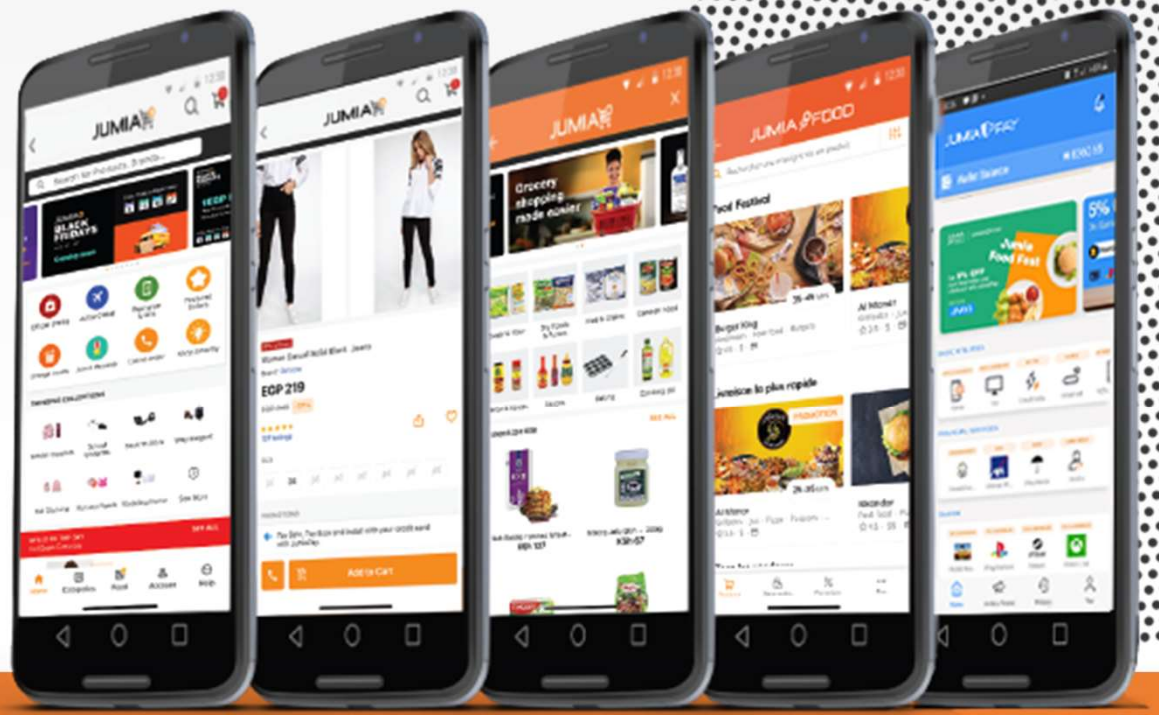
Results Presentation

Q4 2020



JUMIA

Disclaimer

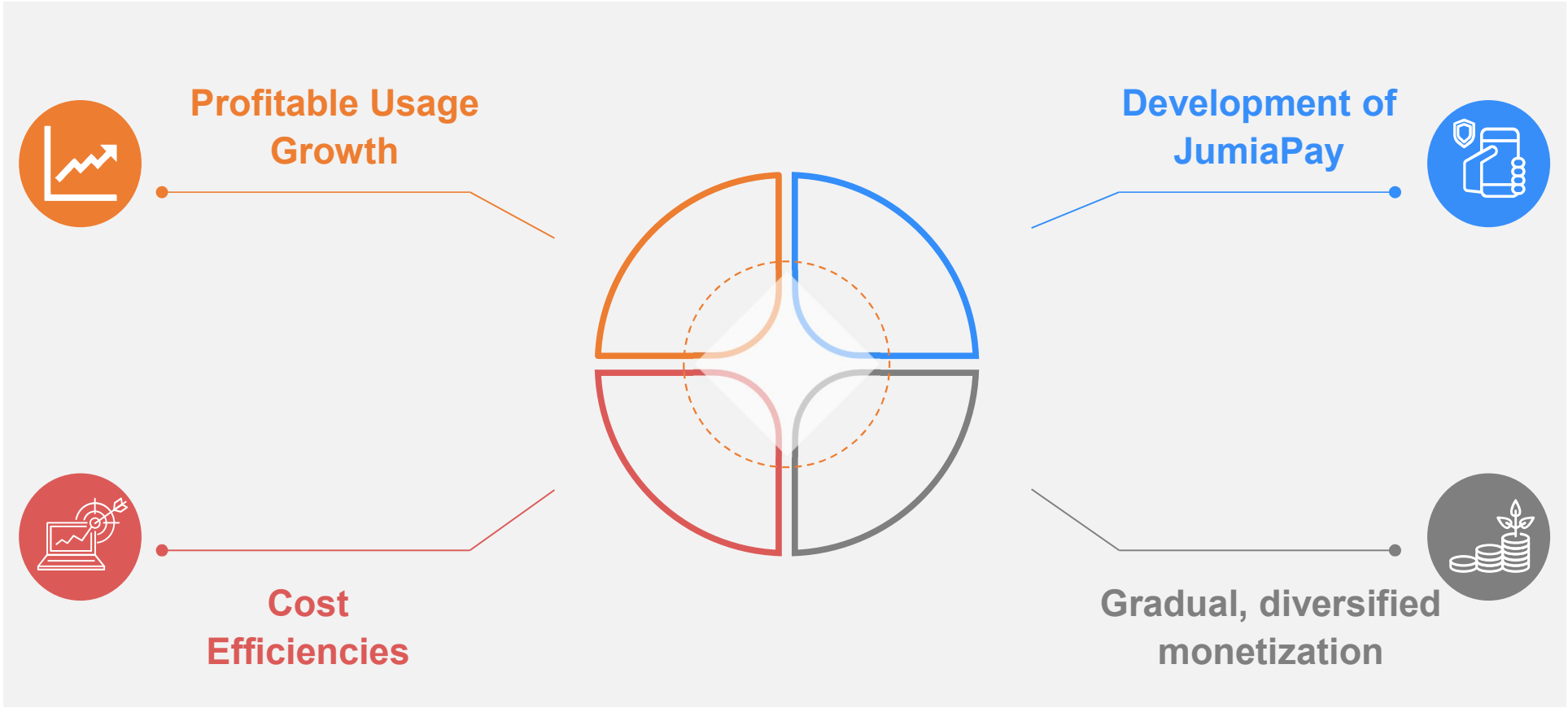
IMPORTANT NOTICE

This presentation includes forward-looking statements. All statements other than statements of historical facts contained in this presentation, including statements regarding our future results of operations and financial position, industry dynamics, business strategy and plans and our objectives for future operations, are forward-looking statements. These statements represent our opinions, expectations, beliefs, intentions, estimates or strategies regarding the future, which may not be realized. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “believes,” “estimates”, “potential” or “continue” or the negative of these terms or other similar expressions that are intended to identify forward-looking statements. Forward-looking statements are based largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements involve known and unknown risks, uncertainties, changes in circumstances that are difficult to predict and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statement. Moreover, new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. We caution you therefore against relying on these forward-looking statements, and we qualify all of our forward-looking statements by the cautionary statements contained, or referred to in this statement.

The forward-looking statements included in this presentation are made only as of the date hereof. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither we nor our advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Neither we nor our advisors undertake any obligation to update any forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations, except as may be required by law. You should read this presentation with the understanding that our actual future results, levels of activity, performance and events and circumstances may materially differ from what we expect.

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Our financial strategy is a balance of 4 pillars



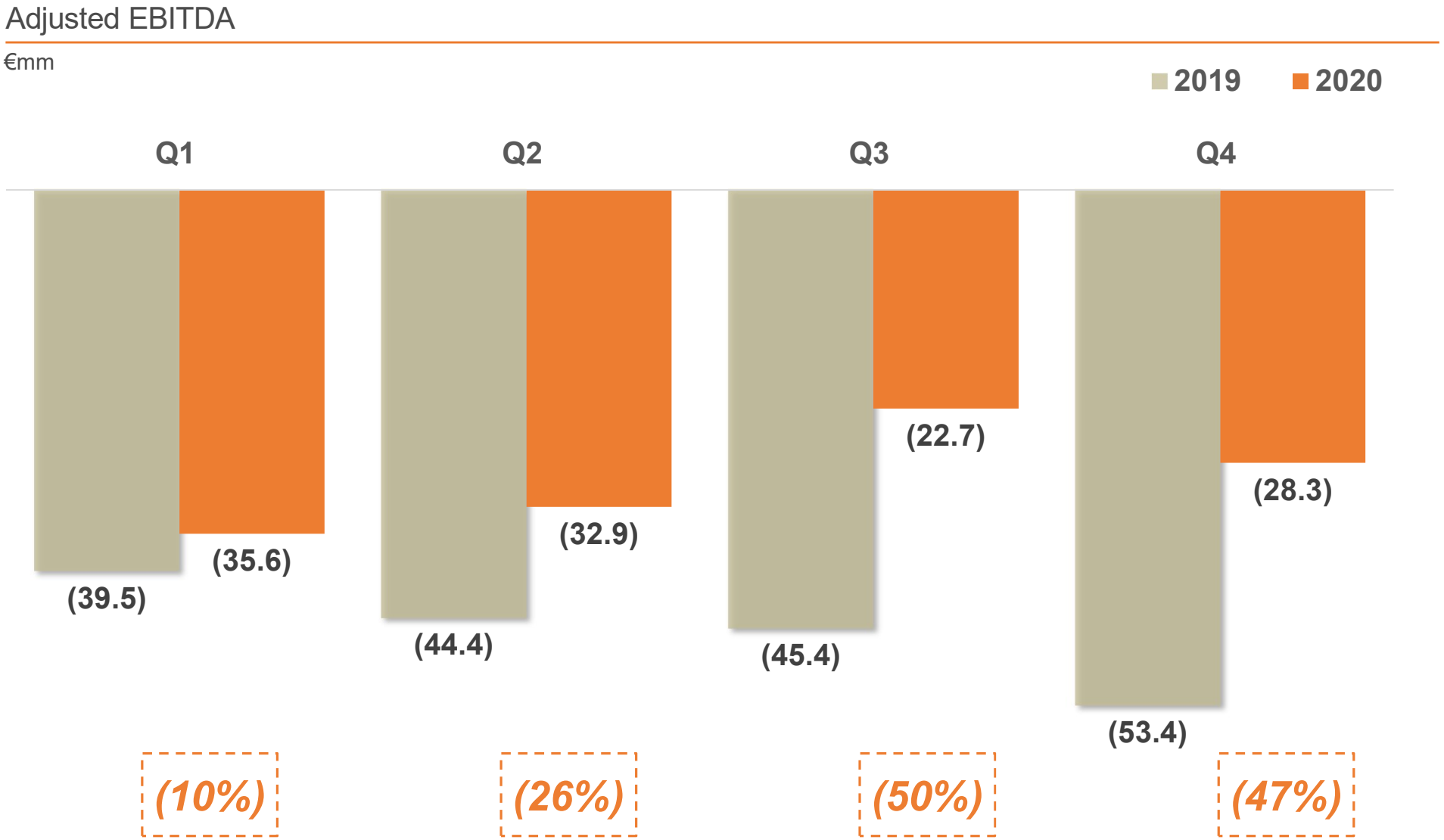
Strengthen the fundamentals ⟷ ***Support long-term growth***

