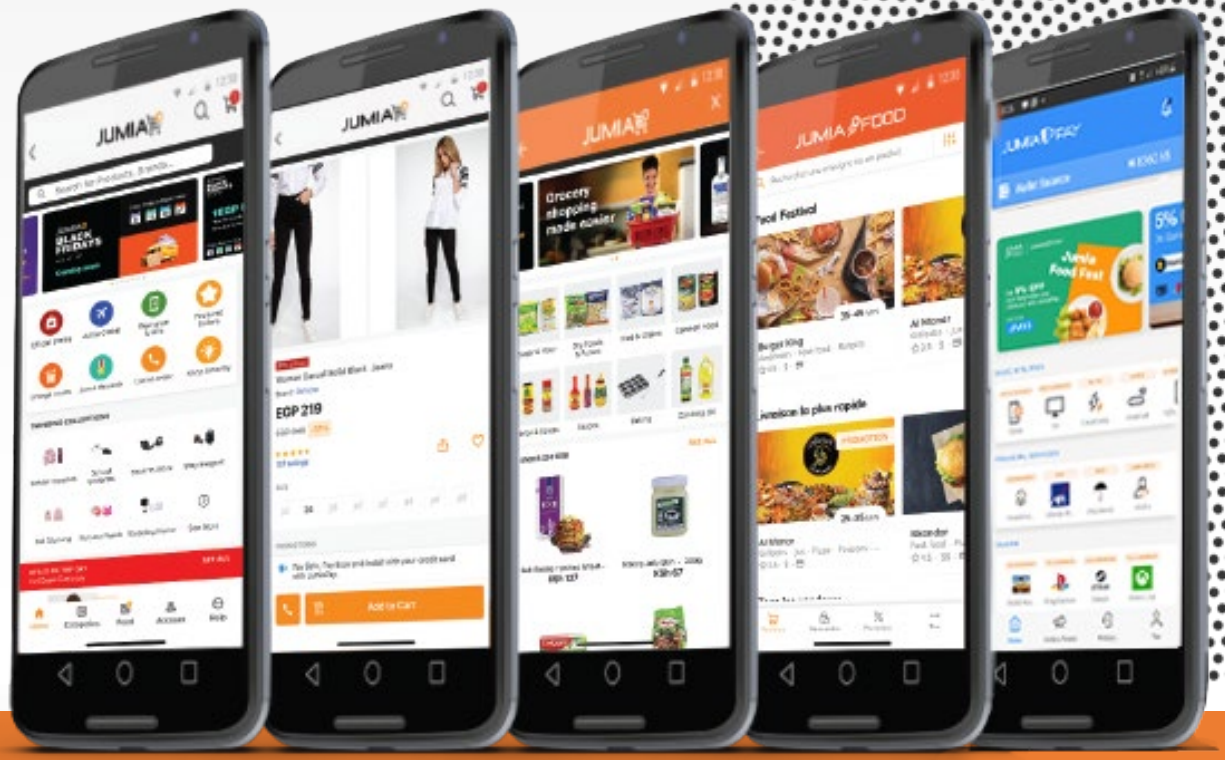
# Results Presentation

## Q4 2022




JUMIA

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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.

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- **Strategy update**
- Q4.22 performance
- Appendix

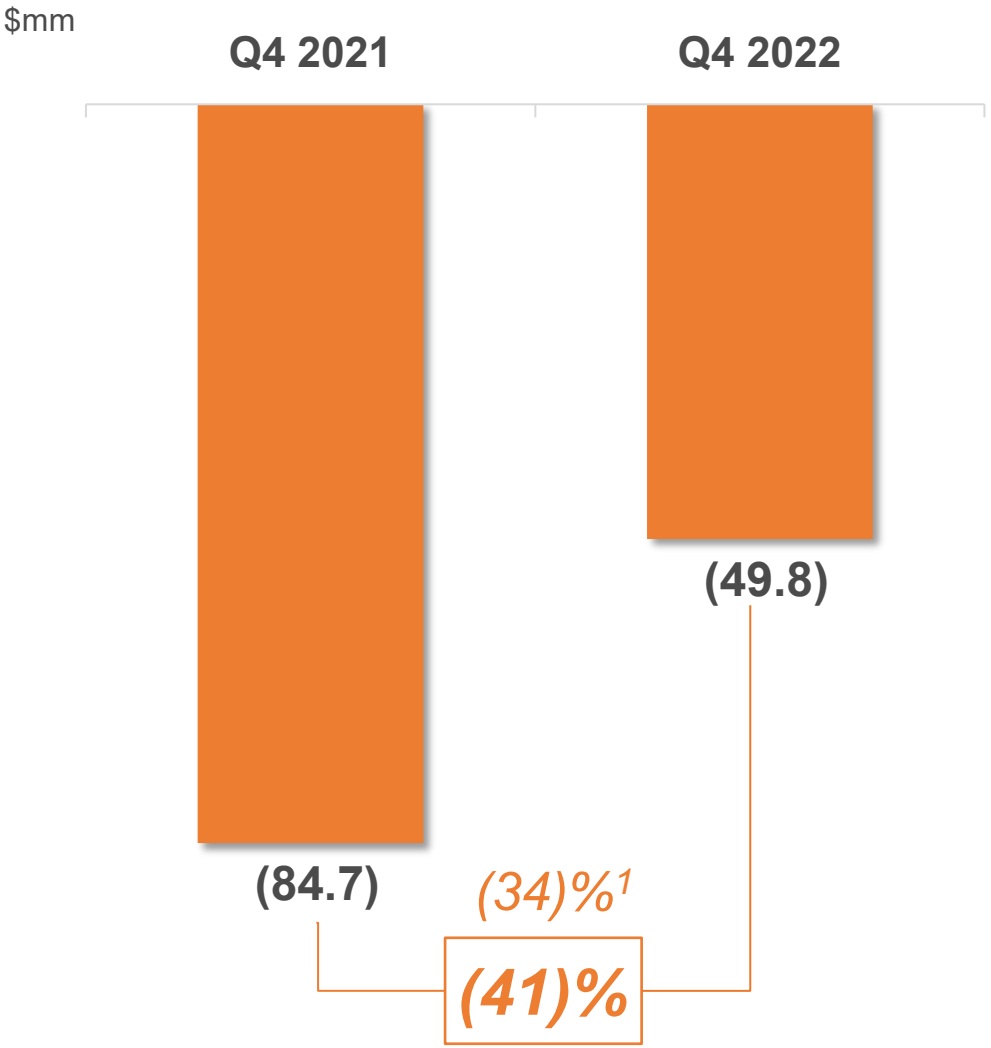
# Q4.2022 marked meaningful progress on our strategic priorities

- ✓ Significantly reduced Adjusted EBITDA and Operating losses
- ✓ Enhanced business focus
- ✓ Reduced costs
- ✓ Accelerated monetization

***These are early signs of success; we continue working across all strategy levers to drive better economics and more growth***

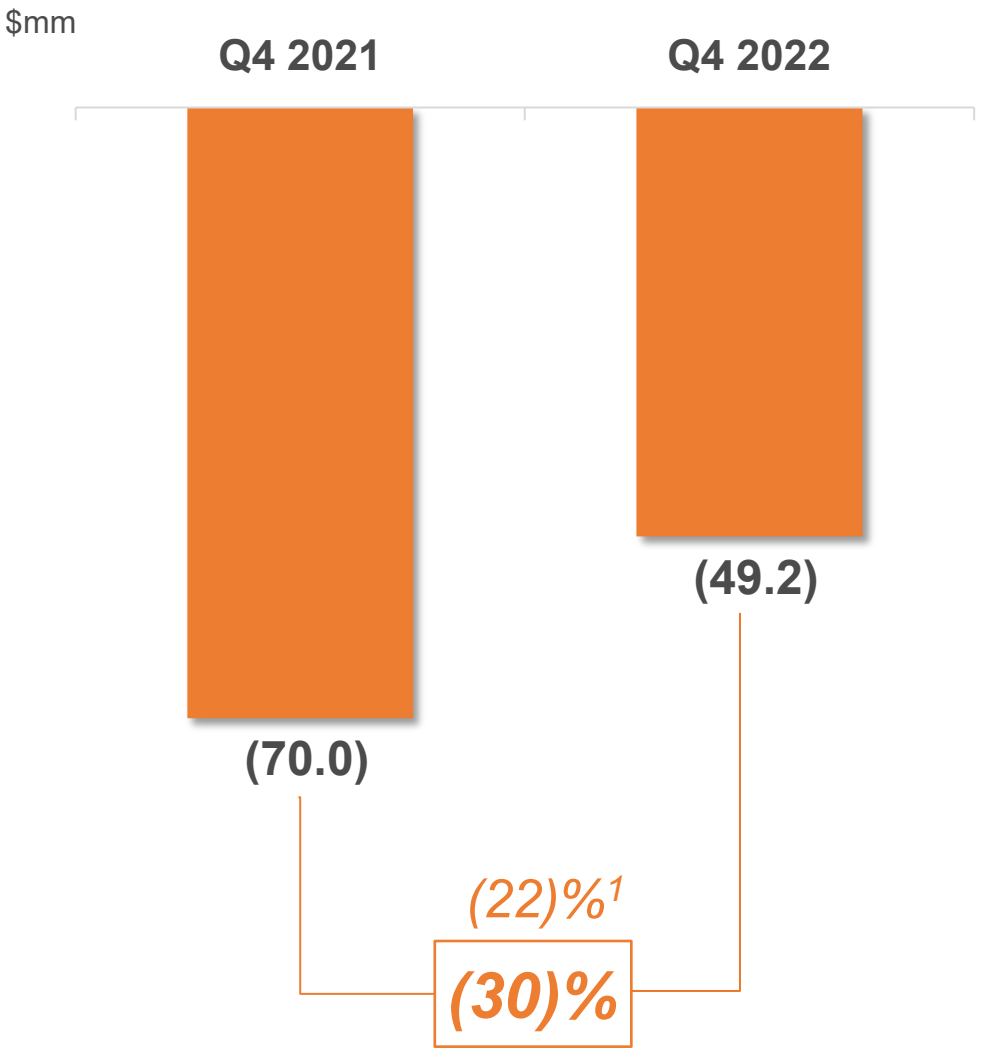
# 1 Significantly reduced our Adjusted EBITDA and Operating losses

