PROSUS N.V.

(Incorporated in the Netherlands)

(Legal Entity Identifier: 635400Z5LQ5F9OLVT688)

ISIN: NL0013654783

Euronext Amsterdam and JSE Share code: PRX

("Prosus" or the "Company")

**RESULTS OF ANNUAL GENERAL MEETING**

Amsterdam, 24 August 2021 – Prosus N.V. (Prosus) (AEX and JSE: PRX) The annual general meeting (AGM) of Prosus N.V. was held through electronic communication today.

Shareholders are advised that all resolutions set out in the notice of the AGM were passed by the requisite majority of shareholders represented at the annual general meeting and adopted. We note that the issued share capital of Prosus was at record date as follows:

| **Class of share** | **Nominal value per share** | **Number of votes per share** | **Issued share capital** | **Authorised share capital** |
| --- | --- | --- | --- | --- |
| Ordinary Share N (N shares) | EUR0.05 | 1 | 1 624 652 070 | 5 000 000 000 |
| Ordinary Share A1 (A shares) | EUR0.05 | 1 | 3 511 818 | 10 000 000 |

11 874 493 ordinary shares N are currently held in treasury by the Company. Therefore, the number of ordinary shares that could have been voted at the meeting: 1 616 289 395. The total number of ordinary shares represented at the meeting was: 1 487 673 887 which is 92,04% of the total issued share capital.

Details of voting results:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **NO.** | **AGENDA ITEM** | **VOTESFOR** | **%** | **VOTESAGAINST** | **%** | **VOTESABSTAIN** | **VOTESTOTAL** | **% of ISSUED SHARE CAPITAL VOTED** |
| 2 | To approve the directors’ remuneration report | 1 260 123 559 | 85,00 | 222 346 535 | 15,00 | 5 203 607 | 1 487 673 701 | 92,04 |
| 3 | To adopt the annual accounts for the financial year ending 31 March 2021 | 1 486 463 513 | 99,99 | 174 324 | 0,01 | 1 035 875 | 1 487 673 712 | 92,04 |
| 4 | To make a distribution in relation to the financial year ending 31 March 2021 | 1 484 464 296 | 99,81 | 2 892 826 | 0,19 | 316 590 | 1 487 673 712 | 92,04 |
| 5 | To facilitate the making of a (capital) distribution for future financial years | 1 483 061 107 | 99,85 | 2 258 699 | 0,15 | 2 353 906 | 1 487 673 712 | 92,04 |
| 6 | To discharge executive directors from liability | 1 469 393 867 | 98,88 | 16 658 328 | 1,12 | 1 621 517 | 1 487 673 712 | 92,04 |
| 7 | To discharge non-executive directors from liability | 1 467 319 871 | 98,74 | 18 732 007 | 1,26 | 1 621 834 | 1 487 673 712 | 92,04 |
| 8 | To adopt the remuneration policy of the executive and non-executive directors | 1 248 868 794 | 83,98 | 238 297 308 | 16,02 | 507 599 | 1 487 673 701 | 92,04 |
| 9 | To appoint AGZ Kemna as a non-executive director | 1 484 545 682 | 99,81 | 2 807 496 | 0,19 | 320 534 | 1 487 673 712 | 92,04 |
| 10.1 | To reappoint HJ du Toit as a non-executive director | 1 472 649 272 | 99,06 | 14 048 057 | 0,94 | 976 383 | 1 487 673 712 | 92,04 |
| 10.2 | To reappoint CL Enenstein as a non-executive director | 1 438 163 687 | 96,74 | 48 531 451 | 3,26 | 978 574 | 1 487 673 712 | 92,04 |
| 10.3 | To reappoint FLN Letele as a non-executive director | 1 476 354 749 | 99,30 | 10 340 285 | 0,70 | 978 678 | 1 487 673 712 | 92,04 |
| 10.4 | To reappoint R Oliveira de Lima as a non-executive director | 1 452 134 250 | 97,68 | 34 560 078 | 2,32 | 979 384 | 1 487 673 712 | 92,04 |
| 11 | To reappoint PricewaterhouseCoopers Accountants N.V. as the auditor for the financial year ending 31 March 2023 | 1 466 055 800 | 98,57 | 21 301 057 | 1,43 | 316 855 | 1 487 673 712 | 92,04 |
| 12 | To designate the Board of Directors as the company body to issue shares | 1 430 923 402 | 96,25 | 55 774 976 | 3,75 | 975 322 | 1 487 673 700 | 92,04 |
| 13 | To authorise the board to resolve that the company acquires shares in its own capital | 1 481 790 786 | 99,63 | 5 558 914 | 0,37 | 324 012 | 1 487 673 712 | 92,04 |
| 14 | To reduce the share capital by cancelling own shares | 1 486 306 341 | 99,93 | 1 023 124 | 0,07 | 344 247 | 1 487 673 712 | 92,04 |

