



We create long-term value for our shareholders by improving the everyday lives of billions of people through technology.

Koos Bekker
Chair

Creating real value in a world of change

As digitisation advances, a large part of our lives is now lived online. New technological breakthroughs are accelerating this transition, which plays out against a backdrop of geopolitical tensions, inflation and supply-chain disruptions.

In the face of uncertainty, we tried to maintain our focus and our purpose. As a consumer internet group and one of the largest technology investors, we are helping to bring the benefits of a digital world to our customers. We do this in the core segments of Food Delivery, Classifieds, Payments and Fintech, and Edtech, where we aim to build useful ecosystems.

Creating value for shareholders

In June 2022, the board approved an open-ended repurchase programme of Prosus and Naspers shares. The aim was to unlock value for shareholders and increase net asset value (NAV) per share over time. This implies a programmatic trimming of Tencent shares and will remain active while the discount to NAV is at elevated levels. At the same time, Tencent remains our most important asset and we are convinced that it will grow further in future.

Investors responded positively, acknowledging the repurchase programme as a signal of long-term commitment to unlocking value, although some cautioned that this was not the only solution to remedy discounts. Our intention is to do more, including improving profitability of Ecommerce. A major ambition is to reach consolidated profitability in our Ecommerce business during the first half of FY25. We also wish to address some complexities around the cross-holding structure, if possible.

By year-end, the group NAV discount had reduced by 17 percentage points, creating over US\$25bn of value for shareholders. To fund the process, we realised US\$10.7bn from the sale of 3% of Tencent's issued share capital, reducing our stake to 26.16%.

Discount to net asset value progression since implementing the repurchase programme



In March 2023, we announced our exit of OLX Autos, an adjacent operation to our successful core OLX classifieds business. This strategic development is detailed by our chief executive.

Focus on sustainability

As outlined extensively in this report, our aim is to be a sustainable business. We do this by investing in tech-driven ventures in many countries, building them into enterprises that support local job creation and prosperity. Sometimes these services create more environmentally friendly alternatives to traditional solutions. Many are also socially transformative.

Doing the right things in the right way

Our values are reflected in our code of business ethics and conduct. Our directors promote a culture of strong business ethics aimed at long-term value creation. This underpins the group's activities as a responsible corporate citizen. Governance of information and technology – particularly data privacy and cybersecurity – remained focus areas. We updated multiple key group policies, including the sanctions and export controls policy.

In October 2022, Sharmistha Dubey, independent non-executive director, was appointed as a member of the audit committee, enhancing its composition.

Dividend

The Prosus board has recommended that, in total, its shareholders receive a distribution of a gross amount of approximately €175m which represents an increase of approximately 7% for free-float shareholders. Subject to the requisite approval by Prosus shareholders being obtained, a dividend will be paid by Naspers in relation to the Naspers N ordinary shares and A ordinary shares from the amount that Naspers receives from Prosus, in accordance with the rights attaching to the shares as set out in the Naspers memorandum of incorporation. The Naspers dividends will be paid in South African rand. Given the weakening of the rand against the euro, the expected year-on-year increase in the dividends is higher than in the recent past. More information regarding the dividend will be published in due course.

Looking ahead

During the new financial year we will undoubtedly face challenges again. We will navigate these as best we can. Hopefully, new opportunities may also appear along the way.

On behalf of the board, I thank everyone who contributed to our results for the year. We look forward to continued growth as a global consumer internet company dedicated to improving people's lives around the world.

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26 June 2023