## Operating loss




| Operating loss as % of GMV | (25.6)% | (17.6)% |
|---|---|---|

## Adjusted EBITDA loss




| Adjusted EBITDA loss as % of GMV | (21.2)% | (17.4)% |
|---|---|---|

Note
1. Constant currency growth

# 2 Enhanced business focus to support unit economics

## Terminated projects / ventures in Q4.2022

| | Rationale | Impact[1] |
|---|---|---|
| **Discontinued Jumia Prime** | Limited benefit to consumer adoption and stickiness | Immaterial contribution to GMV and Revenue |
| **Scaled back First Party Grocery**<br>Algeria, Ghana, Senegal and Tunisia | Adds business complexity, challenging unit economics, limited upside to consumer lifetime value | 9M.22 share of GMV < 3%<br>9M.22 share of Revenue < 7% |
| **Suspended logistics-as-a-service offering**<br>All geographies but Nigeria, Morocco and Ivory Coast | Adds business complexity, logistics platform not mature/ efficient enough to support 3rd party volume in these geographies | 9M.22 share of Revenue < 1% |
| **Selected food delivery closures**<br>In Egypt, Ghana and Senegal | Sub-scale business in these geographies, challenging path to profitability with limited upside to consumer lifetime value | 9M.22 share of GMV < 1%<br>9M.22 share of Adjusted EBITDA loss < 2% |

Note
1. Share of terminated activity in the overall group metrics

# 3 Reduced costs with further savings to come

| | | | |
|---|---|---|---|
| **Fulfillment** | ***(21)%*** Q4.22 YoY change in Fulfillment expense | ***(74)bps*** Q4.22 YoY change in Fulfillment expense % of GMV | ***(10)%*** Q4.22 YoY change in Fulfillment expense per Order |
| **Sales & Advertising** | ***(41)%*** Q4.22 YoY change in S&A[1] expense | ***(290)bps*** Q4.22 YoY change in S&A[1] % of GMV | ***(32)%*** Q4.22 YoY change in S&A[1] per Order |

**General & Administrative**

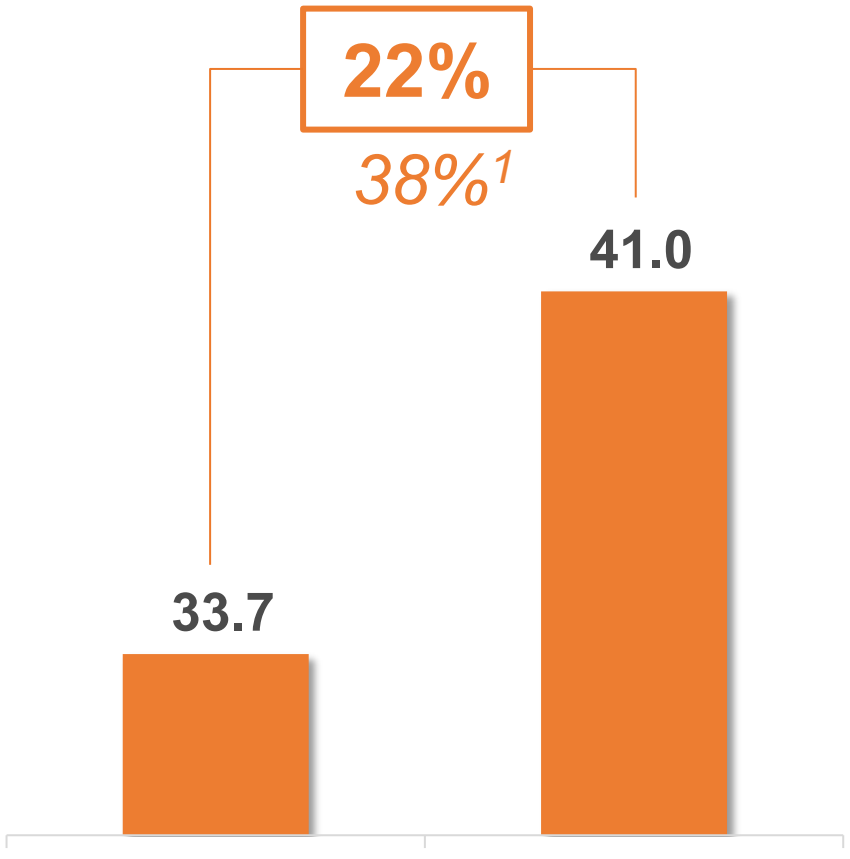
- **Significant headcount reduction**: Over **900 positions** terminated, or **20% headcount reduction**[2]
- **Significantly reduced presence in Dubai:** Reduced Dubai headcount **by over 60%.** Most of the remaining staff are being relocated to Africa
- Incurred $3.7 million of restructuring costs in Q4.22 associated with headcount reduction
- We expect actions taken to drive **over 30% in monthly staff costs savings** starting from March 2023, as compared to the October 2022 staff cost baseline

Note
1. Sales & Advertising expense
2. As compared to total group headcount at the end of Q3.22

# 4 Accelerated monetization to all-time highs

## Gross Profit

$mm




| Gross Profit as % of GMV | Q4 2021 | Q4 2022 |
|---|---|---|
| | 10.2% | 14.5% |

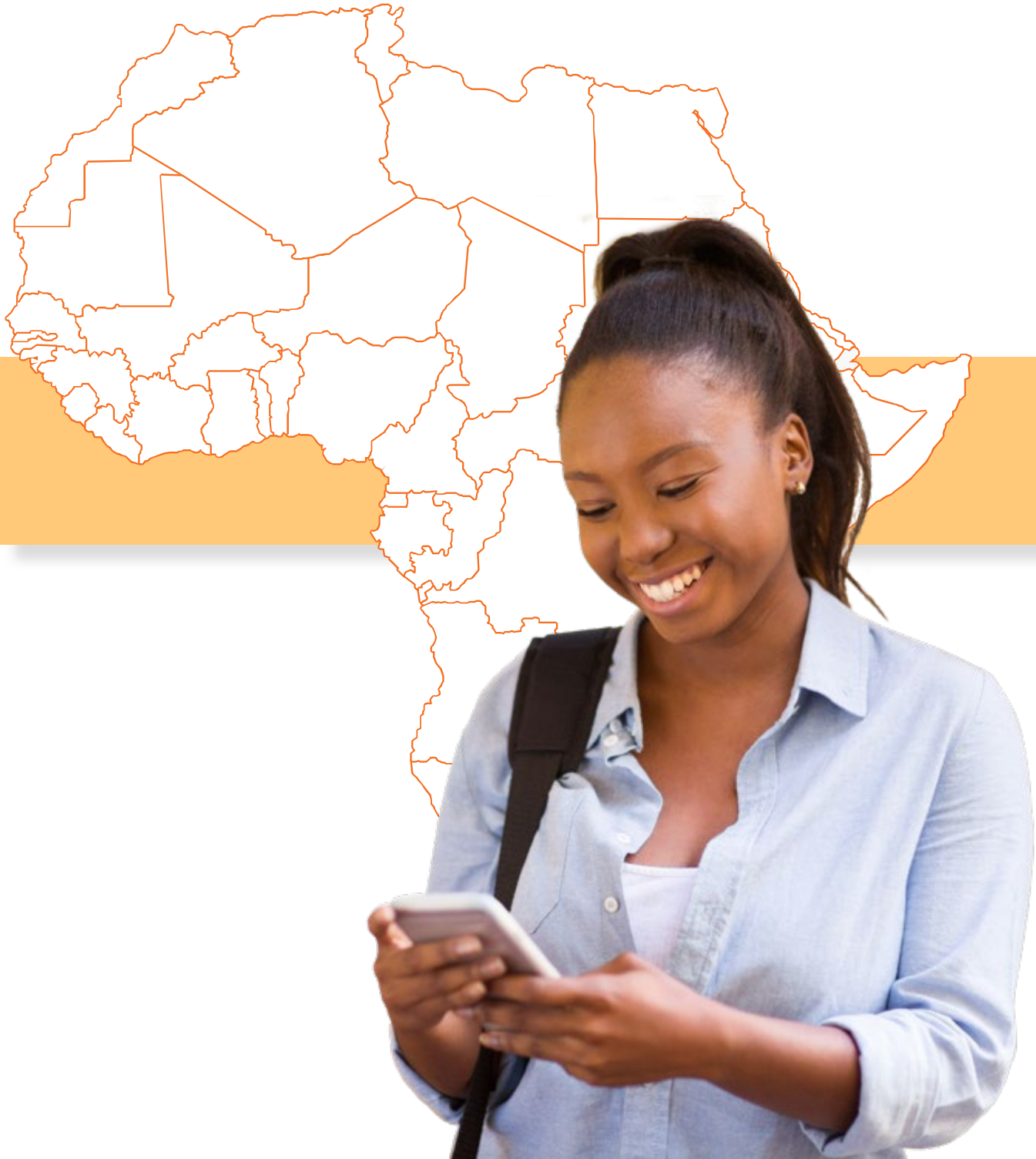
## Record highs reached in multiple revenue streams

