

Strong growth continues at Prosus, on top of increased scale

Amsterdam, 22 November 2021 – Prosus N.V. (AEX: PRX) delivered a strong performance in the six months ending 30 September 2021, growing ecommerce revenues 53%. The group stepped up investment to further accelerate growth across its increasingly valuable internet businesses.

- Ecommerce revenue growth accelerated, up 53% to US\$4.2bn
- US\$5.2bn invested since 1 April 2021 to further accelerate growth
- Ecommerce portfolio¹ valuation rises to c.US\$50bn²
- Trading profit grew 8% to US\$2.9bn
- Core headline earnings grew 2% to US\$2.3bn

Bob van Dijk, Group CEO, Prosus and Naspers, commented:

"In the first half of the year, our internet businesses delivered solid growth compounding a strong performance for the same period last year. Our progress is reflected in the increasing value attributed to our ecommerce portfolio and, to capture the significant opportunity ahead, we stepped up investment in our core segments of Food Delivery, Edtech, Payments and Fintech, and Classifieds. Prosus companies now serve more than two billion customers and we continue to build innovative products that make a difference in people's lives."

Group performance^{3 4}

Group results	HY2022	HY2021	YoY change
Revenues	US\$16.6bn	US\$12.7bn	29%
Trading profit	US\$2.9bn	US\$2.7bn	8%
Core headline earnings	US\$2.3bn	US\$2.3bn	2%
Ecommerce portfolio results			
Revenues	US\$4.2bn	US\$2.6bn	53%
Trading loss	US\$372m	US\$214m	-59%
Food			
Revenues	US\$1.3bn	US\$610m	86%
Trading loss	US\$312m	US\$189m	-55%
Payments & Fintech			
Revenues	US\$359m	US\$252m	44%
Trading loss	US\$31m	US\$31m	0%
Classifieds			
Revenues	US\$1.3bn	US\$628m	101%
Trading profit	US\$108m	US\$29m	139%
Education technology			
Revenues	US\$120m	US\$51m	51%
Trading loss	US\$48m	US\$13m	-133%

¹ Prosus ecommerce portfolio consists of all Prosus internet investments, excluding Tencent and VK/mail.ru.

² The estimated market valuation is calculated as at 30 September 2021 using a combination of: (i) prevailing share prices for stakes in listed assets; (ii) valuation estimates derived from the average of sell-side analysts for stakes in unlisted assets; and (iii) post-money valuations on transactions of unlisted assets where analyst consensus is not available.

³ Group results shown on economic-interest basis (i.e., including a proportionate consolidation of the contribution from associates and joint ventures). Growth percentages shown in local currency terms, adjusted for acquisitions and disposals.

⁴ To reconcile revenue on an economic interest basis, with total consolidated revenue, see note 5, on page 24 of the Prosus condensed consolidated interim financial statements for the six months ended 30 September 2021.

Basil Sgourdos, Group CFO, Prosus and Naspers, commented:

"We have made good progress on several fronts in the first six months of the year. Our ecommerce portfolio continues to grow at pace and we are focused on investing behind that growth to build momentum and capture the significant opportunity we see ahead. To this effect, and as an indication of how we are scaling our businesses, we delivered 44% growth in our established and consolidated profitable businesses resulting in increased cash generation to the centre. At the same time as investing for growth, we continued to crystallise returns for shareholders during the period through a US\$5bn share-repurchase programme. We also made an important capital structure change, completing the voluntary share exchange offer. Prosus and Naspers are now better sized on their respective stock exchanges. We have set a solid foundation for the group's future growth."

Ecommerce portfolio growing rapidly and increasing in value

Ecommerce revenues grew 53% to US\$4.2bn versus a strong performance for the same period last year, and outpacing revenue growth at Tencent. This performance was led by 101% growth in Classifieds, 86% growth in Food Delivery, 51% growth in Edtech, and 44% growth in Payments and Fintech.

Analyst consensus estimates of the value of the ecommerce portfolio (excluding Tencent and VK/mail.ru) are increasing and is now approaching US\$50bn. This substantial value appreciation translates to a 22% internal rate of return (IRR) on the US\$22 billion invested over the last decade. A detailed breakdown of the net asset value of the Prosus portfolio is on the Prosus website [here](#).

Classifieds – OLX Group

OLX Group delivered a strong performance versus the same period last year. In well-developed markets, such as Russia, Poland and Brazil, the group accelerated the development of new consumer propositions, such as pay-and-ship services, increasing trust and safety across its platforms and scaling its autos transactions business.

