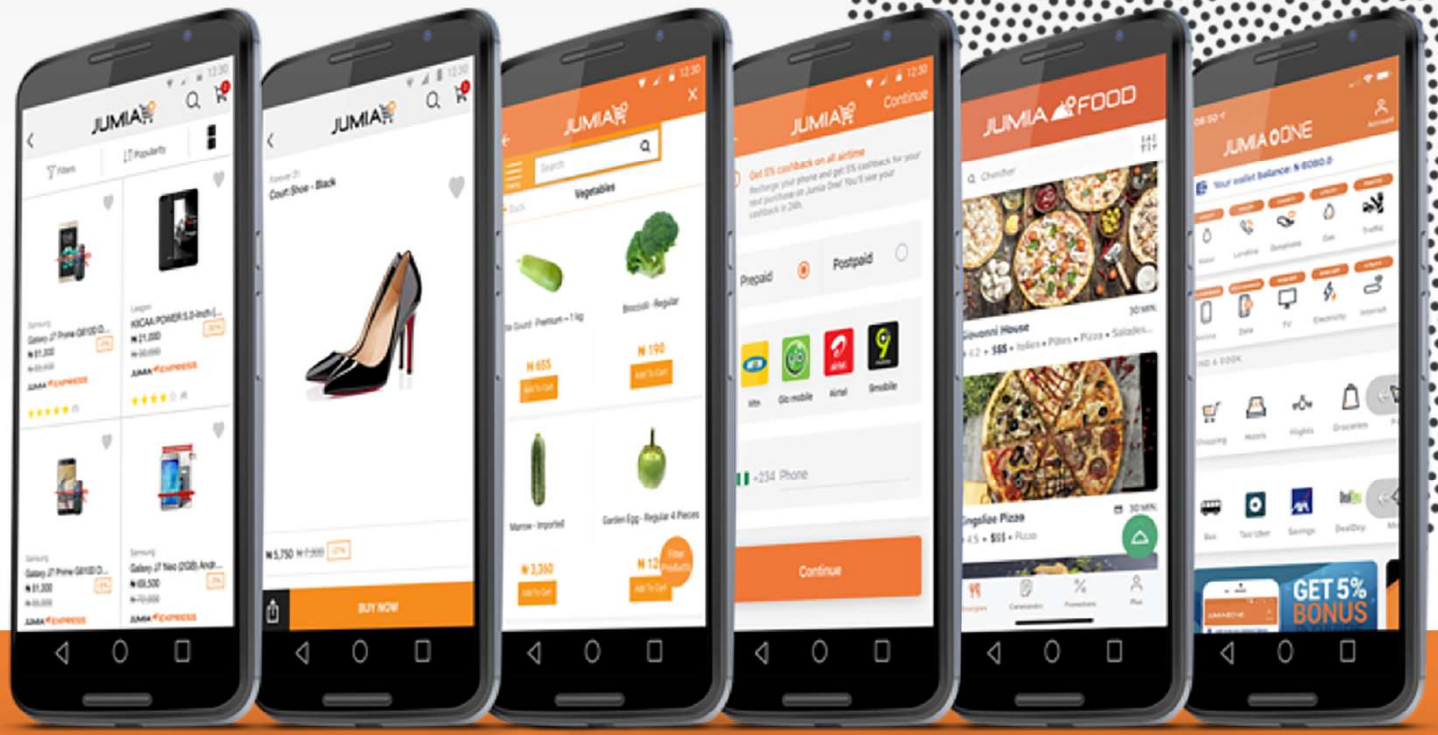
Results Presentation

Q4 2019



JUMIA

Disclaimer

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Q4 2019 highlights

Growth

Rebalancing of mix towards higher consumer lifetime value business

6.1mm
Annual Active Consumers

49%
YoY Orders Growth

JumiaPay

Continued volume and transaction momentum

57%
YoY TPV Growth

110%
YoY JumiaPay Transactions Growth

Monetization

Promotional discipline and continued progress on Marketing & Advertising

50%
YoY Marketplace Revenue Growth

64%
YoY Gross Profit Growth

Cost efficiency

Portfolio optimization and headcount reductions

€1.0mm
Gross Profit after Fulfillment Expense

5.4%
YoY Adjusted EBITDA loss[1] Growth

Notes:
1. Adjusted EBITDA loss excludes €2.2mm of restructuring G&A expense related to portfolio optimization and headcount rationalization initiatives

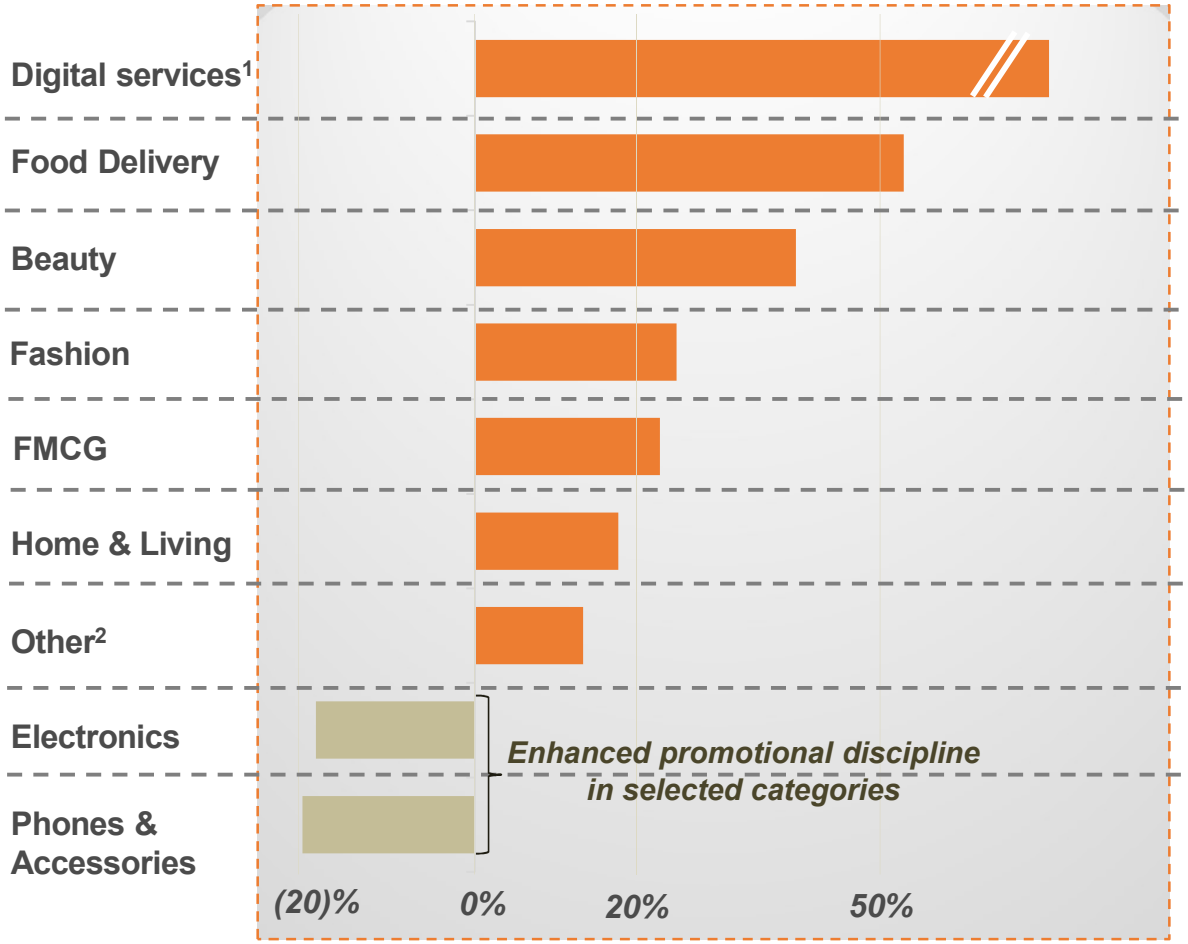


- **Marketplace growth**
- JumiaPay
- Monetization
- Cost efficiency
- Appendix

We are rebalancing our business mix towards higher consumer lifetime value business

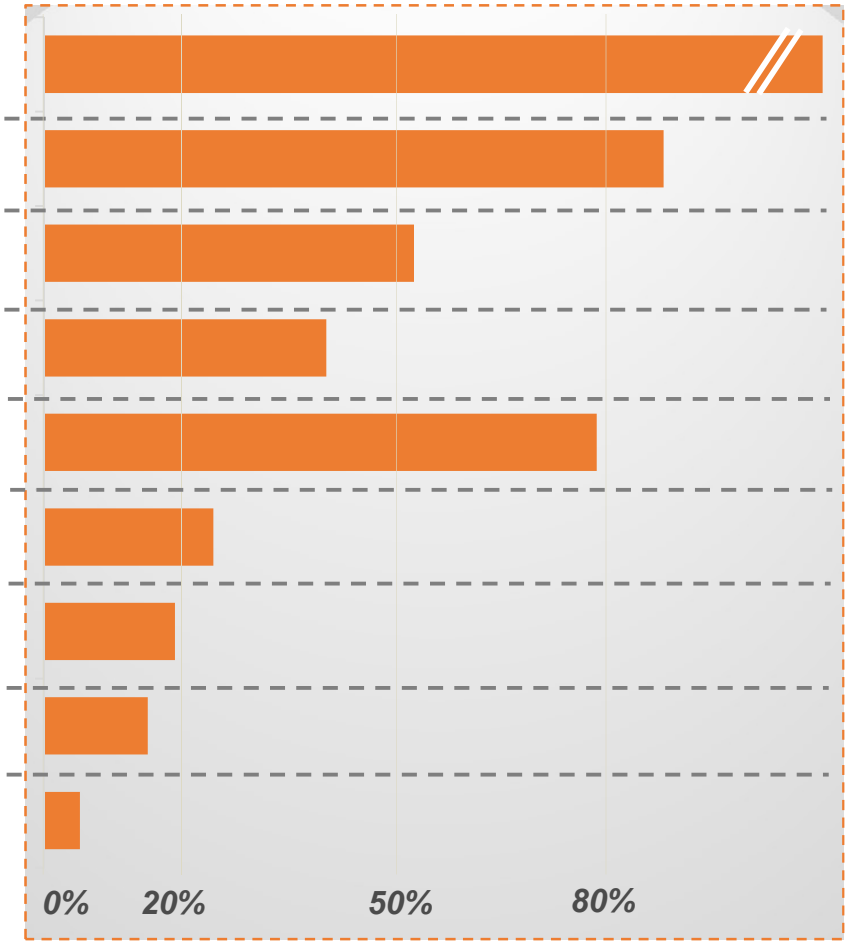
GMV contraction concentrated in selected categories