$mm

| | Q4.22 ($mm) | Q4.22 YoY growth |
|---|---|---|
| Commissions | 16.0 | 81%<br>*105%*[1] |
| Value Added Services | 9.5 | 11%<br>*27%*[1] |
| Marketing & Advertising | 7.4 | 76%<br>*96%*[1] |

Note

1. Constant currency growth



Strategy update

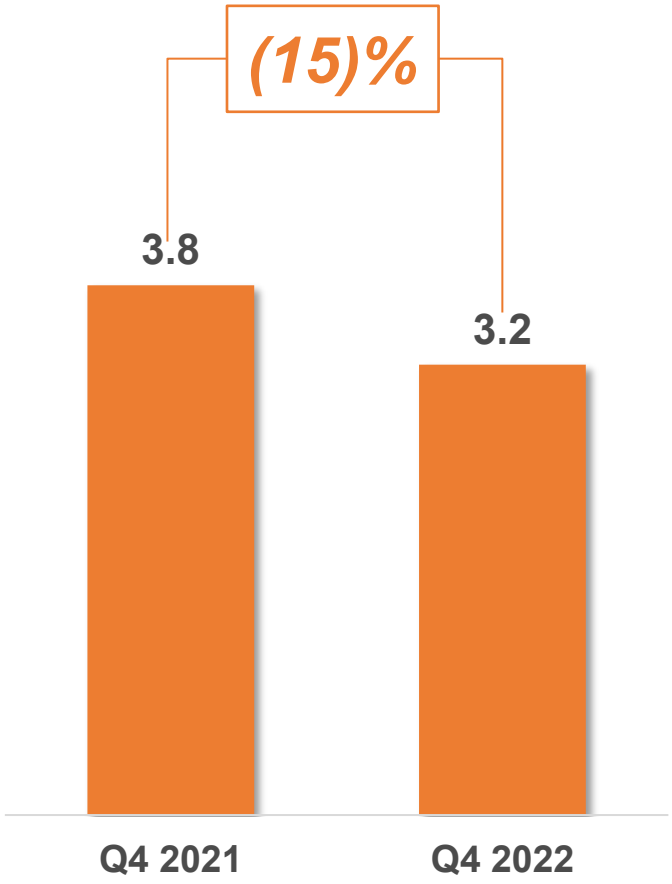
**Q4.22 performance**

Appendix

# Usage growth in Q4.2022 was impacted by a challenging macro environment

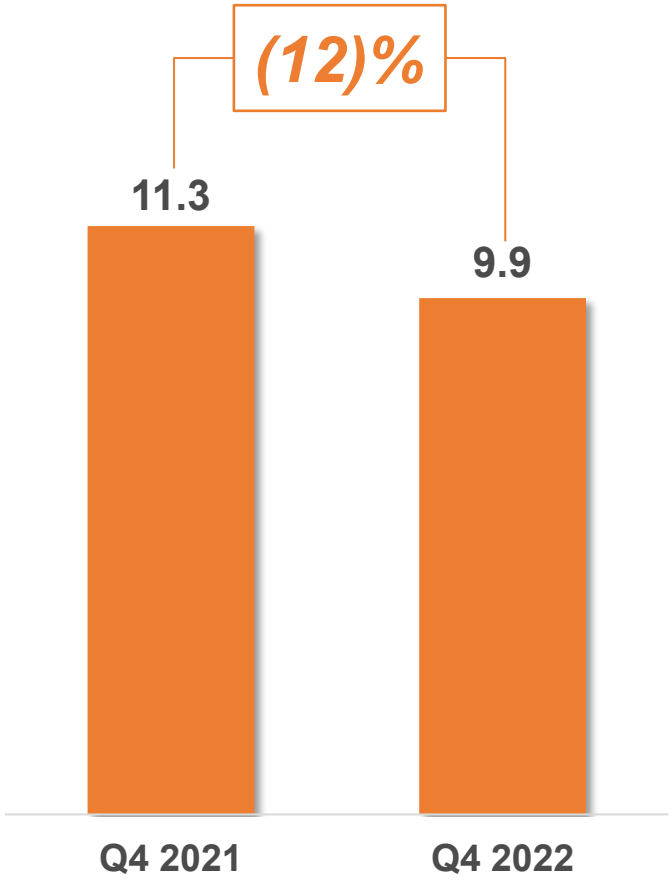
## Quarterly Active Consumers

mm




## Quarterly Orders

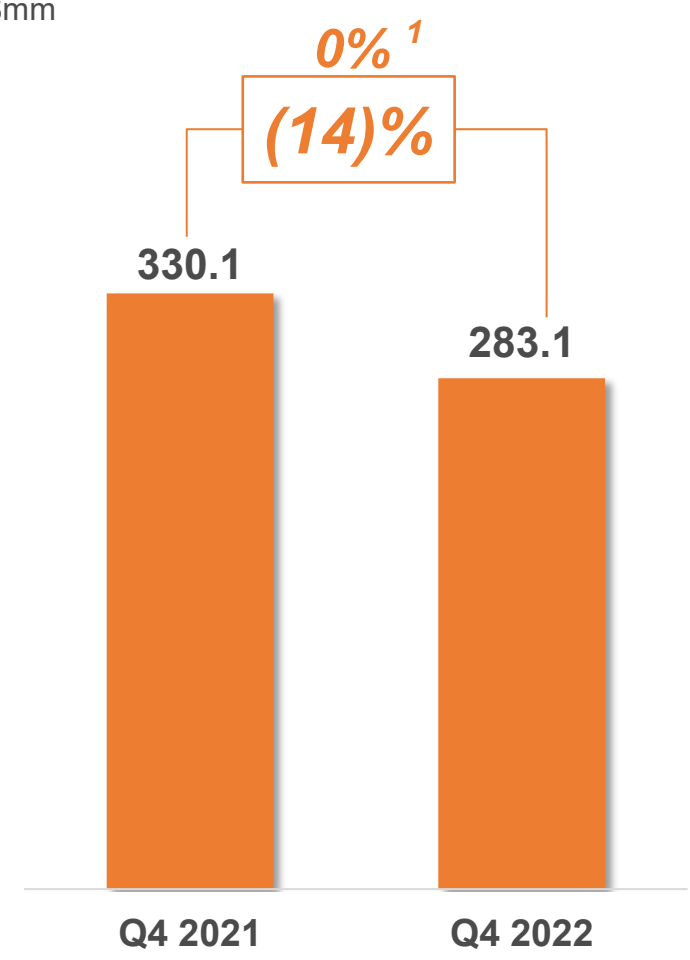
mm




| | FY2021 | FY2022 |
|---|---|---|
| CFDR[2] % of Orders | 16% | 15% |

## Quarterly GMV

$mm




| | FY2021 | FY2022 |
|---|---|---|
| CFDR[2] % of GMV | 22% | 20% |

Notes

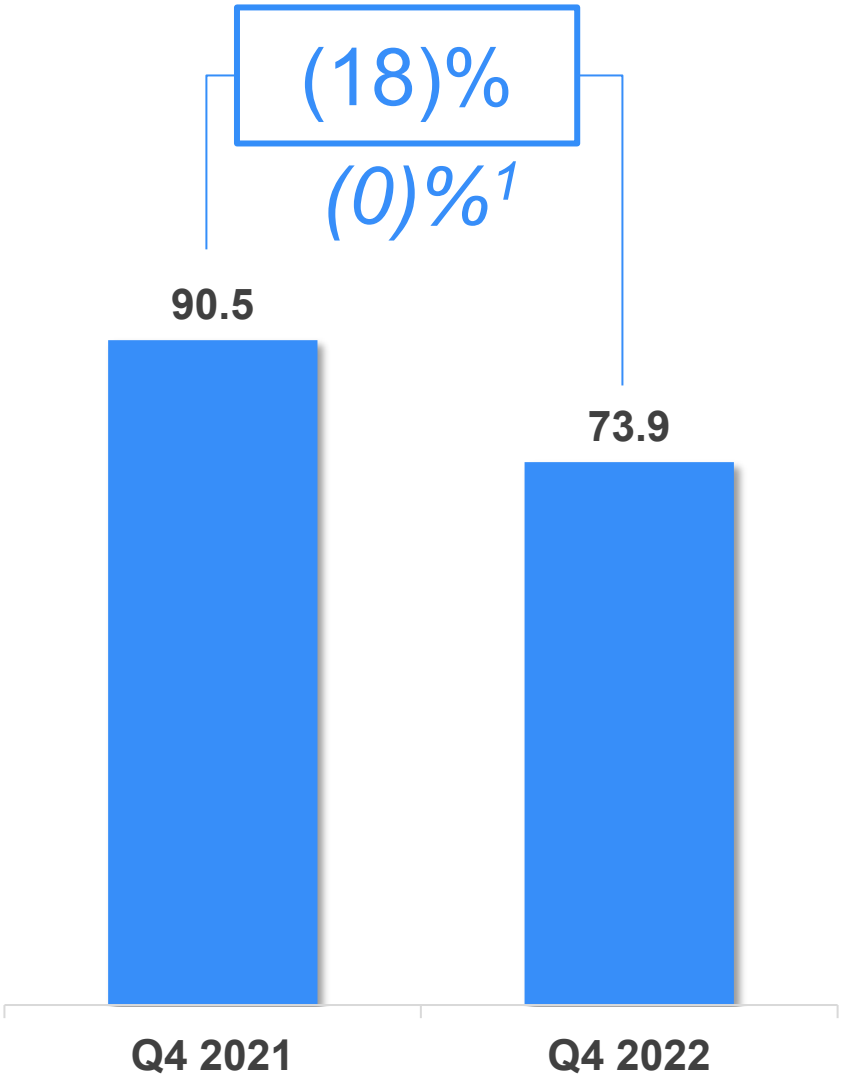
1. GMV growth on a constant currency basis
2. Rate of Cancellations, Failed Deliveries & Returns

