



NASPERS

**Annual
financial
statements**

2023

Improving
everyday life
for billions of
people through
technology



Statement of responsibility by the board of directors

for the year ended 31 March 2023

The annual financial statements of the Naspers Limited group (Naspers or the group) and the company are the responsibility of the directors of Naspers Limited. In discharging this responsibility, they rely on the management of the group to prepare the consolidated and company annual financial statements presented on pages 36 to 206.

We have prepared the consolidated annual financial statements of Naspers for the year ended 31 March 2023, and the undertakings included in the consolidation taken as a whole, in accordance with, and in compliance, in all material respects, with International Financial Reporting Standards (IFRS) and the Companies Act No 71 of 2008. As such, the consolidated and company annual financial statements include amounts based on judgements and estimates made by management. The information given is comprehensive and presented in a responsible manner.

The directors accept responsibility for the preparation, integrity and fair presentation of the consolidated and company annual financial statements. The directors are responsible for the establishment and adequate functioning of a system of governance, risk management and internal controls in the company including controls over the security over the company website and electronic distribution of annual reports and other financial information. Consequently, the directors have implemented a broad range of processes and procedures designed to provide control by the directors over the company's operations.

These processes and procedures include measures regarding the general control environment. All these processes and procedures are aimed at providing a reasonable level of assurance that we have identified and managed the significant risks of the company, and that we meet the operational and financial objectives in compliance with applicable laws and regulations. Information regarding our internal control systems is set out in "Governance for a sustainable business" section of the Integrated Annual Report.

The Internal Audit function monitors the compliance with our internal control systems and updates management regarding the emergence of new risks. They support the annual review of the effectiveness of the system of governance, risk management and internal controls of the board of directors. Internal Audit provides comfort to the audit committee and board of directors that our system of risk management and internal controls – as designed and represented by management – are adequate and effective. While we routinely work towards continuous improvement of our processes and procedures regarding financial reporting, the directors are of the opinion that these systems provide reasonable assurance that the financial reporting does not contain material inaccuracies.

Based on forecasts and available cash resources, the directors believe that the group and company have adequate resources to continue operations as a going concern in the foreseeable future. Accordingly, the financial statements support the viability of the group and the company.

The preparation of the consolidated and company annual financial statements was supervised by the group's financial director, Basil Sgourdos CA(SA). These results were made public 27 June 2023.

The independent auditing firm PricewaterhouseCoopers Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the consolidated and company annual financial statements. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 26.

The consolidated and company annual financial statements were approved by the board of directors on 26 June 2023 and are signed on its behalf by:

Koos Bekker
Chair
26 June 2023

Bob van Dijk
Chief executive



Certificate by the company secretary

for the year ended 31 March 2023

In terms of section 88(2)(e) of the Companies Act No 71 of 2008 I, Lynelle Bagwandeem, in my capacity as company secretary of Naspers Limited, confirm that for the year ended 31 March 2023, the company has lodged with the Companies and Intellectual Property Commission, all such returns as are required of a public company in terms of the Companies Act and that all such returns and notices are, to the best of my knowledge, true, correct and up to date.

Lynelle Bagwandeem

Company secretary

26 June 2023



Directors' report to shareholders

for the year ended 31 March 2023

GENERAL INFORMATION

Naspers Limited (Naspers or the group) is a global consumer internet group and one of the largest technology investors in the world. Operating and investing in countries and markets across the world with long-term growth potential, Naspers builds leading companies that empower people and enrich communities. The group operates and partners a number of leading internet businesses across the Americas, Africa, The Middle East, Central and Eastern Europe, and Asia in sectors including online classifieds, food delivery, payments and fintech, education, health, Etail and social and internet platforms.



Directors' report to shareholders

for the year ended 31 March 2023

COMMENTARY

The operating environment in the fiscal year ended 31 March 2023 (FY23) was characterised by significant geopolitical and macroeconomic uncertainty. Amid that uncertainty, we acted decisively to strengthen our financial footing and deliver value for shareholders. Our focus remains on building long-term sustainable value in local marketplaces with peer-leading growth and materially improving profitability.

After years of investment and significant growth, our businesses have scaled meaningfully and each segment now demonstrates a clear path to profitability. We are committed to achieving consolidated ecommerce profitability during the first half of FY25. Our efforts to drive profits with peer-leading growth will deliver long-term value to the group's shareholders.

The growth rates discussed below represent a comparison between FY23 and FY22, unless otherwise stated. The percentages in brackets represent local currency growth, excluding impacts of acquisitions and disposals (M&A), and provide a clearer view of the underlying operating performance of our businesses.

The group's Ecommerce businesses maintained topline momentum as a result of actions taken throughout the year and improved profitability significantly in the second half of the year. This foundation will allow Prosus to deliver substantial profitability improvements in FY24 and beyond.

Consolidated revenue from continuing operations grew 8% (20%) to US\$6.8bn, with the biggest contributors being Food Delivery and Payments and Fintech. Trading losses increased year on year to US\$844m from US\$684m in the prior year. However, trading losses reduced by 21% in the second half of the year compared to the first half, demonstrating our commitment to achieve consolidated ecommerce profitability during the first half of FY25.

Core headline earnings, our measure of after-tax operating performance, were US\$1.1bn – a decrease of 48%(14%). This was primarily due to lower contributions from associates, particularly Tencent, which was impacted by Covid-19 lockdowns and new regulations in China.

Ecommerce consolidated trading losses from continuing operations of US\$639m reflected incremental investment in the group's ecommerce growth extensions as we continued to invest in high-conviction growth areas. Market conditions deteriorated significantly for this business in the second half of the year and the group is completing an exit of OLX Autos. Across the group, we drove efficiencies throughout the year and cut back aggressively on costs, including a 30% reduction in corporate-level workforce costs. These actions supported an improvement in trading loss from US\$376m in the first half of the year to US\$263m in the second half, despite the second half historically having higher customer-acquisition investment. For the year, growth extensions accounted for US\$492m of the consolidated trading loss of US\$639m. We are committed to a significant reduction in trading losses in each reporting period.

Food Delivery's performance remained strong, with revenue growing well ahead of peers and profitability improving meaningfully. iFood continued to benefit from sustained momentum in the core restaurant food-delivery businesses and improved extensions, with targeted and disciplined investment in quick commerce and grocery marketplace. Given the group's conviction in iFood, we acquired the remaining 33.3% stake of iFood from Just Eat Takeaway in November 2022 for €1.5bn, plus a contingent consideration of up to €300m.

The core Classifieds business delivered sustained growth and improved profitability through stable operating metrics and strong performance in Europe. The autos and real-estate verticals and pay-and-ship initiatives contributed to revenue growth. Like listed peers, the OLX Autos business faced significant challenges and the group announced its intention to exit this business. This decision was driven by a major deterioration of market conditions in this industry towards the end of the second half of the year. The exit of OLX Autos will lead to a sizeable improvement in Classifieds and Ecommerce profitability.

Payments and Fintech continued to see meaningful growth in the core payment service provider (PSP) business and in its burgeoning Indian credit business. India's payments business grew on the back of increased wallet share in existing merchants and further diversification of the revenue base. Trading profit margins have also improved on the back of diversification of revenue. The credit business in India continued to scale and improved its trading loss margin, now approaching breakeven, by diversifying funding sources and enhancing cost discipline and risk management. The Global Payments Organisation (GPO) showed strong revenue growth, but profitability was impacted by a once-off loss provision. Excluding this provision, the GPO business remains profitable.



Directors' report to shareholders

for the year ended 31 March 2023

In Edtech, our majority-owned enterprise platforms, Stack Overflow and GoodHabitZ, continued to grow but investments weighed on profitability. We invested in sales, product enhancements and global footprint expansion to better position the businesses, improving their overall product offerings and bringing scale to the platforms as corporations look for alternative ways to upskill and reskill their workforces. The current focus of investment is to leverage our strong generative artificial intelligence (GenAI) in-house capabilities to deliver significant value to customers.

The group's strong balance sheet continues to provide the needed liquidity and optionality to navigate a volatile environment. During the year, the balance sheet was further strengthened by Tencent's distribution of JD.com Group and Meituan shares. Prosus exited the JD.com stake at the beginning of the fiscal year and received US\$3.7bn. The Meituan shares were received on 24 March 2023. In April 2023, Tencent announced a 50% increase in its dividend per share, which will result in a dividend of US\$758m received in June 2023.

In October 2022, the group delivered on its commitment and completed the disposal of its Russian classifieds business, Avito, receiving proceeds of RUB151bn (US\$2.4bn). This was a differential outcome amid very difficult conditions. Avito and the OLX Autos operations, that have closed down or are classified as held-for-sale, are presented as discontinued operations and thus excluded from continuing operations. However, reported IFRS continuing operations include OLX Autos operations whose exit process had not been finalised at 31 March 2023 and is expected to be treated as discontinued operations in FY24.

Given a sharp rise in the cost of capital, deployed external investment of US\$2.5bn was considerably lower than recent years. Of this, US\$1.5bn reflects the acquisition of additional shares in iFood. We continue to explore opportunities, but remain very disciplined.

The group's resilient performance and financial footing in a difficult macroeconomic environment, combined with the open-ended share repurchase programme launched in June 2022, has delivered value for shareholders. At the start of the 2022 calendar year, the turbulent environment reduced risk appetite for many investors and depressed market valuations, particularly in the tech and internet sectors. By mid calendar year, this led to a very substantial widening in the group's discount to the sum of its net asset value (NAV). To generate value for shareholders from this dislocation, we launched an open-ended share repurchase programme funded by the daily sale of a limited number of Tencent shares and concurrent repurchase of Prosus shares. Since programme launch, the combined holding-company discount of Naspers and Prosus has reduced by approximately 17 percentage points as of 31 March 2023. Also, Prosus had repurchased 152 797 117 Prosus shares and 4 152 285 Naspers shares, with a total value of US\$10.5bn, leading to 4.5% accretion in NAV per share. Combined, the discount narrowing and the NAV per share increase have led to approximately US\$29bn in value created for the group's shareholders. We remain committed to this programme as it creates immediate value for shareholders daily while increasing the group's exposure to Tencent and its ecommerce portfolio on a per-share basis.

For Naspers to execute its open-ended share repurchase programme, it received approval from the South African Reserve Bank to continue funding its buyback with regular sales of Prosus shares. By 31 March 2023, Naspers had sold 43 356 695 Prosus shares and bought back 16 320 371 of its own shares to the value of US\$2.5bn. The Naspers buyback is facilitated by a subsidiary company. This approach, due to South African regulation, limits the buyback to 10% of the total N shares of Naspers in issue. We have received the requisite approval from the South African Reserve Bank for a proposed transaction in terms of which the cross-holding between Naspers and Prosus will be removed. The implementation of the proposed transaction will enable the continuation of the share repurchase programme at the Naspers level. The proposed transaction is also intended to remove the complexity created by the cross-holding between Naspers and Prosus while keeping the Naspers and Prosus free-float effective economic interests the same as they are prior to its implementation. This will be achieved through aligning the legal ownership in Prosus with the current respective free-float effective economic interests. The implementation of the proposed transaction is subject to the requisite regulatory and Naspers and Prosus shareholder and final board approvals being obtained. Please refer to the more detailed announcement on the proposed transaction issued on 27 June 2023.

In FY24, the group commits to: taking meaningful steps towards delivering on its target of consolidated Ecommerce profitability during the first half of FY25; continuing the open-ended share repurchase programme; and crystallising value for investors in the group's portfolio of assets as conditions present themselves. We believe these drivers, acting in concert, will result in meaningful value creation and shareholder return.

A reconciliation of the alternative performance measures to the equivalent IFRS metrics is provided in 'Other information – non-IFRS financial measures and alternative performance measures' of these summary consolidated financial statements.



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for the year ended 31 March 2023

FINANCIAL REVIEW

Group revenue, measured on an economic-interest basis, grew by 7% in local currency, excluding M&A. Revenue, in nominal terms, was impacted by a broad devaluation of emerging-market and European currencies on translation to US dollars, representing a negative foreign-currency translation impact of US\$2.7bn. Ecommerce continued a strong growth trajectory, with revenue growing 19% (29%) in a challenging environment. Our economic-interest share in Tencent's revenue declined by 12% (1%). Group trading profit declined by 32% (16%) to US\$3.3bn, reflecting Tencent's lower contribution and an increase in the group's share of losses from ecommerce associates.

On a consolidated basis, total revenue from continuing operations increased by US\$500m, or 8% (20%), from US\$6.3bn in the prior year to US\$6.8bn. This was primarily due to strong revenue growth in iFood and Payments and Fintech. Trading losses increased to US\$844m from US\$684m, representing increased organic investments to scale ecommerce extensions. However, trading losses in the second half of the year improved by 21% compared to the first half, demonstrating our commitment to achieve consolidated ecommerce profitability during the first half of FY25.

Operating losses increased by US\$399m to US\$1.4bn, primarily due to an increase in impairment losses recognised on goodwill and other assets which was offset by the reduction in the share-based compensation expenses related to the remeasurement of the group's cash-settled schemes.

Profit from equity-accounted results decreased by US\$4.1bn, or 44%, from US\$9.3bn in the prior year to US\$5.2bn. This is driven primarily by a decrease in our share of associate fair value gains on financial instruments of US\$1.7bn, reduced gains on acquisitions and disposals of US\$394m and additional impairment losses of US\$827m. This was in addition to reduced year-on-year profitability in Tencent of US\$1.2bn and a decrease in Tencent's contribution to equity-accounted earnings as a result of the sale of shares to fund the open-ended share repurchase programme which delivered a gain, recorded in the income statement, of US\$7.6bn.

The trim of 2% of the group's Tencent position in FY22 resulted in a gain of US\$12.3bn in that year.

As a result of challenging macroeconomic conditions and the decline in growth expectations and valuations, we recognised impairment losses on equity-accounted investments of US\$1.7bn. Impairments for our listed equity-accounted investments relate primarily to Delivery Hero (US\$1bn recorded in the first half of FY23) and Skillsoft (US\$301m), given a decline in market capitalisation and the increase in discount rates and country-risk premiums for these.

In addition, we recognised impairment losses on goodwill of US\$684m in the current year, of which US\$560m relate to Stack Overflow in the Edtech segment and US\$116m to the OLX Autos business unit. The impairment loss of the OLX Autos business unit is as a result of our decision to exit the business. Further impairments may be recognised for OLX Autos in FY24 as we complete the exit of this business. Stack Overflow is a recent acquisition and has seen performance challenges in the current year due to worsening macroeconomic conditions. We are confident of the long-term potential and strategic value-add of our investments, despite the short-term macroeconomic challenges that drove the impairment.

Impairments for our unlisted equity-accounted investments relate primarily to OfferUp (US\$325m) due to the increase in market interest rates and a revised business outlook.

Headline earnings decreased by US\$1.3bn to US\$249m. This was due to lower profitability across the group's associates and increased operating losses from our consolidated businesses. This was partially offset by reduced share-based compensation expenses related to remeasurement of the group's cash-settled scheme and no grants to executive directors, as well as lower net finance costs due to increased interest income from cash balances.

Core headline earnings were US\$1.1bn – a decrease of 48%(14%) or US\$1.0bn primarily due to lower contributions from the group's associates (US\$1.3bn), of which US\$1.1bn relates to Tencent.

Following the announcement in May 2022 of our intention to exit the Russian classifieds business, Avito was classified as held for sale until the date of disposal in October 2022. In addition, Avito represents a separate major line of business and is reflected as a discontinued operation.

In March 2023, we announced the decision to exit the OLX Autos business unit. We believe that significant value exists in the business in its various local markets. Based on this, and the ongoing disposal process, options for this business are being



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considered across its geographical footprint. The operations of this business classified as held for sale and those that were closed by 31 March 2023 are presented as discontinued operations. The results from continuing operations also include some losses from the OLX Autos business unit where the group is still finalising its exit. This is expected to be completed in the first half of the FY24.

The group remains well positioned to navigate the difficult macro environment due to its strong balance sheet. At a corporate level, Naspers has a net debt position of US\$0.4bn, comprising US\$15.1bn in central cash and cash equivalents (including short-term cash investments), net of US\$15.5bn in central interest-bearing debt (excluding capitalised lease liabilities). In addition, we have an undrawn US\$2.7bn revolving credit facility. During the year, we recorded a net interest expense of US\$88m.

The group's free cash outflow (excluding Avito) was US\$518m, a sizeable year-on-year improvement. This was due to improved working capital and lower withholding tax due to fewer Avito dividends being received. Excluding OLX Autos, free cash outflow was limited to just US\$138m. Tencent remains a meaningful contributor to our cash flow via a stable dividend of US\$565m.

There were no new or amended accounting pronouncements effective 1 April 2022 with a significant impact on the group's summary consolidated financial statements.

The company's external auditor has not reviewed or reported on forecasts included in these summary consolidated financial statements.



Directors' report to shareholders

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SEGMENTAL REVIEW

Ecommerce

Ecommerce revenue from continued operations grew 19% (29%) to US\$10.8bn on an economic-interest basis, led by growth across all four core segments: Food Delivery, Classifieds, Payments and Fintech and Edtech. Etail revenue declined 11% (0%) to US\$3bn impacted by an elevated FY22 base, which in turn was fuelled by pandemic-related demand, and lower demand in the current year as offline retailers offloaded inventory as Covid-19 restrictions were lifted. Excluding Etail, Ecommerce revenue grew 35% (44%). Aggregated trading losses in the Ecommerce portfolio rose to US\$1.5bn from US\$1.2bn in the comparative period but declined by 35% in the second half of FY23 from the first half of FY23.

On a consolidated basis, Ecommerce revenue from continuing operations grew 9% (21%) to US\$6.6bn, 29% (43%) excluding Etail. The trading loss widened by US\$154m (US\$111m) to US\$639m, reflecting increased investment in adjacent growth opportunities that we believe will contribute to long-term value. These enhancements include a broader on-demand grocery-delivery ecosystem in iFood, credit in Payments and Fintech, and expansion of our Edtech segment. Trading losses improved meaningfully in the second half of the year, driven by the benefits of increased scale at the core businesses, more targeted investment in growth extensions and more general cost-cutting measures across the segments. Profitability improved in our core Classifieds business and iFood's restaurant-delivery business in Brazil. Results for our Payments and Fintech core PSP business include a once-off loss provision of US\$23m related to merchants in Brazil and the travel industry. Excluding this once-off adjustment, the core business remains profitable and reported a very strong recovery in the second half.

We are committed to achieving consolidated Ecommerce portfolio profitability during the first half of FY25, benefiting from increased scale as well as growth extensions and cost reductions. As such, the first six months of FY23 represent the high-water mark for trading profit losses and these are now expected to improve materially over time.

Classifieds

The core classifieds business of the OLX Group continued to deliver a strong performance through the financial year, with sustained growth and improved profitability. It is well-placed for further growth and margin expansion.

The core classifieds business was negatively impacted by currency movements. On an economic-interest basis, revenue decreased in nominal terms, but grew 15% to US\$722m in local currency, excluding M&A, and reported a trading profit of US\$60m.

The consolidated core classifieds business delivered revenue of US\$486m for the year, representing growth of 15% in local currency, excluding M&A. Excluding Ukraine, core classifieds consolidated revenue grew 20% and reported a trading profit margin of 19%, a 6 percentage points improvement compared to the prior year¹. Operating metrics across the group's core Classifieds business remained stable, with 73 million active users, 45 million monthly active app users and 1.8 million paying listers.

Europe, excluding Ukraine, grew revenue by 22% in local currency, excluding M&A. Trading profit grew by US\$38m to US\$83m, representing a margin improvement of 3 percentage points compared with last year. Poland remained the largest country in the group's European portfolio, growing revenues by 24% to US\$281m and trading profit by US\$34m to US\$68m.

The strong performance in Europe was supported by solid retention and buyer adoption of pay-and-ship services. Buyer adoption increased 3% year on year to 34%, while monetisation also improved. The auto and real-estate verticals contributed meaningfully and delivered revenue growth of 5% (19%) and 9% (24%), respectively, driven by improved commercial offerings. This offset a slight decline in advertising revenues due to the weaker macro environment.

The group supported its employees in Ukraine and, despite a difficult year, OLX Ukraine remained resilient. Demand has almost recovered to pre-conflict levels, with daily active users for FY23 at 94% of the prior-year level, while listings are at 80%. Despite the recovery in activity, monetisation has been kept low and the business reported a 37% (19%) decline in revenue to US\$36m, and a trading loss of US\$17m compared with revenue and trading profit of US\$57m and US\$7m respectively in FY22.

OLX Brasil, the group's 50% joint venture with Adevinta, contributed revenue of US\$85m on an economic-interest basis, growing 12% (11%). Revenue growth was driven by the autos vertical, which recorded higher revenue per user and a



Directors' report to shareholders

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significant increase in pay-and-ship transactions. This offset a decline in advertising revenues which were impacted by lower traffic and a weaker macroeconomic environment. The trading profit margin improved by 10 percentage points, to 15%, as the business implemented a cost-reduction plan.

OLX Autos, the car transaction business, was materially affected by macroeconomic and market challenges later in the second half of FY23, similar to listed peers. While OLX Autos has built leading positions across many of its key markets, driven by strong technology platforms and local focus, pursuing a global growth strategy was no longer the right approach for the group to maximise shareholder value. The operations of this business classified as held for sale and those that have been closed by 31 March 2023 are presented as discontinued operations. The portion of OLX Autos operations still included in continuing operations relates to OLX Autos operations whose exit process had not been finalised by 31 March 2023. These are expected to be discontinued in FY24 as the group continues to explore options for these remaining businesses and is committed to working through this process quickly and efficiently in the interests of all stakeholders.

OLX Autos revenue and trading losses for the year were US\$1.8bn and US\$418m, respectively, of which US\$853m of revenue and US\$216m of trading losses is included in continuing operations.

Beyond OLX Autos, the core classifieds business in OLX is profitable, cash-flow positive and fast-growing. The exit of OLX Autos will lead to improved profitability profile of the Classifieds segment, and we expect this to be further enhanced by cost-optimisation initiatives that promote improved productivity and efficiency.

¹ Classifieds' intra-segment corporate cost-allocation methodology was updated in this year. The prior year has been restated in line with the updated methodology.

Food Delivery

The Food Delivery segment continued to deliver robust growth in the core restaurant food-delivery business as well as in grocery marketplace and quick commerce, while improving its overall profitability. Profit improvement was driven by increased scale and margin improvement in the core restaurant food-delivery businesses, as well as a more targeted investment in growth extensions such as grocery and quick commerce. Total gross merchandise value (GMV) grew 18% (27%), while revenue, on an economic-interest basis, increased 40% (44%) to US\$4.2bn.

iFood represents our consolidated food-delivery business and we have several associates, most notably Delivery Hero and Swiggy.

iFood

iFood grew revenue strongly, while meaningfully improving its overall profitability during the year.

Revenue grew 39% (35%) to BRL7.1bn (US\$1.4bn), driven by an increase in orders and average order size as well as improved take rates and advertising fees. In Brazil, orders increased 10% (7%) to over 832 million and GMV grew 27% (20%) to BRL48bn (US\$9.4bn). Trading loss reduced by US\$127m to US\$79m as increased scale led to improved efficiency and margins in the core restaurant food-delivery business, which were partially offset by investment in the grocery marketplace, quick commerce and fintech extensions. During the year, iFood's trading loss margin improved by 15 percentage points.

In the core restaurant food-delivery business, GMV and revenue grew 21% (14%) and 27% (24%) respectively. The business is also benefiting from growing traction with its loyalty programme (Clube) which supports increased frequency from iFood's most valuable customers. As a result, iFood's core restaurant business generated a trading profit of US\$94m and trading margin of 8%, up from -1% in FY22, reflecting higher gross margins and more efficient marketing investment.

iFood operates a hybrid model of grocery marketplace and quick commerce delivery, with marketplace being the larger contributor to orders. Its grocery marketplace and quick commerce offering grew orders by 2% and GMV by 18% (14%) to over 43million and BRL4.5bn (US\$0.9bn), respectively. Revenues grew by US\$111m or 584% (563%), to account for 9% of total iFood revenues. In quick commerce, iFood adopted a more focused and efficient approach to rolling out new stores, with 61 dark stores now in operation, and continued to focus on achieving higher average order value and improving the unit economics of the business. iFood ceased operation in Colombia at the end of November 2022.



Directors' report to shareholders

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Delivery Hero

Delivery Hero contributed revenue of US\$2.4bn and trading losses of US\$267m to the group on an economic-interest basis for the period. Its focus on profitability continues to show results, as Delivery Hero's own metric of adjusted EBITDA margin (as a percentage of GMV) improved to -1.4% from -2.9% for the year ended 31 December 2022, while GMV grew by 18% to €44.6bn on a pro-forma basis.

Prosus retains conviction on the Delivery Hero outlook and acquired an additional stake in this business for US\$586m; increasing our ownership from 27.28% to 29.83% during the year.

More information on Delivery Hero is available at <https://ir.deliveryhero.com>.

Swiggy

Our share of Swiggy's revenue grew 40% (73%) to US\$297m, reflecting higher average order values and increased revenue from delivery fees and advertising sales. The core restaurant food-delivery business recorded GMV¹ growth of 26%, while Instamart grew GMV 459%². In the last two reporting periods, Swiggy has concentrated on reactivating users, increasing monthly frequency and improving user conversion. The benefits are reflected in its results for FY23, with over 272 000 enabled restaurants on its platform, 155% of pre-pandemic levels, with GMV at US\$2.6bn.

In FY23, Swiggy also redoubled its focus on the profitability of its core restaurant food-delivery business, which its CEO recently announced had turned profitable in March 2023 (after factoring all corporate costs excluding share-based costs) following an investment phase. Our share of Swiggy's trading loss increased to US\$180m (FY22: US\$100m), driven by investment in Instamart, which peaked in the year.

1 GMV includes delivery fees

2 Year in Swiggy's section refers to 1 January 2022 to 31 December 2022.

Payments and Fintech

The Payments and Fintech segment grew its economic-interest revenue 32% (51%) to US\$1.1bn through strong growth in the core PSP business as well as its fast-scaling India credit business. On a consolidated basis, the core PSP business and credit drove PayU's revenue growth of 32% (52%) to US\$903m. The trading loss was US\$83m (FY22: US\$46m), with a negative margin of 9% (FY22: -7%) due to a once-off loss provision of US\$23m.

The core PSP business delivered revenue growth of 23% (43%) to US\$790m, driven by transactions and total payment volume (TPV) growing 19% and 24% (39%) to 2.7billion and US\$98bn, respectively. While both India and GPO grew revenue solidly, the core PSP business reported a trading loss of US\$2m, mainly due to GPO's once-off loss provision. Excluding this provision, the core PSP business generated a 3% trading margin, down from 4% in FY22, as GPO incurred higher merchant acquisition costs and invested in building new products.

India, the largest market in the group's PSP business, contributed 51% of the core PSP business' revenues, up from 47% in FY22. India's TPV grew 33% (44%) to US\$58bn, driven by transaction growth of 25% to 1.4billion. India generated US\$399m of revenue, which grew 31% (42%), fuelled by continued growth in enterprise and small- and medium-sized businesses, as well as diversification into newer segments including government merchants, omnichannel and other non-MDR (merchant discount rate) products. Revenue growth and cost-saving initiatives led to an improvement in trading profit margin to 3%.

PayU's Indian credit business continued to scale quickly, issuing US\$742m in loans, up 47% on last year, translating into a loan book of US\$256m at 31 March 2023. The credit business grew revenue three times (three times) to US\$83m, largely through growth in personal loans. The trading loss of US\$10m represents a 63 percentage point improvement in margin to -12%, reflecting an improved loss rate of 2.5% from 3% in FY22. The business is close to breakeven. In FY23, in response to changes in regulations, the group stopped its digital bank offering (LazyCard), which contributed the largest part of the credit



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business' trading loss. As a result of the closure, the India credit metrics exclude LazyCard. The group continues to look for new opportunities to invest in further product diversification.

GPO grew solidly, but was impacted by currency translations. The GPO business grew transactions and TPV 12% and 13% (32%) to 1.2billion and US\$39bn, respectively, through growth in global merchants and in Turkey, translating into revenue growth of 15% (44%) to US\$393m. Turkey, one of the largest markets in GPO, contributed 22% of GPO's revenues, and grew 52% (154%) as increases in instalment sales and customer mix led to an improved take rate. GPO's gross profit margin was driven lower by higher merchant-acquisition costs. GPO is working to offset this increase through cost-saving initiatives including headcount rationalisation, the benefits of which will come through in the next financial year. GPO's trading loss margin was -4% (2% excluding the once-off loss provision).

The largest Payments and Fintech investment in our associate portfolio, Remitly, grew its send volumes 40% to US\$29bn in the year ended 31 December 2022. Our share of Remitly's revenue and trading loss was US\$147m, which grew 35% (43%), and US\$27m, respectively. More information on Remitly is available at <https://ir.remitly.com/>.

Edtech

On an economic-interest basis, Edtech segment revenues grew by 28% (18%) to US\$545m and trading losses increased to US\$258m. Growth was affected by decreased demand in the macroeconomic downturn. Our portfolio companies have reacted quickly to changing market conditions and are rationalising their cost structures and investments. At the same time, our businesses are shifting resources to take advantage of new AI technologies which promise to transform the industry. By deploying GenAI technologies, our companies can better personalise the content and user feedback on their platforms.

The consolidated Edtech businesses, Stack Overflow and GoodHabitZ, grew revenues in local currency, excluding M&A by 21% to US\$134m. Trading losses increased to US\$131m (FY22: US\$55m), reflecting increased investment in technology, sales and international expansion.

Stack Overflow continues to add an average of 200 000 new registrations every month. It grew total bookings by 37%, driven by strong Stack Overflow for Teams' bookings, advertising and employer branding. The business grew revenue in local currency, excluding M&A by 20% to US\$94m, as Stack Overflow for Teams contributed slightly over 50% of revenue. By March 2023, Stack Overflow had over 950 paying teams generating annual recurring revenue of US\$55m, representing growth of 31% year on year. Increased investment in sales teams, marketing activities and engineering and product development initiatives contributed to the trading loss of US\$84m.

GoodHabitZ increased the number of courses offered by 51% (1 753 at the end of March 2023) and the number of enterprise customers it serves by 18% (2 656). Revenue grew 38% (24%) to US\$40m, driven by growth in its biggest existing markets (Netherlands, Germany, Italy, Spain) and expansion into new international markets. Annual recurring revenue grew 24% to US\$48m driven by the core markets, primarily Germany, and introduction of new products and markets. Geographic expansion drove trading losses to US\$16m.

Our Edtech minority investment portfolio comprises nine investments spanning the sector, from kindergarten to grade 12 (K-12), into higher education and workplace learning. Edtech associates revenue grew by 20% (17%) to US\$412m and trading losses were US\$127m.

Skillsoft, a global leader in digital workplace learning, is our biggest associate by revenue. Our share of Skillsoft's revenue was US\$222m, with a trading profit of US\$22m. More information on Skillsoft is available at <https://investor.skillsoft.com>.

The group has stopped equity accounting for BYJU'S and Udemy from September 2022.

Etail

eMAG

eMAG, a leading business-to-consumer ecommerce platform in Central and Eastern Europe, had a mixed performance due to decreased consumer demand in a deteriorating macroeconomic environment, the war in neighbouring Ukraine, and a restructuring of its Hungarian business.



Directors' report to shareholders

for the year ended 31 March 2023

eMAG's revenue declined by 14% (4%) to US\$2.0bn, reflecting a 17% (7%) decline in its core Etail business, partially offset by strong growth from its restaurant (Tazz) and grocery-delivery (Freshful) services. While overall GMV decreased 13% (4%), third-party (3p) ecommerce business grew GMV 3% (14%) which was offset by a first-party (1p) decline of 20% (11%). These changes were driven by changes in category mix, which is ultimately more supportive of margins. In total, the business reported a trading loss of US\$53m, compared to a US\$34m trading loss last year, reflecting continued investments in Tazz, Freshful and Sameday, and one-off costs associated with the Hungary operational merger, along with warehouse investment.

eMAG has made strategic investments in productivity and innovation in the core business, while its popular loyalty programme (Genius) continues to support growth. eMAG is scaling its new extensions and focusing on better stock and warehouse management as it grows into its newly built capacity. In March 2023, the business returned to normalised year on year growth numbers as it lapped a normal base for the first time in three years. The investments and restructuring undertaken during the year are expected to continue improving performance over the next year, bringing a return to top and bottom-line growth.

Takealot

Takealot group, our South African etail business, grew GMV 13% and revenue 12%, both on a local currency, excluding M&A basis despite tough market conditions. Over the year, the Takealot group incurred a loss of US\$22m, representing a trading margin of -3%, reflecting slowing consumer demand in a rising inflationary and interest-rate environment in South Africa. In addition, profitability was impacted by rising operational costs due to persistent national rolling power blackouts, escalating fuel costs, and the effect of global supply-chain constraints.

Takealot.com, a leading South African general ecommerce platform, grew GMV 14% year on year in local currency, excluding M&A. Superbalist, a leading South African online fashion destination, grew revenue 11% in local currency, excluding M&A, despite increasing competition and softening consumer demand. Aggressive pricing from offline retailers contributed to overall gross margin pressure.

Mr D, the Takealot group's on-demand business, grew GMV by 8% (11% including groceries) and revenue by 17%, a strong performance given the tough trading environment during the year. Mr D partnered with Pick n Pay (one of South Africa's leading grocery brands) to launch an on-demand grocery vertical on its platform, delivering on Mr D's strategy to expand convenience offerings to consumers.

Tencent

Tencent weathered a challenging 2022 with resilience, supported by its diversified portfolio of products, businesses and investments. For the year ended 31 December 2022, Tencent's revenue declined 1% to RMB555bn. Non-IFRS profit attributable to shareholders (Tencent's measure of normalised performance) declined 7% to RMB116bn.

Revenues from value-added services decreased by 1% to RMB288bn, driven by the 4% decrease in domestic games revenue and 3% growth in international games revenue. Social networks revenues were broadly stable at RMB117bn. Revenues from fintech and business services increased by 3% to RMB177bn. Revenues from online advertising decreased 7% to RMB83bn.

Monthly active users of Weixin and WeChat reached 1.3 billion, up 4% year on year. User time spent on Weixin continued to grow as it expanded its content, service offerings and short-form video capability, with time spent on Mini Programs and Video Accounts doubled and tripled year on year respectively in the fourth quarter of 2022. Mini Programs has become a leading transaction platform in China, contributing to the growth of the real economy. Video Accounts has become a major short-form video and live-streaming platform in China.

Tencent enlivened the video-chat experience for QQ by adding Super QQ Show avatars using enhanced motion-capture technology to mirror users' facial expressions and gestures in real time. Tencent enriched the content of anime, comics and games for QQ's short-video service, Mini World, and launched AI-powered video-creation tools, significantly increasing daily active users and time spent per user.

Tencent continued to lead in the China online game market, with Honor of Kings resuming year on year growth in daily active users in the fourth quarter of 2022. Internationally, Tencent elevated Valorant as a top global franchise and published two of the top three new mobile games of the year.



Directors' report to shareholders

for the year ended 31 March 2023

In online media, Tencent Video's subscriptions moderated slightly to 119 million due to content-scheduling delays, while subscription revenue increased year on year in the fourth quarter of 2022 driven by average revenue per user growth.

In advertising, Tencent improved its long-term position by launching Video Accounts in-feed ads, enhancing transaction-driven capability and machine-learning infrastructure in 2022. In the fourth quarter of 2022, Tencent advertising returned to year on year revenue growth. Click-to-message and click-to-purchase advertisements accounted for over one-third of Weixin's advertising revenue.

In fintech, Tencent's commercial payment business was temporarily impacted by Covid-19 outbreaks, resulting in a significant slowdown in volume growth. Tencent is expanding its wealth management and exploring opportunities in consumer loans and online insurance services.

In business services, Tencent further reduced loss-making activities and optimised costs while focusing on healthier-margin self-developed platform-as-a-service (PaaS) solutions, such as video cloud and database.

Tencent made significant progress in its drive to create sustainable social value. It announced its commitment to carbon neutrality by 2030. Its digital philanthropy platform raised donations for over 25 000 projects and engaged more than 100 million users. In 2022, Tencent increased its return of capital to shareholders through distribution in kind, share repurchase and cash dividend.

The regulatory environment of China's internet industry continues to evolve, reflecting the expanding economic and social importance of the industry. In 2022, Tencent increased its business efficiency, sharpened its focus on core activities, and developed new services and revenue lines, successfully repositioning it for sustainable and high-quality growth. It is investing in AI capabilities and cloud infrastructure to embrace foundation models, which the company believes will enhance the experience of its existing products and services, and allow it to explore new products.

Tencent is committed to enacting its vision of 'value for users, tech for good' by continuing to develop advanced technologies and innovative products and services that create shared value and promote the sustainable development of society. Tencent sees ample opportunities in both the consumer and industrial internet as technology continues to advance and as China reopens after the pandemic.

More information on Tencent is available at www.tencent.com/en-us/investors.



Directors' report to shareholders (continued)

for the year ended 31 March 2023

PROSPECTS

The group is a long-term investor and has invested through various economic downturns in volatile internet markets.

The fundamentals of our businesses remain sound. We continue to have conviction in our platforms and we are excited about the opportunities before us. The group will continue to: drive profitability in its ecommerce portfolio; build scale and take action to manage expenses and free cash flow while maintaining its leading value proposition to its customers. We will continue to invest for growth by building our capabilities, and enhancing our ecosystems to deliver returns across our portfolio. The ambition is for our consolidated Ecommerce portfolio to reach profitability during the first half of FY2025.

We will continue the open-ended repurchase programme as long as the discount remains elevated. Over time, the compounding effects of the buyback will structurally improve returns on investment.

Tencent is a strong business with a unique position in the China internet landscape. It is led by a world-class leadership team and has a proven track record of operating through all types of environments. The group remains committed to being a significant shareholder and still sees substantial upside potential.

Subject to the requisite regulatory and Naspers and Prosus shareholder and final board approvals being obtained, we intend to remove the cross-holding between Naspers and Prosus and continue with the share repurchase programme.

We endeavour to maximise value for shareholders, with a transparent, predictable and repeatable process of identifying, scaling and then crystallising value across our portfolio at the right time.

A healthy liquidity profile is helpful in uncertain times. The group's ambition remains to manage the balance sheet within its investment-grade rating. We will remain disciplined in our capital allocation and are very focused on investments with the potential to deliver long-term returns to shareholders.

As a global tech business, AI is essential for us. Across the group, AI has become part of the fabric of our operations, how we innovate and keep improving. At the scale we currently operate across our core segments, AI is essential. We develop and deploy it as quickly as possible across the group to support business growth, to innovate, and to improve our competitive ability. We are increasingly focused on AI-by-design – using our technologies and expertise to make operational improvements and to radically change the way we do business. It is all about future-proofing and innovating – building AI into the earliest stages and making it core to the process of exploring, designing, developing, deploying and improving platforms, products and services. We will continue to responsibly develop and deploy AI to drive improvements throughout the group.

SHARE CAPITAL

The authorised share capital at 31 March 2023 was:

- 1 250 000 A ordinary shares of R20 each
- 500 000 000 N ordinary shares of 2 SA cents each

The issued share capital at 31 March 2023 was:

- 961 193 A ordinary shares of R20 each
- 435 511 058 N ordinary shares of 2 SA cents each

Refer to note 24 to the consolidated annual financial statements for information regarding changes in the group's share capital during the year.

DIVIDENDS

The Prosus board has recommended that, in total, its shareholders receive a distribution of a gross amount of c. EUR175m which represents an increase of approximately 7% for free float shareholders. Subject to the requisite approval by Prosus shareholders being obtained, a dividend will be paid by Naspers in relation to the Naspers N ordinary shares and A ordinary shares from the amount that Naspers receives from Prosus, in accordance with the rights attaching to the shares as set out in the Naspers Memorandum of Incorporation. The Naspers dividends will be paid in South African rand. Given the weakening of the rand against the euro, the expected year-on-year increase in the dividends is higher than in the recent past. More information regarding the dividend will be published in due course.

The directors have performed the required solvency and liquidity tests required by the Companies Act of South Africa.



Directors' report to shareholders (continued)

for the year ended 31 March 2023

GROUP

Naspers is not a subsidiary of any other company. The name, country of incorporation and effective financial percentage interest of the holding company in each of the Naspers group's principal subsidiaries are disclosed in note 8 to the consolidated annual financial statements.

Details relating to significant acquisitions and divestitures during the year are highlighted in note 6 to the consolidated annual financial statements.

DIRECTORS

On 1 April 2022, in line with our retirement policy, Ben van der Ross retired from the board as well as the Naspers social, ethics and sustainability and the Prosus sustainability committees. The board thanks Ben for his invaluable contribution over the years.

Shar Dubey was appointed to the board of Naspers with effect from 1 April 2022. Shar Dubey's appointment as an independent non-executive director of Prosus was approved by shareholders at the annual general meeting on 24 August 2022. On 1 October 2022, she also became a member of the audit committee, enhancing the composition of this committee.



Directors' report to shareholders (continued)

for the year ended 31 March 2023

DIRECTORS (continued)

Directors and attendance at meetings:

	Date first appointed in current position	Date last appointed	Eleven board meetings were held during the year. Attendance:	Category
J P Bekker ⁽¹⁾	17 April 2015	25 August 2022	11	Non-executive
V Sgourdos ⁽¹⁾	1 July 2014	29 August 2014	11	Executive
B van Dijk ⁽¹⁾	1 April 2014	29 August 2014	11	Executive
H J du Toit	1 April 2016	25 August 2021	10	Independent non-executive
C L Enenstein	16 October 2013	25 August 2021	11	Independent non-executive
M Girotra	01 October 2019	25 August 2022	11	Independent non-executive
R C C Jafta ⁽¹⁾	23 October 2003	21 August 2020	11	Independent non-executive
AGZ Kemna	15 April 2021	25 August 2021	10	Independent non-executive
F L N Letele	22 November 2013	25 August 2021	10	Non-executive
D Meyer	25 November 2009	25 August 2022	11	Independent non-executive
R Oliveira de Lima	16 October 2013	25 August 2021	11	Independent non-executive
S J Z Pacak ⁽¹⁾	15 January 2015	25 August 2022	10	Non-executive
M R Sorour ⁽¹⁾	15 January 2015	21 August 2020	11	Non-executive
J D T Stofberg	16 October 2013	25 August 2022	11	Non-executive
Y Xu	26 June 2020	21 August 2020	11	Independent non-executive
S Dubey ⁽²⁾	01 April 2022	01 April 2022	11	Independent non-executive

Notes

⁽¹⁾ Members of the projects committee.

⁽²⁾ Appointed as a director with effect from 01 April 2022 and to the audit committee with effect from 01 October 2022.



Directors' report to shareholders (continued)

for the year ended 31 March 2023

DIRECTORS (continued)

Committees and attendance at meetings:

	Projects committee		Audit committee ⁽¹⁾		Risk committee		Human resources and remuneration committee ⁽¹⁾		Nomination committee ⁽¹⁾		Social, ethics and sustainability committee		
	Zero meeting held during the year.		Three meetings held during the year. Attendance:		Three meetings held during the year. Attendance:		Four meetings held during the year. Attendance:		Three meetings held during the year. Attendance:		Two meetings held during the year. Attendance:		Category
J P Bekker	√	-					√	4	√	3			Non-executive
B van Dijk	√	-			√	3					√	2	Executive
V Sgourdos	√	-			√	3					Alt	2	Executive
H J du Toit									√	3			Independent non-executive
C L Enenstein							√	4	√	3			Independent non-executive
M Girotra			√	2									Independent non-executive
R C C Jafta	√	-			√	3			√	3	√	2	Independent non-executive
AGZ Kemna			√	3	√	3							Independent non-executive
F L N Letele											√	-	Non-executive
D Meyer											√	2	Independent non-executive
R Oliveira de Lima							√	4	√	2			Independent non-executive
S J Z Pacak	√	-	√	3	√	3							Non-executive
M R Sorour	√	-											Non-executive
J D T Stofberg											√	2	Non-executive
Y Xu													Independent non-executive
S Dubey ⁽²⁾			√	1									Independent non-executive
M Davidson											√	2	Executive

Notes

⁽¹⁾ Executive directors attend meetings by invitation.

⁽²⁾ Appointed as a member of the committee effective 01 October 2022.

√ Member of committee.

Alt Alternate director



Report of the audit committee

for the year ended 31 March 2023

I am pleased to present the report of the audit committee (the committee) for the year ended 31 March 2023. The committee submits this report, as required by section 94 of the South African Companies Act No 71 of 2008 (the Act).

MEMBERS OF THE AUDIT COMMITTEE AND ATTENDANCE AT MEETINGS

This committee comprises independent non-executive directors.

On 1 October 2022 Shar Dubey was appointed as a board member of this committee. All members are financially literate and have business and financial acumen. The committee held four meetings during the past financial year. The chief executive and financial director attend committee meetings by invitation.

The names of the members who were in office during the financial year and the details of the committee meetings attended by each of the members are shown on page 17.

The committee has unrestricted access to company information falling within its mandate and will liaise with management on the information it requires to carry out its responsibilities. Both internal and external auditors have unrestricted access to the committee. The internal and external auditors also have the opportunity at two meetings per year to report to the committee in the absence of management, or when appropriate to do so.

The chair of the board is not a member of the committee but may attend meetings by invitation. Board members are entitled to attend committee meetings as observers. However, non-committee members are not entitled to participate without the consent of the chair, do not have a vote and are not entitled to fees for attendance.

RESPONSIBILITIES

This committee's main responsibilities, in addition to its responsibilities in terms of the South African Companies Act, are as follows:

- Annually review and assess the charters of the group's significant subsidiaries' audit committees and review their annual assessment of compliance with their charters to establish if the committee can rely on the work of the subsidiary companies' committees.
- Perform a formal annual evaluation of whether the committee has fulfilled its responsibilities in terms of its charter and reporting these findings to the board.
- Review and approve for presentation to and approval by the board, the company's integrated annual report, director reports, annual financial statements, interim and provisional reports and summarised consolidated financial statements, and any other company press releases with material financial or internal control impacts.
- Disclose in the annual report significant matters that the committee has considered in relation to the annual financial statements, and how these were addressed by the committee.
- Review the documented assessment of the viability of the company and the group on a going-concern basis, making recommendations to the board relating thereto. The committee should be alert to the general viability of the company and the group with regard to its reliance and effects on the total resources it uses and affect, its solvency and liquidity, and its status as a going concern.
- Receive the external auditors' reports directly from the external auditors, including the receipt and review of reports, which furnish, in a timely fashion, information relating to:
 - critical accounting policies and practices to be used in the preparation of the financial statements;
 - alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the external auditors' preferred treatment;
 - the external auditors' internal quality control procedures (such reports to be received annually), describing any material issues raised by the most recent internal quality control review or peer review of the external auditors, (such reports to be received annually), or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, in respect of one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issue;



Report of the audit committee

for the year ended 31 March 2023

RESPONSIBILITIES (continued)

- a written statement in respect of relationships between the external auditors and the company, which the audit committee will use to investigate any relationships disclosed therein that may impact the external auditors' objectivity and independence, and take appropriate action to oversee the external auditors' independence;
 - confirmation of the external auditors' continued registration with the JSE;
 - other material written communications between the external auditors and management; and
 - other required disclosures to the audit committee by the external auditors.
- Annually review external audit and disclose the committee's views on the quality of the external audit and independence, when required, with reference to audit quality indicators such as those that may be included in inspection reports issued by external audit regulators.
 - Evaluate the lead partner of the external auditors, who will be subject to regular rotation as required by applicable regulations.
 - Present the committee's conclusions in respect of the nomination for appointment as external auditors to the board, preceding the annual request to shareholders to approve the appointment of the external auditors.
 - Approve the external auditor's terms of engagement and remuneration. Evaluate and provide commentary on the external auditors' audit plans, scope of findings, identified issues and reports.
 - Preapprove all audit and audit-related services provided by the external auditors.
 - Develop a policy for the board to approve with regard to non-audit services performed by the external auditors. Approve non-audit services provided by the external auditor in accordance with the policy.
 - Receive notice of reportable irregularities (as defined in the Auditing Profession Act) that have been reported by the external auditor to the Independent Regulatory Board for Auditors.
 - Oversee the management of financial and other risks that affect the integrity of external reports issued by the company.
 - Based on the information provided by the various assurance providers, evaluate the effectiveness of internal financial controls and disclose the committee's views in the Naspers integrated annual report on the effectiveness of the design and implementation of internal financial controls and on the nature and extent of any significant weaknesses in the design, implementation or execution of internal financial controls that resulted in material financial loss, fraud, corruption or error. Such views must be reported to the board and in the integrated annual report.
 - Approve and recommend to the board for approval the internal audit charter, which must be reviewed annually.
 - Overseeing the internal audit function and assisting the board in fulfilling the following responsibilities:
 - Setting the direction for internal audit arrangements needed to provide objective and relevant assurance that contributes to the effectiveness of governance, risk management and control processes.
 - Ensure that arrangements for internal audit provide for the necessary skills and resources to address the complexity and volume of risk faced by the company, and that internal audit is supplemented as required by specialists.
 - Confirm the appointment or dismissal of the head of the group's internal audit function and periodically review his or her performance.
 - Monitor that internal audit follows an approved risk-based internal audit plan, reviews the organisational risk profile regularly, and propose adaptations to the internal audit plan accordingly.
 - Ensure internal audit provides a statement annually as to the effectiveness of the company's governance, risk management and control process.
 - Ensure the internal audit function is subject to an external, independent quality review every five years.
 - Obtain confirmation annually from the head of the group's internal audit function that internal audit conforms to a recognised industry code of ethics.
 - Evaluate and disclose the audit committee's views on the effectiveness of the head of internal audit and the arrangements for internal audit, as well as approving the annual internal audit plan and any material changes thereto.



Report of the audit committee

for the year ended 31 March 2023

RESPONSIBILITIES (continued)

- Review internal audit's and the risk committee's reports to the committee.
- Review procedures to ensure that the requirements of the relevant stock exchanges are complied with.
- Review Naspers practices in light of the King IV™ code on Corporate Governance for South Africa, as amended from time to time, and make specific disclosures recommended by the King IV™ Code.
- Monitor compliance with the board-approved group levels of authority.
- Related-party transactions:
 - within the confines and requirements of the South African Companies Act, approve all related-party transactions between US\$5 million and US\$50 million (in excess of US\$50 million only the board to approve) (except those between wholly owned, direct and indirect subsidiaries of Naspers, which would be reviewed in the context of accounting disclosure requirements) as defined by the JSE and IAS 24 *Related Party Disclosures* (IAS24);
 - all related-party transactions as defined by IAS 24 to a value of less than US\$5 million must be brought to the attention of the audit committee at the most convenient meeting closest to when the transaction is concluded; and
 - furthermore, the audit committee will review, approve and recommend to the board for approval material related party transactions outside the ordinary course of business, or on terms other than normal market terms, as required by the relevant laws and regulations.
- Evaluate:
 - legal matters which may affect the financial statements;
 - matters of significance reported by the internal and external auditors, and any other parties, including implied potential risks to the group and recommendations on appropriate improvements;
 - major unresolved accounting or auditing issues; and
 - progress in respect of the completion of all unfinished matters reported by the internal and external auditors.
- Establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal control, auditing matters, risk management and management or other fraudulent activities, including procedures for confidential, anonymous reporting by employees in respect of questionable matters.
- Annually evaluate the performance of and appropriateness of the expertise and experience of the financial director and the finance function. The results of the review to be disclosed in the integrated annual report.
- Compile a report to be inserted in the financial statements, describing how the committee carried out its functions and stating whether the committee is satisfied that the external auditors were independent of the company. Include in that report a statement regarding the effectiveness of the internal controls and, specifically, of the internal financial controls.
- Assisting the board in fulfilling the following responsibilities:
 - Ensuring that arrangements for assurance services are effective in achieving the following objectives:
 - enabling an effective internal control environment;
 - supporting the integrity of information used for internal decision-making by management, the board and its committees; and
 - supporting the integrity of external reports.
 - Ensuring that a combined assurance model is applied that incorporates and optimises the various assurance services and functions so that, taken as a whole, these support the objectives for assurance.
 - Ensuring that the combined assurance model is designed and implemented to cover effectively the company's significant risks and material matters through a combination of assurance service providers and functions as is appropriate for the company.



Report of the audit committee

for the year ended 31 March 2023

RESPONSIBILITIES (continued)

- Disclosing in the annual report the arrangements in place for combined assurance and the committee's views on its effectiveness.
- Execute assignments commissioned by the board.

Some responsibilities of this committee may also be a responsibility of the company's risk committee.

KEY FOCUS AREAS DURING THE YEAR

The committee's key focus areas during the year included:

- Discharging its functions in terms of its charter;
- Assessing the impact of the changes to accounting standards;
- Mandatory audit firm rotation;
- Ensuring group reporting meets JSE Listings Requirements and any other requirements which arise due to Naspers's listings;
- Engage with the JSE in terms of the proactive monitoring of financial statements; and
- Continued implementation of the King IV™ recommendations.

FINANCIAL STATEMENT REPORTING ISSUES

The committee's main responsibility in relation to the group's financial reporting is to review, with both management and the external auditor, the appropriateness of the group's consolidated annual financial statements with its primary focus on:

- the quality and acceptability of accounting policies and practices;
- material areas where significant judgements have been made, along with any significant assumptions or estimates, or where significant issues have been discussed with or challenged by the external auditor; and
- an assessment of whether the consolidated and company annual financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's position and performance, business model and strategy.

The significant judgements and issues and conclusions reached/actions taken by the committee in relation to the 2023 annual financial statements are outlined in the table below. The significant judgements and issues are broadly comparable in nature to prior years. Each of these matters was discussed with the external auditor and, where appropriate, has been addressed as a key audit matter in the report on the audit of the consolidated and company financial statements on pages 26 to 35 of the annual financial statements.

