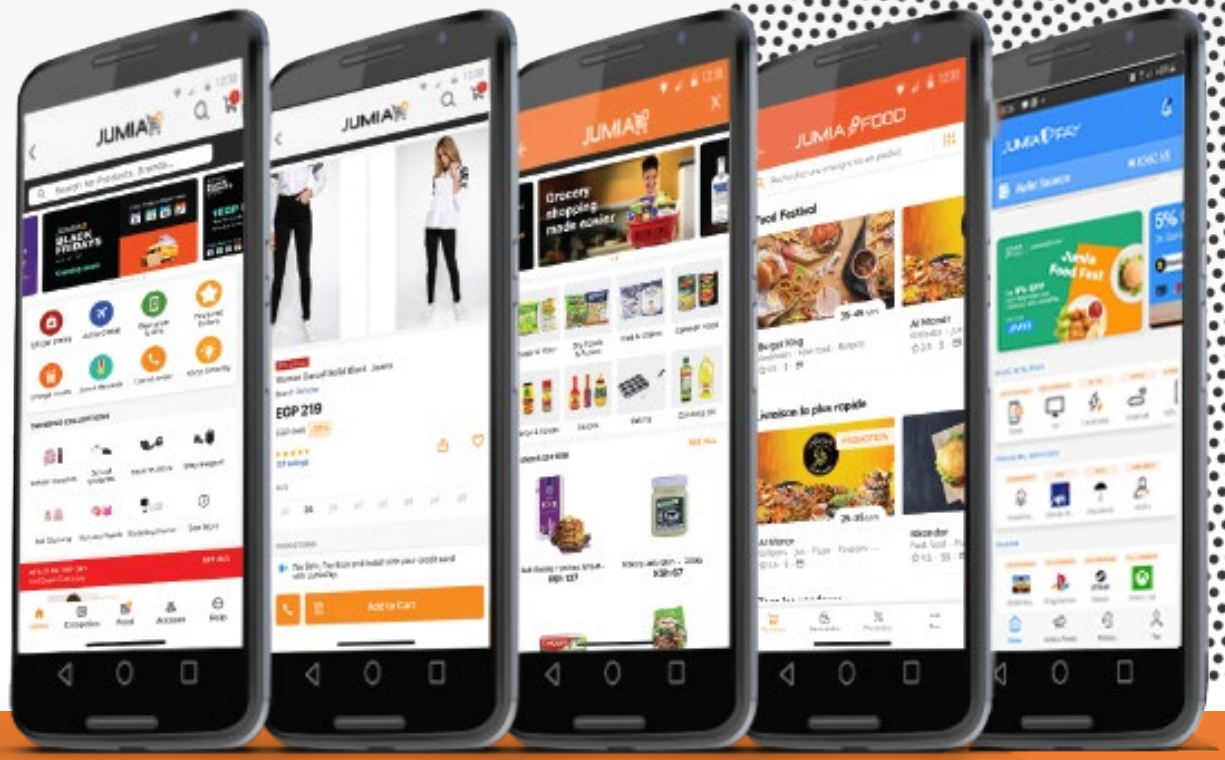
# Results Presentation

## Q1 2022




JUMIA

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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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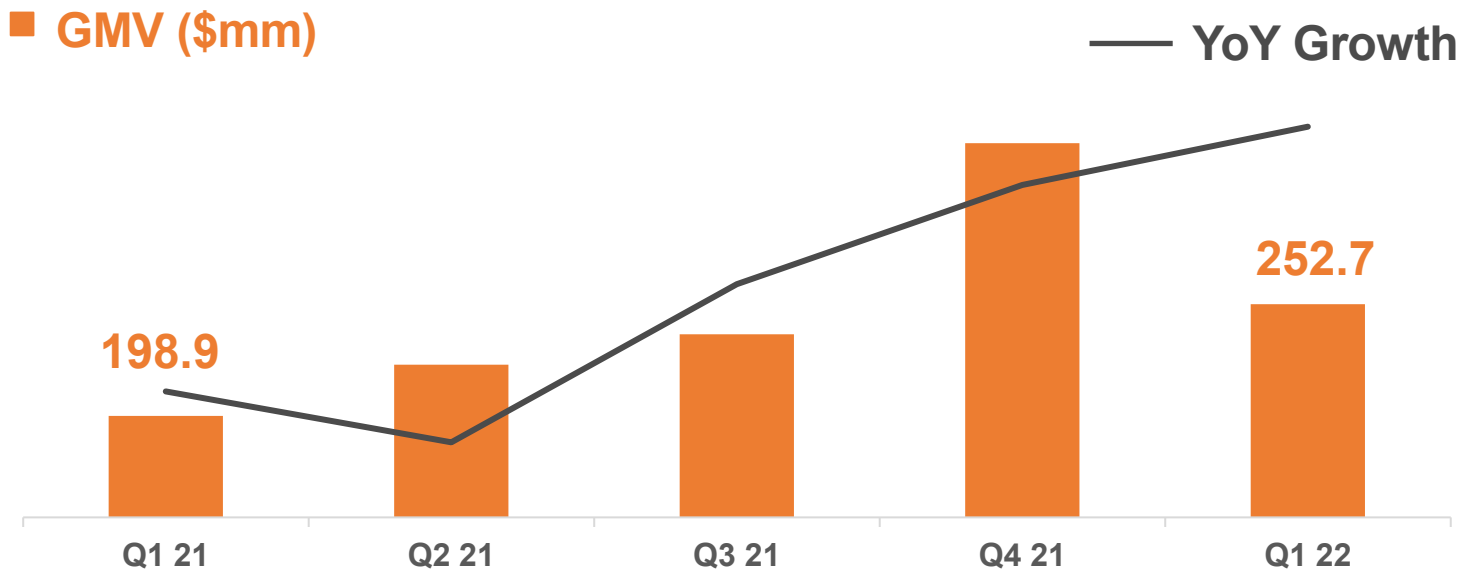
# We are scaling our platform to build a fast growing and profitable business in e-commerce and fintech in Africa

| 2012 - 2019 | 2019 - 2021 | Present |
|---|---|---|
| **Setting strong platform foundations** | **Building robust unit economics** | **Scaling the platform towards profitability** |
| • Marketplace model<br>• Logistics platform<br>• JumiaPay payment and fintech solutions | • Positive Gross profit after Fulfillment expense<br>• Stronger balance sheet<br>• More diversified, more relevant marketplace | • Accelerating usage growth<br>• Accelerating monetization<br>• Improving cost efficiency<br>• Developing JumiaPay |