# JumiaPay TPV penetration remained stable at 26% of GMV…

JumiaPay

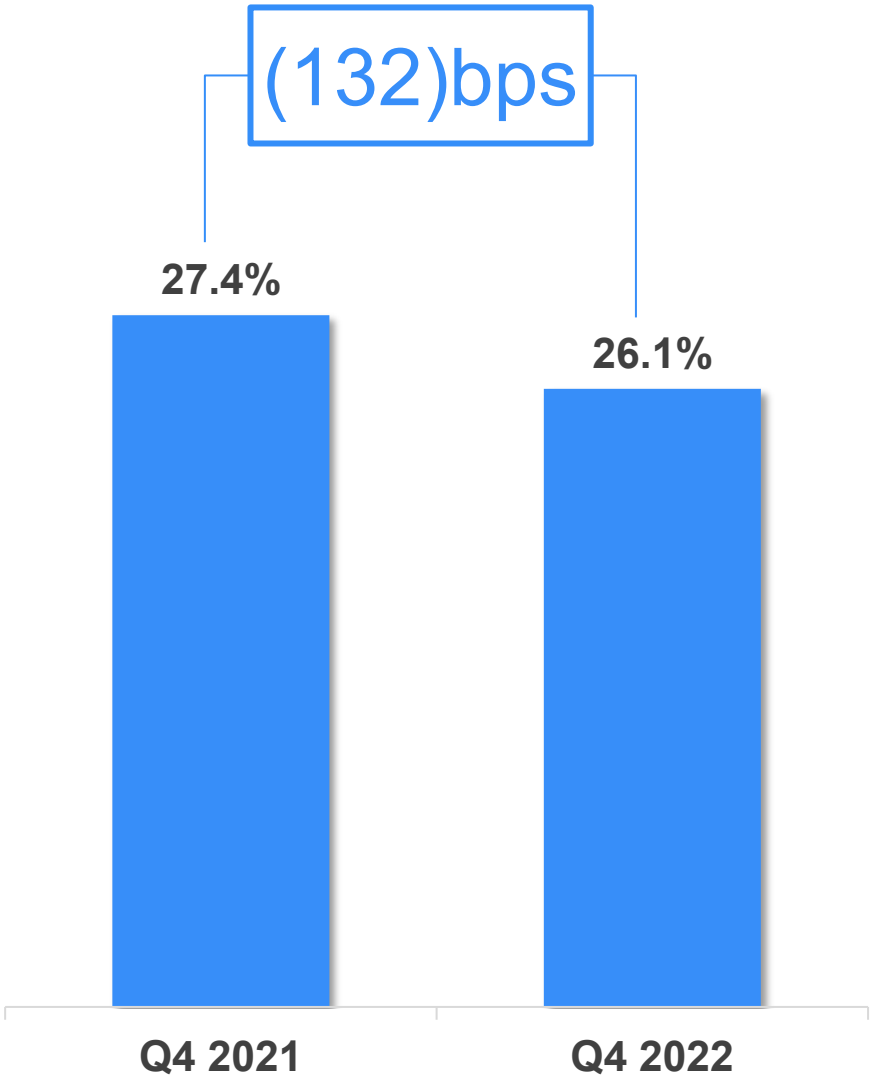
## JumiaPay Total Payment Volume (“TPV”)

$mm




## JumiaPay TPV as % of GMV

% on-platform penetration




Notes

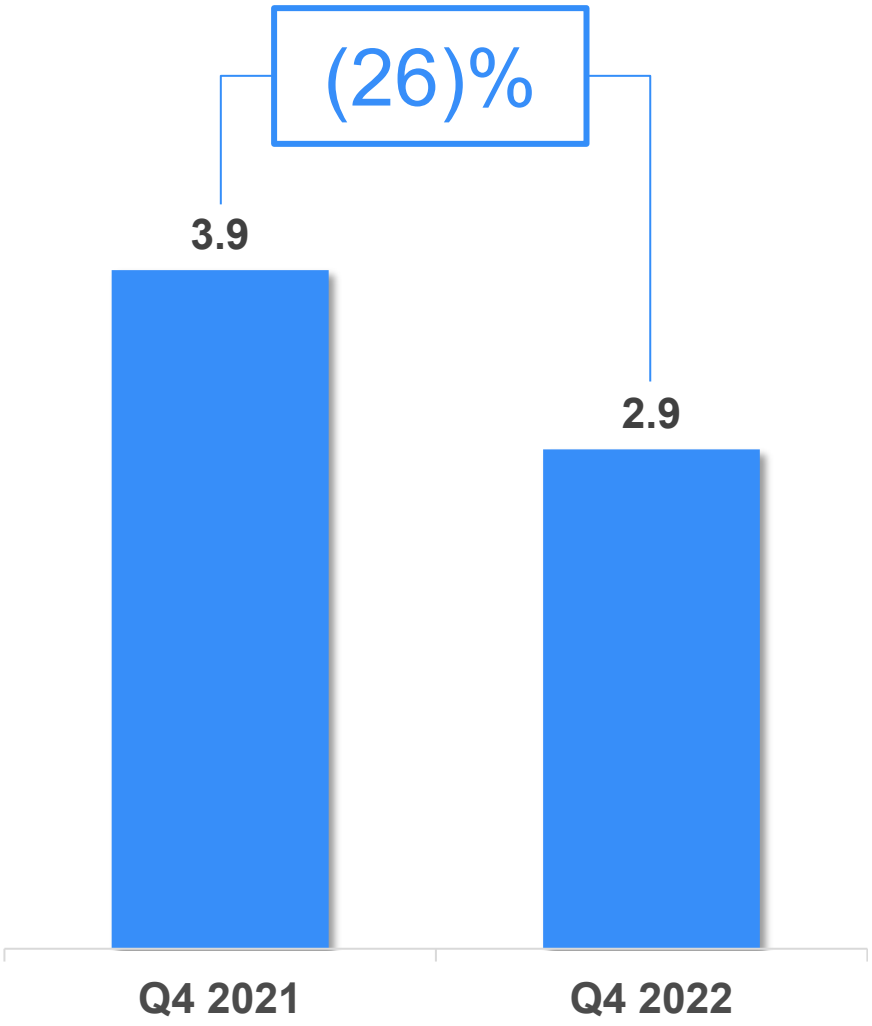
1. TPV growth on a constant currency basis