Significant reporting matter	Conclusions reached/actions taken
Applicable to the consolidated financial statements	
<p><i>Accounting for the equity-accounted investments in Tencent Holdings Limited (Tencent)</i></p> <p>Equity-accounted investments (refer to notes 10 and 11) are significant to the consolidated annual financial statements and the group is required to make certain adjustments to the underlying results of investees in respect of any significant transactions that occur between the investees' year-ends and 31 March.</p> <p>These adjustments require the exercise of critical management judgement and are significant in terms of magnitude.</p> <p>Accounting for the group's investment in Tencent was a significant matter due to the magnitude of the carrying amount, the significant contribution of the entity to the consolidated results of the group and the fact that Tencent</p>	<p>The committee received feedback from the group's representatives on the committees of Tencent and other significant equity-accounted investments. The committee reviewed the reporting of the contribution of equity-accounted investments to the group's results and financial position as part of their review of the consolidated annual financial statements. In addition, the committee received reporting from management on significant transactions related to equity accounted investments (ie dividends and disposals), the significant lag-period adjustments and/or adjustments made to the underlying results of investees to align the investees' accounting policies to those of the group.</p>



Report of the audit committee

for the year ended 31 March 2023

Significant reporting matter	Conclusions reached/actions taken
<p>Applicable to the consolidated financial statements</p> <p>has a year-end that is not coterminous with that of the group.</p> <p>In June 2022, the Group began executing an open-ended share repurchase programme aimed at increasing the Naspers and Prosus net asset value per share. The repurchase programme is funded by an orderly on-market sale of Tencent shares held by the Group.</p> <p>During the course of the financial year, the Group sold 2.65% of Tencent's issued share capital resulting in a gain on partial disposal of US\$7.6 billion. Management calculated the gain on partial disposal as the excess of the proceeds received on the disposal over the proportion of the carrying value of the investment disposed.</p> <p>In November 2022, Tencent declared a special interim dividend in the form of shares in Meituan Inc. which was distributed on 24 March 2023. Management accounted for the dividend received from Tencent relating to Meituan Inc. as a reduction of the carrying value of the investment in associate and the recognition of a fair value through other comprehensive income investment at the fair value on the date of distribution, amounting to US\$4.5 billion</p> <p>For further information refer to note 2 and note 10.</p>	<p>The committee was satisfied with the adjustments made and the critical judgements applied by management.</p>
<p><i>Impairment assessment of goodwill and intangible assets arising from business combinations and investments in associates</i></p> <p>Goodwill and intangible assets</p> <p>The group's net asset value includes significant amounts of goodwill and intangible assets (refer to notes 7 and 34).</p> <p>These balances are tested at least annually for impairment at the level of individual cash generating units (CGUs). The recoverable amounts of the CGUs were based on either the fair value estimates by reference to recent funding rounds or market transactions (where applicable) or value in use estimates using discounted cash flow models. This process involves complex calculations and the exercise of critical management judgement regarding assumptions and estimates.</p> <p>The announcement of the group decision to exit the OLX Autos business due to ongoing macro-economic and market challenges in March 2023 resulted in the need to update the goodwill impairment assessment performed at 31 December 2022.</p> <p>Investment in associates</p>	<p>The committee received impairment reporting from management including the results of the group's annual impairment testing of goodwill and those assets where indicators of impairment existed. The committee reviewed this reporting in terms of the consistent application of management's testing methodology, the achievability of business plans and forecasts based on current and past performance, the Naspers board approval thereof and the critical assumptions applied.</p> <p>In addition, as impairment testing remains a key area of focus for the group's external auditor, the committee reviewed the external auditor's reporting on impairment testing and the valuations used for this purpose. The committee also received detailed written feedback from management on how valuation principles, areas of judgement and forecasts have been impacted by current economic conditions.</p> <p>The impairment assessments for equity-accounted associates and joint ventures considered the financial performance of the investments during the period and determined whether there were any significant indicators, such as a decline in the market capitalisation for listed investments, significant market movements or any material financial losses for</p>



Report of the audit committee

for the year ended 31 March 2023

Significant reporting matter	Conclusions reached/actions taken
Applicable to the consolidated financial statements	
<p>Impairment assessments for the group's listed equity-accounted investments related to Delivery Hero and Skillsoft as a result of a decline in the market capitalisation and the increase in country risk premiums for these investments. Impairment assessments for the group's unlisted equity-accounted investments related primarily as a result of the increase in market interest rates and the overall business performance.</p>	<p>unlisted investments, that would result in an impairment loss.</p> <p>The group used its budgets and forecasts to perform discounted cash flow valuations or market prices where relevant, in order to determine the recoverable amount (the higher of its value in use and listed market prices) of its equity accounted associates and joint ventures to identify whether any impairments should be recognised.</p> <p>Of all listed equity-accounted investments, impairment indicators were identified for Delivery Hero and Skillsoft due to the decline in their respective market capitalisations in respect to their carrying values. Impairment losses were therefore recognised for these investments as a result the impairment assessment.</p> <p>For all unlisted equity accounted investments impairment losses were recognised due to the financial performance falling below expectations during the current year.</p> <p>The committee received a report detailing the impairment considerations as well as the reasons the impairment losses were recognised for equity-accounted investments.</p> <p>Based on the above impairment assessments, the committee was satisfied with the appropriateness of the analysis performed by management and the impairment-related disclosures in the consolidated annual financial statements.</p>
<p><i>Valuation of share-based compensation schemes and share-based payments</i></p> <p>The group has several share-based compensation schemes (refer to note 38). The share-based payments arising therefrom involve complex valuations and the use of critical management judgement regarding assumptions, the classification of the schemes and estimates.</p>	<p>The committee acknowledged that the human resources and remuneration committee reviews the valuations, including assumptions and allocations, of the share-based compensation schemes as well as the various scheme rules.</p> <p>The committee noted the report of the human resources and remuneration committee will be tabled at the Naspers board meeting in August and will detail the results of these reviews as per the normal process. The committee noted that these valuations and the underlying assumptions are used for the accounting of share-based payments.</p> <p>The committee also reviewed the accounting and disclosure of share-based payments in the annual financial statements.</p> <p>As a result, the committee concluded that that accounting and disclosure of share-based payments in the consolidated annual financial statements is appropriate.</p>

INTERNAL AUDIT

The committee has oversight of the consolidated and company financial statements and reporting process, including the system of internal financial control. It is responsible for ensuring that the group's risk and audit function is independent and has the necessary resources, standing and authority in the organisation to discharge its duties.

The committee oversees cooperation between internal and external auditors and serves as a link between the board of directors and these functions. The head of risk and audit reports functionally to the chair of the committee and administratively to the financial director. An assessment of the effectiveness of the risk and audit function, as well as the



Report of the audit committee

for the year ended 31 March 2023

head of risk and audit, is performed annually by the committee. Based on the assessment, the committee is of the opinion that the risk and audit function, as well as the head of risk and audit, is effective.

EFFECTIVENESS OF THE COMPANY'S INTERNAL FINANCIAL CONTROLS

The committee reports to the board that it is of the opinion that, based on enquiries made and the reports from the internal and external auditors, the internal financial controls of the company and its investments are effective. Although the committee was appraised of certain areas in which control improvements are recommended, have started or have been completed, after consideration it is of the opinion that none of these imply a material weakness in financial control of the company and its subsidiaries for the year under review.

INDEPENDENCE AND EFFECTIVENESS OF THE EXTERNAL AUDITOR

PricewaterhouseCoopers Inc. (PwC) was reappointed as auditor of the company until the next annual general meeting. PwC has been the auditor of Naspers for 108 years. The committee believes that the auditor has observed the highest level of business and professional ethics. The committee is satisfied that the auditor has at all times acted with unimpaired independence.

Details of fees paid to the external auditor are disclosed in note 15 to the annual financial statements on page 81.

All non-audit services were approved by the committee during the current financial year in accordance with the board-approved policy on non-audit services performed by the external auditor. The partner responsible for the audit is required to rotate every five years. The committee meets with the auditor independently of senior management.

During the year, the audit committee reviewed a representation by the external auditor and, after conducting its own review, confirmed the independence of the auditor. The quality of the external audit was reviewed, focusing on a range of factors considered relevant to audit quality and feedback from PwC on their performance against their own objectives, the committee concluded the external audit to be satisfactory.

It was confirmed that no unresolved issues of concern exist between the group and the external auditors.

AUDITOR ROTATION

Following an extensive tender process under leadership of the committee, the company announced its proposal to appoint Deloitte as the company's new auditor for a term of four years starting 1 April 2023.

At the start of the tender process, a number of selection criteria were defined, including: the proposed audit team, the organisation of the audit team, the technical consultation process the audit approach, fee structure, flexibility and ability to respond to a changing environment, the transition plan, reputation and credentials and ability to mobilise relevant expertise and resources. The tender process included site visits to the most important markets and workshops with the group functions and business groups, which provided the opportunity to evaluate who the next auditor should be. These impressions, together with a comparison of the written tender offers, followed by presentations to the executive directors, senior management and members of the committee, led to a decision of the board to propose and recommend the appointment of Deloitte to the shareholders.

The decisive factors to recommend Deloitte were the consistent strong performance of the proposed team, the best perceived integrated audit approach and competitive fee proposal. The company's current auditor will remain in function until the conclusion of the audit for the financial year 2023.

CONFIDENTIAL MEETINGS

Audit committee agendas provide for confidential meetings between committee members and the internal and external auditors.



Report of the audit committee

for the year ended 31 March 2023

EXPERTISE AND EXPERIENCE OF FINANCIAL DIRECTOR AND THE FINANCE FUNCTION

As required by JSE Listings Requirement 3.84(h), the committee has satisfied itself that the financial director has appropriate expertise and experience. In addition, the committee satisfied itself that the composition, experience and skill set of the finance function met the group's requirements.

Based on an assessment performed annually, the committee is of the opinion that the finance function, as well as the financial director, is effective.

COMBINED ASSURANCE

The board does not only rely on the adequacy of the internal control embedment process, but considers reports on the effectiveness of risk management activities from the risk committee. The committee ensures that the assurance functions of management as well as internal and external audit are sufficiently integrated and is satisfied with the effectiveness of the arrangements for combined assurance. The various assurance providers to the board comprise the following:

- Senior management and the risk committee consider the company's risk strategy and policy, along with their effectiveness and efficiency. The risk committee also considers the adequacy of risk management strategies, systems of internal control, risk profiles and legal compliance. The committee receives assurance from the risk committee that risk management activities are sufficiently addressed and effective.
- the committee considers the systems of internal control, internal and external audit reports and also reviews the independence of the auditor, the extent and nature of audit engagements, scope of work and findings. This committee also reviews the level of disclosure in the consolidated annual financial statements and the appropriateness of accounting policies adopted by management, and jointly with the risk committee considers material issues of fraud and reporting on fraud. The board reviews the performance of the committee against its charter.

The chair of the committee reports to the board at the board meeting following each committee meeting on matters addressed by the committee at its last meeting.

DISCHARGE OF RESPONSIBILITIES

The committee determined that, during the financial year under review, it had discharged its legal and other responsibilities as outlined in terms of its remit, details of which are included in the full corporate governance report on www.naspers.com. The board concurred with this assessment.

KEY FOCUS AREAS GOING FORWARD

The committee's key focus for the 2024 financial year include:

- Discharging its functions in terms of its charter.
- Assessing the impact of changes to accounting standards.
- Ensuring group reporting meets JSE Listings Requirements and any other requirements which arise due to Naspers's listings.
- Ongoing compliance with King IV™.
- Overseeing the mandatory audit firm rotation process.
- focussing regularly on the group's working capital requirements and ensuring that the group and its subsidiaries continue to operate as going concerns.
- Reviewing and monitoring the accounting for potential mergers, acquisitions and disposal and the conduct of impairment tests.

Steve Pacak

Chair: Audit committee

26 June 2023



Report on the audit of the consolidated and separate financial statements

Independent auditor's report

To the Shareholders of Naspers Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Naspers Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Naspers Limited's consolidated and separate financial statements set out on pages 36 to 206 comprise:

- the consolidated and company statements of financial position as at 31 March 2023;
- the consolidated income statement for the year then ended;
- the consolidated and company statements of comprehensive income for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended;
- the consolidated and company statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.



Report on the audit of the consolidated and separate financial statements

Our audit approach

Overview

	<p>Overall group materiality</p> <ul style="list-style-type: none"> US\$446 million which represents 1% of consolidated net assets
	<p>Group audit scope</p> <ul style="list-style-type: none"> We identified significant components based on the following indicators: consolidated revenue, consolidated profit before taxation, consolidated total assets and consolidated total liabilities. We conducted our procedures at thirteen components in seven countries. Component visits were conducted by the group audit team to 5 countries – China, Hong-Kong (Tencent), Romania (Etail segment), Brazil (Movable group, including iFood), India (PayU Payments and Credit businesses) and the Netherlands (Prosus N.V.).
	<p>Key audit matters</p> <ul style="list-style-type: none"> Accounting for the equity-accounted investment in Tencent Holdings Limited; Impairment assessment of goodwill and intangible assets arising from business combinations and investments in associates; and Valuation of share-based compensation schemes and share-based payments.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit



Report on the audit of the consolidated and separate financial statements

procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	US\$446 million
How we determined it	We used our professional judgement and our knowledge obtained of the Group to determine overall materiality. As a basis for our judgement, we used 1% of consolidated net assets.
Rationale for the materiality benchmark applied	Based on our analysis of the common information needs of users of the consolidated financial statements we determined that an asset-based benchmark is appropriate. We believe that, given the focus on long-term value creation of the investments, that 'net assets' is the most suitable benchmark.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates in.

In scoping our group audit, we first determined the components that are individually financially significant to the Group, namely: Tencent Holdings Limited, the Classifieds and Etail segments, Movable group (including iFood), as well as the listed entity Prosus N.V. which includes the majority of the Group's cash, short-term investments and external debt.

To achieve appropriate coverage over the consolidated financial statements, as well as material line items in the financial statements, based on our assessment of significant risks and qualitative factors including our understanding of the developments within the Group and nature of components, we selected eight additional components (the Payments and Fintech segment, Takealot, Media24, Delivery Hero SE and certain corporate entities) for audits of their complete financial information, and one corporate entity where we performed review procedures. The group engagement team performed further audit and review procedures over the remaining balances and the consolidation process to corroborate our assessment that there was no significant risk of material misstatement within those components.

In establishing the overall approach to the group audit, we determined the extent of the work that needed to be performed by us, as the group engagement team, or by component auditors from other PwC network firms, or non-PwC firms operating under our instruction, in order to be able to issue our audit opinion on the consolidated financial statements of the Group. The Group engagement team performed the audit work on the South African corporate entities. For all other components we used component auditors who are familiar with the local laws and regulations to perform the audit work.

Where component auditors performed the work, we determined the level of involvement we needed to have in their audit work to be able to conclude whether we had obtained sufficient and appropriate audit evidence as a basis for our opinion on the consolidated financial statements as a whole.

We issued group audit instructions to the component audit teams in our audit scope. These instructions included, among others, our risk analysis, materiality, and scope of the work. We explained to the component audit teams the structure of the Group, the main developments that were relevant for the component auditors, the risks identified, the materiality levels to be applied and our global audit approach. We had individual calls and video-meetings with each of the in-scope component



Report on the audit of the consolidated and separate financial statements

audit teams before them commencing their respective audits, throughout the audit and upon conclusion of their work. During these meetings, we discussed our instructions, the audit plan and execution, significant risks, the significant accounting and audit issues and other relevant audit topics identified by the component auditors, their reports, the findings of their procedures and other matters, that could be of relevance for the consolidated financial statements. In addition, we discussed the strategy and financial performance of the local businesses with Group and segment management and local management of selected businesses.

The group engagement team visited the components in Brazil (Movable group, including iFood), the Netherlands (Prosus N.V. and other corporate entities) and China (Tencent). The Prosus N.V. group engagement team visited the components in Romania (Etail segment) as well as the Payments and Fintech segment’s operations in India. During these visits we discussed the strategy and financial performance of the local businesses with the component teams and local management (where possible), as well as the audit plan and execution. In addition, we performed a physical and remote review of selected working papers of the significant component teams, and reviewed the work performed by the Prosus N.V. group engagement team during their site visits. By performing the procedures outlined above at the components, combined with additional procedures performed at Group level, we have been able to obtain sufficient and appropriate audit evidence on the Group’s financial information, to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p>1. Accounting for the equity-accounted investment in Tencent Holdings Limited (refer to notes 6, 10 and 29 to the consolidated financial statements)</p> <p>The Group holds an investment in Tencent Holdings Limited (Tencent) which is accounted for in accordance with IAS 28, ‘Investments in Associates and Joint Ventures’. The carrying amount is US\$29.8 billion.</p> <p>Tencent has a year-end (31 December) that is not coterminous with that of the Group. In accordance with IAS 28, the Group included a lag period adjustment reflecting significant transactions that occurred between Tencent’s year end and 31 March (the Group’s year-end).</p> <p>In June 2022, the Group began executing an open-ended share repurchase programme aimed at increasing the Naspers and Prosus net asset value per share. The repurchase programme is funded by an</p>	<p>We performed, among others, the following procedures:</p> <ul style="list-style-type: none"> • Obtained the equity-accounted results recorded by the Group and reconciled them to the audited 31 December 2022 financial statements of Tencent; • Assessed the appropriateness of the lag period adjustments based on Tencent’s publicly available first quarter financial information for the period ended 31 March 2023, as well as input from the component team to gain comfort that material lag period adjustments were appropriately accounted for; • Independently assessed the accounting policies of the associate to those of the Group to identify material differences with IFRS; and • Assessed the appropriateness of the accounting and reperformed the calculation



Report on the audit of the consolidated and separate financial statements

orderly on-market sale of Tencent shares held by the Group. During the course of the financial year, the Group sold 2.79% of Tencent’s issued share capital resulting in a gain on partial disposal of US\$7.6 billion. Management calculated the gain on partial disposal as the excess of the proceeds received on the disposal over the proportion of the carrying value of the investment disposed.

In November 2022, Tencent declared a special interim dividend in the form of shares in Meituan Inc. which was distributed on 24 March 2023. Management accounted for the dividend received from Tencent relating to Meituan Inc. as a reduction of the carrying value of the investment in associate and the recognition of a fair value through other comprehensive income investment at the fair value on the date of distribution, amounting to US\$4.5 billion.

The accounting for the investment in Tencent was a matter of significance due to the magnitude of the carrying amount, the significant contribution of the associate investment to the consolidated results of the Group and the judgement involved in adjusting for significant transactions that occur in the lag period. Therefore, we considered the accounting for the investment in Tencent as a key audit matter.

underlying the gain on partial disposal of the investment in Tencent and the receipt of the in specie dividend relating to Meituan Inc. We agreed both transactions to minutes of the board of directors and external supporting documentation such as bank statements, share certificates and external public information.

We assessed the judgements applied by management in the accounting for Tencent to be reasonable.

2. Impairment assessment of goodwill and intangible assets arising from business combinations and investments in associates (refer to Basis of consolidation section and notes 7,10 and 34 (financial disclosures) to the consolidated financial statements)

The consolidated financial statements include material assets resulting from business combinations and investments in associates. Such assets include:

- Goodwill (US\$1.5 billion);
- Intangible assets recognised in purchase accounting (US\$0.4 billion); and
- Investments in associates (US\$35.9 billion)

In accordance with IAS 36, ‘Impairment of Assets’, at each reporting date management tests these assets for impairment whenever there is objective evidence of impairment. For goodwill, this test is performed at

We performed procedures, with the support of our valuation experts, which varied in depth per CGU or investment. Based on our assessment of the risk of material misstatement due to fraud or error, we considered, among others, (i) the size and maturity of the underlying business, (ii) the headroom between the recoverable amount and carrying amount, (iii) availability of external market data, and (iv) possible indicators of management bias.

For investments in associates, we assessed management’s evaluation of the presence of impairment indicators for reasonableness. For significant listed investments, we independently assessed whether evidence of impairment existed by evaluating the performance of the associate’s share price and by considering the impact of external market factors.

We performed, among others, the following



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least annually at the level of relevant Cash Generating Units (CGUs) and whenever there is an impairment indicator identified by management at an intermediate reporting date.

As a result of management's impairment tests performed, impairment charges of US\$684 million (goodwill) and US\$1.7 billion (investments in associates) were recognised in the consolidated financial statements.

These impairment assessments were considered as a key audit matter due to the assumptions, judgements and estimates applied by management in determining the recoverable amounts as well as the magnitude of the balances involved.

procedures over management's impairment tests:

- Assessed the composition of future cash flow forecasts and the underlying management assumptions by evaluating:
 - (i) the accuracy of previous forecasts of the CGU or investment by comparing the budgets of previous financial years with actual results and by analysing deviations, (ii) the consistency with external market and industry data, (iii) the corroboration of strategic initiatives with evidence obtained in other areas of the audit, (iv) the expectations of certain equity analysts covering Prosus for a specific CGU or investment and (v) the impact of the overall market volatility and inflationary increases on discount rates, future cash flow forecasts and potential other valuation adjustments;
- Assessed the reasonableness of terminal growth rates used by management per CGU or investment by comparing to the long-term growth rates most reflective of the underlying operations, obtained from independent external sources;
- Compared the inputs to discount rates used by management to externally obtained data such as risk-free rates, equity market risk premiums, country risk premiums, as well as the betas of comparable companies;
- Assessed the reasonableness of additional risk adjustment factors included in discount rates for certain CGUs and investments in relation to the risk profile of the future cash flow forecasts;
- Recalculated the carrying amount of the goodwill related to the CGUs with reference to underlying documentation, including financial information;
- Challenged management's valuation analyses by performing our own sensitivity analyses based on independent inputs for key valuation



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assumptions;

- Evaluated external analyst report valuations for certain CGUs or investments and compared these to management’s valuations;
- Where value in use was applied to listed investments, compared the determined value to the listed share price (fair value less cost of disposal) as at year end and considered market related adjustments; and
- Tested the related financial statements disclosures against the disclosure requirements of IFRS.

With the procedures performed above, we determined that the methodologies and assumptions used by management to assess the impairment of goodwill, intangible assets arising from business combinations and of investments in associates were within a reasonable range of outcomes.

3. Valuation of share-based compensation schemes and share-based payments (refer to note 38 (financial disclosures) to the consolidated financial statements).

The Group has share-based compensation plans which are used to grant share options, restricted stock units (RSUs), performance share units (PSUs) and share appreciation rights (SARs) to employees.

The share-based compensation amounts to US\$196 million income for cash settled schemes, and US\$130 million expense for equity settled schemes. The total cash-settled liabilities amount to US\$728 million for the year ended 31 March 2023.

The grant date fair value and the re-measured fair value of the options at each reporting period were calculated by management using an option valuation model. In estimating the fair value of options management used assumptions relating to risk-free rates, volatility rates, dividend yields, forfeiture rates, listed share prices, and for schemes with unlisted shares, the share prices of the underlying businesses. All awards were granted subject to the completion of

Using our valuation expertise, we assessed if the approach adopted by management in the option valuation models is in line with the requirements of IFRS 2, ‘Share Based Payment’, including consideration of the terms of the share-based compensation schemes and changes to the existing plans. Based on our assessment of the risk of material misstatement due to fraud or error, we considered possible indicators of management bias.

With the support of our internal valuation experts, we assessed the key inputs in the option valuation calculation by performing the following procedures, amongst others:

- Agreed risk-free rates to independently obtained external data;
- Agreed expected volatility rates for listed companies to independently obtained external data, and for unlisted companies, to volatility rates of comparable companies in the market;
- For schemes with listed shares, agreed the share prices to the listed share price as at



Report on the audit of the consolidated and separate financial statements

a requisite service (vesting) period by employees.

The share schemes as disclosed within note 38 were considered to be most significant in terms of their contribution to the total share-based compensation balances of the Group and have therefore been separately disclosed by management in the consolidated financial statements.

Management used an external management valuation expert to assist them in determining the company value and the scheme share value ('sum-of-the-parts') on an annual basis. In determining the company value and the scheme share value, the management expert used a number of valuation methods, including, the use of comparable peer multiples and DCF (Discounted Cash Flow) valuations.

Due to the volume of share-based payment transactions and the complexity surrounding the valuations, specifically the assumptions, judgements and estimates used in the option valuation models relating to each scheme, and the potential for management bias in determining the values, the valuation of share-based compensation schemes and share-based payments was considered a key audit matter.

the grant date for equity-settled awards and for schemes with unlisted shares, recalculated the share prices of the underlying businesses by dividing the valuations performed by management's expert by the outstanding number of shares of the relevant scheme;

- Assessed dividend yields by agreeing the share price information to independently obtained data and recalculating the average historical dividend yield;
- Assessed the reasonableness of forfeiture rates in terms of the history of forfeitures for each grant of the relevant share option/share appreciation right scheme;
- Assessed the competence, capabilities and objectivity of management's experts utilised in performing the business valuations for the valuation of schemes with unlisted shares; and
- With the support of our internal valuation experts, we obtained an understanding and assessed the reasonableness of the valuation methods applied by the management expert in determining the enterprise value of the schemes with unlisted shares. Where the enterprise value was determined using a DCF valuation, the procedures performed were consistent with those detailed under the impairment assessment of non-financial assets key audit matter. Where market related inputs such as trading multiples were used by the management expert, we assessed the reasonableness thereof by comparing it to independent external market sources.

We discussed the governance process on the share scheme valuations with the chair of the Remuneration committee and the Audit Committee chair.

We evaluated whether the disclosures were in compliance with the disclosure requirements of IFRS 2.

With the procedures performed above, we determined that the methodologies and assumptions used by management to determine the valuation of



Report on the audit of the consolidated and separate financial statements

the share-based compensation schemes and share-based payments were within a reasonable range of outcomes.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled “Naspers Limited Annual financial statements 2023” and in the document titled “Naspers Limited Integrated Annual Report 2023”, which includes the Certificate by the Company Secretary, the report of the Audit Committee and the Directors’ report to shareholders as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor’s report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit



Report on the audit of the consolidated and separate financial statements

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Naspers Limited since the Company's formation in 1915 (108 years).

PricewaterhouseCoopers Inc.
Director: Vicki Myburgh
Registered Auditor
Johannesburg, South Africa
26 June 2023



Consolidated statement of financial position

as at 31 March 2023

	Notes	31 March	
		2023 US\$'m	2022 US\$'m
ASSETS			
Non-current assets		41 667	55 793
Property, plant and equipment	33	786	736
Goodwill	7	1 483	3 458
Other intangible assets	34	391	964
Investments in associates	10	35 930	44 461
Investments in joint ventures	11	70	146
Investments and loans	29	2 664	5 606
Trade and financing receivables ⁽¹⁾	30	133	91
Other receivables ⁽²⁾	36	46	44
Related party receivables	44	143	243
Derivative financial instruments	42	-	13
Deferred taxation	21	21	31
Current assets		23 831	15 524
Inventory	35	415	571
Trade and financing receivables ⁽¹⁾	30	559	412
Other receivables ⁽¹⁾	36	887	805
Related party receivables	44	33	13
Derivative financial instruments	42	5	27
Other investments	29	4 707	-
Short-term investments	28	6 727	3 924
Cash and cash equivalents	27	9 849	9 733
		23 182	15 485
Assets classified as held for sale	37	649	39
TOTAL ASSETS		65 498	71 317
EQUITY AND LIABILITIES			
Capital and reserves attributable to the group's equity holders		18 960	20 581
Share capital and premium	24	4 611	4 611
Treasury shares	24	(46 825)	(43 753)
Other reserves	25	12 211	14 803
Retained earnings	26	48 963	44 920
Non-controlling interests		25 645	29 547
TOTAL EQUITY		44 605	50 128
Non-current liabilities		16 281	16 550
Post-employment medical liability	40	16	21
Long-term liabilities	31	15 939	15 933
Other non-current liabilities	32	135	160
Cash-settled share-based payment liability	38	73	184
Provisions	39	5	6
Derivative financial instruments	42	-	2
Deferred taxation	21	113	244
Current liabilities		4 612	4 639
Current portion of long-term liabilities ⁽²⁾	31	487	322
Provisions	39	47	9
Trade payables		406	609
Accrued expenses ⁽²⁾	41	1 854	1 649
Other current liabilities	32	773	1 014
Cash-settled share-based payment liability	38	655	985
Related party payables		6	6
Taxation payable		76	7
Dividends payable		2	2
Derivative financial instruments	42	2	18
Bank overdrafts	27	28	18
		4 336	4 639
Liabilities classified as held for sale	37	276	-
TOTAL EQUITY AND LIABILITIES		65 498	71 317

⁽¹⁾ Financing receivables of US\$185m previously aggregated into 'Other receivables' are now presented in 'Trade and financing receivables' due to the group's growing credit business.

⁽²⁾ Accrued interest expense of US\$124m previously aggregated into 'Accrued expenses' is now presented in 'Current portion of long-term liabilities' to present the interest component with the interest bearing liabilities.

The accompanying notes are an integral part of these consolidated annual financial statements.



Consolidated income statement

for the year ended 31 March 2023

	Notes	31 March	
		2023 US\$'m	2022 US\$'m
Continuing operations			
Revenue	14	6 778	6 294
Cost of providing services and sale of goods	15	(4 883)	(4 662)
Selling, general and administration expenses	15	(2 532)	(2 454)
Other (losses)/gains - net	16	(747)	(163)
Operating loss		(1 384)	(985)
Interest income	17	483	58
Interest expense	17	(571)	(407)
Other finance income/(cost) - net	17	19	(91)
Dividend income		62	-
Share of equity-accounted results	10, 11	5 176	9 256
Impairment of equity-accounted investments	10, 11	(1 745)	(588)
Dilution (losses)/gains on equity-accounted investments	10, 11	(252)	95
Gains on partial disposal of equity-accounted investments	10, 11	7 622	12 339
Net gains/(losses) on acquisitions and disposals	18	50	(1 128)
Profit before taxation		9 460	18 549
Taxation	20	(48)	(64)
Profit from continuing operations		9 412	18 485
Profit from discontinued operations	5	542	53
Profit for the year		9 954	18 538
Attributable to:			
Equity holders of the group		4 331	12 223
Non-controlling interests		5 623	6 315
		9 954	18 538
Per share information related to total operations⁽¹⁾			
Earnings per ordinary share (US cents)		2 078	4 218
Diluted earnings per ordinary share (US cents)		1 998	4 127
Per share information related to continuing operations⁽¹⁾			
Earnings per ordinary share (US cents)	23	1 968	4 207
Diluted earnings per ordinary share (US cents)		1 888	4 116

⁽¹⁾Earnings per share information is significantly impacted by a lower share in equity-accounted results and a lower gain on partial disposal of equity-accounted investments (refer to note 10).

The accompanying notes are an integral part of these consolidated annual financial statements.



Consolidated statement of comprehensive income

for the year ended 31 March 2023

	Notes	31 March	
		2023 US\$m	2022 US\$m
Profit for the year		9 954	18 538
Other comprehensive income (OCI)			
Items that may be subsequently reclassified to profit or loss			
<i>Foreign exchange (losses)/gains arising on translation of foreign operations⁽¹⁾⁽²⁾</i>		(2 421)	1 611
<i>Hedging reserve</i>		-	20
Recognition of cash flow hedge		-	(99)
Derecognition of cash flow hedge		-	119
<i>Share of equity-accounted investments' movement in OCI</i>		797	(814)
Foreign currency translation reserve		797	(814)
Items that may not be subsequently reclassified to profit or loss			
<i>Fair value gains/(losses) on financial assets through OCI</i>	29	21	(509)
<i>Share of equity-accounted investments' movement in OCI and net asset value</i>	10	(1 747)	(2 699)
Share-based compensation reserve		1 106	1 043
Valuation reserve ⁽²⁾	25	(2 853)	(3 742)
Total other comprehensive loss for the year - net of tax		(3 350)	(2 391)
Total comprehensive income for the year		6 604	16 147
Attributable to:			
Equity holders of the group		3 069	11 980
Non-controlling interests		3 535	4 167
		6 604	16 147

⁽¹⁾31 March 2023 includes the reclassification to the consolidated income statement of US\$202m relating to the disposal of Avito (2022: US\$1.1bn relating to the loss of significant influence of VK). Refer to note 5.

⁽²⁾The significant movement relates to the translation effects from equity-accounted investments (refer to note 10). The current year also includes a net monetary gain of US\$102m relating to hyperinflation accounting for the group's subsidiaries in Turkey (refer to note 2).

The accompanying notes are an integral part of these consolidated annual financial statements.



Consolidated statement of changes in equity

for the year ended 31 March 2023

	Share capital and premium	Treasury shares	Foreign currency translation reserve	Valuation reserve	Existing control business combination reserve	Share-based compensation reserve	Retained earnings	Shareholders' funds	Non-controlling interest	Total
	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m
Balance at 1 April 2022	4 611	(43 753)	(1 430)	3 002	10 420	2 811	44 920	20 581	29 547	50 128
Total comprehensive income for the year	-	-	(652)	(1 085)	-	475	4 331	3 069	3 535	6 604
Profit for the year	-	-	-	-	-	-	4 331	4 331	5 623	9 954
Total other comprehensive loss for the year	-	-	(652)	(1 085)	-	475	-	(1 262)	(2 088)	(3 350)
Employee share movements	-	102	-	-	-	-	-	102	-	102
Repurchase of own shares ⁽¹⁾	-	(3 174)	-	-	-	-	-	(3 174)	-	(3 174)
Share-based compensation movement	-	-	-	-	-	20	10	30	63	93
Share-based compensation expense	-	-	-	-	-	67	-	67	81	148
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-
Modification of share-based compensation benefits	-	-	-	-	-	(6)	4	(2)	(4)	(6)
Other share-based compensation movements	-	-	-	-	-	(41)	6	(35)	(14)	(49)
Direct equity movements	-	-	-	433	(46)	(158)	(229)	-	-	-
Direct movements from associates	-	-	-	144	-	-	(144)	-	-	-
Realisation of reserves as a result of partial disposals of associates	-	-	-	120	-	(158)	38	-	-	-
Realisation of reserves as a result of disposals	-	-	-	169	(72)	-	(97)	-	-	-
Other direct equity movements	-	-	-	-	26	-	(26)	-	-	-
Cancellation of written put option liabilities	-	-	-	-	18	-	-	18	23	41
Remeasurement of written put option liabilities	-	-	-	-	72	-	-	72	96	168
Other movements	-	-	-	-	-	-	9	9	(6)	3
Dividends paid ⁽²⁾	-	-	-	-	-	-	(78)	(78)	(113)	(191)
Change due to repurchase programme	-	-	-	-	(741)	-	-	(741)	(6 550)	(7 291)
Repurchase of Prosus shares ⁽¹⁾	-	-	-	-	(10 043)	-	-	(10 043)	-	(10 043)
Disposal of Prosus shares ⁽¹⁾	-	-	-	-	2 752	-	-	2 752	-	2 752
Change in Prosus shareholding	-	-	-	-	6 550	-	-	6 550	(6 550)	-
Other transactions with non-controlling shareholders ⁽³⁾	-	-	5	-	(933)	-	-	(928)	(950)	(1 878)
Balance at 31 March 2023	4 611	(46 825)	(2 077)	2 350	8 790	3 148	48 963	18 960	25 645	44 605

⁽¹⁾ This relates to the share repurchase programme. Refer to note 5.

⁽²⁾ The dividend was approved on 25 August 2022 (2022: 25 August 2021) and was paid on 10 October 2022 (2022: 6 December 2021).

⁽³⁾ The current year relates mainly to the transaction with the non-controlling shareholders of iFood. Refer to note 9.

The accompanying notes are an integral part of these consolidated annual financial statements.



Consolidated statement of changes in equity

for the year ended 31 March 2023

	Share capital and premium	Treasury shares	Foreign currency translation reserve	Valuation reserve	Existing control business combination reserve	Share-based compensation reserve	Retained earnings	Shareholders' funds	Non-controlling interest	Total
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Balance at 1 April 2021	4 611	(3 679)	(1 841)	5 044	(9 346)	2 390	32 015	29 194	11 667	40 861
Total comprehensive income for the year	-	-	381	(1 155)	-	531	12 223	11 980	4 167	16 147
Profit for the year	-	-	-	-	-	-	12 223	12 223	6 315	18 538
Total other comprehensive loss for the year	-	-	381	(1 155)	-	531	-	(243)	(2 148)	(2 391)
Movement due to share exchange ⁽¹⁾	-	(38 762)	-	-	21 812	-	-	(16 950)	16 828	(122)
Treasury share movements	-	(1 312)	-	-	-	-	-	(1 312)	-	(1 312)
Share-based compensation movement	-	-	-	-	-	3	(125)	(122)	(108)	(230)
Share-based compensation expense	-	-	-	-	-	50	-	50	75	125
Other share-based compensation movements	-	-	-	-	-	(45)	45	-	-	-
Modification of share-based compensation benefits	-	-	-	-	-	(2)	(170)	(172)	(183)	(355)
Direct equity movements	-	-	30	(887)	7	(117)	967	-	-	-
Direct movements from associates	-	-	-	(507)	-	-	507	-	-	-
Realisation of reserves as a result of partial disposals of associates	-	-	-	(332)	-	(117)	449	-	-	-
Realisation of reserves as a result of disposals	-	-	30	(48)	7	-	11	-	-	-
Cancellation of written put option liabilities	-	-	-	-	94	-	8	102	24	126
Remeasurement of written put option liabilities	-	-	-	-	100	-	-	100	137	237
Other movements	-	-	-	-	-	4	8	12	-	12
Dividends paid ⁽³⁾	-	-	-	-	-	-	(176)	(176)	(62)	(238)
Transactions with non-controlling shareholders	-	-	-	-	(2 247)	-	-	(2 247)	(3 106)	(5 353)
Balance at 31 March 2022	4 611	(43 753)	(1 430)	3 002	10 420	2 811	44 920	20 581	29 547	50 128

⁽¹⁾ This relates to the share exchange transaction that took place in August 2021. Refer to note 5.

⁽²⁾ The decrease in retained earnings includes a decrease of US\$479.5m related to the modification of equity-settled schemes.

⁽³⁾ The dividend was approved on 25 August 2021 and was paid on 6 December 2021.

The accompanying notes are an integral part of these consolidated annual financial statements.



Consolidated statement of cash flows

for the year ended 31 March 2023

	Notes	31 March	
		2023 US\$'m	2022 US\$'m
Cash flows from operating activities			
Cash utilised in operations	19	(376)	(734)
Dividends received from equity-accounted investments		575	572
Cash generated from/(utilised in) operating activities			
Interest income received		324	46
Interest costs paid		(567)	(389)
Taxation paid		(133)	(197)
Net cash utilised in operating activities			
Cash flows from investing activities			
Property, plant and equipment acquired		(268)	(249)
Proceeds from sale of property, plant and equipment		12	19
Intangible assets acquired		(34)	(30)
Proceeds from sale of intangible assets		-	2
Acquisitions of subsidiaries and businesses, net of cash	12	(18)	(1 896)
Disposals of subsidiaries and businesses, net of cash	13	2 055	20
Acquisition of associates	6	(12)	(1 361)
Disposal of associates		-	12
Partial disposals of associates	6	10 613	14 609
Additional investment in existing associates	6	(293)	(1 316)
Additional investments in existing joint ventures		(1)	(7)
Acquisition of short-term investments ⁽¹⁾		(6 606)	(3 966)
Maturity of short-term investments ⁽¹⁾		3 924	1 486
Cash paid for other investments ⁽²⁾	29	(559)	(1 480)
Cash received from other investments ⁽³⁾	6	3 764	85
Cash movement in other investing activities		(22)	(22)
Net cash generated from investing activities			
Cash flows from financing activities			
Payments for the repurchase of own shares	24	(3 150)	(1 286)
Proceeds from long and short-term loans raised	31	196	9 564
Repayments of long and short-term loans	31	(56)	(1 619)
Additional investments in existing subsidiaries ⁽⁴⁾		(11 509)	(5 269)
Proceeds from sale of subsidiary shares		2 745	-
Repayments of capitalised lease liabilities	31	(63)	(60)
Acquisition of group shares for equity-settled share-based compensation plans		(125)	(218)
Additional investment from non-controlling shareholders		67	140
Dividends paid by the holding company		(191)	(238)
Cash movements in other financing activities		(10)	(120)
Net cash (utilised in)/generated from financing activities			
Net movement in cash and cash equivalents			
		282	6 098
Foreign exchange translation adjustments on cash and cash equivalents		(82)	(132)
Cash and cash equivalents at the beginning of the year		9 715	3 749
Cash and cash equivalents classified as held for sale	37	(94)	-
Cash and cash equivalents at the end of the year			
	27	9 821	9 715

⁽¹⁾ Relates to short-term cash investments with maturities of more than three months from the date of acquisition. Refer to note 28.

⁽²⁾ Relates to payments for the group's fair value through other comprehensive income investments.

⁽³⁾ Relates mainly to the group's investments at fair value. Cash received from other investments includes US\$54m dividends received from the JD.com investment.

⁽⁴⁾ Relates to transactions with non-controlling interest resulting in changes in effective interest of existing subsidiaries. Includes the repurchase of Prosus shares on the market in the current year US\$9.9bn (2021: US\$5.0bn). Refer to note 9.

The accompanying notes are an integral part of these consolidated annual financial statements.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

1. Nature of operations

Naspers Limited (Naspers or the group) is a global consumer internet group and one of the largest technology investors in the world. Naspers has its primary listing on the Johannesburg Stock Exchange (JSE) in South Africa. Through Prosus N.V. (Prosus) the group operates and invests in countries and markets with long-term growth potential, building leading consumer internet companies that empower people and enrich communities. Prosus has its primary listing on Euronext Amsterdam and a secondary listing on the JSE and A2X Markets. Naspers is the majority shareholder of Prosus, based on the voting rights and control structure of the Prosus group.

The consolidated financial statements for the year ended 31 March 2023 have been authorised for issue by the board of directors on 26 June 2023.

2. Basis of preparation

The consolidated and company annual financial statements of the group are presented in accordance with, and comply with International Financial Reporting Standards (IFRS) and interpretations of those standards as issued by the International Accounting Standards Board (IASB) and effective at the time of preparing these financial statements, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listing Requirements and the Companies Act No 71 of 2008. The consolidated and separate annual financial statements are prepared using the historic cost convention apart from certain financial instruments (including derivative instruments) and cash-settled share-based payment schemes stated at fair value.

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements have been consistently applied to all years presented, except for the impact of hyperinflation detailed below.

Operating segments

The group's operating segments reflect the components of the group that are regularly reviewed by the chief operating decision maker (CODM) as defined in note 22 "Segment information". The group proportionately consolidates its share of the results of its associates and joint ventures in its disclosure of segment results.

From 1 April 2022, following the operational separation from the OLX Group, the CODM reviewed the financial results of Avito separately from the Classifieds Ecommerce segment. The financial results of Avito are presented separately as a discontinued operation in the operating segment information up until the date of disposal as a result of the group's decision to exit the Russian business.

In March 2023, the group announced its decision to exit the OLX Autos business unit. The exit process is being executed for each operation within the business unit in its local market. The business unit as a whole represents a separate major line of business, both in terms of the distinct nature of the business and its contribution to the operational performance of the group. As such, the operations that are classified as held for sale and the operations that are closed down by 31 March 2023 have been presented as discontinued operations and are reviewed separately by the CODM. OLX Autos operations whose exit process has not been finalised as at 31 March 2023 are presented as continuing operations. These operations will be classified as discontinued operations in the financial year that the exit process is completed.

The comparative financial results of Avito and the relevant operations in the OLX Autos business described above, previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations to allow the current performance of the business to be compared with prior periods. The change has no impact on the total group revenue, adjusted EBITDA and trading (loss)/profit in prior periods.

Going concern

The consolidated and company annual financial statements are prepared on the going concern basis. Based on forecasts and available cash resources, the group and company have adequate resources to continue operations as a going concern in the foreseeable future. As at 31 March 2023, the group recorded US\$16.6bn in cash, comprising US\$9.9bn of cash and cash equivalents and US\$6.7bn in short-term cash investments. The group had US\$16.0bn of interest-bearing debt (excluding capitalised lease liabilities) and an undrawn US\$2.6bn revolving credit facility. Refer to note 24 "Share capital and premium – capital management" for details of how the group manages its capital to safeguard its ability to continue as a going concern.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

2. Basis of preparation (continued)

Going concern (continued)

In assessing going concern, the impact of internal and external economic factors on the group's operations and liquidity was considered in preparing the forecasts and in assessing the group's actual performance against budget. The board is of the opinion that the group has sufficient financial flexibility to continue as a going concern in the year subsequent to the date of these consolidated and company annual financial statements.

Foreign currencies

The consolidated annual financial statements are presented in US dollar (US\$) which is the group's presentation currency. The company's functional currency is the South African rand (ZAR). However, the group measures the transactions of its operations using the functional currency determined for that specific operating entity which is the currency of the primary economic environment in which the operation conducts its business.

Hyperinflation

In June 2022, the International Monetary Fund declared Turkey as a hyperinflationary economy. Accordingly, the group applied the hyperinflationary accounting requirements of IAS 29 Financial Reporting in Hyperinflationary Economies for the group's subsidiaries in Turkey. As the presentation currency of the group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the price level or exchange rates in the current year.

On initial application of hyperinflationary accounting, opening equity for the group's subsidiaries is restated by applying a general price index from the date transactions arose. These restatements are recognised directly in equity. Subsequent to initial application, all components of equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later. The restatement of opening equity on initial application is not material.

The results, cash flows and financial position for the group's subsidiaries in Turkey are adjusted using a general price index to reflect the current purchasing power at the end of the reporting period. The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition of these subsidiaries to the end of the reporting period. The gain or loss on the net monetary position from translation of the financial information is recognised in the consolidated income statement, except for goodwill, other intangible assets and deferred tax liabilities arising at acquisition of these subsidiaries. The impact of the gain on the net monetary position in the consolidated income statement is not material.

Goodwill, other intangible assets and deferred tax liabilities arising at acquisition of these subsidiaries are restated using the general price index at the end of the reporting period. The gain or loss on the net monetary position from the adjustment of these assets and liabilities is recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity.

The general price index as published by the Turkish Statistical Institute was used in adjusting the results, cash flows and financial position for the group's subsidiaries in Turkey up to 31 March 2023. The general price inflation factor up to 31 March 2023 was 275.99%.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

2. Basis of preparation (continued)

Accounting policy

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the dates of the valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in the consolidated statement of other comprehensive income as part of qualifying cash flow hedges.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss recognised in the income statement. Translation differences on non-monetary equity investments classified at fair value through other comprehensive income are recognised in the consolidated statement of other comprehensive income and accumulated in the valuation reserve as part of the fair value remeasurement of such items.

The results and financial position of all foreign operations (except for those which operate in a hyperinflationary economy) that have a functional currency that is different from the group's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the spot rate on the dates of the transactions)
- Components of equity are translated at the historic rate. Exchange differences on translation of equity are recognised directly in retained earnings
- All other resulting exchange differences except equity are recognised in the consolidated statement of other comprehensive income and accumulated in the "Foreign currency translation reserve" in the consolidated statement of changes in equity.

Foreign operations

The group recognises foreign exchange differences relating to monetary items that form part of its net investment in its foreign operations in the consolidated statement of other comprehensive income where settlement of the item is neither planned nor likely to take place in the foreseeable future.

When a foreign operation is disposed of, the accumulated foreign exchange differences are reclassified to the consolidated income statement, as part of the gain or loss on sale.

3. Accounting judgements and estimates

The preparation of the consolidated and separate annual financial statements necessitates the use of estimates, assumptions and judgements by management. These estimates and assumptions affect the reported amounts of assets, liabilities and contingent assets and liabilities at the statement of financial position date as well as the reported income and expenses for the year. Although estimates are based on management's best knowledge and judgement of current facts as at the statement of financial position date, the actual outcome may differ from these estimates.

Estimates are made regarding the fair value of intangible assets recognised in business combinations (Refer to note 6); impairment of goodwill (refer to note 7); impairment of equity-accounted investments (refer to note 10 and note 11); impairment of financial assets carried at amortised cost and other assets (refer to note 30); impairment of property, plant and equipment (refer to note 33); recognition and impairment of other intangible assets (refer to note 34); the valuation and remeasurement of written put option liabilities (refer to note 32); the fair value of the disposal group (refer to note 37), allocation of goodwill to the disposal group (refer to note 37); equity-compensation benefits (refer to note 38) and the valuation of investments measured at fair value through other comprehensive income (refer to note 43). Where relevant, the group has provided sensitivity analyses demonstrating the impact of changes in key estimates and assumptions on reported results.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

3. Accounting judgements and estimates (continued)

The following accounting judgements had the most significant impact on the consolidated annual financial statements:

Lag periods applied when reporting results of equity-accounted investments

Where the reporting periods of associates and joint ventures (equity-accounted investments) are not coterminous with that of the group and/or it is impracticable for the relevant equity-accounted investee to prepare financial statements as of 31 March (for instance due to the availability of the results of the equity-accounted investee relative to the group's reporting period), the group applies an appropriate lag period of not more than three months in reporting the results of the equity-accounted investees. Significant transactions and events that occur between the non-coterminous reporting periods are adjusted for. The group exercises significant judgement when determining the transactions and events for which adjustments are made.

Accounting for equity-accounted investments share of other comprehensive income and changes in net asset value

The group recognises its share of other comprehensive income and other changes in net assets of associates and joint ventures in the statement of comprehensive income. Other changes in net assets of the associate and joint ventures include changes in their share-based compensation reserve, transactions with non-controlling shareholders and other direct equity movements. Equity-accounted investments' share of other comprehensive income and changes in net asset value are accumulated in the valuation reserve.

Accounting for written put option liabilities

The group accounts for all written put options as liabilities equal to the present value of the expected redemption amount payable in the statement of financial position. The present value is based on a discounted cash flow model, market multiples or a recent transaction during the current year in which the equity value was determined. This applies regardless of whether the group has the discretion to settle in its own equity instruments or cash. Written put option liabilities that are linked to a committed employment period are accounted for as cash-settled share-based compensation benefits. The expected redemption amounts payable for these written put options are dependent on the completion of an employment service period. Management's judgements and estimates relate to the inputs used in determining the present value of the expected redemption amount payable.

Accounting for share-based payment transactions

The group recognises cash- and equity-settled share-based payment expenses arising from its various share incentive schemes and exercises significant judgement when calculating these expenses. Expenses are generally based on the fair values of awards granted to employees. Where the group has a choice of settlement, it classifies the share-based payment transaction as cash-settled based on management estimate of the most likely outcome, its settlement policy and whether it has a present obligation to settle in cash; otherwise, it accounts for the transaction as equity-settled. Fair value is measured using appropriate valuation and option pricing models, where applicable. The values assigned to the key assumptions used in the valuation models for the group's most significant share incentive schemes are disclosed in note 38.

Prosus share exchange with Naspers shareholders

Prosus offered Naspers shareholders Prosus ordinary shares N in exchange for Naspers ordinary shares. The transaction resulted in Prosus acquiring Naspers shares. Simultaneously with this transaction, a distribution agreement (hereafter referred to as the cross-holding agreement) was entered into between Naspers and Prosus. The cross-holding agreement takes into account Prosus' indirect interest in itself from holding Naspers shares. It mandates that Prosus waives all rights to all distributions (including dividend flows) from its Naspers shares held, other than the portion attributable to the residual interest in the Naspers group (primarily Takealot, Media24 and corporate entities). Prosus is also restricted from disposing all or any portion of its Naspers shares held without the consent of Naspers. In addition, Naspers is obligated to pass on any distributions (including dividends) it receives from Prosus to its free-float shareholders.

The accounting for the cross-holding agreement is based on the substance of the transaction, taking into account the distribution rights of Prosus and Naspers and ultimately determines the economic interest of the Prosus shareholders.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

4. Accounting developments

The group has adopted all new and amended accounting pronouncements that are relevant to its operations and that are effective for financial years commencing 1 April 2022 but these did not have a significant effect on the consolidated and company financial statements.

The following new standards, interpretations and amendments to existing standards, that are considered relevant to the group, are not yet effective as at 31 March 2023. The group is currently evaluating the effects of these standards and interpretations, which have not been early adopted. The estimated impact is not considered to be material at this stage for the following standards and interpretations:

Standard/Interpretation	Title/ Amendment area	Effective for year ending
IAS 1	<i>Presentation of Financial Statements (current and non-current liabilities)</i>	March 2024
IFRS 16	<i>Leases on sale and leaseback</i>	March 2025
IAS 12	<i>Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)</i>	March 2024
IAS 1/IAS 8	<i>Presentation of Financial Statements' and Changes in Accounting Estimates and Errors' (accounting policy disclosures and changes in accounting policies or in accounting estimates)</i>	March 2024
IFRS 10/IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined by the IASB

Other new standards, interpretations and amendments to existing standards not yet effective

None of the other new standards, interpretations and amendments to existing standards that are not yet effective as at 31 March 2023 are expected to have a significant impact on the group.

5. Significant changes in financial position and performance during the reporting period

Share repurchase programme

On 27 June 2022, the group announced the beginning of an open-ended, repurchase programme of the Prosus ordinary shares N and Naspers N ordinary shares. The Prosus repurchase programme of its ordinary shares N is funded by an orderly, on-market sale of Tencent Holdings Limited (Tencent) shares. Until 12 August 2022, Prosus also purchased Naspers N ordinary shares. In September 2022, Naspers began to dispose of some of the Prosus shares that it holds in order to provide further funding for the repurchase of Naspers shares pursuant to the repurchase programme.

The group has appointed agents to execute the repurchase programme and sale of Tencent shares within parameters set by the group and subject to applicable laws and regulations. As part of the repurchase programme, for the period between 28 June 2022 and 31 March 2023, Prosus purchased 4 152 285 Naspers N ordinary shares for a total consideration of US\$626m and repurchased 152 797 117 Prosus ordinary shares N for a total consideration of US\$10.0bn, of which US\$9.9bn was settled in cash by 31 March 2023.

