



Prosus N.V.

Trading statement

Prosus N.V. (previously Myriad International Holdings N.V.)

(Incorporated in the Netherlands)

(Trade Reg No 34099856)

AEX and JSE Share Code: PRX ISIN: NL0013654783

("Prosus")

Trading statement

Shareholders are advised that the Prosus group ("the group") is finalising its condensed consolidated interim financial statements for the six months ended 30 September 2019.

Prosus is a subsidiary of Naspers Limited ("Naspers"), a company incorporated in South Africa and listed on the JSE Limited stock exchange in South Africa ("JSE"). On 11 September 2019, Prosus was listed on the Euronext Amsterdam stock exchange, with a secondary listing on the JSE.

The group is a global consumer internet group and one of the largest technology investors in the world. Operating and investing in countries and markets across the world with long-term growth potential, Prosus builds leading companies that empower people and enrich communities. The group operates and partners with several leading internet businesses across the Americas, Africa, Central and Eastern Europe, and Asia in sectors including online classifieds, food delivery, payments and fintech, travel, education, health, and social and internet platforms.

In terms of the Listings Requirements of the JSE in South Africa, South African listed entities with a primary listing are obliged to issue a trading statement to their shareholders to communicate anticipated changes to a company's trading position that would be relevant to the upcoming financial results release. Trading statements are generally issued to provide shareholders with a range of outcomes in respect of key financial metrics as soon as a company has reasonable certainty in respect of those outcomes.

Prosus is a subsidiary of Naspers, and its financial results almost completely account for Naspers' results. Based on Naspers' anticipated interim results, Naspers is required to issue a trading statement in terms of the JSE's listing requirements. To ensure that shareholders of Prosus are provided simultaneously with equivalent information, Prosus is issuing this trading statement.

Earnings per share in the current period is expected to be reduced significantly as the prior period's earnings per share included the gain of US\$1.6bn recognised on disposal of the group's interest in Flipkart Limited in September 2018, which is non-recurring in September 2019. Earnings per share in the current period included a gain of approximately US\$600m recognised on disposal of the group's interest in MakeMyTrip Limited. In addition, fair-value gains on investments held by Tencent (classified as at fair value through profit and loss) of approximately US\$400m is expected to be substantially less than the gains of US\$1.4bn recognised in the prior period, resulting in headline earnings per share decreasing considerably.

Shareholders are reminded that the board considers core headline earnings an appropriate indicator of the operating performance of the group, as it adjusts for non-operational items. Core headline earnings per share from continuing operations for the six months ended 30 September 2019 is expected to increase by between 3 and 9 cents per share (between 3% and 9%). The abovementioned gains on disposals of investments and fair-value losses have been excluded from core headline earnings.



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The group has illustrated the anticipated changes in core headline earnings, earnings and headline earnings per share for the year ended 30 September 2019 as compared to 30 September 2018 (to be included in the condensed consolidated interim financial statements for the six months ended 30 September 2019) for both total operations and continuing operations in the tables below:

Total operations	30 September 2018 US cents	30 September 2019 expected increase/(decrease) US cents	Expected increase/(decrease)%
Earnings per share ⁽¹⁾⁽²⁾	170	(22) – (7)	(13.0%) – (4.40%)
Headline earnings per share ⁽¹⁾⁽²⁾	165	(75) – (61)	(45.2%) – (37.2%)
Core headline earnings per share ⁽¹⁾⁽²⁾	92	10 – 16	11.0% – 17.0%

Continuing operations	30 September 2018 US cents	30 September 2019 expected increase/(decrease) US cents	Expected increase/(decrease)%
Earnings per share ⁽¹⁾⁽²⁾	214	(66) – (51)	(31.0%) – (23.7%)
Headline earnings* per share ⁽¹⁾⁽²⁾	173	(83) – (69)	(48.0%) – (40.0%)
Core headline earnings** per share ⁽¹⁾⁽²⁾	99	3 – 9	3% – 9%

* *Headline earnings represent net profit for the period attributable to equity holders of the group, excluding certain defined separately identifiable remeasurements relating to, amongst others, impairments of tangible assets, intangible assets (including goodwill) and equity-accounted investments, gains and losses on acquisitions and disposals of investments as well as assets, dilution gains and losses on equity-accounted investments, remeasurement gains and losses on disposal groups classified as held for sale and remeasurements included in equity-accounted earnings, net of related taxes (both current and deferred) and the related non-controlling interests. These remeasurements are determined in accordance with Circular 4/2018, Headline Earnings, as issued by the South African Institute of Chartered Accountants, pursuant to the JSE Listings Requirements.*

** *Core headline earnings, a non-IFRS performance measure, represent headline earnings for the period excluding certain non-operating items. Specifically, headline earnings are adjusted for the following items to derive core headline earnings: (i) equity-settled share-based payment expenses on transactions where there is no cash cost to the company. These include those relating to share-based incentive awards settled by issuing treasury shares as well as certain share-based payment expenses that are deemed to arise on shareholder transactions; (ii) deferred taxation income recognised on the first-time recognition of deferred tax assets as this generally relates to multiple prior periods and distorts current period performance; (iii) fair-value adjustments on financial instruments (including put option liabilities) and unrealised currency translation differences, as these items obscure the group's underlying operating performance; (iv) one-off gains and losses (including acquisition-related costs) resulting from acquisitions and disposals of businesses as these items relate to changes in the composition of the group and are not reflective of its underlying operating performance; and (v) the amortisation of intangible assets recognised in business combinations and acquisitions, as these expenses are not considered operational in nature. These adjustments are made to the earnings of combined businesses controlled by the group as well as the group's share of earnings of associates and joint ventures, to the extent that the information is available.*

- (1) Per share information is based on the net number of N and A ordinary shares in issue during the respective periods.
- (2) Per share information for the comparative periods is based on the net number of shares issued for the six months ended 30 September 2019 to permit comparability.

Further details will be provided in the condensed consolidated financial statements, due for release on 22 November 2019. Financial information on which this trading statement is based has not been reviewed or reported on by the company's auditors.

JSE sponsor (South Africa): Investec Bank Limited
Hoofddorp, the Netherlands
18 November 2019