Revenues more than doubled to US\$1.3bn and trading profit increased significantly, growing 139% to US\$108m. Monthly paying listers rose 7% to 4.2m, reflecting the increased focus on monetisation in key markets.

OLX Autos delivered record volumes, with 69,000 car transactions during the period, up from 37,000 for the same period last year. Growth was strong, with revenue increasing 213% to US\$605m.

In Russia, Avito delivered a strong performance, growing revenues by 67% to US\$313m, with a trading profit margin of 48%.

OLX Europe performed well, with revenue rising 37% to US\$230m, and OLX Brasil, our 50% joint venture with Adevinta, also grew strongly, with revenues up 40% to US\$37m and improved trading profit.

Food Delivery – iFood, Swiggy and Delivery Hero

Performance in our global food business remained strong. iFood, Swiggy and Delivery Hero are operating at significant scale and innovating beyond their core food delivery businesses into complementary adjacencies such as convenience and grocery delivery. Our food businesses now cover more than 60 countries.

Media Release

Gross merchandise value (GMV) for the Food Delivery segment grew 73%, with order growth of 70%, resulting in revenue of US\$1.3bn (up 86% year-on-year). iFood, majority owned by Prosus, grew GMV by 50% and revenue by 38%. Delivery Hero again recorded strong organic growth again in the first six months of its financial year to June 2021, supplemented by the Woowa acquisition. Orders and GMV increased by 83% and 86% to 1.4bn and €16.2bn, respectively.

Trading losses for the segment rose to US\$312m, reflecting increased investment into adjacencies and customer acquisition costs as COVID-19 lockdowns eased, plus our stepped up stake in Delivery Hero. Operating margins in the Food Delivery segment improved meaningfully by 6 percentage points, as the business benefitted from increased scale.

Swiggy delivered a strong recovery through the first half of the financial year. The team delivered 56% growth in food delivery revenues, up 91% versus pre-COVID-19 levels. Grocery revenues grew 75% compared to March 2021.

Prosus is Delivery Hero's largest shareholder with a 27.4% interest. On 30 September 2021, Prosus acquired an additional 2.5% interest for US\$936m to offset any potential future dilution in the ordinary course of operations. We invested an additional US\$274m in Swiggy during the period, taking our effective ownership to 36.3%, and in August 2021, we invested a further \$120m in iFood, through Movile. Extending beyond food delivery into convenience and grocery delivery, Prosus co-led investment rounds in both Oda and Flink, in April and June 2021, respectively.

Payments & Fintech – PayU

PayU delivered solid results, serving the continuing global shift to digital payments, with total payment volume (TPV) growing 48% to US\$35.3bn. PayU's revenues grew 44% to US\$359m, driven largely by a strong payments performance in our India business and resumed activity in credit. TPV in India grew 70%, to US\$18.9bn and revenues increased 55% to US\$133m.

Our Global Payments Operations, focused mainly in Europe and Latin America, also delivered good growth. TPV grew 29% and revenues were up 27% to US\$160m.

On 31 August 2021, we announced the acquisition of BillDesk in India for US\$4.7bn which, subject to regulatory approval, would make the combined business a global top 10 online payments provider.

Our Payments and Fintech investments continue to perform well. Notably, in September, Remitly listed on the Nasdaq Stock Exchange with a market capitalisation of approximately US\$8bn. PayU's 23% stake and US\$209m investment over the past four years represents an IRR of 86.9% as at 30 September, 2021.

Edtech

We continued to rapidly expand the scale and reach of our global Edtech business – combined, the portfolio currently serves more than 500 million users. The segment grew strongly during the period, delivering revenue growth of 51%, to US\$120m in the first half of the financial year. Trading losses were US\$48m versus US\$13m for the same period last year, reflecting continued investment.

While we are already growing fast, we see significant further growth ahead. During the first six months of the year we added several new businesses to the portfolio including Stack Overflow, Skillsoft and GoodHabitZ and we also invested further in Eruditus, Brainly, Codecademy, and SoloLearn.

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As a leading global edtech investor, we have built a significant presence in enterprise education, investing behind the future of workplace learning. We reach 90% of the Fortune 100 across our corporate learning companies, including Stack Overflow, Skillsoft, GoodHabit, Udemy and Codecademy.