These transactions were mainly funded by the sale of 267 664 800 Tencent shares yielding proceeds of US\$10.7bn. Furthermore, for the year ended 31 March 2023, Naspers, through its subsidiary MIH Treasury Services (Pty) Limited, purchased 16 320 371 Naspers N ordinary shares on the market for a total consideration of US\$2.5bn. This transaction was funded by Naspers' disposal of 43 356 695 Prosus ordinary shares N on the market, yielding proceeds of US\$2.8bn. Subsequent to the above transactions, Prosus now holds a 52.5%¹ (2022: 49.5%) fully diluted interest, representing a 52.7%² (2022: 49.9%) economic interest in Naspers. Prosus' legal ownership in Naspers remains less than 50% as at 31 March 2023.

(1) Interest in Naspers based on the cross-holding arrangement formula, which was approved in the shareholder resolution.

(2) Interest based on distribution rights to each class of shareholders.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

5. Significant changes in financial position and performance during the reporting period

(continued)

Share repurchase programme (continued)

The accounting for the share repurchase programme takes into consideration the cross-holding agreement between Prosus and Naspers and is implemented in accordance with the applicable laws and regulations as well as the authority granted by shareholders. The repurchase programme has no impact on the control structure of the group. Prosus' interest in Naspers does not represent control or significant influence. Naspers, therefore, continues to hold the majority of the shareholder voting rights of Prosus.

The cross-holding agreement between Naspers and Prosus became effective at the time of closing of the voluntary share exchange in August 2021. The cross-holding agreement takes into account Prosus' indirect interest in itself from holding Naspers shares and deals with how distributions between the two groups will be managed. It eliminates the need for flows back and forth between the two groups as a result of the cross-shareholding, through a waiver by Prosus of its entitlement to distributions on the Naspers shares that it holds, and provides clarity to both Prosus and Naspers' free float shareholders of their economic interest in distributions made by Prosus. The cross-holding agreement relates to Prosus' fully diluted interest in Naspers and Naspers' legal ownership of Prosus ordinary shares N. At 31 March 2023, subject to this agreement and subsequent to the repurchase transactions above Prosus free float shareholders' economic interest in the group is 56.5% (2022: 57.7%).

Disposal of Prosus shares and Prosus repurchase of own shares

The group sale and repurchase of Prosus ordinary shares N impacted the Prosus free float economic interest in the group. The transactions were accounted for as equity transactions as the change in economic interest had no impact on the control structure of the group. The consideration paid for the Prosus share repurchase and the consideration received for the disposal of Prosus shares resulted in a US\$6.6bn decrease in the non-controlling interest in equity. The excess of the net consideration for Prosus shares over the decrease in non-controlling interest was recognised in 'Existing control business combination reserve' in equity, amounting to US\$741m.

Naspers repurchase of own shares and Prosus acquisition of Naspers shares

The Naspers N ordinary shares acquired by Prosus and repurchased by Naspers are classified as treasury shares. These are recognised in 'Treasury shares' on the consolidated statement of financial position. The treasury shares were recognised at a cost of US\$3.2bn.

Disposal of shares in Tencent

The group reduced its ownership interest in Tencent from 28.81% to 26.16%, yielding US\$10.7bn in proceeds. This is a partial disposal of an associate that does not result in a loss of significant influence. The group recognised a gain on partial disposal of US\$7.6bn in the consolidated income statement. The group reclassified a loss of US\$155m from the foreign currency translation reserve to the consolidated income statement relating to this partial disposal.

Other transactions with non-controlling shareholders

In August 2022, the group entered into an agreement through its subsidiary MIH Mobile Holdings B.V. (Mobile) to acquire the remaining 33.3% stake in iFood Holdings B.V. (iFood) and IF-JE Holdings B.V., from non-controlling shareholder Just Eat Holding Limited (Just Eat). The transaction was completed in November 2022. Refer to note 9.

Exit of the OLX Autos business unit

In March 2023, the group announced the decision to exit the OLX Autos business unit. The OLX Autos business unit is a second-hand car sale ecommerce marketplace which operates through a single technological platform located in various regions. The group believes that significant value exists in the business within its various local markets. Based on this and the ongoing exit process, options for the business are being considered, resulting in the decision to sell or close down each operation in its local market. The business unit as a whole represents a separate major line of business both in terms of the distinct nature of the business and its contribution to the operational performance of the group. The operations of this business classified as held for sale and those that have been closed down by 31 March 2023 are presented as discontinued operations.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

5. Significant changes in financial position and performance during the reporting period (continued)

The OLX Autos operations whose exit process has not been finalised as at 31 March 2023 are presented as continuing operations given the phased exit process for this business. These operations will be classified as discontinued operations in the financial year that the exit process is completed.

OLX Autos revenue and trading loss for the year was US\$1.8bn (2022: US\$1.6bn) and US\$418m (2022: US\$230m) respectively of which US\$853m (2022: US\$601m) of revenue and US\$216m (2022: US\$107m) of trading losses are included in continuing operations.

The group recognised total impairment losses of US\$164m of which US\$19m is included in discontinued operations. The impairment losses relate to US\$116m of goodwill and US\$48m of other assets. The other assets impaired are property, plant and equipment and other intangible assets that will not be recovered through the sale of the business.

Profit from discontinued operations

Discontinued operations consist of the group's Russian business and the OLX Autos business unit.

In May 2022, as a result of the continued conflict in the region, the group announced its decision to exit its Russian business. Accordingly, Avito was presented as a discontinued operation. The group entered into an agreement to sell its shareholding in Avito to Kismet Capital Group (Kismet) for a total cash consideration of US\$2.4bn. Kismet is a private investment group with a track record of investing in technology and telecommunications businesses in Russia. The transaction was completed in October 2022. The group recognised a gain on disposal of the subsidiary of US\$568m, including a reclassification of the accumulated foreign currency translation gain of US\$202m.

Discontinued operations for the OLX Autos business includes the operations classified as held for sale and the operations closed down by 31 March 2023. Refer to note 37 for details of this business unit's disposal group.

The financial information relating to the group's discontinued operations is set out below.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Accounting framework and critical judgements (continued)

5. Significant changes in financial position and performance during the reporting period

(continued)

Profit from discontinued operations (continued)

Income statement information of discontinued operations

	31 March	
	2023 US\$'m	2022 US\$'m
Revenue	1 626	1 646
Online sale of goods revenue	944	980
Classifieds listings revenue	601	582
Advertising revenue	50	50
Other revenue	31	34
Expenses	(1 606)	(1 550)
Impairment of goodwill and other assets ⁽¹⁾	(19)	–
Other expenses	(1 587)	(1 550)
Profit before tax	20	96
Taxation	(46)	(43)
(Loss)/profit for the year	(26)	53
Gain on disposal of discontinued operation	568	–
Profit from discontinued operations	542	53
Profit from discontinued operations attributable to:		
Equity holders of the group	229	32
Non-controlling interest	313	21
	542	53

⁽¹⁾ Relates to impairment losses of goodwill and other assets in the OLX Autos business unit.

Cash flow statement information of discontinued operations

	31 March	
	2023 US\$'m	2022 US\$'m
Net cash generated from operating activities	145	153
Net cash generated from/(utilised in) investing activities ⁽²⁾	1 985	(22)
Net cash generated from/(utilised in) financing activities	130	(86)
Cash generated by discontinued operations	2 260	45

⁽²⁾ Includes the net cash inflow from the disposal of Avito. Refer to note 6.

Per share information of discontinued operations⁽¹⁾

	31 March	
	2023 US\$'cents	2022 US\$'cents
Earnings per N ordinary share	110	11
Diluted earnings per N ordinary share	110	11
Headline earnings per N ordinary share	-	12
Diluted headline earnings per N ordinary share	-	12

⁽¹⁾ Refer to note 23 for further details on the earnings per share from discontinued operations.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure

Basis of consolidation

Accounting policies

The consolidated annual financial statements include the results of Naspers Limited and its subsidiaries, associated companies and joint ventures.

Subsidiaries

Subsidiaries are entities over which the group has control. The existence and effect of potential voting rights are considered when assessing whether the group controls another entity to the extent that those rights are substantive. Subsidiaries are consolidated from the date on which control is obtained (acquisition date) up to the date control ceases. For certain entities, the group has entered into contractual arrangements which allow the group to control such entities. Because the group controls such entities, they are consolidated in the consolidated annual financial statements.

Intergroup transactions, balances and unrealised gains and losses are eliminated on consolidation.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in an acquisition of a business (acquiree) comprises the fair values of the assets transferred, the liabilities assumed, the equity interests issued by the group and the fair value of contingent consideration arrangements where applicable. If the contingent consideration is classified as equity, it is not subsequently remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of contingent consideration are recognised in the consolidated income statement.

For each business combination, the group measures the non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Where a business combination is achieved in stages, the group's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through the consolidated income statement. The fair value of the group's previously held equity interest forms part of the consideration transferred in the business combination at the acquisition date.

When a selling shareholder is required to remain in the group's employment subsequent to a business combination, retention agreements are recognised as employee benefit arrangements and dealt with in terms of the accounting policy for employee or equity compensation benefits.

Goodwill

Goodwill in a business combination is recognised at the acquisition date when the consideration transferred, and the recognised amount of non-controlling interests exceeds the fair value of the net identifiable assets of the entity acquired. If the consideration transferred is lower than the fair value of the identifiable net assets of the acquiree (a bargain purchase), the difference is recognised in the consolidated income statement. The gain or loss arising on the disposal of an entity is calculated after consideration of attributable goodwill.

Transactions with non-controlling shareholders

Non-controlling shareholders are equity participants of the group and transactions with non-controlling shareholders are therefore accounted for in equity and included in the consolidated statement of changes in equity, where the transaction does not result in the loss of control of a subsidiary. In transactions with non-controlling shareholders, the excess of the cost/proceeds of the transaction over the group's proportionate share of the net asset value acquired/disposed is allocated to the "Existing control business combination reserve" in equity. Refer to the financial liabilities section for the group's accounting policy regarding written put options over non-controlling interests.

Common control transactions

Business combinations in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination (and where that control is not transitory) are referred to as common control transactions. The accounting policy for the acquiring entity would be to account for the transaction at book value in its consolidated financial statements. The book value of the acquired entity is the consolidated book value as reflected in the consolidated financial statements of the selling entity.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

Basis of consolidation (continued)

Accounting policies (continued)

Common control transactions (continued)

The excess of the cost of the transaction over the acquirer's proportionate share of the net asset value acquired in common control transactions, will be allocated to the existing control business combination reserve in consolidated statement of changes in equity.

The group applies the above common control accounting policy to distributions of non-cash assets that is ultimately controlled by the same party or parties both before and after the distribution.

Associates and joint ventures

Investments in associated companies (associates) and joint ventures are accounted for in terms of the equity method.

Associates are entities over which the group exercises significant influence, but which it does not control or jointly control. Joint ventures are arrangements in which the group contractually shares control over an activity with others and in which the parties have rights to the net assets of the arrangement.

Most major foreign associates and joint ventures do not have year-ends that are coterminous with that of the group, and the group's accounting policy is to account for an appropriate lag period in reporting their results where it is impractical for the associates and joint ventures to provide relevant information in time. Significant transactions and events occurring between the investees' and the group's March year-end are taken into account.

Unrealised gains or losses on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in the relevant associate or joint venture, except where the loss is indicative of impairment of assets transferred.

The group's share of other comprehensive income and other changes in net assets of associates and joint ventures is recognised in the consolidated statement of comprehensive income.

For acquisitions of associates and joint ventures achieved in stages, the group measures the cost of its investment as the sum of the consideration paid for each purchase plus a share of the investee's profits and other equity movements. Other comprehensive income recognised in prior periods accumulated in the valuation reserve in relation to the previously held stake in investee is realised and transferred to retained earnings. Acquisition-related costs form part of the investment in the associate or joint venture.

When the group increases its shareholding in an associate or joint venture and continues to exercise significant influence or to exert joint control over the investee, the cost of the additional investment is added to the carrying value of the investee. The acquired share in the investee's identifiable net assets, as well as goodwill arising, is calculated using fair value information at the date of acquiring the additional interest. Goodwill is included in the carrying value of the investment in the associate or joint venture.

Partial disposals of associates and joint ventures that do not result in a loss of significant influence or joint control are accounted for as dilutions. Dilution gains and losses are recognised in the consolidated income statement. The group's proportionate share of gains or losses previously recognised in consolidated statement of other comprehensive income by associates and joint ventures are reclassified to the consolidated income statement when a dilution occurs if the gains or losses are required to be reclassified to the consolidated income statement in terms of the applicable accounting standard.

When the group increases its shareholding in an associate as a result of a share repurchase programme by the associate, the increase in the ownership interest impacts the components within the carrying amount of the investment. A share repurchase programme by the associate decreases the net asset value of the associate. The excess of the group's share of the decrease in net asset value of the associate over the increase in its share of net assets of the associate (as a result of the increased shareholding) is recognised as notional goodwill within the carrying value of the investment.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

Basis of consolidation (continued)

Accounting policies (continued)

Associates and joint ventures (continued)

Where an associate or joint venture holds equity in the group, the carrying amount of the investment in the associate or joint venture is adjusted by an amount representing the group's indirect holding in its own equity because of the cross-holding. The amount of the group's share of the associate's or joint venture's results is determined after eliminating, from the associate's or joint venture's results, any income or dividends received by the associate or joint venture from the group.

Each associate and joint venture is assessed for impairment indicators at each reporting date as a single asset. Impairment indicators considered will include poor performance of the associate and joint venture on a consistent basis and/or other significant changes to the business that may indicate that the equity-accounted investment is impaired. If there is an indicator that it is impaired, the carrying value of the group's investment in the associate or joint venture is adjusted to its recoverable amount determined as the higher of its fair value less costs of disposal and its value in use. The resulting impairment loss is included in "Impairment of equity-accounted investments" in the consolidated income statement.

Where the group contributes a non-monetary asset (including a business) to an investee in exchange for an interest in that investee that is equity-accounted, the gain or loss arising on the remeasurement of the contributed non-monetary asset to fair value is recognised in the consolidated income statement only to the extent of other parties' interests in the investee. The gain or loss is eliminated against the carrying value of the investment in the associate or joint venture to the extent of the group's interest.

Disposals

When the group ceases to have control (subsidiaries), exercise significant influence (associates) or exert joint control (joint ventures), the retained interest is remeasured to its fair value, with the change in the carrying value recognised in the consolidated income statement. This fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest. In addition, the amounts previously recognised in other comprehensive income in respect of the entity disposed are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the consolidated income statement.

Impairment of Goodwill

Goodwill is tested annually for impairment or more frequently if change in circumstance indicate that it may be impaired. Goodwill is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for purposes of impairment testing. An impairment test is performed by determining the recoverable amount of the cash-generating unit to which the goodwill relates. The recoverable amount of a cash-generating unit or individual asset is the higher of its value in use and its fair value less costs of disposal.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in "Other (losses)/gains– net" in the consolidated income statement. Impairment losses recognised on goodwill are not reversed in subsequent periods.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals

The following sets out the group's significant transactions related to business combinations and equity-accounted investments for the year ended 31 March 2023:

Company	Classification	Amount invested US\$m			Total consi- deration
		Net Cash Paid/ (Received)	Non-cash consi- deration	Cash in entity acquired/ (disposed)	
Acquisition of subsidiaries					
Other ⁽¹⁾	Subsidiary	18	-	1	19
		18	-	1	19
Acquisition of equity-accounted investments					
Other ⁽¹⁾	Associate	12	-	-	12
		12	-	-	12
Additional investment in existing equity-accounted investments					
a Delivery Hero SE (Delivery Hero)	Associate	194	288	-	482
Other ⁽¹⁾	Associate	99	-	-	99
		293	288	-	581
Other investments					
b DoorDash Inc. (DoorDash)	FVOCI	-	58	-	58
e Think & Learn Private Limited (BYJU'S)	FVOCI	-	578	-	578
f Udemey Inc. (Udemey)	FVOCI	-	207	-	207
h Oda Norway AS (Oda)	FVOCI	-	45	-	45
g Meituan	FVOCI	-	4 523	-	4 523
Other ⁽¹⁾⁽²⁾	FVOCI/FVPL	559	-	-	559
		559	5 411	-	5 970
Disposal/partial disposal of investments					
b Wolt Enterprises OY (Wolt)	FVOCI	-	(58)	-	(58)
c JD.com	FVOCI	(3 666)	-	-	(3 666)
d Tencent Holdings Limited (Tencent)	Associate	(10 613)	(103)	-	(10 716)
e Think & Learn Private Limited (BYJU'S)	Associate	-	(578)	-	(578)
f Udemey Inc. (Udemey)	Associate	-	(207)	-	(207)
h Oda Norway AS (Oda)	Associate	-	(45)	-	(45)
Other ⁽¹⁾		(44)	-	-	(44)
		(14 323)	(991)	-	(15 314)
Disposal of subsidiaries					
i Avito	Subsidiary	(2 039)	-	(326)	(2 365)
Other ⁽¹⁾	Subsidiary	(14)	(21)	(14)	(49)
		(2 053)	(21)	(340)	(2 414)

⁽¹⁾ Other includes various acquisitions of subsidiaries, associates and other investments that are not individually

⁽²⁾ Includes the call options acquired for Delivery Hero shares prior to them being exercised.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals (continued)

Additional investment in existing equity-accounted investments

- a. During the current year the group acquired an additional investment in Delivery Hero between December 2022 and March 2023, which increased its shareholding by approximately 4% to 29.95%. The additional interest was acquired by the purchase of shares on the market for US\$194m and the purchase of a call option to acquire additional shares which was exercised in March 2023.

Other investments

- b. In June 2022, in exchange for the group's entire interest in Wolt (a food and grocery delivery marketplace), the group received shares in DoorDash to the value of US\$58m. DoorDash is a predominantly US-focused food, grocery and retail delivery marketplace listed on the NYSE. The investment is not held for trading, therefore, the group accounts for this as an investment at fair value through other comprehensive income.

Disposal/Partial disposal of investments

- c. In March 2022, the group received a special interim dividend from Tencent in the form of a distribution in specie of 131 873 028 JD.com shares. The group completed the sale of the 131 873 028 JD.com shares in June 2022, for total proceeds of US\$3.7bn. Accumulated fair value losses related to these shares of US\$189m were reclassified from the valuation reserve to retained earnings within equity as a result of this disposal.
- d. From June 2022 to the end of March 2023, the group sold approximately 3% of Tencent's issued share capital. The group reduced its stake in Tencent from 29% to 26%, for total proceeds of US\$10.7bn of which US\$103m was receivable at 31 March 2023. The group recognised a gain on partial disposal of US\$7.6bn including a reclassification of accumulated foreign currency translation losses of US\$155m. Proceeds from this disposal are used to fund the group's share repurchase programme.
- e. In September 2022, the group lost significant influence in BYJU'S as it no longer exerts significant influence over the financial and operating policies of the entity. The group recognised a gain on loss of significant influence of the associate of US\$22m, including a reclassification of the accumulated foreign currency translation losses of US\$55m. The group accounted for its 9.60% effective interest in BYJU'S at fair value through other comprehensive income. The fair value of the BYJU'S investment, subsequent to the loss of significant influence, is US\$578m.
- f. In September 2022, the group lost its board representation in Udemy. The group recognised a gain on loss of significant influence of the associate of US\$77m. The group accounts for its 11.78% effective interest in Udemy at fair value through other comprehensive income. The fair value of the Udemy investment, subsequent to the loss of significant influence, is US\$207m.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals (continued)

Additional investment in existing equity-accounted investments (continued)

- g. In November 2022, Tencent declared a special interim dividend in the form of a distribution in specie of 958 121 562 class B ordinary shares of Meituan to its shareholders on the basis of one (1) class B ordinary share of Meituan for every 10 shares held. As a result of this distribution the group obtained a 4% effective interest (257 460 450 class B ordinary shares) in Meituan. Meituan is a Chinese shopping platform for locally found consumer products and retail services including entertainment, dining, delivery, travel and other services. The investment is not held for trading; however, the group expects to sell the shares in due course. The group accounts for this as an investment at fair value through other comprehensive income.

The group recognised a dividend receivable up until the distribution date of 24 March 2023. The dividend in specie distribution of the investment in Meituan has reduced the investment in Tencent by US\$4.5bn, representing the fair value of the investment on the distribution date.

- h. In December 2022, the group lost its significant influence in Oda due to the loss of its board representation. The group recognised a loss of US\$68m on loss of significant influence of the associate, including a reclassification of the accumulated foreign currency translation losses of US\$14m. The group accounts for its 12.87% effective interest in Oda at fair value through other comprehensive income. The fair value of the Oda investment subsequent to the loss of significant influence is US\$45m.

Disposal of subsidiaries

- i. In October 2022, the group entered into an agreement to sell its shareholding in Avito to Kismet Capital Group (Kismet) for a total cash consideration of US\$2.4bn. Kismet is a private investment group with a track record of investing in technology and telecommunications businesses in Russia. The group recognised a gain on disposal of the subsidiary of US\$568m, including a reclassification of the accumulated foreign currency translation gain of US\$202m.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals

The following sets out the group's significant transactions related to business combinations and equity-accounted investments for the year ended 31 March 2022:

Company	Classifica- tion	Amount invested US\$'m			Total consi- deration	
		Net Cash Paid/ (Received)	Non-cash consi- deration	Cash in entity acquired		
Acquisition of subsidiaries						
a	Good Bidco B.V. (GoodHabitz)	Subsidiary	252	-	6	258
b	Stack Overflow	Subsidiary	1 644	-	98	1 742
			1 896	-	104	2 000
Acquisition of equity-accounted investments						
c	Oda	Associate	116	-	-	116
d	API Holdings Private Limited (PharmEasy)	Associate	220	-	-	220
e	Skillsoft Corp.	Associate	500	38	-	538
f	Flink SE (Flink)	Associate	84	-	-	84
	Other ⁽¹⁾	Associate	441	-	-	441
			1 361	38	-	1 399
Additional investment in existing equity-accounted investments						
g	Bundl Technologies Private Limited (Swiggy)	Associate	299	-	-	299
h	NTEX Transportation Services Private Limited (ElasticRun)	Associate	90	-	-	90
i	Think & Learn Private Limited (BYJU's)	Associate	153	-	-	153
j	Delivery Hero SE (Delivery Hero)	Associate	298	1 242	-	1 540
k	Eruditus Learning Solutions Limited (Eruditus)	Associate	127	-	-	127
l	Meesho Inc. (Meesho)	Associate	134	-	-	134
	Other ⁽¹⁾	Associate/ Joint venture	222	-	-	222
			1 323	1 242	-	2 565
Other investments						
m	UrbanClap Technologies India Private Limited (Urban Company)	FVOCI	84	-	-	84
j	Delivery Hero ⁽²⁾	FVPL	936	-	-	936
n	JD.Com	FVOCI	-	3 855	-	3 855
o	GoStudent	FVOCI	226	-	-	226
	Other ⁽¹⁾		234	-	-	234
			1 480	3 855	-	5 335
Partial disposal of equity-accounted investments						
p	Tencent Holdings Limited (Tencent)	Associate	(14 609)	-	-	(14 609)
			(14 609)	-	-	(14 609)

⁽¹⁾ Other includes various acquisitions of subsidiaries, associates and other investments that are not individually material.

⁽²⁾ Relates to the Delivery Hero shares bought in August 2021 and September 2021 before Competition Commission approval was obtained. Subsequent to the approval this amount was capitalised to the carrying value of the investment in associate.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals (continued)

Financial year ended 31 March 2022

The following relates to the group's significant transactions related to business combinations and equity-accounted investments for the year ended 31 March 2022:

Acquisition of subsidiaries

- a. In June 2021, the group acquired a 62% effective interest (61% fully diluted) for US\$258m in GoodHabitZ. GoodHabitZ provides educational information online, offering commercial, management, and technical training services in the Netherlands. The group accounted for this investment as a subsidiary.

The group has a put option arrangement with the non-controlling interest exercisable at specified future dates. The settlement of the put option arrangement is in cash or shares at the group's discretion. At acquisition, the group recognised a put option liability amounting to US\$144.1m representing the expected redemption amount payable to non-controlling shareholders upon settlement of their ownership interest in the entity, included in the "Other non-current liabilities" line on the statement of financial position.

In addition, the group has a call option arrangement with the non-controlling shareholder that is linked to employment. It is exercisable at specified future dates upon termination of employment of the non-controlling shareholder due to specified circumstances. The group has the right to settle this call option in cash at the fair value of shareholder's interest. The non-controlling shareholder currently has all the economic benefits associated with ownership of the shares, as a result, the group's obligation to settle this interest is included in the put option liability mentioned above.

The main intangible assets recognised in the business combination were customer relationships, trademarks and technology. The main factor contributing to the goodwill recognised in the acquisition is GoodHabitZ's market presence, product development capabilities and engineering capabilities.

- b. In August 2021, the group acquired a 100% effective and dilutive interest for US\$1.7bn in Stack Overflow. Stack Overflow is a leading knowledge sharing platform for the global community of developers and technologists. The group accounted for this investment as a subsidiary.

The main intangible assets recognised in the business combination were trade names, technology and customer relationships. The main factor contributing to the goodwill recognised in the acquisition is Stack Overflow's market presence and engineering capabilities to develop future customers.

The purchase price allocations for the above two acquisitions, in the Edtech segment, were not yet finalised as at 30 September 2021, therefore preliminary figures were disclosed in the condensed consolidated interim financial statements. The changes between the final and preliminary fair values were not material. The table below summarises the final fair values of each major class of identifiable assets and liabilities recognised for the above two acquisitions on the acquisition date.

Since the acquisition dates of the above business combinations, revenue of US\$83m and net losses of US\$102m have been included in the group's income statement. The impact on revenue and net losses from the above transactions, had the acquisitions taken place on 1 April 2021, were US\$115m and US\$108m respectively.

Acquisition date fair values of each major class of identifiable assets and liabilities recognised

	GoodHabitZ June 2021 US\$m	Stack Overflow August 2021 US\$m
Total consideration	258	1 742
	25	283
Intangible assets	62	247
Property plant and equipment	1	2
Cash and deposits	6	98
Other receivables	8	36
Other liabilities	(22)	(35)
Deferred tax liabilities	(14)	(65)
Non-controlling interest ⁽¹⁾	(16)	-
Goodwill	233	1 459

⁽¹⁾ Non-controlling interest is measured at its proportionate share of the identifiable net assets of GoodHabitZ at the acquisition date.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals (continued)

Financial year ended 31 March 2022

Acquisition of equity-accounted investments

- c. In April 2021, the group acquired a 13% effective (12% fully diluted) interest for US\$116m in Oda, Norway's largest online grocery business. The group accounted for this investment as an equity accounted associate on account of its significant influence on the board of directors.
- d. In May 2021, the group acquired a 16% effective interest (15% fully diluted) for US\$191m in PharmEasy. PharmEasy owns India's largest integrated digital healthcare platforms. The group accounted for this investment as an equity-accounted associate on account of its significant influence on the board of directors.

Subsequent to this initial investment the group made an additional investment amounting to US\$29m. As we did not participate equally in the funding round our effective interest is 14% (12% fully diluted) in PharmEasy. The group continues to account for its interest in Pharmeasy as an investment in an associate on account of its significant influence on the board of directors.

- e. In June 2021, the group acquired a 38% effective interest (34% fully diluted) for US\$500m in Skillsoft Corp. (Churchill). Churchill is special-purpose acquisition company which provides cloud-based learning, training and talent management solutions through its acquisition of Skillsoft Corp. (NYSE: SKIL) ("Skillsoft") and Global Knowledge Training LLC ("Global Knowledge"). Skillsoft, a global leader in corporate digital learning, commenced trading on the New York Stock Exchange (NYSE) under the ticker symbol "SKIL." This follows the completion of Software Luxembourg Holding S.A.'s merger with Churchill Capital Corp II and combination with Global Knowledge in June 2021, with the combined company now operating as Skillsoft. The group accounted for this investment as an equity-accounted associate. The cost of the investment in associate includes the fair value of a derivative financial asset amounting to US\$38m at date of closing that arose because the purchase price for this investment was fixed in October 2020 on the signing date of this transaction.

In addition to the associate investment in Skillsoft the group received 16,666,667 issued public warrants amounting to US\$41m in exchange for corporate support services to be provided to the company. The public warrants give the group the right to purchase Skillsoft common stock at an exercise price of US\$11.50 per share or are subject to a compulsory cash redemption on specified future dates and is contingent on the Skillsoft share price. The group accounts for these warrants as financial assets at fair value through profit or loss and recognised deferred income for the support services to be provided over a specified period.

- f. In July 2021, the group acquired a 12% effective interest (12% fully diluted) for US\$84m in Flink. Flink is a German-based instant grocery delivery company. The group will account for this investment as an equity-accounted associate on account of its significant influence on the board of directors. The agreement includes an arrangement with the Founder shareholders in which their shareholding may be repurchased by Flink upon termination of employment at specified values. This share-based payment arrangement will be settled in cash. The Founders legal shareholding at acquisition is therefore accounted for as a compound financial instrument and not as a shareholder ownership interest. This increased the group's economic interest for equity-accounting the associate to 20% as a result of this arrangement.

Additional investment in existing equity-accounted investments

- g. In April 2021 and February 2022, the group made an additional investment in Swiggy, the operator of a first-party food-delivery marketplace in India, amounting to US\$274m and US\$25m respectively. At 31 March 2021, the group held a 41% effective interest. As we did not participate equally in the funding round our effective interest is 33% (31% fully diluted) in Swiggy. The group continues to account for its interest in Swiggy as an investment in an associate.
- h. In April 2021 and February 2022, the group made an additional investment in ElasticRun, a software and technology platform for providing transportation and logistics services in India, amounting to US\$30m and US\$60m respectively. At 31 March 2021, the group held a 20% effective interest. Following these investments, the group holds a 23% effective interest (22% fully diluted) in ElasticRun. The group continues to account for its interest in ElasticRun as an investment in an associate.
- i. In April 2021, the group made an additional investment amounting to US\$153m, in BYJU's, India's largest education company and the creator of India's largest personalised learning app. At 31 March 2021, the group held an 11% effective interest. Following this investment, the group retained its 11% effective interest (10% fully diluted) in BYJU. The group continues to account for its interest in BYJU as an investment in an associate on account of its significant influence on the board of directors.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals (continued)

Financial year ended 31 March 2022

Additional investment in existing equity-accounted investments (continued)

- j. In May 2021, the group completed bilateral trades that resulted in an additional investment in Delivery Hero. The group acquired an additional investment in Delivery Hero in March 2021, which increased its shareholding by 8% to approximately 24.99%. The additional investment was acquired via the market and bilateral trades. At 31 March 2021, while legal ownership had transferred for this 8% additional interest, the access to the returns associated with the ownership had not fully transferred for 4% of this interest. Accordingly, the effective interest in Delivery Hero recognised at 31 March 2021 was 21% with the remaining 4% amounting to US\$1.2bn recognised as a contractual right to receive the shares or cash. In May 2021, the bilateral trades for the remaining 4% were completed, resulting in an increase in the effective shareholding of Delivery Hero to 24.99% as the access to the returns associated with the ownership for these shares have been transferred. The group paid an additional US\$188.0m for the increase in share price for this interest between March and May 2021. In addition, the financial asset amounting to US\$1.2bn recognised at 31 March 2021 for the right to receive this interest or cash was derecognised against the carrying value of the investment.

Further, in August 2021 the group announced its intention to acquire an additional 2.5% stake in Delivery Hero, subject to Austrian Competition regulatory approval, through its subsidiary, MIH Food Holdings B.V. The competition approval was granted in September and accordingly the group acquired an additional investment in Delivery Hero. The group increased its shareholding in Delivery Hero by 2.5% to 27% from 25%.

The additional investment was acquired initially as a call option to acquire the shares subject to competition approval. The call option was acquired at the fair value of the shares amounting to US\$936m and recognised as a financial instrument measured at fair value through profit or loss. In addition, the group applied cash flow hedge accounting to the highly probable forecast acquisition of this additional investment, hedging the exposure to future share price increases in Delivery Hero shares between the date the call option was acquired, and the date approval was granted to acquire the additional shares. The additional investment in Delivery Hero was based on the fair value of the call option on the date that the approval was granted (US\$817m) and the accumulated losses in the cash flow hedge reserve (US\$119m). The accumulated losses within the cash flow hedge reserve were included in the cost of the investment, as based on the group's judgement the investment in associate is a non-financial asset. The resulting additional investment in Delivery Hero recognised after the basis adjustment was US\$936m.

- k. In August 2021, the group made an additional investment amounting to US\$127m in Eruditus, an online platform using technology and curriculum innovation to offer professional education courses in collaboration with top-ranked universities globally. At 31 March 2021, the group held a 9% effective interest. Following these investments, the group holds a 13% effective interest (11% fully diluted) in Eruditus. The group continues to account for its interest in Eruditus as an investment in an associate on account of its significant influence on the board of directors.
- l. In September 2021, the group made an additional investment amounting to US\$134m in Meesho, a leading social commerce online marketplace in India that enables independent resellers to build small businesses by connecting them with suppliers to curate a catalogue of goods and services to sell. Meesho also provides logistics and payment tools on its platform. At 31 March 2021, the group held a 12% effective interest. Following these investments, the group holds a 13% effective interest (12% fully diluted) in Meesho. The group continues to account for its interest in Meesho as an investment in an associate on account of its significant influence on the board of directors.

Other investments

- m. In April 2021 the group acquired a 4% effective interest (4% fully diluted) for US\$84m in Urban Company. Urban Company is one of the largest home services platforms in Asia, with representation in India, UAE, Singapore and Australia. The investment is not held for trading, therefore the group accounts for this as an investment at fair value through other comprehensive income.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

6. Business combinations, other acquisitions and disposals (continued)

Financial year ended 31 March 2022

Other investments (continued)

- n. In December 2021 Tencent declared a special interim dividend in the form of a distribution in specie of 457,326,671 Class A ordinary shares of JD.com to its shareholders on the basis of 1 Class A ordinary share of JD.com for every 21 Shares held. As a result of this distribution the group obtained a 4% effective (131,873,028 Class A ordinary shares) interest in JD.com. JD.com is a platform creator that brings value to partners and customers in sectors such as ecommerce, logistics, Internet finance, cloud computing and smart technology. The investment is not held for trading, therefore the group accounts for this as an investment at fair value through other comprehensive income.

The group recognised a dividend receivable up until the distribution date of 25 March 2022. The dividend in specie distribution of the investment in JD.com has reduced the investment in Tencent by US\$3.9bn representing the fair value of the investment on the distribution date.

- o. In March 2022 the group acquired a 8% effective (and 7% fully diluted) interest for US\$226m in GoStudent. GoStudent is a provider of online tutoring services in a 1:1, video-based format to K-12 students via a managed marketplace model in Austria. The investment is not held for trading, therefore the group accounts for this as an investment at fair value through other comprehensive income.

Partial disposal of equity-accounted investments

- p. In April 2021 the group sold 2% of Tencent total issued share capital. The sale reduced its stake in Tencent from approximately 31% to 29%, yielding US\$14.6bn in proceeds and a gain on partial disposal of US\$12.3bn. The group reclassified a gain of US\$41m from the foreign currency translation reserve to the consolidated income statement related to this partial disposal. Proceeds from this disposal are included in short-term investments on the consolidated statement of financial position.

7. Goodwill

	31 March	
	2023 US\$'m	2022 US\$'m
Cost		
Opening balance	3 818	2 350
Foreign currency translation effects ⁽¹⁾	343	(165)
Acquisitions of subsidiaries and businesses	11	1 692
Disposals of subsidiaries and businesses	(11)	(59)
Transferred to assets classified as held for sale ⁽²⁾⁽³⁾	(1 713)	-
Closing balance	2 448	3 818
Accumulated impairment		
Opening balance	360	164
Foreign currency translation effects ⁽¹⁾	(14)	2
Impairment	684	246
Disposals of subsidiaries and businesses	(1)	(52)
Transferred to assets classified as held for sale ⁽²⁾⁽³⁾	(64)	-
Closing balance	965	360
Carrying value	1 483	3 458

⁽¹⁾ The current period includes a net monetary gain of US\$95m relating to hyperinflation accounting for the group's subsidiaries in Turkey.

⁽²⁾ Includes US\$15m foreign currency translation gains related primarily to Avito that was classified as held for sale prior to its disposal in October 2022.

⁽³⁾ This relates primarily to Avito which was classified as held for sale in May 2022 prior to its disposal in October 2022 as well as the OLX Autos disposal group classified as held for sale in March 2023 (refer to note 37).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

7. Goodwill (continued)

The group recognised impairment losses on goodwill of US\$684m (2022: US\$246m) in the current year of which US\$560m relate to Stack Overflow in the Edtech segment and US\$116m relates to the OLX Autos business unit. The impairment loss of the OLX Autos business unit is as a result of the group's decision to exit the business and the assessment of the value that cannot be realised. The remainder of the goodwill related to this business is transferred to the disposal group classified as held for sale. The goodwill was allocated to the disposal group based on relative fair values of the operations within the business (refer to note 37). Stack Overflow is a recent acquisition; however, the increase in risk-free rates resulted in an increase in the discount rate used in the value in use calculation for this investment. In addition, the business has not performed as expected in the current year due to challenging macroeconomic conditions. The recoverable amount was therefore below the carrying amount and resulted in the impairment loss. The prior year impairment related to Stack Overflow as a result of increased discount rates used in the value in use calculation for this investment.

Impairment testing of goodwill

The group has allocated goodwill to various cash-generating units (CGUs). The recoverable amounts of these cash-generating units have been determined based on the higher of the value in use calculations and the fair value less costs of disposal. Fair value less costs of disposal of these CGUs takes into account the transaction value for the group's recent acquisitions or upcoming disposals where applicable or is determined using an option pricing methodology. Value in use is based on discounted cash flow calculations. During the current and prior financial year, the recoverable amounts for CGUs were determined predominantly using value in use calculations. The group based its cash flow calculations on 10-year budgeted and forecast information approved by senior management and/or the various boards of directors of group companies. Long-term average growth rates for the respective countries in which the entities operate or, where more appropriate, the growth rate of the cash-generating units, were used to extrapolate cash flows into the future.

The discount rates used reflect specific risks relating to the relevant cash-generating units and the countries in which they operate, while maximising the use of market observable data. Discount rates take into account country risk premiums and inflation differentials as appropriate.

Management used 10-year projected cash flow models, terminal growth rates ranging between 2% and 7.5% (2022: 2% and 7%) and post-tax discount rates ranging between 11.5% and 28% (2022: 10% and 25%) in performing the impairment tests. The group uses up to 10-year projected cash flow models as many businesses have monetisation timelines longer than five years as further explained below.

Other assumptions included in cash flow projections vary widely between cash-generating units due to the group's diverse range of business models, and are closely linked to entity-specific key performance indicators.

Goodwill is tested annually as at 31 December or more frequently if there is a change in circumstance that indicates that it might be impaired. The group assessed its goodwill impairment calculations as well as the appropriateness of the recoverable amounts taking into account the impact of significant market changes. The group's 10-year budgets and forecasts consisted of cash flow projections including macroeconomic factors and trends. These budgets and forecasts were used to calculate discounted cash flow valuations to identify whether goodwill allocated to various CGUs was impaired. The value in use amounts used were considered appropriate based on these budgets and forecasts.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

7. Goodwill (continued)

Impairment testing of goodwill (continued)

Estimating the future performance of the group's CGUs is challenging during this current economic environment. As circumstances change and/or information becomes available, the risk of impairment may increase in future periods.

The group's impairment testing of goodwill takes into account that, in most instances, longer forecast periods are required for many ecommerce businesses. These longer forecast periods are required as the group's ecommerce businesses generally only reach maturity once sufficient market share has been gained, the businesses have reached the appropriate scale and have become profitable. The forecast period is assessed annually to ensure it remains appropriate for the relevant businesses. Key assumptions in estimating these future cash flows over the forecast period include the CGU's ability to capture the required market share and the additional investment required in order for it to reach the appropriate scale. The group uses look-back analysis to assess past performance of its CGUs and uses it to validate past judgements and predict future performance. For certain CGUs risk adjustments are made to the discount rates used (generally being the weighted average cost of capital) when calculating the value in use.

Where the group has committed to the sale of a CGU or has determined that an impairment loss should be recognised on a CGU based on its value in use, the group also calculates that CGU's fair value less costs of disposal to ensure that the recognition of an impairment loss is appropriate.

Post-tax discount rates have been applied as value in use was determined using post-tax cash flows. Impairment testing is performed using the appropriate currency cash flows and accordingly, discount rates take into account country risk premiums and inflation differentials as appropriate.

The calculation of value in use is most sensitive to the following assumptions:

- projected revenue and EBITDA growth rates;
- growth rates used to extrapolate cash flows beyond the budget and forecast period, including the terminal growth rate applied in the final projection year; and
- discount rates.

When determining cash flows over the forecast periods, EBITDA margin assumptions vary between the group's diverse range of businesses.

The group's Edtech and Payments and Fintech segments accounts for 58% and 24% of the overall balance of goodwill respectively. Accordingly, assumptions made in determining the cash flows of group's Edtech and Payments and Fintech CGUs have a significant impact on the annual impairment assessment. Key assumptions underlying revenue forecasts for CGUs in the Edtech and Payments and Fintech segment include the CGUs anticipated market share, the number of listings expected over the forecast period and the revenue and EBITDA contribution of each such listing. EBITDA margins based on the long term 10-year business plan ranges between -18% and 45%, depending on the stage of maturity of the relevant business. Terminal growth rates and discount rates used in performing impairment tests are detailed in the table below.

For those CGUs where no goodwill impairment is recognised, if either the pre- or post-tax discount rate applied to cash flows were to increase relatively by 5% or the growth rate used to extrapolate cash flows were to decrease relatively by 5%, or if both the discount rate and the growth rate were to increase and decrease relatively by 5% respectively, there would be no further significant impairments that would have to be recognised.

For Stack Overflow if either the pre- or post-tax discount rate applied to cash flows were to increase relatively by 5% there would be a further impairment of goodwill of US\$71m (2022: US\$119m). If the growth rate used to extrapolate cash flows were to decrease relatively by 5% there would be a further impairment of US\$6m (2022: US\$9m). If both the discount rate and the growth rate were to increase and decrease relatively by 5% respectively there would be a further impairment of goodwill of US\$76m (2022: US\$127m).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

7. Goodwill (continued)

Impairment testing of goodwill (continued)

The carrying value of goodwill presented per segment as at 31 March 2023, is as follows:

	Carrying value of goodwill US\$m	Basis of determination of recoverable amount ⁽¹⁾	Pre-tax discount rates ⁽²⁾ %	Post-tax discount rate applied to cash flows ⁽²⁾ %	Growth rate used to extrapolate cash flows ⁽²⁾ %	Average revenue growth rate ⁽²⁾⁽³⁾ %
CGUs by segment						
Classifieds	86		Various	Various	Various	6.9-14.6
Payments and Fintech	350					14.8-35.6
PayU India	113	VIU	18.9	16.5	3.5	
PayU Global Payments Operations (GPO)	162	VIU	20.8	17.0	3.5	
Credit India	75	VIU	19.5	18.0	3.5	
Food Delivery	27	VIU	21.1	17.0	4.5	1.1-22.9
Edtech	858					19.6-30.5
Stack Overflow	653	VIU	16.7	14.5	3.0	
GoodHabitz B.V.	205	VIU	14.8	13.0	3.5	
Etail	106	VIU	16.8-24.0	15.5-20.5	4.0-4.5	11.1-17.0
Other	56	VIU/FVLCoD	Various	Various	Various	
	1 483					

⁽¹⁾ The recoverable amount for the subsidiary's goodwill in these segments is either the value in use (VIU) or the fair value less costs of disposal (FVLCoD).

FVLCoD is based on the most recent transaction value from an acquisition during the current financial year. The fair value for these CGUs are level 3 measurements.

⁽²⁾ Goodwill is tested annually as at 31 December or more frequently if changes in circumstances indicate that it might be impaired.

⁽³⁾ The revenue growth rate is based on an average rate over the forecasted period.

Post-tax discount rates have been applied in calculations as value in use was determined using post-tax cash flows.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

7. Goodwill (continued)

Impairment testing of goodwill (continued)

The carrying value of goodwill presented per segment as at 31 March 2022, is as follows:

	Carrying value of goodwill US\$m	Basis of determination of recoverable amount ⁽¹⁾	Pre-tax discount rates ⁽²⁾ %	Post-tax discount rate applied to cash flows ⁽²⁾ %	Growth rate used to extrapolate cash flows ⁽²⁾ %	Average revenue growth rate ⁽²⁾⁽³⁾ %
CGUs by segment						
Classifieds	1 495					6.7-55.0
OLX Autos	364	VIU	13.2-15.1	11.5-23.5	3.5	
Frontier Car Group Inc. (FCG)	287					
OLX B.V.	77					
Avito AB	1 016	VIU	28.4	25.0	4.0	
Other classifieds	115	VIU/FVLCoD	Various	Various	Various	
Payments and Fintech	337					10.6-38.9
PayU India	130	VIU	16.1	14.0	3.5	
PayU Global Payments Operations (GPO)	119	VIU	16.7	14.0	3.5	
Credit India	88	VIU	22.4	16.5	3.5	
Food Delivery	27	VIU	16.9	14.0	4.5	15.3-21.5
Edtech	1 424					22.9-36.9
Stack Overflow	1 213	VIU	15.4	13.5	2.3	
GoodHabit B.V.	211	VIU	13.8	12.0	3.0	
Etail	123	VIU	14.6-21.3	13.5-18.0	4.0-4.5	11.8-19.0
Other	52	VIU/FVLCoD	Various	Various	Various	
	3 458					

⁽¹⁾ The recoverable amount for the subsidiary's goodwill in these segments is either the value in use (VIU) or the fair value less costs of disposal (FVLCoD). FVLCoD is based on the most recent transaction value from an acquisition during the current financial year. The fair value for these CGUs are level 3 measurements.

⁽²⁾ Goodwill is tested annually as at 31 December or more frequently if changes in circumstances indicates that it might be impaired.

⁽³⁾ The revenue growth rate is based on an average rate over the forecasted period.

Post-tax discount rates have been applied in calculations as value in use was determined using post-tax cash flows.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

8. Significant subsidiaries

The following information relates to the group's interest in its significant subsidiaries at 31 March:

Name of subsidiary	Effective percentage interest ⁽¹⁾		Nature of business	Country of incorporation	Functional currency
	2023 %	2022 %			
Listed companies					
Corporate companies					
Prosus N.V.	43.54	42.29	Investment holding	Netherlands	US\$
Unlisted companies					
Corporate companies					
MIH Holdings Proprietary Limited	100.00	100.00	Investment holding	South Africa	ZAR
MIH Internet Holdings Limited B.V.	43.54	42.29	Investment holding	The Netherlands	US\$
Prosus Services B.V.	43.54	42.29	Corporate entity	The Netherlands	US\$
Classifieds					
OLX Global B.V.	43.10	41.87	Classifieds	The Netherlands	US\$
Avito AB ⁽²⁾	-	41.87	Classifieds	Sweden	SEK
Brocante Lab SAS (Selency) ⁽³⁾	-	22.90	Classifieds	France	EUR
Frontier Car Group Inc (FCG) ⁽⁴⁾	43.10	41.87	Classifieds	United States of America	US\$
Silver Indonesia JVCo B.V. (OLX Indonesia)	43.10	41.87	Classifieds	The Netherlands	US\$
Food Delivery					
iFood.com Agência de Restaurantes Online S.A. (iFood) ⁽⁵⁾	41.82	26.45	Food delivery	Brazil	BRL
Payments and Fintech					
PayU Global B.V.	43.54	42.29	Investment holding	The Netherlands	US\$
iyzi Ödeme ve Elektronik Para Hizmetleri Anonim Şirketi (Iyzico)	39.68	38.54	Payments platform	Turkey	TRY
PayU Payments Private Limited	43.54	42.29	Payments platform	India	INR
PaySense Private Limited	37.17	34.93	Credit platform	Singapore	SGD
Red Dot Payment Private Limited	42.04	31.33	Payments platform	Singapore	SGD

⁽¹⁾ The percentage interest shown is the financial effective interest, after disregarding the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies including Prosus N.V. Refer to note 5.

⁽²⁾ In October 2022, the group disposed of its interest in Avito AB. Refer to note 6.

⁽³⁾ The group lost control of the investment and now accounts for its investment as an associate on account of the group's significant influence.

⁽⁴⁾ This investment is included in the OLX Autos business that is classified as held for sale during the current year. Refer to note 5.

⁽⁵⁾ The group acquired the shares for non-controlling shareholders in the current year. Refer to note 9.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

8. Significant subsidiaries (continued)

The following information relates to the group's interest in its significant subsidiaries at 31 March:

Name of subsidiary	Effective percentage interest ⁽¹⁾		Nature of business	Country of incorporation	Functional currency
	2023 %	2022 %			
Payments and Fintech (continued)					
Wibmo Inc.	43.54	42.29	Payments platform	United States of America	US\$
Zooz Mobile Limited	43.54	42.29	Payments platform	Israel	US\$
Edtech					
MIH Edtech Investments B.V.	43.54	42.29	Investment holding	The Netherlands	US\$
Good BidCo B.V. (GoodHabitZ)	27.10	26.35	Educational platform	The Netherlands	EUR
Stack Overflow Limited	43.54	42.29	Educational platform	United Kingdom	GBP
Etail					
MIH B2C Holdings B.V.	43.54	42.29	Investment holding	The Netherlands	US\$
Dante International S.A. (eMAG)	34.87	33.65	Retail and ecommerce	Romania	RON
Extreme Digital Zrt	26.91	18.19	Retail and ecommerce	Hungary	HUF
Takealot Online (RF) Proprietary Limited	100.00	100.00	Retail and ecommerce	South Africa	ZAR
Other ecommerce					
Movile Mobile Commerce Holdings, S.L.	40.98	39.77	Mobile value added services	Brazil	BRL
Sympla Internet Soluções S.A.	34.67	32.91	Mobile value added services	Brazil	BRL
Media					
Media24 Holdings Proprietary Limited	100.00	100.00	Investment holding	South Africa	ZAR
Media24 Proprietary Limited	100.00	100.00	Publishing	South Africa	ZAR

⁽¹⁾ The percentage interest shown is the financial effective interest, after disregarding the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies including Prosus N.V. Refer to note 5.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

8. Significant subsidiaries (continued)

The summarised financial information contained below relates to subsidiaries of the group that are considered to have significant non-controlling interests:

	Prosus N.V.	
	31 March 2023 US\$'m	31 March 2022 US\$'m
Summarised consolidated statement of financial position		
Non-current assets	41 707	56 073
Current assets	23 371	15 265
Total assets	65 078	71 338
Non-current liabilities	16 048	16 402
Current liabilities	4 405	4 413
Total liabilities	20 453	20 815
Accumulated non-controlling interests	25 613	29 516
Summarised consolidated income statement		
Revenue from continuing operations	5 765	5 220
Net profit for the year attributable to equity holders	10 112	18 733
Other comprehensive loss attributable to equity holders	(3 542)	(3 167)
Total comprehensive income attributable to equity holders	6 570	15 566
Total comprehensive loss attributable to non-controlling interests	(98)	(83)
Dividends paid to non-controlling interests	(102)	(134)
Dividend declared by subsidiaries	191	238
Summarised consolidated statement of cash flows		
Cash flows utilised in operating activities	(120)	(605)
Cash flows generated from investing activities	12 643	4 392
Cash flows (utilised in)/generated from financing activities	(12 451)	2 403



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

9. Changes in non-controlling interest

The Prosus group represents a significant portion of Naspers's NAV as it comprises the international ecommerce and internet assets, including the investment in Tencent. From June 2022, Prosus and Naspers began an open-ended share repurchase programme. Prosus repurchased 152 797 117 Prosus ordinary shares N and 4 152 285 Naspers N ordinary shares. Naspers repurchased 16 320 371 Naspers N ordinary shares and sold 43 356 695 Prosus ordinary shares N. Following these transactions and as a result of the cross-holding arrangement between Naspers and Prosus, the group's economic interest in Prosus is 43.54% (2022: 42.29%). Accordingly, the 56.46 % (2022: 57.71%) interest in Prosus held by free float shareholders represents a significant non-controlling interest of the group.

The group's sale and repurchase of Prosus ordinary shares N impacted the Prosus free float economic interest in the group. The transactions were accounted for as equity transactions because the change in economic interest had no impact on the control structure of the group. The change in the Prosus free float economic interest resulted in a US\$6.6bn decrease in non-controlling interest and a US\$741m. decrease in the 'Existing control business combination reserve' in equity.

The Prosus group prepares its own consolidated financial results, which are reported to its shareholders in accordance with its listing obligations on Euronext Amsterdam. More information on Prosus's results is available at <https://www.prosus.com>.

In August 2022, the group entered into an agreement through its subsidiary MIH Mobile Holdings B.V. (Mobile) to acquire the remaining 33.3% stake in iFood Holdings B.V. (iFood) and IF-JE Holdings B.V., from non-controlling shareholder Just Eat Holding Limited (Just Eat) for EUR1.5bn in cash, plus a contingent consideration of up to a maximum of EUR300m at a future date. The transaction was approved by Just Eat shareholders in November 2022. This agreement represents a contractual obligation to acquire shares from non-controlling interest. The group recognised US\$1.6bn in 'other current liabilities' at inception of this agreement consisting of the cash and the fair value of the contingent consideration. The liability was raised from the 'Existing control business combination reserve' in equity prior to the transfer of the risks and rewards of ownership of these shares.

In November 2022, the shares were acquired from the non-controlling shareholders for the cash consideration of US\$1.5bn resulting in part settlement of the liability raised. At 31 March 2023, the fair value of the contingent consideration to be settled at a future date amounted to US\$88m. The group derecognised US\$68m of non-controlling interest.