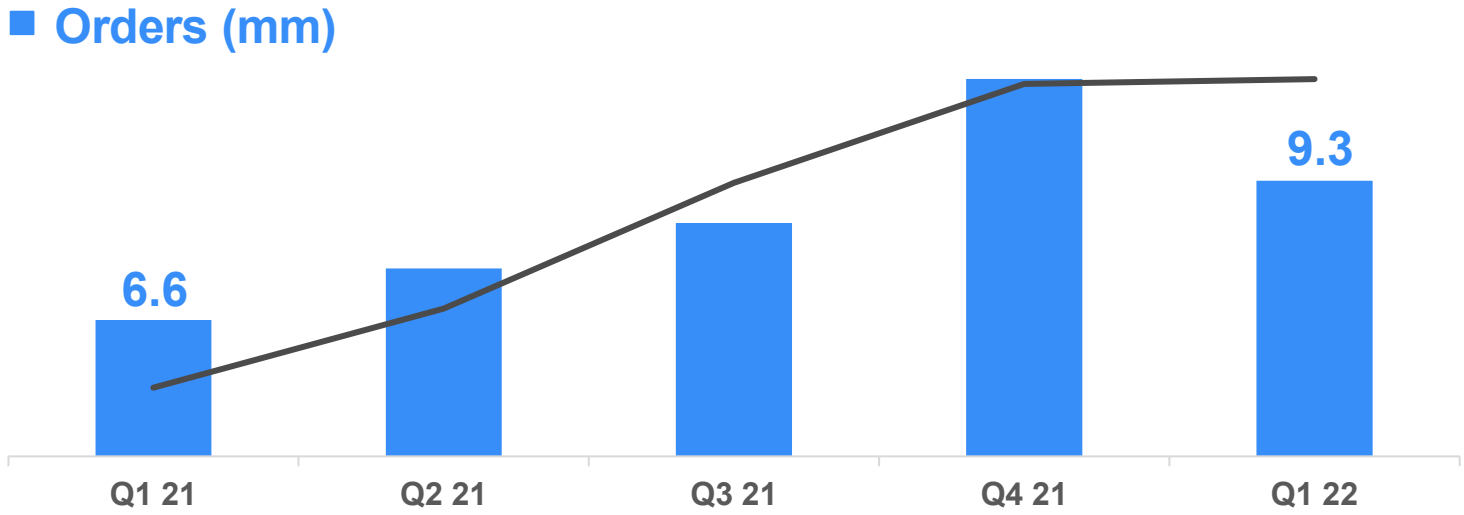
# Accelerating usage growth

***Fastest GMV and Order growth rates of the past 9 quarters***




***+27% YoY[1]***

***+35% YoY[2]***



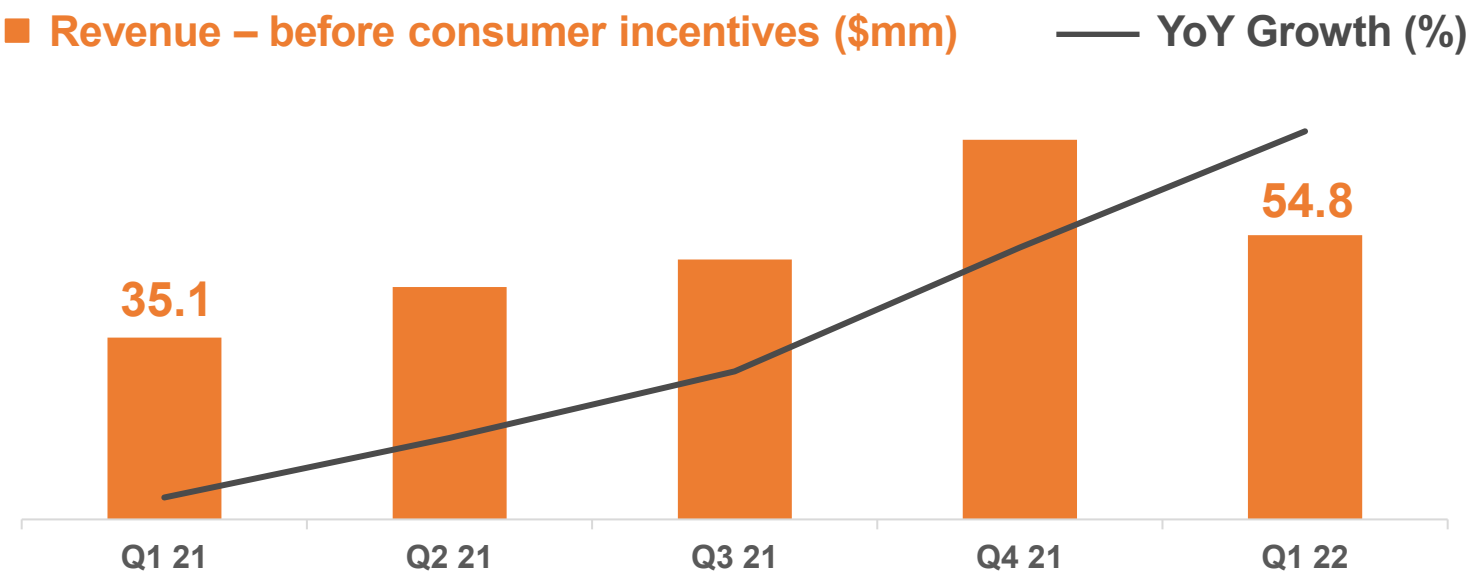

***+40% YoY[1]***

Notes

1. Year-Over-Year, i.e. Q1.2022 vs Q1.2021
2. GMV growth on a constant currency basis

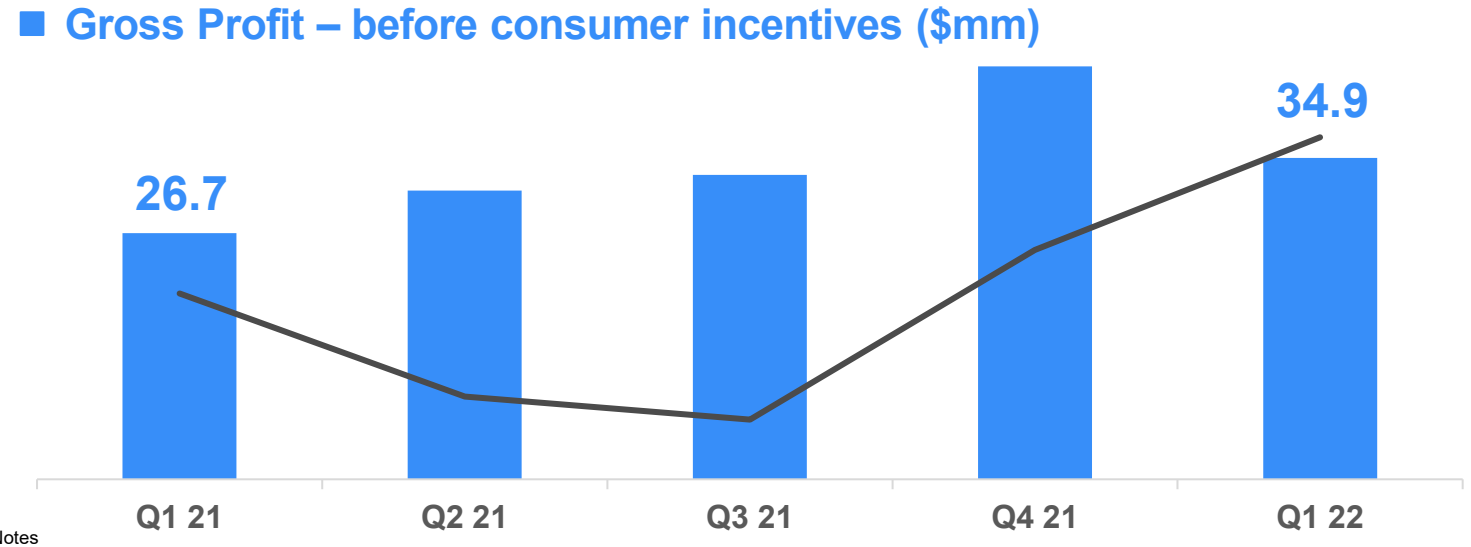
# Accelerating monetization

***Fastest Revenue[3] and Gross Profit[3] growth rates of the past 9 quarters***




***+56% YoY[1]***

***+65% YoY[2]***




***+31% YoY[1]***

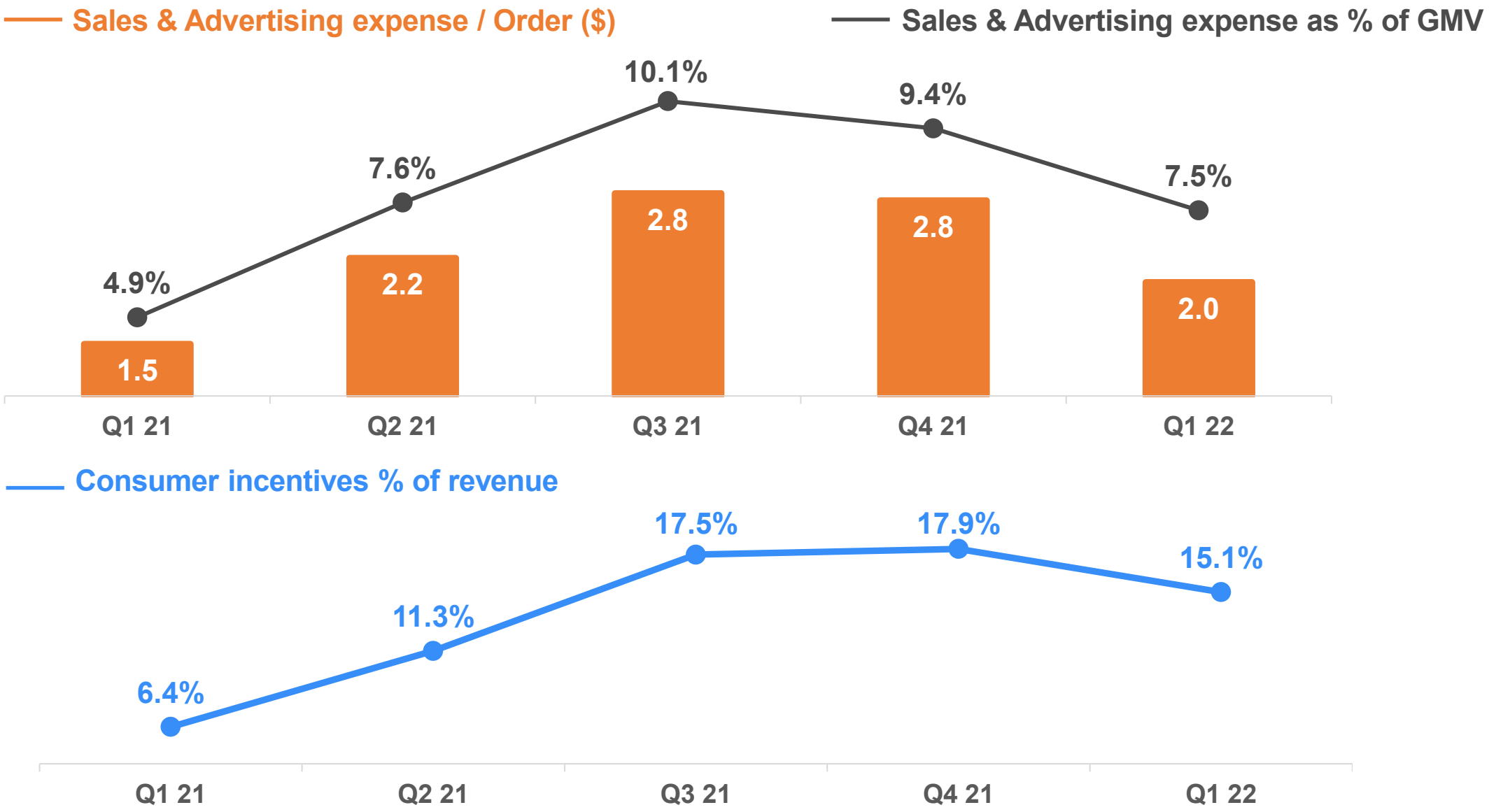
***+38% YoY[2]***

Notes

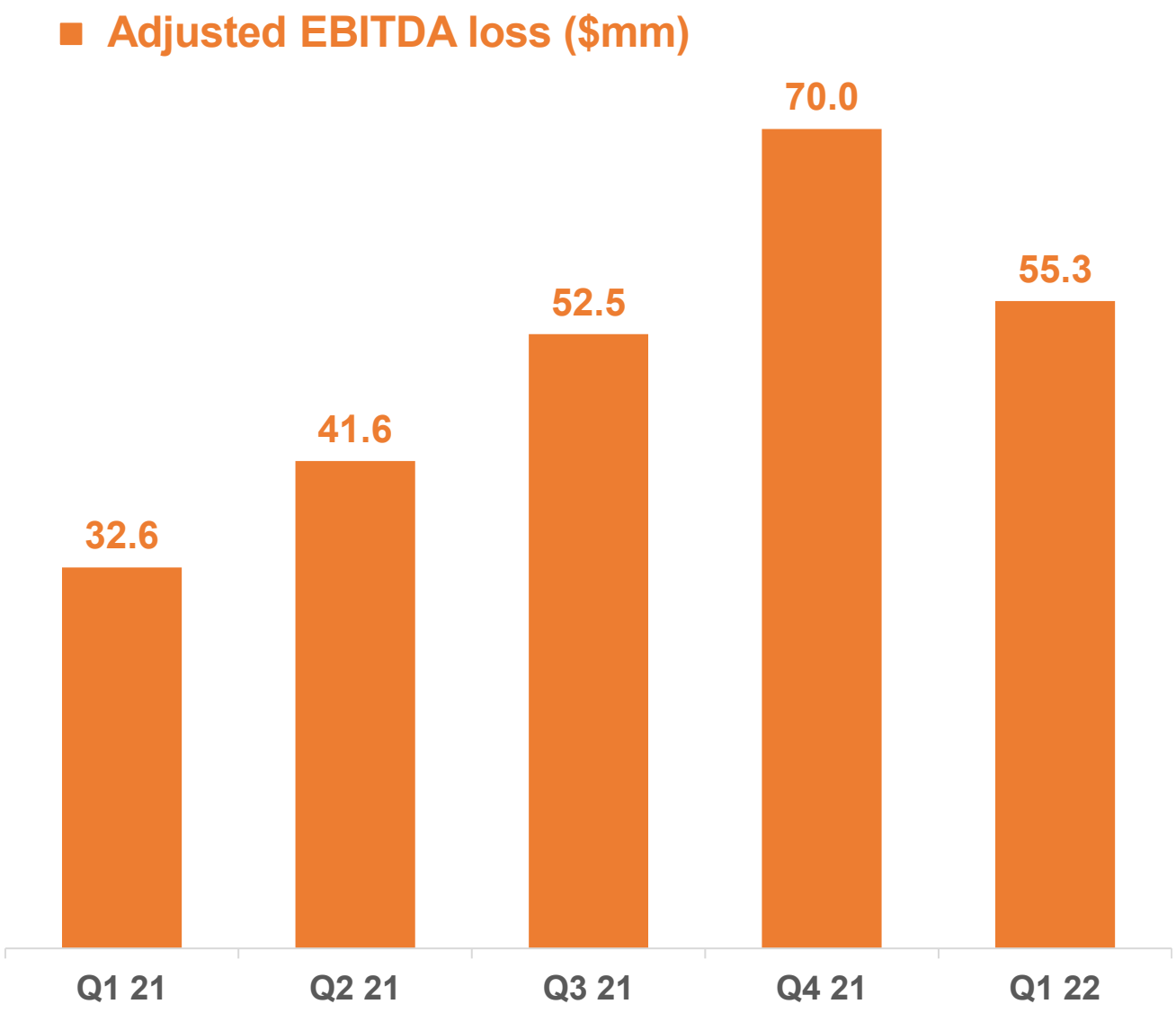
1. Year-Over-Year, i.e. Q1.2022 vs Q1.2021
2. Growth on a constant currency basis
3. Before consumer incentives

# Improving marketing efficiency

***Best level of Sales & Advertising efficiency in the last 4 quarters***



# We are past the peak of quarterly Adjusted EBITDA losses




- We are **past the peak of quarterly Adjusted EBITDA losses** reached in Q4.21
- We maintain our **FY22 guidance of Adjusted EBITDA loss ranging between $200mm and 220mm**
- We expect our **YoY Adjusted EBITDA loss to decrease starting from FY23**



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

# We are executing with consistency and discipline to accelerate usage growth



Further entrench Jumia as **the digital destination for everyday needs and occasional purchases in Africa**

| Marketing | Commercial | Logistics | Technology |
|---|---|---|---|
| **Investments** in customer acquisition & retention | **Further penetrate everyday** product categories | **Disciplined** roll-out of **free next-day delivery**[1] | **Increase headcount and capacity** |