During 2020, we made meaningful progress

Usage	**56% → 43%** FY19 FY20 Phones & Electronics as % of GMV	**30% → 25%** FY19 FY20 CFDR[1] as % of GMV	**19%** Orders	**15%** GMV YoY Growth after CFDR, excluding Phones & Electronics
JumiaPay	**58%** YoY TPV Growth	**35%** JumiaPay Transactions as % of Orders	**111** New services added on JumiaPay app	
Monetization	**20%** YoY Growth Marketplace Revenue	**22%** YoY Growth Gross Profit	**360bps** YoY increase in Gross Profit as % of GMV	
Cost efficiency	**(10)%** YoY decrease in Fulfillment	**(42)%** YoY decrease in Sales & Advertising	**(12)%** YoY decrease in General & Administrative[2]	

Notes:
Percentages indicate year-over-year growth rate
1. Rate of Cancellations, Failed Deliveries and Returns
2. G&A, excluding SBC

We have reduced our Adjusted EBITDA loss significantly



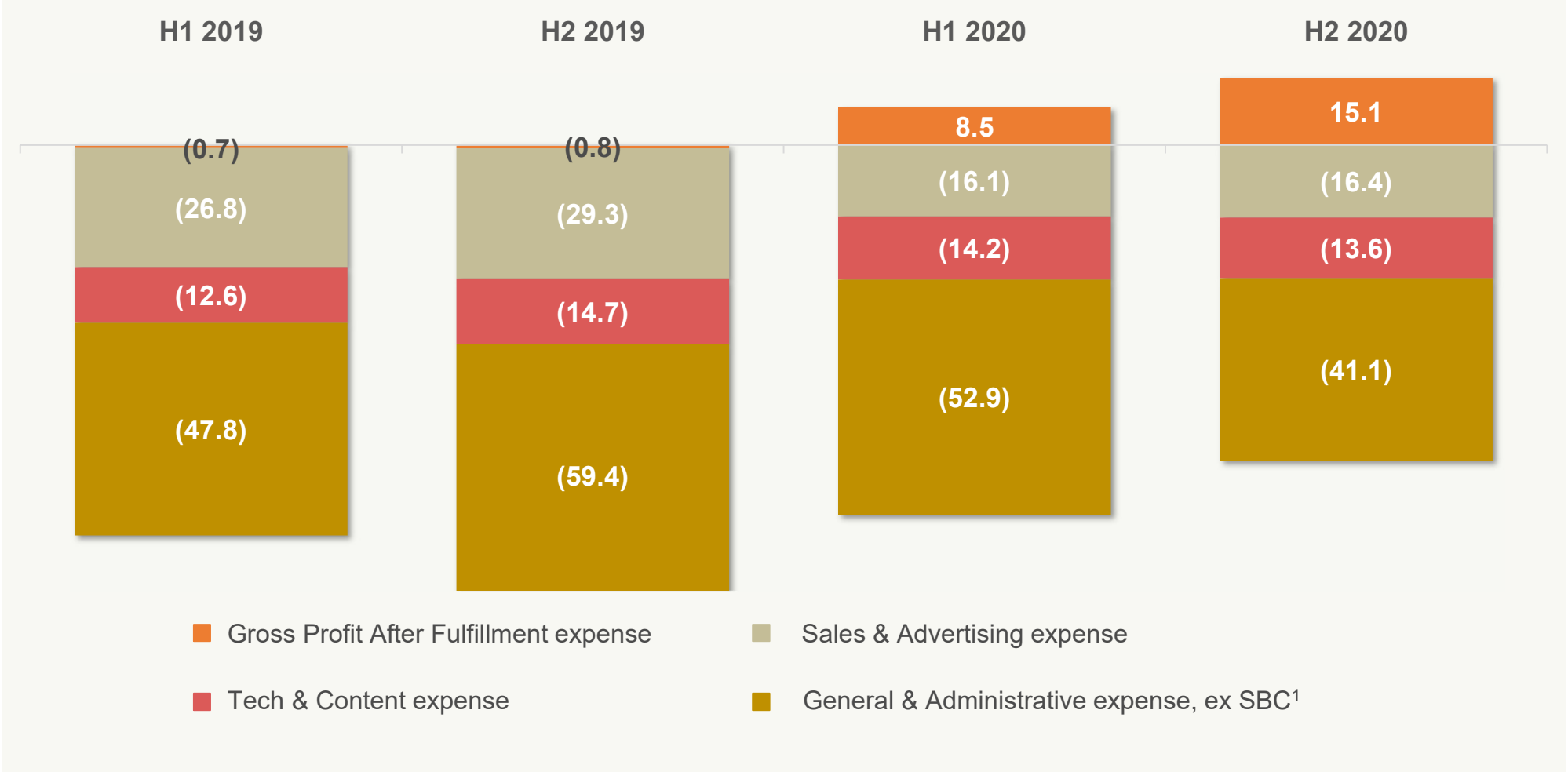
Notes:

1. Percentages indicate year-over-year change

We have significantly transformed our P&L

Evolution of key P&L items

€mm



Notes:

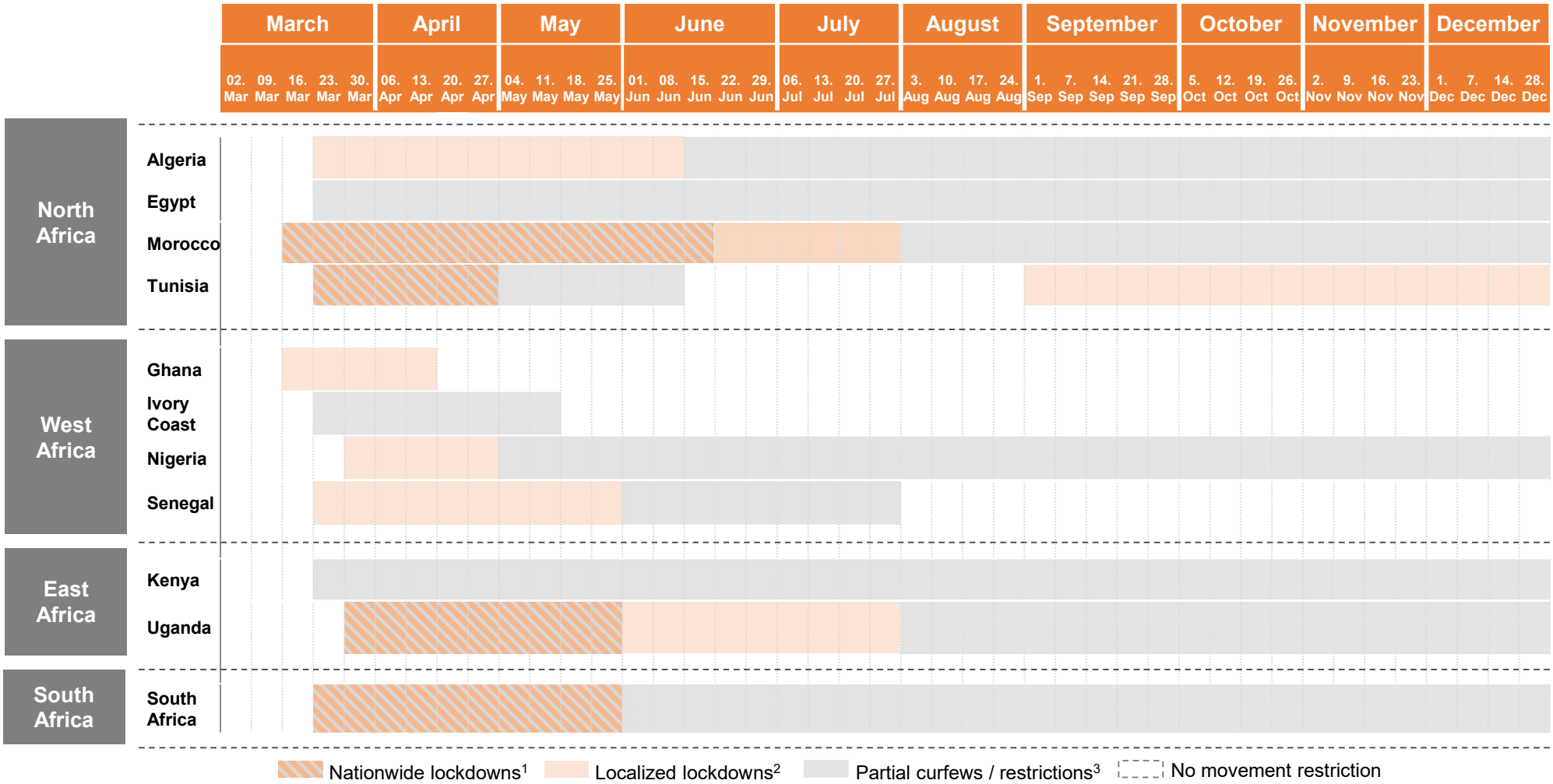
1. Share-Based Compensation expense

Our unit economics improved greatly as we drive smaller sized, more profitable orders