31 March 2022 transactions

In August 2021, Prosus commenced an on-market share repurchase programme of Prosus's N ordinary shares for a total consideration of up to US\$5bn from its free-float shareholders in support of delivering the overall benefits of the Prosus share exchange offer to Naspers Limited N ordinary shareholders which was completed on 16 August 2021. 69 825 860 Prosus N ordinary shares were repurchased as at 31 March 2022.

In April 2021, the group acquired the share capital held by non-controlling shareholders of its subsidiary Takealot Online (RF) Proprietary Limited (Takealot), for US\$55m. Following the acquisition, the group holds a 100% effective interest (96% fully diluted) in Takealot. This resulted in the cancellation of the US\$44m written put option liability and the US\$11m employment linked cash-settled share-based payment liability related to the non-controlling shareholder which was derecognised. The cancellation of the written put option liability was recorded in equity in the "existing business combination reserve". The settlement of the fully vested cash-settled share-based payment liability had a minimal impact on the consolidated income statement. The group recognised US\$55m in the "existing business combination reserve" in equity representing the gain from the change in ownership interest in the entity.

The group acquired the share capital held by non-controlling shareholders of its subsidiary Frontier Car Group Inc. (FCG), for US\$59m. At 31 March 2021, the group held a 91% effective interest. Following the acquisition, the group holds a 99% effective interest (98% fully diluted interest) in FCG. This resulted in the cancellation of the US\$66m written put option liability and the US\$17m employment linked cash-settled share-based payment liability related to the non-controlling shareholders which was derecognised. The cancellation of the written put option liability was recognised in equity in the "existing business combination reserve" and the cancellation of the cash settled share-based payment liability was recognised in the consolidated income statement. The group recognised US\$60m in the "existing business combination reserve" in equity representing the gain from the change in ownership interest in the entity.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

10. Investments in associates

The following information relates to the group's financial interest in its significant associates at 31 March:

Name of associated company	Effective percentage interest ⁽¹⁾⁽²⁾		Nature of business	Country of incorporation	Functional currency	Year-end
	2023 %	2022 %				
Listed companies						
Delivery Hero SE ⁽³⁾	12.99	11.54	Food delivery	Germany	EUR	December
Tencent Holdings Limited ⁽⁴⁾	11.39	12.18	Internet-related services	Cayman Islands	RMB	December
Remitly Global Inc.	9.33	9.62	Digital money transfer	United States of America	US\$	December
Skillsoft Corp. (Skillsoft)	16.22	15.88	Educational Platform	United States of America	US\$	December
SimilarWeb Limited	6.50	6.31	Internet metrics	Israel	NIS	December
Udemy Inc. ⁽⁵⁾	-	5.19	Educational technology	United States of America	US\$	March
Unlisted companies						
Classifieds						
EMPG Holdings Limited	16.36	16.85	Classifieds	United Arab Emirates	US\$	December
OfferUp Incorporated	17.00	16.51	Classifieds	United States of America	US\$	December
Brocante Lab SAS (Selency) ⁽⁶⁾	11.51	-	Classifieds	France	EUR	March
Food delivery						
Bundl Technologies Private Limited (Swiggy)	14.29	13.84	Food delivery	India	INR	March
Flink SE	4.13	4.13	Food delivery	Germany	EUR	December
Oda Group Holding AS ⁽⁵⁾	-	5.56	Food delivery	Norway	NOK	December

⁽¹⁾ The percentage interest shown is the financial effective interest, after disregarding the interests of equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies including Prosus N.V. Refer to note 5.

⁽²⁾ Where the group's interest is below 20% the group accounts for its interest as an investment in an associate on account of its significant influence on the board of directors.

⁽³⁾ Refer to note 6 for the group's additional investment during the current year.

⁽⁴⁾ The group partially disposed of its interest in the current year (refer to note 6).

⁽⁵⁾ In the current year, the group lost significant influence in the investment due to the loss of its board representation. The investment is accounted for at fair value through comprehensive income (refer to note 29).

⁽⁶⁾ This group lost control of the investment and now accounts for its investment as an associate on account of the group's significant influence.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

10. Investments in associates (continued)

The following information relates to the group's financial interest in its significant associates at 31 March:

Name of associated company	Effective percentage interest ⁽¹⁾⁽²⁾		Nature of business	Country of incorporation	Functional currency	Year-end
	2023 %	2022 %				
Unlisted companies (continued)						
Edtech						
Ryzac, Inc. (Codecademy) ⁽³⁾	-	10.05	Educational technology	United States of America	US\$	December
Sololearn, Inc.	8.03	7.80	Educational technology	United States of America	US\$	March
Think & Learn Private Limited (BYJU's) ⁽⁴⁾	-	4.15	Educational technology	India	INR	March
Brainly, Inc.	18.32	17.82	Educational technology	United States of America	US\$	December
Eruditus Learning Solutions Private Limited	5.74	5.57	Educational technology	Singapore	SGD	June
Other ecommerce						
Honor Technology, Inc. (Honor)	5.81	5.80	Home care	United States of America	US\$	December
Meesho, Inc.	6.02	5.85	Online marketplace	United States of America	US\$	December
API Holdings Private Limited (Pharmany) ⁽⁵⁾	5.85	5.60	Health care	India	INR	March
NTEx Transportation Services Private Limited (ElasticRun)	9.85	9.57	Logistic services	India	INR	March
Corporate						
Naspers Beleggings (RF) Limited ⁽⁶⁾	49.00	49.00	Investment holding	South Africa	ZAR	March

⁽¹⁾ The percentage interest shown is the financial effective interest, after disregarding the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies including Prosus N.V. Refer to note 5.

⁽²⁾ Where the group's interest is below 20% the group accounts for its interest as an investment in an associate on account of its significant influence on the board of directors.

⁽³⁾ The group disposed of this investment in the current year.

⁽⁴⁾ In September 2022, the group lost significant influence in BYJU's. Refer to note 6.

⁽⁵⁾ The group acquired an additional interest in this investment during the current year.

⁽⁶⁾ The group has concluded that it does not control Naspers Beleggings (RF) Limited as it does not have the ability to unilaterally direct its substantive decisions.

The fair values of the group's investments in its listed associates are detailed below:

	31 March	
	2023 US\$'m	2022 US\$'m
Listed investments		
Delivery Hero SE	2 669	3 035
Tencent Holdings Limited	122 952	132 311
Remitly Global Inc.	633	369
Skillsoft Corp.	123	302
SimilarWeb Limited	76	145
Udemy Inc ⁽¹⁾	-	213

The above fair values have been measured using quoted prices in active markets and the disclosed amounts therefore represent level 1 fair value measurements.

⁽¹⁾ In September 2022, the group lost significant influence in Udemy. Refer to note 6.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

10. Investments in associates (continued)

	31 March	
	2023 US\$'m	2022 US\$'m
Opening balance	44 461	40 566
Associates acquired - gross consideration	769	4 824
net assets acquired ⁽¹⁾	(823)	1 278
goodwill and other intangibles recognised	1 652	3 661
deferred taxation recognised	(60)	(115)
Associates disposed of	(1)	(10)
Transferred to held for sale	(5)	(38)
Loss of significant influence	(743)	-
Share of current year changes in OCI and net asset value	(1 747)	(2 699)
Share of equity-accounted results	5 400	9 376
Equity-accounted results due to acquisition accounting	(77)	(72)
amortisation of other intangible assets	(100)	(99)
realisation of deferred taxation	23	27
Impairment	(1 728)	(588)
Dividends received ⁽²⁾	(5 089)	(4 426)
Foreign currency translation effects	(2 119)	(249)
Partial disposal of interest in associate ⁽³⁾	(2 930)	(2 316)
Dilution (losses)/gains ⁽⁴⁾	(261)	93
Closing balance	35 930	44 461
Investments in associates		
Listed	33 604	40 463
Unlisted	2 326	3 998
Total investments in associates	35 930	44 461

⁽¹⁾ The current year relates mainly to the allocation of net asset value of Tencent as a result of its share repurchase programme. The prior year relates mainly to the acquisition of additional shares in Delivery Hero.

⁽²⁾ In the current year, the dividend received from Tencent amounted to US\$565m cash and dividend in specie of US\$4.5bn in Meituan shares (2022: US\$570m cash dividend and dividend in specie of US\$3.9bn in JD.com shares).

⁽³⁾ Relates to partial disposal of Tencent. During the current year the group recognised a gain on partial disposal of US\$7.6bn (2022: US\$12.3bn).

⁽⁴⁾ The total dilution gains presented in the consolidated income statement relate to the group's diluted effective interest in associates and the reclassification of a portion of the group's foreign currency translation reserves from consolidated statement of other comprehensive income to the consolidated income statement following the shareholding dilutions.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

10. Investments in associates (continued)

The group recognised US\$5.3bn (2022: US\$9.3bn) from associates as its share of equity-accounted results in the consolidated income statement. There are no cumulative unrecognised losses relating to associates that have been fully impaired, recognised (2022: US\$nil) as at 31 March 2023.

The group recognised total dilution losses of US\$252m (2022: gains of US\$95m) as part of “Dilution gains on equity accounted investments” in the consolidated income statement. The net dilution loss includes US\$261m (2022: gain of US\$92m) which relates to the group's shareholding in Delivery Hero, Swiggy, SimilarWeb and other unlisted investments.

The total dilution (loss)/gain presented in the consolidated income statement also includes a gain of US\$9m (2022: US\$2m) relating to the reclassification of a portion of the group's foreign currency translation reserves from the consolidated statement of other comprehensive income to the consolidated income statement following shareholding dilutions.

The group's share of equity-accounted investments' other comprehensive income and reserves relates mainly to the revaluation of the associates' investments at fair value through other comprehensive income.

Direct equity movements relate to the group's share of equity-accounted investments' transfer of gains on disposal and deemed disposal of financial instruments to retained earnings.

Adjustments are made for significant transactions and events that take place where lag periods are applied. These adjustments usually include impairments and fair value adjustments related to the underlying financial instruments of associates measured at fair value through profit or loss or at fair value through other comprehensive income.

As at 31 March 2023, the group does not recognise deferred tax on its investments in associates as distributions from associates do not have tax consequences.

Impairment of equity-accounted investments

The group assesses whether there is an indication that its equity-accounted investments are impaired. For the year ended 31 March 2023, the group assessment took into consideration the market capitalisation of the listed equity accounted investments, the increase in market interest rates and country risk premiums and overall business performance.

Impairment assessments for the group's listed equity-accounted investments related to Delivery Hero and Skillsoft as a result of a decline in the market capitalisation and the increase in country risk premiums for these investments. Impairment assessments for the group's unlisted equity-accounted investments related primarily to an investment in the Classifieds segment as a result of the increase in market interest rates and the overall business performance.

The recoverable amounts of equity-accounted investments have been determined based on the higher of the value in use calculations and the fair value less costs of disposal. During the current year and prior financial year, the recoverable amounts were determined using value in use calculations except for Skillsoft which was determined using fair value less costs of disposal (market price) as at 31 March 2023. The recoverable amount for Skillsoft was however based on a value in use calculation as at 30 September 2022. As at 31 March 2023, Skillsoft was impaired to its market value due to the significant decline in the share price over time. Accordingly, the market price is considered the supportable representation of the recoverable amount for the investment. The value in use calculation was determined using the discounted cash flow method. The market price of Skillsoft is a level 1 fair value on the fair value hierarchy. The group used 10-year projected cash flow models as many businesses have monetization timelines of longer than five years.

For Delivery Hero, the value in use calculations were higher than the market price for this investment because market prices include current market sentiment, while value in use calculations considers a longer-term horizon. The increase of the market price following the release of the December 2022 and first quarter 2023 financial results, supports the recoverable amount determined by the value in use calculations.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

10. Investments in associates (continued)

Impairment of equity accounted investments (continued)

The value in use calculations for the listed equity-accounted investments were determined using the sum-of-the-parts approach. Delivery Hero's 10-year projected cash flow models incorporated market views and publicly available analyst projections. Skillsoft's 10-year projected cash flow models as at September 2022 incorporated forecast cash flow information based on the company's latest guidance.

For the unlisted equity-accounted investments, the 10-year projected cash flow models incorporated forecast cash flow information based on the latest management guidance provided.

The value in use calculations determined the equity values for the investments which took into consideration the following key assumptions:

Revenue and expenses

Revenue and expenses in the cash flow models were based on past experience, management's future expectations of business performance and the latest guidance announced by Delivery Hero and Skillsoft.

Growth rates

The growth rates were consistent with publicly available information relating to long-term average growth rates for the markets in which the equity-accounted investments operate. The annual growth rate used for revenue and expenses over the 10-year forecast period ranged between 5% to 41% (2022: 2% to 47%) for equity-accounted investments.

Discount rates

The discount rates used reflect specific risks relating to the relevant operations and the regions in which they operate, while for certain operations, risk adjustments are made to discount rates used when calculating the value in use. Discount rates take into account country risk premiums and inflation differentials, as appropriate. Post-tax discount rates used ranged between 11% to 29% (2022: 10% to 20%). Pre-tax discount rates used ranged between 13% to 35% (2022: 11% to 25%) for equity-accounted investments.

Terminal growth rates

The terminal growth rates considered the steady growth rates that would appropriately extrapolate cash flows beyond the forecast periods once the business segment is assumed to have reached maturity. The terminal growth rates ranged between 2% to 8% (2022: 2% to 5%) for equity-accounted investments. The terminal growth rate was based on the expected growth in perpetuity in the markets where these businesses operate.

The recoverable amounts for the above investments were lower than the respective carrying amounts. Accordingly, for the year ended 31 March 2023, an impairment loss of US\$1.7bn (2022: US\$584m) was recognised for equity-accounted investments of which US\$997m (recognised in the first half of the financial year) related to Delivery Hero (2022: US\$nil), US\$301m related to Skillsoft (2022: US\$111m) and US\$431m related primarily to unlisted equity-accounted investments (2022: US\$nil). For the Skillsoft impairment loss the group recognised US\$204m at September 2022 and a further US\$97m as at 31 March 2023. The impairment loss for unlisted equity-accounted investments includes US\$326m related to an investment in the Classifieds segment.

At 31 March 2023, the carrying value for Delivery Hero and Skillsoft was US\$3.4bn and US\$123m (2022: US\$4.9bn and US\$383m) respectively, while the group share in the market capitalisation of these investments was US\$2.7bn and US\$123m (2022: US\$3.0bn and US\$302m) respectively.

Sensitivity to changes in assumptions

An adverse adjustment to any of the above key assumptions used in the value in use calculations would result in additional impairment losses being recognised.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

10. Investments in associates (continued)

Material associates' summarised financial information

	31 March ⁽¹⁾ Tencent Holdings		31 March ⁽¹⁾ Delivery Hero SE	
	Limited		Limited	
	2023 US\$'m	2022 US\$'m	2023 US\$'m	2022 US\$'m
Dividends received	5 089	4 426	-	
Revenue	80 636	87 530	8 933	6 741
Net profit/(loss) from continuing operations	25 600	34 179	(3 451)	810
Other comprehensive income	(7 936)	(18 022)	490	(26)
Total comprehensive income/(loss)	17 664	16 157	(2 961)	784
Non-current assets	152 416	168 122	9 466	10 403
Current assets	77 444	76 469	3 826	3 978
Total assets	229 860	244 591	13 292	14 381
Non-current liabilities	52 188	51 726	8 595	7 469
Current liabilities	58 529	60 880	2 604	1 942
Total liabilities	110 717	112 606	11 199	9 411
Closing net assets	119 143	131 985	2 093	4 970
Non-controlling interests	(8 949)	(11 103)	(59)	(17)
	110 194	120 882	2 034	4 953
Group's effective interest in associate at year-end	28 829	34 826	642	1 351
Goodwill and other ⁽²⁾	998	11	3 803	3 595
Impairment	-	-	(997)	-
Carrying value of investment	29 827	34 837	3 448	4 946

⁽¹⁾ Reflects the summarised financial information of the above associates as at 31 December, adjusted for significant transactions and events that took place during the lag period applied for accounting purposes.

⁽²⁾ Included in goodwill and other for Delivery Hero is the fair value adjustment related to intangible assets arising as a result of the incremental acquisition acquired amounting to US\$144m (2022: US\$ 40m).

Other associates' summarised financial information

	31 March	
	2023 US\$'m	2022 US\$'m
Net loss from continuing operations	(791)	(632)
Other comprehensive income	58	60
Total comprehensive loss	(733)	(572)
Carrying value of investments	2 655	4 678
Total carrying value of investments in associates	35 930	44 461

The group had no capital commitments or contingent liabilities at 31 March 2023 or 2022 in respect of its investments in associates.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

11. Investments in joint ventures

The following information relates to the group's financial interest in its significant joint ventures at 31 March:

Name of joint venture	Effective percentage interest ⁽¹⁾		Nature of business	Country of incorporation	Functional currency	Year-end
	2023 %	2022 %				
Unlisted companies						
Silver Brazil JVCo B.V. (OLX Brazil)	21.55	20.93	Classifieds	The Netherlands	US\$	December
Inversiones CMR S.A.S. (Domicilios.com) ⁽²⁾	21.33	13.52	Food delivery	Colombia	COP	December
El Cocinero a Cuerda S.L. (SinDelantal) ⁽³⁾	-	12.99	Food delivery	Spain	EUR	December

⁽¹⁾ The percentage interest shown is the financial effective interest, after disregarding for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies including Prosus N.V. which was listed on Euronext Amsterdam during the 2020 financial year.

⁽²⁾ During the current year a mutual decision was made to close down this business. The company is in the process of liquidation.

⁽³⁾ The group disposed of its interest during the current year.

Adjustments are made for significant transactions and events that take place where lag periods are applied.

	31 March	
	2023 US\$'m	2022 US\$'m
Opening balance	146	160
Joint ventures acquired - gross consideration	104	5
net assets acquired	104	5
Share of equity-accounted results	(147)	(48)
Impairment	(17)	-
Dividends received	(1)	(1)
Foreign currency translation effects	(15)	30
Closing balance	70	146

The group recognised losses of US\$147m (2022: US\$48m) from joint ventures as its share of equity-accounted results in the consolidated income statement. There are no cumulative unrecognised losses relating to joint ventures that have been fully impaired, recognised (2022: US\$nil) as at 31 March 2023.

Impairment losses of US\$17m (2022: US\$nil) were recognised for the group's investments in joint ventures.

None of the group's interests in joint ventures are considered to be individually material.

As at 31 March 2023 the group does not recognise deferred tax on its investments in joint ventures as distributions from joint ventures do not have tax consequences.

The group had no capital commitments or contingent liabilities in respect of its investments in joint ventures at 31 March 2023 and 2022.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Group structure (continued)

12. Acquisitions of subsidiaries and businesses

	31 March	
	2023 US\$'m	2022 US\$'m
Fair value of assets and liabilities:		
Property, plant and equipment	-	16
Investments and loans	-	-
Other intangible assets	5	309
Net current (liability)/assets	5	90
Deferred taxation	-	(81)
Long-term liabilities	(2)	(10)
Total fair value of assets and liabilities	8	324
Non-controlling interests	-	(16)
Goodwill recognised	11	1 692
Purchase consideration	19	2 000
Net cash in subsidiaries and businesses acquired	(1)	(104)
Net cash outflow from acquisitions of subsidiaries and businesses	18	1 896

13. Disposals of subsidiaries and businesses

	31 March	
	2023 US\$'m	2022 US\$'m
Carrying values of assets and liabilities:		
Property, plant and equipment	-	2
Disposal groups classified as held for sale	2 011	-
Goodwill	10	8
Other intangible assets	2	16
Net current assets/(liabilities)	1	7
Deferred taxation	-	(4)
Long-term liabilities	-	(1)
Foreign currency translation reserve on equity	(202)	1
	1 822	29
Gain on disposal - net	24	21
Gain on disposal shown as part of discontinued operations	568	-
Selling price	2 414	50
Net cash in subsidiaries and businesses disposed of	(340)	(15)
Shares received as settlement	(21)	(33)
Amounts relating to prior year disposal	2	22
Amounts to be received in the future	-	(4)
Net cash inflow from disposals of subsidiaries and businesses	2 055	20



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance

14. Revenue

Accounting policy

Revenue disclosed in the consolidated income statement includes revenue from contracts with customers and other revenue not in the scope of IFRS 15.

Revenue from contracts with customers

Revenue from contracts with customers is derived from the sale of goods and rendering of services. Revenue is measured based on the transaction price specified in the contract with the customer. The group recognises revenue when (or as) it transfers control of goods and/or services to its customers, which is when specific criteria have been met for each of the group's activities as described below. Revenue is recognised at the amount the group expects to be entitled to in exchange for the goods and/or services transferred to customers.

Revenue is shown net of value added tax (VAT), returns, rebates and discounts. For contracts that permit returns, rebates or discounts, revenue is recognised only to the extent that it is highly probable that a significant reversal of revenue will not occur as a result of such items. The amount of revenue recognised is adjusted for expected returns, rebates or discounts which are estimated based on the group's historical experience and taking into consideration the type of customer, the type of transaction and the specific terms of each arrangement. The right to return goods is measured at the former carrying amount of the inventory less expected costs to recover goods where applicable.

Where contracts include multiple goods and/or services, the transaction price is allocated to each distinct good or service (or performance obligation) based on respective stand-alone selling prices. Where stand-alone selling prices are not directly observable, they are estimated.

The group identifies all parties that are integral to it generating revenue on its online platforms as its customers and, accordingly, incentives (including cash discounts and discount vouchers/coupons) provided to any party transacting on the platform are treated as a reduction of revenue.

The group considers, for each contract with a customer, whether it is a principal or an agent. The group regards itself as the principal in a transaction where it controls a promised good or service before the good or service is transferred to a customer. Where the group is the principal in a transaction, it recognises revenue in the gross amount of consideration to which it expects to be entitled. The group is the principal in the majority of transactions that it enters into. Where the group is in capacity of an agent, recognises revenue on a net basis.

Revenue earned, but for which the group's right to the consideration payment is not yet unconditional is presented as accrued income as part of other receivables in the statement of financial position. Payments received in advance from contracts with customers represent an obligation to transfer future goods and/or services and are presented as part of accrued expenses and other liabilities in the statement of financial position.

The group is not party to contracts where the period between the transfer of goods and/or services and payment exceeds one year. Consequently, the group does not adjust its transaction prices for financing components.

Revenue recognition for the group's major revenue streams is outlined below in the following paragraphs.

Ecommerce revenue

Revenue represents amounts received or receivable from customers relating to online goods sold on the group's e-tail and other internet platforms and from services rendered. Services rendered include advertising, classifieds listing revenue, payment transaction commissions and fees, food delivery revenue, educational technology revenue, mobile and other content revenue.

Sale of goods

Revenue from goods sold is recognised when the goods are delivered and accepted by customer.

Classifieds listing

The group recognises classifieds listings and related feature fees over the feature period or on listing of an item for sale depending on the nature of the feature purchased. Success fees and other relevant commissions are recognised when a transaction is completed on the group's websites.

Payments and fintech, food delivery and mobile content

Payments and fintech, food delivery, mobile content revenues are recognised once a transaction is completed and is based on the applicable fee for each transaction performed.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

14. Revenue (continued)

Accounting policy (continued)

Educational technology revenue

Educational technology revenues are recognized over the period in which the online educational content is provided for or when the online educational content is provided depending on the nature of the educational content purchased.

Advertising revenues

The group mainly derives advertising revenues from advertisements published in its newspapers and magazines and shown online on its websites and instant-messaging windows. Advertising revenues from print media products are recognised upon publication over the period of the advertising contract. Publication is regarded to be when the print media product has been delivered to the retailer and is available to be purchased by the general public. Online advertising revenues are recognised over the period in which the advertisements are displayed using a time-based measure.

Printing, distribution, circulation and publishing revenue

Revenues from print and distribution services are recognised upon completion of the services and delivery of the related product and customer acceptance.

The recognition of print services revenue is based upon delivery of the product to the distribution depot and acceptance by the distributor of the customer, or, where the customer is responsible for the transport of the customers' products, acceptance by the customer or its nominated transport company. Revenues from distribution services are recognised upon delivery of the product to the retailer and acceptance thereof.

Print and distribution services are separately provided by different entities within the group and separately contracted for by customers. Where these services are provided to the same client, the terms of each separate contract are consistent with contracts where an unrelated party provides one of the services. Revenue is recognised separately for print and distribution services as the contracts are separately negotiated based on fair value for each service.

Circulation revenue is recognised in the month in which the magazine or newspaper is sold.

Book sales are recognised upon delivery of products and customer acceptance. Revenue relating to any particular publication is brought into account in the month that it is published.

Interest income revenue

Interest income revenue is finance income generated from the group's credit business across various segments including the payments and fintech segment. The credit business provides financing for goods sold and credit offerings provided. Interest income revenue is recognised using the effective interest rate method, taking into account the expected timing and amount of cash flows. The effective-interest rate method is a method of calculating the amortised cost of the financial asset receivable recognised when the funding is provided to customers.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

14. Revenue (continued)

	Reportable segment(s) where revenue is included	31 March	
		2023 US\$'m	2022 US\$'m
From continuing operations			
Online sale of goods revenue	Etail and Classifieds	3 358	3 511
Classifieds listings revenue	Classifieds	436	426
Payment transaction commissions and fees ⁽¹⁾	Various	987	703
Mobile and other content revenue	Other Ecommerce	52	71
Food delivery revenue	Food Delivery	1 366	986
Advertising revenue	Various	99	125
Printing, distribution, circulation, publishing and subscription revenue	Media	120	138
Educational technology revenue	Edtech	134	83
Other revenue	Various	226	251
		6 778	6 294

⁽¹⁾ This revenue is generated primarily from the payments & fintech segment and includes interest income revenue relating to the group's credit business across various segments.

Revenue in the table above relates to revenue from contracts with customers except for interest income revenue of US\$91m (2022:US\$14m) relating to the group's credit business in various segments.

Revenue is presented on an economic-interest basis (i.e. including a proportionate consolidation of the revenue of associates and joint ventures) in the group's segmental review and is accordingly not directly comparable to the above consolidated revenue figures. Refer to note 22 for disaggregation of revenue by geographical area.

The group has recognised the following assets and liabilities in the consolidated statement of financial position that relate to revenue from contracts with customers:

Accrued Income (refer to note 36)

Accrued income balance net of impairment allowances as at 31 March 2023 was US\$67m (2022: US\$47m). Refer to note 42 for the group's credit risk management policy. Impairment allowances recorded on accrued income balances were not material.

Deferred Income (refer to notes 32 and 41)

The total deferred income balance as at 31 March 2023 was US\$137m (2022: US\$182m) which consists of a current liability portion of US\$128m (2022: US\$166m) and a non-current liability portion of US\$9m (2022: US\$16m). Revenue recognised in the current year that was included in the deferred income balance at the beginning of the year (as at 1 April 2022) was US\$123m (2022: US\$72m).

There were no significant changes in accrued income or deferred revenue balances during any of the periods presented.

Unsatisfied long-term contracts

The group has no unsatisfied long-term contracts as at 31 March 2023 (2022: US\$nil).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

Employee benefits

Accounting policy

Retirement benefits

The group provides retirement benefits to its eligible employees, primarily by means of monthly contributions to a number of defined contribution pension and provident funds. The assets of these funds are generally held in separate trustee administered funds. The group's contributions to retirement funds are recognised as an expense in the period in which employees render the related service.

Medical aid benefits

The group's contributions to medical aid benefit funds for employees are recognised as an expense in the period in which the employees render services to the group.

Post-employment medical aid benefits

Some group companies provide post-employment healthcare benefits to their retirees. The entitlement to post-employment healthcare benefits is subject to the employee remaining in service up to retirement age and completing a minimum service period. The expected costs of these benefits are accrued over the minimum service period.

Independent actuaries carry out annual valuations of these obligations. All remeasurements resulting from experience adjustments and changes in actuarial assumptions are recognised immediately in other comprehensive income. These obligations are unfunded.

Termination benefits

The group recognises termination benefits when it is demonstrably committed to either terminate the employment of employees before the normal retirement date or provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Where termination benefits fall due more than 12 months after the reporting period, they are discounted. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Termination benefits are immediately recognised as an expense in the consolidated income statement.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

15. Expenses by nature

	31 March	
	2023 US\$'m	2022 US\$'m
Operating loss includes the following items:		
Platform cost of sales, website hosting and warehousing cost	3 129	3 151
Payment facilitation transaction costs	703	605
Delivery services cost	738	611
Depreciation⁽¹⁾	129	108
Amortisation⁽²⁾	95	89
Short-term lease payments	5	3
Auditor's remuneration		
Audit fees of the financial statements	14	11
Other non-audit services	2	3
	16	14
Staff costs⁽³⁾		
As at 31 March 2023, the group had 27 573 (2022: 28 300) permanent employees. The total cost of employment of all employees, including executive directors, was as follows:		
Salaries, wages and bonuses	1 304	1 092
Social security taxes	130	108
Retirement benefit costs	38	24
Medical aid fund contributions	11	7
Post-employment benefits	7	8
Cash settled share-based compensation expenses	(193)	151
Equity settled share-based compensation expenses	129	107
	1 426	1 497
Training costs	13	16
Retention option expense	20	19
Total staff costs	1 459	1 532
Advertising expenses	312	363
Net impairment losses on financial assets measured at amortised cost	36	11
Printing and publishing costs	100	117
General administration cost	541	477
Other costs of providing services and sale of goods, purchases and expenses	152	35
Total	7 415	7 116

⁽¹⁾ Includes depreciation charge of US\$3m in cost of providing services and sale of goods (2022: US\$3m).

⁽²⁾ Recognised in selling, general and administration expense.

⁽³⁾ Staff costs in the current year include redundancy costs paid as a result of the restructuring of the group.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

16. Other gains/(losses) - net

	31 March	
	2023 US\$'m	2022 US\$'m
(Loss)/profit on sale of assets	(3)	4
Impairment losses	(753)	(246)
Impairment of goodwill, PPE and other intangible assets	(720)	(246)
Impairment of other assets	(33)	-
Dividends received on investments	-	45
Income on business support services	8	34
Other	1	-
Total other gains/(losses) - net	(747)	(163)

Refer to notes 7, 33 and 34 for further information on the above impairments.

17. Finance (costs)/income

	31 March	
	2023 US\$'m	2022 US\$'m
Interest income		
Loans and bank accounts ⁽¹⁾	454	42
Other	29	16
	483	58
Interest expense		
Loans and overdrafts	(520)	(385)
Capitalised lease liabilities	(15)	(11)
Other	(36)	(11)
	(571)	(407)
Other finance income/(costs) - net		
Net (losses)/gain from foreign exchange translation and fair value adjustments on derivative financial instruments		
On translation of assets and liabilities	101	135
(Losses)/gains on derivative and other financial instruments ⁽²⁾	(82)	(226)
	19	(91)
Total finance (costs)/income - net	(69)	(440)

⁽¹⁾ The increase in the current year relates primarily to increased cash and short-term investments.

⁽²⁾ The prior period included a cost of US\$217 related to the early settlement of portions of the 2025 and 2027 bonds. Refer to note 24.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

18. Net gains/(losses) on acquisitions and disposals

	31 March	
	2023 US\$'m	2022 US\$'m
Gains on disposal of investments - net	26	33
Gains on sale of business	1	-
Gains/(losses) recognised on loss of significant influence ⁽¹⁾	30	(1 112)
Gains on loss of control transactions	23	-
Remeasurement of contingent consideration	1	(6)
Transaction related costs	(31)	(43)
	50	(1 128)

⁽¹⁾ In the prior year the group reclassified a portion of the foreign currency translation reserves related to VK from other comprehensive income to the income statement amounting to a loss of US\$1.1bn as a result of the loss of significant influence.

19. Cash from operations

	31 March	
	2023 US\$'m	2022 US\$'m
Profit before tax from continuing operations per income statement	9 460	18 549
Adjustments relating to continuing operations:		
Non-cash and other	(9 771)	(18 903)
Loss/(gains) on sale of assets	3	(4)
Depreciation and amortisation	224	197
Retention option expense	20	19
Share-based compensation expenses	(64)	258
Net finance income	69	440
Share of equity-accounted results	(5 176)	(9 256)
Impairment of equity-accounted investments	1 745	588
Gains on acquisitions and disposals	(27)	(26)
Dilution losses/(gains) on equity-accounted investments	252	(95)
Gains on partial disposal of equity-accounted investments	(7 622)	(12 339)
Gains/(losses) recognised on loss of significant influence transactions	(30)	1 112
Gains recognised on loss of control transactions	(23)	-
Net realisable value adjustments on inventory, net of reversals	24	12
Dividends received on investments	-	(45)
Income on business support services	(8)	(34)
Impairment of assets	753	246
Dividend income	(62)	-
Reversal of provisions	148	32
Other	3	(8)
Operating cash flows of discontinued operations, net of adjustments for non-cash and other items	145	206
	(166)	(148)
Working capital	(210)	(586)
Cash movement in trade and other receivables	(75)	(210)
Cash movement in payables, accruals and share-based payment liability	(198)	(155)
Cash movement in inventories	63	(221)
Total cash (utilised) from operations	(376)	(734)



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

20. Taxation

Accounting policy

Tax expense

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in the consolidated statement of other comprehensive income or directly in equity. In such cases, the related tax is also recognised in the consolidated statement of other comprehensive income or directly in equity, respectively.

Current income tax

The normal South African company tax rate applied for the year ended 31 March 2023 is 27% (2022: 28%). The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the consolidated statement of financial position date in the countries where the group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It accounts for uncertain tax positions where appropriate, on the basis of amounts expected to be paid to the tax authorities. International tax rates vary from jurisdiction to jurisdiction.

Withholding tax on dividends

Dividends paid by Naspers Limited to shareholders that are not exempted from dividends withholding tax under South African tax law are subject to dividend withholding tax at a rate of 20%.

	31 March	
	2023 US\$'m	2022 US\$'m
Current taxation	75	110
current year	68	107
prior year	7	3
Deferred taxation	(27)	(46)
current year	(27)	(46)
prior year	-	-
Total taxation expense per income statement	48	64
Reconciliation of taxation		
Taxation at statutory rates ⁽¹⁾	2 554	5 194
Adjusted for:		
non-deductible expenses ⁽²⁾	757	655
non-taxable income ⁽³⁾	(2 100)	(3 512)
taxes arising on intergroup transactions	(16)	-
temporary differences not provided for ⁽⁴⁾	261	312
assessed losses unprovided	(1)	(7)
adjustments related to prior year taxes	7	(2)
other taxes	8	19
changes in taxation rates	-	1
tax attributable to equity-accounted earnings	(1 398)	(2 592)
tax adjustment for foreign taxation rates ⁽⁵⁾	(24)	(4)
Taxation provided in income statement	48	64

⁽¹⁾ The reconciliation of taxation has been performed using the statutory tax rate of Naspers Limited of 27% (2022: 28%). The impact of different tax rates applied to profits earned in other jurisdictions is disclosed above as "tax adjustment for foreign taxation rates".

⁽²⁾ Non-deductible expenses relate primarily to impairment losses and dilutions of equity-accounted investments.

⁽³⁾ Non-taxable income relates primarily to the gains on disposals of subsidiaries and associates and the remeasurement of share-based payment liability.

⁽⁴⁾ Temporary differences and losses not provided for relate primarily to loss-making entities that did not recognise deferred tax assets.

⁽⁵⁾ Tax adjustment for foreign taxation rates relates mainly to a different capital gain tax rate on disposal of associates.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

21. Deferred taxation

Accounting policy

Deferred tax assets and liabilities have been calculated using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date, being the rates the group expects to apply to the periods in which the assets are realised or the liabilities are settled.

Deferred taxation is provided on the taxable or deductible temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction, other than a business combination, that, at the time of the transaction, affects neither the accounting nor the taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences and unused tax losses can be utilised.

Deferred tax liabilities are provided for temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

The deferred tax assets and liabilities and movements thereon were attributable to the following items:

	1 April 2022 US\$'m	Charged to income US\$'m	Acquisition of sub- diaries and businesses US\$'m	Disposals of sub- sidiaries and businesses US\$'m	Foreign exchange effects US\$'m	Trans- ferred to held for sale US\$'m	31 March 2023 US\$'m
Deferred tax assets							
Provisions and other current liabilities	19	8	-	-	(1)	(5)	21
Capitalised lease liabilities	2	(3)	-	-	-	(1)	(2)
forward	(13)	4	-	-	(1)	1	(9)
Other	8	(10)	-	-	2	(2)	(2)
Total deferred tax assets	16	(1)	-	-	-	(7)	8
Offsetting of deferred tax liabilities	15						13
Net deferred tax assets	31						21
Deferred tax liabilities							
Intangible assets	231	(32)	-	-	21	(113)	107
Other	(2)	(6)	-	-	1	-	(7)
Total deferred tax liabilities	229	(38)	-	-	22	(113)	100
Offsetting of deferred tax liabilities	15						13
Net deferred tax liabilities	244						113
Net deferred taxation	(213)	37	-	-	(22)	106	(92)



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

21. DEFERRED TAXATION (continued)

	1 April 2021 US\$'m	Charged to income ⁽¹⁾ US\$'m	Acquisition of sub- diaries and businesses US\$'m	Disposals of sub- sidiaries and businesses US\$'m	Foreign exchange effects US\$'m	31 March 2022 US\$'m
Deferred taxation assets						
Provisions and other current liabilities	19	-	-	2	(2)	19
Capitalised finance leases	4	(1)	-	-	(1)	2
Income received in Tax losses carried forward	(13)	(1)	3	(2)	-	(13)
Other	4	5	-	(2)	1	8
Total deferred tax assets	14	3	3	(2)	(2)	16
Offsetting of deferred tax liabilities	13					15
Net deferred tax assets	27					31
Deferred taxation liabilities						
Property, plant and equipment	1	-	-	-	(1)	-
Intangible assets	199	(31)	79	(6)	(10)	231
Receivables and other current assets	3	(2)	-	-	(1)	-
Other	13	(23)	5	-	3	(2)
Total deferred tax liabilities	216	(56)	84	(6)	(9)	229
Offsetting of deferred tax liabilities	13					15
Net deferred tax liabilities	229					244
Net deferred taxation	(202)	59	(81)	4	7	(213)

The ultimate outcome of additional taxation assessments may vary from the amounts accrued. However, management believes that any additional taxation liability over and above the amounts accrued would not have a material adverse impact on the group's consolidated income statement and consolidated statement of financial position.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

21. Deferred taxation (continued)

The group has tax losses carried forward of approximately US\$5.8bn (2022: US\$3.6bn) and unrecognised deferred tax assets on interest carried forward of US\$169m. A summary of the tax losses carried forward at 31 March 2023 by tax jurisdiction and the expected expiry dates are set out below:

	South Africa US\$'m	Asia US\$'m	Europe US\$'m	Latin America and USA US\$'m	Other US\$'m	Total US\$'m
Expires in year one	-	7	133	-	-	140
Expires in year two	-	20	28	-	-	48
Expires in year three	-	17	2	-	-	19
Expires in year four	-	6	14	-	-	20
Expires in year five	-	3	14	2	-	19
Expires after year five	199	105	43	417	220	984
Non-expiring	78	24	4 291	11	157	4 561
	277	182	4 525	430	377	5 791

The group recognised a deferred income tax expense of US\$nil (2022: US\$nil) in other comprehensive income as a result of changes in the fair value of derivative financial instruments that relate to cash flow hedges of foreign currency forecast transactions or firm commitments.

Net deferred taxation assets amount to US\$21m (2022: US\$31m), of which US\$12m (2022: US\$19m) are expected to be utilised within the next 12 months and US\$9m (2022: US\$12m) after 12 months. Net deferred taxation liabilities amount to US\$113m (2022: US\$244m), of which US\$56m (2022: US\$84m) are expected to be settled within the next 12 months and US\$57m (2022: US\$200m) after 12 months.

The group has not recognised any deferred tax assets related to accumulated losses when the utilisation depends on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences, and the relevant group entity from which the deferred tax asset would arise has suffered a loss in either the current or a preceding period.

Temporary differences arise from the existence of undistributed profits of subsidiaries and changes in foreign exchange rates on translation of the subsidiaries operations. No deferred tax liabilities is recognised for these temporary differences because the group controls the timing of the reversal of temporary differences associated with the investment by controlling the subsidiaries dividend policies.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information

Accounting policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that make strategic decisions. The group proportionately consolidates its share of the results of its associates and joint ventures in the various reportable segments. This is considered more reflective of the economic value of these investments.

Operating segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance. The CODM has been identified as the group's executive directors who make strategic decisions.

The group proportionately consolidates its share of the results of its associated companies and joint ventures in its reportable segments. This is considered to provide additional information on the economic reality of these investments and corresponds to the manner in which the CODM assesses segmental performance.

The group has identified its reportable segments based on its business by service or product. The operating segments are grouped into the following categories: ecommerce, social and internet platforms, media and corporate. Below are operating segments under each category:

Ecommerce – the group operates internet platforms to provide various services and products. These platforms and communities offer ecommerce, communication, social networks, entertainment and mobile value-added services. The reportable operating segments within ecommerce include classifieds, payments and fintech, food delivery, edtech, edtech and other ecommerce.

- *Classifieds* – the group operates a number of leading online classifieds platforms comprising general classifieds (such as OLX and letgo) and verticals (automotive and real estate verticals) in 19 core markets globally.
- *Payments and Fintech* – the group operates one of the largest mobile and online payment platforms in 20 high growth markets through PayU, an online payment services provider. This segment also includes the group's fintech and credit interests via associates and subsidiaries.
- *Food Delivery* – the group invests in leading global online food ordering and delivery platforms operating in regions including India, Africa, Latin America, Europe, Asia and the Middle East through its investments in Delivery Hero, Swiggy and iFood.
- *Edtech* – comprises the group's investment in leading online educational technology platforms (such as Stack Overflow, Skillsoft and GoodHabit). The group's operations are spread across the globe including the North America, Europe, the Middle East, Africa and the Asia-Pacific region.
- *Etail* – comprises the group's etail subsidiaries (including eMAG and Takealot). The group's operations are spread across Central and Eastern Europe, South Africa and India.
- *Other Ecommerce* – this segment comprises the group's mobile and other content businesses. Also included are various corporate support functions for the ecommerce segment.

Social and internet platforms – the group holds listed investments in social and internet platforms through Tencent, China's largest and most used internet services platform.

Media – through Media24 in Africa, the group publishes newspapers, magazines and books. Its activities also include printing and distribution.

Corporate – this segment comprises entities providing various corporate functions and activities. These services include, but are not limited to, executive oversight, information management, legal, treasury, control and accounting, human resources, taxes and investor relations.

Sales between the above segments are eliminated in the "Inter-segmental" column. The revenue from external parties and all other items of income, expenses, profits and losses reported in the segment report is measured in a manner consistent with that in the consolidated income statement.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information (continued)

Adjusted EBITDA is a non-IFRS measure that represents operating profit/loss, as adjusted to exclude: (i) depreciation; (ii) amortisation; (iii) retention option expenses linked to business combinations; (iv) other losses/gains—net, which includes dividends received from investments, profits and losses on sale of assets, fair value adjustments of financial instruments, impairment losses and gains or losses on settlement of liabilities, (v) cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and (vi) subsequent fair value remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes as well as those deemed to arise on shareholder transactions (but not excluding share-based payment expenses for which the group has a cash cost on settlement with participants). It is considered a useful measure to analyse operational profitability.

Trading profit/loss represents operating profit/loss, as adjusted to exclude: (i) amortisation of intangible assets recognised in business combinations and acquisitions, as these expenses are not considered operational in nature; (ii) retention option expenses linked to business combinations; (iii) other losses/gains—net, which includes dividends received from investments, profits and losses on sale of assets, fair value adjustments of financial instruments, impairment losses and gains or losses on settlement of liabilities; (iv) cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and (v) subsequent fair value remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes as well as those deemed to arise on shareholder transactions (but not excluding share-based payment expenses for which the group has a cash cost on settlement with participants).

The revenues from external customers for each major group of products and services are disclosed in note 14. The group is not reliant on any one major customer as the group's products are consumed by the general public in a large number of countries.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information

	Revenue Year ended 31 March					
	2023			2022		
	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m
	External	Inter-segmental	Total	External	Inter-segmental	Total
Continuing operations						
Ecommerce	10 754	-	10 754	9 005	-	9 005
- Classifieds ⁽¹⁾⁽²⁾	1 575	-	1 575	1 324	-	1 324
- Food Delivery	4 203	-	4 203	2 992	-	2 992
- Payments and Fintech	1 034	18	1 052	784	12	796
- Edtech	545	-	545	425	-	425
- Etail	2 761	-	2 761	3 086	-	3 086
- Other	636	(18)	618	394	(12)	382
Social and Internet platforms	22 269	-	22 269	25 794	-	25 794
- Tencent	22 269	-	22 269	25 261	-	25 261
- VK ⁽³⁾	-	-	-	533	-	533
Media	217	-	217	257	-	257
Corporate	-	-	-	-	-	-
Inter-segment	(3)	-	(3)	-	-	-
Total economic interest from continuing operations	33 237	-	33 237	35 056	-	35 056
Less: Equity-accounted investments	(26 459)	-	(26 459)	(28 762)	-	(28 762)
Total consolidated from continuing operations	6 778	-	6 778	6 294	-	6 294
Total from discontinued operations⁽¹⁾⁽²⁾	1 626	-	1 626	1 646	-	1 646
Total consolidated	8 404	-	8 404	7 940	-	7 940

⁽¹⁾ From 1 April 2022, following the separation from OLX Group, the CODM reviewed the financial results of Avito separately. Subsequent to the group's decision to exit this Russian business, Avito was presented as a discontinued operation up until the date of disposal. The comparative financial results of Avito, previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.

⁽²⁾ From 1 March 2023, following the group's decision to exit the OLX Autos business unit, its operations classified as held for sale and those that have been closed by 31 March 2023 were presented as a discontinued operation. The OLX Autos business unit is a separate major line of business both in terms of the distinct nature of the business and its contribution to the operational performance of the group. The comparative financial results of these operations previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.

⁽³⁾ During the year ended 31 March 2022, the group lost significant influence in VK. In November 2022, the group signed an agreement with VK Company Limited (VK) to renounce all VK shares and shareholder rights for no consideration.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information (continued)

	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m
Year ended 31 March 2023	Total revenue	COPS and SGA ⁽¹⁾	Adjusted EBITDA ⁽²⁾	Deprecia- tion	Amorti- -sation of software	Interest on leases	Trading (loss)/profit ⁽³⁾
Continuing operations							
Ecommerce	10 754	(12 017)	(1 263)	(219)	(31)	(21)	(1 534)
- Classifieds ⁽⁴⁾⁽⁵⁾	1 575	(1 688)	(113)	(32)	(7)	(4)	(156)
- Food Delivery	4 203	(4 748)	(545)	(89)	(7)	(8)	(649)
- Payments and Fintech	1 052	(1 160)	(108)	(5)	(2)	(1)	(116)
- Edtech	545	(784)	(239)	(14)	(5)	-	(258)
- Etail	2 761	(2 763)	(2)	(70)	(5)	(8)	(85)
- Other	618	(874)	(256)	(9)	(5)	-	(270)
Social and Internet	22 269	(15 974)	6 295	(1 145)	(22)	(43)	5 085
- Tencent	22 269	(15 974)	6 295	(1 145)	(22)	(43)	5 085
Media	217	(204)	13	(5)	-	(1)	7
Corporate segment	-	(201)	(201)	(8)	-	(1)	(210)
Inter-segment	(3)	3	-	-	-	-	-
Total economic interest from continuing operations	33 237	(28 393)	4 844	(1 377)	(53)	(66)	3 348
Less: Equity-accounted investments	(26 459)	20 930	(5 529)	1 248	38	51	(4 192)
Total consolidated from continuing operations	6 778	(7 463)	(685)	(129)	(15)	(15)	(844)
Total from discontinued operations ⁽⁴⁾⁽⁵⁾	1 626	(1 580)	46	(15)	(5)	-	26
Total consolidated	8 404	(9 043)	(639)	(144)	(20)	(15)	(818)

⁽¹⁾ Refers to cost of providing services and sale of goods as well as selling, general and administration expenses.

⁽²⁾ Adjusted EBITDA is a non-IFRS measure that represents operating profit/loss, as adjusted, to exclude: depreciation; amortisation; retention option expenses linked to business combinations; other losses/gains – net, which includes dividends received from investments, profits and losses on sale of assets, fair value adjustments of financial instruments, impairment losses and gains or losses on settlement of liabilities; cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and subsequent fair value remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes, as well as those deemed to arise on shareholder transactions (but not excluding share-based payment expenses for which the group has a cash cost on settlement with participants). It is considered a useful measure to analyse operational profitability.

⁽³⁾ Trading (loss)/ profit is a non-IFRS measure that refers to adjusted EBITDA adjusted for depreciation, amortisation of software and interest on capitalised lease liabilities. It is considered a useful measure to analyse operational profitability.

⁽⁴⁾ From 1 April 2022, following the separation from OLX Group, the CODM reviewed the financial results of Avito separately. Subsequent to the group's decision to exit this Russian business, Avito was presented as a discontinued operation up until the date of disposal. The comparative financial results of Avito, previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.

⁽⁵⁾ From 1 March 2023, following the group's decision to exit the OLX Autos business unit, its operations classified as held for sale and those that have been closed by 31 March 2023 were presented as a discontinued operation. The OLX Autos business unit is a separate major line of business both in terms of the distinct nature of the business and its contribution to the operational performance of the group. The comparative financial results of these operations previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information (continued)

Year ended	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m
31 March 2022	Total revenue	COPS and SGA ⁽¹⁾	Adjusted EBITDA ⁽²⁾	Depreciation	Amortisation of software	Interest on finance leases	Trading (loss)/profit ⁽³⁾
Continuing operations							
Ecommerce	9 005	(10 014)	(1 009)	(181)	(13)	(12)	(1 215)
- Classifieds ⁽⁴⁾⁽⁵⁾	1 324	(1 361)	(37)	(27)	(2)	(4)	(70)
- Food Delivery	2 992	(3 643)	(651)	(67)	(5)	(1)	(724)
- Payments and Fintech	796	(848)	(52)	(6)	(1)	(1)	(60)
- Edtech	425	(525)	(100)	(16)	(1)	-	(117)
- Etail	3 086	(3 059)	27	(60)	(3)	(6)	(42)
- Other	382	(578)	(196)	(5)	(1)	-	(202)
Social and internet	25 794	(18 171)	7 623	(1 225)	(42)	(37)	6 319
- Tencent	25 261	(17 759)	7 502	(1 181)	(16)	(32)	6 273
- VK ⁽⁶⁾	533	(412)	121	(44)	(26)	(5)	46
Media	257	(234)	23	(5)	-	(1)	17
Corporate segment		(209)	(209)	(6)	(1)	(1)	(217)
Intersegmental	-	-	-	-	-	-	-
Total economic interest from continuing operations	35 056	(28 628)	6 428	(1 417)	(56)	(51)	4 904
Less: Equity-accounted investments	(28 762)	21 777	(6 985)	1 309	48	40	(5 588)
Total consolidated from continuing operations	6 294	(6 851)	(557)	(108)	(8)	(11)	(684)
Total from discontinued operations⁽⁴⁾⁽⁵⁾	1 646	(1 513)	133	(28)	(4)	(4)	97
Total consolidated	7 940	(8 364)	(424)	(136)	(12)	(15)	(587)

⁽¹⁾ Refers to cost of providing services and sale of goods as well as selling, general and administration expenses.

⁽²⁾ Adjusted EBITDA is a non-IFRS measure that represents operating profit/loss, as adjusted, to exclude: depreciation; amortisation; retention option expenses linked to business combinations; other losses/gains – net, which includes dividends received from investments, profits and losses on sale of assets, fair value adjustments of financial instruments, impairment losses and gains or losses on settlement of liabilities; cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and subsequent fair value remeasurement of cash-

⁽³⁾ Trading (loss)/profit is a non-IFRS measure that refers to adjusted EBITDA adjusted for depreciation, amortisation of software and interest on capitalised lease liabilities. It is considered a useful measure to analyse operational profitability.

⁽⁴⁾ From 1 April 2022, following the separation from OLX Group, the CODM reviewed the financial results of Avito separately. Subsequent to the group's decision to exit this Russian business, Avito was presented as a discontinued operation up until the date of disposal. The comparative financial results of Avito, previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.

⁽⁵⁾ From 1 March 2023, following the group's decision to exit the OLX Autos business unit, its operations classified as held for sale and those that have been closed by 31 March 2023 were presented as a discontinued operation. The OLX Autos business unit is a separate major line of business both in terms of the distinct nature of the business and its contribution to the operational performance of the group. The comparative financial results of these operations previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.

⁽⁶⁾ During the year ended 31 March 2022, the group lost significant influence in VK. In November 2022, the group signed an agreement with VK Company Limited (VK) to renounce all VK shares and shareholder rights for no consideration.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information (continued)

Additional disclosure

	Year ended 31 March 2023		Year ended 31 March 2022	
	US\$'m	US\$'m	US\$'m	US\$'m
	Reversal of Impairment/ (Impairment) of assets	Share of equity-accounted results	Impairment of assets	Share of equity-accounted results
Continuing operations				
Ecommerce	(1 050)	(1 819)	143	(526)
- Classifieds ⁽¹⁾⁽²⁾	(246)	(182)	-	(70)
- Food Delivery	(185)	(1 173)	390	(148)
- Payments and Fintech	(3)	(30)	-	(23)
- Edtech	(575)	(202)	(246)	(155)
- Etail	(2)	(2)	(1)	-
- Other	(39)	(230)	-	(130)
Social and Internet platforms	(1 493)	6 994	(1 459)	9 779
- Tencent	(1 493)	6 994	(1 453)	9 863
- VK ⁽³⁾	-	-	(6)	(84)
Media	-	1	-	2
Corporate segment	(1)	-	-	-
Total reportable segments from continuing operations	(2 544)	5 176	(1 316)	9 255
Less: Equity-accounted investments ⁽⁴⁾	1 791	-	1 070	-
Total reportable segments from continuing operations	(753)	5 176	(246)	9 255
Total from discontinued operations⁽¹⁾⁽²⁾	(19)	-	-	-
Total consolidated	(772)	5 176	(246)	9 255

⁽¹⁾ From 1 April 2022, following the separation from OLX Group, the CODM reviewed the financial results of Avito separately. Subsequent to the group's decision to exit this Russian business, Avito was presented as a discontinued operation up until the date of disposal. The comparative financial results of Avito, previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.