Q4 2019 - GMV YoY Growth



Sustained volume momentum across categories

Q4 2019 – Items Sold YoY Growth

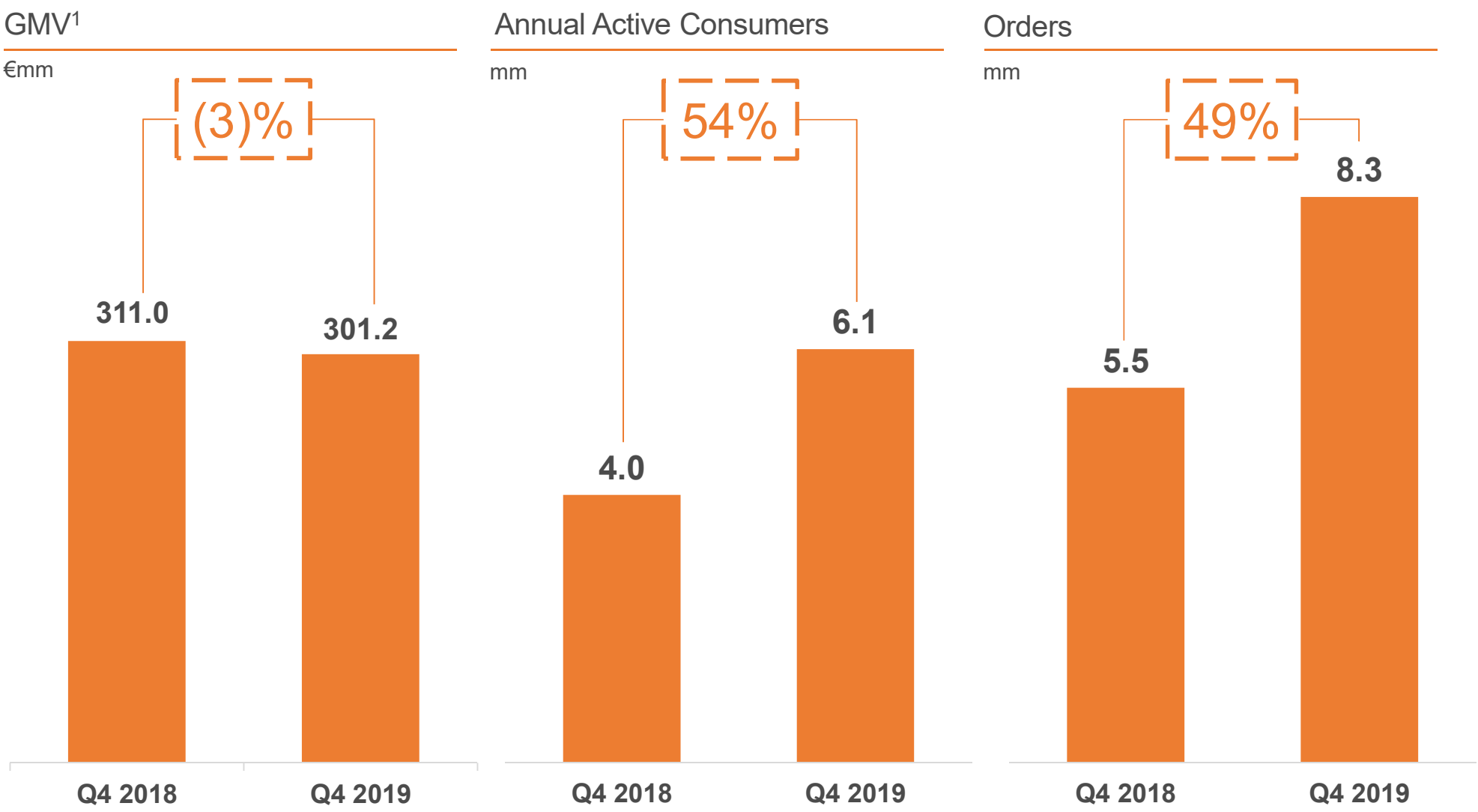


Notes:

Charts are on different scales and exclude Jumia Travel categories: flights and hotel bookings

1. Digital Services includes services offered on the JumiaPay app. Digital Services grew at almost 100% in GMV terms and above 130% in terms of Items Sold
2. "Other" product categories includes auto accessories, books etc.

Robust growth of topline drivers

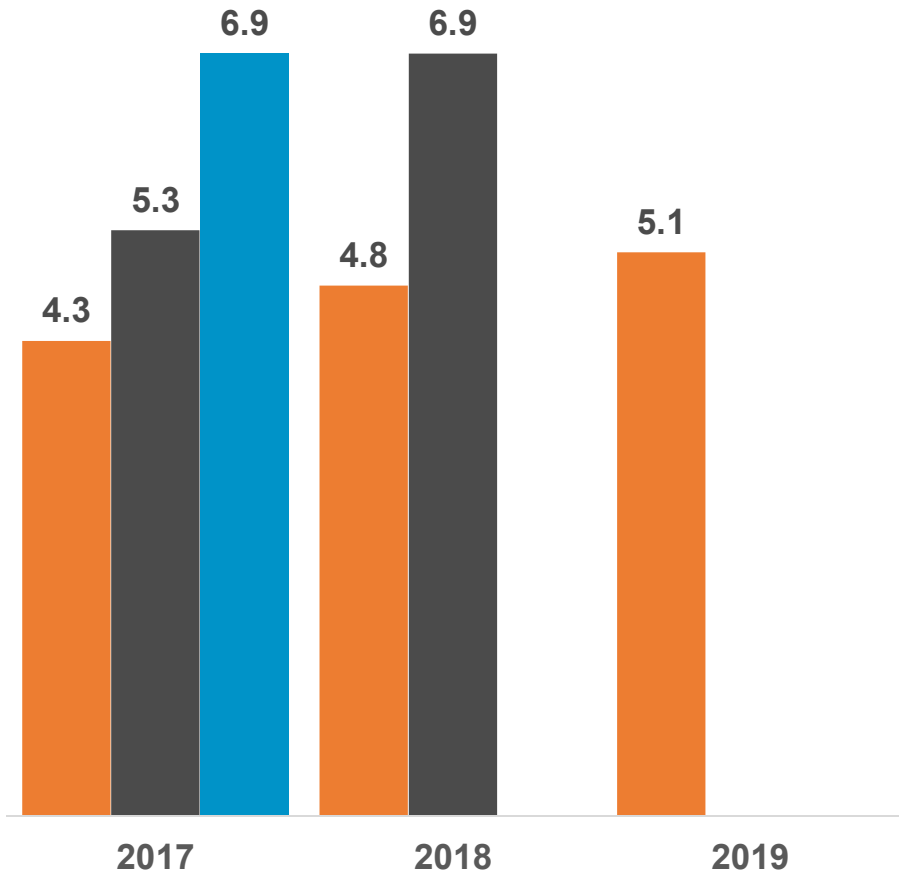


Notes:

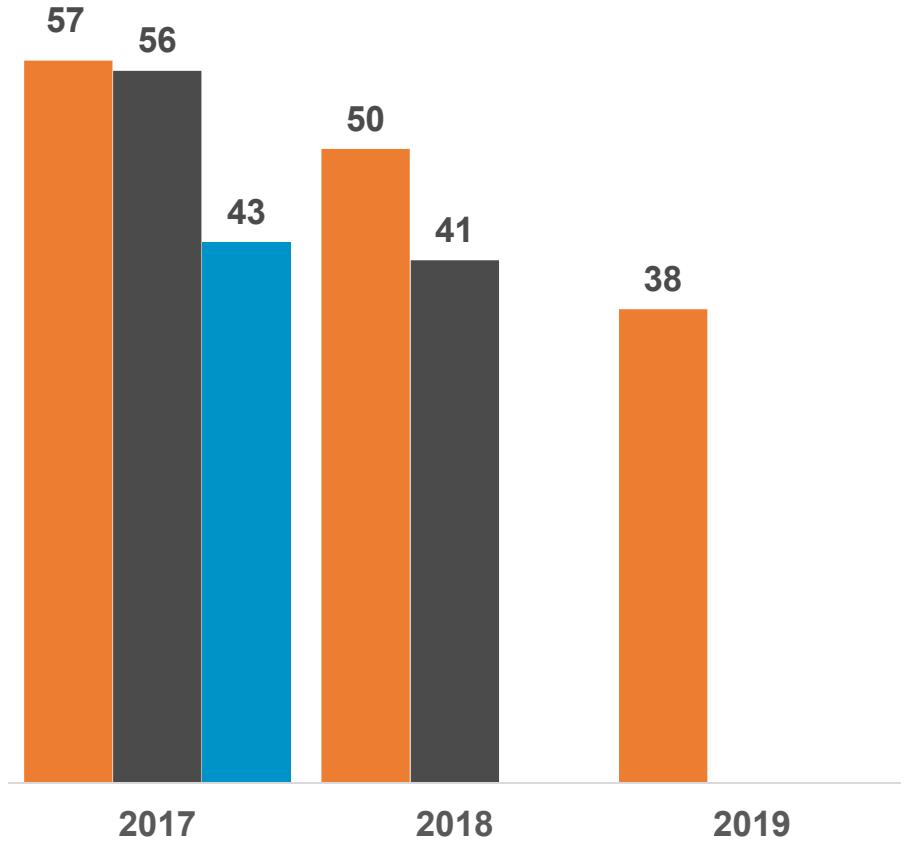
1. Adjusting for perimeter changes as a result of the portfolio optimization undertaken during Q4 2019, as well as previously reported improper sales practices, GMV of Q4 2019 would have been €293 million, up 6% from €275 million in Q4 2018.