**Summary of statements from the annual general meeting:**

**A year of solid performance and accelerated growth**

We delivered strong revenue growth and increased profitability –solidifying foundations for future growth and value creation for our stakeholders.

**Our role in society**

We recognise the role that technology can play in meeting the changing needs of people and their communities across the world. Our strategy therefore continues to be focused on building global consumer internet businesses that improve the daily lives of millions of people.

We focus on local entrepreneurs who stimulate social and economic progress in high-growth markets. That means new jobs, skills and development, plus taxes for governments.

Digital platforms can have a positive impact on the environment, as they help replace physical infrastructure and activities. For example: online learning and digital payment services.

Platforms where consumers can buy and sell second-hand goods empower people to minimise their own environmental footprint.

At Prosus, we are playing our part in the urgent response to climate change.

This year we continued our increased focus on sustainability. Together with other stakeholders, we identified areas where our business has the most impact and are taking action in those areas. We also updated policies such as anti-money-laundering, in line with our commitment to ensure high standards of corporate governance.

For a group like ours, operating across different types and sizes of businesses, and in so many geographies, applying a one-size-fits-all approach to sustainability governance is not practical.

All of our majority owned companies share our focus on sustainability, and embed it into their business in the relevant context.

We have built a diverse, collaborative, and dynamic culture across the group. It’s our people doing the right things in the right way, day after day, that makes the difference.

Sustainability is a journey and we look forward to sharing it with you.

**Regulation**

As the internet has a bigger impact on the economy and people, regulation will increase. This is not unusual. When an industry is young and small, society generally regulates it lightly. As it grows in economic and social impact, rules increase.

We are seeing increased regulation in most markets. Notable is the recent regulatory developments in China which have also caused volatility in stock markets. This is part of a global pattern.

It’s interesting how societies across the world mostly agree on what to regulate, like money laundering. But sometimes they differ in what is regarded as important. For example, Europe seems to place a higher value on privacy than the US. In China, recently, after-school-tutoring was restructured. Chinese regulation will sometimes resemble that in the West, and sometimes not. Each country will have its own trajectory, based on its values.

All over the world the internet industry will be regulated as it continues to evolve. We just have to accept it, live with it, and play our role.

**Share exchange offer**

We appreciate your support for the share exchange transaction which was approved by a clear majority of the free float at the Prosus level. At Naspers, the exchange of its shares for Prosus shares was oversubscribed by a big margin. Approximately 46% of the new Prosus N shares were settled into shareholders’ accounts on Euronext in Amsterdam, and 54% on the JSE in South Africa. Prosus will now double in size on the Euronext, while Naspers will remain the largest South Africa-domiciled company by market capitalisation.

That is a much better ratio across the two exchanges, given the relative size of each exchange.

**An extraordinary year**

Last year was an extraordinary year in which we tackled the pandemic head on and accelerated growth. We achieved this by executing our strategy to remain focused on our customers around the world and to create sustainable value for our many stakeholders.

For many years, we have anticipated how advances in technology can meet the changing needs of people and their communities across the world. And our strategy continues to be focused on building global businesses that improve the daily lives of millions of people.

Today, our impact is significant. The entrepreneurs and teams at the heart of our investments and companies improve the daily lives of around 2 billion customers. We enable people to buy and sell to each other online, easily order food that is delivered quickly to their homes. We also enable participation in the digital economy and access to important financial services otherwise unavailable to people. We enable customers to educate themselves without ever visiting a classroom, and much more. We help to satisfy that most basic of human needs, the ability for people to connect and interact with each other – vitally important during the pandemic.