⁽²⁾ From 1 March 2023, following the group's decision to exit the OLX Autos business unit, its operations classified as held for sale and those that have been closed 31 March 2023 were presented as a discontinued operation. The OLX Autos business unit is a separate major line of business both in terms of the distinct nature of the business and its contribution to the operational performance of the group. The comparative financial results of these operations previously presented in the Classifieds Ecommerce segment, have been reclassified and presented in discontinued operations.

⁽³⁾ During the year ended 31 March 2022, the group lost significant influence in VK. In November 2022, the group signed an agreement with VK Company Limited (VK) to renounce all VK shares and shareholder rights for no consideration.

⁽⁴⁾ All associates' and joint ventures' results are accounted for using the equity accounting method.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information (continued)

Trading profit as presented in the segment disclosure is the CODM and management's key measure of each segment's operational performance. A reconciliation of the segmental trading profit/(loss) to operating profit and profit before tax as reported in the income statement is provided below:

	31 March	
	2023 US\$'m	2022 US\$'m
Consolidated adjusted EBITDA from continuing operations ⁽¹⁾	(685)	(557)
Depreciation	(129)	(108)
Amortisation of software	(15)	(8)
Interest on capitalised lease liabilities	(15)	(11)
Consolidated trading loss from continuing operations ⁽²⁾	(844)	(684)
Interest on capitalised finance leases	15	11
Amortisation of other intangible assets	(80)	(81)
Other (losses)/gains - net	(747)	(163)
Other	3	6
Retention option expense	(20)	(19)
Remeasurement of cash-settled share-based incentive expenses	304	(27)
Share-based incentives for share options settled in Naspers Limited shares	(15)	(28)
Consolidated operating loss from continuing operations	(1 384)	(985)
Interest income	483	58
Interest expense	(571)	(407)
Other finance (costs)/income - net	19	(91)
Dividend Income	62	-
Share of equity-accounted results	5 176	9 256
Impairment of equity-accounted investments	(1 745)	(588)
Dilution gains on equity-accounted investments	(252)	95
Gains on partial disposal of equity-accounted investments	7 622	12 339
Net gains on acquisitions and disposals	50	(1 128)
Profit before taxation from continuing operations per the income statement	9 460	18 549

⁽¹⁾ Adjusted EBITDA is a non-IFRS measure that represents operating profit/loss, as adjusted, to exclude: depreciation; amortisation; retention option expenses linked to business combinations; other losses/gains – net, which includes dividends received from investments, profits and losses on sale of assets, fair value adjustments of financial instruments, impairment losses and gains or losses on settlement of liabilities; cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and subsequent fair value remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes, as well as those deemed to arise on shareholder transactions (but not excluding share-based payment expenses for which the group has a cash cost on settlement with participants). It is considered a useful measure to analyse operational profitability.

⁽²⁾ Trading (loss)/profit is a non-IFRS measure that refers to adjusted EBITDA adjusted for depreciation, amortisation of software and interest on capitalised lease liabilities. It is considered a useful measure to analyse operational profitability.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Operational performance (continued)

22. Segment information (continued)

Geographical information

Revenue from continuing operations is allocated to a country based on the location of subscribers or users/customers. The group operates in five main geographical areas:

Africa - The group derives revenues from media activities, internet services (including payments and fintech and classifieds services and products) and technology products and services.

Asia - The group's activities comprise its interest in internet activities based in China, India, Thailand and Singapore.

Europe - The group's activities comprise its interest in internet activities based in Central, Eastern and Western Europe. Furthermore, the group generates revenue from technology products and services provided by subsidiaries based in the Netherlands.

Latin America - The group's activities comprise its interest in internet activities based in Brazil and other Latin American countries.

North America - The group's activities comprise its interest in internet activities based in United States of America and other countries.

Other - Includes the group's provision of various products through internet and technology activities located mainly in Australia.

Geographical area	31 March 2023		31 March 2022	
	External Consolidated Revenue	External Proportionately Consolidated Revenue ⁽¹⁾	External Consolidated Revenue	External Proportionately Consolidated Revenue ⁽¹⁾
	US\$m	US\$m	US\$m	US\$m
Africa	1 077	1 090	1 135	1 147
South Africa	1 071	1 084	1 129	1 141
Rest of Africa	6	6	6	6
Asia	528	23 753	358	26 289
Europe	2 834	5 387	2 959	5 290
Central Europe	641	641	736	736
Eastern Europe	2 131	2 156	2 124	2 665
Western Europe	62	2 590	99	1 889
Latin America	2 252	2 354	1 776	1 859
North America	87	624	65	467
Other	-	29	1	4
Total revenue from continuing operations	6 778	33 237	6 294	35 056

⁽¹⁾ Revenue includes the group's proportionate share of associates' and joint ventures' external revenue.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity

Earnings per share and equity

Accounting policy

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the group by the weighted average ordinary shares outstanding during the financial year excluding treasury shares.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The group discloses headline earnings per share as determined in accordance with Circular 1/2021, pursuant to the JSE Listings Requirements. Headline earnings represents net profit for the year attributable to the group's equity holders, excluding certain defined separately identifiable remeasurements relating to, among others, impairments of tangible assets, intangible assets (including goodwill) and equity-accounted investments, gains and losses on acquisitions and disposals of investments as well as assets, dilution gains and losses on equity-accounted investments, remeasurement gains and losses on disposal groups classified as held for sale and remeasurements included in equity-accounted earnings, net of related taxes (both current and deferred) and the related non-controlling interests. These remeasurements are determined in accordance with Circular 1/2021, headline earnings, as issued by the South African Institute of Chartered Accountants, at the request of the JSE Limited in relation to the calculation of headline earnings and disclosure of a detailed reconciliation of headline earnings to the earnings numbers used in the calculation of basic earnings per share in accordance with the requirements of IAS 33 – Earnings per Share, under the JSE Listings Requirements.

Basic headline earnings per share are determined by dividing the headline earnings described above by the weighted average ordinary shares outstanding during the financial year excluding treasury shares. Diluted headline earnings per share are determined by dividing the diluted headline earnings by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

In the event that the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation without consideration, the calculation of the basic and diluted earnings per share for the comparative period are adjusted retrospectively.

Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction against share premium.

Where subsidiaries hold Naspers ordinary shares N, the consideration paid to acquire those shares, including attributable incremental costs, is deducted from shareholders' equity and presented separately as treasury shares. Such shares are held by the Prosus group or for the group's equity compensation plans. Where such shares are subsequently sold or reissued, the cost of those shares is released, and the realised gains or losses are recorded in equity. Shares issued to or held by share incentive plans within the group are treated as treasury shares until such time when participants pay for and take delivery of such shares.

The group presents treasury shares separately in the consolidated statement of changes in equity as well as on the face of the consolidated statement of financial position.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

23. Earnings per share (continued)

	31 March 2023			
	Gross US\$'m	Taxation US\$'m	Non- control- ling interests US\$'m	Net US\$'m
Earnings from continuing operations				
Basic earnings attributable to shareholders				4 102
Impact of dilutive instruments of subsidiaries, associates and joint ventures				(166)
Diluted earnings attributable to shareholders				3 936
Headline adjustments for continuing operations				
Adjustments for:	(8 835)	-	4 982	(3 853)
Impairment of other assets	33	-	(19)	14
Impairment of goodwill, PPE and other intangible assets	720	-	(405)	315
Loss on sale of assets	3	-	(2)	1
Gains recognised on loss of control	(23)	-	13	(10)
Gains recognised on loss of significant influence	(30)	-	17	(13)
Net gains on acquisitions and disposals of investments	(27)	-	20	(7)
Gain on partial disposal of equity-accounted investments	(7 622)	-	4 325	(3 297)
Dilution losses on equity-accounted investments	252	-	(143)	109
Remeasurements included in equity-accounted earnings ⁽²⁾	(3 886)	-	2 181	(1 705)
Impairment of equity-accounted investments	1 745	-	(1 005)	740
Basic headline earnings from continuing operations⁽¹⁾				249
Diluted headline earnings from continuing operations				83
Earnings from discontinued operations				
Basic earnings attributable to shareholders				229
Impact of dilutive instruments of subsidiaries, associates and joint ventures				-
Diluted earnings attributable to shareholders				229
Headline adjustments for discontinued operations				
Adjustments for:	(544)	-	315	(229)
Loss on sale of property, plant and equipment	5	-	(4)	1
Impairment of goodwill, intangible assets and other assets	19	-	(10)	9
Net gains on acquisitions and disposals of investments	(568)	-	329	(239)
Basic headline earnings from discontinued operations⁽¹⁾				-
Diluted headline earnings from discontinued operations				-

⁽¹⁾ Headline earnings represent net profit for the year attributable to equity holders of the group, excluding certain defined separately identifiable remeasurements. The headline earnings measure is in pursuant of the JSE Listings Requirements.

⁽²⁾ Remeasurements included in equity-accounted earnings include US\$5.9bn (2022: US\$6.3bn) relating to gains arising on acquisitions and disposals by associates and US\$1.9bn (2022: US\$1.1bn) relating to impairments of assets recognised by associates.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

23. Earnings per share (continued)

	31 March 2022			
	Gross US\$'m	Taxation US\$'m	Non- control- ling interests US\$'m	Net US\$'m
Earnings from continuing operations				
Basic earnings attributable to shareholders				12 191
Impact of dilutive instruments of subsidiaries, associates and joint ventures				(230)
Diluted earnings attributable to shareholders				11 961
Headline adjustments from continuing operations				
Adjustments for:	(15 659)	-	5 054	(10 605)
Impairment of goodwill, PPE and other intangible assets	246	-	(142)	104
Gains on sale of assets	(4)	-	1	(3)
Losses on loss of significant influence transactions	1 112	-	(641)	471
Gains on acquisitions and disposals of investments	(33)	-	20	(13)
Gains on partial disposal of equity-accounted investments	(12 339)	-	3 308	(9 031)
Dilution gains on equity-accounted investments	(95)	-	63	(32)
Remeasurements included in equity-accounted earnings	(5 134)	-	2 782	(2 352)
Impairment of equity-accounted investments	588	-	(337)	251
Basic headline earnings from continuing operations⁽¹⁾				1 586
Diluted headline earnings from continuing operations				1 356
Earnings from discontinued operations				
Basic earnings attributable to shareholders				32
Impact of dilutive instruments of subsidiaries, associates and joint ventures				-
Diluted earnings attributable to shareholders				32
Headline adjustments for discontinued operations				
Adjustments for:	3	-	-	3
Losses on acquisitions and disposals of investments	3	-	-	3
Basic headline earnings from discontinued operations⁽¹⁾				35
Diluted headline earnings from discontinued operations				35

⁽¹⁾ Headline earnings represent net profit for the year attributable to equity holders of the group, excluding certain defined separately identifiable remeasurements. The headline earnings measure is pursuant of the JSE Listing Requirements.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

23. Earnings per share (continued)

	2023 Number of shares	2022 Number of shares
Number of ordinary shares in issue at year-end (net of treasury shares)	196 320 624	215 454 129
Adjusted for movement in shares held by share trusts and share repurchase programme	12 083 718	74 322 479
Weighted average number of ordinary shares in issue during the year	208 404 342	289 776 608
Adjusted for effect of future share-based payment transactions	88 097	805 932
Diluted weighted average number of ordinary shares in issue during the year	208 492 439	290 582 540
Per share information related to continuing operations		
Earnings per ordinary share (US cents) for the year		
Basic	1 968	4 207
Diluted	1 888	4 116
Headline earnings per ordinary share (US cents) for the year		
Basic	119	547
Diluted	40	467
Dividend paid per A ordinary share (SA cents)	132	132
Dividend paid per N ordinary share (SA cents)	660	662
Proposed dividend per A ordinary share (SA cents)	-	-
Proposed dividend per N ordinary share (SA cents)	-	-

Earnings per share information

The earnings per share information presented takes into account the impact of the cross-holding agreement with Naspers as a result of the Prosus share exchange (as described in note 5 “Significant changes in financial position and performance” during the reporting period) and the Prosus share repurchase (refer to note 5) in August 2021.

The group has in issue 435 511 058 N ordinary shares and 961 193 A ordinary shares as at 31 March 2023. The group recognised 240 151 627 N ordinary shares as treasury shares which are the N ordinary shares held by Prosus, the Naspers group share trusts and other group companies.

The A ordinary shareholders are entitled to one voting right per share but carry one fifth of the economic rights of Naspers N ordinary shareholders.

The number of shares in issue used in the earnings per share information is weighted for the period that the shares were in issue and not recognised as treasury shares. As a result, the N ordinary shares held by Prosus and Naspers group subsidiaries are weighted for the period they were in issue and not recognised as treasury shares between April and August 2021.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

24. Share capital and premium

	31 March	
	2023 US\$'m	2022 US\$'m
Authorised		
1 250 000 A ordinary shares of R20 each	2	2
500 000 000 N ordinary shares of 2 SA cents each	2	2
	4	4
Issued		
961 193 A ordinary shares (2022: 961 193)	2	2
435 511 058 N ordinary shares (2022: 435 511 058)	2	2
	4	4
Share premium	4 607	4 607
	4 611	4 611
Cumulative effect of treasury shares ⁽¹⁾	(46 825)	(43 753)
	(42 214)	(39 142)

⁽¹⁾ Refers to the cumulative net effect of treasury shares held at cost as a result of the Prosus share exchange, share repurchase programme and for the settlement of equity compensation plans.

Share repurchase programme

Purchase of Naspers N ordinary shares

On 27 June 2022, the group announced the beginning of an open-ended, repurchase programme of Prosus ordinary shares N and Naspers N ordinary shares. The accounting for the share repurchase programme takes into consideration the cross-holding agreement between Prosus and Naspers and is implemented in accordance with the applicable laws and regulations as well as the authority granted by shareholders. As part of the repurchase programme, for the period between 28 June 2022 and 31 March 2023, Prosus purchased 4 152 285 Naspers N ordinary shares for a total consideration of US\$625m. Furthermore, for the year ended March 2023, Naspers, through its subsidiary MIH Treasury Services Proprietary Limited, purchased 16 320 371 Naspers N ordinary shares on the market for a total consideration of US\$2.5bn.

Treasury shares

The group holds a total of 240 151 627 ordinary shares N (2022:221 018 122), or 55.1% (2022: 50.6%), of the gross number of ordinary shares N in issue at 31 March 2023 as treasury shares. Equity compensation plans hold 1 576 746 (2022: 2 915 897) of the ordinary shares and the remaining 238 574 881 (2022: 218 102 225) ordinary shares N are held by various group companies.

Voting and dividend rights

The company's issued share capital at 31 March 2023 consisted of 961 193 (2022: 961 193) A ordinary shares and 435 511 058 (2022: 435 511 058) ordinary shares N. The ordinary shares N are listed on the JSE, the A2X Exchange and has an ADR listing in the United States over-the-counter market. The group cancelled its listing of its American Depositary Shares ("ADSs") on the London stock exchange (LSE) in January 2022. The ordinary shares N on a poll carry one vote per share. The A ordinary shares are not listed on a stock exchange and on a poll carry 1 000 (2022: 1 000) votes per share.

In terms of the Naspers memorandum of incorporation, both N and A ordinary shareholders are entitled to dividends. However, the dividends declared to A ordinary shareholders are equal to one-fifth of the dividends to which N ordinary shareholders are entitled.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

24. Share capital and premium (continued)

Voting and dividend rights (continued)

Naspers Limited, through Heemstede Beleggings Proprietary Limited, a wholly owned subsidiary of the company, holds 49% of Naspers Beleggings (RF) Limited. Naspers Beleggings (RF) Limited, in turn, holds 472 411 (2022: 472 411) A ordinary shares (49.15% of the total A ordinary shares in issue), which carry approximately 33.82% of the total voting rights in respect of the company's ordinary shares. Keeromstraat 30 Beleggings (RF) Limited holds 296 058 (2022: 296 058) A ordinary shares (30.8% of the total A ordinary shares in issue), which represents 21.20% of the total voting rights in respect of the company's ordinary shares. Some of the company's directors are on the boards of Keeromstraat Beleggings (RF) Limited and Naspers Beleggings (RF) Limited, but do not represent the majority of board members. Each of these boards operates independently. Naspers Beleggings (RF) Limited and Keeromstraat Beleggings (RF) Limited collectively hold 55.02% of the voting rights in respect of the company, exercise their voting rights in consultation with one another in terms of a voting pool agreement and constitute the control structure of Naspers Limited. If they vote together, they can vote the majority of the total voting rights in the company, including in respect of any takeover offer. Under the voting pool agreement, if Naspers Beleggings (RF) Limited and Keeromstraat Beleggings (RF) Limited cannot agree on how to vote then they are required to vote against resolutions that would materially change the control, directorate or senior management of Naspers or the nature, scope or size of Naspers's businesses.

If the company is liquidated, holders of A ordinary shares will be paid the nominal value of such shares before any payment is made to holders of N ordinary shares. This amounted to approximately R19 223 860 as at 31 March 2023 (2022: R19 223 860).

Unissued share capital

The directors of the company have authority, until the next annual general meeting, to allot and issue the unissued 288 807 A ordinary shares and 64 488 942 N ordinary shares of the company. This authority was granted subject to the provisions of the Companies Act No 71 of 2008, the JSE Limited Listings Requirements and any other exchange on which the shares of the company may be quoted or listed from time to time.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

24. Share capital and premium (continued)

	2023 Number of shares	2022 Number of shares
Movement in ordinary shares in issue during the year		
Ordinary shares in issue at 1 April	436 472 251	436 472 251
N ordinary shares issued	-	-
A ordinary shares issued	-	-
Shares in issue at 31 March	436 472 251	436 472 251
Movement in ordinary shares held as treasury shares during the year		
Shares held as treasury shares at 1 April	221 018 122	18 137 423
Shares acquired as part of the share repurchase programme	16 320 371	-
Shares held by Prosus N.V. ⁽¹⁾	4 152 285	202 831 472
Shares bought by/sold from trust on market	98 227	185 848
Shares acquired by participants from equity compensation plans	(1 437 378)	(136 621)
Shares held as treasury shares at 31 March	240 151 627	221 018 122
Net number of ordinary shares in issue at 31 March	196 320 624	215 454 129

⁽¹⁾ Naspers shares held by Prosus N.V. as a result of the Prosus share exchange and repurchase programme.

	31 March	
	2023 US\$'m	2022 US\$'m
Share premium		
Balance at 1 April	4 607	4 607
Balance at 31 March	4 607	4 607

Capital management

The group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits for other stakeholders by pricing products and services commensurately with the level of risk.

The group relies upon distributions, including dividends, from its subsidiaries, associates and joint ventures to generate the funds necessary to meet the obligations and other cash flow requirements of the combined group. The operations of the group have historically been funded in a number of ways, including both debt and equity financing. Recent acquisitions were primarily funded through debt financing. The group's businesses are beginning to scale and accordingly, they are expected to become cash generative and able to sustain their operating capital requirements. The group received US\$565m (2022: US\$571m) in cash dividends from Tencent during the year.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

24. Share capital and premium (continued)

Capital management (continued)

The group's general business strategy is to acquire developing businesses and to provide funding to meet the cash needs of those businesses until they can, within a reasonable period of time, become self-funding. Funding is provided through a combination of loans and share capital, depending on the country-specific regulatory requirements. From a subsidiary's perspective, intergroup loan funding is generally considered to be part of the capital structure. The focus on increased profitability and cash flow generation will continue into the foreseeable future, although the group will continue to actively evaluate potential growth opportunities within its areas of expertise.

The group will also grow its business in the future by making equity investments in growth companies. The group anticipates that it may fund future acquisitions and investments through the issue of debt and equity instruments and utilisation of available cash resources.

The group follows a risk-based approach to the determination of the optimal capital structure. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or modify the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Below is a summary of the group bonds in issue for the year ended 31 March 2023:

Currency of year end balance	Listing date ⁽¹⁾	Year of final repayment	Fixed interest rate	Interest payments	31 March	
					2023 US\$'m	2022 US\$'m
US\$	Jul 2015	2025	5.50%	semi-annual	225	225
US\$	Jul 2017	2027	4.85%	semi-annual	614	614
US\$	Jan 2020	2030	3.68%	semi-annual	1 250	1 250
Eur	Aug 2020	2028	1.54%	annual	921	941
Eur	Aug 2020	2032	2.03%	annual	813	830
US\$	Aug 2020	2050	4.03%	semi-annual	1 000	1 000
US\$	Dec 2020	2051	3.83%	semi-annual	1 500	1 500
US\$	Jul 2021	2031	3.06%	Semi-annual	1 850	1 850
Eur	Jul 2021	2033	1.99%	Annual	921	941
Eur	Jul 2021	2029	1.29%	Annual	1 084	1 107
US\$	Jan 2022	2052	4.99%	Semi-annual	1 250	1 250
US\$	Jan 2022	2032	4.19%	Semi-annual	1 000	1 000
US\$	Jan 2022	2027	3.26%	Semi-annual	1 000	1 000
Eur	Jan 2022	2034	2.78%	Annual	705	719
Eur	Jan 2022	2030	2.09%	Annual	650	664
Eur	Jan 2022	2026	1.21%	Annual	543	553
					15 326	15 444

⁽¹⁾ The publicly traded bonds are listed on the Irish Stock Exchange (Euronext Dublin).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

24. Share capital and premium (continued)

Capital management (continued)

Bonds issued during the year ended 31 March 2022

In January 2022 the group issued US\$ and Eur notes in an aggregate principal amount totalling US\$5.3bn equivalent under its Global Medium-Term Note Programme. These issuances consist of US\$1.3bn 4.987% notes due 2052, US\$1.0bn 4.193% note due 2032, US\$1.0bn 3.257% note due 2027, Eur650m 2.778% notes due 2034, Eur600m 2.085% notes due 2030 and Eur500m 1.207% notes due 2026 (the "Bonds").

In July 2021 the group issued US\$ and Eur notes in an aggregate principal amount totalling US\$4.0bn equivalent under its Global Medium-Term Note Programme. These issuances consist of US\$1.9bn 3.061% notes due 2031, Eur1.0bn 1.288% notes due 2029 and Eur850m 1.985% notes due 2033 (the "Bonds").

The favourable market backdrop enabled Prosus to extend its debt maturity profile as part of a refinancing of its existing debt. The purpose of the offerings was to raise proceeds for general corporate purposes, including debt refinancing, which took the form of a tender offer made in relation to its bonds maturing in 2025 and 2027.

Part of the proceeds from the bond issuance was used to partly settle these two bonds. The 2025 bond consisted of US\$1.2bn 5.5% notes and the 2027 bond consisted of US\$1bn 4.85% notes. The early settlement of these bonds consisted of repayments of principal, accrued interest and present value of the related future interest coupon payments at date of settlement. The group settled US\$975m bond notes due in 2025 and US\$386m bond notes due in 2027 for a total combined consideration of US\$1.6bn. The difference between the market value of the future contractual payments and the carrying value of the note at amortised cost, of US\$217m (representing the market value premium) was recognised in "other finance (costs)/income - net" in the consolidated income statement and as part of "Repayments of long- and short-term loans" in the consolidated cash flow statement.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

24. Share capital and premium (continued)

Capital management (continued)

Undrawn revolving credit facility

The group has a total revolving credit facility (RCF) of US\$2.7bn. Naspers Limited is the borrower under the US\$225m (R4bn) RCF which matures in August 2025 with an extension option of one year (Naspers RCF). Prosus N.V. is the borrower under the US\$2.5bn undrawn RCF of which US\$2.4bn matures in March 2028 and US\$95m in March 2027 with an extension option of one year (Prosus RCF).

The Naspers RCF is undrawn by US\$135m (R2.4bn), whilst US\$90m (R1.6bn) has been utilised (2022: undrawn balance of US\$225m) and is denominated in South African rand and bears interest at 3-month JIBAR plus 1.55%, before commitment and utilisation fees. Naspers Limited is obligated to pay a commitment fee equal to 35% of the applicable margin under the Naspers RCF. Refer to the group's unutilised banking facilities disclosed in note 42.

The Prosus RCF of US\$2.5bn is undrawn (2022: undrawn balance of US\$2.5bn) and is denominated in US dollar and Euro and bears interest at a secured overnight financing rate (SOFR) plus a variable mark-up based on credit rating varying between 0.65% and 1.10% (currently 0.80%) before commitment and utilisation fees. Prosus N.V. is obligated to pay a commitment fee equal to 35% of the applicable margin under the Prosus RCF. Refer to the group's unutilised banking facilities disclosed in 42.

The undrawn balances of both the Prosus and Naspers RCF is available to fund future investments and development expenditure by the group. The group has specific financial covenants in place to govern its RCF's, all of which were complied with during the reporting period. These financial covenants are linked to various financial metrics including the ratio of the group's debt to the value of its investment portfolio.

Net interest-bearing debt-to-equity ratio

As of 31 March 2023, the group had total interest-bearing debt (including capitalised lease liabilities) of US\$16.3bn (2022: US\$16.2bn) and a cash balance including short-term cash investments of US\$16.6bn (2022: US\$13.6bn). The net interest-bearing debt-to-equity ratio was negative 1% at 31 March 2023 and positive 5% at 31 March 2022 due to the group's cash position and accumulated equity reserves. The group excludes capitalised lease liabilities from total interest-bearing debt when evaluating and managing capital. These items are considered to be operating in nature. The adjusted total interest-bearing debt (excluding capitalised lease liabilities) was US\$16.0bn (2022: US\$15.8bn) and the adjusted net interest-bearing debt-to-equity ratio was negative 1% at 31 March 2023 (2022: positive 4%). The group does not have a formally targeted debt-equity ratio.

The group's listed bonds are rated by Moody's and Standard & Poor's (S&P) as Baa3 and BBB and have a stable and positive outlook respectively.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

25. Other reserves

	31 March	
	2023 US\$'m	2022 US\$'m
Other reserves in the statement of financial position comprise:		
Foreign currency translation reserve	(2 077)	(1 430)
Valuation reserve	2 350	3 002
Existing control business combination reserve	8 790	10 420
Share-based compensation reserve	3 148	2 811
	12 211	14 803

Foreign currency translation reserve

The foreign currency translation reserve relates to exchange differences arising on the translation of foreign operations' income statements and statements of comprehensive income at average exchange rates for the year and their statements of financial position at the ruling exchange rates at the reporting date if the functional currency differs from the group's presentation currency. The movement on the foreign currency translation reserve for the year relates primarily to the effects of foreign exchange rate fluctuations related to the group's net investments in its subsidiaries.

Valuation reserve

The valuation reserve relates to fair value changes in financial assets at fair value through other comprehensive income, differences between the fair value and the contractually stipulated value of shares issued in business combinations and other acquisitions. Furthermore, the valuation reserve includes the group's share of equity-accounted investees' revaluations of their financial assets at fair value through other comprehensive income and other changes in net asset value of the equity-accounted investees. Other changes in net assets of the associate and joint ventures include changes in their share-based compensation reserve, transactions with non-controlling shareholders and other direct equity movements. The components of the valuation reserve may subsequently be reclassified to profit or loss except for fair value gains or loss relating to the group's financial assets at fair value through other comprehensive income, fair value gains or losses from equity accounted investments' financial assets at fair value through other comprehensive income and other direct reserve movements of equity-accounted investments.

Share-based compensation reserve

The grant date fair value of share incentives issued to employees in equity-settled share-based payment transactions is accounted for in the share-based compensation reserve over the vesting period, if any. The reserve is adjusted at each reporting period when the entity revises its estimates of the number of share incentives that are expected to vest. The impact of revisions of original estimates, if any, is recognised in the consolidated income statement, with a corresponding adjustment to this reserve in equity. Upon settlement of share-based compensation benefits, the reserve is reclassified to retained earnings.

A significant proportion of the group's foreign currency translation, valuation and share-based compensation reserves relates to the group's interests in its equity-accounted investments, particularly Tencent.

Existing control business combination reserve (BCR)

The existing control business combination reserve is used to account for transactions with non-controlling shareholders, and written put option liabilities. For transactions with non-controlling shareholders, the excess of the cost of the transactions over the acquirer's proportionate share of the net asset value acquired/sold is allocated to this reserve in equity. Written put option liabilities and other obligations that may require the group to purchase its own equity instruments by delivering cash or another financial asset are also initially recognised from this reserve. Similarly, written put option liabilities and other similar obligations are reclassified to this reserve in the event of cancellation or expiry.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Earnings per share and equity (continued)

25. Other reserves (continued)

Below is a summary of the group's significant transactions with non-controlling shareholders during the year:

	31 March 2023			31 March 2022		
	Shareholding acquired/ (disposed)	Purchase Price US\$'m	BCR US\$'m	Shareholding acquired/ disposed	Purchase Price US\$'m	BCR US\$'m
iFood.com (iFood) ⁽¹⁾	33.33%	1 626	(1 562)	-	-	-
Red Dot Payment Pte. Ltd	22.45%	17	(17)	-	-	-
Carsmile S.A.	34.40%	14	(14)	-	-	-
Dante International Kft (eMag)	0.51%	9	(9)	-	-	-
Prosus N.V.	1.25%	7 291	(741)	1.19%	4 996	(2 370)
Mobile Mobile Commerce Holdings S.L	-	-	-	0.68%	43	(4)
Frontier Car Group Inc	-	-	-	9.30%	61	(59)
Zoop S.A.	-	-	-	20.12%	24	(32)
Takealot	-	-	-	3.01%	127	(59)
Closing balance		8 957	(2 343)		5 251	(2 524)

⁽¹⁾Purchase price for this transaction includes the fair value of the contingent consideration on the date of the transaction. Refer to note 5.

26. Retained earnings

The Prosus board has recommended that, in total, its shareholders receive a distribution of a gross amount of c. EUR175m which represents an increase per share of approximately 7% for free float shareholders. Subject to the requisite approval by Prosus shareholders being obtained, a dividend will be paid by Naspers in relation to the Naspers N ordinary shares and A ordinary shares from the amount that Naspers receives from Prosus, in accordance with the rights attaching to the shares as set out in the Naspers Memorandum of Incorporation. More information regarding the dividend will be published in due course.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities

Financial assets

Accounting policy

Classification, initial recognition and measurement

Financial assets are initially recognised when the group becomes a party to the contractual provisions of the instrument.

On initial recognition, financial assets are classified as financial assets measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification is based on the objectives of the business model within which the financial asset is held and the characteristics of its contractual cash flows.

The group assesses the objective of the business model in which a financial asset is held based on all relevant evidence that is available at the date of assessment including how the performance of the financial asset is evaluated and reported to management and the risks affecting the performance of the financial asset as well as how those risks are managed.

In evaluating the contractual cash flows of a financial asset, the group considers its contractual terms, including assessing whether the financial asset is subject to contractual terms that change (or could potentially change) the timing or amount of associated future cash flows.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual cash flows represent solely payments of principal and interest on the amount outstanding. In making this assessment, the group considers the effect of terms (including conversion, prepayment and extension features) that may affect the timing and/or amounts of cash flows.

Financial assets classified as at amortised cost include trade, financing and other receivables, related party receivables and cash and cash equivalents.

On initial recognition of an equity investment that is not held for trading, the group may irrevocably elect to present subsequent changes in the fair value of such investments in other comprehensive income. This election is made on an investment-by-investment basis. These investments are classified as financial assets at fair value through other comprehensive income. The group has classified all equity investments that do not represent investments in subsidiaries, associates or joint ventures in this category.

All financial assets not classified as at amortised cost or at fair value through other comprehensive income are measured at fair value through profit or loss. This includes derivative financial assets other than those forming part of effective hedging relationships to which hedge accounting is applied. A financial asset is classified in this category at initial recognition if it is acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit making, or, if it is designated in this category to eliminate or significantly reduce an accounting mismatch that would otherwise arise.

Purchases and sales of financial assets are recognised on the trade date, which is the date that the group commits to purchase or sell the asset. Financial assets (excluding trade receivables that are not subject to a significant financing component) are initially measured at fair value plus, for an instrument not at fair value through profit or loss, transaction costs directly attributable to its acquisition or issue. Trade receivables that are not subject to significant financing components are initially measured at the relevant transaction prices.

Financial assets are presented as non-current assets, except for those with maturities within 12 months from the statement of financial position date, which are classified as current assets.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

Financial assets (continued)

Accounting policy (continued)

Classification, initial recognition and measurement (continued)

Subsequent measurement

Amortised cost financial assets are subsequently measured using the effective interest method, reduced by relevant impairment allowances. Interest income, foreign exchange gains and losses and impairment losses on amortised cost financial assets are recognised in the consolidated income statement.

Changes in the fair value of equity investments classified as financial assets at fair value through other comprehensive income are recognised in the consolidated statement of other comprehensive income and are accumulated in the valuation reserve in the consolidated statement of changes in equity. Dividends received on equity investments at fair value through other comprehensive income are recognised in the consolidated income statement. On derecognition of financial assets at fair value through other comprehensive income, fair value changes accumulated in the valuation reserve are transferred to retained earnings.

Financial assets at fair value through profit or loss are subsequently carried at fair value with changes in fair value included in "Other (losses)/gains- net" in the consolidated income statement.

Refer to note 43 for the group's fair value measurement methodology regarding financial assets.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where they have been transferred and the group has also transferred substantially all risks and rewards of ownership.

Financial assets are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to realise the asset and settle a related financial liability simultaneously.

Impairment

The group recognises expected credit losses (impairment allowances) on financial assets measured at amortised cost and accrued income balances. The group assesses, on a forward-looking basis, the impairment allowances associated with these financial assets and makes use of provision matrices relevant to its various operations in establishing impairment allowances, specifically for trade receivables.

For "trade and other receivables, including accrued income balances, the group measures impairment allowances at an amount equal to the lifetime expected credit losses on these financial assets. Lifetime expected credit losses are those losses that result from all possible default events over the expected life of the financial instrument.

For financing receivables, related party and other loans and receivables, the impairment loss allowance is based on a general expected credit loss model. The measurement of the impairment loss allowance on these loans and receivables is based on the assessment of whether there has been a significant increase in credit risk.

The group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations in full or the outstanding amount exceeds its contractual payment terms.

At each reporting date the group assesses whether financial assets at amortised cost and/or accrued income balances are credit-impaired. Financial assets are considered credit-impaired when one or more events that have a detrimental impact on expected future cash flows have occurred. Evidence that a financial asset is credit impaired includes but not limited to significant financial difficulty experienced by the borrower, a breach of contract such as defaulting on contractually due repayments or the probability of the borrower entering bankruptcy.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

Financial assets (continued)

Accounting policy (continued)

Impairment (continued)

Impairment allowances for financial assets measured at amortised cost and accrued income balances are recognised in the income statement and in an impairment allowance account. The gross carrying amount of the financial asset is reduced by the impairment loss allowance and is written off when the group has no reasonable expectation of recovering the financial asset in its entirety or a portion thereof.

Refer to note 42 for further details regarding the group's credit risk management.

27. Cash and cash equivalents

Accounting policy

Cash and cash equivalents are carried in the consolidated statement of financial position at amortised cost (other than money market funds) which equals the cost or face value of the asset. Cash comprise cash on hand and deposits held at call with banks. Certain cash balances are restricted from immediate use according to terms with banks or other financial institutions. For purposes of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

Cash equivalents include money market funds at fair value through profit or loss. These funds have a maturity of three months or less, are highly liquid and include cash flows which are not solely payments of principal and interest as well as subject to insignificant changes in value.

	31 March	
	2023 US\$'m	2022 US\$'m
Cash at bank and on hand	1 416	1 453
Short-term bank deposits ⁽¹⁾	8 433	8 280
Bank overdrafts and call loans	(28)	(18)
	9 821	9 715
Restricted cash		
The following cash balances are restricted from immediate use according to agreements with banks and other financial institutions:		
Classifieds	29	104
Payments and Fintech	455	339
Etail	41	27
Other Ecommerce	3	44
Total restricted cash	528	514

⁽¹⁾ Included in short-term bank deposits is an amount of US\$447m (2022: US\$928m) which represents money-market funds held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised rating agencies.

Restricted cash is included in cash and cash equivalents due to the fact that it mostly relates to cash held on behalf of customers.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

28. Short-term investments

Accounting policy

Short-term investments are cash investments with maturities of more than three months from the date of acquisition. On initial recognition, short-term investments are recognised at fair value plus directly attributable transaction costs and are subsequently measured at amortised cost.

The group holds investments in money-market investments and fixed deposits. The carrying values of these investments as at 31 March are shown below:

	Weighted average interest rate	31 March	
		2023 US\$m	2022 US\$m
Deposits and money market investments	4.90%	6 603	3 921
Accrued interest income		124	3
Total short-term investments		6 727	3 924

The deposits and money market investments of US\$6.6bn (2022: US\$3.9bn) are mostly denominated in US dollar.

The above investments have maturity dates (from the date of acquisition) of between three and 12 months and have accordingly not been disclosed as part of cash and cash equivalents.

Short-term investments are classified as financial assets at amortised cost. Due to their short-term nature, the carrying values of these investments are considered to be a reasonable approximation of their fair values. None of the group's short-term investments were past due or subject to significant impairment allowances as at 31 March 2023.

Most short-term investments are held in the same currency as the respective entity's functional currency. However, there are certain money markets investments held in foreign currency by entities with US dollar functional currencies which gives rise to foreign currency risk. Due to the nature of short-term investments, there is an insignificant exposure to price risk.

Refer to note 42 for further information regarding the credit risk and foreign currency risk of short-term investments.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

29. Investments and loans

	31 March	
	2023 US\$'m	2022 US\$'m
Investments at fair value through other comprehensive income	7 329	5 540
Investments at fair value through profit or loss	34	64
Investments at amortised cost	8	-
Other investments and loans	-	2
Total investments and loans	7 371	5 606
Current portion of other investments	(4 707)	-
Investments at fair value through other comprehensive income	(4 707)	-
Non-current portion of other investments	2 664	5 606

Reconciliation of investments at fair value through other comprehensive income

	31 March	
	2023 US\$'m	2022 US\$'m
Opening balance	5 540	1 608
Fair value adjustments recognised in OCI	21	(509)
Purchases/additional contributions ⁽¹⁾	4 724	4 423
Loss of significant influence of investments in associates	830	26
Disposals ⁽²⁾	(3 775)	(51)
Foreign currency translation effects	(11)	43
Closing balance	7 329	5 540

⁽¹⁾ Significant movement in the current year relates to the Meituan dividend in specie received from Tencent. The prior year related to the receipt of the JD.com dividend in specie received from Tencent. Refer to note 6.

⁽²⁾ The significant movement in the current year relates to the disposal of the JD.com investment. Refer to note 6.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

29. Investments and loans (continued)

Significant equity investments at fair value through other comprehensive income

Significant equity investments at fair value through other comprehensive income include the following:

	31 March	
	Fair value	
	2023	2022
	US\$'m	US\$'m
Listed investments		
JD.com ⁽¹⁾	-	3 940
Trip.com Group Limited	1 130	694
Sinch AB ⁽²⁾	-	105
Meituan ⁽³⁾	4 707	-
Udemy Inc. ⁽⁴⁾	151	-
Doordash Inc. ⁽⁵⁾	51	-
Other	5	28
	6 044	4 767
Unlisted investments		
BYJU'S ⁽⁴⁾	493	-
GoStudent	160	226
Urbanclap Technologies	84	84
Creditas Financial Solutions Limited	62	62
Oda Norway AS ⁽⁴⁾	45	-
Pantera Venture Funds	41	26
WayFlyer	43	25
Primrose Hill (Zest money)	-	38
Mensa Brand Technologies (Mensa brands)	27	25
Sandbox	13	33
Spotdraft ⁽⁶⁾	24	-
Stockbit	22	13
Wolt Enterprises Oy ⁽⁵⁾	-	70
Other	271	171
	1 285	773
Total	7 329	5 540

⁽¹⁾ The group obtained its interest in JD.com as a dividend in specie declared from Tencent. The group disposed of this investment in the current year. Refer to note 6.

⁽²⁾ The group disposed of this investment in the current year.

⁽³⁾ The group obtained its interest in Meituan as a dividend in specie declared from Tencent. Refer to note 6.

⁽⁴⁾ The group lost significant influence during the current year due to the loss of board representation.

⁽⁵⁾ The group sold its investment in Wolt in exchange for an investment in Doordash Inc.

⁽⁶⁾ The group acquired this investment during the current year.

Fair value gains or losses on investments held at fair value through other comprehensive income are not reclassified to the consolidated income statement. These investments are not held for trading.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

30. Trade and financing receivables

	31 March	
	2023 US\$'m	2022 US\$'m
Carrying value		
Trade and financing receivables, gross ⁽¹⁾	764	535
Trade receivables, gross	311	281
Financing receivables, gross	453	254
Less: Allowance for impairment of trade receivables	(72)	(32)
	692	503
Less: non-current portion of trade receivables ⁽¹⁾	(133)	(91)
Current portion of trade receivables	559	412
The movement in the allowance for impairment of trade and financing receivables during the year was as follows:		
Opening balance	(32)	(33)
Additional allowances charged to the income statement	(58)	(22)
Allowances reversed through the income statement	15	17
Allowances utilised	-	6
Transferred to assets classified as held for sale	1	-
Foreign currency translation effects	2	-
Closing balance	(72)	(32)

⁽¹⁾Financing receivables relate to the group's credit business. The credit business provides financing for goods sold and credit offerings provided. The non-current portion relates to the financing receivables for the credit business.

The group's maximum exposure to credit risk at the reporting date is the carrying value of the trade and financing receivables mentioned above. The group does not hold any form of collateral as security relating to trade receivables. Refer to note 42 for the group's credit risk management.

At 31 March 2023 and 2022, the total allowance for impairment of trade and financing receivables comprised both portfolio allowances and specific allowances. The majority of the allowance related to a portfolio allowance, which cannot be identified with specific receivables. The portfolios are based on the nature of the receivables, the revenue stream and geographic region.

The group recognises an allowance for expected credit losses for its trade and financing receivables. The expected credit loss assessment incorporates historical and forward-looking information, taking into account all reasonable and supportable information about the likelihood that counterparties would breach their agreed payment terms and any deterioration of their credit ratings. Where relevant, additional expected credit losses were accounted for when deemed necessary. The increase in the expected credit losses in the current year relate primarily to the trade and financing receivables of the OLX Autos business as a result of the decision to exit the business. The OLX Autos trade and financing receivables included above relate to the operations whose exit process has not been finalised as at 31 March 2023 and are presented as continuing operations. Overall, the expected credit loss allowance did not have a material impact on the group's trade receivables for the year ended 31 March 2023 and 31 March 2022.

The ageing of trade and financing receivables as well as the amount of the impairment allowance per age class is presented below:



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

30. Trade and financing receivables

Trade receivables

	31 March 2023			31 March 2022		
	Carrying value US\$'m	Impairment US\$'m	Expected loss rate	Carrying value US\$'m	Impairment US\$'m	Expected loss rate
Current	223	(2)	1%	178	(1)	1%
Past due 30 to 59 days	37	(3)	8%	61	(4)	7%
Past due 60 to 89 days	12	(1)	8%	6	(1)	17%
Past due 90 to 119 days	5	(1)	20%	6	(1)	17%
Past due 120 days and older	34	(23)	68%	30	(16)	53%
	311	(30)		281	(23)	

Financing receivables

	31 March 2023			31 March 2022		
	Carrying value US\$'m	12-expected credit loss US\$'m	Expected loss rate	Carrying value US\$'m	12-month expected credit loss US\$'m	Expected loss rate
Current	408	(17)	4%	237	(1)	0%
Past due 30 to 59 days	13	(4)	31%	2	(1)	50%
Past due 60 to 89 days	9	(4)	44%	1	-	0%
Past due 90 to 119 days	10	(6)	60%	1	-	0%
Past due 120 days and older	13	(11)	85%	13	(7)	54%
	453	(42)		254	(9)	



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

Financial liabilities

Accounting policy

Financial liabilities are recognised when the group becomes party to the contractual provisions of the relevant instrument. The group classifies financial liabilities at amortised cost or at fair value through profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses on these financial liabilities are recognised in the consolidated income statement. Other financial liabilities comprise primarily trade and other payables, borrowings and written put option liabilities. These financial liabilities are initially recognised at fair value, net of transaction costs.

Written put option liabilities represent contracts that impose (or may potentially impose) an obligation on the group to purchase its own equity instruments (including the shares of a subsidiary) for cash or another financial asset. Written put option liabilities are initially raised from the "Existing control business combination reserve" in equity at the present value of the expected redemption amount payable. Simultaneously, the group may still recognise non-controlling interest where the risks and rewards of ownership are not deemed to have been transferred to the group on initial recognition of the written put option liability. Subsequent revisions to the expected redemption amount payable as well as the unwinding of the discount related to the measurement of the present value of the written put option liability, are recognised in "Existing control business combination reserve" in equity. Where a written put option liability expires unexercised or is cancelled, the carrying value of the financial liability is derecognised through the "Existing control business combination reserve" in equity.

Written put options that provide the group with the discretion to settle its obligations in the group's own equity instruments (including the shares of a subsidiary) are also accounted for as outlined above. Written put option liabilities are presented within "Other non-current liabilities and other current liabilities" in the consolidated statement of financial position. Written put option liabilities that are linked to a committed employment period are accounted for as share-based compensation benefits. The expected redemption amounts payable for these written put options is dependent on the completion of an employment service period (refer to share-based compensation accounting policy).

Financial liabilities are presented as current liabilities if payment is due or could be demanded within 12 months (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Financial liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis. Financial liabilities are derecognised when the contractual obligation is discharged, cancelled or when it expires.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

31. Long-term liabilities

	Long-term liabilities	Current portion	Total liabilities	Long-term liabilities	Current portion	Total liabilities
	31 March					
	2023			2022		
	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m	US\$'m
Interest-bearing	15 917	399	16 316	15 883	291	16 174
Capitalised lease liabilities	232	73	305	272	73	345
Loans and other liabilities	15 685	326	16 011	15 611	218	15 829
Non-interest-bearing	22	88	110	50	31	81
Loans and other liabilities	22	88	110	50	31	81
Total liabilities	15 939	487	16 426	15 933	322	16 255

Type of lease	Currency of year-end balance	Year of final repayment	Weighted average interest rate	31 March	
				2023	2022
				US\$'m	US\$'m
Buildings	Various	2023 - 2037	1.28% - 9.25%	248	302
Computers, furniture and office equipment	Various	2023 - 2027	2.90% - 10.00%	17	22
Vehicles	Various	2023 - 2029	1.50% - 10.25%	40	21
				305	345

Maturity profile

Minimum instalments		
Payable within year one	78	81
Payable within year two	70	83
Payable within year three	56	60
Payable within year four	49	53
Payable within year five	33	45
Payable after year five	79	77
	365	399
Future finance costs on capitalised lease liabilities	(60)	(54)
Present value of capitalised lease liabilities	305	345
Present value		
Payable within year one	73	73
Payable within year two	58	74
Payable within year three	46	51
Payable within year four	41	45
Payable within year five	27	37
Payable after year five	60	65
Present value of capitalised lease liabilities	305	345



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

31. Long-term liabilities (continued)

Interest-bearing: Loans and other liabilities

	Asset secured	Currency of year-end balance	Year of final repayment	Weighted average year-end interest rate	31 March	
					2023 US\$m	2022 US\$m
Unsecured⁽¹⁾						
Publicly traded bond		US\$	2025	5.50%	225	225
Publicly traded bond		Eur	2026	1.21%	543	553
Publicly traded bond		US\$	2027	4.85%	614	614
Publicly traded bond		US\$	2027	3.26%	1 000	1 000
Publicly traded note ⁽²⁾		Eur	2028	1.54%	921	941
Publicly traded bond		Eur	2029	1.29%	1 084	1 107
Publicly traded bond		Eur	2030	2.09%	650	664
Publicly traded bond		US\$	2030	3.68%	1 250	1 250
Publicly traded bond		US\$	2031	3.06%	1 850	1 850
Publicly traded bond		US\$	2032	4.19%	1 000	1 000
Publicly traded note ⁽³⁾		Eur	2032	2.03%	813	830
Publicly traded bond		Eur	2033	1.99%	921	941
Publicly traded bond		Eur	2034	2.78%	705	719
Publicly traded bond		US\$	2050	4.03%	1 000	1 000
Publicly traded bond		US\$	2051	3.83%	1 500	1 500
Publicly traded bond		US\$	2052	4.99%	1 250	1 250
Various institutions		Various	Various	Various	168	19
Secured⁽⁴⁾						
Fondo de Inversion Activa		CLP	2024	10.50%	55	40
Exim Bank S.A & Raiffeisen Bank ⁽⁵⁾		Eur	2028	EURIBOR 1M +1.41%	30	41
Exim Bank S.A.		Eur	2029	EURIBOR 1M +1.60%	17	14
Raiffeisen Bank	Building	Eur	2031	EURIBOR 3M +1.60%	45	30
Syndicated facility	Debtors book	INR	2021-2025	3.55%-11.35%	190	
Various institutions	Various	Various	Various	Various	129	193
Total facilities					15 960	15 781
Unamortised loan costs					(87)	(93)
Premium on Euro bonds ^{(2) (3)}					14	17
Accrued interest					124	124
					16 011	15 829

⁽¹⁾ The publicly traded bonds are listed on the Irish Stock Exchange (Euronext Dublin). Refer to note 24.

⁽²⁾ The bond maturing in 2028 was issued in two tranches. The second tranche was issued at an issue price of 102.381% (plus Eur1.9m representing 127-days accrued interest in respect of the period from, and including, 3 August 2020), resulting in a premium of Eur8.3m which is included in the fair value of the bond at initial recognition and is subsequently released over the term of the bond.

⁽³⁾ The bond maturing in 2032 was issued in two tranches. The second tranche was issued at an issue price of 103.020% (plus Eur1.8m representing 127-days accrued interest in respect of the period from, and including, 3 August 2020), resulting in a premium of Eur7.6m which is included in the fair value of the bond at initial recognition and is subsequently released over the term of the bond.

⁽⁴⁾ Refer to note 45 for details of the group's assets pledged as collateral.

⁽⁵⁾ The loan is a joint facility between Exim bank and Raiffeisen Bank



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

31. Long-term liabilities (continued)

Non-interest-bearing: Loans and other liabilities

Loans	Asset secured	Currency of year-end balance	Year of final repayment	31 March	
				2023 US\$'m	2022 US\$'m
Secured				-	-
Unsecured					
Preference shares liability		BRL	2023	-	61
Earn-out obligations		Various	Conditional	109	20
Other		Various	Various	1	-
				110	81
Total long-term liabilities					
<i>Repayment terms of long-term liabilities (excluding capitalised lease liabilities)</i>					
Payable within year one				461	266
Payable within year two				90	104
Payable within year three				960	16
Payable within year four				1 015	792
Payable within year five				630	1 012
Payable after year five				13 038	13 796
				16 194	15 986
Premium on euro bonds				14	17
Unamortised loan costs				(87)	(93)
				16 121	15 910
<i>Interest rate profile of long-term liabilities (long and short-term portion, including capitalised lease liabilities)</i>					
Liabilities at fixed rates: 1 to 12 months				399	167
Liabilities at fixed rates: more than 12 months				15 715	15 873
Interest-free loans				110	81
Liabilities linked to variable rates				202	134
				16 426	16 255



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

31. Long-term liabilities (continued)

Reconciliation of liabilities arising from financing activities

	Capitalised	Interest	Non-interest
	lease	bearing	bearing
	liabilities	liabilities	liabilities
	31 March 2023		
	US\$'m	US\$'m	US\$'m
Balance at 1 April 2022	345	15 829	81
Additional liabilities recognised	164	194	2
Settlement of preference share liability	-	-	(61)
Additional earnout obligations recognised	-	-	88
Repayments of capital portion of leases and long and short-term loans	(63)	(55)	(1)
Additional working capital liabilities recognised	-	169	-
Repayments of interest on capitalised lease liabilities	(19)	-	-
Interest accrued	19	469	-
Interest paid	-	(469)	-
Acquisition of subsidiary	-	(2)	-
Amortisation of transaction costs	-	7	-
Foreign exchange translation	(39)	(132)	5
Remeasurement of capitalised lease liabilities	(2)	-	-
Transfer to held for sale	(100)	-	-
Other	-	1	(4)
Balance at 31 March 2023	305	16 011	110
Less: Current portion	(73)	(326)	(88)
Non-current liabilities	232	15 685	22
	Capitalised	Interest	Non-interest
	lease	bearing	bearing
	liabilities	liabilities	liabilities
	31 March 2022		
	US\$'m	US\$'m	US\$'m
Balance at 1 April 2021	302	7 970	66
Additional liabilities recognised	94	9 549	15
Repayments of capital portion of leases and long and short-term loans ⁽¹⁾	(60)	(1 402)	-
Repayments of interest on capitalised lease liabilities	(18)	-	-
Interest accrued	18	331	-
Interest paid	-	(287)	-
Acquisition of subsidiary	10	-	-
Amortisation of transaction costs	-	8	-
Capitalisation of transaction costs	-	(52)	-
Foreign exchange translation	(1)	(288)	-
Balance at 31 March 2022	345	15 829	81
Less: Current portion	(73)	(218)	(31)
Non-current liabilities	272	15 611	50

⁽¹⁾Repayment of long and short-term loans in the consolidated statement of cash flow includes US\$217m relating to the early settlement of bonds. This was included in other finance cost on the consolidated income statement.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

32. Other non-current liabilities

	31 March	
	2023 US\$'m	2022 US\$'m
Written put option liabilities ⁽¹⁾	899	1 158
Deferred income	9	16
Total other liabilities	908	1 174
Less: Current portion of other liabilities	(773)	(1 014)
Non-current portion of other liabilities	135	160

⁽¹⁾ Relates to put options written over the non-controlling interests in the group's Dante International S.A. (eMAG), Extreme Digital Hungary (eMAG Hungary), Mobile Internet Movel S.A., PaySense Private Limited, Good BidCo B.V (Good Habitz) and various other smaller ecommerce units.

