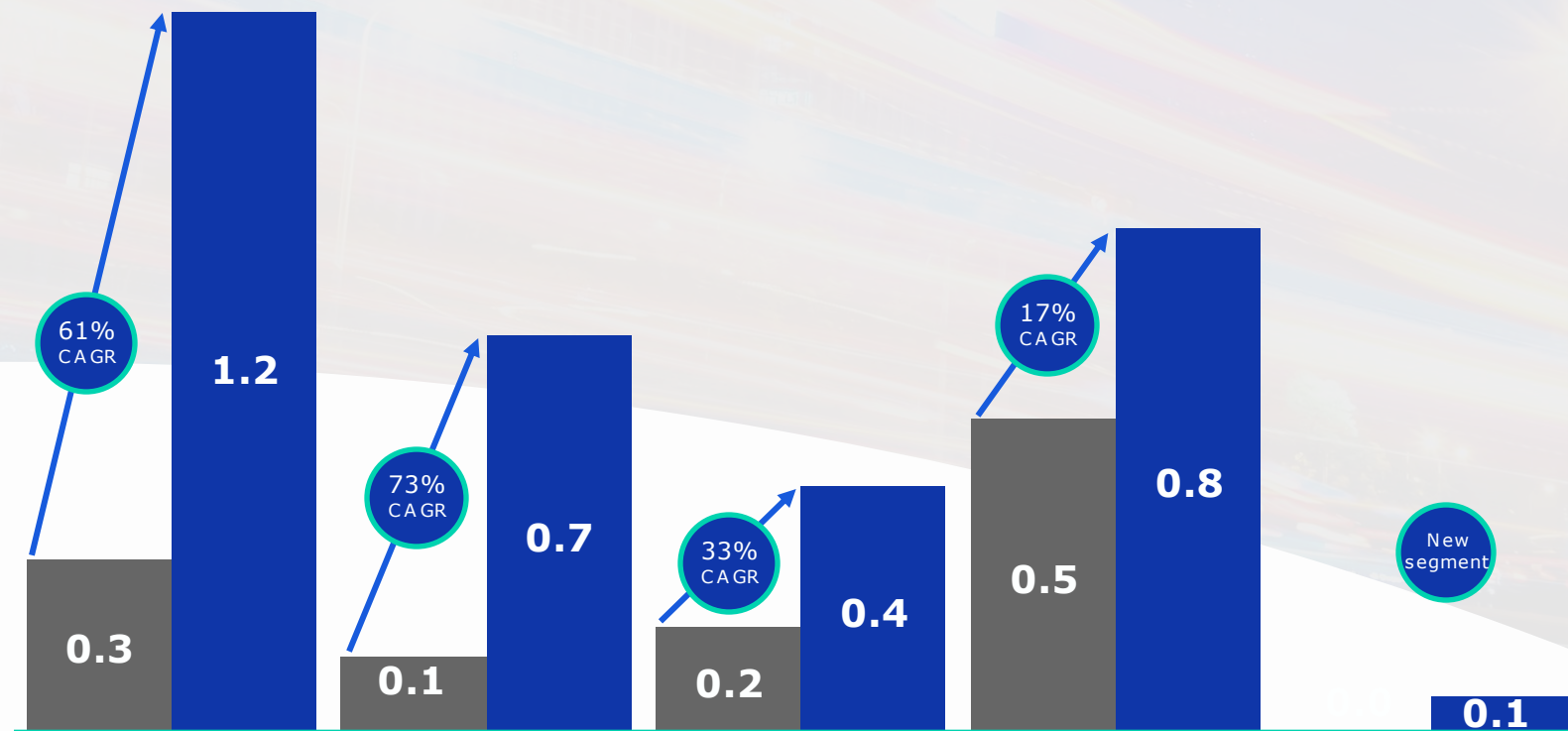
Revenue (US\$bn)

