



10 June 2021

# Prosus provides update on voluntary share exchange offer to Naspers shareholders

**Prosus N.V.**(Incorporated in the Netherlands)(Legal Entity Identifier: 635400Z5LQ5F9OLVT688)ISIN: NL0013654783Euronext Amsterdam and JSE Share code: PRX("Prosus")

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO ANY JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE PROHIBITED BY APPLICABLE LAW.

PLEASE SEE THE IMPORTANT DISCLAIMERS AT THE END OF THIS ANNOUNCEMENT.

## Prosus provides update on voluntary share exchange offer to Naspers shareholders

Prosus thanks shareholders for constructive engagements since the group announced a proposed voluntary share exchange offer to Naspers shareholders. We are aligned with shareholders in our joint desire to maximise the value of the group. We plan to achieve this by building useful consumer internet businesses with global reach over the long term. We remain committed, and management is incentivised, to continue to take action to address the discount to NAV.

In the interest of ongoing transparency, we want to clarify our perspective on two topics that have been raised in our engagements with shareholders:

### 1. Complexity of the proposed transaction

We agree that we must avoid friction due to complexity. After extensive work, a structure was found that makes the end state of the transaction straightforward, through the cross-holding arrangement, with dividend flows clear and certain. We encourage investors to review this arrangement.

### 1. Alignment of management and shareholder interests

We fully concur that management and shareholder interests must be aligned.

All of management PSU and share option incentives today are in Naspers. These components represent the vast majority of their compensation. As we move forward it is necessary to include Prosus options and PSUs to reflect the interests of all shareholders. In our integrated annual report (to follow in a few weeks) you will see that the intention for future allocation of long term incentives for the executive directors is to align them with Naspers and Prosus shareholders' free float interests as a reference (currently 72,5% Naspers, 27,5% Prosus). Nonetheless, the Naspers component of the incentive will continue to be the most significant component of management compensation for many years to come. Our executive directors commit that they will not exercise their vested Naspers share options, which is where they have most of their wealth tied up, prior to the exchange offer.

The board remains committed, and management is incentivised, to continue to take action to address the discount to NAV in the future and the proposed transaction maintains our flexibility to do so.

We believe that the proposed transaction is in the best interests of Naspers and Prosus shareholders:

- It could provide significant value unlock for Prosus and Naspers shareholders. It will increase the Prosus free float materially, with expected growth in its overall trading liquidity, market index weightings and positive trading dynamics. It will relieve pressure resulting from the too-large size of Naspers on the JSE, which we believe has inhibited Naspers's market valuation.
- The exchange ratio is equitable, sharing the value created by the transaction according to the current underlying ownership of the Prosus NAV, which is 72.5% Naspers and 27.5% Prosus.
- This action follows the successful prior action of listing Prosus on the Euronext Amsterdam exchange. That helped reduce Naspers's size on the JSE and resulted in net Foreign Direct Investment inflows into Naspers.
- The group has has a track record of consistent value creation and over the past decade, investments in the group's e-commerce businesses have delivered a rate of return above 20%. The track record is well placed to continue and its value will be more adequately realised in the Group's post transaction structure. In the first half of the year, Group revenue and profit growth accelerated meaningfully and, as is evidenced in the Group's trading statements published today, operational gains have continued into the second half of the year. These figures will be updated during our next results presentation on 21 June.

Prosus shareholders are asked to vote on the transaction at the EGM on July 9 2021.

We intend to provide further updates over time.

For more details of the proposed transaction, please visit

[www.share-exchange-offer.com](http://www.share-exchange-offer.com)

Amsterdam, the Netherlands

10 June 2021

JSE sponsor to Prosus and Naspers

Investec Bank Limited

**Dutch Legal Adviser to Prosus and Naspers**

Allen & Overy LLP

**South African Legal Adviser to Prosus and Naspers**

Webber Wentzel

**US Legal Adviser to Prosus and Naspers**

Cravath, Swaine & Moore LLP

**Joint Financial Advisers to Prosus**

Goldman Sachs Bank Europe SE

Morgan Stanley & Co. International plc

**For more information contact:**

**Sarah Ryan, International Media Relations**

Tel: + 31 6 29721038

**Eoin Ryan, Head of Investor Relations**

**Shamiela Letsoalo, South Africa Media Relations** Tel: +1 347-210-4305

Tel: + 27 78 802 6310

## **Disclaimers**

*This press release contains information within the meaning of Article 7(1) of the European Market Abuse Regulation (596/2014).*