Strong repeat purchase momentum across our cohorts

Annual Orders by repeat consumers[1] by cohort



Average Order Value[2] for repeat consumers[1] by cohort (€)



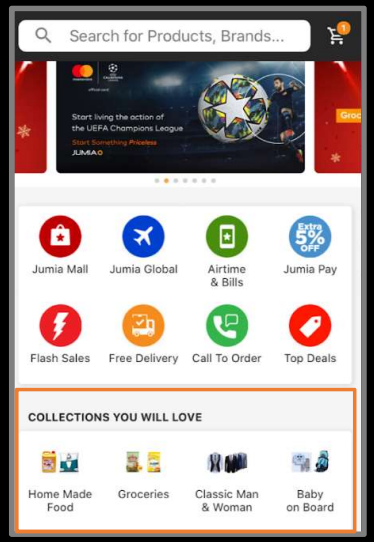
Cohort Year 1 Cohort Year 2 Cohort Year 3

Notes:

1. Active consumers that have placed more than one order on the platform during the period
2. Average Order Value calculated as total repeat consumer spend for the year divided by number of Orders placed during the relevant year

Consumer engagement case study: Black Friday 2019

Curated content





Over

1bn

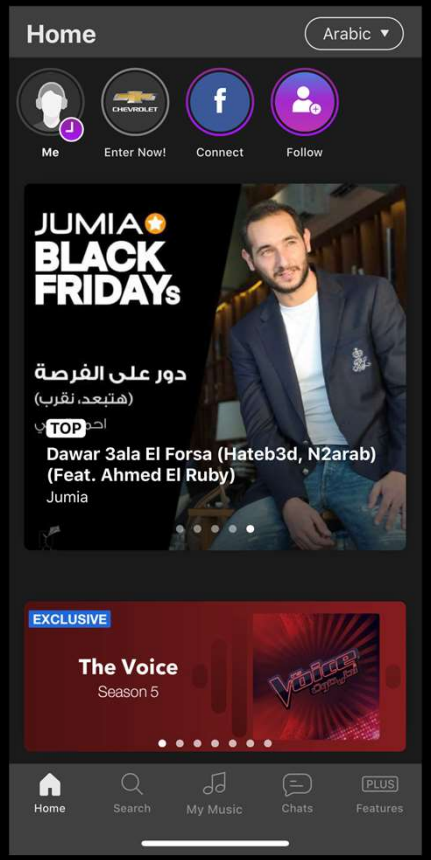
page views during Black Friday

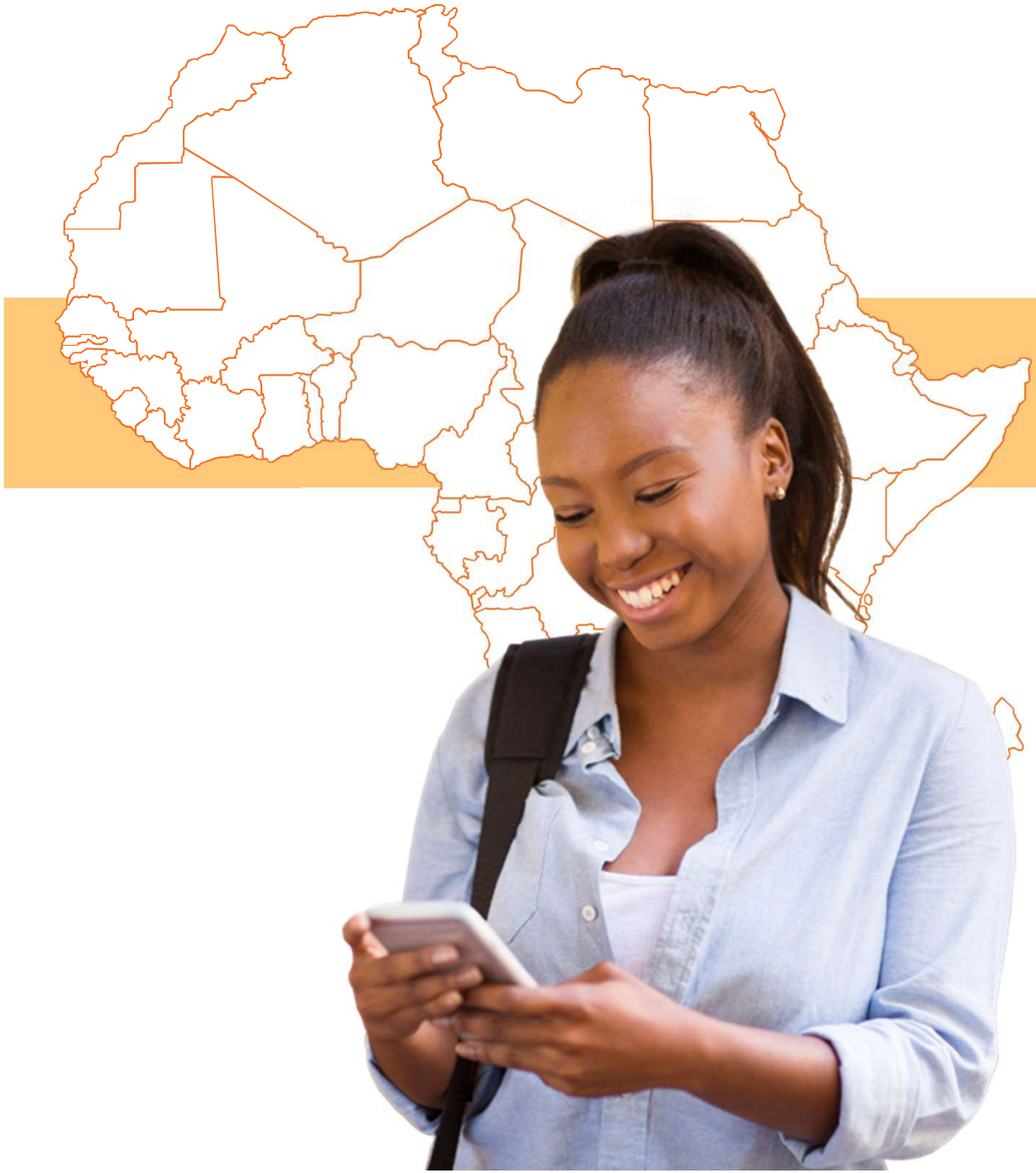
Gamification features





Tailored marketing





- Marketplace growth
- **JumiaPay**
- Monetization
- Cost efficiency
- Appendix

We continue to expand the range and relevance of JumiaPay services for both consumers and sellers

Extended range of services on JumiaPay app

Consumer facing initiatives

Financial services	Everyday services	Gamification features
Money Market Fund	University tuition fees	Shake & Win



JumiaPay Business platform pilot

Merchant facing initiatives

Payment	Financial services	Marketing tools
JumiaPay business wallet for merchant settlement	Working capital loans for Jumia sellers	Consumer wallet top-up