Revenue
3X
in three
years



Ecommerce Revenue

■ Sep-19 ■ Sep-22



Classifieds

Food Delivery

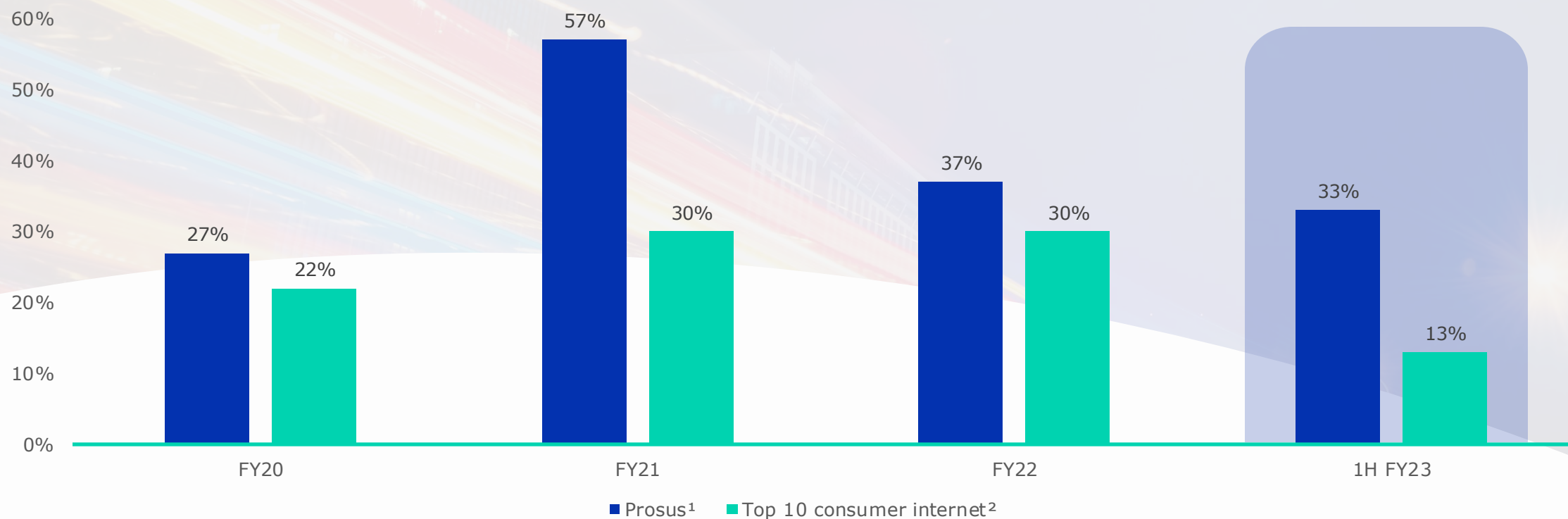
Payments & Fintech

Etail

Edtech

...which is growth well in excess of the market

Consolidated revenue growth compared to peers



Source: Company information, Bloomberg.

Note: financials calendarised as of March 31st year end.

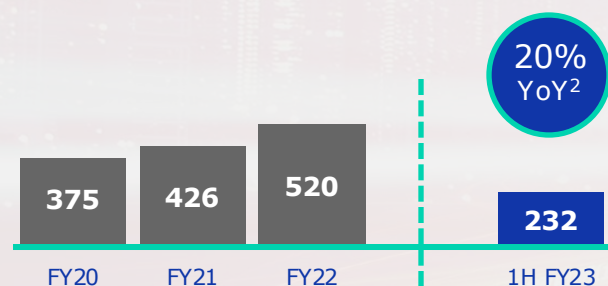
1. Prosus revenue growth in local currency excluding M&A, on consolidated basis.

2. Top 10 consumer internet consists of Alphabet, Amazon, Meta, Tencent, Alibaba, Meituan, Netflix, PayPal, Pinduoduo, JD.com.