	Q4 2019	Q4 2020	YoY Δ
Average Order Value (AOV[1])	**€35.4**	**€28.7**	***(19%)***
Gross Profit / Order	€3.0	€3.5	*+15%*
As % of AOV	*8.5%*	*12.1%*	*+360bps*
Fulfilment expense / Order	(€2.9)	(€2.4)	*(16%)*
Gross Profit after Fulfillment expense / Order	**€0.1**	**€1.0**	***n.m.***
S&A[2] per Order	(€1.9)	(€1.3)	*(33%)*
Gross Profit after Fulfillment and S&A expenses / Order	**(€1.8)**	**(€0.2)**	***n.m.***
Tech, G&A[3] per Order	(€5.0)	(€3.6)	*(28%)*
Adjusted EBITDA loss / Order	**(€6.5)**	**(€3.5)**	***(46%)***

Notes:
1. Average Order Value calculated as GMV divided by number of Orders
2. Sales & Advertising expense
3. G&A, excluding SBC

This progress was achieved with limited to no tailwinds from COVID-19



- **Nationwide lockdowns** were **only** put in place **in 4 countries,** which together represent **24% of our addressable market**[4]
- **Localized lockdowns and partial curfews / movement restrictions** were **the most widely adopted measures** across our addressable market

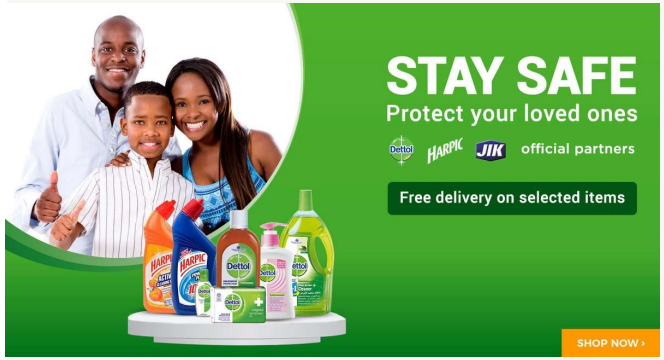
Sources: Official government communication in each country, classified into 4 main types of confinement measures

1. Nationwide restriction on movement
2. Carve-out and isolation of selected areas
3. Movement restricted for certain hours and / or between selected areas, on an ad hoc basis
4. Total population across countries of operation, IMF data for 2019

Our mission in action: selected 2020 initiatives

Providing new services to consumers

Stay safe campaign in partnership with FMCG brands



Partnership with Twiga Foods in Kenya

for the distribution of fresh produce baskets



Enabling businesses to grow

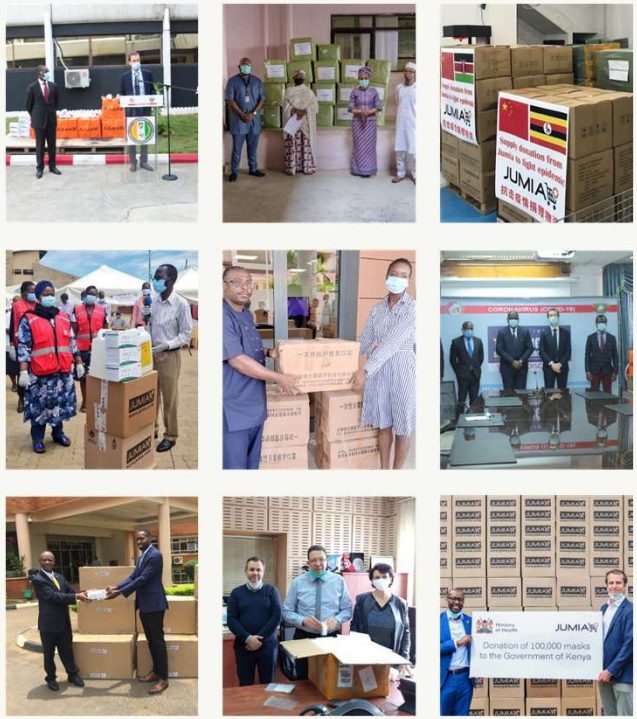
UNDP partnership to bring informal sellers online in Uganda

Partnership with the Moroccan Ministry of Handicraft to **bring Moroccan craftsmen and cooperatives online**



Creating sustainable impact

Half a million mask donations to health ministries



Free meal delivery to first responders & health workers in Morocco and Tunisia



- **Usage trends**
- JumiaPay development
- Monetization
- Cost efficiency
- Appendix

Driving usage and consumer adoption at strong levels of marketing efficiency

Sales & Advertising ("S&A") expense

€mm

(34%)

15.5 → 10.2

S&A per Order

€

(33%)

1.9 → 1.3

Annual S&A per Annual Active consumer

€

(48%)

9.2 → 4.8

GMV

€mm

(21%)

+12% vs Q3.19

292.9

231.1

+23% vs Q3.20

Q4 2019[1] Q4 2020

Orders

€mm

(3%)

+18% vs Q3.19

8.3

8.1

+21% vs Q3.20

Q4 2019 Q4 2020

Annual Active Consumers

€mm

+12%

6.1

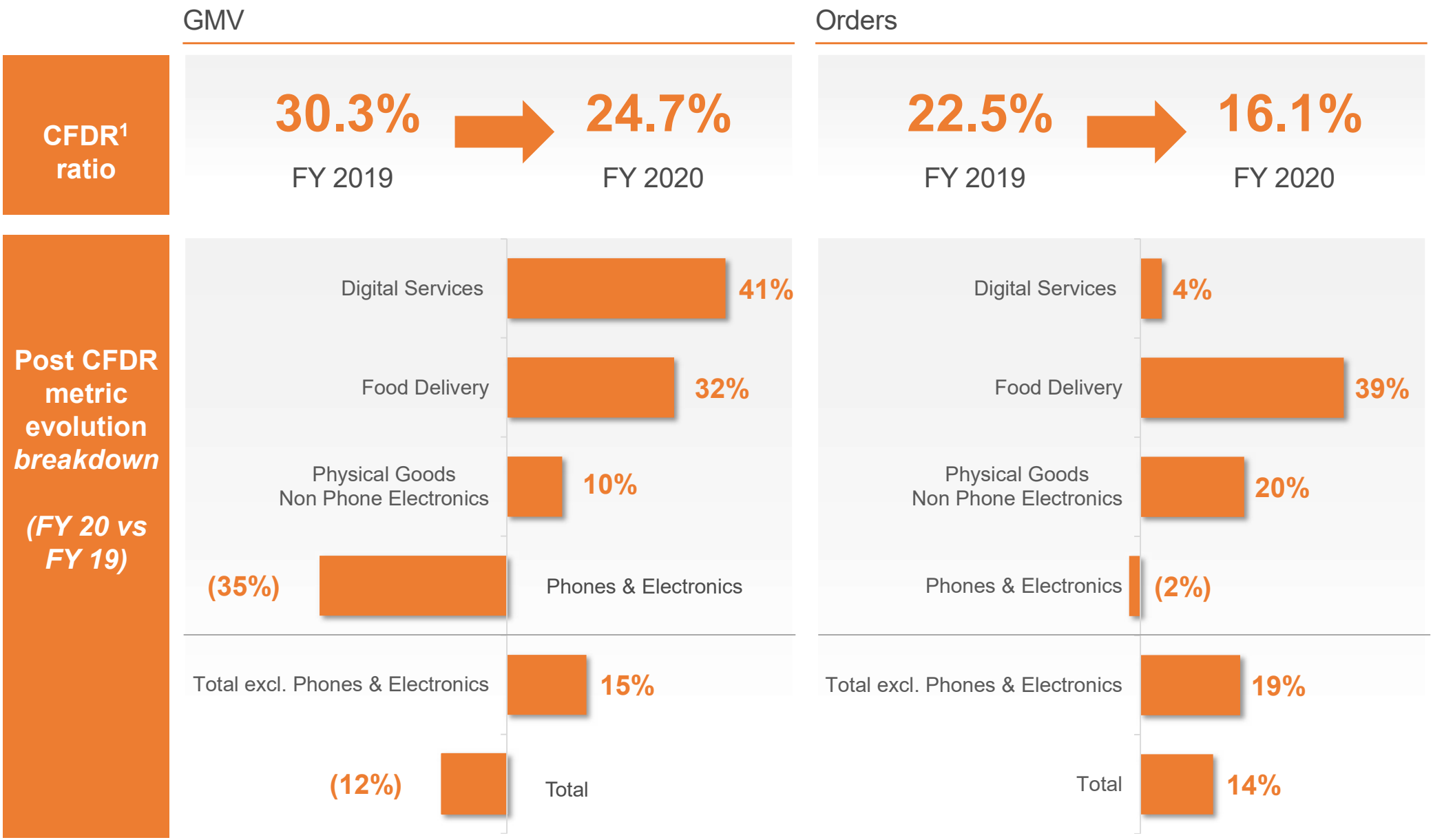
6.8

Q4 2019 Q4 2020

Notes:

Q4 2019 GMV adjusted for perimeter changes: exit from the Travel business and closure of Tanzania, Rwanda and Cameroon