During the year, the group recognised an aggregate gain on the remeasurement of written put option liabilities of US\$168m (2022: US\$236m). The movement in the written put option liability in the current year is predominantly due to the cancellation of written put option liabilities, changes in the non-controlling interests ownership of the subsidiaries and a decrease in the enterprise values used to determine the expected redemption amount payable. Enterprise values decreased due to the current downturn in the macroeconomic environment. In the prior year the remeasurement was predominantly due to a decline in the group's ecommerce subsidiaries enterprise values used to determine the expected redemption amount payable.

The maturity profile of the group's written put option liabilities is detailed in the table below and reflects the first date on which the respective written put options can be contractually exercised:

	31 March	
	2023 US\$'m	2022 US\$'m
Exercisable within one year	773	1 014
Exercisable after two to five years	126	144
Total other liabilities	899	1 158

The group has the contractual discretion to settle all written put option obligations either in cash, Naspers N or Prosus N ordinary shares.

The majority of the group's written put option liabilities are exercisable when non-controlling shareholders exercise their put option right during the exercisable period, request an initial public offering (IPO) of the relevant group subsidiary and the IPO is either declined by the group or is ultimately unsuccessful.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial assets and liabilities (continued)

32. Other non-current liabilities (continued)

Sensitivity analysis

The measurement of written put option liabilities is based on the value of the underlying businesses, calculated either through a discounted cash flow analysis or through transaction prices observed in orderly transactions. Accordingly, the measurement of written put option liabilities is subject to significant estimation uncertainty. At 31 March 2023, 98% (2022: 84%) of the total balance of written put option liabilities have been measured using discounted cash flow analyses based on the relevant group subsidiary 10-year budgeted cash flow and forecasts. The valuations were determined using the same inputs and methodology used in the value in use calculations for the goodwill impairment assessment (refer to note 7).

The following analysis illustrates the sensitivity of written put option liabilities to reasonable changes in the most significant underlying variables used in their measurement:

	31 March	
	2023 US\$'m	2022 US\$'m
Increase/(decrease) in written put option liabilities and loss/(gain) in equity		
1% increase in the discount rate and a 1% decrease in the terminal growth rate	(28)	(99)
1% decrease in the discount rate and a 1% increase the terminal growth rate	91	275

Other assumptions contained in the discounted cash flow analyses as at 31 March 2023 used by the group when valuing written put option liabilities vary widely between obligations due to the group's diverse range of business models and are closely linked to entity-specific key performance indicators taking into account the impact of the shift to online ecommerce platforms, the broader market expectations in the technology industry in which the entities operate and the 10-year performance projections used for the entities.

Movements during the year on the group's written put option liabilities are detailed below. Cash flows arising from the settlement of written put option liabilities are presented as part of financing activities in the consolidated statement of cash flows.

	31 March	
	2023 US\$'m	2022 US\$'m
Opening balance	1 158	1 311
Additional obligations raised	7	157
Remeasurements recognised in equity	(168)	(236)
Settlements	(18)	-
Expirations and cancellations	(41)	(125)
Foreign currency translation effects	(39)	51
Closing balance	899	1 158



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities

33. Property, plant and equipment

Accounting policy

Property, plant and equipment comprises of owned and leased assets.

Property, plant and equipment are stated at cost, being the purchase cost plus the cost to prepare the assets for their intended use, less accumulated depreciation and accumulated impairment losses.

Cost includes transfers from equity of gains/losses on qualifying cash flow hedges relating to foreign currency property, plant and equipment acquisitions. Property, plant and equipment, with the exception of land, are depreciated in equal annual amounts over each asset's estimated useful life to their residual values. Land is not depreciated as it is deemed to have an indefinite life. Depreciation periods vary in accordance with the conditions in the relevant industries, but are subject to the following range of useful lives:

<u>Class of asset</u>	<u>Owned</u>	<u>Leased</u>
Buildings	5 to 50 years	2 to 10 years
Computer equipment	2 to 3 years	2 to 3 years
Manufacturing equipment	2 to 12 years	2 to 4 years
Improvements to buildings	2 to 12 years	3 to 5 years
Office equipment, furniture and fittings	2 to 12 years	2 to 4 years
Vehicles	2 to 5 years	2 to 5 years

Where parts of property, plant and equipment require replacement at regular intervals, the carrying value of an item of property, plant and equipment includes the cost of replacing the part when that cost is incurred, if it is probable that future economic benefits will flow to the group and the cost can be reliably measured.

The carrying values of the parts replaced are derecognised on capitalisation of the cost of the replacement part. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately where it has an estimated useful life that differs from that of the item as a whole.

Major leasehold improvements are amortised over the shorter of the respective lease terms and estimated useful lives.

Subsequent costs, including major renovations, are included in an asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Repairs and maintenance are charged to the consolidated income statement.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at each statement of financial position date. Gains and losses on disposals are determined by comparing the proceeds to the asset's carrying value and are recognised in "Other (losses)/gains – net" in the consolidated income statement.

Work in progress are assets still in the construction phase and not yet available for use. These assets are carried at cost and are not depreciated. Depreciation commences once the assets are available for use as intended by management.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of those assets. All other borrowing costs are expensed as incurred. A qualifying asset is an asset that takes more than a year to get ready for its intended use.

Leased assets

At inception of a contract, the group assesses whether a contract is, or contains a lease. A contract is or contains a lease if it conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The group's leasing arrangements relate primarily to office buildings, warehouse space, equipment and vehicles. Lease agreements are generally entered into for fixed periods of between two and 10 years, depending on the nature of the underlying asset being leased.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

33. Property, plant and equipment (continued)

Accounting policy (continued)

Lessee accounting

The group recognises all leases (with limited exceptions) as right-of-use assets and obligations to make lease payments (lease liabilities) from the lease commencement date.

The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. The cost includes the initial amount of the respective lease liability adjusted for lease payments made before the commencement date of the lease, plus initial direct costs incurred and estimated costs to dismantle or destroy the underlying asset, less lease incentives received where applicable.

The right-of-use asset is subsequently depreciated using the straight-line method over the earlier of the useful life of the underlying asset or the period of the lease term. In addition, the right-of-use asset is reduced by impairment losses if any and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease and where that rate cannot be readily determined the group entity uses the incremental borrowing rate. This is the rate of interest that the group entity would have to pay to borrow the funds necessary to obtain an asset of a similar value to the respective right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprises of the following:

- Fixed payments
- Variable lease payments that depend on an index or rate
- Amounts expected to be payable under residual value guarantees
- Amounts in an optional renewal lease period if the group is reasonably certain to exercise an extension option
- The exercise price of a purchase option that the group is reasonably certain to exercise, and
- Penalties for early termination of the lease unless the group is reasonably certain not to terminate the lease early.

The lease liability is measured at amortised cost using the effective interest rate method. It is remeasured where there is a change in future lease payments, a change in the group's estimate of amounts expected to be payable under a residual value guarantee or if the group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in the consolidated income statement if the carrying amount of the right-of-use asset has been reduced to zero. The group presents right-of-use assets in "Property, plant and equipment" and capitalised lease liabilities in "Long-term liabilities" in the consolidated statement of financial position."

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The group has applied the 'integrally linked' approach in respect of the tax consequences of lease contracts. At inception of a lease and on the transition date no deferred taxes are recognised as no temporary differences arise between the tax base and carrying amount of the net lease asset or liability (without taking into account advance payments). Subsequent to initial recognition, deferred taxes are recognised when temporary differences arise.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

33. Property, plant and equipment (continued)

Accounting policy (continued)

Impairment of property, plant and equipment and other intangible assets

Items of property, plant and equipment and other intangible assets (with finite useful lives) are reviewed for indicators of impairment at least annually. Indicators of impairment include, but are not limited to: significant underperformance relative to expectations based on historical or projected future operating results, significant changes in the manner of use of the assets or the strategy for the group's overall business and significant negative industry or economic trends.

Property plant and equipment and other intangible assets still in the development phase, and not yet available for use (work in progress), are tested for impairment on an annual basis. An impairment loss is recognised in "Other (losses)/gains – net" in the consolidated income statement when the carrying amount of an asset exceeds its recoverable amount.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Fair value less costs of disposal is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date less the incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding finance costs and income tax expense.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows that are largely independent of the cash inflows of other assets or groups of assets (a cash generating unit level).

An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised and the revised recoverable amount exceeds the carrying amount. The reversal of such an impairment loss is recognised in "Other (losses)/gains– net" in the consolidated income statement.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

33. Property, plant and equipment (continued)

	Land and buildings US\$m	Computer and office equipment US\$m	Furniture and fittings US\$m	Other US\$m	Total US\$m
1 April 2022					
Cost	668	209	144	46	1 067
Accumulated depreciation and impairment	(211)	(89)	(50)	(18)	(368)
Carrying value at 1 April 2022	457	120	94	28	699
Foreign currency translation effects	-	(3)	(2)	-	(5)
Transferred to assets classified as held for sale ⁽¹⁾⁽²⁾	(110)	(43)	(15)	(1)	(169)
Acquisitions of assets	85	60	39	7	191
Acquisitions of right-of-use assets	134	7	5	19	165
Disposals/scrappings	(14)	(3)	(8)	(4)	(29)
Impairment ⁽³⁾	(7)	(4)	(2)	(1)	(14)
Depreciation ⁽⁴⁾	(83)	(33)	(17)	(11)	(144)
31 March 2023					
Cost	671	184	149	59	1 063
Accumulated depreciation and impairment	(209)	(83)	(55)	(22)	(369)
Carrying value at 31 March 2023	462	101	94	37	694
Work in progress at 31 March 2023					92
Total carrying value at 31 March 2023					786

⁽¹⁾ Includes US\$11m foreign currency translation gains related primarily to Avito that was classified to held for sale prior to its disposal in October 2022.

⁽²⁾ This relates to Avito which was classified as held for sale in May 2022 prior to its disposal in October 2022 as well as the OLX Autos disposal group classified as held for sale in March 2023 (refer to note 37).

⁽³⁾ Includes impairment of US\$11m related to the OLX Autos business unit (refer to note 5).

⁽⁴⁾ Includes depreciation of US\$15m related to Avito and the OLX Autos business unit prior to the classification as held for sale.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

33. Property, plant and equipment (continued)

	Land and buildings US\$'m	Computer and office equipment US\$'m	Furniture and fittings US\$'m	Other US\$'m	Total US\$'m
1 April 2021					
Cost	497	124	87	34	742
Accumulated depreciation and impairment	(144)	(58)	(37)	(13)	(252)
Carrying value at 1 April 2021	353	66	50	21	490
Foreign currency translation effects	(12)	(5)	2	(3)	(18)
Acquisitions of subsidiaries and businesses	10	5	-	1	16
Disposals of subsidiaries and businesses	(1)	(1)	-	-	(2)
Acquisitions of assets	101	76	61	4	242
Acquisitions of right-of-use assets	93	13	-	14	120
Disposals/scrappings	(8)	-	(2)	(1)	(11)
Depreciation ⁽¹⁾	(79)	(34)	(17)	(8)	(138)
31 March 2022					
Cost	668	209	144	46	1 067
Accumulated depreciation and impairment	(211)	(89)	(50)	(18)	(368)
Carrying value at 31 March 2022	457	120	94	28	699
Work in progress at 31 March 2022					37
Total carrying value at 31 March 2022					736

⁽¹⁾ Includes depreciation of US\$29m that was reclassified to discontinued operations (refer to note 37).

The carrying value of work in progress mainly comprises buildings and equipment.

The group recognised US\$14m (2022: US\$nil) impairment losses on property, plant and equipment. No impairment losses (2022: US\$nil) were recognised within work in progress. US\$14m (2022: US\$nil) of the impairment losses have been included in "other (losses)/gains - net" in the consolidated income statement.

The carrying values and depreciation of right-of-use assets included in property, plant and equipment are as follows:

	31 March 2023		31 March 2022	
	Carrying value US\$'m	Depreciation charge for the year US\$'m	Carrying value US\$'m	Depreciation charge for the year US\$'m
Vehicles	27	(9)	21	(7)
Buildings	230	(68)	261	(65)
Computers, furniture and office equipment	21	(7)	22	(7)
	278	(84)	304	(79)

Included in the acquisition of property, plant and equipment is an amount of US\$164m (2022: US\$122m) relating to leased assets, which are non-cash in nature. Refer to note 45 for details of the group's assets pledged as collateral.

The group's leases do not impose covenants, but leased assets may not be used as security for borrowing purposes.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

34. Other intangible assets

Accounting policy

Intangible assets acquired are capitalised at cost. Intangible assets with finite useful lives are amortised using the straight-line method over their estimated useful lives. Residual values of intangible assets are presumed to be zero and along with their useful lives are reassessed on an annual basis.

Amortisation periods for intangible assets with finite useful lives vary in accordance with the conditions in the relevant industries, but are subject to the following maximum limits:

<u>Class of asset</u>	<u>Useful life</u>
Patents	5 years
Title rights	10 years
Brand names and trademarks	25 years
Software	10 years
Intellectual property rights	10 years
Customer-related assets	11 years

No value is attributed to internally developed trademarks or similar rights and assets. The costs incurred to develop these items are charged to the consolidated income statement as incurred.

Costs that are directly associated with the production of identifiable and unique software products controlled by the group, and which will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development team's employee costs and an appropriate portion of relevant overheads. All other costs associated with developing or maintaining software programs are expensed as incurred.

Web and application (app) development costs are capitalised as intangible assets if it is probable that the expected future economic benefits attributable to the asset will flow to the group and its cost can be measured reliably, otherwise these costs are expensed as incurred.

Research expenditure is expensed as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets if the costs can be measured reliably, the products or processes are technically and commercially feasible, future economic benefits are probable, and the group intends to and has sufficient resources to complete development and to use or sell the asset. Development costs that do not meet these criteria are expensed as incurred.

Work in progress are assets still in the development phase and not yet available for use. These assets are carried at cost and are not amortised but are tested for impairment at each reporting date. Amortisation commences once the assets are available for use as intended by management.

Impairment of other intangible assets

Refer to note 33 for details on the accounting policy on the impairment of other intangible assets.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

34. Other intangible assets (continued)

	Customer related assets US\$'m	Brand names US\$'m	Software US\$'m	Total US\$'m
1 April 2022				
Cost	637	800	288	1 725
Accumulated amortisation and impairment	(244)	(370)	(160)	(774)
Carrying value at 1 April 2022	393	430	128	951
Foreign currency translation effects	65	57	3	125
Acquisitions of subsidiaries and businesses	1	-	4	5
Disposals of subsidiaries and businesses	-	(2)	-	(2)
Acquisitions	2	-	12	14
Transferred to assets classified as held for sale ⁽¹⁾⁽²⁾	(269)	(266)	(46)	(581)
Transfer from work in progress	-	-	15	15
Impairment ⁽³⁾	(22)	(3)	(15)	(40)
Amortisation ⁽⁴⁾	(36)	(24)	(46)	(106)
Cost	301	355	240	896
Accumulated amortisation and impairment	(167)	(163)	(185)	(515)
Carrying value at 31 March 2023	134	192	55	381
Work in progress at 31 March 2023				10
Total carrying value at 31 March 2023				391

⁽¹⁾ Includes US\$39m foreign currency translation gains related primarily to Avito that was classified to held for sale prior to its disposal in October 2022.

⁽²⁾ This relates to Avito which was classified as held for sale in May 2022 prior to its disposal in October 2022 as well as the OLX Autos disposal group classified as held for sale in March 2023 (refer to 37).

⁽³⁾ Includes impairment of US\$37m related to the OLX Autos business unit (refer to note 5).

⁽⁴⁾ Includes amortisation of US\$11m related to Avito and the OLX Autos business unit prior to the classification as held for sale.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

34. Other intangible assets (continued)

	Customer related assets US\$m	Brand names US\$m	Software US\$m	Total US\$m
1 April 2021				
Cost	577	735	218	1 530
Accumulated amortisation and impairment	(215)	(371)	(123)	(709)
Carrying value at 1 April 2021	362	364	95	821
Foreign currency translation effects	(25)	(21)	6	(40)
Acquisitions of subsidiaries and businesses	103	145	61	309
Disposals of subsidiaries and businesses	(7)	(7)	(2)	(16)
Acquisitions	10	1	5	16
Transfer from work in progress	1	-	8	9
Disposals	-	(1)	(1)	(2)
Amortisation ⁽¹⁾	(51)	(51)	(44)	(146)
31 March 2022				
Cost	637	800	288	1 725
Accumulated amortisation and impairment	(244)	(370)	(160)	(774)
Carrying value at 31 March 2022	393	430	128	951
Work in progress at 31 March 2022				13
Total carrying value at 31 March 2022				964

⁽¹⁾ Includes amortisation of US\$58m that was reclassified to discontinued operations. Refer to note 5.

The group recognised no impairment losses on other intangible assets.

The recoverable amounts of the intangible assets impaired was US\$nil in 2022. The intangible assets impaired were written off in full as no future cash inflows are associated with them.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

35. Inventory

Accounting policy

Inventory is stated at the lower of cost and net realisable value. The cost of inventory is determined on a first-in-first-out basis (FIFO) and on an exceptional basis the weighted average method.

The cost of finished products and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, but excludes finance costs. Costs of inventories include the transfer from other comprehensive income of gains/losses on qualifying cash flow hedges relating to foreign currency denominated inventory purchases. Net realisable value is the estimate of the selling price, less the costs of completion and selling expenses. Net realisable value includes allowances made for obsolete, unusable and unsaleable inventory and for latent damage first revealed when inventory items are taken into use or offered for sale.

	31 March	
	2023 US\$m	2022 US\$m
Carrying value		
Finished products, trading inventory and consumables	452	597
Work in progress	1	2
Gross inventory	453	599
Allowance for slow-moving and obsolete inventories	(38)	(28)
Net inventory	415	571

The total allowance charged to the consolidated income statement to write inventory down to net realisable value amounted to US\$27m (2022: US\$16m), and reversals of these allowances amounted to US\$3m (2022: US\$2m). Net realisable value write-downs relate primarily to general inventory write-downs in the Classifieds and Etail segment.

Inventories are measured at the lower of cost and net realisable value. In determining the appropriate level of inventory write downs, changes in the ageing of inventory and consumer behaviour were taken into account. Overall, the inventory write down during the year ended 31 March 2023 did not have a significant impact on the group's financial results.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

36. Other receivables

	31 March	
	2023 US\$'m	2022 US\$'m
Prepayments	169	204
Accrued income ⁽¹⁾⁽²⁾	67	47
Staff debtors ⁽¹⁾	3	1
VAT and related taxes receivable	102	161
Merchant and bank receivables ⁽¹⁾⁽³⁾	346	342
Sundry deposits	6	17
Interest receivable on cross-currency interest rate swap ⁽¹⁾	-	2
Service provider receivables ⁽¹⁾	-	5
Disposal proceeds receivable ⁽¹⁾⁽⁴⁾	155	21
Loan receivables ⁽¹⁾⁽⁵⁾	23	21
Other receivables ⁽⁶⁾	62	28
Total other receivables	933	849
Less: non-current portion of other receivables ⁽⁷⁾	(46)	(44)
Current portion of other receivables	887	805

⁽¹⁾ These items are classified as financial assets.

⁽²⁾ Relates to revenue from contracts with customers. Refer to note 14 for movements in accrued income balances.

⁽³⁾ Merchant and bank receivables are presented net of an allowance for expected impairment (credit) losses of US\$4m (2022:US\$4m). Refer to note 42 for details of the group's credit risk management policy.

⁽⁴⁾ The current year includes proceeds receivable from the sale of Tencent shares. Refer note 6.

⁽⁵⁾ Loan receivables are presented net of an allowance for expected impairment (credit) losses of US\$nil (2022:US\$7m).

⁽⁶⁾ Includes financial assets of US\$48m (2022: US\$26m).

⁽⁷⁾ Relates to non-current prepaid rental deposits, loan receivables and employment linked prepayments.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

37. Disposal groups classified as held for sale

Accounting policy

Non-current assets and liabilities (disposal groups) are classified as held for sale and presented as current assets and liabilities in the consolidated statement of financial position, when their carrying values will be recovered principally through a sale transaction and when such sale is considered highly probable. The assets and liabilities of disposal groups held for sale are stated at the lower of carrying value and fair value less costs of disposal. From the date on which disposal groups are classified as held for sale, the group applies the measurement provisions of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* which includes, amongst other requirements, the cessation of the recognition of depreciation and amortisation.

In September 2022, the assets and liabilities of the group's subsidiary Zoop Tecnologia e Meios de Pagamento S.A. (Zoop) were classified as held for sale following the decision to sell the investment. The group is in negotiations with potential buyers.

In March 2023, the group announced the decision to exit the OLX Autos business unit. The disposal group that is classified as held for sale consists of assets and liabilities of the operations that management has committed to a plan to sell. Efforts to sell the disposal group are in progress and is expected in the 2024 financial year.

The assets and liabilities of the businesses classified as held for sale are detailed below.

	31 March	
	2023 US\$m	2022 US\$m
Assets		
Property, plant and equipment	26	1
Goodwill	302	-
Other intangible assets	29	-
Investments in associates	-	38
Inventory	32	-
Deferred taxation assets	2	-
Trade and other receivables	164	-
Cash and cash equivalents ⁽¹⁾	94	-
	649	39
Liabilities		
Derivative financial instruments	1	-
Deferred taxation liabilities	13	-
Long-term liabilities	29	-
Provisions	2	-
Trade payables	165	-
Accrued expenses and other current liabilities	66	-
	276	-

⁽¹⁾ Included in cash and cash equivalents is US\$45m relating to restricted cash from Zoop.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits

Accounting policy

The group grants share options, share appreciation rights (SARs), performance stock units (PSUs) and restricted stock units (RSUs) to its employees under a number of equity compensation plans. The group recognises an employee benefit expense in the consolidated income statement, representing the fair value of share options, PSUs and RSUs granted. A corresponding entry to equity is raised for equity-settled plans. For SARs and other cash-settled share option schemes the group recognises an employee benefit expense in the consolidated income statement at fair value of the amount payable to employees over the vesting period during which the employees become entitled to payment. A corresponding entry to liabilities is raised for these cash-settled plans.

The fair value of the options, PSUs and RSUs at the date of grant under equity-settled plans is charged to the consolidated income statement over the relevant vesting periods, adjusted to reflect actual and expected levels of vesting. For cash-settled plans, the group remeasures the fair value of the recognised liability at each reporting date and at the date of settlement, with changes in fair value recognised in the consolidated income statement.

A share option, PSU or RSU scheme is considered equity-settled when the transaction is settled through the granting of equity instruments of Naspers Limited, Prosus N.V. or any of its other subsidiaries. SARs and other option schemes are considered cash-settled when there is an obligation to settle in cash or any other asset.

Funding for PSU and RSU share schemes are recognised as contributions to Naspers group share trusts in equity and are accounted for separately from the equity compensation plans.

On the final vesting date of equity-settled plans, the group transfers the accumulated balance relating to vested share options, PSUs and RSUs from the share-based compensation reserve to retained earnings.

The acquisition of Group shares relating to equity-settled equity-compensation plans is accounted for as a separate transaction in equity. The cash outflow to acquire these Group shares is disclosed as a financing activity in the consolidated statement of cash flows.

The group had various equity compensation plans (the plans) in operation during the financial year. In terms of these plans, employees are offered awards in the form of either share options, PSUs, RSUs or SARs.

All awards are granted subject to the completion of a requisite service (vesting) period by employees, ranging from one year to five years. Unvested awards are subject to forfeiture on termination of employment. Generally, vesting takes place in tranches depending on the duration of the total vesting period.

All share options and SARs are granted with an exercise price of not less than 100% of the market value or fair value of the respective company's shares on the date of the grant. RSUs/PSUs are granted with an exercise price of zero.

Naspers group share trusts

The group share trusts hold Naspers and Prosus shares (as shareholders) to settle share options, RSUs and PSUs held by employees of the Naspers and Prosus group. These share trusts were founded by Naspers to administer the Naspers group share schemes for all employees. On listing of Prosus, these trusts received either Naspers or Prosus shares (the shares), as selected by the Trustees's, via the capitalisation issue of Naspers N ordinary shares that converted into Prosus N ordinary shares on listing date. These shares are linked to the respective Naspers shares and accordingly on settlement of the awards employees will receive the Naspers shares as stipulated on grant date and the linked Prosus/Naspers shares granted as a result of the listing. There was no adjustment to the original strike price. For these share schemes, the settlement is in Naspers shares with linked Prosus shares as a result of listing.

In September 2020, the Naspers board approved the establishment of the Prosus RSU share scheme administered by the new Prosus RSU trust. Similar to the other share trusts, the board controls the operational activity of both the Naspers and Prosus group and via the remuneration committee approves the share scheme rules and the granting of awards. The settlement of this share scheme will be in Prosus shares and have been granted to both Naspers and Prosus group employees. Naspers as the controlling entity within the group has the ultimate decision-making power regarding equity-compensation benefit plans and number of shares granted. These decision-making rights have not been specifically ceded to Prosus.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Accounting policy (continued)

Accordingly, all share trusts discussed above (including the Prosus RSU share trust) are controlled and consolidated by Naspers because the trust's relevant activities are governed by the remuneration committee as mandated by the board and is used to administer the share schemes of the Naspers group as a whole. In addition, Naspers being the ultimate parent of the group controls the decisions of the trusts.

Classification of equity compensation plans for the Naspers group

Naspers group entities issue share options and SARs to employees of the group. Certain of the share option plans are settled in equity instruments of subsidiaries of the group and are classified as equity settled. All of the SARs and the remaining share option plans are settled by the Naspers group in cash or other assets and are classified as cash-settled plans.

The equity-settled share-based compensation plans administered by the group's trusts relate to Naspers and Prosus RSUs and Naspers PSU schemes and share options.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Although the group has various equity compensation plans in operation, disclosure is provided only for those plans that had the most significant impact on the group's statement of financial position during the current year.

The following share option and RSU plans were in operation during the financial year:

Share option plan/RSU plan	Maximum awards permissible ⁽¹⁾	Vesting period ⁽²⁾	Period to expiry from date of offer	IFRS 2 classification
Group				
Naspers Share Incentive Trust (Naspers)	Note 3	a ⁽³⁾	10 years	Equity-settled
MIH Holdings Share Trust (MIH Holdings)	Note 3	a ⁽³⁾	10 years	Equity-settled
MIH Internet Holdings B.V. Share Trust (MIH Internet)	Note 3	a ⁽³⁾	10 years	Equity-settled
Naspers Restricted Stock Plan Trust (Naspers RSU/PSU) ⁽⁴⁾	Note 3, 4	a	Note 5	Equity-settled
Prosus N.V. Share Award Plan (Prosus RSU/PSU)	Note 7	a	Note 5	Equity-settled
Prosus N.V. Share Option Plan (Prosus Options)	Note 7	a	10 years	Equity-settled
Social and internet platforms				
MIH Russia Internet B.V. Share Trust	10%	c	10 years	Equity-settled
Ecommerce				
Frontier Car Group (FCG) Share Trust Option Scheme ⁽⁹⁾	15%	e	10 years	Cash-settled
iFood.com Share Option Scheme	12.5%	a ⁽⁸⁾	10 years	Cash-settled
Movile International Holdings B.V. and Movile Mobile Commerce Holdings S.L. Joint Stock Option Plan and Movile International Holdings BV Share Option Plan	15%	a ⁽⁶⁾	10 years	Cash-settled
Dante International S.A. (eMAG) Share Option Scheme	15%	a ⁽⁶⁾	10 years	Equity-settled
Red Dot Payment Pte Ltd Options Scheme	20%	a	10 years	Cash-settled
Take2 Share Option Scheme	15%	a	10 years	Cash-settled
Zoop Holding Participações S.A. Share Option Scheme ⁽⁹⁾	4,275,000 shares	a	10 years	Cash-settled
Stack Exchange, Inc. 2010 Stock Plan	15%	f	10 years	Cash-settled

The group provides detailed disclosure for those share option and RSU plans that are considered significant to the consolidated annual financial statements.

Notes in relation to the group's share option and RSU plans:

- (1) The percentage reflected in this column is the maximum percentage of the respective companies' issued share capital that is available for the plan. Where applicable, the above percentage also includes the % of the underlying assets value allocated to other group schemes, including the Global schemes (also see note 4 in relation to the group's share appreciation rights plans).
- (2) Vesting period:
- a One quarter vests after years one, two, three and four.
 - b One third vests after years three, four and five.
 - c One fifth vests after years one, two, three, four and five.
 - d One third vests after years one, two and three.
 - e One quarter vest after year one and monthly thereafter over 3 years.
 - f The vesting period shall be determined for each offer letter individually provided that it shall not exceed 10 years.
- (3) At the Naspers annual general meeting held on 25 August 2017 a resolution was adopted by shareholders whereby the vesting period for options granted after 25 August 2017 would be one quarter vesting after years one, two, three and four. Options granted before 25 August 2017 vest over three, four and five years respectively. In addition, at the Naspers annual general meeting in August 2020 shareholders approved that up to 5% of the issued capital of Naspers may be granted in the Naspers RSU.
- (4) The Naspers Restricted Stock Plan Trust may issue no more than 200 000 RSU awards in aggregate during any one financial year. The number of PSUs that may be offered is at the discretion of the board.
- (5) Awards are automatically settled with participants on the vesting date.
- (6) For these schemes all offers made from 1 April 2018 vest over one, two, three and four years. All offers preceding this date vest over one, two, three, four and five years.
- (7) No more than 5% of the issued capital of Prosus N.V. may be granted in the Prosus RSU.
- (8) Prior to September 2020 all options granted, one fifth vests after years one, two, three, four and five.
- (9) These schemes relate to entities that are presented as disposal groups classified as held for sale in the current year.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

The following share appreciation rights plans were in operation during the financial year:

Share appreciation rights plans	Maximum awards permissible ⁽¹⁾	Vesting period ⁽²⁾	Period to expiry from date of offer	IFRS 2 classification
Media				
Media24 SAR Scheme	10%	a	5 years and 14 days	Cash-settled
Social and internet platforms				
MIH China/MIH TC 2008 SAR Scheme	10%	b ⁽³⁾	10 years	Cash-settled
Ecommerce				
MIH Food Holdings B.V. SAR Scheme (Delivery Hero)	7.5%	b	10 years	Cash-settled
MIH India Food Holdings B.V. SAR Scheme (Swiggy)	10%	b	10 years	Cash-settled
CEE Classifieds SAR Scheme	10%	c	10 years	Cash-settled
Tokobagus Exploitatie B.V. SAR Scheme	15%	c	10 years	Cash-settled
MIH Payments Holdings B.V. SAR Scheme	15%	b ⁽³⁾	10 years	Cash-settled
PayU Global BV SAR Scheme	15%	b ⁽³⁾	10 years	Cash-settled
PayU Credit B.V. SAR Scheme	15%	b	10 years	Cash-settled
Naspers Global Classifieds SAR Scheme (Naspers Global Classifieds)	Note 4	b ⁽³⁾	10 years	Cash-settled
Naspers Global Ecommerce SAR Scheme (Naspers Global Ecommerce)	Note 4	b ⁽³⁾	10 years	Cash-settled
MIH Fintech Holdings B.V. SAR Scheme (Naspers Global Payments)	Note 4	b	10 years	Cash-settled
MIH Food Delivery Holdings B.V. SAR Scheme (Global Food)	Note 4	b	10 years	Cash-settled
Naspers Ventures B.V. SAR Scheme	15%	d	10 years	Cash-settled
MIH Edtech Investments BV SAR plan (Global Edtech)	Note 4	b	10 years	Cash-settled
Red Dot Payment Pte Ltd SAR Scheme	20%	b	10 years	Cash-settled
SimilarWeb Limited SAR Scheme	5%	c	10 years	Cash-settled
Property24 SAR Scheme	15%	b ⁽³⁾	10 years	Cash-settled
Takealot Online Proprietary Limited SAR Scheme	15%	b	10 years	Cash-settled
Movile International Holdings BV SAR Scheme	15%	b	10 years	Cash-settled
Dante International S.A. (eMag) SAR Scheme	12.5%	b	10 years	Cash-settled
MIH Learning BV (Skillsoft) SAR Scheme	12.5%	b	10 years	Cash-settled
Good BidCo (Goodhabit) B.V. SAR Scheme	15%	b	10 years	Cash-settled

The group provides detailed disclosure for those share appreciation rights plans that are considered significant to the financial statements.

Notes in relation to the group's share appreciation rights plans:

⁽¹⁾ The percentage reflected in this column is the maximum percentage of the respective companies issued/notional share capital that is available for the plan. Where applicable, the above percentage also includes the percentage of the underlying assets value allocated to other group schemes, including the Global schemes (also see note 4).

⁽²⁾ Vesting period:

- a One third vests after years three, four and five.
- b One quarter vests after years one, two, three and four.
- c One fifth vests after years one, two, three, four and five.
- d One quarter vests after years two, three, four and five.

⁽³⁾ For these schemes all offers made from 1 April 2018 vest over one, two, three and four years. All offers preceding this date vest over one, two, three, four and five years.

⁽⁴⁾ 2,5% of the value of each of the relevant underlying assets, as is contributed to the relevant Global schemes, is available for issuance in the Global schemes.

From 1 April 2022, the new grants under the SAR scheme will have an expiry period of 6 years.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Liabilities arising from cash-settled share-based payment transactions

The following liabilities have been recognised in the consolidated statement of financial position relating to the group's cash-settled share-based payment obligations:

	31 March	
	2023 US\$'m	2022 US\$'m
Cash-settled share-based payment liability		
Total carrying amount of cash settled share-based payment liability	728	1 169
Less: Current portion of cash-settled share-based payment liability	(655)	(985)
Non-current portion of cash-settled share-based payment liability	73	184

Reconciliation of the cash-settled share-based payment liability

	31 March	
	2023 US\$'m	2022 US\$'m
Opening carrying amount of cash-settled share-based payment liability	1 169	1 127
SAR scheme charge per the consolidated income statement ⁽¹⁾	(196)	148
Employment-linked put option charge per the consolidated income statement	14	23
Additions	-	5
Settlements	(176)	(510)
Modification ⁽²⁾	4	355
Transferred to liabilities classified as held for sale ⁽³⁾	(37)	-
Foreign currency translation effects	(50)	21
Closing carrying amount of cash-settled share-based payment liability	728	1 169

⁽¹⁾The decrease in the expense is as a result of the decline in the fair values of the underlying businesses that decreased the estimated cash settlement for the schemes.

⁽²⁾ Some of the group's equity-settled compensation plan was prospectively modified to cash settled due to the change in settlement policy of the share option scheme. In the 31 March 2022 financial year, the modification relates primarily to the iFood share option scheme to cash-settled.

⁽³⁾ Relates primarily to Avito which was classified as held for sale in May 2022 prior to its disposal in October 2022 as well as the OLX Autos disposal group classified as held for sale in March 2023. (refer to note 37.)

As at 31 March 2023 68.2% (2022:62.7%) of the share-based payment liability relates to vested share-based compensation plans that have not been exercised. Included in the share-based payment liability is an amount of US\$103m (2022: US\$90m) as a result of the written put option included in the acquisition agreement that is linked to a committed employment period for the Founders of the respective subsidiaries.

The group recognised, in the consolidated income statement, a remeasurement of US\$29m (2022: US\$23m) included in the current year cash-settled share-based payment expense related to these subsidiaries. The value on settlement of the put options will be dependent on the completion of the respective employment period and accordingly impacts the non-controlling interest recognised for these subsidiaries.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Movements in terms of the group's significant share option and RSU plans are as follows:

	31 March 2023				
	MIH Holdings	MIH Internet	Dante International	iFood	Mobile Joint Scheme
Shares					
Outstanding at 1 April	402 799	1 996 968	62 621	100 788	771 665
Granted	100 484	-	31 247	55 393	-
Exercised	(72 868)	(1 144 902)	(4 764)	(5 585)	(131 886)
Forfeited	(12 692)	(30 122)	(1 559)	(10 331)	(117 565)
Expired	-	-	-	-	-
Cancelled	-	-	-	(20 071)	(6 900)
Outstanding at 31 March	417 723	821 944	87 545	120 194	515 314
Available to be implemented at 31 March	208 339	690 424	31 801	43 436	328 913
Weighted average exercise price	(SA rand)	(SA rand)	(US\$)	(BRL)	(BRL)
Outstanding at 1 April	2 388.26	1 881.80	1 235.66	6 891.64	242.13
Granted	2 348.69	-	1 185.31	15 069.51	-
Exercised	2 420.58	1 251.28	743.11	4 591.34	311.40
Forfeited	2 873.11	3 089.81	1 414.05	8 379.76	132.38
Expired	-	-	-	-	-
Cancelled	-	-	-	19 220.38	285.18
Outstanding at 31 March	2 358.38	2 715.80	1 241.31	8 580.74	248.86
Available to be implemented at 31 March	2 051.28	2 659.43	1 005.14	5 369.11	267.90
Weighted average share price of options taken up during the year					
Shares	72 868	1 144 902	4 764	5 585	131 886
Weighted average share price	2 932.80	2 570.75	1 466.96	12 227.44	1 530.63
	31 March 2022				
Shares					
Outstanding at 1 April	334 647	1 987 456	80 424	123 549	1 115 232
Granted	74 340	84 755	15 405	12 873	-
Exercised	(2 115)	(63 801)	(32 776)	(33 920)	(190 675)
Forfeited	(4 073)	(8 718)	(432)	(1 714)	(152 892)
Expired	-	-	-	-	-
Cancelled	-	(2 724)	-	-	-
Outstanding at 31 March	402 799	1 996 968	62 621	100 788	771 665
Available to be implemented at 31 March	221 642	1 698 337	17 968	30 914	331 949
Weighted average exercise price	(SA rand)	(SA rand)	(US\$)	(BRL)	(BRL)
Outstanding at 1 April	2 268.38	1 833.38	786.26	4 117.50	237.36
Granted	2 956.60	2 961.41	2 343.84	22 388.59	-
Exercised	2 272.15	1 600.12	657.32	2 711.87	266.40
Forfeited	2 971.85	3 038.22	969.53	6 033.30	177.08
Expired	-	-	-	-	-
Cancelled	-	3 040.00	-	-	-
Outstanding at 31 March	2 388.26	1 881.80	1 123.57	6 891.64	242.13
Available to be implemented at 31 March	1 920.78	1 676.50	753.42	3 583.72	267.79
Weighted average share price of options taken up during the year					
Shares	2 115	63 801	32 776	33 920	190 675
Weighted average share price	2 541.17	2 462.86	567.46	4 270.68	2 170.23



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

	31 March 2023					
	MIH China	Naspers Global Classifieds	Naspers Global Ecommerce	Naspers Ventures	PayU Global	Takealot
SARs						
Outstanding at 1 April	382 237	19 341 384	11 509 409	6 541 944	903 563	63 718
Granted	130 590	13 850 566	1 017 872	505 790	155,915	9 385
Exercised	(1 742)	(436 439)	(1 132 102)	(2 494 463)	(264 010)	(13 366)
Forfeited	(8 264)	(13 139 989)	(214 482)	(567 895)	(75 175)	(4 361)
Cancelled	-	(46 232)	-	-	-	-
Outstanding at 31 March	502 821	19 569 290	11 180 697	3 985 376	720 293	55 376
Available to be implemented at 31 March	261 947	8 190 092	8 375 041	183 722	269 651	10 963
Weighted average exercise price	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(ZAR)
Outstanding at 1 April	170.24	9.90	29.65	11.03	93.16	11 348.01
Granted	125.42	6.18	38.88	25.43	47.04	15 724.83
Exercised	136.16	7.61	29.06	5.51	76.19	4 115.46
Forfeited	220.16	8.40	52.16	17.45	105.49	18 494.15
Cancelled	-	6.18	-	-	-	-
Outstanding at 31 March	157.90	8.33	30.12	15.39	88.11	5 156.69
Available to be implemented at 31 March	149.75	8.91	24.15	5.48	90.50	5 822.88
Weighted average share price of SARs taken up during the year						
Shares	1 742	436 439	1 132 102	2 494 463	264 010	13 366
Weighted average share price	155.87	9.33	51.45	23.45	164.73	19 878.65



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

	31 March 2022					
	MIH China	Naspers Global Classifieds	Naspers Global Ecommerce	Naspers Ventures	PayU Global	Takealot
SARs						
Outstanding at 1 April	311 544	21 367 407	10 301 138	3 699 528	1 433 264	90 426
Granted	81 617	6 194 375	1 440 861	2 999 945	223,332	28 778
Exercised	(7 885)	(4 683 827)	(156 547)	(121 265)	(584 675)	(53 865)
Forfeited	(3 039)	(3 508 555)	(50 195)	(36 264)	(168 358)	(1 621)
Cancelled	-	(28 016)	(25 848)	-	-	-
Outstanding at 31 March	382 237	19 341 384	11 509 409	6 541 944	903 563	63 718
Available to be implemented at 31 March	177 658	5 822 724	8 006 878	2 017 831	265 956	14 221
Weighted average exercise price	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(ZAR)
Outstanding at 1 April	149.50	8.72	24.99	6.00	74.13	4 194.67
Granted	244.59	12.29	64.05	16.94	138.23	18 915.53
Exercised	113.19	8.21	28.56	5.05	62.99	3 539.58
Forfeited	188.37	9.19	44.75	6.67	95.54	6 123.45
Cancelled	-	9.05	63.89	-	-	-
Outstanding at 31 March	170.24	9.90	29.65	11.03	93.19	6 848.17
Available to be implemented at 31 March	136.91	8.38	21.73	5.19	75.45	4 126.97
Weighted average share price of SARs taken up during the year						
Shares	7 885	4 683 827	156 547	121 265	584 675	53 865
Weighted average share price	202.64	12.29	64.26	15.86	193.61	18 915.53



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Share option allocations outstanding and currently available to be implemented at 31 March 2023 by exercise price for the group's significant share incentive plans:

Exercise prices	Share options outstanding			Share options currently available	
	Number outstanding at 31 March 2023	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2023	Weighted average exercise price
Naspers (SA rand)					
376.5635 to 1272.6435	722	0.60	852.68	722	852.68
1371.8535 to 1634.8235	1 028	1.97	1 467.23	1 028	1 467.23
2323.5035 to 2945.8735	8 128	4.06	2 667.91	8 128	2 667.91
3100.99 to 3207	13 885	5.24	3 125.30	13 885	3 125.30
	23 763			23 763	
MIH Holdings (SA rand)					
661.8833 to 1272.6633	86 545	0.91	998.31	86 545	998.31
1378.6733 to 1634.8433	12 643	2.45	1 623.32	12 643	1 623.32
1700.5333 to 1928.46	5 982	7.70	1 892.40	2 326	1 835.72
2230 to 2348.69	112 974	8.68	2 341.78	12 517	2 297.41
2429.5333 to 2600	2 285	6.10	2 471.32	781	2 444.38
2652.96 to 2819.37	4 259	6.85	2 775.63	2 742	2 786.70
2827.88 to 2945.8933	87 593	7.02	2 830.10	45 461	2 832.15
3040 to 3196.2	62 681	8.13	3 045.12	15 798	3 053.50
3207 to 3780.75	42 761	6.28	3 416.85	29 526	3 416.35
	417 723			208 339	
MIH Internet (SA rand)					
780.6832 to 1196.8832	3 351	0.64	954.64	3 351	954.64
1272.6632 to 1371.8732	30 444	1.49	1 295.55	30 444	1 295.55
1572.0432 to 1741.2732	19 794	2.44	1 626.75	19 794	1 626.75
1834.7632 to 2056.8832	158 122	3.27	2 049.56	158 122	2 049.56
2230 to 2438.37	32 135	4.20	2 338.13	28 700	2 336.11
2600 to 2827.88	162 124	6.48	2 795.06	104 801	2 784.56
2839.8832 to 3055	120 974	6.01	2 924.00	83 463	2 873.39
3077.6 to 3463.98	264 640	5.62	3 190.07	237 769	3 170.43
3473.99 to 3809	30 360	6.08	3 527.21	23 980	3 531.69
	821 944			690 424	



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Share option allocations outstanding and currently available to be implemented at 31 March 2023 by exercise price for the group's significant share incentive plans:

Exercise prices	Share options outstanding			Share options currently available	
	Number outstanding at 31 March 2023	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2023	Weighted average exercise price
Dante International (USD)					
319.02 to 533.7	3 274	3.22	505.72	3 274	505.72
678.53 to 971.98	42 285	5.73	894.91	17 710	801.05
1043.32 to 2343.84	41 986	7.40	1 647.55	10,817	1,490.45
	87 545			31 801	
iFood (BRL)					
408.64 to 3984.58	16 744	4.67	2 543.47	13 536	2 201.93
4270.68 to 7177.42	56 736	6.94	5 271.51	27 052	5 162.09
12321.91 to 22388.59	46 714	6.49	14 763.91	2 848	22 388.59
	120 194			43 436	
Movile Joint Scheme (BRL)					
80.1 to 149.71	307 092	6.81	119.90	174 411	121.87
211.55 to 285.18	22 575	6.41	236.20	15 075	248.47
307.38 to 468.87	52 853	5.04	380.07	52 853	380.07
497 to 0	132 794	6.33	497.00	86 574	497.00
	515 314			328 913	



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Share appreciation rights allocations outstanding and currently available to be implemented at 31 March 2023 by exercise price for the group's significant share incentive plans:

Exercise prices	SARs outstanding			SARs currently available	
	Number outstanding at 31 March 2023	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2023	Weighted average exercise price
MIH China (US\$)					
81.7856 to 156.04	362 000	5.24	129.71	210 310	131.26
213.36 to 244.59	140 821	7.89	230.36	51 637	225.04
	502 821			261 947	
Naspers Global Classifieds (US\$)					
3.54 to 6.18	8 173 484	5.16	6.13	822 582	5.64
6.5 to 12.29	11 395 806	6.74	9.91	7 367 510	9.27
	19 569 290			8 190 092	
Naspers Global Ecommerce (US\$)					
15.58 to 20.45	4 947 821	1.56	15.86	4 947 821	15.86
23.61 to 33.78	2 557 969	5.06	30.85	1 918 552	29.94
36.31 to 47.81	2 419 536	6.64	40.59	1 209 686	38.86
55.25 to 67.1	1 255 371	8.32	64.68	298 982	64.78
	11 180 697			8 375 041	
Naspers Ventures(US\$)					
5 to 8.74	994 762	11.74	7.30	183 722	5.48
10.06 to 25.45	2 990 614	13.65	18.08	-	-
	3 985 376			183 722	
PayU Global (US\$)					
32.04 to 58.44	191 602	5.04	47.55	40 303	49.45
67.37 to 140.26	528 691	7.31	102.81	229 348	97.63
	720 293			269 651	
Takealot (ZAR)					
3117.71 to 18915.53	51 453	7.50	12,734.22	10 963	5,822.88
20335.39 to 20335.39	3 923	5.25	20,335.39	-	-
	55 376			10 963	



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Share option and RSU plan grants made during the year relating to the group's significant plans:

31 March 2023

	Prosus RSU (Euro)	Naspers RSU (SA rand)	Prosus PSU (Euro)	Naspers PSU (SA rand)
Weighted average fair value at measurement date	62.71	-	103.56	-
This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:				
Weighted average share price	62.71	-	103.56	-
Weighted average exercise price	-	-	-	-
Weighted average expected volatility (%)*	-	-	-	-
Weighted average option life (years)	10.0	-	3.17	-
Weighted average risk-free interest rate (%)	2%	-	1%	-
Weighted average annual suboptimal rate (%)	180%	-	180%	-
Weighted average vesting period (years)	2.5	-	2.8	-

* The weighted average expected volatility of all share options listed above is determined using historical daily share prices.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Share option and RSU plan grants made during the year relating to the group's significant plans:

	MIH Holdings (SA rand)	MIH Internet (SA rand)	Dante (US\$)	iFood (BRL)	Mobile (BRL)
Weighted average fair value at measurement date	1 167.99	-	591.72	8 899.20	-
This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:					
Weighted average share price	2 348.69	-	1 185.31	15 729.18	-
Weighted average exercise price	2 348.69	-	1 185.31	12 321.91	-
Weighted average expected volatility (%)*	47.0%	-	62.0%	65.0%	-
Weighted average option life (years)	10.0	-	6.0	6.0	-
Weighted average dividend yield (%)	0.3%	-	0.0%	0.0%	-
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	9.0%	-	4.0%	7.4%	-
Weighted average annual suboptimal rate (%)	180.0%	-	180.0%	180.0%	-
Weighted average vesting period (years)	2.5	-	2.5	2.0	-

* The weighted average expected volatility of all share options listed above is determined using historical daily share prices.

	31 March 2022			
	Prosus RSU (Euro)	Naspers RSU (SA rand)	Prosus PSU (Euro)	Naspers PSU (SA rand)
Weighted average fair value at measurement date	74.89	-	75.16	2,945.46
This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:				
Weighted average share price	74.89	-	75.16	2,945.46
Weighted average exercise price	-	-	-	-
Weighted average expected volatility (%)*	-	-	-	-
Weighted average option life (years)	10.0	-	10.0	10.0
Weighted average annual suboptimal rate (%)	160%	-	160%	160%
Weighted average vesting period (years)	2.5	-	3.0	3.0

* The weighted average expected volatility of all share options listed above is determined using historical daily share prices.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Share option and RSU plan grants made during the year relating to the group's significant plans:

31 March 2022

	MIH Holdings (SA rand)	MIH Internet (SA rand)	Dante International (US\$)	iFood (BRL)	Mobile Joint scheme (BRL)
Weighted average fair value at measurement date	1 234.89	1 235.26	1 172.63	9 165.64	-
This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:					
Weighted average share price	2 955.45	2 957.08	2 343.84	19 927.63	-
Weighted average exercise price	2 955.45	2 957.08	2 343.84	22 388.59	-
Weighted average expected volatility (%)*	32.5%	32.4%	58.0%	50.4%	-
Weighted average option life (years)	10.0	10.0	10.0	10.0	-
Weighted average dividend yield (%)	0.2%	0.2%	0.0%	0.0%	-
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	7.1%	7.0%	1.6%	7.3%	-
Weighted average annual suboptimal rate (%)	160.0%	160.0%	160.0%	160.0%	-
Weighted average vesting period (years)	2.5	2.5	2.6	2.5	-

* The weighted average expected volatility of all share options listed above is determined using historical daily share prices.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

38. Equity compensation benefits (continued)

Share appreciation rights plan grants made during the year relating to the group's significant plans:

	MIH China (US\$)	Naspers Global Classifieds (US\$)	Naspers Global Ecommerce (US\$)	Naspers Ventures (US\$)	PayU Global (US\$)	Takelaot (ZAR)
31 March 2023						
Weighted average fair value at re-measurement date	83.75	1.03	14.76	10.76	10.19	6 341.28
This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:						
Weighted average share price	165.39	3.42	34.20	23.71	32.38	11 948.55
Weighted average exercise price	125.42	6.18	38.83	25.43	46.92	15 106.38
Weighted average expected volatility (%)*	46.0%	54.0%	55.0%	35.0%	45.0%	67.0%
Weighted average option life (years)	6.0	6.0	6.0	15.0	6.0	6.0
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	3.6%	3.6%	3.6%	3.5%	3.6%	8.3%
Weighted average annual suboptimal rate (%)	180.0%	180.0%	180.0%	180.0%	180.0%	180.0%
Weighted average vesting period (years)	4.9	2.6	2.1	3.5	2.5	2.8
Share price at measurement date	165.4	3.4	32.9	23.7	32.4	11,948.6
31 March 2022						
Weighted average fair value at measurement date	48.73	4.28	26.08	15.14	58.70	11 046.97
This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:						
Weighted average share price	155.02	11.59	57.27	25.46	132.78	20 335.39
Weighted average exercise price	244.59	12.29	60.20	16.94	137.83	18 915.53
Weighted average expected volatility (%)*	42.0%	37.0%	50.1%	48.3%	53.80	61.5%
Weighted average option life (years)	10.0	10.0	10.0	15.0	10.0	10.0
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	2.3%	2.3%	2.3%	2.3%	2.3%	7.7%
Weighted average annual suboptimal rate (%)	160.0%	160.0%	160.0%	160.0%	160.0%	160.0%
Weighted average vesting period (years)	2.5	2.6	2.6	3.5	2.5	2.5
Share price at measurement date	155.02	11.59	57.27	25.46	132.78	20,335.39

* The weighted average expected volatility of all share options listed above is determined using historical daily share price.t taken,



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

39. Provisions

Accounting policy

Provisions are obligations of the group where the timing or amount (or both) of the obligation is uncertain.

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

The group recognises a provision relating to its estimated exposure on all products at the statement of financial position date. A provision for onerous contracts is established when the expected benefits to be derived under a contract are less than the unavoidable costs of fulfilling the contract. Reorganisation provisions are recognised in the period in which the group becomes legally or constructively committed to a formal restructuring plan.

A provision for restructuring costs is recognised when the group has a detailed formal plan for the restructuring and has raised a valid expectation to those affected that it will implement and carry out the restructuring.

Provisions are reviewed at each consolidated statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is determined by discounting the anticipated future cash flows expected to be required to settle the obligation at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in the consolidated income statement.

	31 March	
	2023 US\$'m	2022 US\$'m
Pending litigation	13	7
Reorganisation and restructuring	24	-
Onerous contract	-	-
Long-service and retirement gratuity	5	5
Other	10	3
Total provisions	52	15
<i>Less: Non-current portion of provisions</i>	<i>(5)</i>	<i>(6)</i>
Current portion of provisions	47	9

The group is currently involved in various litigation matters. The litigation provision has been estimated based on management's assessment on likelihood of requirements on legal counsel and management's estimates of costs and possible claims relating to these after taking appropriate legal advice.