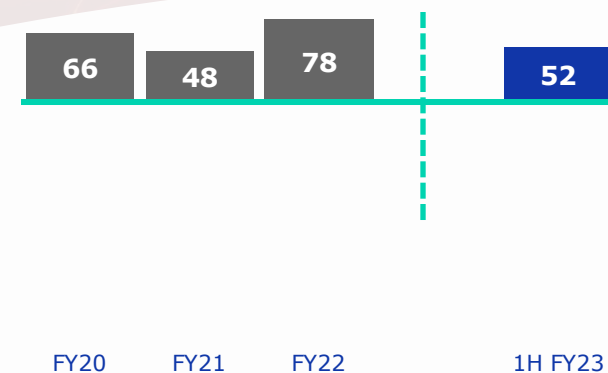
Core profitability has improved meaningfully and is now scaling rapidly

Core Classifieds (excl Avito)

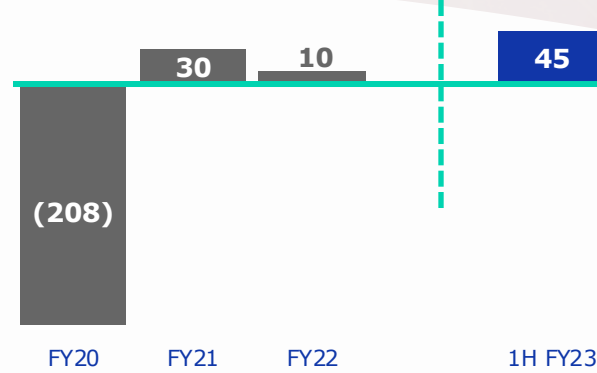
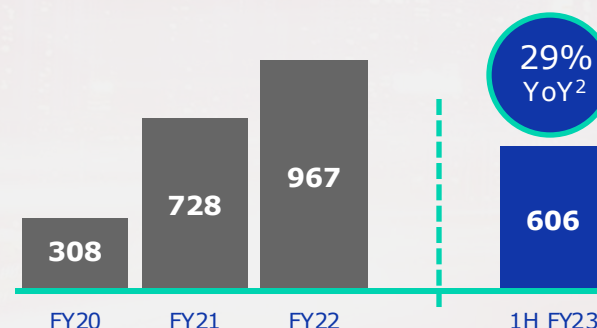
Revenue¹ (US\$m)



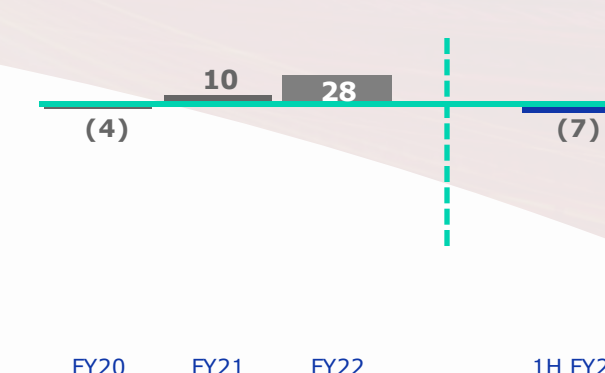
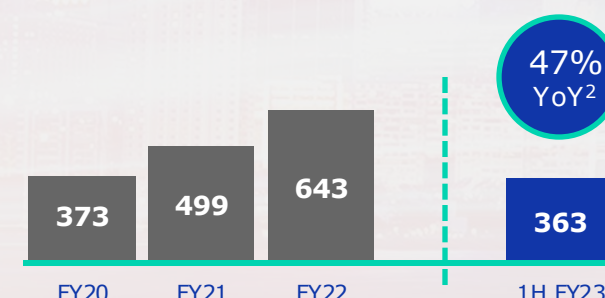
Trading profit/(loss)¹ (US\$m)



iFood Brazil



Core Payments & Fintech



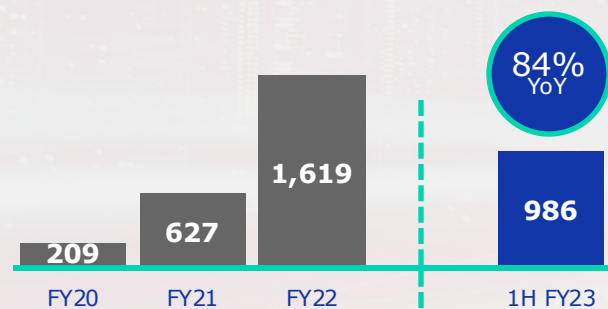
¹ Results from continuing owned and managed consolidated businesses and excluding one-off provision for Payments and Fintech in 1H FY23. Classifieds prior years have been adjusted to reflect like-for-like in line with the consolidated portfolio make up in 1H FY23. Notable exclusions include letgo (US) and Dubizzle

² Represents YoY organic revenue growth. Classifieds growth rate excludes Ukraine.