Mastercard commercial activities

Mastercard Tuesdays



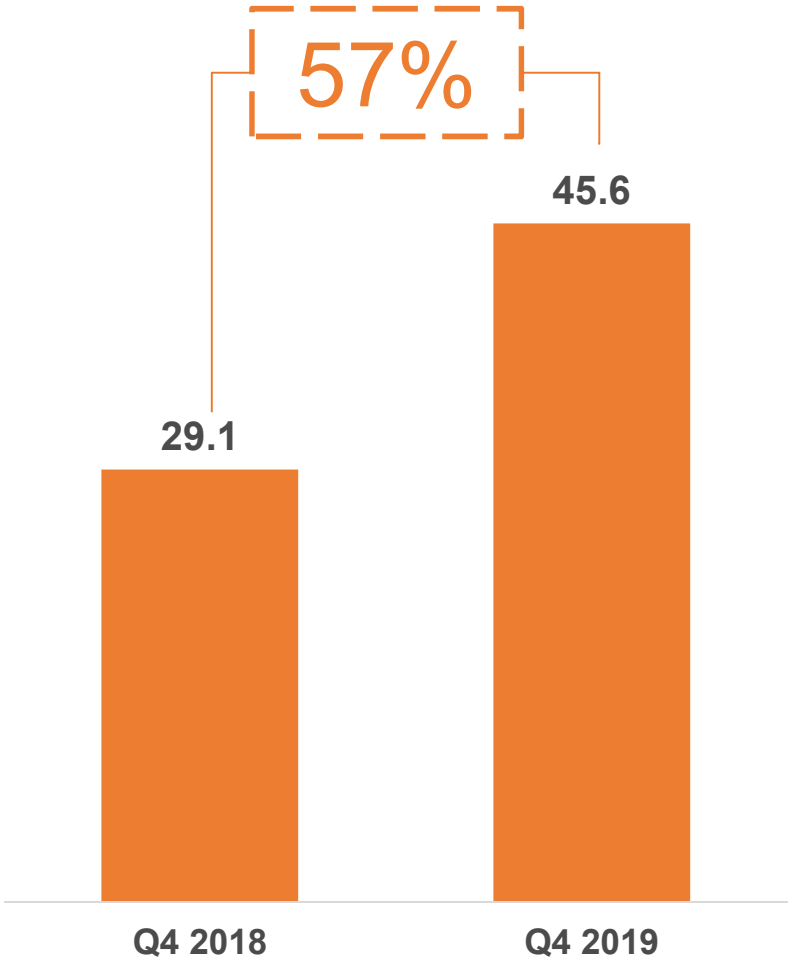
UEFA Champions League



JumiaPay TPV grew by 57% taking on-platform penetration to 15% of GMV

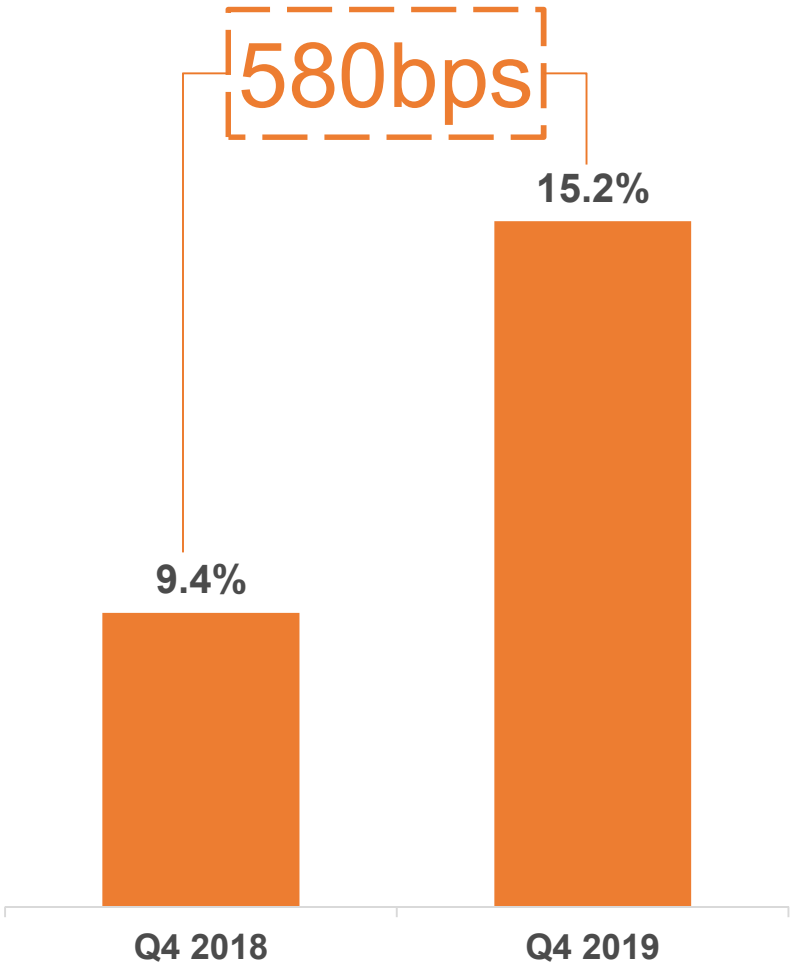
JumiaPay Total Payment Volume (“TPV”)

€mm



JumiaPay TPV as % of GMV

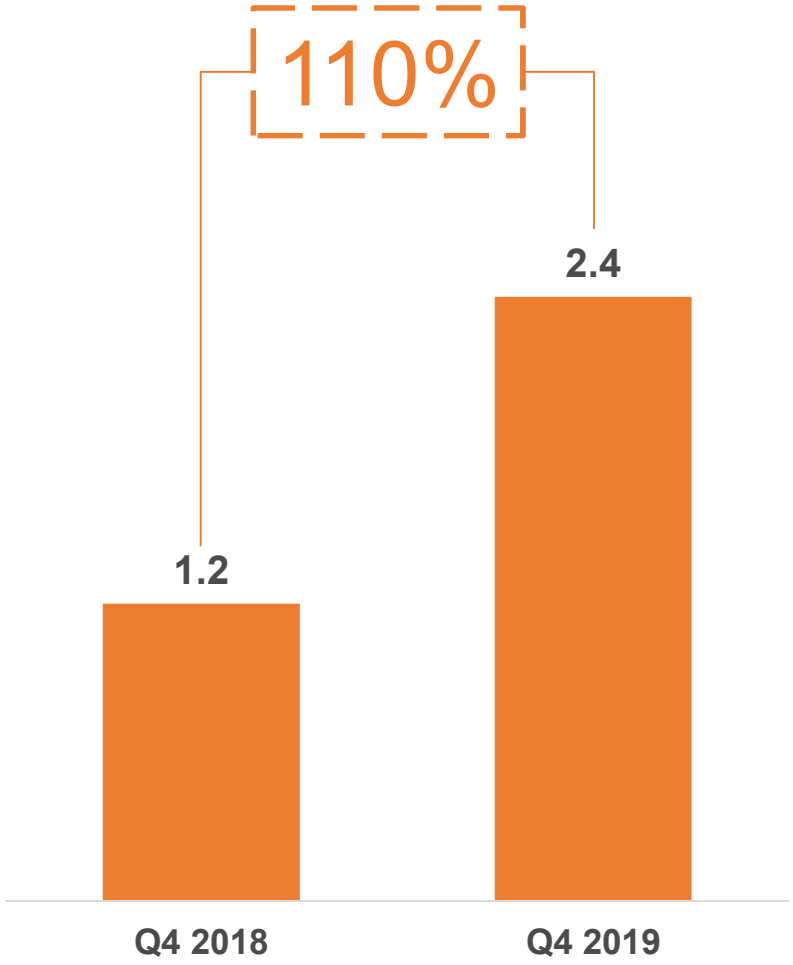
% on-platform penetration



JumiaPay transactions grew by 110% taking on-platform penetration to 29% of total orders