# …while JumiaPay Transactions accounted for 29% of total orders

JumiaPay

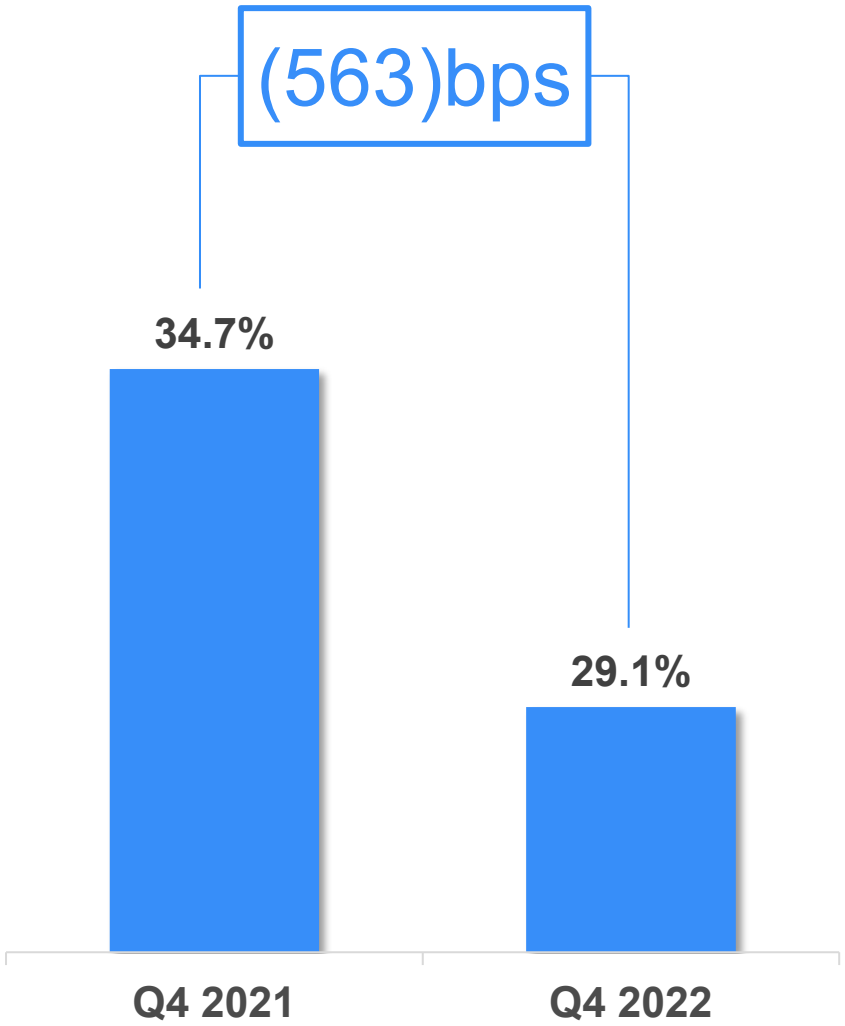
## JumiaPay Transactions

mm



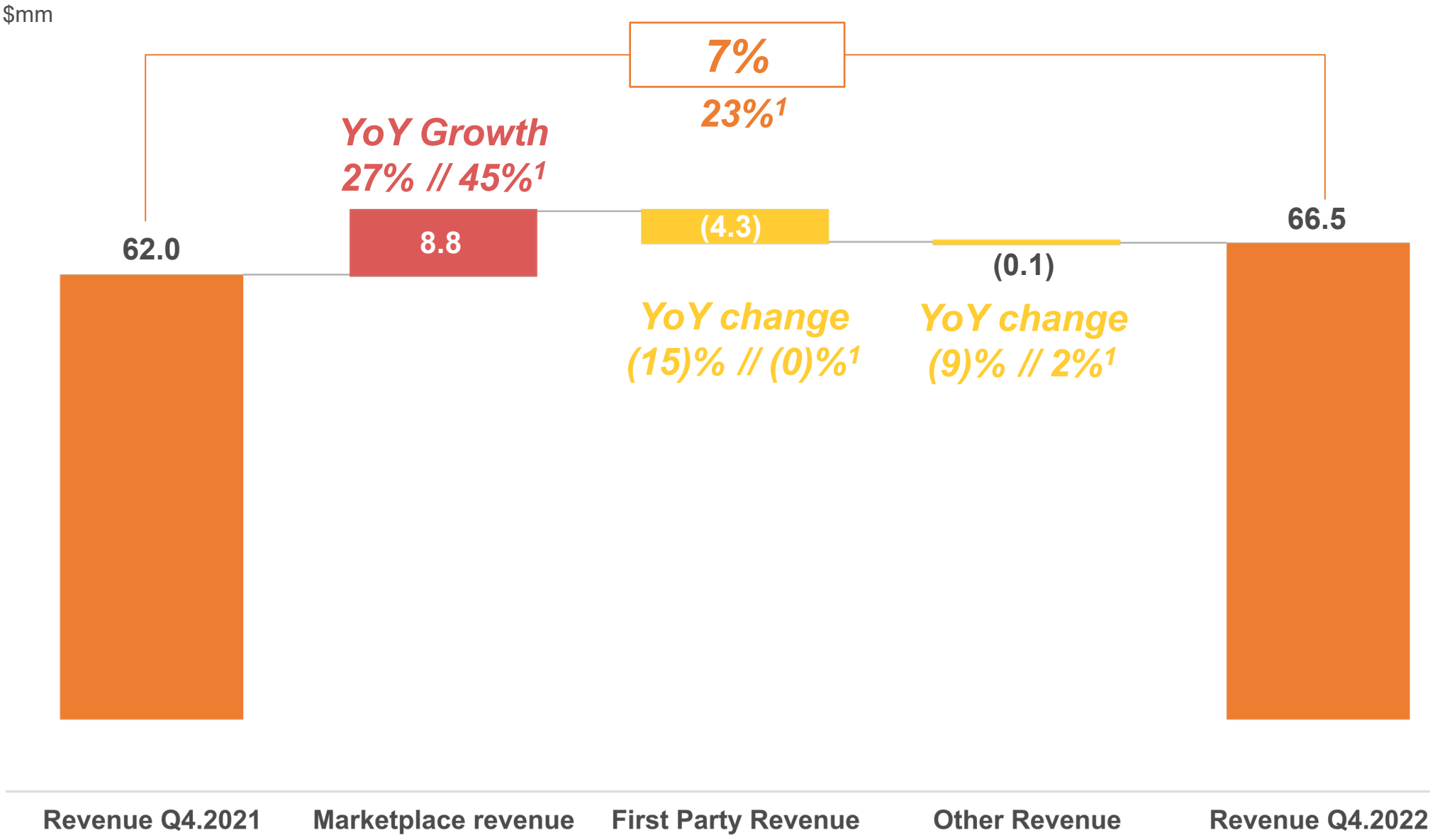

## JumiaPay Transactions as % of total Orders

% on-platform penetration



Monetization

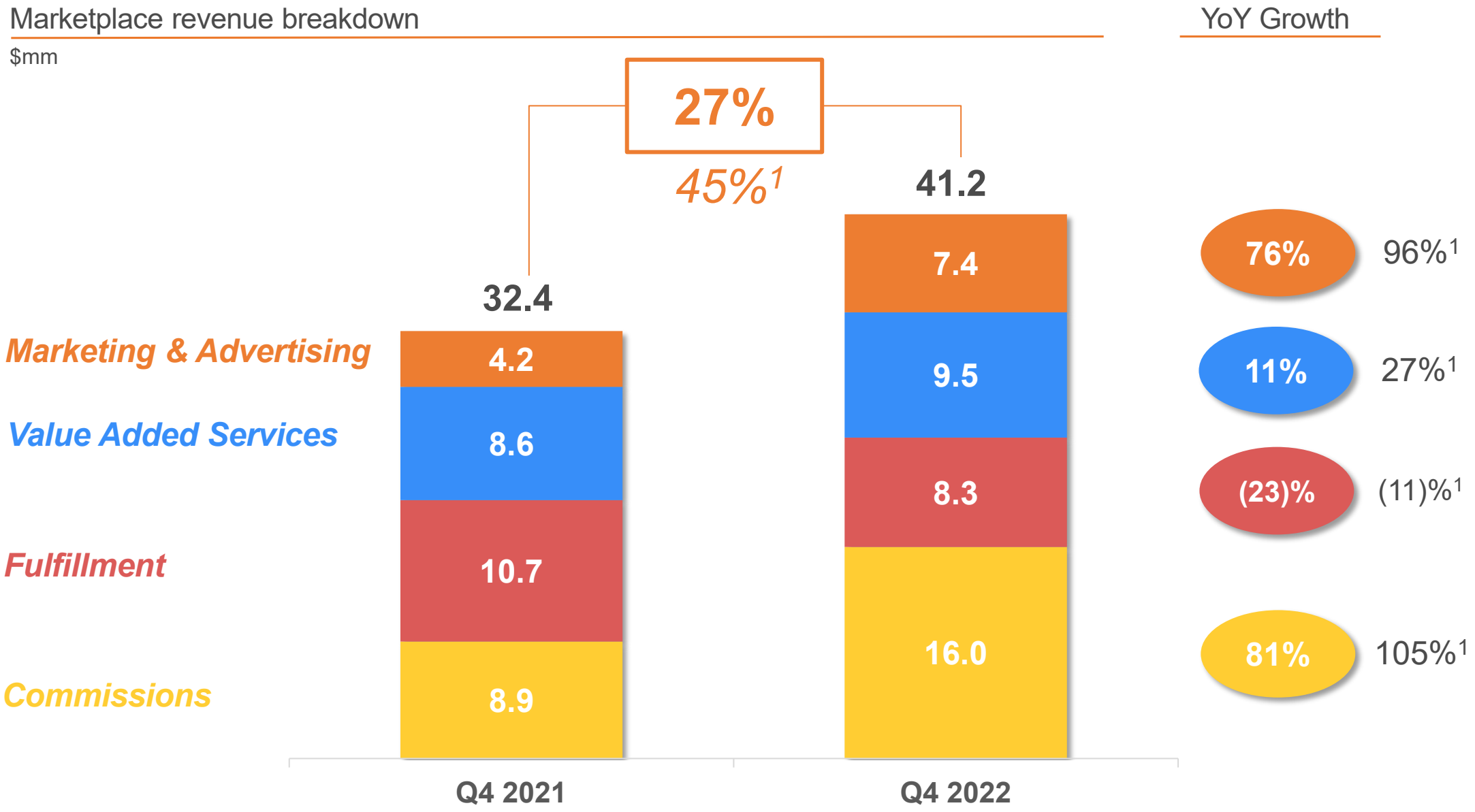
# Robust revenue growth was supported by strong marketplace revenue momentum