## Selected Q1.2022 Developments

### #1 Most Influential Brand

In e-commerce category

Ipsos Most Influential Brands, Egypt, 2021

### + 1 million[2] SKUs

In the FMCG category between 12/31/2021 and 03/31/2022

### 57% of packages[3]

Reached consumers within 24 hours of order placing

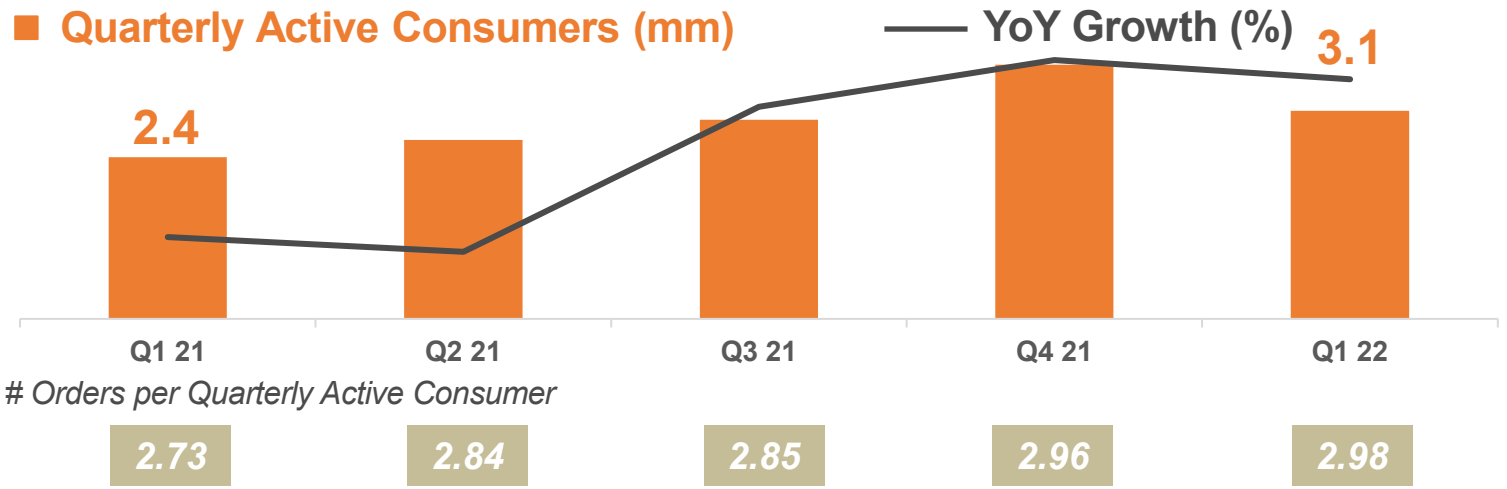
### UI/UX overhaul

Revamp of homepage structure and product description pages

Notes

1. On Jumia Express items, in main cities, for baskets above a minimum size
2. 946,020 SKUs
3. Of shipped packages

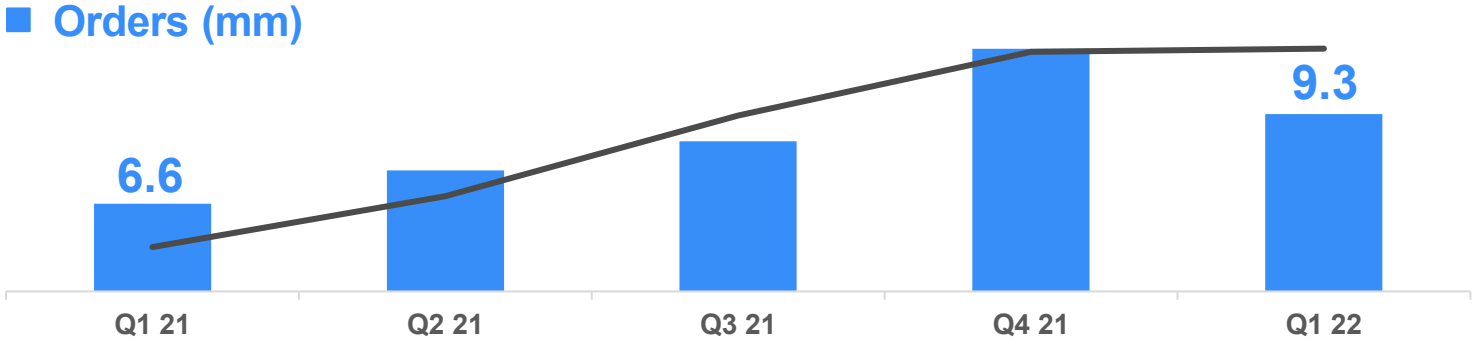
# Usage growth is clearly accelerating




*# Orders per Quarterly Active Consumer*

| Q1 21 | Q2 21 | Q3 21 | Q4 21 | Q1 22 |
|---|---|---|---|---|
| *2.73* | *2.84* | *2.85* | *2.96* | *2.98* |

***+29% YoY[1]***

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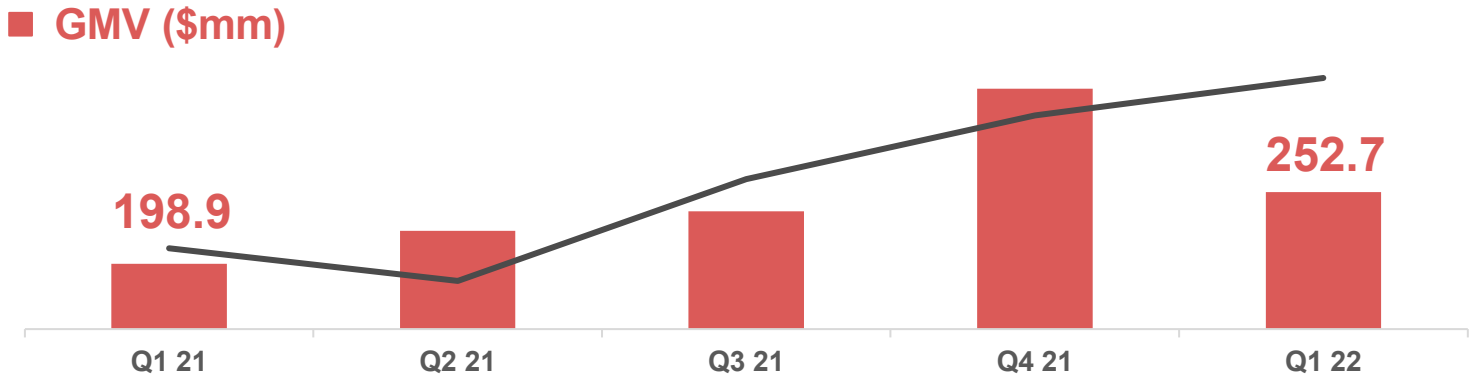


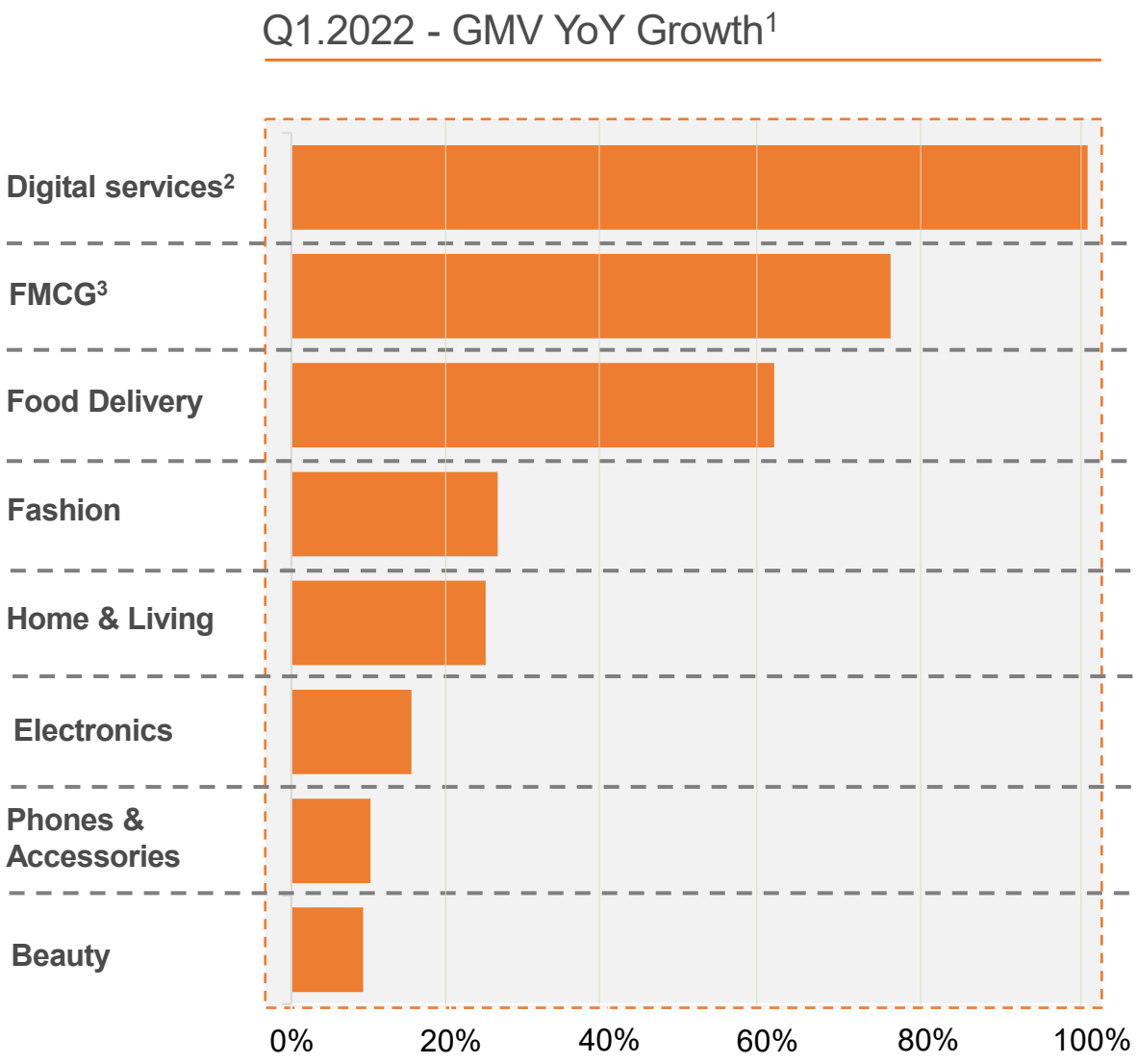

***+27% YoY[1]***

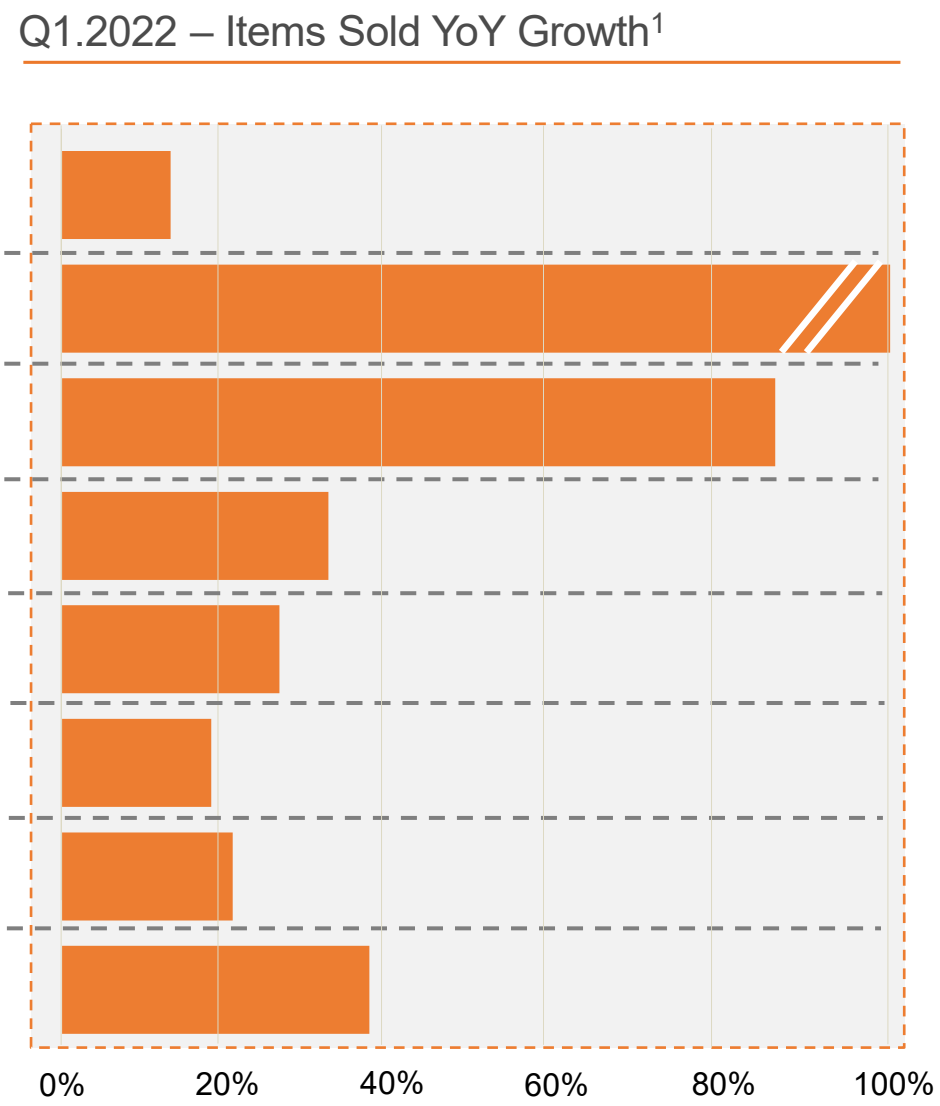
***+35% YoY[2]***

Notes

1. Year-Over-Year i.e. Q1.2022 vs Q1.2021
2. GMV growth on a constant currency basis

# We are seeing growth momentum across all product categories



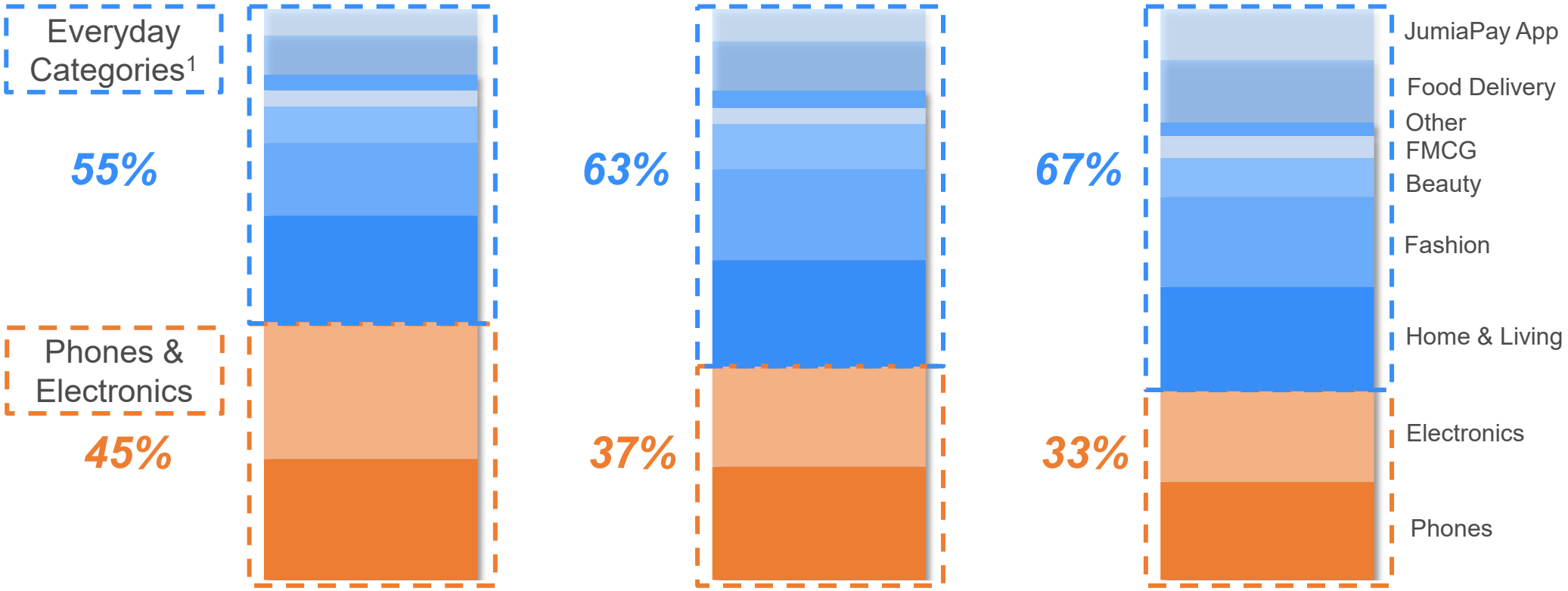




Notes

1. Chart excludes "Other" product categories which includes auto accessories, books etc. GMV for "Other" product categories decreased by 2% YoY and Items Sold grew 8% YoY.
2. Digital Services offered via the JumiaPay app
3. Fast-Moving Consumer Goods Items Sold grew 180% YoY