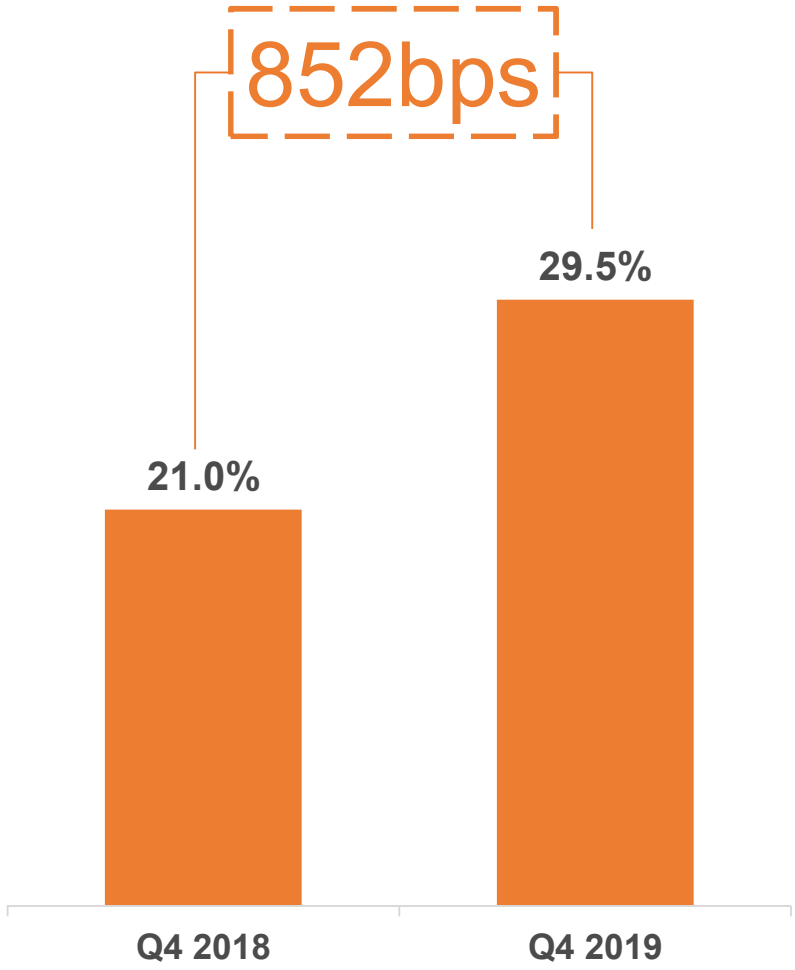
JumiaPay Transactions

mm



JumiaPay Transactions as % of total Orders

% on-platform penetration





- Marketplace growth
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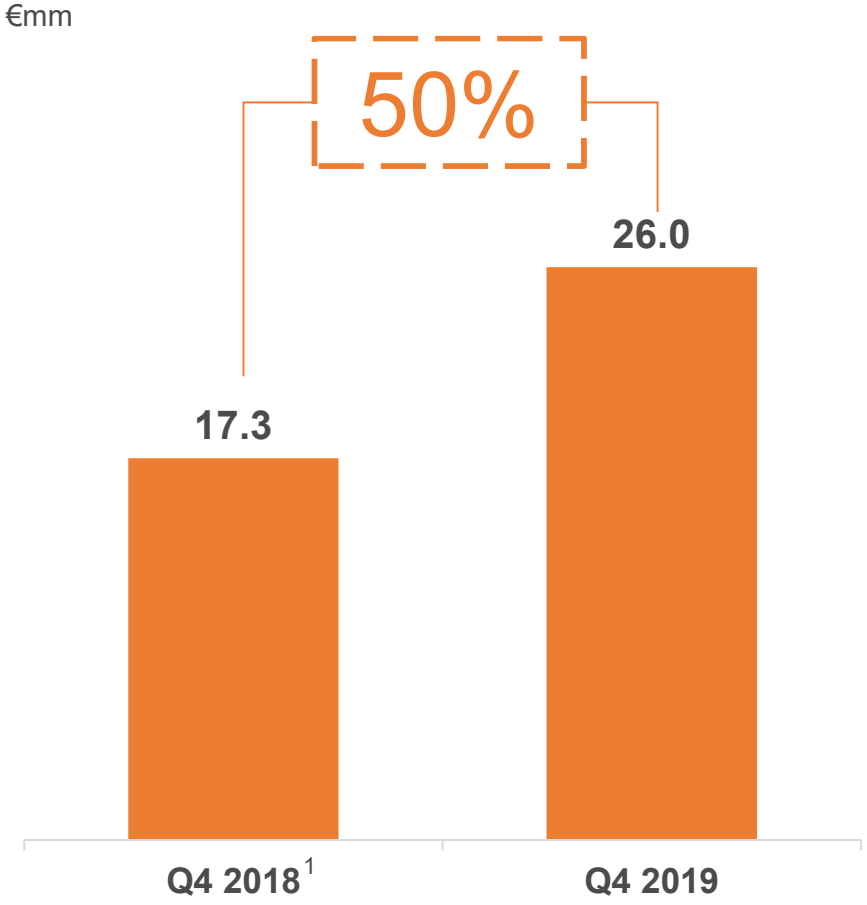
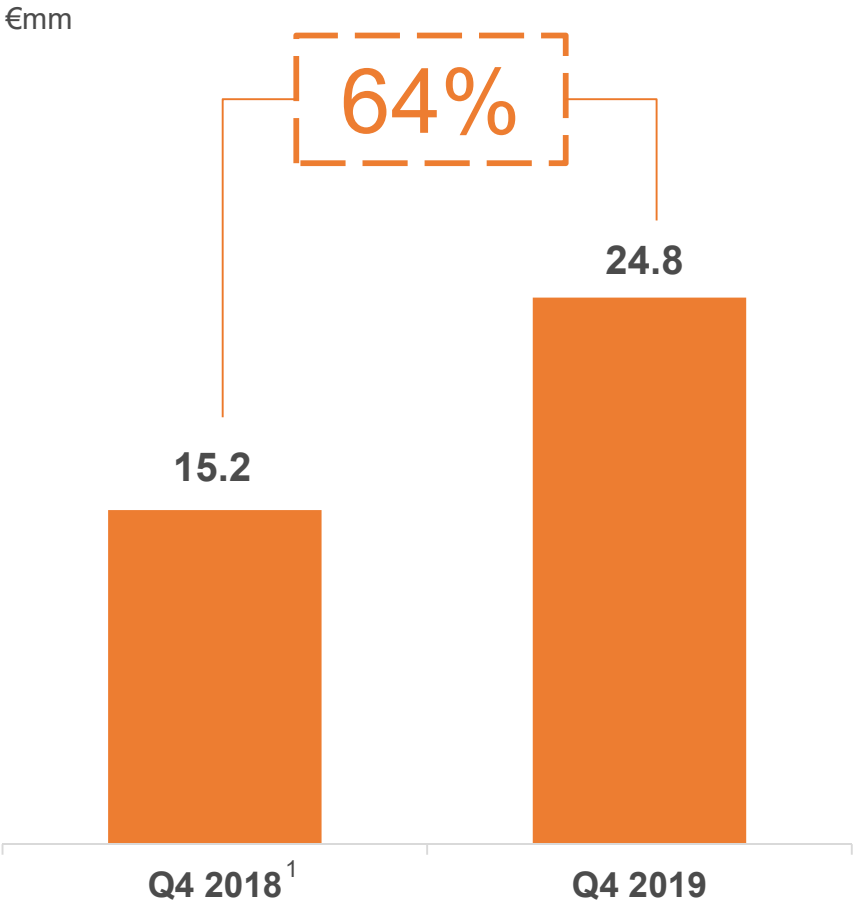
In parallel with growing Jumia usage, we are driving further monetization of our platform

Marketplace revenue growth



Gross profit



Gross profit *% of GMV*	Q4 2018 [1]	Q4 2019
	4.9%	**8.2%**

Notes:

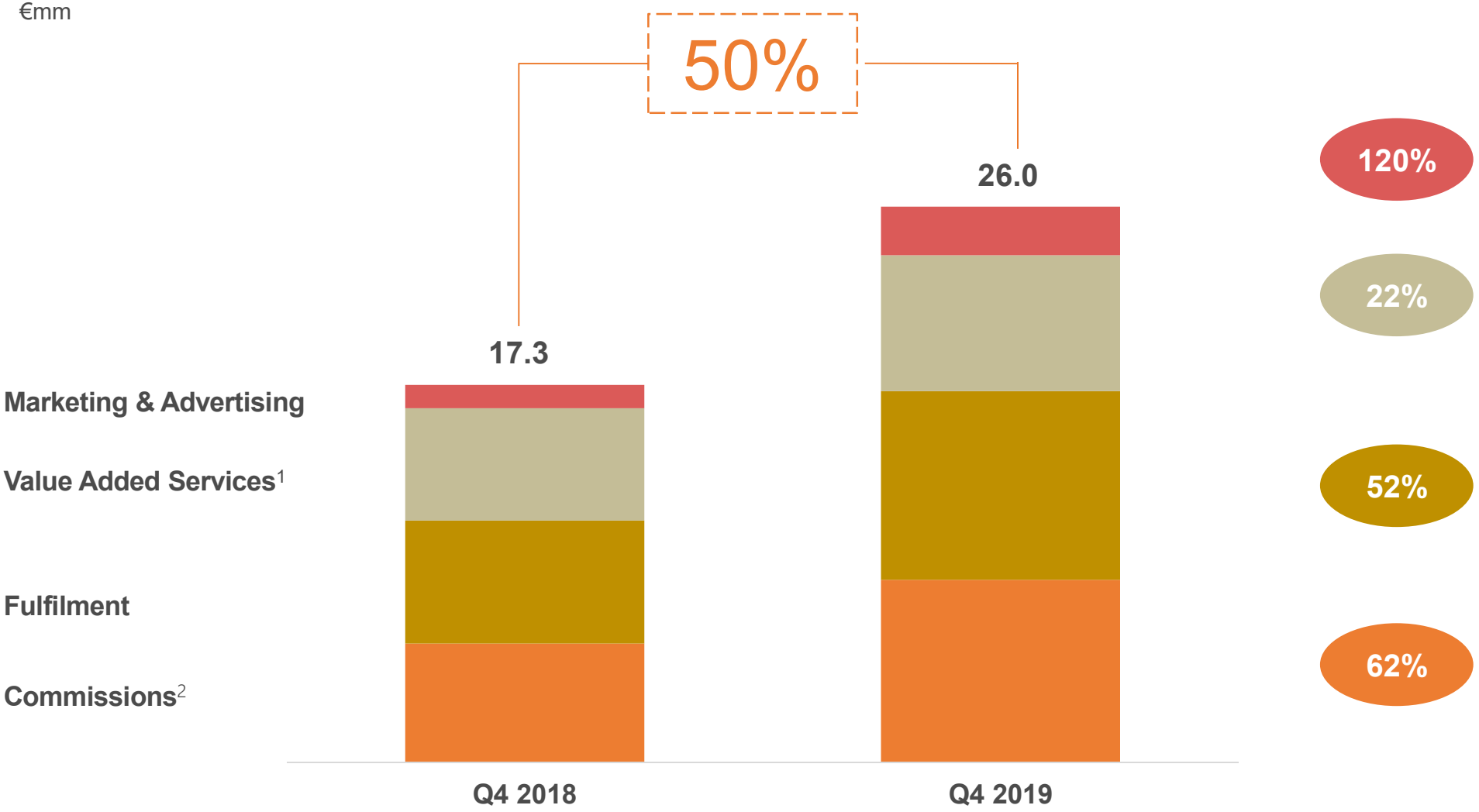
1. Q4 2018 period has been restated to reflect the impact of the reclassification of certain types of vouchers, consumer and partner incentives from Sales & Advertising expense to Revenue. The reclassification affecting Gross profit is €0.5mm, of which €0.4mm affecting Marketplace revenue. Reclassification details have been provided in our report on third quarter results, dated November 12, 2019.

We monetize the usage of Jumia through diversified revenue streams

Marketplace revenue breakdown

YoY Growth

€mm



Notes:

1. Value Added Services are included in "Other revenue" in our consolidated financial statements
2. Q4 2018 period has been restated to reflect the impact of the reclassification of certain types of vouchers, consumer and partner incentives from Sales & Advertising expense to Revenue. The reclassification affecting Commissions revenue in Q4 2018 is €0.4 million. Reclassification details have been provided in our report on third quarter results, dated November 12, 2019.