Notes: Numbers in the yellow bars indicate change in the relevant metric between Q4.2021 and Q4.2022

1. Constant currency growth

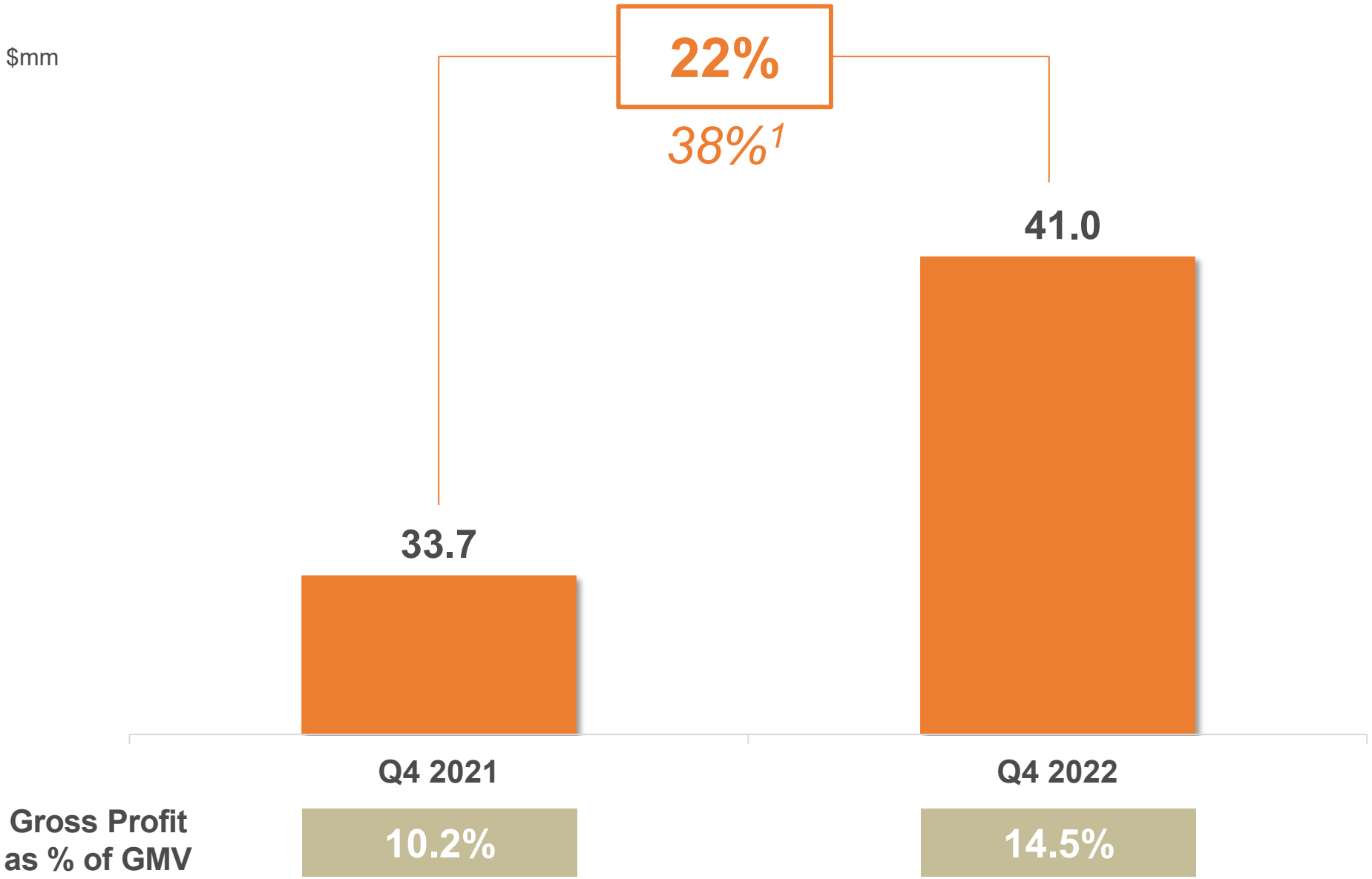
# Accelerating marketplace revenue was supported by record levels of commissions and advertising revenue…




Note
1. Constant currency growth

# …driving all-time high gross profit and margin

Monetization



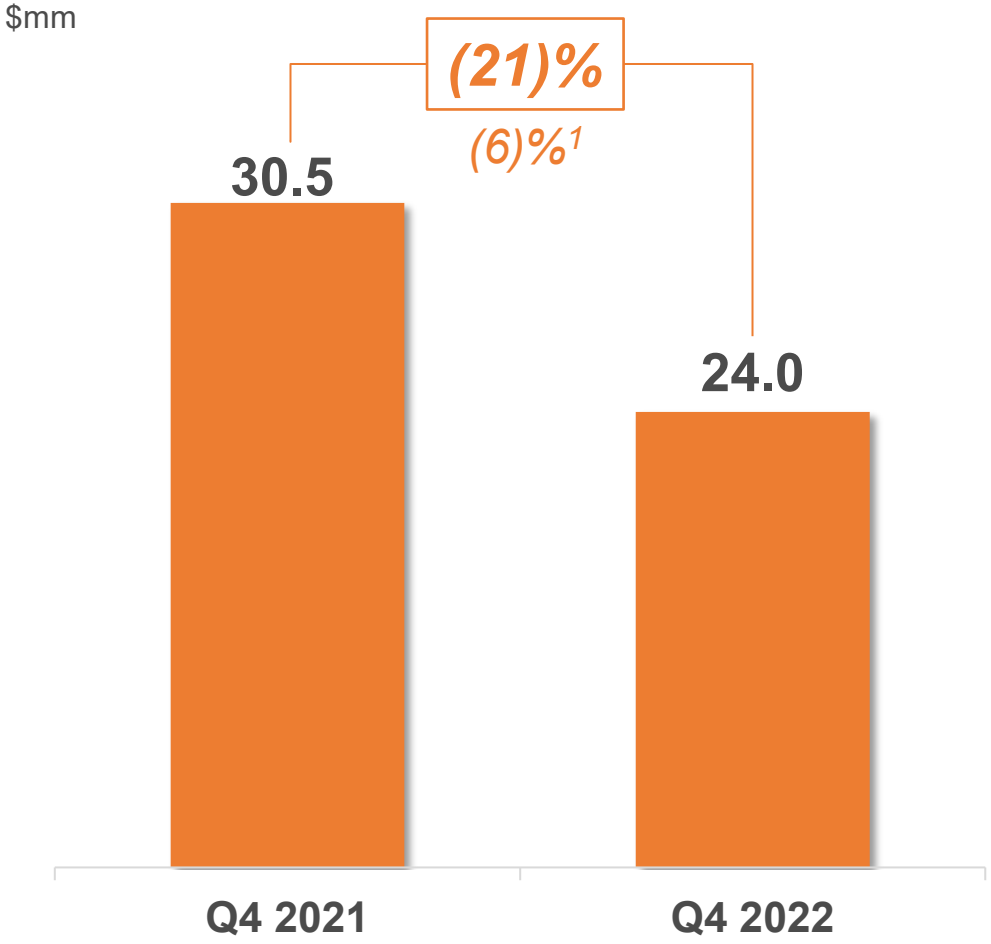

Note
1. Constant currency growth

# We are driving fulfillment and marketing efficiencies

Costs

## Fulfillment expense

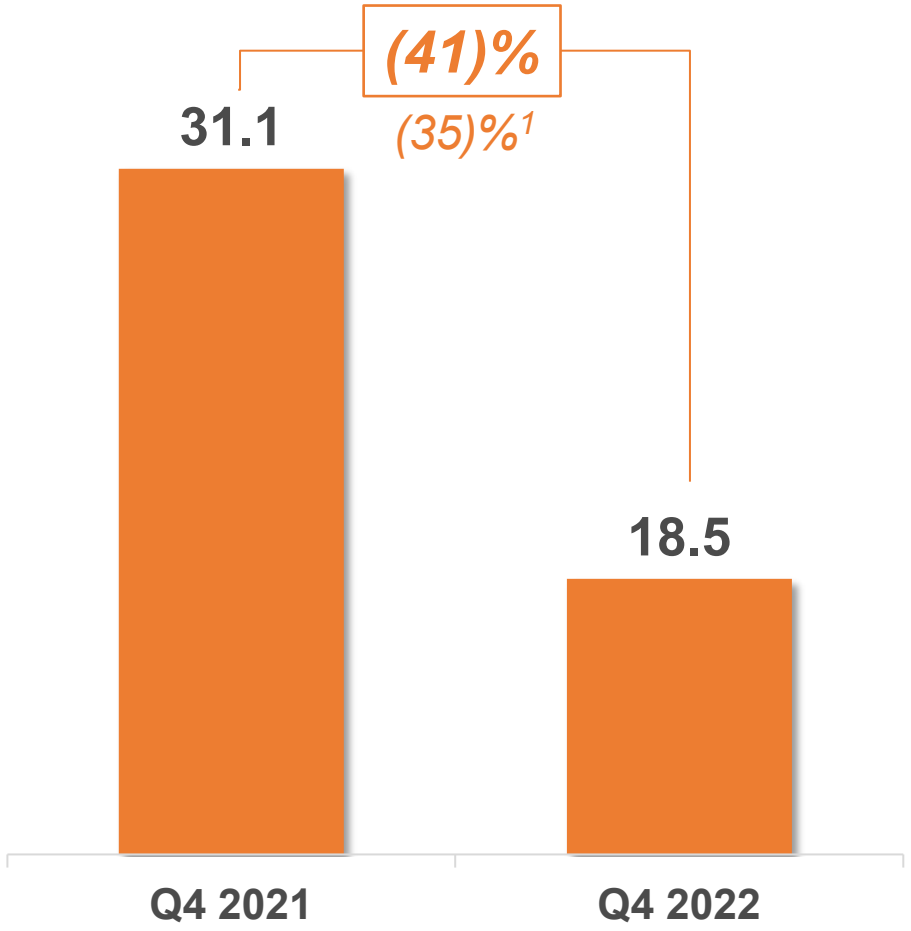
$mm




| | Q4 2021 | | Q4 2022 |
|---|---|---|---|
| Fulfillment per Order[2] ($) | 3.2 | (17)% | 2.7 |
| Fulfillment as % of GMV | 9.2% | (74)bps | 8.5% |