*Shareholders should note that the Prosus Board reserves the right, in its discretion, to decide not to proceed with the Proposed Transaction and, as such, the Proposed Transaction may or may not proceed.*

*This announcement is for information purposes only and is not an offer to sell or the solicitation of an offer to buy securities and neither this document nor anything herein nor any copy thereof may be taken into or distributed, directly or indirectly, in or into any jurisdiction in which to do so would be prohibited by applicable law.*

*There will be no public offer of any securities in the United States. The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and will not be offered or sold, directly or indirectly, in or into the United States or to, or for the benefit or account of, any U.S. persons as defined in Regulation S under the Securities Act except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.*

*The information contained in this announcement does not constitute or form a part of any offer to the public for the sale of, or subscription for, or an invitation, advertisement or the solicitation of an offer to purchase and/or subscribe for, securities as defined in and/or contemplated by the South African Companies Act, No. 71 of 2008 ("South African Companies Act"). Accordingly, this announcement does not, nor does it intend to, constitute a "registered prospectus" or an advertisement relating to an offer to the public, as contemplated by the South African Companies Act and no prospectus has been, or will be, filed with the South African Companies and Intellectual Property Commission in respect of this announcement.*

*The information contained in this announcement constitutes factual information as contemplated in Section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, 37 of 2002, as amended ("FAIS Act") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Prosus Ordinary Shares N and/or Naspers N Ordinary Shares or in relation to the business or future investments of Prosus and/or Naspers, is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing contained in this announcement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Prosus is not a financial services provider licensed as such under the FAIS Act.*

*In member states of the European Economic Area ("EEA") (each, a "Relevant Member State") no action has been undertaken or will be undertaken to make an offer to the public of Securities requiring publication of a prospectus in any Relevant Member State. As a result, this announcement and any offer if made subsequently is directed exclusively at persons who are "qualified investors" within the meaning of the Prospectus Regulation ("Qualified Investors"). For these purposes, the expression "Prospectus Regulation" means Regulation 2017/1129/EU (and amendments thereto) and includes any relevant implementing measure in the Relevant Member State.*

*This announcement does not constitute a prospectus within the meaning of the Prospectus Regulation and has not been approved by the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten).*

*In the United Kingdom this announcement is only being distributed to, and is only directed at, and any investment or investment activity to which this announcement relates is available only to, and will be engaged in only with, qualified investors (as defined under Article 2(e) of the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018) who are (i) investment professionals falling within Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) other persons to whom it may otherwise be lawfully communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not*

*take any action on the basis of this announcement and should not act or rely on it.*

*The release, publication, or distribution of this announcement in jurisdictions other than South Africa may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about, and observe, any applicable restrictions or requirements. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, Prosus disclaims any responsibility or liability for the violation of such requirements by any person.*

*It is the responsibility of each Naspers N shareholder (including, without limitation, nominees, agents and trustees for such persons) wishing to receive this announcement and/or participate in the Proposed Transaction, or a component thereof, to satisfy themselves as to the full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requirements or formalities and paying any issue, transfer or other taxes due in such territories. Further information pertaining to the Proposed Transaction will be provided in due course pursuant to the documentation to be released by Prosus in relation to the Proposed Transaction (the "Transaction Documentation").*

*Investors are advised to read the Transaction Documentation, which will contain the terms and conditions of the Proposed Transaction, with care and in full. Any decision to approve the resolutions required to implement the Proposed Transaction or analysis of and/or election in respect of the Proposed Transaction and/or other matters dealt with in the Transaction Documentation should be made only on the basis of such information.*

*Application will be made for all of the Prosus Ordinary Shares N proposed to be issued pursuant to the Proposed Transaction to be admitted to listing and trading on the AEX and on the Main Board of the JSE and A2X Markets. The Transaction Documentation to be issued by Prosus in respect of, among other things, the Proposed Transaction will be made available in due course, subject to applicable securities laws, on [www.prosus.com](http://www.prosus.com). Investors should have regard to the Transaction Documentation before deciding to elect to participate in the Proposed Transaction.*

*Any financial adviser of Prosus is acting exclusively for Prosus and no one else in connection with the Proposed Transaction. No financial adviser will regard any other person as its client in relation to the Proposed Transaction and will not be responsible to anyone other than Prosus for providing the protections afforded to its client nor for giving advice in relation to the Proposed Transaction or any other transaction or arrangement referred to in this announcement.*