- Marketplace growth
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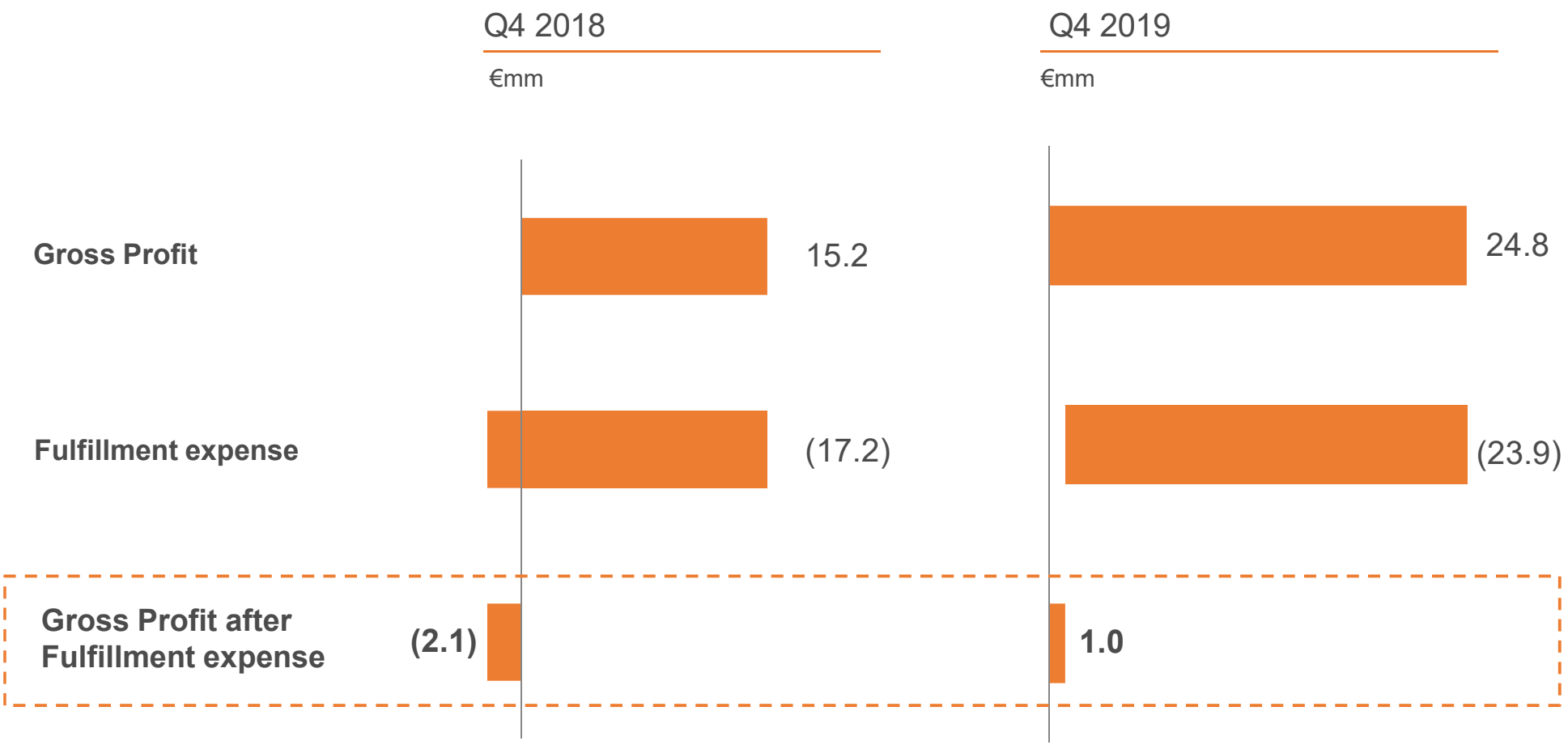
- Appendix

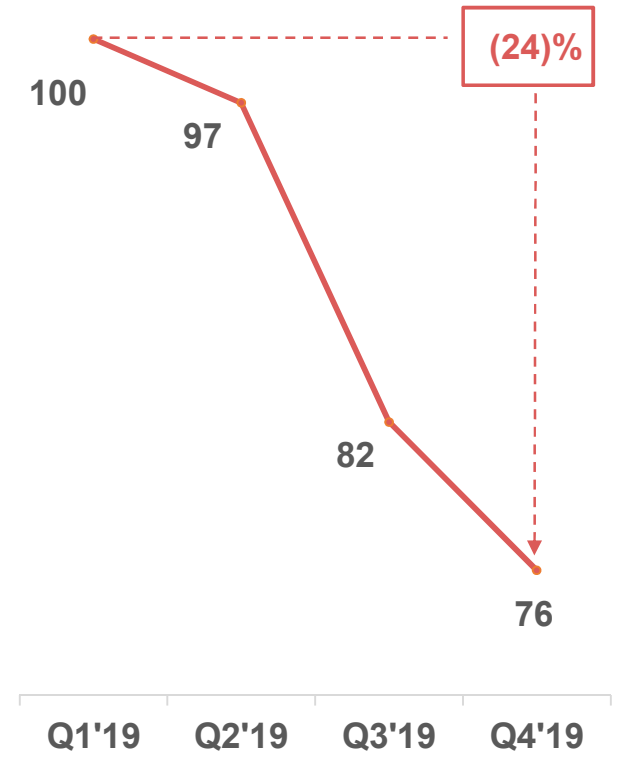
Gross Profit after fulfillment expense turned positive in Q4 2019



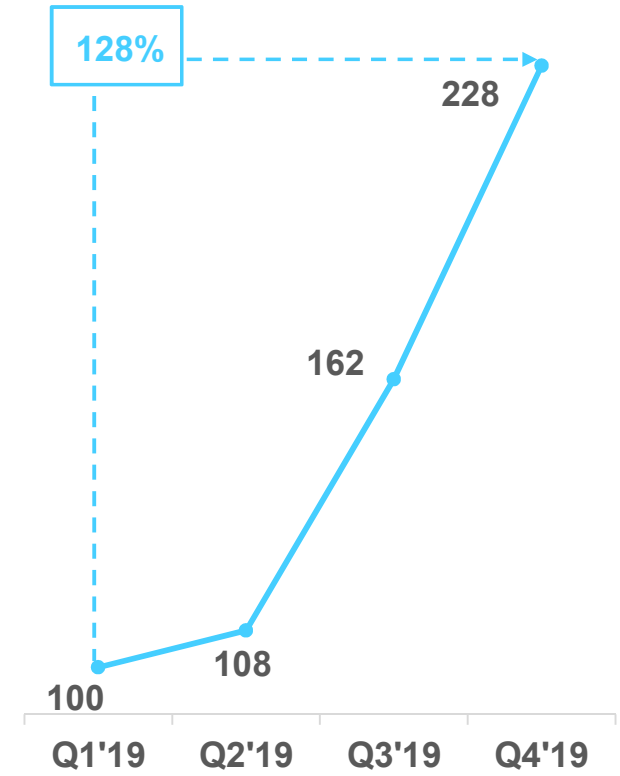
Increased volumes drive fulfillment cost efficiencies – Case study

Small and medium sized packages – Nairobi, Kenya

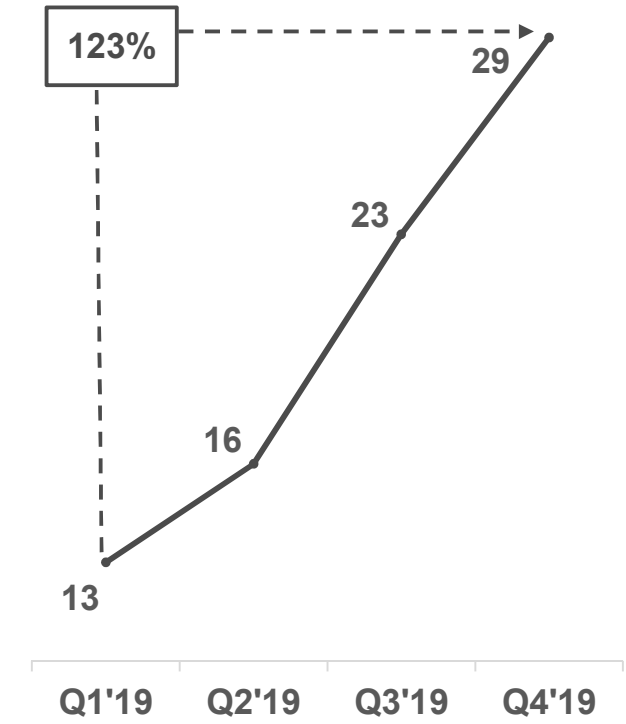
Freight & Shipping cost per package[1]



Number of packages[1]