## Sales & Advertising expense

$mm




| | Q4 2021 | | Q4 2022 |
|---|---|---|---|
| S&A per Order ($) | 2.8 | (32)% | 1.9 |
| S&A as % of GMV | 9.4% | (290)bps | 6.5% |

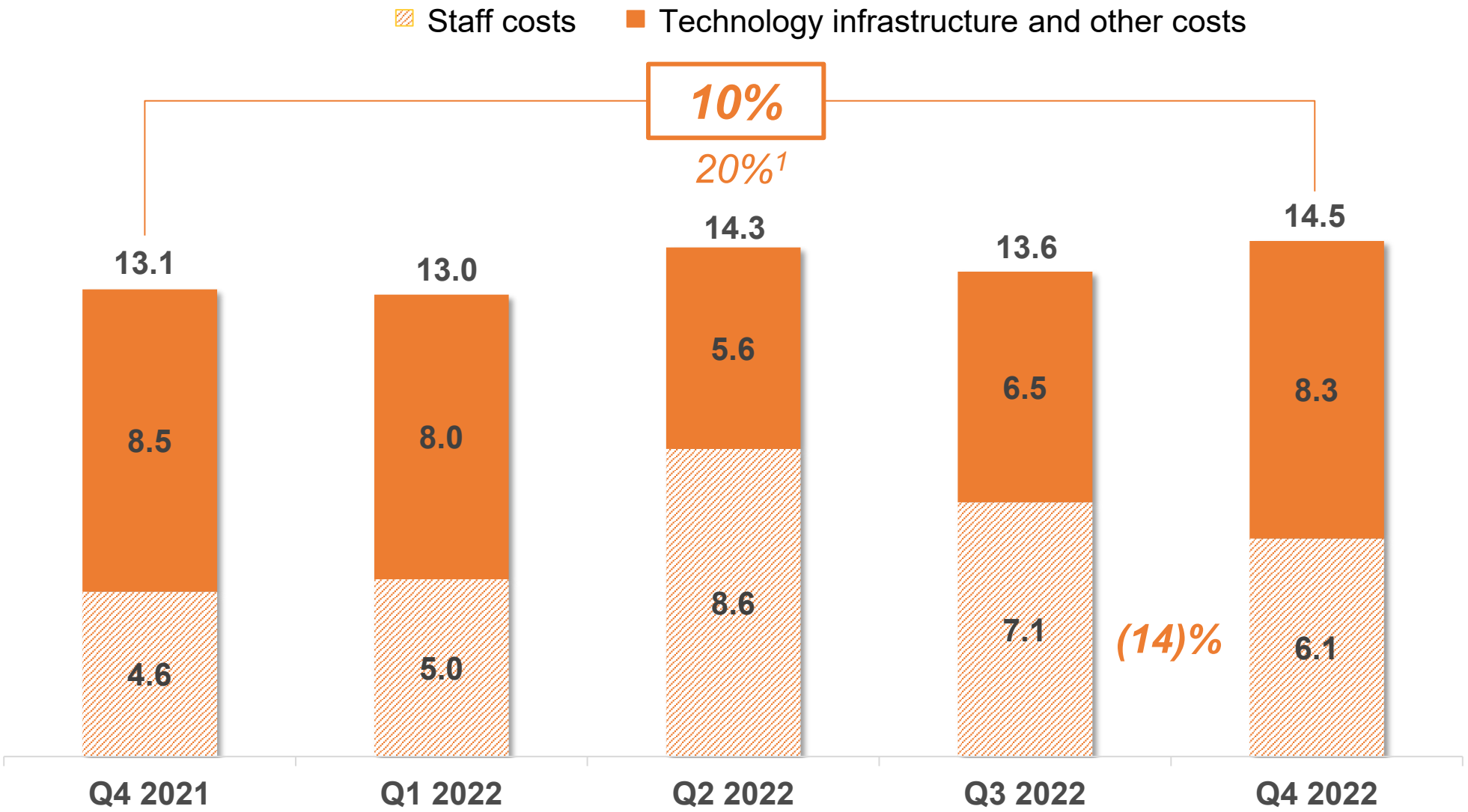
Notes

1. Constant currency growth
2. Excluding JumiaPay app Orders which are digital services and do not incur logistics costs

# While we continue investing in tech, we are seeing sequential declines in tech staff costs

## Technology & Content expense

$mm




Notes

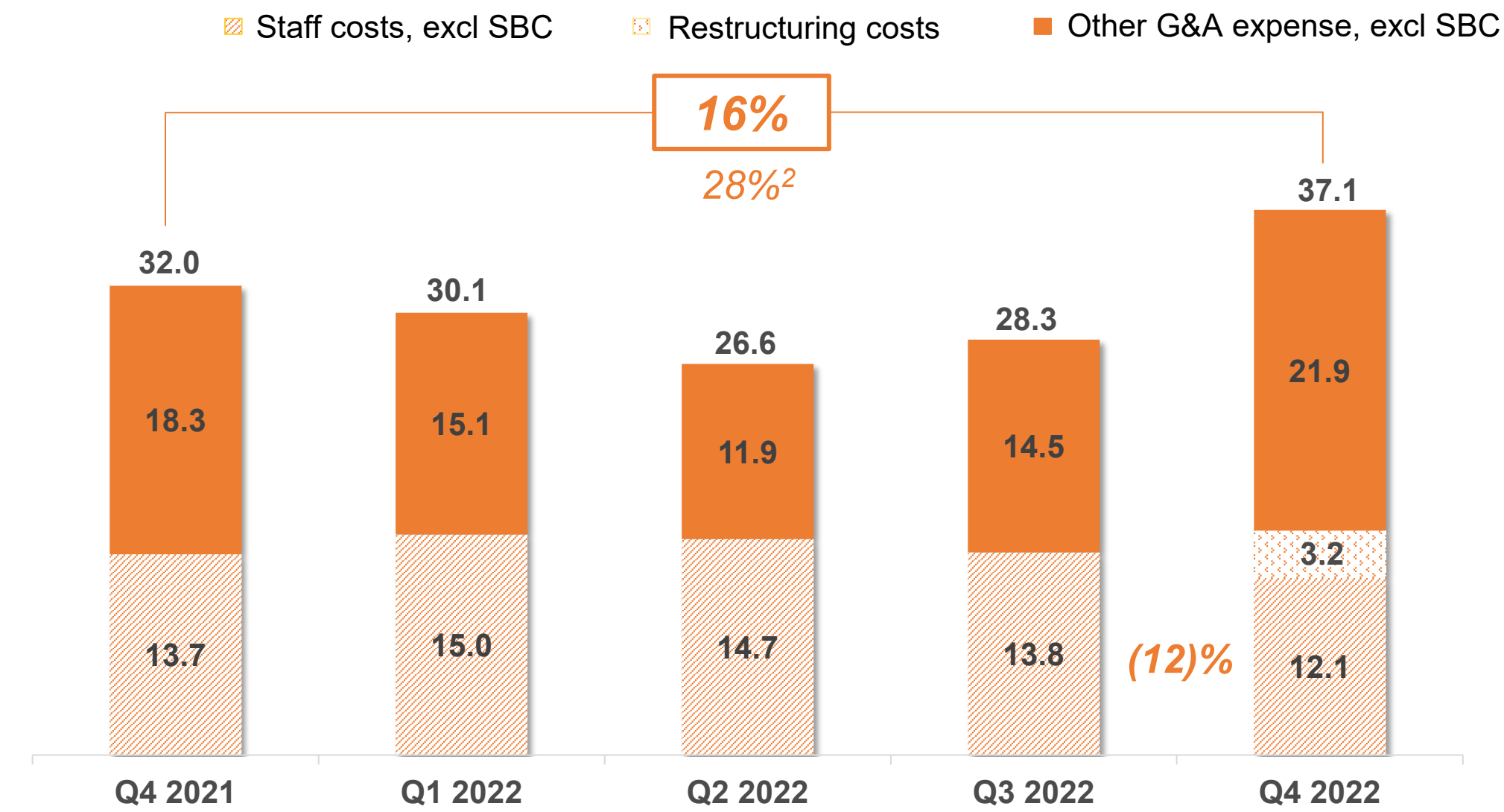
1. Constant currency growth

# We took action to significantly reduce G&A staff costs

Costs

## General & Administrative expense excl SBC[1]

$mm




Notes

1. Share Based Compensation expense
2. Constant currency growth

# Balance sheet and cash flow highlights

**$2.8mm** **CAPEX[1] Q4.2022**

**$58.2mm** **CASH UTILIZATION[2]**

**$(13.0)mm** **WORKING CAPITAL**
Net change in Working Capital[3]
Q4 2022

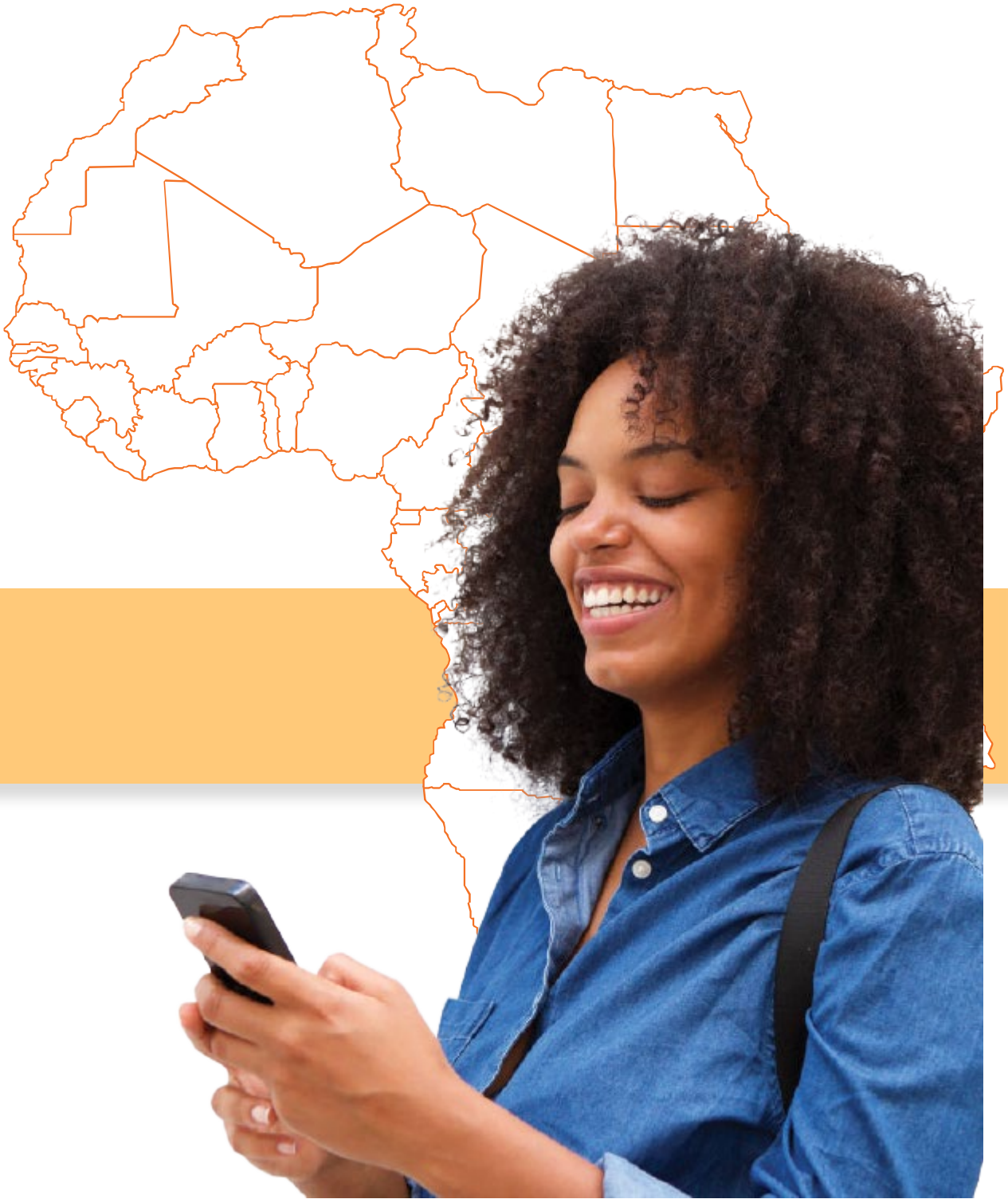
**$227.8mm** **CASH &TERM DEPOSITS[4]**

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 $13.0mm
4. Comprised of $72.1 million of cash and cash equivalents and $155.7 million of Term deposits and other financial assets

# FY2023 Guidance

We remain committed to reducing our losses and driving cost efficiencies as we accelerate our progress towards profitability. Below our expectations for selected metrics for FY2023:

- **Adjusted EBITDA loss** between **$100mm and $120mm** vs $207mm in FY2022
- **Sales & Advertising expense** between **$30mm to $40mm** vs $76mm in FY2022
- **General & Administrative expense,** excluding share-based compensation, between **$90mm and $105mm** vs $122mm in FY2022



Strategy update

Q4.22 performance

**Appendix**

# Non-IFRS Reconciliation (1/2)

| | For the three months ended December 31 | |
|---|---|---|
| *($ mm)* | **2021** | **2022** |
| **Marketplace revenue[1]** | **32.4** | **41.2** |
| Commissions | 8.9 | 16.0 |
| Fulfillment | 10.7 | 8.3 |
| Marketing & Advertising | 4.2 | 7.4 |
| Value Added Services | 8.6 | 9.5 |
| **First Party revenue** | **28.2** | **23.9** |
| Other revenue | 1.5 | 1.4 |
| **Revenue** | **62.0** | **66.5** |
| Cost of revenue | (28.4) | (25.4) |
| **Gross Profit** | **33.7** | **41.0** |

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 December 31 | |
|---|---|---|
| *($ mm)* | **2021** | **2022** |
| **Loss for the period** | **(85.1)** | **(54.9)** |
| Income tax expense | 0.4 | 5.7 |
