

Chair's review

Naspers makes a difference around the world by backing entrepreneurs and new technologies that may transform people's lives for the better. During the past year we added to established businesses, such as classifieds and video entertainment, and advanced into newer areas such as online food delivery and providing financial services to underserved people.

Making a positive impact

We run many different businesses across the group, at various stages of their life cycles. A common thread is the impact they have on the lives of people around the world.

We try to focus on creating sustainable, all-round value. We measure the six capitals: financial, human, intellectual, manufacturing, social and relationship, and natural capital.

We summarise our performance against the aims mentioned in this integrated annual report, but allow me to touch on a few examples.

Our fast-growing payments and fintech business, PayU, is helping evolve a borderless world where everyone can transfer money. How? By applying new technology to create quick and easy credit for underbanked people. It could be a life changer.

We focus on creating sustainable, all-round value. In this spirit of long-term positive impact, we measure and report on the six capitals: financial, human, intellectual, manufacturing, social and relationship, and natural capital.

Our classifieds business helps to recycle used products, cutting down on the global carbon footprint.

Online food delivery services help people to save time.

Video services help people in remote places stay in contact with the latest happenings anywhere in the world.

Another one that stands out for me is the SuperSport Let's Play initiative. It reaches over a million learners.

Contributing around the world

The key to our growth is the commitment of many thousands of people inside Naspers. We appreciate your efforts!

We value the effort and considered risk-taking of our executives under Bob van Dijk's lead.

Once again, board members provided valuable guidance and support.

We also recognise the contribution of so many partners and suppliers, as well as collaboration with governmental bodies in numerous countries.

Ensuring good governance

We are committed to good governance. As a multinational group, our risks differ by jurisdiction. More information is provided in our risk management section on page 52. We aim to conduct the group's business with integrity, applying appropriate corporate governance policies and principles around the world. Where Naspers subsidiaries are governed by independent boards of directors, these apply suitable governance practices and their committees are mandated to comply with relevant requirements. Naspers has a legal compliance programme, detailed on pages 65 and 66.

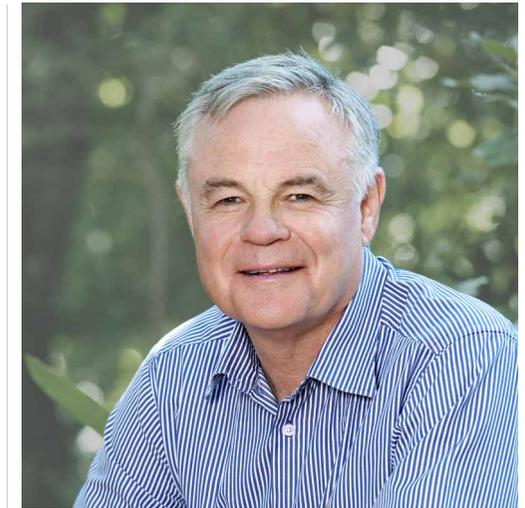
The audit and risk committees of the board also monitor the group's compliance with listings requirements of the JSE Limited (the JSE), London Stock Exchange (LSE) and Irish Stock Exchange (ISE).

The board is informed of subsidiary activities via a disciplined reporting structure. Strategies and business plans for financial and non-financial elements of operations are regularly reviewed. Part of management's remuneration depends on performance against financial and operational targets, and individual and group objectives, linked to strategic objectives.

We continually evaluate areas where governance can be improved. This is detailed in our application of King IV™ in the governance frameworks of Naspers, MultiChoice and Media24 in the full governance report.

CLASSIFIED BUSINESSES (COUNTRIES)

41



"I love the fact that Naspers keeps reinventing itself. At heart, we are about technology and entrepreneurship."

Making it easy for everyone to take on board our code of business ethics and conduct

We know how important it is for everyone across the group to take on board and sign up to our global code of business ethics and conduct. We want to make this as easy and effective as possible. To this end, we have an engaging interactive code of business ethics and conduct course that's available to everyone on our groupwide learning portal, MyAcademy. It is one of a number of training materials readily available via MyAcademy.

The accessible interactive format of the code of business ethics and conduct training, which uses animation and Q&A formats, has proven to be a very popular way to learn about and sign up to our global code of business ethics and conduct.