The reorganisation and restructuring provision relates to the restructuring costs of certain of our operations. The long service and retirement gratuity provision relates to the estimated cost of these employee benefits. Furthermore, included in other provisions are estimated amounts related to other regulatory matters.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

40. Post-employment liabilities

40.1 Medical liability

The group operates a post-employment medical benefit scheme. The obligation of the group to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners and current employees, however, remain entitled to this benefit. The entitlement to this benefit for current employees is dependent upon the employees remaining in service until retirement age and completing a minimum service period. The group determines its obligations for post-employment medical aid benefits by way of an annual valuation. The key assumptions and valuation method are described below.

Key assumptions and valuation method

The actuarial valuation method used to value the obligations is the projected unit credit method. Future benefits are projected using actuarial assumptions and the obligations for in-service members are accrued over the expected working lifetimes.

The significant actuarial assumptions used in the current and prior period valuations are outlined below:

	31 March	
	2023	2022
Discount rates	11.7%	10.7%
Healthcare cost inflation	9.0%	8.7%
Average retirement age ⁽¹⁾	60/65	60/65
Membership discontinued at retirement	0%	0%

⁽¹⁾Active employees' normal retirement age is 60 or 65 years in the current valuation data.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

40. Post-employment liabilities (continued)

40.1 Medical liability (continued)

The group assumes that current in-service members would retire on their current medical scheme option and that there would be no change in medical scheme options at retirement.

Actuarial assumptions are generally more suited to the estimation of the future experience of larger groups of individuals. The overall experience of larger groups is less variable and is more likely to tend to the expected value of the underlying statistical distribution. The smaller the group size, the less likely it is that the actual future experience will be close to that which is expected. Furthermore, assumptions that are appropriate for the group overall, may not be appropriate at an individual entity level.

Post-employment medical liability

	31 March	
	2023 US\$'m	2022 US\$'m
Opening balance	23	24
Current service cost	(2)	1
Interest cost	2	2
Employer benefit payments	(2)	(2)
Remeasurements	-	(2)
Disposal of subsidiary	-	-
Foreign currency translation effects	(3)	-
Total post-employment medical liability	18	23
Current portion of post-employment medical liability	(2)	(2)
Non-current portion of post-employment medical liability	16	21

As the value of the liability is based on a number of assumptions, a sensitivity analysis is presented below to show the effect of a one-percentage point decrease or increase in the rate of healthcare cost inflation:

Healthcare cost inflation	Assumption		
	9.0%	-1%	+1%
Accrued liability 31 March 2023 (US\$'m)	18	16	19
% change		-7.7%	8.8%
Current service cost plus interest cost 2023 and 2024 (US\$'m)	2	2	2
% change		-7.8%	8.9%

40.2 Pension and provident benefits

The group provides retirement benefits for its full-time employees by way of various separate defined contribution pension and provident funds. All full-time employees have access to these funds. Contributions to these funds are paid on a fixed scale. Substantially all the group's full-time employees are members of either one of the group's retirement benefit plans or a third-party plan. Certain of these funds are related parties to the group and as at 31 March 2023 and 2022 there were no outstanding amounts between the group and these funds. The group has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

An amount of US\$2m (2022: US\$4m) was recognised as an expense during the period in relation to the group's defined contribution funds.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other assets and liabilities (continued)

41. Accrued expenses

	31 March	
	2023 US\$'m	2022 US\$'m
Deferred income ⁽¹⁾	128	166
Accrued expenses ⁽²⁾	280	203
Amounts owing in respect of investments acquired ⁽²⁾	-	3
Taxes and other statutory liabilities	99	116
Bonus accrual	119	103
Accrual for leave	34	36
Other personnel accruals	50	65
Payments received in advance	88	67
Payables from reverse factoring arrangements ⁽²⁾	105	90
Merchant payable ⁽²⁾	890	742
Other ⁽³⁾	61	58
	1 854	1 649

⁽¹⁾ Relates to revenue from contracts with customers. Refer to note 14 for movements in deferred income balances.

⁽²⁾ These items are classified as financial liabilities.

⁽³⁾ Includes financial liabilities of US\$58m (2022: US\$57m).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management

Hedging

Accounting policy

The group uses derivative financial instruments (derivatives) to reduce exposure to fluctuations in foreign currency exchange rates and interest rates. These instruments mainly comprise forward exchange contracts and interest rate (including cross-currency) swap agreements. Forward exchange contracts protect the group from movements in exchange rates by fixing the rate at which a foreign currency asset or liability will be settled. Cross-currency interest rate swap agreements protect the group from movements in foreign exchange risk on a net investment in a foreign operation.

The group documents, at inception of hedging transactions, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives used in hedging transactions are expected to be and have been highly effective in offsetting changes in fair values or cash flows of hedged items. Hedging instruments are included in "Derivative financial instruments" in the consolidated statement of financial position. The group designates derivatives as hedging instruments either in their entirety or elements thereof, as appropriate. The fair values of derivatives used for hedging purposes are disclosed in note 43.

The method of recognising the resulting gain or loss arising from the remeasurement of derivatives used for hedging is dependent on the nature of the item being hedged. The group designates a derivative as either a hedge of the fair value of a recognised asset, liability or firm commitment (fair value hedge), or a hedge of a forecast transaction or of the foreign currency risk of a firm commitment (cash flow hedge). The group also designates certain derivatives as hedges of the group's net investments in its foreign operations (net investment hedges).

Fair value hedges

When a derivative is designated as a fair value hedge, changes in the fair value of the derivative are recorded in the consolidated income statement, along with changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of the change in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. The ineffective portion of the change in the fair value of the derivative is recognised in the consolidated income statement.

When the hedged forecast transaction or firm commitment subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified to the consolidated income statement in the same period during which the hedged expected future cash flow affects in the consolidated income statement.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. The amount accumulated in the hedging reserve at that time remains in equity until, for a hedge resulting in the recognition of a non-financial item, it is included in the initial cost on initial recognition or, for other cash flow hedges, it is reclassified to the consolidated income statement in the same period as the expected cash flows affect the consolidated income statement.

When a committed or forecast transaction is no longer expected to occur, the amounts accumulated in the hedging reserve are reclassified to the income statement.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

Hedging (continued)

Accounting policy (continued)

Net investment hedges

When a derivative is designated as a hedging instrument in a hedge of the group's net investment in a foreign operation, the effective portion of the change in fair value of the hedging instrument is recognised in other comprehensive income and presented in the foreign currency translation reserve within equity. The ineffective portion of the change in fair value of the derivative is recognised in the consolidated income statement. The amount accumulated in the foreign currency translation reserve is reclassified to the consolidated income statement on disposal of the relevant foreign operation.

Certain derivative transactions, while providing effective economic hedges under the group's risk management policies, do not qualify for hedge accounting. Changes in the fair value of derivatives that do not qualify for hedge accounting are recognised immediately in the consolidated income statement.

42. Financial risk management

Financial risk factors

The group's activities expose it to a variety of financial risks such as market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. These include the effects of changes in debt and equity markets, foreign currency exchange rates and interest rates. The group's overall risk management programme seeks to minimise the potential adverse effects of financial risks on its financial performance. The group uses derivative financial instruments, such as forward exchange contracts and interest rate swaps, to hedge certain risk exposures.

Risk management is carried out by management under policies approved by the board of directors and its risk management committee. Management identifies, evaluates and, where appropriate, hedges financial risks. The various boards of directors within the group provide written policies, in line with the overall group policies, covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and the investment of excess liquidity.

42.1 Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk as a substantial portion of its revenue and expenses is denominated in the currencies of the countries in which it operates.

Where the group's revenue is denominated in local currency, depreciation of the local currency against the US dollar adversely affects the group's earnings and its ability to meet cash obligations. Some entities in the group use forward exchange contracts to hedge their exposure to foreign currency risk in connection with their obligations. Management may hedge the net position in the major foreign currencies by using forward exchange contracts. However, in many territories, forward cover is not available and accordingly, such exposures are not hedged. The group also uses forward exchange contracts to hedge foreign currency exposure in its media business where cover is generally taken for 50% to 100% of firm commitments in foreign currency for up to one year.

The group classifies its forward exchange contracts relating to forecast transactions and firm commitments as either cash flow or fair value hedges and measures them at fair value.

In certain instances, the group will hedge its foreign currency risks associated with certain of its net investments in foreign operations. The group will determine which investments to hedge based on the foreign currency risk arising on translation of its foreign operations.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.1 Foreign exchange risk (continued)

Financial risk factors (continued)

Following the acquisition of the group's interest in Delivery Hero SE during the 2018 financial year, the group elected to hedge the foreign exchange risk resulting from the difference between the functional currency of Delivery Hero (Euro) and the currency of the funding incurred to acquire the investment (USD). The Group therefore entered into a cross-currency interest rate swap, and in order to best reflect the result of this risk management strategy, designated it as a hedge of its net investment in Delivery Hero.

As the investment in Delivery Hero SE is translated at the spot rate, the group has designated only the spot exchange rate element of the cross-currency interest rate swap as forming part of the hedging relationship.

In July 2021 the group issued US\$1.85bn 3.061% notes due in 2031, €1.0bn 1.288% notes due in 2029 and €850m 1.985% notes due in 2033 (the bonds). The purpose of the offerings was to raise proceeds for general corporate purposes, including debt refinancing, which took the form of a tender offer made in relation to its bonds maturing in 2025 and 2027. Part of the notes due in 2025 was linked to a cross-currency interest rate swap. Due to the part settlement of the 2025 bond notes, the group partly settled the cross-currency interest rate swap (the swap) related to the portion of the bond notes that were settled. The group therefore discontinued the hedge for the portion of the swap that was settled. The group continued the hedge relationship for the remaining portion of the swap as the hedge of the net investment in Delivery Hero. The repayment of the swap amounted to US\$20m in July 2021, representing the fair value of the portion settled at that date.

In April 2022 the group designated €2.0bn of the euro bonds as a hedge of the net investment in Delivery Hero SE along with the cross-currency interest swap discussed above. In March 2023, the group fully settled the cross-currency interest swap resulting in the cash receipt of US\$13m. Subsequent to the settlement the group designated an additional €200m of the euro bond as a hedge of the net investment in Delivery Hero SE. As at 31 March 2023, €2.2bn of the euro bonds were designated as a hedge of the net investment in Delivery Hero SE. The additional investment in Delivery Hero in the 2022 and 2023 financial year was funded by the euro bonds therefore this hedge designation creates as a natural offset of the foreign currency exposure of the investment and the bond liability. The group designated only the spot exchange rate element of the euro bonds in the hedging relationship.

The hedge ratio remained 1:1 and the risk strategy for this hedge relationship remained unchanged. The accumulated amount recognised for this hedge relationship in the foreign currency translation reserve was not reclassified following this partial settlement. The amount will only be reclassified if the investment in Delivery Hero is disposed.

Cumulative gains of US\$35m (2022: loss of US\$14m) have been recognised in the foreign currency translation reserve relating to the net investment hedge since the inception of the hedging relationship. The decrease in the value of the net investment in Delivery Hero used to determine hedge ineffectiveness for the period is US\$1.5bn (2022: increase in value of US\$2.1bn).

During the current year, total gains of US\$55m (2022: US\$12m) were recognised on the cross-currency interest rate swap prior to settlement and the euro bonds designated as a hedge. Gains of US\$50m (2022: US\$10m) for the year have been recognised in the foreign currency translation reserve relating to the net investment hedge (and comprise the fair value movements used as a basis for recognising hedge effectiveness). Gains of US\$5m (2022: US\$2m) were recognised as part of "Other finance (costs)/income – net" in the consolidated income statement. This is the element of the cross-currency interest rate swap prior to settlement and the portion of the euro bonds not designated as part of the hedging relationship. Ineffectiveness may arise from credit risk on the cross-currency interest rate swap and the euro bonds. Ineffectiveness is negligible as all critical terms on the hedging instrument and hedged item match.

The group does not apply hedge accounting with respect to any of its forward exchange contracts outstanding as at 31 March 2023.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.1 Foreign exchange risk (continued)

Financial risk factors (continued)

Foreign currency sensitivity analysis

Where the group has surplus funds offshore, the treasury policy is to spread the funds between more than one currency to limit the effect of foreign exchange rate fluctuations and to generate the highest possible interest income. As at 31 March 2023, the group had a net cash balance including short-term cash investments, of US\$16.6bn (2022: US\$13.6bn), of which US\$284m (2022: US\$87m) was held in South Africa. The US\$16.3bn (2022: US\$13.6bn) held offshore was largely denominated in US dollar which is also the functional currency of the relevant group subsidiary in which the cash is held. However, there are certain money market investments held in euros by entities with US dollar functional currencies which do give rise to foreign currency risk.

The group's presentation currency is the US dollar, but as it operates internationally, it is exposed to a number of currencies, of which the exposure to the US dollar, euro, Indian rupee, Brazil real, Romanian lei, Turkish Lira, Polish Zloty are the most significant. The group is also exposed to the British pound, Chinese yuan renminbi and South African rand albeit to a lesser extent. For purposes of the below analysis, financial instruments are only considered sensitive to foreign exchange rates when they are not denominated in the functional currency of the group entity holding the relevant financial instrument.

The sensitivity analysis details the group's sensitivity to a 10% increase of the US dollar against the Indian rupee, South African rand, euro and Romanian lei (2022: 10% increase on the aforementioned currencies), and a 20% increase of the US dollar against the Brazilian real, Turkish Lira and Polish Zloty (2022: 20% increase on the aforementioned currencies). These movements would result in a US\$464m increase in net profit after tax for the year (2022: US\$380m increase). Other equity would decrease by US\$78m (2022: US\$124m decrease).

This analysis includes only outstanding foreign currency denominated monetary assets and liabilities (i.e. those monetary assets and liabilities denominated in a currency that differs from the relevant group company's functional currency) and adjusts their translation at the period-end for the above percentage changes in foreign currency rates. The sensitivity analysis includes external loans, as well as loans to foreign operations within the group, but excludes translation differences due to translating from functional currency to presentation currency. The analysis has been adjusted for the effect of hedge accounting.

Foreign exchange rates

The exchange rates used by the group to translate foreign entities' income statements, statements of comprehensive income and statements of financial position are as follows:

	31 March 2023		31 March 2022	
	Average rate	Closing rate	Average rate	Closing rate
Currency (1FC = US\$)				
South African rand (ZAR)	0.0583	0.0562	0.0670	0.0685
Euro (Eur)	1.0415	1.0841	1.1586	1.1067
Chinese yuan renminbi (CNY)	0.1453	0.1456	0.1562	0.1577
Brazilian real (BRL)	0.1943	0.1975	0.1891	0.2110
Indian rupee (INR)	0.0124	0.0122	0.0134	0.0132
Polish zloty (PLN)	0.2213	0.2317	0.2525	0.2382
Russian rouble (RUB)	0.0151	0.0128	0.0134	0.0122
Romanian lei (RON)	0.2114	0.2191	0.2346	0.2240
Turkish Lira (YTL)	0.0557	0.0521	0.0927	0.0681
British pound sterling (GBP)	1.2036	1.2335	1.3620	1.3135

The average rates listed above are only approximate average rates for the year. The group measures separately the transactions of each of its material operations, using the particular currency of the primary economic environment in which the operation conducts its business, translated at the prevailing exchange rate on the transaction date.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.1 Foreign exchange risk (continued)

Financial risk factors (continued)

Uncovered liabilities

The below table details the group's unhedged liabilities that are denominated in a currency other than the functional currency of the settling entity:

Foreign exchange risk (continued)

	31 March 2023		31 March 2022	
	Currency amount of liabilities	US\$'m	Currency amount of liabilities	US\$'m
Uncovered liabilities				
Euro	5 333	5 782	5 284	5 847
South African rand	7	-	5	-
US dollar	-	-	13	13
British pound	1	1	1	2
Other	-	6	-	1

Derivative financial instruments

The following table details the group's derivative financial instruments:

	31 March 2023		31 March 2022	
	Assets US\$'m	Liabilities US\$'m	Assets US\$'m	Liabilities US\$'m
Current portion				
Forward exchange contracts	5	2	27	18
Derivatives contained in acquisition agreements	-	-	-	-
	5	2	27	18
Non-current portion				
Derivatives contained in lease agreements	-	-	11	2
Cross-currency interest rate swap	-	-	2	-
	-	-	13	2
Total	5	2	40	20

The group's forward exchange contracts and cross-currency interest rate swap are subject to master netting arrangements that allow for offsetting of asset and liability positions with the same counterparty in the event of default. None of the group's forward exchange contracts and cross-currency interest rate swap agreement have been offset in the consolidated statement of financial position. At 31 March 2023 and 2022, there were no contracts that could be offset under the master netting arrangement.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.2 Credit risk

The group is exposed to credit risk relating to the following assets:

Trade receivables and accrued income balances

Trade receivables relates to amounts due from customers for goods sold or services rendered in the ordinary course of business. The group has a diversified customer base across various geographical areas. Various credit checks are performed on new debtors to determine the quality of their credit history. These checks are also performed on existing debtors with long-overdue accounts. Furthermore, current debtors are monitored to ensure they do not exceed their credit limits.

The group's trade receivables arise mainly in its Payments and Fintech, Classifieds and Food Delivery segments. Average payment terms vary considerably between the group's businesses, given the diverse nature of their operations. Average payment terms, however, generally do not exceed 60 days from date of invoice.

Accrued income balances relate to unbilled revenue that has been earned and have substantially similar risk characteristics as trade receivables. Accrued income balances arise mainly in the group's Classifieds and Payments and Fintech segments and are included within "Other receivables" in the consolidated statement of financial position.

The group applies the simplified approach mandated by IFRS 9 *Financial Instruments* when measuring impairment loss allowances related to trade receivables and accrued income balances. Accordingly, the group's impairment allowances on these financial assets equal, at all times, the credit losses expected to arise over the lifetime of these financial assets.

In measuring credit losses expected to arise over the lifetime of trade receivables and accrued income balances, the financial assets are grouped according to their shared credit characteristics and aging profile.

The quantification of credit losses expected to arise over the lifetime of trade receivables and accrued income balances is based on (i) the group's actual observed historical loss experience/rates within each business and (ii) reasonable and supportable forward-looking information that is considered predictive of future credit losses within each business.

The historical loss experience/rates that are taken into account when determining impairment allowances is determined with reference to representative sales periods within each business (typically not shorter than 12 months) and the credit losses incurred over that period.

Forward-looking information considered in measuring lifetime expected credit losses include macroeconomic factors, with the most significant factors considered being inflation and unemployment rate increases as these are considered to most significantly affect the future ability of the group's customers to settle their accounts as they fall due for payment. All forward-looking information considered is specific to the economy that most significantly affects the underlying customer's ability to repay the relevant amount due. Due to the group's diverse operations, the forward-looking information considered, and the values assigned to forward-looking information when calculating impairment allowances vary by business type and country in which the customer is located.

As at 31 March 2023, an impairment allowance (net of reversals) of US\$7m (2022: US\$5m) has been recognised with respect to trade receivables and accrued income balances.

Financing receivables

Financing receivables are amounts due from customers for financing provided for goods sold and other credit offerings. The group's financing receivables arise mainly in its Payments and Fintech, Classifieds and Food Delivery segments. The measurement of the expected credit loss allowance on these financing receivables is based on the general expected credit loss model. The assessment considers whether there has been a significant increase in credit risk. The receivables are analysed based on their ageing and the expected credit loss rate applied to the receivables is based on historical loss rates adjusted to incorporate forward-looking information such as inflation and unemployment rates.

Various credit checks are performed on new debtors to determine the quality of their credit history. These checks are also performed on existing debtors with long-overdue accounts. Furthermore, current debtors are monitored to ensure they do not exceed their credit limits. The majority of the financing receivables are current, and there has been no significant increase in credit risk for these financing receivables since initial recognition. Consequently, the impairment loss allowance is based on a 12-month expected credit loss model.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.2 Credit risk (continued)

Financing receivables (continued)

As at 31 March 2023, an impairment allowance (net of reversals) of US\$33m (2022: US\$9m) has been recognised with respect to financing receivables.

Related party loans and receivables

Related party loans and receivables consist primarily of balances with a number of associates and joint ventures of the group. The measurement of the impairment loss allowance on these loans and receivables is based on the assessment of whether there has been a significant increase in credit risk. Management has assessed that the credit risk of these loans and receivables is based on the credit worthiness of the borrowers and their ability to repay the amounts owing. There has been no significant increase in the credit risk of the borrowers during the current and prior financial year. Consequently, the impairment loss allowance is based on a 12-month expected credit loss model. As the amounts owing are due by associates and joint ventures the impairment loss assessment took into account the credit rating of the borrower, the probability of default and actual performance against budgets and forecasts of group companies. Budget forecasts consider these equity-accounted investments businesses remaining operational. In addition, the associates and joint ventures have sufficient liquid assets and will therefore be able to settle their debt. As at 31 March 2023 and 31 March 2022, impairment allowances on related party loans and receivables were not material.

Other receivables

Credit risk related to other receivables arises mainly from accrued income balances, merchant and bank receivables and disposal proceeds receivable.

Accrued income

The credit risk profile and impairment methodology applied to accrued income balance that are included within "Other receivables" in the consolidated statement of financial position is outlined above.

Merchant and bank receivables

Merchant and bank receivables balances relate to transactions, primarily in the group's Payments and Fintech and Food Delivery segments, where the group facilitates the payment process between the end consumer and the provider of goods and services (i.e. the merchant).

Impairment allowances are established on merchant and bank receivables by considering the group's historical loss experience/rates as well as forward-looking information which also considered the impact of the Covid-19 pandemic. The group also considers whether the underlying counterparty is a new or recurring customer. The credit risk inherent in merchant and bank receivables is also reduced by the group's right to offset amounts receivable from counterparties against the corresponding amounts payable to banks and other merchants (refer to note 41) in the event of default. An average payment term of 30 days generally apply to merchant and bank receivables. Merchant receivables are generally recovered in the month subsequent to the financial year-end, as a result, impairment allowances are not significant.

As at 31 March 2023, an impairment allowance of US\$4m (2022: US\$4m) has been recognised with respect to merchant and bank receivables.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.2 Credit risk (continued)

Other receivables (continued)

Disposal proceeds receivable

Disposal proceeds receivable relate to amounts held in escrow following disposals of group businesses to external parties. These amounts are generally held in escrow by the relevant purchaser as security for the group's warranty and indemnity obligations in terms of disposal agreements.

The group assesses, on a continuing basis, whether a significant increase in credit risk has taken place with respect to the relevant underlying counterparty. At 31 March 2023 and 31 March 2022, impairment allowances related to disposal proceeds receivable were not significant.

Loan receivables

Loan receivables are amounts owing to various third parties of the group including external service providers. The group assesses, on a continuing basis, whether a significant increase in credit risk has taken place with respect to the relevant underlying counterparty. At 31 March 2023, impairment allowances related to loan receivables amounted to US\$nil (2022: US\$7m).

Cash and cash equivalents, short-term investments, derivative asset and investments at fair value through profit or loss

The group is exposed to certain concentrations of credit risk relating to its cash and cash equivalents, short-term investments, derivative assets and investments at fair value through profit or loss. There are no significant concentrations of credit risk relating to these financial assets. The group places these instruments mainly with major banking groups and high-quality institutions that have high credit ratings. The group's treasury policy is designed to limit exposure to any one institution and to invest excess cash in low-risk investment accounts. As at 31 March 2023 the group held the majority of its cash and cash equivalents, short-term investments and derivative assets with local and international banks with a 'Baa1' credit rating or higher. The majority of the group's short-term investments are placed with international banks with an 'A1' credit rating (Moody's International's long-term deposit rating). The credit standings of counterparties that are used by the group are evaluated on a continuing basis.

Total impairment losses on financial assets at amortised cost

Total impairment losses (net of reversals) recorded on financial assets measured at amortised cost amounted to US\$36m as at 31 March 2023 (2022: US\$11m). The assessment includes all reasonable and supportable information about the likelihood that counterparties would breach their agreed payment terms and any deterioration of their credit ratings. Where relevant, additional expected credit losses were accounted for when deemed necessary.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.3 Liquidity risk

Prudent liquidity risk management implies, among other aspects, maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. In terms of the memorandum of incorporation of the company, no limitation is placed on its borrowing capacity. The facilities expiring within one year are subject to renewal at various dates during the next year. The group had the following unutilised banking facilities as at 31 March 2023 and 2022:

	31 March	
	2023 US\$'m	2022 US\$'m
On call	132	164
Expiring within one year	160	19
Expiring beyond one year	2 652	2 776
	2 944	2 959

The following analysis details the remaining contractual maturity of the group's non-derivative liabilities and derivative financial assets and liabilities. The analysis is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to settle the liability. The analysis includes both interest and principal cash flows.

	31 March 2023				
	Carrying value US\$'m	Contractual cash flows US\$'m	0 - 12 months US\$'m	1 - 5 years US\$'m	5 years + US\$'m
Non-derivative financial liabilities					
Interest-bearing: Capitalised lease liabilities	(305)	(366)	(78)	(190)	(98)
Interest-bearing: Loans and other liabilities	(16 011)	(22 914)	(766)	(4 562)	(17 586)
Non-interest-bearing: Loans and other liabilities	(110)	(110)	(82)	(28)	-
Other current and non-current liabilities	(899)	(899)	(773)	(126)	-
Trade payables	(406)	(406)	(406)	-	-
Accrued expenses	(1 330)	(1 330)	(1 330)	-	-
Related party loans and payables	(6)	(6)	(6)	-	-
Dividends payable	(2)	(2)	(2)	-	-
Bank overdrafts	(28)	(28)	(28)	-	-
Trade payables classified as held for sale	(165)	(165)	(165)	-	-
Accrued expenses classified as held for sale	(66)	(66)	(66)	-	-
Derivative financial assets/(liabilities)					
Forward exchange contracts - inflow	5	218	218	-	-
Forward exchange contracts - outflow	(2)	(215)	(215)	-	-



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.3 Liquidity risk (continued)

	31 March 2022				
	Carrying value	Contractual cash flows	0 - 12 months	1 - 5 years	5 years +
	Restated US\$'m	Restated US\$'m	Restated US\$'m	Restated US\$'m	Restated US\$'m
Non-derivative financial liabilities					
Interest-bearing: Capitalised finance leases	(345)	(393)	(80)	(237)	(76)
Interest-bearing: Loans and other liabilities	(15 829)	(23 222)	(588)	(3 813)	(18 821)
Non-interest-bearing: Loans and other liabilities	(81)	(109)	(44)	(65)	-
Other current and non-current liabilities	(1 158)	(1 158)	(1 014)	(144)	-
Trade payables	(609)	(609)	(609)	-	-
Accrued expenses	(1 097)	(1 097)	(1 097)	-	-
Related party payables	(6)	(6)	(6)	-	-
Dividends payable	(2)	(2)	(2)	-	-
Bank overdrafts	(18)	(18)	(18)	-	-
Derivative financial assets/(liabilities)					
Forward exchange contracts - inflow	29	4 771	4 771	-	-
Forward exchange contracts - outflow	(20)	(4 763)	(4 763)	-	-
Derivatives contained in lease agreements - inflow	11	11	-	11	-
Derivatives contained in lease agreements - outflow	(2)	(2)	-	(2)	-
Cross-currency interest rate swap - inflow	2	268	12	256	-
Cross-currency interest rate swap - outflow	-	(267)	(8)	(259)	-

42.4 Interest rate risk

As part of the process of managing the group's fixed and floating borrowings mix, the interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates. Where appropriate, the group uses derivative financial instruments, such as interest rate swap agreements, purely for hedging purposes. The fair value of these instruments will not change significantly as a result of changes in interest rates due to their short-term nature and floating interest rates. Refer to note 31 for the interest rate profiles and repayment terms of long-term liabilities as at 31 March 2023 and 2022.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the statement of financial position date (after taking into account the effect of hedge accounting) and the stipulated change taking place at the beginning of the next financial year and held constant throughout the reporting period in the case of instruments that have floating rates. The group is mainly exposed to interest rate fluctuations of the South African, American, European, Brazilian and London interbank average rates. Management's best estimate of the possible change in these interest rates is an increase of 100 basis points (2022: 100 basis points) for all South African and European interbank average rates and an increase of 300 basis points (2022: 300 basis points) for Brazilian and Johannesburg Interbank Average Rate.

If interest rates changed as stipulated above and all other variables were held constant, specifically foreign exchange rates, the group's net profit after tax and total equity for the year ended 31 March 2023 would decrease by US\$36m as at 31 March 2023 (2022: increase by US\$83m).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

42. Financial risk management (continued)

42.5 Price risk

During the 31 March 2022 financial year, the group increased its shareholding in Delivery Hero by 2.5% to 27% from 25%. The additional investment was acquired initially as a call option to acquire the shares subject to competition approval, which was considered highly probable. The group applied cash flow hedge accounting to the highly probable forecast acquisition of this additional investment, hedging the exposure to future share price increases in Delivery Hero shares between the date the call option was acquired, and the date approval was granted to acquire the additional shares. The additional investment in Delivery Hero was based on the fair value of the call option on the date that the approval was granted (US\$817m) and the accumulated losses in the cash flow hedge reserve (US\$119m). The accumulated losses within the cash flow hedge reserve were included in the cost of the investment, as based on the group's judgement the investment in associate is a non-financial asset. The resulting additional investment in Delivery Hero recognised after the basis adjustment was US\$936m.

Price risk sensitivity analysis

The group has various listed investments measured at fair value through other comprehensive income. The group's sensitivity to a 10% decrease in the share price of these investments will result in a US\$604m decrease in other comprehensive income (2022: US\$477m).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments

The carrying values, net gains and losses recognised in profit or loss, total interest income, total interest expense and impairment per class of financial instrument are as follows:

	31 March 2023			
	Carrying value US\$m	Net gains/ (losses) recognised in profit or loss US\$m	Total interest income US\$m	Impairment US\$m
Assets				
Investments and loans	7 371	(99)	-	-
Financial assets at fair value through profit or loss	34	(99)	-	-
Financial assets at fair value through other comprehensive income ⁽²⁾	7 329	-	-	-
Other loans and investments ⁽³⁾	8	-	-	-
Receivables and loans ⁽³⁾	1 674	(42)	38	35
Trade and financing receivables	692	-	1	43
Other receivables	642	(30)	8	(7)
Foreign currency intergroup receivables	-	2	-	-
Related party receivables	176	(14)	29	-
Trade and other receivables classified as held for sale	164	-	-	(1)
Derivative financial instruments ⁽¹⁾	5	9	-	-
Forward exchange contracts	5	(1)	-	-
Cross currency interest rate swap	-	10	-	-
Derivatives contained in lease agreements	-	-	-	-
Short-term investments ⁽³⁾	6 727	(42)	160	-
Cash and cash equivalents classified as held for sale	94	-	-	-
Cash and cash equivalents ⁽¹⁾⁽³⁾	9 849	35	285	-
Total	25 720	(139)	483	35

⁽¹⁾ Measured at fair value through profit or loss. Cash and cash equivalents include money market funds that are part of cash and cash equivalents.

⁽²⁾ During the year gains of US\$21m (2022: a gain of US\$509m) was recognised in other comprehensive income with respect to the group's financial assets at fair value through other comprehensive income.

⁽³⁾ Measured at amortised cost.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments (continued)

	31 March 2023		
	Carrying value US\$'m	Net gains/ (losses) recog- nised in profit or loss US\$'m	Total interest expense US\$'m
Liabilities			
Long-term liabilities ⁽¹⁾	16 094	120	513
Interest-bearing: Capitalised lease liabilities	232	-	9
Interest-bearing: Loans and other liabilities	15 685	118	504
Non-interest-bearing: Loans and other liabilities	22	-	-
Other non-current liabilities ⁽²⁾	126	2	-
Long-term liabilities classified as held for sale	29	-	-
Short-term payables and loans ⁽¹⁾	3 235	4	44
Interest-bearing: Capitalised lease liabilities	73	1	7
Interest-bearing: Loans and other liabilities	326	1	13
Non-interest-bearing: Loans and other liabilities	88	-	-
Trade payables	406	(1)	1
Trade payables classified as held for sale	165	-	-
Other current liabilities ⁽²⁾	773	3	-
Accrued expenses	1 330	(7)	23
Accrued expenses classified as held for sale	66	-	-
Related party payables	6	3	-
Foreign currency intergroup payables	-	4	-
Dividends payable	2	-	-
Derivative financial instruments ⁽³⁾	2	7	-
Forward exchange contracts	2	7	-
Derivatives contained in lease agreements	-	-	-
Bank overdrafts ⁽¹⁾	28	-	14
Total	19 359	131	571

⁽¹⁾ Measured at amortised cost, except for earn-out obligations included in non-interest bearing loans and other liabilities.

⁽²⁾ Includes written put option liabilities. Refer to note 32.

⁽³⁾ Measured at fair value through profit or loss.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments (continued)

The carrying values of all financial instruments, apart from those disclosed below, are considered to be a reasonable approximation of their fair values. The carrying values of these financial instruments are considered to be a reasonable approximation of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

The fair value of the group's publicly traded bonds are detailed below:

Financial liabilities	Carrying value US\$'m	Fair value US\$'m	Level 1 US\$'m	Level 2 US\$'m	Level 3 US\$'m
31 March 2023					
Publicly traded bonds	15 377	12 009	-	12 009	-
31 March 2022					
Publicly traded bonds	15 492	13 056	-	13 056	-

The fair values of the publicly traded bonds have been determined with reference to the listed prices of the instruments as at the end of the reporting period. The fair value of the publicly traded bonds are level 2 financial instruments. The publicly traded bonds are listed on the Irish Stock Exchange (Euronext Dublin).



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2022			
	Carrying value US\$m	Net gains/ (losses) recognised in profit or loss ⁽¹⁾ US\$m	Total interest income ⁽¹⁾ US\$m	Impair- ment ⁽¹⁾ US\$m
Assets				
Investments and loans	5 606	3	-	-
Financial assets at fair value through profit or loss	64	3	-	-
Financial assets at fair value through other comprehensive income ⁽²⁾	5 540	-	-	-
Other loans and receivables ⁽³⁾	2	-	-	-
Receivables and loans ⁽³⁾	1 224	31	14	16
Trade and financing receivables	503	(3)	-	5
Other receivables	465	-	6	11
Related party receivables	256	34	8	-
Derivative financial instruments ⁽¹⁾	40	4	-	-
Forward exchange contracts	27	(2)	-	-
Cross-currency interest rate swap	2	-	-	-
Derivatives contained in lease agreements	11	6	-	-
Short-term investments ⁽³⁾	3 924	(63)	8	-
Cash and cash equivalents ⁽¹⁾⁽³⁾	9 733	(29)	36	-
Total	20 527	(54)	58	16

⁽¹⁾ Measured at fair value through profit or loss. Cash and cash equivalents include money market funds that are part of cash and cash equivalents.

⁽²⁾ During the year losses of US\$509m was recognised in other comprehensive income with respect to the group's financial assets at fair value through other comprehensive income.

⁽³⁾ Measured at amortised cost.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments (continued)

	31 March 2022		
	Carrying value US\$m	Net gains/ (losses) recognised in profit or loss US\$m	Total interest expense US\$m
Liabilities			
Long-term liabilities ⁽¹⁾	16 078	68	392
Interest-bearing: Capitalised finance leases	273	-	14
Interest-bearing: Loans and other liabilities	15 611	68	378
Non-interest-bearing: Loans and other liabilities	50	-	-
Other non-current liabilities	144	-	-
Short-term payables and loans ⁽¹⁾	3 050	27	8
Interest-bearing: Capitalised finance leases	73	-	3
Interest-bearing: Loans and other liabilities	218	-	2
Non-interest-bearing: Loans and other liabilities	31	-	-
Trade payables	609	(7)	-
Other current liabilities ⁽²⁾	1 014	14	-
Accrued expenses ⁽²⁾	1 097	6	3
Related party payables	6	-	-
Foreign currency intergroup payables	-	14	-
Dividends payable	2	-	-
Derivative financial instruments ⁽³⁾	20	7	-
Forward exchange contracts	18	8	-
Derivatives contained in lease agreements	2	(1)	-
Bank overdrafts ⁽¹⁾	18	-	7
Total	19 166	102	407

⁽¹⁾ Measured at amortised cost except for earn-out obligations included in non-interest bearing loans and other liabilities.

⁽²⁾ Includes written put option liabilities. Refer to note 32.

⁽³⁾ Measured at fair value through profit or loss.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments (continued)

The group categorises fair value measurements into levels 1 to 3 of the fair value hierarchy based on the degree to which the inputs used in measuring fair value are observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in active markets (for example, derivatives such as interest rate swaps, forward exchange contracts and certain options) is determined through valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in level 2.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Valuation techniques and key inputs used to measure significant level 2 and level 3 fair values

Level 2 fair value measurements

- *Forward exchange contracts* – in measuring the fair value of forward exchange contracts, the group makes use of market observable quotes of forward foreign exchange rates on instruments that have a maturity similar to the maturity profile of the group's forward exchange contracts. Key inputs used in measuring the fair value of forward exchange contracts include: current spot exchange rates, market forward exchange rates and the term of the group's forward exchange contracts.
- *Cross-currency interest rate swap* – the fair value of the group's interest rate and cross-currency swaps is determined through the use of discounted cash flow techniques using only market observable information. Key inputs used in measuring the fair value of interest rate and cross-currency swaps include: spot market interest rates, contractually fixed interest rates, foreign exchange rates, counterparty credit spreads, notional amounts on which interest rate swaps are based, payment intervals, risk-free interest rates as well as the duration of the relevant interest rate and cross-currency swap arrangement.
- *Cash and cash equivalents* – relate to short-term bank deposits which are money market funds held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised ratings agencies. The fair value of these deposits is determined by the amounts deposited and the gains or losses generated by the funds as detailed in the statements provided by these Institutions. The gains/losses are recognised in the consolidated income statement.
- *Financial assets at fair value* – relates to a contractual right to receive shares or cash. The fair value is based on a listed share price on the date the transaction was entered into.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments (continued)

Valuation techniques and key inputs used to measure significant level 3 fair values

Level 3 fair value measurements

- *Financial assets at fair value* – relate predominantly to unlisted equity investments. The fair value of unlisted equity investments is based on the most recent funding transactions for these investments, a discounted cash flow calculation (DCF), or a weighted-income and market approach using a discounted cash flow calculation and market multiples. The unlisted equity investments based on a DCF or weighted-income and market approach relate to investments in the Edtech segment. The fair value of these unlisted equity investments is based on the following unobservable inputs:

Revenue growth rates and EBITDA margins

Revenue growth rates and EBITDA margins are based on past experience and management's future expectations of business performance.

Growth rate

The long-term growth rate is based on expectations for inflation in the regions in which the business operates - the data is sourced from publicly available information. The long-term growth rate is spread over a 10-year forecast period. The annual growth rate used for revenue and expenses over the 10-year forecast period ranged between 2% to 6%.

Discount rate

The discount rate used is a weighted average cost of capital. The weighted average cost of capital takes into account the cost of equity and cost of debt. The cost of equity is based on a risk-free rate adjusted for specific risks such as a country risk and equity risk premium. The cost of debt is based on the pre-tax cost of debt adjusted with a sovereign spread premium net of tax. Discount rates used ranged between 12% to 15%.

Terminal growth rate

The terminal growth rate considered the steady growth rates that would appropriately extrapolate cash flows beyond the forecast periods once the business segment has assumed to reach maturity. The terminal value assumes that free cash flow in the terminal period grows at the long-term growth rate and is then calculated using the Gordon Growth Model. Terminal growth rates used ranged between 1% to 5%.

For our largest investment in the Edtech segment, a 1% increase in the discount rates would result in a decrease in the valuation of this investment by US\$53m and a 1% decrease in the discount rates would result in an increase in the valuation of this investment by US\$60m.

- *Derivatives contained in lease agreements* – relate to foreign currency forwards embedded in lease contracts. The fair value of the derivatives is based on forward foreign exchange rates that have a maturity similar to the lease contracts and the contractually specified lease payments.
- *Earn-out obligations* – relate to amounts that are payable to the former owners of businesses now controlled by the group, provided that contractually stipulated post-combination performance criteria are met. These are remeasured to fair value at the end of each reporting period. Key inputs used in measuring fair value include: current forecasts of the extent to which management believes performance criteria will be met, discount rates reflecting the time value of money and contractually specified earn-out payments.

Instruments not measured at fair value for which fair value is disclosed

- *Level 2* – the fair values of the publicly traded bonds have been determined with reference to the listed prices of the instruments at the reporting date. As the instruments are not actively traded, this is a level 2 disclosure.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments (continued)

The fair values of the group's financial instruments that are measured at fair value at each reporting period are categorised as follows:

	31 March 2023			
	Fair value US\$'m	Level 1 US\$'m	Level 2 US\$'m	Level 3 US\$'m
Assets				
Financial assets at fair value through other comprehensive income	7 329	6 044	-	1 285
Financial assets at fair value through profit or loss	34	4	-	30
Forward exchange contracts	5	-	5	-
Cash and cash equivalents ⁽¹⁾	447	-	447	-
Total	7 815	6 048	452	1 315
Liabilities				
Forward exchange contracts	2	-	2	-
Earn-out obligations	109	-	-	109
Total	111	-	2	109

⁽¹⁾ Relates to short-term bank deposits which are money market funds held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised rating agencies.

	31 March 2022			
	Fair value US\$'m	Level 1 US\$'m	Level 2 US\$'m	Level 3 US\$'m
Assets				
Financial assets at fair value through other comprehensive income	5 540	4 767	-	773
Financial assets at fair value through profit or loss	64	19	-	45
Forward exchange contracts	27	-	27	-
Derivatives contained in lease agreements	11	-	-	11
Cash and cash equivalents ⁽¹⁾	928	-	928	-
Cross-currency interest rate swaps	2	-	2	-
Total	6 572	4 786	957	829
Liabilities				
Forward exchange contracts	18	-	18	-
Derivatives contained in lease agreements	2	-	-	2
Earn-out obligations	20	-	-	20
Total	40	-	18	22

⁽¹⁾ Relates to short-term bank deposits which are money market funds held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised rating agencies.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Financial risk management (continued)

43. Fair value of financial instruments (continued)

The following table shows a reconciliation of the group's level 3 financial instruments:

	31 March 2023			
	Earn-out obligations	Financial assets at FVOCI ⁽¹⁾	Derivatives embedded in leases	Financial assets at FVPL ⁽²⁾
	US\$'m	US\$'m	US\$'m	US\$'m
Balance at 1 April 2022	(20)	773	9	45
Additions	(96)	38	-	41
Total losses recognised in other comprehensive income	-	(80)	-	-
Total (losses)/gains recognised in the income statement	7	-	-	(12)
Settlements/disposals	-	(65)	(9)	(35)
Foreign currency translation effects	-	(3)	-	-
Transfer to held for sale	-	-	-	(9)
Transfers from investments in associates	-	622	-	-
Total	(109)	1 285	-	30

	31 March 2022			
	Earn-out obligations	Financial assets at FVOCI ⁽¹⁾	Derivatives embedded in leases	Financial assets at FVPL ⁽²⁾
	US\$'m	US\$'m	US\$'m	US\$'m
Balance at 1 April 2021	(13)	139	7	16
Additions	-	582	-	23
Total gains recognised in other comprehensive income	-	107	-	-
Total (losses)/ gains recognised in the income statement	(9)	-	2	6
Settlements/disposals	1	(46)	-	-
Transfers	-	(10)	-	-
Foreign currency translation effects	1	1	-	-
Total	(20)	773	9	45

⁽¹⁾ Financial assets at fair value through other comprehensive income.

⁽²⁾ Financial assets at fair value through profit or loss.

There was a transfer of US\$nil (2022: US\$4m) from level 2 to level 1 and a transfer of US\$1m (2022: US\$10m) from level 3 to level 1. There was another transfer of US\$622m (2022: US\$nil) to level 3 due to investments in associates that lost significant influence during the current year.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures

44. Related party transactions and balances

The group entered into transactions and has balances with a number of related parties, including equity-accounted investments, directors (key management personnel), and shareholders. Transactions that are eliminated on consolidation as well as gains or losses eliminated through the application of the equity method are not included. The transactions and balances with related parties are summarised below:

	31 March	
	2023 US\$'m	2022 US\$'m
Sale of goods and services to related parties⁽¹⁾		
EMPG Holdings Limited	-	12
Bom Negocio Atividades de Internet Ltda (OLX Brazil)	28	14
Skillssoft Corp	8	34
Various other related parties	2	-
	38	60

⁽¹⁾ The group receives revenue from a number of its related parties in connection with service agreements. The nature of these related party relationships are that of equity-accounted investments.

The balances of advances, deposits, receivables and payables between the group and related parties are as follows:

	31 March	
	2023 US\$'m	2022 US\$'m
Loans and receivables⁽¹⁾		
Bom Negocio Atividades de Internet Ltda (OLX Brazil) ⁽²⁾	150	219
Inversiones CMR S.A.S	1	21
GoodGuyz Investments B.V.	6	6
Silvergate Capital Corporation	2	4
Various other related parties	17	6
Less: allowance for impairment losses ⁽³⁾	-	-
Total related party receivables	176	256
Less: non-current portion of related party receivables	(143)	(243)
Current portion of related party receivables	33	13

⁽¹⁾ The group provides services and loan funding to a number of its related parties. The nature of these related party relationships are that of equity-accounted investments

⁽²⁾ During the current year a portion of the loan was capitalised to the investment in joint venture. The loan is repayable by October 2035 and is interest free until April 2022. Subsequently, interest is charged annually at SELIC+2%.

⁽³⁾ Impairment allowance for related parties is based on a 12-month expected credit loss model and was not material. Refer to note 42.

Purchases of goods and services from related parties amounted to US\$3m (2022: US\$2m) and amounts payable to related parties amounted to US\$6m (2022: US\$6m). These amounts are not considered significant and relate to various related parties, most of which are equity-accounted investments of the group.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

44. Related party transactions and balances (continued)

Directors' remuneration

	31 March	
	2023 US\$'000	2022 US\$'000
Non-executive directors		
fees for services as directors	4 383	4 277
fees for services as directors of subsidiary companies	351	505
	4 734	4 782

No executive director has a notice period of more than one year.

The company directors' service contracts do not include predetermined compensation as a result of termination that would exceed one year's salary and benefits and none are linked to any restraint payments.

The individual directors received the following remuneration and emoluments:

	Salary US\$'000	Annual short-term incentive payments US\$'000	Annual Discount-short-term incentive payments	Annual long-term incentive payments ⁽²⁾⁽³⁾ US\$'000	Pension contributions and other benefits paid on behalf of director US\$'000	Total US\$'000
Executive directors 2023						
V Sgourdos	1 200	1 000	2 000	-	110	4 310
B van Dijk	1 405	970	3 414	-	141	5 930
	2 605	1 970	5 414	-	251	10 240
2022						
V Sgourdos	1 200	864	-	7 948	109	10 121
B van Dijk	1 435	897	-	13 412	139	15 883
	2 635	1 761	-	21 360	248	26 004

⁽¹⁾ The discount-linked STI will be held and paid out after 31 March 2024 should the assessed discount be sustained or improved.

⁽²⁾ Long term incentive payments include PSUs, SARs and share options.

⁽³⁾ The IFRS 2 expense recognised for unvested and vested but unexercised LTI awards as at 31 March 2023 is a credit of US\$97.6m (2022: credit of US\$26.9m) for the CEO and credit of US\$4.1m (2022: debit of US\$4.2m) for the CFO. No LTI's awarded in FY2023.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

44. Related party transactions and balances (continued)

Directors' remuneration (continued)

Annual performance-related short-term incentive (STI) payments made in respect of the 2022/2023 performance year for Basil Sgourdos and Bob van Dijk were based on a combination of group financial, strategic and operational objectives, approved by the human resources and remuneration committee. These group financial objectives had a weighting of 50% of maximum annual STI.

The individual directors received the following remuneration and emoluments during the current financial year:

	31 March 2023 ⁽¹⁾							Total US\$'000
	Directors' fees		Committee and trustee fees		Other fees ⁽²⁾			
	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Non-executive directors								
J P Bekker ⁽³⁾	576	22	-	7	-	-	605	
H J du Toit ⁽⁴⁾	-	-	-	-	-	-	-	
S Dubey ⁽⁵⁾	174	-	26	-	-	-	200	
C L Enenstein	269	-	110	-	-	50	429	
M Girotra	251	-	52	-	-	-	303	
R C C Jafta	265	65	106	37	-	-	473	
AGZ Kemna	258	-	82	-	-	-	340	
F L N Letele	262	-	27	-	-	-	289	
D Meyer	265	-	67	-	-	-	332	
R Oliveira de Lima	272	-	56	-	-	50	378	
S J Z Pacak	258	-	205	-	-	-	463	
M R Sorour ⁽⁶⁾	258	-	-	-	-	120	378	
J D T Stofberg	262	-	27	-	-	-	289	
Y Xu	255	-	-	-	-	-	255	
	3 625	87	758	44	-	220	4 734	

⁽¹⁾ Following the listing of Prosus, non-executive directors serve on the boards of both Naspers and Prosus. As a result of these dual responsibilities, fees were split between Naspers and Prosus on a 30/70 basis.

⁽²⁾ Compensation for assignments.

⁽³⁾ Koos Bekker elected to donate the after-tax rand equivalent of all his directors' fees to education. This year the recipients will be two schools in Cape Town, the Jan van Riebeeck Primary and Secondary schools.

⁽⁴⁾ Hendrik du Toit elected not to receive directors' fees.

⁽⁵⁾ Appointed 1 April 2022.

⁽⁶⁾ Mark Sorour received US\$12 425 (2022: US\$14 227) from MIH Holdings Proprietary Limited for the period 1 April 2022 to 31 March 2023. This payment relates to the increased cost of medical aid for retired members of the MMED medical aid scheme after the unbundling of MultiChoice Group. Originally, it was noted that the company will provide an annual allowance to cover the difference in cost for retired scheme members in FY20 and FY21 only. However, this was extended to FY23. This is not disclosed in the above table.

General notes

Directors' fees include fees for services as directors, where appropriate, of Media24 Proprietary Limited. An additional fee may be paid to directors for work done as directors with specific expertise.

Committee fees include fees for attending meetings of the audit committee, risk committee, human resources and remuneration committee, nomination committee and social, ethics and sustainability committee. Committee and trustee fees include, where appropriate, fees to be considered by shareholders at the Annual General Meeting on 27 August 2021 for services as trustees of the group's share-incentive schemes. Non-executive directors are subject to regulations on appointment and rotation in terms of the company's memorandum of incorporation and the South African Companies Act.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

44. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' remuneration (continued)

Non-executive directors are subject to regulations on appointment and rotation in terms of the company's memorandum of incorporation and the South African Companies Act.

	31 March 2022 ⁽¹⁾						Total US\$'000
	Directors' fees		Committee and trustee fees		Other fees ⁽²⁾		
	Paid by company US\$'000	Paid by subsidiary US\$'000	Paid by company US\$'000	Paid by subsidiary US\$'000	Paid by company US\$'000	Paid by subsidiary US\$'000	
Non-executive directors							
J P Bekker ⁽³⁾	558	24	-	8	-	-	590
E M Choi ⁽⁴⁾	109	-	27	-	-	-	136
H J du Toit ⁽⁵⁾	-	-	-	-	-	-	-
C L Enenstein	244	-	110	-	-	50	404
D G Eriksson ⁽⁶⁾	-	-	-	-	-	-	-
M Girotra	234	-	52	-	-	-	286
R C C Jafta	244	72	127	42	-	-	485
A G Z Kemna ⁽⁷⁾	160	-	54	-	-	-	214
F L N Letele	244	-	27	-	-	-	271
D Meyer	241	-	67	-	-	-	308
R Oliveira de Lima	244	-	56	-	-	50	350
S J Z Pacak	244	-	205	-	-	-	449
M R Sorour ⁽⁸⁾	244	139	-	-	-	120	503
J D T Stofberg	244	-	27	-	-	-	271
B J van der Ross ⁽⁹⁾	244	-	27	-	-	-	271
Y Xu	244	-	-	-	-	-	244
	3 498	235	779	50	-	220	4 782

⁽¹⁾ Following the listing of Prosus, non-executive directors serve on the boards of both Naspers and Prosus. As a result of the non-executive directors assuming dual responsibilities the fees were split between Naspers and Prosus on a 30/70 basis.

⁽²⁾ Compensation for assignments.

⁽³⁾ Koos Bekker elected to donate the rand equivalent of his director's fees, being R8.5m (pre-tax), to education. This year the recipient was the primary Volkskool in Heidelberg, South Africa.

⁽⁴⁾ Emilie Choi resigned with effect from 26 August 2021.

⁽⁵⁾ Hendrik Du Toit elected not to receive directors' fees.

⁽⁶⁾ Retired with effect from 1 April 2021.

⁽⁷⁾ Appointed with effect from 15 April 2021.

⁽⁸⁾ Mark Sorour received US\$15 085,63 from MIH Holdings Proprietary Limited for the period 1 April 2021 to 31 March 2022. This payment relates to the increased cost of medical aid for retired members of the MMED medical aid scheme as a result of the unbundling of MultiChoice Group. The company will provide an annual allowance to cover the difference in cost for retired scheme members during FY20 and FY21 however, this was extended to FY22. This is not disclosed in the above table.