There are many examples from around the group of our positive impact on the world. To give just one of the most recent examples, in March 2021 we launched Prosus FLIGHT, in partnership with UN Women, to help young women in India gain education and employment.

**Strong performance**

Our strategy has positioned us to benefit from the structural shift to online commerce in some of the largest and fastest growing markets and segments globally. This shift to online was accelerated by Covid. Our businesses have done well to capture the available opportunities and there is still plenty of growth ahead. The strong financial performance underlines this point.

We are growing at a strong pace and often ahead of our peers. Growth accelerated significantly in ecommerce which is growing meaningfully ahead of a fast growing Tencent.

We saw significant improvements in profitability. Our more established businesses have reached some scale following several years of fast growth. Over 60% of ecommerce revenues are profitable revenues. This is up from just 35% 5 years ago. Revenue growth for these profitable businesses was 39%. This bodes well for future growth and profitability improvement.

We have a strong balance sheet and remain active in debt markets. There are several opportunities with potential to create significant value for our shareholders. We will continue to approach M&A with the same rigour and discipline that has driven the strong returns to date.

These points combined help to drive a significant appreciation in the value of our ecommerce portfolio. The valuation has almost doubled in the past year to reach $39bn. Ecommerce internal rate of returns on the existing portfolio remain above 20%.

Group revenues grew 33% to US$29bn. Ecommerce grew faster than the average delivering 54% year-on-year growth. This is a 21% acceleration from the growth delivered for the year ended 31 March 2020. Food delivery, etail and payments segments drove this significant acceleration. Classifieds was most impacted by the pandemic but has recovered fast and grew 36% in the second half of the year.

Group trading profit grew 44% to US$5.6bn and core headline earnings, our measure of after tax operating performance, grew by 39% to US$ 4.9bn. In ecommerce we saw an 11% improvement in trading margin with losses reducing $353m or 46% to $429m. The Food delivery segment significantly improved profitability off increased scale and PayU also improved its profitability. Our etail segment is now profitable in the aggregate.

Off the back of strong profitability improvements free cash flows also improved by $338m to an inflow of $126m.

We were very active on the M&A front investing some $7bn between April 2020 and May 2021.

We raised $5.7bn in bonds last year at our lowest coupons ever. We followed this up with a further $4bn in July of this year at even lower coupons

**Aligning remuneration to performance and value creation**

This year, as ever, we continued to focus on attracting, motivating and retaining the best people to create sustainable shareholder value. And, of course, we did this while facing the ongoing challenges of Covid-19. Our priorities here remained unchanged throughout: preserve the health and wellbeing of our people, and act responsibly for all our stakeholders. Through the year, we tackled the pandemic head-on – responding rapidly in the first instance and investing considerable resources and energy in ensuring our people, our customers and communities stayed safe and supported.

As a global tech leader we never forget that our people are absolutely critical to the success of Prosus. This is why we take a strategic approach to human resources and remuneration in a world where we face stiff competition for digital talent. To attract and retain the best and achieve our goals, we focus on pay for performance, encourage ownership and entrepreneurialism in our teams around the world, and align management compensation with the creation of shareholder value over time. We aim to promote superior performance; direct employees’ energies to key business goals; achieve the most effective returns for employee spend; and address diverse needs across differing cultures. At the same time we cultivate a strong groupwide culture that empowers and encourages our people to excel.

We embed equality and consistency in our pay practices across the group as we continue to build our diverse and inclusive workplaces. To this end, we ensure that our pay practices around the world are fair, competitive and above minimum-wage standards.

Through the year we focused on a number of key areas. These included ensuring that the group has a market-competitive remuneration policy, structure and tools to attract and retain the world’s best talent. When making remuneration decisions we took the Covid-19 impact into account by withholding FY21 pay increases for CEO and direct reports, adding Covid-19 malus clause to senior management’s STI and delaying LTI awards. We also considered independent external advice on non-executive directors’ fees. We improved disclosure of executive remuneration in the annual report, setting STI targets, including ESG goals, that are measurable, sufficiently stretched and linked to the group’s strategy. For executive directors, we increased the weighting of PSUs in the LTI mix, ensuring an even closer alignment between executive remuneration and shareholder outcomes.