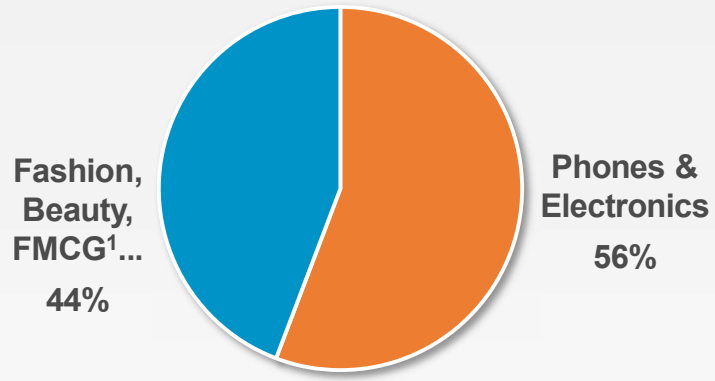
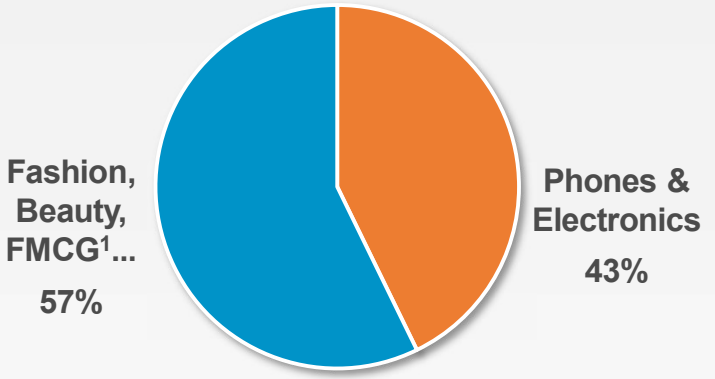
Resilient usage in net terms, particularly in key focus areas



Notes:

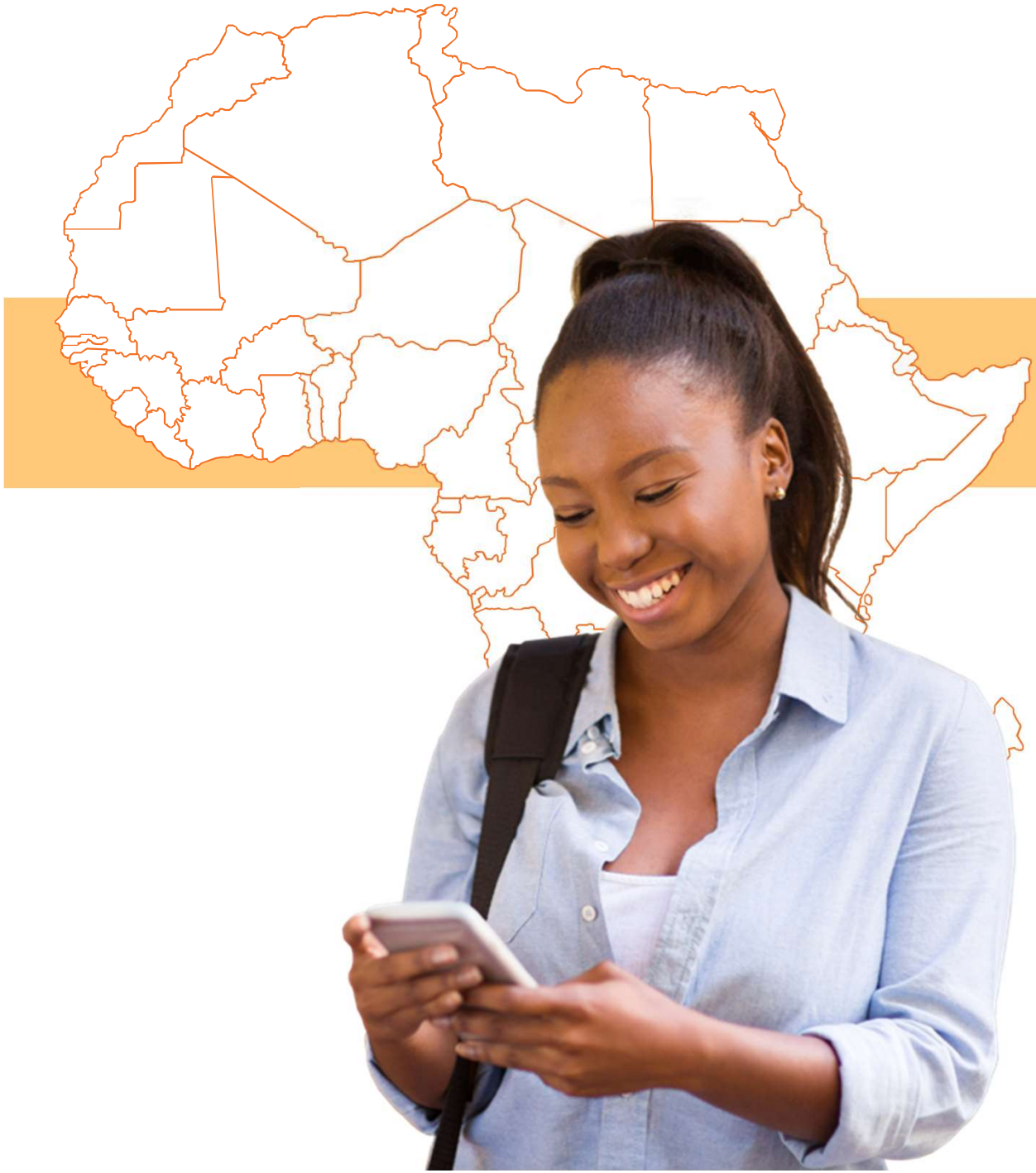
1. Rate of Cancellations, Failed Deliveries & Returns. Bridge between gross and net metrics

The business mix rebalancing helps us further diversify our mix towards every-day categories and supports unit economics

	FY 2019	FY 2020
GMV Split		
Average Order Value	€38.9	€30.0
Gross Profit after Fulfilment / Order	€(0.1)	€0.8

Notes:

1. Categories in this portion include fashion, beauty, home & living, FMCG, digital services, food delivery and others

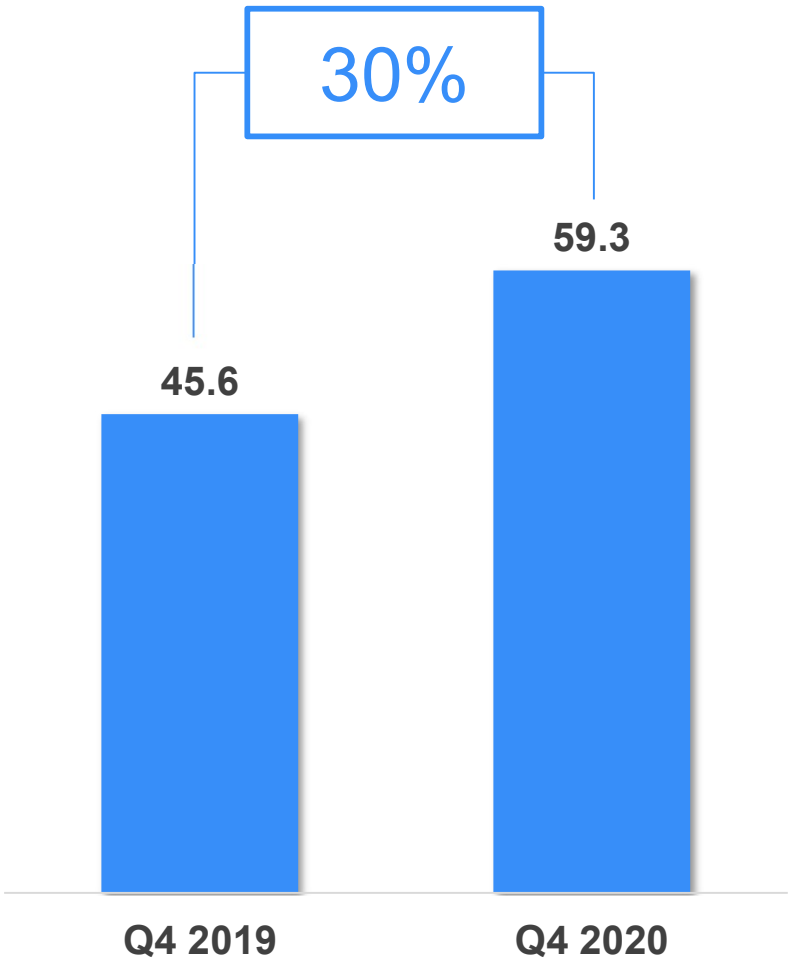


- Usage trends
- **JumiaPay development**
- Monetization
- Cost efficiency
- Appendix

JumiaPay TPV grew by 30% taking on-platform penetration to 26% of GMV

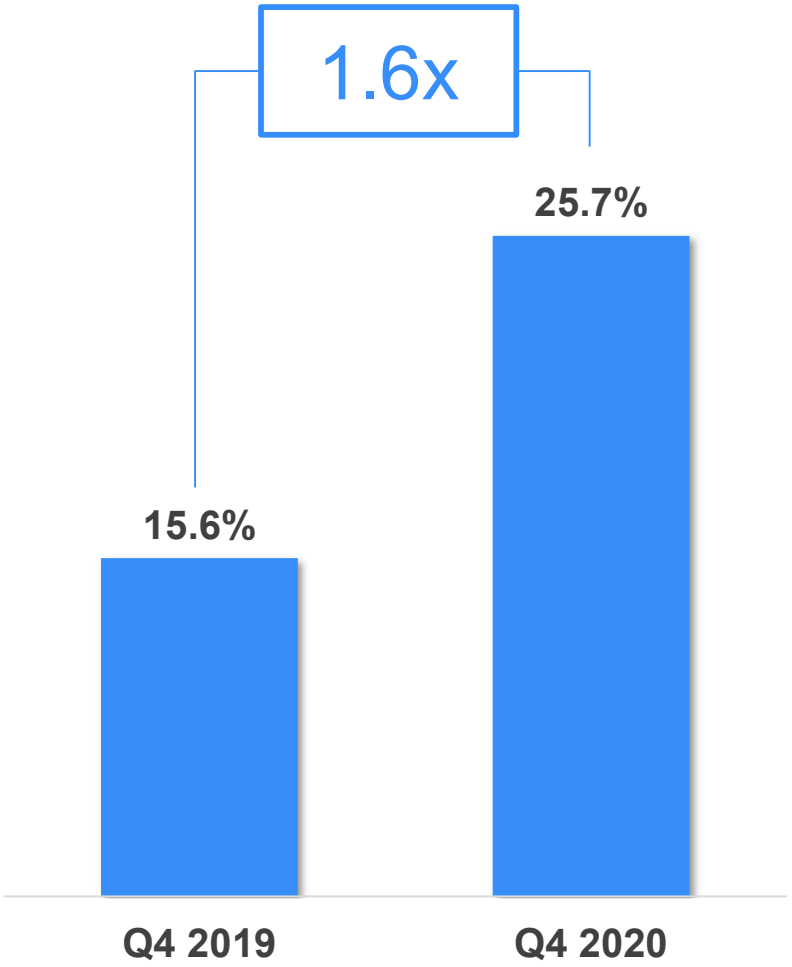
JumiaPay Total Payment Volume (“TPV”)