| Finance (income)/costs – net | 0.1 | (0.6) |
| Depreciation and amortization | 2.6 | 3.0 |
| Share-Based Compensation (income) / expense | 12.0 | (2.3) |
| **Adjusted EBITDA** | **(70.0)** | **(49.2)** |

# Constant currency data (USD)

| ($ mm, except percentages) | For the three months ended December 31 | | | | |
|---|---|---|---|---|---|
| | As reported | | YoY Change | FX neutral data | YoY Change |
| | 2021 | 2022 | | 2022 | |
| GMV | 330.1 | 283.1 | *(14.2)%* | 331.3 | *0.4%* |
| TPV | 90.5 | 73.9 | *(18.4)%* | 90.3 | *(0.2)%* |
| TPV as % of GMV | 27.4% | 26.1% | | 27.3% | |
| **Gross Profit** | **33.7** | **41.0** | ***21.9%*** | **46.5** | ***38.0%*** |
| Fulfillment expense | (30.5) | (24.0) | *(21.1)%* | (28.6) | *(6.1)%* |
| Sales & Advertising expense | (31.1) | (18.5) | *(40.6)%* | (20.3) | *(34.7)%* |
| Technology & content expense | (13.1) | (14.5) | *10.4%* | (15.7) | *19.7%* |
| G&A expense, excluding SBC[1] | (32.0) | (37.1) | *16.2%* | (41.0) | *28.1%* |
| **Adjusted EBITDA loss** | **(70.0)** | **(49.2)** | ***(29.8)%*** | **(54.7)** | ***(21.8)%*** |
| **Operating Loss** | **(84.7)** | **(49.8)** | ***(41.2)%*** | **(56.1)** | ***(33.7)%*** |

Notes
1. Share Based Compensation expense

# 2022 Overview

| *USD mm unless stated otherwise* | FY 2020 | FY 2021 | FY 2022 |
|---|---|---|---|
| **Marketplace KPIs** | | | |
| GMV | 955.5 | 990.6 | 1,047.6 |
| Annual Active Consumers (mm) | 6.8 | 8.0 | 8.4 |
| **Orders (mm)** | **27.9** | **34.0** | **38.9** |
| **JumiaPay KPIs** | | | |
| JumiaPay TPV | 224.3 | 263.3 | 285.3 |
| *% on-platform penetration* | *23.5%* | *26.6%* | *27.2%* |
| JumiaPay Transactions | 9.6 | 12.1 | 12.5 |
| ***% on-platform penetration*** | ***34.5%*** | ***35.5%*** | ***32.0%*** |
| **Selected Financials** | | | |
| Gross profit | 106.0 | 110.5 | 132.1 |
| Fulfillment expense | (79.1) | (88.7) | (99.7) |
| **Gross profit after fulfillment expense** | **26.9** | **21.9** | **32.4** |
| Sales & Advertising expense | (37.1) | (81.9) | (75.9) |
| Technology & Content expense | (31.8) | (39.2) | (55.3) |
| G&A ex SBC[1] | (107.3) | (108.2) | (122.2) |
| **Adjusted EBITDA loss** | **(136.3)** | **(196.7)** | **(207.2)** |
| **Operating loss** | (170.3) | (240.9) | (227.1) |

Notes
1. Share Based Compensation expense

# 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” means 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.
- “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