Despite the initial uncertainty and significant operational challenges of the pandemic, we exceeded our business plan and delivered financial performance ahead of the pre-Covid-19 budget. This performance is reflected in our remuneration decisions.

To continue maximising shareholder value by incentivising value creation at the core of our businesses, longer-term incentive awards (LTIs) were made to our executives. More than 92% of the executive directors’ LTI is linked to long-term value creation in our core consumer internet businesses, excluding Tencent. PSUs and share appreciation rights (SARs) only reward for the increase of that underlying business value, which contributes to reducing the discount to net asset value.

Looking ahead, we will continue to engage with shareholders on remuneration topics. We will also continue to monitor market developments to ensure our remuneration structure allows us to compete globally for talent, and that our offering is compelling, fair and responsible. In addition, we will aim to achieve an appropriate mix of longer-term incentives, with explicit and embedded performance conditions. We will do all this and more in the spirit of ensuring our strategic approach to HR and remuneration continues to help us build on our success and create greater value for all our stakeholders.

**Distributions to shareholders**

The distributions proposed by the company’s board of directors (“the board”) has been approved by the shareholders. On this basis, holders of ordinary shares N are entitled to a gross payment, in the form of a capital repayment, of 14 euro cents per share, holders of ordinary shares A1 will receive a dividend distribution of 1.19715 euro cents per share and holders of ordinary shares B will receive a dividend distribution of 0.000014 euro cents per share for the year ended 31 March 2021.

Holders of ordinary shares N as at Friday, 29 October 2021 (the dividend record date) who do not wish to receive a capital repayment can elect to receive a dividend instead. A choice for one option implies an opt-out of the other option. Elections to receive a dividend instead of a capital repayment will need to be made by holders of ordinary shares N by Monday, 15 November 2021. Capital repayments and dividends will be payable to shareholders recorded in the books on the dividend record date and paid on or after Tuesday, 23 November 2021.

Dividends and capital repayments are declared and paid in euros. For those holders holding their ordinary shares N in South Africa via Strate will receive a gross distribution of 247,7811 Rand cents per ordinary share N. South Africa holders of ordinary shares A1 will receive a gross dividend of 21,18794 Rand cents per ordinary share A1. Holders of ordinary shares B will receive a dividend distribution of 0,00025 Rand cents per ordinary B share. This is based on an EUR/ZAR exchange rate of 17,69865 as at 24 August 2021.

Holders of Prosus American Depositary Receipts which trade on an over-the-counter basis in the United States will receive a dividend.

Salient dates:

|  |  |
| --- | --- |
| Tuesday, 24 August 2021 | Annual general meeting (including resolution to approve the dividend/capital payment) Results of annual general meeting and currency conversion announcement (i.e. ZAR equivalent of Prosus distribution determined for JSE holders) |
| Wednesday, 20 October 2021 | Dividend/capital payment finalisation date |
| Tuesday, 26 October 2021 | Last date to trade on the JSE in order to appear in the shareholder register and participate in the dividend/capital repayment |
| Wednesday, 27 October 2021 | Ex-dividend/capital repayment date for JSE. Last date to trade on the Euronext Amsterdam in order to appear in the shareholder register and participate in the dividend/capital repayment. |
| Thursday, 28 October 2021 | Ex-dividend/capital repayment date for Euronext Amsterdam |
| Friday, 29 October 2021 | Record date to appear in the shareholder register and participate in the dividend/capital repayment |
| Monday, 1 November 2021 – Monday, 15 November 2021 | Dividend/capital repayment election period |
| Tuesday, 23 November 2021 | Dividend/capital repayment date |
| Tuesday, 14 December 2021 | Final date for intermediaries to upload Dutch DWT reclaims |

Due to the differing ex-dividend dates between the JSE and Euronext Amsterdam, transfers of N ordinary shares between the JSE and the Euronext Amsterdam between Tuesday, 26 October 2021, and Friday, 29 October 2021, both dates inclusive, will not be permitted.

In addition to the Dutch dividend withholding tax at a rate of up to 15%, dividends paid in respect of ordinary N shares on the South African register will also be subject to South African dividend tax at a rate of up to 20% in relation to shareholders not entitled to an exemption from South African dividend tax. The amount of additional South African dividend tax payable may be subject to a rebate for Dutch dividend withholding tax paid in respect of such dividend without any recovery by any person. so that the aggregate dividend tax adds up to a maximum of 20%.