€mm



JumiaPay TPV as % of GMV

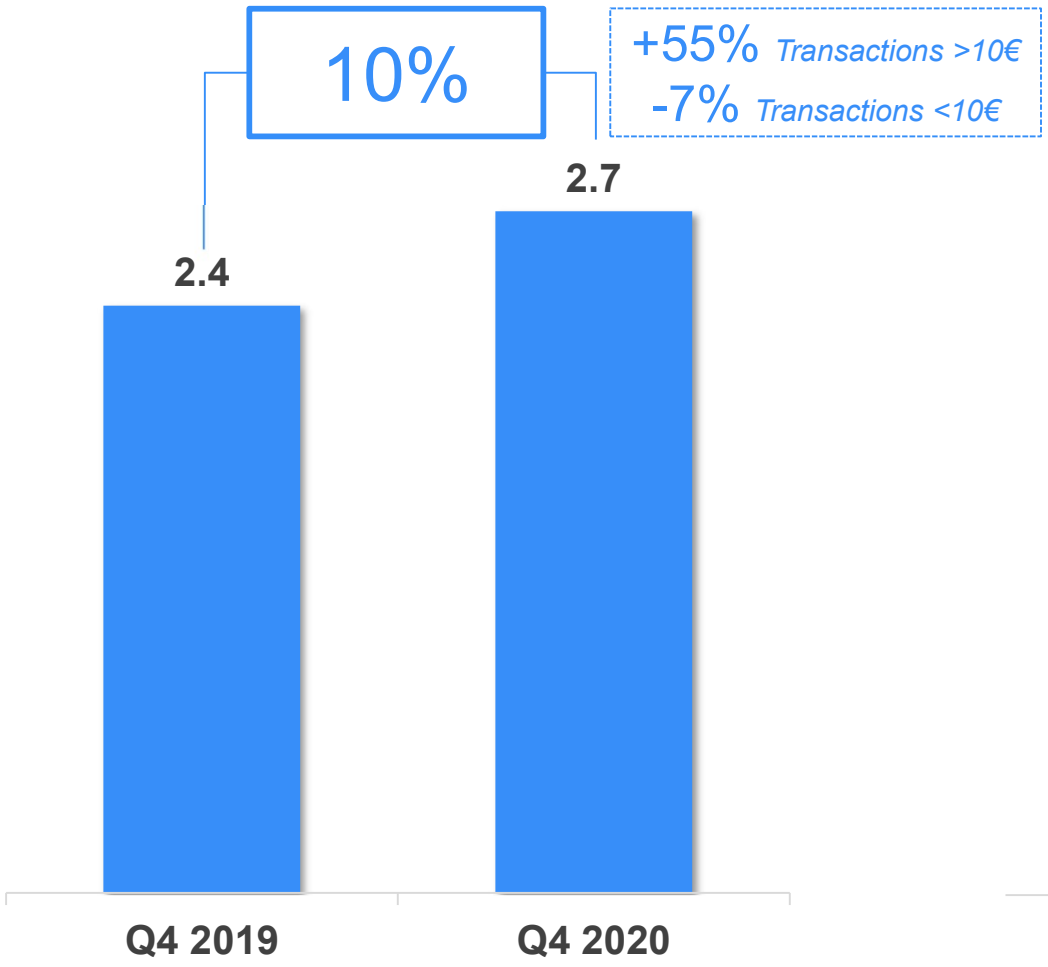
% on-platform penetration



JumiaPay Transactions accounted for 33% of total orders

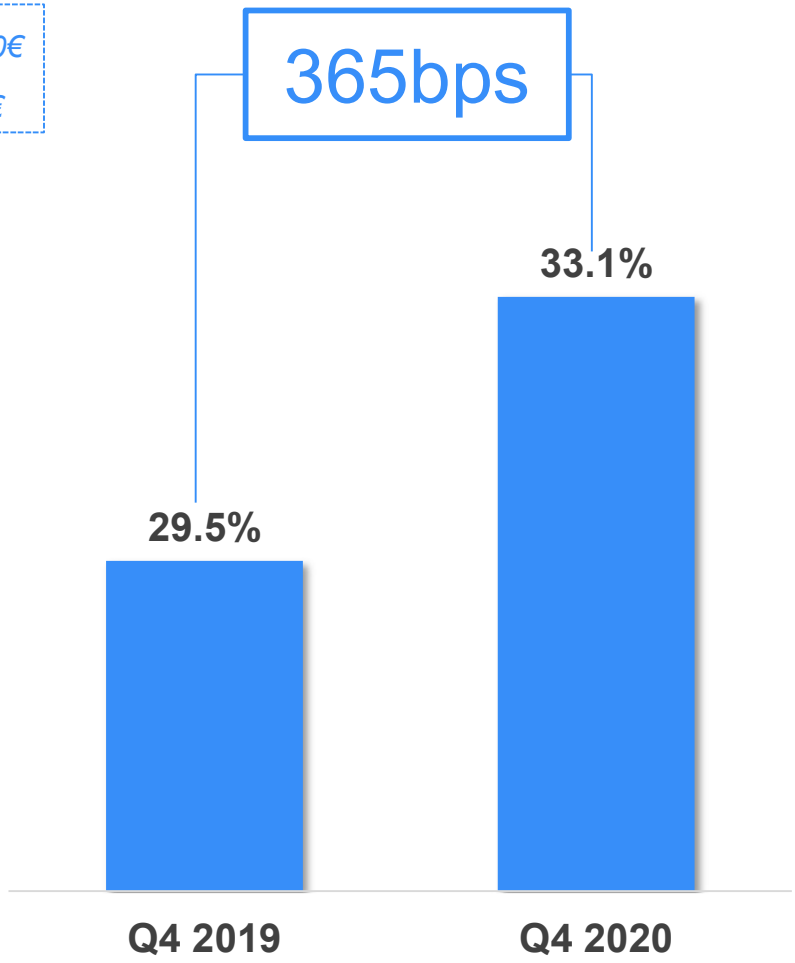
JumiaPay Transactions

mm



JumiaPay Transactions as % of total Orders

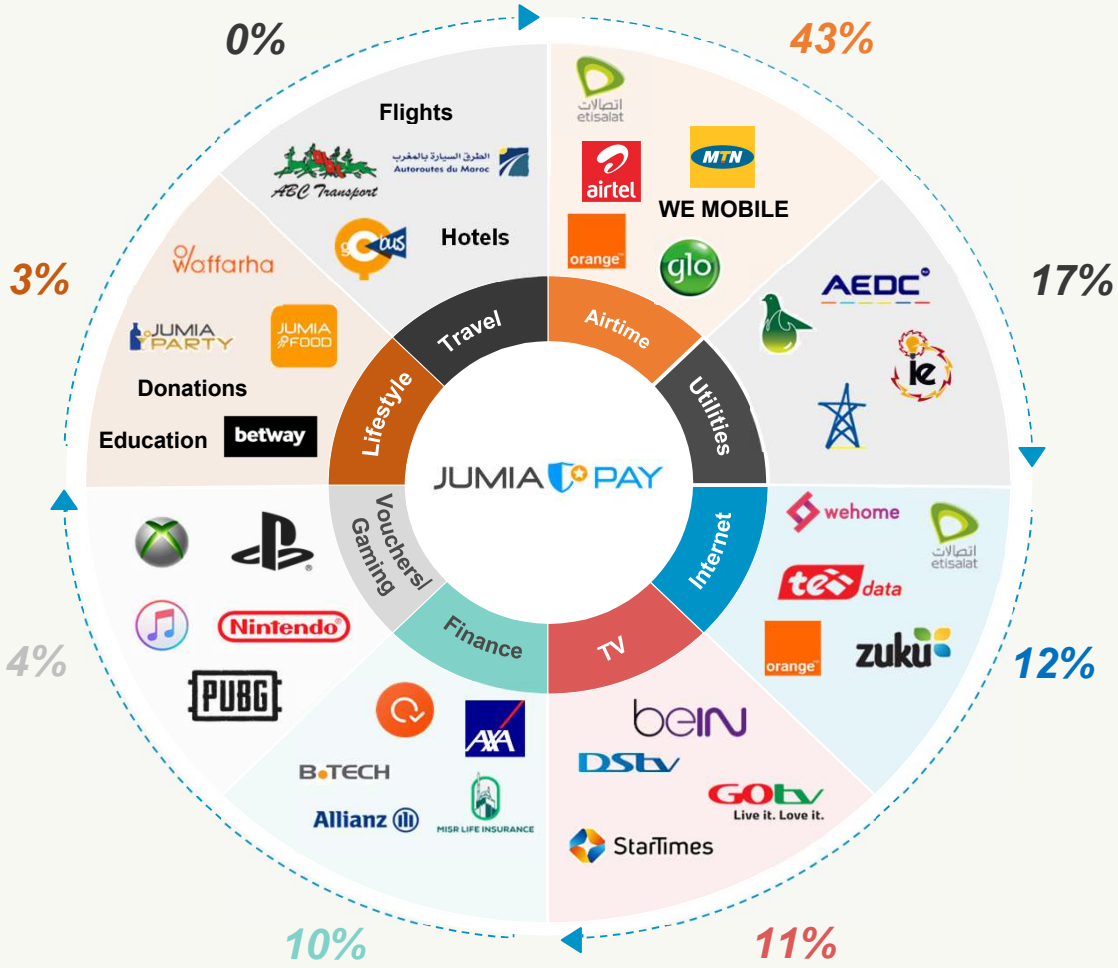
% on-platform penetration



We are enhancing the relevance of our JumiaPay app with a growing number of services and partners