Number of logistics partners

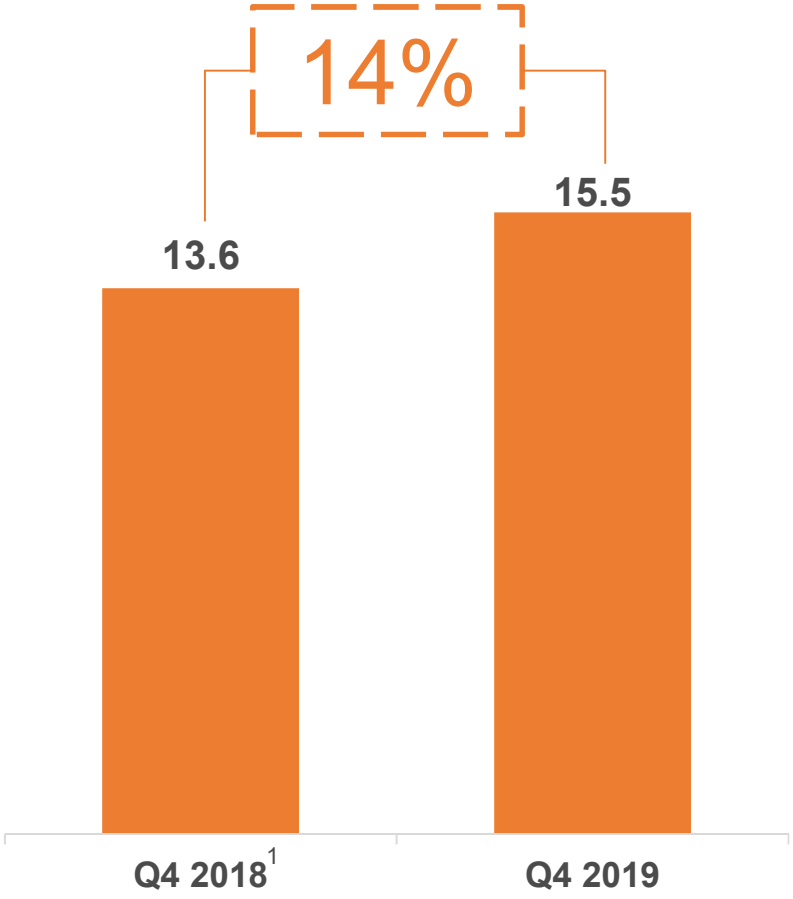


Notes:
Charts are on different scales.
1. Rebased to 100 in Q1 2019

Strong discipline drives Sales & Advertising expense efficiencies

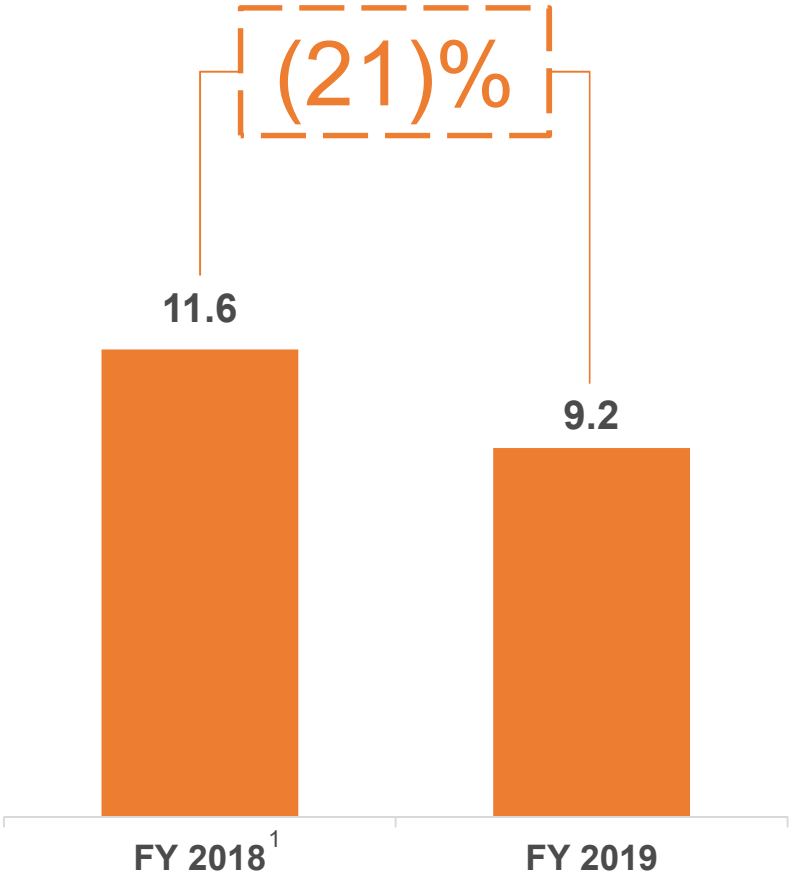
Sales & Advertising expense

€mm



Annual Sales & Advertising / Annual Active Consumer

€/ Annual Active Consumer



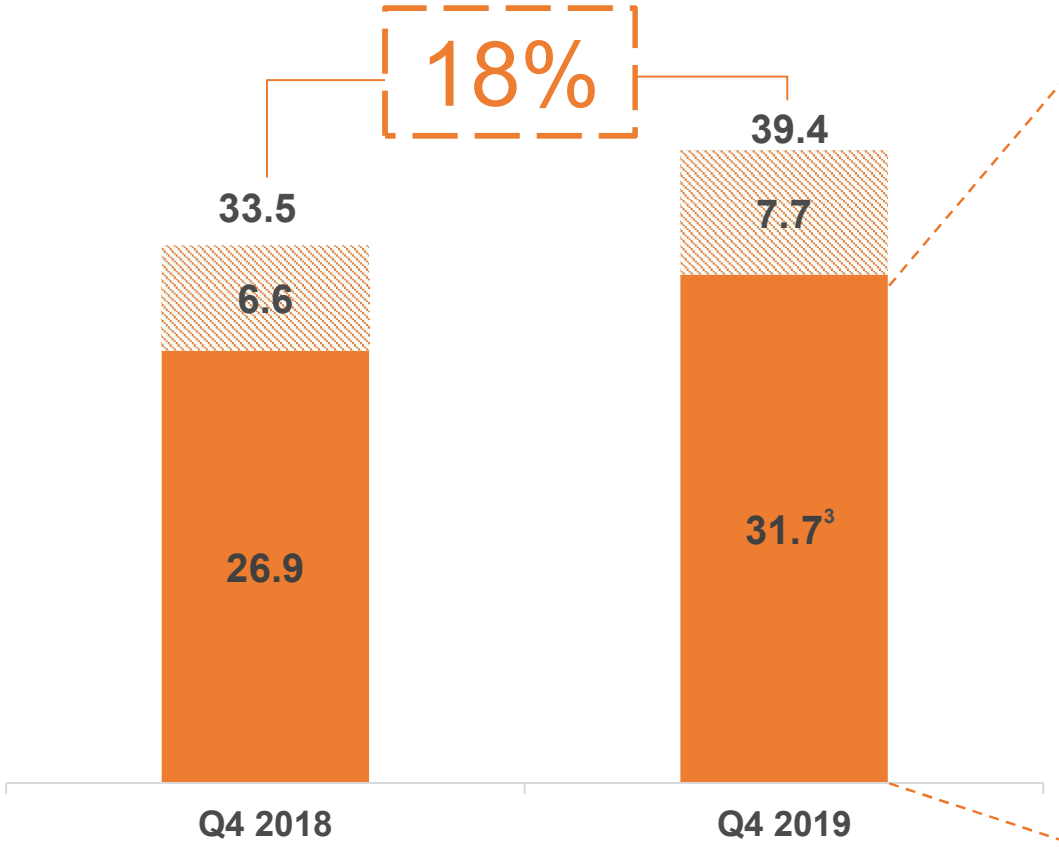
Notes:

1. 2018 periods have been restated to reflect the impact of the reclassification of certain types of vouchers, consumer and partner incentives from Sales & Advertising expense to Revenue. This reclassification amounted to €0.5 million in the fourth quarter 2018 and €1.5 million for the full year 2018. The cumulative effect for the nine months ended September 30, 2019 was included in the results for the three months ended September 30, 2019. Reclassification details have been provided in our report on third quarter results, dated November 12, 2019

G&A overview

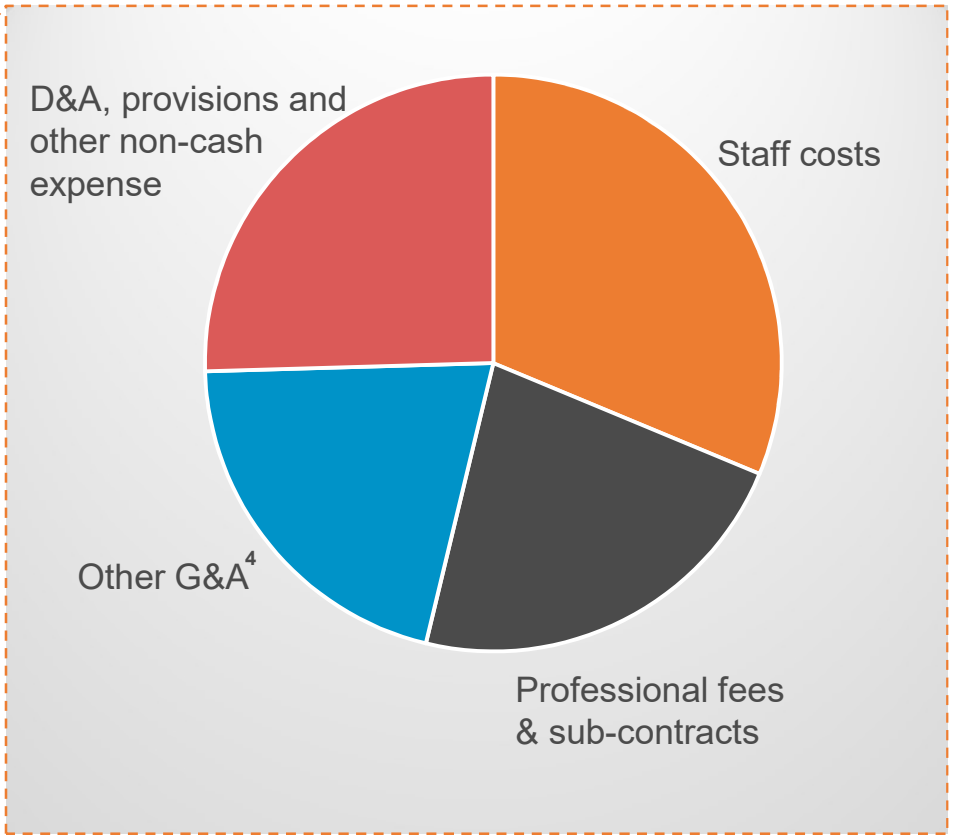
General, Administrative[1] ("G&A") and Tech[2] expense