South African corporates who own 5% or more of the shares in Prosus may qualify for a Dutch domestic exemption from Dutch dividend withholding tax. Those shareholders who qualify for domestic relief have until 14 December 2021 to provide evidence to ABN AMRO that their dividend qualifies for domestic relief from Dutch dividend withholding tax.

The treaty between South Africa and the Netherlands notes that the Dutch dividend withholding tax may get reduced from 15% to 10%. This reduction applies equally to corporates holding less than 10% of the capital of Prosus, individuals and other persons who qualify as residents of South Africa for treaty purposes. If shareholders, or their tax advisors, conclude that they are entitled to benefits arising from the tax treaty, such shareholders should follow the process prescribed by the tax treaty to claim relief.

Please note that no Dutch dividend withholding tax will be withheld on repayments of share capital. There will also be no South African dividend tax on repayments of share capital.

**Tax Implications**

1. **Dutch Tax Implications**
	1. **General**

Capital repayments will be paid from share capital. No Dutch dividend withholding tax ("DWT") will be withheld on the amounts of capital repayments paid to shareholders.

Where a shareholder elects to receive a dividend, generally, 15% DWT will be withheld by Prosus on the cash dividend, leaving a distribution amount per share net of Dutch DWT, unless:

* + 1. a shareholder qualifies for an exemption from or a reduction of Dutch DWT on the basis of Dutch domestic law (including implementation of EU Directives) and/or a tax treaty concluded by the Netherlands; and
		2. the formal requirements to apply such exemption from or reduction of Dutch DWT are satisfied (insofar applicable).

Prosus will initially withhold 15% on ALL cash dividends distributed on Tuesday, 23 November 2021. As a subsequent step, if and to the extent Prosus has been provided before 14 December 2021 with proof that a shareholder qualifies for an exemption from or a reduction of Dutch DWT on the basis of Dutch domestic law, the difference between 15% and the Dutch DWT to be withheld will be paid out to the shareholder, after the Dutch DWT return and/or Dutch DWT notification has been filed by Prosus with the Dutch tax authorities. Prosus will remit the Dutch DWT to be withheld to the Dutch tax authorities based on the Dutch DWT return.

* 1. **Domestic exemptions from Dutch DWT**
		1. **General**

Corporate shareholders may be exempt from Dutch DWT in terms of Dutch domestic law, if:

* + - 1. The shareholder is tax resident in the Netherlands and owns 5% or more of the share capital of Prosus, provided that the further requirements for the application of the Dutch participation exemption are met. Special rules may apply for corporate shareholders that are considered tax transparent in their country of residence, or considered tax transparent from a Dutch tax perspective; or
			2. A shareholder is considered tax resident within the EU or EEA or is a tax resident of a country with which the Netherlands has concluded a tax treaty containing an article on taxation of dividends (such as South Africa), and, as a general rule, this corporate shareholder is the beneficial owner of the dividends distributed by Prosus and owns 5% or more of the share capital of Prosus. In addition to the shareholding requirement, the shareholder is also required to meet certain other conditions relating to the application of the Dutch participation exemption, determined as if the corporate shareholder is a Dutch tax resident.

The above exemptions are not available in cases of abuse, for which a main purposes test and artificial arrangement test applies.

If a shareholder is eligible for an exemption from Dutch DWT, in order to place reliance on such exemption, the shareholder is required to submit certain information to ABN AMRO as set-out below

* + 1. **Dutch corporate shareholders owning 5% or more of Prosus' share capital**

In order to rely on this domestic exemption from Dutch DWT described in paragraph 1.2.1.1 above, the shareholder should provide ABN AMRO via its own intermediary bank with: (i) its name, address and place of residency, and corresponding extract from the Dutch Chamber of Commerce; (ii) the number and percentage of shares owned in Prosus; (iii) its bank account details; and (iv) a statement confirming that the Dutch participation exemption applies to the dividend at the level of the Dutch corporate shareholder. This information should be submitted before Tuesday, 14 December 2021.