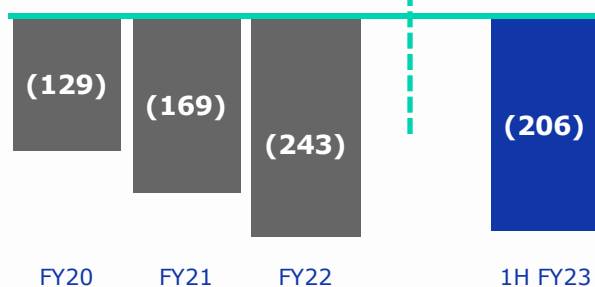
Growth extensions scaling quickly to drive a faster path to profitability

OLX Autos

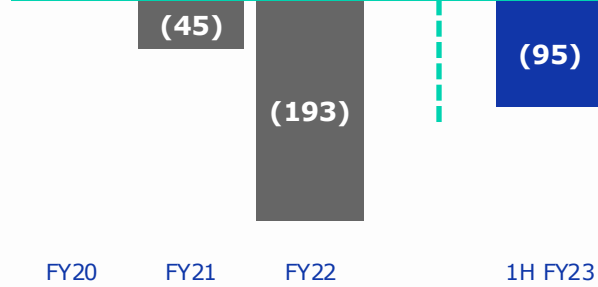
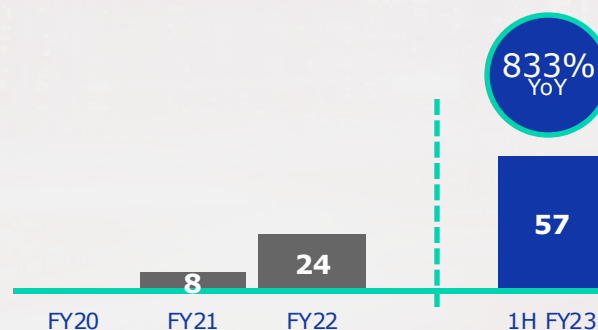
Revenue¹ (US\$m)



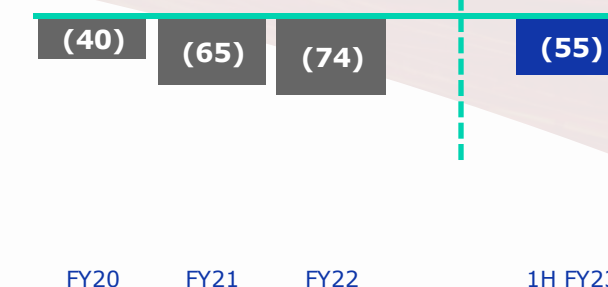
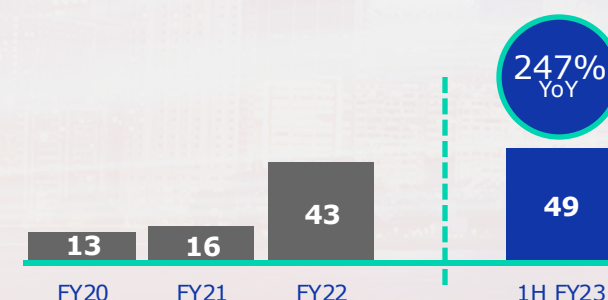
Trading profit/(loss)¹ (US\$m)



iFood Brazil New Initiatives



Credit



Aware of the market context, we invested in our own operations with limited M&A in 1H23...