# GMV mix continues to shift towards everyday product categories

## GMV Split




## Average Order Value

| Q1 2020 | Q1 2021 | Q1 2022 |
|---|---|---|
| $32.6 | $30.0 | $27.1 |

Notes:

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



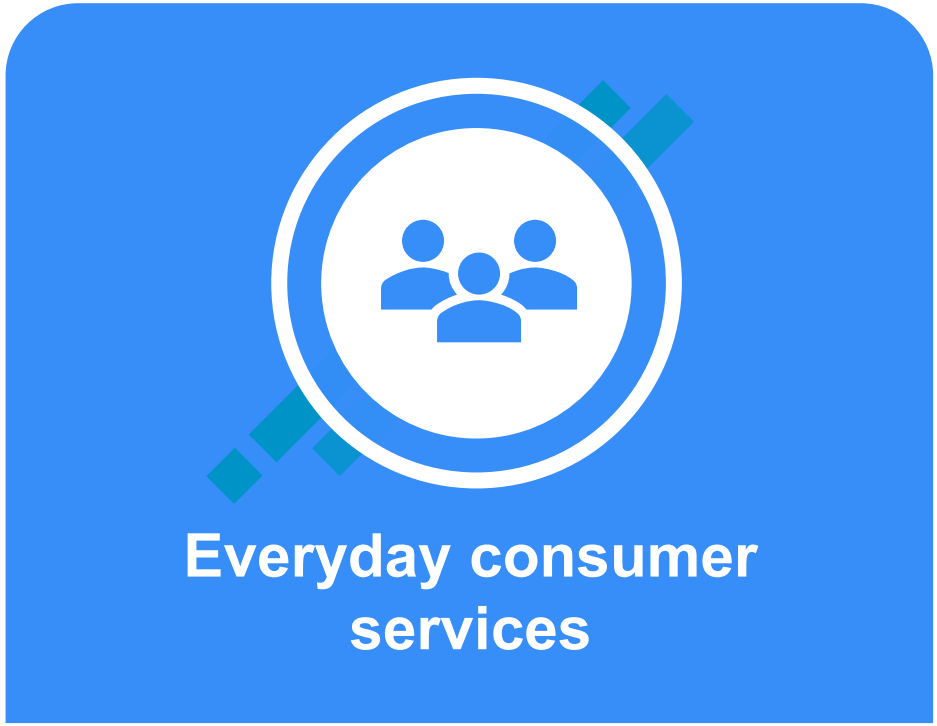
- Usage trends
- **JumiaPay development**
- Monetization
- Cost efficiency
- ESG
- Appendix

# Selected JumiaPay developments in Q1.2022



## Payment Service Solution Provider License (“PSSP”)

- Granted **by the Central Bank of Nigeria**
- Allows us to **process payments on behalf of third-party businesses**



## Everyday consumer services

- **Piloting an e-doctor service** on the JumiaPay app in Nigeria, in **partnership with CGAP**[1] and Meeting Doctors

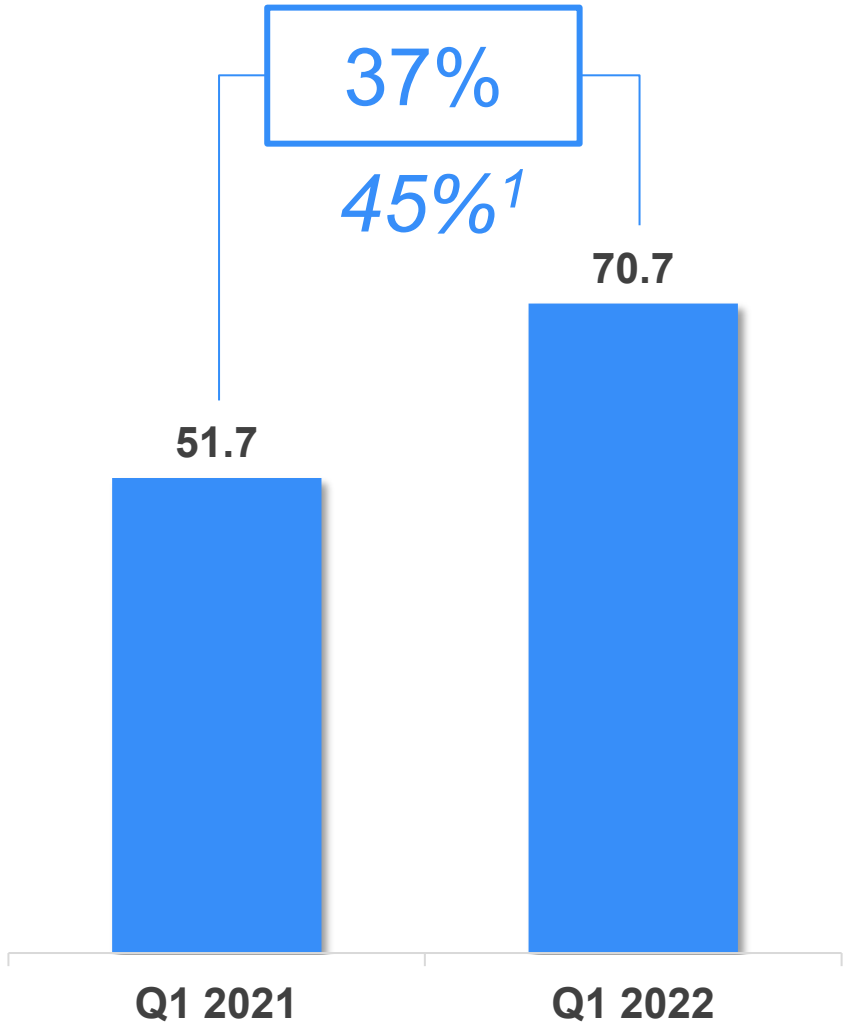
Notes:

1. “Consultative Group to Assist the Poor”, which is a global partnership of more than 30 leading development organizations, focused on financial inclusion to improve the lives of lower income populations

# JumiaPay TPV penetration reached 28% of GMV…

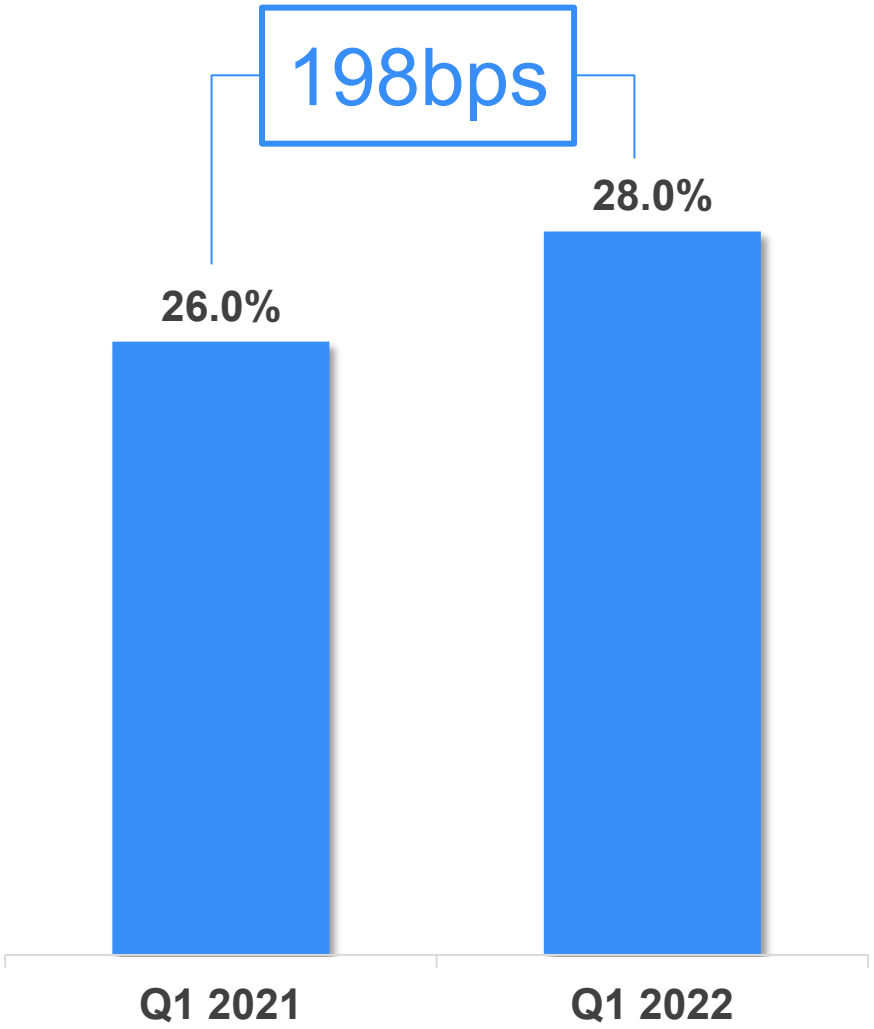
## JumiaPay Total Payment Volume (“TPV”)