Broad range of lifestyle and financial services[1]

% indicates share of JumiaPay App GMV in total GMV for 2020



4mm+
App downloads[2]

~200
Services

33
Partners

5
Countries

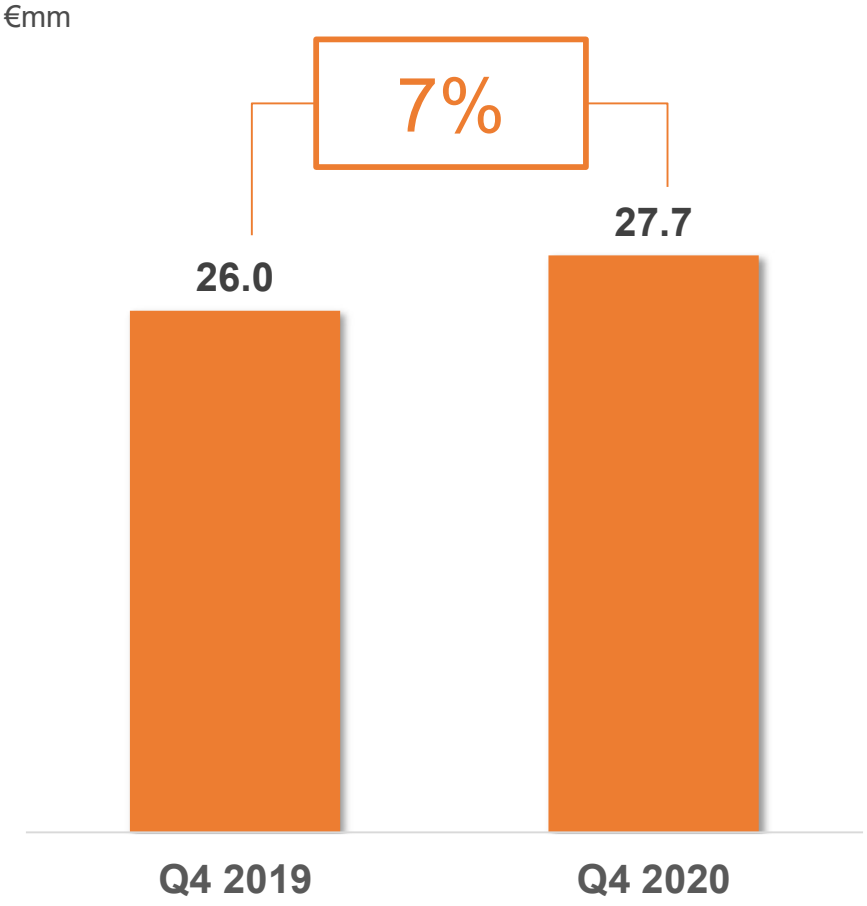
Notes:
1. All data as of December 31, 2020
2. Cumulative app downloads since inception in 2018



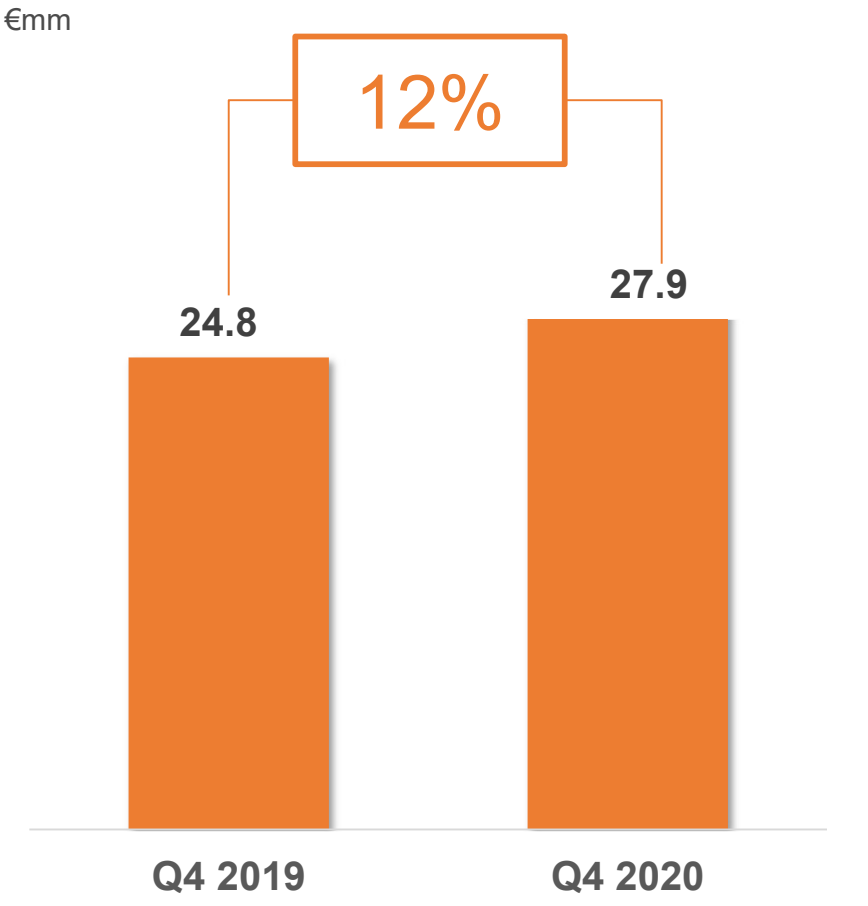
- Usage trends
- JumiaPay development
- **Monetization**
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In parallel with driving usage, we continue to gradually monetize our platform

Marketplace revenue growth



Gross profit

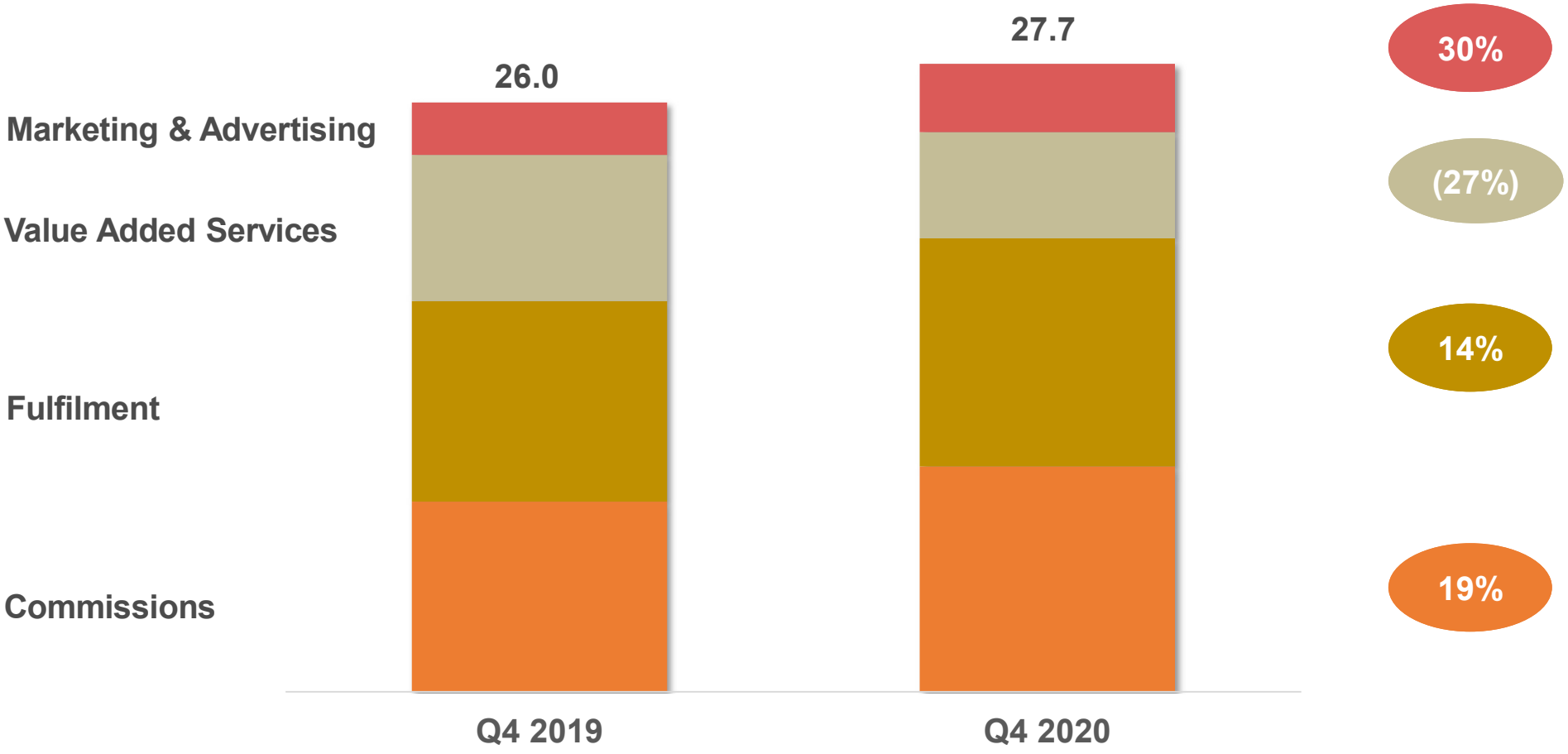


We generate revenues through diversified streams

Marketplace revenue breakdown

YoY Growth

€mm



We introduced a new revenue stream in 2020 with the opening of Jumia Logistics platform to third parties