We are backing known high conviction opportunities that we control



OLX Autos



Credit



Convenience



Edtech

Trading loss (\$m)

Focused organic investment through P&L

Majority Owned Consolidated¹ Businesses

FY21

FY22

1H FY23

(221)

(600)

(450)

Focused investment in business growth extensions

Associate losses do not impact cash

Minority Owned Investee Companies

FY21

FY22

1H FY23

(376)

(730)

(548)

Associate investments are prefunded

¹ Consolidated business excluded equity accounted investments, i.e., joint venture and associates

The portfolio has reached scale and is entering a phase of profitable growth



Where we are in our journey

We are here



TEST

Experiment (R&D) and expand

Built portfolio of promising local players



INVEST

Deploy capital and accelerate growth

Scale cornerstone assets

Build leaders

Enter new opportunities

Drive knowledge sharing



SCALE

Continue organic and inorganic growth

Leverage knowledge and expertise to:

Drive tech driven innovation

Leverage group AI / ML capabilities



DRIVE PROFITABILITY

Leverage the core platforms

Optimise cost and investment
Exit underperforming assets

Focused investment in known extensions

To create future value, profitability and cash flow generation



CRYSTALLISE

Market driven valuation

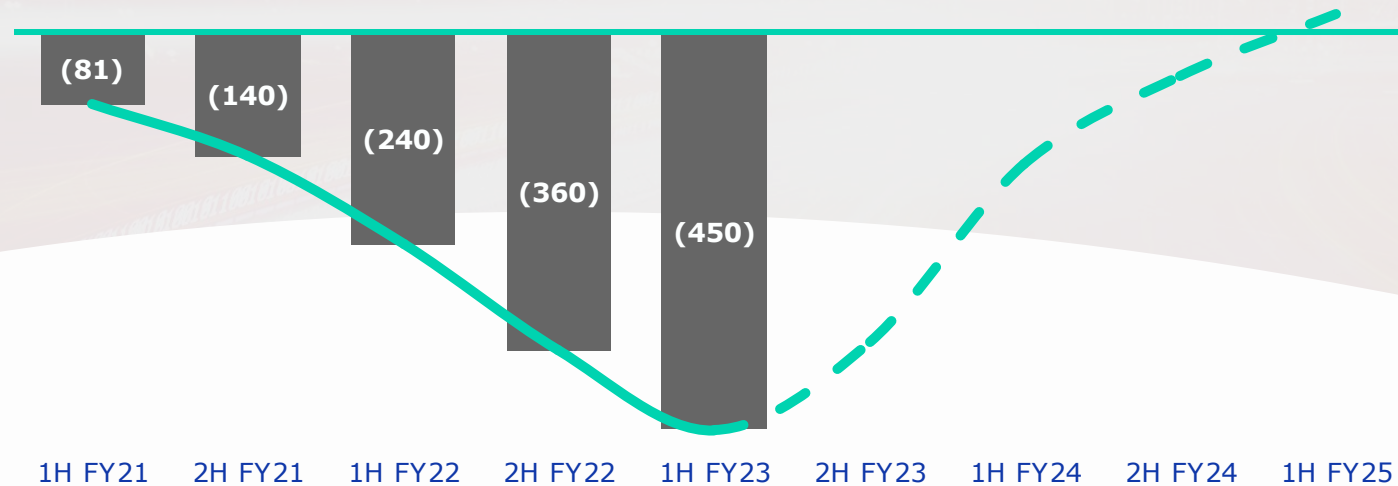
Deliver crystallisation

Listings, consolidation, spins and trade sales

1H FY23 will be the peak of investment and profitability will improve from here

Trading (loss) profit (US\$m)

Consolidated Ecommerce losses (US\$m)



We expect losses to reduce rapidly as we benefit from scale, prioritise best initiatives, and through significant cost optimisation and cost reductions

We have multiple levers which can meaningfully enhance profitability



Focused incremental organic investment

- Prioritise high conviction opportunities
- Improved balance of growth & profitability
- Shorten path to profitability