⁽⁹⁾ Retired with effect from 1 April 2022.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

44. Related party transactions and balances (continued)

Directors' interests in Naspers scheme shares in the group's equity compensation plans

The executive directors of Naspers are allowed to participate in Naspers group share-based incentive schemes (including those of associate companies and joint ventures). Details as at 31 March 2023 in respect of the executive directors' participation in such scheme shares not yet released, are as follows:

Name	Incentive scheme	Offer date	Number of shares	Purchase price	Release period	Value of option ⁽¹⁾
	MIH Internet Holdings BV Share	16/07/2019	2 055	R3 494.00	16/07/2023	R1 456.05
V Sgourdos	Trust					
	MIH Internet Holdings BV Share	21/09/2020	4 210	R2 827.88	21/09/2023 to 21/09/2024	R1 243.69 to R1 329.25
	Trust					
	MIH Internet Holdings BV Share	13/07/2021	4 117	R2 819,37	13/07/2023 to 13/07/2025	R1 126.81 to R1 290.22
	Trust					
	Naspers Global Ecommerce SAR	16/07/2019	56 627	US\$36.70	16/07/2023	US\$15.68
	Naspers Global Ecommerce SAR	21/09/2020	74 159	US\$41.98	21/09/2023 to 21/09/2024	US\$16.27 to US\$17.25
	Naspers Global Ecommerce SAR	21/06/2021	69 496	US\$63.89	21/06/2023 to 21/06/2025	US\$14.23 to US\$15.29
	Naspers PSU	21/09/2020	28 623	-	21/09/2023	R2 827.88
	Naspers PSU	21/06/2021	16 472	-	21/06/2024	R2 945.46
	Prosus N.V. Share Option Plan	26/08/2021	4 082	Eur71.61	26/08/2023 to 26/08/2025	Eur26.25 to Eur28.91
	Prosus PSU	26/08/2021	15 995	-	26/08/2024	Eur 67.32

⁽¹⁾ The value of the option represents the fair value on grant date in accordance with IFRS in the respective scheme currency.

⁽²⁾ Following the listing of Prosus on 11 September 2019, the MIH Services FZ LLC trust was renamed the MIH Internet Holdings BV Share Trust.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

44. Related party transactions and balances (continued)

Directors' interests in Naspers scheme shares in the group's share incentive schemes (continued)

Name	Incentive scheme	Offer date	Number of shares	Purchase price	Release period	Value of option ⁽¹⁾
B van Dijk	MIH Internet Holdings BV Share ⁽²⁾ Trust	16/07/2019	3 961	R3 494.00	16/07/2023	R1 456.05
	MIH Internet Holdings BV Share Trust	21/09/2020	7 104	R2 827.88	21/09/2023 to 21/09/2024	R1 243.69 to R1 329.25
	MIH Internet Holdings BV Share Trust	13/07/2021	6 948	R2 819,37	13/07/2023 to 13/07/2025	R1 126.81 to R1 290.22
	Naspers Global Ecommerce SAR	16/07/2019	109 208	US\$36.70	16/07/2023	US\$15.68
	Naspers Global Ecommerce SAR	21/09/2020	125 143	US\$41.98	21/09/2023 to 21/09/2024	US\$16.27 to US\$17.25
	Naspers Global Ecommerce SAR	21/06/2021	117 276	US\$63.89	21/06/2023 to 21/06/2025	US\$14.23 to US\$15.29
	Naspers PSU	21/09/2020	48 302	-	21/09/2023	R2 827.88
	Naspers PSU	21/06/2021	27 796	-	21/06/2024	R2 945.46
	Prosus N.V. Share option plan	26/08/2021	6 888	Eur 71.61	26/08/2023 to 26/08/2025	Eur26.25 to Eur 28.91
	Prosus PSU	26/08/2021	26 993	-	26/08/2024	Eur67.32

⁽¹⁾ The value of the option represents the fair value on grant date in accordance with IFRS in the respective scheme currency.

⁽²⁾ Following the listing of Prosus on 11 September 2019, the MIH Services FZ LLC trust was renamed the MIH Internet Holdings BV Share Trust.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

44. Related party transactions and balances (continued)

Directors' interests in Naspers shares

The directors of Naspers have the following interests in Naspers A ordinary shares at 31 March:

Name	2023			2022		
	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial			Beneficial		
	Direct	Indirect	Total	Direct	Indirect	Total
J D T Stofberg	-	175	175	-	175	175
S J Z Pacak	-	105	105	-	105	105
	-	280	280	-	280	280

Koos Bekker and Cobus Stofberg each have an indirect 25% interest in Wheatfields 221 Proprietary Limited, which controls 168 605 Naspers Beleggings (RF) Beperk ordinary shares, 16 860 500 Keeromstraat 30 Beleggings (RF) Beperk ordinary shares and 179 989 Naspers A shares.

No other director of Naspers had any direct interest in Naspers A ordinary shares at 31 March 2023 or 31 March 2022.

The directors of Naspers (and their associates) had the following interests in Naspers N ordinary shares as at 31 March:

Name	2023			2022		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial			Beneficial		
	Direct	Indirect ⁽¹⁾	Total	Direct	Indirect	Total
J P Bekker ⁽²⁾	-	1 687 887	1 687 887	-	1 687 887	1 687 887
H J Du Toit ⁽²⁾	1 265	-	1 265	1 265	-	1 265
S Dubey						
C L Eenstein	-	415	415	-	415	415
F L N Letele	2 604	-	2 604	2 604	-	2 604
S J Z Pacak ⁽²⁾⁽³⁾	113 986	28 800	142 786	113 986	82 800	196 786
V Sgourdos ⁽²⁾⁽⁴⁾⁽⁵⁾	25 522	90 841	116 363	11 694	104 395	116 089
M R Sorour ⁽²⁾⁽⁶⁾	1 349	159 870	161 219	1 349	166 636	167 985
J D T Stofberg ⁽²⁾	81 028	291 888	372 916	81 028	291 888	372 916
B van Dijk ⁽²⁾⁽⁷⁾⁽⁸⁾	175 236	282 070	457 306	18 651	1 088 957	1 107 608
B J van der Ross ⁽²⁾⁽⁹⁾	-	-	-	918	295	1 213
	400 990	2 541 771	2 942 761	231 495	3 423 273	3 654 768

⁽¹⁾ Naspers SOs that have been released (vested), but not yet been exercised, are included in the indirect column: Bob van Dijk: 282 070 (2022: 1 088 957). Basil Sgourdos: 90 841 (2022: 104 395). Mark Sorour: 159 428 (2022: 166 194). Steve Pacak: 0 (2022: 54 000).

⁽²⁾ In the prior year each of these directors participated in the share exchange which was approved by shareholders on 9 July 2021 and concluded on 16 August 2021. As part of this transaction, the directors traded a portion of their Naspers N ordinary shares in exchange for Prosus ordinary shares.

⁽³⁾ On 8 July 2022, Steve Pacak exercised 54 000 share options and the linked Prosus N.V. and MultiChoice Group Limited share options. These share options relate to 54 000 Naspers N ordinary share options, awarded on 7 September 2012.

⁽⁴⁾ On 25 January 2023, Basil Sgourdos exercised 27 360 share options and the linked Prosus N.V. share options. These share options related to 27 360 Naspers share options awarded on 11 July 2013.

⁽⁵⁾ On 7 December 2022, Basil Sgourdos exercised 16 279 Naspers PSUs and the linked Prosus PSUs awarded to him on 9 September 2019. He disposed of 2 451 Naspers N ordinary shares to cover taxes and other related costs on market and took delivery of the remaining 13 828 Naspers N ordinary shares.

⁽⁶⁾ On 29 June 2022, Mark Sorour exercised 6 766 share options. These share options relate to 1 827 share options linked to the listing of Prosus and 4 939 share options awarded on 2 July 2012.

⁽⁷⁾ On 7 December 2022, Bob van Dijk exercised 31 395 Naspers PSUs and the linked Prosus PSUs awarded to him on 9 September 2019. He disposed of the entirety of the award on market.

⁽⁸⁾ On 29 August, 30 August and 31 August 2022, Bob van Dijk exercised 832 000 Naspers share options and the linked Prosus share options. The share options were awarded on 28 March 2014. 675 415 Naspers N ordinary shares were disposed of to cover taxes and other related costs. The remaining 156 585 Naspers N ordinary shares were transferred to his name.

⁽⁹⁾ Resigned as a director of Prosus and Naspers on 1 April 2022.

There have been no further changes to the directors' interests in the table above between the end of the financial year and 14 June 2023.



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

44. Related party transactions and balances (continued)

Key management remuneration

Comparatives have not been restated to account for the change in the composition of key management.

	2023 US\$'000	2022 US\$'000
Short-term employee benefits ⁽¹⁾	23 407	23 805
Post-employment benefits	763	744
Share-based payment expense	(64 898)	45 316
	(40 728)	69 865

⁽¹⁾ Short-term employee benefits consist of base salary, short-term incentives and other short-term benefits.

No other remuneration is paid to executive directors. Remuneration is earned for services rendered in conducting the business of the group.

45. Commitments and contingencies

The group is subject to commitments and contingencies, which occur in the normal course of business, including legal proceedings and claims that cover a wide range of matters. The group plans to fund these commitments and contingencies out of existing facilities and internally generated funds.

(a) Capital expenditure

Commitments in respect of contracts placed for capital expenditure at 31 March 2023 amount to US\$93m (2022: US\$96m).

(b) Other commitments

The group entered into contracts for the receipt of various services. These service contracts are for the receipt of information technology and computer support services, access to networks, consulting services and contractual relationships with customers, suppliers and employees. The group's commitments in respect of these agreements amount to US\$307m (2022: US\$134m).

(c) Lease commitments

Lease commitments include the group's short-term lease arrangements as well as other contractual lease agreements whose commencement date is after 31 March 2023. Short-term lease commitments relate to leasing arrangements with lease terms of 12 months or less that are not recognised on the statement of financial position. The group has the following lease commitments at 31 March:

	31 March	
	2023 US\$'m	2022 US\$'m
Minimum lease payments:		
Payable in year one	2	6
Payable in year two	2	5
Payable in year three	2	4
Payable in year four	1	3
Payable in year five	-	3
Payable after five years	-	3
	7	24



Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2023

Other disclosures (continued)

45. Commitments and contingencies (continued)

(d) Litigation claims

Taxation matters

As a global technology investor, the group's portfolio of businesses is well diversified by sector and geography. The group operates on a decentralised basis in numerous countries. Businesses are based in the countries where their operations, their users and consumers are. As a result, the group's businesses pay taxes locally, in the jurisdictions where they operate and where the group's products and services are consumed. Where relevant and appropriate, the group seeks advice and works with its advisers to identify and quantify contingent tax exposures. Our current assessment of possible tax exposures, including interest and potential penalties, amounts to approximately US\$191m (2022: US\$18m).

(e) Assets pledged as collateral

The group pledged property, plant and equipment, investments, cash and cash equivalents, trade receivables and other working capital as collateral against its secured long-term liabilities with an outstanding balance of US\$466m (2022: US\$318m). Refer to note 31 for further details.

46. Subsequent events

As part of the share repurchase programme announced in June 2022, Prosus acquired 27 741 167 Prosus ordinary shares N for US\$2.02bn and Naspers acquired 5,480,549 Naspers N ordinary shares for US\$940m between April and 22 June 2023. Furthermore, Naspers disposed of 10 591 976 Prosus ordinary shares N for US\$766m between April and 22 June 2023. The group will account for this transaction in the same manner that it was accounted for in the year ended 31 March 2023.

The group sold 46 789 700 shares of Tencent Holdings Limited (Tencent) between April and 22 June 2023 yielding US\$2.05bn in proceeds. An accurate estimate for the gain on disposal of these shares cannot be made until the corresponding equity-accounted results for the period have been finalised.

In June 2023, the group received the requisite approval from the South African Reserve Bank for a proposed transaction in terms of which the cross-holding between Naspers and Prosus will be removed. The implementation of the proposed transaction will enable the continuation of the share repurchase programme at the Naspers level. The proposed transaction is also intended to remove the complexity created by the cross-holding between Naspers and Prosus while keeping the Naspers and Prosus free-float effective economic interests the same as they are prior to its implementation. This will be achieved through aligning the legal ownership in Prosus with the current respective free-float effective economic interests. The implementation of the proposed transaction is subject to the requisite regulatory and Naspers and Prosus shareholder and final board approvals being obtained.



Company statement of financial position

for the year ended 31 March 2023

	Notes	31 March	
		2023 R'm	2022 R'm
ASSETS			
Non-current assets		1 301 512	1 300 047
Investments in subsidiaries	2	1 250 566	1 297 356
Loans to subsidiaries	3	50 942	2 684
Property, plant and equipment		-	1
Other intangible assets		3	2
Investment at fair value through other comprehensive income	4	1	4
Current assets		1 399	91
Other receivables	5	689	11
Related party receivables	6	596	7
Taxation receivable		3	43
Cash and cash equivalents	17	111	30
TOTAL ASSETS		1 302 911	1 300 138
EQUITY AND LIABILITIES			
Shareholders' equity		1 301 237	1 299 563
Share capital and premium	7	44 572	44 455
Other reserves		1 302	1 299
Retained earnings		1 255 363	1 253 809
Non-current liabilities		1 590	-
Long-term liabilities	8	1 590	-
Current liabilities		84	575
Current portion of long-term liabilities	8	18	-
Accrued expenses and other current liabilities	9	24	26
Related party payables	6	14	522
Dividends payable		28	27
TOTAL EQUITY AND LIABILITIES		1 302 911	1 300 138

The accompanying notes are an integral part of these company annual financial statements.



Company statement of comprehensive income

for the year ended 31 March 2023

	Notes	31 March	
		2023 R'm	2022 R'm
Revenue	10	1 382	1 472
Selling, general and administration expenses	11	(222)	(235)
Other gains - net	12	5	267
Gain/(loss) on acquisitions and disposals	13	2 320	(235)
Interest income	14	61	52
Interest expense	14	(121)	(20)
Other finance income/(costs) - net	14	15	(33)
Profit before taxation		3 440	1 268
Taxation	15	(486)	(12)
Profit for the year		2 954	1 256
Other comprehensive income		-	-
Total comprehensive income for the year		2 954	1 256

The accompanying notes are an integral part of these company annual financial statements.



Company statement of changes in equity

for the year ended 31 March 2023

	Share capital and premium		Valuation reserve R'm	Retained earnings R'm	Total R'm
	A shares R'm	N shares R'm			
Balance at 1 April 2021	19	44 406	1 296	1 253 993	1 299 714
Total comprehensive income for the year	-	-	-	1 256	1 256
Profit for the year	-	-	-	1 256	1 256
Total other comprehensive income for the year	-	-	-	-	-
Treasury share movement ⁽¹⁾	-	30	-	-	30
Transfer of reserves as a result of disposals ⁽²⁾	-	-	3	(3)	-
Dividends ⁽³⁾	-	-	-	(1 437)	(1 437)
Balance at 31 March 2022	19	44 436	1 299	1 253 809	1 299 563
Balance at 1 April 2022	19	44 436	1 299	1 253 809	1 299 563
Total comprehensive income for the year	-	-	-	2 954	2 954
Profit for the year	-	-	-	2 954	2 954
Total other comprehensive income for the year	-	-	-	-	-
Treasury share movement ⁽¹⁾	-	117	-	-	117
Transfer of reserves as a result of disposals ⁽²⁾	-	-	3	(3)	-
Dividends ⁽³⁾	-	-	-	(1 397)	(1 397)
Balance at 31 March 2023	19	44 553	1 302	1 255 363	1 301 237

⁽¹⁾ Relates to shares acquired by participants from the Naspers equity compensation plan upon the vesting of their equity compensation awards. Once shares are acquired by participants they are no longer accounted for as treasury shares and result in an increase in N ordinary share capital and premium. This together with gains and losses arising from the vesting of compensation awards is reflected as a net movement.

⁽²⁾ Relates to the transfer of loss on disposal of equity investments at fair value through other comprehensive income. Refer to note 4.

⁽³⁾ Refer to note 18 for further details relating to dividend payments.

The accompanying notes are an integral part of these company annual financial statements.



Company statement of cash flows

for the year ended 31 March 2023

	Notes	31 March	
		2023 R'm	2022 R'm
Cash flows from operating activities			
Cash (utilised)/generated in operations	16	(1 323)	2 065
Interest income received		53	31
Interest expense paid		(109)	(17)
Dividends received ⁽¹⁾		1 399	1 437
Taxation paid	15	(446)	(1)
Net cash (utilised in)/generated from operating activities		(426)	3 515
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	3
Intangible assets acquired		(3)	(2)
Additional investment in subsidiary ⁽²⁾		-	(966)
Disposal of subsidiary ⁽³⁾		-	106
Partial disposal of subsidiary ⁽⁴⁾	2	48 544	-
Other investing activities ⁽⁴⁾	2	(95)	-
Loans repaid by subsidiaries	3	531	127
Loans advanced to subsidiaries ⁽⁴⁾	3	(48 790)	(1 454)
Net cash generated from/(utilised in) investing activities		187	(2 186)
Cash flows from financing activities			
Proceeds from issue of share capital ⁽⁵⁾		118	30
Proceeds from long-term loans raised	8	1 590	-
Dividends paid	18	(1 394)	(1 434)
Net cash generated from/(utilised in) financing activities		314	(1 404)
Net increase/(decrease) in cash and cash equivalents		75	(75)
Foreign exchange translation adjustments on cash and cash equivalents		6	-
Cash and cash equivalents at the beginning of the year		30	105
Cash and cash equivalents at the end of the year	17	111	30

⁽¹⁾ The difference between the dividend received per the statement of comprehensive income and the cash dividend received in the statement of cash flows was due to the exchange rate difference between the date on which the dividend was initially recognised and the date on which the cash was received. The exchange rate difference was recognised in "Other finance (costs)/income – net" in the statement of comprehensive income.

⁽²⁾ In August 2021 the company purchased 1 128 507 756 Prosus B ordinary shares for €56.4m (ZAR986.3m) cash.

⁽³⁾ In April 2021 the company sold its 100% held subsidiary, Naspers Properties Proprietary Limited, to Media24 Proprietary Limited for a cash consideration of R106m.

⁽⁴⁾ As part of the repurchase programme, for the period between 5 September 2022 and 31 March 2023, Naspers Group, through its subsidiary MIH Treasury Services Proprietary Limited, purchased 16 320 371 Naspers N ordinary shares on the market for a total consideration of R44.9bn through a cash loan advance of R47.7bn. This transaction was fully funded by Naspers's disposal of 43 356 695 Prosus ordinary shares N on the market, yielding proceeds of R49.1bn of which R48.5bn had been received in cash and R0.6bn is included in "Other receivables" in the company statement of financial position. R95.3m in fees were incurred and are disclosed as "Other investing activities". Refer to notes 2, 3 and 5.

⁽⁵⁾ Relates to shares acquired by participants from the Naspers equity compensation plan upon the vesting of their equity compensation awards. Once shares are acquired by participants they are no longer accounted for as treasury shares and result in an increase in N ordinary share capital and premium. This together with gains and losses arising from the vesting of compensation awards is reflected as a net movement in the statement of changes in equity.

The accompanying notes are an integral part of these company annual financial statements.



Notes to the company annual financial statements

for the year ended 31 March 2023

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The company annual financial statements are presented in accordance with, and comply with, International Financial Reporting Standards (IFRS) and interpretations of those standards as issued by the International Accounting Standards Board (IASB) and effective at the time of preparing these financial statements, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act No 71 of 2008.

Accounting policies

The accounting policies of the company are the same as those of the group, where applicable (refer to note 2 of the consolidated annual financial statements), specifically as regards:

- Investments at fair value through other comprehensive income; and
- Financial assets measured at amortised cost.

The primary financial statements are consistently presented in the same manner as previous annual financial statements except for the presentation of operating profit on the company statement of comprehensive income.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less accumulated impairment losses in the company annual financial statements. Cost is adjusted to reflect changes in consideration arising from contingent consideration arrangements and includes the directly attributable costs of acquiring investments. On partial disposal of a subsidiary the cost of the investment is reduced proportionate to the interest remaining in the subsidiary. Loans receivable which are forgiven are recognised as a capital contribution to the subsidiary and are measured at cost (represented by the carrying amount of the loan) at the date of the contribution.

IFRS 9 Financial Instruments

Classification of loans to subsidiaries

Loans to subsidiaries, related party receivables and cash and cash equivalents are classified as financial assets at amortised cost as these items are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual cash flows represent solely payments of principal and interest on the amount outstanding. In making this assessment, the company considers the effect of terms (including conversion, prepayment and extension features) that may affect the timing and/or amounts of cash flows.

In terms of IFRS 9, an intercompany loan may only be accounted for in terms of IAS 27 if it meets the definition of an equity instrument from the perspective of the subsidiary to which the loan has been granted.

Accordingly, as all loans extended to subsidiaries of the company are accounted for as debt instruments by the relevant subsidiaries, the company has applied the recognition and measurement provisions of IFRS 9 to these loans.

Measurement of financial assets at amortised cost

The company applied the initial recognition and measurement provisions of IFRS 9, including those relating to impairment allowances on financial assets at amortised cost, to all financial instruments within the measurement scope of IFRS 9. The company's impairment methodology related to financial assets at amortised cost is detailed in note 3 of the company annual financial statements.

Accounting judgements and sources of estimation uncertainty

The preparation of the company financial statements necessitates the use of estimates, assumptions and judgements by management. These estimates, assumptions and judgements affect the reported amounts of assets, liabilities and contingent assets and liabilities at the reporting date as well as the reported income and expenses for the year. Although estimates are based on management's best knowledge and judgement of current facts as at the statement of financial position date, the actual outcome may differ from these estimates.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Impairment of investments in subsidiaries

The company periodically evaluates the carrying value of assets when events and circumstances indicate that the carrying value may not be recoverable. Factors that the company considers important, which could trigger an impairment review include, but are not limited to, significant under-performance relative to expected historical or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for the company's overall business, significant negative industry or economic trends that are likely to prevail into the long-term and the market capitalisation of listed investments relative to its net book value. The carrying value of an asset is considered impaired when the recoverable amount of such an asset is separately identifiable and is less than its carrying value. The recoverable amount is the higher of fair value less costs to sell and the value in use. In that event, a loss is recognised based on the amount by which the carrying value exceeds the recoverable amount of the asset. An impairment loss is directly recognised in the profit or loss account while the carrying amount of the asset concerned is concurrently reduced.

The recoverable amount is determined primarily using anticipated cash flows discounted at a rate commensurate with the risk involved or the last traded price for listed investments. The revenue growth rates and profit margins (EBITDA margins) used to estimate future performance are based on past performance and our expectations for growth rates and profit margins achievable in the markets and businesses the companies are active in. In addition to the forecasts used in the impairment assessments, sensitivity analyses have been prepared. The recoverable amount for unlisted investments is determined using fair value less costs to sell in the event of a recent transaction for the investment during the relevant financial year.

Assets to be disposed of are recorded at the lower of their cost and fair value, reduced by the estimated costs to dispose of the asset. The realisable value is determined based on the active market, whereby the prevailing bid price is taken as market price. The costs deducted in determining net realisable value are based on the estimated costs that are directly attributable to the sale and are necessary to realise the sale.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

2. INVESTMENTS IN SUBSIDIARIES

The following information relates to Naspers Limited's direct interest in its significant subsidiaries:

Name of subsidiary	Functional currency	Effective percentage interest*		Direct investment in shares		Nature of business	Country of incorporation
		2023 %	2022 %	2023 R'm	2022 R'm		
Listed companies							
Prosus N.V. ⁽¹⁾	US\$	43.5	42.3	1 227 901	1 274 691	Investment holding	The Netherlands
Unlisted companies							
Heemstede Beleggings Proprietary Limited	ZAR	100.0	100.0	-	-	Investment holding	South Africa
MIH Holdings Proprietary Limited	ZAR	100.0	100.0	20 455	20 455	Investment holding	South Africa
Media24 Holdings Proprietary Limited	ZAR	100.0	100.0	2 210	2 210	Investment holding	South Africa
				1 250 566	1 297 356		

* The percentage interest shown is the effective financial interest, after disregarding the interest of any equity compensation plans treated as treasury shares.

⁽¹⁾ On 27 June 2022, the group announced the beginning of an open-ended, repurchase programme of the Prosus ordinary shares N and Naspers N ordinary shares.

In September 2022, Naspers began to dispose of some of the Prosus shares that it holds in order to provide funding for the repurchase of Naspers shares pursuant to the repurchase programme.

As part of the repurchase programme, for the period between 5 September 2022 and 31 March 2023, Naspers, through its subsidiary MIH Treasury Services Proprietary Limited, purchased 16 320 371 Naspers N ordinary shares on the market for a total consideration of R44.9bn. This transaction was fully funded by Naspers's disposal of 43 356 695 Prosus ordinary shares N on the market, yielding proceeds of R49.1bn of which R48.5bn had been received in cash and R0.6bn is included in "Other receivables" in the company statement of financial position. The sale resulted in a R2.3bn gain being recognised, refer to note 13. In addition, the sale has resulted in the reduction of the cost of the investment.

Subsequent to the above transaction, Naspers now holds a 43.54% (2022: 42.29%) economic interest in Prosus. The increase in the shareholding is as a result of the Prosus share repurchase programme.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

2. INVESTMENTS IN SUBSIDIARIES (continued)

Impairment assessment

At the end of each year, the company assesses whether there is an indication that the company's investments in subsidiaries are impaired. The impairment assessment is performed at the level of Prosus N.V., MIH Holdings Proprietary Limited and Media24 Holdings Proprietary Limited. The recoverable amounts of these investments have been determined based on the higher of the value in use and the fair value less costs of disposal.

The recoverable amount of Prosus N.V. is based on its listed market price. As part of our impairment testing, we also compared the market value of Prosus N.V. shares held by the company to the carrying value of the investment recognised on the statement of financial position. The total market value of the listed marketable securities held by the company as at 31 March 2023 was approximately R2 359.3bn. As the market value of the Prosus N.V. shares held by the company exceeds the carrying value recognised on the statement of financial position, no impairment was recognised for this investment.

The recoverability of the carrying amounts of MIH Holdings Proprietary Limited and Media24 Holdings Proprietary Limited were tested through a sum of the recoverable amounts of their underlying investments using a combination of value in use calculations and quoted prices for listed investments.

The value in use is based on discounted cash flow calculations. The company based its cash flow calculations on up to ten-year budget and forecast information of the underlying entities. Forecasts are approved by senior management and/or the various boards of directors of group companies. Long-term average growth rates for the respective countries in which the entities operate or, where more appropriate, the growth rate of the entity, were used to extrapolate cash flows into the future. Terminal growth rates used in the calculation range between 2% and 7.5% (2022: 2% and 7%) and post-tax discount rates range between 12% and 28% (2022: 9% and 25%).

The company's impairment assessment takes into account that, in most instances, longer forecast periods are required for many ecommerce businesses. These longer forecast periods are required as the ecommerce businesses generally only reach maturity once sufficient market share has been gained, the businesses have reached the appropriate scale and have become revenue generative/profitable. Key assumptions in estimating these future cash flows over the forecast period include the entity's ability to capture the required market share and the additional investment required in order for it to reach the appropriate scale.

Value in use calculations are performed using the appropriate operational cash flows, and accordingly, discount rates take into account country risk premiums and inflation differentials as appropriate. Post-tax discount rates have been applied in calculations as value in use was determined using post-tax cash flows.

The calculation of value in use is most sensitive to the following assumptions:

- revenue growth rates;
- expected EBITDA margins;
- growth rates used to extrapolate cash flows beyond the budget and forecast period, including the terminal growth rate applied in the final projection year; and
- discount rates.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

2. INVESTMENTS IN SUBSIDIARIES (continued)

Impairment assessment (continued)

When determining cash flows over the forecast periods, EBITDA margin assumptions vary between the diverse range of businesses.

The aggregate carrying amount pertaining to the investment in MIH Holdings Proprietary Limited and Media24 Holdings Proprietary Limited, amounting to R20.5bn and R2.2bn respectively, is especially sensitive to changes in the underlying assumptions.

Key assumptions underlying revenue forecasts for the ecommerce businesses include the entities' anticipated market share. The ecommerce assets are at various life stages and the early-stage investments are more sensitive to changes in assumptions.

In the prior year the company recognised a full reversal of impairment on the investment in Media24 Holdings Proprietary Limited of R265.3m, it was determined that no impairment would have to be recognised in the financial year ended 31 March 2023. Media24's continued consistent performance in the current year was the basis for the budgets and forecast used for determining the recoverable amount, accordingly this consistent performance and future projections resulted in the recoverable amount for this investment exceeding the aggregate carrying amount. The recoverable amount of Media24 Holdings Proprietary Limited was determined to be R3.0bn (2022: R4.0bn). The decrease in the recoverable amount is as a result of the decrease in value of Media24's underlying investments and changes in market variables.

We performed sensitivity analyses on the underlying discounted cash flow calculations. These analyses reveal that the values are highly sensitive and adjustments to the expected future cashflows, or higher discount rates, could result in an impairment. The main inputs for the expected future cashflows are revenue growth, profit margins, discount rates and long-term growth rates on which sensitivity analyses have been prepared. Reasonable possible changes on the revenue growth rates, profit margins and discount rates used to estimate future performance have been assessed as to whether it impacts the recoverable amounts of the company's investments in subsidiaries. It has been determined that some investments are more sensitive to changes than others.

For both MIH Holdings Proprietary Limited and Media 24 Holdings Proprietary Limited, if either the pre- or post-tax discount rate applied to cash flows were to increase relatively by 2% or the growth rate used to extrapolate cash flows were to decrease relatively by 1%, or if both the discount rate and the growth rate were to increase and decrease relatively by 1% respectively, there would be no impairments that would have to be recognised.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

3. LOANS TO SUBSIDIARIES

	31 March	
	2023 R'm	2022 R'm
Loans to subsidiaries		
MIH Holdings Proprietary Limited	3 223	2 684
MIH Treasury Services Proprietary Limited	47 719	-
	50 942	2 684

Loans to subsidiary companies do not have any fixed repayment terms and are interest free. The loans are not expected to be repaid within the next 12 months.

As a result of loans to subsidiary companies having no fixed repayment terms, these loans are considered to be repayable on demand by the company and accordingly the effect of discounting these loans is insignificant.

The company establishes allowances for credit losses (impairment allowances) on loans to subsidiaries. The impairment loss allowance is based on a general expected credit loss model. The measurement of the impairment loss allowance on these loans and receivables is based on the assessment of whether there has been a significant increase in credit risk. The impairment loss allowance is equal to the 12-month expected credit losses on these items unless there has been a significant increase in credit risk since initial recognition of these loans. There has been no significant increase in the credit risk of the borrowers during the current and prior financial year. Consequently, the impairment loss allowance is based on a 12-month expected credit loss model.

At 31 March 2023 the impairment allowances related to loans to subsidiaries were not significant on account of the loan counterparty's holdings of substantial highly-liquid marketable securities and cash/short-term cash investment balances. These holdings by the counterparties significantly exceed their obligations, including their liabilities towards the company, and accordingly mitigate the credit risk arising from these loans significantly.

4. INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 March	
	2023 R'm	2022 R'm
Investment in the MultiChoice Group Limited shares	1	4
	1	4

The investment in the MultiChoice Group Limited (the MultiChoice Group) relates to shares received by share-incentive trusts and other Naspers group companies that held Naspers Limited N-ordinary shares (as treasury shares) at the time of distribution of the group's interest in the MultiChoice Group to its shareholders in 2019. The MultiChoice Group shares, with a fair value of R0.5m (2022: R4.0m) are held by the Naspers Share Incentive Trust and will be utilised when relevant awards are settled with participants on exercise. The Naspers Share Incentive Trust is a special purpose vehicle of the company, acting in its capacity as an agent. To this extent, a cash-settled share-based payment liability of R0.5m (2022: R4.0m) has been raised for these awards and is included in note 9.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

5. OTHER RECEIVABLES

	31 March	
	2023 R'm	2022 R'm
Prepaid expenses	15	9
Disposal proceeds receivable ⁽¹⁾	667	-
Other	7	2
	689	11

⁽¹⁾ Refers to the funds still to be received from the sale of Prosus shares as part of the buy-back programme. Funds are received 2 business days after the share sale. Refer to note 2.

6. RELATED PARTY TRANSACTIONS AND BALANCES

For details on related party loans, interest and dividends received refer to notes 3 and 10.

	31 March	
	2023 R'm	2022 R'm
Related party receivables		
MIH Treasury Services Proprietary Limited	587	-
MIH Holdings Proprietary Limited	9	1
Prosus Services B.V.	-	6
	596	7
Related party payables		
MIH Treasury Services Proprietary Limited	-	(517)
MIH Holdings Proprietary Limited	(14)	(5)
	(14)	(522)

Related party receivables and payables are due within 30 days from statement date and are interest free. These financial assets are considered, by nature, to be trade receivables and accordingly are subject to the simplified impairment methodology in IFRS 9. As the amounts owing are due by group companies, the expected credit losses takes into account the existence of collateral and letters of support by group companies. As at 31 March 2023 and 2022, expected credit losses on related party receivables were not significant on account of the receivable counterparties' holdings of substantial highly-liquid marketable securities and cash/short-term cash investment balances.

	31 March	
	2023 R'000	2022 R'000
Directors' emoluments		
Executive directors		
paid by other companies in the group	84 043	68 955
Non-executive directors		
fees for services as directors	22 993	19 620
fees for services as directors of subsidiary companies	58 174	50 801
	165 210	139 376

Based on the principal activities of the company as holding company, the transactions disclosed in the notes are related party transactions. The financial statement impact and nature of the transactions are disclosed in the respective notes. Refer to note 44 of the consolidated annual financial statements for disclosure on executive and non-executive directors' remuneration.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

7. SHARE CAPITAL AND PREMIUM

	31 March	
	2023 R'm	2022 R'm
Authorised		
1 250 000 A ordinary shares of R20 each	25	25
500 000 000 N ordinary shares of 2 cents each	10	10
	35	35
Issued and fully paid		
961 193 A ordinary shares of R20 each (2022: 961 193)	19	19
435 511 058 N ordinary shares of 2 cents each (2022: 435 511 058)	9	9
	28	28
Share capital		
Share premium	44 130	44 130
Share capital and premium	44 158	44 158
Cumulative effect of treasury shares used in equity compensation plans ⁽¹⁾	414	297
	44 572	44 455

⁽¹⁾ Refers to the cumulative net effect on share premium of treasury shares held at cost and gains and losses arising on vesting of equity compensation awards.

Voting and dividend rights

The A ordinary shareholders are entitled to 1 000 votes per share. In terms of the Naspers memorandum of incorporation, both N and A ordinary shareholders are entitled to nominal dividends, however, the dividends declared to A ordinary shareholders are equal to one-fifth of the dividends to which N ordinary shareholders are entitled. In respect of all other rights, the A ordinary shares rank pari passu with the N ordinary shares of the company.

Refer to note 24 of the consolidated annual financial statements for further details on voting and dividend rights, treasury shares and unissued share capital.

Capital management, unissued shares and valuation reserve

Refer to notes 24 and 25 of the consolidated annual financial statements for the group's capital management policy and note 19 related to the company's financial risk management. The company relies upon distributions, including dividends, from its subsidiaries and interest to generate the funds necessary to meet its obligations and other cash flow requirements. The valuation reserve relates mainly to movements in investments held at fair value through other comprehensive income.

	2023 Number of shares	2022 Number of shares
Movement in ordinary shares in issue during the year		
Ordinary shares in issue at 1 April	436 472 251	436 472 251
Shares in issue at 31 March	436 472 251	436 472 251
Movement in N ordinary shares held as treasury shares during the year		
Shares held as treasury shares at 1 April	114 840	159 745
Shares acquired by participants from the Naspers equity compensation plan	(80 721)	(44 905)
Shares held as treasury shares at 31 March	34 119	114 840



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

7. SHARE CAPITAL AND PREMIUM (continued)

	31 March	
	2023 R'm	2022 R'm
Share premium		
Balance at 1 April	44 130	44 130
Balance at 31 March	44 130	44 130

8. LONG-TERM LIABILITIES

	31 March	
	2023 R'm	2022 R'm
Interest-bearing: Loans and other liabilities	1 590	-
Total liabilities	1 608	-
Less: Current portion	(18)	-
Net long-term liabilities	1 590	-

Interest-bearing: Loans and other liabilities

	Currency of year-end balance	Year of final repay- ment	Weighted average year-end interest rate	31 March	
				2023 R'm	2022 R'm
Unsecured					
Revolving credit facility ⁽¹⁾	ZAR	2025	9.3%	1 608	-
Total facilities utilised				1 608	-

⁽¹⁾ Refer to note 19.

Total long-term liabilities

Repayment terms of long-term liabilities

Payable within year one	18	-
Payable within year three	1 590	-
	1 608	-

Interest rate profile of long-term liabilities (long- and short-term portion)

Loans at fixed rates: 1 to 12 months	18	-
Loans at semi-fixed rates: more than 12 months	1 590	-
	1 608	-



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

8. LONG-TERM LIABILITIES (continued)

Reconciliation of liabilities arising from financing activities

	31 March	
	2023 R'm	2022 R'm
Opening balance	-	-
Proceeds received from liabilities raised	1 590	-
Interest accrued	18	-
Closing balance	1 608	-
Less: Current portion	(18)	-
Non-current liabilities	1 590	-

9. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March	
	2023 R'm	2022 R'm
Accrued expenses	23	19
Cash-settled share-based payment liability	1	4
Other current liabilities	-	3
	24	26

10. REVENUE

	31 March	
	2023 R'm	2022 R'm
Dividends received		
Prosus N.V. ⁽¹⁾	1 382	1 472
	1 382	1 472

The revenues disclosed above are related-party transactions with the respective group entities.

⁽¹⁾ In August 2021, simultaneous with the share exchange transaction, the cross holding agreement between the company and Prosus N.V. became effective. The company is obligated to pass on any distributions (including dividends) it receives from Prosus N.V. to its free float shareholders.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

11. EXPENSES BY NATURE

Selling, general and administrative expenses include the following items:

	31 March	
	2023 R'm	2022 R'm
Fees paid to non-employees for administration, management and technical services	25	37
Auditor's remuneration		
Audit fees	1	1
Other expenses	196	197
	222	235

12. OTHER GAINS - NET

	31 March	
	2023 R'm	2022 R'm
Reversal of impairment of Media24 Holdings (Pty) Ltd investment ⁽¹⁾	-	265
Gain on disposal of property, plant and equipment	5	2
Total other gains - net	5	267

⁽¹⁾ In the prior year the investment in Media24 was assessed for impairment and it was determined that the provision for impairment could be fully reversed by R265.3m, there was no impairment adjustment required in the current year.

13. GAIN/(LOSS) ON ACQUISITIONS AND DISPOSALS

	31 March	
	2023 R'm	2022 R'm
Gain/(loss) on sale of investments ⁽¹⁾	2 326	(234)
Transaction-related costs	(6)	(1)
	2 320	(235)

⁽¹⁾ The current year gain on sale resulted from the sale of Prosus N.V shares as part of the repurchase programme, refer to note 2. The prior year loss on sale resulted from the sale of Naspers Property Proprietary Limited to Media24 Proprietary Limited, this was a related party transaction.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

14. FINANCE (COSTS)/INCOME

	31 March	
	2023 R'm	2022 R'm
Interest expense		
Loans and overdrafts	(23)	(5)
Revolving credit facility	(98)	(15)
	(121)	(20)
Interest income		
Loans and bank accounts	52	30
Other	9	22
	61	52
Net gain/(loss) from foreign exchange translation of derivative and other financial instruments		
On translation of assets and liabilities	15	(33)
Other finance income/(costs) - net	15	(33)
Finance (costs)/income - net	(45)	(1)



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

15. TAXATION

	31 March	
	2023 R'm	2022 R'm
Normal taxation	486	12
current year	489	55
prior year overprovision	(3)	(43)
Taxation per statement of comprehensive income	486	12
Reconciliation of taxation		
Taxation at statutory rate of 27% (2022: 28%)	929	355
Adjusted for:		
non-deductible expenses ⁽¹⁾	87	134
unprovided timing differences	(1)	(1)
non-taxable income ⁽¹⁾	(1 016)	(494)
prior year adjustments	(3)	(43)
other taxes ⁽²⁾	490	61
Taxation per statement of comprehensive income	486	12
Taxation paid		
Opening balance	(43)	(54)
Recognised in profit or loss	486	12
Receivable at the end of the year	3	43
Taxation paid per statement of cash flows	446	1

⁽¹⁾ In the current and prior financial years non-deductible expenses relate primarily to donations made and expenses incurred that are not in the production of taxable income. In the current year non-taxable income relates primarily to dividend income and the gain on sale of the Prosus investment, the prior year relates primarily to dividend income and the reversal of impairment of the investment.

⁽²⁾ Relates primarily to the tax on the gain from the sale of Prosus shares, tax on controlled foreign companies (CFC) and taxable capital gains.

The normal South African company tax rate applied for the year ending 31 March 2023 is 27% (2022: 28%). The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the country of operation and where it generates taxable income. The deferred tax temporary differences expected to reverse at this new corporate tax rate are not material.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

16. CASH (UTILISED IN)/GENERATED FROM OPERATIONS

	31 March	
	2023 R'm	2022 R'm
Profit before tax per statement of comprehensive income	3 440	1 268
Adjustments:		
Non-cash and other	(3 668)	(1 504)
Finance costs/(income) - net	45	1
Dividends received ⁽¹⁾	(1 382)	(1 472)
Gain on disposal of property, plant and equipment	(5)	(2)
Reversal of impairment of investment	-	(265)
(Gain)/loss on sale of investment	(2 326)	234
Working capital	(1 095)	2 301
Cash movement in other receivables	(3)	(3)
Cash movement in related party receivables	(587)	1 804
Cash movement in accrued expenses and payables	3	2
Cash movement in related party payables	(508)	498
Cash (utilised in)/generated from operations	(1 323)	2 065

⁽¹⁾ The difference between the dividend received per the statement of comprehensive income and the cash dividend received in the statement of cash flows was due to the exchange rate difference between the date on which the dividend was initially recognised and the date on which the cash was received. The exchange rate difference was recognised in "Other finance (costs)/income – net" in the statement of comprehensive income.

17. CASH AND CASH EQUIVALENTS

	31 March	
	2023 R'm	2022 R'm
Cash at bank and on hand ⁽¹⁾	111	30
	111	30

⁽¹⁾ Refer to note 19 for ratings of banks with which the company has cash balances.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

18. DIVIDENDS

	31 March	
	2023 SA cents per share	2022 SA cents per share
Dividends paid		
<i>Naspers N ordinary shares</i>		
Number 93 - declared 25 August 2022 - paid 10 October 2022 (2022: Number 92 - declared 25 August 2021 - paid 6 December 2021)	660	661
<i>Naspers A ordinary shares</i>		
Number 93 - declared 25 August 2022 - paid 10 October 2022 (2022: Number 92 - declared 25 August 2021 - paid 6 December 2021)	132	132
Total dividend per share for the year	792	793
	R'm	R'm
Total dividends declared for the year⁽¹⁾	1 397	1 437
Total value of dividends paid per the statement of cash flows	1 394	1 434

⁽¹⁾ In August 2021, simultaneous with the share exchange transaction, the cross holding agreement between the company and Prosus N.V. became effective. The company is obligated to pass on any distributions (including dividends) it receives from Prosus N.V. to its free float shareholders.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

19. FINANCIAL RISK MANAGEMENT

Foreign exchange risk

Refer to note 42 of the consolidated annual financial statements for the group's foreign exchange risks policy.

The company entered into foreign exchange contracts at a notional value of R1.4bn (2022: R1.4bn) that were designated as cash flow hedge instruments for a foreign currency dividend receivable. Only the spot elements were designated as a hedge and the remaining portion was recognised in finance income. The purpose of this hedge was to manage the foreign currency risk associated with an outstanding foreign dividend receivable balance. The hedge ratio was 1:1. Cumulative losses of R32m (2022: losses of R10m) have been recognised in other comprehensive income relating to this cash flow hedge since the inception of the hedging relationship and were reclassified to finance income as the underlying dividend receivable balance was revalued and recognised in the statement of comprehensive income. Foreign exchange losses of R32m (2022: losses of R10m) were recognised on the hedged items attributable to the hedged risks. Net gains of R8m (2022: gains of R20m) were recognised as part of "Other finance (costs)/income – net" in the income statement, being the forward element of the forward exchange contract not designated as part of the hedging relationship.

Ineffectiveness is negligible as all critical terms on the hedging instruments and hedged items match. Both the forward exchange contracts and hedged items have been settled by year end.

Movements in the hedging reserve for the year are detailed below:

	31 March	
	2023 R'm	2022 R'm
Opening balance	-	-
Losses on cash flow hedges recognized in other comprehensive income	(32)	(10)
Derecognised and reported in finance income	32	10
Closing balance	-	-

Foreign currency sensitivity analysis

The company's functional currency is the South African rand, but as it operates internationally, it is exposed to the US dollar and the euro due to holding foreign cash deposits.

The sensitivity analysis below details the company's sensitivity to a 10% decrease (2022: 10% decrease) in the rand against the US dollar and the euro. These percentage decreases represent management's assessment of the possible changes in the foreign exchange rates at the respective year-ends. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period-end for the above percentage change in foreign currency rates.

A 10% decrease (2022: 10% decrease) of the rand against the US dollar and the euro would result in an increase in net profit after tax of R2.3m (2022: R1.8m increase in net profit after tax).



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

19. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Refer to note 42 of the consolidated annual financial statements for the group's credit risks and credit risk management policy regarding related party receivables and cash and cash equivalents (which are the same as those of the company) and to note 3 for the company's credit risk regarding loans to subsidiaries.

Guarantees

The company's subsidiary Prosus N.V. has offshore bonds of R14.9bn (2022: R12.3bn) which was made available to fund future investments. The company is the guarantor to these bonds. The guarantees have also been disclosed as part of the company's liquidity risk below. The maximum potential exposure to credit risk under financial guarantee contracts amounts to R14.9bn (2022: R12.3bn). Refer to note 24 for details regarding the group's capital management policies relating to the issuing of bonds. Based on there not being a significant increase in credit risk of Prosus N.V., expected credit losses for these guarantees are immaterial.

Liquidity risk

Refer to note 42 of the consolidated annual financial statements for the group's liquidity risks. In terms of the memorandum of incorporation of the company, no limitation is placed on its borrowing capacity.

The following analysis details the remaining contractual maturity of the company's non-derivative financial liabilities. The analysis is based on the undiscounted cash flows of financial liabilities based on the earliest date at which the company can be required to settle the liabilities. The analysis includes both interest and principal cash flows.

	Carrying value R'm	Contractual cash flows R'm	0 - 12 months R'm	1 - 5 years R'm
31 March 2023				
Non-derivative financial liabilities				
Interest-bearing: Loans and other liabilities	(1 608)	(1 983)	(161)	(1 822)
Accrued expenses and other current liabilities	(23)	(23)	(23)	-
Related party payables	(14)	(14)	(14)	-
Dividends payable	(28)	(28)	(28)	-
Financial guarantees	-	(14 926)	(14 926)	-
31 March 2022				
Non-derivative financial liabilities				
Accrued expenses and other current liabilities	(22)	(22)	(22)	-
Related party payables	(522)	(522)	(522)	-
Dividends payable	(27)	(27)	(27)	-
Financial guarantees	-	(12 255)	(12 255)	-



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

19. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

Revolving credit facility

The company has a revolving credit facility (RCF) of R4bn which matures in August 2025. The RCF is undrawn by R2.4bn, whilst R1.6bn has been drawn in the current year, refer to note 8. The RCF is denominated in South African rand and bears interest at 3-month JIBAR plus 1.55%, before commitment and utilisation fees.

The company has specific financial covenants in place regarding the RCF, all of which were complied with during the reporting period. These financial covenants are linked to various financial metrics including the ratio of the company's debt to the value of its investment portfolio.

The upfront facility and arrangement fees paid in respect of the RCF are amortised over the period of the facility. Since the RCF remains available at the statement of financial position date, the facility and arrangement fees have been included in prepayments.

	31 March	
	2023 R'm	2022 R'm
Facility arrangement fees		
Fees related to revolving credit facility	5	2
Accumulated amortisation of fees	-	-
	5	2

Interest rate risk

Refer to note 42 of the consolidated annual financial statements for the group's interest rate risks policy.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the next financial year and held constant throughout the reporting period in the case of instruments that have floating rates. The company is mainly exposed to interest rate fluctuations of the South African, American and European repo rates and the London and Johannesburg Interbank Average Rate through cash balances held in bank accounts and the revolving credit facility.

Management's best estimate of the possible change in these interest rates is an increase of 100 basis points (2022: 100 basis points for all rates) for South African and European repo rates, an increase of 300 basis points (2022: 300 basis points for all rates) for London and Johannesburg Interbank Average Rate.

Interest sensitivity analysis

If interest rates change as stipulated above and all other variables were held constant, specifically foreign exchange rates, the company's profit after tax for the year ended 31 March 2023 would decrease by R42.1m (2022: increase by R3.9m).



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values, net gains or losses recognised in profit or loss, total interest income, total interest expense and impairment per class of financial instrument are as follows:

	31 March 2023		
	Carrying value R'm	Net gains/(losses) recognised in profit or loss R'm	Total interest/finance income/(cost) R'm
Assets			
Loans to subsidiaries	50 942	-	-
Investment at fair value through other comprehensive income ⁽¹⁾	1	-	-
Other receivables	673	-	-
Related party receivables ⁽²⁾	596	9	55
Cash and cash equivalents	111	6	6
Total	52 323	15	61
Liabilities			
Interest-bearing: Loans and other liabilities	1 608	-	(98)
Accrued expenses and other current liabilities	23	-	-
Related party payables	14	-	(23)
Dividends payable	28	-	-
Total	1 673	-	(121)

⁽¹⁾ Represents a level 1 fair value measurement. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

⁽²⁾ Included in the above is a net foreign exchange loss of R18.1m which is attributable to the net movements on the foreign currency revaluations on the Euro dividends receivable from the Prosus N.V. investment over the period of declaration to receipt and the fair value exposure from the FEC taken out to hedge the dividend receivable.

The carrying values of all financial instruments disclosed above are considered to be a reasonable approximation of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The carrying value of the loans to subsidiaries is a reasonable approximation of fair value as it is repayable on demand and is a reasonable approximation of the amount to be received in an orderly transaction.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

20. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The carrying values, net gains or losses recognised in profit and loss, total interest income, total interest expense and impairment per class of financial instrument are as follows:

	31 March 2022		
	Carrying value R'm	Net gains/(losses) recognised in profit or loss R'm	Total interest/finance income/(cost) R'm
Assets			
Loans to subsidiaries	2 684	-	-
Investment at fair value through other comprehensive income ⁽¹⁾	4	-	-
Related party receivables ⁽²⁾	7	(33)	47
Cash and cash equivalents	30	-	3
Total	2 725	(33)	50
Liabilities			
Accrued expenses and other current liabilities	22	-	(15)
Related party payables	522	-	(5)
Dividends payable	27	-	-
Total	571	-	(20)

⁽¹⁾ Represents a level 1 fair value measurement. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

⁽²⁾ Included in the above is a net foreign exchange loss of R52.3m which is attributable to the net movements on the foreign currency revaluations on the Euro dividends receivable from the Prosus N.V. investment over the period of declaration to receipt and the fair value exposure from the FEC taken out to hedge the dividend receivable. Also included is a net foreign exchange gain of R19.9m is attributable to the purchase of Prosus B ordinary shares.

The carrying values of all financial instruments disclosed above are considered to be a reasonable approximation of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.



Notes to the company annual financial statements (continued)

for the year ended 31 March 2023

21. EQUITY COMPENSATION BENEFITS

Refer to note 38 of the consolidated annual financial statements for details regarding the Naspers Limited share incentive plan.

22. SUBSEQUENT EVENTS

Refer to note 46 of the consolidated annual financial statements for the subsequent events of the Naspers group.



Administration and corporate information

COMPANY SECRETARY

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REGISTRATION NUMBER

1925/001431/06
Incorporated in South Africa

AUDITOR

PricewaterhouseCoopers Inc

TRANSFER SECRETARIES

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Tell: +27 (0)86 140 0110/+27 (0)11 029 0253

For the purpose of holding a virtual annual general meeting

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Tell: 27 (0)11 520 7951/0/2

ADR PROGRAMME

Bank of New York Mellon maintains a Global BuyDIRECTSM plan for Naspers Limited
For additional information, please visit Bank of New York Mellon's website at www.globalbuydirect.com or call Shareholder Relations at 1-888-BNY-ADRS or 1-800-345-1612 or write to:
Bank of New York Mellon
Shareholder Relations Department –
Global BuyDIRECTSM
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Analysis of shareholders and shareholder's diary

for the year ended 31 March 2023

ANALYSIS OF SHAREHOLDERS

Size of holdings	Number of N shareholders	Number of N shares owned
1 – 100 shares	59 956	1 617 708
101 – 1 000 shares	16 081	4 829 919
1 001 – 5 000 shares	2 568	5 646 139
5 001 – 10 000 shares	546	3 866 021
More than 10 000 shares	1 115	419 551 271

The following shareholders hold 5% and more of the N ordinary issued share capital of the company:

Name	% held	Number of N ordinary shares owned
Prosus N.V	49.95%	217 552 704
Public Investment Corporation	7.60%	33 100 894

PUBLIC SHAREHOLDER SPREAD

To the best knowledge of the directors, the spread of public shareholders in terms of paragraph 4.25 of the JSE Limited Listings Requirements at 31 March 2023 was 44.18%, represented by 80 254 shareholders holding 192 430 498 N ordinary shares in the company. The non-public shareholders of the company, comprising 12 shareholders representing 243 080 560 N ordinary shares, are analysed as follows:

Category	Number of N ordinary shares	% of N ordinary issued share capital
Naspers share-based incentive schemes	1 576 746	0.36%
Directors	2 928 933	0.67%
Group companies	238 574 881	54.78%

SHAREHOLDERS' DIARY

Annual general meeting	August
Reports	
Interim for half-year to September	November
Announcement of annual results	June
Annual financial statements	June
Dividend	
Declaration	August
Payment	December
Financial year-end	March