Key highlights of the 2020 pilot

~ 0.5 million
packages

270
Clients, large corporates and SMEs

5
Countries

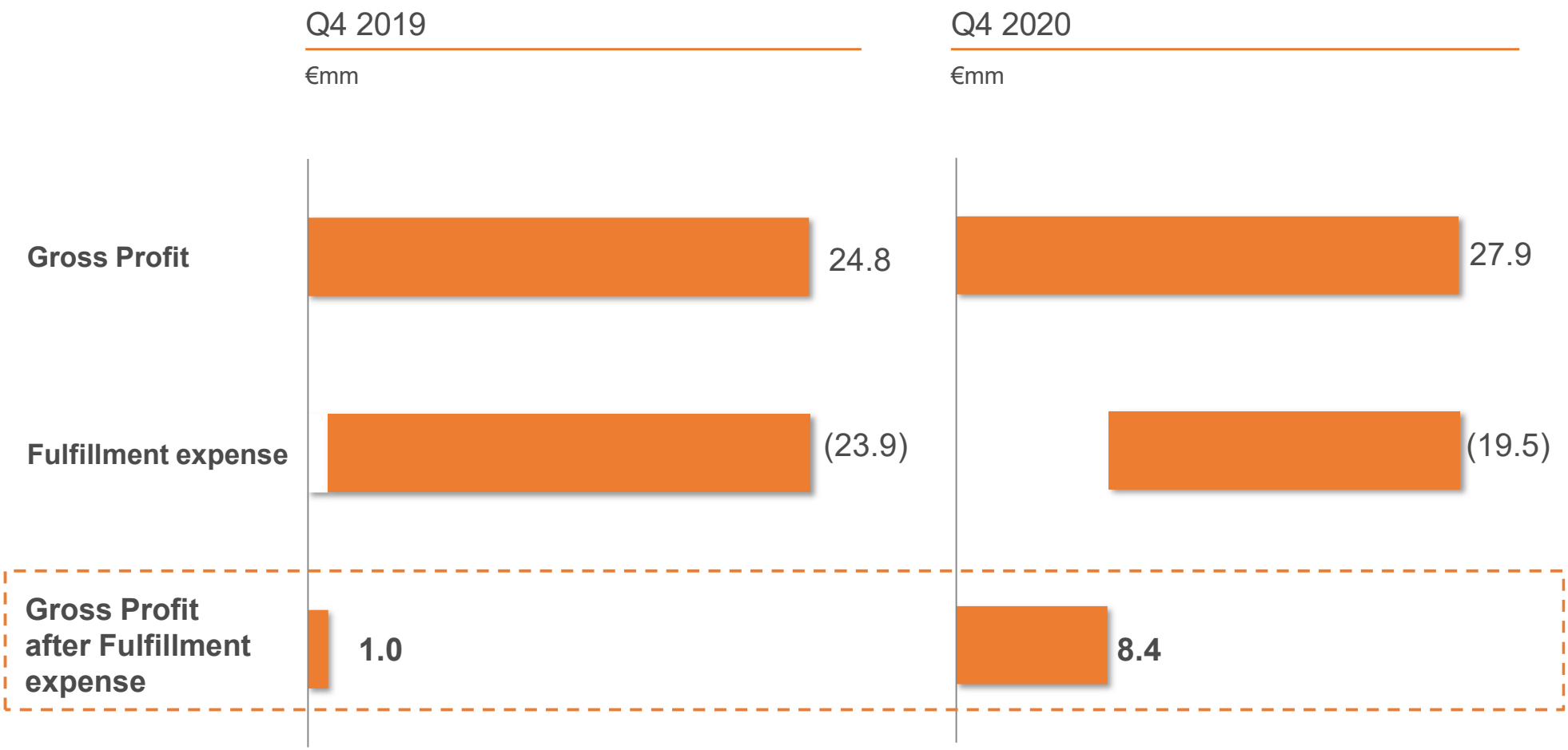
Selected case studies

	Kuda Bank	Medi Telecom / Orange	Premier Foods
Country	Nigeria	Morocco	Kenya
Sector	Banking	Telecom	Fast Moving Consumer Goods
Client Overview	Nigeria's first mobile-only bank licensed by the Central Bank	Leading global telco operator, and one of 3 operators in Morocco	Global food and packaged goods producer
Jumia Logistics Role	Logistics provider for payment cards distribution	Domestic shipping services to deliver SIM Cards and other e-commerce products to its customers	Logistics solutions from Premier Foods main warehouse in Nairobi to all their distribution centers across Kenya



- Usage trends
- JumiaPay development
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Record Gross Profit after fulfillment expense in Q4 2020

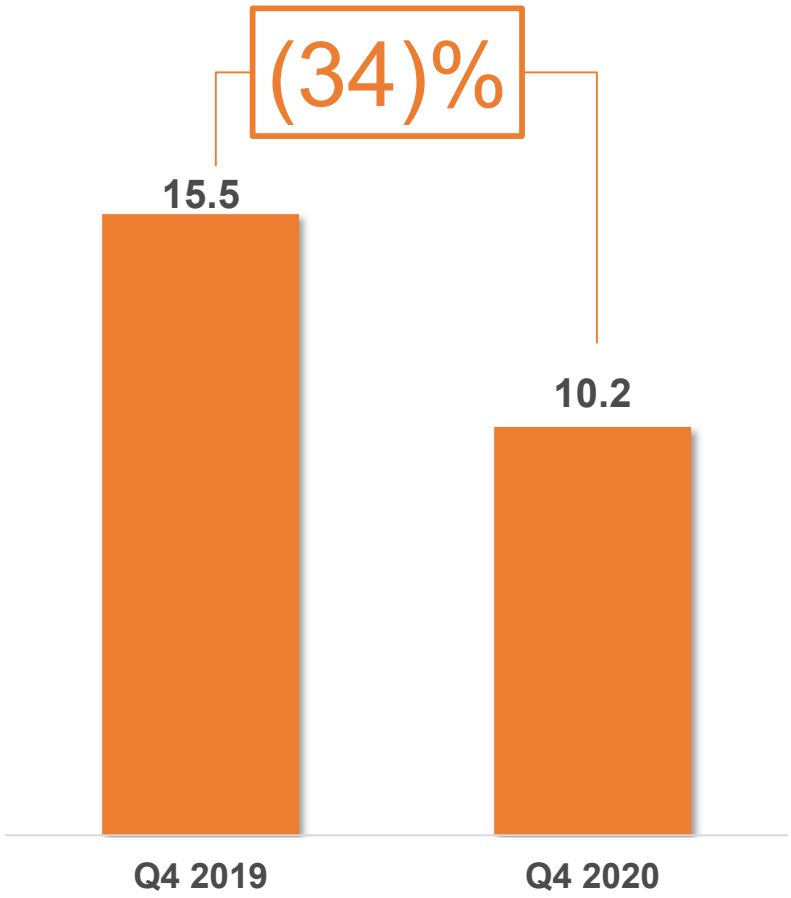


We have now been generating positive Gross Profit after Fulfillment expense for 5 consecutive quarters

Strong discipline and offering relevance drive Sales & Advertising expense efficiencies

Sales & Advertising expense

€mm



Sales & Advertising expense efficiency

€

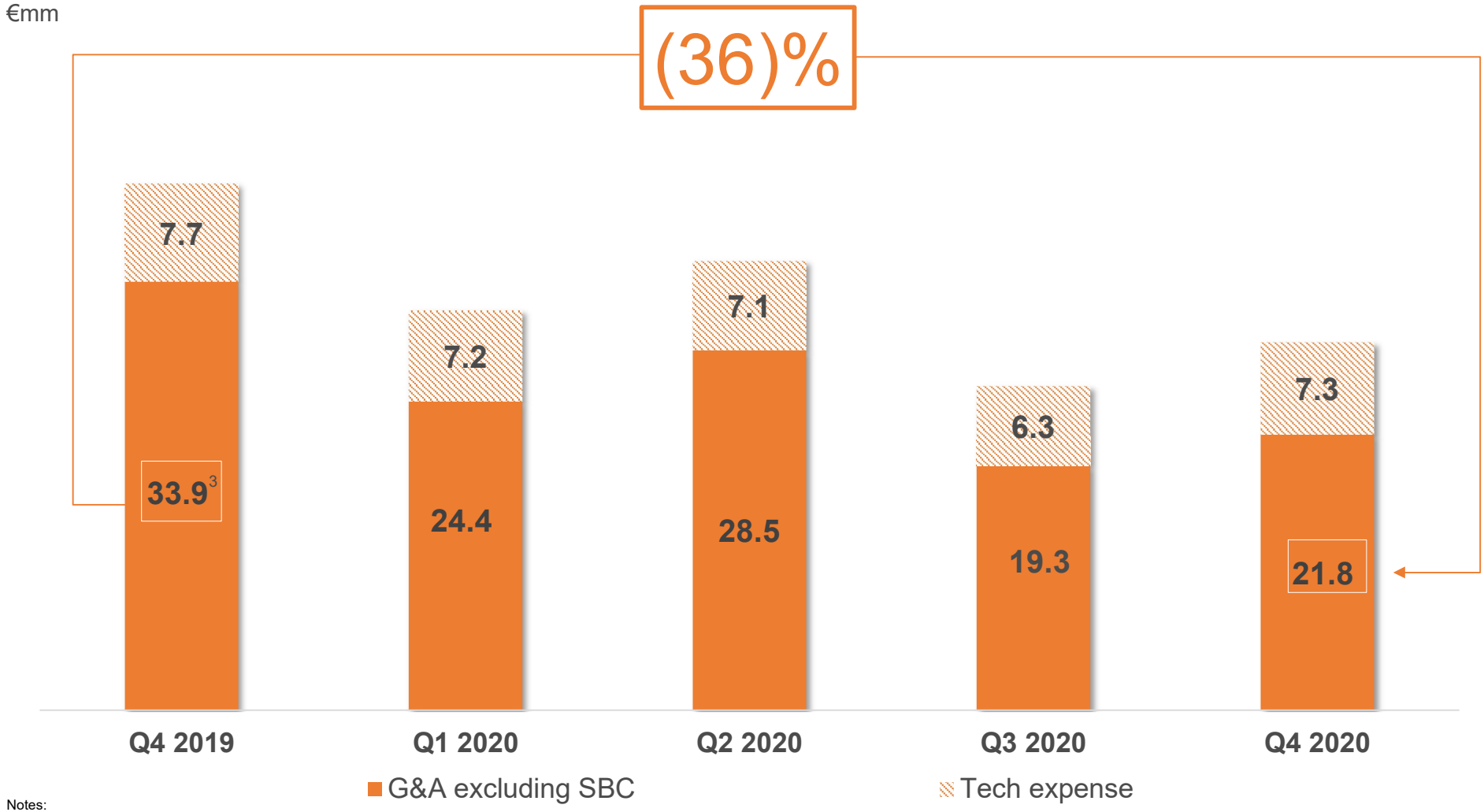
	Q4 2019	Q4 2020	YoY Change
Sales & Advertising expense per Order	1.9	1.3	*(32.5%)*
Annual Sales & Advertising expense[1] per Annual Active Consumer	9.2	4.8	*(48.2%)*
Sales & Advertising expense as % of GMV	5.3%	4.4%	*(88)bps*