$mm




## JumiaPay TPV as % of GMV

% on-platform penetration



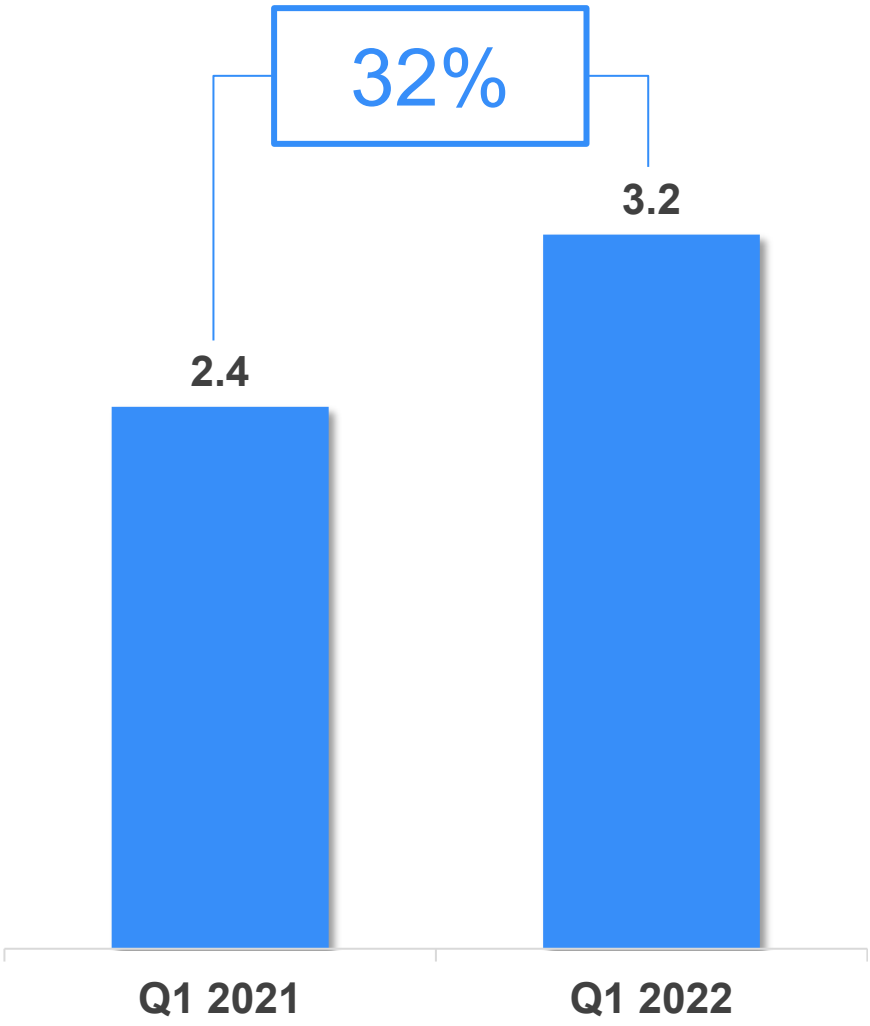

Notes

1. TPV growth on a constant currency basis

# …while JumiaPay Transactions accounted for 34% of total orders

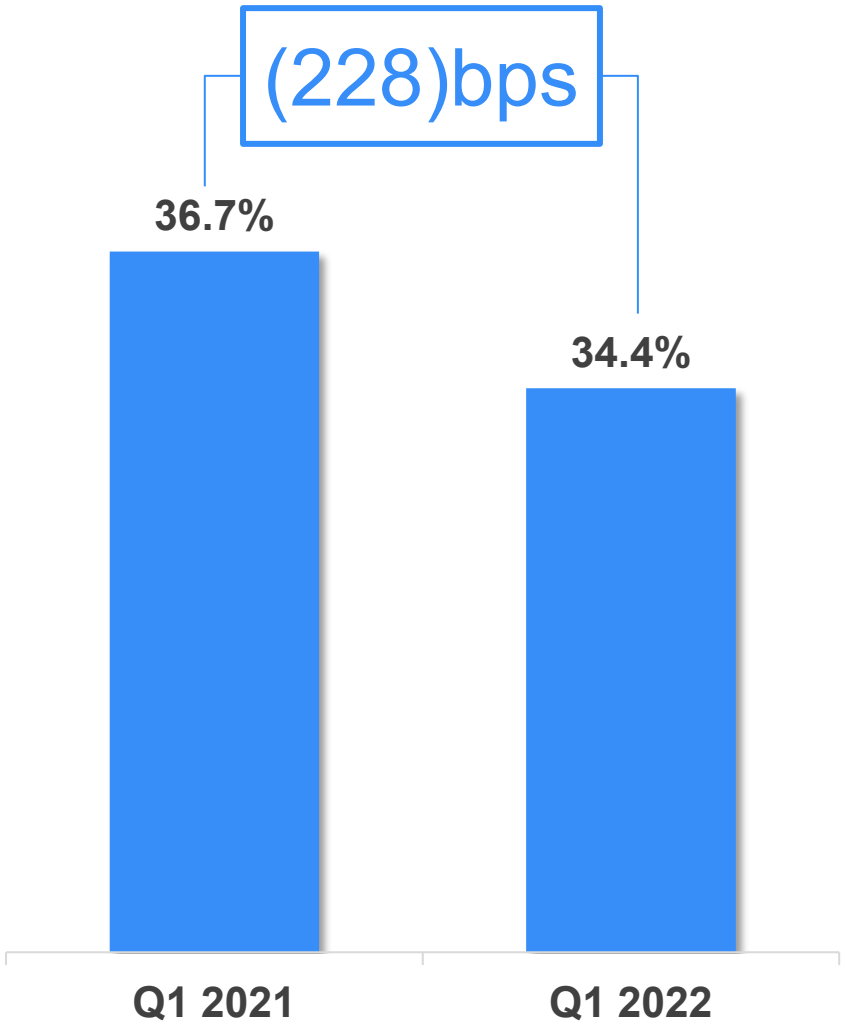
JumiaPay Transactions

mm




JumiaPay Transactions as % of total Orders

% on-platform penetration

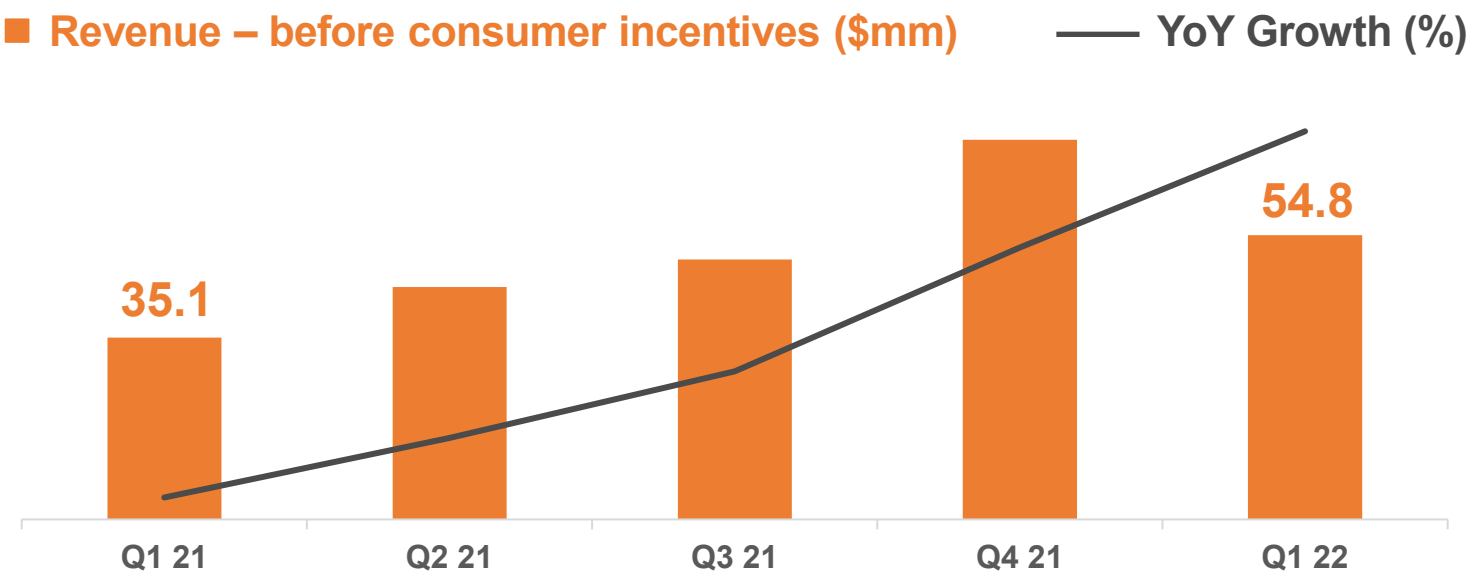




- Usage trends
- JumiaPay development
- **Monetization**
- Cost efficiency
- Appendix

# Monetization growth is accelerating

***Fastest Revenue[3] and Gross Profit[3] growth rates of the past 9 quarters***




***+56% YoY[1]***

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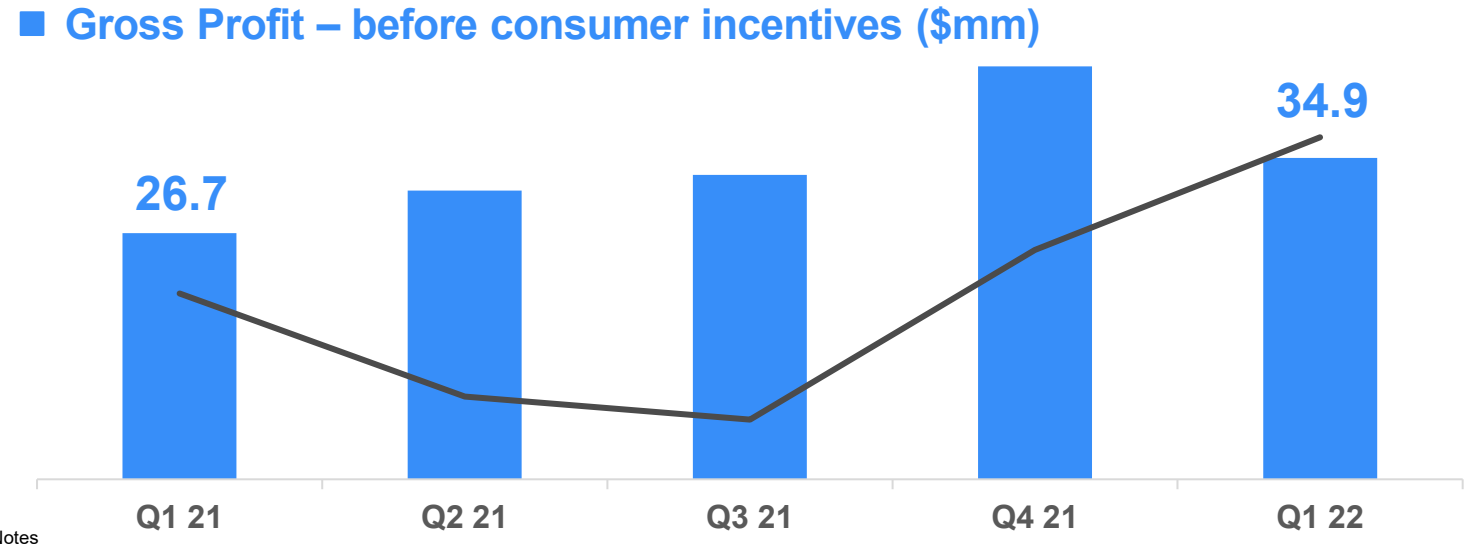


***+31% YoY[1]***

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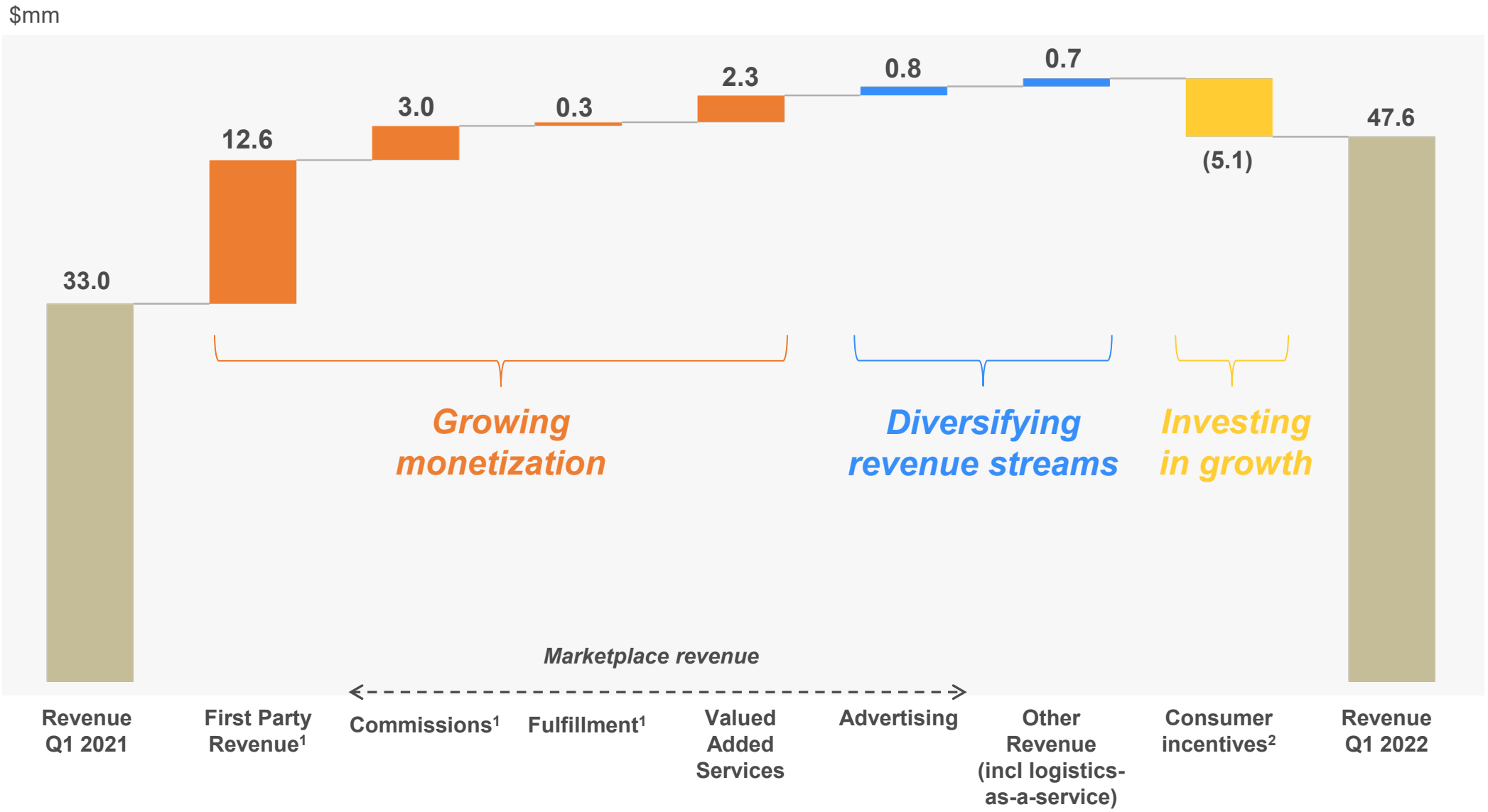
Notes