€mm



G&A expense split

% Q4 G&A expense, excluding SBC and restructuring G&A expense



Notes:

1. Excluding Share Based Compensation expense
2. Technology & Content expense
3. Excluding restructuring expense of €2.2mm as part of our portfolio optimization and headcount rationalization initiatives
4. Other G&A includes office and infrastructure costs

Improving unit economics

Adjusted EBITDA



Smaller-sized, more profitable orders

	Q4 2018	Q4 2019
Average Order Value (AOV[2])	**€56.2**	**€36.4**
Gross Profit / Order	€2.74	€3.00
As % of AOV	*4.9%*	*8.2%*
Gross Profit after fulfillment expense / Order	**€(0.37)**	**€0.12**
Opex[3] / Order	€(8.39)	€(6.35)
Adjusted EBITDA loss[1,4] / Order	**€(8.78)**	**€(6.19)**

Notes:

1. Excluding restructuring expense of €2.2mm as part of our portfolio optimization and headcount rationalization initiatives
2. Average Order Value calculated as GMV divided by number of Orders
3. Opex includes Sales & Advertising expense, Technology & Content expense and G&A, excluding SBC and D&A. 2019 G&A excludes restructuring expense highlighted above
4. Adjusted EBITDA loss includes net other operating loss per order of €0.01 in Q4 2018 and net other operating income per order of €0.04

We continue to pursue our asset-light strategy and have a cash balance of €232mm at the end of Q4 2019

€5.7mm

ASSET-LIGHT AND CAPEX LIGHT

CAPEX[1] FY 2019

<1.5%

ADJUSTED EBITDA IS A CLOSE PROXY OF CASH UTILIZATION

Delta between Cash from operations and Adj. EBITDA[3]

€11.1mm

LIMITED WORKING CAPITAL REQUIREMENTS

Net change in Working Capital[2] FY 2019

€232mm

CASH AVAILABLE[4]

Notes

1. Corresponds to Purchase of Property and Equipment, as presented on the Cash Flow Statement
2. Based on Working Capital Adjustments, as presented on the Cash Flow Statement. Corresponds to a cash outflow of €11.1mm
3. Calculated as the delta between Net Cash Flows Used in Operating Activities and Adjusted EBITDA for FY 2019
4. Includes Cash and Cash equivalents of €170mm and €62mm of Term Deposits as of December 31, 2019

2019 wrap-up

		Illustrative initiatives
Growth	**6.1mm** Annual Active Consumers	• **Assortment relevance:** every-day product categories, digital services • **Improvement of consumer value proposition**: Jumia Mall, Jumia Prime • **Enhanced user interface:** on-site user flow, recommendation algorithm
JumiaPay	**278%** YoY JumiaPay Transactions growth[2]	• **Mastercard** investment and strategic partnership • **Expanded geographical footprint:** JumiaPay live in **6 countries**[1] • **Increased range of payment and digital services** on JumiaPay app
Monetization	**72%** YoY Gross profit growth[2]	• **Rebalancing** of mix towards **higher consumer lifetime value** business • Build-out of **Marketing & Advertising** revenue stream • **Enhanced promotional discipline**
Cost efficiency	**(21)%** YoY reduction in S&A[3] per Annual Active Consumer	• Volume driven **Fulfillment costs** savings • Enhanced **Sales & Advertising efficiencies** • **Portfolio optimization**

Notes:
1. Nigeria, Egypt, Morocco, Kenya, Ivory Coast and Ghana
2. Growth between the full year periods 2018 and 2019
3. Annual Sales & Advertising expense per Annual Active Consumer, reduction between the full year periods 2018 and 2019



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- **Appendix**

Non-IFRS Reconciliation (1/2)

	For the three months ended December 31	
(€ mm)	**2018[2]**	**2019**
Marketplace revenue[1]	**17.3**	**26.0**
Commissions	5.2	8.4
Fulfillment	5.8	8.9
Marketing & Advertising	1.1	2.3
Value Added Services	5.3	6.4
First Party revenue	**25.7**	**23.0**
Platform revenue	43.0	49.1
Non-Platform revenue	0.2	0.2
Revenue	**43.3**	**49.3**
Cost of revenue	(28.1)	(24.4)
Gross Profit	**15.2**	**24.8**

1. Revenue from Marketplace calculated as the sum of revenue from Commissions, Fulfillment, Marketing and Value Added Services, excluding First Party revenue and Non-Platform revenue.
2. 2018 period has been restated to reflect the impact of the reclassification of certain types of vouchers, consumer and partner incentives from Sales & Advertising expense to Revenue. This reclassification amounted to €1.5 million for the full year 2018. The cumulative effect for the nine months ended September 30, 2019 was included in the results for the three months ended September 30, 2019. Reclassification details have been provided in our report on third quarter results, dated November 12, 2019

Non-IFRS Reconciliation (2/2)

	For the three months ended December 31	
(€ mm)	**2018**	**2019**
Loss for the period	**(53.1)**	**(63.6)**
Income tax expense	0.4	0.5
Finance (income)/costs – net	(0.3)	2.0
Depreciation and amortization	0.6	2.3
Share-Based Compensation expense	3.7	5.3
Adjusted EBITDA	**(48.6)**	**(53.4)**

Selected Operating KPIs and financials

(€ million, unless stated otherwise)	For the year ended December 31			YoY change	
	2017	**2018**	**2019**	**2018 vs 2017**	**2019 vs 2018**
Marketplace Operating KPIs					
GMV	507	828	1,098	*63.3%*	*32.5%*
Annual Active Consumers (mm)	2.7	4.0	6.1	*46.6%*	*54.2%*
Orders (mm)	n.a.	14.4	26.5	n.a.	*84.8%*
JumiaPay Operating KPIs					
JumiaPay TPV	n.m.	55	124	*n.m.*	*127.0%*
As % of GMV		*6.6%*	*11.3%*		*1.7x*
JumiaPay Transactions	n.m.	2.0	7.6	*n.m.*	*278.2%*
As % of Orders		*14.0%*	*28.7%*		*2.0x*
Selected Financials					
Gross profit	28.2	44.2	75.9	*56.7%*	*71.7%*
Fulfillment expense	(34.4)	(50.5)	(77.4)	*46.5%*	*53.4%*
Gross profit after Fulfillment expense	**(6.2)**	**(6.3)**	**(1.5)**	***0.4%***	***(76.2%)***
Sales & Advertising expense	(37.9)	(46.0)	(56.0)	*21.3%*	*21.7%*
Technology & Content expense	(20.6)	(22.4)	(27.3)	*9.0%*	*21.6%*
General & Administrative expense[1]	(62.8)	(77.5)	(105.1)	*23.5%*	*35.5%*
Adjusted EBITDA loss[1]	**(126.8)**	**(150.2)**	**(180.5)**	***18.4%***	***20.2%***
Economics per Order					
Gross profit after Fulfillment expense	*n.a.*	***(0.44)***	***(0.06)***	*n.a.*	***(87.1%)***
Sales & Advertising expense	*n.a.*	*(3.21)*	*(2.11)*	*n.a.*	*(34.1%)*
Technology & Content expense	*n.a.*	*(1.56)*	*(1.03)*	*n.a.*	*(34.2%)*
General & Administrative expense[1]	*n.a.*	*(5.40)*	*(3.96)*	*n.a.*	*(26.7%)*
Adjusted EBITDA loss[1]	*n.a.*	***(10.46)***	***(6.80)***	*n.a.*	***(34.9%)***
Economics as % of GMV					
Gross profit after Fulfillment expense	***(1.2%)***	***(0.8%)***	***(0.1%)***	***47bps***	***62bps***
Sales & Advertising expense	*(7.5%)*	*(5.6%)*	*(5.1%)*	*192bps*	*45bps*
Technology & Content expense	*(4.1%)*	*(2.7%)*	*(2.5%)*	*135bps*	*22bps*
General & Administrative expense[1]	*(12.4%)*	*(9.4%)*	*(9.6%)*	*302bps*	*(21)bps*
Adjusted EBITDA loss[1]	***(25.0%)***	***(18.1%)***	***(16.4%)***	***(687)bps***	***(169)bps***

Notes:

1. Excluding SBC and restructuring expense of €2.2mm in Q4 2019

Metrics definitions

- “Gross Merchandise Value”, or “GMV”, corresponds to the total value of orders for products and services including shipping fees, value-added tax, and before deductions of any discounts or vouchers, irrespective of cancellations or returns

- “Orders” corresponds to the total number of orders for products and services on our platform, irrespective of cancellations or returns

- “Annual Active Consumers” corresponds to unique consumers who placed an order for a product or a service on our platform, within the 12-month period preceding the relevant date, irrespective of cancellations or returns

- “Total Payment Volume”, or “TPV” corresponds to the total value of orders for products and services completed using JumiaPay including shipping fees, value-added tax, and before deductions of any discounts or vouchers, irrespective of cancellations or returns

- “JumiaPay Transactions” corresponds to the total number of orders for products and services completed using JumiaPay, irrespective of cancellations or returns

- “Adjusted EBITDA” corresponds to loss for the period, adjusted for income tax expense, finance income, finance costs, depreciation and amortization and further adjusted for Share Based Compensation expense