Optimise

- Improve unit economics
- Amplify focus on performance
- Drive efficiencies



Reduce costs

- Examining all cost
- Focusing primarily on indirect expenditure



Exiting underperforming businesses

- Drawing a line under business that will take too much time and resources to reach profitability

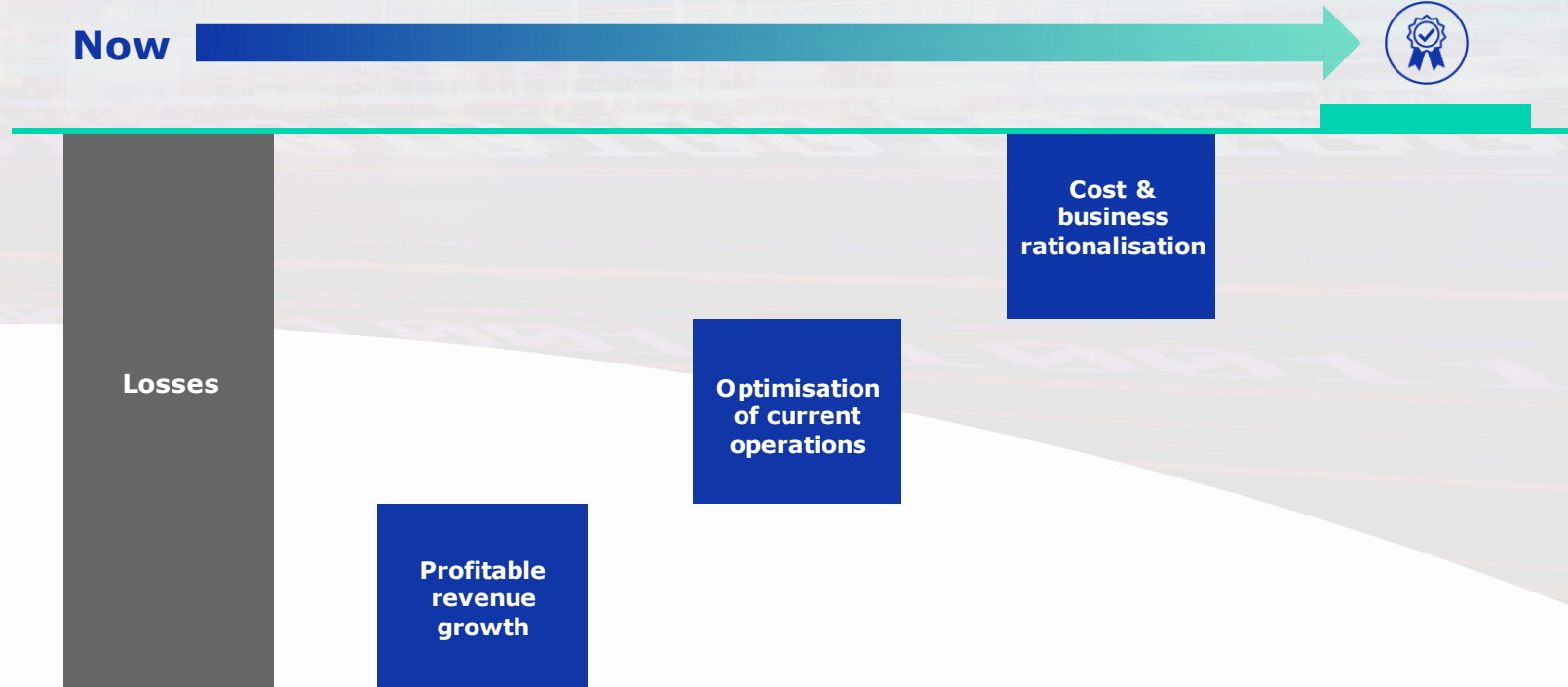
Aggregate Ecommerce profitability is in sight...