Notes:

1. Calculated as the Sales & Advertising expense for the 12-month periods ending December 30, 2019 and December 30, 2020 of €56.0mm and €32.5mm respectively

Significant G&A savings as a result of portfolio optimization and overhead rationalization initiatives

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



Notes:

1. Excluding Share Based Compensation expense
2. Technology & Content expense
3. Includes restructuring expense of €2.2mm incurred as part of our portfolio optimization and headcount rationalization initiatives. Excluding restructuring expense and Share Base Compensation expense, G&A would have been €31.7mm, and YoY change Q4.20 vs Q4.19 would have been (32)%

We continue to pursue an asset-light strategy and had a cash balance of €305mm at the end of Q4 2020

€0.7mm

ASSET-LIGHT AND CAPEX LIGHT

CAPEX[1] Q4 2020

€27.1mm

CASH UTILIZATION[3]

Cash used in operating and investing activities in Q4 2020

€(1.2)mm

NEUTRAL WORKING CAPITAL DYNAMICS

Net change in Working Capital[2] Q4 2020

€304.9mm

CASH AVAILABLE[4]

Notes

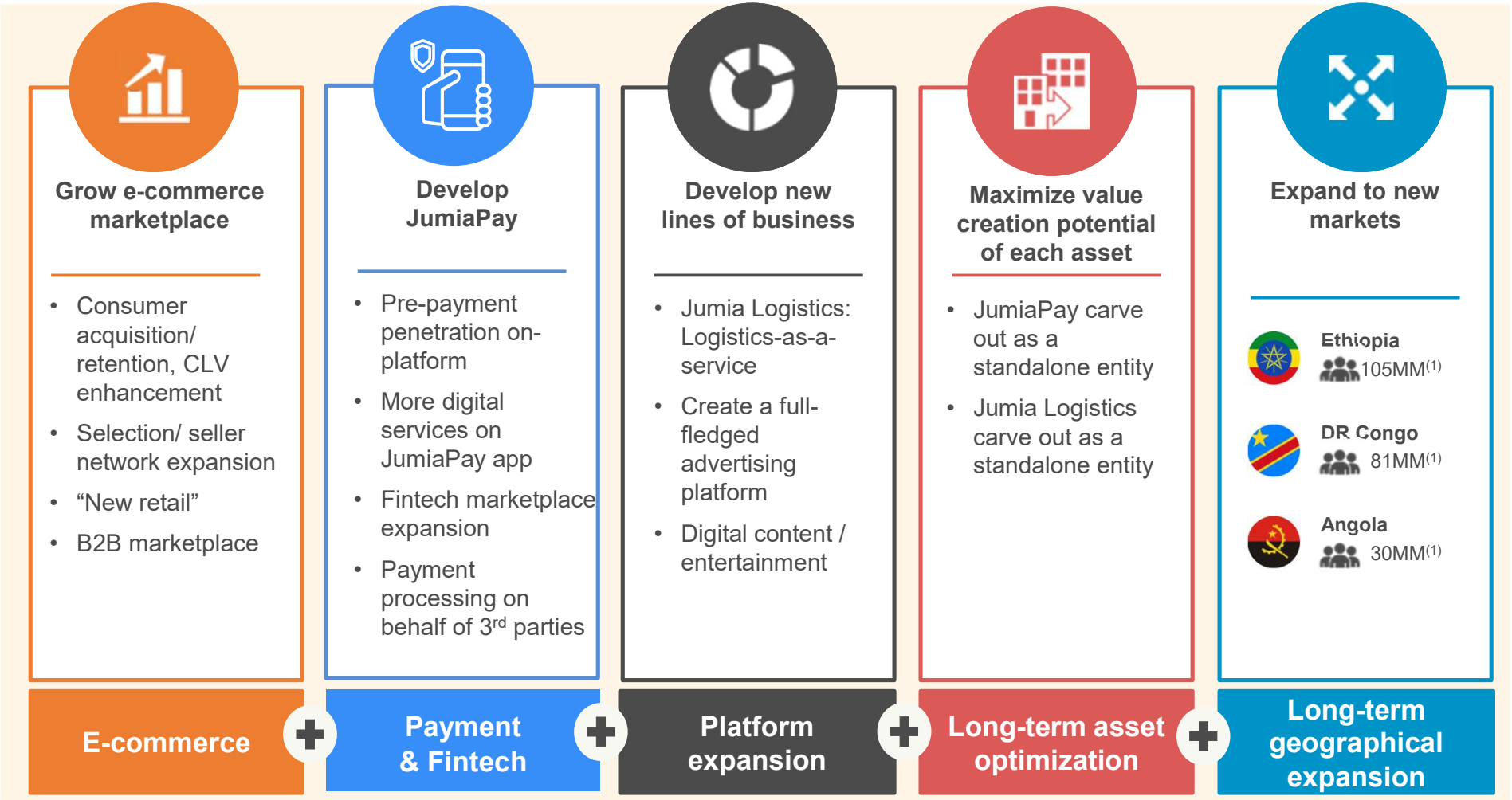
1. Corresponds to Purchase of Property and Equipment and Intangible assets, as presented on the Cash Flow Statement
2. Corresponds to a cash outflow of € (1.2) mm
3. Net cash used in operating and investing activities. Excludes cash from financing activities and effects of of exchange rate changes on cash and cash equivalents
4. Includes €203mm of gross proceeds from the offering completed in December 2020

During 2020, we made meaningful progress on each pillar

Usage	**56% → 43%** FY19 FY20 Phones & Electronics as % of GMV	**30% → 25%** FY19 FY20 CFDR[1] as % of GMV	**19%** Orders **15%** GMV YoY Growth after CFDR, excluding Phones & Electronics
JumiaPay	**58%** YoY TPV Growth	**35%** JumiaPay Transactions as % of Orders	**111** New services added on JumiaPay app
Monetization	**20%** YoY Growth Marketplace Revenue	**22%** YoY Growth Gross Profit	**374bps** YoY increase in Gross Profit as % of GMV
Cost efficiency	**(10)%** YoY decrease in Fulfillment	**(42)%** YoY decrease in Sales & Advertising	**(12)%** YoY decrease in General & Administrative[2]

Notes:
Percentages indicate year-over-year growth rate
1. Rate of Cancellations, Failed Deliveries and Returns
2. G&A, excluding SBC

We are currently very focused on our core business, and will, in the long-term, go after multiple growth opportunities



Source: Euromonitor

Notes:

1. Population as of 2017



- Usage trends
- JumiaPay development
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Non-IFRS Reconciliation (1/2)

	For the three months ended December 31	
(€ mm)	**2019**	**2020**
Marketplace revenue[1]	**26.0**	**27.7**
Commissions	8.4	10.0
Fulfillment	8.9	10.1
Marketing & Advertising	2.3	3.0
Value Added Services	6.4	4.7
Sales of Goods	**23.0**	**13.5**
Platform revenue[2]	49.1	41.2
Non-Platform revenue	0.2	0.5
Revenue	**49.3**	**41.8**
Cost of revenue	(24.4)	(13.8)
Gross Profit	**24.8**	**27.9**

Notes

1. Revenue from Marketplace calculated as the sum of revenue from Commissions, Fulfillment, Marketing and Value Added Services, excluding Sales of Goods revenue and Non-Platform revenue
2. Platform revenue calculated as the sum of Marketplace revenue and Sales of Goods

Non-IFRS Reconciliation (2/2)

	For the three months ended December 31	
(€ mm)	**2019**	**2020**
Loss for the period	**(63.6)**	**(46.9)**
Income tax expense	0.5	1.2
Finance (income)/costs – net	2.0	5.7
Depreciation and amortization	2.3	2.0
Share-Based Compensation expense	5.3	9.6
Adjusted EBITDA	**(53.4)**	**(28.3)**

2020 Overview

Eur mm unless stated otherwise	FY 2018	FY 2019	FY 2020
Marketplace KPIs			
GMV	749.5[1]	1,030.9[1]	836.5
Annual Active Consumers (mm)	4.0	6.1	6.8
Orders (mm)	**14.4**	**26.5**	**27.9**
JumiaPay KPIs			
JumiaPay TPV	54.8	124.3	196.4
% on-platform penetration	*7.3%*	*12.1%*	*23.5%*
JumiaPay Transactions	2.0	7.6	9.6
% on-platform penetration	***13.9%***	***28.7%***	***34.5%***
Selected Financials			
Gross profit	44.2	75.9	92.8
Fulfillment expense	(50.5)	(77.4)	(69.3)
Gross profit after fulfillment expense	**(6.3)**	**(1.5)**	**23.5**
Sales & Advertising expense	(46.0)	(56.0)	(32.5)
Technology & Content expense	(22.4)	(27.3)	(27.8)
G&A ex SBC	(77.5)	(107.3)	(94.0)
Adjusted EBITDA loss	**(150.2)**	**(182.7)**	**(119.5)**
Operating loss	(169.7)	(227.9)	(149.2)

1. Adjusted for perimeter changes and improper sales practices

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