1. Year-Over-Year, i.e. Q1.2022 vs Q1.2021
2. Growth on a constant currency basis
3. Before consumer incentives

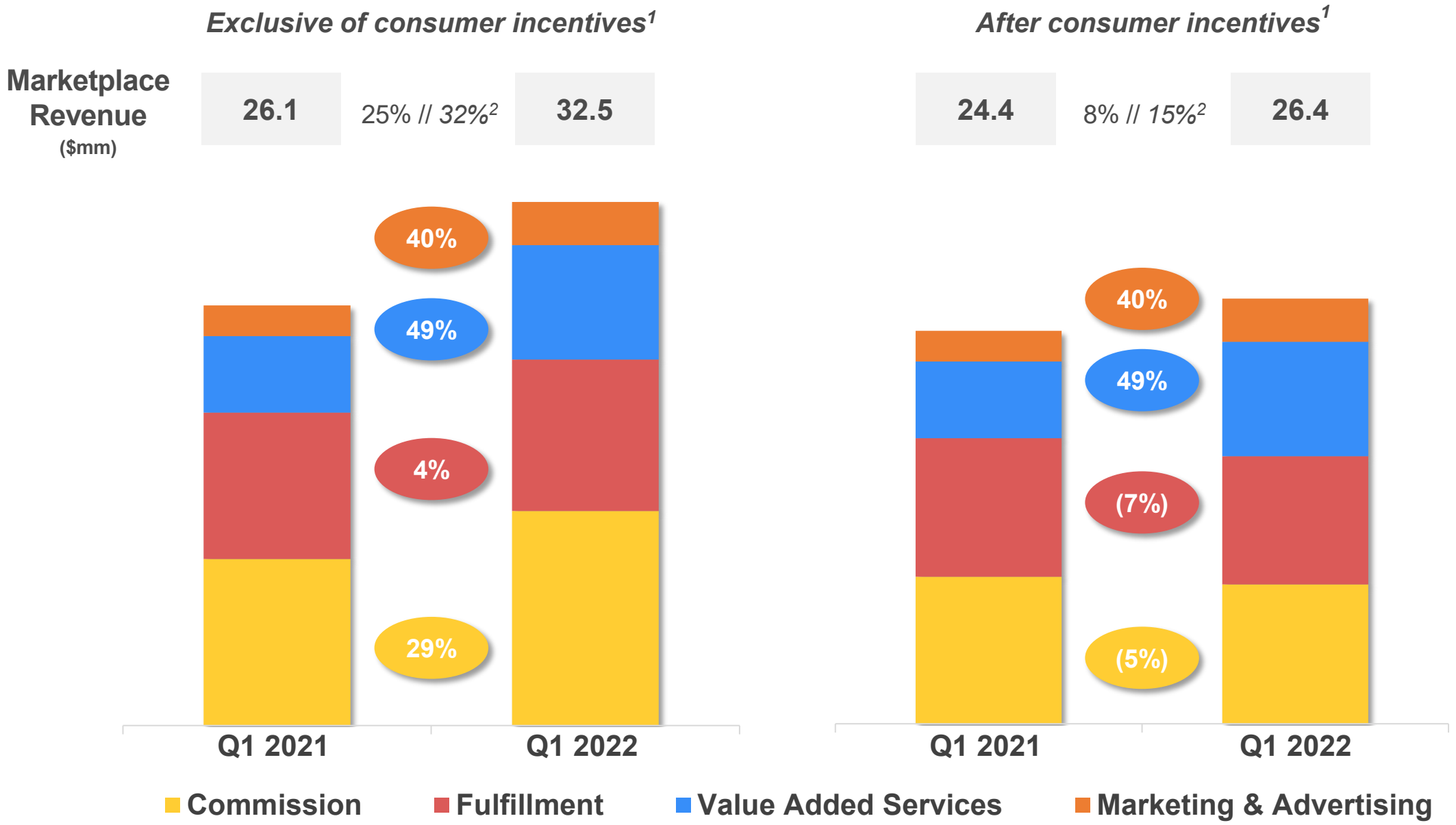
# Revenue evolution breakdown




Notes: Numbers in the orange, blue and yellow bars indicate change in the relevant metric between Q1.2021 and Q1.2022

1. Exclusive of consumer incentives
2. Consumer incentives include retail sales discounts, marketplace discounts and subsidies as well as shipping discounts. Consumer incentives are accounted for as deductions from the revenue streams they relate to

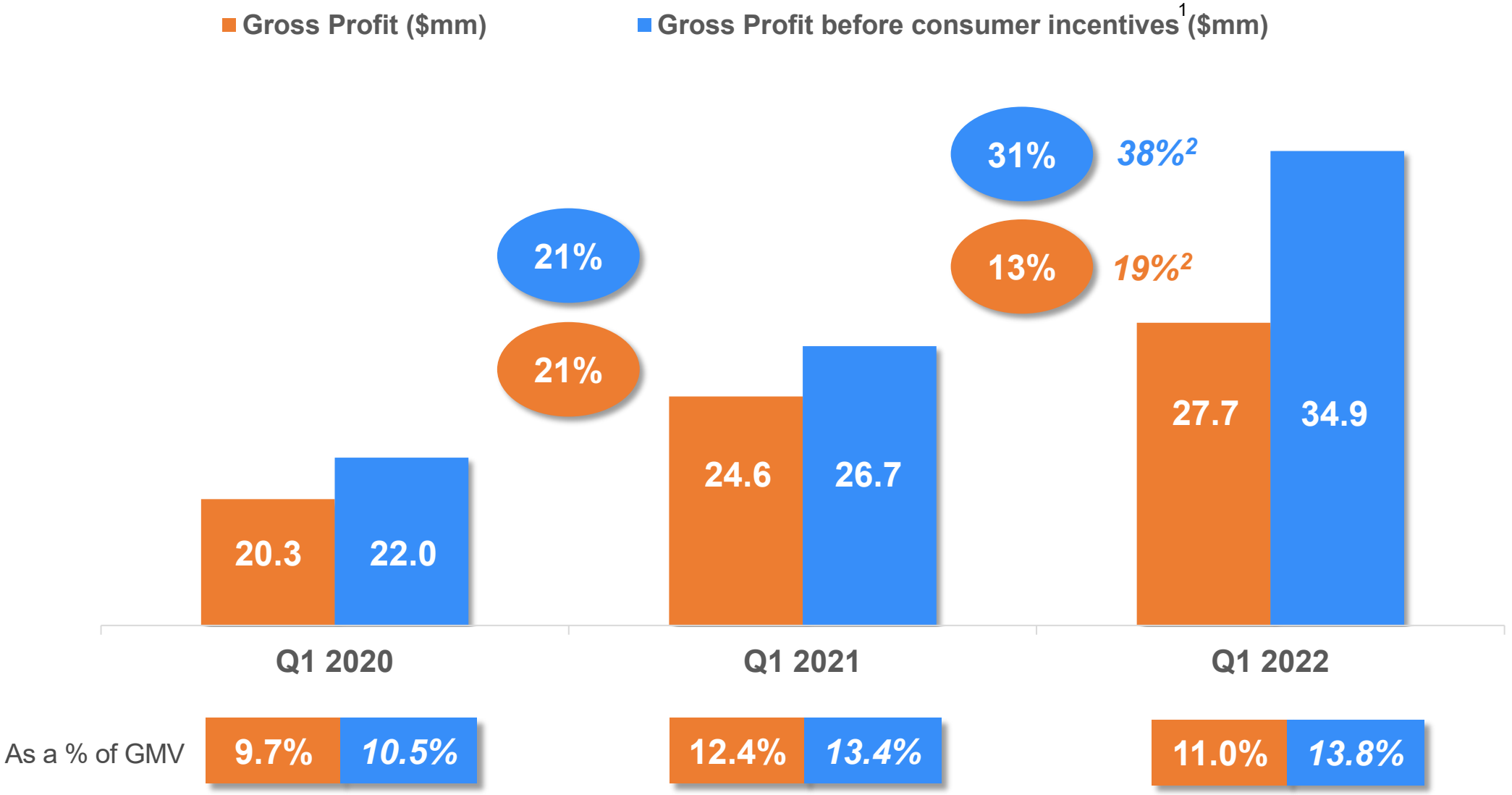
# We are leveraging robust Marketplace Revenue momentum to invest further into growth




Notes:

1. Consumer incentives include marketplaces discounts and subsidies as well as shipping discounts
2. Marketplace revenue growth in constant currency

# Gross Profit continues to grow




Notes

1. Consumer incentives include retail sales discounts, marketplace discounts and subsidies as well as shipping discounts
2. Constant currency growth

# Our logistics-as-a-service offering has an attractive value proposition and is experiencing strong momentum

## Platform assets

| PARTNER NETWORK | PHYSICAL PRESENCE | TECHNOLOGY & DATA |
|---|---|---|
| ~700[1] logistics partners | >50,000 sqm[1] of warehouses<br>>3,000[1] drop-off and pick-up stations | Optimization of logistics workflows<br>Tracking & updates |

## Key services offered




| WAREHOUSING | INBOUND | PICKING & PACKING | LAST-MILE & PAYMENT | TRACKING | RETURN HANDLING |
|---|---|---|---|---|---|

## Q1.2022 highlights

| | | |
|---|---|---|
| ***3.5 million***<br>***Logistics-as-a-service packages*** | ***>$1.2 million***<br>***Logistics revenue from 3rd parties*** | ***>1,250 clients***<br>***Large corporates and SMEs*** |