At Takealot, where they have over 600 employees at two distribution centres, they've taken an inventive and cost-effective approach to making MyAcademy and its online resources available to everyone. At each distribution centre they have converted containers into computer centres for employees. It's an easy onsite way for people who may not have their own internet access to be able to log on and develop their skills.

MyAcademy and its online resources available to everyone



Board changes

As noted in our last report, Emilie Choi was appointed as an independent non-executive director on 21 April 2017.

Mark Sorour, executive director and group chief investment officer (CIO) of Naspers, retired on 1 April 2018 after two decades. Mark was at the cutting edge of the group's expansion and led some of the biggest transactions for Naspers. What a great career! He will remain on the board as non-executive director and we hope to benefit from his counsel.

450 000

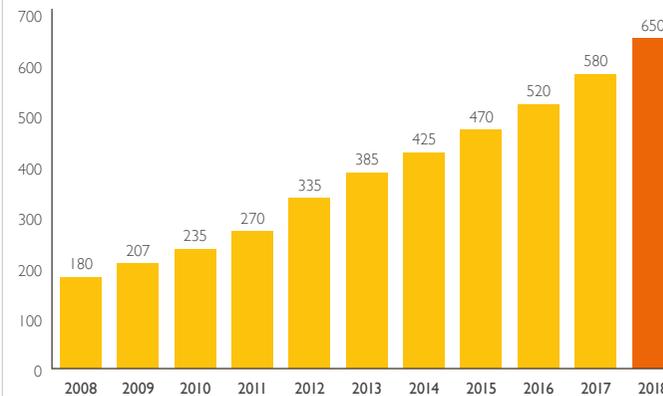
CHILDREN TOOK PART IN THE 2017 LET'S PLAY SCHOOLS PHYSICAL EDUCATION CHALLENGE

PROPOSED ANNUAL GROSS DIVIDEND INCREASED BY 12%

650 SA cents

PER LISTED N ORDINARY SHARE

10-YEAR REVIEW (DIVIDEND PER LISTED N ORDINARY SHARE)



Note
All figures are in SA cents.

As laid out in our memorandum of incorporation, one third of non-executive directors retire annually. This year Craig Erenstein, Don Eriksson, Hendrik du Toit, Guijun Liu and Roberto Oliveira de Lima retire by rotation but, being eligible, offer themselves for re-election. At the annual general meeting, shareholders will be asked to consider the re-election of these directors (see notice on page 111).

Don Eriksson, Ben van der Ross and Rachel Jafta are members of the audit committee. The board recommends to shareholders that they be reappointed as audit committee members. This is becoming a demanding committee of any board.

In compliance with the Companies Act, shareholders will be asked to consider these proposals at the annual general meeting. Please see directors' curricula vitae on pages 59 and 60.

Dividend (all figures in South African cents)

The board recommends that the annual gross dividend be increased by 12% to 650 cents (previously 580 cents) per listed N ordinary share, and 130 cents (previously 116 cents) per unlisted A ordinary share.

If confirmed by shareholders at the annual general meeting on Friday 24 August 2018, dividends will be payable to shareholders recorded in the books on Friday 14 September 2018 and paid on Monday 17 September 2018. The last date to trade cum dividend will be on Tuesday 11 September 2018.

(shares trade ex dividend from Wednesday 12 September 2018). Share certificates may not be dematerialised or rematerialised between Wednesday 12 September 2018 and Friday 14 September 2018, both dates inclusive.

The dividend will be declared from income reserves. It will be subject to a dividend tax rate of 20%, yielding a net dividend of 520 cents per listed N ordinary share and 104 cents per unlisted A ordinary share to those shareholders not exempted from paying dividend tax. Dividend tax will be 130 cents per listed N ordinary share and 26 cents per unlisted A ordinary share. The issued ordinary share capital as at 22 June 2018 was 438 656 059 N ordinary shares and 907 128 A ordinary shares. The company's income tax reference number is 9550138714.

Looking ahead

As this integrated annual report shows, there are positives in past performance, but also risks ahead. Technology moves fast and competition is often brutal.

On behalf of the board I would like to thank everyone helping to grow this exceptional business.

Koos Bekker
Chair

22 June 2018