Edtech is a significant new segment in the Prosus Ecommerce portfolio. Technology is transforming the sector and radically increasing access to education and learning across the world for many millions of people.

Our impact

Prosus is a global consumer internet group with operations and investments in multiple sectors including food delivery, edtech, online classifieds, and payments and fintech. Through our ventures team, we also back local technology entrepreneurs who are building the next wave of tech companies in fields such as health, logistics, blockchain, and social commerce. As a global group, we are acutely aware of our responsibility to society, the planet and our many stakeholders. We believe that the biggest positive impact we can have as a group is through our capital allocation choices as an investor and our encouragement of high ESG performance across our portfolio companies.

Climate Change is an urgent and existential threat to the world we all live in, and we are united in our responsibility to act decisively as we transition to a low-carbon world. As a group, we have committed to be carbon neutral by 31 March 2022 and we have made commitments to the Task Force on Climate-Related Financial Disclosures as a supporter and as a signatory of the United Nations Global Compact.

Prosus has recently achieved an inaugural score of 73 out of 100 on the Dutch Transparency Benchmark, putting us in the top 40 of the benchmark, and in 2021 has achieved a 'low risk' ESG rating from Sustainalytics. In November, Prosus achieved a 69% improvement in the annual S&P assessment and was included in the Dow Jones Sustainability Europe Index, a key reference point for ESG investors.

Through technology investments, we are also able to encourage entrepreneurs focused on solutions to help others. For example, assistive technologies can create barrier free access to people living with disabilities. In India, where there are more than 70 million differently abled people, the Prosus Social Impact Challenge for Accessibility (SICA) provides an annual grant and mentorship to Indian start ups with the most innovative and promising solutions in the assistive technology space. Launched in 2020, SICA 2021 is underway and we will announce the winners of this year's programme in December 2021.

For full details of the group's results, please visit www.prosus.com.

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About Prosus

Prosus is a global consumer internet group and one of the largest technology investors in the world. Operating and investing globally in markets with long-term growth potential, Prosus builds leading consumer internet companies that empower people and enrich communities.

The group is focused on building meaningful businesses in the online classifieds, food delivery, payments and fintech, and education technology sectors in markets including India, Russia, and Brazil. Through its ventures team, Prosus invests in areas including health, logistics, blockchain, and social commerce. Prosus actively seeks new opportunities to partner with exceptional entrepreneurs who are using technology to improve people's everyday lives.

Every day, billions of people use the products and services of companies that Prosus has invested in, acquired, or built, including 99minutos, [Aruna](#), [AutoTrader](#), [Autovit.ro](#), [Avito](#), [Bibit](#), [Biome Makers](#), [Borneo](#), [Brainly](#), [BUX](#), [BYJU'S](#), [Bykea](#), [Codecademy](#), [Collective Benefits](#), [Creditas](#), [DappRadar](#), [DeHaat](#), [Domofond.ru](#), [dott](#), [ElasticRun](#), [eMAG](#), [Eruditus](#), [Flink](#), [Good Glamm Group](#), [GoodHabitZ](#), [Honor](#), [iFood](#), [Imovirtual](#), [Klar](#), [Kovi](#), [LazyPay](#), [letgo](#), [Luno](#), [Meesho](#), [Mobile](#), [Oda](#), [OLX](#), [Otodom](#), [OTOMOTO](#), [PaySense](#), [PayU](#), [Pharmeasy](#), [Properati](#), [Property 24](#), [Quick Ride](#), [Red DotPayment](#), [Republic](#), [Shipper](#), [ShopUp](#), [SoloLearn](#), [Stack Overflow](#), [Standvirtual](#), [Swiggy](#), [Ula](#), [Urban Company](#), and [Wolt](#).

Hundreds of millions of people have made the platforms of Prosus's associates a part of their daily lives. For listed companies where we have an interest, please see: [Tencent](#), [DeliveryHero](#), [Remitly](#), [Mail.ru](#), [Trip.com](#), [Udemy](#), [Skillsoft](#), [Sinch](#) and [Simil arWeb](#).

Today, Prosus companies and associates help improve the lives of more than two billion people around the world.

Prosus has a primary listing on Euronext Amsterdam (AEX:PRX) and secondary listings on the Johannesburg Stock Exchange (XJSE:PRX) and a2X Markets (PRX.AJ). Prosus is majority-owned by Naspers.

For more information, please visit www.prosus.com.