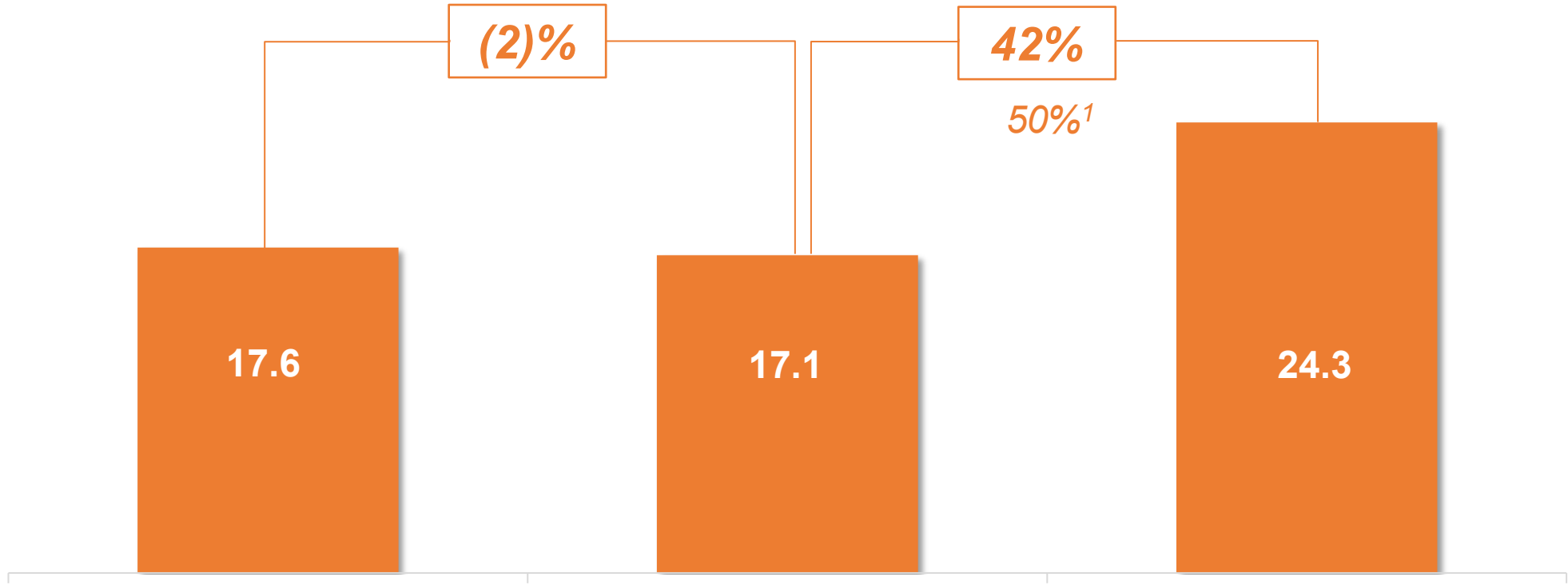
Notes
1. As of December 31, 2021



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

# Fulfillment costs are growing in line with volume growth

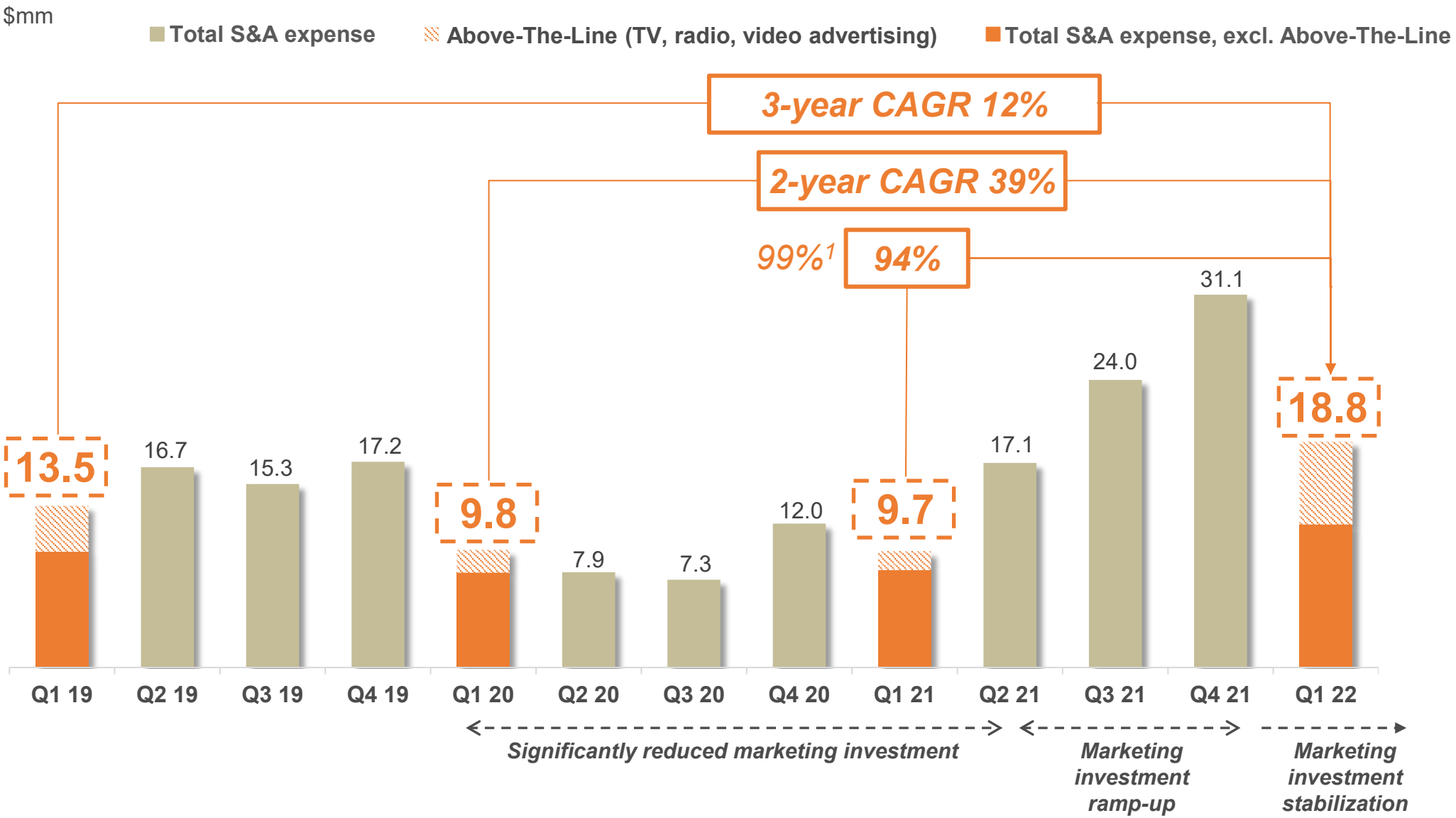
## Fulfillment expense($mm)




| | Q1 2020 | | Q1 2021 | | Q1 2022 |
|---|---|---|---|---|---|
| # Orders (mm) | 6.4 | 3% | 6.6 | 40% | 9.3 |
| Logistics-as-a-service packages (mm) | - | | 0.8 | | 3.5 |

Notes
1. Constant currency growth

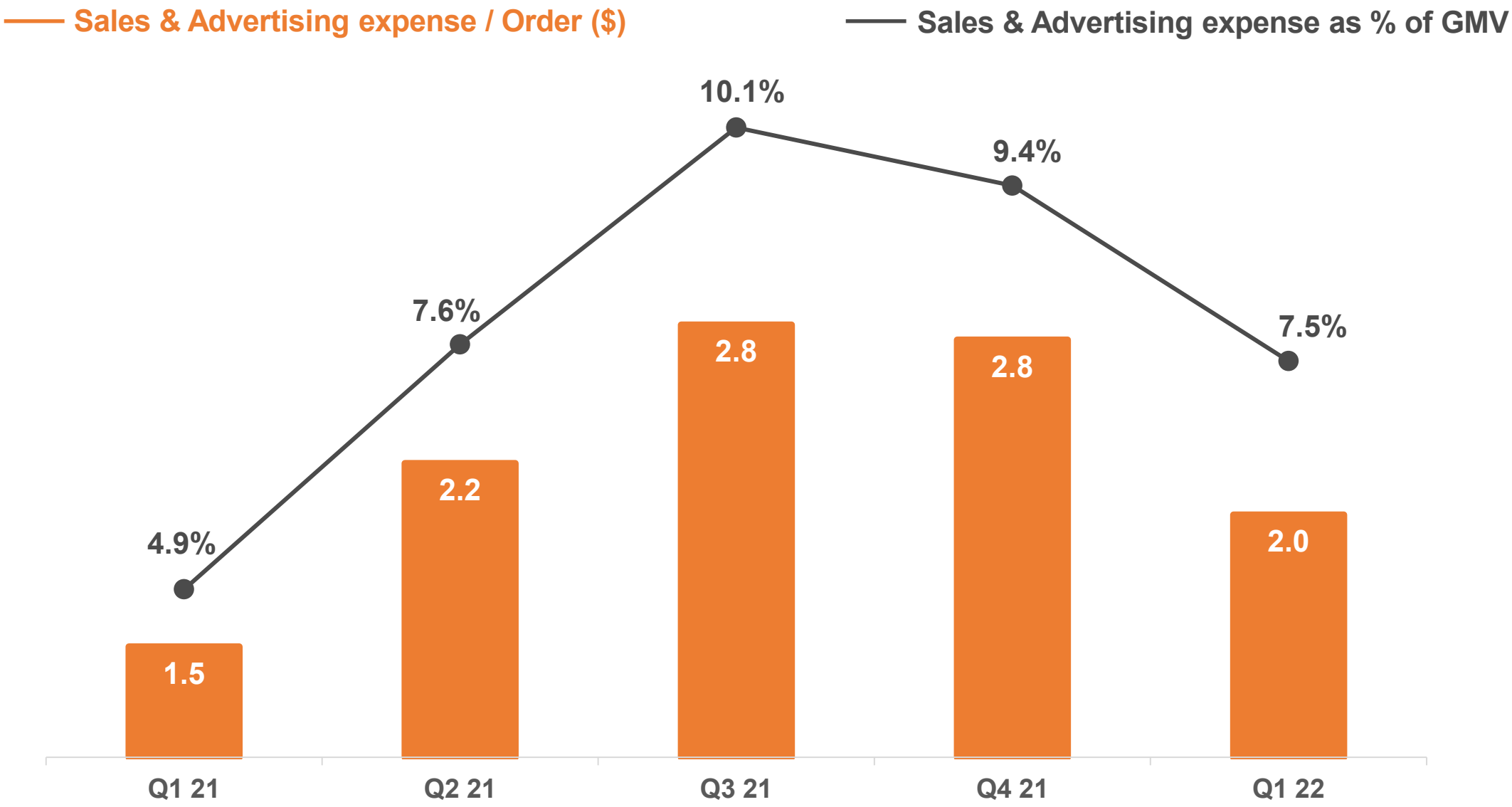
# We are stabilizing the level of Sales and Advertising investment