As indicated above, Prosus will, as a general rule, initially withhold 15% on ALL dividends distributed on Tuesday, 23 November 2021. If, however, Prosus has been provided with proof, to its satisfaction, ultimately before 14 December 2021, that the relevant shareholder qualifies for an exemption from Dutch DWT, no amount of DWT will be withheld, and the 15% DWT that otherwise would have been withheld will be paid out by Prosus to the relevant shareholder directly, after the DWT return has been filed by Prosus with the Dutch tax authorities.

* + 1. **EU/EEA or tax treaty country resident corporate shareholders owning 5% or more**

In order for a corporate shareholder to rely on the domestic exemption from Dutch DWT described in in paragraph 1.2.1.2 above, the shareholder should provide ABN AMRO via its own intermediary bank with: (i) its name, address and place of residency; (ii) the number and percentage of shares owned in Prosus; (iii) a tax residency certificate issued by its country of residence; (iv) its bank account details; and (v) a statement confirming that all relevant conditions of the DWT exemption are met. This information should be submitted before 14 December 2021. Subsequently, Prosus will need to file a Dutch DWT notification with the Dutch tax authorities.

Shareholders are advised that Prosus will, as a general rule, initially withhold 15% on ALL dividends distributed on the dividend payment date, being Tuesday, 23 November 2021. If, however, ABN AMRO has been provided with proof, to its satisfaction, ultimately 14 December 2021, that the relevant shareholder qualifies for an exemption from Dutch DWT, no amount of DWT will be withheld, and the 15% DWT that otherwise would have been withheld will be paid out by Prosus to the relevant shareholder directly, after the DWT return has been filed by Prosus with the Dutch tax authorities.

* 1. **Tax treaty relief**

Shareholders that do not qualify for the domestic exemption from Dutch DWT as outlined in paragraph 1.2, may qualify for an exemption from or reduction of Dutch DWT on the basis of a relevant tax treaty concluded by the Netherlands. The claiming of tax treaty relief or a credit will generally be subject to formal requirements. Shareholders should consult their tax advisor to determine if such an exemption or reduction is applicable to their situation and in which way, they can claim this DWT back from the Dutch tax authorities.

1. **South African Tax Implications**
	1. **General**

A capital repayment in respect of a Prosus share that is listed on the JSE will be regarded as a "foreign return of capital" for South African tax purposes. No South African dividend tax ("SADT") will be withheld on the amounts paid to shareholders as a capital repayment.

For shareholders holding Prosus shares as a capital investment, the capital repayment will reduce the South African tax base cost of the Prosus shares in the hands of the shareholder by an amount equal to the capital repayment. To the extent that the capital repayment may exceed the tax base cost of the Prosus shares, taxable gains may result shareholders subject to South African capital gains tax.

Where a shareholder elects to receive a dividend in respect of a Prosus share that is listed on the JSE, such distribution will be regarded as a "foreign dividend" for South African income tax purposes and should generally be exempt from normal tax in South Africa. However such foreign dividends will, generally and in addition to being subject to Dutch DWT, be subject to 20% SADT, to be withheld by the regulated intermediary in South Africa (CSDP), leaving a distribution amount per share net of SADT, unless:

* + 1. a shareholder qualifies for an exemption from, or a reduction of, SADT, on the basis of South African domestic law or a tax treaty concluded by South Africa and before the dividend is paid, the formal requirements to apply such exemption or reduction from SADT are satisfied (insofar as applicable); or
		2. The dividend is paid to another CSDP; or
		3. The beneficial owner of such dividend is a natural person, deceased estate or insolvent estate in respect of a dividend paid in respect of a tax free investment as contemplated in section 12T(1) of the Income Tax Act 58 of 1962 (as amended).

In order to qualify for any exemption or reduction from SADT described in paragraph 2.1.1. the person to whom the dividend is paid must provide the following documentation to the CSDP before the dividend is paid:

* + 1. a written declaration that the dividend is exempt from SADT in terms of South African domestic law; and
		2. a written undertaking to inform the regulated intermediary in writing should the circumstances affecting the exemption/reduction applicable change, or should the beneficial owner cease to be the beneficial owner, by the date determined by the CSDP, or where no date is determined, by the date of payment of the dividend.
	1. **Tax implications for South African corporate shareholders**

Where the South African resident beneficial owner of the dividend is a company, the dividend will be exempt from SADT in terms of domestic law, provided the documentary requirements set out above are complied with.