*No representation or warranty, express or implied, is made or given, and no responsibility is accepted, by or on behalf of any financial adviser or any of its affiliates or any of its respective directors, officers or employees or any other person, as to the accuracy, completeness, fairness or verification of the information or opinions contained in this announcement and nothing contained in this announcement is, or shall be relied upon as, a promise or representation by any financial adviser or any of their respective affiliates as to the past or future. Accordingly, any financial advisers and its affiliates and respective directors, officers and employees disclaim, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or that they might otherwise be found to have in respect of this announcement and/or any such statement.*

*Nothing contained in this announcement constitutes, or is intended to constitute, investment, tax, legal, accounting, or other professional advice.*

#### *Forward-looking statements*

*This announcement contains statements about Prosus and/or Naspers that are, or may be, forward-looking statements. All statements (other than statements of historical fact) are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industries in which Prosus and/or Naspers operates or invests as well as markets generally; production; cash costs and other operating results; growth prospects and outlook for operations and/or investments, individually or in the aggregate; liquidity, capital resources and expenditure, statements in relation to the approval by shareholders or implementation of the Proposed Transaction and/or the benefits of the Proposed Transaction. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases. Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, implementation of the Proposed Transaction and/or the benefits of the Proposed Transaction, anticipated levels of growth, estimates of capital expenditures, acquisition and investment strategy, expansion prospects or future capital expenditure levels and other economic factors, such as, among others, growth and interest rates.*

*By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Prosus cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, returns and the developments within the industries and markets in which Prosus and/or Naspers operates and/or invests may differ materially from those made in, or suggested by, the forward-looking statements contained in this announcement. All these forward-looking statements are based on estimates, predictions and assumptions, as regards*

*Prosus or Naspers, all of which estimates, predictions and assumptions, although Prosus believes them to be reasonable, are inherently uncertain and may not eventuate or eventuate in the manner Prosus expects. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include matters not yet known to Prosus or not currently considered material by Prosus.*

*Investors should keep in mind that any forward-looking statement made in this announcement or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Prosus or Naspers not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results, performance, or achievement to differ materially from those contained in any forward-looking statement is not known. Prosus has no duty to, and does not intend to, update, or revise the forward-looking statements contained in this announcement or any other information herein, except as may be required by law. Any forward-looking statement has not been reviewed nor reported on by Prosus's external auditor or any other expert.*

## **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 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 customers use the products and services of companies that Prosus has invested in, acquired or built, including [99minutos](#), [Airmeeet](#), [Aruna](#), [AutoTrader](#), [Autovit.ro](#), [Azos](#), [BandLab](#), [Bibit](#), [Bilt](#), [Biome Makers](#), [Borneo](#), [Brainly](#), [BUX](#), [BYJU'S](#), [Bykea](#), [Captain Fresh](#), [Codecademy](#), [Collective Benefits](#), [Creditas](#), [DappRadar](#), [DeHaat](#), [Detect Technologies](#), [dott](#), [EduMe](#), [ElasticRun](#), [eMAG](#), [Endowus](#), [Eruditus](#), [EVERY](#), [Facily](#), [Flink](#), [Foodics](#), [Good Glamm Group](#), [GoodHabit](#), [GoStudent](#), [Honor](#), [iFood](#), [Imovirtual](#), [IndiGG](#), [Klar](#), [Kovi](#), [LazyPay](#), [letgo](#), [Luno](#), [Mensa Brands](#), [Meesho](#), [merXu](#), [Movile](#), [Oda](#), [OLX](#), [Otodom](#), [OTOMOTO](#), [Oxford Ionics](#), [PaySense](#), [PayU](#), [Pharmeasy](#), [Platzi](#), [Property24](#), [Quick Ride](#), [Red Dot Payment](#), [Republic](#), [Sharebite](#), [Shipper](#), [ShopUp](#), [SoloLearn](#), [SpotDraft](#), [Stack Overflow](#), [Standvirtual](#), [Spendflow](#), [Superside](#), [Swiggy](#), [Thndr](#), [Tonik](#), [Ula](#), [Urban Company](#), [Vegrow](#), [Virgio](#), [watchTower](#), and [Wayflyer](#).

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](#), [Delivery Hero](#), [Remitly](#), [Trip.com](#), [Udemy](#), [Skillsoft](#), and [SimilarWeb](#).

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](http://www.prosus.com).

<https://preview.presspage.com/prosus/en/prosus-provides-update-on-voluntary-share-exchange-offer-to-naspers-shareholders/>

## **Enquiries**

<p><b>Eoin Ryan</b> Head of Investor Relations <a href="mailto:investorrelations@prosus.com">investorrelations@prosus.com</a> +1 347-210-4305</p>
---