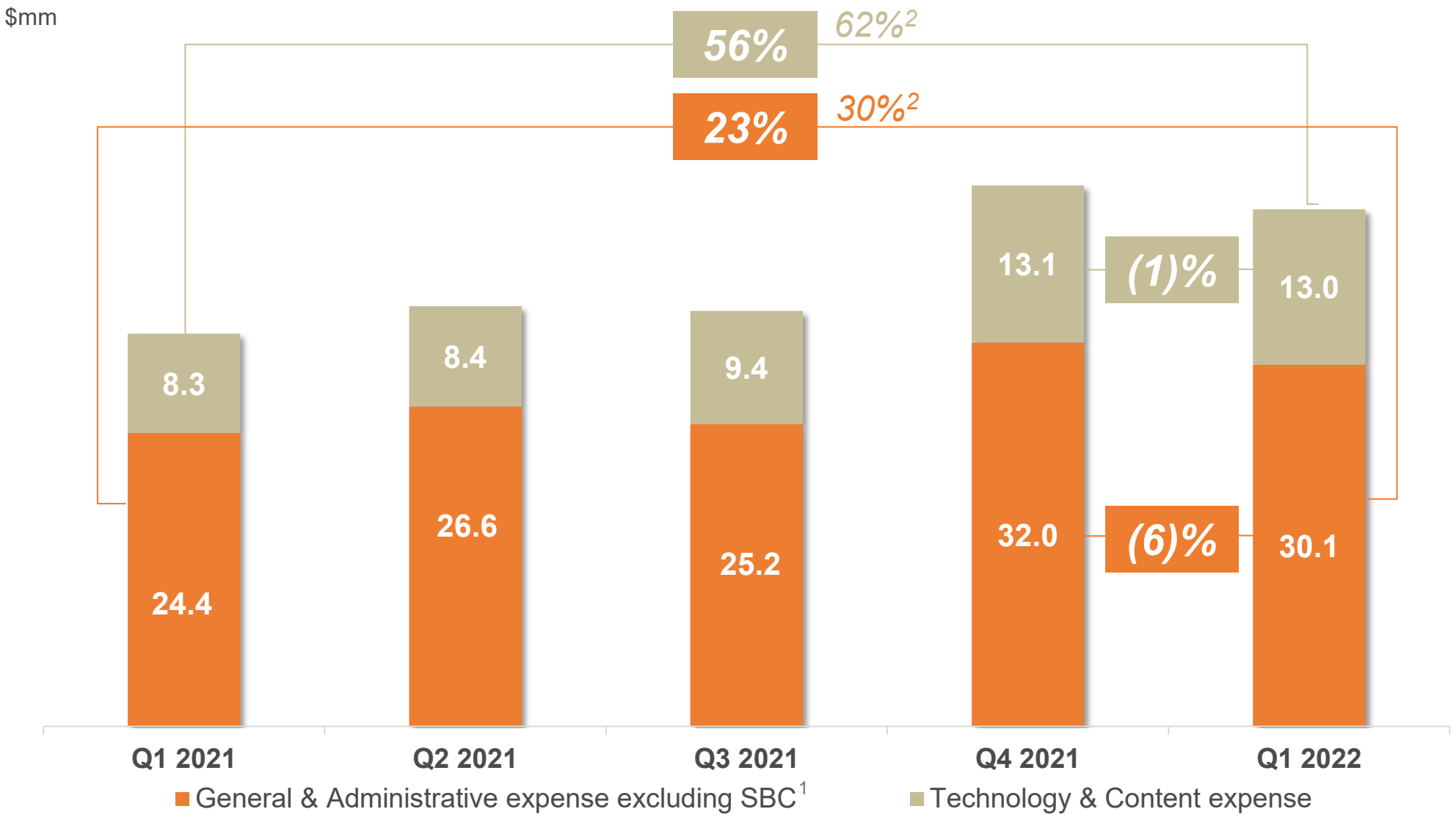

Notes

1. Constant currency growth

# We are strongly improving marketing efficiency on a sequential basis

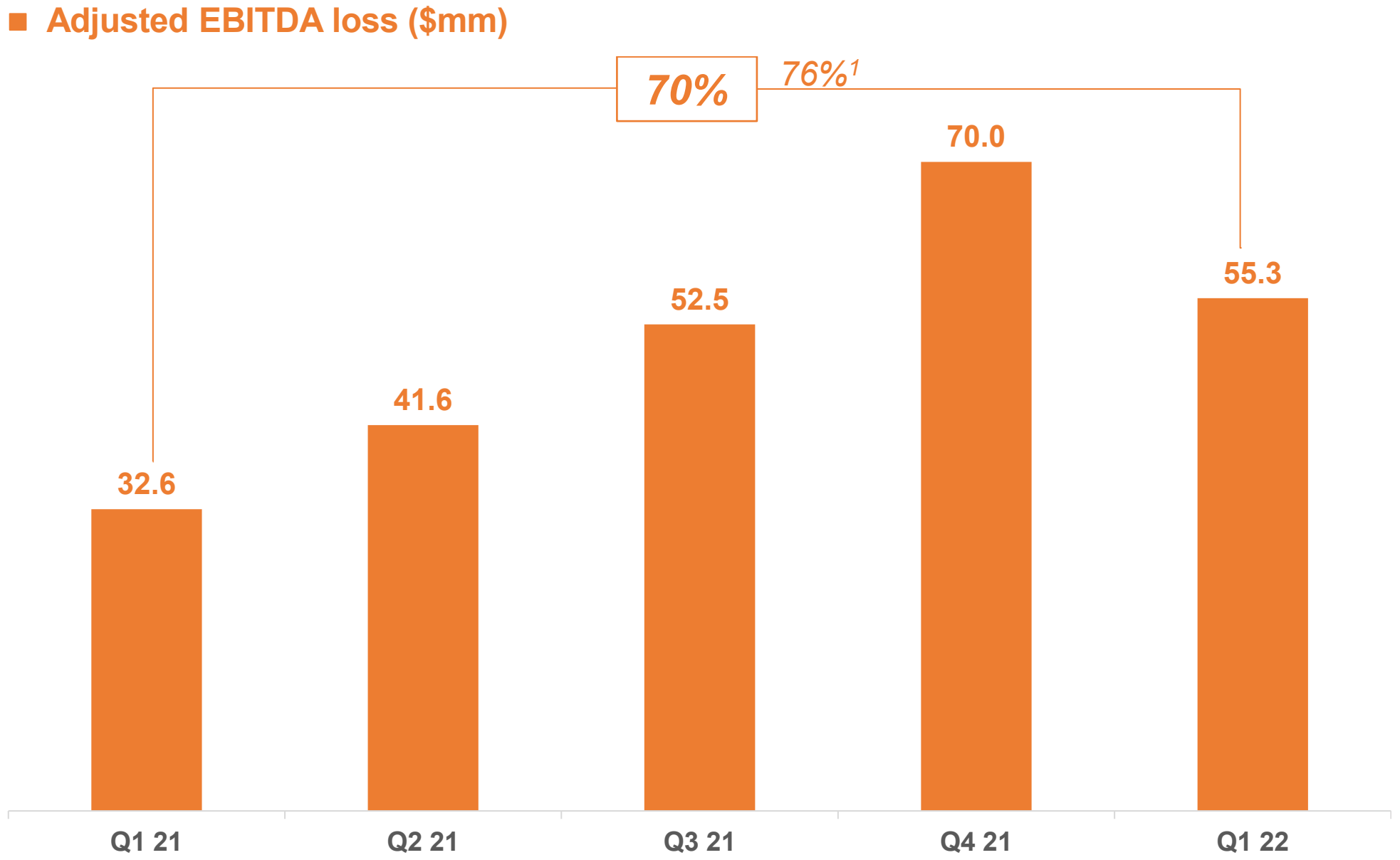


# We are stabilizing our Tech and G&A investments on a sequential basis




Notes
1. Share Based Compensation expense
2. Constant currency growth

# We are past the peak of quarterly Adjusted EBITDA losses




Notes
1. Constant currency growth

# Balance sheet and cash flow highlights

**$1.7mm** **CAPEX[1] Q1.2022**

**$78.2mm** **CASH UTILIZATION[2]**

**$(23.4)mm** **WORKING CAPITAL**
Net change in Working Capital[3]
Q1 2022

**$421.2mm** **CASH &TERM DEPOSITS[4]**

Notes
1. Corresponds to Purchase of Property and Equipment and Intangible assets, as presented on the Cash Flow Statement
2. Net decrease in cash and cash equivalents adjusted for FX effects and movements in term deposits and other financial assets
3. Corresponds to a cash outflow of $23.4mm
4. Comprised of $88.7 million of cash and cash equivalents and $332.6 million of Term deposits and other financial assets

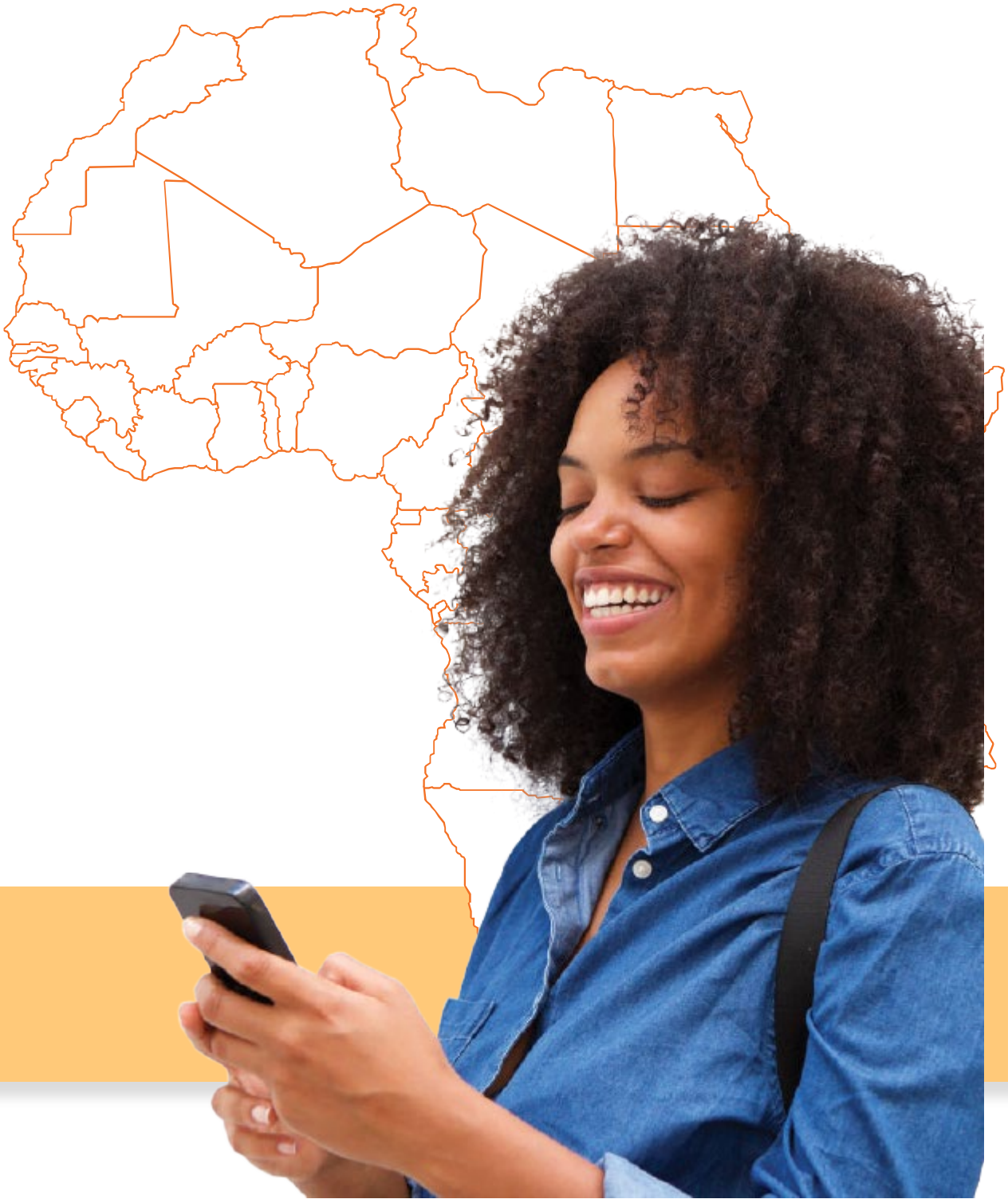
# The building blocks of our path to profitability

| | Q1.2022 progress | Initiatives to drive further progress |
|---|---|---|
| **Accelerating usage growth** | **Fastest YoY GMV** and **Order** growth rates **of the past 9 quarters** | Maintain usage growth momentum with consistent execution across the business:<br>• Marketing: continued **marketing investment with improving efficiency**<br>• Commercial: further penetrate **everyday product categories**<br>• Logistics: **disciplined roll-out of next day free delivery**[1]<br>• Technology: **further UI/UX improvements** |
| **Accelerating monetization** | **Fastest YoY Revenue**[2] and **Gross Profit**[2] growth rates **of the past 9 quarters** | Further accelerate monetization, leveraging our diversified monetization engine:<br>• First Party activity: **further enhance first party margins introducing volume rebates negotiation** on the back of first-party sales growth<br>• Marketplace activity: i) **selected commission take-rates increases** on the back of usage growth acceleration, ii) **monetize Jumia Express** with the targeted roll-out of free next-day delivery<br>• Further develop currently nascent revenue streams: **advertising, logistics-as-a-service**<br>• Further **monetization upside**: roll-out of **JumiaPay off-platform** |
| **Improving cost efficiencies** | **Best level of Sales & Advertising efficiency**[3] **in the last 4 quarters** | • **Further marketing efficiency improvement**<br>• **Operating leverage**/ scale efficiencies on **Technology and General & Administrative ex SBC expenses** |

Notes
1. On Jumia Express items, in main cities, for baskets above a minimum size
2. Before consumer incentives
3. Sales & Advertising expense per Order and as % of GMV

# We reiterate our guidance for FY2022

- **YoY GMV growth acceleration in 2022, building on the momentum of H2.2021**
- **Sales & Advertising expense between $50mm and $55mm in H1.2022**
- **Adjusted EBITDA loss** ranging between **$200mm and $220mm in FY2022**
- **Begin decreasing YoY Adjusted EBITDA losses from FY2023**
- **Logistics capacity expansion/ upgrades** to increase customer reach and reduce delivery time: **$15-25mm capex in FY2022**



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

# Non-IFRS Reconciliation (1/2)

| | For the three months ended March 31 | |
|---|---|---|
| *($ mm)* | **2021** | **2022** |
| **Marketplace revenue[1]** | **24.4** | **26.4** |
| Commissions | 9.1 | 8.6 |
| Fulfillment | 8.6 | 8.0 |
| Marketing & Advertising | 1.9 | 2.7 |
| Value Added Services | 4.7 | 7.1 |
| **First Party revenue** | **7.8** | **19.7** |
| Other revenue | 0.8 | 1.6 |
| **Revenue** | **33.0** | **47.6** |
| Cost of revenue | (8.4) | (19.9) |
| **Gross Profit** | **24.6** | **27.7** |

Notes

1. Revenue from Marketplace calculated as the sum of revenue from Commissions, Fulfillment, Marketing & Advertising and Value Added Services, excluding First Party revenue and Other revenue

# Non-IFRS Reconciliation (2/2)

| | For the three months ended March 31 | |
|---|---|---|
| *($ mm)* | **2021** | **2022** |
| **Loss for the period** | **(24.9)** | **(69.5)** |
| Income tax expense | 0.3 | 0.1 |
| Finance (income)/costs – net | (15.9) | 2.9 |
| Depreciation and amortization | 2.3 | 2.6 |
| Share-Based Compensation expense | 5.8 | 8.4 |
| **Adjusted EBITDA** | **(32.6)** | **(55.3)** |

# Constant currency data (USD)

| ($ mm, except percentages) | For the three months ended March 31 | | | | | |
|---|---|---|---|---|---|---|
| | As reported | | YoY Change | As reported | FX neutral data | YoY Change |
| | 2021 | 2022 | | 2021 | 2022 | |
| GMV | 198.9 | 252.7 | *27.0%* | 198.9 | 268.1 | *34.8%* |
| TPV | 51.7 | 70.7 | *36.7%* | 51.7 | 75.0 | *45.1%* |
| TPV as % of GMV | 26.0% | 28.0% | | 26.0% | 28.0% | |
| | | | | | | |
| **Gross Profit** | **24.6** | **27.7** | ***12.6%*** | **24.6** | **29.3** | ***19.3%*** |
| Fulfillment expense | (17.1) | (24.3) | *41.7%* | (17.1) | (25.8) | *50.3%* |
| Sales & Advertising expense | (9.7) | (18.8) | *93.8%* | (9.7) | (19.3) | *98.6%* |
| Technology & content expense | (8.3) | (13.0) | *56.4%* | (8.3) | (13.4) | *61.7%* |
| G&A expense, excluding SBC | (24.4) | (30.1) | *23.3%* | (24.4) | (31.7) | *29.7%* |
| **Adjusted EBITDA loss** | **(32.6)** | **(55.3)** | ***69.9%*** | **(32.6)** | **(57.4)** | ***76.4%*** |
| **Operating Loss** | **(40.6)** | **(66.4)** | ***63.5%*** | **(40.6)** | **(68.6)** | ***69.0%*** |

# 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
- “Quarterly Active Consumers” means unique consumers who placed an order for a product or a service on our platform, within the 3-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 for which JumiaPay was used including shipping fees, value-added tax, and before deductions of any discounts or vouchers, irrespective of cancellations or returns, for the relevant period
- “JumiaPay Transactions” corresponds to the total number of orders for products and services on our marketplace for which JumiaPay was used, irrespective of cancellations or returns, for the relevant period
- General and administrative expense, excluding SBC, corresponds to the General & Administrative (“G&A”) expense excluding share-based payment expense (“SBC”). We use this metric to measure the development of our G&A costs exclusive of the impact of SBC which is mainly a non-cash expense, influenced, in part, by share price fluctuations.
- “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