* 1. **Tax implications for South African non-corporate shareholders**

Where the South African resident beneficial owner of the dividend is a non-corporate shareholder, the dividend may be exempt from SADT in terms of domestic law. Where the dividend does not qualify for one of the domestic exemptions, SADT will be paid at an initial rate of 20%, subject to a rebate for Dutch DWT paid in respect of such dividend without any recovery by any person.

* 1. **Rebate on SADT paid**

A rebate for foreign taxes (i.e. Dutch DWT) imposed on the dividend paid is available to reduce the SADT liability. This rebate is calculated based on the Dutch DWT paid without the right of recovery by any person. In other words, the rebate is limited to the amount of Dutch DWT paid after taking into account relevant exemptions from, or reductions of, Dutch DWT that the shareholder may be eligible for as described in paragraph 1 above.

The rebate will further be limited to the SADT imposed. For example, if the dividend is exempt from Dutch DWT in terms of Dutch domestic law as a result of the shareholder holding 5% or more of Prosus’s shares, no rebate will be available.

The CSDP is responsible for withholding SADT from the dividend payable to shareholders on the South African register and paying such amounts to the South African Revenue Service.

In order to apply a rebate, the CSDP must be satisfied:

* + 1. that DWT was applied; and
		2. that the relevant shareholder qualifies for a reduced rate of DWT.

The rebate for foreign taxes is determined in Rand by translating the foreign currency amount using the same rate used to translate the foreign dividend.

* 1. **Refund mechanism**

The maximum effective dividend tax to be paid by South African tax resident shareholders on the South African register, who are not exempt from SADT will be 20%. For example, where a CSDP is satisfied that a particular shareholder has paid 15% Dutch DWT, which is not recoverable by that shareholder from the Dutch tax authority, such CSDP should withhold only 5% SADT, being the 20% SADT less 15% DWT (unless a specific South African domestic exemption applies and the required documentation as set out in paragraph 2 has been provided to the CSDP).

If such shareholder pays more than an aggregate 20% tax (being the total Dutch and South African dividend tax paid on the same dividend), such shareholders are advised to follow the procedures set out paragraphs 1, if appropriate, in order to claim a refund of Dutch DWT taxes overpaid. Where an amount of SADT has been overpaid as a result of failure to comply with the requirements described in paragraphs 2.1.4 and 2.1.5, or the failure to deduct a rebate as described in paragraph 2.4, the shareholder may be entitled to claim a refund of the SADT overpaid. This refund must be claimed from the CSDP within a period of three years after the date of payment of the dividend.

Whether or not there is a refund due to the shareholder should be determined with reference to the specific facts applicable to that shareholder.

The information provided above does not constitute tax advice and is only provided as a general guide on the South African tax treatment of the cash dividend declaration by Prosus to South African tax resident shareholders. For shareholders residing outside of South Africa, the dividend may have other legal or tax implications and such shareholders are advised to obtain appropriate advice from their professional advisers in this regard.

**Looking forward with confidence**

Our core objectives are unchanged and strong market dynamics underpin our structural growth. We are at the beginning of our Prosus journey, but we have made a great start and are clear about where we are heading in the interests of our shareholders and all our stakeholders. So, the fundamentals are strong and we have real momentum.

Amsterdam, the Netherlands

24 August 2021

**JSE sponsor to Prosus:**

Investec Bank Limited

**Euronext listing agent**

ING Bank N.V.

**Euronext paying agent**

ABN AMRO Bank N.V.

**Enquiries**

|  |  |
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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, millions of people use the products and services of companies that Prosus has invested in, acquired or built, including Avito, Brainly, BYJU'S, Bykea, Codecademy, DappRadar, DeHaat, dott, ElasticRun, eMAG, Eruditus, Honor, iFood, Klar, LazyPay, letgo, Meesho, Movile, OLX, PayU, Quick Ride, Red Dot Payment, Remitly, Republic, SimilarWeb, Shipper, Skillsoft, SoloLearn, Swiggy, and Udemy.*

*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 (www.tencent.com), Mail.ru (www.corp.mail.ru), Trip.com Group Limited (www.trip.com), and DeliveryHero (www.deliveryhero.com).*

*Today, Prosus companies and associates help improve the lives of around a fifth of the world's population.*

*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.*

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