**Our ambition
is aggregate
profitability
in H1 FY2025**

Mature businesses continue to drive profitability, while we scale extensions to drive further value, profitability and cash flow generation

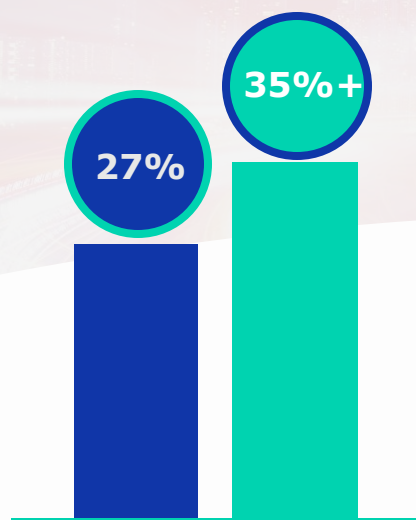
**Ambition
1H FY25**

Now



...with significant margin enhancement ahead

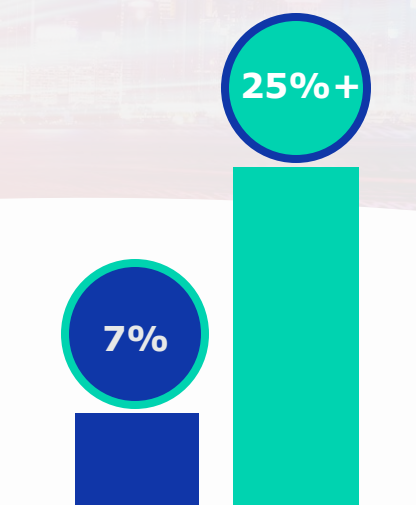
Classifieds



■ Margin 1H FY23

■ Target Margin

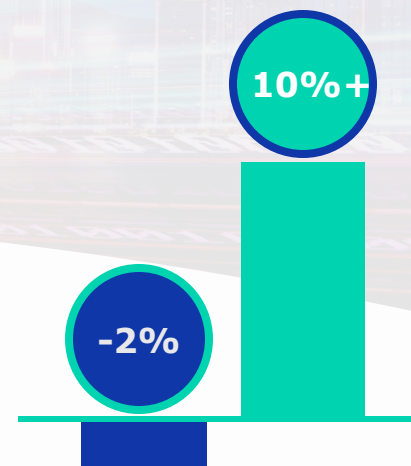
Food Delivery



■ Margin 1H FY23

■ Target Margin

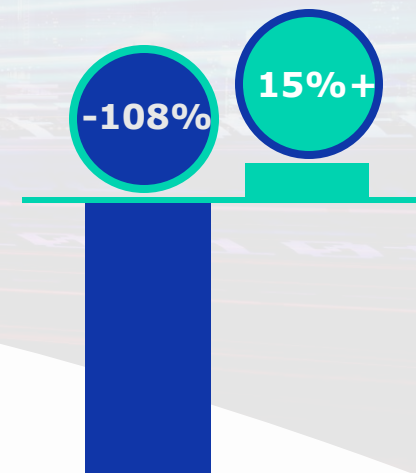
Payments & Fintech



■ Margin 1H FY23

■ Target Margin

Edtech



■ Margin 1H FY23

■ Target Margin

Note: Margins based on gross for Classifieds and Payments & Fintech, and on net revenue for Food Delivery and Edtech.

1 Classifieds 1H FY23 margin excludes Ukraine.

1 Payments & Fintech's 1H FY23 excludes one-off provision related to potential loss from a merchant.

Continued action should provide catalysts to further reduce the discount

Crystallising Value

Profitability supports crystallisation

Enabling market to ascribe value directly

In a considered, structured and repeatable manner

Share repurchase

The open-ended buyback creates and enhances NAV per share

Simplification

The exchange offer doubled Prosus's size in Europe, but came with the unwanted complexity of the cross-holding

Simplification is a key objective in each of our actions and remains a priority

Continued commitment to create value for our shareholders



**We will deliver
continued long-term
value creation**

What to expect



Improved profitability and significant cashflow generation over time



Rock solid financial position with holdco cashflows strengthened and diversified



A structured and repeatable process to identify, scale and crystallise value for our shareholders



Continued share repurchases while discount is elevated to enhance value creation and amplify returns. Targeted M&A with strong return potential

